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Congressional Record

PROCEEDINGS AND DEBATES OF THE 97th CONGRESS, SECOND SESSION

SENATE—*Monday, May 24, 1982*

(Legislative day of Tuesday, May 11, 1982)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, LL.D., D.D., offered the following prayer:

*O Lord, thou hast searched me, and known me. Thou knowest my downsitting and mine uprising, thou understandest my thoughts afar off * * * there is not a word in my tongue, but, lo, O Lord, thou knowest it altogether.*—Psalm 139: 1-4.

We praise and thank Thee, loving Lord for the assurance of Thy sovereign and unceasing providence—that Thou dost never leave us or forsake us. We are grateful for this reminder in the words of a lovely old folk melody: "The lone, wild bird in lofty flight is still with Thee, nor leaves Thy sight, and I am Thine. I rest in Thee. Great Spirit, come and rest in me. The ends of Earth are in Thy hand; the seas' dark deep and far off land, and I am Thine. I rest in Thee. Great Spirit come and rest in me."

Teach us, eternal Father, to rest in Thee, to entrust ourselves to Thee, and to walk in confidence and peace, strengthened by the assurance that Thou art with us always. We thank Thee for the beloved Comforter, the Holy Spirit, for His infallible and untiring counsel. In Thy name, we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

THE JOURNAL

Mr. BAKER. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE END OF THE WEEKEND

Mr. BAKER. Mr. President, on May 4, 1982, Librarian of Congress Daniel J. Boostin announced that Anthony Hecht, whose book "The Hard Hours" won the 1968 Pulitzer Prize for poetry, will become the 26th consultant in poetry in English to the Library.

Anthony Hecht, who was born in New York City, received a bachelor of arts degree from Bard College in 1944 and a master of arts degree from Columbia University in 1950. He has taught at Kenyon College, the State University of Iowa, New York University, Smith College, Bard College, Washington University, where he was Hurst professor in autumn 1971, Harvard University, Yale University, and the University of Rochester, where he has been John H. Deane professor of poetry and rhetoric since 1967. In 1977, Mr. Hecht served on the faculty of the Salzburg (Austria) Seminar in American Studies. He is a recipient of the Prix de Rome (1950), the Brandeis University Creative Arts Award (1965), Guggenheim fellowships (1954, 1959), a Ford Foundation fellowship (1960), a Hudson Review fellowship (1958), and a Rockefeller Foundation fellowship (1967). He is a chancellor of the Academy of American Poets.

Mr. Hecht's collections of poetry include "A Summoning of Stones" (1954), "The Seven Deadly Sins" (1958), "A Bestiary" (1960), "The Hard Hours" (1968), a 1967 British Poetry Book Society choice which won Wayne University's Miles Poetry Award, the National Institute of Arts and Letters' Russell Loines Award in 1968, and the 1968 Pulitzer Prize for poetry, "Millions of Strange Shadows" (1977), and "The Venetian Vespers" (1979). In addition, with John Hollander, he edited "Jiggery-pokery: A Compendium of Double Dactyls" (1967) and, with Helen H. Bacon, translated Aeschylus' "Seven Against Thebes" (1973).

All of us in Congress want to congratulate Mr. Hecht on his appointment, and I would like to ask unanimous consent at this time Mr. President that "The End of the Weekend," a poem by Anthony Hecht be printed in the RECORD.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

THE END OF THE WEEKEND

A dying firelight slides along the quirt
Of the cast-iron cowboy where he leans
Against my father's books. The lariat
Whirls into darkness. My girl, in skin-tight jeans,
Fingers a page of Captain Marryat,
Inviting insolent shadows to her shirt.

We rise together to the second floor.
Outside, across the lake, an endless wind
Whips at the headstones of the dead and walls
In the trees for all who have and have not sinned.
She rubs against me and I feel her nails.
Although we are alone, I lock the door.

The eventual shapes of all our formless prayers,
This dark, this cabin of loose imaginings,
Wind, lake, lip, everything awaits
The slow unloosening of her underthings.
And then the noise. Something is dropped. It grates
Against the attic beams.

I climb the stairs,
Armed with a belt.
A long magnesium strip
Of moonlight from the dormer cuts a path
Among the shattered skeletons of mice.
A great black presence beats its wings in wrath.
Above the boneyard burn its golden eyes.
Some small grey fur is pulsing in its grip.

ORDER OF PROCEDURE TODAY

Mr. BAKER. Mr. President, I believe that there are special orders in favor of three Senators to be followed by a period for the transaction of routine morning business to extend not past the hour of 1:30 p.m., in which Senators may speak for not more than 5 minutes each. Is that a correct statement of the schedule today?

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

The **PRESIDENT** pro tempore. The leader is correct.

Mr. **BAKER**. I thank the Chair.

SENATE SCHEDULE

Mr. **BAKER**. Mr President, as I announced earlier, it is the intention of the leadership to try to proceed to the consideration of H.R. 5922, the urgent supplemental appropriations bill, at the close of morning business today. There are certain negotiations which are underway with Senators who have a special interest in this piece of legislation, which may or may not dictate that we delay briefly the presentation of the motion to proceed to consideration of this matter. I say this only so Senators will be on notice that there are negotiations underway in that respect.

They may indeed avoid the necessity for making the motion to proceed. They may provide for an orderly consideration of this important measure and it may indeed expedite the proceedings of the Senate. I think it is worth the investment of our time to explore those possibilities and to continue those negotiations for the time being. I shall do that, as will other Senators, during the next hour or so, and have a further announcement to make in respect of the supplemental appropriations bill before much longer.

It is the intention of the leadership, Mr. President, to try to deal with the urgent supplemental appropriations bill and to at least lay down the Voting Rights Act and to deal with other matters that may be cleared for action during this week. I expect the Senate will be in session on Monday, Tuesday, Wednesday, Thursday, and Friday. If we can attend to the duties of the Senate and the schedule that I have generally outlined by Friday, I should expect Friday to be a fairly easy day. Senators should not anticipate that the Senate will not be in session on Friday. Indeed, I expect that it will be in session on Friday.

Mr. President, as to the convening and recessing or adjournment times of the Senate, I shall not now attempt to establish those times, since we shall arrange the schedule during this week to accommodate the requirements of the legislative schedule as it may evolve and develop. Senators are reminded that Thursday is our regular late evening if a late evening is required. Every effort will be made by the leadership to avoid late sessions on Monday, Tuesday, and Wednesday. However, it may be necessary to go beyond the usual 6 o'clock time for recess or adjournment on Tuesday or Wednesday in view of the requirement that the urgent supplemental be dealt with before we go out and that we proceed or attempt to proceed with the consideration of other matters, including the voting rights bill, before that.

In summary, Mr. President, I do not expect that the Senate will be able to adjourn or recess early. I do expect we shall be in on Friday. It is my hope, however, that the session on Friday will not be a heavy schedule.

It is also my hope that if there is a late evening, it can be confined to Thursday, but I am by no means sure of that. It depends a good deal on how much difficulty we encounter in trying to move the urgent supplemental appropriations bill.

I should like to take up and finish the Voting Rights Act, but I have no illusions about that. Unless we can work out certain arrangements, I expect it will require more time than 1 day or even 2 days to deal with that matter. It is the intention of the leadership to try to lay down that measure before we go out, if not, indeed, to finish it.

Mr. President, I do not believe I have any more use for my time and I am prepared to yield it to any Senator or to yield the remainder of my time to the minority leader.

Mr. **ROBERT C. BYRD**. Mr. President, I thank the majority leader if he will yield his time to me, though I am not sure I need it.

Mr. **BAKER**. I do that, Mr. President.

RECOGNITION OF THE MINORITY LEADER

The **PRESIDING OFFICER** (Mr. HAYAKAWA). The minority leader is recognized.

THE NEED FOR A MORE RESPONSIBLE MONETARY POLICY

Mr. **ROBERT C. BYRD**. Mr. President, in the current round of budget discussions there has been much concern that partisanship was dominating the Senate debates. For this reason it is important to point out clear instances where Republicans and Democrats can unite behind democratic proposals to spur the long-promised economic recovery.

This cooperation has never been more in evidence than in the case of a resolution sponsored by three of my distinguished Democratic colleagues. The distinguished Senators from New York, Michigan, and Tennessee, Messrs. MOYNIHAN, RIEGLE, and SASSER have sponsored a resolution calling for a more reasonable monetary policy as a necessary condition for strong economic recovery.

The resolution says that "It is the sense of the Congress that, if Congress acts to restore fiscal responsibility and reduces projected budget deficits in a substantial and permanent way, then the Federal Reserve Open Market Committee shall reevaluate its monetary targets in order to assure that they are fully complimentary to a new and more restrictive fiscal policy."

Democrats have argued, throughout the year, that only synchronized and prudent fiscal and monetary policies will lead to strong sustained recovery. In fact, the need for a more responsible monetary policy was included in a letter Senate Democrats unanimously agreed to send to the President.

I am very glad to welcome Republicans to the responsible monetary policy fold. My good friend, and most respected colleague, the senior Senator from New Mexico, Mr. DOMENICI, accepted this resolution as an amendment to the Senate's budget "without objection," according to a story appearing in Friday's New York Times.

I ask unanimous consent to include an article by Leonard Silk, the economic columnist for the New York Times. The article clearly spells out the flaws with tight money and loose fiscal policies, and discusses the resolution Senators MOYNIHAN, RIEGLE, and SASSER put forward.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 14, 1982]

Economic Scene—Tight Money, Loose Money

(By Leonard Silk)

The essence of the Reagan Administration's economic approach is a combination of a loose fiscal policy, marked by big tax cuts and big budget deficits, and a tight monetary policy, with the White House and the Treasury providing strong encouragement to the Federal Reserve System to bring down the rate of growth of the money supply.

This radically different course for United States economic policy, aimed at curing both economic stagnation and inflation, was first prescribed in 1971 at an international monetary conference held at the University of Bologna in Italy by Prof. Robert Mundell of Columbia University—a conference that has recently been resurrected by John Brooks in The New Yorker.

Those present at Bologna, including this columnist, vividly recall the shock that ran around the long rectangular conference table when Professor Mundell introduced what was to become known as supply-side economics, or, more exactly, Reaganomics.

During the creation of the revolution in economic theory that was wrought in the 1930's by John Maynard Keynes, who saw the solution to mass unemployment in lower taxes and higher expenditures, there was a popular paraphrase of the poet Shelley: "Bliss was it in that Keynesian dawn to be alive, but to be young was very heaven." In contrast, the Mundellian revolution produced acute shock in Bologna, and acute pain for Keynesians and conservatives alike.

The economists at Bologna held inflation responsible for the deficits in the United States balance of payments and the weak dollar; that was the focus of the meeting.

And Professor Mundell was challenging the conventional wisdom, embodied in the "neoclassical synthesis," that the way to stop inflation was to tighten fiscal policy by raising taxes and seeking to move the budget into balance or surplus.

Professor Mundell contended on the contrary that, under the circumstances, raising taxes and chopping expenditures to balance the budget would cause a depression without stopping the inflation and without curing the weakness of the dollar.

While his use of the term "depression" appears in retrospect to have been an overstatement of what actually followed, the economy did grow at a weak and stuttering rate through the 1970's. And the eventual adoption by the Reagan Administration of a Mundellian mixture of loose fiscal and tight money policies has indeed brought down the rate of inflation and has led to a marked strengthening of the dollar.

But those gains have thus far come at a high cost—deep recession and a high rate of unemployment. In addition, high interest rates resulting from the collision of big budget deficits and tight money have caused sharp slumps in interest-sensitive industries such as housing and autos, curbing investment in plant and equipment and offsetting the stimulus of the fiscal measures.

As Professor Mundell predicted, the dollar has been strengthened, with high interest rates drawing capital from abroad; this has mitigated the inflationary effects of the stimulative fiscal policy. But the stronger dollar has also weakened the United States trade position by making American goods more expensive and foreign goods cheaper.

In addition, the loose-fiscal/tight-money mix, as Data Resources Inc. notes in its May report, has weakened the financial position of households, businesses and depository institutions, increasing the fragility of the financial system and the potential for failures. Braniff Airways' petition for court protection under the bankruptcy law, though complicated by the effects of airline deregulation, is only the latest and most spectacular example of this fragility.

Because of the steep recession, high unemployment, high interest rates and continuing threats to many companies and industries, pressures are growing for a switch from the Mundellian mix of loose-fiscal/tight-money policies to a combination of tighter fiscal and easier monetary policies.

That is where a coalition of Republicans and Democrats now appears to be heading. The Senate Budget Committee, led by Senator Pete V. Dominici, Republican of New Mexico, has now adopted "without objection" a resolution sponsored by three Democratic Senators, Daniel Patrick Moynihan of New York, Donald W. Riegle, Jr. of Michigan and Jim Sasser of Tennessee. The resolution, in a historic move, would instruct the Federal Reserve to ease monetary policy if Congress tightens up the budget and drastically shrinks the prospective budget deficits.

The resolution declares: "It is the sense of the Congress that, if Congress acts to restore fiscal responsibility and reduces projected budget deficits in a substantial and permanent way, then the Federal Reserve Open Market Committee shall re-evaluate its monetary targets in order to assure that they are fully complementary to a new and more restrictive fiscal policy."

While the resolution is not precise on fiscal and monetary targets, it does appear to call for a new mixture in the direction of tighter fiscal and easier monetary policies. What the economic consequences of this resolution might be, should it be adopted by both houses of Congress and made law, as Senator Moynihan contends it would be, will be considered here in the future.

Mr. ROBERT C. BYRD. Mr. President, I yield to the Senator from Wisconsin (Mr. PROXMIRE).

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. PROXMIRE. I thank the leader.

CATO POLICY ANALYSIS OF THE CONSEQUENCES OF NUCLEAR WAR—SUMMARY

Mr. PROXMIRE. Mr. President, for the last couple of weeks, I have daily called to the attention of the Senate the consequences of a nuclear attack on the United States by the U.S.S.R. The study by two experts—Katz and Osdoby—was based on a painstaking analysis of much available material. Mr. Arthur Katz has devoted many years to this study and has written a highly repected book, "Life After Nuclear War." Today, I call to the attention of the Senate a brief in this report, which indeed, is a summary of the findings of Mr. Katz and Mr. Osdoby. Tomorrow, I shall provide the conclusions of the study.

In summary, Mr. Katz and Osdoby say:

> The economic attacks postulated . . . employ only a small fraction of the existing nuclear arsenal. It is clear that even a small, selectively targeted nuclear attack can paralyze a nation and that recovery would be problematic at best. We have presented a brief, grim description of economic and human damage, as well as the vulnerability of key support structures for society's short- and long-term goals. Yet even that picture could not adequately describe life after nuclear war. What it lacks is a sense of the uncertainty and ambiguity that would exist in the effective use of surviving physical and human resources and in reestablishing social bonds.

Mr. President, in previous statements, I have spelled out the grim effects on our medical capacity, on our economy, on our energy facilities, on food, as well as, of course, the terrible number, the tens of millions of human deaths, that would certainly result in the event of such an attack.

MASSACRE IN UGANDA

Mr. PROXMIRE. Mr. President, the crime of genocide is a phenomenon which occurs with dismaying frequency. Although it has been nearly 40 years since the Nazi Holocaust, we have yet to stop those who would commit mass murder.

A recent article in the Washington Post relates charges of a brutal massacre in Uganda, a massacre that left over 60 Ugandan civilians dead. According to the article, the killings were committed by the Ugandan Army in a 4-day punitive sweep against suspected rebels living in the villages of Mende and Matuga.

This example of slaughter may not be a case of genocide—we simply do not have all the facts. However, as one more incident of mass murder, it illustrates how desperately we need to guard against abuses of human rights.

The United States has always been the leader in the fight for human rights. The list of our achievement needs no enumeration. However, we have not ratified the Genocide Convention, one of the most important of the international human rights treaties. Our failure to do so is both ludicrous and shameful. It is ludicrous because the United States already actively upholds the treaty's major tenet—the right to live. It is shameful because our failure to ratify the Convention has hindered our diplomacy and left us open to ridicule.

The Genocide Convention's history dates back to World War II and the horrors of the Nazi Holocaust. The Convention was designed to prevent genocide from ever recurring. It defines genocide as an act "committed with intent to destroy, in whole or in part, a national, ethnical, racial, or religious group," and it sets up a process for the punishment of those who commit genocide. As such, it deserves our firmest support.

Mr. President, in a world where mass murder is still so prevalent, we need to take the strongest possible stand in support of the right to live. Senate ratification of the Genocide Convention would make clear our position on the crime of genocide and would signal our disapprobation of those who commit mass murder.

Mr. President, I ask that this body ratify the Genocide Convention.

ELMER STAATS SPEAKS OUT ON THE DEFENSE BUILDUP

Mr. PROXMIRE. Mr. President, no one knows more about the waste and mismanagement in the Defense Department than Elmer Staats, former Comptroller General of the United States. Therefore, it is significant that Mr. Staats has spoken publicly about the defense buildup.

On May 5, 1982, Mr. Staats gave a talk entitled "The Rapid Defense Buildup: Need for a Second Look?"

In his talk, delivered before a group of businessmen and defense specialists in a conference in New York City sponsored by the Center for Defense Information, Mr. Staats expressed great concern that the defense buildup may be proceeding too rapidly, "with the result that we may be making hasty decisions as to what we need and incurring waste and economic dislocations in the process."

In the course of his remarks, the former Comptroller General made the following statement:

> In the days when I was directly involved in reviewing defense budgets, the frequent remark from the military: "We'll tell you what we need. You tell us what we can afford." I somewhat resented that type of

remark on the grounds that the Defense Department itself did not give us a well-considered statement of priorities and all too little emphasis was placed on the role which given weapons systems played in the basic missions of our military forces.

I hope all will read the well-considered views of one of the most highly respected Government officials of our time. I ask unanimous consent that the remarks of Elmer B. Staats entitled "The Rapid Defense Buildup: Need for a Second Look?" be printed in the RECORD at the close of my remarks.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF ELMER B. STAATS; THE RAPID DEFENSE BUILDUP: NEED FOR A SECOND LOOK?

I might have titled my remarks in a number of different ways. Given my background in budgeting for defense programs and, more recently, in an oversight role for the Congress, several alternative titles might have been appropriate. For example:

"Getting The Most For The Defense Dollar"

"What Is Past Is Prologue"

"Proceeding With All Deliberate Speed"

"Make Haste Slowly"

"Heed Lessons Of The Past"

"Getting More Bang For The Buck"

You can undoubtedly think of many others to underscore the concerns which are being expressed more and more frequently and loudly that the planned increased spending for defense through the 1987 period contemplates an acceleration which is not wise or perhaps even necessary.

Expressed in current dollars, defense outlays (expenditures) would increase from approximately $183 billion in 1982 to $356 billion in 1987, roughly doubling in a five-year period. Expressed in 1983 dollars, the increase is almost as dramatic, from $195 billion to $290 billion. Expressed as a share of the Gross National Product, the percentage increases from 5.9 percent to 7.4 percent.

It is certainly not my contention that the Nation cannot afford the level of spending which is contemplated. There are deep concerns, however, which I share, that we may be attempting the defense buildup too rapidly with the result that we may be making hasty decisions as to what we need and incurring waste and economic dislocations in the process.

In the days when I was directly involved in reviewing defense budgets, the frequent remark from the military was: "We'll tell you what we need. You tell us what we can afford." I somewhat resented that type of remark on the grounds that the Defense Department itself did not give us a well considered statement of priorities and all too little emphasis was placed on the role which given weapons systems played in the basic missions of our military forces.

More significantly, however, I do not believe the question of what we can afford is entirely relevant in this context. Certainly, given wise economic policies—the right kind of tax, monetary, and other policies—we can as a Nation adjust to large increases in defense spending. Whether we can develop such policies are dependent greatly upon the wisdom of our political leaders and their ability to convince our citizens as to need—that is, the extent and nature of the threat and adjustment of national priorities to accommodate large increases. In brief, the problem is more of a political problem rather than an economic one.

The question which I would underscore is whether the speed or the rate of increase is realistic under present circumstances. The question of whether the projected defense outlays are inflationary, under present circumstances, must be answered in the affirmative—not just defense spending but the overall deficit which is now projected over the same period as the defense buildup. To the extent that the buildup of the defense program contributes to this deficit, it certainly is inflationary. I need not remind this audience of the projections of the deficit which have come forth from the OMB, the CBO, and any number of outside experts. Needless to say, without courageous action by the President and the Congress, any of these estimated deficits is far too high. They are contributing in a major way to continued high interest rates, unemployment, low productive capital investments, and a monetary policy which we would all hope could be modified but unlikely, given the deficit outlook.

We hear frequently that any level of defense spending is nonproductive and is therefore inflationary per se. What is meant by this is that outlays for defense purchases are nonproductive in that they do not produce goods for the civilian market. As Charles Schultze of the Brookings Institution pointed out in recent testimony before the Joint Economic Committee of the Congress, the economic effect of defense purchases is not relevant with respect to a judgment about the usefulness of the products purchased. The real point—which he pointed out—is that while the Government pays income to the defense producers, the Government doesn't turn around and sell those goods in the marketplace, thereby absorbing an equivalent amount of income and purchasing power. The net of this is that the Government must increase taxes to soak up the added purchasing power created when goods are produced for defense. To the extent that current taxes are inadequate to cover these outlays, the obvious impact is inflationary. Purchasing power has been placed in the economy but has not been reabsorbed.

We frequently see comparisons made of the relative share of the Gross National Product for defense as among both allies and adversaries. I am not certain that these comparisons are very useful unless they are related to the type of taxes which are levied on the economy. We hear a great deal of criticism of Japan, for example, for the low percentage of its GNP devoted to defense, the point being that if they spent as much as we did they would be less competitive in world markets and would have a smaller trade surplus with the United States. Certainly one cannot argue that Japan's productivity growth rate is much higher than our own and its export share of the U.S. market has grown steadily in such important areas as steel, automobiles, electronics, and other goods. They also point to the higher rate of savings and capital investment in Japan in comparison to our own. The more important consideration is whether or not our tax system has been designed to limit or depress consumption rather than investment. The 1981 Economic Recovery Act certainly recognizes this problem in part but I will leave this point only with the question of whether or not it goes far enough to encourage the additional capital investment which we badly need for new plants, modernization of existing plants, and to encourage needed levels of savings. You may say that politically this is difficult for us as a Nation and I would certainly agree with such a conclusion.

What then are the concerns about the rapid buildup aside from the overall budget deficit and the fact that our tax policies have not been geared to the need for savings and capital investment? As a general proposition—and I do not have detailed data to support this proposition—the defense industrial base has deteriorated since World War II with the exception of the short period during and following the hostilities in Korea. It simply takes a long time and a great deal of money to enlarge the defense industrial base which, of course, is a part of the question of whether or not the buildup may be unrealistically too fast.

Related to the industrial base question is whether or not we have adequate skilled manpower, engineering and scientific talent, and research and development facilities, that can be allocated to the buildup without a serious adverse impact on the civilian economy. Increasingly, I hear concerns expressed in the scientific and educational community that we may be damaging our long-term capability to meet engineering talent requirements through employment by the defense industries of faculty from our leading engineering schools. The fact is that weapons systems production is highly specialized, is limited to a relatively few units in the economy, and, in most cases, Government sales represent a large percentage of the contractors' total business. This is very different from most other large programs in the Federal Budget. The Brookings Institution had pointed out, for example, that while a $20 billion increase in defense and R. & D. procurement represents less than 1 percent of the GNP, it represents something between 10 and 20 percent for manufacturing ordnance, aircraft, and communication equipment industries. The opposite extreme would be the budgetary impact on expenditures for low income groups where the transfer payments would largely go for food, clothing and housing. The obvious impact of the former is the pressure on prices, difficult problems of quality control, and diversion of materials, components and labor skills from the civilian economy. Cost overruns, while not unique with defense programs by any means, become a way of life. Complicating this problem, of course, is the fact that so many of our weapons systems are modified during the course of production; many are rushed into production before adequate planning and testing; and the old rule of "fly before you buy" is observed less and less frequently. Inventory controls become more difficult. Systems are procured without adquate attention to spare parts and maintenance capability.

It has been clearly pointed out by Murray Weidenbaum, Chairman of the Council of Economic Advisor, and others that the increase in the precent of GNP for defense outlays is smaller than that which took place both during the Vietnam War buildup and the hostilities in Korea (between 1949 and 1952). It should be pointed out, however, that during the Korean period particularly we still had much of the industrial base which had been developed during World War II. More important is the nature of the buildup itself. During the Vietnam period, for example, the increase in outlays largely reflected the increase in the size of the armed forces. To a large extent, the bottleneck problem which I have described did not take place.

The Director of Research for Goldman Sachs, in an analysis which excluded personnel from the prospective buildup, indicates that the share of "goods producing" GNP absorbed by the planned military budget reveals a very different story. When this is done, the share computed rises from 5.9 percent in 1981 to 10.0 percent in 1986, compared with the Vietnam period where a similar increase rose by only 2.7 percent, that is from 7.9 to 10.6 percent. Charles Schultze, in his testimony to which I previously referred, estimates that 30 percent of the Nation's total increase in "goods producing" GNP over the last four years will go to the military compared to only six percent in fiscal year 1981.

In fact, the industrial base was able to absorb the rather large increases for fiscal year 1982 but the question still remains: How much additional capacity is there to absorb increases in the future years?

Now, in rebuttal, advocates of the rapid buildup would point out that the economy is slack, industry is operating at a very low percentage of its capacity, there is a high level of unemployment, and to date no serious shortages of critical raw materials have developed. All this of course is true, but it fails to recognize sufficiently the highly specialized nature of most military procurement and the shortages of highly skilled labor and specialized components required by defense industry. This situation is aggravated by the heavy emphasis in the defense buildup on strategic and other highly specialized weapons systems rather than on procurement of those items which we associate more directly with conventional forces—ammunition, transport, spare parts, and so forth. The prospect, therefore, is an even greater increase in overall prices for defense procurement than has taken place in the past and certainly calls into question the five-year projections which have been made by the OMB and the Department of Defense to which I referred earlier. I do not wish to engage in the argument—at least at this point—as to whether the overall balance in conventional forces and strategic forces is the proper one. I will simply point out that this argument will increase in intensity, particularly if the defense obligational authority is substantially reduced, as expected, by the Congress. If past experience is a good indicator, these reductions will take place largely in the very items to which I referred—ammunition reserves, fuel for training flights, deferred maintenance, and similar items.

Assuming that my analysis up to this point is correct, what are some of the things that we have learned with respect to defense procurement which would help minimize the difficulties which I see? I turn to the work of the General Accounting Office and, indeed, to ongoing efforts within the Defense Department, largely under the leadership of the Deputy Secretary of Defense Frank Carlucce.

At this point I want to delineate the problems associated with procurement of individual weapons systems from the total as we look at the buildup over the next several years.

GAO has reported in the past that stretching out procurement of major weapons systems due solely to funding shortages is unsatisfactory. It perpetuates annual, agonizing decisions as to which programs to curtail and impairs readiness. We have recommended high need systems be procured efficiently even at the expense of other programs. Increasing production rates and selected use of multi-year contracting are viable acquisition strategies which, if judiciously used, can substantially reduce procurement costs. However, the weapon must have stable costs, perform as expected, and be supportable.

For example, in a report issued by the GAO in January 1978, we identified annual savings of $3 million or about 20 percent of 26 multi-year contracts valued at $14 million, exclusive of any administrative cost savings. Obviously, these were relatively small contracts for certain Defense Logistics Agency and Air Force procurements. In addition to the cost savings, we concluded that with a longer time period for investment amortization allowed by multi-year contracts, a larger number of contractors, including small and minority-owned business, would be encouraged to compete for Government contracts. Today, the uncertainties of future business inherent in the annual contracts discourages many such businesses from competing since they have no assurance that they can recover necessary capital investments. Another advantage is that by providing greater stability and continuity we can improve the quality of service and supply needs by maintaining a well trained workforce.

Based upon this and other studies, GAO recommended to the Congress legislation authorizing the Department of Defense to procure on a selective basis through multi-year contracts. Congress has now approved such legislation and the Department of Defense is moving to adopt multi-year contracts increasingly.

GAO reports have emphasized that improving reliability of weapons systems should result in reduced operating and maintenance costs—once a system is deployed. Streamlining the acquisition process, and improving long-range planning and budgeting can do much to reduce acquisition costs. However, caution must be exercised when streamlining high technology acquisition programs. Joint development programs such as the Navy and Air Force development of the Advanced Medium Range Air-to-Air Missile (AMRAAM) needs to be encouraged.

In March 1981, the Defense Department established a steering group to make recommendations for improving the acquisition of weapons systems. On April 30, 1981, some 31 specific management initiatives were adopted concerning a comprehensive implementation plan covering legislative changes, rewriting defense directives, identifying weapons systems for application of specific initiatives, and redirecting personnel. The sheer size of the Department of Defense requires time for new policy and procedures to permeate downward through the thousands of people involved. Attitude and established patterns have to be changed. Persistent aggressive follow-up and examination of results are essential. All of the initiatives have merit and could result in substantial savings.

Let me cite just a few examples based on GAO work in support of this conclusion and the overall point of my remarks today—that we need to proceed with the business of building new weapons with great care. In September last year, the GAO issued a report dealing with the Department of Energy's nuclear weapons complex capability to respond to the increase in defense requirements to meet its needs through the 1980s. It concluded that the Department of Energy's nuclear defense budget could go from $3 billion in fiscal year 1980 to $6 billion in 1984. However, importantly, the report pointed out that nuclear materials required to build new weapons are greater than DOD's current production capability and that nuclear weapons production complex could be technically and physically inadequate to meet the projected workload. This problem is critical to the plans to deploy the B-1 bomber, develop the Stealth bomber, the deployment of a new submarine-launched ballistic missile, as well as the early deployment of cruise missiles on the submarines. It is obviously important also with respect to the planned deployment of new and larger MX missiles.

A second example is provided in a February 1982 report which questioned whether the air-launched cruise missile (ACLM) can fully meet its initial operational capability in December 1982 and the increasing risk that meeting the initial operational capability date may not be met with a fully operational missile. The report pointed out that the milestone established for initial operational capability had been the driving force in the premature completion of other milestones which had caused serious concern. The risk is also present that by driving to meet the milestone we may end up with operational limitations which could require costly modifications.

A somewhat similar assessment was made by the GAO with respect to sea-launced cruise missiles. The report points out that if deployed as scheduled next month, the types and geographical locations of targets it would be able to effectively attack will be limited. The report concluded that if deployed in significant numbers with its current limitations, the result could be the proliferation of missiles which cannot be fully used against a wide spectrum of high-value targets. The report further points out that without a good inventory of all missiles available—now lacking—we may be funding medium-range air-to-surface missiles which are unneeded.

A GAO report in February of this year dealt with the controversial MX missile. In that report, it concluded that there appears to be a limited production capability for certain critical materials needed for construction of the MX missile. Among them are ammonium perchlorate, beryllium carbon/carbon, and nuclear materials for the warhead. One or two manufacturers exist for each of these materials and there is uncertainty about the availability of these materials for several reasons, such as other priorities, health hazards, and funding rate times. Adding to the Air Force's problems is the shortage of affordable housing near the Vandenberg Air Force Base which could be a serious handicap for contractors' ability to hire a sufficient number of technicians.

I do not wish to prolong the number of examples unduly but let me point out possibly the most critical problem of all, namely, the capability of our defense warning and communication system essential for command, control and intelligence systems of our strategic as well as our general purpose forces. Senior Defense officials referred to the Nation's communication capability as the weakest link in our military posture. The Defense Department has assigned the "highest priority" to improving this system, even higher than the MX or the B-1 bomber. Yet, we find several GAO reports within the last year calling into question whether the planned systems are the "most cost-effective, survivable, endurable, and credible" in terms of meeting our strategic and intelligence requirements. Currently, the Defense Department plans over the next six years to spend over $18 billion for improving these systems. Among the GAO's several criticisms were reservations about Defense plans for full-scale construction of a joint military statellite space shuttle operational control facility because the operational requirements and costs were not sufficiently defined. This facility alone is estimated to cost $1.4 billion.

I could go on with many other examples:

The failure of the M-1 tanks power train to meet the Army's durability requirements.

Plans for a production decision for a new gun to counter the Soviet helicopter and fixed wing air threat before the evaluation of system durability and logistics support.

The Navy's decision to increase the procurement of F/A-18s without a firm estimate with respect to follow-on procurement which would allow contractors time to adequately plan for long-term procurement for raw materials and components.

The decision to proceed with the procurement of the new AV-8B aircraft without first resolving the question of the Navy's ability to adequately maintain the aircraft, involving an issue of limited maintenance personnel, shipboard space constraints, and inadequate logistics support.

Perhaps the above is adequate to illustrate the range of issues involved in the development of new and improved weapons systems and particularly to underscore the importance of a careful process of setting priorities, planning for the production of systems which will enable the Defense Department to not only reach optimum decisions but also to monitor and adjust as problems arise in the development, testing, and production phases. We have prided ourselves in having quality superiority over the Soviets as offsetting the Soviet production of weapons systems in larger numbers. Any effort to compress the time of the buildup in our own forces runs a risk of degrading the quality and performance of the systems themselves, thus removing this very important advantage.

I can agree with Deputy Secretary Frank Carlucci in his paper, "Improving The Acquisition Process," when he says "We must examine evolutionary alternatives which use a lower risk approach to technology than solutions at the frontier of technology."

Before concluding I want to add a brief word to emphasize the importance of maintaining an adequate industrial base to enable us to quickly step up the volume of war material that may be needed in a national defense emergency.

A major factor in the past ineffectiveness in planning with the industrial base can be attributed to the lack of a defined role that the industrial base is to play in a future conflict. Controversy regarding the warning time, length, duration and intensity of a potential war, and associated materiel needs, has added considerably to industry's uncertainty and lack of commitment for the planning program.

In this regard, a national policy regarding expectations of the industrial base is needed. This policy would assist both DOD and industry in restructuring and focusing industrial planning efforts in light of the perceived role and resources available to achieve it.

In summary, I commend the efforts undertaken by the current leadership of the Department of Defense to improve procurement practices as outlined in Deputy Secretary Carlucci's testimony before the Congress. My remarks today do not focus on the military requirements as outlined by the Administration in its defense budget goals nor do I attempt to pass judgment on the need for and balance between individual weapons systems which constitute our general purpose and our strategic forces. Both of these are indeed legitimate issues which need to be debated widely in the Congress before long-term commitments are made. What I have chosen to do today is to deal with the separate question as to the rate at which the buildup is taking place and scheduled to take place over the next several years. My conclusion is that present schedules constitute unacceptable risks of waste, mistakes, and even loss of public confidence in the goals themselves.

OPPOSITION TO NOMINATION OF JAMES STEARNS

Mr. PROXMIRE. Mr. President, I recently received a letter signed by 16 members of the Securities Committee of the Federal Bar Association urging me to continue my effort to oppose the nomination of James Stearns to be Chairman of Securities Investor Protection Corporation, a nomination sent to the Banking Committee and the Banking Committee has acted on by a very close vote, a party line vote.

The letter states that Mr. Stearns does not have the professional background or experience in securities law that is essential for leadership of SIPC.

That is exactly why I and six members of the Banking Committee oppose Mr. Stearns' nomination.

I sincerely hope the President will withdraw this nomination.

I ask unanimous consent that the letter I refer to be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

KIRKPATRICK, LOCKHART, HILL,
CHRISTOPHER & PHILLIPS,
Washington, D.C., May 20, 1982.

Hon. WILLIAM PROXMIRE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PROXMIRE: I am writing on behalf of the group of securities lawyers listed in the attachment hereto. All of the attorneys are members of the Executive Council of the Federal Securities Law Committee of the Federal Bar Association. We are writing individually, however, and not on behalf of the Council, to express concern over the nomination of James G. Stearns to be Chairman of the Securities Investor Protection Association ("SIPC"). We have no political axe to grind and, indeed, we seldom—if ever—have felt it was necessary to express our views with respect to a Presidential nominee. We do so at this time because we believe that Mr. Stearns does not have the professional background or experience in securities law that is essential for leadership of SIPC.

As you know, SIPC is a Government instrumentality which is designed to maintain investor confidence in the securities industry by providing insurance for customer accounts in brokerage firms in the event of insolvency. It is, in a real sense, a crises preparedness agency. Its everyday operations in good times tend to be routine, but in case of an insolvency by one or more brokerage firms, it must move quickly to marshall assets, release securities and funds to customers, settle accounts of the firm, and liquidate the same. The agency has a very small professional staff. Effective functioning of SIPC requires a chairman who has a background of experience in the securities industry or in securities regulation.

Each of the past Chairmen of SIPC, without question, has possessed these qualifications and the agency has effectively fulfilled its function of protecting investors and maintaining confidence in the securities industry. Mr. Stearns, however, is a rancher and duster pilot by profession, whose public service has been largely limited to appointments in California, agricultural agencies, and as the Director of the Office of Alcohol Fuels, Department of Energy. Mr. Stearns' background obviously bears no relation to the securities business, and his appointment as Chairman of SIPC would raise a grave question as to whether the agency would have the leadership necessary to perform its critical function in times of industry crises.

For these reasons we respectfully urge that you continue to oppose the nomination of Mr. Stearns to become Chairman of SIPC.

Sincerely yours,
RICHARD M. PHILLIPS.

Attachment.

Meyer Eisenberg: Rosenman, Colin, Freund, Lewis & Cohen, 1300 19th Street, N.W., Washington, D.C. 20036.

Solomon Freedman: Davis & Cox, 1707 H Street, N.W., Washington, D.C. 20006.

Professor Robert J. Haft: Georgetown Law Center, 600 New Jersey Avenue, N.W., Washington, D.C 20001.

Dennis J. Lehr: Hogan & Hartson, 815 Connecticut Avenue, N.W., Washington, D.C. 20006.

Paul J. Mason: Sutherland, Asbill & Brennan, 1666 K Street, N.W., Washington, D.C. 20006.

Herbert E. Milstein: Kohn, Milstein & Cohen, 1776 K Street, N.W., Washington, D.C. 20006.

Allan S. Mostoff: Dechert, Price & Rhoads, 888 17th Street, N.W., Washington, D.C. 20006.

Fred A. Little: Shaw, Pittman, Potts & Trowbridge, 1800 M Street, N.W., Washington, D.C. 20036.

Harvey L. Pitt: Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue, N.W., Washington, D.C. 20037.

Irving M. Pollack, 13010 Carney Street, Wheaton, Maryland 20906.

Dean Donald E. Schwartz: Georgetown Law Center, 600 New Jersey Avenue, N.W., Washington, D.C. 20001.

David Silver, 1775 K Street, N.W., Washington, D.C. 20006.

Wallace L. Timmeny: Kutak, Rock & Huie, 1101 Connecticut Avenue, N.W., Washington, D.C. 20006.

Stephen J. Weiss: Arent Fox, Kintner, Plotkin & Kahn, 1815 H Street, N.W., Washington, D.C. 20006.

Mr. PROXMIRE. Mr. President, once again I thank the leader, and I yield the floor.

Mr. ROBERT C. BYRD. Mr. President, I yield back to the majority leader such time as I have remaining.

Mr. BAKER. Mr. President, I have no need for my time remaining under the standing order, and I yield it back.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, for reasons that were not anticipated at the time special orders were provided for, Senators cannot appear in the Chamber to claim their time in the sequence they were ordered.

I ask unanimous consent that the three Senators awarded special orders today may appear and claim that time in whatever sequence they seek recognition.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I would once again suggest the absence of a quorum on the same terms and conditions as previously ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CRIME CONTROL

Mr. NUNN. Mr. President, the problems which the Crime Control Act of 1982 addresses are readily familiar even to the most casual follower of the morning newspaper or the evening news. Crime, as well as the fear and violence which accompany it, strikes much too close to home for far too many Americans. Despite that fact, our criminal justice system remains long overdue for needed reform. Examples which point to that conclusion abound.

One can be found in the case of Robert Lee Jones. On July 23, 1974, Jones was sentenced to a term of life imprisonment, after having been convicted of the shotgun murder of Jack Bell in Fulton County, Ga. The Georgia Supreme Court affirmed his conviction on April 8, 1975. Jones was serving his life sentence at the Terrell County Correctional Institution when, on November 24, 1979, prison authorities released him for a temporary 60-hour "Thanksgiving furlough." Jones never returned to the institution and was subsequently listed by prison authorities in the "escapee" category.

On March 26, 1982, Francis Tuck Davis was murdered with an ice pick in an Atlanta, Ga., bus station. On April 30, 1982, the same Robert Lee Jones who had been convicted of murder and sentenced to life in 1974 was indicted on State charges for the Davis murder. Only last week Jones was successfully apprehended in Birmingham, Ala. I understand that he has now waived extradition and will be returned to the State of Georgia for trial in connection with the Davis murder as well as to serve the remainder of his original sentence.

It is incidents like the Jones case which cause law-abiding citizens to increasingly doubt the credibility of our criminal justice system. A convicted murderer is furloughed from a life sentence, fails to return and is later indicted for another equally violent murder. In the face of mounting tendencies to violent crime, we must make a strong commitment to stricter and effective enforcement of the criminal laws. The fight against crime must have meaningful support in all areas of the criminal justice system—including bail, sentencing, parole and probation. The Senate should consider the Crime Control Act of 1982 as a significant and necessary step in that direction.

BAIL REFORM

Mr. CHILES. Mr. President, last week Senator NUNN and I introduced the Crime Control Act of 1982, S. 2543. The bill contains provisions of several bills that we had introduced earlier this Congress, and it is designed to cut drug trafficking and reduce violent crime. We introduced the bill to underscore our concern that the Senate take action this session on anticrime bills.

One of the titles of S. 2543 is a bail reform proposal. It recognizes that today's bail laws have been ineffective in dealing with big team drug traffickers who are arrested. All too frequently, these people simply pay their bond, no matter how high it is, and then never show up for trial.

Mr. President, last year, the House Judiciary Subcommittee on Crime did a study that showed just how serious the revolving door situation with regard to drug dealers and bail is. The crime subcommittee asked the Administrative Office of the U.S. Courts do a survey of bail in different U.S. district courts across the United States. One of the courts surveyed was the Federal District Court for south Florida. As many of my colleagues know, south Florida has become a major gateway for the flow of illegal drugs into the country. The results of this bail survey show how seriously the bail system has broken down in relation to drug traffickers. It gives meaning to the idea that today's bail bond laws, as they apply to persons arrested on drug trafficking charges, have created a revolving door situation.

Arrest records in the Federal courts bear out the fact that Miami has become the drug capital of the country. On a nationwide basis, less than 1 out of 5 defendants prosecuted are charged with drug charges. In south Florida however, almost half of all prosecutions are based on drug charges. With this large number of drug related arrests in mind, its worth looking at how bail has worked in south Florida's Federal courts. The basic finding is this: In south Florida, 1 out or every 6 persons arrested on drug charges jumps bail. This "failure to appear" rate is eight times greater than the national average. Now it would be easy to say that the answer to this problem would be to set bail at a higher level. Unfortunately however, money bail in Florida's southern district is normally set at a much higher level than it is anywhere else in the country. In south Florida, bail for drug defendants is set above $20,000 almost two-thirds of the time. In the rest of the country, it is set above $20,000 only about a quarter of the time. Nevertheless, drug traffickers, with their easy access to narcotics profits, would rather forfeit bail, no matter how high it is set, than show up for trial. In fact, in south Florida, the average bail level for drug defendants who fail to show up once they are released is $75,800. And at last count, over 300 drug related bail jumpers in south Florida were still at large.

Mr. President, it is worth keeping in mind that $75,800 is the average amount of bail forfeited by those drug dealers who jump bail. It is not an isolated instance. It is the norm. It is also worth taking a look at some of the characteristics of these bail jumpers. Sixteen percent of them had prior criminal convictions, and half of those convictions were for drug related offenses. Over 85 percent of the bail jumpers had been in south Florida for less than 1 month at the time that they arrested. Only 17 percent were American citizens, and 74 percent were of undetermined citizenship.

These figures, taken together, give us a pretty good composite picture of the person who jumps bail after he has been arrested for drug trafficking. He is a person who has just arrived in town from out of the country, and he may have a prior criminal record. One thing is certain: If he is arrested, he is ready and able to pay a lot of money to avoid trail, over $75,000 on the average. title II of S. 2543 is designed to close this revolving door situation. It enables a judge who is considering bail for a person arrested on drug trafficking charges to look at the person's prior criminal convictions, or to determine if he is traveling with a false passport, or if he is an illegal alien. In such cases, the person would not automatically be eligible for bail. The revolving door would be shut.

Mr. President, we need to reform our bail laws, so that drug traffickers who are arrested come to justice. We can do that, but only if we are ready and willing to move on an anticrime package of bills this session.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2562—DEPARTMENT OF ENERGY REORGANIZATION

(Introduced by Mr. Roth, for himself, Mr. Baker, Mr. McClure, Mr. Packwood, and Mr. Tower.)

Mr. ROTH. Mr. President, at the administration's request I am today introducing legislation to reorganize the Department of Energy by merging it with the Department of Commerce. The intent of this proposal is to create a more streamlined and efficient approach to Federal energy activities, and to bring to an end the organizational upheaval that currently exists in the Energy Department.

When the Congress established the Department of Energy in 1977 it expressed concern that the United States might face a chronic shortage of certain energy resources and that this circumstance would threaten the security and welfare of the Nation. Congress found that the Federal programs intended to address these issues were fragmented, and lacking in both focus and coordination. It concluded that a strong response was merited to consolidate energy program responsibility for improved coordination and in order to place greater emphasis on programs to increase supply and decrease demand.

At this juncture few observers of the national energy effort would argue that the Department of Energy has adequately met the goals and expectations of its creaters. As a 1980 oversight report of the Committee on Governmental Affairs stated, "* * * The Department and its officers have been at the center of controversy on energy policy in all areas. Criticism has come from all quarters. Some have advocated removing major programs or functions from the Department, or abolishing it completely."

In his December 17, 1981, statement on his energy policy President Reagan described the excessive regulation that led to his decision to reorganize the Department of Energy. In justifying this approach the administration has pointed to subsidy programs that have created an artificial demand for new energy technologies that have failed to meet the market test. Additionally, ill-conceived regulation that has impeded new source development, discouraged conservation, and distorted distribution is identified as a rationale for this reorganization proposal. In short, in reviewing the increased Federal involvement in energy policy which was triggered by the energy shortages of the 1970's, the administration has concluded that "the overwhelming evidence of that involvement indicates that the attempt was a wholesale failure."

Shortcomings in the Department of Energy do indeed exist. The placement of long established, frequently competing, and sometimes contradictory programs in the Department created conflict, inefficiency and poor program performance. Management and administrative problems in the areas of policy and planning, staffing continuity and contracting have hampered the performance of the Energy Department, led to the inefficient employment of resources and eroded the support in the Congress for the organization.

It is the purpose of this legislation to address these problems within the Federal level energy establishment. This bill takes the best aspects of what was accomplished in the earlier consolidation of Federal energy function, and streamlines it by eliminating the activities in which the Federal presence has been unproductive. In this fine-tuning process, existing energy functions will be integrated with the related programs in the Commerce Department. This reorganization will permit the improved operation of national energy programs in a more cost effective manner.

In considering this proposal I encourage my colleagues to bear in mind that it is not an effort to denigrate the national energy functions. I strongly believe energy preparedness remains an important national priority to insure the strength of our economy, and to protect our national security and the well-being or our people.

There exists a pervasive need for a dependable energy supply for the industrial and agricultural sectors of our economy, for our military readiness, and for thousands of daily activities in each of our lives. For all of these reasons energy represents a central factor in our society that merits an even-handed, consistent and controlled Federal presence.

In devising the appropriate structure for energy programs this legislation seeks to emphasize the civilian energy research and development and energy weapons programs that will meet these important national concerns. These programs will not take a back seat position in the Department of Commerce. Rather they will be granted the organizational stature and the policy focus that they need, that they deserve, and that will permit them to satisfy our national energy needs.

As the Committee on Governmental Affairs proceeds with its consideration of this measure I will focus our attention on several other aspects of this issue. In our search for the desirable organization of energy programs we should remain aware of the need to retain a balanced approach to energy programs, and avoid a one-sided strategy for national preparedness in this cruicial policy area.

Additionally, I feel that as we seek to move this reorganization legislation we must remain fully aware of its impact on the existing Commerce Department programs. As many of my colleagues know, the role of national trade programs in our effort to remain competitive in the international markets is a primary concern of mine. In the consideration of the Energy Department reorganization I will seek to strengthen the Commerce trade programs, with an eye toward the creation of an independent Federal Department of Trade in the next Congress.

These goals, the insurance of a coherent energy policy, and the need to cut out unproductive and costly energy regulations make this proposal a laudable effort. Underlying all of the reasons for introducing the bill and moving quickly to its consideration, however, is the need for stability in the energy program area. Important functions and valuable expertise that currently reside in the Energy Department are threatened by the uncertainty that now shrouds the Department. This situation in which programs trail off without adequate congressional review and the competent personnel leave the Department for a more certain form of employment bodes ill for our energy preparedness and independence and therefore is wholly unacceptable.

With the introduction of this legislation I hope to move quickly to hearings in order to receive the public comment and the testimony of expert witnesses as we seek to formulate the most desirable organization for our Federal energy programs. The committee will study carefully the details of this complex piece of legislation, amending it where appropriate. In this process we will actively seek the assistance of Senator McClure and the members of the Energy Committee. It is important that this reorganization legislation adequately protect all interests affected by Federal energy policy while insuring the effective implementation of that policy.

The PRESIDING OFFICER (Mr. Brady). The bill will be received and appropriately referred.

The executive resolution will be received as in executive session and appropriately referred.

Mr. ROTH. Mr. President, I ask unanimous consent that the text of the bill and the text the Senate resolution be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2562

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Energy Reorganization Act of 1982".

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TITLE I—FINDINGS AND PURPOSES; DEFINITIONS

FINDINGS AND PURPOSES

SEC. 101. (a) The Congress finds that—

(1) ensuring that the American people have the ability to plan for and meet their present and future energy needs remains a national priority and is essential if we are to meet our economic and social objectives and provide for our Nation's defense;

(2) experience has demonstrated that the ability of the American people to determine and satisfy their energy needs will be enhanced by increasing our reliance on the marketplace to allocate resources and reducing our dependence on the Federal Government as energy planner, manager, and regulator;

(3) increased reliance on market mechanisms will permit the Federal Government to concentrate its efforts on the efficient and effective performance of a more clearly defined set of important energy responsibilities, including—

(A) creating, through sound and stable fiscal, monetary, and regulatory policies, a climate that encourages businesses and individuals to produce and use energy and other resources efficiently;

(B) integrating the development of energy policy with the Government's overall economic policymaking process to assure consistency and to improve the likelihood that policies will be attuned to the needs of energy producers, business at large, and energy consumers;

(C) supporting national defense needs;

(D) reducing the Nation's vulnerability to major energy supply disruptions;

(E) providing support to the private sector for research and development not otherwise likely to be undertaken but which is essential to achieving national objectives;

(F) performing functions which traditionally have been viewed as governmental in nature, such as stewardship of Federal resource reserves and utility regulation required by law; and

(G) working in harmony with other nations to achieve solutions to shared energy problems; and

(4) recognizing that the Federal Government should concentrate its efforts on these essential tasks while leaving the rest to private decision and intitiative and recognizing further that these tasks can be performed by other Federal agencies eliminates the justification for the expenditure of public funds to maintain the Department of Energy as an independent Federal entity.

(b) The purposes of this Act are—

(1) to transfer the functions of the Department of Energy to the Department of Commerce, the Department of the Interior, the Department of Justice, the Department of Agriculture, and an independent Federal Energy Regulatory Commission; and

(2) to maintain continuity in vital programs and to increase the efficiency of their operations.

DEFINITIONS

SEC. 102. As used in this Act, unless otherwise indicated by the context of the term—

(1) "Commission" means the Federal Energy Regulatory Commission;

(2) "Department" means the Department of Commerce, the Department of the Interior, the Department of Agriculture, or the Department of Justice for purposes of titles VI, VII, and VIII, as appropriately determined by the context of the Act.

(3) "function" includes any duty, obligation, power, authority, responsibility, right, privilege, activity, or program; and

(4) "perform" or "performance", when used in relation to a function, includes the exercise of power, authority, rights, and privileges.

(5) "Secretary" means the Secretary of Commerce, the Secretary of the Interior, the Secretary of Agriculture, or the Attorney General, for purposes of titles VI, VII, and VIII, as appropriately determined by the context.

RELATIONSHIP WITH STATES

SEC. 103. Whenever any proposed action by the Department of Commerce conflicts with the energy plan of any State, the Department shall give due consideration to the needs of such State, and where practicable, shall attempt to resolve such conflict through consultations with appropriate State officials. Nothing in this Act shall affect the authority of any State over matters exclusively within its jurisdiction.

TITLE II—TRANSFERS OF FUNCTIONS

TRANSFERS TO THE DEPARTMENT OF COMMERCE

SEC. 201. (a) There are transferred to, and vested in, the Secretary of Commerce all functions vested in, or delegated to, the Secretary of Energy and the Department of Energy under or with respect to—

(1) the Atomic Energy Act of 1954 (42 U.S.C. §§ 2011-2296);

(2) the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. §§ 5901-5920);

(3) the Energy Reorganization Act of 1974 (42 U.S.C. §§ 5801, 5811-20, 5871-79, and 5891);

(4) the Geothermal Energy Research, Development, and Demonstration Act of 1974 (30 U.S.C. §§ 1101-1164);

(5) the Solar Energy Research, Development, and Demonstration Act of 1974 (42 U.S.C. §§ 5551-5566);

(6) the Solar Heating and Cooling Demonstration Act of 1974 (42 U.S.C. §§ 5501-5517);

(7) the Electric and Hybrid Vehicle Research, Development and Demonstration Act of 1976 (15 U.S.C. §§ 2501-2514);

(8) the Automotive Propulsion Research and Development Act of 1978 (15 U.S.C. §§ 2701-2710);

(9) the Solar Photovoltaic Energy Research, Development, and Demonstration Act of 1978 (42 U.S.C. §§ 5581-5594);

(10) section 112 of the Energy Research and Development Administration Authorization Act of 1977 (42 U.S.C. § 5907a);

(11) sections 105, 106, and 107 of the Department of Energy Act of 1978—Civilian Applications (92 U.S.C. §§ 53, 54, and 22 U.S.C. § 3224a);

(12) the Geothermal Energy Act of 1980 (30 U.S.C. §§ 1501-1542);

(13) the Magnetic Fusion Engineering Act of 1980 (42 U.S.C. §§ 9301-9312);

(14) the Wind Energy Systems Act of 1980 (42 U.S.C. §§ 9201-9213);

(15) the Ocean Thermal Energy Conversion Research, Development and Demonstration Act (42 U.S.C. §§ 9001-9009);

(16) the Ocean Thermal Energy Conversion Act of 1980 (42 U.S.C. § 9101-9167);

(17) the Methane Transportation Research, Development, and Demonstration Act of 1980 (15 U.S.C. §§ 3801-3810);

(18) titles VIII and sections 901-907 of the Surface Mining Control and Reclamation Act of 1977, relating to university coal research laboratories, and energy resource graduate fellowships (30 U.S.C. §§ 1311-16 and 1321-27);

(19) chapter 641 of title 10, United States Code, relating to the Naval Petroleum Reserves;

(20) the Nuclear Safety Research, Development and Demonstration Act of 1980 (42 U.S.C. §§ 9701-9708);

(21) the Atomic Energy Community Act of 1955 (42 U.S.C. §§ 2301-2394);

(22) the Nuclear Non-Proliferation Act of 1978 (22 U.S.C. §§ 3201-3282);

(23) the West Valley Demonstration Project Act (42 U.S.C. § 2021a nt);

(24) the Euratom Cooperation Act of 1958 (42 U.S.C. §§ 2291-2296);

(25) the Atomic Weapons and Special Nuclear Materials Rewards Act of 1955 (50 U.S.C. § 47a-47f);

(26) the Uranium Mill Tailings Radiation Control Act of 1978 (42 U.S.C. §§ 2014, 2021-22, 2111, 2113-14, 2201, 7901, 7911-25, 7941-42);

(27) title II of the Act of June 16, 1972, Pub. L. No. 92-314 (86 Stat. 226), relating to financial assistance for the State of Colorado to limit exposure to radiation from uranium mill tailings in Grand Junction, Colorado;

(28) section 102, title II, and title III of the Energy Policy and Conservation Act (42 U.S.C. §§ 6211, 6261-62, 6271-75, 6291-6317, 6321-27, 6341-46, 6361-63, 6372-71i, and 6372-72i, and 15 U.S.C. §§ 2001-12);

(29) the National Energy Conservation Policy Act, Pub. L. No. 95-619 (codified in scattered sections of 12, 15, 23 and 42 U.S.C.), including section 641 thereof notwithstanding the provisions of section 709(a) of this Act;

(30) the Emergency Energy Conservation Act of 1979 (42 U.S.C. §§ 6261-62, 6422, 8501-8541);

(31) the Energy Conservation and Production Act, Pub. L. No. 94-385 (codified in scattered sections of 12, 15, and 42 U.S.C.), including section 304 of that Act (42 U.S.C. § 6833) relating to development and promulgation of energy conservation standards for new buildings;

(32) section 509 of the Housing and Urban Development Act of 1970 (12 U.S.C. §1701z-8);

(33) the Federal Energy Administration Act of 1974, as amended by this Act (15 U.S.C. §§761-790h);

(34) sections 2, 11 and 12 of the Energy supply and Environmental Coordination Act of 1974 (15 U.S.C. §§ 792, 796 and 797);

(35) the National Energy Extension Service Act (42 U.S.C. §§ 7001-7011);

(36) the Energy Security Act, Pub. L. No. 96-294 (codified in scattered sections of 7, 10, 12, 15, 16, 30, 42 and 50 App. U.S.C.) except for functions transferred to the Secretary of Agriculture by section 203(1) of this Act;

(37) the Alaska Federal-Civilian Energy Efficiency Swap Act of 1980 (40 U.S.C. §§ 795-795d);

(38) section 106 of the Act of October 15, 1977, Pub. L. No. 95-134 as added by section 102 of the Act of March 12, 1980, Pub. L. No. 96-205 (48 U.S.C. § 1681 nt), relating to a medical care program for certain Marshall Islanders;

(39) section 604(c)-(e) of the Act of December 24, 1980, Pub. L. No. 96-597 (48 U.S.C. § 1492(c)-(e)), relating to a comprehensive energy plan for insular areas;

(40) section 232 of the Trade Expansion Act of 1962 (19 U.S.C. §§ 1862);

(41) part B of Title I of the Energy Policy and Conservation Act (42 U.S.C. §§ 6231-6246) relating to the Strategic Petroleum Reserve;

(42) the Public Utility Regulatory Policies Act of 1978, Pub. L. No. 95-617 (codified in scattered sections of 15, 16, 30, 42, and 43 U.S.C.), except for functions transferred to the Commission by section 503 of this Act;

(43) the Powerplant and Industrial Fuel Use Act of 1978, Pub. L. No. 95-620 (codified in scattered sections of 15, 42, 45 and 49 U.S.C.);

(44) the Defense Production Act of 1950 (50 U.S.C. App. §§ 2061-2169);

(45) the Act of May 16, 1910, and other authorities, formerly exercised by the Bureau of Mines, but limited to fuel supply and demand analysis and data gathering, and coal preparation and analysis;

(46) the Natural Gas Act (15 U.S.C. §§ 717-717w), insofar as it pertains to the import and export of natural gas;

(47) the Federal Power Act (16 U.S.C. §§ 791a-828(c)), insofar as it pertains to export of electricity.

(48) sections 207 and 504(b)(3) of the Natural Gas Policy Act of 1978 (15 U.S.C. §§ 3347, 3414(b)(3)) insofar as they pertain to imported natural gas;

(49) the establishment and review of priorities for curtailments of natural gas as set forth in the Natural Gas Act and the Natural Gas Policy Act;

(50) the functions set forth in the Interstate Commerce Act (codified in scattered sections of 15 and 49 U.S.C.), and other statutes which formerly vested authority in the Interstate Commerce Commission or the chairman and members thereof, relating to transportation of oil by pipeline, except as provided in section 503(a)(4) of this Act;

(51) title X of the Omnibus Reconciliation Act of 1981 insofar as it applies to the functions transferrred by this section; and

(52) any other law or authority, except as otherwise provided for in this Act.

(b) The Secretary may exercise any power of the Commission—

(1) under sections 8, 9, 13 through 17, 20 and 21 of the Natural Gas Act (15 U.S.C. §§ 717g, 717h, 717l-717p, 717s, 717t), to the extent he determines it necessary to the exercise of the functions vested in him under the Natural Gas Act by this Act; and

(2) under sections 4, 301, 302, 306 through 309, and 312 through 316 of the Federal Power Act (16 U.S.C. §§ 797, 825, 825a, 825e-825h, 825k-825o), to the extent he determines it necessary to the exercise of the functions vested in him by section 201(a)(47) of this Act.

(c) All functions of the Secretary of Energy and the Department of Energy with respect to—

(1) establishing and implementing policies regarding international energy issues that affect energy research, development, utilization, supply and conservation in the United States, and

(2) undertaking activities involving the integration of foreign and domestic energy policy, including the provision of independent technical advice to the President on international negotiations involving energy resources, energy technologies and nuclear weapons

are transferred to the Secretary of Commerce and are to be exercised in a manner that assures continued coordination with the Secretary of State, the Secretary of Defense and the Secretary of the Treasury. With respect to functions transferred by this section, the Secretary of State shall exercise primary authority for the conduct of foreign policy.

TRANSFERS TO THE DEPARTMENT OF THE INTERIOR

SEC. 202. There are transferred to, and invested in, the Secretary of the Interior all functions vested in, or delegated to the Secretary of Energy and the Department of Energy under or with respect to—

(1) Section 5 of the Flood Control Act of 1944 (16 U.S.C. § 825s), and all other functions of the Secretary of Energy and the Department of Energy, with respect to—

(A) the Southeastern Power Administration;

(B) the Southwestern Power Administration;

(C) the Alaska Power Administration;

(D) the Bonneville Power Administration including, but not limited to, the authority contained in the Bonneville Project Act of 1937, the Federal Columbia River Transmission System Act, and the Pacific Northwest Electric Power Planning and Conservation Act; and

(E) the Western Area Power Administration.

The Southeastern Power Administration, the Southwestern Power Administration, the Bonneville Power Administration, the Alaska Power Administration, and the Western Area Power Administration shall be preserved as separate and distinct bureaus within the Department of the Interior. Each of them shall be headed by an Administrator appointed by the Secretary of the Interior. The functions transferred to the Secretary of the Interior in paragraphs (1)(A), (1)(B), (1)(C), (1)(D), and (1)(E) shall be exercised by the Secretary of the Interior, acting by and through the appropriate Administrator. Each Administrator shall maintain his principal office at a location in the region served by the Administrator's respective Federal power marketing entity;

(2) the Outer Continental Shelf Lands Act Amendments, Pub. L. No. 95-372, 99 Stat. 629, and any other authority of the Secretary of Energy relating to the award or adminstration of Federal leases not previously transferred to the Secretary of the Interior by the Department of the Interior and Related Agencies Appropriations Act for Fiscal Year 1982, Pub. L. No. 97-100, 95 Stat. 1391, which repealed sections 302(b), 302(c) and 303(c) of the Department of Energy Organization Act;

(3) section 5 of the Flood Control Act of 1944 (16 U.S.C. § 825s), section 2 of the Eklutna Project Act, Pub. L. No. 628, 81st Congress (64 Stat. 382), and section 1 of the Act of June 18, 1954, Pub. L. No. 406, 83rd Congress (68 Stat. 255), as amended by section 1 of the Act of December 23, 1963, Pub. L. No. 88-237 (77 Stat. 475), insofar as they relate to the confirmation and approval of rates for the sale of Federal power;

(4) the Act of May 16, 1910, and other authorities formerly exercised by the Bureau

of Mines, but limited to research and development relating to increased efficiency of production technology of solid fuel minerals;

(5) section 908 of the Surface Mining Control and Reclamation Act of 1977, relating to research and development concerning alternative coal mining technologies (30 U.S.C. § 1328); and

(6) title X of the Omnibus Reconciliation Act of 1981 insofar as it applies to the functions transferred by this section.

TRANSFERS TO THE DEPARTMENT OF AGRICULTURE

SEC. 203. There are transferred to, and vested in, the Secretary of Agriculture all functions vested in, or delegated to the Secretary of Energy and the Department of Energy under or with respect to—

(1) subtitle A of the Biomass Energy and Alcohol Fuels Act of 1980 (42 U.S.C. §§ 8811-21);

(2) section 221 of the Energy Tax Act of 1978 (26 U.S.C. § 4041 nt); and

(3) title X of the Omnibus Reconciliation Act of 1981 insofar as it applies to the functions transferred by this section.

TRANSFER TO THE DEPARTMENT OF JUSTICE

SEC. 204. (a) There are transferred to, and vested in, the Attorney General all functions vested in, or delegated to the Secretary of Energy and the Department of Energy under the Emergency Petroleum Allocation Act of 1973 (15 U.S.C. §§ 751-760n). To the extent he considers it necessary to carry out functions under this section, the Attorney General may utilize authorities under section 13 of the Federal Energy Administration Act of 1974 (15 U.S.C. § 772).

(b) Notwithstanding any other provision of law, the conduct of any litigation in which the United States, an agency, or officer thereof is a party or is interested, arising from any function or authority transferred under sections 201, 202, or 203 of this Act, is reserved to officers of the Department of Justice, under the direction of the Attorney General.

TITLE III—ORGANIZATION OF ENERGY AND DEFENSE PROGRAM FUNCTIONS

DEPUTY SECRETARIES

SEC. 301. (a) There shall be established by this section within the Department of Commerce two additional Deputy Secretaries who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Secretaries shall be compensated at the rate provided for level II of the Executive Schedule under section 5313 of title 5, United States Code. The Deputy Secretaries shall perform those functions transferred or delegated to, or vested in, the Secretary of Commerce that the Secretary may prescribe, and shall report to the Secretary; or upon a written delegation by the Secretary to the Deputy Secretary of Commerce.

(b)(1) One of the Deputy Secretaries shall be the Deputy Secretary for Defense Programs who shall perform, in addition to such other functions as the Secretary may prescribe, nuclear-related functions that support the Department of Defense in meeting its defense objectives. Those functions include defense-related intelligence activities; management and implementation of the national security and nuclear weapons programs, such as nuclear weapons research, development, testing, and production; and the performance of functions of the Department of Energy with respect to the Military Liaison Committee established by section 27 of the Atomic Energy Act of 1954 (42 U.S.C. § 2037).

(2) In accordance with procedures prescribed by the President, the Deputy Secretary whose functions are described in paragraph (1) of this subsection shall provide the President with such technical advice as the President may require on all matters related to nuclear weapons which are the responsibility of the Department of Commerce.

(3) The Deputy Secretary whose functions are described in paragraph (1) of this subsection shall be an individual who, by demonstrated ability, background, training and experience is specially qualified to understand and assess fairly the issues, problems and concerns relating to nuclear defense programs.

(c) One of the Deputy Secretaries shall be the Deputy Secretary for Energy who shall perform, in addition to such other functions as the Secretary may prescribe, those functions relating to domestic and international energy policy formulation and implementation, energy emergency planning, energy planning and analysis authorized or required by laws in section 201 (other than analysis assigned to the Bureau of Energy Information pursuant to Title IV), any regulatory function transferred to the Department of Commerce pursuant to Section 201 or any other provision of this Act, nuclear non-proliferation responsibilities transferred to the Department of Commerce pursuant to Section 201, civilian nuclear power, naval nuclear propulsion, long term basic and applied energy research, development and demonstration activities of the Department of Commerce, energy conservation, utilization of alternate or renewable energy sources and fossil fuel technology.

SENIOR OFFICERS

SEC. 302. (a) There shall be within the Department of Commerce an Associate Deputy Secretary for Energy Policy and Research who shall be appointed by the President by and with the advice and consent of the Senate and who shall receive compensation at the rate prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code. The Associate Deputy Secretary for Energy Policy and Research shall report to the Secretary through the Deputy Secretary whose functions are described in section 301(c), shall perform such duties as the Secretary or that Deputy Secretary may from time to time prescribe, and shall act for and exercise the functions of that Deputy Secretary during the absence or disability of such person or in the event such office becomes vacant.

(b) There shall be within the Department of Commerce an Associate Deputy Secretary for Defense Programs who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code. The Associate Deputy Secretary for Defense Programs shall report to the Secretary through the Deputy Secretary whose functions are described in section 301(b), shall perform such duties as the Secretary or that Deputy Secretary may from time to time prescribe, and shall act for and exercise the functions of that Deputy Secretary during the absence or disability of such person or in the event such office becomes vacant.

(c)(1) There shall be established by this section within the Department of Commerce five additional Assistant Secretaries who shall be appointed by the President, by and with the advice and consent of the Senate. The Assistant Secretaries shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code. The Assistant Secretaries shall perform those functions transferred or delegated to, or vested in, the Secretary of Commerce that the Secretary may prescribe.

(2) One of the Assistant Secretaries shall be the Assistant Secretary for Nuclear Materials who shall perform, in addition to such other functions as the Secretary may prescribe, those functions which relate to production of nuclear materials for nuclear weapons research, development, testing, and production, and to the management of defense nuclear waste. The Assistant Secretary for Nuclear Materials shall report to the Deputy Secretary whose functions are described in section 301(b) of this Act.

(3) One of the Assistant Secretaries shall be the Assistant Secretary for Energy Research who shall perform, in addition to such other functions as the Secretary may prescribe, those functions which relate to developing magnetic fusion energy technology, and managing the long-term basic and applied energy research programs, including research in both the basic energy sciences and the high energy and nuclear physics programs.

(4) One of the Assistant Secretaries shall be the Assistant Secretary for Energy Technology, Conservation and Alternative Sources who shall perform, in addition to such other functions as the Secretary may prescribe, those functions relating to energy conservation and to the development of technologies for fossil energy and renewable energy sources.

(5) One of the Assistant Secretaries shall be the Assistant Secretary for Nuclear Energy who shall perform, in addition to such other functions as the Secretary may prescribe, those functions which relate to managing the Federal program of research on and development of the technology for nuclear power production, including research on and development of breeder reactor systems, naval nuclear propulsion, and disposal of non-defense generated nuclear waste.

(6) One of the Assistant Secretaries shall be the Assistant Secretary for Energy Emergency Planning who shall perform, in addition to such other functions as the Secretary may prescribe, those functions relating to reducing U.S. vulnerability to energy supply interruptions and planning for energy emergencies. These functions shall include operation of the Strategic Petroleum Reserve and the Naval Petroleum Reserve.

(7) The Assistant Secretaries whose functions are described in sections 302(c)(3), (c)(4), (c)(5), and (c)(6), shall report to the Deputy Secretary whose functions are described in section 301(c) of this Act. Notwithstanding the manner in which the functions of the Assistant Secretaries are set forth in sections 302(c)(3), (c)(4), (c)(5), and (c)(6), the Secretary may reassign any of those functions from any one of those Assistant Secretaries to either of the others.

(d) There shall be within the Department of Commerce an Assistant Secretary for Security Affairs who shall be appointed by the President and who shall receive compensation at the rate prescribed for level V of the Executive Schedule under section 5316 of title United States Code. The assistant Secretary for Security Affairs shall report to the Secretary through the Deputy Secretary whose functions are described in section 301(b) and shall perform such of those functions that relate to security affairs as the Secretary or that Deputy Secretary may from time to time prescribe.

NAVAL REACTOR AND MILITARY APPLICATION PROGRAMS

Sec. 303. (a) There shall be in the Department of Commerce a Division of Naval Reactors which shall perform the research, design, development, health, and safety functions relating to naval nuclear propulsion and assigned civilian power reactor programs vested in the Secretary by this Act. The head of this Division shall report to the Assistant Secretary for Nuclear Energy, whose functions are described in section 302(e) of this Act.

(b) There shall be in the Department of Commerce the Division of Military Application, established by section 25 of the Atomic Energy Act of 1954 (42 U.S.C. § 2035). The Director of this Division shall perform, in addition to such other functions as the Secretary may prescribe, functions relating to nuclear weapons research, development, testing, and production. The Director of this Division shall report to the Deputy Secretary whose functions are described in section 301(b) of this Act and shall be an active commissioned officer of the Armed Forces in general or flag rank or grade, as appropriate.

TITLE IV—ENERGY INFORMATION AND STRATEGIC PLANNING

BUREAU OF ENERGY INFORMATION

Sec. 401. (a) There shall be within the Department of Commerce a Bureau of Energy Information (the Bureau) headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate provided for in level V of the Executive Schedule under section 5316 of title 5, United States Code. The Director shall report to the Secretary through the Under Secretary of Commerce for Economic Affairs.

(b)(1) Under the authority, direction, and control of the Secretary of Commerce, the Bureau shall carry out a comprehensive energy data and information program to collect, evaluate, assemble, analyze, and disseminate data and information that is relevant to energy resources reserves, energy production, demand and technology, and related economic and statistical information, or that is relevant to the adequacy of energy resources to meet the Nation's current and future economic and social needs. The Bureau shall also perform other functions that the Secretary may prescribe.

(2) The Director shall not be required to obtain the approval of any other officer or employee of the Department in connection with the analysis of any information; nor shall the Director be required, prior to publication, to obtain the approval of any other officer or employee of the United States with respect to the substance of any statistical or forecasting technical reports which he has prepared in accordance with law: *Provided, however,* That in performing the functions delegated to him, the Director shall be subject to the Paperwork Reduction Act of 1980.

(3) The Bureau shall be subject to an annual professional audit of performance as described in section 55 of part B of the Federal Energy Administration Act of 1974 (15 U.S.C. § 790d).

(c) Information collected by the Bureau shall be cataloged and, upon request, shall be made available to the public in a form and manner easily adaptable for public use, except that this subsection shall not require disclosure of matters exempted from mandatory disclosure by section 552(b) of title 5, United States Code.

(d)(1) The Secretary, before starting an energy information data collection effort, shall determine, after consultation with the Commission, whether the information is to be gathered solely for statistical purposes.

(2) Data to be gathered solely for statistical purposes shall be made available in individually identifiable form to another office or component within the Department or to another Federal agency only upon receipt of a written request that the Secretary is satisfied contains—

(A) a demonstration of need for the data in individually identifiable form by that office or component for the fulfillment of its lawful duties and responsibilities, and

(B) reasonable and binding assurances by the requesting office or component that the information will be used solely for statistical purposes.

(3) For purposes of this section, "statistical purposes" means the use of information for developing or reporting aggregate or anonymous information not intended to be used, in whole or in part, in any way in which the specific identity of any person is material to the intended use of the information.

(4) Individually identifiable information gathered solely for statistical purposes under this section shall be exempt from public disclosure under subsection 552(b)(3) of title 5, United States Code.

(5) Whoever publishes or communicates any information the disclosure of which is prohibited by this subsection, shall be fined not more that $5,000 or imprisoned for not more than 5 years or both.

(e) The Secretary, to the maximum extent practicable, shall assign the highest priority to collection and assembly of energy information for the purposes requested by the Commission and shall provide to the Commission such support and facilities as the Commission determines it needs to carry out its functions. All gathering, reporting, and enforcing powers relating to energy information vested in the Secretary under the Federal Energy Administration Act of 1974 and the Energy Supply and Environmental Coordination Act of 1974 shall be available to the extent necessary or appropriate to the exercise of the functions vested in the Commission.

(f) Section 11(d) of the Energy Supply and Environmental Coordination Act of 1974 (15 U.S.C. § 796(d)) applies to any energy information obtained by the Bureau for other than statistical purposes under any law except section 17 of the Federal Nonnuclear Research and Development Act of 1974 (42 U.S.C. § 5916). Both section 1905 of title 18, United States Code, and any determination of confidentiality made by the Secretary under section 11(d) of the Energy Supply and Environmental Coordination Act of 1974 apply to any subsequent disclosure of energy information by an agency to whom it is disclosed under section 11(d)(2) of the Energy Supply and Environmental Coordination Act of 1974, except that an agency head may disclose energy information received under section 11(d)(2) of the Energy Supply and Environmental Coordination Act of 1974 in any proceeding if—

(1) the agency is a party to the proceeding;

(2) the agency head determines that disclosure of the information in the proceeding is essential to the agency's effective participation in the proceeding; and

(3) the agency head seeks an order in the proceeding protecting against disclosure of the information beyond that necessary to the agency's effective participation in the proceeding.

(g) Notwithstanding subsection (f) of this section, the Secretary may provide energy information gathered by the Bureau for other than statistical purposes to any federal agency, provided that it will be used solely for statistical purposes.

(h) Nothing in this section authorizes the disclosure of any information furnished to the Bureau by another Federal agency if such a disclosure is prohibited by statute.

(i) Notwithstanding any other provision of this Act, the authorities of the Secretary under section 4 of the Act of February 14, 1903, ch. 552, 32 Stat. 826 (15 U.S.C. § 1516), apply to this section.

ASSISTANT SECRETARY FOR STRATEGIC PLANNING

Sec. 402. There shall be within the Department an Assistant Secretary for Strategic Planning who shall be appointed by the President by and with the advice and consent of the Senate. The Assistant Secretary shall be compensated at the rate provided for by level IV of the Executive Schedule under section 5315 of title 5, United States Code. The Assistant Secretary shall be responsible for the activities of the Department of Commerce relating to strategic materials and industrial mobilization that were under the authority of the Department of Commerce prior to the date of enactment of this Act and shall perform such other functions as the Secretary shall designate, not including any function included in title III of the Act.

TITLE V—FEDERAL ENERGY REGULATORY COMMISSION

SHORT TITLE

Sec. 501. This title may be cited as the "Federal Energy Regulatory Commission Act."

APPOINTMENT AND ADMINISTRATION

Sec. 502. (a) The Federal Energy Regulatory Commission shall continue as an independent regulatory agency.

(b) The Commission is composed of five members appointed by the President, by and with the advice and consent of the Senate. One of the members shall be designated by the President as Chairman. Members shall hold office for a term of four years and may be removed by the President only for inefficiency, neglect of duty, or malfeasance in office. An incumbent member who is serving on the effective date of this Act shall continue to serve for the balance of the term for which he was appointed. The member serving as Chairman on the effective date of this Act shall continue to serve in that capacity until removed by the President. The Chairman shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code. The other members of the Commission shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code. The Chairman and other members of the Commission shall be individuals who, by demonstrated ability, background, training, or experience, are specifically qualified to assess fairly the needs and concerns of all interests affected by federal energy policy. Not more than three members of the Commission shall be members of the same political party. A Commissioner appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of the predecessor's term. A Commissioner may continue to serve after the expiration of his term until his successor has taken office, except that he may not so continue to serve for more than one year after the date on which his term would otherwise expire under this subsection. A member of the Commission shall not engage in any other business, vocation, or employment while serving on the Commission.

(c) The Chairman is responsible on behalf of the Commission for the executive and administrative operation of the Commission, including functions of the Commission with respect to (1) the appointment and employment of administrative law judges in accordance with the provisions of title 5, United States Code, (2) the selection, appointment, and fixing of the compensation of personnel whom he considers necessary, including an executive director, (3) the supervision of personnel employed by or assigned to the Commission, except that each member of the Commission may select and supervise personnel for his personal staff, (4) the distribution of business among personnel and among administrative units of the Commission, (5) the establishment, alteration, consolidation or termination of organizational units or components within the Commission, and (6) all functions enumerated in sections 508, 511, 512, 513, 514, and 515 of this title.

(d) The Chairman of the Commission may designate any other member of the Commission as Acting Chairman to act in his place during his absence. The Chairman (or the Acting Chairman in the absence of the Chairman) shall preside at all sessions of the Commission. A quorum for the transaction of business consists of at least three members. Each member of the Commission, including the Chairman, has one vote. Actions of the Commission shall be determined by a majority vote of the members present and voting. The Commission shall have an official seal which shall be judicially noticed.

(e) The Commission may establish procedural and administrative rules that are necessary to the exercise of its functions and may conduct proceedings in a manner conducive to the proper dispatch of business and the ends of justice. Until changed by the Commission, any procedural and administrative rules applicable to particular functions over which the Commission has jurisdiction shall continue in effect with respect to those functions.

(f) In carrying out its functions, the Commission shall have the powers authorized by the law under which the function is exercised to hold hearings, sign and issue subpoenas, administer oaths, examine witnesses, and receive evidence at any place in the United States it may designate. The Commission may, by one or more of its members or by agents whom it may designate, conduct any hearing or other inquiry necessary or appropriate to its functions, except that nothing in this subsection supersedes the provisions of section 556 of title 5, United States Code relating to administrative law judges.

(g) The principal office of the Commission shall be in or near the District of Columbia, where its general sessions shall be held, but the Commission may sit anywhere in the United States.

(h) Except as provided in section 518 of title 28, United States Code, relating to litigation before the Supreme Court, attorneys designated by the Chairman of the Commission may appear for, and represent the Commission in, any civil action brought in connection with a function carried out by the Commission under this Act or as otherwise authorized by law.

JURISDICTION OF THE COMMISSION

SEC. 503. (a) Except as provided in subsection (b) of this section, there are transferred to, and vested in, the Commission, as an independent regulatory agency, all functions vested in the Secretary of Energy, Department of Energy, or the Federal Energy Regulatory Commission, an independent regulatory commission within the Department of Energy, under or with respect to:

(1) the Federal Power Act (16 U.S.C. §§ 791a-828(c)), except for the regulation of exports of electricity which is transferred to the Secretary of Commerce by section 201(a)(47) of this Act;

(2) the Natural Gas Act (15 U.S.C. §§ 717-717w), except for the regulation of exports or imports of natural gas which is transferred to the Secretary of Commerce by section 201(a)(46) of this Act, and the establishment and review of priorities for curtailments, which functions are transferred to the Secretary of Commerce by section 201(a)(49) of this Act;

(3) the Natural Gas Policy Act of 1978 (15 U.S.C. §§ 3301-3432), except for functions transferred to the Secretary of Commerce by section 201(a)(48) of this Act, and the establishment and review of priorities for curtailments, which functions are transferred to the Secretary of Commerce by section 201(a)(49) of this Act;

(4) establishing rates or charges for the transportation of oil by pipeline or establishing the valuation of such a pipeline;

(5) title II and sections 405, 605, 606 and 608 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. §§ 796, 824i, 824j, 824k, 824a-1, 824a, 824d, 824a-2, 824a-3, 825d, 825g, 823a, 2705; 15 U.S.C. §§ 717x, 717y, and 717f(c)); and

(6) except as otherwise provided by this Act, any other provision of law or authority that vests functions in the Commission.

(b) No function described in this section which regulates the exports or imports of natural gas or electricity shall be within the jurisdiction of the Commission, unless the Secretary assigns such a function pursuant to section 612(b) of this Act.

(c) In addition to the other provisions of this section, the Commission shall have jurisdiction over any other matter which, after public notice, the Secretary may assign to the Commission pursuant to section 612(b) of this Act.

(d) The Commission may prescribe rules, regulations, and statements of policy of general applicability with respect to any function under its jurisdiction. Any function described in this title that relates to the establishment of rates and charges may be conducted by rulemaking procedures. The procedures in such a rulemaking proceeding shall, consistent with the provisions of section 553 of title 5, United States Code, and any other applicable law, assure full consideration of the issues and an opportunity for interested persons to present their views.

ACCESS TO INFORMATION

SEC. 504. Except as otherwise limited by law, each Federal agency shall provide to the Commission, upon request, information in its possession that the Commission determines is necessary to discharge its responsibilities under this title.

DELEGATION

SEC. 505. (a) Except as otherwise expressly prohibited by law, and except as otherwise provided in this title, the Chairman may delegate any of his administrative functions to members, officers, or employees of the Commission whom he may designate, and may authorize successive redelegations within the Commission of those functions that he considers to be necessary or appropriate.

(b) The Commission may delegate, by published order or rule, any of its functions to individual Commission members or to such other officers or employees as it may designate. The Commission shall retain a discretionary right to review action authorized or ordered under delegated authority within the time and in the manner that it prescribes. In the absence of such a review, action under delegated authority has the same force as if taken by the Commission.

JUDICIAL REVIEW

SEC. 506. (a) Judicial review of agency action taken under any law the functions of which are vested in, or transferred to, the Commission or any member, officer, or employee of the Commission, notwithstanding that vesting or transfer, shall be made in the manner specified in or for such a law.

(b) Notwithstanding the amount in controversy, the district courts of the United States shall have exclusive original jurisdiction of all other cases of controversies arising exclusively under this title, or under rules, regulations, or orders issued exclusively thereunder, other than any actions taken to implement or enforce any rule, regulation, or order by any officer of a State or local government agency under this title, except that nothing in this section affects the power of any court of competent jurisdiction to consider, hear, and determine in any proceeding before it any issue raised by way of defense (other than a defense based on the unconstitutionality of this title or the validity of action taken under this title). If in any such proceeding an issue by way of defense is raised based on the unconstitutionality of this title or the validity of agency action under this title, the case shall be subject to the removal by either party to a district court of the United States in accordance with the applicable provisions of chapter 89 of title 28, United States Code. Cases or controversies arising under any rule, regulation, or order of any officer of a State or local government agency may be heard in either (1) any appropriate State court, or (2) without regard to the amount in controversy, the district courts of the United States

OFFICERS AND EMPLOYEES

SEC. 507. In the performance of its functions, the Commission may appoint and fix the compensation of officers and employees, including attorneys, who may be necessary. Those officers and employees shall be appointed in accordance with the civil service laws and their compensation fixed in accordance with title 5, United States Code.

ADVISORY COMMITTEES

SEC. 508. The Commission may establish in accordance with the Federal Advisory Committee Act advisory committees that it considers appropriate to assist in the performance of its functions. Members of advisory committees, other than full-time employees of the Federal Government, while attending meetings of the committees or while otherwise serving at the request of the Commission away from their homes or regular places of business, may be allowed travel expenses, including a per diem allowance in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for individuals in the Government serving without pay.

GENERAL AUTHORITY

SEC. 509. To the extent necessary or appropriate to perform any of its functions, the Commission may exercise any authority available by law, including appropriation Acts, to the commission, agency, or Department from which the function was transferred.

SUBPOENA

SEC. 510. Except as otherwise provided by law, the Commission or its duly authorized agent or agents, shall have the same power and authority as the Federal Trade Commission under section 9 of the Federal Trade Commission Act (15 U.S.C. § 49), for purposes of carrying out its functions.

CONTRACTS

SEC. 511. (a) The Commission may make, enter into, and perform those contracts, leases, cooperative agreements, or other similar transactions with public agencies and private organizations and persons, and to make such payments (in lump sum or installments, and by way of advance or reimbursement) that it considers necessary or appropriate to carry out functions vested in the Commission.

(b) Notwithstanding any other provision of this title, the authority to enter into contracts or to make payments under this title shall be effective only to the extent or in such amounts as are provided in advance in appropriation Acts.

USE OF FACILITIES

SEC. 512. With their consent, the Commission may, with or without reimbursement, use the research, services, equipment, and facilities of any agency or instrumentality of the United States or of any State, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States, or of any political subdivision thereof, or of any foreign government, in carrying out any function now or later vested in the Commission.

FIELD OFFICES

SEC. 513. The Commission may establish, alter, consolidate, maintain or discontinue State, regional, district, local, or other field offices that it considers necessary to carry out its functions.

EXPERTS AND CONSULTANTS

SEC. 514. The Commission may obtain services as authorized by section 3109 of title 5, United States Code, at a rate, not to exceed the daily rate prescribed for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for persons in Government service employed intermittently.

GIFTS AND BEQUESTS

SEC. 515. The Commission may accept, administer, and utilize gifts or donations of money or services for the purposes of its functions.

TITLE VI—ADMINISTRATIVE PROVISIONS

SUBTITLE A—PERSONNEL PROVISIONS

OFFICERS AND EMPLOYEES

SEC. 601. (a) The Secretary may appoint and fix the compensation of the officers and employees, including attorneys, who may be necessary to carry out the functions now or later vested in him that relate to functions transferred by this Act. Except as otherwise provided in this section, those officers and employees shall be appointed in accordance with the civil service laws and their compensation fixed in accordance with title 5, United States Code.

(b) Subject to the limitations on subsection (c) of this section, and to the extent that he considers necessary to the performance of functions now or later vested in him that relate to functions transferred by this Act, the Secretary of Commerce may establish scientific, engineering, professional, and administrative positions, and appoint and subsequently remove from those positions, not more than 5 percent of the personnel performing those functions described in sections 301 (b) and (c), without regard to civil service or veterans' preference law. The Secretary of Commerce shall fix the compensation of personnel so appointed at rates not in excess of the maximum rate payable for GS-18 of the General Schedule under section 5332 of title 5, United States Code.

(c) Subsection (b) of this section may be used only with respect to a position involving specialized skills or a positon that is difficult to fill because of its geographic location.

(d) To the extent deemed necessary by the Deputy Secretary whose functions are described in section 301(b) of this Act, from the standpoint of the effective conduct of the defense programs and supported by the written determination of the Deputy Secretary and written approval of the Secretary, officers or employees of the Department who are or will be engaged in performing functions relation to defense programs may be employed, and their compensation fixed at rates not to exceed the maximum rate payable for ES6 of the General Schedule under title 5 of the United States Code, section 5332, without regard to the provisions of said title 5, which provisions shall be utilized as a general guide.

ARMED FORCES PERSONNEL

SEC. 602. (a) The Secretary of Commerce may provide for participation of Armed Forces personnel to perform functions now or later vested in him that relate to functions transferred by this Act. An officer or enlisted member of an Armed Force may be detailed for service in the Department of Commerce by the Secretary (as that term is defined in 10 U.S.C. § 101) under an interagency agreement with the Secretary of Commerce.

(b) The detail of personnel under this section does not affect the status, office, rank, or grade that the detailed personnel occupy or hold, or an emolument, perquisite, right, privilege, or benefit incident to or arising out of that status, office rank, or grade. An officer or enlisted member so detailed is not subject to direction or control by his Armed Force or any officer thereof, directly or indirectly, with respect to the responsibilities exercised in the position to which detailed.

EXPERTS AND CONSULTANTS

SEC. 603. The Secretary may obtain services as authorized by section 3109 of title 5, United States Code, at rates not to exceed the daily rate prescribed for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for persons in Government service employed intermittently.

SUBTITLE B—GENERAL ADMINISTRATIVE PROVISIONS GENERAL AUTHORITY

SEC. 611. To the extent necessary or appropriate to perform a function now or later vested in him that relates to functions transferred by this Act, the Secretary may exercise, in carrying out the function so transferred, any authority or part thereof available by law, including appropriation Acts to the official or agency from which the function was transferred.

DELEGATION AND ASSIGNMENT

SEC. 612. (a) Except as otherwise expressly prohibited by law, the Secretary may delegate any of the functions now or later vested in him that relate to functions transferred by this Act to officers and employees of the Department whom he designates, and may authorize successive redelegation of those functions, as appropriate.

(b) The Secretary of Commerce may, with the consent of the Commission, and following public notice, assign any of the functions now or later vested in him that relate to functions transferred by this Act to the Commission under such terms and conditions, and for such period, as are mutually agreed to by the Secretary of Commerce and the Commission.

REORGANIZATION

SEC. 613. The authority of the Secretary of Commerce to establish, alter, consolidate, or discontinue organizational units or components in the Department when he considers that action necessary or appropriate does not extend to the abolition of organizations established by title III of this Act.

RULES

SEC. 614. The Secretary may prescribe rules and regulations that he considers necessary or appropriate to perform the functions now or later vested in him that relate to functions transferred by this Act.

SUBPOENA

SEC. 615. The Secretary, or his duly authorized agent, shall have the same powers and authorities as the Federal Trade Commission under section 9 of the Federal Trade Commission Act (15 U.S.C. § 49) with respect to all functions now or later vested in, or transferred or delegated to, the Secretary or such an agent, and that relate to functions transferred by this Act.

CONTRACTS

SEC. 616. (a) The Secretary may make, enter into, and perform those contracts, leases, cooperative agreements, grants, or other similar transactions with public agencies, private organizations, and persons, and make payments (in lump sum or installments, and by way of advance or reimbursement, and, in cases of grants, with necessary adjustments on account of overpayments and underpayments) as he considers necessary or appropriate to carry out functions now or later vested in him, that relate to functions transferred by this Act.

(b) Notwithstanding any other provision of this title, the authority to enter into contracts or to make payments under this title shall be effective only to the extent or in such amounts as are provided in advance in appropriation Acts.

(c) Notwithstanding any other law relating to the making or modification of contracts, the Secretary of Commerce, under regulations he may prescribe, may award, modify, extend, or terminate contracts for the operation, management, or support of facilities owned or controlled by the Government that are used in the performance of functions now or later vested in him that relate to functions transferred by this Act.

ACQUISITION AND MAINTENANCE OF PROPERTY

SEC. 617. The Secretary of Commerce, in the performance of functions now or later vested in him that relate to functions transferred by this Act, may acquire (by purchase, lease, condemnation, or otherwise), construct, improve, repair, operate, and maintain real property and interests therein of a special purpose nature, such as laboratories, research and testing sites and facilities, quarters and related accommodations for employees and dependents of employees of the Department, and provide by contract or otherwise for eating facilities and other necessary facilities for the health and welfare of employees of the Department at installations not operated by GSA. General purpose space which could be used or readily and economically adapted for use by other Federal agencies shall be obtained from the Administrator of General Services.

FACILITIES CONSTRUCTION

SEC. 618. (a) The Secretary of Commerce and the Secretary of the Interior, may, when considered necessary, provide for, construct, equip or maintain the following for employees or their dependents stationed at remote locations and points outside the continental United States—

(1) emergency medical services and supplies;

(2) food and other subsistence supplies;

(3) messing facilities;

(4) audio visual equipment, accessories and supplies for recreation and training;

(5) furnished living and working quarters and facilities;

(6) reimbursement for food, clothing, medicine, and other supplies furnished by those employees in emergencies for the temporary relief of distressed persons;

(7) transportation of school age dependents of employees to the nearest appropriate educational facilities.

(b) The Secretary may provide the services and supplies under paragraphs (1), (2), and (3) of subsection (a) to employees of other Federal agencies (including Army, Navy and Air Force personnel when Army, Navy or Air Force facilities or supplies are not available and upon request of the service concerned).

(c) The furnishing of services and supplies under paragraphs (2) and (3) of subsection (a), shall be at prices reflecting reasonable value as determined by the Secretary.

(d) When specified in appropriations acts, funds received in payment for work or services under this section may be credited as reimbursement to the appropriations or funds which initially bore all or part of such costs or may be used to refund excess sums when necessary. Such payments may be credited to a working capital fund otherwise established by law, and used under the law governing such a fund, if the fund is available for use by the Department for performing the work or services for which payment is received.

USE OF FACILITIES

SEC. 619. (a) With their consent, the Secretary, with or without reimbursement, may use the research, services, equipment, and facilities of a person, or public or private non-profit agency or organization, including any agency or instrumentality of the United States or of any State, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States, or of any political subdivision thereof, or of any foreign government, in carrying out any function now or later vested in the Secretary that relate to functions transferred by this Act.

(b) The Secretary of Commerce, under terms, at rates, and for periods that he considers to be in the public interest, may permit the use of public and private agencies, corporations, associations, or other organizations or by individuals of any real property, or any facility, structure, or other improvement thereon, under his custody. The Secretary of Commerce may require permittees under this section to recondition and maintain, at their own expense, the real property, facilities, structures, and improvements involved to a satisfactory standard.

(c) Proceeds from reimbursements under this section shall be deposited in the Treasury and the Secretary of Commerce may withdraw them to pay directly the costs of the equipment, or facilities provided, to repay or make advances to appropriations or funds which do or will initially bear all or a part of those costs, or to refund excess sums when necessary, except that the proceeds may be credited to a working capital fund otherwise established by law, and used under the law governing such a fund, if the fund is available for use for providing the equipment or facilities involved.

FIELD OFFICES

SEC. 620. The Secretary may establish, alter, consolidate, maintain, or discontinue state, regional, district, local, or other field offices when he considers it necessary to carry out functions now or later vested in him that relate to functions transferred by this Act.

INTELLECTUAL PROPERTY RIGHTS

SEC. 621. The Secretary of Commerce may acquire the following described rights if the property so acquired is for use by or for, or useful to, the Department of Commerce:

(1) copyrights, patents, and applications for patents, designs, processes, and manufacturing data;

(2) licenses under copyrights, patents, and applications for patents; and

(3) releases, before suit is brought, for past infringement of patents or copyrights.

RIGHT TO INTERVENE IN COMMISSION PROCEEDINGS

SEC. 622. The Secretary of Commerce may as a matter of right intervene or otherwise participate in any proceeding before the Commission. The Secretary shall comply with rules of procedure of general applicability governing the timing of intervention or participation in such a proceeding or activity and, upon intervening or participating, shall comply with rules of procedure of general applicability governing the conduct of the proceeding or activity. The intervention or participation of the Secretary in any proceeding or activity shall not affect the obligation of the Commission to assure procedural fairness to all participants.

SEC. 623. There are authorized to be appropriated such sums as are necessary to carry out the transfers authorized by this Act.

INITIATION OF RULEMAKING PROCEEDINGS BEFORE COMMISSION

SEC. 624. (a) The Secretary of Commerce is authorized to propose rules, regulations, and statements of policy of general applicability with respect to any function within the jurisdiction of the Commission under section 503 of this Act.

(b) The Commission shall have exclusive jurisdiction with respect to any proposal made under subsection (a), and shall consider and take final action on any proposal made by the Secretary of Commerce under such subsection in an expeditious manner in accordance with such reasonable time limits as may be set by the Secretary of Commerce for the completion of action by the Commission on any such proposal.

TITLE VII—TRANSITIONAL, SAVINGS, AND CONFORMING PROVISIONS

TRANSFER AND ALLOCATIONS OF APPROPRIATIONS AND PERSONNEL

SEC. 701. (a) Except as provided in sections 701(b), 701(c), and 702 of this Act, the personnel employed in connection with, and the personnel positions, assets, liabilities, contracts, property, records, and unexpended balance of appropriations, authorizations allocations, and other funds employed, held, used, arising from, available to or to be made available in connection with functions transferred by this Act, including all Senior Executive Service and GS-16, GS-17, and GS-18 positions, subject to section 202 of the Budget and Accounting Procedure Act of 1950, are transferred to the Department or the Commission for appropriate allocation.

(b) The personnel employed in the Office of Inspector General of the Department of Energy, and the personnel positions, assets, liabilities, contracts, property, records and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to or to be made available to that Office, subject to section 202 of the Budget and Accounting Procedures Act of 1950, are transferred, as may be appropriate, to the Offices of Inspector General of the Departments listed in section 102(4).

(c) The Director of the Office of Management and Budget, in consultation with the Secretary, shall determine how the transfers described in subsection (b) shall be allocated among the Departments listed in section 102(4).

EFFECT ON PERSONNEL

SEC. 702. Offices established directly by statute or reorganization plan in the Department of Energy (except those of the Federal Energy Regulatory Commission) the incumbents of which are appointed by the President by and with the advice and consent of the Senate shall terminate on the effective date of this Act. Employees of the Department of Energy who were appointed under section 621(d) of the Department of Energy Organization Act (42 U.S.C. § 7231(d)) shall have their appointments continued and those appointments shall be considered to be appointments under and subject to section 601(b) of this Act.

INCIDENTAL TRANSFERS

SEC. 703. (a) The Director of the Office of Management and Budget, in consultation with the Secretary and the Commission, shall make such determinations as may be necessary with regard to the transfer of functions which relate to or are utilized by an agency, commission or other body, or component thereof affected by this Act, to make the additional incidental dispositions of personnel, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to or to be made available in connection with the functions transferred by this Act, that he considers necessary to accomplish the purposes of this Act.

(b) The unexpended balances of prior appropriations provided for activities in the Department of Energy that are transferred to new appropriation accounts may be merged with funds in the applicable newly established accounts, and thereafter may be accounted for as one fund for the same time period as originally enacted.

SAVINGS PROVISIONS

SEC. 704. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) that have been issued, made, granted, or allowed to become effective by the President, any Federal department or agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred under this Act or by Executive Order to the Secretary, Department, or the Commission after the date of enactment of this Act, and

(2) that are in effect when this Act takes effect, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Secretary, the Commission, or other authorized officials, a court of competent jurisdiction, or by operation of law.

(b)(1) The provisions of this Act shall not affect a proceeding or an application for any license, permit, certificate, or financial assistance pending at the time this Act takes effect before any department, agency, commission, or component thereof, functions of which are transferred by this Act; but such a proceeding or application, to the extent that it relates to functions transferred shall be continued. Orders shall be issued in such a proceeding, appeals shall be taken therefrom, and payments shall be made under such orders, as if this Act had not been enacted; and orders issued in such a proceeding shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection prohibits the discontinuance or modification of such a proceeding under the same terms and conditions and to the same extent that such a proceeding could have been discontinued or modified if this Act had not been enacted.

(2) The Secretary and the Commission may issue regulations providing for the orderly transfer of such a proceeding to the Department or the Commission.

(c) Except as provided in subsection (e)—

(1) the provisions of this Act do not affect a suit commenced before this Act takes effect, and

(2) in such a suit, proceedings shall be had, appeals taken, and judgments rendered in the same manner and effect as if this Act had not been enacted.

(d) No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any department or agency, functions of which are transferred by this Act, shall abate by reason of the enactment of this Act. No cause of action by or against any department or agency, functions of which are transferred by this Act, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this Act. The authority to impose sanctions and grant waivers with respect to conflicts of interest occurring before the effective date of this Act, and the requirement to maintain records relating to the consideration of conflicts of interest before the effective date of this Act, do not abate by reason of the enactment of this Act.

(e) If, before the date on which this Act takes effect, any department or agency, or officer thereof in his official capacity, is a party to a suit, and under this Act any function of that department, agency, or officer is transferred to the Secretary, the Commission, or any other official, then the suit shall be continued with the Secretary, the Commission, or other official, as the case may be, substituted.

SEPARABILITY

SEC. 705. If a provision of this Act or its application to any person or circumstance is held invalid, neither the remainder of this Act nor the application of the provision to other persons or circumstances shall be affected.

REFERENCE

SEC. 706. With respect to any functions transferred by this Act and exercised after the effective date of this Act, reference in any other Federal law to any department, commission, or agency or any officer of office the functions of which are so transferred shall be considered to refer to the Secretary, the Commission, or other official or component of the Department or Commission in which this Act vests those functions.

PRESIDENTIAL AUTHORITY

SEC. 707. Nothing in this Act limits, curtails, abolishes, or terminates any function of, or authority available to, the President which he had immediately before the effective date of this Act; or limits, curtails, abolishes, or terminates his authority to delegate, redelgate, or terminate any delegation of functions.

CONFORMING AND TECHNICAL AMENDMENTS

SEC. 708. (a) In 3 U.S.C. § 19(d) (1), strike", Secretary of Energy".

(b) In 5 U.S.C. § 101, strike "The department of Energy".

(c) In 5 U.S.C. § 5312, strike "Secretary of Energy".

(d) In 5 U.S.C. § 5313, strike "Deputy Secretary of Energy" and insert in its place the following:

"Deputy Secretaries (3), Department of Commerce".

(e) In 5 U.S.C. § 5314, strike "Under Secretary of Energy".

(f) In 5 U.S.C. § 5315, strike "Assistant Secretaries of Energy (8)" through "Director, Office of Energy Research, Department of Energy", inclusive, and "Assistance Secretaries of Commerce (8), " and insert in their place:

"Associate Deputy Secretary for Energy Policy and Research, Department of Commerce."

"Associate Deputy Secretary for Defense Programs, Department of Commerce."

"Assistant Secretaries of Commerce (14)."

(g) In 5 U.S.C. § 5316, strike "Deputy Inspector General, Department of Energy" and "Additional Officers, Department of Energy (14)" and insert in their place the following:

"Director, Bureau of Energy Information, Department of Commerce."

"Assistant Secretary for Security Affairs, Department of Commerce."

(h) Section 58 of the Federal Energy Administration Act of 1974 (15 U.S.C. § 790g) is amended by—

(1) amending subsection (a)(2) to read as follows:

"(2) the disclosure of which by the Director under section 401(f) of the Federal Energy Reorganization Act of 1982 would, as determined by the agency head, impair significantly the discharge of authorities and responsibilities that have been delegated to, or vested by law in, the agency.";

(2) redesignating subsection (b) as subsection (c); and

(3) adding a new subsection (b) as follows:

"(b) The Director, on behalf of the Administrator, may provide the head of a Federal agency from which energy information is sought under subsection (a) of this section with a binding assurance that energy information received from that agency will not be disclosed except as authorized by sections 401(d)(2) or 401(g) of the Federal Energy Reorganization Act of 1982 if the head of the agency from which the information is sought advises the Director that a determination has been made under subsection (a)(2) of this section and that the information will not be provided without a binding assurance of nondisclosure. Any statutory restrictions on, or penalties, for the disclosure of energy information received under this section shall apply to the Administration to the same extent as to the agency from which the energy information was received."

(i) Section (2)(b)(1) of Reorganization Plan No. 3 of 1979 (93 Stat. 1382) is amended to read as follows:

"DEPUTY SECRETARY

"There shall be in the Department a Deputy Secretary, appointed by the President, by and with the advice and consent of the Senate, who shall be compensated at the rate provided for level II of the Executive Schedule under section 5313 of title 5, United States Code. The Deputy Secretary shall perform such duties and exercise such powers as the Secretary may from time to time prescribe and shall act for and exercise the functions of the Secretary during the absence or disability of the Secretary or in the event the office of Secretary becomes vacant. The Secretary shall designate the order in which other officers of the Department appointed by the President, by and with the advice and consent of the Senate, shall act for and perform the functions of the Secretary during the absence or disability of both the Secretary and Deputy Secretary, or in the event of vacancies in both of these offices, until a successor is appointed."

(j) Section 3(17)(B) of the Federal Power Act (16 U.S.C. §796) is amended by striking "in consultation with the Secretary of Energy".

(K) The Natural Gas Policy Act of 1978 is amended by—

(1) striking "Department of Energy" in section 123 (15 U.S.C. § 3333) and inserting in its place "Commission"; and

(2) amending section 505 (15 U.S.C. 3415) by—

(A) striking "Secretary of Energy" in subsection (a)(1) and inserting in its place "the Commission"; and

(B) striking "Secretary" and "his" wherever they appear in subsection (a)(2), (a)(3) and (b) and inserting in their place "Commission" and "its", respectively.

(l) The Public Utility Regulatory Policies Act of 1978 is amended by—

(1) striking "of the Secretary or" in section 4(2) (16 U.S.C. § 2603(2)).

(2) striking the second sentence of section 205(b)(2) (16 U.S.C. § 824(a)-1(b)(2)) and inserting in its place "The Commission shall report annually to the President and the Congress regarding any such recommendations and subsequent actions taken by electric utilities and by the Commission under this Act, the Federal Power Act, and any other provisions of law.";

(3) striking "Secretary" in section 210(g)(2) (16 U.S.C. § 824a-3(g)(2)) and inserting in its place "Commission";

(4) striking "Secretaries of Energy, the Interior, and Transportation" in section 507(a)(1) (42 U.S.C. § 2007(a)(1)) and inserting in its place "Commission and the Secretaries of the Interior, Commerce, and Transportation"; and

(5) amending section 602(b) (16 U.S.C. § 824a-4(b)) by—

(A) striking "Notwithstanding any transfer of functions under the first sentence of section 301(b) of the Department of Energy Organization Act"; and

(B) striking "Commission" wherever it appears and inserting in its place "Secretary of Commerce".

(m) Section 209 of the Economic Stabilization Act of 1970 is amended by adding "The right of the Attorney General to bring such an action shall not be affected by the commencement or pendency of an administrative proceeding which encompasses the same violation or violations, provided that the administrative proceeding is terminated within a reasonable time after the commencement of the action and prior to the issuance of a final order.".

(n) The Energy Security Act is amended by—

(1) amending section 203(16) (42 U.S.C. § 8802(16)) to read as follows:

"(16) The term 'Office of Alcohol Fuels' means the organizational component assigned responsibility for carrying out the functions of the Secretary of Energy under subtitle A of this title which relate to alcohol."; and

"(2) repealing section 220 (42 U.S.C. § 8820).

REPEALS

Sec. 709. (a) The Department of Energy Organization Act is repealed. This repeal does not affect functions vested in the Secretary of Transportation by section 310 of that Act (42 U.S.C. § 7159) or the amendments to other laws in section 709 of that Act

(b) The Federal Energy Administration Act of 1974 is amended by repealing sections 17, 18, 25, and 32 (15 U.S.C. §§ 776, 777, 784, and 788), and striking their catchlines.

(c) Section 308 of the Energy Research and Development Administration Authorization Act of 1977 (42 U.S.C. § 5816a) is repealed.

(d) Sections 1 and 2 of the Act of June 5, 1939, ch. 180, 53 Stat. 808 (15 U.S.C. §§ 1502, 1503) are repealed.

(e) The Act of October 26, 1949, ch. 733, 63 Stat. 908 (15 U.S.C. § 1514) is repealed.

TRANSITION

Sec. 710. With the consent of the Secretary of Energy, the Secretary and the Commission may use the services of officers, employees, and other personnel of the Department of Energy for so long as may be needed to facilitate the orderly transfer of functions under this Act.

ENVIRONMENTAL IMPACT STATEMENTS

Sec. 711. The transfer of functions under titles II and V of this Act does not affect the validity of any draft environmental impact statement published before the effective date of this Act.

TITLE VIII—EFFECTIVE DATE AND INTERIM APPOINTMENT

EFFECTIVE DATE

Sec. 801. (a) This Act takes effect on October 1, 1982, or 120 days after its enactment, whichever is later, except that section 710 takes effect upon the date of enactment.

(b) Notwithstanding subsection (a) of this section, at any time after this Act becomes law—

(1) the officers provided for in titles III, IV, and V of this Act may be nominated and appointed, as provided in those titles, and

(2) the Secretary and the Commission may issue regulations under section 704(b)(2) of this Act

Fund available to any Department or agency (or any official or component thereof), the functions of which are transferred to the Secretary and the Commission by this Act, may be used, with the approval of the Director, Office of Management and Budget, to pay the compensation and expenses of an officer appointed under this subsection until funds for that purpose are otherwise available.

INTERIM APPOINTMENTS

Sec. 802 If one or more officers required by this Act to be appointed by and with the advice and consent of the Senate have not entered upon office on the effective date of this Act, the President may designate any officer whose appointment was required to be made by and with the advice and consent of the Senate, and who was such an officer immediately before the effective date of this Act, to act in the office until it is filled as provided in this Act. While so acting, such an officer shall be compensated at the rate prescribed by this Act for the office in which the officer acts.

The text of the Senate resolution follows:

S. Res. 397

Resolved, That pursuant to the Federal Energy Reorganization Act of 1982 and notwithstanding rule 25 of the Senate rules, the following procedures for the consideration of nominees for the positions of Secretary and Deputy Secretary of the Department of Commerce are adopted as part of the rules of the Senate.

Sec. 1. Nominations for both such positions shall be referred to the Committee on Commerce, Science, and Transportation;

Sec. 2. The Committee on Commerce, Science, and Transportation shall have full and exclusive authority to consider, approve, disapprove and report its recommendations to the Senate concerning any nominee for such positions;

Sec. 3. The Committee on Commerce, Science, and Transportation shall notify the Committee on Energy and Natural Resources of its intent to report either of such nominations to the Senate and shall delay such reporting for 90 calendar days following the date of the receipt of written notification from the Committee on Commerce, Science, and Transportation by the Committee on Energy and Natural Resources;

Sec. 4. During the 90-day period described in section 2 the Committee on Energy and Natural Resources could request, and would be granted, review of the nominations described herein.

Sec. 5. The Committee on Energy and Natural Resources may review the qualifications and background of the nominees. Such review may also include the holding of hearings, presentation of the nominees and questioning of witnesses. In addition, all available information of interest to the committee concerning the nominees shall be submitted, upon request, by the nominees and by the President. The committee is authorized to issue a report to the Senate concerning its findings on the nominees following regular committee practices;

Sec. 6. At the end of the 90-day period described in section 3, or if the Committee on Energy and Natural Resources completes its review prior to the expiration of the 90-day period described in section 2 or indicates it does not wish to request referral as provided in such section, the Committee on Commerce, Science, and Transportation is authorized to file its report on the nominees with the Senate.

Sec. 7. The provisions of this resolution shall supersede the rules of the Senate only to the extent that such rules are inconsistent with such provisions.

Mr. BAKER. Mr. President, I am pleased to join with my colleagues, the distinguished chairmen of the Committees on Energy and Natural Resources (Mr. McClure), Governmental Affairs (Mr. Roth), Commerce, Science and Transportation (Mr. Packwood), and Armed Services (Mr. Tower), in introducing the Federal Energy Reorganization Act of 1982. Mr. President, at the outset of my brief comments, I want to compliment my colleagues, the chairmen of the committees of jurisdiction, for the statesman-like role that each of them has played in bringing this piece of legislation to the floor of the Senate in a form that I believe will serve the country well.

Mr. President, much has been said about the jurisdictional considerations which attended to the crafting of this bill. The bill necessarily comes to the floor after a period of lengthy discussion and careful consideration, and I would point out that the legitimate concensus of each of the distinguished committee chairmen of jurisdiction were entirely congruent with the best interests of the country. A temporary adequacy in oil supply does not mean that our long-term energy problems are solved. They are not, as the distinguished chairman of the Energy Committee, Mr. McClure, knows. The bill which the administration has introduced recognizes that fact, and preserves essential functions of the current Department of Energy, those functions that deal with fundamental research and development of energy supplies, and with energy policy planning.

And as the distinguished chairman of the Armed Services Committee, Mr. Tower, knows, the woes visited on this country by the energy regulators of the Department of Energy do not mean that we should not preserve, indeed strengthen, the important role which the Department of Energy has always played in assuring the civilian control of the research, production, and testing of nuclear weapons for the defense of our country. This bill recognizes that role, and does indeed strengthen the defense component of the Department of Energy in proposing within the Department of Commerce a deputy for defense programs. Mr. President, the country will be stronger, and well served by that change.

And, Mr. President, I wish to thank the distinguished chairman of the Committee on Commerce, Science, and Transportation, Mr. Packwood, for his patience and cooperation in recognizing the importance that attaches to those programs that currently lie within the Department of Energy, and for insuring that in the bill we have introduced, those programs will be preserved and strengthened within a reorganized Department of Commerce.

Finally, Mr. President, the distinguished chairman of the Committee on Governmental Affairs, Mr. Roth, has patiently and diligently worked to insure that all those essential programs in the Department of Energy and the Department of Commerce will be retained and enhanced in the restructured Commerce Department, a Department that will permit the administration to serve the country effectively and efficiently.

Mr. President, as many of my colleagues know, I have often pointed to the need to rid the Department of Energy and the American people of those regulatory functions that gave us the gas lines of 1978, and have continued to sap the resourcefulness and productivity of America's energy sector. In this bill, the administration has addressed that need. I am pleased to cosponsor this measure, and I hope that the Committee on Governmental Affairs and ultimately the full Senate can act expeditiously and positively toward its final passage.

Mr. TOWER. Mr. President, I am most pleased to be an original cosponsor with Senators Baker, Roth, Packwood, and McClure of a bill to disestablish the Department of Energy and to transfer its major functions to the Department of Commerce. I strongly support President Reagan's initiative in this regard, and I hope action can now be taken promptly by the Congress. In this bill we now have the collective agreement of key Senate chairmen and the backing of the White House. I know my good friend and colleague, Senator Roth, the chairman of the Senate Committee on Governmental Affairs, will attempt to move this bill expeditiously though his committee for early consideration by the full Senate.

One point of interest in this matter on my part concerned the defense programs of the Department of Energy. These programs are vital to our national security, as they involve the research, development, testing, production, maintenance, and retirement of all the nuclear weapons in our stockpile. Proper management of these highly complex programs, involving nearly $6 billion in annual funding and over 60,000 contractor employees, is absolutely essential. I might point out that, under the provisions of this bill, more than half of the annual budget of this newly constituted Commerce Department will be devoted to defense programs.

Early in the process of developing this compromise bill, I set forth several objectives with respect to the nuclear weapons programs that I feel have been fully met. First, I wanted to keep the management of programs together under the new organization. The nuclear weapons effort has evolved over the years as a coordinated, high-competent, integrated complex. While undergoing repreated organizational changes—from the Atomic Energy Commission to the Energy Research and Development Agency to the Department of Energy—the nuclear weapons programs have functioned smoothly and quietly. Second, I wanted to increase the authority of the individual in charge of these programs and improve his access to key decisionmakers—both attributes which had been eroded in prior reorganizations. Finally, I wanted to tailor any new organization to permit the defense programs to be spun off as a separate agency at some point in the future should that option appear attractive.

Frankly, my own preference has always been for the establishment of a separate agency to handle atomic energy programs and I made that preference known to the President early in the decisionmaking process. However, I recognize the economies that may result from the departmental consolidations proposed by this bill and I am satisfied that the compromise that has been agreed to will work and allow for marked improvement over the status quo.

I congratulate my colleagues, who are cosponsors of this bill, for reaching agreement on this measure—the American taxpayer will be the beneficiary.

Mr. McCLURE. Mr. President, I am pleased today to be an original cosponsor of the Federal Energy Reorganization Act of 1982. The administration and my distinguished cosponsors have labored long and hard over the past 5 months to fashion this legislative proposal for reorganization of our Federal energy programs. I am pleased to say today that those many long hours have resulted in this proposal which adequately provides for the continuation of the essential Federal functions, policies, and programs in the energy area.

This proposal should bring about better management and administration of our national energy programs by merging them with the related activities in other Federal departments, primarily the Department of Commerce. In authorizing the shift of responsibility, the reorganization will maintain the continuity of existing energy programs so important to the security of our Nation and the well-being of our people. This legislation will preserve the most constructive aspect of the 1977 Department of Energy Organization Act: The consolidation of all Federal energy programs into a single organizational structure. The bill also will streamline these programs by eliminating duplicative activities in the Federal Government. The proposal seeks an organizational balance that will incorporate the energy policy, research, preparedness, and weapons programs in a stable environment and allow us to proceed with a well-organized and dynamic national energy policy.

Mr. President, President Reagan announced in his economic message last September that he intended to develop a plan for dismantling the Department of Energy. Subsequently, after a detailed review by administration officials, the President announced on December 17, 1981, that he had selected a plan that would divide the current responsibilities of the Department of Energy between the Department of the Interior and the Department of Commerce. The President's statement of December 17 emphasized the concept of "dismantling the Department of Energy". The statement also indicated that the President had directed a task force of senior administration officials to prepare the necessary legislation to implement his decisions of that date.

Mr. President, at the outset of the introduction of this bill, I want to emphasize that the legislative proposal we are introducing today does not, I repeat, does not "dismantle" the Department of Energy and scatter it throughout the Federal bureaucracy. To the contrary, this legislative proposal has the effect of merging in large measure the functions and programs of the existing Department of Energy into the Department of Commerce in a discreet organizational structure dedicated to those energy functions and programs. The legislative product of the past 5 months of negotiation with the administration, which I will discuss later in my statement, has in the most essential terms led to a "merger," rather than the originally conceived "dismantlement." The merger concept is manifested in many ways throughout the legislation we are introducing today, and certainly would be graphically apparent by comparison to the administration's first draft of the legislation in mid-January of this year.

Mr. President, each of the cosponsors of this legislation and the administration officials most closely involved in the development of the legislation deserve to be commended for their tenacity and continued commitment to seeking an evenhanded legislative proposal preserving the essential energy functions of the Government in an appropriate organizational structure.

Secretary of Energy James Edwards, Secretary of Commerce Malcomb Baldrige, OMB Deputy Director Joe Wright, and a number of other senior officials in the administration devoted an untold number of hours over the past 5 months to the deliberations and negotiations leading to this bill. I want to express my sincere appreciation to my colleagues in this body and my friends in the administration who participated in this effort and to thank them personally for their assistance, patience, and support over these long months.

Mr. President, an essential element in the view of this Senator in my capacity as chairman of the Committee on Energy and Natural Resources throughout the negotiations related to this legislation was the potential impact of any enactment of this or similar legislation on the Senate rules generally and the jurisdiction of that committee specifically. My concern has focused specifically on the shift that otherwise might occur in Senate committee responsibilities for energy policies and programs as a result of any dismantlement of the Department of Energy, as was originally proposed by the President in his December 17 message or even the type of merger of the Department of Energy into the Department of Commerce now incorporated into the pending legislation. These concerns have been satisfied in three important respects by our action today.

First, under the bill, almost all of the energy functions currently within the Department of Energy would be transferred to the Department of Commerce, rather than dismantled to a number of other agencies and departments.

Second, within the Department of Commerce the energy programs are almost totally included in two organizational structures. The civilian programs of the Department of Energy are largely assigned to a new Deputy Secretary for Energy, with an Associate Deputy Secretary and four Assistant Secretaries. Similarly, the existing programs of the Department of Energy are merged into the Department of Commerce under a Deputy Secretary for Defense programs, with an Associate Deputy Secretary and three Assistant Secretaries to perform the national security functions contained in those programs.

Third, the cosponsors of this legislation have reached agreement on a special procedure for Senate committee consideration of the nominations for Secretary of Commerce and the principal Deputy Secretary of Commerce, which provides an alternative to sequential referral in large part for the Committee on Energy and Natural Resources. This special procedure includes the opportunity during a period of 90 days after the Committee on Commerce, Science, and Transportation acts on a nomination, for a committee hearing, the filing of information by the nominees, a recommendation and report to the Senate on those nominations. This special nomination procedure insures that Presidential appointments and the nominees themselves appropriately reflect the significantly expanded responsibilities of the Secretary and the principal Deputy Secretary in the areas of energy policies and programs.

Consequently, I would expect that the Committee on Energy and Natural Resources through this jurisdictional mechanism can insure that there will continue to be adequate consideration of the energy issue within the significantly expanded responsibilities under the Secretary of Commerce.

I am satisfied at this time that the legislation before us and the accompanying agreement related to the nomination of the Secretary and principal Deputy Secretary of Commerce will accomplish an effective merger of the Department of Energy into the Department of Commerce. That proposed merger should insure our national energy policies and programs all across the spectrum of the Department of Energy's current activities are preserved in an organizational structure and with a Senate committee focus which will preserve and protect our vital national interest in the energy area.

Mr. President, I believe it is somewhat instructive to review our experiences in energy organizational matters over the past decade. The Department of Energy as created in the Department of Energy Organization Act of 1977, replaced the Federal Energy Administration, the Energy Research and Development Administration, the wholly independent Federal Power Commission, and elements of several other departments and agencies engaged in energy policy and programs.

The 1977 Organization Act was an executive and congressional response to the bureaucratic chaos which had occasioned energy policymaking in the Federal Government, as well as energy program management, since the early 1970's. The Federal Energy Administration, of course, was the successor Agency to the short-term emergency organization established during the Arab Oil Embargo in 1973, the Federal Energy Office.

The Energy Research and Development Administration was created by the Energy Reorganization Act of 1974 as the successor to the Atomic Energy Commission with an expanded charter to include nonnuclear as well as nuclear energy research and development activities. Additionally, the independent Federal Power Commission throughout that timeframe had a pervasive impact on most Federal energy programs and policies through its regulatory and ratemaking responsibilities under the Federal Power Act and the Natural Gas Act.

Several other Federal departments and agencies also were involved in energy activities throughout that time frame. Various efforts at coordination including both a statutory and nonstatutory interagency Energy Resources Council, attempted to coordinate these dispersed policies and programs. The Department of Energy Organization Act was the legislative response to attempting to bring together, under one management with a Cabinet-level department, all of these dispersed activities.

Certainly, this Senator would not propose to declare the Department of Energy to be an unqualfied organizational success in its activities over the past 4 years. There have been numerous criticisms of the regulatory programs and the research programs and the proposed policies developed by the Department in those years. To a degree, of course, the Carter administration and the Congress added to those problems with the enactment of the National Energy Act and a host of other laws and appropriations acts which have been enacted since the establishment of the Department of Energy.

I would also comment that it is clear that the Department of Energy policies and programs at this point in 1982 are a dramatic departure from the Department in the height of the Carter administration which was variously feared and hated as well as being seriously disrespected. Much of the change in the Department's posture is a credit to Secretary of Energy Edwards and other officials in the administration who have been successful in administratively accomplishing a great deal of deregulation and program redirection to support a far less pervasive involvement of the Federal Government in our Nation's energy markets.

On balance then, it has been the conclusion of this Senator that it was imperative that any effort to abolish the Department of Energy must retain the concept of a consolidated organizational approach to the energy programs now under the Department of Energy. The General Accounting Office and its report of January 20, 1982 (EMD-82-21) entitled "Analysis of Federal Energy Roles and Structure," largely supports that same conclusion on the need for a continued consolidation of energy programs, rather than a dismantlement and scattering of the programs throughout the Federal bureauracy. That report also contains a series of criteria for purposes of measuring the effectiveness of any proposed reorganization in terms of the lessons we have learned over the past decade in the area of national energy policy and Federal energy programs. I believe this legislation would satisfy fully the criteria in that report and those enunciated in my statement today.

Mr. President let me turn now to some specific elements of this legislation, which I believe support the merger concept. Energy emergency preparedness programs would be retained in a consolidated form as a fully integrated function, with the strategic petroleum reserve as an essential element of that program wholly contained in the Department of Commerce. This is a significant modification of the original administration proposal, as announced on December 17.

I believe that the action of the Energy and Natural Resources Committee on May 13, 1982, in reporting S. 2332 dealing with our Nation's energy emergency preparedness restates again the continued commitment of the Congress to insure full and predictable emergency preparedness in the event of another significant interruption of our Nation's oil supplies. This legislation would provide the organizational foundation to continue that commitment to emergency preparedness by centering those programs under a specific, designated Assistant Secretary, who in turn would report to the Deputy Secretary for Energy in the new Department.

The proposed legislation retains intact the existing field organization and national laboratory structure of the Department of Energy. Since the defense programs and the vast majority of the civilian energy programs are both centered in the Department of Commerce, the required program management and budgetary visibility of the field structure and national labs will be preserved in a manner similar to that in the Department of Energy.

It is important to note that the defense programs and civilian programs are an integral part of the Department of Commerce and are not centered in a separate agency, either a subordinate agency of the Commerce Department or a wholly independent agency. Consequently, the Secretary will have a Cabinet-level focus and responsibility for energy policies and programs. Since the Secretary of Commerce in this administration is represented on four of the five Cabinet Councils, through which most policy and program decisions are considered, that Cabinet-level focus and the integrated organizational status of the programs should insure the continued representation in the Cabinet of these issues.

Additionally, the proposed legislation will further insure that energy issues obtain the necessary focus within the executive branch by designating the Deputy Secretary for Energy and the Deputy Secretary for Defense Programs both as level II's on the executive schedule. As is well known in Washington, that level of appointment will enable the Deputy Secretary for Energy and his counterpart for the defense programs, to participate fully and meaningfully in any Cabinet Council, National Security Council, or other interagency consideration of the energy policies and programs under the new Commerce Department's responsibilities.

The legislation makes clear that the Deputy Secretary of Energy under the Secretary of Commerce would have responsibility for the full panoply of energy policy and program functions, with only a few exceptions, now contained in the civilian parts of the Department of Energy. Those functions, under the more than 50 laws applicable to the Department's energy functions, would include domestic and international policy formulation and implementation, energy emergency planning, energy planning, analysis authorized or required by law, regulatory functions transferred from the Department of Energy, nuclear nonproliferation responsibilities, civilian nuclear power, naval nuclear propulsion, long-term basic and applied energy research, development and demonstration, energy conservation, and a number of other specific activities. It is quite clear, therefore, that the new Department of Commerce contemplated by this legislation would have centered under the Deputy Secretary for Energy almost all of the civilian energy policy and program responsibilities that now are centered in the Department of Energy.

Mr. President, I am pleased that we have been able to achieve the result contained in this legislation over the past 5 months. The President's December 17, 1981, statement was made after an internal analysis and decision process that did not include consultation with the Congress. After the December 17 statement was released, several of us in the Senate leadership were invited to participate with the administration in developing the legislation which we are introducing today.

This process has not always been without its difficulties during that 5-month period. As has been widely reported in the press, I wrote to Secretary Edwards and OMB Director David Stockman on December 23, 1981, to protest what was then clearly intended to be an effort to implement the original reorganization proposal through the budget process.

Eventually, my December 23 letter led to the necessary actions which were successful in separating out of the budget process this reorganization proposal. Since that time the original concept of "dismantlement" has been modified, first to the concept of "reorganization" and now to the concept of "merger." Our meetings with Secretary Edwards, Secretary Baldridge, and White House officials in the intervening months have focused largely on the question of how to effectively accomplish the merger memorialized in this legislation.

I believe the bill and resolution introduced today provide a positive starting point for the legislative process now to proceed to focus on the further refinement of this merger concept. To that extent, I believe that we have been successful in addressing another element of a very central issue in this administration, that being the role of the Federal Government in national energy policy.

In that debate this legislation as endorsed by the cosponsors, as well as the administration, should stand for the proposition that we support a consolidated, centralized, and highly effective continuation of a dedicated energy policy and program organization in the Federal Government. For all these reasons, this Senator is pleased to be able to cosponsor this legislation.

Mr. President, this proposal is, as I indicated, the product of long months of negotiation, both as to form and the substance of the reorganization. One thing that I have insisted upon during all of that negotiation was that there be a place in which Federal energy policy is made, in which the decisions by various elements of Government are centered, so that people who look to us for development of energy policy know where it can be located. Second, that we recognize that there is a legitimate role for the Federal Government in the development of energy policy.

I agree totally with the President of the United States in his statements that the marketplace is where most of our solutions will be found. I also agree with the President that there are appropriate functions for Government in research and development and administration of energy programs and policies.

That has been accomplished now by what is not the disestablishment or fragmentation of the Department, but the consolidation of the Department of Energy into the Department of Commerce.

Those who study this legislation and look at the organizational chart that accompanies it will recognize that aside from the Secretary and the principal Deputy Secretary in the Department of Commerce, about all that has really happened in this reorganization is that the Secretary of Commerce and his deputy are substituted for the Secretary of Energy and his deputy, and the lines of authority between the military and civilian programs in the defense and peaceful uses of atomic power have been set up in parallel lines of authority within the Department of Commerce. With very few other exceptions the Department of Energy functions have simply been moved into the Department of Commerce for administration.

The Department of the Interior would receive the power marketing administration, from which it was taken in the first place. They would also get the coal-mining research and DOE leasing functions, which had been earlier in the Department of the Interior and were removed to the Department of Energy in the creation of that Department.

The Department of Agriculture would receive the alcohol fuels program.

Finally, the Department of Justice would receive the final enforcement functions under the expired EPAA oil pricing and allocation program.

Mr. President, this piece of legislation, I believe, does what is essential, that the United States have the place in which there is the planning and implementation of energy policy. It is centered now within a function within the Department of Commerce under this legislation.

There are those who will ask about the prognosis for this legislation. I think the President is entitled—I think any President is entitled—to have the kind of administrative structure he wishes to administer the policies that are jointly arrived at between the Congress and the President. This preserves the policy option within the existing statute. It simply changes the administrative function and the administrative structure as the President has requested.

I am pleased to be a cosponsor of this legislation.

With a final word, the DOE labs that are around the United States will be looking with a very great deal of interest at what happens to the laboratory functions when they look at this legislation. They will find that the oversight of the laboratories will be much as it has been under the Department of Energy with the structuring of their oversight within the Department of Commerce in much the same fashion.

Mr. President, I ask unanimous consent that the President's oral remarks on signing the letter of transmittal, the press statement and the White House analysis of the legislation be made a part of the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS OF THE PRESIDENT AT SIGNING CEREMONY FOR LEGISLATIVE PROPOSAL CONCERNING THE DEPARTMENT OF ENERGY

The PRESIDENT. Good morning and welcome. As you know, our administration has repeatedly expressed the intention to abolish the Department of Energy. Our goal was and remains increased energy independence for America. Through constant overregulation of energy producers and industries in the past, the Department of Energy shackled our drive to increase domestic production. Only as the heavy hand of government and government regulations has been lifted have our energy producers and consumers begun to reduce our dependence on imported oil.

The legislation that I'm sending to the Hill today will not dismantle the structure of government that we need to fulfill our energy goals. By merging the critical defense, energy emergency and research functions into the Department of Commerce, it will simply change the role of government from controlling the activities of energy industries to complimenting them.

This legislation strengthens our commitment to a civilian-controlled nuclear weapons research and production program. It will also reinforce our commitment to a strong basic research program. So I'm pleased to be able to be here today with our Committee Chairmen from the Hill, Senators Bill Roth, Jim McClure, John Tower and Bob Packwood and Cabinet Secretaries Mac Baldrige and Jim Edwards who all gave their time and their ideas and their effort to reach an agreement on this. And I'm hopeful that with their continued cooperation and skilled guidance this legislation will move rapidly through the Congress.

(The President signs the Bill). (Applause).

OFFICE OF THE PRESS SECRETARY,

May 24, 1982.

To the Congress of the United States:

On December 17, I announced my intention to propose a reorganization of Federal energy activities. The legislation I am submitting today reflects this Administration's commitment to the principle that the best way to meet the Nation's energy needs is to increase reliance on market decisions.

By transferring the current responsiblities of the Department of Energy to more appropriate agencies we can preserve and, in important ways, strengthen essential government-related energy activities. The proposed realignment of energy functions will more accurately reflect the Federal Government's essential role, which is:

Supporting long-term, high-risk, potentially high payoff basic research on energy technologies while relying, whenever possible, on the private sector to bring new technologies to the marketplace;

Protecting the public interest by assuring that the economy is protected against energy supply disruptions through maintenance of a strategic petroleum reserve contingency plan;

Maintaining a set of policies in the energy sector consistent with overall economic and foreign policy;

Performing balanced and effective management of owr energy resources and administering utility regulation required by law;

Supporting national defense needs through civilian-controlled research, design, production, and testing in the field of nuclear weapons.

When the Department of Energy was formed, some of its functions, such as collection of energy information, selected international nuclear regulatory responsibilities, energy preparedness planning, technology development, and energy-related business analysis paralleled activities conducted by the Department of Commerce for nonenergy sectors of the economy. Combining these activities of the Departments of Commerce and Energy recognizes that the development of an assured energy supply is one of the most important domestic and international business activities in the United States today. Integrating these responsibilities in the Commerce Department will strengthen its ability to develop policy, evaluate trends and requirements, and be of service to industry in meeting our energy requirements.

The nuclear energy and defense-related nuclear programs of DOE will also be transferred to Commerce. They will be kept intact in Commerce and closely associated with all energy research and development activities. The Secretaries of Commerce and Defense are working together to make sure that the revised structure will continue to meet the requirements of national security and strengthen the relationship where possible.

The reorganization I have proposed will preserve the valuable and time tested research and development work environment which has been so instrumental in achieving the objectives of long-range energy development. For example, integrated and comprehensive use of scarce technological management resources and multi-purpose national laboratories will continue with little or no disruption to key programs.

The other transfers are no less important to the sound management of the Federal Government's energy responsibilities.

The transfer to the Department of the Interior of programs closely related to energy resource management such as the Power Marketing Administrations, the Naval Petroleum and Oil Shale Reserves and coal mining research and development will consolidate energy resource management in the Department responsible for stewardship, preservation, and development of much of the Nation's public domain natural resources.

The transfer to the Department of Justice of residual enforcement responsibilities under the Emergency Petroleum Allocation Act appropriately reflects that agency's law enforcement role and expertise in handling investigations and conducting litigation.

The establishment of the Federal Energy Regulatory Commission as a separate and fully independent agency reflects Congressional intent for regulatory independence.

The Department of Energy was created at a time when serious problems were said to require government-designed solutions imposed by executive agencies especially created to deal with them. The results of this approach are clear. Ill-conceived regulations have impeded development of new energy sources, discouraged conservation, and distorted distribution. Subsidy programs created artificial demand for energy technologies that could not stand the market test. The drain on Federal resources grew almost beyond control.

I urge the Congress to enact promptly the Federal Energy Reorganization Act of 1982. Its enactment will reverse the recent trend of establishing huge, unwieldly governmental institutions to address problems of the sort which can best be met by permitting America's citizens and businesses to act wisely and responsibly in their own economic self interest.

RONALD REAGAN.

THE WHITE HOUSE, *May 24, 1982.*

SECTION-BY SECTION ANALYSIS

SECTION 101. FINDINGS AND PURPOSES

Subsection (a) states that the energy needs of the Nation can best be met by increasing our reliance on the marketplace to allocate resources. The Federal government should not be placed in the role of planner and manager of the nation's energy resources. Rather, the government should concentrate its resources on: fostering a fiscal climate which encourages businesses and individuals to produce and use energy resources efficiently; integrating the nation's energy policy with its overall economic policy; supporting national defense needs; reducing our vulnerability to energy supply disruptions; providing the private sector with support for R&D not otherwise likely to be undertaken, but which is essential to achieving national objectives; performing functions traditionally viewed as governmental in nature, such as stewarding federal resource reserves; and working with other nations to help solve the problem of global energy shortages.

Subsection (b) declares that the purpose of this Act is to transfer the functions of the Department of Energy to other Executive branch departments and to an independent Federal Energy Regulatory Commission ("Commission" or "FERC").

SECTION 102. DEFINITIONS

This section defines key terms used throughout the bill. The words which are defined are "Commission," "Department", "function," "perform," "performance," and "Secretary." The definition of "Secretary" and "Department", for purposes of titles VI, VII, and VIII, will vary, depending on the context in which the word is used. "Secretary" may mean the Secretary of Commerce, the Secretary of the Interior, the Secretary of Agriculture, and/or the Attorney General. Similarly, "Department" may mean the Department of Commerce, the Department of the Interior, the Department of Agriculture, and/or the Department of Justice.

SECTION 103. RELATION WITH STATES

This section provides that whenever a proposed action of the Department of Commerce conflicts with the energy plan of any state, the Department of Commerce will attempt to resolve the conflict.

SECTION 201. TRANSFERS TO THE DEPARTMENT OF COMMERCE

This section transfers from the Department of Energy to the Department of Commerce most of the functions now vested in the Secretary of Energy and the Department of Energy. The programs being transferred to the Department of Commerce include programs relating to nuclear reactor and waste technology, nuclear weapons, uranium enrichment, high energy and nuclear physics, basic energy sciences, magnetic fusion fossil energy R&D, solar R&D, hydropower and geothermal R&D, alcohol fuels R&D, electric and storage systems, conservation R&D, environmental and safety oversight, health and environmental R&D, national energy policy, international functions, emergency preparedness (including strategic and naval petroleum reserve policy and operations), state and local grants, regulation of the import and export of natural gas and electricity, establishment and review of priorities for curtailments of natural gas, and other energy laws not transferred specifically to other departments.

Subsection (b) authorizes the Secretary of Commerce to exercise the authorities of the Commission under the Natural Gas Act and Federal Power Act to the extent he determines that necessary to the exercise of the functions vested in him by this Act.

Subsection (c) transfers to the Secretary of Commerce the duties and responsibilities of the Department of Energy with regard to international energy issues, and states that the primary authority for the conduct of foreign policy resides in the Secretary of State.

SECTION 202. TRANSFERS TO THE DEPARTMENT OF THE INTERIOR

This section would transfer to the Secretary of the Interior certain functions vested in or delegated to the Secretary of Energy and the Department of Energy under laws governing leasing programs, coal mining R&D, and the power marketing administrations. This latter function includes the authority to confirm rates for the sale of federal power, which authority was formerly exercised by the Commission (except with respect to the Bonneville Power Administration, in which case the confirmation and approval authority would continue to reside in FERC).

SECTION 203. TRANSFERS TO THE DEPARTMENT OF AGRICULTURE

This section would transfer to the Secretary of Agriculture the alcohol fuels loan guarantee program.

SECTION 204. TRANSFER TO THE DEPARTMENT OF JUSTICE

This section would transfer to the Attorney General the enforcement functions for oil pricing and allocation violations under the Emergency Petroleum Allocation Act of 1973. In addition, this section provides that the Attorney General shall exercise responsibility for conducting all litigation in connection with functions transferred by Title II of the Act.

SECTION 301. DEPUTY SECRETARIES

Subsection (a) establishes in the Department of Commerce two additional Deputy Secretaries who shall be appointed by the President, by and with the advice and consent of the Senate, who shall be compensated at the rate provided for Level II of the Executive Schedule.

Subsection (b)(1) provides that one of the Deputy Secretaries shall be the Deputy Secretary for Defense Programs. This Deputy Secretary shall be responsible for nuclear-related functions that support the Department of Defense in meeting its defense objectives. Those functions include defense-related intelligence activities, the management and implementation of the national security and nuclear weapons program, and certain Military Liaison Committee activities.

Subsection (b)(2) provides that this Deputy Secretary shall serve as technical adviser to the President with regard to all matters related to nuclear weapons which are the responsibility of the Department of Commerce.

Subsection (c) provides that the other Deputy Secretary shall be the Deputy Secretary for Energy. This Deputy Secretary shall perform those functions which relate to domestic and international energy policy formulation and implementation, energy emergency planning, energy planning and analysis authorized or required by laws set forth in section 201, regulatory functions transferred to the Department of Commerce by section 201, nuclear non-proliferation, civilian nuclear power, naval nuclear propulsion, long-term basic and applied energy research, energy conservation, utilization of alternate or renewable energy sources, and fossil fuel technology.

SECTION 302. SENIOR OFFICERS

This section provides for the appointment of eight senior officers in the Department of Commerce to perform the functions prescribed for them in the statute or as otherwise prescribed by the Secretary. All would be appointed by the President and, unless otherwise noted below, all would be subject to confirmation by the Senate.

Subsection (a) establishes the position of Associate Deputy Secretary for Energy Policy and Research at level IV of the Executive Schedule. The Associate Deputy Secretary would report to the Deputy Secretary described in Section 301(c) and would perform the duties of that office during the absence or disability of that officer or should the office become vacant. Other officers reporting to that Deputy Secretary will normally report through this Associate Deputy Secretary, but sufficient flexibility is preserved to permit alternate reporting arrangements if the Secretary or Deputy Secretary so elect.

Subsection (b) establishes the position of Associate Deputy Secretary for Defense Programs at level IV of the Executive Schedule. This officer will report to the Deputy Secretary described in Section 301(b) and will assume the duties of that office in the event of absence, disability, or vacancy. The same flexibility as that described in the preceding paragraph is preserved.

Subsection (c)(1) provides for five additional Assistant Secretaries in the Department of Commerce at level IV of the Executive Schedule.

Paragraph (c)(2) provides that one of the Assistant Secretaries shall be the Assistant Secretary for Nuclear Materials. This Assistant Secretary shall be responsible for those programs which relate to production of nuclear materials for nuclear weapons R&D, testing, and production, and to the management of defense nuclear waste. This Assistant Secretary shall report to the Deputy Secretary described in section 301(b).

Paragraph (c)(3) provides that one of the Assistant Secretaries shall be the Assistant Secretary for Energy Emergency Planning. This Assistant Secretary shall be responsible for reducing U.S. vulnerability to energy supply interruptions and for planning for energy emergencies. This function shall include establishing policy for and operating the strategic petroleum reserve and naval petroleum reserve.

Paragraph (c)(4) provides that one of the Assistant Secretaries shall be the Assistant Secretary for Energy Technology, Conservation and Alternative Sources. This Assistant Secretary shall be responsible for programs relating to energy conservation and the development of technologies for fossile energy and renewable energy sources.

Paragraph (c)(5) provides that one of the Assistant Secretaries shall be the Assistant Secretary for Energy Research. This Assistant Secretary shall be responsible for those programs relating to magnetic fusion energy technology, and managing the long-term basic and applied energy research programs.

Paragraph (c)(6) provides that one of the Assistant Secretaries shall be the Assistant Secretary for Nuclear Energy. This Assistant Secretary shall be responsible for Federal programs relating to research on the development of the technology for nuclear-power production, including research on and development of reactor systems, naval nuclear propulsion, and managment of non-defense generated nuclear waste.

Paragraph (c)(7) provides that the Assistant Secretaries for Energy Research; Energy Technology, Conservation, and Alternative Sources; Nuclear Energy; and

Energy Emergency Planning shall report to the Deputy Secretary described in section 301(c). This subsection further provides that any function of any of these four Assistant Secretaries may be reassigned by the Secretary to any one of the others.

Subsection (d) establishes an Assistant Secretary for Security affairs entitled to compensation at the level V rate. The incumbent will report to the Deputy Secretary described in section 301(b) and will perform such security-related functions as are assigned. This position will not be subject to Senate confirmation.

SECTION 303. NAVAL REACTOR AND MILITARY APPLICATION PROGRAMS

Subsection (a) provides that there shall be a Divison of Naval Reactors to perform the R&D, development, and health and safety functions relating to naval nuclear propulsion and assigned civilian power reactor programs. The head of this Division shall report to the Assistant Secretary for Nuclear Energy.

Subsection (b) provides that there shall be a Division of Military Application, as established by section 25 of the Atomic Energy Act of 1954. The Director of Military Application shall be a general or admiral, and shall report to the Deputy Secretary described in section 301(b).

SECTION 401. ESTBLISHMENT OF BUREAU OF ENERGY INFORMATION; DIRECTOR

Subsection (a) provides that there shall be within the Department of Commerce a Bureau of Energy Information. The Bureau of Energy Information will perform the functions of the Energy Information Administration, now located in the Department of Energy. This Bureau shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate. This Director shall be compensated at the rate provided for in level V of the Executive Schedule.

The Director shall report to the Secretary through the Under Secretary of Commerce for Economic Affairs. By renaming the Energy Information Administration the Bureau of Energy Information, and by compensating its Director at level V of the Executive Schedule, the legislation does not intend to downgrade the importance or status of this organization. Rather, by placing the Bureau under the Under Secretary of Commerce for Economic Affairs, it is envisioned that this Bureau will act as a parallel entity to the Bureau of the Census, a primary data gathering organization now within the Commerce Department, which is also headed by an ES-V who reports to the Assistant Secretary for Economic Affairs. This arrangement allows these two Bureaus to assume positions of equivalent stature within the Department.

Subsection (b) provides that the Bureau shall carry out a comprehensive energy data and information program to collect, evaluate, assemble, analyze, and disseminate energy data information. This provision is virtually identical to the mission description of the Energy Information Administration in the Department of Energy Organization Act. The Bureau acts "under the . . . direction . . . of the Secretary of Commerce," as do all elements of the Department of Commerce.

This subsection also provides that, except for information policies developed by a senior Commerce official pursuant to 44 U.S.C. §3506, the Director shall not be required to obtain the approval of any officer or employee of the Department in connection with the collection or analysis of information. The Director shall not be required to obtain the approval of any officer or employee of the United States with respect to the substance of any statistical or forecasting technical reports prior to publishing that information. This provision is identical to a similar provision in the Department of Energy Organization Act which provides certain autonomy to the head of the Energy Information Administration.

Subsection (b) also provides that the Bureau shall be subject to an annual professional audit of performance as described in section 55 of part B of the Federal Energy Administration Act of 1974. This provision tracks verbatim a provision in the Department of Energy Organization Act.

Subsection (c) provides that information collected by the Bureau shall be catalogued and made available to the public. This section does not, however, require disclosure of matters which are exempted from mandatory disclosure by the exemption section (section 552(b)) of the Freedom of Information Act.

Subsection (d) provides special procedures to protect the confidentiality of individually identifiable data gathered for statistical purposes. The present Department of Energy Organization Act does not distinguish between information gathered for regulatory purposes and that gathered for statistical purposes. To ensure the integrity of data gathered for statistical purposes, and to ensure respondents that information which they give will not be used for other than statistical purposes, the legislation establishes a series of procedures and safeguards to protect this information.

Subsection (d) provides that before starting an energy information data collection effort, the Secretary shall determine whether the information is to be gathered solely for statistical purposes. This determination shall be made in consultation with FERC. For purposes of section 401, "statistical purposes" is defined to mean "the use of information for developing or reporting aggregate or anonymous information not intended to be used, in whole or in part, in any way in which the specific identity of any person is material to the intended use of the information."

If data is to be gathered solely for statistical purposes, the Secretary may only make such data available in individually identifiable form to another office or component within the Department, or to another Federal agency, if he is satisfied that a written request for such information contains a demonstration of the need for the data in individually identifiable form by that office for fulfillment of its lawful duties, and contains reasonable and binding assurances by the requesting office that the information will be used solely for statistical purposes.

Individually identifiable information gathered solely for statistical purposes shall be exempt from public disclosure under the (b)(3) exemption of the Freedom of Information Act (information exempted from disclosure by statute). Whoever publishes or communicates any information the disclosure of which is prohibited by subsection (d) shall be fined not more than $5,000 or imprisoned for not more than 5 years, or both.

Subsection (e) provides that to the maximum extent practicable the Secretary shall assign the highest priority to collection of energy information needed by FERC to carry out its responsibilities. This subsection also provides that all powers relating to energy information which are vested in the Secretary under the Federal Energy Administration Act of 1974 and the Energy Supply and Environmental Coordination Act of 1974 (ESECA) shall be available to the extent necessary to the exercise of the functions vested in FERC.

Subsection (f) provides that section 11(d) of ESECA applies to any energy information obtained by the Bureau for other than statistical purposes, except that it shall not apply to section 17 of the Federal Non-Nuclear Research and Development Act of 1974, which has its own special confidentiality provisions.

(Section 11(d) of ESECA provides that information collected under ESECA may be deemed confidential upon a showing that if such information were made public it would divulge methods or processes entitled to protection as trade secrets, except that such trade secret information may nonetheless be disclosed upon request to a number of different executive branch agencies when necessary to carry out those agencies' duties and responsibilities, or may be disclosed to the Congress.)

Any determination of confidentiality made by the Secretary under section 11(d) of ESECA shall apply to any subsequent disclosure of energy information by an agency to whom it was disclosed, except that an agency head may disclose energy information received under section 11(d) in any proceeding if—

1. The agency is a party to the proceeding;
2. The agency head determines that disclosure of the information in the proceeding is essential to the agency's effective participation in the proceeding; and
3. The agency head seeks an order in the proceeding protecting against disclosure of the information beyond that necessary to the agency's effective participation in the proceeding.

Subsection (g) provides that, notwithstanding subsection (f), the Secretary may provide energy information for other than statistical purposes to any other Federal agency, provided that it will be used solely for statistical purposes.

Subsection (h) provides that nothing in section 401 authorizes the disclosure of any information furnished to the Bureau by another Federal agency if such a disclosure is prohibited by statute.

Subsection (i) provides that notwithstanding any other provision of this Act, the Secretary shall retain authority to reorganize the energy information functions of the Department.

SECTION 402. ASSISTANT SECRETARY FOR STRATEGIC PLANNING

This section establishes the position of Assistant Secretary for Strategic Planning. The Assistant Secretary shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate provided for Level IV of the Executive Schedule. The Assistant Secretary for Strategic Planning shall coordinate the activities of the Department of Commerce relating to energy Strategic materials and industrial mobilization that were under the authority of the Secretary of Commerce as of the date of enactment of this Act.

SECTION 501. SHORT TITLE

This section provides that this title may be cited as the Federal Energy Regulations Commission Act.

SECTION 502. APPOINTMENT AND ADMINISTRATION

Subsection (a) recognizes the Federal Energy Regulatory Commission as a separate independent regulatory commisison.

Subsection (b) provides that the Commission be composed of five members appointed by the President, by and with the advice and consent of the Senate. One of the members shall be designated by the President as Chairman. Members serve four year terms and may be removed by the President only for inefficiency, neglect of duty, or malfeasance in office. Members serving on the effective date of the Act continue to serve for the balance of their original term and the member serving as Chairman continues to do so until removed by the President. Not more than three members of the Commission may be members of the same political party. Any vacancy occuring prior to the expiration of a term may by filled only for the remaining portion of the unexpired term.

Subsection (c) provides that the Chairman is responsible for the executive and administrative operation of the Commission.

Subsection (d) provides that the Chairman may designate any other member of the Commission as acting Chairman during his absence. Further, this subsection provides that the Chairman, or acting Chairman, shall preside at all sessions of the Commission and that a quorum for transaction of business will consist of at least three members. Each member shall have one vote and activities of the Commission shall be determined by a majority vote of the members present.

Subsection (e) authorizes the Commission to establish such procedural and administrative rules as are necessary to carry out its functions.

Subsection (f) authorizes the Commission to hold hearings, sign and issue subpoenas, administer oaths, and receive evidence at any place in the United States.

Subsection (g) provides that the principal office of the Commission shall be in or near the District of Columbia, but it may sit anywhere in the United States.

Subsection (h) provides that attorneys designated by the Chairman may appear for and represent the Commission in any civil action, other than matters before the Supreme Court. This section is similar to section 401 of the Department of Energy Organization Act (the DoE Act), 42 U.S.C. § 7171.

SECTION 503. JURISDICTION OF THE COMMISSION

Subsection (a) sets forth the jurisdiction of the Commission over energy regulatory matters. It vests in the Commission all functions vested in the Secretary of Energy, Department of Energy, or the Federal Energy Regulatory Commission within the Department of Energy with respect to

(1) The Federal Power Act (16 U.S.C. §§ 791a to 828(c)), except for the regulation of exports of electricity which is transferred to the Secretary of Commerce.

(2) The Natural Gas Act (15 U.S.C. §§ 717-717w), except for the regulation of imports and exports of natural gas and the establishment and review of priorities for curtailments which are transferred to the Secretary of Commerce.

(3) The Natural Gas Policy Act of 1978 (15 U.S.C. §§ 3301-3432), except for certain functions pertaining to imported natural gas and the establishment and review of priorities for curtailments which are transferred to the Secretary of Commerce.

(4) Establishing rates or charges for the transportation of oil by pipeline or establishing the valuation of such a pipeline.

(5) Certain sections of the Public Utilities Regulatory Policies Act of 1978 pertaining to regulation of gas and electricity.

(6) any other provision of law or authority that vests function in the Commission, except as elsewhere provided in this Act.

The authority to confirm and approve rates for the sale of electricity by Federal Power Marketing agencies, other than the Bonneville Power Administration, is transferred to the Department of the Interior by section 202 of this Act.

Subsection (b) provides that no functions described in this section which relate to exports or imports of natural gas or electricity shall be within the jurisdiction of the Commission unless assigned by the Secretary of Commerce. This is intended to preclude the Commission from engaging in subsequent activities which would have the effect of undermining the authorities of the Secretary in this area. This subsection is similar to section 402(f) of the DoE Act, 42 U.S.C. § 7172(f).

Subsection (c) provides that the Commission has jurisdiction over any matter which the Secretary of Commerce, after public notice, may assign to it. This subsection is similar to section 402(e) of the DoE Act, 42 U.S.C § 7172(e).

Subsection (d) provides the Commission with authority to prescribe rules, regulations and statements of policy with respect to functions under its jurisdiction and establish rates and charges by rulemaking procedures. This subsection is similar to sections 402(h) and 403(c) of the DoE Act, 42 U.S.C. §§ 7172(h) and 7173(c).

SECTION 504. ACCESS TO INFORMATION

This section provides that, except as otherwise expressly prohibited by law, the Commission may obtain information in the possession of other Federal agencies that it determines is necessary to discharge its responsibilities. This section is similar to section 407(a) of the DoE Act, 42 U.S.C. § 7177(a).

SECTION 505. DELEGATION

This section authorizes the Chairman to delegate any of his administrative functions and authorize successive redelegations. The section also authorizes the Commission, by published order or rule, to delegate any of its functions.

SECTION 506. JUDICIAL REVIEW

This section establishes jurisdiction for courts to hear cases arising out of the activities of the Commission. It provides that judicial review of Commission actions taken under any law the functions of which are vested in or transferred to the Commission shall be made in the manner specified in such law. In all other cases or controversies arising exclusively under this title, the district courts of the United States shall have exclusive jursidiction. This section is similar to section 502 (a) and (b) of the DoE Act, 42 U.S.C. §§ 7192 (a) and (b).

SECTIONS 507-515

These sections provide general administrative authorities to the Commission. Although title VI contains virtually identical administrative provisions for the Cabinet Departments, this Act seeks to establish, in one title, all authorities which the Commission needs for its operation. Thus, further analysis of many of these sections may be obtained from the section-by-section analysis for title VI.

SECTION 507. OFFICERS AND EMPLOYEES

This section authorizes the Commission to appoint necessary employees in accordance with civil service law.

SECTION 508. ADVISORY COMMITTEES

This section authorizes the Commission to establish advisory committees in accordance with the Federal Advisory Committee Act.

SECTION 509. GENERAL AUTHORITY

This section permits the Commission to exercise any authority, including appropriation Acts, which was available to the agency from which a function was transferred.

SECTION 510. SUBPOENAS

This section authorizes the Commission to issue subpoenas.

SECTION 511. CONTRACTS

This section authorizes the Commission to enter into contracts, leases, cooperative agreements or similar transactions.

SECTION 512. USE OF FACILITIES

This section authorizes the Commission to utilize the research, services, equipment and facilities of public agencies.

SECTION 513. FIELD OFFICES

This section authorizes the Commission to establish and discontinue field offices.

SECTION 514. EXPERTS AND CONSULTANTS

This section authorizes the Commission to obtain the services of experts and consultants at rates of pay not to exceed the daily rate for a GS-18.

SECTION 515. GIFTS AND BEQUESTS

This section authorizes the Commission to accept and utilize gifts or donations of money or services.

SECTION 601. OFFICERS AND EMPLOYEES

This section would authorize the Secretary, in accordance with the civil service laws, to appoint officers and employees to carry out the functions of the Act. Five percent of the personnel performing those functions described in sections 301 (b) and (c) could be appointed to scientific, engineering, professional and administrative positions without regard to the civil service or veterans' preference laws. In addition, this section provides that, upon written determination of the Deputy Secretary and written approval of the Secretary, employees of the Department of Commerce engaged in performing functions relating to defense programs may be paid at a rate not to exceed ES-6 of the General Schedule. This section is similar to § 621 of the DoE Act, 42 U.S.C. § 7231.

SECTION 602. ARMED FORCES PERSONNEL

This section authorizes the Secretary of Commerce to use Armed Forces personnel to perform functions related to functions transferred by this Act. Military personnel would be detailed to the appropriate Department under an inter-agency agreement between the Secretary and the head of the armed service concerned. This section is similar to section 625 of the DoE Act, 42 U.S.C. § 7235.

SECTION 603. EXPERTS AND CONSULTANTS

This section would authorize the Secretary to obtain the services of experts and consultants, in accordance with Federal law. This section is similar to section 623 of the DoE Act, 42 U.S.C. § 7233.

SECTION 611. GENERAL AUTHORITY

This section authorizes the Secretary, in carrying out a function transferred to him by this Act, to utilize the authorities available by law, including appropriation Acts, of the official or agency from which the function was transferred. It is intended to provide the authority necessary to assure continuity in the functions transferred until such time as they are subject to reauthorization. This section is similar to section 641 of the DoE Act, 42 U.S.C. § 7251.

SECTION 612. DELEGATION AND ASSIGNMENT

Subsection (a) permits the Secretary, unless specifically prohibited by law, to delegate any of the functions vested in him to officers and employees of his Department and authorize successive redelegations as appropriate. This section is similar to section 642 of the DoE Act, 42 U.S.C. § 7252.

Subsection (b) authorizes the Secretary of Commerce, with the consent of the Commission and after public notice, to assign functions which are vested in him by this Act to the Commission. This section is similar to section 402(e) of the DoE Act, 42 U.S.C. § 7172(e).

This section is intended to provide the Secretary with the necessary flexibility to organize and manage the functions transferred to him. It is expected that he will delegate to appropriate employees (and, in the case of the Secretary of Commerce, assign to the Commission) many of the responsibilities and functions vested in him in this Act, but that he will retain the final responsibility for the effective discharge of the authorities and responsibilities.

SECTION 613. REORGANIZATION

This section provides that the authority of the Secretary of Commerce to reorganize units or components of the Department does not extend to organizations established by title III of this Act. This section is similar to section 643 of the DoE Act, 42 U.S.C. § 7253.

SECTION 614. RULES

This section authorizes the Secretary to prescribe rules and regulations necessary for the administration and management of the functions vested in him. It is expected that, as much as possible, there will be continuity of the procedural and administrative rules of the Department of Energy. This section is similar to section 644 of the DoE Act, 42 U.S.C. § 7254.

SECTION 615. SUBPOENA

This section grants the Secretary the power to issue a subpoena in carrying out the provisions of this Act. The power is the same as that granted the Federal Trade Commission in section 9 of the Federal Trade Commission Act (15 U.S.C. § 49), and applies to all responsibilities vested in the Secretary by this Act.

Although there are several specific subpoena authorities transferred by this Act, they apply only to the specific functions transferred. As with section 645 of the DoE Act (42 U.S.C. § 7255), this section provides subpoena authority with regard to all matters relating to this Act. Such authority is needed in order for the Secretary to carry out the authorities transferred to him.

SECTION 616. CONTRACTS

This section authorizes the Secretary to enter into and perform contracts, leases, cooperative agreements, grants, or other similar transactions with public agencies and private organizations and persons, and is similar to section 646 of the DoE Act, 42 U.S.C. § 7256. In addition, this section confirms the procedures for handling contract relationships with regard to government-owned, contractor-operated facilities that have existed for over 30 years, and authorizes the Secretary of Commerce to continue these procedures.

SECTION 617. ACQUISITION AND MAINTENANCE OF PROPERTY

This section authorizes the Secretary of Commerce to acquire, construct, improve, repair, operate, and maintain real property of a special purpose nature such as laboratories, research and testing sites and facilities, as well as quarters and related accommodations for employees and their dependents. Under this provision, the Secretary of Commerce may also provide for eating and other necessary facilities for the welfare of Department employees. This section is intended to apply solely to special purpose facilities and thus expressly provides that general purpose facilities and thus expressly provides that general purpose space must be obtained from the Administrator of General Services. This section is similar to section 647 of the DoE Act, 42 U.S.C. § 7257.

SECTION 618. FACILITIES CONSTRUCTION

This section authorizes the Secretaries of Commerce and the Interior to provide certain specified services and resources necessary for employees and dependents stationed at remote locations or outside the continental United States. Reimbursement for subsistence supplies and messing facilities will be made at a reasonable value as determined by the Secretary. Reimbursements may be credited to a working capital fund if it is available for use in performing the work or services for which payment is received, or, if specified in an appropriation Act, credited as reimbursement to the appropriation or fund which initially bore the cost. This section is a combination of existing Department of Commerce authority (15 U.S.C. § 1514) and section 648 of the DoE Act (42 U.S.C § 7258).

SECTION 619. USE OF FACILITIES

Subsection (a) authorizes the Secretary to use private and other governmental facilities or services in carrying out his functions under this Act.

Subsection (b) authorizes the Secretary of Commerce, at a rate he deems to be in the public interest, to permit the use of any real property or facility under his custody by a public or private person or organization, and to require the permittee to recondition and maintain the property at its own expense.

Subsection (c) provides that proceeds from reimbursements be deposited in the Treasury and used to pay the costs of the facility, repay or make advances to appropriations or funds which do or will bear the costs, or be credited to a working capital fund available for use in providing the facility. This section is similar to section 649 of the DoE Act, 42 U.S.C. § 7259.

SECTION 620. FIELD OFFICES

This section authorizes the Secretary to establish or discontinue such field offices as he considers necessary. This section is similar to section 650 of the DoE Act, 42 U.S.C. § 7260.

SECTION 621. INTELLECTUAL PROPERTY RIGHTS

This section authorizes the Secretary of Commerce to acquire patents, copyrights, applications for patents, designs and manufacturing data, licenses, and releases. This section is similar to section 651 of the DOE Act, 42 U.S.C. § 7261.

SECTION 622. RIGHT TO INTERVENE IN COMMISSION PROCEEDINGS

This section authorizes the Secretary of Commerce, as a matter of right, to intervene or otherwise participate in any proceeding before the Commission. This section is similar to section 405 of the DOE Act, 42 U.S.C. § 7175.

SECTION 623. AUTHORIZATION

This section authorizes the appropriation of such sums as are necessary to carry out the provisions of this Act.

SECTION 624. INITIATION OF RULEMAKING PROCEEDINGS BEFORE COMMISSION

Subsection (a) authorizes the Secretary to propose rules and regulations with respect to any function within the jurisdiction of the Commission.

Subsection (b) provides that the Commission shall have exclusive jurisdiction with respect to any proposal made under subsection (a), and shall take action on any such proposal in an expeditious manner.

SECTION 701. TRANSFER AND ALLOCATION OF APPROPRIATIONS AND PERSONNEL

Subsection (a) tranfers to each Secretary and the Commission all personnel, positions, assets, liabilities, contracts, property, records, unexpended balances of appropriations, authorizations, allocations, and other funds connected with the functions transferred to the Secretary under this Act. This section is similar to section 701 of the DOE Act, 42 U.S.C. § 7291.

Subsection (b) transfers the personnel and assets of the Office of Inspector General, Department of Energy, to the Inspectors General of the Departments listed in section 102(4) of this Act. The intent of this subsection is to reiterate the independence of the Inspectors General and make clear that these personnel and assets are not subject to the Secretary's authority under subsection (a).

Subsection (c) provides that the Director of the Office of Management and Budget, in consultation with the Secretary, shall determine the allocation between the Departments of transfers described in subsection (b).

SECTION 702. EFFECT ON PERSONNEL

This section terminates all Department of Energy positions (except those of the Commission) the incumbents of which are appointed by the President, by and with the advice and consent of the Senate. This section is similar to section 703 of the DoE Act, 42 U.S.C. § 7293.

In addition, this section provides that employees of the Department of Energy who were appointed under § 621(d) of the DoE Act (42 U.S.C. § 7231(d)) shall have their appointments continued, and the appointments shall be considered to be under and subject to § 601(b) of this Act. Subsection 621(d) of the DoE Act authorized the appointment of up to 200 scientific, engineering, professional, and administrative personnel, without regard to the civil service law, at a rate of pay not to exceed that of a GS-18. There are currently fewer than 10 individuals subject to this provision. This provision is intended to authorize the continued employment of these individuals under § 601(b) of this Act, which replaces § 621 of the DoE Act.

SECTION 703. INCIDENTAL TRANSFERS

Subsection (a) authorized the Director of the Office of Management and Budget, in consultation with the Secretary and the Commission, to make determinations concerning dispositions of personnel, assets, liabilities, and other matters involved in connection with the function transferred by this Act. This section is similar to section 704 of the DoE Act, 42 U.S.C. § 7294.

Subsection (b) provides that the unexpended balances of prior appropriations for the Department of Energy that are transferred to new appropriation accounts may be merged with funds in the newly established accounts and accounted for as one fund for the same time period as originally enacted.

SECTION 704. SAVINGS PROVISION

Subsection (a) of this section provides for the continuation of all effective orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges made prior to enactment of this Act in connection with transferred functions, unless they are modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Secretary, the Commission, other authorized officials, a court of competent jurisdiction, or by operation of law. This subsection is intended to make clear that rules and regulations adopted under authorities transferred under this Act will continue in effect unless they are revoked or otherwise changed in a manner that is in accordance with law, and that any changes made in existing regulations must be done in accordance with the substantive and procedural requirements imposed by this Act and the underlying statutes.

The other subsections of this section serve to protect the status of proceedings, pending at the time this Act takes effect, before any body whose functions are transferred by the Act. Such a proceeding may be discontinued or modified to the same extent permitted had this Act not been enacted. The Secretary and the Commission are authorized to promulgate regulations to assure the orderly transfer of such proceedings. The Act shall not affect suits commenced prior to the date this Act takes effect, except to substitute the appropriate Department official as a party. The authority to impose sanctions and grant waivers with respect to conflicts of interest occuring before the effective date of the Act would continue. This section is similar to section 705 of the DoE Act, 42 U.S.C. § 7295.

SUBSECTION 705. SEPARABILITY

This section provides that if any provision of this Act is held invalid, the remainder of the Act is not affected. This section is similar to section 706 of the DoE Act, 42 U.S.C. § 7296.

SECTION 706. REFERENCE

This section provides that after the effective date of this Act, references in any other law to a department, agency, officer or office from which functions were transferred shall be considered to refer to the Secretary or other appropriate official to whom the functions were transferred. This section is similar to section 707 of the DoE Act, 42 U.S.C. § 7297.

SECTION 707. PRESIDENTIAL AUTHORITY

This section preserves for the President all authorities and functions which he possessed immediately before the effective date of this Act. This section is similar to section 708 of the DoE Act, 42 U.S.C. § 7298.

SECTION 708. CONFORMING AMENDMENTS

This section makes a number of conforming amendments to existing laws to bring them into conformity with this Act.

Subsections (a) through (g) delete references to the Department of Energy and its statutorily established officials in titles 3 and 5 of the United States Code and replaces them with the positions established by this Act.

Subsection (h) amends § 58 of the Federal Energy Administration Act of 1974 (15 U.S.C. § 790 (g)) to authorize the Director, Bureau of Energy Information (BEI), to provide the head of any agency from which BEI seeks to obtain information with a binding assurance that BEI will not disclose the information in individually identifiable form, except to an agency that will use it solely for statistical purposes.

Subsection (i) amends § 2(b)(1) of Reorganization Plan No. 3 of 1979 (93 Stat. 1382) to provide that the Deputy Secretary shall act as Secretary of Commerce in the event of the absence or disability of the Secretary or a vacancy in that office, and for an orderly succession of authority if both of those officials are absent or their offices vacant.

Subsection (j)-(l) make minor technical amendments to the Federal Power Act, Natural Gas Policy Act of 1978 and Public Utilities Regulatory Policies Act of 1978, to reflect the slightly different distribution of authorities between the Commission and Department of Commerce than existed between the Commission and the Department of Energy.

Subsection (m) amends § 209 of the Economic Stabilization Act of 1970 to preserve explicitly the Attorney General's right to commence an enforcement action under that Act when an administrative proceeding on the same issue is pending, so long as the administrative proceeding is terminated within a reasonable time after commencement of the court action and prior to issuance of a final order.

Subsection (n) amends Title II of the Energy Security Act to eliminate the statutory requirement for an Office of Alcohol Fuels. It is intended to provide the Secretary of Agriculture with flexibility regarding the organizational structure necessary to accomplish the functions transferred to him by Section 203 of this Act.

SECTION 709. REPEALS

Section 709 would repeal certain provisions of Federal law.

Subsection (a) would repeal the Department of Energy Organization Act, which would be replaced by this Act.

Subsection (b) would repeal sections 17, 18, 25, and 32 of the Federal Energy Administration Act of 1974. Section 17 (15 U.S.C. § 776), relating to advisory committee composition and openness of advisory committee meetings, is covered by similar provisions in the Federal Advisory Committee Act. By repealing section 17, the legislation would place all Department of Commerce advisory committees under the same operating rules. Section 18 (15 U.S.C. § 777), relating to economic analysis of proposed actions, is similar in content to executive Order 12291. By repealing section 18, the legislation would place procedural requirements for economic analyses for proposed actions under the Federal Energy Administration Act on the same basis as economic analyses prepared by other agencies. Section 25 (15 U.S.C. § 784), relating to maintenance or records of all coal or oil export transaction, duplicates records already maintained by the Department of Commerce. This section is deemed unnecessary in light of ongoing Department of Commerce activities. Section 32 (15 U.S.C. § 788), relating to promulgation of commercial standards in rulemaking, places certain rulemaking within the Department of Energy on a different procedural basis than the rulemaking engaged in by other agencies. The procedues required by section 32 are unnecessary, can delay the rulemaking process, impose additional costs on both the private sector and the Federal Government, and impose undesirable variances in the Department of Commerce rulemaking procedures.

Subsection (c) would repeal section 308 of the Energy Research and Development Administration Authorization Act of 1977 (42 U.S.C. § 5816a), relating to financial statements of employees. The provisions of section 308 are similar to those in the Ethics in Government Act of 1978 (5 U.S.C. App.), and the Department of Commerce regulations on statements of employment and financial interest (15 CFR Part 0). These latter provisions provide all necessary rules and guidelines on the subject.

Subsection (d) would repeal 15 U.S.C. §§ 1502 and 1503 relating to the Under Secretary of Commerce. This position was abolished by section 2(b)(2) of Reorganization Plan No. 3 of 1979. Section 708(h) of this Act would replace these provisions.

Subsection (e) would repeal 15 U.S.C. § 1514 relating to certain functions and activities of the Department of Commerce in areas outside the continental United States. This provision would be replaced by section 618 of this Act, which combines the Department of Commerce and Department of Energy provisions on use of facilities (15 U.S.C. § 1514 and 42 U.S.C. § 7258).

SECTION 710. TRANSITION

This section provides that, with the consent of the Secretary of Energy, the services of personnel of the Department of Energy may be used for so long as is necessary to facilitate the transfer of functions under this Act. This section is similar to section 722 of the DOE Act, 42 U.S.C. § 7299.

SECTION 711. ENVIRONMENTAL IMPACT STATEMENTS

This section provides that the validity of any draft Environmental Impact Statement would not be affected by the transfer of functions under this Act. This section is similar to section 713 of the DOE Act, 42 U.S.C. § 7301.

SECTION 801. EFFECTIVE DATE

This section provides that the Act takes effect on October 1, 1982, or 120 days after enactment, whichever is later. However, section 710, pertaining to utilization of Department of Energy employees to facilitate the transfer of functions, would become effective upon enactment. Further, at any time after enactment, the officers provided for in titles III, IV, and V may be nominated and appointed, and the Secretary and the Commission may issue rules concerning orderly transfer of proceedings under section 704(b)(2).

SECTION 802. INTERIM APPOINTMENTS

This section authorizes the President to make interim appointments if officers required to be confirmed by the Senate have not entered office on the effective date of the Act. However, such interim appointees must be officers whose appointment was subject to Senate confirmation. This section is similar to section 902 of the DOE Act, 42 U.S.C. § 7342.

Mr. FORD. Mr. President, what is the pending business?

The PRESIDING OFFICER. There is a special order pending for another Senator to speak.

Mr. FORD. Mr. President, I have no special order but I ask unanimous consent that I may speak for a minute or two.

The PRESIDING OFFICER. The Senator may speak as though in morning business.

Mr. FORD. Mr. President, I was interested in the two statements made by the distinguished Senator from Delaware and the distinguished Senator from Idaho.

As the Chair knows, I serve on the Energy Committee and the Energy Committee has some concern as to the dismantling of the Department of Energy.

When I served as Governor of Kentucky, we saw it moved to ERDA and from ERDA into the Department of Energy, and now it is going to the Department of Commerce. Everyone says how grand and glorious this will be. These are the same sorts of statements we heard when ERDA was formed, the same sort of statements we heard when the Department of Energy was formed, and now the third time is charmed.

We find 1.5 million barrels a day makes a difference between a buyers' and a sellers' market as relates to crude on the international market.

A million-and-a-half barrels in surplus makes it a buyers' market. A million-and-a-half barrels minus makes it a sellers' market.

We find that gasoline was down for a while and now it is going up again. We find that the OPEC countries absolutely have us by the throat relating to the production of crude.

Mr. President, there is no way anyone can say we have won the war. We have not even won a battle yet relating to energy in this country. So now we have won the war and we are going to give it to the Department of Commerce, we are going to have a trade agency there to look after the import and export of crude.

Let me say, Mr. President, the alternate sources of energy in this country have had no push in the last 2 years from the administration that is so sorely needed. We sit here and argue and the distinguished chairman of the Committee on Energy works hard to have a reserve of crude in this country, SPRO. We try to increase the number of barrels put in storage per day and it is very difficult to do. We do not buy when oil is down; we wait basically until it is up.

I have to give Secretary Edwards credit, Mr. President. He has moved with dispatch, doing the best he could to have this emergency storage of crude. I say in all sincerity that any dismantling of the Department of Energy, any moving to other agencies, certainly is going to have the very close scrutiny of this Senator. It is true that I come from a coal-producing State. We produce more coal than any other State in the Nation. Probably for the last 5 to 7 years, we have found western coal now coming on board—lower in Btu, but also lower in sulfur. We have the ability to produce, and we find the Department of the Interior selling coal leases with billions of tons of reserves. Yet we find ourselves in a crude shortage.

Mr. President, any time an OPEC country wants to turn the spigot, we are in trouble in this country. We see the problem in the Falkland Islands now. Over 7,000 miles, Great Britain is trying to wage a small confrontation, if I can use that word now, with the possibility of enlargement. What are we going to do then, if we have to have the fuel for our naval forces? What are we going to do for our military forces if our oil supply line is cut off?

They did a very little thing compared to a long-term embargo twice in the seventies, and we saw what a disruption this country had.

Mr. President, I have great faith in the Committee on Governmental Affairs, I have great faith in the members of the Energy Committee. It seems to me that we are winding up to where we are going to have the Energy Committee, the Commerce Committee, and maybe the Rules Committee will get involved before this is over, in the procedure that we shall have to follow regarding the mix. We reorganized the Senate in 1975, 1976—I guess it was 1976. The distinguished Senator from Idaho is indicating it was 1976. About the time we get into a posture where we understand what the assignment of legislation is to be, and we begin to move with background, we find that now we are getting ready to shift and we have concurrent referrals and that sort of thing.

Mr. President, I am very hopeful that, in the long run, we can see that a direct Department of Energy will probably be important. If we have a shortage of crude and gasoline lines are starting again, Congress will react and try to eliminate the problem. We on the Committee on Energy in the last few weeks have talked about how important it is to act instead of reacting. We have been there; we have seen the problems; we have tried to get Congress to move ahead. But they seem to want to just let the status quo be, because everything is fine, there are no lines.

I wager today, as a Kentuckian, that the price of gasoline will continue to go up the rest of the year.

Now, Mr. President, we are talking about an import fee on crude. We never talk about products in that little item, because the companies might just go ahead and produce the product and ship that in. If we are going to put an import fee on a barrel of oil, think about the products that might come into this country. We ought to think about a fee on that.

I did not mean to get wound up, Mr. President, but this is a field I feel very strongly about. I have been for the last 11 years involved in trying to find alternative sources of energy for this country. We are underwriting the economy of other countries because we will not take the initiative that is necessary.

Mr. McCLURE. Will the Senator yield, Mr. President?

Mr. FORD. I am glad to yield.

Mr. McCLURE. Mr. President, I appreciate the comments of the Senator from Kentucky with respect to this reorganization and also with respect to a need for an energy policy and emphasis on alternate sources of energy.

Mr. President, the Senator from Kentucky has been indeed a leader in this field for a long time. We respect him and seek his advice and counsel with respect to legislative items and policy choices within this area.

Let me say to the Senator that he is correct, reorganization is always subject to some uncertainty until it is completed. But I say with respect to the jurisdictional question, there is anticipation of the Senator from Delaware and the Senator from Oregon (Mr. PACKWOOD), chairman of the Committee on Commerce, as well as the Senator from Texas (Mr. TOWER), chairman of the Committee on Armed Services, that the resolution which the Senator from Delaware has introduced with this legislation, which will, in itself, be referred to the Rules Committee, will settle the jurisdictional question along the lines in which we now see it, so there will be no change in jurisdiction because of the change of administration.

The Senator also knows that the Senator from Idaho agrees with the Senator from Kentucky with respect to the need for alternate energy sources. As we went through this period of the so-called oil glut, as people kept telling us the price of oil was going down and down—and there were those, the Senator will remember, predicting $20 a barrel oil—the Senator from Kentucky and the Senator from Idaho were not heard to say that. I believe we have been drawing down on inventories, we have been drawing down on the inventory of crude, we have been drawing down on the inventories of finished products. We are getting to the tail end of that process and there is a likelihood for a rather strong rebound in the price of finished gasoline and oil products.

Mr. President, the Senator is exactly right. I have also been asked with respect to the Synthetic Fuels Corporation: What is its role now in the midst of an oil glut? I have said repeatedly that during this period of time, when there is greater market uncertainty about the price of oil and its alternatives, the Synthetic Fules Corporation is more important than ever, not less. Some have said that with the death of the Tosco project, with the cancellation of Alsands, with the deferral of certain other proposals—which, in my opinion was the most likely form of alternative energy sources. I said it would seem to me you look at the most abundant resource that we have, with the most proven technology that we have, and that coal gasification is the most likely alternative source of energy and the liquefaction of coal may be certainly at least as attractive as other forms of petroleum or hydrocarbon fuels in liquified form.

Mr. President, I agree with the thrust of the remarks of the Senator from Kentucky. Again, I want to assure him that, as far as I am concerned, this move does not detract one whit from the determination that I have, nor do I believe it does detract one bit from the determination of the Congress to move forward on alternative energy sources and to move forward with an energy policy. The Senator is correct, it is vital to the security of this country.

Mr. FORD. I thank the distinguished Senator from Idaho.

Mr. President, we must recall that we sent two synthetic fuel bills to the House and when it finally came back, it was the Defense Production Act. Their thought then was for the defense of this country and the need for that energy. It was very important.

Mr. PACKWOOD. Mr. President, I am pleased to join in sponsoring the Federal Energy Reorganization Act of 1982. This legislation will reorganize, reform, and refocus the activities of the Federal Government in meeting the Nation's current and future energy needs.

Our reliance on the marketplace to allocate resources will be increased and our dependence on the Federal Government as energy planner, manager, and regulator will be reduced.

At the same time we will be enhancing essential Government activities:

First and foremost, integration of energy policy with the Government's overall economic and business policymaking;

Contingency planning for energy supply disruptions;

Civilian-controlled research, design, production, and testing of nuclear weapons; and

Long-term, high-risk, research and development with potentially high payoff.

The activities will be carried out under the authority, direction, and control of the Secretary of Commerce.

Responsibility for energy policy will be added to that which the Secretary of Commerce already has for overall economic policy, and of which energy policy is a critical element. The relationship of these responsibilities is apparent, for example, in many energy-related industries, which tend to be characterized by rapid growth with significant potential for export development and job creation. Similarly, transferring energy information, planning, and analysis functions to the Department of Commerce will place them in the mainstream of the Government's statistical and analytical activities.

The Department of Commerce will also assume responsibility for emergency preparedness and contingency planning for energy supply disruption. The Secretary of Commerce is already responsible for strategic materials planning and emergency allocation of all strategic materials except energy. Transferring the Department of Energy's emergency preparedness activities to the Secretary of Commerce will consolidate Federal policy planning for all strategic resources. This will also contribute to understanding better how energy supply disruptions affect the general economy, as well as specific business sectors.

Finally, the existing research and development activities of the Department of Energy, including the unparalleled capabilities of the national laboratories, will be retained intact; disruptions of key programs will be minimal. These responsibilities will be transferred to an agency where research and development are already major missions, commanding almost a quarter of the budget of the Department of Commerce.

Complementary research is now carried out by both Departments in high energy and nuclear physics, health and environment, basic energy sciences, nuclear energy, and conservation and reusable energy.

The last is of great interest to me since my home State of Oregon is pursuing renewable energy vigorously. The city of Klamath Falls, for instance, is developing geothermal energy sources for heating a substantial portion of the downtown area; one of the first solar thermal demonstrations for industrial use was by Ore-Ida Foods in Ontario, Oreg.; and the State is providing innovative tax subsidies for residential and commercial use of conservation and renewable energy sources.

The closer relationship between the environmental research activities of the Department of Energy and those of the Department of Commerce's National Oceanic and Atmospheric Administration, the lead Federal agency for climate and ocean research, will be very beneficial. The new arrangement should contribute to more enlightened, socially responsible, and economically productive commercial application of new energy technologies. This, in turn, should contribute to strengthening industries, creating new jobs, and promoting U.S. energy products and technology in the international marketplace, while protecting the health of our citizens and the welfare of our Nation.

The goal of the Department of Commerce is a prosperous economy through economic growth, international trade, and technological development. Responsibilities are exercised through such agencies as the International Trade Administration; the Office of Productivity, Technology, and Innovation; the National Bureau of Standards; the U.S. Travel and Tourism Administration; and the National Oceanic and Atmospheric Administration. The mission of every one of these agencies affects or is affected by national policies for energy. Combining these elements will greatly improve the national responsiveness of each.

My colleagues on the Committees on Energy and Natural Resources, Governmental Affairs, and Armed Services, along with the majority leader, have worked long and hard with the administration and one another to shape legislation which preserves the legitimate governmental functions of the Department of Energy. At the same time we have met our goal of removing the Federal Government from those areas which are best left with the private sector. The bill which we are introducing today is witness to our shared belief in that goal and to our agreement on the best path to its attainment.

EXTENSION OF TIME FOR ROUTINE MORNING BUSINESS

Mr. McCLURE. Mr. President, am I correct that there is a standing order for the Senator from Pennsylvania (Mr. SPECTER)?

The PRESIDING OFFICER. There is a special order.

Mr. McCLURE. A special order.

Mr. President, I ask unanimous consent that the time for routine morning business be extended until 2 p.m. and that at any time therein the Senator from Pennsylvania may be recognized for this special order.

The PRESIDING OFFICER. Is there objection?

Mr. FORD. Reserving the right to object—and I will not object—this is one that was not discussed with me, and it is obvious I am supposed to be checking on this side.

Will the Senator withhold his request until I have an opportunity to check?

Mr. McCLURE. I am very happy to. I do withhold my request.

Mr. FORD. I thank the distinguished Senator.

Mr. McCLURE. Mr. President, I note the Senator from Pennsylvania (Mr. SPECTER) is on the floor, and I understand he has the reservation of a special order.

Mr. President, I ask unanimous consent that upon completion of this special order of the Senator from Pennsylvania, the time for routine morning business be extended until 2 o'clock with the usual provisions.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

RECOGNITION OF SENATOR SPECTER

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, I thank the distinguished Senator from Idaho for relinquishing the floor, and I thank the Chair for the time. The special order was for 12:15 p.m., but I have been engaged since 10:30 this morning in hearings on the bill S. 2167.

S. 2563—NUCLEAR MATERIAL EXPORT CONTROL ACT OF 1982

Mr. SPECTER. Mr. President, I rise to introduce the Nuclear Material Export Control Act of 1982.

This bill is designed to add an important check on the spread of nuclear materials that may be used to build nuclear weapons by countries that refuse to commit to the treaty on nuclear nonproliferation.

The proliferation of nuclear weapons poses a certain danger to the security of all nations. It is a danger that has been steadily growing as world tensions increase and more nations plunge into desperate races to build nuclear arsenals for fear that their neighbors have done the same.

I am deeply concerned by reports that the administration has adopted a more lenient policy regarding the sale of nuclear materials and technology. According to Commerce Secretary Malcolm Baldrige, in a May 13 letter to Senator CHARLES PERCY:

> (T)his Administration has adopted a more flexible policy with respect to approvals of exports of dual-use commodities and other materials and equipment which have nuclear-related uses in areas such as health and safety activities.

This declaration was issued in connection with a proposed sale of 95 grams of helium-3 to South Africa. Such a sale, I believe, carries unacceptable risks. I have communicated my view to Secretary Baldrige in a letter dated May 18, 1982.

Helium-3 contains isotopically enriched helium that can be converted to tritium, a form of hydrogen used in thermonuclear weapons. Potentially deadly materials such as helium-3 should not not be made available to South Africa, or any nation, that refuses to join the treaty of the nonproliferation of nuclear weapons. South Africa has also consistently rejected international inspections of its nuclear fuel enrichment plant.

Absent an unequivocal commitment to nuclear nonproliferation, there can be no adequate assurance that materials such as helium-3 will be used exclusively for peaceful purposes.

As long as countries that have rejected proliferation restraints are able to stockpile and build nuclear materials with U.S. assistance, we are guilty of undermining international efforts to avert a nuclear holocaust.

It is fantasy to debate nuclear superiority or even nuclear parity. Any country vulnerable to destruction in a nuclear attack—a vulnerability that we share with every nation on Earth—is a victim of nuclear inferiority. As I argued in behalf of my amendment calling for immediate summit talks, we are in danger of becoming "inferior" to a growing list of nations with nuclear arsenals.

Stronger checks are needed to restrict sales to irresponsible nations. My bill would require congressional review of any application for an export license for nuclear materials intended for sale to a country that has not joined the nonproliferation treaty. A concurrent resolution by the House and the Senate would veto any such proposed sale, except in cases of a national security emergency, as certified by the President.

Such a veto, already available for conventional arms sales under the Arms Export Control Act, will insure close scrutiny of all controversial nuclear sales.

The odds of nuclear war rise sharply with every additional nation that gains command of a nuclear arsenal. It defies logic for the United States to shorten these odds by making nuclear material sales easier to the countries least willing to assure their peaceful use.

In the interest of nuclear nonproliferation, I ask my colleagues to give their speedy and careful consideration to the "Nuclear Material Export Control Act of 1982."

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2563

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Nuclear Material Export Control Act of 1982".

TITLE I—EXPORTS OF NUCLEAR MATERIAL

CONGRESSIONAL FINDING

SEC. 101. The Congress finds and declares that the export of commercial materials and technical data that can be used for nuclear weapons or facilities jeopardizes progress toward peace and exacerbates the threat of nuclear war and therefore should be subjected to congressional review for the protection of the public interest.

SEC. 102. Prior to the approval thereof, the President shall transmit to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate any application to the Nuclear Regulatory Commission, Department of Energy, Department of State, or Department of Commerce for a validated export license authorizing a sale to any nonsignatory country to the Treaty on the Non-Proliferation of Nuclear Weapons of—

(1) any material, or any sensitive nuclear technology (as defined in section 4(a)(6) of the Nuclear Non-Proliferation Act of 1978) that can be used directly or indirectly for the fabrication or testing of nuclear explosive devices; or

(2) for the construction, fabrication, or operation of the following facilities—

(A) for the chemical processing of irradiated special nuclear or source material;

(B) for the production of heavy water;

(C) for the separation of isotopes of source and special nuclear materials; and

(D) for the fabrication of nuclear reactor fuel containing plutonium.

SEC. 103. Unless the Presdent states in a certification accompanying an application for a validated export license described in section 102 above that an emergency exists which requires the proposed export in the national security interest of the United States, said license for export shall not be issued until the end of the thirty-day period (excluding Saturdays, Sundays, and holidays, and any day on which either House is not in session) beginning on the day such application is transmitted by the President to the Chairman of the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives, and then only if during such thirty-day period both Houses of Congress do not adopt a concurrent resolution disapproving the issuance of such license. The provisions of section 104 of this Act shall apply with respect to any concurrent resolution disapproving any application pursuant to this Act.

Sec. 104. (a) This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such these provisions are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by this section; and they supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

(b) For the purpose of this section, "resolution" means only a concurrent resolution, the matter after the resolving clause of which is as follows: "That the Congress disapproves of the issuance of an export licence described as follows: .", the blank space therein being appropriately filled.

(c) Any such resolution shall be referred to the appropriate committees of the Senate and the House of Representatives by the President of the Senate or the Speaker of the House of Representatives, as the case may be.

(d) If the committee to which a resolution has been referred has not reported it at the end of twenty calendar days after its introduction, it is in order to move to discharge the committee from further consideration of any other resolution with respect to the same application which has been referred to the committee.

(e) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same matter), and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(f) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same matter.

(g) When the committee has reported, or has been discharged from further consideration of, a resolution, it is at any time thereafter in order (even though the previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debateble. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(h) Debate on the resolution shall be limited to not more then ten hours, which shall be divided equally between those favoring and those oppposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

(i) Motions to postpone made with respect to the discharge from committee or the consideration of a resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

(j) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution shall be decided without debate.

Mr. SPECTER. I thank the Chair. I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond 2 p.m., with statements therein limited to 5 minutes each.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Illinois.

ENERGY CONSERVATION

Mr. PERCY. Mr. President, during the debate on the budget resolution, Senator CHAFEE led a colloquy on funding for energy conservation. I should like to take this opportunity to speak on the subject and stress the importance which I attach to continued funding at adequate levels for energy conservation programs.

The Energy Subcommittee of the Committee on Governmental Affairs—which I chair—has held oversight hearings on these programs, and I have personally had a number of conversation with administration officials about them, thus far with little success. It is time that we in the Republican Party stand up and say that we are strongly committed to promoting energy conservation. It is in this spirit that I rise today.

Mr. President, the broad objective of energy conservation is very much in line with the objectives of President Reagan's program for economic recovery. If industry, Government, and the American public can avoid wasting energy, profitability will increase, leaving more money for investment and circulation in the economy. Consumers will be able to spend more on goods and services, again priming the economic machinery.

I am a fiscal conservative, and at the same time, I am strongly proconservation. The two terms mean very much the same thing—avoiding waste, cutting fat, promoting efficiency, trimming back on the nonessentials. After all, the first 10 letters of the 2 words are the same. I am convinced that the President would subscribe to a sound, updated conservation program if one were proposed to him—something the Department of Energy has not been willing to do. Energy conservation is consistent with the President's goals, good for the country, and essential to a sustained economic recovery. No one can dispute this.

In their efforts to downplay the need for conservation programs, Secretary Edwards and Assistant Secretary Joseph Tribble have repeatedly cited a study which—they claim—shows that Government programs have accounted for only 5 percent of the reduced energy consumption in this country. But the study they cite reaches an important conclusion which they have ignored: the bulk of conservation is due to a cut in the standard of living and quality of life of the American people. This study says the response to higher energy prices has, and I quote, "depressed labor productivity, lowered standards of living, changed lifestyles, slowed economic growth, aggravated inflation, and caused severe deprivation in some segments of society." Is this the conservation strategy the Department of Energy wants to promote? Depressed labor productivity and lowered standards of living? I cannot imagine the President would go along with such an approach.

We need a much more positive strategy for conservation—a Republican strategy the President can take pride in—one that stimulates labor productivity, improves the standard of living, speeds up economic growth, and reduces inflation, rather than the reverse.

I recently held a hearing at Argonne National Laboratory which over 1,000 people attended—individuals at the cutting edge of research into new conservation and other energy technologies. Many of these people face the loss of their jobs due to DOE's lack of commitment to conservation and alternative technologies. When I asked the DOE witness, Alvin Trivelpiece his views on conservation, he responded, "conservation doesn't create new energy * * *" leaving the implication that conservation is less important than finding new sources of energy. This is the type of attitude we just cannot afford to have.

When we consider that energy has been selling for, say, $34 a barrel, and we consider that if we still spend money on conservation—simple things such as weather stripping, storm windows, storm doors, insulating material—and the cost of that material is the equivalent of about $2 to $3 per barrel, you are creating energy; because it will take far less energy to heat a home, a factory, a school, or a Government building if you properly insulate and invest a modest amount in conservation. Permanently thereafter, that structure, as long as it stands, will be consuming less energy.

In my judgment, that is creating energy, and that is certainly the lowest cost form of energy. It is penny wise and pound foolish to cut out programs on conservation.

When we have an Assistant Secretary of the Department of Energy who has that title and is responsible for conservation but instead works against conservation, if I had known about him what I know now, as I told him, I never could have voted for the confirmation of his nomination.

We pour money into nuclear and synthetic fuels, on which even Exxon has spent hundreds of millions of dollars and has given up as a lost cause, so far as return on investment in concerned. Why do we not take a page out of the book of the private sector and put our money where the real retun on investment can be?

It is for that reason that I testified before the appropriate committee on this issue, and I found a great deal of agreement on this issue by Senator HATFIELD and other colleagues who have believed deeply in conservation, as did Senator **Humphrey**. Five years ago, we created together and founded the Alliance to Save Energy, an alliance of business, government, academicians, labor union leaders—all aimed in the direction of convincing America to use our energy in a more efficient manner.

The Advertising Council alone, taking our quarter of a million dollar investment in production costs to put Gregory Peck on television and radio, has contributed $80 million of free television and radio time to get that message across.

The same message costs the Ministry of Energy in Great Britain 12 million pounds a year, and it carries the label "Ministry of Energy" at the bottom of it, not "Alliance to Save Energy, a Free Enterprise Organization," which has combined the interest groups in this country who are interested in conserving and saving energy.

I called on the Secretary of Energy to encourage the Department of Energy and the Federal Government, as it invests in energy, to invest more in conservaiton, rather than always looking for the exotic sort of route, developing some sort of future energy source such as synthetic fuels, which many times ends up being $80 to $90 a barrel—if you can get it for that price.

As for the environmental standards, where could you make a better effort than in conservation? Just not burning as much as an environmentally pure as you can get any source of fuel. Certainly conservation from that standpoint meets every standard and test.

Pricing energy at its replacement cost is an important way to encourage conservation. But unless we are willing to accept lower living standards, this should be only one part of our conservation strategy. I will not defend all existing Government conservation programs: Some are good, but others need improvement. However, even if Government programs were responsible for only 5 percent of the reduction in our energy consumption as the Secretary claims, this would still be a very cost-effective use of tax dollars. It represents a savings to this country and to taxpayers of $3 billion. A number of experts in the field have said that 5 percent is on the low side. Eric Hirst of Oak Ridge National Laboratory has concluded that between 20 and 25 percent of the reduction since 1973 can be attributed to Government programs. This is equal to the energy produced by approximately 80 large nuclear or coal-fired powerplants.

Neither the Hirst study nor the one cited by DOE is conclusive, but what is clear is that DOE officials have been unwilling to undertake serious analysis of the conservation issue. The second volume of the Sunset Review Analysis DOE submitted to Congress in February lists one item after another that demonstrates the success of DOE conservation programs. Yet, DOE then draws the totally inconsistent conclusion that these programs should be eliminated.

Officials like Joe Tribble do a disservice to the country as a whole by continuing to ignore the contributions that conservation can make to our economy and our national security. They fail to heed the calls for a more balanced energy budget—one that recognizes the importance of improving energy efficiency. National organizations—notably the National Governors Association and the National Home Builders Association—have recently asked Congress and the President for a more balanced energy budget. The Alliance to Save Energy, which I chair, has proposed a resolution calling for current level funding for conservation. Board members of the Alliance, many of whom are highly respected business people, recognize conservation is totally consistent with and complementary to conservative fiscal policy and the President's economic recovery program. At our recent Argonne hearing, a distinguished group of scientists, academicians, and industrialists overwhelmingly expressed their support for energy conservation programs. Also, recent public opinion polls, including one that tallies an astonishing 19 million households, have shown strong public support for conservation. But despite this overwhelming support, DOE proposed a 97-percent budget cut for conservation for fiscal year 1983 and is busily trying to dismantle the existing conservation programs.

Over the past several months, Secretary Edwards and Assistant Secretary Tribble made a number of commitments to me and other Members of Congress.

First, Secretary Edwards has assured us repeatedly that he would not cut back conservation programs until Congress had approved.

Second, at a hearing I held last December, he agreed to develop a set of new conservation initiatives.

Finally, in an earlier hearing in July of last year, Assistant Secretary Tribble agreed to be an active advocate for conservation programs. Let us look at the record to see how well they have kept these three commitments.

First, an internal memorandum from Assistant Secretary Tribble to his office directors clearly indicates his intent to move forward in phasing out conservation programs based on fiscal year 1983 budget figures which have plainly not yet been approved by Congress. It speaks of—and I quote—"decisions" which "must be made to reprogram fiscal year 1982 funds as appropriated toward phasedown or phaseout of programs in keeping with the fiscal year 1983 budget proposal."

Second, with regard to his commitment to develop a new conservation agenda, Mr. Tribble has repeatedly expressed a reluctance to undertake this simple, straightforward task, fearing that it would somehow be viewed as contrary to administration energy policy. These fears are baseless. We are not asking for a study proposing warmed-over regulatory programs. We are asking for some serious thought and new initiatives that Republicans can point to with pride. One would think that with all the conservation programs being pared back and with no new initiatives forthcoming, Mr. Tribble would have had plenty of time to meet the third commitment—to meet with citizen groups and others to promote conservation. Yet even here, little or no progress appears to have been made.

I admit that it is hard to get the public's attention on energy issues in the midst of an oil glut when prices are declining. But we had a similar glut in the mid-seventies when prices were steady at about $15 a barrel. Then came the 1979 oil shortage and the long gasoline lines. We simply cannot afford to repeat that mistake. This is why, Mr. President, we must maintain funding at fiscal year 1982 levels: The investment is sound, and the alternatives we have been given thus far are inadequate and blind to the need for long-term improvements in the efficiency of energy use in this country.

Certainly, Mr. President, as the reorganization of the Department of Energy comes before the Governmental Affairs Committee and legislation will be before us disbanding the Department of Energy as a proposal from the President and converting much of the responsibility to the Department of Commerce, I will try to hold an open mind on this issue.

I have long felt that the Department of Commerce should be beefed up. It should have greater responsibilities. It should take a more active role. And certainly energy is extremely important for the future well-being not only for the security of the United States, but also important for the future of our economy.

But certainly I am going to look at this program from the standpoint of where will we be putting our public money to work. Will we be putting it in things that even the private sector has said will not and are not working and will not be worth our investment in costs, or will we be putting it to work in things like conservation, solar energy, renewable fuels that I think have great hope and great promise and are deserving of public investment because the return on investment will be higher in that area for the taxpayer than virtually any other area in which we could make such an investment?

I will be looking and questioning Government witnesses as to what we intend to do to fulfill the mandate of so many of us in Congress. One hundred and seventy Members of Congress are members of the Alliance to Save Energy. We believe conservation is important. We believe it should be given high priority, and we intend to persist until we can work out an accord and an accommodation with the administration on this particular vital point, vital for the future of our economy and vital for the future of our national security.

Mr. President, I yield.

EXTENSION OF PERIOD FOR ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that the time for the transaction of routine morning business be extended under the same terms and conditions as heretofore ordered to not past the hour of 3 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

THE PRESIDING OFFICER. Without objection, it is so ordered.

DR. DONALD J. SENESE AND THE RAMSEUR PILOT LIGHT SYSTEM.

Mr. THURMOND. Mr. President, the State of South Carolina has had an outstanding record in providing education to its citizens. We South Carolinians realize that a good education is an important preparation for a fulfilling and successful life.

It was a source of pleasure for me to hear that the Assistant Secretary for Educational Research and Improvement of the U.S. Education Department, Dr. Donald J. Senese, recently visited the State and met with educators in Greenville, Camden, and Charleston. I am especially pleased to note that Dr. Senese received his masters and doctorate degrees from the University of South Carolina.

While visiting our State, Dr. Senese met with two of my constituents who have taken a leading role over the years in improving public education—Dr. Nancy Ramseur and Mrs. Mary Ramseur Lindsay, both of Camden, S.C.

Both of these fine women have had long and distinguished careers in teaching. Dr. Ramseur is a teacher of history and Mrs. Lindsay is an English teacher at Camden High School. Together, they developed a system of education in the 1960's designed to improve our education system by providing a better teaching method and an improved relationship between the student and teacher, as well as between teachers and parents. The system, known as the Ramseur system or the "Ramseur Pilot Light System," is winning more and more recognition as an alternative way to improve productivity, student achievement, and a better educational environment in our schools.

These two fine teachers described the essence of their system in a book they wrote entitled "Where To Find Tomorrow: A Zero-Cost Road to Better Public Schools" (South Bend, Ind.: Regenery/Gateway, Inc., 1979).

It is always a pleasure to see outstanding South Carolinians recognized for their achievements, and I was pleased to hear of Dr. Senese's favorable comments on the Ramseur system when he met with the media in Camden. We need to be aware of any method or system which will improve the quality and excellence of our educational system.

I would like to call the attention of my colleagues to an excerpt from the autumn, 1981 issue of "The University Bookman," in which Dr. Senese reviewed the work of the Ramseur sisters and their teaching system. I would also like for my colleagues to note a news article which appeared in the Camden, S.C., Chronicle-Independent on March 8, 1982.

Mr. President, I ask unanimous consent that the review by Dr. Senese, and the column from the Camden Chronicle-Independent, entitled "Pilot Light System at CHS Receives Federal Recognition," be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the University Bookman, August 1981]

HOPE FOR PUBLIC EDUCATION

The growing consensus in the United States is that American public education is in serious difficulty. The problems are large and seem to grow worse: progressive decline annually of students' SAT scores; students' graduating from high schools without learning to read and write; busing of students, a mass of bureaucratic forms to be filled out by school administrators and teachers in monitoring "affirmative action," and other directives from the federal government; grade inflation failing to reflect the real achievement, or lack of achievement, of students; growing violence in schools against teachers and students as well as related crimes of stealing and drug pushing; demands for larger school budgets with less credible returns from education. The United States, a nation that prided itself on providing education as a benefit of its democratic system, from kindergarten through university level, appears to be schooling many but educating only a few.

The concern with the direction and product of U.S. education motivated two teachers, Nancy Ramseur and Mary Ramseur Lindsay, to develop a new teaching system—the Ramseur Pilot Light Teaching System (RPL)—which they hoped would remedy some of the major problems in American education. These two sisters won acceptance for their system in the schools in and near Camden (Kershaw County), South Carolina, and authored this book to bring their success stories to school officials, teachers, and parents who are concerned about our present education problems.

RPL individualizes the instruction by meeting the needs of each student based on the individual student's "capabilities, problems, talents, and future plans." There separate levels of work are established for each course: Group 1 is the accelerated level requiring writing skills and a high level of learning skills; Group 2 requires the student's having good foundation in grammar since the student will be trained to write for different subject areas; Group 3 contains subject studies but does not require writing skills. Groups 1 and 2 are college preparatory while Group 3 is not. Students are not stereotyped as "advanced" or "slow," yet differences, are reflected in the research assignments, independent study, etc., of each group. Students also escape the type of classification which sometimes follows them through school years (e.g., Johnny is "slow" or Mary is always in the "advanced" class), and they are free to move in and out of the groups in each subject after each reporting period. Exposed to all three levels, the student can best decide in which group he feels most able to perform in academic studies. Precise record keeping and a very detailed grade record system for each student measure progress and ability of the student while blocking the temptation of the student merely to take the easiest class so he can just get by in school. This helps to avoid one of the basic inequities in our present system, which permits a slow student to take general courses and gain an impressive grade average while the student taking more challenging courses may make a lower grade average. The former student's A average looks better than the latter's B average when no consideration is given to the differences in programs.

The RPL system requires a high level of dedication by competent teachers, sympathetic school officials, and especially the students and parents. The student is thus deeply involved in his own academic profile since he can, by his free choice of a group, decide his potential, grade his own effort, and determine his goals and desired level of achievement. The authors observe:

"Because he is exposed to the materials of every level, he is able to pace himself in relation to students of all ranges of intellect. This exposure helps him to assess his capacity more accurately, and since he has no fear of misplacement, unfair categorization, or being docked for an ambitious leap forward that may be failed grades are less threatening. He can exercise some control over them."

The authors discuss in detail the ranking for each group, present examples of sample grade sheets, and discuss evaluations as well as present useful chapters on the role of the teachers, principal, students, parents, and even the librarians in the Ramseur System. They also tackle the difficult concerns of violence in the schools, discipline of students, incompetent teachers and weak principals, and the negative effects of some Federal programs on the character of students.

No single plan in our American education system is going to solve overnight the problems which have been accumulating for decades. Fortunately, the authors recognize the educational climate must be changed and directions must be reversed where present methods and programs have created difficulties. And they recognize this change cannot come immediately. Yet they urge the adoption of the RPL system as "a single, practical step that can be taken whose effectiveness as an aid to the restoration of order can be astonishing." This practical system should enable educators to deal "with the bedlam that passes for public education."

Self-discipline, respect for order, individualized treatment of students, a role for decision-making by teachers, a stress on students acquiring basic skills, a recognition of the school as an institution which inculcates a love of truth and knowledge—all these elements are present in the Ramseur System. Those concerned individuals who wish to restore our public schools as instruments of education have their work cut out for them—but they have been given a program to begin the task. It is hard to imagine how we can do much worse than continue with the present system. The Ramseur System offers some hope for reform. The book should be circulated to school boards throughout the country in hopes that some of these ideas may take seed and start sprouting, bringing positive changes in our public schools.

[FROM THE CAMDEN (S.C.) CHRONICLE-INDEPENDENT, MARCH 8, 1982]

PILOT LIGHT SYSTEM AT CHS RECEIVES FEDERAL RECOGNITION

(By Grant Vosburgh)

Dr. Nancy Ramseur was silent for a moment, giving the whole situation undivided thought. A representative of the Reagan administration was here in Camden, extolling the merits of the teaching system that she and her sister, Mary Ramseur Lindsay, had been developing for the past 17 years.

And this particular federal bureaucrat was immensely impressed. Suddenly, Dr. Ramseur was faced with the possibility of the Pilot Light-Ramseur teaching system being introduced into schools across the nation.

She collected her thoughts before making any predictions.

"I think it will be slow to spread, if it does," she said. "We've never spread it ourselves through the years. Now we've written the book and I hope people become interested, but educators, I think are turned off by 'teaching systems' right now."

But it could happen, especially if Dr. Donald Senese has his way.

Senese is assistant secretary for Education Research and Improvement in the Reagan administration. He was the man of the hour Saturday morning at a press conference held at the Kershaw County School District administrative building.

He learned about the Pilot Light system when he read the book, "Where To Find Tomorrow: A Zero-Cost Road To Better Public Schools," written by Dr. Ramseur and Mrs. Lindsay. He then reviewed the book for a quarterly publication called University Bookman.

The review was one rave after another.

"Our department is putting emphasis on excellence in education," Senese explained. "In the '60s and '70s, the emphasis was on equity. Well, we still need equity, but we need to get back to quality in education.

"As I went through this book, I was interested in the fact that this system reaches all students at their own levels, but without labeling them as the smart group or the dumb group. What we do too often is put children in automatic classifications like that."

The Pilot Light system, which began at Camden High School in 1963 breaks each classroom into three groups. All students are involved in the same discussions, the same instructions. But when testing is conducted, Group 1 is given thorough, complex essay questions that require concise, organized answers. Questions for Group 2 are broken down into a more straight-forward fashion, but those students must still answer in complete sentences. There is no writing involved in testing for Group 3. Those students are quizzed through matching and multiple choice.

The groups are anonymous. No students know what group his classmates are in unless they choose to tell him. Several times during the school year, each student meets privately with the teacher to evaluate his progress. At that time he may move himself to a different level. The teacher can explain the options and offer advice, but the student takes the responsibility of his progress.

He has the final say on which group he will be a part of. The decision is his alone.

That is one characteristic of the Pilot Light system that impressed Senese.

"You have three different levels, but the students move themselves. I like that idea," he said. "You know, if we don't expect much from our students, then we're not going to get much."

That comes from Donald Senese, educator and Ph.D. Another facet of this program impressed Donald Senese, federal government employee.

"Everytime you hear about a new program or system, the question is: 'How much does it cost and where does the money come from?' Well, this program doesn't cost a cent. Obviously that interests us in Washington."

Dr. Ramseur further emphasized that point.

"If you walked into a Pilot Light classroom, you probably wouldn't even know it," she said. "It isn't fancy. It doesn't require any special equipment, just a teacher who knows her subject and who is willing to work hard."

Work hard—as in developing three different kinds of tests for the same information discussed.

Work hard—as in grading each answer on its own merits and providing further explanation in the margins for every question.

Work hard—as in computing special formulas to determine class ranking.

Work hard—as in taking time to counsel each student privately about his progress and his best plan of attack during the next grading period.

"Children are pretty fair really," Dr. Ramseur said. "They don't mind you being strict. What they want is to be treated fairly. That's what this program is all about."

And will we see the Pilot Light-Ramseur teaching system introduced across the United States? Senese would not make any promises.

"We don't plan to endorse anything," he said. "That's not our job. We do plan to spread information about it. We'll, in effect, tell other educators that this program is out there, it sounds extremely promising and here's where to go to get more information.

"You know, there are a variety of systems around, but very seldom do you come across one that can be implemented into the entire curriculum. This one can. It is related to time-on-task and effective school management and that is something we are extremely interested in."

Dr. Ramseur's interests, however, are simpler than that.

"We need to get back to basics," she said. "Smaller schools, stricter discipline. It all comes back to the idea of teach the mind and train the skills to make students be productive and independent citizens.

"I believe so strongly in public education. It's got to be saved."

THE DEATH OF ZIRL PALMER

Mr. FORD. Mr. President, it is with sadness that I note for the record the death yesterday at age 62 of Zirl Palmer, the first black trustee at the University of Kentucky and a prominent Lexington businessman and civic leader.

As Governor, I had the privilege of appointing him to the University's board of trustees in 1972, a position he held with distinction for 9 years.

A pharmacist by trade, Zirl Palmer was a man who earned the respect of his community and State through his actions. He was a man of quiet courage and he was not afraid to become involved for a cause in which he believed.

He served his country in World War II and served his community as a member of the Lexington Chamber of Commerce, the Optimist Club, and Big Brothers. He helped organize Community Action of Lexington-Fayette County and the Hunter Foundation, a health maintenance organization. He also served as chairman of the Lexington chapter of the United Negro College Fund.

He held a bachelor of science degree in chemistry from Bluefield State College in West Virginia and he also attended Howard University in Washington, D.C.

He is survived by his wife, Marian, one daughter, and one son. My heartfelt sympathy goes out to his family.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REORGANIZATION OF FEDERAL ENERGY ACTIVITIES—MESSAGE FROM THE PRESIDENT—PM 139

The **PRESIDING OFFICER** laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

On December 17, I announced my intention to propose a reorganization of Federal energy activities. The legislation I am submitting today reflects this Administration's commitment to the principle that the best way to meet the Nation's energy needs is to increase reliance on market decisions.

By transferring the current responsibilities of the Department of Energy to more appropriate agencies we can preserve and, in important ways, strengthen essential government-related energy activities. The proposed realignment to energy functions will more accurately reflect the Federal Government's essential role, which is:

—supporting long-term, high-risk, potentially high payoff basic research on energy technologies while relying, whenever possible, on the private sector to bring new technologies to the marketplace;

—protecting the public interest by assuring that the economy is protected against energy supply disruptions through maintenance of a strategic petroleum reserve contingency plan;

—maintaining a set of policies in the energy sector consistent with overall economic and foreign policy;

—performing balanced and effective management to our energy resources and administering utility regulation required by law;

—supporting national defense needs through civilian-controlled research, design, production, and testing in the field of nuclear weapons.

When the Department of Energy was formed, some of its functions, such as collection of energy information, selected international nuclear regulatory responsibilities, energy preparedness planning, technology development, and energy-related business analysis paralleled activities conducted by the Department of Commerce for non-energy sectors of the economy. Combining these activities of the Departments of Commerce and Energy recognizes that the development of an assured energy supply is one of the most important domestic and international business activities in the United States today. Integrating these responsibilities in the Commerce Department will strengthen its ability to develop policy, evaluate trends and requirements, and be of service to industry in meeting our energy requirements.

The nuclear energy and defense-related nuclear programs of DOE will also be transferred to Commerce. They will be kept intact in Commerce and closely associated with all energy research and development activities. The Secretaries of Commerce and Defense are working together to make sure that the revised structure will continue to meet the requirements of national security and strengthen the relationship where possible.

The reorganization I have proposed will preserve the valuable and time tested research and development work environment which has been so instrumental in achieving the objectives of long-range energy development. For example, integrated and comprehensive use of scarce technological management resources and multi-purpose national laboratories will continue with little or no disruption to key programs.

The other transfers are no less important to the sound management of the Federal Government's energy responsibilities.

—The transfer to the Department of the Interior of programs closely related to energy resource management such as the Power Marketing Administrations and coal mining research and development will consolidate energy resource management in the Department responsible for stewardship, preservation, and development of much of the Nation's public domain natural resources.

—The transfer to the Department of Justice of residual enforcement responsibilities under the Emergency Petroleum Allocation Act appropriately reflects that agency's law enforcement role and expertise in handling investigations and counducting litigation.

—The establishment of the Federal Energy Regulatory Commission as a separate and fully independent agency reflects Congressional intent for regulatory independence.

The Department of Energy was created at a time when serious problems were said to require government-designed solutions imposed by executive agencies especially created to deal with them. The results of this approach are clear. Ill-conceived regulations have impeded development of new energy sources, discouraged conservation, and distorted distribution. Subsidy programs created artificial demand for energy technologies that could not stand the market test. The drain on Federal resources grew almost beyond control.

I urge the Congress to enact promptly the Federal Energy Reorganization Act of 1982. Its enactment will reverse the recent trend of establishing huge, unwieldy governmental institutions to address problems of the sort which can best be met by permitting America's citizens and businesses to act wisely and responsibly in their own economic self-interest.

RONALD REAGAN.

THE WHITE HOUSE, *May 24, 1982.*

MESSAGE FROM THE HOUSE

At 5:29 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 1230. An act to provide for the minting of commemorative coins to support the 1984 Los Angeles Olympic games.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 6267. An act to revitalize the housing industry by strengthening the financial stability of home mortgage lending institutions, and ensuring the availability of home mortgage loans.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 340. Concurrent resolution reaffirming Senate resolution (S. Res. 179) and House resolution (H. Res. 177) and urging the President to seek agreement at the Versailles economic summit conference that nuclear supplier nations should export nuclear fuel and equipment only to nations that permit full-scope safeguards.

HOUSE BILL REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 6267. An act to revitalize the housing industry by strengthening the financial stability of home mortgage lending institutions, and ensuring the availability of home mortgage loans; to the Committee on Banking, Housing, and Urban Affairs.

HOUSE CONCURRENT RESOLUTION REFERRED

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 340. Concurrent resolution reaffirming Senate resolution (S. Res. 179) and House resolution (H. Res. 177) and urging the President to seek agreement at the Versailles economic summit conference that nuclear supplier nations should export nuclear fuel and equipment only to nations that permit fullscope safeguards; to the Committee on Foreign Relations.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3493. A communication from the Assistant Secretary of Defense (Comptroller) transmitting, pursuant to law, 42 selected acquisition reports for the quarter ending March 31, 1982; to the Committee on Armed Services.

EC-3494. A communication from the Acting Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a proposed foreign military sale to Sweden; to the Committee on Armed Services.

EC-3495. A communication from the Acting Director of the Defense Security Assistance Agency transmitting, pursuant to law, a proposed foreign military sale to Greece; to the Committee on Armed Services.

EC-3496. A communication from the Assistant Secretary of Defense (Comptroller) transmitting, pursuant to law, a report on the value of property, supplies, and commodities provided by the Berlin Magistrate under German Offset Agreement for the quarter ending March 31, 1982; to the Committee on Armed Services.

EC-3497. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Improving the Effectiveness and Acquisition Management of Selected Weapon Systems: A Summary of Major Issues and Recommended Actions"; to the Committee on Armed Services.

EC-3498. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Improvements Needed in Operating and Using the Army Automated Facilities Engineer Cost Accounting System"; to the Committee on Armed Services.

EC-3499. A communication from the Director of the Congressional Budget Office transmitting, pursuant to law, a report on the Costs of Expanding and Modernizing the Navy's Carrier-Based Air Forces; to the Committee on Armed Services.

EC-3500. A communication from the Acting Secretary of the Navy transmitting a draft of proposed legislation to authorize the Secretary concerned to defray the costs of transporting the remains of members of the uniformed services entitled to retired or retainer pay who die in a military medical facility; to the Committee on Armed Services.

EC-3501. A communication from the Secretary of Transportation transmitting, pursuant to law, the 12th Annual Report of Operations under the Airport and Airway Development Act; to the Committee on Commerce, Science, and Transportation.

EC-3502. A communication from the Secretary of Commerce transmitting a draft of proposed legislation authorizing establishment of fees for Coast Guard services; to the Committee on Commerce, Science, and Transportation.

EC-3503. A communication from the Vice President for Government Affairs of Amtrak transmitting, pursuant to law, a report on the average number of passengers and the on-time performance of trains operated for February 1982; to the Committee on Commerce, Science, and Transportation.

EC-3504. A communication from the Vice President for Government Affairs, Amtrak, transmitting, pursuant to law, a report on revenues and expenses of Amtrak for December 1981; to the Committee on Commerce, Science, and Transportation.

EC-3505. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Appliance Efficiency Standards: Issues Needing Resolution by DOE"; to the Committee on Energy and Natural Resources.

EC-3506. A communication from the General Counsel of the Department of Energy transmitting, pursuant to law, notice of a meeting related to the international energy program; to the Committee on Energy and Natural Resources.

EC-3507. A communication from the Assistant Secretary of the Interior transmitting a draft of proposed legislation reauthorizing the closed basin division, San Luis Valley project, Colorado, to provide for a revised mitigation plan; to the Committee on Energy and Natural Resources.

EC-3508. A communication from the Chairman of the Nuclear Regulatory Commission transmitting a draft of proposed legislation to authorize appropriations for fiscal year 1984; to the Committee on Environment and Public Works.

EC-3509. A communication from the Secretary of Commerce transmitting, pursuant to law, the annual report of the Economic Development Administration; to the Committee on Environment and Public Works.

EC-3510. A communication from the Fiscal Assistant Secretary of the Treasury transmitting, pursuant to law, the annual report on the financial condition and results of operations of the reforestation trust fund; to the Committee on Finance.

EC-3511. A communication from the Acting Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, international agreements other than treaties entered into within the previous 60 days; to the Committee on Foreign Relations.

EC-3512. A communication from the Director of the Peace Corps transmitting a draft of proposed legislation authorizing appropriations for the Peace Corps; to the Committee on Foreign Relations.

EC-3513. A communication from the Director of the Peace Corps transmitting a draft of proposed legislation to amend section 6 of the Peace Corps Act to correct an inequity; to the Committee on Foreign Relations.

EC-3514. A communication from the Inspector General of the Department of Health and Human Services transmitting, pursuant to law, a report on a serious funding deficiency having a negative impact on the ability to carry out responsibilities; to the Committee on Governmental Affairs.

EC-3515. A communication from the Director of the Federal Emergency Management Agency transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-3516. A communication from the Acting Staff Director of the U.S. Commission on Civil Rights transmitting, pursuant to law, the Fifth Annual Report of the Commission; to the Committee on Governmental Affairs.

EC-3517. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of legislation adopted by the Council on April 27, 1982; to the Committee on Governmental Affairs.

EC-3518. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of legislation adopted by the Council on April 27, 1982; to the Committee on Governmental Affairs.

EC-3519. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of legislation adopted by the Council on April 27, 1982; to the Committee on Governmental Affairs.

EC-3520. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of legislation adopted by the Council on April 27, 1982; to the Committee on Governmental Affairs.

EC-3521. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of legislation adopted by the Council on April 27, 1982; to the Committee on Governmental Affairs.

EC-3522. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of legislation adopted by the Council on April 27, 1982; to the Committee on Governmental Affairs.

EC-3523. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a list of reports transmitted to the Congress by the General Accounting Office during April 1982; to the Committee on Governmental Affairs.

EC-3524. A communication from the Inspector General of the Department of Health and Human Services, transmitting, pursuant to law, the quarterly report of the Office of Inspector General, Department of Health and Human Services for the period January 1 to March 31, 1982; to the Committee on Governmental Affairs.

EC-3525. A communication from the Secretary of Transportation, transmitting, pursuant to law, the Annual Report of the Department on the administration of the Freedom of Information Act for calendar year 1981; to the Committee on the Judiciary.

EC-3526. A communication from the Controller of the Boys Clubs of America, transmitting, pursuant to law, the audited Financial Report of the Boys Clubs of America for calendar year 1981; to the Committee on the Judiciary.

EC-3527. A communication from the Secretary of Labor and the Secretary of Education, transmitting, pursuant to law, a report on the status of bilingual vocational training; to the Committee on Labor and Human Resources.

EC-3528. A communication from the Executive Secretary to the Secretary of Defense, transmitting, pursuant to law, a report on Department of Defense procurement from small and other business firms for the period October 1981 through February 1982; to the Committee on Small Business.

EC-3529. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on four deferrals of budget authority; which should have been, but were not, reported to Congress; pursuant to the order of January 30, 1975; referred jointly to the Committee on the Budget, the Committee on Appropriations, and the Committee on Armed Services.

EC-3530. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on defense articles, services, and training provided to El Salvador; to the Committee on Armed Services.

EC-3531. A communication from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the 47th Annual Report of the Commission covering fiscal year 1981; to the Committee on Banking, Housing, and Urban Affairs.

EC-3532. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the International Safe Container Act; to the Committee on Commerce, Science, and Transportation.

EC-3533. A communication from the Administrator of the Energy Information Administration, Department of Energy, transmitting, pursuant to law, volume 2 of the Annual Report of the Energy Information Administration, dated May 1982; to the Committee on Energy and Natural Resources.

EC-3534. A communication from the Secretary of Commerce, transmitting, pursuant to law, the Annual Report of the Foreign Trade Zones Board for fiscal year 1980 together with reports on operations of certain trade zones; to the Committee on Finance.

EC-3535. A communication from the Chairman of the National Transportation Safety Board, transmitting, pursuant to law, the Annual Report on activities of the Board under the Government in the Sunshine Act for calendar year 1981; to the Committee on Governmental Affairs.

EC-3536. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, the Annual Report of the Commission on activities under the Government in the Sunshine Act for calendar year 1981; to the Committee on Governmental Affairs.

EC-3537. A communication from the Assistant Attorney General for Administration, transmitting, pursuant to law, a report on the intent of the Department of Justice to modify a Privacy Act system of records; to the Committee on the Judiciary.

EC-3538. A communication from the Chief Commissioner of the U.S. Court of Claims, transmitting, pursuant to law, a report of the Trial Commission and the report of the review panel for the case "Thomas Raymond Pomanski v. The United States"; to the Committee on the Judiciary.

EC-3539. A communication from the Assistant Secretary of Education, Office of Special Education and Rehabilitative Services, transmitting, pursuant to law, the Annual Report of the National Council on the Handicapped; to the Committee on Labor and Human Resources.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ROTH (for himself, Mr. Baker, Mr. McClure, Mr. Packwood, and Mr. Tower):

S. 2562. A bill to transfer the functions of the Department of Energy to other agencies, to maintain continuity in vital programs and relationships, to recognize the Federal Energy Regulatory Commission as a separate independent regulatory agency, and for other purposes; to the Committee on Governmental Affairs.

By Mr. SPECTER:

S. 2563. A bill to promote nuclear non-proliferation); to the Committee on Foreign Relations.

By Mr. DENTON:

S. 2564. A bill to amend section 51 of the Internal Revenue Code of 1954 to include low income unemployed older Americans as members of targeted groups and extend for an additional year the credit for employment of certain new employees; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ROTH (for himself, Mr. Baker, Mr. McClure, Mr. Packwood, and Mr. Tower):

S. Res. 397. An executive resolution to provide for special procedures for the consideration of nominees for the positions of Secretary and Deputy Secretary in the Department of Commerce; to the Committee on Rules and Administration.

By Mr. NUNN:

S. Con. Res. 99. A concurrent resolution expressing congresssional support for broadening the scope of the U.S. arms control process; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROTH (for himself, Mr. Baker, Mr. McClure, Mr. Packwood, and Mr. Tower):

S. 2562. A bill to transfer the functions of the Department of Energy to other agencies, to maintain continuity in vital programs and relationships, to recognize the Federal Energy Regulatory Commission as a separate independent regulatory agency, and for other purposes; to the Committee on Governmental Affairs.

(The remarks on this legislation appear earlier in today's Record.)

By Mr. SPECTER:

S. 2563. A bill to promote nuclear nonproliferation; to the Committee on Foreign Relations.

(The remarks of Mr. Specter on this legislation appear earlier in today's Record.)

By Mr. DENTON:

S. 2564. A bill to amend section 51 of the Internal Revenue Code of 1954 to include low income unemployed older Americans as members of targeted groups and extend for an additional year the credit for employment of certain new employees; to the Committee on Finance.

TARGETED JOBS TAX CREDIT PROGRAM

● Mr. DENTON. Mr. President. I am introducing a bill to extend, for 1 year, the targeted jobs tax credit program, and to add low income older persons as a targeted group.

I am pleased to note that Senator Heinz, the distinguished chairman of the Subcommittee on Economic Growth, Employment and Revenue Sharing, to which this bill will undoubtedly be referred, has also introduced legislation to extend this successful program. We agree that a tax credit for employment is a much better way to handle unemployment than Government, make work or welfare programs.

The other purpose of my bill is to call attention to the special employment difficulties of older Americans who could benefit from the TJTC program. I propose to add low income unemployed older persons to the list of targeted groups eligible for TJTC benefits. A low-income, unemployed, older person is defined as an individual who has reached the age of 55, who has been unemployed for at least 15 weeks, and whose gross income for the 3 months preceding the determination of eligibility would, on an annual basis, be 125 percent or less of the poverty level.

Under current law, the only targeted group that includes older workers is SSI recipients, and that is the group receiving the least assistance under the program. I ask unanimous consent that a table prepared by the Department of Labor be inserted in the Record at this point.

There being no objection, the table was ordered to be printed in the Record, as follows:

TJTC certifications issued by Department of Labor in fiscal year 1981

Cooperative education youth	178,984
Economically disadvantaged youth	176,131
Vocational rehabilitation referrals	16,311
Economically disadvantaged Vietnam veterans	16,112
Economically disadvantaged ex-convicts	14,970
General assistance recipients	8,189
SSI recipients	884
Total	411,581

Mr. DENTON. Mr. President, and, of course, not all SSI recipients are elderly. Blind and disabled beneficiaries also participate in that category. Clearly, it can be said that older Americans have been given short shrift under the current program. This must be corrected.

While most of us recognize the need of disadvantaged young people for a mechanism like the targeted jobs tax credit program to encourage their employment, the current listing of targeted groups gives too little attention to the serious difficulties older workers face in finding a job because of employer preferences for younger employees.

Although the Department of Labor has published figures for April 1982 showing that only 7.3 percent of unemployed workers are 55 or over, the latest Bureau of Labor Statistics figures show that the duration of unemployment for 55- to 64-year-olds averages 19.8 weeks, the highest of all groups measured. By contrast, 16- to 19-year-olds were unemployed for an average of only 10.7 weeks, little more than half the average for older workers.

I believe the need for the provisions of my bill is even more evident when the pool of discouraged workers is considered. Of the 1,103,000 persons who said they would accept employment if jobs were available, 248,000, or 22 percent, are age 55 and over.

In the past, Congress has taken important steps to end age discrimination in Federal laws and policies. Our effort should be extended to the targeted job tax credit program. It is essential that businesses understand that there is a willing and capable pool of older persons who need and want to be a part of the labor force. A 1979 Lou Harris survey found that, in the 65 and older age group alone, 9 million people needed and wanted employment. We can safely assume that, if we look at the age 55-65 category, we could add several million more to that number.

By incorporating my proposal in the targeted jobs tax credit program, Congress will send a clear message to the business community that older persons should be given an opportunity to earn a living and contribute to the productivity of our economy, not simply draw retirement or unemployment benefits.●

ADDITIONAL COSPONSORS

S. 1215

At the request of Mr. PROXMIRE, the Senator from Florida (Mrs. HAWKINS), and the Senator from Delaware (Mr. BIDEN) were added as cosponsors of S. 1215, a bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws.

S. 1939

At the request of Mr. GOLDWATER, the Senator from Pennsylvania (Mr. SPECTER), and the Senator from Connecticut (Mr. WEICKER) were added as cosponsors of S. 1939, a bill to amend the Public Health Service Act to establish a National Institute on Arthritis and Musculoskeletal Diseases.

S. 1958

At the request of Mr. DOLE, the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. 1958, a bill to amend title XVIII of the Social Security Act to provide for coverage of hospice care under the medicare program.

S. 2225

At the request of Mr. BAUCUS, the Senator from Vermont (Mr. STAFFORD), the Senator from Iowa (Mr. GRASSLEY), and the Senator from Missouri (Mr. DANFORTH) were added as cosponsors of S. 2225, a bill to amend the Internal Revenue Code of 1954 to remove certain limitations on charitable contributions of certain items.

S. 2309

At the request of Mr. RANDOLPH, the Senator from Washington (Mr. JACKSON) was added as a cosponsor of S. 2309, a bill to amend the Endangered Species Act of 1973, to authorize funds for fiscal year 1983, and for other purposes.

S. 2508

At the request of Mr. MITCHELL, the Senator from Idaho (Mr. SYMMS) was added as a cosponsor of S. 2508, a bill to amend the Internal Revenue Code of 1954 to repeal the requirement that operating capacity must increase for purposes of the energy credit allowed for intercity buses, and for other purposes.

SENATE JOINT RESOLUTION 175

At the request of Mr. KASTEN, the Senator from South Dakota (Mr. ABDNOR), the Senator from New York (Mr. MOYNIHAN), the Senator from Nevada (Mr. CANNON), the Senator from Utah (Mr. HATCH), the Senator from Pennsylvania (Mr. HEINZ), and the Senator from Arizona (Mr. GOLDWATER) were added as cosponsors of Senate Joint Resolution 175, a joint resolution authorizing and requesting the President to proclaim National Junior Bowling Championship Week.

SENATE JOINT RESOLUTION 183

At the request of Mr. SPECTER, the Senator from Kentucky (Mr. HUDDLESTON), and the Senator from Florida (Mr. CHILES) were added as cosponsors of Senate Joint Resolution 183, a joint resolution to authorize and request the President to issue a proclamation designating October 19 through October 25, 1982, as Lupus Awareness Week.

UP AMENDMENT NO. 981

At the request of Mr. BIDEN, his name was added as a cosponsor of UP Amendment No. 981 proposed to Senate Concurrent Resolution 92, an original concurrent resolution setting forth the recommended congressional budget for the U.S. Government for fiscal years 1983, 1984, and 1985, and revising the congressional budget for the U.S. Government for fiscal year 1982.

SENATE CONCURRENT RESOLUTION 99—CONCURRENT RESOLUTION RELATING TO THE SCOPE OF U.S. ARMS CONTROL PROCESSES

Mr. NUNN submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 99

Whereas, by the end of this decade over 20 nations will have the industrial capability to build nuclear weapons; and

Whereas, the possession of nuclear weapons by Third World countries or terrorist groups widens the possibility of their use; and

Whereas, reductions from the current levels of thousands of nuclear warheads available to each side would not automatically or necessarily increase crisis stability; and.

Whereas, an effort should be made to limit the prospect of a nuclear war being triggered by a Third World country or a terrorist group either as part of a world crisis or as an isolated event; and,

Whereas, there is no existing international framework or mechanism for quickly and decisively determining either the origin of the use of nuclear weapons or controlling such use; and,

Whereas, an accidental nuclear war or war by miscalculation should be of mutual concern to both the United States and the Soviet Union, even in periods of great tension between those two superpowers; and,

Whereas, the United States and Soviet Union should have a mutual interest in preventing and containing a Third World or terrorist trigger for such a war; Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), that

(1) The United States must broaden the scope of arms control and begin to develop initiatives that will address crisis stability, including working to develop the capability to identify the source of a nuclear strike from a Third World country or from a terrorist attack.

(2) To this end, the United States should consider an arms control initiative to establish a multinational center for crisis management, manned by a team including highly qualified military personnel, with the purpose of giving each side more confidence in the facts during a nuclear crisis.

(3) Further, the United States should consider the establishment of a joint U.S.-USSR forum for mutual sharing of information on nuclear weapons used by Third World countries or terrorist groups.

(4) Finally, the United States should seek to develop mutual confidence building measures for crisis stability and arms control, including an improved U.S.-USSR communications hot line for crisis control, enhanced verification procedures for any arms control agreements, and measures to reduce vulnerability of command, control and communications on both sides.

ARMS CONTROL RESOLUTION

● Mr. NUNN. Mr. President, I am submitting a concurrent resolution in the Senate today which expresses congressional support for broadening the scope of the U.S. arms control process to address the issue of crisis stability.

In all of the current focus on nuclear freezes, no first use and arms control policies in general, there is an extremely important element missing—the need to deal constructively with the prospect of a nuclear war triggered by a third country or terrorist group. No change in NATO's nuclear doctrine and none of the freeze proposals would decrease or prevent the chances of such a catastrophe. An accidental nuclear war or war by miscalculation should be of mutual concern to the two superpowers.

Several weeks ago, I gave a speech on the floor in introducing an amendment to the defense authorization bill which required a Department of Defense study on initiatives for improving the containment and control of the use of nuclear weapons. The Senate accepted this amendment.

The concurrent resolution I am submitting today addresses this specific area. I ask unanimous consent that my record testimony before the Foreign Relations Committee, be printed in the Record at this point.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Accidental Nuclear War, Record Testimony of Senator Sam Nunn

I appreciate the opportunity to present my views on some of the issues relating to arms control measures to prevent accidental nuclear war. I believe it is extremely important for the Senate to include provisions relating to this aspect of the nuclear situation in any resolution approved. I have introduced a resolution which deals primarily with this issue which follows my testimony.

The Senate has also passed an amendment I offered to the Defense Authorization Bill which requires that the Secretary of Defense conduct a full and complete study of initiatives for improving the containment and control of the use of nuclear weapons. A copy of that amendment is also attached.

NUCLEAR DEBATE—THE MISSING LINK

In all of the current focus on nuclear freezes, "no first use" and arms control policies in general, there is an extremely important element missing—the need to deal constructively with the prospect of a nuclear war triggered by a third country or terrorist group. No change in NATO's nuclear doctrine and none of the freeze proposals would decrease or prevent the chances of such a catastrophe. An accidental nuclear war or war by miscalculation should be of mutual concern to the two superpowers.

I have been concerned about the potential of an accidental nuclear exchange between the two superpowers for some time. On March 10, 1981, I wrote the Commander of the Strategic Air Command, General Richard Ellis, and asked SAC, as the premier defense command in nuclear matters, to analyze the potential for this type of exchange and to recommend some initiatives for dealing with the problem. General Ellis is now retired and serving as the U.S. representative on the Standing Consultative Committee and is one of the most thorough and knowledgeable military men in the arms control area as well as an expert in nuclear policies and weapons.

I ask that my letter to General Ellis be included in the hearing record.

In the letter, I outlined my belief that our strategic arms control efforts have for some time concentrated almost exclusively on the number of launchers and warheads and the "bolt from the blue" premeditated strategic strike. While I certainly agree with the importance of this focus and these negotiations, I feel that we should also begin to think seriously about what could be more likely catalysts which could lead to nuclear war. There are many factors that need assessment as to how the US/USSR would interact at the strategic level in times of crises and conflict. For example, a disguised third country attack on one of the superpowers could precipitate a U.S./Soviet nuclear exchange.

I asked General Ellis to examine four key areas in his study as follows:

1. Is our communications, command and control capable of discerning the source of attack under this type scenario?

2. What capabilities do the Soviets have in this respect (warning and threat assessment)?

3. What other scenarios should be considered in terms of US/USSR strategic interaction in periods of crises and conflict?

4. Are there arms control innovations and initiatives that can be proposed in this general area as well as the overall C-3/connectivity area?

General Ellis established a study group that spent many months working on these issues, and in July of that same year I went to SAC in Omaha to discuss the results of their study.

I believe that their conclusions are even more relevant today. The SAC analysis showed that the US and the Soviets must dramatically improve their warning and attack characterization to deal with the use of a nuclear device by a third party in either peacetime or a crisis situation.

The SAC analysis dealt with the potential third party threat by examining the various unconventional delivery systems that could be utilized to explode such a device on US or Soviet soil.

SAC also identified many unconventional methods of delivery other than the normally discussed platforms such as fighter planes, missiles or bombers that a third world nation might utilize.

By the end of the decade over 20 nations will have the industrial capability to build nuclear weapons, and the possibility of possession of these weapons by terrorists cannot be dismissed.

After talking to many other experts in the field, I wrote an article for the Washington Post which appeared on November 12, 1981. I ask that this article be included in the hearing record.

A major part of this article dealt with the whole issue of the Third World trigger and accidental nuclear war. After pointing out the real and growing dangers in this area, and the fact this is certainly an area of US/USSR mutual interest in preventing such a crisis, I made two major recommendations.

The first recommendation was the US and USSR establish a joint military crisis control center for the monitoring and containment of nuclear weapons used by third parties or terrorist groups. The second major recommendation was to address other mutual arms control steps such as strengthening and enhancing the US/Soviet hotline.

I am convinced that both the US and USSR have a common and mutual interest in preventing such a Third World trigger or a terrorist use of nuclear weapons. I am convinced that both nations have mutual interest in working together to identify the source of a nuclear strike from a third country or from a terrorist attack. I am convinced that arms control efforts can be made relevant to the growing danger of this type of a nuclear catalyst.

Everyone now seems to be in search of an easy solution in the arms control area, but there are no nuclear quick fixes. What we can begin to do jointly with the Soviet Union is to build a capability and mutual trust to reduce the likelihood of accidental nuclear war or war by miscalculation. This step could add a strong element of deterrence to any party contemplating the use of nuclear weapons for the purpose of provoking a confrontation between the superpowers.

For this reason, I introduced an amendment to the Fiscal Year 1983 Defense Authorization Bill which the Senate passed directing the Secretary of Defense to conduct a full and complete study of initiatives for improving the containment and control of the use of nuclear weapons including:

(1) establishment of a multi-national military crisis control center for monitoring and containing nuclear weapons used by third parties or terrorist groups;

(2) development of a forum for joint US/USSR share of information on nuclear weapons that could be used by third parties or terrorist groups; and

(3) development of US/USSR confidence building measures for crisis stability and arms control to include:

(A) an improved US/USSR communications hotline for crisis control;

(B) enhanced verification procedures for any arms control agreements;

(C) measures to reduce vulnerability of command, control and communications on both sides; and

(D) measures to lengthen the warning time each nation would have of potential nuclear attack.

This study and report would be provided to the Congress by August 1, 1982, and I would further require that the President review the results of the DOD analysis and submit to the Congress within a month his views on the merits of the proposals and their relevance to U.S. arms control policies and proposals.

I believe this amendment will provide a sound analytical framework for the key agencies in our government and the public to deal with the issue of accidental nuclear war. There has been very little work done in this area other than the pioneer study by SAC under General Ellis' direction.

This amendment will also serve to focus attention on this important element of the nuclear issue which is missing in the current debate and discussion and which is a more likely contingency, in my view, than a premeditated nuclear attack or "bolt out of the blue." I ask that a copy of the amendment be included in the hearing record.●

AMENDMENTS SUBMITTED FOR PRINTING

URGENT SUPPLEMENTAL APPROPRIATION, 1982

AMENDMENT NO. 1493

(Ordered to be printed and to lie on the table.)

Mr. LONG (for himself, Mr. Cannon, and Mr. Proxmire) submitted an amendment intended to be proposed by them to the bill (H.R. 5922) making urgent supplemental appropriations for the fiscal year ending September 30, 1982, and for other purposes.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Government Management, of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Tuesday, May 25, at 9:30 a.m., to hold a hearing on oversight of social security disability benefits terminations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. STEVENS. Mr. President, I ask unanimous consent that the Labor and Human Resources Committee be authorized to hold a full committee business meeting during the session of the Senate at 9:30 a.m. on Tuesday, May 25, to consider S. 1182, the Longshoreman and Harbor Workers' Compensation Act and S. 1889, the U.S. Academy of Peace Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

REPLACEMENT OF EXISTING PUMP CASINGS IN SOUTHERN NEVADA

● Mr. MURKOWSKI. Mr. President, on May 11, 1982, the Senate Committee on Energy and Natural Resources reported to the floor of the Senate, S. 1621, a bill to authorize the replacement of existing pump casings in southern Nevada water project pumping plants 1A and 2A. S. 1621 is presently No. 549 on the Senate Calendar.

The committee report, Report No. 97-338, which accompanied S. 1621, was filed prior to receipt by the committee of the official letter report of the Department of the Interior expressing the administration's views on S. 1621. The committee has now received the Department's letter, and I ask that the letter from Assistant Secretary of the Interior Garrey E. Carruthers, regarding S. 1621, be printed in the CONGRESSIONAL RECORD for the advice of the Senate when the measure is considered.

The letter follows:

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., May 6, 1982.

Hon. JAMES A. MCCLURE,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for our comments on S. 1621, a bill "To authorize the replacement of existing pump casings in southern Nevada water project pumping plants 1A and 2A, and for other purposes."

We support the enactment of S. 1621.

Section 1 of S. 1621 authorizes the Secretary of the Interior to provide for the replacement of twelve cast steel pump casings in plants 1A and 2A of the Southern Nevada Water Project, Stage 1, with twelve stainless steel casings. Section 2 authorizes the Secretary to negotiate with the original manufacturer for the replacements. Section 3 provides that the United States will pay for the costs of the new casings and the costs will be nonreimbursable and nonreturnable. Section 3 also provides that the State of Nevada will install the new casings at its cost. Finally, section 4 authorizes an appropriation of $1.5 million, plus indexing as appropriate, for the procurement of the replacements.

The Southern Nevada Water Project, Stage I, was developed by the Bureau of Reclamation. It contains fourteen horizontal centrifugal pumping units in Pumping Plants 1A and 2A. These fourteen units pump water from the Alfred Merrit Smith Water Treatment Plant near the shore of Lake Mead through project water conveyance pipelines to terminal storage facilities which feed water distribution systems serving Las Vegas, North Las Vegas, Henderson, Nellis Air Force Base, and other communities in the Las Vegas area.

The operation of the original pumps and motors at Pumping Plants 1A and 2A has been unsatisfactory. Maintenance costs have been extraordinarily excessive, and it is clearly evident that the lifespan of the units will be significantly shorter than normal unless the units are modified.

Hitachi American, Ltd., under the Bureau of Reclamation solicitation No. DS-6637, furnished the pumps, motors, and appurtenant equipment; the company also supervised the installation. The pumps and motors were placed in operation in 1971. In January 1973, a unit was dismantled because of the development of unusual noise. Excessive cavitation damage was found, as evidenced by holes completely through some of the pump impeller vanes. Cavitation also was found on the casing at the eye of the impeller (intake side). At that time, the unit had operated approximately 2,100 hours. Although the one-year warranty period had expired and Hitachi did not admit legal responsibility under the contract, Hitachi agreed to reshape the leading edge of the vanes in all 14 impellers, and the company contributed $18,500 as its pa[illegible] the cost. The project water users [illegible] responsibility for the remaining [illegible] including the costs of dismantling [illegible] reassembling the units. After testing, it was apparent that the cavitation problem had not been solved.

Since the expiration of the warranty period, Hitachi has expended considerable effort to modify the pumps so that they would operate satisfactorily. Costs expended on the effort to obtain acceptable results from the pumps approximate $1 million by Hitachi, $300,000 by the water users, and $150,000 by Reclamation. Reclamation's costs must be repaid with interest by the water users. The combined expense of remedial measures to date far exceeds Hitachi's original bid of $693,400 for furnishing the pumps, motors, appurtenant equipment, and its supervision of the installation.

Model tests and impeller redesign since the problem was discovered in 1973 indicate that many factors were involved, such as the synchronous speed of the units (1,200 revolutions per minute), and the magnitude of the suction and discharge head, the corrosive effect of the water, and the type of materials used in the casings and impellers.

Major changes that were made subsequent to installation of the original equipment include redesigned impellers, modification of the casing baffle plates, and changing the start/stop time sequencing for the pump valving. All of these measures helped diminish the magnitude of the problem, but did not totally resolve it.

In July 1979, we decided to install two stainless steel casings, fabricated by Hitachi, in a research program as a final effort to resolve the problem. Had that effort failed to resolve the problem, there appeared to be no alternative left but to replace all of the pumps and motors with units having a synchronous speed of 900 revolutions per minute. However, the results of the research program completed in 1980 are conclusive. They show that replacement of the existing cast steel casings with stainless steel casings is a final acceptable technical solution to the cavitation/corrosion/erosion problems. The motors, shafts, and impellers will not have to be replaced if the casings are replaced.

The proposed legislation would authorize the Secretary of the Interior to procure the pump casings and appurtenant equipment. The Secretary would be authorized to negotiate with Hitachi for the purchase, in order to assure conformity of the materials and to obtain the favorable price offered by Hitachi (at cost). The State of Nevada has agreed to install the casings and appurtenant parts at its cost, subject to approval by the Secretary.

The estimated cost of procuring the stainless steel casings is $1.5 million (July 1980 price levels). Because of the very poor performance of the existing units almost from the inception of the project, the exceptionally high cost to date of maintenance, the additional costs incurred by the water users, and the participation of the State in the casing replacement, we believe that it would be appropriate to make the cost of procuring the pump casings and appurtenant parts nonreimbursable. We therefore support the enactment of S. 1621.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

GARREY E. CARRUTHERS,
Assistant Secretary. ●

HADASSAH'S 70TH ANNIVERSARY

● Mr. EAST. Mr. President, I rise today to note the 70th Anniversary of Hadassah, the Women's Zionist Organization of America, which was founded on February 24, 1912. Hadassah, being the largest women's volunteer organization in the United States has been recognized over the years for its international humantarian service. The 370,000 Amercian members have enabled thousands of people to benefit from the health and education from the world-renowned Hadassah-Hebrew University Medical Center in Jerusalem, Israel.

Mr. President, this hospital and its facilities have been made available to all peoples, regardless of religion, race, or nationality. The Hadassah medical facilities which annually treats over 41,000 inpatients and over half a million outpatients was founded on the oath of the Hebrew Physician: ". . . You shall help the sick, base or honorable, stranger or alien or citizen, because he is sick . . ."

I wish to commend the women which have built this organization into one which is recognized for its numberous accomplishments and charitable works throughout its 70 years of life. I only hope that the next 7 decades will prove to be as fruitful for this organization. ●

A FABLE WITH A TIMELESS MEANING

● Mr. **QUAYLE**. Mr. President, I recently received a letter from a constituent in Evansville, Ind., which has a very appropriate and timely message. We have the struggling for many months now to bring the Federal budget under control and lower interest rates, and thereby to rekindle growth in our economy. The letter I received contains a fable whose meaning is timeless, but which reminded me again of the great lesson that timing is of vital importance in the politics of the economy. So I would like to share this brief fable with my colleagues:

> Once upon a time in a kingdom nearby there was a prince who lived in an ivory tower. The people loved their prince, but they were unhappy. They were unhappy because it hadn't rained in the kingdom in many months, and their crops were drying out and their water supply was running low. The people went to their beloved prince and asked for help. The prince said, "I know you are thirsty, but if we wait, a thunder storm will come and bring all the water we need." So the people waited, and waited.
>
> A few weeks passed, and still there was no rain, and the people again approached their prince, only this time there weren't as many people because many had died, waiting for the rains to come. The prince said again, "I know you are thirsty, but we just need to conserve our water a little longer and I'm sure the rains will come. But if they don't come within a month, then we'll dig a well." So the people waited and waited.
>
> A few weeks later, the prince was sitting on his throne, and asked one of his servants to bring him a glass of water. The servant replied, "Your Majesty, I'm sorry, but we have no water in the castle."
>
> "Why, that's terrible," cried the prince. "Send your people out and fetch me some water."
>
> "Your Majesty," said the servant, "We have no more people to send out to fetch your water, they have all died of thirst, waiting for the rain you have promised."
>
> The prince ran to the balcony of his ivory tower and cried out to his kingdom, "Now, we need to dig the well NOW." But it was like a man yelling into the hills, for there was no one there to hear his voice, no one there to dig the well, no one there to love the prince, because they had all died, waiting for the rain that was promised.

Mr. President, the meaning of this fable was pointed out to me with great clarity by Mr. David Phillips. It is simply that time is growing very short for us here in Washington to do something about the economy and about high interest rates. Almost daily now we are seeing small and large businesses and farms fall into bankruptcy. We are leading with painful regularity of declining corporate profits and desperate cash flow problems. We are constantly reminded by episodes such as the recent collapse of a major Wall Street securities firm how precarious our financial system has become.

To paraphrase the fable, soon we might discover that we have no more businesses to pay taxes, no more banks to lend money and protect savings, no more corporations to invest in the future of our economy, no more farmers to feed our growing population.

Mr. President, I do not want to be a medieval prophet of doom, but I do think we should remain vigilant about the effect of interest rates on our economy. Like the mythical prince, we are blithely assuming the past prosperity is a natural force that relieves us of the need to examine the present and prepare for the future. From our ivory tower it may appear that if we wait a while longer, some unknown forces will favor us with lower interest rates. From the ivory tower everything may appear normal, but a long drought has made farmers, businessmen, corporations, and wage-earners very thirsty.

I am neither an economist nor a prophet, but I certainly hope that all those who influence monetary and fiscal policy are aware of the drought in our land.●

SIX EX-CABINET MEN SEEK DEFICIT CUTS

● Mr. **BOREN**. Mr. President, on the front pages of the Washington Post and the New York Times today, there appear two articles in which six ex-Cabinet members who served Presidents on both sides of the aisle in the area of the economy call for lower deficits in the Federal budget. While I do not agree with some of their methods of reaching those reduced deficits, and in particular I refer to their suggestions on the energy taxation, I do agree with the basic thrust of their remarks. That is, that deficits need to be significantly lowered, and that the achievement of that goal should be accomplished in a fair and equitable manner. If anything, they do not go far enough in suggesting deficits below the $100 billion mark in fiscal year 1983 and a $30 to $60 billion deficit in fiscal year 1985.

I supported the Johnston-Nunn amendment during consideration of the first budget resolution last week. This amendment would have achieved a balanced budget in fiscal year 1985. Although I was bothered by the tax increases the amendment anticipated, it did have the twin virtues of fairness and a balanced budget. The huge deficits and the inherently nonequitable approach contained in the Budget Committee's revised resolution were the principal reasons that I voted against its final passage.

But, Mr. President, the five former Treasury Secretaries, plus the former Commerce Secretary, whose ideas were set forth in today's articles, are at least thinking in the right direction; that alone deserves recognition. I ask that the complete texts of those articles appear in the RECORD.

The articles follow:

SIX EX-CABINET MEN URGE CUT IN DEFICITS

(By Jonathan Fuerbringer)

WASHINGTON, May 23.—A bipartisan group of former top economic officials plans to outline a program of sharp Federal spending cuts and large tax increases to slash projected budget deficits over the next three years.

The six-man group says it is concerned that neither Congress nor the Administration is considering programs strong enough to bring Federal deficits under control. They said that on Monday they would propose cuts in entitlement programs for middle- and upper-income people, including Social Security, while stopping or slowing the reductions in programs for the poor. Both Congress and the Administration have dropped consideration of any Social Security cuts this year.

The group consists of five former Treasury Secretaries and a former Commerce Secretary who served in administrations from President Kennedy through President Carter. It said it could support, under certain conditions, a delay or modification of the third year of President Reagan's income tax cut for individuals. The President and the Senate have rejected any change in the third year of the tax cut. The group also said it wanted to raise much of its proposed revenue through energy taxes.

The spending cuts and new tax revenue could reduce the deficits through 1985 by $375 billion to $450 billion.

The group, which includes officials who normally would have sharply differing views, was brought together by Peter G. Peterson, a Secretary of Commerce in the Nixon Administration. The five former Treasury Secretaries are C. Douglas Dillon from the Kennedy and Johnson Administrations, Henry H. Fowler, from the Johnson Administration, John B. Connally from the Nixon Administration, William E. Simon from the Ford Administration and W. Michael Blumenthal from the Carter Administration.

"I think the economy in general and what is going on in Congress is very worrisome," said Mr. Blumenthal in an interview today, explaining why he joined the group. "Everyone is being very political," he said, because of the refusal to cut Social Security and to trim the President's tax cuts.

Mr. Blumenthal said that the proposals he sees developing in Congress "are not good enough" and will not result in a sharp drop in interest rates. The agreement among the group, he said, is aimed at saying: "Don't fool the American people. Be realistic. Bite the bullet."

PROJECTION CALLED TOO HIGH

He said the deficits now projected for 1983 were about $110 billion—even with tax increases and spending cuts—and were too high. The group wants the 1983 deficit under $100 billion. The 1985 deficit, if its program were carried out, would be between $30 billion and $60 billion, instead of the currently proposed figure of about $233 billion.

In addition to immediate action on cutting the budget, the group calls for Congress and the Administration, after the election next fall, to restructure the Social Security system to assure its long-term soundness, to design a new system of multiyear budget controls and to consider moving to a consumption-based tax, which in general would tax all income except what is saved.

The budget proposals now being considered in the House and the Senate, said Mr.

Peterson in an interview today, "still appear to be avoiding most of the big middle- and upper-income entitlement programs."

The overall program is slightly larger than the proposals now being considered in the House and the Senate. The top three-year total for deficit reductions in the group's plan is $450 billion. The Senate-approved budget resolution and the House Budget Committee plan are just over $400 billion.

But on domestic spending, the group's proposal would cut more than any plan in Congress, assuming a reduction of $60 billion just in the fiscal year 1985 in entitlements and other nondefense programs. The group provided a breakdown only of their aggregate savings for fiscal 1985. Although they provided no figures for reductions in this area for 1983 and 1984, members of the group acknowledged that their proposal cuts more deeply over the three years than plans in Congress would.

According to the group's calculations, the $60 billion is about twice what the House Budget Committee approved and about $13 billion more than the plan put together in the House by Republicans and conservative Democrats.

The key difference is the group's proposal for reducing the cost-of-living increases in Social Security and other programs. Their plan calls for a one-year freeze on increases in Social Security benefits, a move that is opposed by House Democrats. The original Senate Budget Committee program, which was endorsed by President Reagan, included cuts in Social Security benefits, but it was then dropped.

On tax increases, the group's plan is closer to the proposal of the Democrats on the House Budget Committee. By 1985, the plan calls for about $60 billion in tax increases, just slightly less than the Democrats' plan does. The new proposal also suggests that there should be only a delay or modification of the third year of President Reagan's tax cut scheduled for July 1, 1983, if there is first an agreement on the spending cuts in the group's plan.

Among revenue increases suggested by the group are taxes on oil and gasoline, a windfall tax on the decontrol of natural gas, restrictions on the tax-leasing provisions in last year's business tax cut and increases in excise taxes on tobacco and alcohol.

The reductions in military spending would be $25 billion in 1985, which is close to the $31 billion in the House Budget Committee proposal. The reductions in the Senate plan are about $18 billion in 1985.

Unlike the proposals being considered in Congress, the group's plan does not assume any savings from improved management. In addition, it assumes smaller savings from lower interest rates and the cost of Government borrowing.

FIVE FORMER TREASURY CHIEFS ISSUE PLEA FOR LOWER DEFICIT

(By James L. Rowe, Jr.)

Five former treasury secretaries yesterday urged the president and Congress to slash defense and non-defense spending immediately to prevent high budget deficits from damaging the economy.

A combination of spending cuts, tax increases and a one-year freeze on Social Security, Medicare and federal retirement benefits could reduce the deficit to less than $100 billion in fiscal 1983 and hold the 1985 deficit under $75 billion, the bipartisan group said in a statement.

Otherwise, the former officials said, deficits will continue to grow and borrowing to finance them "would devour virtually every penny of household savings and would divert capital from productive investment at a record rate."

Meanwhile, President Reagan spent yesterday morning phoning House members to seek support for a budget package he prefers that is similar to the one passed by the Senate. The budget package is sponsored by House Minority Leader Robert H. Michel (R-Ill.). The Senate budget resolution calls for a $116 billion deficit in the spending year that begins Oct. 1.

The former treasury secretaries—who planned to issue their appeal formally at a news conference today—and their years in office are: W. Michael Blumenthal, 1977 to 1979; William E. Simon, 1974 to 1976; John B. Connally, 1971 and 1972; Henry H. Fowler, 1965 to 1968, and C. Douglas Dillon, 1961 to 1965.

They were joined by Peter G. Peterson, secretary of commerce under President Nixon and now chairman of the Wall Street investment firm of Lehman Brothers Kuhn Loeb Inc.

Their statement said that fairness is essential and criticized Reagan for concentrating spending cuts in programs "aimed at the poor," such as Medicaid, welfare, food stamps and legal assistance.

"It is now time for a wider sharing of burdens—for focusing fiscal reform on the major spending programs which confer benefits on middle and upper income groups," the six said. They did not single out any such programs in their statement, however.

In what they called a "program for immediate action," the former officials said Congress and the president should slow the growth in nondefense spending in order to reduce the deficit by $60 billion in fiscal 1985 (the federal spending year that begins Oct. 1, 1984).

"The best place to begin," they said, "is with a one-year freeze in benefits flowing from the large, broad-based entitlement programs—Social Security, Medicare, veterans' benefits, civil service and military retirement, and other nondefense subsidies and payments."

After the freeze, the former officials said, some sort of cap should be placed on how much benefits could rise in future years.

They also called for defense spending that would total $25 billion less than the president wants by 1985, and said that taxes should be increased by $60 billion by 1985. They suggested new taxes on oil and natural gas consumption and higher taxes on cigaretts and tobacco, as well as elimination of some corporate tax benefits.

"These steps, if undertaken now, would cut the [fiscal 1985] deficit by about $145 billion. This in turn could lead, through less federal borrowing and lower interest rates, to a further deficit reduction of $30 billion to $55 billion."

The former secretaries and "runaway deficits" can never be contained if any portions of the budget are placed "out of bounds,". The president has asserted that Social Security benefits will not be changed and has been resistant to any reductions in his defense program.

Unless the deficits are reduced, the former officials said, recovery from the recession will be feeble and temporary," interest rates will remain "abnormally high," high unemployment will be chronic, and investment by businesses will remain at low levels, resulting in little productivity growth that will depress living standards and decrease the nation's ability to compete in foreign markets.●

COLORADO STATE RESOLUTIONS AND MEMORIALS

● Mr. ARMSTRONG. Mr. President, I wish to bring to the attention of my colleagues and others who read the Congressional Record several joint resolutions and memorials adopted during the second session of the 53 General Assembly of the State of Colorado. These resolutions express the view of the Colorado State Legislature on a number of important issues now before Congress. I ask that the text of each resolution and memorial be printed in the Record.

The resolutions and memorials follow:

SENATE JOINT MEMORIAL NO. 1

Whereas, For over one hundred years the Government of the United States has accepted, adopted and readopted the doctrine of prior appropriation of water, more commonly known as the "Colorado doctrine" in and for the appropriation states; and

Whereas, Over that time span the Congress of the United States has passed at least thirty-seven different laws to accord with state water allocation systems and water rights created under those systems; and

Whereas, In reliance on the validity of the appropriation doctrine accepted and adopted by the United States by the act of July 26, 1866, and subsequent enactments, the western states have grown and prospered in a water-short region, to the benefit of the nation as a whole; and

Whereas, Many western states have entered into compacts among themselves apportioning the flows of interstate streams, so that multiple beneficial uses of water may be made equitably and fairly between the states out of the limited available natural supply; and

Whereas, The Congress of the United States has approved nine interstate compacts to which Colorado is a party, including the Colorado River Compact, the Upper Colorado River Basin Compact, and the South Platte River Compact; and

Whereas, The purpose of these compacts was to provide stability for long-range planning and development of water resources, according to each individual state's laws, needs, and desires; and

Whereas, Any regulatory action by the Government of the United States which prevents the states from developing their water resources would be a fundamental breach of the federal system of government; and

Whereas, Use of the Endangered Species Act to require allocated flows of one state to flow into another state would be an extreme misuse of the Endangered Species Act; and

Whereas, Properly obtained water rights of the Government of the United States are subject to integration and administration within Colorado's system of prior appropriation; and

Whereas, Colorado recognizes instream flow appropriations for the protection of the natural environment to a reasonable degree, when such flows are obtained consistent with state law; and

Whereas, Solicitor Coldiron of the Department of Interior has issued an opinion stating that the Government of the United States must pursue its water claims and rights within the context of state law systems; and

Whereas, The Executive Branch of the Government of the United States is obligated to interpret and implement the Endangered Species Act in a correct manner; and

Whereas, The Congress of the United States now has before it the proposed reauthorization of the Endangered Species Act; now, therefore,

Be It Resolved by the Senate of the Fifty-third General Assembly of the State of Colorado, the House of Representatives concurring herein:

(1) That the Government of the United States define, interpret and implement the Endangered Species Act in such a manner that each state will be allowed to fully develop and administer its compact allocations and water resources according to its own laws and practices; and

(2) That Congress, if necessary, reaffirm its invariable adherence to the customs, laws and decisions of courts of the States in defining the right to use water, through passage of an appropriate interpretative amendment to the Endangered Species Act.

Be it further resolved, That copies of this Resolution be sent to each member of the Congress from Colorado and to the Senate Committee on Energy and Natural Resources and the House Committee on Interior and Insular Affairs of the Congress of the United States.

House Joint Resolution No. 1012

Whereas, The United States Environmental Protection Agency is proposing amendments to the restrictions on burial of liquid hazardous wastes, which, if adopted, would allow toxic liquids to constitute a specified percentage of the volume of hazardous waste landfills; and

Whereas, Landfilling of containerized liquids is an undesirable practice since the leaching of such liquids may ultimately result in long-term detrimental effects on groundwater quality; and

Whereas, The long-term adverse effects of this undesirable disposal practice will likely occur in the post-closure care period of a site when the state has assumed responsibility; and

Whereas, To eliminate the present ban and relax other restrictions regarding the burial of liquid wastes will result in the continuation of this undesirable practice; and

Whereas, Alternative technologies to landfilling of liquid wastes presently exist and are economically feasible; and

Whereas, The Colorado hazardous waste act (Senate Bill No. 519 of the 1981 legislative session) precludes the state from adopting more stringent regulations governing hazardous waste disposal than those promulgated by the United States Environmental Protection Agency under the federal "Resource Conservation and Recovery Act of 1976"; now, therefore,

Be It Resolved by the House of Representatives of the Fifty-third General Assembly of the State of Colorado, the Senate concurring herein:

That we, the members of the Fifty-third General Assembly of the State of Colorado urge the continuation of the ban against the burial of liquid hazardous wastes and oppose the elimination of the requirement for a liner and leachate collection system and urge the United States Environmental Protection Agency to consider our concerns and comments before taking any final action to amend the present regulations.

Be It Further Resolved, That copies of this Resolution be sent to the Administrator of the United States Environmental Protection Agency and to each member of the Congress of the United States from the state of Colorado.

House Joint Resolution No. 1007

Whereas, The needs of the terminally ill and their families in this state and the nation have not been adequately met by the health care delivery system; and

Whereas, The hospice concept of care for the terminally ill and their families has received worldwide acclaim because of the efforts to deliver such care in England under the leadership of Dr. Cicely Saunders; and

Whereas, In the United States, the needs of the terminally ill of all ages were first brought to the attention of the health professions and the general public by Dr. Elisabeth Kubler-Ross; and

Whereas, Through the efforts of many volunteers and health professionals, the hospice program of care has become an accepted part of the health care delivery system; and

Whereas, The hospice program of care has received the official endorsement of organizations comprised of health professionals and of labor organizations; and

Whereas, The hospice program of care is now being accepted by the insurance industry in various regions of this country; and

Whereas, A number of national corporations have provided the hospice benefit to employees, dependents, and, in some cases, their retirees; and

Whereas, A large number of terminally ill patients qualify under the provisions of Medicare for financial assistance; and

Whereas, There has been an actuarial study which clearly indicates that the incorporation of the hospice benefit for Medicare eligibles, as currently defined, will bring about significant savings to Medicare; and

Whereas, Hospices in Colorado have provided national leadership in the areas of education, training, and program development and in the areas of education, training, and program development and in the setting of standards for the quality of care; and

Whereas, These standards are also for the well-being of the terminally ill living in this state; and

Whereas, The legislation proposed to modify Medicare benefits to allow hospice care is also in the interest of Colorado residents; now, therefore,

Be It Resolved by the House of Representatives of the Fifty-third General Assembly of the State of Colorado, the Senate concurring herein:

Therefore, the members of the Fifty-third General Assembly of the State of Colorado, do urge the members of the Congress of the United States to support the passage of S. 1958 and H.R. 5180 concerning the modification of Medicare provisions to include coverage for hospice care.

Be It Further Resolved, That the standards proposed by the Colorado Hospice Coalition are appropriate and necessary to the organization and delivery of care for the terminally ill and their families in the state of Colorado.

Be It Further Resolved, That copies of this Resolution be sent to the President of the Senate and the Speaker of the House of Representatives of the Congress and to each member of Congress from the State of Colorado.

Senate Joint Resolution No. 20

Whereas, The federal government, through its various agencies, owns nearly one-third of the land in the United States; and

Whereas, The debt of the United States now exceeds $1,000,000,000,000; and

Whereas, The sale of evaluated surplus federal properties, which have been determined to have no justifiable public purpose, which have not been managed for a maximum benefit for the American people, and which no longer fulfill the agency mission for which they were obtained, could contribute to a reduction of the national debt; and

Whereas, Such surplus lands could be liquidated without damage to the public welfare and without changing the present use of many such properties; and

Whereas, Proceeds from the sale of surplus properties are now used primarily to acquire new lands, not to relieve the pressure of the national debt or to benefit the American taxpayer; and

Whereas, Transfers of federal surplus lands to the states should be encouraged as an alternative to acquisitions of additional lands by the federal government, and in-lieu land selections should be addressed to promote more efficient management of federal assets; and

Whereas, The sale of evaluated surplus properties would result in a more productive use by members of the private sector, and states would receive the benefits of an increased property tax base; and

Whereas, Priorities for the disposition of evaluated surplus lands should be established, and improved methods and procedures for the liquidation of such properties, with strong safeguards being given to traditional rights of use, should be initiated with the proceeds of such sales being used to reduce the national debt; now, therefore,

Be It Resolved by the Senate of the Fifty-third General Assembly of the State of Colorado, the House of Representatives concurring therein:

(1) That we, the members of the Fifty-third General Assembly of the State of Colorado, do request and encourage the President of the United States to implement a program for the orderly disposition of evaluated surplus properties of the federal government with the proceeds being used to restrain and ultimately reduce the national debt;

(2) That we, the members of the Fifty-third General Assembly of the State of Colorado, do request and encourage the members of the Congress of the United States from the State of Colorado to develop and support legislative measures which would aid in the reduction of the national debt by using the proceeds from the liquidation of evaluated surplus federal properties; and

(3) That we, the members of the Fifty-third General Assembly of the State of Colorado, do request and encourage the members of Congress to adopt measures which would require them to balance the federal budget each year.

(4) That copies of this Resolution be sent to the President of the United States, to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States, and to each member of the Congress from the state of Colorado.●

TRIO PROGRAMS OFFER EDUCATIONAL OPPORTUNITY

● Mr. RIEGLE. Mr. President, I wish to state my unequivocal support for continued full funding for the TRIO programs—the special programs for students from disadvantaged backgrounds which are authorized under title IV of the Higher Education Act of 1965. The five programs commonly referred to as TRIO programs include educational opportunity centers, special services for disadvantaged students projects, Upward Bound projects, talent search projects and a training program for TRIO staff members. These programs provide low-income youth and adults a realistic opportunity to escape cycles of poverty and to achieve the upward mobility afforded by higher education.

TRIO programs are targeted to those individuals who are the first of their generation to seek a higher education. If these individuals are to establish a new precedent for themselves and their families—to earn college diplomas and to gain access to an array of career alternatives previously closed to them—they will need comprehensive support services. TRIO programs offer low-income, first-generation students the special services they need—counseling, basic skills instruction, tutoring, information about college admissions and financial aid—to enroll in, and graduate from, college.

Mr. President, these programs offer a valuable contribution to our future economy as well as to the individuals who directly benefit from the services provided. If we are to continue to grow and progress as a nation, we must begin the development of a highly skilled and educated work force to meet the demands of the increasingly complex and technological world we live in. TRIO programs prepare disadvantaged youth and adults to particapate as contributing members to the future health and stability of the American economy.

Mr. President, I have been deeply distressed by the attempts of the Reagan administration to eliminate several components of the TRIO programs and to enact deep cuts in others—despite the fact that these programs have already suffered deep reductions as the result of last year's Omnibus Budget Reconciliation Act. TRIO programs make up less than two-hundredths of 1 percent of the Federal budget; eliminating them would reduce the Federal deficit by less than two-tenths of 1 percent. Certainly the elimination of crucial program componets and/or deep reductions are not merited in the name of budgetary saving. Furthermore, the administration's attempt to dismantle these important programs coupled with other efforts to drastically reduce a Federal commitment to student assistance would indicate a serious retreat from our national commitment to equal access to higher education.

The effective functioning of our democracy depends in large part on the ability of each of our citizens to explore and realize his or her potential, regardless of social or economic class. The services provided the TRIO programs to disadvantaged youth and adults seeking a college education, ultimately benefit us all. These programs must be maintained at adequate funding levels.●

RECESS UNTIL 3:15 P.M.

Mr. BAKER. Mr. President, there are negotiations underway off the floor of the Senate dealing with a number of matters, including the procedure by which the Senate will take up the next significant piece of legislative business, the supplemental appropriations bill. I believe it is probably in the best interest of the Senate and will perhaps expedite the consideration of that and other measures if we permit Senators to continue those conferences off the floor. Therefore, I ask unanimous consent that the Senate now stand in recess until the hour of 3:15 p.m.

There being no objection, the Senate, at 2:27 p.m., recessed until 3:15 p.m.; whereupon, it reconvened when called to order by the Presiding Officer (Mrs. KASSEBAUM).

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

RECESS UNTIL 4:30 P.M.

Mr. STEVENS. Madam President, I ask unanimous consent that the Senate stand in recess until the hour of 4:30 p.m. today.

There being no objection, the Senate, at 3:16 p.m., recessed until 4:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. COHEN).

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from Maine, suggests the absence of a quorum. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is ordered.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

EXTENSION OF TIME FOR ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there be an additional period for the transaction of routine morning business to extend not past 5:30 p.m., under the same terms and conditions as heretofore ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Colorado.

URGENT SUPPLEMENTAL APPROPRIATIONS, 1982

Mr. ARMSTRONG. Mr. President, did you ever hear the story about the weary traveler who entered a roadside diner and ordered a bowl of stew? When it was presented to him by the counterman, it was obvious that there was something unusual about this stew; it did not look quite right; it did not have quite the right texture and aroma. And he asked that the cook be brought out to explain what was in the stew. He said, "Is this beef stew?" Well, the cook responded that it was not exactly beef stew; it was more like rabbit stew. And the man stirred it and looked at it a bit, and he said, "What do you mean rabbit stew? Is there anything else in it?" Well, he was told, there might be a little horsemeat in it. In fact, it was really half horse and half rabbit stew. The traveler inquired just how he figured that. He was appalled to learn that it was figured on the basis of one horse and one rabbit.

Mr. President, Senators will be well advised to have this anecdote in mind when they are invited to partake of H.R. 5922, the urgent supplemental appropriations, which at some point during the week I expect we will be asked to consider. I think that, upon close examination, Senators will find that it is neither really all that urgent nor entirely a supplemental appropriation but includes substantial elements of other kinds which affect not only the taste but also the coloration, the texture, and the aroma of this legislative stew.

The bill provides $2.2 billion in spending above the level requested by the President.

The administration requested $3.6 billion as urgent supplementals and the Senate bill increases this amount by $321.9 million.

In addition to supplementals identified as "urgent" the bill provides supplemental funding for various other programs, some of which had pending administration supplemental requests. In this "nonurgent" category, the administration's requests total somewhat over $1 billion. The Senate bill adds another $1.7 billion on top of that.

In the housing area, this bill includes savings (rescissions) recommended by the administration, but does not accept the full total of the administration's recommended savings, thus adding $208.7 million in more spending.

The cumulative effect is that the Senate bill provides $2.2 billion in more spending than that proposed by the administration.

The bill contains an authorization for an entirely new $5 billion housing subsidy and further provides an appropriation under this program of $1 billion to be committed before November 1 of this year.

The bill includes the full amount (over $1 billion) requested by the adminstration for food stamps, but does not include legislative language requested by the administration to alter current benefit levels.

The Senate bill accepts House language putting sand and gravel operations back under the jurisdiction of the Mine Safety and Health Administration (MSHA) instead of the Occupational Health and Safety Administration. Last year, on two separate rollcall votes, the Senate rejected this change (November 19 on a vote of 35-63 and December 11 on a vote of 38-54).

Mr. President, I turn my attention now, briefly, to the assisted housing programs which are included in this urgent supplemental appropriations. I want to make this point at the very outset: None of the $6.7 billion in new spending contained in the bill for subsidized housing is considered urgent by the administration, notwithstanding the fact that it comes to us—if indeed we take up consideration of this bill—under the title of an urgent supplemental.

This bill proposes terminating new starts for the section 8 new construction program while at the same time substantially increasing financing and other subsidies to accelerate construction and occupancy of section 8 units not yet built.

The administration proposed rescissions that would have deleted funding for 22,083 units. The Senate Appropriations Committee increases funding so that 26,903 units will be added to the HUD "pipeline." This does not include the 30,000 units that will receive the additional financing subsidies included in this bill.

Even excluding the increased units authorized in this bill, there are some 200,000 units in HUD's pipeline waiting to be built or occupied.

This legislation is supposed to appropriate funds that are urgently needed for fiscal year 1982. Yet this bill provides $1.3 billion in new spending for fiscal year 1983 to finance 9,000 new units of subsidized housing.

HUD reports there are 5,073 units in 62 projects of public housing vacant and boarded up. Even though vacant, these projects still were financed through bonds for which the Federal Government is liable to meet payments. This bill provides an additional $89 million to rehabilitate these vacant units.

HUD is yet to implement provisions from last year's reconciliation bill that would reduce costs of assisted housing programs.

This supplemental provides funds for new units of assisted housing at the same time it is being forced to cancel housing contracts for units already provided to tenants . . . possibly leaving as many as 1,000 households now receiving assistance without hope for future assistance.

In other words, we are cutting off people who are already receiving assistance, while creating an entirely new, untested, untried, unproven, and unauthorized appropriation.

The supplemental appropriation, in my view, flies in the face of—it is totally inconsistent with—the action taken on the budget resolution last week. If we adopt a supplemental appropriations bill with a huge new program of this kind, it is bound to seriously undermine the credibility of congressional intention to restrain Federal spending.

The reason we went through that exercise day after day, night after night, until 10:30 last Friday night, of turning down amendments to increase funding for popular programs, was to show that we are really serious about somehow getting Federal revenues and expenditures into balance. That is the only reason, at least in the mind of the Senator from Colorado, why we would vote to restrain popular, worthwhile, meritorious, and existing programs for veterans, pollution control, education for the handicapped, and others—because we want to show that we are really serious about getting Federal spending under control, thereby giving a reassuring signal to the capital markets that is essential if we are going to get the lower interest rates upon which this Nation's economic recovery depends.

Having done that, for us to turn around and create a new program casually, in an almost thoughtless way, by just including the authorizing and appropriation legislation for a vast new program in an urgent supplement, seems to me to be inconsistent with what we did last week.

I also ask Senators how we are going to explain to people back home why last week it was so important that we restrain spending, that we voted down the proposals for increasing really sensitive programs which affect people in their everyday lives, programs which are on the books and are working, programs I have mentioned: education, handicapped programs, vocational programs, pollution control, and others.

How do we explain that, last week, budgetary considerations were so tight that we had to restrain those programs, and then turn around this week and create a $5 billion program of this kind?

I point out that the housing provision contained in this urgent supplemental sets a horrible precedent. Bear in mind that what this proposal does is to provide mortgage interest subsidy for a relatively small group of prospective home buyers and the sellers and builders of new homes. We are not doing anything for resale homes. We are talking about only the new home market.

I should like to make it clear at this point that I would like to help the homebuilders of this country. There probably is not any group to whom I personally feel closer or for whom I have a higher regard or a greater sense of kinship and brotherhood than the Nation's homebuilders. I count thousands of Colorado homebuilders among my close personal and political friends and allies, and I have for years. As a businessman, in my private life, I know very well the kind of considerations which motivate them. I think they are admirable citizens, and I salute them for their contributions to the productivity and life of this country. They are just great.

So, if I thought this proposal for a housing subsidy, a mortgage interest subsidy, for new housing was really going to help them, I would be seriously tempted to support it, but I do not believe that.

I agree with the statesmanlike observations of some homebuilders who say that the way to solve the problems of homebuilders and others is to balance the Federal budget, and then interest rates are going to come down, and we will see a self-propelled, self-regenerating cycle of prosperity, instead of the kind of economic stagnation fostered by high interest rates.

So, in effect, many homebuilders, even though they are hurting, have said to me, "We can stick it out. Do what is right for the country. Do not bail us out. But, for heaven's sake, do not bail anybody else."

Mr. President, no one feels more strongly than I the need to foster and encourage homeownership in this country. Owning a home is not only a part of the American dream, it is a cornerstone of the American dream, and I wish to do anything we can to make it possible for more and more people to own homes.

So if I thought that this mortgage interest subsidy provision was in some way likely to encourage that dream or to make it possible for people, I would be loath to oppose it, but I do not believe that that is the case. I think it is a false promise that is held out by this mortgage interest subsidy provision in the urgent supplemental bill.

What we are really doing is saying a handful of people, relatively those persons who are prospective buyers of new homes in a certain period of time, are going to get a subsidy, and it is a very large subsidy. It can be as much as $12,000 for some of these buyers. And everyone else who is going to go to the end of the line is not going to be helped and, in fact, is going to pay increased interest rates to the extent that this subsidy program impacts upon deficits and results in higher interest rates.

That is just a misallocation of resources and it is not the way to solve the problem.

Finally, two points before I ask unanimous consent for a number of items to be printed in the RECORD.

Point No. 1 is this: If we pass the mortgage interest subsidy provision in the urgent supplemental, we are setting a horrible precedent, a precedent which in my judgment we cannot live with because how are we going to say no to persons who want to have a subsidy of some kind for homes purchased on the resale market if we say yes to this proposition? In other words, if we are going to subsidize the acquisition of newly built homes, how can we legitimately say that does not apply to resales? And how can we say it does not apply to the sale of new automobiles? And how can we say that the interest rates, which are driving many small businesses and family farms into bankruptcy or worse, that their interest rates shall not be subsidized? Once we get into that, what do we say to large businesses, what do we say to Braniff, what do we say to International Harvester, what do we say to Ford and Chrysler and other firms which are either near bankruptcy or asking for bandruptcy protection or are struggling to stay out of bankruptcy precisely for the same reason that this segment of the homebuilding industry is proposed for subsidy?

Finally, Mr. President, I note in passing that the administration has opposed in the strongest possible terms the enactment of legislation such as the housing program contained in this bill.

Mr. President, I send to the desk and shall ask unanimous consent to have printed in the RECORD a letter dated May 21 from the Director of the Office of Management and Budget, Mr. Stockman, in which he makes clear his view of this housing legislation and its relationship to the so-called urgent supplemental.

He writes to the chairman of the Appropriations Committee:

DEAR MR. CHAIRMAN: The Senate will begin consideration of the Urgent Supplemental Appropriations Act (H.R. 5922) on Monday, May 24. Since the introduction of H.R. 5922 in the House in March, the Administration has supported passage of a supplemental bill containing only those requests that are urgently required to maintain necessary agency operations. That is our position with respect to H.R. 5922.

The Administration opposes the following extraneous provisions of the bill:

The housing bailout plans,

The increase, relative to the President's request, of $2.2 billion in fiscal year 1982 budget authority and $543 million in fiscal year 1982 outlays, and

Extraneous language in the bill that would commit the Administration to a 5-year, $1 billion a year housing stimulus program.

And then, Mr. President, the letter goes on to discuss other aspects of the bill. It sums up in these words:

If extraneous matters remain in H.R. 5922, it would be difficult to recommend that the President approve the bill should it reach his desk.

Mr. President, I do send to the desk this letter from Mr. Stockman and ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., May 21, 1982.

Hon. MARK O. HATFIELD,
Chairman, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The Senate will begin consideration of the Urgent Supplemental Appropriations Act (H.R. 5922) on Monday, May 24. Since the introduction of H.R. 5922 in the House in March, the Administration has supported passage of a supplemental bill containing only those requests that are urgently required to maintain necessary agency operations. That is our position with respect to H.R. 5922.

The Administration opposes the following extraneous provisions of the bill:

The housing bailout plans and the increase, relative to the President's request, of $2.2 billion in FY 1982 budget authority and $543 million in FY 1982 outlays, and

Extraneous language in the bill that would commit the Administration to a 5-year, $1 billion a year housing stimulus program, set minimum budget levels for NASA programs, other than the Space Shuttle, and require that the Polish People's Republic must be declared in default before payments may be made by the U.S. Government for guaranteed loans owed by Poland.

If extraneous matters remain in H.R. 5922, it would be difficult to recommend that the President approve the bill should it reach his desk.

Sincerely,

DAVID A. STOCKMAN,
Director.

Mr. ARMSTRONG. Mr. President, I also send to the desk a letter from Mr. Stockman under date of May 10 addressed to our colleague DICK LUGAR in which he discusses at greater length the specific criticism which he and the Cabinet-level task force have on the program of housing subsidy assistance which is embodied now in the urgent supplemental but which was earlier the subject of legislation introduced in the Senate under the number S. 2226. I ask unanimous consent to have this letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., May 10, 1982.

Hon. RICHARD G. LUGAR,
U.S. Senate, Washington, D.C.

DEAR DICK: Thank you for your continued support of the President's Economic Recovery Program. The budget and economic problems caused by 25 years of deficit spending are much tougher to overcome than we had at first hoped. Thus, your continued support is particularly appreciated as the President's program builds the foundation for a sustained economic recovery.

The President is deeply concerned about the impact the current high interest rates are having on housing. Because of his concern, the President established a Cabinet Level Task Force on the Housing Industry, chaired by HUD Secretary Samuel Pierce, and directed this group to examine the current economic situation in housing and recommend appropriate policies within the current fiscal limitations for addressing fundamental problems. This group was also charged with evaluating your proposal relative to other alternatives for addressing current problems in the housing industry.

The task force recommended a number of initiatives that were announced by Secretary Pierce on April 15. These initiatives can be implemented quickly to provide a much needed stimulus to the housing industry and yet are consistent with the President's Economic Recovery Program. Moreover, these initiatives, which are described in more detail in the enclosed HUD press release, could stimulate construction of 120,000 to 200,000 units that otherwise would not have been built.

However, the Cabinet Level Task Force did not recommend any short-term subsidy assistance for housing. Their recommendations were consistent with the President's public statement against bail-outs as given in his March 29 speech to the National Association of Realtors: "You [Realtors] recognize, as I do, that budget-busting bail-outs will only aggravate the interest rate problem—the underlying problem in the housing industry." Thus, the Cabinet Level Task Force recommended that the Administration not support S. 2226.

Again, I want to thank you for your continued support of the President's program. Although I share your concern for the levels of unemployment in the homebuilding industry as well as in the economy as a whole, I believe the best way to restore the nation to a condition of long-term economic health is to continue to support the President's Economic Recovery Program. I look forward to working with you on these and other issues in the future.

Sincerely,

DAVID A. STOCKMAN,
Director.

Mr. ARMSTRONG. Mr. President, I send to the desk a letter from Mr. Stockman under date of May 10 to the minority leader of the U.S. House of Representatives, Mr. MICHEL, in which he discusses the same subject with the same result, and I ask unanimous consent to have that letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., May 10, 1982.

Hon. ROBERT H. MICHEL,
House of Representatives, Washington, D.C.

DEAR BOB: I understand that the House may soon consider the Single-Family Housing Production Act of 1982 (H.R. 6294). This bill would attempt to assist the housing industry by authorizing $1 billion to be committed in the remainder of this fiscal year to buy-down interest rates on mortgages on new homes.

Although the Administration is deeply concerned about the impact the current high interest rates are having on housing, expensive bail-out proposals for housing, such as H.R. 6294, are inconsistent with this Administration's basic policies. As the President stated in his March 29 speech to the National Association of Realtors, "You [Realtors] recognize, as I do, that budget-busting bail-outs will only aggravate the interest rate problem—the underlying problem in the housing industry."

Thus, the Administration strongly opposes passage of the Single-Family Housing Production Act of 1982. Should this or similar housing bail-out proposals reach the President's desk, they would not be recommended for approval.

Sincerely,

DAVID A. STOCKMAN,
Director.

Mr. ARMSTRONG. Mr. President, I also call the attention of my colleagues to the exchange of correspondence between the distinguished Senator from Wisconsin (Mr. PROXMIRE) and the Chairman of the Board of Governors of the Federal Reserve.

On March 9 Senator PROXMIRE wrote to Chairman Volcker and pointed out to him the proposal for a mortgage interest subsidy under which the borrower would be subsidized by 4 percentage points with certain recapture provisions and so on, in essence, the proposal which now comes to us as a part of the urgent supplemental.

On March 17 Chairman Volcker wrote back to Mr. PROXMIRE and discussed in the most skeptical of terms the proposal for such legislation and pointed out very clearly that what is needed is restraint in the Federal budget if we are serious about getting interest rates down for the benefit not only of all home buyers but of all Americans.

Mr. President, I ask unanimous consent to have those letters printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

BOARD OF GOVERNORS,
FEDERAL RESERVE SYSTEM,
Washington, D.C., March 17, 1982.

Hon. WILLIAM PROXMIRE,
U.S. Senate, Washington, D.C.

DEAR SENATOR PROXMIRE: Thank you for your letter of March 9, requesting comment relating to legislation proposed by Senator Lugar that would subsidize the interest rate on mortgage loans for new homes. You have asked whether the Federal Reserve would accommodate additional credit demands expected to be generated by the program and thereby keep interest rates from rising. You have also inquired whether interest rates would rise without such accommodation, tending to choke off growth in other sectors.

As you know, the Federal Reserve sets annual target ranges for growth of the monetary aggregates and bank credit. The growth targets for 1982—announced to the Congress in the Board's February report pursuant to the Full Employment and Balanced Growth Act of 1978—were designed to be consistent with recovery in economic activity accompanied by continued moderation of inflation.

In general terms, specific changes in those targets or the provision of reserves to the banking system simply to "accommodate" particular budgetary or other legislative initiatives that might increase governmental or other credit would be inappropriate in terms of our goals and would impair confidence in our ability to reach those goals. If the result would be to contribute to greater concern about inflation, the action would be counterproductive in relation to the objective of lower interest rates.

Our monetary and credit targets are, of course, under continuing review. Changes would be appropriate only if the evidence about the relationship between those aggregates and the basic objectives of progress against inflation and economic growth strongly suggested such action. While a Federally-subsidized mortgage program would tend to change the distribution of available credit, it would not in itself be evidence that existing monetary policies are inappropriate.

The effect on interest rates of increased federal outlays for housing, and any stimulus to private credit demands such outlays might generate, depends in no small part on the overall federal budget deficit picture. Prospective huge deficits in coming years—in the absence of strong and early action by the Congress—are, as you know, a major influence on credit markets currently and prospectively. If appropriate action is not taken with regard to the overall fiscal outlook, then pressures on interest rates and financial markets will remain greater than otherwise, with consequent damage to prospects for recovery and growth. Under these circumstances, the chances are increased that new federal programs to channel credit and economic activity to any one sector will add to financial market pressures and choke off activity elsewhere. The impact on other sectors will depend on their sensitivity to higher interest rates. But, under those circumstances, jobs generated by the new program are likely to come at the expense of jobs lost in other, nonsubsidized parts of the economy. While it might be argued that the effect would not be a one-for-one offset and, in any event, could not be precisely identified, the risks of spreading financial strain with adverse effects on the economy generally are real.

I am well aware of the distress that high interest rates are imposing on the housing sector, its suppliers, and home buyers. However, attempts to deal with the problem by encouraging excessive money growth at the expense of a sense of retreat on inflation just as progress has become so visible, would clearly be self-defeating. In my judgment, the greatest contribution the government can make at present to resolving the interest rate problem, and assisting the housing industry, would be to deal effectively with the prospective deficits, which, apart from the direct financial market implications, contribute unnecessarily to uncertainty regarding government's resolve to reduce inflation.

I believe the question of governmental subsidies to a particular sector, and its potential impact on credit markets, needs to be assessed in that broader perspective. In other words, a major question to be dealt with is whether new programs are consistent with lessening the total impact of government on credit markets.

I hope that my comments will be helpful. Please let me know if I can be of further assistance.

Sincerely,

PAUL A. VOLELEN.

U.S. SENATE,
Washington, D.C., March 9, 1982.

Hon. PAUL VOLCKER,
Chairman, Federal Reserve Board,
Washington, D.C.

DEAR MR. CHAIRMAN: Senator Lugar has proposed legislation to subsidize the interest rate on home mortgage loans in order to increase the number of housing units to be built.

The program would reduce the interest rate on the mortgage to the borrower by four percentage points, and has a recapture provision in the future. The total cost of the subsidy could be about $5 billion spread over five years. The proposal projects an increase in employment of 791,000 in construction and related housing jobs, and projects an increase of about 400,000 units with subsidized mortgages of $65,000 each.

The program will, therefore, have a $26 billion impact on the credit markets. The question is whether, in your judgment, the Fed would accommodate this additional credit demand on the market to keep interest rates from rising, or whether the Fed would not make any accommodation. With no accommodation, the additional $26 billion demand would have to compete in the market with all other fund demands. If that were the case, would interest rates rise, choking off growth in other sectors? Would the additional jobs created by the proposal come about at the expense of others losing jobs in other unsubsidized sectors?

As you can appreciate, the housing industry is in dire circumstances, as is farming, the auto industry, and small business, in general. Your answers to the questions raised by the proposal are crucial to a complete understanding of all of the ramifications of the proposal.

Sincerely,

WILLIAM PROXMIRE.

Mr. ARMSTRONG. Mr. President, last but not least I ask that my colleagues consider seriously an editorial which appeared on March 25 in the Washington Post under the headline "The Homebuilders' Handout." The editorialist writes in a very perceptive and thoughtful way about the dangers of starting down the path to subsidy in this previously unsubsidized area of American life. The New York Times on May 17 of this year, that is just last week, wrote a ringing editorial under the headline "Build Housing, Wreck the Budget." I hope that my colleagues will take a long, hard look at both of these editorials which I now submit and ask unanimous consent to have printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 25, 1982]

THE HOMEBUILDERS' HANDOUT

The home-building industry—backed first by key congressional Republicans who have now been joined by Senate Democrats—is knocking on the White House door looking for a handout. With housing sales and construction at postwar lows, the builders are looking for relief in the form of government-subsidized loans for new-home buyers.

Because the subsidies would be substantial—the government would pay up to four percentage points of mortgage interest owed by low- and moderate-income new-home buyers for five years under the Republican plan—it would add a billion dollars a year to the already large federal deficit. In the time-honored tradition of deficit spenders, congressional backers of the plan—who include Sens. Richard Lugar, Jake Garn and Mark Hatfield—argue that their plan will pay for itself because it will create jobs and boost tax revenues in the future.

That, of course, is an argument you've heard before from all the many promoters of this kind of tax cut or that kind of spending. If deficit spending paid for itself, by now the Treasury's coffers would be overflowing. And since money spent on new housing construction won't create any more jobs than money spent in dozens of other ways, you can also safely ignore the employment argument—unless you happen to be employed in the home-building industry. True, the housing industry is depressed, but what about automobiles and other credit-dependent industries? Shouldn't they get a special subsidy too?

What it boils down to is the question of how heavily the government should continue to subsidize the housing industry. Easy credit and the negative interest rates produced by high inflation have, in themselves, made home ownership an unbeatable investment. Now the rules of the game have changed, and the home-builders are crying unfair.

In deciding how seriously to take their claim, you should remember that the biggest changes in the rules were produced not by the Reagan administration's specific cutbacks in construction and mortgage subsidies, but rather by market forces and larger shifts in economic policy. Housing demand is down not only because the economy is poor and interest is high, but also because the go-go psychology of housing investors pushed prices beyond reasonable bounds. Interest rates are up because lenders got tired of losing out to inflation and because there are important competing demands for credit.

Home ownership is an important value in American life, and people in this country have become accustomed to a level of housing far surpassing that generally available in Europe or Japan. But maintaining this high standard has contributed to the inflationary pressures of a high consumer credit economy and the relative neglect of investment in productive assets.

[From the New York Times, May 17, 1982]

BUILD HOUSING, WRECK THE BUDGET

"Give me chastity and continence, but not just now."—Saint Augustine

Government, like Saint Augustine, has difficulty saying no. Even as Congress struggles to cut the budget deficit, it is yielding to new temptations to spend. It is hard to find a worse temptation than the housing bail-out now racing toward passage.

The housing industry is in terrible shape. Trapped between high interest rates and declining personal income, new home construction has been minimal for more than a year. Unemployment in the industry is now double the national average.

That is why homebuilders have been camping on the doorsteps of their representatives and why Congress is moving swiftly to help them out. The House voted 349-55 last week for a bill that would subsidize mortgages to middle-income homebuyers by 4 to 6 percent, at a total program cost of $3 billion to $5 billion. The maximum eligible mortgage under the House bill would be for $90,000 in areas with high construction costs; elsewhere the limit would be $67,500.

President Reagan opposes the legislation, but there is no sign that he can stop it. A slightly different version passed unanimously in the Republican controlled Senate Banking Committee. Congress is angling to hand Mr. Reagan a veto-proof bill.

Its defenders argue that the subsidy will create jobs and allow thousands to achieve the dream of home ownership. But parallel arguments can also be made for those who produce steel or assemble farm machinery or mine copper or grow wheat. Even if Congress were prepared to foot the bill, it is hard to see how economic recovery can be built on a foundation of Government subsidies.

There are actually special reasons to resist the housing industry's new claim on the Treasury. The Government has long smiled on housing. Banking regulations artificially held down interest paid to savers, and the benefits were passed on to homebuyers in the form of low-cost mortgages. The tax laws specifically encouraged construction of owner-occupied housing. In fact, many economists attribute the current malaise of other American industries to policies that had the effect of channeling too much scarce capital into home construction.

Be that as it may, the consensus among economists is that housing's best hope lies in a decline in interest rates, and interest rates are likely to fall only if Congress manages to control the growth in spending. In other words, special interest demands for Government cash are as much the source of the housing industry's woes as they are a potential vehicle for its recovery.

It is easy to understand why the housing industry pushes so hard for help and why Congress lacks the will to resist. It is just as easy in this matter to see why some people believe Government has become the enemy of prosperity.

Mr. ARMSTRONG. Mr. President, the bottom line is very simple. At some point we are going to be asked to take up H.R. 5922, urgent supplemental appropriations. It is my hope that when we do so it will come to us in a greatly streamlined form, with the housing provision and perhaps other offending provisions removed, and if this is not the case, I hope my colleagues will be disposed to defeat it.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESINDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

AFRICAN DEVELOPMENT FUND

Mr. STEVENS. Mr. President, I ask the Chair to lay before the Senate Calendar No. 554, S. 2398.

The Senate proceeded to consider the bill (S. 2398) to provide for increased participation by the United States in the African Development Fund which had been reported from the Committee on Foreign Relations with amendments, as follows.

On page 2, line 11, after "Treasury,", insert the following: "except that not more than $50,000,000 of such amount is authorized to be appropriated for the fiscal year 1983."."

On page 2, line 16, strike "any amendment", and insert "the amendment made by the first section of this Act".

So as to make the bill read:

S. 2398

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. The African Development Fund Act, as amended (22 U.S.C. 290g et seq.), is further amended by adding at the end the following new section:

"SEC. 213. (a) The United States Governor of the fund is hereby authorized to contribute on behalf of the United States $150,000,000 to the Fund as the United States contribution to the third replenishment of the resources of the Fund, except that any commitment to make such contribution shall be made subject to obtaining the necessary appropriations.

"(b) In order to pay for the United States contribution provided for in this section, there is hereby authorized to be appropriated without fiscal year limitation $150,000,000 for payment by the Secretary of the Treasury, except that not more than $50,000,000 of such amount is authorized to be appropriated for the fiscal year 1983.".

SEC. 2. This Act shall take effect on the date of its enactment, except that no funds authorized to be appropriated by the amendment made by the first section of this Act may be available for use or obligation prior to October 1, 1982.

Mr. PERCY. Mr. President, S. 2398 would authorize United States participation in the third replenishment of the African Development Fund (AFDF). U.S. participation would total $150 million, to be appropriated at the rate of $50 million annually in fiscal years 1983, 1984, and 1985. Outlays, however, would lag considerably behind the approval of participation. As the report from the Congressional Budget Office indicates, outlays in fiscal year 1983 would be zero, and outlays in fiscal year 1984 would be only $1 million. I should add that the budget authority provided by this bill is well within the baseline and the budget prepared by the Senate Budget Committee and the administration.

Mr. President, the United States will contribute less to this third replenishment of the AFDF in real dollars and in share of the total replenishment than it did to the second replenishment. The United States provided $125 million for the 3-year period of the second replenishment; the United States will provide $150 million—a nominal increase but a reduction once inflation is taken into account—for the 3-year period of the third replenishment. The United States provided 16.5 percent of the second replenishment, but will provide just 14.2 percent of the third replenishment.

Other countries are increasing their participation in the AFDF. On a cumulative basis, Japan is the largest single contributor of AFDF resources. Japan will provide 13.3 percent of the third replenishment; the European Community countries will provide 34.5 percent; Canada, 8 percent. Twenty-four countries altogether will contribute to the third replenishment, including several OPEC countries, Argentina, Korea, Brazil, and India.

Mr. President, the African Development Fund provides concessional loans for development in the poorest countries of Africa, most of which have per capita annual GNP of less than $280 in 1976 dollars. AFDF loans support primarily projects to assist agricultural production and rural development in Africa, where rapid population growth is out pacing the growth of food production. the AFDF is supporting projects in such critcal area as: Rural electrification, agricultural credit, rural roads, potable water supplies, and sewerage facilities.

The Assistant Secretary of the Treasury Marc E. Leland, has testified on the severity of conditions in Africa:

> Death rates in Africa are the highest in the world and the life expectancy of 47 years is the lowest. Fifteen to twenty percent of all children die by their first birthday and only 25 percent of the people are able to have clean water.

The administration concluded after an exhaustive review of U.S. participation in the multilateral development banks that concessional assistance through the multilateral institutions should be targeted toward the poorest and least developed countries. The African Development Fund and the countries the Fund assists are precisely where concessional development assistance is most justified.

Mr. President, U.S. participation in the replenishment of the African Development Fund as provided in S. 2398 is part of the Administration's program, and it is consistent with U.S. security, economic and humanitarian interests. I urge the Senate to approve S. 2398 with the technical amendments recommeded by the Committee on Foreign Relations.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. **STEVENS**. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. **ROBERT C. BYRD**. I move to lay that motion on the table. The motion to lay on the table was agreed to.

NATIONAL FEDERATION OF MUSIC CLUBS

The Senate proceeded to consider the bill S. 2317 to recognize the organization known as the National Federation of Music Clubs which had been reported from the Committee on the Judiciary with an amendment:

On page 2, line 4, strike "Indiana", and insert "Illinois";

So as to make the bill read:

S. 2317

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

CHARTER

Section 1. The National Federation of Music Clubs, organized and incorporated under the laws of the State of Illinois, is hereby recognized as such and is granted a charter.

POWERS

Sec. 2. The National Federation of Music Clubs (hereinafter referred to as the "corporation") shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State or States in which it is incorporated and subject to the laws of such State or States.

OBJECTS AND PURPOSES OF ASSOCIATION

Sec. 3. The objects and purposes for which the corporation is organized shall be—

(1) to bring into working relations with one another, music clubs and other musical organizations and individuals directly or indirectly associated with musical activity for the purpose of developing and maintaining high musical standards;

(2) to aid and encourage musical education; and

(3) to promote American music and American artists throughout the United States of America and the world.

The corporation shall function as a patriotic, civic, and historical organization as authorized by the laws of the State or States wherein it is incorporated.

SERVICE OF PROCESS

Sec. 4. With respect to service of process, the corporation shall comply with the laws of the States in which it is incorporated and those States in which it carries on its activities in furtherance of its corporate purposes.

MEMBERSHIP

Sec. 5. Eligibility for membership in the corporation and the rights and privileges of members shall be as provided in the bylaws of the association.

BOARD OF DIRECTORS; COMPOSITION; RESPONSIBILITIES

Sec. 6. The board of directors of the corporation and the responsibilities thereof shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States in which it is incorporated.

OFFICERS OF CORPORATION

Sec. 7. The officers of the corporation, and the election of such officers shall be as is provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States wherein it is incorporated.

RESTRICTIONS

Sec. 8. (a) No part of the income or assets of the corporation shall inure to any member, officer, or director of the corporation or be distributed to any such person during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the board of directors.

(b) The corporation shall not make any loan to any officer, director, or employee of the corporation.

(c) The corporation and any officer and director of the corporation, acting as such officer or director, shall not contribute to, support or otherwise participate in an political activity or in any manner attempt to influence legislation.

(d) The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

(e) The corporation shall not claim congressional approval or Federal Government authority for any of its activities.

LIABILITY

Sec. 9. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

BOOKS AND RECORDS; INSPECTION

Sec. 10. The corporation shall keep correct and complete books and records of account and shall keep minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep at its principal office a record of the names and addresses of all members having the right of vote. All books and records of such corporation may be inspected by any member having the right to vote, or by any agent or attorney of such member, for any proper purpose, at any reasonable time. Nothing in this section shall be construed to contravene any applicable State law.

AUDIT OF FINANCIAL TRANSACTIONS

Sec. 11. The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end thereof the following:

"(53) National Federation of Music Clubs.".

ANNUAL REPORT

Sec. 12. The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as is the report of the audit required by section 11 of this Act. The report shall not be printed as a public document.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

Sec. 13. The right to alter, amend, or repeal this Act is expressly reserved to the Congress.

DEFINITION OF "STATE"

Sec. 14. For purposes of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

TAX-EXEMPT STATUS

Sec. 15. The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code. If the corporation fails to maintain such status, the charter granted hereby shall expire.

TERMINATION

SEC. 16. If the corporation shall fail to comply with any of the restrictions or provisions of this Act the charter granted hereby shall expire.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMERICAN COUNCIL OF LEARNED SOCIETIES

The bill (H.R. 4769) to recognize the organization known as the American Council of Learned Societies was considered, ordered to a third reading, read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ADVERTISING REIMBURSEMENT

Mr. STEVENS. Mr. President, I ask that the Chair lay before the Senate calendar order No. 565.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1231) for the relief of the Washington Post, the Washington Star, the Dispatch (Lexington, North Carolina), the Brooklyn Times, Equity Advertising Agency, Incorporated, the Seattle Post-Intelligencer, and the News Tribune.

The PRESIDING OFFICER. Without objection, the bill is considered and adopted.

Mr. STEVENS. Mr. President, I ask unanimous consent that that action be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR STAR PRINT—S. 2351

Mr. STEVENS. Mr. President, I ask unanimous consent that the report to accompany calendar order No. 575, S. 2351, be star printed to reflect the original report pages numbered 16 and 17 as submitted to the Government Printing Office.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of considering the nominations placed on the Secretary's desk in the Public Health Service.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that these nominations be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE PUBLIC HEALTH SERVICE

Public Health Service nominations beginning Norma M. Aquino, to be senior surgeon, and ending Susan B. Toal, to be assistant health services officer, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 8, 1981.

Public Health Service nominations beginning Charles D. Allen, to be medical director, and ending Francis P. Wagner, Jr., to be senior assistant health services officer, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 14, 1982.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the nominations were confirmed en bloc.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT—H.R. 5922

Mr. STEVENS. Mr. President, I ask unanimous consent that the distinguished majority leader be authorized to call up at any time after convening tomorrow the urgent supplemental appropriations bill, H.R. 5922.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. Mr. President, I further ask unanimous consent that the distinguished majority leader be authorized to temporarily set aside that bill for the purpose of taking up a bill which would contain the emergency items from the urgent supplemental, subject to the approval of the minority leader, at any time after convening tomorrow morning.

The PRESIDING OFFICER. Is there objection?

Mr. ARMSTRONG. Mr. President, reserving the right to object, and it is not my purpose to object but only to be sure that I understand the request of the Senator from Alaska. In the event that the majority leader under the proposal exercised his right to set aside the urgent supplemental in order to take up a so-called emergency supplemental, upon the disposition of the emergency supplemental then the pending business would again be the urgent supplemental and it would not, under the proposal, be subject to being laid aside again. Do I understand that correctly?

Mr. STEVENS. That is a correct understanding of the request I have made so far. I would say to my friend that we have only one other bill which might be called up during this period and we do not know yet whether it could be worked out. On that we have not asked for consent yet. That would be to put it aside to take up the voting rights bill.

Mr. ARMSTRONG. But that request would be the subject of a later request, I take it?

Mr. STEVENS. Yes; but I would not want to imply that we did not have that under consideration. We have discussed that, I think, with the distinguished Senator from Colorado.

Mr. ARMSTRONG. Yes; the Senator is correct. But what I wanted to make clear is that we would not be laying the urgent supplemental aside for anything other than the emergency supplemental unless Senators were consulted and given the right to object to that procedure.

Mr. STEVENS. Yes. I might state to my friend I am not sure that we can call it the emergency supplemental. We are looking for an agreed-upon vehicle, agreed upon with the House, if they will accept the process, to take out of the urgent supplemental those items which require action prior to the first 10 days of June, which have no controversy. They are items that are in the budget which the President requested, items in the bill passed by the Senate and by the House, and items reported out by the Senate committee. As such, we have discussed with the distinguished minority leader the process of trying to take this action. It includes administrative costs, as the Senator knows, for the distribution of some of the entitlement checks, such as social security and veterans checks, some CAB, ICC, EPA moneys, and other items, that have to be obligated within the first week to 10 days of June. But we have not received an agreement on that. That is why I have asked for consent that the urgent supplemental, if it is called up tomorrow morning, could be put aside. The order I have just requested would not commit the distinguished majority leader to laying down the urgent supplemental as the first order of business. It leaves him leeway in that regard. The Senator understands that.

Mr. **ARMSTRONG**. Mr. President, I do understand. I have no objection. We have reached a meeting of the minds and I think the Senator has outlined the best solution to resolving the concerns which I feel about the urgent supplemental and yet the obvious need to get on with the business of the Senate.

The **PRESIDING OFFICER**. Is there objection to the request of the acting majority leader? Without objection, it is so ordered.

EXTENSION OF TIME FOR ROUTINE MORNING BUSINESS

Mr. **STEVENS**. Mr. President, I ask unanimous consent that there be another period for the transaction of morning business, during which Senators may speak, of not to exceed 5 minutes.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

BAIL-OUT BILLS

Mr. **ARMSTRONG**. Mr. President, a few minutes ago, I called the attention of the Senate to communications by the Office of the Director of the Budget, the Board of Governors of the Federal Reserve System, and editorials of the New York Times and the Washington Post, in which these editors and officials of the executive branch expressed their concerns about legislation contained in the so-called urgent supplemental. I now direct the attention of my colleagues to a letter from the White House under date of May 21, 1982, in which the President also expresses his concerns about what he terms "bail-out bills." I should like to quote briefly from that letter and then submit it and ask that it be printed in the RECORD.

He says:

> As we seek lower interest rates and an end to the recession, I am greatly concerned about reports of a host of expensive "bail-out" bills for particular commercial sectors—housing, thrift institutions, agriculture, steel, small business, automobiles and others.
>
> I recognize the popular appeal that many of these bills may have, particularly in a recessionary period. Yet I feel obliged to make clear my own position on such bail-outs: I am unequivocally opposed to them for reasons that I hope your colleagues will find persuasive.

Mr. President, I repeat this direct quotation from the President's letter of May 21:

> I am unequivocally opposed to them for reasons that I hope your colleagues will find persuasive.

The President continues:

> These bail-outs would be counter-productive. Even if they were programmatically sound, they would come too late. And in the meantime, they would send the wrong signals to financial markets, raising fears of renewed inflation, and inhibiting the very recovery their proponents seek to stimulate.
>
> A bail-out for any one sector is likely to lead to bail-outs for others. Taken together, these bail-outs could exceed our budget by tens of billions of dollars. This would compound the deficit problem, keep interest rates excessively high, and weaken the economic recovery. And it is a broad-based economic recovery that is the real key to the health of all sectors of the economy.
>
> We have advanced constructive measures to address the special problems of troubled sectors. We have also advanced—and have begun to carry out—a comprehensive economic program to address the more fundamental problems that have beset our economy as a whole. That program will assure a strong and sustainable economic recovery from which all will benefit.
>
> But the recovery program will succeed only if we budget responsibly, and then live within our budget. These bail-outs cannot be accommodated within our budget. However attractive they may seem, they must be resisted if we are to achieve our objective of strong and sustainable economic growth.
>
> I trust you will assure that my position is well understood by your fellow members of the Senate

Mr. President, I do send this letter from the President of the United States to the desk and ask unanimous consent that it be printed in full in the RECORD of this proceeding.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, D.C., May 21, 1982.

Hon. HOWARD H. BAKER, JR.,
Majority Leader, U.S. Senate, Washington, D.C.

DEAR HOWARD: As we seek lower interest rates and an end to the recession, I am greatly concerned about reports of a host of expensive "bail-out" bills for particular commercial sectors—housing, thrift institutions, agriculture, steel, small business, automobiles and others.

I recognize the popular appeal that many of these bills may have, particularly in a recessionary period. Yet I feel obliged to make clear my own position on such bail-outs: I am unequivocally opposed to them for reasons that I hope your colleagues will find persuasive.

These bail-outs would be counter-productive. Even if they were programmatically sound, they would come too late. And in the meantime, they would send the wrong signals to financial markets, raising fears of renewed inflation, and inhibiting the very recovery their proponents seek to stimulate.

A bail-out for any one sector is likely to lead to bail-outs for others. Taken together, these bail-outs could exceed our budget by tens of billions of dollars. This would compound the deficit problem, keep interest rates excessively high, and weaken the economic recovery. And it is a broad-based economic recovery that is the real key to the health of all sectors of the economy.

We have advanced constructive measures to address the special problems of troubled sectors. We have also advanced—and have begun to carry out—a comprehensive economic program to address the more fundamental problems that have beset our economy as a whole. That program will assure a strong and sustainable economic recovery from which all will benefit.

But the recovery program will succeed only if we budget responsibly, and then live within our budget. These bail-outs cannot be accommodated within our budget. However attractive they may seem, they must be resisted if we are to achieve our objective of strong and sustainable economic growth.

I trust you will assure that my position is well understood by your fellow members of the Senate.

Sincerely,

RON.

CONCLUSION OF MORNING BUSINESS

The **PRESIDING OFFICER**. The Senator from Alaska.

Mr. **STEVENS**. Mr. President, is there further morning business?

The **PRESIDING OFFICER**. If there is no further morning business, morning business is closed.

AUTHORIZATION FOR CERTAIN ACTION DURING ADJOURNMENT

Mr. **STEVENS**. Mr. President, I ask unanimous consent that during the adjournment of the Senate over until Tuesday, May 25, messages from the President of the United States and the House of Representatives may be received by the Secretary of the Senate and appropriately referred, and that the Vice President, President pro tempore, and Acting President pro tempore may be authorized to sign duly enrolled bills and joint resolutions.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ORDER OF PROCEDURE TOMORROW

Mr. **STEVENS**. Mr. President, I ask unanimous consent that when the Senate reconvenes on Tuesday, the reading of the Journal be dispensed with, no resolutions come over under the rule, the call of the Calendar be dispensed with and that the time under the standing order for the two leaders be reduced to 5 minutes each.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ORDERS FOR TUESDAY

ADJOURNMENT UNTIL 10:30 A.M. TUESDAY

Mr. **STEVENS**. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 10:30 a.m. tomorrow.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ORDER FOR THE RECOGNITION OF CERTAIN SENATORS

Mr. **STEVENS**. Mr. President, I further ask unanimous consent that following the reduced time for the two leaders, the following Senators be recognized for not to exceed 15 minutes each for special orders: Senators THURMOND, PROXMIRE, CHILES, and NUNN.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ORDER FOR PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS ON TOMORROW

Mr. **STEVENS**. Mr. President, following these special orders, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 12 noon with statements limited to 5 minutes each.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ADJOURNMENT UNTIL 10:30 A.M. TOMORROW

Mr. **STEVENS**. Mr. President, there being no further business to come before the Senate at this time, I ask unanimous consent, in accordance with the previous order, that the Senate adjourn until the hour of 10:30 a.m. tomorrow, Tuesday.

There being no objection the Senate, at 5:38 p.m., adjourned until Tuesday, May 25, 1982, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate May 24, 1982:

Department of State

George Quincey Lumsden, Jr., of Maryland, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Arab Emirates.

The Judiciary

Thomas Penfield Jackson, of the District of Columbia, to be U.S. district judge for the District of Columbia, vice Oliver Gasch, retired.

Federal Communications Commission

Stephen A. Sharp, of Virginia, to be a Member of the Federal Communications Commission for a term of 7 years from July 1, 1982, vice Abbott Washburn, term expiring.

National Council on the Humanities

George Carey, of Virginia, to be a Member of the National Council on the Humanities for a term expiring January 26, 1988, vice A. D. Frazier, Jr., term expired.

Ellis Sandoz, of Louisiana, to be a Member of the National Council on the Humanities for a term expiring January 26, 1988, vice Concha Ortiz y Pino de Kleven, term expired.

Public Health Service

The following candidates for personnel action in the regular corps of the Public Health Service subject to qualifications therefore as provided by law and regulations:

For appointment:

To be assistant surgeon

Robert E. Dawson
Jean F. Fitch
Terence H. Hamel
Scott R. Lillibridge

To be senior assistant surgeon

William D. Brown
Mark B. Horton
Niel J. Makela
Arvo J. Oopik

National Oceanic and Atmospheric Administration

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the National Oceanic and Atmospheric Administration:

To be captains

Joseph W. Dropp
Walter F. Forster II
Richard E. Newell

To be lieutenants

John C. Clary III
Andrew N. Shepard, Jr.
Jay T. Rodstein
Elizabeth A. Van Etten
Peter M. Connors
Miles M. Croom
John B. Nelson

To be lieutenants (junior grade):

Gary P. Bulmer
Denise J. Holloman
David J. Kruth
Eric C. Stirrup
Deborah A. Bland
Stephen L. Carlson
John W. Humphrey, Jr.
David L. Kummerlowe
James R. Gordon
Peter J. Celone
Richard E. Groff
John Zabitchuck
David I. Actor
Paul D. Moen
Paul E. Pegnato
Marlene Mozgala
James M. Herkelrath
J. Scott Ferguson
George E. White
Steven K. Konrad
Ann T. Actor
Jose A. Rivera
Robert G. Bill, Jr.
Garner R. Yates, Jr.
Martin P. Conricote

To be ensigns

Michael R. Mathwig
Frank J. Migaiolo
Craig N. McLean
Russell L. Richards
Thomas A. Wolf
Paul T. Steele
G. Dennis Buzzard
Svetlana I. Andreeva
Ilene Byron
Eric G. Hawk
Carolyn J. Reid
James W. Duggan
Robert W. Anderson
Donald I. Crews
M. Gail Inman
Joyce L. Judson
Jeffrey A. Koch
Geoffrey T. Lebon
William G. Logue
John A. Miller
James E. Waddell, Jr.

In the Army

The following-named officers for appointment in the Regular Army of the United States, in the grade of major, under the provisions of title 10, United States Code, sections 531, 532, and 533:

Carney, John W., 227-50-8701
Fallis, Robert P., 553-68-8344
Heath, Woodrow T., Jr., 243-54-0964
Illing, Thomas R., 350-34-7877
Vanhoy, Francis, 245-72-6439

The following-named distinguished military students for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 2106, 521, 522, 523, 526, 531, and 603:

Brezinski, Raymond J., 336-52-1836
Grimes, Jerry M., 412-78-7151
Lozano, Michael A., 081-48-4148
Phaneuf, Alan M. 001-48-7050

The following-named scholarship students for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 2107, 521, 522, 523, 526, 531, and 603:

Ellis, Rebecca S., 408-96-6866
O'Donovan, Thomas E., 230-64-3918

The following-named cadets, graduating class of 1982, U.S. Air Force Academy, for appointment in the Regular Army of the United States in the grade of second lieutenant under the provisions of title 10, United States Code, sections 531 and 541:

Abramowitz, David J., 498-58-3132
Reichert, Robert A., 458-29-1132

In the Army

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, sections 3366, 3367, and 3370:

ARMY PROMOTION LIST

To be colonel

Frigeri, Anthony, 155-28-5144
Ormond, William V, 237-50-0007
Sullivan, Philip, 163-26-7456

CHAPLAIN

To be colonel

Swerdlow, Paul, 173-30-8563

ARMY NURSE CORPS

To be colonel

Olshefski, Jessie, 199-22-3230

DENTAL CORPS

To be colonel

Colgan, Robert E., 407-42-5557
Johnson, David G., 509-26-3061
Masters, Earl L., 267-34-6560
Sniffen, Richard A., 097-28-7861

MEDICAL CORPS

To be colonel

Aydt, Victor A., 324-28-2076
Bradley, William, 490-30-9328
Burgess, John R., 517-12-2148
Eldred, Wilfred J., 571-09-5192
Fischer, Martin J., 275-32-0027
Jensen, Fred J., 593-20-7243
McGuire, Arthur, 476-32-2519
Orman, Edward S., 388-24-8361
Peluso, Joseph A., 072-22-9903
Pierce, Gene S., 400-22-4418
Preece, Howard, 530-10-3435
Supplice, Julien J., 113-32-2317
Torgerson, Leslie, 476-42-3894
Visintine, Robert, 299-26-1345

MEDICAL SERVICE CORPS

To be colonel

Breitenstein, Bruce, 517-32-7689
Davis, Thomas W., 396-30-4136
Herrington, Larry, 571-46-5281
Lurie, Ralph H., 421-40-9478

ARMY MEDICAL SPECIALIST CORPS

To be colonel

Benson, Robert L., 351-16-2770

ARMY PROMOTION LIST

To be lieutenant colonel

Davis, Wilbur L., 419-54-4938
Fleming, Wayne G., 531-36-0477
Giacoppe, George, 023-28-0428
Hanson, Neil F., 396-28-2059
Holman, Wendell P., 129-28-1790
Petrosino, Alphonse, 027-28-4878
Ruff, William E., 425-70-5842
Torres-Irizary, O., 582-44-1916
Vannoy, Otha R., Jr., 233-60-5879

ARMY NURSE CORPS

To be lieutenant colonel

Staton, Dora J., 361-26-1242
Williams, J. J., 417-50-3636

DENTAL CORPS

To be lieutenant colonel

Alderman, Emery J., 515-34-7557
Bilski, Richard O., 049-26-6370
Curcio, Anthony E., 134-36-7571
Hammer, Wade D., 267-34-9882
Lacy, Benjamin W., 252-56-3622
Skidmore, Hugh P., 400-54-4183

MEDICAL CORPS

To be lieutenant colonel

Cashman, Edward F., 309-42-1660
Eardley, Robert J., 301-24-8076
Kho, Eusebio C., 216-50-2200
Millan, Joselito, 400-72-2286
Theocheung, Joseph, 565-88-6113

MEDICAL SERVICE CORPS

To be lieutenant colonel

Fallo, Emile J., 437-46-3810
Hay, Eugene, 292-28-8151
Laughlin, David D., 141-34-3531
Scott, David E., 546-50-9088
Seely, Victor A., 483-42-3674
Stempfly, Gilbert, 285-32-2561
Stone, Maurice, 499-34-6781

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, sections 3383:

ARMY PROMOTION LIST

To be colonel

Abts, Norris P., 470-30-3418
Biggs, William A., III, 452-56-8631
Davis, Charles W., 308-38-9343
Hirokawa, Gerald A., 576-32-5713
Korsnes, Aasgeir, 109-30-3799
Lister, Paul R., 525-90-7670
MacFarland, Francis, 076-30-1312
Menist, Robert L., 565-56-8132
Russell, Charles R., 357-22-8883
Smith, Edwin R., 200-24-1951
Wilz, Charles F., 501-22-3505

CHAPLAIN

To be colonel

Corrigan, James J., 108-20-7256
McShane, John A., 132-24-4497
Self, William A., 434-38-6249

ARMY NURSE CORPS

To be colonel

Stevens, David A., 102-12-9696

ARMY PROMOTION LIST

To be lieutenant colonel

Adolphi, Ronald L., 531-48-5448
Alligood, Ray L., Jr., 230-44-9599
Barclay, Robert P., 099-38-0678
Beahm, Robert H., 212-48-7855
Blasjo, Wesley D., 471-34-8439
Bradley, Louis J., 433-56-2291
Brunton, John C., 157-28-9856
Bullen, Joseph W., III, 162-34-4900
Bunek, Emil S., 365-46-2669
Burtnick, Erwin A., 212-40-5184
Cain, Eugene F., 580-80-3607
Cannon, William T., 179-34-5912
Capicik, John H., 388-38-8936
Cone, Peter M., 310-44-9904
Crume, Thomas E., 525-74-8358
Cruse, Donald R., 422-50-9409
Dales, Bertram B., III, 511-44-9138
Donaho, Glynn R., 459-68-3078
Eich, William C., 350-28-0502
Filippo, Santo J., 331-36-2454
Fitch, William R., III, 096-32-8609
Fordiani, Robert J., 161-34-5450
Gaffney, Charles A., 038-26-4004
Gaw, Michael T., 153-30-4600
Goddard, Richard J., 318-26-0339
Graham, Thomas W., Jr., 425-78-7111
Grubenmann, Robert, 240-72-9037
Halstead, Larry, 553-60-2618
Hauman, Benn L., 275-38-8036
Heath, Thomas W., 400-56-6957
Hedrick, Wayman M., 423-56-6033
Heer, Bernard C., Jr., 455-60-7804
Heiser, Joel M., 319-32-4484
Hoffmann, William T., 555-60-0726
Hogg, Charles B., 267-70-3769
Irvine, David R., 529-60-7022
Jones, D., 246-68-2848
Koprowski, Ronald L., 522-58-3822
Lafornara, Anthony 092-34-6899
Lambert, Charles A., 424-44-8170
Liess, Paul J., 101-34-1251
Mathern, Vernon, 502-40-9980
Mantz, Carl W., 184-30-8406
Matthews, Thomas J., 175-36-5463
Mayfield, Robert E., 229-36-1775
Melerski, Michael J., 075-34-1281
Mercurio, William C., 125-38-1399
Miller, Burnett, 228-52-8116
Motto, Anthony R., 042-34-0438
Murchie, Thomas B., 559-74-3488
Nelson, James G., 393-36-2878
Osteen, Michael, 418-62-6249
Owen, Johnny L., 432-80-4094
Ozawa, Walter M., 575-46-0819
Padilla, Aurilio., 575-36-1954
Partington, Earle A., 558-54-0913
Pearse, William D., 022-32-1435
Pearson, John M., 431-64-6983
Peckham, Howard M., 182-34-9206
Phillips, Edmund J., 426-82-2956
Quayle, Bruce B., Jr., 496-40-4549
Ranson, Jay D., 455-70-9339
Resau, James H., 215-50-4912
Rich, John E., Jr., 173-34-6840
Rivard, Charles E., 363-44-4655
Sanders, Gerald J., 374-42-0630
Schneider, William, 046-34-8515
Schuster, John M., 388-44-8090
Semans, Bruce, 128-34-2744
Senneff, Gerald B., 434-42-1773
Shillinglaw, John P., 250-72-1075
Silveira, Joseph, 557-52-5192
Simpson, Augustus A., 427-64-8778
Stanley, Carlton W., 227-54-4416
Stucker, Ronald E., 299-34-4631
Tagawa, Ira I., 575-44-2010
Tapley, Bobby H., 256-54-8368
Tenorio, Juan C., 387-40-1472
Teneyck, Lyle E., 275-34-4819
Thomas, Michael J., 398-40-8207
Thompson, Richard L., 354-30-2275
Towns, Walter S., 431-66-2714
Trowbridge, Joseph, 430-68-4982
Voivedich, Benedict, 438-42-5705
Watson, Montgomery, 565-74-8892
Wead, James K., 316-40-2685
White, William C., III, 403-46-8706
Whitesell, David L., 307-46-7036
Worthington, James, 053-34-1605

ARMY, NURSE CORPS

To be lieutenant colonel

Blankenhagen, Louis, 363-50-6890
Eastlund, David J., 473-46-4830

DENTAL CORPS

To be lieutenant colonel

Pankuch, Richard G., 280-40-3187

MEDICAL CORPS

To be lieutenant colonel

Graeser, Ronald F., 527-54-7387
Kay, David W., 301-52-8676
Skibba, Joseph L., 393-38-8943

MEDICAL SERVICE CORPS

To be lieutenant colonel

Chadwick, John E., 227-38-5425
Dumoulin, Gary C., 029-36-5044
Painter, George T., 413-64-1332

The following-named officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3359:

MEDICAL CORPS

To be colonel

Bradford, Ray T., 271-16-9316
Klibanoff, Edward, 120-18-0562

DENTAL CORPS

To be lieutenant colonel

Larsen, Harold D., 516-28-6514

MEDICAL CORPS

To be lieutenant colonel

Dalton, Timothy T., 492-26-3442
Edmunds, Robert T., 293-16 5025
Ford, John R., 571-54-7087
Gibbon, John H. H., 193-28-4467
Huston, William A., 308-18-9709
Kennard, John W., 460-40-5073
McKinley, Robert L., 224-52-3177
Moyer, Gerald B., 501-28-4444
Mueller, Julius H., 027-24-1592
Newball, Harold H., 213-42-6239
Pates, Dan C., 478-24-3050
Rohrer, Harold R., 488-40-0578
Ryan, James W., 574-09-5495
Small, Harvey C., 576-18-3671
Tripp, Cecil D., 243-50-7927
Walker, Owen R., 568-32-2234
Whittier, Frederick, 176-30-2997

The following-named Army National Guard officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3385:

ARMY PROMOTION LIST

To be colonel

Bergeron, Lynn H., 438-36-3178
Borst, George M., 064-28-2662
Cathey, Hayes W., 412-52-9413
Dale, Raymond S., 504-30-0355
Delgehausen, Roger, 473-36-8828
Deppey, Robert G., 526-44-7180
Dougherty, Alonzo D., 511-40-4260
Dupree, Gale G., 539-34-7059
Farias, Joseph D., 570-50-5888
Goette, Aubrey E., 247-48-6708
Goff, Roy C., 236-46-7035
Gray, Franklin M., 227-34-0313
Griffing, John A., Jr., 427-24-3223
Heritage, Andrew J., 417-34-8229
Hitchcock, Henry W., 022-26-9500
Kane, John F., 518-48-6020
Long, Walter K., 519-26-1856
Lundy, Robert G., 381-30-5062
Lynn, Donald W., 340-30-2272
McMeekin, James L., 526-36-3899
Mitchell, James L., 253-44-6453
Moseley, Paul L., 421-36-7765
Munfrey, Gerard A., 435-42-9790
Muscha, Robert F., 502-42-3010
Nolan, John J., 054-26-0143
Potter, Philip L., 471-36-3848
Quattro, Anthony J., 222-20-6000
Radcliffe, Robert G., 278-26-9439
Roybal, Frederick, Jr., 520-28-6956
Sills, Vernon D., 427-54-7288
Simmons, Henry G., 428-44-0936
Smith, Jerry N., 443-30-9119
Springer, Bobby J., 432-50-5688
Willis, Pruitt, 420-38-4981
Wolf, Beverly J., 494-30-7475
Zaysoff, John, Jr., 520-30-7444

MEDICAL CORPS

To be colonel

Facundus, Bruce E., 506-34-2241

ARMY PROMOTION LIST

To be lieutenant colonel

Abercrombie, Wylie, 437-68-1347
Allan, John W., Jr., 525-68-4574
Andrews, John E., 135-32-2600
Aschenbrenner, N. E., 333-32-2794
Beardsley, Richard, 541-50-4508
Bolin, Michael, 516-50-4758
Broxie, Jay N., 249-52-4876
Caldwell, James E., 448-40-1384
Castillon, Henry, 520-44-7800
Childers, Carrol D., 429-55-1916
Duffy, Richard D., 005-42-1292
Duncklee, William W., 016-30-6132
Ferguson, Gilbert J., 247-72-7841
Garrett, Joe L., 440-40-6284

Gravett, Peter J., 549-52-1602
Gusenhoven, Peter, 518-46-6764
Gustin, Amos R., 432-66-7398
Hadley, Peter A., 545-50-9551
Hatten, Donald J., 505-54-1258
Hingst, Klaus A., 135-34-6779
Kablitz, John R., 394-42-2875
Kaigle, Gerald N., 009-20-8702
Keenihan, James F., 504-34-0575
Littlejohn, Robert, 055-32-0328
Lockner, John E., 473-44-4246
McGinnis, David L., 053-36-9534
McGlothlin, Billy J., 432-54-4308
Myers, Kenneth L., 211-38-5691
Myron, Paul E., 474-46-1773
Olsakovsky, James F., 203-30-4238
Olson, James R., 503-34-3482
Reed, James F., III, 022-30-0834
Reeves, Thomas M, 415-62-1725
Rodgers, James W., Jr., 233-60-3950
Romanoski, Joseph V., 178-34-4760
Schultz, Terry L., 508-50-8533
Sharp, Robert G., 520-42-7471
Shivers, William M., 559-48-1546
Smith, Edwin W., 542-42-9943
Smith, Gregory A., 499-46-8200
Smith, Karl N., Jr., 437-58-5136
Smith, Raymon L., 200-28-3256
Stilley, Kenneth J., 565-60-3462
Thomas, William, III, 438-62-8288
Van Pelt, Albert E., 431-58-8651
Watson, Bernard M., 575-42-5802
White, John H., 515-42-0833
Whitlock, James E., 503-32-9555
Youngdoff, Lawrence, 514-32-9039

ARMY NURSE CORPS

To be lieutenant colonel

Neumann, Dratha P., 417-66-8590

MEDICAL CORPS

To be lieutenant colonel

Becker, Larry E., 480-52-4291
Berg, Maria A., 061-44-8265
Buerger, Paul T., 115-16-1306
Diamond, Dalton E., 425-96-3690
Gral, Thomas, 555-78-0489
Norton, Minthorne D., 267-46-0109
Orso, Ronald W., 421-58-0106

IN THE NAVY

The following-named Naval Reserve officers for permanent appointment in the line or staff corps of the U.S. Navy in the permanent grade of ensign, subject to qualification therefor as provided by law:

Abler, Eugene M.
Angerer, Ronald
Brown, John M.
Butler, Paul G.
Buzon, Carlos D.
Copeman, Thomas H., III
Dickinson, Grant K.
Farley, Mark C.
Gehman, David L.
Heider, Robert F.
Hendrickson, Gary E.
Kahlert, George H., Jr.
Kaiser, Clifford Y.
Kusiak, Mary J.
Lambert, Jason A.
Mangold, Thomas E.
Maynard, Val J.
Meek, Thomas P.
Neely, William P.
Northey, Kent T.
O'Connor, David J.
Pastorick, James P
Pool, Stephen M.
Powell, Raymond T.
Prien, Thomas D.
Ray, Brian A.
Rice, Dudley N.
Rodriguez, Howard C.
Roos, Julia A.
Smith, Jeff B.
Tureski, Kenneth F.
Weems, Thomas M.
White, David P.

Comdr., James Stokos, Medical Corps, U.S. Naval Reserve, to be appointed a permanent captain in the Medical Corps of the U.S. Navy, subject to qualification therefor as provided by law.

The following-named Naval Reserve officers to be appointed permanent commander in the Medical Corps of the U.S. Navy, subject to qualification therefor as provided by law:

Jung, Byung I.
Koskella, Kenneth R.
Lunetti, Thomas L.
Mangrum, John C.

Gordon W. Mella, ex-U.S. Navy officer, to be appointed a permanent captain in the Medical Corps in the Reserve of the U.S. Navy, subject to qualification therefor as provided by law.

Rodney L. Belcher, medical college graduate, to be appointed a permanent captain in the Medical Corps of the Reserve of U.S. Navy, subject to qualification therefor as provided by law.

The following-named U.S. Navy officers to be appointed permanent commander in the Medical Corps in the Reserve of the U.S. Navy, subject to qualification therefor as provided by law:

Gillette, Shelby L., Jr.
Hoover, Dennis L.
Newton, Jerry A.
Peinert, Robert A., Jr.
Williams, Edward D.

Ensign John T. Pessoney, U.S. Naval Reserve, to be appointed a permanent commander in the Medical Corps in the Reserve of the U.S. Navy, subject to qualification therefor as provided by law.

John H. Sargeant, ex-Naval Reserve officer, to be appointed a permanent commander in the Medical Corps in the Reserve of the U.S. Navy, subject to qualification therefor as provided by law.

The following-named medical college graduates to be appointed permanent commander in the Medical Corps in the Reserve of the U.S. Navy, subject to qualification therefor as provided by law:

Anderson, Chester M., Jr.
Coppola, Joseph

IN THE NAVY

The following-named temporary commanders of the U.S. Navy and Naval Reserve for permanent promotion to the grade of commander in the line and staff corps, as indicated, subject to qualifications therefor as provided by law:

LINE

Cressy, Peter H.
Greathouse, Robert R.
Jackman, Richard M.
Lopez, Henry B.
Retz, William A.
Wyvill, Samuel A., II

MEDICAL CORPS

Garges, Lawrence M.

The following-named temporary lieutenant commanders of the U.S. Navy and Naval Reserve for permanent promotion to the grade of lieutenant commander in the line and staff corps, as indicated, subject to qualifications therefor as provided by law:

LINE

Golden, Richard F.
Tosatto, Francis L.

DENTAL CORPS

Knuppel, Dorothy E.

The following-named officer of the Chaplain Corps, of the U.S. Navy, for appointment in the line, as permanent lieutenant commander, subject to qualifications therefor as provided by law:

Miller, Christine E.

The following-named officer of the Supply Corps, of the U.S. Navy, for appointment in the line, as permanent lieutenant, subject to qualifications therefor as provided by law:

Anderson, John A.

The following-named officers of the line of the U.S. Navy, for appointment in the various staff corps, as indicated, as permanent lieutenant, subject to qualifications therefor as provided by law:

SUPPLY CORPS

Geis, Everett L.

CIVIL ENGINEER CORPS

Freemyers, Michael C.
Merton, Robert E.
Moore, Carl R.
Reddish, Harold J.
Rayback, Terrence L.
Souders, Alan R.

The following-named officers of the line of the U.S. Navy, for appointment in the various staff corps, as indicated, as permanent lieutenants (junior grade), subject to qualifications therefor as provided by law:

SUPPLY CORPS

McNamee, Thomas G.

CIVIL ENGINEER CORPS

Batt, Charles G.
Eadie, Robert W.
Emanuel, David M.
Gerheiser, Frederick K.
Hirakawa, Jimmy S.
Kronberg, Curt W.
Pollard, Joseph E.
Trummer, Frederick G.
Watts, Andrew C.
White, Kevin M.
Whitson, Mark E.

The following-named officers of the line of the U.S. Navy, for appointment in the Civil Engineer Corps, as permanent ensigns, subject to qualifications therefor as provided by law:

Monachino, Joseph A.
Webb, Richard E.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 24, 1982:

PUBLIC HEALTH SERVICE

Public Health Service nominations beginning Norma M. Aquino, to be Senior Surgeon, and ending Susan B. Toal, to be Assistant Health Services Officer, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on January 8, 1981.

Public Health Service nominations beginning Charles D. Allen, to be Medical Director, and ending Francis P. Wagner, Jr., to be Senior Assistant Health Services Officer, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on April 14, 1982.

HOUSE OF REPRESENTATIVES—*Monday, May 24, 1982*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

From every background and many circumstances we call upon You, O Lord, our comfort and our counselor. Breathe into our hearts that peace that passes all human understanding. Bless those to whom great responsibility is given that sustained by Your promises and given calm by Your presence they may do those things that bring justice to the Nation and confidence to all people. Keep us all in Your grace, this day and every day. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. CHENEY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Chair's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. CHENEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 329, nays 30, answered "present" 1, not voting 72, as follows:

[Roll No. 95]

YEAS—329

Akaka
Albosta
Alexander
Anderson
Andrews
Annunzio
Anthony
Archer
Aspin
AuCoin
Badham
Bafalis
Bailey (MO)
Bailey (PA)
Barnard
Beard
Bedell
Beilenson
Benedict
Benjamin
Bennett
Bereuter
Bethune
Bevill
Bingham
Blanchard
Bliley
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Breaux
Brinkley
Brooks
Broomfield
Brown (CA)
Broyhill
Burgener
Burton, Phillip
Byron
Carman
Chappie
Cheney
Clausen
Coats
Coelho
Coleman
Collins (IL)
Collins (TX)
Conable
Conte
Corcoran
Coyne, James
Coyne, William
Craig
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daschle
Daub
Davis
de la Garza
Deckard
Dellums
DeNardis
Derrick
Dicks
Dingell
Dixon
Dorgan
Dornan
Dougherty
Dowdy
Downey
Dreier
Duncan
Dunn
Dwyer
Dymally
Dyson
Early
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emery
English
Erdahl
Erlenborn
Evans (DE)
Evans (GA)
Evans (IN)
Fary
Fascell
Fazio
Ferraro
Fiedler
Findley
Fithian
Flippo
Florio
Foglietta
Foley
Ford (TN)
Fountain
Fowler
Frenzel
Frost
Fuqua
Gaydos
Gephardt
Gibbons
Gingrich
Ginn
Glickman
Goldwater
Gonzalez
Gore
Gradison
Gramm
Gray
Green
Gregg
Grisham
Guarini
Gunderson
Hagedorn
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hawkins
Hefner
Heftel
Hertel
Hiler
Hillis
Holland
Hollenbeck
Holt
Hopkins
Howard
Hoyer
Hubbard
Hughes
Hunter
Hutto
Ireland
Jeffords
Jeffries
Jenkins
Jones (NC)
Jones (OK)
Kastenmeier
Kazen
Kemp
Kildee
Kindness
Kogovsek
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
Lee
Lehman
Leland
Lent
Levitas
Livingston
Long (LA)
Lott
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Madigan
Markey
Marlenee
Marriott
Martin (IL)
Martin (NY)
Matsui
Mattox
Mavroules
Mazzoli
McClory
McCollum
McDade
McDonald
McEwen
McGrath
McHugh
Michel
Miller (CA)
Mineta
Minish
Mitchell (NY)
Moakley
Molinari
Montgomery
Moore
Moorhead
Morrison
Murtha
Myers
Napier
Natcher
Neal
Nelligan
Nelson
Nichols
Nowak
O'Brien
Oberstar
Obey
Oxley
Panetta
Parris
Pashayan
Patman
Patterson
Perkins
Petri
Peyser
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Rangel
Ratchford
Regula
Reuss
Rhodes
Ritter
Roberts (KS)
Robinson
Rodino
Rogers
Rose
Rosenthal
Roukema
Roybal
Rudd
Santini
Sawyer
Schneider
Schulze
Schumer
Seiberling
Sensenbrenner
Shamansky
Shannon
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Skeen
Skelton
Smith (AL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (OR)
Smith (PA)
Snowe
Snyder
Solarz
Spence
St Germain
Stangeland
Stark
Staton
Stenholm
Stokes
Stratton
Stump
Swift
Synar
Tauke
Tauzin
Thomas
Vento
Volkmer
Walgren
Weaver
Weber (MN)
Weber (OH)
Weiss
White
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wirth
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yatron
Young (FL)
Zablocki
Zeferetti

NAYS—30

Barnes
Brown (CO)
Butler
Clay
Conyers
Coughlin
Derwinski
Dickinson
Emerson
Evans (IA)
Forsythe
Gejdenson
Goodling
Harkin
Hendon
Jacobs
Johnston
LeBoutillier
Lewis
Miller (OH)
Mitchell (MD)
Roberts (SD)
Roemer
Sabo
Schroeder
Solomon
Walker
Washington
Yates
Young (AK)

ANSWERED "PRESENT"—1

Ottinger

NOT VOTING—72

Addabbo
Applegate
Atkinson
Biaggi
Boggs
Brodhead
Brown (OH)
Burton, John
Campbell
Carney
Chappell
Chisholm
Clinger
Courter
Crockett
Donnelly
Ertel
Fenwick
Fields
Fish
Ford (MI)
Frank
Garcia
Gilman
Heckler
Hightower
Horton
Huckaby
Hyde
Jones (TN)
Kennelly
Loeffler
Long (MD)
Lowery (CA)
Marks
Martin (NC)
McCloskey
McCurdy
McKinney
Mica
Mikulski
Moffett
Mollohan
Mottl
Murphy
Oakar
Paul
Pease
Pepper
Rahall
Railsback
Richmond
Rinaldo
Roe
Rostenkowski
Roth
Rousselot
Russo
Savage
Scheuer
Simon
Stanton
Studds
Taylor
Traxler
Trible
Udall
Vander Jagt
Wampler
Watkins
Waxman
Young (MO)

☐ 1215

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed bills and a joint resolution of the following titles in which the concurrence of the House is requested.

S. 907. An act to amend sections 351 and 1751 of title 18 of the United States Code to provide penalties for crimes against Cabinet officers, Supreme Court Justices, and Presidential staff members, and for other purposes;

S. 982. An act to provide for the conveyance of certain Federal lands adjacent to Orchard and Lake Shore Drives, Lake Lowell, Boise project, Idaho;

S. 1407. An act to amend title 39, United States Code, by strengthening the investigatory and enforcement powers of the Postal Service by authorizing inspection authority and by providing for civil penalties for violations of orders under section 3005 of such title (pertaining to schemes for obtaining

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

money by false representations or lotteries), and for other purposes; and

S.J. Res. 175. Joint resolution authorizing and requesting the President to proclaim "National Junior Bowling Championship Week."

AUTHORIZING TRANSFER OF ORIGINAL DOCUMENTS OF HOUSE OF REPRESENTATIVES TO LYNDON BAINES JOHNSON LIBRARY

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the resolution (H. Res. 453) authorizing the transfer of original documents of the House of Representatives to the Lyndon Baines Johnson Library, and ask for its immediate consideration in the House.

The Clerk read the title of the resolution.

The **SPEAKER.** Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the resolution, as follows:

H. Res. 453

Resolved, That the Clerk of the House is authorized to transfer, for the purposes set forth herein only, the following original documents of the House of Representatives to the Lyndon Baines Johnson Library to be available for display therein:

(1) the appointment form of Lyndon B. Johnson as a clerk to the Honorable Richard M. Kleberg effective November 24, 1931, and dated December 10, 1931; and

(2) the salary card maintained by the Clerk of the House for Lyndon B. Johnson during his period as an employee of the House of Representatives.

Sec. 2. Such authorization may continue so long as it is consistent with the rights and privileges of the House of Representatives as determined by the Clerk of the House.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks on the resolution just agreed to.

The **SPEAKER.** Is there objection to the request of the gentleman from California?

There was no objection.

BIPARTISAN HOUSING INITIATIVE THREATENED WITH DESTRUCTION

(Mr. DICKS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DICKS. Mr. Speaker, I want to draw to the attention of my colleagues some major differences between the Latta budget and the Jones budget in the area of housing.

As a member of the Appropriations Committee, I was pleased to help adopt an urgent supplemental appropriations bill just last week. That bill restored funding for many public housing programs, as well as providing the money for the emergency housing stimulus bill which this House passed on May 11. None of that money has been included in the Latta budget. In fact, nothing which did not have the President's stamp of approval in that urgent supplemental was included in the Latta budget—despite the adoption of the bill by the full House.

Mr. Speaker, I would like to ask that the attached table be reprinted in the Record. This table shows the differences between the Jones and Latta funding levels for the emergency housing stimulus program, and the GNMA tandem mortgage purchase program:

[In millions]

	1982		1983		1984		1985	
	BA	0	BA	0	BA	0	BA	0
Housing stimulus								
Jones	$1,000	1		176		176		176
Latta								
GNMA MBS								
Jones	1,252	1,287	2,187	1,314	2,153	1,219	1,984	1,296
Latta	1,252	1,282	1,217	1,314	1,183	1,183	1,014	1,014

In addition, the Latta substitute proposes to reduce subsidized housing by $22.65 billion in fiscal year 1983 below the 1982 freeze level recommended in both the House and Senate reported resolutions. This would mean the elimination of 300,000 units currently in the pipeline, and would provide for no additional commitments for subsidized housing in fiscal year 1983 and beyond. The Latta substitute also cuts public housing operating subsidies below the current level by $0.20 billion, and would include food stamps as income for the purposes of calculating tenant rent in subsidized housing units. In his revision for fiscal year 1982, Latta has also cut $10.65 billion in housing funds which were restored by this body during consideration of the urgent supplemental.

In short, the Latta budget could seriously underfund the housing sector, at a time when the industry is experiencing its most severe slump in history. I urge my colleagues to oppose the Latta substitute, and to support those proposals which would provide sufficient funding for housing.

Thank you, Mr. Speaker.

VERIFIABLE NUCLEAR FREEZE CALLED FOR

(Mr. PEYSER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEYSER. Mr. Speaker, undoubtedly the issues we are going to discuss this week are of great concern to all Americans who are hoping that we in the House will come up with a budget. But, this last Friday, Mr. Speaker, I met with a large gathering Friday evening in the town of Greenburgh, in Westchester County, with people who were very disturbed and very upset over the rush to produce more and more nuclear weapons. This issue of the nuclear freeze, the immediate freeze that is verifiable, is one that is of great concern for all Americans because, Mr. Speaker, if we in this Congress do not take an action that reverses what the President is saying, that we must gain equality with the Soviet Union in all areas of nuclear weapons before we have a freeze, we are heading on a road to destruction. I have just received a petition calling for an immediate freeze, with 7,000 signatures collected in the town of Greenburgh.

Mr. Speaker, I hope this Congress will act and will pass a resolution calling for a nuclear freeze, verifiable, now.

MEMORIAL DAY

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, I have written each Member asking you to participate in a special order I have for this Wednesday. My subject will be Memorial Day, which is next Monday.

I want to emphasize that we must continue to honor those who have lost their lives in military action for this country.

We are fortunate that since 1973, the United States has not added to its war dead and we are blessed that we are not directly involved in the fighting over the Falkland Islands.

If you have remarks but will be unable to participate, I will see that those remarks are inserted in the Record as pertains to Memorial weekend

PERMISSION FOR SUBCOMMITTEE ON SPACE SCIENCE AND APPLICATIONS OF COMMITTEE ON SCIENCE AND TECHNOLOGY TO SIT TODAY, MAY 24, 1982, DURING 5-MINUTE RULE

Mr. FLIPPO. Mr. Speaker, I ask unanimous consent that the Subcommittee on Space Science and Applications of the Committee on Science and Technology be permitted to sit Monday May 24, 1982, while the House is in session under the 5-minute rule.

The **SPEAKER**. is there objection to the request of the gentleman from Alabama?

There was no objection.

IMMIGRATION CONTROL AND REFORM BILL

(**Mr. MAZZOLI** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, I take this time to advise my colleagues in the House of the fact that the Immigration Subcommittee last week reported unanimously a bill to reform the immigration laws of this Nation. The laws, as the Members know, have totally failed. We have reached the point in America where immigration is totally out of control.

I would like to assure the Members of the House that a "Dear Colleague" letter which has reached them as of today, indicating that groups in this House very much oppose the revision of the immigration bill because it constitutes a retreat from civil rights.

I assure my colleagues that those who say that this bill is a retreat from civil rights have not really studied the bill carefully, because the bill which the subcommittee has put together and reported unanimously is a bill which insures the civil rights of all of the people in America, the people who are here with citizenship and people who are here without documentation.

We will, as members of the subcommittee, send forth information to advise the Members thoroughly about the provisions of our bill. It is a good bill. It is a workable bill. It is a humane bill, and I would ask my colleagues to support the immigration control and reform bill, when it reaches the floor of the House of Representatives.

MEDICARE RECIPIENTS NOT HURT BY SPENDING GROWTH REDUCTIONS

(**Mr. WALKER** asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker, on the issue of medicare as it relates to the bipartisan substitute budget and the balanced budget proposal, there has been an attempt to mislead with some misinformation. There has been the implication that spending growth reductions in this area will hurt the elderly. That contention ignores the facts.

The facts are that the spending growth reductions are aimed at unscrupulous doctors who have ripped off the system, at specialists who charge more than other physicians, and at uncontrolled hospital costs that have been rising at an unbelievable rate. In other words, the medicare provision in the bipartisan package and the balanced budget proposal are real reforms where reforms are necessary.

Mr. Speaker, to characterize them differently is a deliberate attempt to play politics using bad information.

RESTORING MEDICARE FUNDING TO BUDGET PROPOSALS

(**Ms. OAKAR** asked and was given permission to address the House for 1 minute.)

Ms. OAKAR. Mr. Speaker, once again the older Americans are under attack in a variety of the budget resolutions, and for that reason I intend to offer an amendment to fully restore all medicare funding to the various budget proposals.

Mr. Speaker, as you know, medicare covers only one-third of an older person's needs. They cannot afford supplemental policies, which are on the rise in terms of cost. Our elderly's health needs are four times higher than those of other age groups, and let us not kid ourselves, the elderlies' benefit services will be reduced by cuts in medicare.

If we are after disreputable doctors, let us go after them and not cut the health insurance policies of our older people.

Ironically, there are those who go after the older Americans in this budget proposal.

Now, the 26 million older Americans who are covered by medicare, I am sure, will be very, very disappointed in this Congress if we do not restore their medicare funding. As a matter of fact, we ought to increase their medicare funding and give them comprehensive coverage so they can thereby really satisfy their health needs. I urge my colleagues to support my amendment which is the only amendment which fully restores medicare benefits.

A PLEA FOR REPUDIATION OF POLLSTER'S GAME PLAN FOR DEMOCRATS

(**Mr. PHILIP M. CRANE** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PHILIP M. CRANE. Mr. Speaker, there is a matter which has come to my attention that is shocking, and which I am sure you will want to disavow.

On April 18, the Orlando, Fla., Sentinel Star reported on Washington pollster Bill Hamilton's remarks in Orlando at a seminar for Democratic candidates.

States the Sentinel Star:

> Unless the economy improves soon, Hamilton predicted, Republicans will take a beating in 1982. A late summer or early fall economic recovery would be of little benefit to the GOP . . . because it generally takes several months of good times before people are confident. [Hamilton] admits he and other Democratic-oriented consultants are doing their part to help ensure that recovery doesn't come too soon.

Mr. Hamilton then said:

> I and others have been counseling Congress to hold Reagan out there, to hold his feet to the fire as long as we can, short of putting the Country under.

I call on you, Mr. Speaker, to repudiate a consultant to your party who advises you to insure that the Nation's recovery does not come too soon, and who counsels you to hold the feet of the President of the United States to the fire as long as you can, and risk putting the country under.

RESTORATION OF COLA FOR MILITARY AND FEDERAL CIVILIAN RETIREES

(**Mr. PARRIS** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PARRIS. Mr. Speaker, I would like to urge my colleagues to support an amendment I will be offering tomorrow that would restore the full cost-of-living adjustment to military and Federal civilian retirees.

It is critical that the full cost-of-living adjustment be restored. If the House does not take action to restore the COLA, 1.2 million military retirees and 1.7 million civilian retirees would have their COLA capped at 4 percent.

Military and Federal civilian retirees should not be treated any different than those retirees who receive social security benefits. These individuals have earned their benefits and the Federal Government has a contractual and moral obligation to see that COLA's are protected from any reductions.

Military personnel are required to make a great many sacrifices throughout their careers. Many times, military families are required to pull up stakes and move to another section of the country or some distant corner of the world. Now that they are retired, they should not be requested to sacrifice further.

Individuals living on fixed incomes are especially hard hit by the high cost of living. Military and Federal civilian retirees have already had one of their COLA's eliminated as a result of last year's budget. Now they are facing the possibility of having their benefits reduced further. They do not object to making their contribution to society but they have already done more than has been required of any other group of citizens. Their well-thought-out plans for retirement will be severely disrupted if their COLA's are reduced further.

Current active Federal employees have also been required to bear an unfair burden in an effort to reduce

Federal spending. Their health benefits have been reduced and their premiums increased at a time when they only receive a 4.8-percent cost-of-living increase. For these and other reasons, I would also urge you to support my amendment to set the pay ceiling at 5 percent as recommended by the President.

We need to so something about the size of the budget deficit but we can do so without jeopardizing the security of Federal employees, military, and civilian retirees.

THE EXPORT TRADING COMPANY ACT

(Mr. NELLIGAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NELLIGAN. Mr. Speaker, the greatest source of new jobs in this country lies in small business. Our economic recovery depends in large part upon the growth of these firms, and their vitality depends on the development of adequate markets for their goods and services.

Many goods and services of U.S. firms can be very competitive in the world market today. The problem is, most of our smaller firms lack the knowledge of the markets overseas and the financial ability to develop the markets. Over 80 percent of all exports from the United States are currently made by only 1 percent of our firms. When you consider that 1 out of every 8 jobs in the manufacturing sector, and 1 out of every 3 agricultural jobs depends on exports, it is clear that we should be doing more to encourage those firms that do not currently export to begin to do so.

In Pennsylvania, where almost 300,000 jobs are directly dependent upon trade, we are engaging in an aggressive program to not only maintain the jobs we have, but to create new jobs by increasing our exports. Gov. Richard Thornburgh has made export development a high priority in his administration, and the results can already be seen. But we need to do more at the Federal level to lower some of the barriers that discourage American businesses from exporting.

One thing we can do immediately is pass the Export Trading Company Act. The House Judiciary Committee currently is considering the bill, and I hope that it will soon be before the full House for action.

This legislation means jobs, Mr. Speaker, American jobs being generated through the development of small business. It is estimated by the Commerce Department that between 14,200 and 19,600 new jobs would be created in Pennsylvania alone by the passage of the export trading company bill.

I urge my colleagues to join me in calling for the bill's early enactment.

UNCONTROLLED FREE TRADE CONTRIBUTES TO U.S. UNEMPLOYMENT

(Mr. RUDD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RUDD. Mr. Speaker, it is time the United States stopped exporting jobs overseas.

In our overzealous support of the theory of free trade, we have contributed materially to the unemployment which is the root cause of our recession.

In 1981, the Library of Congress estimates American autoworkers and their supporting labor in steel, rubber, copper, et cetera, lost 496,050 full-time, full-year jobs as the direct result of import car sales in the United States. This loss of employment would be reduced but only slightly by the number of Americans employed in the dealerships selling import cars.

Of the 2,325,235 foreign-built automobiles sold in the United States in 1981, 1,858,913 came from Japan—which represents a greater share of the market for Japanese imports than in 1980.

Imported Japanese automobiles cost 396,568 Americans a full year of work.

Virtually all of the television sets and radio receivers sold in the American market are manufactured overseas.

It is argued by some that the Japanese are more efficient—build a better product—and can sell it for less.

I saw a recent letter to the editor in the Arizona Republic placing all of the blame for the loss of our automobile markets to overseas competitors on the high-wage demands of labor, bad decisions by management, and lack of quality control.

While there may be some truth in these charges, the principal reason Japan can undersell the American manufacturer is because Japan contributes less than 1 percent of its gross national product to defense.

The Japanese enjoy the protection of the U.S. nuclear umbrella. American workers and American business pay for this nuclear umbrella.

If Japan were to tax her industries sufficiently to pay her fair share of defense costs, there would be a dramatic increase in the price of Japanese products sold on the American market.

Many European countries put a quota on Japanese imports and Japanese automobiles are banned entirely in some markets.

Despite all the theoretical argument offered in support of free trade—no tariff, no quota—the truth is our economic society is severely penalized by low wage, offshore production.

When you are driving the city streets or the highways keep in mind that when you pass 15 foreign-built cars, those imports—those 15 imported cars—have cost 3.2 American workers full-time, full-year employment.

We should offer the Japanese an opportunity to pay their full share of defense costs. If they refuse, we should sharply restrict the importation of Japanese products to the American market.

THE BIPARTISAN COALITION BUDGET

(Mr. DeNARDIS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. DeNARDIS. Mr. Speaker, a group of Republicans and Democrats have fashioned a bipartisan coalition budget which will be considered under the rule we adopted last week. I ask my colleagues to give serious consideration to this measure known as the Aspin-Pritchard amendment.

We all know the damage that will be inflicted on our economy and on all Americans if the debate over the 1983 budget degenerates into a partisan or ideological standoff. That is why a group of moderates in both parties have worked together to develop a budget proposal which can appeal to Members in the broad center of the political spectrum on both sides of the political aisle.

Compromises have been required of all of us, and we believe that the result is a budget that can be passed. It includes a deficit which is the lowest of the three principal measures that will be before us this week. It includes a 5-percent real growth for defense. We believe our Nation's defense must be significantly strengthened, but in the most efficient manner possible. We also call for entitlement reform, increases in revenues that we feel are adequate and fair under the economic circumstances we currently find ourselves in, and investments in the future of our economy.

Our budget includes a freeze on discretionary programs at fiscal year 1982 levels.

We believe, however, that certain investments are necessary to address the deep recession and our future economy competitiveness. For that reason our proposal includes a significant investment in primary and secondary education, student aid, university research and development, training and employment, and our transportation infrastructure.

We hope that all of our colleagues will consider this alternative carefully. It is the result of weeks of work by a coalition of Republicans and Democrats, and we believe that it represents a reasonable compromise among all parties and ideologies which can prevent a partisan stalemate.

The following is a copy of a "Dear Colleague" letter that we circulated on May 20, 1982, which includes a comparison with the two major alternatives, the Jones and Michel amendments:

House of Representatives,
Washington, D.C., May 20, 1982.

Dear Colleague: Today we introduced the attached bipartisan coalition budget, which we have asked the Committee on Rules to make in order as a substitute when the House considers House Concurrent Resolution 345, the First Budget Resolution for fiscal year 1983.

We all know the damage which will be inflicted on our economy, and on all Americans, if the debate over the 1983 budget degenerates into a partisan or ideolgical standoff. That is why we have been meeting together to develop a budget proposal which can appeal to members on both sides of the aisle. Compromises have been required of all of us, but we believe that the result is a budget which can be passed. It includes:

A deficit of $95.1 billion. By our own original estimates, the attached budget will result in a fiscal year 1983 deficit at least $6 billion lower than either of the major alternatives on the House floor. In addition, the Rules Committee has required that all budget proposals be submitted to the Congressional Budget Office for re-estimation. Preliminary indications are that our proposal will continue to be well below the other alternatives even after CBO analysis.

A 5 percent real growth rate for defense. We believe our nation's defense must be significantly strengthened, but in the most efficient manner possible. We have proposed a defense spending level which makes reductions well below the President's original budget, but maintains a real growth rate of 5 percent.

Entitlement reform. Congress must seriously address reform of entitlement programs, but at the same time we cannot ask the neediest in our society to bear a disproportionate share of the burden of cutting federal spending. We have proposed $3.2 billion in reforms to entitlement programs.

Revenues. We believe that the federal deficit must be reduced with a fair balance between revenue measures and federal spending reductions, and we have proposed that revenue increases for fiscal year 1983 should not exceed $29.8 billion, well below other alternative budgets which seek more.

No cuts in retirement COLA's. After carefully examining this issue, we have proposed that all retiree—whether they be Social Security recipients or retired federal military or civilian employees—be treated equally. In our view, Congress should address this issue for all retirees when the President's Commission reports recommendations for Social Security COLAs, and treat all senior citizens equitably.

Investments in the future of our economy. While our budget includes a freeze on discretionary programs at fiscal year 1982 levels, we believe that certain investments are necessary to address the deep recession and our future economic competitiveness. For that reason, our proposal includes significant investments in primary and secondary education, student aid, university research and development, training and employment and our transportation infrastructure—investments well beyond those proposed in other alternatives. These are balanced with savings in other discretionary programs.

We hope you will consider this alternative carefully. It is the result of weeks of work by all of us and we believe it represents a reasonable compromise among all parties and ideologies which can prevent a partisan stalemate.

We urge you to support this bipartisan coalition proposal. If you have any question, please contact any one of us.

Les Aspin, Dick Gephardt, Norm Mineta, Leon Panetta, Tim Wirth, Bob Edgar Al Swift, Joel Pritchard, Jim Leach, Tom Tauke, Larry DeNardis, Jim Jeffords, Claudine Schneider.

	1983			1984			1985			3 year totals		
	Coalition	Michel	Jones	Coalition	Michel	Jones	Coalition	Michel	Jones	Coalition	Michel	Jones
CBO Baseline	$181.8	$181.8	$181.8	$216.0	$216.0	$216.05	$232.5	$232.5	$232.1	$630.3	$630.3	$630.3
Adjustments	0.3	1.3	0.45	0.7	1.4	0.65	0.4	1.5	0.35	1.6	4.2	1.5
Adjusted baseline	181.3	180.5	181.35	215.3	214.6	215.30	232.1	231.0	232.15	628.7	626.1	628.8
DEFICIT REDUCTION MEASURES												
Management initiative	12.9	12.9	12.85	16.0	16.0	15.95	14.6	14.6	14.6	43.5	43.5	43.4
User fees	2.0	2.0	0.70	2.0	2.5	1.00	2.0	3.0	1.0	6.0	7.5	2.7
Federal Pay	4.0	4.5	4.0	8.0	8.1	8.8	11.0	11.3	13.75	23.0	23.9	23.6
Cola cap	0.0	0.7	0.7	0.0	1.7	1.7	0.0	3.3	2.6	0.0	5.7	5.0
Discretionary Freeze	4.6	7.5	4.9	10.6	20.0	10.6	17.2	17.8	17.20	32.4	45.8	32.7
Entitlement Reforms	3.2	7.5	3.0	5.2	11.7	4.65	7.2	16.0	6.65	15.6	35.2	14.3
Defense	9.4	5.3	9.0	14.3	7.0	15.70	22.0	10.0	22.35	45.7	22.0	47.8
OMB spendout	2.2	2.2		1.9	1.4		1.7	2.2		5.8	5.8	
Policy changes	1.1	3.4	2.0	0.3	4.8	1.75	1.3	6.3	2.35	0.1	14.5	6.1
Revenues	29.8	20.0	31.75	46.0	35.0	46.40	59.0	40.0	68.75	134.8	95.0	146.9
Interest Rate Effect	8.0	8.0	8.0	19.1	19.1	19.1	27.8	27.8	27.8	54.9	54.9	54.9
Debt Service Savings	6.9	6.9	4.65	17.8	17.8	18.50	29.0	29.0	38.1	41.8	47.8	50.2
Credit budget	2.1			2.5			2.4			7.0		
Total deficit reductions	86.2	80.9	77.65	143.1	140.7	141.70	194.6	185.5	201.05	423.9	401.1	417.5
Deficit	95.1	99.6	103.70	72.2	74.9	73.60	37.5	45.7	31.10	204.8	225.0	211.3

COALITION POLICY CHANGES

	1983		1984		1985	
	BA	O	BA	O	BA	O
Program improvements						
NASA	200	150	200	200	250	250
Crop insurance	300		150	150	100	200
Soil conservation	50	50	50	50	50	50
Rental rehabilitation	150		150	100	150	200
ESEA Vocational education handicapped	400		400	300	400	400
Student aid	500		500	400	500	400
Training and employment	400	300	400	400	400	400
WIC			100	100	200	200
Productivity	600	250	900	650	800	850
Hazardous waste management	170	100	250	200	250	250
Veterans medical care	300	300	300	350	300	350
Transportation improvements	200	150	175	200	175	225
Middle East peacekeeping	100	100				
Total	3,470	1,400	3,575	3,100	3,475	3,850
Savings						

COALITION POLICY CHANGES—Continued

	1983		1984		1985	
	BA	O	BA	O	BA	O
Dairy reform compromise	900	900	600	600	200	200
OMB civilian pension estimate	300	300	800	800	600	600
Saving bonds	400	400	700	700	900	900
Employer contributions	400	400	400	400	400	400
Foreign military sales	200	200	400	400	400	400
50 percent pay absorption	300	300	550	550	400	400
Total	2,500	2,500	2,850	2,850	3,400	3,400

THE MAGIC OF C-SPAN FOCUSES ON THE BUDGET

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, over 3 years ago, on April 3, 1979, television came to this Chamber and through the advanced technology of cable television and an excellent company called C-Span, we truly moved the walls of the visitors gallery of this House out across the Nation so that millions of Americans could observe, daily if they chose, we legislators engaging in debate on the affairs of state.

Now we have on any day several million taxpayers watching our every move. And next year the U.S. Senate will be under the same healthy scrutiny.

I just received the current C-Span estimate of viewership of the House

signal. It is impressive. Ten million households are wired into the C-Span with an average of three viewers residing in each one of those households. A potential audience of 30 million, so if only 10 percent of that potential watches today, tomorrow, and Wednesday we will have 3 million fellow Americans following the budget battle for fiscal sanity.

□ 1245

I hope we do not demonstrate continued hypocrisy here from people who have been basing their entire political careers on deficit spending. Suddenly so many careless big spending liberals have become great balancers of the budget.

A final point on personal preparation for the great budget debate. On March 24, I warned that if anybody came to this speakers' well to suggest heavy cuts in our defense budget without having availed themselves of the current Defense Intelligence Agency briefing on Soviet war waging capability that it would be the height of irresponsibility and the very zenith hypocrisy. I hope by now every single Member in this Chamber has availed himself of herself or that top secret John T. Hughes DIA briefing. I fear that is not the case. The reason the defense budget of President Ronald Reagan is sensible, fair, and wise is simply that our very liberty is in jeopardy by the Soviet war machine. That machine is the most obsessive buildup of offensive power in history including that of Adolph Hitler. The United States is the leader of what is left of the free world. We cannot betray our destiny. I will elaborate further on this tonight during a special order.

HAS McCARTHYISM AGAIN BEEN REVISITED WITH ANTI-SEMITIC OVERTONES UPON THE STATE DEPARTMENT?

(Mr. **LEACH** of Iowa asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. **LEACH** of Iowa. Mr. Speaker, the career of one of our top professional Foreign Service officers has apparently been cut short by a combination of factors disturbingly reminiscent of the McCarthyism that racked the career Foreign Service in the 1950's.

Ambassador Morton Abramowitz, universally regarded as one of the most effective East Asia specialists, served with distinction in senior positions in the State Department and the Pentagon before being selected as envoy to Thailand under the Carter administration. His effective performance in that sensitive post made him the logical choice for a top East Asia post when the new administration took office.

Mort Abramowitz is now without a job, however. Successive plans to name him Ambassador to the Philippines and Assistant Secretary for East Asian Affairs were thwarted by rumblings of innuendo that his association with the previous administration, especially its China détente position, made him an inappropriate representative of current policies. Despite this, the President personally asked him last November to serve as Ambassador to Indonesia. After 6 months of waiting, the State Department announced last week that Ambassador Abramowitz would not be taking up his post in Jakarta, the Indonesians having rejected his nomination.

The reasons for his rejection have not been formally announced. There are reports, however, that anonymous opponents of Ambassador Abramowitz circulated a memorandum attacking his character and impugning his loyalty to the current administration. When this tactic failed to deter the President from nominating Abramowitz to Indonesia, the sordid document somehow found its way into the hands of the Indonesian Government. Among other things, the assertion apparently was made that Abramowitz was philosophically a "McGovernite" and that it would be inappropriate to send a Jewish Ambassador to Indonesia, a predominantly Muslim country.

The use of a "poison pen" letter to block a Presidential appointment can only be termed despicable. Beyond this, the incident raises disturbing questions regarding the role of professionalism in a political climate in which ideological purity is often valued more highly than competence. Ironically, in this case Mort Abramowitz has long been considered one of the toughest minded Foreign Service officers who, despite innuendo circulated to the contrary, strongly objected to U.S. troop reductions in Korea. In addition as Ambassador to Thailand, Abramowitz worked diligently to prove to the world that the inhumanity of Communist aggression in Laos and Kampuchea included the unprecedented usage of biochemical weapons. He also is widely recognized as the one Ambassador who realistically and compassionately made settlement of Indochinese refugees his highest concern.

The Abramowitz incident raises disturbing questions as to the loyalty of those who consider themselves so qualified to interpret what is best for the President that they engage in rear-guard action with a foreign government to reject his nominee.

The country needs capable professionals like Mort Abramowitz. It cannot afford a rebirth of the methods that characterized the McCarthyite period.

The fact that anti-Semitism has been more than hinted in this incident demands a firm response from the State Department. The country cannot afford to lose diplomats of the integrity and stature of Mort Abramowitz under the unseemly cloud of misplaced loyalty.

But more than the career of an individual is at stake. A decent foreign policy cannot be conducted without a decent respect for our country's values. Anti-Semitism has no proper place in American politics. The administration is morally obligated to move expeditiously to protect the career of a quintessentially professional career diplomat.

THE COUNTRY SHOULD COME FIRST

(Mr. **LUNGREN** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **LUNGREN**. Mr. Speaker, in the last month a national publication likened the negotiations you had with the President of the United States with the negotiations between Prime Minister Thatcher and the head of Argentina. It said that both of them dealt with the question of sovereignty, in one case the Falklands, in one case the Congress.

The magazine article went on to say, that, on second thought, perhaps the analogy was clearer because both places could be characterized as bare and windy and populated by sheep.

Mr. Speaker, I think we should try to make sure that is not the proper characterization of this place. The British say, "God save the Queen." We should be saying this week as we go through the budget, "God save our country," rather than "Do not give up the sheep."

FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1983

Mr. **JONES** of Oklahoma. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution (H. Con. Res. 345) revising the congressional budget for the U.S. Government for the fiscal year 1982 and setting forth the congressional budget for the U.S. Government for the fiscal years 1983, 1984, and 1985.

The **SPEAKER**. The question is on the motion offered by the gentleman from Oklahoma (Mr. JONES).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution, House Concurrent Resolution 345, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The House is in the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution (H. Con. Res. 345) which the Clerk will report by title.

When the Committee of the Whole rose on Friday, May 21, all time for general debate had expired.

Pursuant to clause 8 of rule XXIII, the concurrent resolution is considered as having been read and open for amendment at any point.

Pursuant to House Resolution 477, no amendments are in order except those listed in categories A and B as follows: (A) Four amendments in the nature of a substitute printed in the CONGRESSIONAL RECORD of May 21, 1982, which shall be considered only in the following order if offered, which shall not be subject to amendment except pro forma amendments for the purpose of debate and except as follows: First, the amendment in the nature of a substitute by, and if offered by, Representative MILLER of California, said amendment shall be subject to amendments printed in the CONGRESSIONAL RECORD of May 21, 1982, by, and if offered by, Representative MILLER, and debate shall be limited to 1 hour controlled by Representative MILLER; second, the amendment in the nature of a substitute by, and if offered by, Representative OBEY; third, the amendment in the nature of a substitute by, and if offered by, Delegate FAUNTROY, and said amendment shall be subject to amendment by perfecting amendments listed in category B in House Resolution 477, in the order provided and if offered by the Member who has caused the amendment to be printed in the CONGRESSIONAL RECORD, and fourth, the amendment in the nature of a substitute by, and if offered by, Representative ROUSSELOT; and (B) after all amendments in category A are disposed of, the following three amendments in the nature of a substitute printed in the CONGRESSIONAL RECORD of May 21, 1982, which shall be offered, pending simultaneously, and voted on only in the following order: First, an amendment in the nature of a substitute by, and if offered by, Representative LATTA; second, an amendment in the nature of a substitute by, and if offered by, Representative ASPIN; and third, an amendment in the nature of a substitute consisting of the text of House Concurrent Resolution 345 if offered by Representative JONES of Oklahoma. None of the said substitutes in category B shall be subject to amendment except by pro forma amendments for the purpose of debate only and by the perfecting amendments printed in the CONGRESSIONAL RECORD of May 21, 1982, No. 1 through 68 in House Resolution 477, which shall be considered only in the order listed in said resolution. An amendment initially offered to one of said substitutes by the Member who caused the amendment to be printed in the CONGRESSIONAL RECORD may be debated under the 5-minute rule unless it has been offered to the amendment in the nature of substitute offered by Delegate FAUNTROY, in which case it shall be debatable for not to exceed 10 minutes, equally divided and controlled by the proponent and a Member opposed thereto. After the disposition of a perfecting amendment to the category B substitute to which originally offered, the perfecting amendment may then be offered separately to either or both of the other category B substitutes by any Member prior to the offering of another of the perfecting amendments; but debate on such perfecting amendment if offered to a subsequent substitute shall continue not to exceed 10 minutes, equally divided and controlled by the proponent and a Member opposed thereto. It shall also be in order to consider the amendment or amendments provided in section 305(a)(6) of the Congressional Budget Act of 1974 necessary to achieve mathematical consistency. If more than one of the amendments in the nature of a substitute made in order by this resolution have been adopted, only the last such amendment which has been adopted shall be considered as having been finally adopted and reported back to the House.

The text of the concurrent resolution is as follows:

H. CON. RES. 345

Resolved by the House of Representatives (the Senate concurring), That—

TITLE I—REVISION OF THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEAR 1982

SEC. 101. The provisions of this title shall supersede the figures reaffirmed in S. Con. Res. 50 of the Ninety-seventh Congress for the fiscal year beginning on October 1, 1981.

SEC. 102. (a)(1) The level of Federal revenues is $622,800,000,000 and the net amount by which the aggregate level of Federal revenues should be decreased is $200,000,000.

(2) The level of total new budget authority is $784,500,000,000.

(3) The level of total budget outlays is $743,900,000,000.

(4) The amount of the deficit in the budget is $121,100,000,000.

(5) The level of the public debt is $1,147,700,000,000 and the amount by which the statutory limit on such debt should accordingly be increased is $747,700,000,000.

(6) The level of total obligations for the principal amount of new direct loans is $63,400,000,000, the level of total new primary commitments to guarantee loan principal is $74,850,000,000, and the level of total new secondary commitments to guarantee loan principal is $68,950,000,000.

(b) Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of subsection (a) of this section of this resolution, the Congress hereby determines and declares that, for the fiscal year beginning on October 1, 1981, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $218,200,000,000;

(B) Outlays, $190,800,000,000.

(2) International Affairs (150):

(A) New budget authority, $16,750,000,000;

(B) Outlays, $11,450,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $7,000,000,000;

(B) Outlays, $7,000,000,000.

(4) Energy (270):

(A) New budget authority, $4,750,000,000;

(B) Outlays, $6,500,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority, $10,400,000,000;

(B) Outlays, $12,850,000,000.

(6) Agriculture (350):

(A) New budget authority, $9,900,000,000;

(B) Outlays, $13,800,000,000.

(7) Commerce and Housing Credit (370):

(A) New budget authority, $7,500,000,000;

(B) Outlays, $3,750,000,000.

(8) Transportation (400):

(A) New budget authority, $21,350,000,000;

(B) Outlays, $21,450,000,000.

(9) Community and Regional Development (450):

(A) New budget authority, $7,000,000,000;

(B) Outlays, $8,650,000,000.

(10) Education, Training, Employment and Social Services (500):

(A) New budget authority, $25,450,000,000;

(B) Outlays, $28,200,000,000.

(11) Health (550):

(A) New budget authority, $79,050,000,000;

(B) Outlays, $73,750,000,000.

(12) Income Security (600):

(A) New budget authority, $261,350,000,000;

(B) Outlays, $251,850,000,000.

(13) Veterans Benefits and Services (700):

(A) New budget authority, $24,800,000,000;

(B) Outlays, $23,800,000,000.

(14) Administration of Justice (750):

(A) New budget authority, $4,500,000,000;

(B) Outlays, $4,650,000,000.

(15) General Government (800):

(A) New budget authority, $5,200,000,000;

(B) Outlays, $5,050,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New budget authority, $6,350,000,000;

(B) Outlays, $6,350,000,000.

(17) Interest (900):

(A) New budget authority, $102,350,000,000;

(B) Outlays, $102,350,000,000.

(18) Allowances (920):

(A) New budget authority, $2,850,000,000;

(B) Outlays, $1,900,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, $30,250,000,000;

(B) Outlays, $30,250,000,000.

SEC. 103. (a) There is established a congressional Federal credit budget for fiscal year 1982 of which the levels of total Federal credit activity for fiscal year 1982 are:

(1) New direct loan obligations, $63,400,000,000.

(2) New primary loan guarantee commitments, $74,850,000,000.

(3) New secondary loan guarantee commitments, $68,950,000,000.

(b) Based on allocations of the appropriate levels of total Federal credit activity as set forth in paragraph (1) of this subsection, the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for each functional category are as follows:

(1) National Defense (050):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

(A) New direct loan obligations, $10,400,000,000;

(B) New primary loan guarantee commitments, $8,100,000,000;

(C) New secondary loan guarantee commitments, $0.

(3) General Science, Space and Technology (250):

(A) New direct loan obligations, $200,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(4) Energy (270):

(A) New direct loan obligations, $10,300,000,000;

(B) New primary loan guarantee commitments, $400,000,000;

(C) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):

(A) New direct loan obligations, $22,600,000,000;

(B) New primary loan guarantee commitments, $2,700,000,000;

(C) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):

(A) New direct loan obligations, $12,050,000,000;

(B) New primary loan guarantee commitments, $26,200,000,000;

(C) New secondary loan guarantee commitments, $68,200,000,000.

(8) Transportation (400):

(A) New direct loan obligations, $350,000,000;

(B) New primary loan guarantee commitments, $750,000,000;

(C) New secondary loan guarantee commitments, $50,000,000.

(9) Community and Regional Development (450):

(A) New direct loan obligations, $2,000,000,000;

(B) New primary loan guarantee commitments, $850,000,000;

(C) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment, and Social Services (500):

(A) New direct loan obligations, $1,300,000,000;

(B) New primary loan guarantee commitments, $6,500,000,000;

(C) New secondary loan guarantee commitments, $700,000,000.

(11) Health (550):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $100,000,000;

(C) New secondary loan guarantee commitments, $0.

(12) Income Security (600):

(A) New direct loan obligations, $2,750,000,000;

(B) New primary loan guarantee commitments, $17,050,000,000;

(C) New secondary loan guarantee commitments, $0.

(13) Veterans Benefits and Services (700):

(A) New direct loan obligations, $1,050,000,000;

(B) New primary loan guarantee commitments, $11,900,000,000;

(C) New secondary loan guarantee commitments, $0.

(14) Administration of Justice (750):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(15) General Government (800):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(16) General Purpose Fiscal Assistance (850):

(A) New direct loan obligations, $250,000,000;

(B) New primary loan guarantee commitments, $300,000,000;

(C) New secondary loan guarantee commitments, $0.

(17) Interest (900):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(18) Allowances (920):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(19) Undistributed Offsetting Receipts (950):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(c) It is the sense of the Congress that the President and the Congress, through the appropriations process, should limit in fiscal year 1982 the off-budget lending activity of the Federal Government to a level not to exceed $30,200,000,000, the on-budget lending activity to a level not to exceed $33,200,000,000, new primary loan guarantee commitments to a level not to exceed $74,850,000,000, and new secondary loan guarantee commitments to a level not to exceed $68,950,000,000.

TITLE II—SETTING FORTH THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEARS 1983, 1984, AND 1985

Sec. 201. The Congress hereby determines and declares, pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1982—

(1) the level of Federal revenues is $676,700,000,000, and the net amount by which the aggregate level of Federal revenues should be increased is $31,700,000,000,

(2) the level of total new budget authority is $828,000,000,000,

(3) the level of total budget outlays is $780,550,000,000,

(4) the amount of the deficit in the budget is $103,850,000,000, and

(5) the level of the public debt is $1,285,550,000,000, and the amount by which the statutory limit on such debt should accordingly be increased is $885,550,000,000.

Sec. 202. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of section 201 of this resolution, the Congress hereby determines and declares pursuant to section 301(a) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1982, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $242,850,000,000;

(B) Outlays, $212,300,000,000.

(2) International Affairs (150):

(A) New budget authority, $16,150,000,000;

(B) Outlays, $12,100,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $7,750,000,000;

(B) Outlays, $7,600,000,000.

(4) Energy (270):

(A) New budget authority, $5,300,000,000;

(B) Outlays, $5,000,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority, $9,400,000,000;

(B) Outlays, $10,850,000,000.

(6) Agriculture (350):

(A) New budget authority, $6,900,000,000;

(B) Outlays, $10,100,000,000.

(7) Commerce and Housing Credit (370):

(A) New budget authority, $8,050,000,000;

(B) Outlays, $3,050,000,000.

(8) Transportation (400):

(A) New budget authority, $22,300,000,000;

(B) Outlays, $20,400,000,000.

(9) Community and Regional Development (450):

(A) New budget authority, $7,000,000,000;

(B) Outlays, $7,900,000,000.

(10) Education, Training, Employment, and Social Services (500):

(A) New budget authority, $27,550,000,000;

(B) Outlays, $27,450,000,000.

(11) Health (550):

(A) New budget authority, $77,300,000,000;

(B) Outlays, $80,100,000,000.

(12) Income Security (600):

(A) New budget authority, $286,950,000,000;

(B) Outlays, $273,800,000,000.

(13) Veterans Benefits and Services (700):

(A) New budget authority, $24,100,000,000;

(B) Outlays, $23,400,000,000.

(14) Administration of Justice (750):

(A) New budget authority, $4,600,000,000;

(B) Outlays, $4,650,000,000.

(15) General Government (800):

(A) New budget authority, $5,000,000,000;

(B) Outlays, $4,850,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New budget authority, $6,500,000,000;

(B) Outlays, $6,500,000,000.

(17) Interest (900):

(A) New budget authority, $115,000,000,000;

(B) Outlays, $115,000,000,000.

(18) Allowances (920):

(A) New budget authority, $1,050,000,000;

(B) Outlays, $850,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, $43,650,000,000;

(B) Outlays, $43,650,000,000.

SEC. 203 (a). There is established a congressional Federal credit budget for fiscal year 1983 of which the levels of total Federal credit activity for fiscal year 1983 are:

(1) New direct loan obligations, $60,900,000,000.

(2) New primary loan guarantee commitments, $99,100,000,000.

(3) New secondary loan guarantee commitments, $68,250,000,000.

(b) Based on allocations of the appropriate levels of total Federal credit activity as set forth in paragraph (1) of this subsection, the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for each functional category are as follows:

(1) National Defense (050):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

(A) New direct loan obligations, $10,850,000,000;

(B) New primary loan guarantee commitments, $8,950,000,000;

(C) New secondary loan guarantee commitments, $0.

(3) General Science, Space, and Technology (250):

(A) New direct loan obligations, $150,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(4) Energy (270):

(A) New direct loan obligations, $11,950,000,000;

(B) New primary loan guarantee commitments, $850,000,000;

(C) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):

(A) New direct loan obligations, $19,150,000,000;

(B) New primary loan guarantee commitments, $2,650,000,000;

(C) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):

(A) New direct loan obligations, $12,150,000,000;

(B) New primary loan guarantee commitments, $40,100,000,000;

(C) New secondary loan guarantee commitments, $68,250,000,000.

(8) Transportation (400):

(A) New direct loan obligations, $350,000,000;

(B) New primary loan guarantee commitments, $750,000,000;

(C) New secondary loan guarantee commitments, $0.

(9) Community and Regional Development (450):

(A) New direct loan obligations, $1,950,000,000;

(B) New primary loan guarantee commitments, $500,000,000;

(C) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment, and Social Services (500):

(A) New direct loan obligations, $850,000,000;

(B) New primary loan guarantee commitments, $7,250,000,000;

(C) New secondary loan guarantee commitments, $0.

(11) Health (550):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $100,000,000;

(C) New secondary loan guarantee commitments, $0.

(12) Income Security (600):

(A) New direct loan obligations, $2,050,000,000;

(B) New primary loan guarantee commitments, $16,700,000,000;

(C) New secondary loan guarantee commitments, $0.

(13) Veterans Benefits and Services (700):

(A) New direct loan obligations, $1,050,000,000;

(B) New primary loan guarantee commitments, $20,950,000,000;

(C) New secondary loan guarantee commitments, $0.

(14) Administration of Justice (750):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(15) General Government (800):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(16) General Purpose Fiscal Assistance (850):

(A) New direct loan obligations, $250,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(17) Interest (900):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(18) Allowances (920):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(19) Undistributed Offsetting Receipts (950):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(c) It is the sense of the Congress that the President and the Congress, through the appropriations process, should limit in fiscal year 1983 the off-budget lending activity of the Federal Government to a level not to exceed $31,050,000,000, the on-budget lending activity to a level not to exceed $29,850,000,000, new primary loan guarantee commitments to a level not to exceed $99,100,000,000, and new secondary loan guarantee commitments to a level not to exceed $68,250,000,000.

SEC. 204. The Congress sets forth the following budgetary levels for fiscal years 1984 and 1985—

(1) the level of Federal revenues is as follows:

Fiscal year 1984: $753,650,000,000;

Fiscal year 1985: $846,550,000,000;

and the amount by which the aggregate levels of Federal revenues should be increased is as follows:

Fiscal year 1984: $51,650,000,000;

Fiscal year 1985: $66,550,000,000;

(2) the level of total new budget authority is as follows:

Fiscal year 1984: $888,400,000,000;

Fiscal year 1985: $952,850,000,000;

(3) the level of total budget outlays is as follows:

Fiscal year 1984: $826,400,000,000;

Fiscal year 1985: $881,200,000,000;

(4) the amount of the deficit in the budget is:

Fiscal year 1984: $72,750,000,000;

Fiscal year 1985: $34,650,000,000;

(5) the level of the public debt is as follows:

Fiscal year 1984: $1,404,450,000,000;

Fiscal year 1985: $1,490,800,000,000;

and the amount of which the temporary statutory limit on such debt should be accordingly increased is as follows:

Fiscal year 1984: $1,004,450,000,000;

Fiscal year 1985: $1,090,800,000,000;

SEC. 205. Based on allocations of the appropriate level of total new budget authority and of total budget outlays for fiscal years 1984 and 1985 as set forth above, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are respectively as follows:

(1) National Defense (050):

Fiscal year 1984:

(A) New budget authority, $268,150,000,000;

(B) Outlays, $235,350,000,000.

Fiscal year 1985:

(A) New budget authority, $295,950,000,000;

(B) Outlays, $265,950,000,000.

(2) International Affairs (150):

Fiscal year 1984:

(A) New budget authority, $16,800,000,000;

(B) Outlays, $12,300,000,000.

Fiscal year 1985:

(A) New budget authority, $21,200,000,000;

(B) Outlays, $12,300,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1984:

(A) New budget authority, $7,750,000,000;

(B) Outlays, $7,750,000,000.

Fiscal year 1985:

(A) New budget authority, $7,600,000,000;

(B) Outlays, $7,600,000,000.

(4) Energy (270):

Fiscal year 1984:

(A) New budget authority, $4,700,000,000;

(B) Outlays, $4,050,000,000.

Fiscal year 1985:

(A) New budget authority, $4,650,000,000;

(B) Outlays, $3,850,000,000.

(5) Natural Resources and Environment (300):

Fiscal year 1984:

(A) New budget authority, $8,750,000,000;
(B) Outlays, $9,850,000,000.
Fiscal year 1985:
(A) New budget authority, $8,350,000,000;
(B) Outlays, $8,850,000,000.

(6) Agriculture (350):
Fiscal year 1984:
(A) New budget authority, $8,400,000,000;
(B) Outlays, $8,250,000,000.
Fiscal year 1985:
(A) New budget authority, $6,850,000,000;
(B) Outlays, $7,500,000,000.

(7) Commerce and Housing Credit (370):
Fiscal year 1984:
(A) New budget authority, $8,650,000,000;
(B) Outlays, $2,750,000,000.
Fiscal year 1985:
(A) New budget authority, $8,350,000,000;
(B) Outlays, $2,600,000,000.

(8) Transportation (400):
Fiscal year 1984:
(A) New budget authority, $22,400,000,000;
(B) Outlays, $20,050,000,000.
Fiscal year 1985:
(A) New budget authority, $22,950,000,000;
(B) Outlays, $20,250,000,000.

(9) Community and Regional Development (450):
Fiscal year 1984:
(A) New budget authority, $7,150,000,000;
(B) Outlays, $7,600,000,000.
Fiscal year 1985:
(A) New budget authority, $7,350,000,000;
(B) Outlays, $7,700,000,000.

(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1984:
(A) New budget authority, $28,250,000,000;
(B) Outlays, $28,000,000,000.
Fiscal year 1985:
(A) New budget authority, $28,300,000,000;
(B) Outlays, $28,200,000,000.

(11) Health (550):
Fiscal year 1984:
(A) New budget authority, $81,700,000,000;
(B) Outlays, $89,650,000,000.
Fiscal year 1985:
(A) New budget authority, $94,100,000,000;
(B) Outlays, $101,250,000,000.

(12) Income Security (600):
Fiscal year 1984:
(A) New budget authority, $314,500,000,000;
(B) Outlays, $290,050,000,000.
Fiscal year 1985:
(A) New budget authority, $344,550,000,000;
(B) Outlays, $312,400,000,000.

(13) Veterans Benefits and Services (700):
Fiscal year 1984:
(A) New budget authority, $25,150,000,000;
(B) Outlays, $24,550,000,000.
Fiscal year 1985:
(A) New budget authority, $26,000,000,000;
(B) Outlays, $25,900,000,000.

(14) Administration of Justice (750):
Fiscal year 1984:
(A) New budget authority, $4,600,000,000;
(B) Outlays, $4,600,000,000.
Fiscal year 1985:
(A) New budget authority, $4,600,000,000;
(B) Outlays, $4,600,000,000.

(15) General Government (800):
Fiscal year 1984:
(A) New budget authority, $4,700,000,000;
(B) Outlays, $4,600,000,000.
Fiscal year 1985:
(A) New budget authority, $4,700,000,000;
(B) Outlays, $4,500,000,000.

(16) General Purpose Fiscal Assistance (850):
Fiscal year 1984:
(A) New budget authority, $6,750,000,000;
(B) Outlays, $6,700,000,000.
Fiscal year 1985:
(A) New budget authority, $6,850,000,000;
(B) Outlays, $6,850,000,000.

(17) Interest (900):
Fiscal year 1984:
(A) New budget authority, $119,300,000,000;
(B) Outlays, $119,300,000,000.
Fiscal year 1985:
(A) New budget authority, $110,850,000,000;
(B) Outlays, $110,850,000,000.

(18) Allowances (920):
Fiscal year 1984:
(A) New budget authority, $200,000,000;
(B) Outlays, $500,000,000
Fiscal year 1985:
(A) New budget authority, $500,000,000;
(B) Outlays, $900,000,000.

(19) Undistributed Offsetting Receipts (950):
Fiscal year 1984:
(A) New budget authority, $49,500,000,000;
(B) Outlays, $49,500,000,000.
Fiscal year 1985:
(A) New budget authority, $50,850,000,000;
(B) Outlays, $50,850,000,000.

TITLE III—PROVIDING RECONCILIATION INSTRUCTIONS AND OTHER ENFORCEMENT MEASURES

PART A—RECONCILIATION INSTRUCTIONS

SEC. 301. Pursuant to section 301(b)(2) of the Budget Act—

(A) the House Committee on Agriculture shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $207,000,000 and outlays by $207,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $530,000,000 in budget authority and $530,000,000 in outlays in fiscal year 1984, and $661,000,000 in budget authority and $661,000,000 in outlays in fiscal year 1985;

(B) the House Committee on Armed Services shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $212,000,000 and outlays by $212,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $691,000,000 in budget authority and $691,000,000 in outlays in fiscal year 1984, and $1,228,000,000 in budget authority and $1,228,000,000 in outlays in fiscal year 1985;

(C) the House Committee on Banking, Finance, and Urban Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce outlays by $695,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $697,000,000 in outlays in fiscal year 1984, and $687,000,000 in outlays in fiscal year 1985;

(D) the House Committee on Education and Labor shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $73,000,000 and outlays by $73,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $101,000,000 in budget authority and $101,000,000 in outlays in fiscal year 1984, and $97,000,000 in budget authority and $97,000,000 in outlays in fiscal year 1985;

(E) the House Committee on Energy and Commerce shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $60,000,000 and outlays by $60,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $68,000,000 in budget authority and $68,000,000 in outlays in fiscal year 1984, and $77,000,000 in budget authority and $77,000,000 in outlays in fiscal year 1985;

(F) the House Committee on Foreign Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce outlays by $3,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $2,000,000 in budget authority and $8,000,000 in outlays in fiscal year 1984, and $4,000,000 in budget authority and $15,000,000 in outlays in fiscal year 1985;

(G) the House Committee on Merchant Marine and Fisheries shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $4,000,000 and outlays by $4,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $15,000,000 in budget authority and $15,000,000 in outlays in fiscal year 1984, and $27,000,000 in budget authority and $27,000,000 in outlays in fiscal year 1985;

(H) the House Committee on Post Office and Civil Service shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $0 and outlays by $273,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $242,000,000 in budget authority and $925,000,000 in outlays in fiscal year 1984, and $538,000,000 in budget authority and $1,648,000,000 in outlays in fiscal year 1985;

(I) the House Committee on Veterans' Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce the budget authority by $171,000,000 and outlays by $171,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $187,000,000 in budget authority and $187,000,000 in outlays in fiscal year 1984, and $195,000,000 in budget authority and $195,000,000 in outlays in fiscal year 1985;

(J) the House Committee on Ways and Means shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce the budget authority by $334,000,000 and outlays by $2,489,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $205,000,000 in budget authority and $3,576,000,000 in outlays in fiscal year 1984, and $267,000,000 in budget authority and $4,160,000,000 in outlays in fiscal year 1985; and

(K) the House Committee on Ways and Means shall report changes in laws within the jurisdiction of the committee sufficient to increase revenue by $31,700,000,000 for fiscal year 1983; further, the Congress finds that the prospect of unacceptably high deficits in future years requires additional revenues of $51,650,000,000 for fiscal year 1984, and $66,550,000,000 for fiscal year 1985.

Sec. 302. Pursuant to section 301(b)(2) of the Budget Act—

(A) the Senate Committee on Finance shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $393,000,000 and outlays by $2,548,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $270,000,000 in budget authority and $3,641,000,000 in outlays for fiscal year 1984, and $339,000,000 in budget authority and $4,232,000,000 in outlays in fiscal year 1985;

(B) the Senate Committee on Finance shall report changes in laws within the jurisdiction of that committee sufficient to increase revenues by $31,700,000,000 for fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional revenues of $51,650,000,000 for fiscal year 1984, and $66,550,000,000 in fiscal year 1985;

(C) the Senate Committee on Agriculture, Nutrition, and Forestry shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $207,000,000 and outlays by $207,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $530,000,000 in budget authority and $530,000,000 in outlays for fiscal year 1984, and $661,000,000 in budget authority and $661,000,000 in outlays in fiscal year 1985;

(D) the Senate Committee on Armed Services shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $213,000,000 and outlays by $213,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptable high budget deficits in future years requires additional savings of $694,000,000 in budget authority and $694,000,000 in outlays for fiscal year 1984, and $1,232,000,000 in budget authority and $1,232,000,000 in outlays in fiscal year 1985;

(E) the Senate Committee on Banking, Housing, and Urban Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $190,000,000 and outlays by $785,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptable high budget deficits in future years requires additional savings of $100,000,000 in budget authority and $797,000,000 in outlays for fiscal year 1984, and $104,000,000 in budget authority and $791,000,000 in outlays in fiscal year 1985;

(F) the Senate Committee on Commerce, Science, and Transportation shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $4,000,000 and outlays by $4,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $15,000,000 in budget authority and $15,000,000 in outlays for fiscal year 1984, and $27,000,000 in budget authority and $27,000,000 in outlays in fiscal year 1985;

(G) the Senate Committee on Foreign Relations shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce outlays by $3,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $2,000,000 in budget authority and $8,000,000 in outlays for fiscal year 1984, and $4,000,000 in budget authority and $15,000,000 in outlays in fiscal year 1985;

(H) the Senate Committee on Governmental Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce outlays by $270,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $240,000,000 in budget authority and $917,000,000 in outlays for fiscal year 1984, and $534,000,000 in budget authority and $1,333,000,000 in outlays in fiscal year 1985; and

(I) the Senate Committee on Labor and Human Resources shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $73,000,000 and outlays by $73,000,000 in fiscal year 1983; further the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $101,000,000 in budget authority and $101,000,000 in outlays for fiscal year 1984, and $97,000,000 in budget authority and $97,000,000 in outlays in fiscal year 1985.

Sec. 303. The committees named in sections 301(A)-(I) and 302(C)-(I) shall submit their recommendations to the Committee on the Budget of their respective Houses. Those recommendations shall be sufficient to accomplish the changes required by such subsection. After receiving those recommendations, the Committees on the Budget shall report to the House and Senate a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

DEFERRED ENROLLMENT

Sec. 304. In the House of Representatives, no bill or resolution providing—

(1) new budget authority for fiscal year 1983, or

(2) new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act first effective in fiscal year 1983—which exceeds the appropriate allocation or subdivision of such new discretionary budget authority or new spending authority made pursuant to section 302 of such Act shall be enrolled until after Congress has completed action on the second concurrent resolution on the budget required to be reported under section 310 of such Act.

302(b) REPORT

Sec. 305. It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution, or amendment thereto, providing—

(1) new budget authority for fiscal year 1983; or

(2) new spending authority described in section 401(c)(2)(C) of the Budget Act first effective in fiscal year 1983;

within the jurisdiction of any of its committees unless and until such committee makes the allocations or subdivisions required by section 302(b) of the Budget Act.

Sec. 306. It is the sense of the Congress that if Congress acts to restore fiscal responsibility and reduces projected budget deficits in a substantial and permanent way, then the Federal Reserve Open Market Committee shall reevaluate its monetary targets in order to assure that they are fully complementary to a new and more restrained fiscal policy.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. MILLER OF CALIFORNIA

Mr. MILLER of California. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. Miller of California: Strike out all after the resolving clause and insert in lieu thereof the following:

TITLE I—REVISION OF THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEAR 1982

Sec. 101. The provisions of this title shall supersede the figures reaffirmed in S. Con. Res. 50 of the Ninety-seventh Congress for the fiscal year beginning on October 1, 1981.

Sec. 102(a)(1). The level of Federal revenues is $622,800,000,000, and the net amount by which the aggregate level of Federal revenues should be decreased is $200,000,000.

(2) The level of total new budget authority is $784,500,000,000.

(3) The level of total budget outlays is $743,900,000,000.

(4) The amount of the deficit in the budget is $121,100,000,000.

(5) The level of the public debt is $1,147,700,000,000, and the amount by which the statutory limit on such debt should accordingly be increased is $747,700,000,000.

(6) The level of total gross obligations for the principal amount of direct loans is $63,400,000,000, and the level of total new primary commitments to guarantee loan principal is $74,850,000,000, and the level of total new secondary commitments to guarantee loan principal is $68,950,000,000.

(b) Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of subsection (a) of this section of this resolution, the Congress hereby determines and declares that, for the fiscal year beginning on October 1, 1981, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $218,200,000,000;

(B) Outlays, $190,800,000,000.

(2) International Affairs (150):

(A) New budget authority, $16,750,000,000;

(B) Outlays, $11,450,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $7,000,000,000;

(B) Outlays, $7,000,000,000.

(4) Energy (270):

(A) New budget authority, $4,750,000,000;

(B) Outlays, $6,500,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority, $10,400,000,000;

(B) Outlays, $12,850,000,000.

(6) Agriculture (350):

(A) New budget authority, $9,900,000,000;

(B) Outlays, $13,800,000,000.

(7) Commerce and Housing Credit (370):

(A) New budget authority, $7,500,000,000;

(B) Outlays, $3,750,000,000.

(8) Transportation (400):

(A) New budget authority, $21,350,000,000;

(B) Outlays, $21,450,000,000.

(9) Community and Regional Development (450):

(A) New budget authority, $7,000,000,000;

(B) Outlays, $8,650,000,000.

(10) Education, Training, Employment and Social Services (500):

(A) New budget authority, $25,450,000,000;

(B) Outlays, $28,200,000,000.

(11) Health (550):

(A) New budget authority, $79,050,000,000;

(B) Outlays, $73,750,000,000.

(12) Income Security (600):

(A) New budget authority, $261,350,000,000;

(B) Outlays, $251,850,000,000.

(13) Veterans Benefits and Services (700):

(A) New budget authority, $24,800,000,000;

(B) Outlays, $23,800,000,000.

(14) Administration of Justice (750):

(A) New budget authority, $4,500,000,000;

(B) Outlays, $4,650,000,000.

(15) General Government (800):

(A) New budget authority, $5,200,000,000;

(B) Outlays, $5,050,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New budget authority, $6,350,000,000;

(B) Outlays, $6,350,000,000.

(17) Interest (900):

(A) New budget authority, $102,350,000,000;

(B) Outlays, $102,350,000,000.

(18) Allowances (920):

(A) New budget authority, $2,850,000,000;

(B) Outlays, $1,900,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, $30,250,000,000;

(B) Outlays, $30,250,000,000.

TITLE II—SETTING FORTH THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEARS 1983, 1984, AND 1985

Sec. 201. The Congress hereby determines and declares, pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1982—

(1) the level of Federal revenues is $645,000,000,000, and the net amount by which the aggregate level of Federal revenues should be increased is $000,000,000;

(2) the level of total new budget authority is $739,500,000,000;

(3) the level of total budget outlays is $754,400,000,000;

(4) the amount of the deficit in the budget is $109,400,000,000;

(5) the level of the public debt is $1,285,550,000,000, and the amount by which the statutory limit on such debt should accordingly be increased is $885,550,000,000.

Sec. 202. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of section 201 of this resolution, the Congress hereby determines and declares pursuant to section 301(a) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1982, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $175,800,000,000;

(B) Outlays, $191,600,000,000.

(2) International Affairs (150):

(A) New budget authority, $16,900,000,000;

(B) Outlays, $11,600,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $7,000,000,000;

(B) Outlays, $7,000,000,000.

(3) Energy (270):

(A) New budget authority, $4,400,000,000;

(B) Outlays, $6,000,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority, $9,800,000,000;

(B) Outlays, $12,300,000,000.

(6) Agriculture (350):

(A) New budget authority, $9,900,000,000;

(B) Outlays, $13,900,000,000.

(7) Commerce and Housing Credit (370):

(A) New budget authority, $5,700,500,000;

(B) Outlays, $1,600,000,000.

(8) Transportation (400):

(A) New budget authority, $20,000,000,000;

(B) Outlays, $20,500,000,000.

(9) Community and Regional Development (450):

(A) New budget authority, $6,700,000,000;

(B) Outlays, $8,500,000,000.

(10) Education, Training, Employment and Social Services (500):

(A) New budget authority, $27,800,000,000;

(B) Outlays, $28,200,000,000.

(11) Health (550):

(A) New budget authority, $78,400,000,000;

(B) Outlays, $79,500,000,000.

(12) Income Security (600):

(A) New budget authority, $260,400,000,000;

(B) Outlays, $259,200,000,000.

(13) Veterans Benefits and Services (700):

(A) New budget authority, $24,900,000,000;

(B) Outlays, $23,200,000,000.

(14) Administration of Justice (750):

(A) New budget authority, $4,500,000,000;

(B) Outlays, $4,600,000,000.

(15) General Government (800):

(A) New budget authority, $5,000,000,000;

(B) Outlays, $4,800,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New budget authority, $6,600,000,000;

(B) Outlays, $6,500,000,000.

(17) Interest (900):

(A) New budget authority, $115,700,000,000;

(B) Outlays, $115,700,000,000.

(18) Allowances (920):

(A) New budget authority, $500,000,000;

(B) Outlays, $400,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, $39,500,000,000;

(B) Outlays, $39,500,000,000.

Sec. 203. The Congress sets forth the following budgetary levels for fiscal years 1984 and 1985—

(1) the level of Federal revenues is as follows:

Fiscal year 1984: $702,000,000,000;

Fiscal year 1985: $780,000,000,000.

and the amount by which the aggregate levels of Federal revenues should be increased or decreased is as follows:

Fiscal year 1984: $000,000,000,000;

Fiscal year 1985: $000,000,000,000.

(2) the level of total new budget authority is as follows:

Fiscal year 1984: $749,900,000,000.

Fiscal year 1985: $731,200,000,000.

(3) the level of the total budget outlays is as follows:

Fiscal year 1984: $759,400,000,000.

Fiscal year 1985: $752,500,000,000.

(4)(A) the amount of the deficit in the budget is:

Fiscal year 1984: $57,400,000,000.

(B) the amount of the surplus in the budget is:

Fiscal year 1985: $27,500,000,000.

(5) the level of the public debt is as follows:

Fiscal year 1984: $1,404,450,000,000.

Fiscal year 1985: $1,490,880,000,000.

and the amount by which the temporary statutory limit on such debt should be accordingly increased is as follows:

Fiscal year 1984: $1,004,450,000,000.

Fiscal year 1985: $1,090,800,000,000.

Sec. 204. Based on allocations of the appropriate level of total new budget authority and of total budget outlays for fiscal years 1984 and 1985 as set forth above, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are respectively as follows:

(1) National Defense (050):

Fiscal year 1984:

(A) New budget authority, $191,000,000,000;

(B) Outlays, $191,900,000,000.

Fiscal year 1985:

(A) New budget authority, $187,300,000,000;

(B) Outlays, $192,200,000,000.

(2) International Affairs (150):

Fiscal year 1984:

(A) New budget authority, $17,000,000,000;

(B) Outlays, $11,800,000,000.

Fiscal year 1985:

(A) New budget authority, $17,000,000,000;

(B) Outlays, $11,900,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1984:

(A) New budget authority, $7,000,000,000;

(B) Outlays, $7,000,000,000.

Fiscal year 1985:

(A) New budget authority, $7,000,000,000;

(B) Outlays, $7,000,000,000.

(4) Energy (270):

Fiscal year 1984:

(A) New budget authority, $4,000,000,000;

(B) Outlays, $5,600,000,000.

Fiscal year 1985:

(A) New budget authority, $3,800,000,000;

(B) Outlays, $5,400,000,000.

(5) Natural Resources and Environment (300):

Fiscal year 1984:

(A) New budget authority, $9,200,000,000;

(B) Outlays, $11,700,000,000.

Fiscal year 1985:

(A) New budget authority, $8,800,000,000;

(B) Outlays, $11,300,000,000.

(6) Agriculture (350):

Fiscal year 1984:

(A) New budget authority, $10,400,000,000;

(B) Outlays, $14,300,000,000.

Fiscal year 1985:

(A) New budget authority, $10,200,000,000;

(B) Outlays, $14,200,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1984:

(A) New budget authority, $5,700,000,000;

(B) Outlays, $1,400,000,000.

Fiscal year 1985:

(A) New budget authority, $5,200,000,000;

(B) Outlays, $1,300,000,000.

(8) Transportation (400):

Fiscal year 1984:

(A) New budget authority, $19,900,000,000;

(B) Outlays, $20,400,000,000.

Fiscal year 1985:

(A) New budget authority, $19,900,000,000;

(B) Outlays, $20,400,000,000.

(9) Community and Regional Development (450):

Fiscal year 1984:

(A) New budget authority, $6,800,000,000;

(B) Outlays, $8,600,000,000.

Fiscal year 1985:

(A) New budget authority, $6,900,000,000;

(B) Outlays, $8,700,000,000.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1984:

(A) New budget authority, $25,400,000,000;

(B) Outlays, $28,900,000,000.

Fiscal year 1985:

(A) New budget authority, $26,100,000,000;

(B) Outlays, $29,700,000,000.

(11) Health (550):

Fiscal year 1984:

(A) New budget authority, $78,400,000,000;

(B) Outlays, $81,600,000,000.

Fiscal year 1985:

(A) New budget authority, $78,200,000,000;

(B) Outlays, $84,200,000,000.

(12) Income Security (600):

Fiscal year 1984:

(A) New budget authority, $259,000,000,000;

(B) Outlays, $262,700,000,000.

Fiscal year 1985:

(A) New budget authority, $260,400,000,000;

(B) Outlays, $267,800,000,000.

(13) Veterans Benefits and Services (700):

Fiscal year 1984:

(A) New budget authority, $25,100,000,000;

(B) Outlays, $23,900,000,000.

Fiscal year 1985:

(A) New budget authority, $25,200,000,000;

(B) Outlays, $24,400,000,000.

(14) Administration of Justice (750):

Fiscal year 1984:

(A) New budget authority, $4,600,000,000;

(B) Outlays, $4,700,000,000.

Fiscal year 1985:

(A) New budget authority, $4,600,000,000;

(B) Outlays, $4,700,000,000.

(15) General Government (800):

Fiscal year 1984:

(A) New budget authority, $4,800,000,000;

(B) Outlays, $4,600,000,000.

Fiscal year 1985:

(A) New budget authority, $4,700,000,000;

(B) Outlays, $4,500,000,000.

(16) General Purpose Fiscal Assistance (850):

Fiscal year 1984:

(A) New budget authority, $6,800,000,000;

(B) Outlays, $6,800,000,000.

Fiscal year 1985:

(A) New budget authority, $6,000,000,000;

(B) Outlays, $6,800,000,000.

(17) Interest (900):

Fiscal year 1984:

(A) New budget authority, $119,900,000,000;

(B) Outlays, $119,900,000,000.

Fiscal year 1985:

(A) New budget authority, $108,300,000,000;

(B) Outlays, $108,300,000,000.

(18) Allowances (920):

Fiscal year 1984:

(A) New budget authority, -$500,000,000;

(B) Outlays, $400,000,000.

Fiscal year 1985:

(A) New budget authority, $1,500,000,000;

(B) Outlays, $1,400,000,000.

(19) Undistributed Offsetting Receipts (950):

Fiscal year 1984:

(A) New budget authority, $45,200,000,000;

(B) Outlays, $45,200,000,000.

Fiscal year 1985:

(A) New budget authority, $47,800,000,000;

(B) Outlays, $47,800,000,000

TITLE III—PROVIDING RECONCILIATION INSTRUCTIONS AND OTHER ENFORCEMENT MEASURES

PART A—RECONCILIATION INSTRUCTIONS

SEC. 301. Pursuant to section 301(b)(2) of the Budget Act—

(A) the House Committee on Agriculture shall report changes in law within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Budget Act, sufficient to reduce budget authority by $1,600,000,000 and to increase outlays by $2,250,000,000 in fiscal year 1983, to reduce budget authority by $2,250,000,000 and to increase outlays by $3,900,000,000 in fiscal year 1984 and to reduce budget authority by $3,400,000,000 and to increase outlays by $3,750,000,000 in fiscal year 1985;

(B) the House Committee on Armed Services shall report changes in law within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Budget Act, sufficient to reduce budget authority by $600,000,000 and outlays by $600,000,000 in fiscal year 1983, budget authority by $1,700,000,000 and outlays by $1,700,000,000 in fiscal year 1984 and budget authority by $2,900,000,000 and outlays by $2,900,000,000 in fiscal year 1985;

(C) the House Committee on Education and Labor shall report changes in law within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Budget Act, sufficient to reduce budget authority by $400,000,000 and outlays by $400,000,000 in fiscal year 1983, budget authority by $950,000,000 and outlays by $950,000,000 in fiscal year 1984 and budget authority by $950,000,000 and outlays by $950,000,000 in fiscal year 1985;

(D) the House Committee on Energy and Commerce shall report changes in law within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) on the Budget Act, sufficient to reduce budget authority by $1,200,000,000 and outlays by $3,000,000,000 in fiscal year 1983, budget authority by $2,600,000,000 and outlays by $6,500,000,000 in fiscal year 1984 and budget authority by $4,850,000,000 and outlays by $11,200,000,000 in fiscal year 1985;

(E) the House Committee on Post Office and Civil Service shall report changes in law within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Budget Act, sufficient to reduce budget authority by $000,000,000 and outlays by $700,000,000 in fiscal year 1983, budget authority by $000,000,000 and outlays by $2,200,000,000 in fiscal year 1984 and budget authority by $000,000,000 and outlays by $3,850,000,000 in fiscal year 1985;

(F) the House Committee on Veterans Affairs shall report changes in law within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Budget Act, sufficient to reduce budget authority by $150,000,000 and outlays by $150,000,000 in fiscal year 1983, budget authority by $300,000,000 and outlays by $300,000,000 in fiscal year 1984 and budget authority by $500,000,000 and outlays by $500,000,000 in fiscal year 1985;

(G) the House Committee on Ways and Means shall report changes in law within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Budget Act, sufficient to reduce budget authority by $550,000,000 and outlays by $14,800,000,000 in fiscal year 1983, budget authority by $1,150,000,000 and outlays by $31,650,000,000 in fiscal year 1984 and budget authority by $1,650,000,000 and outlays by $52,800,000,000 in fiscal year 1985;

SEC. 302. Pursuant to section 301(b)(2) of the Budget Act—

(A) the Senate Committee on Agriculture shall report changes in law within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Budget Act, sufficient to reduce budget authority by $1,650,000,000 and to increase outlays by $2,200,000,000 in fiscal year 1983, to reduce budget authority by $2,850,000,000 and to increase outlays by $3,550,000,000 in fiscal year 1984 and to reduce budget authority by $4,350,000,000 and to increase outlays by $2,800,000,000 in fiscal year 1985;

(B) the Senate Committee on Armed Services shall report changes in law within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Budget Act, sufficient to reduce budget authority by $600,000,000 and outlays by $600,000,000 in fiscal year 1983, budget authority by $1,700,000,000 and outlays by $1,700,000,000 in fiscal year 1984 and budget authority by $2,900,000,000 and outlays by $2,900,000,000 in fiscal year 1985;

(C) the Senate Committee on Governmental Affairs shall report changes in law within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Budget Act, sufficient to reduce budget authority by $000,000,000 and outlays by $700,000,000 in fiscal year 1983, budget authority by $000,000,000 and outlays by $2,200,000,000 in fiscal year 1984 and budget authority by $000,000,000 and outlays by $3,850,000,000 in fiscal year 1985;

(D) the Senate Committee on Labor and Human Resources shall report changes in law within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Budget Act, sufficient to reduce budget authority by $350,000,000 and outlays by $650,000,000 in fiscal year 1983, budget authority by $600,000,000 and outlays by $1,200,000,000 in fiscal year 1984 and budget authority by $000,000,000 and outlays by $950,000,000 in fiscal year 1985;

(E) the Senate Committee on Veterans Affairs shall report changes in law within the jurisdiction of that committee which provide spending authority as defined in section 410(c)(2)(C) of the Budget Act, sufficient to reduce budget authority by $150,000,000 and outlays by $150,000,000 in fiscal year 1983, budget authority by $300,000,000 and outlays by $300,000,000 in fiscal year 1984 and budget authority by $500,000,000 and outlays by $500,000,000 in fiscal year 1985;

(F) the Senate Committee on Finance shall report changes in law within the jurisdiction of that committee which provide spending authority as defined in section 410(c)(2)(C) of the Budget Act, sufficient to reduce budget authority by $2,150,000,000 and outlays by $16,400,000,000 in fiscal year 1983, budget authority by $4,450,000,000 and outlays by $34,950,000,000 in fiscal year 1984 and budget authority by $7,550,000,000 and outlays by $58,700,000,000 in fiscal year 1985;

SEC. 303. The Committees named in sections 301(A)-(F) and 302(A)-(E) must submit their recommendations to the Committees on the Budget of their respective Houses. Those recommendations shall be sufficient to accomplish the changes required by such subsection. After receiving those recommendations, the Committees on the Budget shall report to the House and Senate a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

PART B—ENFORCEMENT MEASURES

DEFERRED ENROLLMENT

SEC. 304. No bill or resolution providing—

(1) new budget authority for fiscal year 1983, or

(2) new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act first effective in fiscal year 1983—which exceeds the appropriate allocation or subdivision of such new discretionary budget authority or new spending authority made pursuant to section 302 of such Act shall be enrolled until after Congress has completed action on the second concurrent resolution on the budget required to be reported under section 310 of such Act, and on any reconciliation legislation required by such resolution.

302(b) REPORT

SEC. 305. It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution, or amendment thereto, providing—

(1) new budget authority for fiscal year 1983; or

(2) new spending authority described in section 401(c)(2)(C) of the Budget Act first effective in fiscal year 1983;

within the jurisdiction of any of its committees unless and until such committee makes the allocations or subdivisions required by section 302(b) of the Budget Act.

SEC. 306. It is the sense of the Congress that if Congress acts to restore fiscal responsibility and reduces projected budget deficits in a substantial and permanent way, then the Federal Reserve Open Market Committee shall reevaluate its monetary targets in order to assure that they are fully complementary to a new and more restrained fiscal policy.

Mr. MILLER of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The **CHAIRMAN**. Is there objection to the request of the gentleman from California.

There was no objection.

The **CHAIRMAN**. The gentleman from California (Mr. MILLER) is recognized for 1 hour.

Mr. MILLER of California. Mr. Chairman, I yield myself 16 minutes.

Mr. Chairman, I want to thank the Rules Committee for providing me with this time to present an honest, straightforward and nonpartisan effort to achieve a balanced budget and a $27 billion surplus by 1985.

During the next hour, with your cooperation, I will be able to explain to my colleagues and to the American people that the budget process need not be incomprehensible to the average citizen. Nor must it contain enormous uncontrollable deficits for years to come.

The fact is that the budget is only as uncontrollable as the Congress desires to make it.

The pay-as-you-go budget brings that process under control. I ask each of my colleagues that the rule which was approved overwhelmingly on Friday be respected and that I be permitted to walk the House through my proposal within the hour accorded me for that purpose.

With your cooperation and attention, it will be clear at the end of that hour that we have the means at our disposal today by restraining spending, continuing oversight, and having the courage to raise revenues when required, to cut deeply into the deficit, achieve a budget surplus and restore vitality to the American economy.

This is a difficult task to complete within 1 hour because I must explain both my substitute and the four essential amendments thereto.

I request that my colleagues allow me to illustrate the pay-as-you-go process. When I am finished describing the procedure, they will have an opportunity to vote in favor or against this budget as they see fit.

Let me begin by assuring my colleagues and the American people that this is an honest and a straightforward budget. Every number has been certified as accurate by the Congressional Budget Office.

There are no unwarranted assumptions about revenues, and there are no optimistic predictions about the economy. There are no guesses as to whether the Congress is willing to scale back the tax cut or raise new revenues.

Pay-as-you-go addresses the budget, the deficit, and the economic conditions of this Nation as they are, not as I would like them to be.

In doing so, my budget plan preserves the authority and the prerogatives of the Budget Committee, the Appropriations, and the Ways and Means Committees of this House. The adoption of the pay-as-you-go budget would be a historic moment for the Congress because at that moment we will have torn up the national credit card. We will tell our constituents that we will no longer hide from the true cost of running this Government. We will tell the taxpayers of this country the true cost of providing essential services and activities of this Government, instead of passing along a multibillion-dollar bill to future generations.

No longer will we use the deficit to conceal excess waste, unpopular programs, special-interest benefits, or outdated and lavish programs that the economy cannot afford, the voters do not support, or the Congress does not have the courage to pay for.

This pay-as-you-go procedure alone, among the budgets we will spend several days debating, is a nonpartisan budget because it treats all interests, all programs, and all constituencies exactly alike. Pay-as-you-go is based upon the fundamental principle that when the Congress creates new programs or expands existing ones, the final test is whether we have the courage of our convictions, to go to the American people and to ask them to pay the cost of those programs up front.

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Pay-as-you-go tells a President that when he proposes a new program, be it a war-on-poverty or an expansion-in-defense spending, he must be willing to propose ways to pay for that policy up front.

Yes, this is a new approach to the budget. For nearly 40 years the Congress in every administration has chosen a different course. We have never had to choose between guns and butter because we could pay for both out of the deficit that has now reached more than a trillion dollars.

We have never had to set priorities because we could fund all priorities by sending the bill to the future.

The result of that policy is now before this Nation: The worst depression since the 1930's, historic prolonged high interest rates, the worst unemployment rate in 50 years and a record number of small business failures. This is a legacy of a failed economic policy written not just by Republicans but Democrats, too; not just by liberal spending but by conservative spending, too.

The American people are expecting more from this Congress than partisan brick throwing. They want answers, and to give them those answers requires a new process.

The financial markets of this country and the people we represent do not expect miracles from the Congress, but they do expect the truth. They want us to control Federal spending equitably, not by victimizing whole segments of our population. They want rational defense spending, not waste in the name of defense. They want security for the elderly and vital services for those who have nowhere else to turn. And equally important, whether liberal or conservative, they want us to reduce the deficit and to balance the budget.

The pay-as-you-go budget is the only budget proposal which meets these goals now before you. We have all read the multiple budget plans before us, and we all know that the other plans are being constantly redrafted as late as last night and this morning. We all know that every time these budgets are recalculated, the deficits in them get worse and worse.

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I would like to explain to you the results of the pay-as-you-go proposal on the current budget situation. The chart to my right outlines the progression of deficits with which this country will be saddled in fiscal year 1983, fiscal year 1984, and fiscal year 1985. As you can see, in fiscal year 1983 we are going to be saddled with intolerable deficits, intolerable to the American working people and intolerable to the financial markets of this country. The pay-as-you-go proposal is the smallest budget deficit for 1983 among the House, Latta, and the Senate proposals.

In 1984 all the proposals make some headway on that deficit. But in fact you will find that the pay-as-you-go proposal nearly cuts the deficit in half to $57.4 billion in only the second year while the House committee's deficit remains at $42 billion, and Latta at $85.7 billion in debt. By 1985 under pay-as-you-go we see the dramatic results of the Congress exercising discipline and of the Congress having the courage of its conviction. If we are willing to pay for all new spending that we vote for, them in 1985, not according to George Miller, not according to some outside group, but according to the Congressional Budget Office that has reviewed each and every budget proposal, we achieve a $27½ billion surplus. And how have we achieved that goal? Not by victimizing entire segments of our society, not by slashing defense spending, not by doing away with social security COLA's. We have done that by making the determination that we must be willing to explain the cost of programs to the American people and we must be willing to raise the revenues or to find offsetting savings in other programs to make up for that new cost above the baseline.

Obviously, this decline in the deficit, the establishment for the first time of a framework for assuring a balanced budget, sends a signal that over the next 3 years the Congress of the United States is serious, that we mean to follow a procedure to assure that people going into the money markets will find that the Federal Government will be coming in for less and less of the available credit each year. I think that is the result that we desire. It is also, happily, the result that is possible under pay-as-you-go.

Last Friday night the Senate finished their budget negotiations, and as they were approaching the final vote, I spent several hours describing pay-as-you-go to a half dozen Members of the Senate, both liberal and conservative. What they told me was that they regretted their own budget, a budget that, when they were all finished slashing social programs, cutting other programs and raising revenues, they still have a $116 billion deficit. They told me that they wished that they had had a program with the framework for controlling spending and balancing the budget. They told me that they wished they had seen the pay-as-you-go program earlier in their budget deliberations.

When this debate is over and the House has concluded its budget deliberations, I sincerely hope that we will not shudder to read the headlines in the morning paper. I hope that we do not have to go home to our constituents and explain that we voted against a pay-as-you-go approach to the Federal budget which would produce a $27 billion surplus and an end to the deficit by 1985, but instead, somehow, after all of the deliberations, we voted for a budget that locks us into a $30 billion, a $40 billion, or a $50 billion budget in 1985. We have an opportunity to change the budget. We have an opportunity to make the budget process fair. We have an opportunity to balance the budget, and, maybe even more importantly, we have an opportunity for the first time to provide a budget process that all Americans can understand, that all Members of Congress can understand, because it is very simple. Over the next couple of days, we will be deciding one issue and one issue alone: Are we going to spend more money in 1983 than we spent in 1982? And if the answer is yes, the next question is: When will you be able to explain to your constituents the cost of those new expenditures? And do you have the courage of your convictions to raise the revenues to pay for that new spending and to end this drain on the American public?

The budget that can do that is the pay-as-you-go budget.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield for a couple of questions?

Mr. MILLER of California. I yield to the gentleman from Maryland for a question.

Mr. MITCHELL of Maryland. I thank the gentleman for yielding.

The gentleman has a very innovative and provocative approach. I simply have one or two concerns that I hope the gentleman can clear up for me.

The first is that last year, under Gramm-Latta, we cut a billion dollars out of higher education. That was a hurt that was already imposed because of the action of this Congress last year.

Now, according to the gentleman's pay-as-you-go budget, the gentleman would add on $2.45 for nondefense discretionary add-backs.

Mr. MILLER of California. That is correct.

Mr. MITCHELL of Maryland. Even if we dealt with just that one item, one-half of the gentleman's add on is gone.

What I am trying to point out is that the gentleman's approach does not do anything to remedy some of the damages that we did last year.

Mr. MILLER of California. I recognize that, if I may respond. Clearly, I tried to apply an approach here that has balanced what the Budget Committee has done, what others have done. If all four amendments are accepted, you will arrive back at the basic position of the Budget Committee and for which the gentleman has a substitute.

Mr. MITCHELL of Maryland. Is it not a basic assumption in your approach, the pay-as-you-go budget, that we are going to see the economy constantly improving and, therefore, there would be no need for a massive spending program, let us say, for unemployment?

I am not sure the economy is going to recover at that rate. Suppose we hit 12 percent unemployment, then before we could address that problem, we would have to do something in terms of raising taxes.

Mr. MILLER of California. Obviously the deficit is still available to the Congress if that is where they choose to go. But under this proposal, you would have to determine how it is you are going to have to pay for any new spending. Perhaps that money, if we reached 12 percent unemployment, will have to come out of military spending, because my proposal, like yours, allows transfers within functions, but keeps you from dipping into the deficit.

Mr. MITCHELL of Maryland. I thank the gentleman.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. I congratulate the gentleman from California on his amendment that he has submitted today, and I rise in support of that amendment.

The gentleman has given us the opportunity to vote for an important innovation in the budget process.

When I began serving my first term as a Member of Congress in 1969, Members from the South would vote for Federal spending that was popular back home, like farm programs, and vote against spending revenues for unpopular outlays such as Federal aid to the cities. After adjournment each session, the Representatives would return to their constituencies to bemoan the fact that the Federal budget was not balanced.

This practice led to the enactment of the Budget and Impoundment Act of 1974 which is the vehicle we are using today to better manage congressional action on the budget.

The Budget Act sets the stage for debating national priorities, resulting in the budget procedure becoming a major instrument in national economic policy.

Moderate success has been achieved in coming to grips with the spending side of the Federal budget. But, the spotlight of public attention focuses on spending with little notice given to the revenue side of the ledger.

Meanwhile, debate rages across the Nation for the calling of a Constitutional Convention, with only a few States needed for that convention to become a reality. It is almost a daily occurrence for Members of Congress to speak in support of a constitutional amendment to balance the budget.

The proposal of the gentleman from California, Mr. MILLER, to freeze spending at the fiscal 1982 levels and requiring thereafter that all future spending be accompanied by revenue measures is another useful tool which would assist Congress in getting a handle on the Federal budget.

I urge the adoption of the amendment.

Mr. MILLER of California. I thank the gentleman for his remarks.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentlewoman from Colorado.

(Mrs. SCHROEDER asked and was given permission to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Chairman, I want to thank the gentleman from California, and I would just like to say that I think this is a brilliant proposal. I am only sorry that it does not come at the end of all of the rhetoric rather than at the beginning, because then I think its brilliance would show through.

I know that one of the things that strikes me, I wish we could just do "givens" before we started this debate—a given that everybody hates deficits, a given that everyone hates inflation, a given that everybody wants to get the economy on the right track, because we are going to hear more about that than we ever wanted to hear.

But the problem is, every other process that we have come up with we have been able to circumvent, and I think the public cannot figure out why. We have had budgets before with smaller deficits. We just waive the Budget Act. If we had a constitutional amendment, you would have to have an escape valve, and you know we would escape every single time.

So I think the gentleman from California is to be commended because he has truly dealt with that whole process.

Mr. MILLER of California. I thank the gentlewoman for her comments.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Texas.

Mr. KAZEN. I thank the gentleman for yielding, and I rise simply, Mr. Chairman, to commend the gentleman in the well for bringing this idea to us at this time. I think that the people of the United States are interested in one thing over and above everything else: Cut the deficits.

I think that the gentleman has brought to us this afternoon a proposition that we can all agree with. My own State of Texas has this type of a system built into our Constitution. We do not spend one dime more than we see coming in. And this is the way the Federal Government ought to be run. If we want a program, we ought to pay for it. If we do not want to pay for it, we should not have that program.

I agree with the gentleman. This is the only plan that I have seen to date that will come closer to balancing the budget, and I want to associate myself with the gentleman's remarks.

Mr. MILLER of California. I thank the gentleman for his remarks.

Mr. COELHO. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from California.

Mr. COELHO. Mr. Chairman, I would just like to compliment the gentleman from California (Mr. MILLER) for the job he has done here. It is an approach that a lot of us have been looking for. I compliment him for it, and I intend to support it.

Mr. MILLER of California. I thank the gentleman.

Mr. HUGHES. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from New Jersey.

Mr. HUGHES. Mr. Chairman, I, too, want to join my colleagues in complimenting the gentleman from California. In my judgment, this is the only amendment that is being offered that will guarantee a balanced budget by 1985 and a $27.5 billion surplus according to the Congressional Budget Office. It will certainly direct us to put our fiscal house in order.

I intend to support the gentleman's proposal.

Mr. MILLER of California. I thank the gentleman.

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Mr. FLIPPO. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Alabama.

Mr. FLIPPO. Mr. Chairman, I want to commend the gentleman in the well for his approach to this budget dilemma and I would like to urge my colleagues to adopt it.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I want to join in the commendation process and ask the gentleman if he has examined the Fauntroy substitute, because I intend to support his if he intends to support that one?

Mr. MILLER of California. Clearly on a philosophical basis, that is the only other place the gentleman could go if my approach is not accepted because if we are going to engage in the other game, I would rather play on the gentleman's turf.

Mr. CONYERS. I would like to speak now really in support of the Miller proposal because I think it is ingenious and I like where he is coming from and I will conclude my remarks on that positive note.

The CHAIRMAN pro tempore. The time of the gentleman from California (Mr. MILLER) has expired.

Mr. MILLER of California. Mr. Chairman, I yield myself 1 additional minute.

Mr. BENNETT. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Florida.

Mr. BENNETT. I thank the gentleman for yielding.

I want to congratulate the gentleman from California. I think he has a very practical approach, a very valuable approach, and I intend to support it.

Mr. HOWARD. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from New Jersey.

Mr. HOWARD. I thank the gentleman for yielding.

I want to congratulate the gentleman on his fine commonsense approach and to let him know that I support his budget and hope that the House will also.

Mr. HUCKABY. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Louisiana.

Mr. HUCKABY. I thank the gentleman for yielding.

I think this plan is its mere simplicity can be understood, recognizing the fact that in our economy the means that we are using to run this Goverment, our house is not in order.

Coming forth with this plan, I think anybody who considers himself a fiscal conservative certainly has to give serious consideration to it. I urge its passage so that this plan can be a standard by which we consider the many other budget resolutions before us and I commend the gentleman.

The CHAIRMAN pro tempore. The time of the gentleman from California (Mr. MILLER) has again expired.

Mr. MILLER of California. Mr. Chairman, I yield myself 1 additional minute.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Maryland.

Mr. HOYER. I thank the gentleman for yielding.

I again want to join my many colleagues who have risen to commend the gentleman for his approach.

Having served for 12 years in the State legislature, this is certainly the approach that we took. It is, the gentleman from Arkansas (Mr. ALEXANDER) said, exactly putting our rhetoric and our dollars together, and I think that is what ought to be done. I think that is what the American people expect. I think that is what they deserve.

It seems to me this is the only way we are going to bring rationality to the process of budgeting and I commend the gentleman from California.

Mr. MILLER of California. I thank the gentleman.

Mr. CHENEY. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Wyoming.

Mr. CHENEY. I thank the gentleman for yielding.

I have some questions about the level of funding that the gentleman provides in certain accounts.

What, for example, happens to the defense budget under the gentleman's proposal?

Mr. MILLER of California. Under my proposal the defense budget is given a 5-percent real dollar increase over and above the 1982 base line expenditures, which I think puts me about half a billion higher than the Jones proposal and about $1.7 billion under the Latta proposal.

Mr. CHENEY. What happens to revenues under the gentleman's proposal?

Mr. MILLER of California. If the proposal were considered in its entirety, we would be directing the Ways and Means Committee to raise roughly $38 billion overall all in new revenues, because if you vote for these amendments you are also directing the Ways and Means Committee to cover the cost of the COLA's, defense, and the add-backs in nondefense entitlements.

Mr. CHENEY. This package includes almost $38 billion in revenue increases?

Mr. MILLER of California. That is right but only if Congress votes to increase spending by that amount. My plan does not add a single new dollar to the deficit, unlike all other budget plans.

Mr. CHENEY. What would be the total add-on in revenues over the next 3 years?

Mr. MILLER of California. I believe on a 3-year projection, CBO says $125 billion over 3 years at the most. Of course, we could accelerate on the deficit even faster if the economy improves more quickly as a result of lower deficits and restraints on spending. If Congress does not choose to spend new money, there is no mandate to raise any new revenues. Unlike their budgets which spend new money, raise new taxes, and still result in huge deficits, my plan limits new taxes to the amount needed to offset new spending, and results in a surplus of $27 billion in 1985.

Mr. CHENEY. I would simply rise in opposition.

The CHAIRMAN pro tempore. The time of the gentleman from California (Mr. MILLER) has again expired.

Mr. MILLER of California. Mr. Chairman, I yield myself 2 additional minutes.

Mr. Chairman, we are under a very peculiar rule here, because we now have my four amendments to this base line. It is very clear if we choose to discuss the base line further, we will simply not have time to vote on the amendments. I am sorry we are put in that situation. I have discussed with both the majority leadership and the minority leadership that we consider the amendments en bloc and then, by unanimous consent, that the substitute be amended by those amendments. In that way, we can continue the debate and if people have serious problems with one facet of the program or the other, they can go on record expressing that.

Mr. Chairman, I would like to make a unanimous-consent request that, as I said, has been discussed with both the majority and minority. I ask unanimous consent that the Miller substitute be considered as amended as by the four amendments which have been published in the RECORD a week ago today.

The CHAIRMAN pro tempore. Does the Chair understand that the gentleman by his unanimous-consent request asks that the amendments be considered en bloc?

Mr. MILLER of California. Mr. Chairman, I am asking that the substitute be considered as amended by the amendments published in the RECORD a week ago.

The CHAIRMAN pro tempore. The gentleman has asked unanimous consent that his amendment be considered as amended and modified?

The text of the modifications to the amendment in the nature of a substitute offered by the gentleman from California (Mr. MILLER) is as follows:

AMENDMENT NO. 1 OFFERED BY MR. MILLER OF CALIFORNIA TO THE AMENDMENT (IN THE NATURE OF A SUBSTITUTE)

Page 5, line , increase the level of Federal revenues for fiscal year 1983 by $11,000,000,000.

Page 5, line , increase the net amount by which the aggregate level of Federal revenues should be increased for fiscal year 1983 by $11,000,000,000.

Page 5, line , increase the level of total budget outlays for fiscal year 1983 by $11,000,000,000.

Page 8, line , increase outlays for Functional Category (600) for fiscal year 1983 by $11,000,000,000.

Page 9, line , increase the level of Federal revenues for fiscal year 1984 by $22,300,000,000.

Page 9, line , increase the level of Federal revenues for fiscal year 1985 by $35,250,000,000.

Page 9, line , increase the amount by which the aggregate level of Federal revenues should be increased for fiscal year 1984 by $22,300,000,000.

Page 9, line , increase the amount by which the aggregate level of Federal revenues should be increased for fiscal year 1985 by $35,250,000,000.

Page 10, line , increase the level of total budget outlays for fiscal year 1984 by $22,300,000,000.

Page 10, line , increase the level of total budget outlays for fiscal year 1985 by $35,250,000,000.

Page 14, line , increase outlays for Functional Category (600) for fiscal year 1984 by $22,300,000,000.

Page 14, line , increase outlays for Functional Category (600) for fiscal year 1985 by $35,250,000,000.

Page 23, line , (relating to reconciliation instructions for the House Committee on Ways and Means) strike out "$14,800,000,000" and insert in lieu thereof "$3,800,000,000".

Page 23, line , (relating to reconciliation instructions for the House Committee on Ways and Means) strike out "$31,650,000,000" and insert in lieu thereof "$9,350,000,000".

Page 23, line , (relating to reconciliation instructions for the House Committee on Ways and Means) strike out "$52,800,000,000" and insert in lieu thereof "$17,550,000,000".

Page 23, line , insert before the semicolon at the end of the reconciliation instructions for the House Committee on Ways and Means the following: "; further, the House Committee on Ways and Means shall report changes in law within the jurisdiction of that committee sufficient to raise revenues by $11,000,000,000 in fiscal year 1983, $22,300,000,000 in fiscal year 1984, and $35,250,000,000 in fiscal year 1985".

Page 29, line , (relating to reconciliation instructions for the Senate Committee on Finance) strike out "$16,400,000,000" and insert in lieu thereof "$5,400,000,000".

Page 29, line , (relating to reconciliation instructions for the Senate Committee on Finance) strike out "$34,950,000,000" and insert in lieu thereof "$12,650,000,000".

Page 29, line , (relating to reconciliation instructions for the Senate Committee on Finance) strike out "$58,700,000,000" and insert in lieu thereof "$23,450,000,000".

Page 29, line , insert before the semicolon at the end of the reconciliation instructions for the Senate Committee on Finance the following: "; further, the Senate Committee on Finance shall report changes in law within the jurisdiction of that committee sufficient to raise revenues by $11,000,000,000 in fiscal year 1983, $22,300,000,000 in fiscal year 1984, and $35,250,000,000 in fiscal year 1985".

AMENDMENT NO. 2 OFFERED BY MR. MILLER OF CALIFORNIA TO THE AMENDMENT (IN THE NATURE OF A SUBSTITUTE)

Page 5, line , increase the level of Federal revenues for fiscal year 1983 by $22,800,000,000.

Page 5, line , increase the net amount by which the aggregate level of Federal revenues should be increased for fiscal year 1983 by $22,800,000,000.

Page 5, line , increase the level of total new budget authority for fiscal year 1983 by $68,000,000,000.

Page 5, line , increase the level of total budget outlays for fiscal year 1983 by $22,800,000,000.

Page 6, line , increase new budget authority for Functional Category (050) for fiscal year 1983 by $68,000,000,000.

Page 6, line , increase outlays for Functional Category (050) for fiscal year 1983 by $22,800,000,000.

Page 9, line , increase the level of Federal revenues for fiscal year 1984 by $47,400,000,000.

Page 9, line , increase the level of Federal revenues for fiscal year 1985 by $77,600,000,000.

Page 9, line , increase the amount by which the aggregate level of Federal revenues should be increased for fiscal year 1984 by $47,400,000,000.

Page 9, line , increase the amount by which the aggregate level of Federal revenues should be increased for fiscal year 1985 by $77,600,000,000.

Page 10, line , increase the level of total new budget authority for fiscal year 1984 by $81,600,000,000.

Page 10, line , increase the level of total new budget authority for fiscal year 1985 by $118,000,000,000.

Page 10, line , increase the level of total budget outlays for fiscal year 1984 by $47,400,000,000.

Page 10, line , increase the level of total budget outlays for fiscal year 1985 by $77,600,000,000.

Page 11, line , increase new budget authority for Functional Category (050) for fiscal year 1984 by $81,600,000,000.

Page 11, line , increase new budget authority for Functional Category (050) for fiscal year 1985 by $118,000,000,000.

Page 11, line , increase outlays for Functional Category (050) for fiscal year 1984 by $47,400,000,000.

Page 11, line , increase outlays for Functional Category (050) for fiscal year 1985 by $77,600,000,000.

Page 23, line , insert before the semicolon at the end of the reconciliation instructions for the House Committee on Ways and Means the following: "; further, the House Committee on Ways and Means shall report changes in law within the jurisdiction of that committee sufficient to raise revenues by an additional $22,800,000,000 for fiscal year 1983, an additional $47,400,00,000 for fiscal year 1984, and an additional $77,600,000,000 for fiscal year 1985".

Page 29, line , insert before the semicolon at the end of the reconciliation instructions for the Senate Committee on Finance the following: "; further, the Senate Committee on Finance shall report changes in law within the jurisdiction of that committee sufficient to raise revenues by an additional $22,800,000,000 for fiscal year 1983, an additional $47,400,000,000 for fiscal year 1984, and an additional $77,600,000,000 for fiscal year 1985".

AMENDMENT NO. 3 OFFERED BY MR. MILLER OF CALIFORNIA TO THE AMENDMENT (IN THE NATURE OF A SUBSTITUTE)

Page 5, line , increase the level of Federal revenues for fiscal year 1983 by $2,700,000,000.

Page 5, line , increase the net amount by which the aggregate level of Federal revenues should be increased for fiscal year 1983 by $2,700,000,000.

Page 5, line , increase the level of total new budget authority for fiscal year 1983 by $5,000,000,000.

Page 5, line , increase the level of total budget outlays for fiscal year 1983 by $2,700,000,000.

Page 6, line , increase new budget authority for Functional Category (050) for fiscal year 1983 by $400,000,000.

Page 7, line , increase new budget authority for Functional Category (500) for fiscal year 1983 by $150,000,000.

Page 7, line , increase new budget authority for Functional Category (550) for fiscal year 1983 by $1,600,000,000.

Page 8, line , increase new budget authority for Functional Category (600) for fiscal year 1983 by $2,800,000,000.

Page 8, line , increase new budget authority for Functional Category (700) for fiscal year 1983 by $50,000,000.

Page 6, line , increase outlays for Functional Category (050) for fiscal year 1983 by $400,000,000.

Page 7, line , reduce outlays for Functional Category (350) for fiscal year 1983 by $3,850,000,000.

Page 7, line , increase outlays for Functional Category (500) for fiscal year 1983 by $250,000,000.

Page 7, line , increase outlays for Functional Category (550) for fiscal year 1983 by $1,350,000,000.

Page 8, line , increase outlays for Functional Category (600) for fiscal year 1983 by $4,500,000,000.

Page 8, line , increase outlays for Functional Category (700) for fiscal year 1983 by $50,000,000.

Page 9, line , increase the level of Federal revenues for fiscal year 1984 by $9,050,000,000.

Page 9, line , increase the level of Federal revenues for fiscal year 1985 by $20,950,000,000.

Page 9, line , increase the amount by which the aggregate level of Federal revenues should be increased for fiscal year 1984 by $9,050,000,000.

Page 9, line , increase the amount by which the aggregate level of Federal revenues should be increased for fiscal year 1985 by $20,950,000,000.

Page 10, line , increase the level of total new budget authority for fiscal year 1984 by $8,800,000,000.

Page 10, line , increase the level of total new budget authority for fiscal year 1985 by $13,900,000,000.

Page 10, line , increase the level of total budget outlays for fiscal year 1984 by $9,050,000,000.

Page 10, line , increase the level of total budget outlays for fiscal year 1985 by $20,950,000,000.

Page 11, line , increase new budget authority for Functional Category (050) for fiscal year 1984 by $1,000,000,000.

Page 14, line , increase new budget authority for Functional Category (500) for fiscal year 1984 by $200,000,000.

Page 14, line , increase new budget authority for Functional Category (550) for fiscal year 1984 by $3,300,000,000.

Page 14, line , increase new budget authority for Functional Category (600) for fiscal year 1984 by $3,900,000,000.

Page 15, line , increase new budget authority for Functional Category (700) for fiscal year 1984 by $450,000,000.

Page 15, line , reduce new budget authority for Functional Category (850) for fiscal year 1984 by $50,000,000.

Page 11, line , increase new budget authority for Functional Category (050) for fiscal year 1985 by $1,650,000,000.

Page 14, line , reduce new budget authority for Functional Category (500) for fiscal year 1985 by $600,000,000.

Page 14, line , increase new budget authority for Functional Category (550) for fiscal year 1985 by $5,900,000,000.

Page 14, line , increase new budget authority for Functional Category (600) for fiscal year 1985 by $5,850,000,000.

Page 15, line , increase new budget authority for Functional Category (700) for fiscal year 1985 by $1,150,000,000.

Page 16, line , reduce new budget authority for Functional Category (850) for fiscal year 1985 by $50,000,000.

Page 11, line , increase outlays for Functional Category (050) for fiscal year 1984 by $1,000,000,000.

Page 12, line , reduce outlays for Functional Category (350) for fiscal year 1984 by $6,400,000,000.

Page 14, line , increase outlays for Functional Category (500) for fiscal year 1984 by $400,000,000.

Page 14, line , increase outlays for Functional Category (550) for fiscal year 1984 by $8,800,000,000.

Page 14, line , increase outlays for Functional Category (600) for fiscal year 1984 by $4,800,000,000.

Page 15, line , increase outlays for Functional Category (700) for fiscal year 1984 by $450,000,000.

Page 11, line , increase outlays for Functional Category (050) for fiscal year 1985 by $1,650,000,000.

Page 13, line , reduce outlays for Functional Category (350) for fiscal year 1985 by $7,150,000,000.

Page 14, line , reduce outlays for Functional Category (500) for fiscal year 1985 by $300,000,000.

Page 14, line , increase outlays for Functional Category (550) for fiscal year 1985 by $17,650,000,000.

Page 14, line , increase outlays for Functional Category (600) for fiscal year 1985 by $7,900,000,000.

Page 15, line , increase outlays for Functional Category (700) for fiscal year 1985 by $1,150,000,000.

Page 16, line , increase outlays for Functional Category (850) for fiscal year 1985 by $50,000,000.

Page 17, line (relating to reconciliation instructions), strike out all Title III, Part A, Secs. 301 and 302, and in its place insert the following:

PART A—RECONCILIATION INSTRUCTIONS

SEC. 301. Pursuant to section 301(b)(2) of the Budget Act—

(A) the House Committee on Agriculture shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $207,000,000 and outlays by $207,000,000, in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $530,000,000 in budget authority and $530,000,000 in outlays in fiscal year 1984, and $661,000,000 in budget authority and $661,000,000 in outlays in fiscal year 1985;

(B) the House Committee on Armed Services shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $212,000,000 and outlays by $212,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional saving of $691,000,000 in budget authority and $691,000,000 in outlays in fiscal year 1984, and $1,228,000,000 in budget authority and $1,228,000,000 in outlays in fiscal year 1985;

(C) the House Committee on Banking, Finance, and Urban Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce outlays by $695,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $697,000,000 in outlays in fiscal year 1984, and $687,000,000 in outlays in fiscal year 1985;

(D) the House Committee on Education and Labor shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $73,000,000 and outlays by $73,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $101,000,000 in budget authority and $101,000,000 in outlays in fiscal year 1984, and $97,000,000 in budget authority and $97,000,000 in outlays in fiscal year 1985.

(E) the House Committee on Energy and Commerce shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $60,000,000 and outlays by $60,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $68,000,000 in budget authority and $68,000,000 in outlays in fiscal year 1984, and $77,000,000 in budget authority and $77,000,000 in outlays in fiscal year 1985;

(F) the House Committee on Foreign Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce outlays by $3,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $2,000,000 in budget authority and $8,000,000 in outlays in fiscal year 1984, and $4,000,000 in budget authority and $15,000,000 in outlays in fiscal year 1985;

(G) the House Committee on Merchant Marine and Fisheries shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $4,000,000 and outlays by $4,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $15,000,000 in budget authority and $15,000,000 in outlays in fiscal year 1984, and $27,000,000 in budget authority and $27,000,000 in outlays in fiscal year 1985;

(H) the House Committee on Post Office and Civil Service shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $0 and outlays by $273,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $242,000,000 in budget authority* and $925,000,000 in outlays in fiscal year 1984, and $538,000,000 in budget authority and $1,648,000,000 in outlays in fiscal year 1985;

(I) the House Committee on Veterans' Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce the budget authority by $171,000,000 and outlays by $171,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $187,000,000 in budget authority and $187,000,000 in outlays in fiscal year 1984, and $195,000,000 in budget authority and $195,000,000 in outlays in fiscal year 1985; and

(J) the House Committee on Ways and Means shall report changes in law within the jurisdication of that committee to reduce spending in amounts sufficient to reduce the budget authority by $334,000,000 and outlays by $2,489,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additonal savings of $205,000,000 in budget authority and $3,576,000,000 in outlays in fiscal year 1984, and $267,000,000 in budget authority and $4,160,000,000 in outlays in fiscal year 1985;

(K) the House Committee on Ways and Means shall report changes in laws within the jurisdiction of the committee sufficient to increase revenue by $31,700,000,000 for fiscal year 1983; further, the Congress finds that the prospect of unacceptably high the deficits in future years requires additional revenues of $51,650,000,000 for fiscal year 1984, and $66,550,000,000 for fiscal year 1985;

SEC. 302. Pursuant to section 301(b)(2) of the Budget Act—

(A) the Senate Committee on Finance shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $393,000,000 and outlays by $2,548,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additonal savings of $270,000,000 in budget authority and $3,641,000,000 in outlays for fiscal year 1984, and $339,000,000 in budget authority and $4,232,000,000 in outlays in fiscal year 1985;

(B) the Senate Committee on Finance shall report changes in laws within the jurisdiction of that committee sufficient to increase revenues by $31,700,000,000 for fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional revenues of $51,650,000,000 for fiscal year 1984, and $66,550,000,000 in fiscal year 1985;

(C) the Senate Committee on Agriculture, Nutrition, and Forestry shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $207,000,000 and outlays by $207,000,000 in fiscal year 1983; further, the Congress finds that the propsect of unacceptably high budget deficits in future years requires additional savings of $530,000,000 in budget authority and $530,000,000 in outlays for fiscal year 1984, and $661,000,000 in budget authority and $661,000,000 in outlays in fiscal year 1985;

(D) the Senate Committee on Armed Services shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $213,000,000 and outlays by $213,000,000 in fiscal year 1983, further, the Congress finds that the prospect of unacceptable high budget deficits in future years requires additional savings of $694,000,000 in budget authority and $694,000,000 in outlays for fiscal year 1984, and $1,232,000,000 in budget authority and $1,232,000,000 in outlays in fiscal year 1985;

(E) the Senate Committee on Banking, Housing, and Urban Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $190,000,000 and outlays by $785,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptable high budget deficit in future years requires additional savings of $100,000,000 in budget authority and $797,000,000 in outlays for fiscal year 1984, and $104,000,000 in budget authority and $791,000,000 in outlays in fiscal year 1985;

(F) the Senate Committee on Commerce, Science, and Transportation shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $4,000,000 and outlays by $4,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $15,000,000 in budget authority and $15,000,000 in outlays for fiscal year 1984, and $27,000,000 in budget authority and $27,000,000 in outlays in fiscal year 1985;

(G) the Senate Committee on Foreign Relations shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce outlays by $3,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $2,000,000 in budget authority and $8,000,000 in outlays for fiscal year 1984, and $4,000,000 in budget authority and $15,000,000 in outlays in fiscal year 1985;

(H) the Senate Committee on Governmental Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce outlays by $270,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $240,000,000 in budget authority and $917,000,000 in outlays for fiscal year 1984, and $534,000,000 in budget authority and $1,633,000,000 in outlays in fiscal year 1985; and

(I) the Senate Committee on Labor and Human Resources shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $73,000,000 and outlays by $73,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $101,000,000 in budget authority and $101,000,000 in outlays for fiscal year 1984, and $97,000,000 in budget authority and $97,000,000 in outlays in fiscal year 1985.

Page 23, line , insert before the semicolon at the end of the reconciliation instructions for the House Committee on Ways and Means the following: "; further, the House Committee on Ways and Means shall report changes in law within the jurisdiction of that committee sufficient to raise revenues by an additional $2,700,000,000 for fiscal year 1983, an additional $9,050,000,000 for fiscal year 1984, and an additional $20,950,000,000 for fiscal year 1985".

Page 29, line , insert before the semicolon at the end of the reconciliation instructions for the Senate Committee on Finance the following: "; further, the Senate Committee on Finance shall report changes in law within the jurisdiction of that committee sufficient to raise revenues by an additional $2,700,000,000 for fiscal year 1983, an additional $9,050,000,000 for fiscal year 1984, and an additional $20,950,000,000 for fiscal year 1985".

AMENDMENT NO. 4 OFFERED BY MR. MILLER OF CALIFORNIA TO THE AMENDMENT (IN THE NATURE OF A SUBSTITUTE)

Page 5, line , increase the level of Federal revenues for fiscal year 1983 by $2,450,000,000.

Page 5, line , increase the net amount by which the aggregate level of Federal revenues should be increased for fiscal year 1983 by $2,450,000,000.

Page 5, line , increase the level of total new budget authority for fiscal year 1983 by $4,500,000,000.

Page 5, line , increase the level of total budget outlays for fiscal year 1983 by $2,450,000,000.

Page 7, line , increase new budget authority for Functional Category (270) for fiscal year 1983 by $700,000,000.

Page 7, line , increase new budget authority for Functional Category (350) for fiscal year 1983 by $300,000,000.

Page 7, line increase new budget authority for Functional Category (370) for fiscal year 1983 by $1,250,000,000.

Page 7, line , increase new budget authority for Functional Category (400) for fiscal year 1983 by $900,000,000.

Page 7, line , increase new budget authority for Functional Category (500) for fiscal year 1983 by $1,050,000,000.

Page 7, line , increase new budget authority for Functional Category (550) for fiscal year 1983 by $150,000,000.

Page 8, line , increase new budget authority for Functional Category (600) for fiscal year 1983 by $150,000,000.

Page 7, line , increase outlays for Functional Category (270) for fiscal year 1983 by $500,000,000.

Page 7, line , increase outlays for Functional Category (370) for fiscal year 1983 by $250,000,000.

Page 7, line , increase outlays for Functional Category (400) for fiscal year 1983 by $650,000,000.

Page 7, line , increase outlays for Functional Category (450) for fiscal year 1983 by $150,000,000.

Page 7, line , increase outlays for Functional Category (500) for fiscal year 1983 by $200,000,000.

Page 7, line , increase outlays for Functional Category (550) for fiscal year 1983 by $50,000,000.

Page 8, line , increase outlays for Functional Category (600) for fiscal year 1983 by $450,000,000.

Page 8, line , increase outlays for Functional Category (950) for fiscal year 1983 by $200,000,000.

Page 9, line , increase the level of Federal Revenues for fiscal year 1984 by $3,550,000,000.

Page 9, line , increase the level of Federal Revenues for fiscal year 1985 by $4,400,000,000.

Page 9, line , increase the amount by which the aggregate level of Federal Revenues should be increased for fiscal year 1984 by $3,550,000,000.

Page 9, line , increase the amount by which the aggregate level of Federal revenues should be increased for fiscal year 1985 by $4,400,000,000.

Page 10, line , increase the level of total new budget authority for fiscal year 1984 by $5,050,000,000.

Page 10, line , increase the level of total new budget authority for fiscal year 1985 by $5,250,000,000.

Page 10, line , increase the level of total budget outlays for fiscal year 1984 by $3,550,000,000.

Page 10, line , increase the level of total budget outlays for fiscal year 1985 by $4,400,000,000.

Page 12, line , increase new budget authority for Functional Category (270) for fiscal year 1984 by $700,000,000.

Page 12, line , increase new budget authority for Functional Category (350) for fiscal year 1984 by $150,000,000.

Page 13, line , increase new budget authority for Functional Category (370) for fiscal year 1984 by $1,300,000,000.

Page 13, line , increase new budget authority for Functional Category (400) for fiscal year 1984 by $950,000,000.

Page 14, line , increase new budget authority for Functional Category (500) for fiscal year 1984 by $1,350,000,000.

Page 14, line , increase new budget authority for Functional Category (550) for fiscal year 1984 by $300,000,000.

Page 14, line , increase new budget authority for Functional Category (600) for fiscal year 1984 by $300,000,000.

Page 12, line , increase new budget authority for Functional Category (270) for fiscal year 1985 by $650,000,000.

Page 13, line , increase new budget authority for Functional Category (350) for fiscal year 1985 by $100,000,000.

Page 13, line , increase new budget authority for Functional Category (370) for fiscal year 1985 by $1,150,000,000.

Page 13, line , increase new budget authority for Functional Category (400) for fiscal year 1985 by $1,000,000,000.

Page 14, line , increase new budget authority for Functional Category (500) for fiscal year 1985 by $1,500,000,000.

Page 14, line , increase new budget authority for Functional Category (550) for fiscal year 1985 by $350,000,000.

Page 14, line , increase new budget authority for Functional Category (600) for fiscal year 1985 by $500,000,000.

Page 12, line , increase outlays for Functional Category (270) for fiscal year 1984 by $600,000,000.

Page 12, line , increase outlays for Functional Category (350) for fiscal year 1984 by $150,000,000.

Page 13, line , increase outlays for Functional Category (370) for fiscal year 1984 by $300,000,000.

Page 13, line , increase outlays for Functional Category (400) for fiscal year 1984 by $800,000,000.

Page 14, line , increase outlays for Functional Category (500) for fiscal year 1984 by $650,000,000.

Page 14, line , increase outlays for Functional Category (550) for fiscal year 1984 by $200,000,000.

Page 14, line , increase outlays for Functional Category (600) for fiscal year 1984 by $650,000,000.

Page 12, line , increase outlays for Functional Category (270) for fiscal year 1985 by $500,000,000.

Page 13, line , increase outlays for Functional Category (350) for fiscal year 1985 by $200,000,000.

Page 13, line , increase outlays for Functional Category (370) for fiscal year 1985 by $500,000,000.

Page 13, line , increase outlays for Functional Category (400) for fiscal year 1985 by $900,000,000.

Page 14, line , increase outlays for Functional Category (500) for fiscal year 1985 by $950,000,000.

Page 14, line , increase outlays for Functional Category (550) for fiscal year 1985 by $300,000,000.

Page 14, line , increase outlays for Functional Category (600) for fiscal year 1985 by $850,000,000.

Page 23, line , insert before the semicolon at the end of the reconciliation instructions for the House Committee on Ways and Means the following: "; further, the House Committee on Ways and Means shall report changes in law within the jurisdiction of that committee sufficient to raise revenues by an additional $2,450,000,000 for fiscal year 1983, by an additional $3,550,000,000 for fiscal year 1984, and by an additional $4,400,000,000 for fiscal year 1985".

Page 29, line , insert before the semicolon at the end of the reconciliation instructions for the Senate Committee on Finance the following: "; further, the Senate Committee on Finance shall report changes in law within the jurisdiction of that committee sufficient to raise revenues by an additional $2,450,000,000 for fiscal year 1983, by an additional $3,550,000,000 for fiscal year 1984, and by an additional $4,400,000,000 for fiscal year 1985".

The **CHAIRMAN**. Is there objection to the request of the gentleman from California?

Mr. **ROUSSELOT**. Reserving the right to object, Mr. Chairman, and I will not object, can the gentleman tell us with his amendment to his own substitute he then contemplates that the Ways and Means Committee will be required to come up with roughly $38 billion in some kind of new taxes; is that correct?

Mr. **MILLER** of California. Mr. Chairman, will the gentleman yield?

Mr. **ROUSSELOT**. I yield to the gentleman from California.

Mr. **MILLER** of California. That would be correct, assuming two things.

Assuming that this amendment survives all rounds of the playoffs and, two, that that is what the conference committee between the House and Senate decides.

The **CHAIRMAN** pro tempore. The time of the gentleman from California (Mr. MILLER) has again expired.

Mr. **MILLER** of California. I yield myself 1 additional minute.

Mr. **ROUSSELOT**. Mr. Chairman, I am asking a reservation under his unanimous consent, so I believe he has the right to respond under that reservation.

The **CHAIRMAN** pro tempore. According to the rule the time continues to run.

Mr. **ROUSSELOT**. I see. It was my intention to allow the gentleman from California (Mr. MILLER) the opportunity to respond to my question.

Mr. MILLER of California. That is my problem. I took this in good faith. I do not do it to cut off debate. We can then get to the specific figures. The revenue figures the gentleman was correct about.

Mr. ROUSSELOT. And the gentleman is willing to help the House understand the probable areas where those increases might occur?

Mr. MILLER of California. Absolutely.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the gentleman's comments, and I withdraw my reservation of objection.

The **CHAIRMAN** pro tempore. Is there objection to the request of the gentleman from California (Mr. Miller)?

Mr. JOHNSTON. Mr. Chairman, reserving the right to object, could the gentleman tell me that if his budget as amended by the amendments is proposed, what the total level of spending will be called for under his budget?

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. JOHNSTON. I yield to the gentleman from California.

Mr. MILLER of California. The total level of spending is $793 billion.

Mr. JOHNSTON. Outlays would be $861 billion?

Mr. MILLER of California. No, $793 billion.

Mr. JOHNSTON. As amended?

Mr. MILLER of California. Yes.

Mr. JOHNSTON. Mr. Chairman, I withdraw my reservation of objection.

The **CHAIRMAN** pro tempore. Is there objection to the request of the gentleman from California (Mr. Miller)?

There was no objection.

The **CHAIRMAN** pro tempore. The time of the gentleman from California (Mr. Miller) has expired.

Mr. MILLER of California. Mr. Chairman, I yield myself 1 additional minute.

Mr. Chairman, the situation is that we are at this point: That we have added back full funding for the social security COLA, which costs $11 billion. There is no other proposal that explicitly guarantees full funding for the social security COLA.

As I think my colleagues heard the subcommittee chairman say the other day in general debate, we are going to be back here in January and February asking for some $8 billion, so this tells the seniors the COLA is funded. It provides for a 5-percent real increase in defense which many of the other substitute proposals also do.

It also provides for a full cost-of-living increase for the other COLA's, railroad retirement, veterans, and food stamps and others.

It also adds back the same degree to which the Budget Committee adds back provisions for increases in education and Pell grant loans, NASA authorizations, nutrition programs.

So we basically have arrived back fairly close to the Budget Committee position.

The **CHAIRMAN** pro tempore. The time of the gentleman from California (Mr. Miller) has expired.

The gentleman from California (Mr. Miller) has 33½ minutes remaining.

Mr. MILLER of California. Mr. Chairman, I yield myself 1 additional minute.

Mr. RATCHFORD. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Connecticut.

Mr. RATCHFORD. Mr. Chairman, I thank the gentleman for yielding.

I rise in support of the gentleman's amendment.

I agree with the observations of the gracious gentlewoman from Colorado that it is too bad that under procedures this amendment cannot come as the last item before us. As someone with a background in State government, like the gentleman from California, I served for 12 years in our legislature. This approach is what most States do. This approach is what most cities do. And certainly if we adopt this it would send a strong message to the States, to the cities and the people that we are serious about the budget process. It is much more intellectually honest than the games that we play during the course of a normal budget debate here. It would require a discipline of us that has been totally lacking in the past. So the gentleman is to be commended. It is innovative, it is thoughtful, it is frank, it is forthright, it deserves our support.

Mr. MILLER of California. I thank the gentleman.

The **CHAIRMAN** pro tempore. The time of the gentleman from California (Mr. Miller) has expired.

Mr. MILLER of California. Mr. Chairman, I yield myself 1 additional minute.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate my colleague yielding so that we can now understand the effect of the gentleman's unanimous-consent addition.

Could we know from our colleague from California what the gentleman's new outlay figure would be with those new revenues placed back in?

Mr. MILLER of California. Let me interrupt the gentleman. I am informed by CBO that if all four are adopted—I reiterate—it is $793 billion.

Mr. ROUSSELOT. For outlays?

Mr. MILLER of California. Yes, for outlays the figure is $793 billion. The gentleman's question has changed that figure as being $793 billion.

Mr. ROUSSELOT. I am certainly delighted to hear that I have saved something.

So the gentleman's new outlay figure, as a result of the gentleman's amendment—the gentleman's outlays are $793 billion?

Mr. MILLER of California. Yes.

Mr. ROUSSELOT. For 1983?

Mr. MILLER of California. That is correct.

Mr. ROUSSELOT. And what is the gentleman's new deficit then?

Mr. MILLER of California. It remains at $109.4 because, as the gentleman knows, under pay-as-you-go——

The **CHAIRMAN** pro tempore. The time of the gentleman from California (Mr. Miller) has expired.

Mr. MILLER of California. I yield myself 1 additional minute.

If you spend new money you have to raise new money, so we do not decrease the deficit. That is the key and that is the discipline, if you adopt this proposal, you are all going to live under this year, next year and the year after. Your appetite to spend is going to go down.

Mr. ROUSSELOT. So the gentleman's deficit now is $109 billion even with the increase in taxes to be determined by Ways and Means?

Mr. MILLER of California. That is correct.

Mr. ROUSSELOT. Of $38 billion?

Mr. MILLER of California. That is correct.

Mr. ROUSSELOT. Of new taxes?

Mr. MILLER of California. That is correct.

Mr. ROUSSELOT. I appreciate my colleague yielding.

Ms. FIEDLER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentlewoman from California.

Ms. FIEDLER. I thank the gentleman for yielding.

Is the gentleman saying there would be an increase of 38 billion in additional taxes if we adopt the gentleman's proposal, plus the $148 billion already envisoned in the Jones budget?

Mr. MILLER of California. No. I raise for this fiscal year 38 billion new dollars only if determined by the Congress as necessary to offset new spending. The Budget Committee can speak to their figures and others. They are within that realm. Some are 20, some are 60. The difference is that I do not hide the difference. Rather than raise over $30 billion in new taxes and put off the rest in the deficit, I do not allow any to go to the deficit.

The **CHAIRMAN** pro tempore. The time of the gentleman from California (Mr. Miller) has again expired.

Mr. MILLER of California. I yield myself 1 additional minute.

Mr. LUNGREN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from California.

Mr. LUNGREN. I thank the gentleman for yielding.

The pay-as-you-go plan has a certain attractiveness to it and I wonder if the gentleman has extended it to the housing bill that we passed 2 weeks ago, which is in 1982, and as I understand it, we have reconciliation within the budget package.

Does the gentleman raise revenues in such a way to take care of the billion dollar program that——

Mr. MILLER of California. It is and was my understanding that the housing provision is money that will be expended in the 1982 fiscal year and the budget we are debating goes to fiscal year 1983 and beyond. So the House will need to decide how to deal with that this year—whether it will increase the baseline, the deficit, and whether it will go out and raise the revenues. I would have no problem asking the country to raise additional revenues at a fine savings to pay for housing so badly needed in this country.

Mr. LUNGREN. The question I have is, as I understand in the budget propositions brought forward, they include reconciliation for 1982. My question to the gentleman is does the gentleman's budget as he presented it to us do anything with respect to reconciliation?

Mr. MILLER of California. No, it does not.

Mr. PICKLE. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Texas.

Mr. PICKLE. Last Friday I did point out to the House that in the next budget, the 1984 budget, we would probably need somewhere between $8 and $10 billion just to pay retirement benefits. It was not specifically for COLA.

It is true the COLA this year will be some $11.2 billion. The House ought to realize though a year from now we are going back asking for additional funds in the social security because we have not acted. But the figures are correct, it would not be just COLA, it would be for retirement.

Mr. MILLER of California. I stand corrected.

The point is, if we are going to fully pay for what we are going to expend next year, we are going to need $11.3 billion additional.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Texas.

Mr. WRIGHT. I want to commend my colleague from California for an imaginative, straightforward and wholly honest approach. I think either now or at some future time the Congress needs to adopt this basic approach.

□ 1330

The **CHAIRMAN** pro tempore. The time of the gentleman from California has again expired.

Mr. MILLER of California. Mr. Chairman, I yield myself 1 additional minute, and I yield to the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. I want to ask one thing for clarification. The question was posed a moment ago as to whether the gentleman's resolution amends the Jones resolution simply by applying to fiscal 1983 and leaves the Jones resolution for an amended fiscal 1982 budget intact; is that the case?

Mr. MILLER of California. That is correct.

Mr. WRIGHT. In other words, if the amendment of the gentleman from California were adopted, it would not affect what the committee budget would provide for fiscal 1982, but rather would substitute for what it provides for fiscal 1983.

Mr. MILLER of California. The gentleman is quite correct.

Mr. WRIGHT. I thank the gentleman.

The **CHAIRMAN** pro tempore. The time of the gentleman from California has again expired.

Mr. MILLER of California. Mr. Chairman, I yield myself 2 additional minutes, and I yield to the gentleman from Iowa (Mr. HARKIN).

Mr. HARKIN. Mr. Chairman, I thank the gentleman for yielding. I, too, want to rise in support of his amendment.

So often when we go back to our districts and we meet with our constituents, they always ask, "Whatever happened to commonsense back there?"

Well, it seems to me we are going to have a chance here very shortly to vote for a commonsense approach to the deficit problems that are facing us.

You know, earlier this year in the state of the Union message, President Reagan made a statement. He said that he was not going to balance the budget on the backs of the American people. Well, who is he going to balance it on, the tooth fairy, the Easter bunny, Justin Dart?

Here is the way out of our problem, a commonsense approach that is going to get us out of the hole and it is going to be done by the American people.

This deficit is our deficit. It is the deficit of all the American people. It is our responsibility, our fathers, and in some cases just depending upon your age, our grandfathers, that we inherited this from.

What the gentleman from California (Mr. MILLER) has done, I think, is an idea whose time has come. It is here and I predict that it is going to be overwhelmingly adopted by the House of Representatives and it is the way out of our hole for the American people.

I congratulate the gentleman for what he has done.

The **CHAIRMAN** pro tempore. The time of the gentleman from California has expired.

Mr. MILLER of California. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, first of all, I would like to thank the chairman of the Budget Committee and the ranking member on the minority side for their cooperation in providing us the unanimous-consent request to amend this pay as you go proposal.

I also want to thank my colleagues who have risen in support of this measure, because I think what is very clear is that this kind of approach is neutral and it is nonpartisan. You may not like all of the figures in this proposal, but it treats all programs alike. That is the distinction, because what it does, in fact, is it says that the Congress of the United States shall deal with national issues. We shall not deal with issues that do not merit national support, because each year under this proposal if you wanted to expand existing programs or you wanted to add new programs, those programs must not only receive the majority vote of this House for their enactment, they must also receive the majority vote of this House for revenues to pay for those programs or expansions. They will either be raised by offsetting savings or they will be raised by going out and raising new revenues, because we have determined that it is in the national interest to do that.

Is it in the national interest to provide a cost-of-living increase for social security recipients after they have suffered through a year of inflation? The answer, I think, is overwhelmingly yes.

Is it in the national interest to provide a rational level of defense spending to protect this country? The answer is yes.

Should we treat other retirees as we treat social security recipients? The answer, I think, is yes; but we have got to start explaining to our constituents what it is the Federal Government does and how much it costs and if they decide they do not like it, they may send you back here with different instructions; but for the first time you will in fact be able to explain to them precisely why we are raising taxes, as opposed to every other proposal which requires that you raise $30 billion, $40 billion, or $50 billion in tax increases—for what?

You will be presented the options later on to provide $11 billion for COLA's, $23 billion for defense, $2.7 billion for other entitlements, and $2.5 billion for discretionary add-backs, and you can go home and take to your constituents an annual report, if you will, and say, "This is what I determined was important and this is what I determined was not important."

For the first time you will have a political situation that is not only understandable, but tolerable.

We have to stop hiding from the American public. We cannot go to the American public and try to fool them by passing on the cost of Government to future generations; so what we have done is to provide a fair budget. Some of the numbers are different than I would like, some are too low, some are too high; but we have treated people fairly and that is the most important issue in the country today.

Second, we have provided a bill of particulars to the country which truthfully tells people what we must raise to pay for these increases in spending.

If, in conference, the budget committees do not agree to it, the cost will be lowered; but what more importantly it presents to the country is fiscal certainty by the Federal Government, budgetary certainty, by which we can start invoking the planned escape from this recession.

Mr. SMITH of Oregon. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman.

Mr. SMITH of Oregon. I have to agree with the gentleman that I think that this is one of the most commonsense fair kinds of approaches to the budgetary problem we find ourselves in where we do not have for the liberals enough money spent on people programs supposedly, for those who are concerned about defense enough money spent on defense, and at the same time we just have a political problem in this body, so that some attempt to try to freeze this budget has been something I have been supporting and talking about for a number of months; but I think the key factor here is after we went through our process last year and we had tax rate cuts, and I stress that tax rate cuts, because even on this pay-as-you-go budget that the gentleman circulated through a "Dear Colleague" letter last week, we had revenues under the current law estimated for 1983 of $645 billion, even with the tax rate cuts in place. Is that not correct?

Mr. MILLER California. Correct.

Mr. SMITH of Oregon. There is $702 billion in 1984 and $780 billion, so while I like the first part of the gentleman's proposal, when we get into the pay as you go, we are already raising taxes even with the tax rate cuts in place.

Mr. MILLER of California. If I can get my time back from the gentleman, I would say that that is exactly the process that I want. I want a debate in this House on the increase in those rates, whether or not they should take place, how much. I want that debate to take place. I do not want it hidden in the deficit where we only pay for part of it and we send my children or my grandchildren the bill. I think that that is what the gentleman has been trying to propose in his freeze initiative; but I think this also recognizes that tomorrow brings additional responsibilities for this Government.

The CHAIRMAN pro tempore. The time of the gentleman from California has expired.

Mr. MILLER of California. Mr. Chairman, I yield myself 1 additional minute and I yield to the gentleman from Texas (Mr. GRAMM).

Mr. GRAMM. Mr. Chairman, I thank the gentleman for yielding.

I think what he is saying about setting a priority on the total and then making the hard choices is very important. I think it is very significant that it be binding.

My concern is understanding the Budget Act, the way I read the Budget Act, nothing we do here today is in any way going to bind us as far as the use of this process next year or the year after or ever. What we end up with in the gentleman's budget is a set of numbers, not a process, so that the gentleman's debating points are significant, I agree with them, but they have no relevance to what we are about to vote on.

Mr. MILLER of California. I recognize very clearly that I come in to an ongoing process, but I have seen that ongoing process abated, amended, changed, and waived, as the gentlewoman from Colorado pointed out.

Once you engage in this process, once you for the first time tell the American people the cost of a COLA and the revenues necessary, the cost of defense, and the revenues necessary, I do not think you can ever go home again. Then I think the gentleman and I can have a legitimate debate on the cost of this increase.

The CHAIRMAN pro tempore. The time of the gentleman from California has expired.

Mr. MILLER of California. Mr. Chairman, I yield myself 1 additional minute and I yield to the gentleman from Iowa (Mr. BEDELL).

Mr. BEDELL. Mr. Chairman, I rise in support of the gentleman's amendment. I wish to commend him. I agree exactly with what the gentleman said. His amendment puts into effect the discipline that we need around here in my opinion in order to control what we do.

The Miller substitute, known as the pay-as-you-go plan, is intended to reach the goal I believe we are all striving to reach: Significantly reducing the deficit in order to reduce the devastating level of interest rates. It is intended to provide a straightforward, workable, and reliable method of insuring that the deficit is brought under control. Simply stated, the pay-as-you-go plan steadily shrinks the deficits by requiring that all future increases in Federal spending will be matched by revenue increases or by offsetting cuts in spending on other programs.

The plan institutes a two-step budget process. In the first step, all Federal spending would be frozen at fiscal year 1982 levels, which extends to defense, COLA's for retirees and social security recipients, Federal pay increases, entitlement, and other programs.

While outlays remain frozen, revenues would gradually increase as a result of economic expansion. Under these circumstances, the deficit would shrink and disappear. According to the Congressional Budget Office, with this proposal, we would experience a budget surplus by fiscal year 1985, the first since 1969.

The second step of this plan would allow Congress to increase any program at any time, provided, however, that it has the courage to pay for such increases by an offsetting decrease elsewhere in the budget or by a corresponding revenue increase. Most importantly, Congress would no longer have the option of providing for spending growth by increasing the deficit. As my colleague, Mr. MILLER, of California has said, we would be forced to tear up Congress credit card.

Mr. Chairman, the pay-as-you-go plan will promote the courage needed by our colleagues in making the very difficult, but absolutely necessary, decisions facing us. With the economy facing crisis, the American people demand and deserve no less. Passing this proposal will send a strong and clear signal to the skeptical financial community that we are serious about removing the inordinate Federal presence in the credit markets so that interest rates will come down and sustained economic recovery can take place.

Mr. Chairman, I encourage my colleagues to support this timely amendment and urge its adoption. Thank you.

Mr. MILLER of California. Mr. Chairman, I yield myself 1 additional minute and I yield to the gentleman from Georgia (Mr. FOWLER).

Mr. FOWLER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support not only of the budget of the gentleman, but along with the gentleman from Iowa, to commend him on recognizing that when we began the Budget Act, this budgetary process in 1974, it was an attempt to regulate fiscal discipline, how much money we were going to spend; but we have seemingly lost sight in this body that not only do we need fiscal discipline, but we need to look internally into the budget process and decide within the discipline what our priorities are.

The gentleman from California's budget is the first attempt to do both, to recognize that we are limited in our resources, but we are not limited in our responsibilities.

I commend the gentleman from California for the beginning of this process.

The **CHAIRMAN** pro tempore. The time of the gentleman from California has expired.

Mr. **MILLER** of California. Mr. Chairman, I yield myself 1 additional minute and I yield to the gentleman from North Carolina.

Mr. **JOHNSTON**. Mr. Chairman, as a member of the Budget Committee, let me commend the gentleman for his approach to the problem.

I, too, agree that the macroeconomics of our spending levels is the most important determinant of whether or not we can have a viable economy.

The problem with the gentleman's amended budget is that under that budget, based on the most current figures from CBO and OMB, the Federal Government will be spending about 25 percent of the gross national product of this country next year. When you add to that the off-budget expenditures in the form of credit guarantees and loans, you add to it the State and local government expenditures, you find an economy controlled for all practical purposes——

Mr. **MILLER** of California. Mr. Chairman, let me take back my time to say that I absolutely agree with the gentleman. We can only be accountable for one portion of that part. I cannot make up for all the sins of the past, but I can deal with what we are going to do in 1983. I think that is the most important decision.

Many of the State and local governments that have adopted this proposal are under the same pressure we are.

The **CHAIRMAN** pro tempore. The time of the gentleman from California has expired.

Mr. **MILLER** of California. Mr. Chairman, I yield myself 1 additional minute and I yield 30 seconds to the gentleman from Louisiana.

Mr. **HUCKABY**. Would the gentleman review with the House, since we have adopted his amendments, the effect for 1983 and the 3-year period of each of those amendments as far as the increase in expenditures and the increase in taxes and what the relevant result will be?

Mr. **MILLER** of California. For 1983, we are talking about an increase in social security of $11.3 billion; a 5-percent real growth increase in defense of $22.8 billion; the other entitlements and what we call economy driven changes for the other entitlement programs, $2.7 billion, and the add backs in nondefense discretionary, $2.45 billion that were decided on by the Budget Committee.

Mr. **HUCKABY**. And what would be the resulting deficit in 1983?

Mr. **MILLER** of California. There would be no increase in the deficit in 1983 for that provision.

Mr. Chairman, I yield 30 seconds to the gentleman from California (Mr. LUNGREN).

Mr. **LUNGREN**. I hope I can get this in, in 30 seconds; I just want to understand. The gentleman is saying that we are going to increase taxes for social security by $11.3 billion?

Mr. **MILLER** of California. No. The gentleman said that the cost of the amendment to pay for the COLA is $11.3 billion. You can pay for that by finding savings in other programs or you can raise revenues; but let us just be up front with the elderly and tell them that the money is going to be there October 1, 1982.

The **CHAIRMAN** pro tempore. The time of the gentleman from California has expired.

Mr. **MILLER** of California. Mr. Chairman, I yield myself 30 seconds and I yield to the gentleman.

Mr. **LUNGREN**. I think the gentleman has done us some service when he talks about trying to get toward a pay-as-you-go plan; but I think the gentleman is only dealing with one-half of the problem. Half of the problem is the budget deficit, but the other half of the problem is certainly that the American people are not fundamentally undertaxed at the present time.

I suggest that the gentleman is saying that they are.

Mr. **MILLER** of California. Let me say to the gentleman that that is the test of this program. The absolute political test is whether or not we are willing to ask our constituents to pay for these increases in the future. That is pay as you go. If you are not willing to pay as you go, you cannot go.

Mr. **LUNGREN**. Except that the gentleman accepts today's spending as already established by Congress as unchangeable.

Mr. **MILLER** of California. Mr. Chairman, I yield back the balance of my time.

The **CHAIRMAN** pro tempore. The question is on the amendment in the nature of a substitute, as modified, offered by the gentleman from California (Mr. MILLER).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. **LEVITAS**. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 181, noes 225, not voting 26, as follows:

[Roll No. 96]

AYES—181

Addabbo
Akaka
Albosta
Alexander
Anderson
Annunzio
Anthony
Applegate
Aspin
AuCoin
Bailey (PA)
Barnard
Barnes
Bedell
Beilenson
Benjamin
Bennett
Bevill
Bingham
Blanchard
Boggs
Boland
Bonior
Bonker
Bowen
Brinkley
Brooks
Brown (CA)
Burton, Phillip
Chappell
Chisholm
Clay
Coelho
Collins (IL)
Conyers
Coyne, William
Crockett
D'Amours
Daschle
de la Garza
Deckard
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan
Dowdy
Downey
Dwyer
Dymally
Early
Eckart
Edgar
Edwards (CA)
Ertel
Evans (GA)
Evans (IN)
Fary
Fascell
Fazio
Ferraro
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Gaydos
Gejdenson
Ginn
Glickman
Gonzalez
Gore
Gray
Guarini
Hall (OH)
Hall, Sam
Hamilton
Harkin
Hatcher
Hawkins
Hefner
Heftel
Hertel
Hightower
Holland
Howard
Hoyer
Huckaby
Hughes
Hutto
Jacobs
Jones (NC)
Kastenmeier
Kazen
Kennelly
Kildee
Kogovsek
LaFalce
Lantos
Lehman
Levitas
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
Markey
Matsui
Mattox
Mavroules
Mazzoli
Mica
Mikulski
Miller (CA)
Mineta
Minish
Mitchell (MD)
Moakley
Mollohan
Murtha
Napier
Natcher
Nowak
Oberstar
Obey
Panetta
Patman
Patterson
Pepper
Perkins
Peyser
Pickle
Price
Rangel
Ratchford
Reuss
Richmond
Rodino
Rose
Rosenthal
Roybal
Sabo
Savage
Scheuer
Schroeder
Seiberling
Shamansky
Shannon
Simon
Smith (IA)
Smith (PA)
Snyder
Solarz
St Germain
Stark
Studds
Swift
Synar
Udall
Vento
Volkmer
Walgren
Washington
Weaver
White
Whitten
Wirth
Wolpe
Wright
Wyden
Yates
Young (MO)
Zablocki
Zeferetti

NOES—225

Andrews
Archer
Atkinson
Badham
Bafalis
Bailey (MO)
Beard
Benedict
Bereuter
Bethune
Bliley
Bolling
Boner
Bouquard
Broomfield
Brown (CO)
Broyhill
Burgener
Butler
Byron
Campbell
Carman
Chappie
Cheney
Clausen
Clinger
Coats
Coleman
Collins (TX)
Conable
Conte
Corcoran
Coughlin
Coyne, James
Craig
Crane, Daniel
Crane, Philip
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daub
Davis
DeNardis
Derwinski
Dickinson
Dornan
Dougherty
Dreier
Duncan
Dunn
Dyson
Edwards (AL)
Edwards (OK)
Emerson
Emery
English
Erdahl
Erlenborn
Evans (DE)
Evans (IA)
Fenwick
Fiedler
Fields
Findley
Fish
Fithian
Forsythe
Fountain
Frenzel
Gephardt
Gibbons
Gingrich
Goldwater
Goodling
Gradison
Gramm
Green
Gregg
Grisham
Gunderson
Hagedorn
Hall, Ralph
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Heckler
Hendon
Hiler
Hillis
Hollenbeck
Holt
Hopkins
Horton
Hubbard
Hunter
Ireland
Jeffords
Jeffries
Jenkins
Johnston
Jones (OK)
Kindness
Kramer
Lagomarsino
Latta
Leach
Leath
LeBoutillier
Lee
Leland
Lent
Lewis
Livingston
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Madigan
Marks
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
McClory
McCollum
McCurdy
McDade
McDonald

McEwen
McGrath
McKinney
Michel
Miller (OH)
Mitchell (NY)
Molinari
Montgomery
Moore
Moorhead
Morrison
Myers
Neal
Nelligan
Nelson
Nichols
O'Brien
Oakar
Ottinger
Oxley
Parris
Pashayan
Paul
Petri
Porter
Pritchard
Pursell
Quillen
Railsback
Regula
Rhodes
Rinaldo
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Rogers
Rostenkowski
Roth
Roukema
Rousselot
Rudd
Russo
Santini
Sawyer
Schneider
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Skeen
Skelton
Smith (AL)
Smith (NE)
Smith (NJ)
Smith (OR)
Snowe
Solomon
Spence
Stangeland
Staton
Stenholm
Stratton
Stump
Tauke
Tauzin
Taylor
Thomas
Trible
Walker
Wampler
Weber (MN)
Weber (OH)
Weiss
Whitehurst
Whitley
Whittaker
Williams (MT)
Williams (OH)
Wilson
Winn
Wolf
Wortley
Wylie
Yatron
Young (AK)
Young (FL)

NOT VOTING—26

Biaggi
Breaux
Brodhead
Brown (OH)
Burton, John
Carney
Courter
Garcia
Gilman
Hyde
Jones (TN)
Kemp
McCloskey
McHugh
Moffett
Mottl
Murphy
Pease
Rahall
Roe
Stanton
Stokes
Traxler
Vander Jagt
Watkins
Waxman

☐ 1400

The Clerk announced the following pairs:

On this vote:

Mr. Mottl for, with Mr. Vander Jagt against.

Mr. Jones of Tennessee for, with Mr. McCloskey against.

Mr. Rahall for, with Mr. Hyde against.

Mr. Moffett for, with Mr. Stanton of Ohio against.

Mr Roe for, with Mr. Gilman against.

Mr. Biaggi for, with Mr. Courter against.

Mr. Garcia for, with Mr. Carney against.

Messrs. RALPH M. HALL, GEPHARDT, and CONTE changed their votes from "aye" to "no."

Mr. SOLARZ changed his vote from "no" to "aye."

So the amendment in the nature of a substitute, as modified, was rejected.

The result of the vote was announced as above recorded.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. OBEY: Strike all after the resolving clause and insert in lieu thereof the following:

TITLE I—REVISION OF THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEAR 1982

SEC. 101. The provisions of this title shall supersede the figures reaffirmed in S. Con. Res. 50 of the Ninety-seventh Congress for the fiscal year beginning on October 1, 1981.

SEC. 102(a)(1). The level of Federal revenues is $624,900,000,000 and the net amount by which the aggregate level of Federal revenues should be increased is $1,900,000,000;

(2) the level of total new budget authority is $789,150,000,000;

(3) the level of total budget outlays is $745,800,000,000;

(4) the amount of the deficit in the budget is $120,900,000,000;

(5) the level of the public debt is $1,147,700,000,000, and the amount by which the statutory limit on such debt should accordingly be increased is $747,700,000,000; and

(6) the level of total gross obligations for the principal amount of direct loans is $63,400,000,000, the level of total new primary commitments to guarantee loan principal is $74,850,000,000, and the level of total new secondary commitments to guarantee loan principle is $68,950,000,000.

(b) Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of subsection (a) of this section of this resolution, the Congress hereby determines and declares that, for the fiscal year beginning on October 1, 1981, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $218,200,000,000;

(B) Outlays, $190,800,000,000.

(2) International Affairs (150):

(A) New budget authority, $16,750,000,000;

(B) Outlays, $11,450,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $7,000,000,000;

(B) Outlays, $7,000,000,000.

(4) Energy (270):

(A) New budget authority, $4,750,000,000;

(B) Outlays, $6,500,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority, $11,400,000,000;

(B) Outlays, $13,200,000,000.

(6) Agriculture (350):

(A) New budget authority, $9,900,000,000;

(B) Outlays, $13,800,000,000.

(7) Commerce and Housing Credit (370):

(A) New budget authority, $7,500,000,000;

(B) Outlays, $3,750,000,000.

(8) Transportation (400):

(A) New budget authority, $22,200,000,000;

(B) Outlays, $21,500,000,000.

(9) Community and Regional Development (450):

(A) New budget authority, $7,000,000,000;

(B) Outlays, $8,650,000,000.

(10) Education, Training, Employment and Social Services (500):

(A) New budget authority, $24,400,000,000;

(B) Outlays, $28,600,000,000.

(11) Health (550):

(A) New budget authority, $79,050,000,000;

(B) Outlays, $73,750,000,000.

(12) Income Security (600):

(A) New budget authority, $261,350,000,000;

(B) Outlays, $251,850,000,000.

(13) Veterans Benefits and Services (700):

(A) New budget authority, $24,800,000,000;

(B) Outlays, $23,800,000,000.

(14) Administration of Justice (750):

(A) New budget authority, $4,500,000,000;

(B) Outlays, $4,650,000,000.

(15) General Government (800):

(A) New budget authority, $5,200,000,000;

(B) Outlays, $5,050,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New budget authority, $6,350,000,000;

(B) Outlays, $6,350,000,000.

(17) Interest (900):

(A) New budget authority, $102,200,000,000;

(B) Outlays, $102,200,000,000.

(18) Allowances (920):

(A) New budget authority, $4,850,000,000;

(B) Outlays, $3,150,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, $30,250,000,000;

(B) Outlays, −$30,250,000,000.

SEC. 103 (a). There is established a congressional federal credit budget for fiscal year 1982 of which the levels of total federal credit activity for fiscal year 1982 are:

(1) New direct loan obligations, $63,400,000,000

(2) New primary loan guarantee commitments, $74,850,000,000

(3) New secondary loan guarantee commitments, $68,950,000,000

(b) Based on allocations of the appropriate levels of total federal credit activity as set forth in paragraph (1) of this subsection, the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for each functional category are as follows:

(1) National Defense (050):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

(A) New direct loan obligations, $10,400,000,000;

(B) New primary loan guarantee commitments, $8,100,000,000;

(C) New secondary loan guarantee commitments, $0.

(3) General Science, Space and Technology (250):

(A) New direct loan obligations, $200,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(4) Energy (270):

(A) New direct loan obligations, $10,300,000,000;

(B) New primary loan guarantee commitments, $400,000,000,

(C) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):

(A) New direct loan obligations, $22,600,000,000;

(B) New primary loan guarantee commitments, $2,700,000,000;

(C) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):

(A) New direct loan obligations, $12,050,000,000;

(B) New primary loan guarantee commitments, $26,200,000,000;

(C) New secondary loan guarantee commitments, $68,200,000,000.

(8) Transportation (400):

(A) New direct loan obligations, $350,000,000;

(B) New primary loan guarantee commitments, $750,000,000;

(C) New secondary loan guarantee commitments, $50,000,000.

(9) Community and Regional Development (450):

(A) New direct loan obligations, $2,000,000,000;

(B) New primary loan guarantee commitments, $850,000,000;

(C) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment and Social Services (500):

(A) New direct loan obligations, $1,300,000,000;

(B) New primary loan guarantee commitments, $6,500,000,000;

(C) New secondary loan guarantee commitments, $700,000,000.

(11) Health (550):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $100,000,000;

(C) New secondary loan guarantee commitments, $0.

(12) Income Security (600):

(A) New direct loan obligations, $2,750,000,000;

(B) New primary loan guarantee commitments, $17,050,000,000;

(C) New secondary loan guarantee commitments, $0.

(13) Veterans Benefits and Services (700):

(A) New direct loan obligations, $1,050,000,000;

(B) New primary loan guarantee commitments, $11,900,000,000;

(C) New secondary loan guarantee commitments, $0.

(14) Administration of Justice (750):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(15) General Government (800):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(16) General Purpose Fiscal Assistance (850):

(A) New direct loan obligations, $250,000,000;

(B) New primary loan guarantee commitments, $300,000,000;

(C) New secondary loan guarantee commitments, $0.

(17) Interest (900):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0;

(18) Allowances (920):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0;

(19) Undistributed Offsetting Receipts (950):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0;

(c) It is the sense of the Congress that the President and the Congress, through the appropriations process, should limit in fiscal year 1982 the off-budget lending activity of the Federal Government to a level not to exceed $30,200,000,000, the on-budget lending activity to a level not to exceed $33,200,000,000, new primary loan guarantee commitments to a level not to exceed $74,850,000,000, and new secondary loan guarantee commitments to a level not to exceed $68,950,000,000.

TITLE II—SETTING FORTH THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEARS 1983, 1984, AND 1985

SEC. 201. The Congress hereby determines and declares, pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1982—

(1) the level of Federal revenues is $682,400,000,000 and the net amount by which the aggregate level of Federal revenues should be increased is $37,400,000,000;

(2) the level of total new budget authority is $816,600,000,000;

(3) the level of total budget outlays is $781,100,000,000;

(4) the amount of the deficit in the budget is $98,700,000,000; and

(5) the level of the public debt is $1,285,500,000,000, and the amount by which the statutory limit on such debt should accordingly be increased is $885,500,000,000.

SEC. 202. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of section 201 of this resolution, the Congress hereby determines and declares pursuant to section 301(a) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1982, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $228,400,000,000;

(B) Outlays, $208,700,000,000.

(2) International Affairs (150):

(A) New budget authority, $16,150,000,000;

(B) Outlays, $12,100,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $7,700,000,000;

(B) Outlays, $7,500,000,000.

(4) Energy (270):

(A) New budget authority, $5,300,000,000;

(B) Outlays, $5,000,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority, $9,200,000,000;

(B) Outlays, $10,800,000,000.

(6) Agriculture (350):

(A) New budget authority, $7,000,000,000;

(B) Outlays, $10,200,000,000.

(7) Commerce and Housing Credit (370):

(A) New budget authority, $8,150,000,000;

(B) Outlays, $3,100,000,000.

(8) Transportation (400):

(A) New budget authority, $22,300,000,000;

(B) Outlays, $20,550,000,000.

(9) Community and Regional Development (450):

(A) New budget authority, $7,300,000,000;

(B) Outlays, $7,950,000,000.

(10) Education, Training, Employment and Social Services (500):

(A) New budget authority, $28,650,000,000,

(B) Outlays, $27,850,000,000.

(11) Health (550):

(A) New budget authority, $77,600,000,000;

(B) Outlays, $80,400,000,000.

(12) Income Security (600):

(A) New budget authority, $287,800,000,000;

(B) Outlays, $275,750,000,000.

(13) Veterans Benefits and Services (700):

(A) New budget authority, $24,400,000,000;

(B) Outlays, $23,650,000,000.

(14) Administration of Justice (750):

(A) New budget authority, $4,650,000,000;

(B) Outlays, $4,700,000,000.

(15) General Government (800):

(A) New budget authority, $5,000,000,000;

(B) Outlays, $4,850,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New budget authority, $6,500,000,000;

(B) Outlays, $6,500,000,000.

(17) Interest (900):

(A) New budget authority, $114,900,000,000;

(B) Outlays, $114,900,000,000.

(18) Allowances (920):

(A) New budget authority, $550,000,000;

(B) Outlays, $450,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, $43,850,000,000;

(B) Outlays, $43,850,000,000.

SEC. 203(a). There is established a congressional federal credit budget for fiscal year 1983 of which the levels of total federal credit activity for fiscal year 1983 are:

(1) New direct loan obligations, $61,450,000,000;

(2) New primary loan guarantee commitments, $99,100,000,000;

(3) New secondary loan guarantee commitments, $68,250,000,000;

(b) Based on allocations of the appropriate levels of total federal credit activity as set forth in paragraph (1) of this subsection, the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for each functional category are as follows:

(1) National Defense (050):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

(A) New direct loan obligations, $10,850,000,000;

(B) New primary loan guarantee commitments, $8,950,000,000;

(C) New secondary loan guarantee commitments, $0.

(3) General Science, Space and Technology (250):

(A) New direct loan obligations, $150,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(4) Energy (270):

(A) New direct loan obligations, $11,950,000,000;

(B) New primary loan guarantee commitments, $850,000,000;

(C) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):

(A) New direct loan obligations, $19,150,000,000;

(B) New primary loan guarantee commitments, $2,650,000,000;

(C) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):

(A) New direct loan obligations, $12,550,000,000;

(B) New primary loan guarantee commitments, $40,100,000,000;

(C) New secondary loan guarantee commitments, $68,250,000,000.

(8) Transportation (400):

(A) New direct loan obligations, $350,000,000;

(B) New primary loan guarantee commitments, $750,000,000;

(C) New secondary loan guarantee commitments, $0.

(9) Community and Regional Development (450):

(A) New direct loan obligations, $2,000,000,000;

(B) New primary loan guarantee commitments, $500,000,000;

(C) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment and Social Services (500):

(A) New direct loan obligations, $950,000,000;

(B) New primary loan guarantee commitments, $7,250,000,000;

(C) New secondary loan guarantee commitments, $0.

(11) Health (550):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $100,000,000;

(C) New secondary loan guarantee commitments, $0.

(12) Income Security (600):

(A) New direct loan obligations, $2,050,000,000;

(B) New primary loan guarantee commitments, $18,700,000,000;

(C) New secondary loan guarantee commitments, $0.

(13) Veterans Benefits and Services (700):

(A) New direct loan obligations, $1,050,000,000;

(B) New primary loan guarantee commitments, $20,950,000,000;

(C) New secondary loan guarantee commitments, $0.

(14) Administration of Justice (750):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(15) General Government (800):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(16) General Purpose Fiscal Assistance (850):

(A) New direct loan obligations, $250,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(17) Interest (900):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(18) Allowances (920):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(19) Undistributed Offsetting Receipts (950):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(c) It is the sense of the Congress that the President and the Congress, through the appropriations process, should limit in fiscal year 1983 the off-budget lending activity of the Federal Government to a level not to exceed $31,050,000,000, the on-budget lending activity to a level not to exceed $30,400,000,000, new primary loan guarantee commitments to a level not to exceed $99,100,000,000, and new secondary loan guarantee commitments to a level not to exceed $68,250,000,000.

Sec. 204. The Congress sets forth the following budgetary levels for fiscal years 1984 and 1985—

(1) the level of Federal revenues is as follows:

Fiscal year 1984: $787,600,000,000;

Fiscal year 1985: $892,200,000,000; and the amount by which the aggregate levels of Federal revenues should be increased is as follows:

Fiscal year 1984: $85,600,000,000;

Fiscal year 1985: $112,200,000,000.

(2) the level of total new budget authority is as follows:

Fiscal year 1984: $879,850,000,000;

Fiscal year 1985: $948,150,000,000.

(3) the level of total budget outlays is as follows:

Fiscal year 1984: $824,600,000,000;

Fiscal year 1985: $879,000,000,000.

(4) the amount of the deficit or surplus in the budget is:

Fiscal year 1984: $37,000,000,000;

Fiscal year 1985: +$13,200,000,000.

(5) the level of public debt is as follows:

Fiscal year 1984: $1,404,450,000,000;

Fiscal year 1985: $1,490,800,000,000; and the amount by which the temporary statutory limit on such debt should be accordingly increased is as follows:

Fiscal year 1984: $1,004,450,000,000;

Fiscal year 1985: $1,090,800,000,000.

Sec. 205. Based on allocations of the appropriate level of total new budget authority and of total budget outlays for fiscal years 1984 and 1985 as set forth above, the appropriate level of new budget authority and the estimated budget outlays for each minor functional category are respectively as follows:

(1) National Defense (050):

Fiscal year 1984:

(A) New budget authority, $252,850,000,000;

(B) Outlays, $227,650,000,000.

Fiscal year 1985:

(A) New budget authority, $279,850,000,000;

(B) Outlays, $256,000,000,000.

(2) International Affairs (150):

Fiscal year 1984:

(A) New budget authority, $17,550,000,000;

(B) Outlays, $12,700,000,000.

Fiscal year 1985:

(A) New budget authority, $22,700,000,000;

(B) Outlays, $13,000,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1984:

(A) New budget authority, $8,050,000,000;

(B) Outlays, $8,050,000,000.

Fiscal year 1985:

(A) New budget authority, $8,350,000,000;

(B) Outlays, $8,350,000,000.

(4) Energy (270):

Fiscal year 1984:

(A) New budget authority, $4,950,000,000;

(B) Outlays, $4,150,000,000.

Fiscal year 1985:

(A) New budget authority, $4,950,000,000;

(B) Outlays, $4,100,000,000.

(5) Natural Resources and Environment (300):

Fiscal year 1984:

(A) New budget authority, $9,100,000,000;

(B) Outlays, $10,200,000,000.

Fiscal year 1985:

(A) New budget authority, $9,300,000,000;

(B) Outlays, $9,550,000,000.

(6) Agriculture (350):

Fiscal year 1984:

(A) New budget authority, $8,550,000,000;

(B) Outlays, $8,400,000,000.

Fiscal year 1985:

(A) New budget authority, $7,150,000,000;

(B) Outlays, $7,750,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1984:

(A) New budget authority, $9,000,000,000;

(B) Outlays, $2,800,000,000.

Fiscal year 1985:

(A) New budget authority, $9,200,000,000;

(B) Outlays, $3,050,000,000.

(8) Transportation (400):

Fiscal year 1984:

(A) New budget authority, $22,600,000,000;

(B) Outlays, $20,400,000,000.

Fiscal year 1985:

(A) New budget authority, $23,700,000,000;

(B) Outlays, $20,750,000,000.

(9) Community and Regional Development (450):

Fiscal year 1984:

(A) New budget authority, $7,950,000,000;

(B) Outlays, $7,900,000,000.

Fiscal year 1985:

(A) New budget authority, $8,450,000,000;

(B) Outlays, $8,350,000,000.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1984:

(A) New budget authority, $30,250,000,000;

(B) Outlays, $29,400,000,000.

Fiscal year 1985:

(A) New budget authority, $31,550,000,000;

(B) Outlays, $29,900,000,000.

(11) Health (550):

Fiscal year 1984:

(A) New budget authority, $82,050,000,000;

(B) Outlays, $90,550,000,000.

Fiscal year 1985:

(A) New budget authority, $94,700,000,000;

(B) Outlays, $102,500,000,000.

(12) Income Security (600):

Fiscal year 1984:

(A) New budget authority, $316,450,000,000;

(B) Outlays, $292,400,000,000.

Fiscal year 1985:

(A) New budget authority, $348,250,000,000;

(B) Outlays, $315,650,000,000.

(13) Veterans Benefits and Services (700):

Fiscal year 1984:

(A) New budget authority, $25,550,000,000;

(B) Outlays, $24,950,000,000.

Fiscal year 1985:

(A) New budget authority, $26,800,000,000;

(B) Outlays, $26,650,000,000.

(14) Administration of Justice (750):

Fiscal year 1984:

(A) New budget authority, $4,900,000,000.

(B) Outlays, $4,850,000,000.

Fiscal year 1985:
(A) New budget authority $4,850,000,000.
(B) Outlays, $4,900,000,000.
(15) General Government (800):
Fiscal year 1984:
(A) New budget authority, $4,950,000,000;
(B) Outlays, $4,800,000,000.
Fiscal year 1985:
(A) New budget authority, $5,250,000,000;
(B) Outlays, $4,950,000,000.
(16) General Purpose Fiscal Assistance (850):
Fiscal year 1984:
(A) New budget authority, $6,750,000,000;
(B) Outlays, $6,700,000,000.
Fiscal year 1985:
(A) New budget authority, $6,900,000,000;
(B) Outlays, $6,900,000,000.
(17) Interest (900):
Fiscal year 1984:
(A) New budget authority, $117,000,000,000;
(B) Outlays, $117,000,000,000.
Fiscal year 1985:
(A) New budget authority, $105,500,000,000;
(B) Outlays, $105,500,000,000.
(18) Allowances (920):
Fiscal year 1984:
(A) New budget authority, $1,050,000,000;
(B) Outlays, $1,400,000,000.
Fiscal year 1985:
(A) New budget authority, $1,750,000,000;
(B) Outlays, $2,200,000,000.
(19) Undistributed Offsetting Receipts (950):
Fiscal year 1984:
(A) New budget authority, $49,700,000,000;
(B) Outlays, $49,700,000,000.
Fiscal year 1985:
(A) New budget authority, $51,050,000,000;
(B) Outlays, $51,050,000,000.

TITLE III—PROVIDING RECONCILIATION INSTRUCTIONS AND OTHER ENFORCEMENT MEASURES

PART A—RECONCILIATION INSTRUCTIONS

SEC. 301. Pursuant to section 301(b)(2) of the Budget Act—

(A) the House Committee on Agriculture shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $207,000,000 and outlays by $207,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $530,000,000 in budget authority and $530,000,000 in outlays in fiscal year 1984, and $661,000,000 in budget authority and $661,000,000 in outlays in fiscal year 1985.

(B) the House Committee on Banking, Finance and Urban Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce outlays by $695,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $697,000,000 in outlays in fiscal year 1984, and $687,000,000 in outlays in fiscal year 1985.

(C) the House Committee on Energy and Commerce shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $59,000,000 and outlays by $59,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $65,000,000 in budget authority and $65,000,000 in outlays in fiscal year 1984, and $72,000,000 in budget authority and $72,000,000 in outlays in fiscal year 1985.

(D) the House Committee on Veterans' Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $171,000,000 and outlays by $171,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $187,000,000 in budget authority and $187,000,000 in outlays in fiscal year 1984, and $195,000,000 in budget authority and $195,000,000 in outlays in fiscal year 1985.

(E) the House Committee on Ways and Means shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $334,000,000 and outlays by $2,284,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $205,000,000 in budget authority and $3,005,000,000 in outlays in fiscal year 1984, and $267,000,000 in budget authority and $3,567,000,000 in outlays in fiscal year 1985.

(F) the House Committee on Ways and Means shall report changes in laws within the jurisdiction of the committee sufficient to increase revenue by $37,400,000,000 for fiscal year 1983; further, the Congress finds that the prospect of unacceptably high deficits in future years requires additional revenues of $85,600,000,000 for fiscal year 1984, and $112,200,000,000 for fiscal year 1985.

SEC. 302. Pursuant to section 301(b)(2) of the Budget Act—

(A) the Senate Committee on Finance shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $393,000,000 and outlays by $2,343,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $270,000,000 in budget authority and $3,070,000,000 in outlays for fiscal year 1984, and $339,000,000 in budget authority and $3,639,000,000 in outlays in fiscal year 1985.

(B) the Senate Committee on Finance shall report changes in law within the jurisdiction of that committee sufficient to increase revenues by $37,400,000,000 for fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional revenues of $85,600,000,000 for fiscal year 1984, and $112,200,000,000 in fiscal year 1985.

(C) the Senate Committee on Agriculture shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $207,000,000 and outlays by $207,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $530,000,000 in budget authority and $530,000,000 in outlays for fiscal year 1984, and $661,000,000 in budget authority and $661,000,000 in outlays in fiscal year 1985.

(D) the Senate Committee on Armed Services shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $1,000,000 and outlays by $1,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $3,000,000 in budget authority and $3,000,000 in outlays for fiscal year 1984, and $5,000,000 in budget authority and $5,000,000 in outlays in fiscal year 1985.

(E) the Senate Committee on Banking, Housing, and Urban Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $90,000,000 and outlays by $785,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $100,000,000 in budget authority and $797,000,000 in outlays for fiscal year 1984, and $104,000,000 in budget authority and $791,000,000 in outlays in fiscal year 1985.

(F) the Senate Committee on Veterans' Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $81,000,000 and outlays by $81,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $87,000,000 in budget authority and $87,000,000 in outlays for fiscal year 1984, and $91,000 900 in budget authority and $91,000,000 in outlays in fiscal year 1985.

SEC. 303. The committees names in sections 301(A)-(D) and 302(C)-(F) shall submit their recommendations to the Committees on the Budget of their respective Houses. Those recommendations shall be sufficient to accomplish the changes required by such subsection. After receiving those recommendations, the Committees on the Budget shall report to the House and Senate a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

DEFERRED ENROLLMENT

SEC. 304. In the House of Representatives, no bill or resolution providing—

(1) new budget authority for fiscal year 1983, or

(2) new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act first effective in fiscal year 1983—which exceeds the appropriate allocation or subdivision of such new discretionary budget authority or new spending authority made pursuant to section 302 of such Act shall be enrolled until after Congress has completed action on the second concurrent resolution on the budget required to be reported under section 310 of such Act.

302(b) REPORT

SEC. 305. It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution, or amendment thereto, providing—

(1) new budget authority for fiscal year 1983; or

(2) new spending authority described in section 401(c)(2)(C) of the Budget Act first effective in fiscal year 1983;

within the jurisdiction of any of its committees unless and until such committee makes the allocations or subdivisions required by section 302(b) of the Budget Act.

SEC. 306. By this budget resolution, Congress significantly reduces projected deficits for fiscal year 1983 and more importantly by even larger amounts in fiscal year 1984 and 1985. These actions restore control over fiscal policy and make changes in monetary

> policy appropriate. Consequently, the Federal Reserve Board shall adjust monetary policy as required to foster sustained economic growth and declining inflation as reflected by the growth of gross national product assumed in this budget resolution and contained in the accompanying report.
>
> If the Federal Reserve Board at any time prior to the passage of the budget resolution for fiscal year 1984 believes that the growth and inflation targets specified in the report are inappropriate, the chairman of the Federal Reserve Board shall submit to the Budget Committee and Banking Committees an analysis supporting that conclusion.

Mr. OBEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the Record.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

(By unanimous consent, Mr. Obey was allowed to proceed for an additional 10 minutes.)

The **CHAIRMAN** pro tempore. The gentleman from Wisconsin (Mr. Obey) is recognized for 15 minutes.

Mr. OBEY. Mr. Chairman, I think that, as will be the case with many other amendments today, we will be explaining them rather than debating them. As Members know, it is a complicated process, and so I would appreciate some attention.

Mr. Chairman, let me explain what this amendment does by simply starting from the agreed upon baselines. According to the Congressional Budget Office, existing budget policy, if not a comma is changed under the President's program which was submitted and passed last year, will produce deficits of about $182 billion for fiscal year 1983, $216 billion for the following year, and $233 billion for the year after that.

It is also estimated that future tax cuts for the next 3 years will add to those deficits $93 billion this coming year, $150 billion the following year, and $199 billion the third year, for a total of about $440 billion. In addition to that, adding to the deficit we have actions which were taken on military budget increases last year. If those increases, those scheduled increases are not changed, they will add $33 billion to spending this year, $65 billion next year, and $104 billion the following year. The combined impact of both scheduled tax cuts the next 3 years and scheduled defense budget increases the next 3 years will be about $126 billion this coming year, $215 billion the second year, and $303 billion in the third year.

Very simply, the authors of this amendment, and there are approximately 20, are offering this proposal because we believe that we ought to do two things:

We believe we ought to try to get that deficit down to zero by the third year, because we believe that will send the strongest possible signal to the financial markets which will enable interest rates to come down to levels which will finally allow the economy to again grow.

Second, we believe that in addition to everything that is done on a macroeconomic level, we ought to respond specifically and in a targeted manner to the shortrun problem of massive unemployment which we now face, and to the longrun problem of the decline in our productivity increases in the national economy. So, basically what we say is that we still ought to continue to have additional tax cuts. We ought to continue to have a defense buildup, but we ought to reduce the size of those tax reductions and we ought to slow down the scheduled defense increase.

Very briefly, on the revenue side, what the House Budget Committee does is to restore about $148 billion of the $440 billion in lost revenues scheduled over the next 3 years, and what we suggest is that we ought to restore about $231 billion over 3 years, which means that we will still leave in place approximately $210 billion in future tax cuts scheduled over the next 3 years.

On the military side, to make it plain, what we are suggesting is very simple. The President's budget will get us in budget authority for defense to about $1 billion a day in 1986. The committee proposal will get us to $1 billion a day in military spending by 1987. We are suggesting that we ought to slow that down to 1988 or possibly the first few months of 1989. If we do that, we will be able to provide a surplus in the third year of approximately $10 billion, and in addition make room now for the following items:

To target on the problem of unemployment, we believe that we ought to pass new initiatives which would add approximately 1 million jobs to the economy this year and next. We would do that by increasing funds for emergency bridge repair; by increasing funds for community purchase of buses for their transportation systems; by increasing by approximately $1 billion funding for sewage treatment plant construction, all of which would provide significant private sector employment opportunities.

☐ 1415

We suggest providing about a billion dollars in local revitalization grants to assist communities in cleaning up their physical plants, their buildings, their transportation systems, everything which helps make cities function. We believe that we ought to specifically target some public jobs programs, not CETA. We stay away from that dreaded word, "CETA." But we suggest, for instance, that we ought to add some 350,000 summer youth jobs to at least bring us up to the 1981 level.

We suggest that we ought to provide additional work study opportunities for students who will be in a much tighter bind because of the shape of economy. We suggest that we ought to fully fund the older workers' jobs program and add 28,000 other jobs under that program similar to the Green Thumb program with which many of you are familiar.

We suggest that we ought to make room for the Public Works Committee proposal to expand Economic Development Administration programs and to revitalize the Appalachian Regional Commission. We suggest that in the area of unemployment we ought to do two additional things which the committee budget proposal does not do. One is to deal with the very real problem that a number of States will face on the expiration of extended unemployment compensation benefits come October 1.

It is estimated by the Labor Department that the States of Ohio, Pennsylvania, South Carolina, and Wisconsin will all trigger off on extended unemployment benefits come October, 1 month before the election. According to the Congressional Budget Office, during the following fiscal year they expect the following States to trigger off on their extended unemployment compensation program: California, Delaware, Hawaii, Indiana, Maine, Maryland, Massachusetts, Mississippi, Missouri, Montana, Nevada, New Jersey, New York, Tennessee, Vermont, Georgia, Illinois, Ohio, Pennsylvania, Rhode Island, South Carolina, Wisconsin, Alaska, and Idaho.

We are suggesting that it is not a good idea, either before the election or afterwards, to allow States which have very high levels of unemployment to lose the opportunity to provide extended unemployment compensation benefits to workers in those States.

Second, we are suggesting that for those workers who have totally exhausted their unemployment we at the very least ought to provide an opportunity for them to go to work at minimum wage levels—mind you, at minimum wage levels to provide some meaningful employment opportunities for people in local clean-up and fix-up operations.

We are also suggesting that in terms of long-term productivity needs we ought to substantially increase funding directed at general science to do two thing: No. 1, to increase the opportunity for research and instrumentation of universities, primarily in the areas of electrical engineering, computer sciences, industrial engineering, statisticians, mathematicians, and the like.

Second, we are suggesting that we ought to provide additional targeted low-interest loans to students at the graduate level in areas of science, mathematics, and engineering. I will not go into the reasons for that. I think the reasons for that are obvious to everyone.

I would say also that we provide one additional significant item in terms of productivity. We have seen a slow increase in test scores in kids coming out of elementary schools. We have not seen a corresponding increase in those test scores of kids coming out of high schools. So what we try to do is to provide a series of research grant opportunities for both the national labs and centers and local school districts around the country to examine the best methods by which they might increase the strength of high school curricula offerings, and then in the third year, building on what we learned in those 2 years of studies, we suggest we ought to target in a new program an additional amount of about a billion and a half dollars, targeted to high schools which improve their curriculum offerings in States which adopt tougher standards.

We believe that it is impossible for this country to compete economically over the long term unless we do something significant and serious to upgrade the standards of American high schools, and this package will allow us to do it.

I would like to point out on the revenue side that even though we reduce the amount of future tax reductions from the $440 billion in the President's amount to approximately $210 billion, we still provide larger tax cuts this coming year for low-income families and approximately the same amount of tax cuts for middle-income families than does the President, and, as is obvious, the tax reductions for high-income families will be significantly less.

For instance, if you vote for this amendment, in 1982 you will be increasing the size of tax cuts for the average family of four which has an adjusted gross income of $10,000 by about $250 above the President's tax cuts. For a family making $20,000 a year adjusted gross income, you would be decreasing the size of the tax cut under our proposal vis-a-vis the President's by about $17. I think those families would gladly lose that $17 if they thought we were going to be effective in bringing interest rates down. And a family making $100,000, it is true, will receive a $900 smaller tax cut, but they would still receive approximately $1,200 in additional tax cuts, and I would suggest that to a family making $100,000 a year that is not bad.

What we are trying to do is to correct what we believe is a fundamental problem in both the committee proposal and, most certainly, in the President's proposal. If you take a look at page 77 of the President's budget submission, you will find some very important numbers. You will see that the President's budget this year goes up by $32 billion. The defense budget alone will go up by $34 billion, interest will go up by $13 billion, and payments to individuals, largely for retirement, will go up another $20 billion. That means that the remaining portion of the budget, all of the items we provide for the investment programs of this country, education, sewage treatment plants, highways, health, job training—everything that invests in the future of the country—will decline in dollar terms under the President's budget from $103 billion to $74 billion, which is a 28-percent reduction in 1 year. And you will see that in real dollar terms over a 2-year period, the President reduces those investment portions of the budget in real dollar terms by over 40 percent.

We do not believe that our economy is going to be sufficiently fueled to compete around the world with those kinds of massive reductions, and we believe that we ought to have, therefore, a better balance in the way we approach our productivity problem, and we believe this amendment provides it. What we do, as I said, is to bring the budget to a balance by the third year. We reduce the size of the tax cuts, we reduce the size of the defense increase, but we still provide substantial dollars for both and, in the process, allow us, rather than reducing (even under the committee bill) the domestic programs by approximately 25 percent in real terms over 3 years, to meet the new responsibilities we have to deal with.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. OBEY) has expired.

(By unanimous consent, Mr. OBEY was allowed to proceed for 1 additional minute.)

Mr. OBEY. Mr. Chairman, we allow the House to deal with the problem of unemployment, to deal more aggressively with the long-term problem of productivity, and we also allow the House to preserve the guts of our domestic investment programs by providing after fiscal year 1983 for a 5-percent nominal growth in those programs for each of the 2 years. That will still mean that in real terms they will probably drop by about 5 percent. That is still a significant budget reduction, but we believe this is a better balance in allocation of scarce resources which at the same brings us into actual budget balance with the $10 billion surplus, as recently reestimated today by CBO.

It is, we believe, the best approach we can have if we want both a balanced budget and, as Felix Rohatyn said, a balanced budget which is coexisting with care and compassion, a strong defense and a fight against crime, and a fight against our unemployment problems.

Mr. SABO. Mr. Chairman, I rise in support of the Obey amendment to the budget resolution.

Mr. Chairman, everyone agrees that we are in a mess. We have gone from an economy that had some problems a year ago to an economy that is extremely fragile today.

Obviously Government policies are not the only thing that affects our economy, but I believe the policies that were enacted by the Reagan administration and the Congress last year have seriously harmed our economy.

President Reagan, in a radical effort to reduce the size and scope of Government, proposed and Congress enacted a program that dramatically erodes the revenue base of the Federal Government. Yet the public believed President Reagan would balance the Federal budget. In fact, he assured us that he would.

On October 24, 1980, in a televised campaign speech, he stated unequivocally and with certainty:

> This program will give us a balanced budget by 1983 and possibly 1982.

After taking office, on February 5, 1981, in a televised address to the Nation, President Reagan stated:

> We know that inflation results from all that deficit spending. . . . I am confident that my Administration can achieve a balanced budget.

As late as last May, the President was quoted in an interview in the Republican National Committee magazine, First Monday, as follows:

> As revenues continue to rise while we keep the brakes on Federal spending, we can certainly balance the budget. In fact, we expect a small surplus in 1984.

The fact is that we are faced with a new Reagan budget with record deficits projected not only for this fiscal year but for the future.

When the President made his budget proposal, he promised quick results. In his budget message of March 1981, he said:

> Our tax proposal will, if enacted, have an immediate impact on the economic vitality of the Nation, where even a slight improvement can produce dramatic results.

Then, in September of 1981, he predicted that positive economic news would begin in October 1981, when the first stage of his tax cut went into effect.

The President's budget did pass, and it has had an impact on the economic vitality of the Nation. For example, the number of persons unemployed increased to a seasonally adjusted 10.3 million in April 1982, the highest number since 1938, a 44-year record. The unemployment rate increased to a seasonally adjusted 9.4 percent in

April of 1982, the highest rate since 1941, a 41-year record.

The Conference Board's index of help-wanted advertising, which measures the volume of classified advertising in major newspapers, declined to the lowest level since October of 1976. The capacity utilization rate for manufacturing declined to a seasonally adjusted 71.4 percent in March of 1981.

There are lots of other records set by the Reagan recession—an all-time record low in new housing starts, an all-time record low in building permits, a 20-year record for lowest domestic auto production, a 20-year record high for business failures, an all-time record high for average municipal bond interest rate, and all-time records for high interest on Treasury bonds and home mortgages.

These records show that the President's program has failed, failed completely to produce the painless end to inflation and rapid economic growth that he promised.

□ 1430

Indeed, rather than producing growth, the President has given us a record-smashing recession.

Why, then, should we vote for the Obey resolution today? No. 1, for one thing it does not do; it does not promise the American people free guns.

We have an administration that likes to talk about free lunches. The truth is they made the lunch very expensive but they are promising the American people free guns and it does not work.

The Obey amendment also rejects the philosophy of the joyful budget slashing by those who want to radically change the nature and role of American Government as we have known it, not only over the last 50 years but since the beginning of our Nation.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

(By unanimous consent Mr. SABO was allowed to proceed for 2 additional minutes.)

Mr. SABO. Mr. Chairman, the third reason we should adopt the Obey substitute is because it brings us hope, it brings us hope that in fact we can reduce interest rates, that we can reduce the deficit and that we can produce economic growth in this country.

It also brings us hope that we still have a government with concern, with compassion and with some desire to achieve fairness.

Mr. Chairman, there is one substitute which in my judgment does the best job of all of those before us. That is the Obey amendment. And I urge your vote on behalf of it.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the Obey amendment does indeed make a noble effort to reduce the deficit and over the 3-year period that it covers. It does achieve a balanced budget or, even better, a positive balance at the end of the third year.

However, none of the proposals that are before us, and perhaps I underestimate the Fauntroy proposal, raise taxes in such a draconian fashion as the Obey resolution.

The resolution offered by the gentleman from Wisconsin (Mr. OBEY), raises new taxes over the 3-year period in the amount of about $230 billion. It raises $437 billion or thereabouts in the first year.

I have never heard of any economist yet who believes that a fragile economic recovery can sustain the blows of that kind of additional taxation. So I suggest that if anybody would like to hammer the recovery back down into recession, they can quite easily do so by voting for the substitute resolution of the gentleman from Wisconsin.

Further, Mr. Chairman, it has the increased liability of making very little effort to reduce any spending except military spending. What our constituents, and the credit markets, are asking is not more taxes but a substantial reduction in spending.

I do not recall having been asked to increase anybody's taxes, but, if some of you have, perhaps you will be attracted to this particular substitute.

The last administration that tried to increase taxes in this sort of a situation was the Hoover administration. I suspect very few of us will want to take that administration as our role model for economic policy in the 1980's.

I urge a vote against the substitute and I yield back the balance of my time.

Mr. REUSS. Mr. Chairman, I move to strike the requisite number of words and rise in support of the Obey amendment.

Mr. Chairman, this is a great amendment and I am delighted vigorously to support it. Of all of the array of budget proposals before us this does best two remarkable things. It puts millions of men and women back to work, back to work building homes, back to work building automobiles, back to work building all of the things that this country needs and, at the same time, it gets star rating for the beautiful job it does on reducing the budget deficit.

How, you ask, does it achieve these two apparent disparate ends at one and the same time. It does it by the very simple and common sensible device of getting control over the budget deficit.

Who this fellow draconian is who enters in debate I do not know, but OBEY is good enough for me. I like his amendment.

The Obey amendment gets control over the out-year budget deficit and by so doing brings interest rates down and puts people to work.

Thus, with more revenues at the same bracket, the revenue side is improved and, with less to pay out in the unemployment compensation, the outlay side is improved.

Above all, with lower interest rates, the huge carrying charge on the national debt is improved.

So I urge my colleagues, join the happy few, vote for the Obey amendment.

Mr. Reagan may not thank you for it, but your grandchildren will.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I am glad to yield to the gentleman.

Mr. OBEY. I thank the gentleman.

I have been asked twice now how we managed to provide larger tax cuts for lower income families than does the President in the context of a smaller tax bill. I should explain to the Members, which I neglected to do earlier, that the way we do that is by simply adopting the tax distribution formulas which were contained in the Udall-Obey-Reuss tax provision during the debate last year on the tax bill.

Mr. REUSS. Which, incidentally, has made 144 Members who had the presence to vote for it extremely happy to this day.

Mr. JOHNSTON. Mr. Chairman, I move to strike the requisite number of words and rise in opposition to the amendment.

Mr. Chairman, I think the gentleman from Wisconsin covered the subject beautifully when he kept using the word "control," because if this Congress wants to control the American economy this is the kind of budget it is going to take to do the job because this budget, with $781 billion in spending, achieves a new high in the Congress control of the American economy.

Current projections provide a total economy in 1983 of slightly in excess of $3 trillion. So with Federal spending at $781 billion plus an additional 5 percent of the GNP reflected in off-budget loans and loan guarantees, and with our colleagues at the State and local levels spending between 19 and 20 percent of the total economy of this country, we will have achieved control of 50 percent of the entire economy of America.

This is not free enterprise. This is controlled enterprise. After all, if we want more power in Washington, if we want to make sure that the American people continue to jump when we jerk the strings, this is the way to get it. If we keep it up Federal employment will be the only employment.

My colleagues out there in the free enterprise sector of this society were criticized because there are not enough help wanted ads in the papers today. There are not going to be because they do not have any money left with which to put people to work because as our share of this economy over the last decade has gone from just under 40 percent to approaching 50 percent in the governmental sector, they are never going to regain control of enough of the resources of this economy to make free enterprise work.

The best they can hope, to live under a budget such as this, is what we would call controlled enterprise.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. JOHNSTON. I yield to the gentleman from Minnesota.

Mr. FRENZEL. I thank the gentleman for yielding. The gentleman from Wisconsin (Mr. OBEY) indicated that he was going to change the tax laws in his substitute. I wonder if the gentleman from Wisconsin could tell us if his substitute, which is not a law, has the power to change the tax laws of the United States.

Mr. OBEY. Will the gentleman yield?

Mr. JOHNSTON. I yield to the gentleman from Wisconsin.

Mr. OBEY. The gentleman has been around here a long time and he knows, as well as every other Member in the House, that the budget resolution simply spells out the numbers which other committees are expected to abide by. But the gentleman also knows that just as the House Budget Committee proposals are based on a set of assumptions on how you get there, and just as the Latta amendment is, and just as the Reagan budget is, so, too, is the Obey amendment and we assume that the gentleman will use his influence and his wisdom on that committee to see to it this time around that middle-income and low-income taxpayers get a lot better shake on tax cuts than they did last year.

Mr. FRENZEL. If the gentleman will yield further, it is obvious that all we are doing here is establishing budget aggregates for revenues as well as expenditures in this budget resolution.

We cannot by this resolution force the tax committees nor the Congress to accept a certain form of taxation. Those who support this substitute may have some good ideas about taxes, but there is no way they can enforce them through the adoption of this resolution.

I thank the gentleman for yielding.

Mr. JOHNSTON. I yield back the balance of my time.

Mr. DOWNEY. Mr. Chairman, I move to strike the requisite number of words and I rise to support the Obey amendment.

Mr. Chairman, we have spent an awful long amount of time debating questions of whether or not things like balanced budgets are good or bad ideas or whether or not the people of this country are overtaxed or undertaxed.

The real question that we have to face, and I think it is something that Democrats and Republicans can agree on, is what mixture of spending and taxing policies will achieve the economic goals that we all embrace.

I think that even Republicans will agree that full employment is an economic goal we should all be interested in.

Full employment with stable prices would be equally something that would be nice to achieve.

It is the mix of spending and taxing policies that achieve those two fundamental goals that we are really discussing today. It is not, and I would say to my friend from North Carolina, Mr. JOHNSTON, whether or not the American economy is going to be controlled by the Obey budget or not.

The percentage difference in whether or not we pass Obey or Latta is really only marginal.

The question very simply is did the National Government, which we are all presumably interested in, play a role in stimulating employment, in providing growth with equity, and over the long run promoting economic growth.

Here I think the Obey substitute addresses the role of what a responsible National Government can do in a more effective way than the other substitutes. It recognizes, for instance, that you cannot have an enormous tax cut and also dramatic military increases. We tried that in 1964 and in 1965. As a result, if you take a look at the historic data that is available you will see that even if we had had full employment then we were running at about a 2.1-percent deficit with a full employment economy.

The Reagan plan, which is probably the only fast analogy I can think of, will provide, if we try this with a full employment economy, if we ever get there, about a 3.1-percent increase in deficit. There is just not enough tax dollars to do the things that we want, all of us want to do in terms of military expenditures and providing a modicum of social equity for the poor and the underprivileged in this country.

So whether we like it or not, responsibly we have to raise taxes. On whom we raise them will be, of course, the responsibility of the Ways and Means Committee.

So, rather than spending a lot of time talking about how that can be done, and as a member of that committee I submit that repealing ACRS and doing away with leasing would be two marvelous ways to start; limiting the tax reductions for folks over $40,000 would also be helpful. But even if we did all of that we would still be, under the Obey resolution, providing for a $210 billion tax decrease, decrease over the next 3 years.

That is not as large as the one my Republican colleagues want but it is still a hefty tax decrease in a brief period when presumably our economy will be booming.

So I think if you look at it from a macro point of view the spending and taxing policies inherent in the Obey resolution will achieve the national goals to which we all subscribe.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the gentleman from Wisconsin.

Mr. OBEY. I thank the gentleman for yielding.

I think also it ought to be pointed out, given the expression of concern on the other side of the aisle about the overall spending amounts, that this amendment, over 3 years, will spend approximately $47 billion less than will the President's own budget.

□ 1445

Mr. WOLPE. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the gentleman from Michigan.

Mr. WOLPE. Mr. Chairman, I want to associate myself fully with the remarks of the gentleman from New York. What my constituents have understood for many, many months now and, I suspect, the constituents of most of us in this body, is that it makes no sense to build this huge, huge deficit to provide for a tax cut that has hardly been noticed by most Americans.

What has been happening is that we have been borrowing to pay for that tax cut, and we have been doing so in such a way as to insure the continuance of high interest rates. Our constituents understand clearly that all of the benefits that were supposed to have been generated by that tax cut have been eroded by the continuation of high interest rates, and that will not alter until we bring down the size of those deficits.

What the gentleman from Wisconsin demonstrates in his budget is that we can achieve our goal of lower deficits and lower interest rates, and that we can do so in a way that will be far more equitable than the budget blueprint offered by the administration. We simply cannot afford the continued high deficits accepted in the administration's proposal or the continued assault upon those within our society who are the most economically vulnerable.

Mr. DOWNEY. I thank the gentleman for his comments.

Mr. Chairman, let me also say for the record that the last time taxes were raised in a recession, just as a matter of fact for our friends, was not during the ill-fated Hoover administration, but it was in 1937 when a Democratic President made that mistake, Franklin Roosevelt, which caused the recession or 1938.

So the next time we ask the question, let us at least have some idea of the answer.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the gentleman from Minnesota.

The CHAIRMAN. The time of the gentleman from New York (Mr. DOWNEY) has expired.

(On request of Mr. VENTO and by unanimous consent, Mr. DOWNEY was allowed to proceed for 2 additional minutes.)

Mr. VENTO. the gentleman does not expect that, under the substitute of the gentleman from Wisconsin (Mr. OBEY), in 1983 this recession would still be in progress? At that time, hopefully, even without any type of stimulus, without any type of program—recessions usually demonstrate a recovery irrespective, I think, pretty much as our colleague, the gentleman from Wisconsin (Mr. REUSS) had said in recent comments, with which I agree, pointed out that the Reagan economic program is an economic dud. But under most circumstances, the recession would ease up, and we will hopefully have some growth, some recovery.

Today I hope that we will act on the basis of the experience that we have had the past year.

My concern here today is that we are still hearing what seems to be an inability to learn and to understand that the actions, the economic policies that were set forth last year, are not working, and they do not seem likely to work. It is one thing for someone not to have foresight; it is another thing not to have hindsight with regard to where we have been and the consequence of Reagonomics on our economy.

So I think that pragmatically we have to temper our actions. I think the Obey substitute gives myself, and the gentleman from New York, Mr. DOWNEY and others, an opportunity to try to temper that. And if indeed revenues are greater and forecasts change, we can all add to the tax decreases next year and the year after should this Obey substitute prove too heavy-handed. I have never found in my work in legislative bodies any great problem in passing on tax cuts. Legislative and congressional assemblies enjoy enacting tax reductions and have enacted last year's measure of cuts without any discipline from the Congress or Reagan administration. On the contrary it takes a little bit more courage, a little bit more understanding and explaining to in fact vote for a recapture of some of that revenue and provide the type of stability in the future so that the folks on Wall Street, and others, who are investing and making financial decisions, will indeed change the tenor of their decisions.

I commend my colleague, the gentleman from Wisconsin (Mr. OBEY), for offering his substitute, and I hope that my colleagues will vote for this worthwhile and important substitute.

Mr. MARTIN of North Carolina. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Obey substitute.

Mr. Chairman, I do rise in opposition to the Obey substitute which, like many others, is the same old, huge deficit. This one takes the approach of achieving those huge deficits even with heavier cuts in defense spending and even with a much heavier tax hike than others contemplate. I said "tax hike." There was reference in the previous discussion to the tax cuts that were enacted in 1981.

Mr. Chairman, we need to look at the actual numbers with regard to revenues this year. Revenues are not going down as a result of the tax bill that was enacted in 1981. They are still going up. They may not be rising quite as fast as they would had we not enacted the largest tax cut in history—that is what it has been called—but that largest tax cut in history was only half as large as the automatic tax increases that have been built in. It just cut those tax increases in half. You do not have to go back to 1937 for a tax increase, I say to my colleague who spoke earlier. We have had tax increases almost every year since then, and especially during the last 10 years, when inflation has lofted people into higher and higher tax brackets, where more and more of their income, even if they stay at the same job level, more and more of their income is absorbed away by this great sponge of bracket creep or bracket leap.

Tax cuts? No. Taxes are rising. They are rising slightly faster even than inflation over the 3-year period that is contemplated by this budget resolution. If revenues are going up slightly faster than inflation, then what is the need for even more taxes and even more tax increases? You will not cure the economy by bleeding the lifeblood out of it.

Now, let us consider for a moment where the problem is. I have distributed along the desks here machine copies of a facsimile, a reduced version of what I have here on the easel beside me, which simply shows Federal spending over the last two decades overall, of the administrations beginning with the Kennedy administration and since. It shows them in comparable terms, in terms of constant buying power, in terms of constant dollars, adjusted by the GNP deflator. You could define them in any particular year. This takes the chart's midpoint in 1972, so we are using 1972 dollars' buying power. For reference in current nominal dollars, I show the actual numbers over on the far right, but in reference to the vertical coordinate, you can see what has happened in constant buying power to each of these categories.

You can look at the defense spending, and you will see that is represented by a blue line which, of course, denotes the courage of our American fighting personnel. Now, if you look at that, you will see a bump at the Vietnam war, and you see it comes down after the peak of the Vietnam war. Then, you will see at the end of the chart that defense spending today, 1982, this fiscal year, is about where it was before the Vietnam war when it tempted people to take advantage of us and our allies back in the 1960's. You will see that defense spending has not risen substantially when corrected for the buying power of the dollar. It is about the same as it was. It has risen about 1.1 times what it was then.

If you look at the red line, which rises steeply here, with red ink denoting all of the heartfelt compassion that has been built into the budget, you will see where the expansion has been. This is all of the payments to individuals and the payments for individuals, including any loans that are made directly to individuals, and so forth, and you see that that has grown steadily. Now, that is not the result of inflation; that is the cause of inflation. Anything that is the result of inflation on this chart would be a horizontal line; anything that just keeps pace with inflation would be a flat, horizontal line on this chart. Payments to individuals, as you can see, have risen over fourfold after correcting for constant buying power of dollars.

Now, the green line here represents all other governmental functions, with the exception of interest rates which are shown at the bottom. The interest rates are again shown in red. That is just red ink. We could have shown some other color denoting something else that you might choose to represent, but that is interest rates. In recent years it has grown about fourfold, after adjustment for inflation. But look at the remaining category "all other." That is all of the general departments of Government. That represents the environment, the natural resources, the Interior Department, the Justice Department, the Transportation Department, the Commerce Department, the Coast Guard, the border patrol, all the regulatory agencies, and Foreign Affairs and Assistance, with the exception of military assistance, which is in the defense budget.

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. MARTIN) has expired.

(By unanimous consent, Mr. MARTIN of North Carolina was allowed to proceed for 2 additional minutes.)

Mr. MARTIN of North Carolina. All other, including the postal subsidy, rose somewhat over the previous decade, but during the Carter administration was brought back down to reasonable terms, and you will see that today that represents an amount that is roughly where it was, slightly higher, but roughly about where it was two decades ago. That is not the problem. Defense is not the problem. You can examine this and I think you can see where the problem is.

Now, what I would say is that you can make your own conclusion about this, but you cannot dispute these numbers. These are not speculative, with the exception of some slight leeway to guess as to what the last few months of this fiscal year will be in 1982, between now and September 30. This is based on the actual records published in the budget document, therein reduced to constant buying power, and it shows where the problem is, and it shows where the problem is not. It does not mean you neglect "defense" and "all other," but it means that in order to get those interest rates down to where you can have a real economic recovery, you cannot neglect "payments to and for individuals" either, because that is where the steepest growth has been, even during the Nixon administration. During that era, when defense spending was being brought down as we came out of Vietnam and the decisions were made then that you could use that money and go ahead and keep enlarging the Great Society and all of the other mechanisms that have been set up. These programs were allowed to grow then, because you could still make it appear that you were close to a balanced budget in those days because of the decline in defense spending.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of North Carolina. I yield to the gentleman from Iowa.

Mr. BEDELL. I have trouble with the gentleman's graph.

Mr. MARTIN of North Carolina. Should I hold it a little higher?

Mr. BEDELL. No; I can see the numbers all right.

Mr. MARTIN of North Carolina. I have copies on the table in front of you.

Mr. BEDELL. In your defense expenditures, what do you show as the high point there during the Vietnam war in real dollars?

Mr. MARTIN of North Carolina. In 1968, in constant dollars, 1972 dollars, that was about $105 billion.

Mr. BEDELL. $105 billion?

Mr. MARTIN of North Carolina. Yes.

Mr. BEDELL. 1972 dollars?

Mr. MARTIN of North Carolina. 1972 dollars. In constant dollars. As I said, this is based on 1972 constant dollars.

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. MARTIN) has expired.

(On request of Mr. DOWNEY and by unanimous consent, Mr. MARTIN of North Carolina was allowed to proceed for 2 additional minutes.)

Mr. DOWNEY. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of North Carolina. I yield to the gentleman from New York.

Mr. DOWNEY. The point the gentleman is making, I think, is a valid one. It is the tremendous increase for payments to individuals. And the gentleman has pointed out that even extracting for inflation, it has still increased in real dollar terms.

Mr. MARTIN of North Carolina. Fourfold, I might say.

Mr. DOWNEY. From 1962 to, let us take a year, 1972, there was also a dramatic increase, was there not, according to the gentleman's chart?

Mr. MARTIN of North Carolina. Yes, indeed. Beginning in about 1965.

Mr. DOWNEY. And during that 10-year period of time, when it was increasing dramatically, we had real growth in our economy, did we not?

Mr. MARTIN of North Carolina. That is right.

Mr. DOWNEY. And we had fairly stable prices, did we not?

Mr. MARTIN of North Carolina. No. Not as stable as they had been prior to 1962.

Mr. DOWNEY. How does the gentleman account for the fact that for the first 10 years of his charts there were dramatic increases in payments for individuals and we still had growth and we still had high employment?

Mr. MARTIN of North Carolina. I would say to the gentleman that during a time of growth you can freely make decisions that it is relatively easy and painless to begin to accumulate a lot of programs that later on become painful.

Mr. DOWNEY. I see.

Mr. MARTIN of North Carolina. When John Maynard Keynes was advocating deficits as a way of creating artificial demand stimulus, he said that you ought to at least keep your budget in balance in the years when the economy was strong. We did not do it then. So we built in the pain and the pressure of inflation, which, as my colleague from New York certainly realizes, got wildly out of control during the previous administration of President Carter.

I am not saying that all of this is wrong. I did not vote for all of it, but I voted for some of it, and I voted for some modest increases as we went along, and there was a lot of participation in that. My point is that it is growing steadily, and if you do not recognize it and do something about it, pretty soon there will not be any money left to pay for all of it, there will not be any money left to pay for defense, because that one compassionate redline of payment programs is growing steadily. If we do not recognize it and get it under control, we will greatly handicap all of the other worthwhile programs of Government. The American people need to recognize this. We need to distribute this kind of analysis to show them what has been happening.

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. MARTIN) has again expired.

(On request of Mr. ROUSSELOT and by unanimous consent, Mr. MARTIN of North Carolina was allowed to proceed for 3 additional minutes.)

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of North Carolina. I yield to the gentleman from California.

Mr. ROUSSELOT. Since my colleague has helped to fashion the balanced budget which we will offer later on, do any of these other budgets that are being submitted begin to bring under control the tremendous escalation in individual payments?

Mr. MARTIN of North Carolina. Well, you could say that some of them barely begin to, in an ultramodest way, because they will begin to depress that growth slope a little bit. You could say that that is a beginning, just as that first little decline in the growth curve can represent a beginning, just like you might say there was a beginning during the Ford administration; but a beginning is not enough. The resolution which the gentleman and I, and others, have helped to author, which is the only balanced budget resolution being offered, the only one; our proposal does take this into account and provides that we will being to slow down this growth in all areas, defense, all other, payments to individuals, and most especially interest costs. We do so in order to try to get them under some kind of control, to live within the revenues that are growing steadily.

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Mr. ROUSSELOT. Does the gentleman happen to recall at the point where the payments for individuals crossed the line and began to exceed in constant dollars what we were spending for defense—what that rate of growth and increase is from 1970 through 1981?

Mr. MARTIN of North Carolina. Yes, sir. It was about 1971 where they, defense and individual payments, became about the same.

Now, of course, one of the observations you can make is the fact that during the Kennedy administration payments to individuals were roughly half the defense budget.

Mr. ROUSSELOT. Half the budget?

Mr. MARTIN of North Carolina. Half the defense budget.

Today the defense budget is just about where it was then, but payments to individuals are now roughly twice the defense budget. You know, it strikes me as very curious that some of our distinguished colleagues would use that ratio of a 2-to-1 balance in favor of payments to individuals under this administration as being heartless and cruel and lacking in compassion; and yet individual payments were only half that for defense under an administration in the early sixties that those same critics would characterize as saintly and beyond reproach.

President Reagan did not participate in all of this growth. But taking it where it is today, is much more generous than we were able to provide during Camelot; four times more compassionate, not less.

Mr. ROUSSELOT. Does the gentleman recall what the percentage of increase in the payments to individuals from 1971 to 1982 was? That is a tremendous rise. On the graphs the gentleman has left on the tables here it is even more pronounced than it is on the gentleman's chart that he has drawn for the entire House.

Mr. MARTIN of North Carolina. I would say to the gentleman not to be too deceived by that. If you plot a curve, as on the small chart in your hand, where your vertical coordinate is longer than your horizontal coordinate, every slope is going to appear to be a steeper slope. This larger poster behind me was plotted by computer on a card where the vertical axis is shorter than the horizontal, and therefore all slopes will appear to be less steep. But the slopes are the same, with the same ratios, in both charts, and the conclusions derived are the same.

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. MARTIN) has expired.

(At the request of Mr. ROUSSELOT and by unanimous consent, Mr. MARTIN of North Carolina was allowed to proceed for 1 additional minute.)

Mr. ROUSSELOT. If the gentleman will yield further, what is that percentage increase for payments to individuals since 1972, roughly?

Mr. MARTIN of North Carolina. I would say it is about two times increase from where it was here, since 1972. A slightly higher level of growth than what it was.

Mr. ROUSSELOT. We certainly have not been neglecting the poor in those very substantial increases, even in constant dollars?

Mr. MARTIN of North Carolina. By no means.

Mr. ROUSSELOT. I appreciate my colleague yielding.

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of North Carolina. I yield to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. I am trying to understand the gentleman's chart. The Unified Budget Act was passed, as I understand it, in 1969.

Is the gentleman showing us a figure that excludes social security payments prior to 1969 but includes social security payments after 1969?

Mr. MARTIN of North Carolina. The answer, of course, is in the negative.

The gentleman is quite correct that prior to that time social security was not a part of the unified budget. But had I for that reason left it out I would have been subject to the criticism that I think is in back of my colleague's mind.

No, social security is included, even though it was not a part of the unified budget.

I would say even if we were to take social security out of the unified budget, as some have proposed, so that no longer would there be an accusation that you are trying to balance the budget on the backs of the social security recipients——

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. MARTIN) has again expired.

(At the request of Mr. BEDELL and by unanimous consent, Mr. MARTIN of North Carolina was allowed to proceed for 1 additional minute.)

Mr. MARTIN of North Carolina. Let me conclude the sentence.

The point is that if we take social security out of the unified budget, as some have proposed, you will then be in a position of no longer being able to accuse those who want to cure the problems in the social security budget itself, in the social security fund itself, where there is an imbalance, no longer will those people be able to say that you are trying to balance the other budget on the backs of social security. You can take it out. I would say even if you do that, you still ought to keep track of what you are spending and what your total largesse and what your total generosity is. This is a compassionate Congress and compassionate country and there has been a lot of indication over the last two decades.

Mr. DORGAN of North Dakota. I appreciate the gentleman's answer. If the gentleman would add one line to that chart it would go up steeper than the line called payments for individuals, and that would be the tax expenditures line.

It seems to me that we ought to be considering that when we talk about budgets.

Mr. MARTIN of North Carolina. The gentleman is correct that we ought to look at what are called tax expenditures. We ought to look and analyze that phrase as to whether a tax break is spending Government money or letting people keep their own money.

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. MARTIN) has again expired.

(At the request of Mr. BEDELL and by unanimous consent Mr. MARTIN of North Carolina was allowed to proceed for 1 additional minute.)

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of North Carolina. I yield to the gentleman from Iowa.

Mr. BEDELL. I thank the gentleman for yielding.

In studying the gentleman's graph I have gone across it on the defense expenditures. As far as I can tell you would have a figure of 100 at the height of the Vietnam war and a figure of 85 over on the right-hand side for 1982; is that roughly correct?

Mr. MARTIN of North Carolina. The gentleman has a better perspective on the horizontal coordinates than I do; but it is 82 over on the right-hand side, not 85. A small point.

Mr. BEDELL. Under the President's proposals, which proposes a 7-percent real increase for each of 3 years, we will actually be spending more in real dollars at the end of the budget, in 1985, than we spent at the height of the Vietnam war, in real dollars.

Mr. MARTIN of North Carolina. No; that is not correct. The gentleman can add 7 percent to this.

Mr. BEDELL. If you compound 7 percent for each of 3 years, you get 22 percent and 22 percent of 82 is more than 18. If you add this to 82 you are above 100, which is what we had at the height of the Vietnam war, according to the gentleman's graph. Everyone should realize that under the Reagan budget we will be spending more for arms in 1985 in 1972 dollars than we spent at the height of the Vietnam war.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of North Carolina. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

I think it is important to answer the question that was raised a few minutes ago by the gentleman from New York, because I think it is important to the whole question of this debate.

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. MARTIN) has expired.

Mr. WALKER. Mr. Chairman, I ask unanimous consent that the gentleman from North Carolina (Mr. MARTIN) may be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Does the gentleman from North Carolina desire additional time?

Mr. **MARTIN** of North Carolina. About half that. One additional minute.

The **CHAIRMAN**. The gentleman from North Carolina (Mr. MARTIN) is recognized for 1 additional minute.

Mr. **WALKER**. Mr. Chairman, will the gentleman yield?

Mr. **MARTIN** of North Carolina. I yield to the gentleman from Pennsylvania.

Mr. **WALKER**. The gentleman from New York raised a question about the economy during that time when it was rising from about the period of 1966 through 1972.

I think it is important to realize that by 1972 the pressure of inflation had become so great that we had to resort to wage and price controls at that point. So it definitely proves the gentleman from North Carolina's point and, second, I think it is important to realize that what happened to the economy during that time was that the Johnson administration imposed a surtax on the income taxes at the end of the 1960's which set off the wave of inflation after there had been a period of economic growth based on the tax cuts in the midsixties. So in fact the problems did begin arising at the time when tax rates began to soar.

Mr. **MARTIN** of North Carolina. Yes, indeed. Of course it appears in this chart that even with wage and price controls, it did not control the growth in those hearty redline compassionate programs. It does not.

It just occurs to me that if we are going to get those interest rates down and get the economy back on its proper course, we cannot take halfway measures. We must go all the way to balance the budget.

Mr. **UDALL**. Mr. Chairman, I move to strike the requisite number of words.

Mr. **SEIBERLING**. Mr. Chairman, will the gentleman yield for 30 seconds?

Mr. **UDALL**. I yield to the gentleman from Ohio.

Mr. **SEIBERLING**. I thank the gentleman for yielding.

I would like to point out that the chart that we have just looked at by its own figures shows that there was 13-percent real growth in the Defense budget from its low point at the end of the Ford administration through the 4 years of the Carter administration, but in the Reagan administration alone there was 13-percent real growth in the first year alone.

So it seems to me that it proves that that is where the big escalation is now taking place.

Mr. **MARTIN** of North Carolina. Mr. Chairman, would the gentleman yield for a correction?

Mr. **UDALL**. I yield to the gentleman from North Carolina.

Mr. **MARTIN** of North Carolina. The gentleman is correct. At the end of the Carter administration the defense budget in constant dollars had, indeed grown 13 percent, to where it was just about precisely the same as it was at the beginning of this chart, under the Kennedy administration.

The **CHAIRMAN**. Does the gentleman from Arizona (Mr. UDALL) desire to yield further?

Mr. **UDALL**. I decline to yield further at this point.

Mr. Chairman, I voted for the Miller substitute and I was a strong supporter and coauthor of the Obey amendment that is now before us, and I want to briefly say why.

There is a story about the young man come here fresh to the Congress and the old senior veteran grabs him and says, "Son, there is one way to get ahead here, vote for all appropriations bills and vote against all tax bills."

It will not work, and we have learned that over these last few years, I think, if we have learned nothing else.

I have made a lot of speeches in my time and there are some I would like to have buried and forgotten. There are a couple or three I am real proud of.

I made a speech and wrote a letter to Lyndon Johnson in 1966 saying that I believe in the Great Society, the programs for the handicapped and underprivileged people in America, put people back to work, protect the environment. I also believed at that time the war in Vietnam was crucial to our national security.

I said then we have to choose—guns or butter. If we are going to have both, we are going to have to pay for them. I said I would support a tax increase to support these two goals.

Well the choice the Congress chose that year was to seek both and to do it without new taxes. "All of the above" was the choice that we made. I had an opponent run against me in 1964 denouncing me for this ruinous inflation rate of 1½ percent, and why in the heck was I not getting something done to bring that down.

This inflation that we have now was kicked off—this whole thing was kicked off, I think most people agree, by our idea in the mid-1960's that we could have guns and butter, the Great Society and Vietnam.

This inflation we have today is a direct result of that serious mistake.

Last year, I was for the business tax cuts very strongly. I think we need quicker depreciation, the stimulation of 10-5-3, or whatever it was. But some people wanted those business cuts and also wanted the Kemp-Roth 3-year personal tax cut, and so they put the question to the Congress, and the answer came back—both. We are now told we can have both this time around as well—and we know that we cannot.

Franklin Roosevelt said once that you never mention rope in the House of a man who has been hanged. This was in the late thirties when the Republicans were accusing Roosevelt of causing a recession. I hope that we can get back on a track of fiscal soundness and that our Republican friends, our conservative friends, will see the light of day and help get us to a balanced budget and the Miller amendment and the Obey amendment are the quickest and soundest and best ways to start the painful process of getting to a balanced budget.

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Let me leave one other thought with you, if I can. The buildup we are now starting, and I am for a nuclear freeze, and I am for START and SALT II, III, IV, or anything else which might slow down the mad nuclear arms race. I think we have got to get going on this particular problem. But if we are going to cut strategic weapons, if we are going to cut back in strategic nuclear forces, then clearly we have got to spend some more for conventional defense items and I will support them within reason.

Let us just make a comparison, and I think it is valid. If we are going to spend a trillion and a half dollars in the next 5 years on rebuilding our military system and particularly the conventional forces, then this is the economic equivalent of Vietnam. The sums of money we will have to spend, the part of the national income that will have to go to the military is the economic equivalent of Vietnam.

So we ask ourselves: Are we for new taxes to finance this needed buildup? Our friends on my left say no to new taxes. Are we going to leave taxes the same? And they say no.

Their answer is that we are going to cut taxes. Yes, indeed, as far down the road as we can see, we are going to cut taxes.

Let me leave you with one final comparison here that dramatizes, I think, the essential difference between where we are now and where we were 4 years ago. I had my quarrels with Jimmy Carter, but he was a sincere man and he came here having promised to balance the budget and he intended to keep that promise. He left after 4 years with four deficits—$49 billion, $27 billion, $59 billion, and $57 billion, or a total of $194 billion in deficits.

If all goes well in the first term of President Ronald Reagan—if all goes well—and these are optimistic assumptions, his four deficits in his first term, his deficits are going to be—$119 billion, $182 billion, $216 billion, and $232 billion, for a total not of Carter's $194 billion, but $749 billion.

The **CHAIRMAN**. The time of the gentleman from Arizona has expired.

(By unanimous consent, Mr. UDALL was allowed to proceed for 2 additional minutes.)

Mr. UDALL. Mr. Chairman, let me say that again so it comes in clear.

Carter, $194 billion; the Reagan 4 years will not be $194 billion or $294 billion or $494 billion, or $694 billion, but the deficits will be $749 billion.

Let me dramatize this difference: This conservative President, the most conservative in my lifetime, from the party of Hoover and Coolidge, will have more deficits in 4 years than all the Presidents from George Washington down through the including Richard Nixon. Just think that one through, if you will. More deficits in one 4-year term than all the Presidents from George Washington down through Richard Nixon.

We challenge this idea that there is a free lunch, that not only can you have a free lunch, but that we will give you a tax credit for eating it.

So I hope we will come to our senses and support the Obey amendment.

Last August he, I and the gentleman from Wisconsin (Mr. REUSS) drafted a tax substitute—the Udall amendment which got 144 votes. That amendment would have given us a balanced budget this year, not some phony balanced budget amendment, but an amendment based on the computers and the assumptions of the Office of Management and Budget and the Congressional Budget Office. We should have done it then, but the omelet has been scrambled. We cannot unscramble it, but we can pass this amendment which will begin to put this country on a proper course.

Mr. CAMPBELL. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment.

Mr. Chairman, I am always glad to hear the distinguished gentleman from Arizona speak because he does it so well; but there are two points that I think this House should remember and the American people should be aware of. Just for the sake of comparison, let us compare bipartisan recovery budget to this budget. This budget raises taxes for every man, woman, and child, by $610, over the bipartisan recovery budget, let me repeat, this budget, the Obey budget, raises taxes by $610, if equally applied, for every man, woman, and child in America over the next 3 years.

Mr. OBEY. Mr. Chairman, will the gentleman yield at this point?

Mr. CAMPBELL. No, not at this point. I will be glad to before I finish, because I want to finish this.

I also want to make another point; that is, during the last 20 years this Congress controlled by the party of the gentleman from Arizona, Mr. UDALL, has increased the budget by about sevenfold. That means that since the time of John F. Kennedy that this Congress and its expenditures and spending sprees have put us at a point where in order to keep things going, we have before us a budget that proposes to raise revenues, taxes, user fees, however you do it, the charge is going to the American people, by $134.2 billion more than the bipartisan recovery package, and that is $610 for every man, women, and child in America if applied equally.

I think they should remember that, $610 in increased taxes per capita under this particular budget.

Now I will be glad to yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I thank the gentleman.

I would simply like to correct the gentleman. For the gentleman to suggest that this is going to raise everybody's taxes by $610 per person is the same as suggesting that you cut those taxes by $610 per person last year.

What we are trying to do this time around is cut people's taxes across the board, rather than cut their tax rates across the board, so that a low-income family gets back more under this recovery program than under that of the President.

Mr. CAMPBELL. Well, I reclaim my time; but the gentleman well knows that he increases revenues by $134.2 billion and that is $610 for every man, woman, and child in America, if applied equally. It comes out of somebody's pocket. To my knowledge, the taxpayers are the ones that generally finance government.

Now, I will let the gentleman get his own time in a minute and he can speak to the subject; but the important point is that we are seeking to go down the same road, increase taxes and keep on spending and it is not a balanced approach. It is a major tax increase and that we cannot overlook.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. CAMPBELL. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Do I understand the gentleman's point is that for a family of four under this budget, that the tax increase would be over $2,400?

Mr. CAMPBELL. If one were to apply the increased tax equally to everybody, it would be $610 for every person, and that equates to $2,440 for a family of four.

Mr. WALKER. The average?

Mr. CAMPBELL. If it went that way, that is what it equates out to. Obviously, it will not hit everybody that way, but if you put it on an even basis to the 220 million people, that is what it comes out to.

Mr. WALKER. Mr. Chairman, will the gentleman yield further?

Mr. CAMPBELL. Certainly.

Mr. WALKER. Well, in other words, though, if you take the whole $134 billion in taxes, when you average that all out, it comes out to between $2,400 and $2,500 for every family of four in the country; is that what would be embodied in this proposal?

Mr. CAMPBELL. If it were divided equally among every family, and every family had four people and they were responsible for the revenue, it would cost them $2,440 to keep it up.

Mr. WALKER. Well, if the gentleman will yield further, I must say that I do not know anybody in my district that can afford those kind of tax increases.

I thank the gentleman.

Mr. FASCELL. Mr. Chairman, I move to strike the requisite number of words. I rise in support of the pending amendment.

Before I yield to the gentleman from Wisconsin, let me say that I listened to this last debate and it reminds me of that old syllogism about all birds have two legs, all men have two legs; therefore, all men are birds.

I yield to the gentleman from Wisconsin.

Mr. OBEY. I do not know where that leaves me; but I thank the gentleman for yielding.

Let me just suggest to the gentleman from South Carolina that the question is not whether taxes are going to go up. The question is whose are going to go up and whose are going to go down?

The fact is that we have an agreement around here that we are going to rely on the estimates of the Joint Tax Committee in costing out and making assessments of different packages being proposed today. The Joint Tax Committee's estimate indicates that a family making $10,000 a year will pay not more taxes, but less taxes under our proposal than they will under the President's package. They estimate that if they make $20,000 a year or more adjusted gross, they will get just about the same as they get under the President's package.

The major difference is we will no longer be giving double kickers for high-income people in tax relief. We will no longer allow the notorious leasing provision under which corporations can trade their tax gimmicks for cash to remain in the Tax Code in its present form.

We have the temerity to suggest that the oil industry ought to be asked to pay its fair share of taxation in this country.

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All in all, we wind up on individual tax cuts providing $60 billion come July 1, rather than $71 billion under the President's schedule. But we distribute it in such a way that low-income people and middle-income people finally get a square deal, something which they most certainly did not get last year.

I thank the gentleman for his time.

Mr. FASCELL. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the pending substitute.

Mr. Chairman, I do not have any charts or any economic criteria, but I have some criteria of my own. I could not figure it out when the gentleman was explaining it.

I know one thing, Mr. Chairman. I do not want, and the American people do not want, $500 billion of deficit in a short 3-year period of time. I know that for sure. They do want us to get onto a balanced budget.

I have never been very comfortable, as part of my criteria, with the concept of spending $1,600 billion without going into the merits or demerits of the need in a short period of time with all the obvious impact that will have on the economy. Therefore, I have sought some means to stretch that out, to do what is sensible in our own security, but do it in a sensible economic fashion and not dump the whole load in a very short period of time, in the same fashion that we dumped all our revenues before we even knew what the economic impact was going to be. So I seek as a criterion something that will redress that.

The pending amendment does redress that. It retargets some of the priorities that are absolutely essential, in my judgment, for important values in our society. It retargets tax cuts. It makes it possible for us in short, and in conclusion, to have a sensible, reasonable approach to running the Government financially, and get to a balanced budget.

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. I thank the gentleman for yielding to me.

I think it is disingenuous to be talking of every tax increase landing on the shoulders of working people. Business Week magazine pointed out in 1960, corporations in this country paid 23 percent of all income taxes. They pointed out further, after the Reagan tax cut flushes its way through this economy, in 1986 corporations will pay 7 percent of all of the income taxes.

That means when corporations' share of the American income tax goes from 23 percent to 7 percent, the working folks bear the major part of the burden of financing Government that corporations no longer bear.

I think what the gentleman from Wisconsin and some other folks are talking about is shifting the tax load back to some interests who ought to be paying taxes once again. It is not the working people. They pay their taxes. It is the General Electrics and others who have been designated as having earned billions of dollars of income and paid no income taxes to our Government. I think that is what the gentleman from Wisconsin is talking about.

Mr. DOWNEY. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from New York.

Mr. DOWNEY. Mr. Chairman, I would like to deal with the question of whether or not Federal Government spending is out of control, which seems to be a nostrum that our Republican friends can embrace warmly about having happened in the past. In the future, Government spending is projected to grow rapidly under the current policy prinicipally because of the huge increase in military expenditures and net interest costs.

One table that I have that was prepared by the Budget Committee indicates that from the period 1981 through 1985, spending for national defense increases by 86 percent.

Mr. PEYSER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Obey substitute. I want to talk to just one phase of it.

We have been talking for the past hour on a variety of the tax implications and philosophical reasons for support or opposition to this substitute, and they are all very important, and there are many important issues in this substitute. I just want to zero in on one of them, and the one that I want to talk about for a moment is the question dealing with education.

The Obey substitute recognizes that we have to do something if we are going to continue to educate young America; if we are going to continue to give our undergraduate students an opportunity to go to college; if we are going to continue to give our graduate students an opportunity to go to graduate school, and to place some special emphasis on those who want to move ahead in the fields of the sciences, which we so desperately need.

We are going to be faced with another alternative shortly, maybe today or tomorrow, the Michel-Latta substitute. Many of my friends on the Republican side over the past several months have been saying they now want to support education; we do not want to cut education any further; we want to get some money back into these programs. I understand that reasoning. I think that not giving any political credence to it, but just the sincerity, that Members recognize that the cuts they voted for last year have been very destructive in education, and so they feel they want to make amends, and I think that is very reasonable.

But the Michel-Latta substitute that will be coming up makes even greater cuts in practically all phases of education than anything we have experienced. So I would like to say to my colleagues on the Republican side that here is an opportunity, and I also should direct this to those on the Democratic side who have supported in the past the Latta budgets, that the Obey substitute gives an opportunity to really get education at least part way back on the road to where it should be.

Now, I can tell you that there are students, educators, parents listening to this debate and will be reading about this debate specifically for what it is going to do to their children in education. I am also convinced that there is no issue more important in our country, not just to those parents and those children, but to all of us, than the opportunities for education that are being offered in the Obey substitute.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, I want to commend the gentleman for his statement. Of all the unthinking things that we did last year in that stampede that was known as Gramm-Latta, we literally emasculated education programs. In the shortsighted view of many of the Members, they thought that was a good thing and voted for it.

Over the long haul, the only way a nation continues to grow and to increase productivity and scientific knowledge is to increase the number of people who are getting education and to raise the quality of that education. The gentleman is right on target. I have received a lot of mail about the mistakes that were made last year by this House. The bulk of it is centered on education and employment, the fact is that we literally jeopardized the future of this Nation in the Gramm-Latta stampede.

I commend the gentleman for his remarks.

Mr. PEYSER. I thank the gentleman.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I want to commend the gentleman from New York, who I think has provided very important leadership on this issue.

I held a town meeting for just the people who were concerned about the education cuts in the administration's budget. We had over 70 witnesses. We could have had hundreds, literally. One of the major issues was this whole question of education cuts, particularly as they relate to the funding of the guaranteed student loan program, the graduate student loan program.

I agree that one of the things we have got to correct in this budget process is the devastating levels of cuts in education. The cuts are across both public universities and private universities. I think the gentleman has provided very useful leadership here.

We really, as a Congress, cannot sell down the drain our kids and the future by allowing these kinds of education cuts.

The **CHAIRMAN**. The time of the gentleman from New York (Mr. PEYSER) has expired.

(By unanimous consent, Mr. PEYSER was allowed to proceed for 1 additional minute.)

Mr. **PEYSER**. Mr. Chairman, we have had a lengthy debate going. I know there is more to go on this issue. I would like to state once more that I hope this year this issue does not become a political issue. It will not become a political issue if we can unite on the one factor that we want to move education ahead.

Now, it just so happens in the budgets that we have to choose from, one budget makes major cuts in education, and that is the Michel-Latta budget. The Obey substitute really is reasonable, moderate, not lavish, but puts education on a firm footing and says we can go ahead and we can look to the future.

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Mr. **DUNN**. Mr. Chairman, will the gentleman yield?

Mr. **PEYSER**. I yield to the gentleman from Michigan.

Mr. **DUNN**. Mr. Chairman, I thank the gentleman for yielding.

I think he might be confusing the administration's original proposal for 1983 on education.

The **CHAIRMAN**. The time of the gentleman from New York has expired.

(At the request of Mr. DUNN and by unanimous consent, Mr. PEYSER was allowed to proceed for 1 additional minute.)

Mr. **DUNN**. He is confusing them with the proposals that are actually in the bipartisan budget. The bipartisan numbers do restore the majority of the funding for education back to the 1982 levels, which was the point some of us on this side of the aisle stood up very strongly for. That is not to be confused with the administration's position.

Mr. **PEYSER**. I thank the gentleman for his comment. I am speaking of the Michel-Latta budget, which is presumed to be the one that is supported by the President, and I would hope that we would reject that and pass the Obey substitute.

Mr. **JONES** of Oklahoma. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wanted to explore the possibility of a limitation of time on this substitute. I have noticed about four or five Members who have been seeking recognition—maybe six. The point is that we would like to complete the category "A" substitutes tonight. We have been debating this for over an hour and a half, nearly 2 hours.

Mr. Chairman, I ask unanimous consent that all time for debate on this substitute end in 25 minutes.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Oklahoma?

Mr. **CONYERS**. Mr. Chairman, I object.

The **CHAIRMAN**. Objection is heard.

Mr. **BEDELL**. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will be very brief. I believe the issue we face on this amendment is whether we are really going to produce a balanced budget or whether we are not. I voted for the Miller amendment because I thought it moved us toward that balanced budget. I believe it is critically important if we are going to bring interest rates under control, that we show the people of this country that we are going to move toward a balanced budget.

I think that the Obey amendment recognizes that there are some legitimate duties of Government. It is my understanding that the Obey amendment actually reduces spending more than the President's budget. Is that correct?

Mr. **OBEY**. The 3-year cumulative spending total under this amendment would be about $45 billion less than the President's own program.

Mr. **BEDELL**. So that this not only brings us toward a balanced budget, it reduces total expenditures.

There has been talk about the tax cut. I would like to point out that according to the Congressional Budget Office, for a family of four, one earner, or a married couple with two dependents, the Latta or the Reagan budget would have a tax cut equivalent for those of $100,000 of 12 times as much as for a family with a $20,000 income. In other words, when income increases 5 times, this Reagan budget would decrease taxes not by 5 times, but by 12 times.

The Obey substitute would decrease taxes by roughly five times, to bring some equity.

I believe we were originally here to cut expenditures by decreasing waste, fraud, and abuse in our Government. I believe we have some legitimate duties that we need to perform. I believe the Obey substitute gives us that opportunity to reduce expenditures, and brings us a balanced budget, and I support it.

Mr. **MARTIN** of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. **BEDELL**. We are very short of time.

Mr. **MARTIN** of North Carolina. I did yield to the gentleman earlier.

Mr. **BEDELL**. I yield to the gentleman.

Mr. **MARTIN** of North Carolina. The gentleman is making an argument that those who have incomes 4 or 5 times higher than their neighbors are getting 12 times the tax cut. Let us say "B" has income 4 or 5 times higher than "A," and is going to get 12 times the tax cut. Does the gentleman realize that the only reason that would be true is if "B" pays 12 times as much taxes as "A"? It is true if "B" pays 12 times as much taxes, "B" will get 12 times the tax cut; but if they pay the same taxes, they get the same tax cut. That is proportional.

Mr. **BEDELL**. If I may reclaim my time, the fact is there are big tax cuts here for wealthy individuals, according to what they own. I think the gentleman knows about the leasing provisions in the tax cut, which is terribly beneficial to large corporations, for example, which helps its stockholders.

Mr. **MARTIN** of North Carolina. Will the gentleman yield further to me so that I can invite his attention to legislation which I and the gentleman from Georgia (Mr. JENKINS) today have introduced to try and correct that problem? I think the gentleman would be very much in support of that. But on the individual tax cut, only the one who has 12 times as much tax liability will get 12 times as much tax cut, and will still end up still paying 12 times as much as the other because the tax cut is proportional.

Mr. **BEDELL**. I do support that, and I hope the gentleman will support the Obey tax cut, which brings some equity to our tax system.

Mr. **WALKER**. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think we need to clarify this question of taxes with regard to the Obey big tax package. The $134 billion of additional taxes we have talked about are necessary over and above the taxes that are in the bipartisan substitute. So, in other words, that substitute which already has taxes in it for corporations, such as the minimum tax, already has oil company taxes in it and all those kinds of things, that tax package already exists. That is 95 billion dollars' worth of taxes. The extra $134 billion has to come from somewhere.

One has to say that the only other place we can get it once we have taxed the corporations and taxed the oil companies; the only other place this $134 billion can come from is from individuals, from every man, woman, and child in the United States. That adds up to nearly $2,500 for every family of four. That is what is involved in the Obey big tax package. American working people cannot afford it; this Nation cannot afford it.

Mr. SHANNON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there has been much useful discussion of the expenditure provisions contained in Mr. OBEY's budget.

It is important now that we take a minute to look at the other side of the issue. It is time to examine the revenue provisions envisioned in this budget.

There is no question that revenues must be increased this year.

Both sides of the aisle seem to agree on this. It is clear that the Reagan program is not working. And a big part of the reason is the exaggerated tax cuts we passed last year. Those cuts have failed on two counts.

They have created unnecessarily large deficits.

And, they have absolutely failed to stimulate the economy.

Some real change is needed this year, if we are to have a tax bill that works.

I suggest that there are two principles upon which we should base this year's tax reforms.

These are the principle of fairness, and the goal of creating a climate for productive investment.

Let us look first at the issue of individual taxes.

It would be a terrible mistake for us to sacrifice tax cuts for working Americans as a way of reducing the deficit.

The Obey budget would enable us to achieve the fair and equitable distributions in the cuts that were envisioned last year in the Udall, Obey, Reuss tax bill.

The approach envisioned in the Obey budget would provide a greater tax cut for those earning less than $20,000, than does the Reagan program currently in place.

In addition, the Obey approach envisions preserving the tax indexing provisions, although it would delay them 1 year. These provisions have a very tangible value for the working men and women of this country.

And let us look at how this budget proposes to handle revenues from business.

We all know that the Reagan business tax cuts are failing to stimulate productive investment. They just are not producing.

In fact, these tax cuts have resulted in negative tax rates for certain large businesses.

We have actually been providing welfare for corporate America. And as Wall Street itself seems to be telling us, that it is something we just cannot afford to do—not when we have huge deficits undermining investor confidence.

The Obey bill as envisioned would preserve the effective and targeted provisions of the 1981 tax bill—those parts that are actually stimulating productive investment. And it would eliminate the useless and unproductive subsidies we approved last year.

Look at some of the useful, specific steps toward business tax reform envisioned in this budget.

We all know, for instance, that something must be done to clean up safe-harbor leasing. This budget would be a step toward addressing that problem.

It would call for some modification of safe-harbor leasing, while still preserving those provisions which affect distressed industries.

There is the whole, broad problem of the overly generous depreciation schedules contained in last year's tax bill that must be examined. This budget would do that.

It would limit depreciation allowances to take into account the investment tax credit. There is no reason for us to allow the kind of double dipping that results from current law concerning depreciation and the investment tax credit.

The tax proposal envisioned here would move the cost recovery period for structures from 15 years back to 20 years. This change is essential. Without it, we leave on the books one of the worst provisions in last year's tax act. We just cannot afford that kind of depreciation scheduling—not with our current deficit crisis.

The Obey approach would also repeal the faster depreciation schedules to be applied after 1984. If we do not do this, we will lose over $31 billion in revenues by 1987.

And let us look at some of the big favors we did last year for the oil companies. The tax provisions we are looking for would repeal some of last year's major giveaways. The budget would also reestablish the 10-year writeoff period that originally applied to petroleum refineries.

There is no reason in a time of scarce revenues, that we should allow tax breaks like the percentage depletion allowance. Not for an industry which is already highly profitable.

We also need to do something about the current foreign oil tax credit. This simply gives an unnecessary and damaging incentive that encourages oil companies to produce abroad rather than at home.

Not only are these kinds of subsidies not fair—they fail an even more basic test. They just do not produce for the American economy.

There are some other tax reform opportunities that are envisioned under this package.

For example, we would eliminate the preferential capital gains tax treatment associated with the sale or exchange of nonproductive assets.

There is no reason why we should be subsidizing these investments in the midst of a deficit crisis. Not when it is so obvious that we should be targeting our investments to productive areas.

This package assumes that some of the tax proposals made by President Reagan would be adopted.

At the same time, the Obey approach responds to some fundamental American goals.

It is fair, and it eliminates many of the wasteful and nonproductive provisions of the current tax code. As part of the overall Obey budget, this revenue approach would balance our books by 1985.

I intend to support the Obey budget because it sends a signal to Wall Street that this Congress is serious about addressing the Reagan deficit crisis.

And it says that we will do it in a way that is fair both to the American worker, and to productive businesses.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. SHANNON. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I think the gentleman from Massachusetts (Mr. SHANNON) made a very good statement. I would just like to make sure that I understand one aspect of the Obey amendment.

As the gentleman understands it, we are talking about reforming the safe-harbor leasing provisions, not repealing those provisions; is that accurate?

Mr. SHANNON. That is absolutely right.

Mr. DICKS. And it would affect those companies that have really abused the tax advantages before?

Mr. SHANNON. Under the Obey substitute there would be room to reform it to make it available to the distressed industries in America and take it away from those that do not really need it.

Mr. DICKS. What we are really talking about is not a tax increase. What we are saying is that we are going to reduce the size of the tax cut and the size of the deficit that we have. With the lack of economic performance today, we see further deficits, deficits that are massive, and we are trying to take a positive step to reduce those deficits, as I understand it.

Mr. SHANNON. That is absolutely right. This is a tax policy that will encourage growth and not be as costly as the tax policy that we have in place today. I believe that is something that all of us want to see.

Mr. DICKS. And in terms of the third year of the program, we would have a balanced budget and a $13 billion surplus?

Mr. SHANNON. That is absolutely right.

Mr. DICKS. Mr. Chairman, I appreciate the gentleman's yielding.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. SHANNON. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, I want to thank the gentleman for yielding.

The gentleman pointed out that what we want to do is really reform the tax laws, and he mentioned only one—and I was listening very intently—and that was the safe-harbor leasing provision.

Will the gentleman tell us how much money we are going to get back through reform of the safe-harbor leasing provisions?

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. SHANNON) has expired.

(On request of Mr. LATTA, and by unanimous consent, Mr. SHANNON was allowed to proceed for 1 additional minute.)

Mr. LATTA. Mr. Chairman, I ask the question because you are asking for about 230 billion dollars' worth of tax increases in 3 years.

Mr. SHANNON. Mr. Chairman, if I may reclaim my time, I will talk about what further needs to be done.

Last year's Economic Recovery Tax Act moved the writeoff on structures from 20 to 15 years. There is no reason in the world why we cannot have a 15-year writeoff on structures, and I would hope that we can move that back this year.

Mr. LATTA. How about the safe-harbor leasing?

Mr. SHANNON. Mr. Chairman, if I could keep my time, I will answer the gentleman's question.

The safe-harbor leasing provisions, which are projected to cost $28 billion over the next 5 years, would be cut back to about $13 billion. We would save about $15 billion over the next 3 years in safe-harbor leasing alone, making that available still to distressed industries.

There is no reason why we should allow businesses to write off that portion of investments which is subsidized by the Government in the investment tax credit. There are many things we can do which, I think, will eliminate abuses and eliminate indefensible tax shelters and stimulate growth in the economy.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. SHANNON) has again expired.

(On request of Mr. LATTA, and by unanimous consent, Mr. SHANNON was allowed to proceed for 1 additional minute.)

Mr. LATTA. Mr. Chairman, if the gentleman will yield, may I say to the gentleman that I do not know where he obtained his figures, but we have the figures on the safe-harbor leasing.

Let me say that I am one of those Members who opposes safe-harbor leasing, and I would like to see it repealed, period. But the figures we have show in 1983 you only get $2.9 billion by complete repeal, in 1984, $4.6 billion, and in 1985, $6.5 billion. This is with complete total repeal. And in talking to those members of the Committee on Ways and Means, we understand there is not going to be complete repeal, so we cannot expect even the amounts I have just given.

Again the gentleman said, about the 20 and the 15, that we add those two together for the first year, and we only get $3.1 billion, and that is including the safe-harbor leasing if we have complete repeal. Then we add $1.2 billion in 1983 to the $4.6 billion, and that is $5.8 billion.

Mr. SHANNON. Mr. Chairman, I would like to reclaim my time. On the leasing provisions our estimates are that we can pick up $12.5 billion over 3 years.

Mr. LATTA. That is about right. That is with complete repeal. The gentleman is a long way from the $230 billion in new taxes he is requesting.

Mr. SHANNON. We can pick up $8 billion by changing the way in which we treat the investment tax credit, we can pick up over $4 billion in the next 3 years on the real estate provisions, and those are all things that need to be done.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. SHANNON) has again expired.

(By unanimous consent, Mr. SHANNON was allowed to proceed for 1 additional minute.)

Mr. SHANNON. Mr. Chairman, we can do those things without inhibiting productive growth in the economy.

I will join with the gentleman in moving for a complete repeal of the leasing provisions, and I am glad to hear of his position on that. The point is that the Obey substitute does not require that. It does not put out tax policy in a straitjacket. It allows us opportunities to have a tax policy that will encourage growth. It is fair to individuals, and it is fair to small businesses. I think overall it is a fair and equitable plan, one that will encourage growth in the economy, and I think these are things that we are all trying to achieve.

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. SHANNON. I yield to the gentleman from North Carolina.

Mr. MARTIN of North Carolina. Mr. Chairman, the gentleman contemplates complete repeal, and I know that he says that is not necessary in this substitute. If he contemplates that, let us be fair and recognize the validity of the conventional leasing provision.

Mr. SHANNON. Mr. Chairman, if I may reclaim my time, I think the gentleman from North Carolina (Mr. MARTIN) has a very good bill pending before the Committee on Ways and Means. I think that is one that I can support.

Mr. MARTIN of North Carolina. The gentleman from Georgia (Mr. JENKINS) and I have introduced that, and I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. OBERSTAR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Obey substitute.

The Obey substitute, among all those proposals that are pending before this body, is balanced. It is balanced on the economics, and it is balanced on the equities of responsible public policy assignment of scare financial resources.

The Obey budget proposal is a much-needed midcourse correction of the Reagan budget that we passed last year:

> The budget crisis can wait no longer. The huge budget deficits now in prospect are crippling today's economy and could lead to years of financial turbulence and industrial stagnation.

I did not make that statement. That statement was made by five past Secretaries of the Treasury under Republican and Democratic administrations in a letter sent around to all Members of the House. They have headed or are now heading some of the Nation's largest institutions and industrial corporations. They appeal to Congress on a bipartisan basis, and we have got to respond to that appeal.

The Obey budget does respond. It does not repeal last year's budget. It makes it less burdensome on working people. It asks sacrifices of all people, but it does so in a tax climate, which we have just been discussing, of greater fairness than under the Reagan plan. The Obey budget recognizes, as I think we all do or at least should do, that the President's program is not working, and this budget attempts to do something about it.

It provides, first of all, an economic stimulus package that will put people to work. It provides jobs for people who have exhausted their unemployment compensation. It provides jobs through summer programs for young people.

It provides jobs to revitalize cities with high unemployment. It provides jobs for older workers. It will provide funding for continuation of the Appalachian Regional Commission and funding for continuation of the new economic development program that has just been reported out of the subcommittee that I chair. It looks to the future of this country with a revitalized program of funding for elementary and secondary education and a new and realistic targeting of financial resources to an education program in math, science, engineering, and computer sciences. In fact, if we could target some of those funds for our colleagues on the Republican side of the aisle, maybe a little new math would help them untangle this budget mess they have created.

What this country needs is jobs. The Reagan program has made some corporations rich. It has enriched some of the wealthier people of this country, but it has not put anybody back to work. We have 2 million more people out of a job this year than we did last year when they started with this program.

The Obey budget will do something positive and practical and realistic about jobs. Last year the question that we were asked on the budget was: Are you with the President or against him?

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This year the question on the budget is, Are you with the people of this country or against them? If you vote for the Obey budget you are with the people.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. I would like to compliment the gentleman on his statement. I think the focus on jobs is clearly important.

I want to commend the gentleman not only for his statement but for his leadership in the economic development package.

The Obey budget which is before us does another thing which I think the gentleman would support and that is that it increases by about $500 million the commitment to the highway bridge program in the Nation.

Our committee passed H.R. 6211 which is a major Federal Transportation Act of this year, which provided some 1.5 billion dollars' worth of the level to put people to work repairing the aging bridges of our Nation.

Unfortunately, the committee budget and the Latta budget have a funding level that is much lower, some $600 million lower than what our authorizing committee committed to that problem.

I would also like to remind the gentleman that the Obey budget has an expenditure of about $220 million in the public transit area, both in rural and in urban transportation.

I think for those who are interested in jobs and interested in our cities and our rural communities, those who are interested in the whole jobs question, I think if they look carefully at this budget they will agree with the gentleman in the well and support the Obey budget.

I thank the gentleman for his statement.

The **CHAIRMAN.** The time of the gentleman from Minnesota has expired.

(At the request of Mr. EDGAR and by unanimous consent Mr. OBERSTAR was allowed to proceed for 1 additional minute.)

Mr. OBERSTAR. The gentleman has made a very fine contribution and I thank him again.

I urge a vote for the only budget that makes economic sense, and that is the Obey budget, to help put people back to work and not simply enrich corporations.

Mr. FORD of Michigan. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I raise to support the Obey substitute because, when you compare it with the alternatives, it has some differences which make it more desirable and more understandable to the people who are trying to figure out what in the world we are doing down here.

Nowhere is that more apparent than when you look at the difference in the way in which the Obey budget deals with domestic programs and particularly with important programs like education.

If you go down through the Obey amendment you will find that over the next 3 years he would increase funding for title I—the money that goes to elementary and secondary schools in virtually every school district in the country—by $960 million. He would increase handicapped education by $346 million; vocational education by $240 million; impact aid by $151 million; Head Start by $140 million; and the Pell grants for the neediest of all college students by $350 million.

The campus-based programs like work study for students, and supplemental education grants, the programs that help people work their own way through school, would be increased in that period by $858 million.

Even more exciting than all of that is the new initiative in the Obey substitute to improve academic standards in high schools and to redirect attention toward developing the kind of training and technology that we are going to need to reconstruct this country.

He offers a program, which attacks a problem which has been of great concern to me personally and to many of the Members I serve with on the Committee on Education and Labor. In the elementary and secondary education area of Function 500, he has added a development and demonstration program for instruction oriented to high technology and a program of secondary curriculum innovation grants.

To give you a little background: During the last Congress when the Committee on Education and Labor discussed a new youth initiative and again most recently when we conducted extensive hearings and the markup of the Job Training Partnership Act (H.R. 5320), the need for a new initiative at the high school level to update curriculums and to introduce computer technology and other updated business-oriented programs was abundantly clear. Too many of our local high schools have not had the resources to modernize their program offerings or their facilities. As a result, their students are not graduating with the necessary skills to compete for jobs.

The two programs Mr. Obey is introducing are designed to work together to achieve the maximum impact on a rethinking and restructuring of high schools and vocational-technical programs in America.

The development and demonstration program would provide approximately $5 million to each of 16 federally supported education labs and centers to fund programs that apply what we know about learning to issues of high technology, particularly computers. To insure that there is cooperation, each lab and center would work with schools in its region to develop new ways to teach computer technology. These labs and centers have been working with the schools in their regions for 17 years on the coordination between learning, work, and technology. To a small extent, many of them are already involved with computer literacy, so this program would boost an ongoing and worthwhile effort.

The secondary curriculum innovation grants of $1.5 billion would start in fiscal year 1985 and would go to local school districts to assist vocational and other education personnel in reworking curriculums to focus on productivity issues of the eighties and nineties: math, science, and understanding the role computers and telecommunications will play in employment and home situations.

While I am aware of many local school districts which are cognizant of the need to respond to the era of new technology, their budgets are so strained they cannot accommodate any new initiatives. I agree with Mr. Obey that they need some "seed money" to assist them in this modernization. It is critical that schools become involved in high technology or they will be left far behind, not only by the business and industrial communities, but by the operation of Government as well.

Mr. Obey should be praised for his insight and innovation in offering this part of his budget package. I believe it is deserving of your support.

For the first time today, I have heard people on this side of the aisle justifying last year's action on taxes, not on the basis of the oft heard excuse that we did not like the fact that it all went to the fat cats and those corporations which needed it least in society but, indeed, its real purpose was to provide a stimulus to the economy.

I think that is answered by the bumper sticker which says: "If you think Reaganomics is working, ask me. I'm not."

That is really what people are telling us out there.

We gave tax cuts to the people and justified them, that is those Members who supported the cut last year. But the truth is we did not distribute the tax cut on the basis of equity and fairness to the American taxpayer as is now being suggested by Members on the floor today in defense of their action.

The Obey substitute is the only substitute being offered here that is structured in a way that will meet the agreed-upon goal of a balanced budget.

The Obey substitute comes closer to reducing our intrusion in the marketplace in terms of borrowing money to run the Government than anything before us except the Miller amendment, which would have guaranteed that we would discontinue the practice which is keeping the interest rates up.

At the same time it provides for the greatest latitude in increasing educational funds because of the way it is structured. I know a lot of my colleagues from the President's party, who have assured education groups during the last year that they would not have voted against education last year if they had had a chance to separate it from their support for the President and his economic recovery. They agreed it was wrong and they were going to do something to take care of it in this year's budget. Now they must make good on their commitment.

If they do not, the people out there in the education communities will certainly know.

There will be an amendment, which I will support, to the Jones resolution, if we get that far, that will restore some education funds. But it will not replace, as the Obey amendment does, the damage that was done last year by Gramm-Latta to our educational system.

This resolution comes as close as we have been able to come in any resolution to putting back in place some of the money. In 1 year the lack of this money already seriously damaged and in some instances destroyed educational programs that are absolutely essential to this country.

Mr. PEASE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, when my constituents ask me to explain how we got into the mess we are in with $182 billion deficits forecast for this year, and even bigger ones for the next couple of years, I say that essentially President Reagan last year tried to do too much at one time. He tried at one time to do four things, all of which are desirable but which could not be accomplished at the same time.

No one quarrels with his effort to restrain Federal spending or cut spending, if you wish, on domestic programs. Many people would support increases in defense spending. I do not think many people would object to tax cuts. And certainly everyone supports an effort to balance the Federal budget.

But it was impossible to do all four things at one time and yet that is what the President tried to do.

Many of us pointed out last June and July that the numbers did not add up. The numbers did not add up last spring. They do not add up now. That is why we have these large deficits.

The Obey-Udall-Reuss budget of last year did recognize that and did use more modest figures that would have kept us out of the deficit mess we are in today.

I am proud to have voted for that amendment last year.

Similarly, this year the Obey budget recognizes again the legitimate needs of defense, the need we have not to dismantle social programs and the need to move as quickly as possible toward a balanced budget. This is the best hope we have of arriving at a balanced budget.

For that reason I think we ought to support enthusiastically this Obey substitute.

There is one other parochial reason that I would like to mention as a Member from Ohio and that is that this substitue, unlike the committee version or the Republican substitute, provides enough funds so that a change in the law can be made to repeal a provision effective October 1, which would cut Ohio's unemployed workers out of extended unemployment benefits.

As a Member from Ohio who has unemployment ranging from 14 percent to 19 percent in his district I want to be able to go home and tell my people that I voted for the Obey substitute which does make room for a change in the law which will prevent unemployed workers in Ohio from being cut off of extended benefits starting this October 1.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. PEASE. I will be happy to yield to my colleague from Ohio.

Mr. SEIBERLING. Ohio is not the only State that would be so affected in every other substitute except the Obey substitute.

Pennsylvania, Wisconsin, and South Carolina would likewise be affected by the 1st of October and as the year goes on a host of other States would similarly be affected unless we adopt something along the lines of the Obey substitute.

I strongly support it and I join with the gentleman in the statement he has just made.

Mr. PEASE. I thank the gentleman from Ohio. He is entirely correct.

I yield back the balance of my time.

Mr. GOODLING. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am not sure who the gentleman from Michigan (Mr. FORD) was referring to in his comments in relationship to someone who speaks more to educational groups than he does. As I looked around the committee I appear to be the only Member left that was on the committee and on the floor.

☐ 1600

I want to make sure that all understand that I do not apologize for what we did last year. As a matter of fact, what we did last year was work together to make sure that some of the things did not happen that were recommended by the administration. I am very happy to say that everyone who came to testify before our committee this year did not—I repeat, did not—ask for additional funding. Every group that came before us simply said, "We realize that this is the way it has to be. All we ask is that you do not cut any further."

You will notice, then, in the Latta budget that, in fact, we do not cut. In fact, we give some increases. We increased that budget in elementary and secondary education and the rest of the educational areas by about $3 billion over last year's spending.

So no one should think that those who came and testified before the Education and Labor Committee this year were asking for more. They were merely saying, "Do not cut us any further." And in the Latta-Michel budget, we do not do that.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from California.

Mr. ROUSSELOT. So the gentleman is telling us that there really has been no strong testimony to increase spending in this category?

Mr. GOODLING. No; as a matter of fact, the first time in 8 years all who testified said, "Do not cut us any further. We understand that where we are now has to be, and we are satisfied. We can make it work."

Mr. ROUSSELOT. So all of this conversation we have heard that there are a lot of groups out there that are actively trying to increase spending in this category is pure bunk.

Mr. GOODLING. Well, it is pure something, as far as those who came before our committee to testify. They did not testify in that manner.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the minority leader.

Mr. MICHEL. As a matter of fact, I was rather distressed when the gentleman from New York (Mr. PEYSER) was making a point. I noticed that in the previous vote on the Miller amendment he voted for it, which was an outright freeze, with no add-on amendment to increase the education. Our substitute was put together on the assumption of a freeze plus an add-back for, let us face it, those who were very concerned about this item. There is $139 million in budget authority for 1983; for education for the handicapped, $50 million; Pell grants, $110 million; education block grants, $78 million; vocational adult education, $20 million.

So there are significant add-backs that are now, in the bipartisan substitute, which more than adequately takes care of those who had some complaints on the education item.

Mr. GOODLING. At least a $3 billion increase.

Mr. CONYERS. Mr. Chairman, I move to strike the requisite number of word, and I rise in support of the amendment.

Mr. Chairman, I come here to speak in support of the Obey amendment. But for those who may not know who has been requesting more help from the category of education, I just left last month a chancellor of a university in North Carolina who told me in rather unequivocal terms that 85 percent of his student population would not be back if we did not continue the loans and the grants that underwrite students. That president also came to Washington and joined a number of black university chancellors and presidents who were asking for additional funding from the Education and Labor Committee. They certainly came before the Congressional Black Caucus and said, "Guess what. The black universities in this country are going to be literally closed up if you do not do something about the budget."

And so we said, "Well, we will get on it right away. I think there are some amendments on the floor that take care of it."

Now I am advised by the ranking minority member on the Education Committee that everything is OK and was OK.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. If the gentleman will recall, I very specifically said that they did not come before the committee and ask for additional. They asked not to cut. But in fact we on the subcommittee on the minority side gave additional money, and it is included in the Latta budget. That is the statement that I was making. The gentleman will find that it is factual. And if the gentleman will read the testimony before the committee, he will also find that my statement is factual.

Mr. CONYERS. Well, I am glad, delighted, to hear this. I will forward it to the nervous presidents of the black colleges forthwith, if they happen not to be watching cable or do not read the CONGRESSIONAL RECORD, because those were precisely the assurances, sir, that they solicited. And I am glad to know now that everything is OK.

Mr. GOODLING. If the gentleman will yield further, I want to make sure that he was not referring to a Presidential request, a Presidential budget. I am talking about a budget that we put together in Education and Labor, somewhat in a bipartisan fashion, which is included in the Latta program that we will have before us later on. We are not talking about the President's budget. I fought that also.

Mr. CONYERS. I thank the gentleman.

Now, I would like to indicate my support for the Obey proposal. Many of us supported it last year, and this term is no exception. It addresses what I suggest are the real needs of this country, particularly with reference to putting back a jobs program. As I recall the administration proposal, they ended CETA, confronted with the highest unemployment rate of 40 unbroken years, which I think deserves some attention.

I would, however, like to ask my chairman, the gentleman from Wisconsin, on this proposal whether or not he contemplates the freeze proposal offered by this gentleman in terms of the military portion of his budget. That is to say, I offered a separate amendment which tracks the nuclear freeze proposal and extricates only nuclear weapons testing and technology from this budget, a mere $20 billion. In view of the fact that Senator GOLDWATER wants $22 billion, I am somewhat embarrassed by my relatively modest figure. But is that contemplated within the strictures of the gentleman's budget?

Mr. OBEY. If the gentleman will yield, I certainly support that approach. Our proposal would leave in place approximately 7 percent real growth in defense above the 1981 base, but it would still take into account of necessity to cutback substantially in items like that until we reach a balanced budget.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. CONYERS) has expired.

(By unanimous consent, Mr. CONYERS was allowed to proceed for 1 additional minute.)

Mr. CONYERS. So with all of my colleagues from whom there is support for the principle of halting our testing, with all who are cutting from defense, and even with my colleagues from the other side of the aisle who have reached the incredible figure of a $22 billion cut, and I never thought in my lifetime I would live to hear the distinguished senior Senator from Arizona pleading with the administration for a military reduction, I join those who are going to support the Obey amendment.

□ 1610

Mr. LOWRY of Washington. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment.

There are only a certain amount of resources in any economy at one time. There are only a certain amount of engineers and managers, a certain amount of fixed capital, a certain amount of skilled labor, a certain amount of energy, and a certain amount of raw materials.

The reason I strongly support this Obey amendment is, as the gentleman from Wisconsin indicated in his opening remarks, the Obey amendment is taking a rational approach to the defense needs of this country—a rational approach that puts off until 1988, rather than 1986, the time that we will be spending $1 billion a day on the military, $365 billion a year.

The Obey amendment by providing a sensible, rational economic increase in our military needs thereby allows us to use savings from the slowing of the military increases to invest in what is necessary to rebuild this economy; for what is necessary to rebuild the infrastructure of our Nation, for what is necessary for us to educate the scientists and managers and skilled laborers that we need. If we do not realize the problem of the massive diversion of our resources into the military, than we will continue to slide and slide in the competition with our friendly neighbors, the Japanese, the West Germans, the French, who are putting more into research and development, and putting less into the military than we are.

I would like to use just a couple of figures to support that.

This year, of every $100 for fixed capital formation that we will invest in this country, $46 of that is going to go into military expenditure.

In Japan, of every $100 of fixed capital formation investment being made, $3.70 is going into the military. And in West Germany, $18.90 is going into the military.

Now when we compete against our friends from those nations, they have the dollars going into better automobile plants, cameras that do not use film, computer chips, satellites, microelectronics, and so forth.

The Obey amendment by giving us a slower increase to meet our military needs gives us the capability to do what we have to, to get our economy going again.

Second, at our present rate of military buildup we are crowding out the capital funds necessary to rebuild our national infrastructure. The sum of the defense budget from 1946 through 1988 at the President's request rate will be approximately $4.3 trillion. That is the money value of everything man made on the surface of the United States; all the structures, machinery, public and private facilities, business and personal inventories, everything in the United States except the money value of land. We simply do not have enough capital capability to fund the administration's military request and still rebuild the infrastructure of our Nation. The Obey amendment reduces $75 billion in the next 3 years from the administration's excessive military expenditures and thereby gives us a better chance to build the transit systems, mental health hospitals, water systems, housing, and other vital programs such as education and health necessary if we are to return to the days of a sound economy. In doing so it also provides the most important component of national security, a strong economy.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. LOWRY of Washington. I yield to the gentleman from New York.

Mr. STRATTON. I thank the gentleman for yielding.

The gentleman said a moment ago, if I understood him correctly, that the budget of the gentleman from Wisconsin (Mr. OBEY) was the superior one because he had managed to defer until 1988 the expenditure of a certain particular sum.

Mr. LOWRY of Washington. $1 billion a day.

Mr. STRATTON. I forgot how much it was.

Does the gentleman know whether the gentleman from Wisconsin has also found out whether the Soviets are willing to defer moving into the Persian Gulf or into the Middle East until 1988?

Mr. LOWRY of Washington. I do not know whether the gentleman from Wisconsin has had an opportunity to find that out. I am sure he could speak for himself. But I know that the way we can aid them in doing that is if we destroy our domestic economy by taking out our resources and putting them into the military and thereby getting weaker and weaker as a result of it.

Mr. STRATTON. Does the gentleman think that the nature of our budget ought to be matched against the threat, and does the gentleman think that the threat has diminished in the Middle East and in the Persian Gulf?

Mr. LOWRY of Washington. I think the nature of our budget ought to be matched against the threat and ask itself what is real national security and does take a strong economy for us to be viable in 1988. The answer is "yes."

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. LOWRY of Washington. I yield to the gentleman from Wisconsin.

Mr. OBEY. I thank the gentleman for yielding.

I would simply point out that all we do is say we are for a defense buildup, we are for tax cuts, and we will provide on both sides the amount we can provide without borrowing money past 1985. We get to $1 billion a day in military spending for 1988 and if we get to a balanced budget sooner than that, I will be happy to support a bigger defense increase.

I am for whatever we can pay for without borrowing money after 1985, because if we do not approach it that way, it does not matter what we spend, the dollars we are spending are going to be worth zip and it is going to buy zip defense, zip education, and zip anything else.

● Mrs. SCHNEIDER. Mr. Chairman, it is my intent to support the Obey substitute. I cannot say that I agree with all its assumptions and plans for the outyears, but I certainly feel that for fiscal year 1983 it represents a responsible balance between spending, both discretionary and nondiscretionary and the very necessary need to accomplish a balanced budget in the near future. The fiscal year 1983 particulars will set us on a proper course—and we can make midcourse corrections in the second resolution later this year and in resolutions in the next 2 years to adjust the need to increase taxes, since the gentleman from Wisconsin has assumed largest increases only for years beyond fiscal year 1983.

But for 1983 the Obey substitute makes reliable programmatic assumptions. It will help put displaced workers back on the job by providing job training, employment information services, and local grants to help rebuild our city services. The Obey substitute also provides a billion dollars a day for defense by 1988 in contrast to the House Budget Committee budget which gets there by 1987 and the Senate resolution which gets there by 1986. In addition I support the additional funds for EPA and the rehabilitation of the urban sewer systems. People in my State are well aware of the huge capital expenditures required to rebuild the Providence sewer system, one of the oldest in the country now in need of repair.

Frankly, the bottom line is that the Obey substitute is a sensible approach.●

Mr. JONES of Oklahoma. Mr. Chairman, I have noticed just two other Members who asked to speak on this and, therefore, I ask unanimous consent that all debate on the Obey substitute cease at 4:30 p.m. If objection is heard, I intend to move it.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent request was made will each be recognized for approximately 1 minute and 10 seconds.

The Chair recognizes the gentleman from Michigan (Mr. DUNN).

(By unanimous consent, Mr. FRENZEL and Mr. JOHNSTON yielded their time to Mr. DUNN.)

The Chair recognizes the gentleman from Michigan (Mr. DUNN).

Mr. DUNN. Mr. Chairman, I would like to raise several points. My colleagues from the other side of the aisle who share the privilege of representing the same part of the country that I do, that is the Northeast Midwest, have been standing up supporting this amendment while at the same time this amendment would get rid of some of the depreciation and other tax benefits. These same Members have made the point that we do have to become competitive with the Japanese and the Germans. The best way for our industries in our part of the country to do that is to take advantage of the tax laws that we gave them last year.

There is nothing in this amendment that is going to give those industries anything other than an increased tax burden.

So to talk about revitalizing our Nation and at the same time support this amendment is not possible.

(By unanimous consent, Ms. OAKAR yielded her time to Mr. OBEY.)

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Mr. Chairman, just briefly, I urge my colleagues to vote for the Obey substitute.

I think that we made some mistakes last summer in terms of the economic program and this offers us really an opportunity to shift gears and to try and temper those particular decisions.

Really I think that just to say that you are looking at the tax changes that would be accomplished, we know that that is a different task for many Members to accept and would not offer it, if there seemed to be an alternative.

In all seriousness I think many of us would like to have seen the type of growth occur with respect to the economic program that was put in place but I think it is time to face up, that economic program is not working. And for those who are worried about tax increases, most small businesses and many people unemployed do not pay any taxes right now, because ironically they are not earning any income. So the Reagan tax cuts do not affect them in any way. What we really need to do is begin to act on the basis of the facts of the circumstances and provide some initiative and some leadership. We are not sent down here with the luxury of disassociating ourselves with problems.

One of the fundamental differences I think is whether we are willing to face up to the situation that we are in today and do something about it or not to do so. If we do not have the resources we cannot address these concerns and needs of the people that we represent.

There is no free lunch in this particular budget or in this economy, so I hope we vote "aye" on the Obey substitute which realistically addresses the problems and the way things are in the United States, indeed the world economy today.

□ 1620

(By unanimous consent, Mr. Sabo yielded his time to Mr. Obey.)

The **CHAIRMAN** pro tempore (Mr. Beilenson). The Chair recognizes the gentleman from Minnesota (Mr. Oberstar).

Mr. OBERSTAR. Mr. Chairman, this afternoon we have heard a lot of debate of tax policy on a very erudite level, arcane discussion of whether this or that tax cut has done this or that to or for the American people, while millions of Americans are out of work. The unemployed are looking to this Congress to make a change, to make what I called earlier a midcourse correction in economic policy and the direction of this country. The Obey budget proposal is proposed to make that change, and now is the time to make that change, to put some people back to work.

Yes, and the gentlemen over there can smile while millions of people are out of work, but this budget proposal gives us an opportunity to put people back to work. The tax cut last year did not do it. The tax proposals and the budget proposals that came from that side of the aisle did not do it last year and they will not this year, either. It is time to turn things around.

Let us vote for a proposal that will put people back to work. Vote for the Obey proposal.

The **CHAIRMAN** pro tempore. The Chair recognizes the gentleman from Pennsylvania (Mr. Edgar).

Mr. EDGAR. Mr. Chairman, I just want to point out to my colleagues that several of the budget alternatives are defective in their responses to veterans.

I would like to simply state that the Obey substitute provides adequately for the veterans medical care. There is no need to add on the Hefner amendment, which many of my colleagues will support, to the Jones proposal, because this particular budget alternative adequately funds veterans' categories and provides for medical care and other veterans needs.

I would just point out to my colleagues that the Disabled American Veterans circulated a letter and indicated that if we did not restore some of the funds for veterans in the medical care area, several veterans hospitals would have to be closed and some 13,000 employees from 1982 base employment levels would have to be laid off.

It is important, I think, for all of us to have a budget that cares for the needs of people and the Obey budget cares for the needs of veterans.

The **CHAIRMAN** pro tempore. The Chair recognizes the gentleman from New Jersey (Mr. Hughes).

● **Mr. HUGHES.** Mr. Chairman, we have listened to an awful lot of debate today on the budget, and we are going to sit through a lot more before this issue is ultimately decided. All of us have sincere and deeply felt convictions about what is best for the country at this point, so it is not surprising that we see a vast gulf of opinion that will have to be bridged before we can go home.

But as we meet this week, I hope it will be with a great sense of urgency. I hope we will examine our consciences and try to do what is right, and put aside the many opportunities presented by this debate to gain partisan, or regional, advantage.

The problem before us is urgent.

The Government is drowning in a sea of red ink.

The financial markets are in turmoil.

Businesses, large and small, are falling like flies. Some 10 million Americans who want to work, cannot find work.

All of us, I believe, want to go to the same place—toward a balanced budget. We know that, as long as the Federal Reserve Board is looking at the bottom line—that big baseline deficit of $182 billion for fiscal 1983—interest rates are going to remain high. They are going to keep turning the screws.

And it is going to hurt. It is going to hurt all our constituents, businessmen and labor, young and old—all of them.

What we must do now is adopt a budget that will send a clear message to the financial markets that we are serious about getting the deficit under control

It is going to take some strong medicine, and we know it. Let us not kid ourselves, or try to kid the American people. To bridge that gulf of $182 billion, and even more in the outyears, we are going to have to cut some spending, and we are going to have to find some sources of revenue.

Nearly all the alternatives before us contain some mix of increased taxes and decreased spending.

What the American people expect of us, I believe, is that we adopt the plan that is fairest, that is the most equitable, and that will not single out any one group, or any one region, for undue hardship, or underserved benefit.

Most important, the American people expect us to adopt a plan that will lift, at long last, the heavy burden of high interest rates from the backs of American business, and American workers.

Think, if you will, of the 66,000 businesses that failed last year, and the 18,000 more in the first quarter of this year—of the shattered dreams and lost opportunities.

Consider for a moment the plight of an unemployed worker, who is frustrated because he cannot find work, and who for long weeks and months has to tell his family that, although he is available for work, there is no work available for him. Then multiply that frustration by the more than 10 million Americans who are in that very same position, and you will know the magnitude of the problem we face.

One of the substitutes we have considered would have been genuinely helpful in getting us started in the right direction.

The Miller substitute, for example, was desirable because it would have torn up the national credit card. The whole process would have undergone a vast improvement by forcing the Congress and administration to come up with specific ways to pay for any program that was to be increased over fiscal 1982 levels. It also made room, within that rigid framework, for needed increases in defense and social security.

The Miller "pay as you go" system makes sense. That is how we must run our homes and families and businesses, and that is also how we must run Government.

However, it was not adopted. Now we have an opportunity to adopt the Obey substitute which also points in the right direction even though, in my judgment, it cuts defense by a little too much, and adds too much in the way of taxes.

It does emphasize the point, however, that we must plug some of the loopholes we opened up last year, and subject the defense budget to greater scrutiny. It also allows for some housing starts, job training, and unemployment benefits at a time when our economy is stagnating, and joblessness is approaching 10 percent.

But the bottom line of the Obey substitute is the most important item: A $13 billion surplus by the end of fiscal 1985. That is the black ink the financial markets want to see—not the ocean of red ink we currently have.

I am not voting for the Obey substitute because I embrace each and every aspect of it down to the last penny. I am voting for it because, as a whole, it starts us in the right direction.

And the point I want to make is that, just as I do not support every aspect of the Obey budget, no Member is likely to find a budget that is totally and completely to his liking. That kind of consensus is just not possible at this time in the budget process.

All of us are going to have to give a little; to compromise a little. That is what the legislative process is all about.

Here, we have an opportunity to adopt a proposal that as a whole makes sense. I hope my colleagues will take this opportunity and, as we move through the authorizing process, try to make those changes which are necessary to make the package a better package.

I urge my colleagues to look at this proposal favorably. It makes sense. The situation is urgent. Let us not let the country down.●

(By unanimous consent, Mr. Jones of Oklahoma yielded half his time to Mr. Williams of Montana.)

The **CHAIRMAN** pro tempore. The Chair recognizes the gentleman from Montana (Mr. Williams).

Mr. WILLIAMS of Montana. I thank the chairman for his generosity.

Mr. Chairman, I rise to support the Obey amendment which brings some rationality to the defense budget, shows compassion for the needs of people, and very important, moves this country toward a balanced budget.

Now, in this short time remaining to me, let me say a word about the balanced budget. Although it may not be in political fashion, I want to say a kind word about deficits, because I notice that almost everybody that has spoken has knelt at the altar of a balanced budget. This Nation is about 200 years old. For more than 150 of those years the President of the United States and the Congress of the United States insisted on a balanced budget. When this Nation began to expand and grow, the restraint of balance became counterproductive. Between the Civil War and World War II, under a balanced budget we had six financial crashes and two long depressions. We had violent dissensions between labor and management. We had close to a European style of a social class of politics. High unemployment was common.

During the last great depression, we learned that a balanced budget is not the be-all and end-all. We proved that a deficit, carefully managed, has its useful purposes. We came to know that the national financial ledger was not the only measure of the Government's success. We also must account for human need, education, public works, defense; the fact that at year's end the books are balanced is not good enough if huge numbers of Americans are out of work, hungry or uneducated.

Today's deficit, brought on by too much spending and too little political courage, is dangerous and must be brought under control. But we ought not worship at the altar of the balanced budget.

The **CHAIRMAN** pro tempore. The Chair recognizes the gentleman from Wisconsin (Mr. Obey).

Mr. OBEY. Mr. Chairman, a vote for the Obey resolution is a vote for the Udall-Reuss-Obey tax bill which was introduced last year which provides larger, not smaller tax cuts, for low-income people and which moves the whole thrust of our tax policy last year to a more beneficial position for low- and middle-income people.

In addition to that, it has $45 billion less in spending over 3 years than does the President's budget. It provides a balanced budget by 1985. It still provides over $200 billion in additional future tax cuts. It provides just about a 7-percent real growth in nonpay areas for defense over the 1981 base.

It provides for an attack on unemployment which will develop 1 million additional jobs.

It provides some decency in protecting persons who have exhausted their unemployment benefits by providing some minimal minimum wage job opportunities.

Our tax cuts are not as large as the President's and our defense buildup is not as fast, but we still provide $65 billion in new defense spending by 1985 and as I said, our tax cuts will provide larger tax cuts for low-income working people than the President's proposal would do.

I would urge Members to recognize that this amendment simply seeks not to offer more to the American public than we can in fact deliver. We would like to provide more tax cuts and more defense buildups, but our major goal ought to be to get interest rates down.

We have major disagreement all over the country about what road to follow in order to achieve economic stability and economic growth, but there is no real disagreement on the need to get interest rates down.

The question before this House is which proposal most effectively will communicate to the Federal Reserve and the money markets of this country that we are, in fact, meaning business in tightening up fiscal policy. And the question is whether we can have a balanced budget which still provides for the minimum necessary in terms of support for programs that make this country just a little bit more civilized.

Those are the two questions we are facing. I urge a yes vote on the amendment.

The **CHAIRMAN** pro tempore. The Chair recognizes the gentleman from Oklahoma (Mr. Jones).

Mr. JONES of Oklahoma. Mr. Chairman, I commend the gentleman from Wisconsin for bringing to this debate the need to highlight the demand for more jobs, more employment opportunities; however, I hope that the Obey substitute will be rejected, if for no other reason than the $233 billion in tax increases it calls for over the next 3 years. It is simply too large and too much for this economy to stand.

The **CHAIRMAN** pro tempore. All time has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from Wisconsin (Mr. Obey).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. OBEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 152, noes 268, answered "present" 1, not voting 11, as follows:

[Roll No. 97]

AYES—152

Addabbo
Akaka
Albosta
Annunzio
Applegate
Aspin
Atkinson
AuCoin
Bailey (PA)
Barnes
Bedell
Beilenson
Benjamin
Bennett
Biaggi
Bingham
Blanchard
Boland
Bolling
Bonior
Bonker
Bowen
Brodhead
Brown (CA)
Burton, Phillip
Chisholm
Clay
Coelho
Collins (IL)
Conyers
Coyne, William
Crockett
D'Amours
Daschle
Dellums
Dicks
Dingell
Dixon
Donnelly
Dowdy
Downey
Dwyer
Dymally
Dyson
Early
Eckart
Edgar
Edwards (CA)
Ertel
Evans (IN)
Fary
Fascell
Fazio
Ferraro
Fithian
Florio
Foglietta
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gore
Gray
Guarini
Harkin
Hawkins
Heckler
Heftel
Hertel
Hollenbeck
Howard
Hoyer
Hughes
Jacobs
Kastenmeier
Kennelly
Kildee
LaFalce
Lantos
Lehman
Leland
Lowry (WA)
Markey
Matsui
Mavroules
McDade
McEwen
McHugh
Mikulski
Mineta
Minish
Mitchell (MD)
Moakley
Moffett
Mollohan
Mottl
Murtha
Nowak
Oakar
Oberstar
Obey
Ottinger
Panetta
Patterson
Pease
Pepper
Perkins
Peyser
Price
Rangel
Reuss
Richmond
Rinaldo
Rodino
Roe
Rosenthal
Roybal
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shannon
Simon
Smith (PA)
Solarz
St Germain
Stark
Stokes
Studds
Swift
Traxler
Udall
Vento
Walgren
Washington
Waxman
Weaver
Weiss
Williams (MT)
Williams (OH)
Wolpe
Wyden
Yates
Yatron
Zablocki
Zeferetti

NOES—268

Alexander
Anderson
Andrews
Anthony
Archer
Badham
Bafalis
Bailey (MO)
Barnard

Beard
Benedict
Bereuter
Bethune
Bevill
Bliley
Boggs
Boner
Bouquard
Breaux
Brinkley
Brooks
Broomfield
Brown (CO)
Broyhill
Burgener
Butler
Byron
Campbell
Carman
Carney
Chappell
Chappie
Cheney
Clausen
Clinger
Coats
Coleman
Collins (TX)
Conable
Conte
Corcoran
Coughlin
Coyne, James
Craig
Crane, Daniel
Crane, Philip
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daub
Davis
de la Garza
Deckard
DeNardis
Derrick
Derwinski
Dickinson
Dorgan
Dornan
Dougherty
Dreier
Duncan
Dunn
Edwards (AL)
Edwards (OK)
Emerson
Emery
English
Erdahl
Erlenborn
Evans (DE)
Evans (GA)
Evans (IA)
Fields
Findley
Fish
Flippo
Foley
Forsythe
Fountain
Fowler
Frenzel
Fuqua
Gephardt
Gibbons
Gilman
Gingrich
Ginn
Glickman
Goldwater
Gonzalez
Goodling
Gradison
Gramm
Green
Gregg
Grisham
Gunderson
Hagedorn
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hefner
Hendon
Hightower
Hiler
Hillis
Holland
Holt
Hopkins
Horton
Hubbard
Huckaby
Hunter
Hutto
Ireland
Jeffords
Jeffries
Jenkins
Johnston
Jones (NC)
Jones (OK)
Jones (TN)
Kazen
Kemp
Kindness
Kogovsek
Kramer
Lagomarsino
Latta
Leach
Leath
LeBoutillier
Lee
Lent
Levitas
Lewis
Livingston
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lujan
Luken
Lundine
Lungren
Madigan
Marks
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Mazzoli
McClory
McCollum
McCurdy
McDonald
McGrath
McKinney
Mica
Michel
Miller (CA)
Miller (OH)
Mitchell (NY)
Molinari
Montgomery
Moore
Moorhead
Morrison
Myers
Napier
Natcher
Nelligan
Nelson
Nichols
O'Brien
Oxley
Parris
Pashayan
Patman
Paul
Petri
Pickle
Porter
Pritchard
Pursell
Quillen
Railsback
Ratchford
Regula
Rhodes
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rousselot
Rudd
Russo
Santini
Sawyer
Schulze
Sensenbrenner
Shamansky
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Skeen
Skelton
Smith (AL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (OR)
Snowe
Snyder
Solomon
Spence
Stangeland
Staton
Stenholm
Stratton
Stump
Synar
Tauke
Tauzin
Taylor
Thomas
Trible
Vander Jagt
Volkmer
Walker
Wampler
Watkins
Weber (MN)
Weber (OH)
White
Whitehurst
Whitley
Whittaker
Whitten
Wilson
Winn
Wirth
Wolf
Wortley
Wright
Wylie
Young (AK)
Young (FL)
Young (MO)

ANSWERED "PRESENT"—1

Mattox

NOT VOTING—11

Brown (OH)
Burton, John
Courter
Fenwick
Fiedler
Hyde
McCloskey
Murphy
Neal
Rahall
Stanton

□ 1640

The Clerk announced the following pairs:

On this vote:

Mr. Rahall for, with Mr. Courter against.

Mr. SANTINI and Mr. RHODES changed their votes from "aye" to "no."

Messrs. PEPPER, DOWDY, YATRON, and DICKS changed their votes from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. FAUNTROY

Mr. FAUNTROY. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. FAUNTROY: Strike out all after the resolving clause and insert in lieu thereof the following:

TITLE I—REVISION OF THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEAR 1982

SEC. 101. The provisions of this title shall supersede the figures reaffirmed in S. Con. Res. 50 of the Ninety-seventh Congress for the fiscal year beginning on October 1, 1981.

SEC. 102. (a)(1) The level of Federal revenues is $622,800,000,000 and the net amount by which the aggregate level of Federal revenues should be decreased is $200,000,000.

(2) The level of total new budget authority is $784,500,000,000.

(3) The level of total budget outlays is $743,900,000,000.

(4) The amount of the deficit in the budget is $121,100,000,000.

(5) The level of the public debt is $1,147,700,000,000 and the amount by which the statutory limit on such debt should accordingly be increased is $747,700,000,000.

(6) The level of total obligations for the principal amount of new direct loans is $63,400,000,000, the level of total new primary commitments to guarantee loan principal is $74,850,000,000, and the level of total new secondary commitments to guarantee loan principal is $68,950,000,000.

(b) Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of subsection (a) of this section of this resolution, the Congress hereby determines and declares that, for the fiscal year beginning on October 1, 1981, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $218,200,000,000;

(B) Outlays, $190,800,000,000.

(2) International Affairs (150):

(A) New budget authority, $16,750,000,000;

(B) Outlays, $11,450,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $7,000,000,000;

(B) Outlays, $7,000,000,000.

(4) Energy (270):

(A) New budget authority, $4,750,000,000;

(B) Outlays, $6,500,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority, $10,400,000,000;

(B) Outlays, $12,850,000,000.

(6) Agriculture (350):

(A) New budget authority, $9,900,000,000;

(B) Outlays, $13,800,000,000.

(7) Commerce and Housing Credit (370):

(A) New budget authority, $7,500,000,000;

(B) Outlays, $3,750,000,000.

(8) Transportation (400):

(A) New budget authority, $21,350,000,000;

(B) Outlays, $21,450,000,000.

(9) Community and Regional Development (450):

(A) New budget authority, $7,000,000,000;

(B) Outlays, $8,650,000,000.

(10) Education, Training, Employment and Social Services (500):

(A) New budget authority, $25 450,000,000;

(B) Outlays, $28,200,000,000.

(11) Health (550):

(A) New budget authority, $79,050,000,000;

(B) Outlays, $73,750,000,000.

(12) Income Security (600):

(A) New budget authority, $261,350,000,000;

(B) Outlays, $251,850,000,000.

(13) Veterans Benefits and Services (700):

(A) New budget authority, $24,800,000,000;

(B) Outlays, $23,800,000,000.

(14) Administration of Justice (750):

(A) New budget authority, $4,500,000,000;

(B) Outlays, $4,650,000,000.

(15) General Government (800):

(A) New budget authority, $5,200,000,000;

(B) Outlays, $5,050,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New budget authority, $6,350,000,000;

(B) Outlays, $6,350,000,000.

(17) Interest (900):

(A) New budget authority, $102,350,000,000;

(B) Outlays, $102,350,000,000.

(18) Allowances (920):

(A) New budget authority, $2,850,000,000;

(B) Outlays, $1,900,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, $30,250,000,000.

(B) Outlays, $30,250,000,000.

SEC. 103. (a) There is established a congressional Federal credit budget for fiscal year 1982 of which the levels of total Federal credit activity for fiscal year 1982 are:

(1) New direct loan obligations, $63,400,000,000.

(2) New primary loan guarantee commitments, $74,850,000,000.

(3) New secondary loan guarantee commitments, $68,950,000,000.

(b) Based on allocations of the appropriate levels of total Federal credit activity as set forth in paragraph (1) of this subsection, the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for each functional category are as follows:

(1) National Defense (050):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

(A) New direct loan obligations, $10,400,000,000;

(B) New primary loan guarantee commitments, $8,100,000,000;

(C) New secondary loan guarantee commitments, $0.

(3) General Science, Space and Technology (250):

(A) New direct loan obligations, $200,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(4) Energy (270):

(A) New direct loan obligations, $10,300,000,000;

(B) New primary loan guarantee commitments, $400,000,000;

(C) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):

(A) New direct loan obligations, $22,600,000,000;

(B) New primary loan guarantee commitments, $2,700,000,000;

(C) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):

(A) New direct loan obligations, $12,050,000,000;

(B) New primary loan guarantee commitments, $26,200,000,000;

(C) New secondary loan guarantee commitments, $68,200,000,000.

(8) Transportation (400):

(A) New direct loan obligations, $350,000,000;

(B) New primary loan guarantee commitments, $750,000,000;

(C) New secondary loan guarantee commitments, $50,000,000.

(9) Community and Regional Development (450):

(A) New direct loan obligations, $2,000,000,000;

(B) New primary loan guarantee commitments, $850,000,000;

(C) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment, and Social Services (500):

(A) New direct loan obligations, $1,300,000,000;

(B) New primary loan guarantee commitments, $6,500,000,000;

(C) New secondary loan guarantee commitments, $700,000,000.

(11) Health (550):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $100,000,000;

(C) New secondary loan guarantee commitments, $0.

(12) Income Security (600):

(A) New direct loan obligations, $2,750,000,000;

(B) New primary loan guarantee commitments, $17,050,000,000;

(C) New secondary loan guarantee commitments, $0.

(13) Veterans Benefits and Services (700):

(A) New direct loan obligations, $1,050,000,000;

(B) New primary loan guarantee commitments, $11,900,000,000;

(C) New secondary loan guarantee commitments, $0.

(14) Administration of Justice (750):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(15) General Government (800):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(16) General Purpose Fiscal Assistance (850):

(A) New direct loan obligations, $250,000,000;

(B) New primary loan guarantee commitments, $300,000,000;

(C) New secondary loan guarantee commitments, $0.

(17) Interest (900):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(18) Allowances (920):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(19) Undistributed Offsetting Receipts (950):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(c) It is the sense of the Congress that the President and the Congress, through the appropriations process, should limit in fiscal year 1982 the off-budget lending activity of the Federal Government to a level not to exceed $30,200,000,000, the on-budget lending activity to a level not to exceed $33,200,000,000, new primary loan guarantee commitments to a level not to exceed $74,850,000,000, and new secondary loan guarantee commitments to a level not to exceed $68,950,000,000.

TITLE II—SETTING FORTH THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEAR 1983

Sec. 201. The Congress hereby determines and declares, pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1982—

(1) the level of Federal revenues is $711,000,000,000, and the net amount by which the aggregate level of Federal revenues should be increased is $——,

(2) the level of total new budget authority is $831,370,000,000,

(3) the level of total budget outlays is $808,797,000,000,

(4) the amount of the deficit in the budget is $97,797,000,000, and

(5) the level of the public debt is $1,285,550,000,000, and the amount by which the statutory limit on such debt should accordingly be increased is $885,550,000,000.

Sec. 202. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of section 201 of this resolution, the Congress hereby determines and declares pursuant to section 301(a) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1982, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $196,329,000,000;

(B) Outlays, $199,264,000,000.

(2) International Affairs (150):

(A) New budget authority, $16,760,000,000;

(B) Outlays, $11,653,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $7,723,000,000;

(B) Outlays, $7,604,000,000.

(4) Energy (270):

(A) New budget authority, $5,757,000,000;

(B) Outlays, $4,901,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority, $7,915,000,000;

(B) Outlays, $9,239,000,000.

(6) Agriculture (350):

(A) New budget authority, $6,810,000,000;

(B) Outlays, $10,306,000,000.

(7) Commerce and Housing Credit (370):

(A) New budget authority, $12,626,000,000;

(B) Outlays, $5,476,000,000.

(8) Transportation (400):

(A) New budget authority, $27,302,000,000;

(B) Outlays, $22,367,000,000.

(9) Community and Regional Development (450):

(A) New budget authority, $11,332,000,000;

(B) Outlays, $9,795,000,000.

(10) Education, Training, Employment, and Social Services (500):

(A) New budget authority, $35,606,000,000;

(B) Outlays, $34,316,000,000.

(11) Health (550):

(A) New budget authority, $88,972,000,000;

(B) Outlays, $85,592,000,000.

(12) Income Security (600):

(A) New budget authority, $293,852,000,000;

(B) Outlays, $288,058,000,000.

(13) Veterans Benefits and Services (700):

(A) New budget authority, $23,714,000,000;

(B) Outlays, $23,747,000,000.

(14) Administration of Justice (750):

(A) New budget authority, $4,835,000,000;

(B) Outlays, $4,800,000,000.

(15) General Government (800):

(A) New budget authority, $5,597,000,000;

(B) Outlays, $5,379,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New budget authority, $6,556,000,000;

(B) Outlays, $6,549,000,000.

(17) Interest (900):

(A) New budget authority, $115,000,000,000;

(B) Outlays, $115,000,000,000.

(18) Allowances (920):

(A) New budget authority, $346,000,000;

(B) Outlays, $413,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, $35,662,000,000;

(B) Outlays, $35,662,000,000.

Mr. FAUNTROY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the Record, and that I may be permitted to proceed for an additional 10 minutes to explain the amendment.

The CHAIRMAN pro tempore (Mr. Beilenson). Is there objection to the request of the gentleman from the District of Columbia?

There was no objection.

The **CHAIRMAN** pro tempore. The gentleman from the District of Columbia (Mr. FAUNTROY) is recognized for 15 minutes.

☐ 1650

Mr. FAUNTROY. Mr. Chairman, let me say to my distinguished colleagues in the House of Representatives that the Fauntroy substitute is an effort to call the attention of the Members of the House to the fact that this is the people's House, and the people of this country are concerned today. There is a need that they have that must be satisfied. At a time when high interest rates have driven a record 66,000 small businesses to bankruptcy and forced unemployment up to a record 10.3 million people out of work; at a time when people cannot buy houses and farmers cannot buy seed, fertilizer, and machinery because of high interest rates, the people of this country want something done.

You will have an opportunity today to do something about that situation. A vote for the Fauntroy substitute proposed by the Congressional Black Caucus will place every Member in this Chamber firmly on record as trying to respond to the needs of the people of this country.

Mr. Chairman, the Congressional Black Caucus resolution before us, unlike all of the other proposals that we will consider during the course of these next 2 days, does not, at a time of severe economic distress for millions of people of this country, make further cuts in programs designed to cushion our people through difficult times like those through which our people live today, and it does not freeze the cuts already made last year as part of the Gramm-Latta resolution. It does not cut unemployment compensation, food stamps, medicaid for the sick-poor, and meaningful job training and work opportunities for the unemployed of this Nation. It restores funding for these life support programs to pre-Gramm-Latta levels.

At a time when we need the intellect and energy of our young people as never before to restore our Nation to a world-competitive status in the businesses and industries of this country, the Fauntroy substitute does not further cut title I aid to our disadvantaged children in elementary and secondary schools. It does not deny hundreds of thousands of our brightest and best young people basic educational opportunity grants and student loans. It restores the funding for these vital youth development programs to pre-Gramm-Latta levels.

I want to remind the Members that this is the people's House, and the people of this country want a tax relief program that works, that works to stimulate jobs and economic recovery for the people and for the small business of this country. They now know that last year's tax relief package did not work. The major corporations, which got 80 percent of the business tax relief last year, did not invest it in new plant and equipment to put the American people to work, as we were promised last year. The rich individuals, who make up only 5 percent of the population, got 35 percent of the individual tax relief last year. But, they did not invest it in American productivity because the administration's economic program has so depressed economic activity and economic prospects that we now have tremendous amounts of excess idle capacity in our factories and the threats of new waves of bankruptcies among our businesses.

Mr. Chairman, the people of the United States now want their chance at a meaningful tax relief package. A vote for the Fauntroy substitute will give them that chance. Under the Congressional Black Caucus proposal, your middle-income constitutents will fare far better in tax relief than under the Kemp-Roth-Reagan second and third year tax measures. Under our tax proposal, the 96 percent of the people of this country who make $50,000 a year or less will have much more money in their pockets and in their pocketbooks.

Gone in our proposal are last year's windfall profit tax exemptions of $1 billion. Gone are the tax loopholes that gave excessive benefits to oil companies and to people who invested only in Chinese and antiques and gold coins. These features of the Fauntroy substitute measured alone save us $10 billion in deficit spending. A vote for the Congressional Black Caucus is a vote to reduce taxes for 96 percent of the people of this country. This is the people's House, and we ask you to give them a chance to receive what they want and what they need, meaningful, real tax relief.

The people of this country want relief from the enormous budget deficit that has resulted from last year's tax giveaway to the rich and the gigantic increase in military spending of last year. The people of this country now know that those large deficits mean continued high interest rates and thus continued small business and small farmer failures and continued high unemployment at record levels such as we have achieved in this past year.

The people of this country—and, remember, this is the people's House—want a strong national defense, but they do not want domination of the world. They want an end to nuclear proliferation, and your vote for the Fauntroy substitute will give them that. They know, with former Secretary of the Defense Melvin Laird, that—and I quote him—"Our true strategic military needs have little to do with military weapons except to deter their use against us." He points out that we must be able to keep open the sea and air links that bind us to our allies, and that we need to be able "to hold ground on the borders of Europe and elsewhere, and to protect and sustain power at great distance."

☐ 1700

"None of these objectives," as I continue to quote former Secretary of Defense Melvin Laird, "None of these objectives requires nuclear weapons."

Your vote for the Fauntroy substitute will acknowledge that fact.

The caucus budget also anwers a number of concerns raised by amendments offered for consideration under the rule today. For those of you who have offered amendments to raise the COLA caps in the Jones budget for Federal employees and retirees, and to all of my colleagues who intend to support those amendments, I say that a vote for the caucus amendment does just what you want. The Fauntroy substitute does not require such amendments since it incorporates the CBO baseline levels which preserve current service cost-of-living adjustments for Federal pay and pensions.

A number of Members have offered amendments to increase funding for function 500, education, above the level recommended by the House Budget Committee.

The Fauntroy substitute also, as proposed, raises funding for education above the House Budget Committee level and, indeed, it includes funding to restore programs to the present fiscal year 1982 reductions as passed in Gramm-Latta.

Let me now briefly outline the details of the Congressional Black Caucus substitute before concluding my remarks.

You first ought to understand that the CBC budget reduces the deficit substantially. In fact, the Congressional Budget Office has estimated that our budget will produce a $92.8 billion deficit in fiscal year 1983, which is lower by at least $10 billion than the deficit estimated by CBO for any other substitute, and half the $183 billion deficit that will exist if nothing is done to rectify the errors of last year's budget.

Moreover, our budget will lead to steadily shrinking deficits of $60 billion in fiscal year 1984 and a $18 billion surplus in fiscal year 1985, bringing interest rates down and providing the basis for genuine economic recovery in our country.

Second, you ought to know that the Fauntroy substitute is fair and humane. We not only prevent that many additional cuts in human needs programs as proposed by the President, we return funds to social programs that were lost by the enactment of the Reagan fiscal year 1982 budget reductions.

These programs must remain Federal priorities if we value human potential and care to meet human needs.

Because of savings generated by our alternative tax and defense policies, several education, health, housing, and urban programs can be restored to fiscal year 1981 funding levels, adjusted for inflation.

For example, the Fauntroy substitute adds $3.3 billion to title I, $600 million to Pell grants for disadvantaged college students, increasing funding for health care programs. It adds $600 million in social services funding, including child welfare programs, and $1 billion more than Reagan for pollution control.

It retains EDA and the Legal Services Corporation, and low-income energy and other conservation programs.

The third thing that this budget does is that it stimulates and creates jobs. A centerpiece of our budget proposal is the creation of a major $6 billion to $8 billion Federal jobs, vocational education and training package.

This is a response to both the Nation's unemployment rate generally and to the catastrophic unemployment in the black community specifically.

The Fauntroy substitute also includes a $4 billion urban infrastructure proposal which will create 50,000 to 80,000 jobs directly, and more indirectly, a $4 billion expansion in mass transit and highway construction programs which will create an equal number of jobs in this country. It also includes home ownership assistance, and rental housing construction programs that will stimulate employment in residential construction.

Finally, the budget insures adequate social security and other support for the Nation's poor, both the elderly and the nonelderly.

This budget maintains the cost-of-living adjustment for elderly on fixed incomes and expands unemployment compensation benefits at a time when we have 10.3 million people out of work. The program triggers in the caucus budget increase eligibility for the unemployed to 52 weeks.

In our view, this restoration of benefits is necessary at a time when we are experiencing the levels of unemployment which have not been endured since the Depression.

Our budget also provides increased funding for other programs to assist the poor, including $3.2 billion more than Reagan for Aid to Families with Dependent Children, $5 billion more for food stamps, $3 billion more for medicaid and medicare, $1.2 billion more for six health programs, and $400 million more for supplemental social insurance.

As my colleagues in the Congressional Black Caucus follow me, they will give you more details about the caucus budget resolution. I simply want to remind you again that this is the people's House and we ought to give the people the life support programs that will cushion them through these difficult times. We need to give 96 percent of the people of this country the kind of tax relief that we have promised in the generalized language about tax relief for "all of the people."

We need to give the people relief from the enormous deficits and the high interest rates that have robbed the people of this country of homes and farms, small businesses and 2.5 million jobs just since July of last year.

A vote for the Fauntroy substitute, the economic recovery program of the Congressional Black Caucus, will do just that.

At this time, Mr. Chairman, I would like to add the Congressional Budget Office's reestimate of our budget proposal and yield time to my distinguished colleague from New York, the third ranking member of the Ways and Means Committee, to share with you what our proposal does with respect to tax relief for the American people.

SUMMARY TABLE: COMPARISON OF CBO ESTIMATES OF 3 AMENDMENTS IN THE NATURE OF A SUBSTITUTE TO H. CON. RES. 345, AS REPORTED

[By fiscal year, in billions of dollars]

	1983	1984	1985
Revenues: H. Con. Res. 345, as reported	676.70	753.65	846.55
Amendments:			
Mr. Aspin	674.75	750.00	842.00
Mr. Latta	665.85	738.00	821.35
Mr. Obey	681.40	786.90	891.70
Mr. Fauntroy	710.40	783.40	886.10
Outlays: H. Cons. Res. 345, as reported	786.85	833.85	888.55
Amendments:			
Mr. Aspin	778.95	829.90	885.55
Mr. Latta	775.90	873.70	878.70
Mr. Obey	790.25	837.50	892.95
Mr. Fauntroy	803.20	843.45	867.45
Deficit, H. Con. Res. 345, as reported	110.15	80.20	42.00
Amendment:			
Mr. Aspin	104.20	79.90	43.55
Mr. Latta	110.05	85.70	57.35
Mr. Obey	108.85	50.60	1.25
Mr. Fauntroy	97.80	60.05	(18.65)

TABLE 1. CBO ESTIMATE OF AN AMENDMENT IN THE NATURE OF A SUBSTITUTE PROPOSED BY MR. FAUNTROY TO H. CON. RES. 345

[By fiscal year, in billions of dollars]

	1983	1984	1985
Budget authority	817.95	846.90	895.40
Outlays	803.20	843.45	867.45
Revenues	710.40	783.40	886.10
Deficit (surplus)	97.80	60.05	(18.65)
050 National defense:			
Budget authority	196.35	195.90	200.70
Outlays	201.20	199.70	200.20
150 International affairs:			
Budget authority	16.15	16.60	20.95
Outlays	12.05	12.25	12.75
250 General science, space, and technology:			
Budget authority	7.75	7.75	7.60
Outlays	7.60	7.75	7.60
270 Energy:			
Budget authority	6.15	5.45	5.60
Outlays	5.20	4.45	4.10
300 Natural resources and environment:			
Budget authority	7.85	7.80	8.30
Outlays	8.60	8.20	8.00
350 Agriculture:			
Budget authority	6.80	8.55	7.20
Outlays	10.30	8.45	7.80
370 Commerce and housing credit:			
Budget authority	12.90	8.00	8.15
Outlays	7.50	9.95	4.50
400 Transportation:			
Budget authority	27.60	22.50	23.55
Outlays	21.80	24.10	24.25
450 Community and regional development:			
Budget authority	11.30	17.25	13.00
Outlays	8.75	9.90	11.30
500 Education, training, employment, and social services:			
Budget authority	35.05	37.40	40.15
Outlays	29.80	36.00	38.45
550 Health:			
Budget authority	82.45	96.55	109.10
Outlays	84.80	96.80	109.85
600 Income security:			
Budget authority	287.50	305.50	339.35
Outlays	286.55	303.90	326.85
700 Veterans benefits and services:			
Budget authority	23.70	25.00	26.00
Outlays	23.00	24.35	25.95
750 Administration of justice:			
Budget authority	4.85	4.95	5.05
Outlays	4.85	4.90	5.05
800 General government:			
Budget authority	5.60	5.40	5.60
Outlays	5.40	5.30	5.30
850 General purpose fiscal assistance:			
Budget authority	6.55	7.10	7.60
Outlays	6.55	7.00	7.50
900 Interest:			
Budget authority	114.50	118.20	107.20
Outlays	114.50	118.20	107.20
920 Allowances:			
Budget authority	0.35	2.85	4.15
Outlays	0.40	3.10	4.55
950 Undistributed offsetting receipts:			
Budget authority	35.45	40.85	43.85
Outlays 35.45	40.85	40.85	43.85

Mr. RANGEL. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Fauntroy substitute.

Mr. Chairman, last year, when the Congressional Black Caucus indicated its lack of support for the President's economic recovery package, we indicated that any program that cuts back revenue by some $750 billion and attempts to increase spending in defense by over $1.5 trillion could not do this unless it actually increased our deficit and caused interest rates to go up.

We also knew, at that time, that while a few would benefit from such a tax package, somewhere along the line, millions of Americans would cry out that we cut back on Federal spending.

The only programs that we felt that would be cut back were those programs in the Reagan/Gramm-Latta bills which certainly caused a lot of people to suffer.

We have seen on television that the President's programs are not really working, and we see as we go around the country that it is the people who are not working.

We hear from some of the people who supported the Gramm-Latta cuts indicate that there has not really been a cutback in spending, but merely a cutback in the growth of spending. Yet when you walk through community after community, as the Ways and Means Committee did, in Memphis, in Baltimore, in Sacramento, in Detroit, and in Seattle, we find hundreds of people coming before the committee not to talk about cutbacks in the rate of spending but rather to talk about being denied the opportunity for health care, the opportunity for job training, the opportunity for decent housing.

Kids have been denied health care, immunization, and hot lunches and, indeed, summer jobs.

Among our elderly, they are not talking about having cutbacks in the rate of increases of their benefits, but rather they are talking about losing benefits in food stamps, hot meals, and in senior citizen benefits.

The Congressional Black Caucus would like to take this opportunity to reverse some of the inequitable trends that have taken place in our tax system over the last four decades.

Between 1969 and 1980 the gross national product increased by some 178 percent. At the same time, corporate profits after taxes were up 246 percent.

During this very same time corporate taxes went up only 77 percent and actually fell by 13 percent in constant dollars.

We are beginning, as other Members have pointed out, to drastically shift the tax burden to the individuals. In 1948 individual taxes and social security income made up 55.7 percent of Federal revenues. Corporate taxes at the same time made up some 23.2 percent.

By 1987, if the Reagan budget proposals are enacted, 85.2 percent of the Federal revenues will come from individual income taxes and social security and only 7 percent of the Federal revenues will be coming from the corporations.

Clearly the administration proposal is not meant to benefit, in tax terms, the working poor or the middle class.

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It is asserted that those people who pay more taxes should get back more, notwithstanding the fact that they who have the most can afford to pay the most, especially when domestic programs will be cut because of falling revenues which will result from the administration's tax policies.

Mr. WRIGHT. Mr. Chairman, will my distinguished friend yield?

Mr. RANGEL. I yield to the majority leader.

Mr. WRIGHT. Mr. Chairman, I think the gentleman from New York is making an extremely significant statement about taxation. What he says goes to the very heart of the question of who should pay for government, which is every bit as vital a function of our decisionmaking here as where the moneys go.

The statement the gentleman makes highlights the gross inequities of the tax cut that was voted last year.

Is it not true that approximately $400 billion or more is being depleted from the Treasury, and adding to the deficits by that amount in these next 3 years, by reason of that excessive tax cut of last year?

Mr. RANGEL. There is a direct relationship between the decrease in tax collected and the increase in our deficit.

Mr. WRIGHT. Further, I think the gentleman hypothecates a situation which seems reasonably acceptable to me.

The CHAIRMAN pro tempore. The time of the gentleman from New York (Mr. Rangel) has expired.

(On request of Mr. Wright and by unanimous consent Mr. Rangel was allowed to proceed for 2 additional minutes.)

Mr. WRIGHT. Surely every Member of the House will find some things to like and some things to dislike in every budget that is offered here today. In the present case, many from my particular area would have to oppose any changes in intangible drilling cost deductibility. And some could honestly feel that the defense funding proposed herein is too low. But I do not know how anybody could find anything unreasonable about the proposition suggested by this formulation of a budget to the effect that you would protect the tax cuts which have been voted for everybody who makes up to $50,000 but cut off the deduction at a reasonable amount. Those excessive tax cuts, which really amount to welfare for the wealthiest, which inure to families above that, giving a $100,000 family of four a boon in the third year in the amount of approximately a $7,000 windfall, should be cut back to what a $50,000 family would receive.

Do I understand correctly that this is approximately what is proposed by the gentleman?

Mr. RANGEL. That is exactly what we hope to do with our individual tax cut, not to change the dollars so much, I say to the majority leader, as to target it to those folks who need it the most, and try to bring some equity to those people in the higher income brackets.

Mr. WRIGHT. I thank the gentleman.

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. RANGEL. I yield to the gentleman from New York.

Mr. WEISS. I appreciate the gentleman yielding.

Mr. Chairman, I want to commend the gentleman for his statement and the gentleman from the District of Columbia for the substitute that has been offered.

There has been some discussion here about the fairness or lack of equity in the tax cuts that were adopted last year. Yesterday, in the New York Times, Albert Shanker, the president of the American Federation of Teachers, tied that into this administration's thrust for increasing, as the gentleman in the well has pointed out, defense expenditures over the course of the next 5 years.

The CHAIRMAN pro tempore. The time of the gentleman from New York (Mr. Rangel) has again expired.

(On request of Mr. Weiss and by unanimous consent, Mr. Rangel was allowed to proceed for 2 additional minutes.)

Mr. WEISS. If the gentleman will yield further, Mr. Shanker points out that with this tremendous increase over a 5-year period of almost doubling defense expenditures, pushing it up to a $1.65 trillion expenditure, at the same time the very wealthiest among us, especially the large businesses and corporations, are being exempted from paying for the national defense.

So I commend the gentleman for the amendment and for his speech in favor of it, because it seems that it will restore some basic fairness and equity, which was so grossly diminished last year.

Mr. Chairman, I am pleased to rise in support of the substitute budget resolution proposed by our colleagues, Mr. Fauntroy, as I did that offered by the gentleman from Wisconsin, Mr. Obey. These proposals are the only two budget documents that represent reasoned, intelligent responses to the significant problems of our Nation.

The other budget proposals before the Congress were developed in response to the perceived paramount necessity of reducing the projected deficits in the coming years. Their authors first guessed about the size of these deficits, and then made massive reductions in social programs. This is surely not the proper way to design a Federal budget document. Their approach represents a seriously flawed budget process as well as fundamentally misguided spending priorities.

In direct contrast, however, both the Obey and Fauntroy proposals began by taking stock of the human and social needs in this country. The funding levels for vital social programs were determined by assessing these actual needs, not by ignoring them as the President prefers. Equally significant, the Obey and Fauntroy proposals are the only budget substitutes that correctly address the root causes of these irresponsible deficits: The outrageous tax breaks given mostly to the rich and the large corporations and an unprecedented military buildup in peacetime.

Last summer Congress approved the Reagan budget that transferred approximately $40 billion from social programs to defense, and accepted the President's objective of spending $1.65 trillion on defense during the next 5 years. We have since found out that these military projects were, according to the Pentagon's defense resources board, undervalued in cost by another three-quarters of a trillion dollars. Last year's budget action was wrong. It led to the approval of more hardware, nuclear bombs, missiles, planes, submarines, and other military projects that necessary or needed, it siphoned off essential funding for valuable social programs, and it made excessive deficits in the future unavoidable. Both the Fauntroy and Obey budgets recognize the serious error made last summer, and attempt to restore some reason and sanity to our discussion of what is really needed for national defense and security. The Obey budget proposes to reduce the budget authority for national defense from the $264 billion CBO baseline to $228.4 billion for fiscal year 1983, and the Fauntroy proposal reduces it to $196.35 billion. Even at these more moderate levels, there is still far too much waste, fraud, and abuse, or as David Stockman said, "blatant inefficiency, poor deployment of manpower, contracting idiocy and * * * a kind of swamp of $10 to $20 to * * * billion dollars' worth of waste that can be ferreted out if you really push hard." Clearly to appropriate more funds for defense, as all other proposals seek, is unconscionable and utterly irresponsible.

Every budget proposal before Congress has implicitly conceded that supply-side economics has been a "riverboat gamble" that disastrously failed. All budget proposals include raising taxes, and reject the simplistic rhetoric of last year that those massive tax cuts would stimulate such economic growth that Government revenues would magically rise as a result. But only the Obey and Fauntroy budget proposals explicitly repeal so many of the ill-advised tax giveaways that were adopted in the Reagan tax cut last year. Both proposals restructure the personal income tax cuts to target the benefits toward low- and middle-income taxpayers, reforms the safe harbor leasing provision that permits corporations to buy and sell unused tax credits, alters the accelerated cost recovery provision which would gradually eliminate much of the corporate income tax liability by the end of the decade, and closes many of the tax loopholes, such as foreign oil tax credit and deductions for intangible drilling costs, that went to the big oil companies in the bid for votes last summer. These specific actions are imperative to repair the damage done last summer to the Federal Tax Code, to make our tax system more fair and equitable, and to insure that we maintain sufficient Federal revenues to support vital social programs.

The third virtue of the Obey and Fauntroy budget substitutes is that they do not ask those who depend the most on the benevolent hand of Government for aid, support and sustenance to pay for the mistakes that Congress made last year. These budgets, for example, do not ask our seniors—who worked so hard during their lifetimes to build a rich and free Nation—to sacrifice some of their social security benefits so the rich can have more, so the military can waste more, so the Reagan deficits can be reduced ever so slightly. These budget proposals protect social security and other life-sustaining entitlement programs.

Last summer, the Repubilcans in this House joined as one with the southern conservative Democrats to cut about $40 billion from social programs. In addition to these cuts, the Republican leaders want to reduce spending on entitlement programs below the current policy level by $7.4 billion in fiscal year 1983 and by a total of $39.6 billion over the 3-year period of fiscal year 1983 to fiscal year 1985. Consider the effect of this second round of Republican budget cuts on millions of poor, disadvantaged Americans for fiscal year 1983 alone: medicare, $4.9 billion; food stamps, $710 million; AFDC/supplemental security income, $528 million; medicaid, $483 million; veterans' benefits, $137 million; guaranteed student loans, $31 million; agriculture, $900 million; employment and training, $529 million; transportation, $631 million; space and science, $480 million; subsidized housing, $504 million; health, $433 million; Legal Services Corporation, $141 million; and Small Business Administration, $181 million.

There is no moral or economic justification for cutting these programs as the President and Republican leadership suggest while continuing this unconscionable military buildup and preserving the outrageous tax giveaways approved last year. Indeed, in the midst of the most serious recession since the Great Depression, we must take additional actions to stimulate an economic recovery. Cutting social programs now is exactly the wrong approach.

All of the Democratic budget proposals recognize this and propose additional remedies for economic recovery from the Reagan recession. But with the exception of the Obey and Fauntroy substitutes, the other reasonable compromise budgets are far too long on compromise and still far too short on reason.

The Obey substitute included an additional $150 million in budget authority for public housing subsidies; an additional $350 million in budget authority for transportation; an additional $450 million in budget authority for science; an additional $1 billion in budget authority for wastewater treatment construction; an additional $220 million in budget authority for mass transit; an additional $600 million in budget authority for bridge repair; an additional $300 million for economic development aid; an additional $300 million for education; an additional $100 million for graduate loans for math, computer sciences and engineering study; an additional $360 million for summer youth employment; an additional $100 million for job training for displaced workers; an additional $300 million for veterans' medical care; an additional $1 billion for local revitalization grants; and an additional $1 billion for jobs for those whose unemployment benefits are exhausted. These figures were above the recommendations presented by the House Budget Committee. The Fauntroy substitute contains similar increases for social spending that directly improve the daily lives of millions of Americans and make our communities safer, healthier, and better.

The Obey and Fauntroy budget substitutes wisely provide adequate funding for vital domestic programs, and attempt to rectify some of the harsh, painful budget cuts made last year, limit defense spending to responsible and manageable levels, repeal many of the fiscally irresponsible and regressive features of the Reagan tax cut adopted last summer, and propose job creating and economic stimulus programs designed to end the Reagan recession. Passing either one of these proposals would be a good step toward returning this Nation to a rational discussion of our actual needs and fundamental priorities.

Mr. **RANGEL.** I thank the gentleman.

Mr. Chairman, basically what we are trying to do is recognize that last year a lot of people were saying give the President a chance. We ask our colleagues to recognize that some of the caucus tax provisions were a lot more equitable to the middle class, but they thought that the President should have a chance. Well, he has had his chance. And what we hope we can do, with the individual tax cut, is to increase the standard deductions for, the middle class, to increase the earned income tax credit for the working poor, and to try to make certain that those people who did not receive a reduction in the unearned income cap which was reduced from 70 percent to 50 percent, and for those who do not enjoy a capital gains benefit reduction from 28 percent to 20 percent, will actually benefit. Those people who pay the lion's share of income tax—and that is the middle class—should not be played against the working poor.

In addition to that, we would hope that we can try and clean up the Tax Code with some reforms. We recognize that, politically, the vested interests had to lobby for any number of votes on both sides of the aisle. Now that we recognize that the economy cannot afford those luxuries, perhaps we can eliminate, as the caucus would do: The all-savers certificates, the exclusion of utility dividends reinvestment, and broaden the gift tax exclusion.

The CHAIRMAN. The time of the gentleman from New York (Mr. RANGEL) has again expired.

(On request of Ms. OAKAR and by unanimous consent, Mr. RANGEL was allowed to proceed for 5 additional minutes.)

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. RANGEL. I yield to the gentlewoman from Ohio.

Ms. OAKAR. I want to thank my friend for yielding.

Mr. Chairman, I just want to make two quick points. One is that I have been somewhat disappointed that the Black Caucus budget has not gotten the play that other resolutions have. I think it is one of the finest proposals, as was the Black Caucus resolution last year. I am especially gratified that of all of the resolutions, the only resolution that does not cut medicare is the Black Caucus proposal. As a result, I have a proposal to amend the other budget proposals, to restore medicare completely. But I think Members of the Black Caucus ought to really be commended for being so concerned with the handicapped and the elderly. They have the only proposal that does not cut medicare. As a matter of fact, they increase medicare outlays by $682 million.

And if the gentleman would allow me, I know that our distinguished Senator from Florida wanted to comment on the same issue.

Mr. PEPPER. Mr. Chairman, will the gentleman yield?

Mr. RANGEL. I yield to the gentleman from Florida.

Mr. PEPPER. I thank the gentleman for yielding.

Mr. Chairman, I want to join the gracious lady from Ohio in what she has said. I especially commend the authors of this resolution for the provision that they have here not for cutting medicare, as the Latta resolution does—cut it by $23 billion in 3 years—but this resolution puts $3 billion in the funds for medicare because they know that medicare today only pays for about 44 percent of the medical expenses of the elderly people of this country. Today, all over America, more of these insurance policies, some of them spurious, some of them identical to the ones they already have, which add nothing to the protection of the individual, those things are growing up, people are going through agonies to try to provide medical care for themselves, because 56 percent of it comes out of their pockets or from some other source and not from medicare.

So I want to commend this distinguished group which has brought forward this resolution for a compassionate humanitarian concern, expressed as it is for those elderly people and the ill of this country.

Mr. RANGEL. I thank the gentleman.

Mr. Chairman, I would like to point out to the gentlewoman from Ohio that the caucus does not increase these health benefits and benefits to the elderly. We just do not accept the fact that they had to suffer the devastating cuts that were inflicted by Gramm-Latta. So now, instead of asking to improve the quality of life, we are only hoping that the investments that we have been willing to make, have indeed made in the corporations, we will be willing to continue making in people.

Ms. OAKAR. If I could just make one other point, I do not think this budget resolution is a black budget resolution or a white budget resolution. I think it is a people resolution, and we ought to look upon it that way and see it we can get more support for what is really a very balanced approach to dealing with our economic issues.

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Mr. RANGEL. I thank the gentlewoman and I do hope that Members of the House and those who are watching our proceedings might take an opportunity to review the reforms that we have in this tax package. We are thoroughly convinced that you would want to support them if you could see your way clear to do it politically.

We have given billions of dollars to the corporate structure in the hope that those moneys would be invested to rebuild our economy. We have seen now that the moneys that have been given back have gone into mergers, have gone into money certificates, and still the people are not working. It is hoped that if you are looking for equity in taxes, if you are looking to restore some of the benefits for people, that you will see your way clear to support the Fauntroy substitute.

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. RANGEL. I yield to the gentleman from North Carolina.

Mr. MARTIN of North Carolina. I thank my colleague for yielding. I was afraid my friend thought I was over here trying to hail a taxi.

I do want to discuss the tax proposal that the gentleman has offered. I think it does need some discussion.

Mr. Chairman, I ask unanimous consent that the gentleman may have 2 additional minutes so that my discussion will not come out of his valuable time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. MARTIN of North Carolina. I was somewhat concerned, as I hope my friend from New York was, when in the colloquy a bit earlier the distinguished majority leader referred to a phrase which he has used before and he has used again and he will use again, about the tax cuts that were enacted last year, as though they were "robbing the Treasury."

It seems to me that that is inclined to treat earned income of some Americans as though it really is the rightful property of the Government, not those who have earned it. I think the gentleman from New York will recall that in deliberations a year ago on the Ways and Means Committee, on which he and I both serve, that the major swift tax cut for wealthy individuals which reduced their maximum rate from 70 to 50 percent was not offered by the President, was not offered by anybody from my party, it was offered by the distinguished member from Michigan, a member of his party (Mr. BRODHEAD), and there was support for that on the committee from both sides, but it was not initiated from this side.

I think the gentleman would also agree that the individual rate reductions which were enacted were based on a proportional rate reduction. If you earned 4 times as much but your taxes are 12 times as much, then you get 12 times the tax cut. You still end up paying 12 times as much in taxes. It is a proportional reduction in taxes.

The third thing I hope my colleague will allow me to make as a point is that this year and next year and the year after, tax revenues are not going down, even as a result of the greatest tax cut in history, which it has been called, which we enacted last year. Taxes are not going down. They are going up 25 percent over the next 3 years. That is a rate which is slightly faster than anybody has predicted for inflation, using the Consumer Price Index or the GNP deflator. Those tax increases are due to factors already built into the tax code.

Mr. RANGEL. I would like to try to respond to some of the questions by my friend and colleague from the Ways and Means.

There is no question that I do not consider it a raid on the Treasury when people have earned money——

Mr. MARTIN of North Carolina. I thank the gentleman.

Mr. RANGEL [continuing]. Try to get most of it back.

I think the gentleman would agree, however, that when we start talking about equal percentages, that some people are more equal than others.

The CHAIRMAN pro tempore. The time of the gentleman from New York (Mr. RANGEL) has expired.

(By unanimous consent, Mr. RANGEL was allowed to proceed for 2 additional minutes.)

Mr. RANGEL. I think when you find somebody got a $20,000 cut in their taxes because they make over $200,000, you could not compare that to somebody who makes a lot less money. I think that is what we talk about when we talk about value added taxes or excise taxes, that taxes to someone in the lower income do not matter that much to those in the higher income; and if we have to make sacrifices, and the President has convinced the Nation that we should, then it is hard to see how those people and those profitable corporations are making any of the sacrifices when we now ask for some nondefense domestic spending cuts.

As to some of the other questions that the gentleman asked, there is no problem that a Democrat recommended that the unearned income level be reduced from 70 to 50 percent. I said the inequities have existed for the last four decades, and certainly the inequities are not restricted to the Republican Party, even though it seems like it has reached a new high in the last couple of years.

Last, I would like to say that, of course, revenue is increasing and not decreasing. But if you take a look at the ratio of the increase in defense spending this year and what we are asked to bear as it relates to domestic spending in nondefense, I think you cannot say that we are receiving more money and as a result that people are receiving more benefits.

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield to me so I might ask unanimous consent that we might have 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. RANGEL. Well, I tried to answer the gentleman's question and just because a Democrat raised them—I am not trying to make a political question about inequities of the system. Yes, I will yield.

Mr. MARTIN of North Carolina. I thank the gentleman because I want to make another point.

The gentleman has referred to some getting better tax breaks, others here have talked about high income individuals getting bigger tax cuts. The tax cuts are proportionate to the taxes which they paid.

Now, the gentleman will recall earlier that the chairman of the Budget Committee, who also sits on the Ways and Means Committee, and the distinguished majority leader, had a news conference in which they had a report from the Congressional Budget Office that was trying to show that lower income individuals were being hurt badly because they lost the benefits which exceeded their tax treatment and for high income individuals it was the other way around. I took the trouble to ask the Director of the Congressional Budget Office how they got those numbers, could I have a breakdown with regard to tax payments, with regard to benefits, and so forth, before, the Reagan economic package and after. I was told a very strange thing: that except for the tax situation, and some gross reference to benefits that were cut, they did not have this breakdown. I was mystified as to how they could calculate the overall impact per family without their having any idea how they got there. Well, that's our Congressional Budget Office.

Let me tell my colleague what they did give me on taxes by household income. They said that for household income between $10,000 and $20,000, they lost $220 in benefits and paid $50 higher in taxes, even after the tax cuts.

That is a total of $270 for families between $10,000 and $20,000 on average.

For households between $40,000 and $80,000, they lost benefits of $130, they paid higher taxes, not lower, higher taxes by $1,210. For those successful constituents with incomes above $80,000, our Congressional Budget Office estimates their taxes will not be lower in 1983 than 1982 because of the 1981 tax cut. No, the Congressional Budget Office estimates the wealthy fortunates will pay an average of $9,600 higher taxes, even with the tax cuts. Big advantage?

Mr. RANGEL. I think the gentleman would agree, because I need 30 seconds to respond, that if we can target the tax cuts to make certain that the people the gentleman is talking about are not caught in that squeeze, that they do not suffer from social security tax increase, that I am certain that we would find more equity.

I do not think that saying 5 to 10 percent across the board is really fair when you find that the people in the higher income tax brackets are taking home a lot more than those in the lower brackets because other factors are indeed creating a tax increase.

The CHAIRMAN pro tempore. The time of the gentleman from New York (Mr. RANGEL) has again expired.

(At the request of Mr. MARTIN of North Carolina and by unanimous consent, Mr. RANGEL was allowed to proceed for 1 minute.)

Mr. RANGEL. Mr. Chairman, I want to yield 30 seconds to the gentleman so I would have 30 seconds to respond.

Mr. MARTIN of North Carolina. Last year, in the budget substituted offered by the group of the Black Caucus, which the gentleman supports, the gentleman saw to it that there was in the revenue part a recommendation for indexing of tax brackets. Is the gentleman still sticking to that concept in this resolution or, as some have called, is the gentleman now going the other way?

Mr. RANGEL. I am not going the other way. I think we have to take a look and see what happens in the next fiscal year before we reinstate support for indexing.

Mr. MARTIN of North Carolina. The gentleman is not proposing abandonment of indexing, because I believe the gentleman recognizes it is the middle income people who are hurt worse by bracket creep, it is not the wealthy.

Mr. RANGEL. And we believe we can deal with that by targeting tax cuts to middle income people, and I am certain that the gentleman from North Carolina agrees with that concept.

Thank you.

□ 1730

Mr. FORD of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. RANGEL. I yield to my colleague from the Ways and Means Committee.

Mr. FORD of Tennessee. Mr. Chairman, I would like to associate myself with the remarks made by my colleague, the gentleman from New York, and to say we want to thank the gentleman for his able leadership, both with the Congressional Black Caucus as well as the leadership of the House committees.

Mr. GRAY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by our colleague from the District of Columbia.

Mr. Chairman, I would like to direct my comments this afternoon to one particular section of the Fauntroy amendment—function 150: International affairs; because I believe the proposals in this function typify how this amendment deals realistically with the problems we face as a Nation.

Ironically, Mr. Chairman, according to the CBO's latest reestimate, the Fauntroy amendment would spend only $50 million less in outlays than proposed by Mr. JONES. It is identical to the Latta proposal, and is $150 million less in budget authority and outlays than the Aspin proposal. I say "ironic," Mr. Chairman, because all the proposals are quite similar in terms of their bottom line funding.

The Aspin, Jones, and Latta alternatives all assume an across-the-board funding freeze for discretionary foreign assistance programs at the fiscal year 1982 level. In particular, each proposal provides approximately $3.8 billion in outlays for international security assistance programs, some $350 million less than what the President asked for.

Paradoxically, the Fauntroy amendment also freezes our major international security assistance programs at the fiscal year 1982 level, providing a total of approximately $3.7 billion. I think this fact clearly indicates the Congress repudiation of the administration's military solutions in the conduct of foreign affairs

Equally clear, however, is that our policies must have more than an East-West dimension, for the Soviets can match our capacity to serve as arms merchant to the world. Our foreign policy and indeed our funding priorities must recognize the North-South dimensions of regional and world tensions.

While there are many similarities in the various budget assumptions, the Fauntroy budget does differ in one vital area.

Mr. Chairman, I think we are all aware that our great Nation has a unique capacity to supply the economic and development assistance, which in the long run will create real friends abroad and protect our interests.

Toward this end, the amendment offered by the gentleman from the District of Columbia increases those resources devoted to development assistance, while adequately providing resources to protect our security interests.

In particular, the Fauntroy amendment would provide approximately $200 million in outlays over the fiscal year 1982 freeze level for our multilateral development fund, approximately $50 million more for Public Law 480 food assistance, and $200 million more for the Agency for International Development.

In short, Mr. Chairman, the Fauntroy amendment recognizes that the root causes of instability and conflict in our world are political, social, and economic in nature.

And they must be addressed, therefore, by solutions that are political, social, and economic in nature—and not merely military, as this administration would have us believe.

It is my opinion and that of many of my colleagues, that the Fauntory amendment offers a balanced and equitable approach to the conduct of foreign affairs by this Nation. I emplore my colleagues to carefully consider and support our approach.

Mr. OTTINGER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to give my heartiest congratulations to the gentleman from the District of Columbia and the Members of the Black Caucus for offering this budget. In my considered view, this is the only budget that we are offered that begins to meet the needs of this country, give it some promise that we will be able to thrive and prosper in the future.

It is the only budget which recognizes that we cannot temporize with half measures when it comes to the essential investments that have to be made in the public sector.

It goes back to the 1981 figures and restores a real U.S. effort to educate our children and see to it that no child shall be denied education because of his economic circumstances. You tell me how we are going to have a strong defense, how we are going to compete with the Japanese and the Europeans in the future if we do not make that investment in the education and training of our people. There is just no way. At the present time the Japanese, each major European country and the Russians, are graduating more than twice the number of engineers and scientists that we are.

You talk about having a strong country, you cannot just think in terms of weapons. You have to think of how we are using our overall resources. How are we going to have a strong country if we do not have a transportation system in this country? It is only the Fauntroy budget, the Black Caucus budget, that has us making a real investment in restoring the infrastructure of this country so that we can get our people to and from work, so that we can get our goods to the marketplace.

It is only the Fauntroy budget that recognizes that you are only going to have a healthy economy and a balanced budget if you start getting this country back to work again. This budget provides for better than a million jobs. It provides for a real investment in restoring our cities and our housing; and those people who are put back on jobs are going to be paying taxes and the corporations that are going to benefit from this budget are going to be paying taxes and they will see to it that we balance the budget.

You cannot balance the budget by doing what the Latta-Michel proposal would do and cutting the rug out from under the economy of this country. We have got to make the investments, just like a business has to make an investment if it is going to prosper, in seeing to it that we have the wherewithal so that we can produce what is needed to create balanced budgets.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I will be glad to yield to my colleague, the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I would like to tell the gentleman in the well that his support, not only in these budget debates, but in helping us get the transfer amendments started back, even before we had this more official budget process, is deeply regarded and his work and commitment along with a number of other Members of the House is deeply appreciated by all the members in the caucus.

Mr. OTTINGER. Well, I thank the gentleman.

I have been pleased to support these efforts, because I think they are right for all the people of America.

I think it is the only way that we are going to have a prospering country that is going to be able to compete.

It is the only way that we are going to have a country that can defend itself; so that I do this out of the greatest of conviction.

You know, this is the only budget that provides, in the area where I specialize, energy sufficient funds to conservation efforts that can get us off of imported oil. You know, we paid out $77 billion last year to the OPEC countries. None of the other budgets really address restoring our efforts to get off of imported oil, like restoring the weatherization program. The poor people get the right signals from higher prices deriving from oil decontrol in the marketplace, but they cannot do anything about it. This budget restores that effort. It restores the energy conservation and the renewable energy efforts which I spent so much of my life working for, so that we can become energy independent, so that we can spend all that money that we are presently spending on imported oil here in America, building our own intrastructure, strengthening our people and strengthening our businesses.

Mr. CLAY. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Missouri.

Mr. CLAY. Mr. Chairman, I would like to associate myself with the gentleman's remarks and urge support for the Fauntroy resolution.

Mr. Chairman, I rise in support of the Fauntroy Congressional Black Caucus substitute. Several months ago, our President unveiled a budget proposal so gross, so repugnant, so insensitive, even his staunchest supporters refused to endorse it. Next came the Senate majority attempt to reduce deficits by assaulting the social security system. Mr. Speaker, the moment of truth has finally arrived. In the next few days, the course this Nation will follow is to be decided on the floor of this House. Let us hope this body finds the courage and decen-

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cy to admit that passage of last year's Reagan, Gramm, Latta budget resolution was a monumental mistake. Let us hope this body has the intelligence and integrity to put a halt to the senseless cuts in programs which were designed to eliminate poverty, to alleviate hunger, to facilitate access to decent housing, adequate medical care, and quality education.

With one exception, every budget proposal being considered flies in the face of these goals. Each, with the exception of one, will adversely impact on the programs that have made our standard of living and quality of life the highest in history. Each proposal with the exception of one assaults the principles of fairness, equity, and justice. Each would cut out programs and cut off deserving people in need.

There is only one budget proposal that we should have under consideration today, because it is the only one which addresses the basic, human needs of people, while maintaining adequate funding for our national defense. It is the budget proposal recommended by Mr. FAUNTROY and the Congressional Black Caucus.

The economic state of the Union is not good, and it is not getting any better. Most experts predict our economic problems will worsen.

I wish that those advocating the other budget resolutions would tell us how increases in defense spending, continued high tax breaks for large corporations, and further cuts in such domestic programs as school nutrition, student loans, Federal employee benefits, cost-of-living increases for social security recipients, and housing for the poor—will improve our economic conditions.

The answer to our economic woes will not be found in a panic stricken climate which lends itself to short-term solutions for long-term problems. Those who advocate reducing aid for the sick, hungry and homeless, as a formula for solving our problems, are expressing an unconscionable disregard for the needs of suffering people. Using unemployment as a tool to fight inflation is asinine. Efforts to place the blame on the victims of unemployment instead of the promoters of ill conceived Government policy is hypocritical.

The only morally, justifiable proposal addressing the whole needs of this Nation is the Fauntroy, Congressional Black Caucus substitute. The Congressional Black Caucus alternative budget is designed not only to address the escalating social welfare needs of the Nation, and provide for our military buildup, but it will also lower the budget deficit. The CBC budget is equitable, just and humane. I urge my colleagues to think seriously about how the other budget proposals will actually affect the day to day lives of millions of individuals, and to think about the millions of individual needs which will go unmet, if we fail to enact the CBC proposal. I ask my colleagues to consider whether we, as leaders, can offer any justification for denying human needs. I ask you to give your support to the Congressional Black Caucus in our efforts to preserve and protect the dignity of every human life.

What this Congress will do if it adopts any of the other resolutions, is to take a bad situation, inherited from the Nixon, Ford and Carter administrations, and make it worse. This Government must embrace the concept of a job for every able-bodied person, a decent home in a decent neighborhood, a good education, quality medical care, and adequate retirement benefits for all our citizens. The Fauntroy substitute directs our resources toward these goals. If it is rejected, our society will continue to border on the brink of economic disaster. For the sake of our children who will inherit this Earth, I hope my colleagues will restore a sense of humanity to our national priorities, by voting for the Fauntroy substitute.

Mr. OTTINGER. This is also the only budget with adequate cuts in defense waste—which stops the foolish spending on MX missiles and B-1 bombers that will contribute to our insecurity rather than our legitimate defense needs. Last, Mr. Chairman, this is the only budget which deals effectively with tax equity. The provisions contained in the Reagan program and the Latta-Michel proposal that the corporations of this country that profit from our system should not have to pay taxes is beyond my comprehension.

☐ 1740

This budget is not confiscatory. I am a direct beneficary of our free enterprise system which is run by profits, which permits people who expend their effort and their intelligence and creatively to make profits.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

(By unanimous consent, Mr. OTTINGER was allowed to proceed for 2 additional minutes.)

Mr. OTTINGER. Anybody who profits from our system, however, ought to pay his fair share of taxes. The Reagan program eliminates virtually all corporate taxes over the next 5 years. We have a situation this year where the General Electric Corp., which had net income of $4.6 billion, is not only paying no taxes, but it is on welfare to the extent of $100 million that it is getting back from the Government because of the leasing provision in last year's tax bill. I do not resent one bit General Electric's $4.6 billion net income, but in the name of anything that is fair and equitable, they have got to pay their fair share of the burden, and if they do not pay their fair share of the burden we are going to be faced with the kind of deficits that are going to ruin this country and ruin its economy.

As one would expect with any comprehensive proposal, there are provisions in this budget that I do not support. But the thrust and direction of this budget are so important and so well researched, that the few quarrels we have with it are insignificant and hardly affect my overall support for its aims.

I am concerned about some of its tax provisions, particularly such proposals as the withholding of income tax on interest, the repeal of the dividend exclusion, and the limitations on some deductions like the mortgage interest deduction.

But my own research has uncovered numerous tax loopholes that the caucus budget has not included, so I am confident that any lost revenue from tax changes that I could not support is easily recovered from repeal of any of a number of abusive tax loopholes.

While I express reservations about some of its tax proposals, I must praise the general directions of the budget's tax section. The caucus has proposed overhauling President Reagan's tax bill of 1981, a law so bad and so damaging to our economy that we would be better off repealing it and starting over. The caucus also proposes repealing the special tax subsidies we give oil companies, charity for our wealthiest corporations that is unconscionable.

In general the caucus' philosophy of eliminiating the costly and hidden subsidies that have benefited the special interests for years is admirable.

Also, I want to point out that this budget does not just help poor people—it addresses the problems that all people in America are experiencing. It properly closes the gaping holes in Reagan's so-called safety net and restores the ability of senior citizens to retire with dignity and our handicapped and children to become productive. But it goes far beyond that to address the problems of our entire society.

In summary, the caucus goes beyond just perfunctorily adjusting the Reagan figures and really takes on this question of tax reform in the most meaningful kind of way. And it makes the investment in our future that is needed. I do hope that all Members of this body will look at this budget very carefully and will consider what this country needs, that you cannot restore the health of this country, we cannot be a strong country militarily or economically by destroying the public sector. The public sector has to provide the basic infrastructure that we need. It has to see to it that people have jobs in a time of recession. It has to see to it that our children get education and that they get the basic health care they need so they can take advantage of that education. In fact, Japan and European countries spend far more than we do in relationship to their GNP, and they are prospering more than we.

Last, the Black Caucus budget is the most truly conservative we will consider. It does more to balance the budget realistically then any other budget, projecting a balanced budget by 1985.

It is only the Black Caucus budget that really addresses all of the Nation's problems responsibly. I am proud, indeed, to be a cosponsor of this budget and urge everybody to support it.

The **CHAIRMAN** pro tempore. The Committee will rise informally in order that the House may receive a message.

MESSAGE FROM THE PRESIDENT

The **SPEAKER** pro tempore (Mr. PRICE) assumed the chair.

The **SPEAKER** pro tempore. The Chair will receive a message.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

The **SPEAKER** pro tempore. The Committee will resume its sitting.

FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1983

The Committee resumed its sitting.

The **CHAIRMAN** pro tempore. The Committee will be in order.

Mr. **DYMALLY**. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

(Mr. **DYMALLY** asked and was given permission to revise and extend his remarks.)

Mr. **BINGHAM**. Mr. Chairman, will the gentleman yield?

Mr. **DYMALLY**. I yield to the gentleman from New York.

(Mr. **BINGHAM** asked and was given permission to revise and extend his remarks.)

Mr. **BINGHAM**. Mr. Chairman, I rise in support of the Fauntroy substitute.

I will vote for the Fauntroy substitute, although I have no expectation that this proposed first concurrent resolution on the budget for fiscal year 1983 will be accepted by the House. Moreover, I do not completely agree with all of its provisions. I do strongly support the increases it proposes in spending for such programs as medicare, unemployment compensation, school lunches, and veterans benefits, as well as the changes in the Tax Code which would recover almost three-quarters of the giveaways in Reagan's tax cut which Congress passed last year. In the defense area, however, I am concerned that this substitute calls for a unilateral freeze on new nuclear weapons systems. I was one of the first to support the nuclear freeze idea, but it is basic that such a freeze should be mutual and verifiable and must, therefore, be negotiated with the Soviet Union. We are not calling for the United States to unilaterally cease expenditures on nuclear weapons development. The Fauntroy substitute also calls for holding defense spending overall to current levels, which I am prepared to go along with a modest real increase. The Obey substitute, which I supported but which was rejected earlier today, would, for example, have provided a 7-percent increase for the nonpay portion of the defense budget.

Despite these reservations, however, the overall thrust of this substitute amendment, offered on behalf of the Congressional Black Caucus, is progressive and just, and I hope many of my colleagues will join me in supporting it.

Mr. **DYMALLY**. Mr. Chairman, I rise today in support of the Congressional Black Caucus budget and economic recovery program. Recently the Senate rejected the President's 1983 budget. And for women and members of minority groups, it was an ominous budget. As one looked down its table of contents, the first things that met the eye were brackets around the Department of Education. When one turns the page to the section that explains the symbols used in the budget, one finds that anything in brackets is to be deleted.

Those brackets symbolize a change in values at the highest level of Government. The brackets are used throughout the budget to reduce or delete altogether many programs that were designed to provide for the long term well-being of our citizens. These are programs that have given many women and members of minority groups their first justified hope of breaking free from poverty and discrimination.

Poverty and discrimination have not been wiped out—far from it. Only the attitude in the oval office has changed.

Those brackets are the outward sign of a decision to ignore certain realities. The Department of Education has been bracketed for deletion at a time when some of our leading schools of education have not graduated a teacher of high school physics in 3 years. In many schools across our Nation, the majority of science teachers are teaching courses for which they have little or no formal training.

The President proposes to eliminate the Department of Education next year, yet the average child in this country now takes his or her last science course in the ninth grade. Half the children in this country graduate from high school with no mathematical training beyond elementary algebra. About 20 percent of our children graduate from high school not knowing how to read or write. It is little wonder that presidents of leading universities testified before the House Science and Technology Committee recently that they were distressed because there is greater and greater difficulty finding high school graduates, well enough educated to enter college.

I ask you, in light of these facts, who is going to solve the monumental technological problems our country now faces and will continue to face in the future? Who, for example, is going to solve the energy crisis? It did not go away when people stopped talking about it. But, as you know from your own experience right here in the United States, the corporations that produce our energy compete fiercely for personnel and are still unable to fill their need for qualified scientists and engineers. I should note that these industries are competing not only among themselves but also with the Defense Department, which is unable to find 5,000 engineers and scientists that it needs badly; and our institutions of higher learning, which presently have 2,000 unfilled engineering faculty positions.

We have a critical shortage of scientists and engineers. And, clearly, women and members of minority groups represent a largely untapped pool that might contribute to the solution of this serious national problem. Unfortunately, while women have increased their representation in science and engineering somewhat over the past decade, members of minority groups make up a smaller percentage of such graduates than they did a decade ago. In 1973, for example, Blacks received 2.9 percent of all Ph. D's awarded. Today they receive only 1.7 percent. Today, native Americans, blacks, Puerto Ricans, and Mexican Americans combined account for only 2.6 percent of doctoral awards in science and engineering. And blacks make up four-fifths of that 2.6 percent.

And so, it is with a sense of urgency that we of the Congressional Black Caucus present this alternative budget. One component of this budget, the science and technology function alleviates, in part, the problem of underrepresentation of women and minorities in science and technology.

This underrepresentation contributes to the labor shortage in science and engineering. The shortage makes it difficult for us to solve the technological problems our Nation faces in energy and elsewhere.

So, we should not be here today merely to listen but also to do something to solve the problem. The CBC budget presents a more effective alternative in this regard. The caucus budget allows for $7.6 billion in budget outlays for fiscal year 1983, $7.7 billion in fiscal year 1984, and $7.6 billion in fiscal year 1985. These figures reflect an increase of approximately $50 million over the Reagan budget. The budget we feel reflects the caucus' concern that America must return to its commitment to science, and that that commitment must be reflected in a budget which restores the necessary funding for basic science and engineering programs and their educational components.

Mr. LELAND. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Fauntroy substitute amendment.

Mr. Chairman, I welcome the opportunity to once again contribute to the best kept secret in America, the Congressional Black Caucus constructive alternative budget to what it is that the President proposed, and those who would hurt the little people of this Nation would propose here today and in the few days to come.

Mr. Chairman, I rise to address the energy function of the Congressional Black Caucus' budget. This function includes the Department of Energy programs, including research and development of new energy sources, energy conservation and preparedness civilian and defense nuclear programs, and rural electrification projects.

The Congressional Black Caucus alternative rejects the premise that energy policy can adequately be addressed on the local level, since energy is a national concern. The Congressional Black Caucus budget retains the Department of Energy. The DOE was created to allow for a comprehensive national energy policy on energy production and supply problems as well as on international energy issues. In addition, the DOE amasses data on energy and coordinates and funds energy research and development. The dismantling of DOE would result in a disunified response to energy concerns and a disparate application of energy policy. Despite the vast amount of discussion which has been heard on the issue of dismantlement of DOE, there has been no clear showing that significant savings will accrue from dismantlement.

Most of the Department of Energy's functions would be scattered among the Departments of Commerce, Interior, and Justice. Another deleterious result of the threatened dismantlement of DOE has been the loss of expertise due to job shifts and reductions in force. Because of these losses of the past and those to come, the requisite skilled persons who could run many of the energy programs targeted for transfer are not available to the chosen departments.

One other program which the Congressional Black Caucus particularly favors for continued funding is the DOE's Office of Minority Economic Impact. The administration has zero funded this program despite the fact that its funds have already been authorized. The Office of Minority Economic Impact has research programs at black colleges, a minority bank development program, a minority business loan program and an engineering college program to name a few of its projects. In addition to these activities, OMEI has performed the task of monitoring the impact of energy programs and policies on minorities and making policy recommendations to the Secretary of Energy. The Congressional Black Caucus supports refunding of OMEI in the amount of $1.635 million.

A phenomenal, but little known fact about this administration's energy budget is that a full 88 percent is dedicated to nuclear programs. This leaves only 12 percent for programs such as fossil research, solar and conservation programs. The Congressional Black Caucus has provided some relief to the disparity in the use of the taxpayer's dollar.

Specifically, the civilian nuclear programs have increased since 1981 by $98 million. The atomic energy defense activity funding has increased by $1.84 billion during that period. Since these programs were not subjected to the severe reductions imposed on other vital programs, the CBC had redistributed 20 percent of the proposed Reagan increases in the atomic energy and nuclear fission programs to other energy projects. The CBC again goes on record as we did last year, opposing the Clinch River breeder reactor, deleting $253 million in funding for this project. Although core programs will be maintained despite these reductions, the benefit of the CBC's funding allocations will be to allow vital programs which were targeted for elimination to continue.

Energy conservation, solar and renewable energy programs have been decimated over the past 2 fiscal years by the budget reductions. Energy conservation was reduced from a 1981 funding level of $712 million to the current administration's proposed authorization for 1983 of $21 million. Solar and renewable energy programs were reduced from a 1981 authorization of $500 million to the current administration's $72 million for 1983. This is a trend which cannot continue.

The result of the budget cuts in these areas is a rejection of the need to use energy in an efficient manner. The result of cuts in these areas is the elimination of State emergency planning funds, low-income weatherization programs, energy efficiency research programs, schools and hospitals programs, minimum energy performance standards for new appliances, among others. These are effective programs. For example, under the home weatherization program, homes weatherized jumped from 96,355 in 1978 to 291,000 in 1981. The energy savings were 23.4 percent and all initial expenditures were recouped in energy savings within 4 years.

The matching funds given for energy efficiency investments in schools and hospitals and local government buildings is part of another program which showed great success, particularly in light of the fact that these buildings rank among the top in energy consumption. The investment in energy efficient equipment and practices led to the Federal share cost saved for 1 barrel of oil equivalent in public institutions to be estimated at $2.28, compared to $34 for a barrel of oil on the market. The savings was $4.31 for hospitals and $11.20 for schools.

Another very significant program of energy conservation is the research and development of energy conservation measures in conjunction with U.S. industry. More sophisticated cogeneration systems, recovery of waste heat, systems of computer control and combustion efficiency—all were programs where costs were shared between industry and the Federal Government, for the purpose of finding a more efficient use of energy.

Foreign industries have become more energy efficient than the U.S. counterparts. Foreign governments give economic support to energy efficiency research development by these industries. The reduction of our energy conservation programs and the resultant dropping of private industries' research programs may well lead to greater U.S. inability to compete and subsequent reductions in labor forces.

For example, the Japanese use one-half the amount of energy in making steel than American industries use. Not long ago in our energy committee, the concern was repeatedly raised that the Alaskan pipeline being built by a combined effort of many American companies, may not be made with U.S. steel, but rather with foreign steel because of the price difference. Energy efficiency use is crucial, the lack of efficiency is costly.

The Reagan budget cutters maintain as their hue and cry that the States should shoulder the burden for implementing programs that the Federal Government abandoned. State programs have been estimated to save 192.1 trillion Btu's with a lifetime dollar savings of $13 billion. It has cost

$217 million to run those offices. That amount is $196 million more than the entire energy conservation budget under Reagan. In 1981, 50 percent of the State energy offices relied on 80 percent or more Federal dollars. Indubitably, the extreme cuts to the energy conservation budget will mean the closing of these offices, or at least severe paring down, and ultimately the loss of these energy and dollar savings. The inefficiency of these administration's budget cuts is shown again.

The Congressional Black Caucus tries to do something about these budget cuts by offering an alternative to the Reagan budget by offering a more balanced budget in terms of the division of funds among the various programs. In my opinion, the challenge and the goal of Government is to strike the happy median whereby all facets of our national community are served. The pendulum of Government during times on economic distress should not swing so lopsidedly that those who only have a weak grasp on the American ladder of success are flung aside. We of the Congressional Black Caucus daily rededicate our efforts to attaining that governmental equilibrium, we urge you to join us in that effort.

□ 1750

Mr. MITCHELL of Maryland. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this card is black. If you want to believe that, then you can believe that there is no insecurity in this Nation as a result of what this Congress, acting at the request of the President, did last year.

Mr. Chairman, this card is purple. If you want to believe that, then you would believe that a safety net is still in place protecting the poorest of the poor.

Mr. Chairman, this card is yellow. If you want to believe that, then you will believe that no one has been hurt by actions taken last year at the request of the President of the United States.

□ 1800

That is all that the caucus budget seeks to do. It seeks to address some of the insecurity that this Congress, acting at the request of the President, imposed on the American people. That is all it seeks to do. It seeks to address some of the pain that you and I inflicted on the Nation in what we did last year through the Gramm-Latta process encouraged by the President.

All that our caucus budget seeks to do is to give people one reasonable ray of hope. The hopelessness that is in this Nation now cannot be measured. It simply cannot be measured.

You claim that this program is working and the poeple do not believe it, and, therefore, there is no hope. I understand why you have claimed this. Once you lock yourselves into an ideological, economic, philosophical position, then you have got to rationalize and justify away all the hurt and all the pain and all the insecurity that is imposed by that position.

All of us travel around the country quite a bit. All of us think we know our districts, and we think we know the American people. I do not claim to know that. I do not claim to know the entirety of the American people. I do know, however, that the American people are raising some very serious questions now.

They are raising the question about military expenditures which my colleague will address in a minute. They are raising some very serious questions. They are saying: "Isn't there an enormous naval buildup in this military budget? And, if so, do we need an enormous military budget when over in the Falkland Islands British naval vessels were zapped?"

They are raising some serious questions. They are asking the question, if America is only functioning at less than 70 percent of its industrial capacity, how in the world is it going to assume a $1.5 trillion increase over the next 5 or 6 years? Can the military-industrial complex absorb that? Of course it cannot. But when you get locked into an ideological position, you have no choice but to go down that route.

We have cut money—not "we"; somebody else did because I did not vote for those cuts last year, because I could anticipate the damage that was going to be done. But you cut money in community development, and you left cities that were just beginning to come back to life, beginning to be revitalized again; you left them caught with projects halfway completed with no way of completing them—subway systems, street systems, et cetera. And I say, "Don't tell me you can take care of that by general revenue sharing funds, because you can't."

What kind of pain have we imposed on people? What we did in the housing budget last year—and perhaps my colleague can tell me this. Is that the gentleman from Texas (Mr. GRAMM) over there? Yes; I thought it was.

In the housing cuts that were made last year we committed essential folly. What we did was to cut away the maintenance of public housing. After having invested literally billions of dollars in public housing, then we are going to let it decay because there are no funds for maintenance. That is stupid. That is quintessential stupidity.

What have you done? What else have you done? You have cut housing programs to the point where in senior citizens' homes in my district—two of them, in fact, Zion Towers and the George Street Senior Citizens Home—there is no money for security for those senior citizens in those 202 projects. There is none. And do you know what kind of ironic thing we are doing there? We are having senior citizens man the security posts in senior citizens homes.

The CHAIRMAN pro tempore. The time of the gentleman from Maryland (Mr. MITCHELL) has expired.

(By unanimous consent, Mr. MITCHELL of Maryland was allowed to proceed for 3 additional minutes.)

Mr. MITCHELL of Maryland. Mr. Chairman, let me ask, why did we do this? Because Congress was so intent on cutting, almost in an unthinking fashion, that we imposed hurt and pain and insecurity.

What did we do last year? We rammed through cuts in small business programs. We had a 37-percent cut in direct loan money, we had a 27-percent cut in bank-guaranteed loan money, and we jacked the interest rates up to the point that a report comes out now that black businesses in this Nation might face extinction by 1990 because a government which made a commitment to those businesses to help develop an entrepreneurial class, which over the long haul will help this Nation, has now abandoned its commitment. This is the zenith of stupidity. It is the epitome of myopic thinking.

Only one budget deals with this, and that is the Congressional Black Caucus budget. Of all the statutes out there, this is the only one, and we can argue for hours on end about the details.

It is so easy to take a man and reduce him to just a little card, with all the vital statistics, and shove him in a machine and say that is what he is. I am not a card, nor are all those people out there who are suffering cards.

The Congressional Black Caucus says, give us one chance, just one chance to deal with the insecurity that this Congress created last year in this Nation, to deal with the pain that has been imposed on the Nation by our acts of last year. Give us one shot to right the wrong that we did. That is why I ask for your support of the Fauntroy amendment.

Mr. Chairman, today, I rise in support of the Small Business Administration's fiscal year 1983 budget as incorporated in the Congressional Black Caucus budget.

Earlier this year, the administration submitted its budget request. In one word, it is outrageous. There is nothing in it which is good for the small business community.

Everyone knows the state of our economy and that it continues to worsen. Last year, there were 17,000 business failures, the second highest number in 35 years. The number of failures continues to escalate this year. If this rate continues, there will be 5,000 more failures this year than last year. According to Prof. Philip Shuchman of Rutgers University, "the bulk of business bankruptcies around the country involve very small businesses."

Small businesses are not the only ones experiencing death as a result of this Nation's current economic ills. Braniff Airlines and Wickes, Inc., have filed for chapter II bankruptcy petition. Rumors are bountiful that Harvester International and other similarly situated big businesses are on the brink of financial disaster.

In these perilous economic times, one would expect the administration to provide more financial assistance to the small business community—the economic backbone of this Nation. This should be expected particularly from an administration which professes to believe in job creation in the private sector. Data are plentiful to support the truism that small businesses are the chief employer in this country.

Mr. Chairman, instead of the administration moving in a direction of rational reasoning, it is proposing a fiscal 1983 budget for the Small Business Administration that, if enacted, would undermine even further the delicate solvency of this Nation's nearly 14 million small business owners.

The administration proposed to eliminate SBA's direct loans to the handicapped, the minorities, for energy conservation, and to others who are unable to obtain loans from any other source.

The administration proposes to reduce bank-guaranteed loans. Congress appropriated funds for $4.5 billion in guaranteed loans in 1981. Last year as part of the administration's spending reductions, this amount was reduced to $3.3 billion for 1982, a cut of 27 percent. Now the administration wants the level reduced by another 17 percent during the remainder of this year and it proposes to reduce it by another 12 percent in 1983.

This 46-percent cut in only 3 years is still not enough. Even larger cuts are planned by the administration in the future so that by 1987, the annual level would be less than $1 billion.

This picture is the same in other areas. To further exacerbate matters, the administration is not even being up front about the extent of the cuts.

For example, they claim they are maintaining minority small business lending at $440 million. This is a complete sham. Included within this amount are economic opportunity loans (EOL). Under existing law $60 million is authorized in EOL guarantees and the administration proposes to increase this to $100 million this year and to $167 million next year. In 1980 banks made only $24.5 million in guaranteed economic opportunity loans and this amount dropped to $20.4 million last year. The experience to date this year has been even worse.

In the first 4 months of fiscal year 1982, EOL guarantees have totaled $2.8 million. If this rate continues, the 1982 total would be $8.4 million, a far cry from the $100 million projected by the administration.

It is preposterous, however, to assert that this program will increase to $100 million in the remaining 8 months, an increase of 3,500 percent; and that the increased rate would not only be sustained next year but would increase another 67 percent.

Mr. Chairman, my colleagues and I on the Small Business Committee recognized that the SBA's 1983 budget proposal is a far cry from realism. It is for this reason that we voted to maintain the direct loan program at a funding level of $169 million. We voted to continue funding handicap loans at a level of $4 million. We voted to provide $250 million in pollution control guarantees, and we voted to fund the guaranteed loan program at a level of $3.5 billion. I am pleased that the Congressional Black Caucus budget parallels these actions.

The administration would like for us to believe that "the boats of the small business community will rise on the wave of economic prosperity." Mr. Chairman, this year's unprecedented comptemporary rise in the number of business failures and the staggering business net losses are clear indications that unless this Congress takes immediate action to provide a realistic 1983 budget for SBA, there will be no small businesses to rise with the wave of economic prosperity. It is for this urgent reason that I ask my colleagues to support the Congressional Black Caucus 1983 budget.

Mr. CONYERS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment in the nature of a substitute.

Mr. Chairman, let me say to the Members of the House that this budget, the second of the Congressional Black Caucus, marks in my view the most important collective effort that it has been our honor to contribute to the legislative process. It is an effort begun last year, accepting the challenge of the President to respond with something better and not to continually criticize.

To our pleasure and surprise, we won great accolades last year from economists, political scholars, government officials, and budget makers of every political stripe, and so it is with particular pleasure that we join again for the second year in an attempt to introduce a budget that speaks to the needs of the American people.

In that respect, I must emphasize what my colleague, the gentleman from New York (Mr. OTTINGER), made clear, that this is not a black budget; it is a budget of the Congressional Black Caucus. It is written for all Americans, not just the poor, not just those who are trapped in an urban circumstance beyond their control. It is a budget struck off by 18 men and women and their great assistants from the outside who are economists and other students of government.

This is a document of which we are proud. If there were one legislative piece by which we would hope to be critically examined in this year, it would be the ultimate work product that we have before you in the Fauntroy substitute.

Therefore, I urge its careful consideration by all my colleagues. I ask that all of you who can bring yourselves to cast a vote for this measure would please do so. I ask you to do that notwithstanding the fact that some of our most distinguished leaders in the House are silent on the question of the Congressional Black Caucus budget. That is a point that is sensitive to all of us and one which needs to be spoken about during this debate.

□ 1810

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I now yield to my colleague from Wisconsin, Mr. OBEY.

Mr. OBEY. I would like to say to the gentleman that there are some portions of this budget that I frankly do not agree with. I do believe that the defense numbers in the caucus amendment are too low.

But as a practical matter, given the other amendments which have been disposed of today, the only way left for this House to leave significant room between the two Chambers so that we might come back with a package out of conference which represents any decent balance at all is to support this amendment.

I would prefer, frankly, that it had at least kept the 3 percent real growth commitment that President Carter made to the Europeans, but there can be no doubt that even if your package passes, as it comes back from conference, the defense numbers would be probably significantly higher than that.

So I would urge Members who are concerned that the House provide some room for that Conference Committee to make some meaningful changes in the Senate proposals to support the effort now being made by the gentleman in the well and others.

Mr. CONYERS. I thank my colleague from Wisconsin, whose authorship of a rational alternative budget for 2 years in a row and his critical work on the Budget Committee has I think brought us much further along the way.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to my colleague and friend from Maryland, Mr. HOYER.

Mr. HOYER. I thank the gentleman from Michigan.

I would like to associate myself with the remarks of the gentleman from Wisconsin, Mr. OBEY whose amendment I was very enthusiastic about and strongly supported.

I have the same concerns he expressed with respect to the level of defense expenditures.

However, I think that the caucus' budget does raise very substantial questions with respect to the priorities of this country and will present to the conference those questions and is the only opportunity at this point in time to do so.

So I intend to support the caucus' efforts and congratulate them on presenting this to the House.

I thank the gentleman for yielding.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. CONYERS) has expired.

(By unanimous consent Mr. CONYERS was allowed to proceed for 5 additional minutes.)

Mr. CONYERS. Might I say to my colleagues who have expressed reservations about the military portion of the caucus' budget to please listen to the gentleman from California (Mr. DELLUMS) who will follow me.

I think he will make a rational case for even that portion of the Black Caucus budget.

Mr. SCHEUER. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I now yield to our long-time supporter from the Committee on Interstate and Foreign Commerce, the gentleman from New York, Mr. SCHEUER.

Mr. SCHEUER. I thank my colleague.

I wish to associate myself with the views expressed by the gentleman from Wisconsin, Mr. OBEY. I strongly support the overwhelming portion of the Black Caucus program, which is really a program for all America.

I must put a little asterisk on that and say that I believe we have a credible need for a stronger defense posture and I would have preferred perhaps on the degree to which they cut defense appropriations. But, having said that, the thrust of the Black Caucus, which I really think is misnamed, it is priority setting for all of us, I think is very, very sound.

I would just like to speak in respect to one element and that is education, the education thrust of it. The gentleman from California, Mr. HAWKINS, and I were working 15 years ago on the new careers program, a program to take people out of the ghettos and get them on a ladder.

We actually extended the civil service system a few rungs down so that people without all kinds of accreditation, without even high school degrees, could get going on careers and have the opportunity to improve their skills by work-study release time and so forth.

That is what America needs. We need a vastly enlarged new careers program.

I was in Japan for the month of August last year along with a number of other Members of the House and the other body for a conference on productivity. We met with Japanese leaders and visited various plants where we saw automation, cybernation, robotics, in effect and it was really extremely impressive.

One could not help but feel a certain sense of disquietude that our country was lagging behind so far and that in many industries our plants were antiquated and anachronistic.

One reason that was quite apparent that automation and cybernetics and particularly robotization had proceeded with such tremendous gathering momentum in Japan was that the labor unions did not oppose it. Because the labor unions did not oppose it management felt more constrained to go ahead and make the enormous investments required.

Why did labor not oppose it? Because they found out that after every stage of making additional investments in more sophisticated machines that made labor more productive, and they would wipe out an assembly line of 500 or 600 people, and replace it with three or four or five technicians, they found out that every time they did that they were able to take those 500 or 600 workers, give them additional job training, and enhance their skills and employ them in enlarged and expanded production facilities.

So labor, as a consequence, did not fear automation, they did not fear robotization, because they knew that they could be absorbed into the expanded industrial process.

What we must have avoided at all costs in this country is the fear on the part of the labor force that they will not participate in the process, that they will not benefit, that they will not participate in this great new surge.

Quintessentially important for labor to cooperate in supporting labor productivity enhancing investments is for labor to participate, for labor to have a role, for them to participate in the new vogue, so to speak, of cybernetics and automation and robotization. For them to do so they must be literate, they must have job skills and they must be able to participate in far more sophisticated industrial processes.

There is no reason on Earth why all of our labor should not be equipped with these necessary skills, the requisite skills to enable them to participate.

It is a gross failure of our society, without blaming the teachers or the principals or the parents, whoever, it is a gross failure of our society that every young man and every young woman in their teens is not given the skills to find a job in an increasingly sophisticated industrial and business environment.

If there is one important function for this Congress to serve it is to generate the explosion of progress forward and in educating our young people so that they can participate.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

(At the request of Mr. SCHEUER and by unanimous consent Mr. CONYERS was allowed to proceed for 5 additional minutes.)

Mr. CONYERS. I thank my colleague from New York whose work on the transfer amendment and the Congressional Black Caucus proposal, as well as last year's budget has been deeply appreciated across the years.

My colleague from California will speak to the military dimension and I am sure that he can allay the fears of those who have made exceptions up until now about that portion of our budget.

Consider, my colleagues, that our budget reduces the budget militarily by $25 billion which to some is a rather small figure in consideration of its enormous growth.

The Senator from Arizona (Mr. GOLDWATER) and other Republicans have called for a $22 billion reduction.

So I am here to suggest that it is a very modest incremental reduction that has been made by the Congressional Black Caucus. But we will hear more on that later.

Might I point out that the Legal Services Corporation, for which the Judiciary Committee has oversight, on which I serve with my colleague from Illinois, Mr. WASHINGTON, and my colleague from Michigan, Judge CROCKETT, has its funds fully restored in the Congressional Black Caucus budget so that needed justice may be at least fairly available for those without the pecuniary means in our society.

□ 1820

So I recommend the Congressional Black Caucus budget as the cool budget for the hot summer. What we are afraid of, as discussed by the president of the NAACP, Benjamin Hooks, is that there may be white rioting this year. The suburbs, more traumatically unused to the dislocation economically, has built up, it has been noted, in certain parts of the country a resentment and an anger that can easily be compared with that of the frustration to which black America has long become accustomed.

So on behalf of those portions of our country, wherever there may be outbreaks, we recommend a cool, large, reasonably constructive budget that speaks to the temper of the times.

Now, let me refer to how we bring America together, and that is through the fair tax program. Following the example of the largest labor organization in the United States, this caucus budget tax proposal includes a continued tax reduction for those Americans who make under $50,000 a year. I repeat, this is the only budget that picks up one of the most obvious and sensible ways to modestly reform the tax law.

The gentleman from New York on the Committee on Ways and Means has spoken to this earlier, as has the chairman of the caucus. But I want to emphasize the logic that led to the caucus to very carefully determine that now is not the time to punish the middle-income class, notwithstanding the incredibly larger needs of the poor and the working poor and the chronically deprived and the underclass in our society.

No, we say that the middle class too is an embattled economic category in our society, and they, too, need and deserve and would get the relief that would allow some 96 percent of the American citizens to enjoy the benefits as written by the Caucus to allow them to enjoy this tax relief. And this is something that each and every one of us, I think, can take back to our districts and market with some skill. This is not doing the Black Caucus a favor to cast a ballot for this budget. You are not doing black people in America a courtesy or giving them a polite nod by voting for this budget.

The **CHAIRMAN**. The time of the gentleman from Michigan (Mr. CONYERS) has expired.

(By unanimous consent, Mr. CONYERS was allowed to proceed for 5 additional minutes.)

Mr. **CONYERS**. You are dealing with a budget written for all people—for the cities, for the suburbanites, for all areas of this country. I urge that we examine it in that critical context.

Finally, Mr. Chairman, the most painful part of my remarks is reserved for those whom I love and respect and have worked for the most. The Democratic leadership, whom I have supported and voted for, worked with, cooperated with, for every single year of which I have had the high privilege and honor to serve in this Congress. The Democratic leadership has now for the second year in a row chosen to totally ignore this work product. It did not criticize it, leaders of the party will not praise it, they just do not see that it exists. It is the invisible document.

And so we can lambast our colleagues on this side of the aisle all you want, and you can talk about the boll weevils all you want. But they do not have anything to do with it. You do not elect boll weevils, you do not elect the leadership on the other side of the aisle. You elect the dear, beloved leaders for whom no Member in this Hall has more respect and higher regard than I, but the time has come—as a matter of fact, long overdue—where we must address the critical underlying questions of why we cannot get more than 69 votes. What is being asked, essentially, is for everybody to vote for this, to vote against the Democratic leaders' position. Which is what? Well, we were called into a meeting this morning, and the position was "stick with Jones."

We cannot stick with Jones. We have got our own work product, Mr. Chairman, Mr. Majority Leader, we have done as much work as Jones, with all deference. We have done as much work as any other substitute budget that is before this body. And it is about time we get a little bit of respect or criticism for the nature of our work product. We bring you millions of Democratic votes to the Halls of the Congress and to the national ticket, more than anybody else on this side of the aisle, excluding nobody. And they are watching us and you. And I want to say that the time is running out. You are not going to explain in a long hot summer why 70 people out of a majority Democratic body could do anything but give us a nodding tip of the hat. If you think that the House Budget Committee budget is in trouble, you are exactly 100 percent correct.

Now, it is in trouble for two reasons. The first reason is that, even with the Black Caucus, it is in trouble, as everybody on the floor undoubtedly must recognize by now. The same situation as last year. But this year, the members of the Congressional Black Caucus are in no position to guarantee our beloved Speaker or the majority leader that we are with you on Jones no matter how much you ignore us, no matter how silent you are about the merits of our budget or anything else. The caucus has not taken a position on this matter. It may, in fact, not even be necessary, because the usual defectors within our party, who year after year, some holding full committee chairmanships, regularly vote against the most important decisions that the House of Representatives makes. And what is their reward? Continued prerequisites and the continued power that are afforded them as a result of us being the majority power.

How long can this situation continue without at least one Member speaking honestly to the grievous political problems that divide us within our own party and within our own ranks?

The **CHAIRMAN**. The time of the gentleman from Michigan (Mr. CONYERS) has again expired.

(By unanimous consent, Mr. CONYERS was allowed to proceed for 2 additional minutes.)

Mr. **CONYERS**. I urge that we begin for the first time to look and examine with our Democratic colleagues and leadership the merits and the weaknesses of the Congressional Black Caucus alternative budget. We ask everyone in the Congress to do it. It is only fair that we ask the same of our beloved leadership.

□ 1830

Mrs. **COLLINS** of Illinois. Mr. Chairman, I move to strike the requisite number of words.

It is with a sense of pride that I rise this evening in support of the Fauntroy substitute which is the Congressional Black Caucus alternative budget.

First let us discuss the impact of various budget proposals on community and regional development.

The Congressional Black Caucus alternative budget represents a cautious but sensitive and effective analysis of the local development needs of this country; whereas the President's budget reduces funding for community and regional development to a mere $6.9 billion which is absolutely inadequate for the needs of our cities, towns, and rural communities. Because the vitality of our communities is so closely tied to the development of their infrastructure, it is imperative that we not leave this critical function totally at the mercy of a faltering economy. This substitute proposes a funding level of $11.3 billion that is sensitive to local development needs and the tighter budget constraints of today's political and economic realities.

It generally retains the 1983 authorization levels for community development block grants and urban development action grants, while continuing 1982 funding level for the section 312 rehabilitation loan program that the President proposes to eliminate. Further, the Fauntroy substitute proposal creates a new urban infrastructure reconstruction program under the Economic Development Administration that brings the benefits of new jobs to counter unemployment; reconstruction of community infrastructure to combat deterioration of local systems; and funds to rebuild and upgrade vital public services.

If local communities are to become more economically viable, and if the markets are to be more attractive as investment sites to the private sector, some investment beyond good will is required. We must ask ourselves whether the tradeoff of one or two pieces of military hardware is worth the long-term and recurring benefits of an investment in the backbone of local economies—their infrastructure of roads, sewers, bridges, water systems and accessways.

Americans, the Congress, and the world is being told that our military budget is sacrosanct, while our communities are cast aside to compete for the few crumbs that fall from the budget banquet laid out before the Pentagon. The Appalachian Regional Commission and disaster relief programs are cut further, while no consideration is made for how communities dependent on these programs will either maintain or rebuild their infrastructures so our military will have something to protect. Even the most ardent of supporters for the administration's budget must acknowledge that jobs, businesses, and development do not occur in areas where there is little or no infrastructural support.

Even if we assume business will absorb the costs and responsibility for such local infrastructural development, which is unlikely, it is not wise or in the best interest of a healthy economy to be dependent on this helter-skelter approach to development.

Finally, we must ask ourselves what is to become of the local economic development aspect of our national policy if we can only offer business and venture loans, or tax benefits in prescribed areas or enterprise zones when we already acknowledge that most such areas lack adequate infrastructural systems. It becomes apparent that if we are not committed to some adequate and defensible policy such as that proposed by the Congressional Black Caucus budget, we have assigned communities, towns, cities, and entire regions to a bleak economic future.

If this administration plans to link innovative public and private sector initiatives through enterprise zones or either schemes, it must be prepared to answer the question, "When did the private sector build its last bridge, road, airstrip, canal, sewer, or water system in a depressed or distressed area without supplemental public resources?" How many community systems in distressed areas have been rebuilt or restored in distressed areas by the private sector following some disaster? This is not to suggest that American business should have the responsibility of developing our communities; this is merely to reflect the realities of community and regional development in our society.

American communities have the right to be protected from the vicissitudes of a totally unpredictable private economy when making decisions that enable them to compete evenly for the rewards of the marketplace.

The Congressional Black Caucus budget affords local communities that protection; other budget proposals largely ignore it; and the administration proposals tells us that by cutting these critical funds, those moneys freed up for military projects will reverberate through our local communities and new businesses will prosper. If we can believe the administration's proposal, then new bridges, roads, and sewers will soon crisscross the Appalachians and South Bronx to help produce our MX and B-1 systems.

We think most mayors or local officials who have tried to get a new bridge or sewer and water system would agree that the Congressional Black Caucus budget makes far more sense that anything on the table where community and regional development is concerned. Today we have the opportunity to show our local communities that the process still works to protect their economic vitality.

In addition, Mr. Chairman, this proposal reaffirms the Nation's commitment to sheltering the poor and disabled that were disproportionately affected by last year's Budget Reconciliation Act.

As chairwoman of the Manpower and Housing Subcommittee that oversees the Department of HUD, I am very familiar with the inadequacy of funds currently allotted to urban development and housing.

Mr. Chairman, the need for Federal involvement in channeling credit to housing and small business through loan and loan guarantee programs is more obvious today than ever before. These programs have contributed greatly to the expansion of the housing supply, job creation, and the growth of new businesses. When coordinated properly, the total economy benefits. With the tight credit market and high interest rates, this critical function will be ignored in all but the wealthiest and most vital of our Nation's communities. The CBC budget reflects our awareness that the market does not respond equally to the needs of all our Nation's housing needs.

Permit me to highlight a few areas:

First. The CBC alternative rejects the administration's proposal to change low-income assisted housing programs so that the net result would be 46,000 fewer assisted units in 1983 than previously planned. The existing supply is woefully inadequate, yet this administration proposes that we serve fewer instead of holding constant or housing more. Worse yet, the poor are asked to pay more for less by accelerating rents from 25 to 30 percent of their income.

Second. The CBC alternative proposes $15.36 billion through new authorization, $12.53 billion; rent supplement recaptures, $2.83 billion; and $1.7 billion in new authority for public housing modernization. This sensibly reflects no new section 8 construction except that in conjunction with the 202 elderly-handicapped program. A new rental production program to replace section 8 makes more sense and is proposed by the CBC;

Third. The CBC proposes to restore funds cut by the administration budget for housing repair grants among impoverished rural Americans. With the rising cost of home energy and maintenance of health standards, the total authorization of $25 million is necessary to support 6,000 home repair grants. The rural poor of this country has not disappeared and nor has its housing needs. The CBC proposal recognizes these facts and opposes the administration's elimination of the rural housing program; and

Fourth. Almost everyone agrees on the need for the new $1.3 billion program to stimulate construction as the CBC proposes. Some 50,000 to 10,000 public housing units would be assisted, depending on the subsidy mechanism. Continued underfunding as proposed by this administration would only further deteriorate existing public housing stock. More non-FHA-insured homeowners would be protected from foreclosure and defaults would not be as high. The hearings I chaired this year clearly showed that the emergency mortgage assistance payments program could be a cost-effective complement to the CBC proposal.

And as if that were not enough, Mr. Speaker, the President proposes to reduce the program for elderly and handicapped housing from 17,000 units to 10,000. The CBS budget continues this program at the level of 16,000 units for the next 3 years, in light of the severe housing needs of the low-income elderly and handicapped.

The President proposes to terminate the Government National Mortgage Association's tandem program of mortgage purchases. The CBC budget instead continues this program as means of financing at more favorable terms the mortgages on section 8 housing now under construction or planned.

In order to stimulate housing construction, the CBC supports the provision of $1.1 billion for the regular low-income section 235 homeownership program which provides subsidies to reduce the mortgage interest rate down to 4 percent thereby stimulating construction of approximately 10,000 homes for families whose incomes do not exceed 95 percent of the area median. The CBC also supports a proposal that would utilize an already authorized $3.5 billion provided in the 1980 housing bill to support a program that would provide subsidies to reduce the mortgage interest rate down to 9.5 percent for the first 10 years of a mortgage to assist construction of approximately 95,000 homes for families with income less than 130 percent of the area median.

My colleagues may remember that last year when the President submitted his fiscal year 1982 budget he challenged the Congress to come up with a better plan for "balancing the budget, reducing inflation, creating jobs, and reducing taxes." Last year the Congressional Black Caucus (CBC) did just that. And today we are here again with a budget alternative designed not only to create more revenues, lower the deficit, reduce inflation, create jobs, and hold down taxes, but equally as important, to save this Nation from despair and depression.

Last year President Reagan promised economic recovery. Everyone in this room knows that has not and will not happen, especially if we insist on following the President and his little followers down the path of destruction. Let me tell you what has happened. The American people have tried, tested, and found totally untrue, the President's supply-side economics which have allowed for a national unemployment rate of 9.4 percent—the highest since the depression. In case my colleagues have developed an insensitivity to percentages, 9.4 percent equates to well over 16 million people out of work.

I contend that the citizens of the United States have been losers under the administration's "voodoo" economics. We have been duped, we have been cheated, we have been grossly misled by a President that obviously caters to the rich and big business. Unfortunately, the majority or the mainstream of Americans do not fall into either those two categories. We want jobs in order to provide for ourselves and our families. While the President said to the American people, "Try it—you'll like it," unemployment soared, interest rates increased, businesses retracted instead of expanding, children almost had to eat ketchup for their lunch, and the economy worsened.

In simplistic terms, the Fauntroy substitute, which is the CBC alternative budget, seeks to accomplish five main objectives: reduce the deficit substantially; adopt a fair, humane, and economically balanced budget; reform the tax system; insure adequate social security and other support for the Nation's poor—both elderly and nonelderly; and establish a safer and saner national defense.

Under this substitute, we will not see 50,000 small businesses go bankrupt as we have seen under the Reagan fiscal year 1982 budget, we will not force our poor and elderly to make decisions of whether to "heat or eat," we will not have record deficits or give away a record $750 billion to rich people and prosperous corporations. We will not have businesses looking forward to failure because of strangling interest rates.

What we will have if my colleagues adopt this budget alternative, is the restoration of funds cut last year from such programs as medicaid, medicare, education, social services, unemployment, and mass transit. We will see defense spending held fairly constant over the next 3 years and most importantly, we will see revenue increases of $66 billion over a 3-year period.

We will see funds restored to child nutrition programs, funds restored to student aid programs, and the establishment of a new job creation and training program.

In order to turn the crisis tide away from inflicting more pain and suffering on the American people, my colleagues must embrace and subsequently vote for the CBC budget, not only because it achieves its major objectives, but because it accomplishes its goals through the use of good, sound, workable logic and will not wreak any more havoc on the American people or the economy.

I urge the adoption of the Congressional Black Caucus budget.

□ 1840

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words.

I join with my colleague, the gentlewoman from Illinois, in expressing pride and pleasure in having been associated with the process that has arrived at a budget resolution that I believe is superior in every way to every budget proposal presented to this Congress this week.

I also join my distinguished colleagues of the Congressional Black Caucus in their frustration, in their anger and in their humiliation for having again worked diligently to put forth a budget for this country, to play a useful and appropriate role in the world and to find the press and our colleagues ignoring this terribly important work. It is sad, it is tragic, it is ludicrous, not because the ideas embraced in this budget proposal are not significant, are not important, are not workable, but because of who wrote them and because someone decided that only a handful of votes would accrue to the Congressional Black Caucus budget; but the tragic reality is that it is the only budget that embraces Democratic principles.

A hundred and some out of my colleagues last year cast a vote in opposition to the pain and the agony of the Gramm-Latta proposal; yet this is the only budget that attempts to go back and reconcile the incredible pain and the extraordinary agony. There are millions of American people hurting today because of the fiscal year 1982 budget. Fiscal year 1983 has not yet been visited upon them, but the Congressional Black Caucus budget anguishes in the shadows of this House, not because it is not brilliant and not because it is not workable.

Mr. Chairman, we are in danger—and I repeat for the purpose of emphasis, we are indeed in danger in this country, but not because of some window of vulnerability to the Soviet Union, but because we in this body have lost our capacity to analyze, to evaluate, to think, and to question.

The absurdity of this entire budget debate that has evolved over the past few months is that we have endeavored to communicate to the American people that the future of this economy hangs on the notion that giving or not giving a cost-of-living increase to people who desperately need it in this country is going to make it important or be the important factor. This is absurd.

The other issue, whether or not we apply some minimal third year tax cut to middle income people, there is no debate, no analysis, no discussion of whether there is a need for revising the entire tax structure. There is no discussion of whether wealthy individuals and corporations should pay a reasonable amount of their taxes, but rather how we must further exploit middle income and working class human beings.

Mr. Chairman, there is no analysis here in this debate on the nature of our economy. There is no analysis with respect to the changes which have taken place in the American economy as of this moment. There is no analysis of where we are at this moment or what we should be doing. Rather, we are left with our absurd perceptions and engaging in some magical thinking that in some way the budget deficits and the interest rates will magically decline.

Mr. Chairman, what we are left with is a discussion of numbers, but that is enough of the discussion on the social program side. My responsibility in this debate in this resolution is to discuss a rational and sane defense policy.

A number of my colleagues have entered the well on Friday and today saying that the problem with the Congressional Black Caucus budget is that the numbers are too low; but I would suggest, Mr. Chairman, without fear of contradiction, that the overwhelming majority of my colleagues on both sides of the aisle do not know what the numbers are or what they represent in any budget.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. DELLUMS was allowed to proceed for 5 additional minutes.)

Mr. DELLUMS. Mr. Chairman, what we are left with is a docile discussion where we have been reduced to auctioneers. Do I hear it for one $258 billion? Do I hear it for $255.1? Do I hear it for $240 billion? Do I hear it for $230 billion? Do I hear it for $210 billion? Do I hear it for $200 billion?

We are auctioning numbers here, but I would suggest that the overwhelming majority of my colleagues have never ever looked beyond the numbers. We are simply manipulating them.

Where is the discussion of whether there ought to be a nuclear freeze? A number of you have jumped up and said, "I am for the freeze." But have you looked beyond these numbers to determine whether whatever budget you support supports the freeze or does not support the freeze?

It is very sexy, it is very attractive now to be for the freeze; but how do you translate that commitment into this budget? Not by hiding behind numbers saying, "I am concerned, the numbers are too low."

What do you mean by too low? The only way you can talk about the numbers being appropriate is to engage in a policy discussion and you can only engage in a policy discussion, Mr. Chairman, if you ask intelligent questions, not what are your numbers?

This is not an auction. I did not come here to be an auctioneer, to be tipped off by some dollar figure.

There has been no debate on whether we support destabilizing weapons. That ought to be in the debate here.

There is no discussion on the freeze. If you embrace the freeze, you cut $21 billion in budget authority right now.

There is no discussion of the surface Navy, this massive 620 ship Navy.

Where is the magic in it?

What about our role in NATO? Fifty percent of our military budget is directly or indirectly related to our involvement in NATO. Where is the discussion of NATO? No; we are talking about numbers, the numbers are too low, without even knowing what it means.

Finally, what about this rapid deployment force?

These are the questions that need to be raised.

Earlier this year I raised these questions with my colleagues in the Armed Services Committee by sending a letter to the Chair and members suggesting that we have arrived at a terribly critical moment in the evolution of our lives here and that an incredible responsibility of the Armed Services Committee should be to expand the parameters of the debate to allow the full range of ideas to permeate my colleagues in the awesome chambers of the Armed Services Committee.

□ 1850

But the response was that we had deadlines to meet; that we did not have time to establish this broad discussion providing an opportunity for the most brilliant minds in this country to pose a positive and constructive set of policy alternatives to the madness that is parading across this country in the name of military policy of America at this particular moment in history.

Mr. Chairman and members of the committee: This is not a transfer amendment. This is an intelligent effort to arrive at a budget.

Since my colleagues on the Armed Services Committee chose not to hold the hearings, we went forward on an ad hoc basis, raised our own money, and held 6 days of hearings where we looked at the entire implications of the military budget. We began with the foreign policy and national security implications, the tactical and strategic implications of the military budget, the economic implications, the moral implications, the economic implications of America's global arms sales, and finally, what our responsibilities are as citizens to end the madness of the arms race, moving in lockstep toward a nuclear holocaust.

Brilliant minds, from all over this country, came to those hearings to provide us with a set of policy alternatives so that we would not have to come here and be auctioneered to just give a number, but to give a number related to some intelligent policy alternatives.

Before I talk about them, let us talk about the absurdity of what these numbers really have been all about.

When I came to Congress in 1971, we were bombing and killing and maiming people in Vietnam, the military budget was $80 billion, $90 billion. Ten years later, fiscal year 1981, the military budget was $173 billion; fiscal 1982, $226 billion; fiscal 1983, Ronald Reagan asked for $258 billion. Alice Rivlin of the Congressional Budget Office suggested that by fiscal 1987 our military budget will exceed $442 billion per annum, which means by the end of this decade we may very well be talking about a military budget in excess of a half a trillion dollars. This, to me, is insanity.

In the decade of the 1970's and part of that time we were involved in a war, we spent $1 trillion. We will exceed $2 trillion in the next 5 years. It has been proposed by some of the witnesses who came before our committee that it is potentially possible that we will in the decade of the 1980's, given present assumptions, spend between $4 billion and $4.5 trillion on the military budget, quadruple the military budget in a span of 10 years.

The CHAIRMAN pro tempore. The time of the gentleman has again expired.

(By unanimous consent, Mr. DELLUMS was allowed to proceed for 5 additional minutes.)

Mr. DELLUMS. So, Mr. Chairman, given this enormous expenditure, we felt that one had to go beyond auctionerring, to look at policy. So what did we do? We said we do not believe in crisis destabilizing weapons, and that this is an important policy statement. So we strike the MX missile, the Trident-2 submarine, the Trident-2 missile, because they are hard-target, time-urgent weapons. They are first-strike weapons. They do not bring us closer to peace. They bring us closer to disaster. They do not bring greater stabilization, for they put the Soviet Union in a position where they may want to strike first, because of the incredibly awesome power of weapons like the MX and the Trident-2.

The sea-launched cruise missile and the ground-launched cruise missile are also crisis destabilizing. They go beyond verification. And I would suggest that we are talking about a nuclear arms weapons package that takes us far beyond nuclear deterrence and takes us beyond verifiability.

Once you start developing weapons that you can no longer verify, you have taken us beyond the confines of an arms control environment. And then I would ask the rhetorical question: Where are we then?

And finally, with respect to crisis destabilizing weapons, we strike the Pershing-2 missile. Why? Because to deploy the Pershing-2 missiles 4 minutes from the Soviet Union is insanity. I would ask my colleagues, Mr. Chairman, to recall that we were prepared to go to war when missiles were placed in Cuba 4 minutes from the United States. What makes us in any way believe that placing nuclear weapons with the capacity to strike into the Soviet Union in 4 minutes is in some way peaceful, or not crisis destabilizing? Anyone that can argue effectively in that regard has my incredible respect, because I do not believe that it can be done.

Mr. Chairman, we embrace the concept of the nuclear freeze. We believe in it. We are not just being rhetorical politicians that stand up in town meetings saying, "I am for the freeze," and then run back here and vote for all the weapons systems that deny the freeze. So we say MX, Pershing-2, ground-launched, sea-launched Pershing-2, and the Trident submarine, and the B-1 bomber.

Mr. Chairman, the B-1 bomber, the $40 billion program—$400 million a copy. We may be able to put 100 planes on line by 1988. Most people believe that you will not be able to penetrate the Soviet air defense beyond 1990. So for $40 billion we are buying a plane for 2 years? And then the response is: "Well, Mr. DELLUMS, you may be right, but we can carry cruise missiles after 1990." You need a $400 million plane to carry cruise missiles? You can carry it on an L-1011, a 747, or a hell of a lot of other wide-bodied planes that do not cost us $400 million a plane, even if you choose to do it.

Third, we challenge this incredible 620-ship surface Navy. Remember the Falkland Islands. Hundreds of millions of dollars in all these surface ships, and a 10-cent missile blew it right out of the water—blew it right out of the water, Mr. Chairman, with a 10-cent missile. Yet my colleagues are arguing here for a 620-ship surface Navy, as if in some way that projects our macho in the world, when a third-rate naval power like Argentina could blow a surface ship right out of the water. This is madness.

Mr. Chairman, we question our role in NATO to the extent that we are spending over 50 percent of our resources directly or indirectly to be involved in NATO—billions and billions of dollars. Yet there has been no policy discussion.

What we suggest is a 5-percent cut in our force levels to at least begin the debate on what should be our appropriate troop deployment throughout the world and what should be appropriate mission statements.

Finally, we question the Rapid Deployment Force. Again, remember the Falkland Islands. What are the Rapid Deployment Forces for? To challenge the Soviet Union? Or would it be an excuse to allow us to engage in insurgencies or adventurism in Third World countries? What is the role of the Rapid Deployment Force? We question it.

We question destabilizing. We support the freeze. We question a 620-ship surface Navy. We question our role in NATO. We begin the process of challenging my colleagues to a policy debate. And finally, we question the need for the Rapid Deployment Force.

Mr. Chairman, going back to the numbers for a moment—before we get to the numbers, during the debate, Mr. Chairman, during the hearings that we held, a number of terribly important statements were made.

The CHAIRMAN pro tempore. The time of the gentleman has again expired.

(By unanimous consent, Mr. DELLUMS was allowed to proceed for 5 additional minutes.)

Mr. DELLUMS. Mr. Chairman, I would only allude to a few comments.

Admiral LaRoche, of the Center for Defense Information, quoted Lord Mountbatten, the brilliant British military person, who said in 1979:

> I have come to the conclusion that nuclear weapons are not military weapons because nuclear weapons cannot be used, and the danger that imperils humankind on the face of this Earth is the perception, the illusion that nuclear weapons can be used.

To me, Mr. Chairman, this was an eloquent and powerful statement, that nuclear weapons are never to be used, but only for deterrence. But the supporting documents for this military budget, fiscal year 1983, say we must have the capacity to fight, to survive and win a nuclear war. Anyone who believes we can fight, survive, and win a nuclear war by definition, Mr. Chairman, with all due respect, is psychotic. Every analyst I have seen indicates that no one wins in a nuclear war.

There is no such thing as a limited war, a surgical strike where 20 to 100 million human beings are dead. What is limited and surgical about that?

I would quote Dr. Geiger, the executive director of the Physicians for Social Responsibility, who said:

> As I look at the United States and the Soviet Union and their nuclear arms race, I think of two men, and I think that is appropriate because it is very sexist and macho to play war games—two men in a room, locked tight, up to their throats in gasoline, one standing there with 10 matches and the other standing there with 7 matches, and they are both arguing over whether they need 15 matches apiece before they can agree not to strike 1 match in that room.

☐ 1900

That is where we are. That is precisely where this arms race is, Mr. Chairman. Millions of the American people are beginning to awaken to the reality that nuclear war is insanity. Bloated, wasteful, and unnecessary military budgets are not in our best interests.

Finally, Mr. Chairman, my colleagues are talking about a 5-percent add-on for fiscal year 1983 military budget as if these numbers make some sense. The point is that fiscal year 1982 was an incredibly high base. In fiscal year 1981, the military budget in budget authority terms was $173 billion. In fiscal year 1982 it went up to $226 billion, 25 percent over and above. That is incredible. We must remember that Ronald Reagan stomped us in 1982 and put the military budget at an incredible level, so let me give the Members these figures because it also includes the Black Caucus budget when you go back to 1981 as a base, 1982, which was terribly out of line.

The Jones budget, if we use 1981 figures, calls for 32.9-percent increase in 2 years. The Aspin budget in 2 years calls for a 31.3-percent increase. The Latta budget, 33.4-percent increase in the military budget in 2 years. The Obey budget, 30.6 percent, and even this so-called radical document, known as the Congressional Black Caucus, that budget is still 25 percent over and above fiscal year 1981, a 12.5 average increase in 2 years. So, you cannot tell me or any other rational human being that we are not pouring an incredible amount of money in our military budget.

Mr. Chairman, in conclusion I would simply say: Think, analyze, evaluate, and debate. Let us not reduce ourselves to some hucksters and hustlers and auctioneers here. We are thinking human beings committed to establishing policy. Let us stop the madness of nuclear war and this ever-increasing military budget. I join all my colleagues in that struggle.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I thank my colleague for yielding. He has spoken with the deep passion that has brought him to a level of expertise on the Armed Services Committee that is second to no one.

I would ask my colleague in the well, do the hearings that he held, bringing in a wide range of military experts—including retired admirals from the U.S. Navy, including physicists who were engaged in the Manhattan project—are they going to be printed or will they be made available to the membership?

Mr. DELLUMS. Yes. First of all, the commitment that I made to the chairperson of the Armed Services Committee and my colleagues on the Armed Services Committee was that we would make the verbatim transcript of these 6 days of hearings available to all my colleagues. We held the hearings in two sessions of 3-day hearings. We printed two volumes.

The CHAIRMAN. The time of the gentleman from California has again expired.

(By unanimous consent, Mr. DELLUMS was allowed to proceed for 2 additional minutes.)

Mr. Chairman, members of the committee, we printed up those hearings in two volumes and presented them to each and every member of the Armed Services Committee. We have also given them to a number of other influential Members of the Congress. We are presently attempting, since the press locked us out, and the Soviet Union, West Germany, the British, and the Japanese were more interested in our hearings than the Washington Post or the New York Times or network television, so we have decided that if we cannot get our word out through traditional means, we have got to find some mass means, and we are trying to get the proceedings of those hearings in paperback book form to get them out to hundreds of thousands of the American people so that they can begin to understand the madness evolving before their very eyes.

Mr. CONYERS. I commend the gentleman for his effort because I think that even in this beginning discussion he has done what has not been possible before now, and that is at least to expose the names of the issues that need to be discussed before we argue bottom line figures. For that, everyone in my district, and I think well beyond it, are deeply indebted to the gentleman.

Mr. LOWRY of Washington. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from Washington.

Mr. LOWRY of Washington. Mr. Chairman, I would like to associate myself with the comments of the distinguished gentleman from California.

He did make many points I agree with. One number he said, though, that I think is an important number is, did he say that in a 10-year period the military expenditures will be as high as $4.5 trillion?

Mr. DELLUMS. That is correct.

Mr. LOWRY of Washington. One of the witnesses, I believe, that was before one of the committees the gentleman sits on, Prof. Seymour Melman, who wrote "Economic Cost of the War Economy"—I would recommend that to anybody to read—points out that the money value of all the reducible national wealth in the United States is $4.3 trillion. That is, all the manmade items in the United States other than raw real estate, the money value is $4.3 trillion. How are we going to rebuild the infrastructure of our country?

The CHAIRMAN. The time of the gentleman has again expired.

(At the request of Mr. LOWRY of Washington, and by unanimous consent, Mr. DELLUMS was allowed to proceed for 2 additional minutes.)

Mr. LOWRY of Washington. How are we going to rebuild the water systems, the transit systems we need, the housing, the hospitals, the highways, when in a 10-year period of time, with the most gigantic capital fund in our economy, we are spending as much money as all of the worth of manmade items in the United States? If we do not realize that, we will never get our economy back on track.

I think the gentleman is giving us the opportunity to think about the real issues, not just the numbers.

Mr. DELLUMS. I thank the gentleman for his remarks.

I would simply say that Professor Melman was one of the people who testified before our committee. It was this caliber of person who was brought before our committee.

The low estimate—the low estimate for what we will spend in the decade of the 1980's is a little above $3 trillion, so the most conservative estimate expands the military just in 10 years by the factor of three. The most expansive is $4.5 trillion, so it is three times the amount of money in 10 years or 4.5 times.

This is a bizarre, insane, set of figures. I would finally say, in underscoring the point the gentleman made: The Wall Street Journal, which certainly is no radical periodical, has begun to write editorials pointing out that the most dangerous expenditure of Federal moneys is this big military budget because it takes goods and services; it takes resources away from goods and services to expand the level of the American economy. The tradeoff is too high.

Mr. LOWRY of Washington. We are doing a lot of talking in this country about the crowding-out effect, and what we are doing in the capital capability of this country is, we are talking a gigantic capital fund that is crowding out the ability to do the other things we need. There is only a certain amount of fixed capital in that period of time. This excessive Defense budget makes it impossible to do the things we need.

I again this year am voting for the Fauntroy amendment just as I did last year.

The CHAIRMAN. The time of the gentleman from California has again expired.

(At the request of Mr. ROUSSELOT and by unanimous consent, Mr. DELLUMS was allowed to proceed for 3 additional minutes.)

Mr. ROUSSELOT. Mr. Chairman, will my colleague yield?

Mr. DELLUMS. I yield.

Mr. ROUSSELOT. Mr. Chairman, I appreciate my colleague yielding.

Now, in the Fauntroy substitute as it has been presented to us, my understanding is the defense level of outlays for 1983 is $199 billion. It is almost, very close to $200 billion. Is that correct?

Mr. DELLUMS. Yes. The figures have been adjusted so many different times, but they are right around $200 billion, which is really 25 percent over and above 1981.

Mr. ROUSSELOT. From $191——

Mr. DELLUMS. 1981 was $173. In 2 years we have gone up 25 percent, even our budget.

Mr. ROUSSELOT. But from 1982 to 1983, it would go not quite $10 billion increase. Is that correct?

□ 1910

Mr. DELLUMS. Budget authority in fiscal year 1982—226.

Mr. ROUSSELOT. No; I am talking about outlays now.

Mr. DELLUMS. Our outlays are roughly $200 billion.

Mr. ROUSSELOT. Roughly $10 billion, $9 billion?

Mr. DELLUMS. Yes.

Mr. ROUSSELOT. Mr. Chairman, my colleague mentioned and, I think, discussed in a little greater detail than most who have offered amendments what his concept would be under this amendment as to which weapons systems might either be terminated or set aside or whatever.

Mr. DELLUMS. Right.

Mr. ROUSSELOT. Did I understand my colleague to say that he feels we would not produce the B-1 bomber?

Mr. DELLUMS. That is correct.

Mr. ROUSSELOT. So that there is the elimination of the B-1 bomber.

Would the gentleman totally eliminate the MX missile?

Mr. DELLUMS. Yes, I would.

Mr. ROUSSELOT. I am not talking about the basing mode. I am talking about only the MX missile.

Mr. DELLUMS. The basing mode and the missile. And I would be happy to explain it.

Mr. ROUSSELOT. The whole thing?

Mr. DELLUMS. That is right.

Mr. ROUSSELOT. The gentleman named other weapons that I know we have all talked about a lot.

Mr. DELLUMS. Sea launch, ground launch, Pershing II, Trident submarine—take your pick.

Mr. ROUSSELOT. Pershing II. The Pershing II would be totally stopped?

Mr. DELLUMS. Yes. That is a destabilizing weapon that places the Soviet Union within 4 minutes of a nuclear challenge, which I think is a very dangerous and bizarre thing to do.

Mr. ROUSSELOT. What about the Trident submarine? You would just not produce it?

Mr. DELLUMS. We do not produce the Trident submarine. This is a huge submarine, and one of the first things they are going to locate is a big submarine. If you want submarines, build smaller ones, build more efficient and cheaper submarines, if you want to go the submarine route. This big Trident makes no sense whatsoever.

Mr. ROUSSELOT. So those five basic weapons systems the gentleman mentioned the gentleman would terminate beginning in 1983?

Mr. DELLUMS. Yes.

Mr. ROUSSELOT. Mr. Chairman, I appreciate my colleague's honest answers to those questions.

I do have some concern with the basing mode of the MX missile, but I must tell the gentleman that I am not sure that what he would be trying to achieve would meet our objectives with relation to the Russians, on the basis of all the briefings we have had. We do not see the Russians terminating any of those like weapons.

Perhaps the gentleman would want to comment on that.

Mr. DELLUMS. Yes, I would. I have already commented on the B-1 bomber.

The CHAIRMAN pro tempore (Mr. HOYER). The time of the gentleman from California (Mr. DELLUMS) has expired.

(By unanimous consent, Mr. DELLUMS was allowed to proceed for 5 additional minutes.)

Mr. DELLUMS. Mr. Chairman, first I would say to my colleague that I will not try to repeat my argument on the B-1, except to say that it is my honest belief that the B-1 bomber program is really a political ploy. I do not make that statement as a partisan statement; I make that statement with intellectual integrity.

I believe that this administration took away the MX missile for awhile from the Air Force and in order to keep the politics of the Pentagon cool, as it were, they gave back the B-1 bomber.

A manned penetrating bomber, it seems to me, is a totally obsolete weapon, and there is no sense in spending $40 billion to build it. If you happen to come from a district where they build the B-1 bomber, you may find some different argument. But it would seem to me that if you step back and look at the weapons systems in terms of our needs and in terms of our role in the world, we do not need it.

Let me turn to the No. 2 topic.

Mr. ROUSSELOT. First, does the gentleman want to discuss that issue?

Mr. DELLUMS. Let me finish my statement, and then I will come back to it.

On the MX missile, not only have we opposed the basing mode but we ask this question: Why do you need a more powerful warhead? Do you need a more powerful warhead to absorb a Soviet strike?

You put a more powerful warhead in a missile in order to fire it, not to leave it in the ground to be hit.

Therefore, I am suggesting that the MX missile warhead is a crisis destabilizing weapon because it has a hard strike capability.

With respect to the Pershing II, I offered my argument. The Pershing II really buys us a cheap ICBM that we can deploy in Europe. The problem is that it puts the Soviets within 4 minutes of a nuclear strike. Can any of us intelligently respond to the incredible factors in 4 minutes? This is a life-and-death issue.

It seems to me that to do that places some grave stress on this whole concept of our role.

Finally, with respect to the Soviets, I realize that we make the argument that the Soviet Government is somewhat different than ours. I would simply suggest: First, that our foreign policy has to be based on rational communication.

Second, we have to begin to be willing to debate and discuss with the Soviet Union. We need to be willing to enter into discussions with the Soviet Union. We cannot just offer proposals one day and then submit a budget that builds all these weapons that make it even more difficult for us to talk.

I think that there are reasons for both the United States and the Soviet Union to come together. What makes us think that we can rationally understand the dangers of nuclear war and the Soviet people cannot understand the dangers of nuclear war?

We should remember that the Soviet Union lost 20 million people in the Second World War and 10 million people in the civil war. That is 30 million people within a relatively short period of time. I would think that maybe they have got some desire for peace that may be more tangible than ours. Our cities have never been bombed. We do not have a Leningrad where 1 million people were struck.

Mr. Chairman, we are talking about human beings, and there has got to be a basis on which we sit down to negotiate. Throwing nuclear weapons at each other is the height of absurdity and insanity.

Mr. Chairman, I yield back the balance of my time.

Mrs. CHISHOLM. Mr. Chairman, I move to strike the requisite number of words.

Mr. WASHINGTON. Mr. Chairman, will the gentlewoman yield?

Mrs. CHISHOLM. I am happy to yield to the gentleman from Illinois.

Mr. WASHINGTON. Mr. Chairman, I rise in support of the Fauntroy substitute.

The CBC budget has not received, as pointed out by the gentlewoman from Ohio (Ms. OAKAR), the attention it deserves, by either my colleagues or the media. I leave it to history and to your consciences to judge the reasons why.

I am concerned as we debate this budget resolution, that a number of my colleagues still resist the realities that we face.

The economy of this country is in disarray, we address that problem. Unemployment continues to rise, and 600,000 Americans are on the verge of losing their unemployment benefits. Business failures are higher than at any point since the height of the Great Depression. And many, many more companies are barely holding on.

And the problems of America are wreaking havoc on the economies of other nations, including our NATO allies, but most especially including the poorer nations of the developing world.

The Reagan economic program has taken another toll. When Mr. Reagan took office, millions of Americans, in spite of their individual sufferings, wanted to believe that we were all in this together. The American people believed that the Federal Government had the interests of the average American at heart. This belief was one of our greatest assets.

But, in the span of only 1 year, the economic policies of the Reagan administration have turned us into a nation of cynics. The average American now believes that the rich get richer, and the poor get poorer. Recent polls substantiate that statement.

The administration's record on a host of issues, from the President's tax cut which mainly benefited corporations and the very rich, to its civil rights and environmental policies, suggests to millions that America is getting more, not less, unfair.

This is a dangerous perception which will not be reversed until the economic policies of this administration are reversed. Last year, I was distressed by the tone of our debate. There was little substantive consideration of the effects of the Reagan budget. Many of our colleagues were too willing to vote in favor of untested economic theories, and the President's popularity, as David Stockman put it, "The whole thing is premised on faith." This year, we cannot afford the luxury of such delusions. The suffering of the average American is real. The desperation of the poor is real. The destruction that is being done to the American spirit is real. We have "cracked" the egg, but not made the omelet.

There is absolutely nothing on which to base the belief that the economic policies currently in place will do anything other than drive us closer to ruin. No media campaigns, no jawboning Wall Street skeptics, can make Reaganomics work. The time is passed when we should march like lemmings to the sea.

I urge you to weigh your pending vote in light of the realities and the revelations of this past year.

I rise in support of the Fauntroy substitute—the Fauntroy substitute has the lowest deficit of all budgets and yet:

Commerce and housing, $12.6 billion—highest; transportation, $27.3—highest; education, employment, social services, $35.6—highest; health, $89—medicare, $682 million; income security, $293; defense, $196.3—lowest.

People's budget cuts: legal services; * * *; vocational education; child nutrition; housing starts; energy supplements; funds for EEOC.

Mrs. CHISHOLM. Mr. Chairman, first of all, I want to indicate that I will be rather brief because I think that my peers in the Congressional Black Caucus have done a tremendous job in terms of enunciating some of the very basic concerns in the caucus budget.

I merely want to say how sad it is really that this budget which has been considered one of the best budgets, one of the more humane budgets, a budget that has to do with the conservation and preservation of the most important resources that a Nation ever has—and that is its human beings—is the budget that has always been praised and approved by persons in the back rooms, in the cloakrooms, and in the committee rooms, but not by Members coming to the floor of the House of Representatives to give some kind of leadership with vision in terms of a budget that is trying to deal with what is happening to the quality of life of the American people.

This is called the Congressional Black Caucus budget because indeed it is the Congressional Black Caucus that has put together this document after months of research and after accepting certain challenges. But the fact of the matter is that this is not a budget that deals only with black persons in this country, and perhaps that is the difficulty, because in 2 consecutive years it is very interesting to note how everyone speaks about the efficacy of the budget and says that the budget makes sense, that the budget has soul and it has compassion. It concerns itself with the needs and hopes and dreams of the American people in the rural areas and in the cities and valleys and hills, and yet we cannot get the votes to pass the budget.

Why? Is it because of the terminology of "black"? What would happen if we removed that term, "black"? The fact is that months were spent putting this budget together.

One year ago the President of the United States enunciated very clearly that he was proposing a challenge, a challenge that he expected to be accepted by those of us who had the courage and the nerve to really put an alternative package together, and we did that. Now, that package last year most people recognized was a package that was meaningful and relevent and a package that could be accepted by everyone. The press turned out in force and were constructive, but yet when the budget came to the floor, we could not get that kind of support for the budget.

Why? Here we come again today, and everbody wants to get rid of us, get us off the floor because we are taking up their time. Well, we are going to take up the time because it is important to recognize that 18 Members of the House of Representatives have been responsive in terms of accepting certain challenges. But because of the inherent racism in the bloodstream of America, it becomes increasingly difficult to get people to get beyond the color of one's skin.

Is it beyond the imagination that there is the capacity and the aptitude and the abilities of 18 individuals who happen to be black to come up with a document that can be accepted, to come along with the right researchers and get the people together who know how to put together a document and say that we have this package to deal with the issues and let us not deal merely with numbers?

☐ 1920

Let us deal with the quality of life of people in this country.

The Congressional Black Caucus budget deals with giving the prioritized concerns to the needs of the elderly citizens in this country who from month to month are being concerned about whether or not they are going to be able to sustain themselves in terms of their social security check.

Doctors have told me recently that the blood pressure and circulatory diseases that one can find in persons of advanced age are increasing because these people do not know from month to month what is going to happen to them in the twilight of their lives.

They have been productive citizens in this Nation. They have paid into the Treasury so that in the twilight of their life they will be able not to worry.

And even then, if we look at the women and the minorities, the blacks particularly who, as a result of the civil rights struggle in this country, have moved up just during the past 10 years to begin to gain some recognition that perhaps, perhaps in some way we can get to see that they are moving in increasing numbers into the milieu of American life, and as a result of all of the slashes and all of the cutting, nothing is there to take up all that has been happening and we are retrogressing again for another 10, 12, or 14 years before we will be able to lift ourselves again.

Look at the education budget. Let us not talk about blacks and the education budget. We have done something about that in terms of the budget. We have put money back in there because education is the key in America.

We know that in order to cope with the very highly automated and technological society that one must have the requisite tools in order to be able to compete out here.

Here we recognize that with people not having jobs, not being able to afford for their children the kind of education that is going to be able to help them to compete, here we come now and we are taking away from the future generations of this country, from the boys and girls, the young people of this country who are going to lead this great Nation, and we are taking away from them the legacy that these legislators should bequeath to these people who are going to be the future leaders of this great Nation. And we sit here.

The CHAIRMAN pro tempore. The time of the gentlewoman from New York has expired.

(By unanimous consent Mrs. CHISHOLM was allowed to proceed for 1 additional minute.)

Mrs. CHISHOLM. And we sit here and we get annoyed if somebody gets up to talk too long.

I know when the Congressional Black Caucus budget was coming forth I heard some remarks around here, "They are coming up again this year." "We will give them their time." "It is right that we give to them their time because, after all, they are Members like the rest of us here in the House of Representatives."

But where is your humanity? For God's sake, can you not be objective for once and say very wholeheartedly that this budget does take into account the consideration—forget the fact that we are 18 black Members in this House, forget the fact that it is unnecessary for you to talk about it in the cloakroom; it is not necessary for you to listen to each other—have the courage, the resiliency, have the leadership in this House in terms of this Democratic Party, in terms of the fact that the black population of this country has been the most faithful and loyal citizens with respect to the Democratic Party, have the guts, have the audacity, and the stamina to lead and to say once in a while that, yes, it is true, and yes, it is true that this budget really does make sense, not because it comes from black legislators but because these legislators who happen to be black have come up with a package that takes care and addresses itself to the needs of all of the different persons that are suffering at this particular point in time in America.

If you have heart, if you have faith, if you have audacity, if you have guts, if you have courage, if you would believe the truth, you will vote for this Congressional Black Caucus budget today.

The CHAIRMAN pro tempore. The time of the gentlewoman from New York has again expired.

(At the request of Mr. SAVAGE and by unanimous consent Mrs. CHISHOLM was allowed to proceed for 2 additional minutes.)

Mr. SAVAGE. Mr. Chairman, will the gentlewoman from New York yield?

Mrs. CHISHOLM. I yield to the gentleman.

Mr. SAVAGE. I simply want to rise and associate myself with the position taken by my colleague from New York, and in recognition of the courage and the honesty and the brilliance of her analysis.

Mr. Chairman, in these unhappy days of Reagan-induced inflation and outrageously high interest rates we are here for the purpose of debating the budget for the fiscal year 1983.

More Americans than ever need the help that the Federal Government's unemployment benefits program and other programs and services designed to aid the poor and the unemployed can give. Yet, the budget resolution and the substitutes being offered show a continued zeal for Government spending for guns over people, or simply do not go far enough in the effort to restore humanity to a Federal budget that has ravaged the social programs so desperately needed by so many millions of Americans.

Were it not for the ruthlessness of the Reagan administration budget policies of last year, perhaps this year's budget resolution and some of the substitutes that are being offered to it might be acceptable—but with increasing unemployment, and while we are faced with social programs emasculated by last year's budget, none of the budgets or substitutes go far enough.

If this administration has its way, aid to education, aid to the poor, aid to the aged and to minorities, and funding for programs for housing, transportation, job training, and a litany of other essential social programs upon which constituents in every single congressional district nationwide rely would be completely wiped out. While some of the budget substitutes being offered today recognize the need to maintain these programs, at best, they simply hold the line at present spending instead of taking the necessary step toward providing restored funding to these programs that represent hope to the unemployed and to the poor, and that make sound economic sense in that they create jobs and keep the American economy going.

To me, it is lunacy to take money that could be used to put American people into homes and into jobs and put food on the tables of the poor and to help them heat their homes and use it instead largely to create a weapons system which further increased the capacity we already have in the United States to kill every man, woman, and child on the face of the Earth many times over. It is a plan that will inevitably heighten the tensions already existing between the superpowers and does nothing to promote constructive dialog on curtailing the spread of nuclear proliferation. It is a bankrupt policy of the Reagan administration to take jobs and food and education away from people in order to build tanks and guns and missiles.

I am reluctant to offer my full-fledged support to any of the budgets being offered for our consideration here today because it is my firm conviction that in times like these we should be spending more of our Federal dollars than ever on these programs instead of, at best, just "holding the line" without further cuts as some of the better budget alternatives do. I cannot fathom how naive we must be to try to convince ourselves that those programs cut so drastically by last year's budget, can be expected to hold up again this year even without further cuts, in view of even higher unemployment and inflation than last year. In my view, just "holding the line" at last year's spending as a compromise to further cuts is simply unrealistic and shortsighted.

However, I rise in support of the Fauntroy substitute to House Concurrent Resolution 345 because when compared to the House or Senate budget resolutions and other proposed substitutes, the Fauntroy substitute constitutes the only equitable and rational approach to balancing the Federal budget, to reducing inflation, and most importantly to creating jobs and revitalizing our economy by changing our national priorities from killing to living.

Indeed, it is the only budget proposal before us which cuts the so-called defense budget authority below its present level; and it is the only one which does not reduce medicare. In addition, it reduces the 1983 fiscal year deficit to $97.8 billion while properly increasing, more than any other proposal, the budget authority for health, education, job training, employment, and other needed social services.

When I stood here in the well last year while we were debating the budget resolution, I made reference to the fact that the Congressional Black Caucus was the first among the Reagan "non-nonbelievers" to accept the Reagan challenge to come up with a better budget than the one that he had proposed. The caucus not only accepted that challenge, but met it, fashioning an alternative that was designed to put the 1982 budget in balance while still providing equitable tax relief, and without compromising the integrity of essential social programs.

Today, we are again debating the budget—this time for fiscal year 1983. Again, I believe that it is the Fauntroy substitute that stands out as the best alternative to the substitutes that are being offered. It is a substitute that will create new jobs and job-creating programs for highways, mass transit, and for rebuilding the infrastructures of urban areas. It is a substitute which creates hope for millions of poor and unemployed Americans by extending and expanding benefits for unemployment and restoring benefits for medicaid, food stamps, and welfare programs to rational levels. It is a substitute which preserves vital social, educational, job training, and medical assistance programs for the millions of Americans who are poor and unemployed. The Fauntroy substitute accomplishes these things while managing to shrink the Federal deficit for 1983 and for years beyond.

But, briefly, let me deal in particular with two areas covered by the Fauntroy substitute which have not been fully highlighted here. As a member of the Committee on Public Works and Transportation, and as a Representative for a district whose residents rely heavily on public mass transportation, I believe that this country's long history and commitment to transportation has been a key factor in our Nation's economic growth and development. With skyrocketing interest rates, unprecedented high unemployment, and increasing deterioration of existing mass transit systems, State and local governments cannot possibly now bear an even greater portion of the costs of transportation and mass transit than they have shouldered in the past. If Federal support for transportation is not continued, soon some of our Nation's citizens will not be able to pay the cost of a bus ride. In fact, without aid to deteriorating mass transit systems, eventually there may be no buses at all.

Now, in the area of public works—and economic development specifically: As was true last year, this year it is only the Fauntroy substitute that adequately addresses our Nation's needs. It does this by offering grants, loan guarantees, and technical assistance to States and localities, all of which help create new jobs and improve the quality of life.

Only the Fauntroy substitute recognizes that programs such as these serve vital functions of revitalizing areas in which many poor and minority people live, and stimulate investments that lead to new jobs.

The Fauntroy substitute retains the 1983 authorization in existing law of $3.7 billion, which is a $21 million increase over the administration's request to merely maintain the 1982 level. The Fauntroy substitute retains the 1983 authorization in existing law of $500 million, representing a $70 million increase over the administration's request to merely fund this program at the 1982 level. The Fauntroy substitute also continues to fund programs such as section 312 of the rehabilitation loan program at the 1982 funding level of $69 million, while the administration proposes to eliminate this program altogether.

Furthermore, the Fauntroy substitute recognizes the wisdom of and necessity for retaining funding at the present level for the Economic Development Administration, the Government's disaster relief program, and the Appalachian Regional Commission.

It is only the Fauntroy substitute that recognizes, for a complete economic recovery, there must be a strong commitment to funding for housing, highways, mass transit, and other infrastructure programs to create jobs. And finally, it proposes an $8 billion jobs, vocational education, and training package essential to the welfare of all Americans.

The Fauntroy substitute supports continuation of the Federal role in transportation by proposing a 5-cent-a-gallon increase in the Federal gasoline excise tax to be used to provide jobs, to rebuild transportation systems all across the country by improving roads, highways, and bridges—so many of which are badly in need of repair—and to expand and upgrade and help to operate mass transit systems in urban areas—systems which provide the only means of transportation for millions of Americans. The Fauntroy substitute maintains funding levels for Amtrak, Northeast corridor improvements, and for other essential rail systems at Congressional Budget Office current service levels, realizing that rail transportation is a vital adjunct to the Nation's transportation system which needs Federal help to become profitable in its own right.

Furthermore, the Fauntroy subsitute provides rational and fair reductions for several transportation programs to meet the requirements of a balanced budget without compromising the quality of these programs.

I am certain, Mr. Chairman, that each subsitute that is being offered to the fiscal year 1983 budget resolution is being offered in good faith and with the conviction of its sponsors that it is a better alternative. Nevertheless, the fact remains that the Fauntroy substitute is the only one being offered today that demonstrates a clear understanding and appreciation for those Americans most dependent on the services and programs that the Republican substitute and other substitutes seek to cut once again this year, rendering them virtually useless to the millions of Americans they were originally designed to aid. The Fauntroy substitute is the only alternative that heeds the cries of our constituents nationwide to restore these vital social programs and services, to serve our economic and transportation needs while still retaining fiscal responsibility.

Therefore, Mr. Chairman, I urge all my colleagues to give the Fauntroy substitute their support.

Thank you.

Ms. OAKAR. Will the gentlewoman yield?

Mrs. CHISHOLM. I yield to the gentlewoman from Ohio (Ms. OAKAR).

Ms. OAKAR. I just want also to associate myself with the gentlewoman's remarks. I was very moved not only just now but at the Rules Committee when the gentlewoman raised the issue of the fact that this budget really should get more support.

Lots of people have talked privately about agreeing with it, as they did in the last session, but they did not support it.

That may not be true of everyone but I know it is true of some. I think it is about time it is laid on the table.

Mrs. CHISHOLM. I would lay it on the table and the gentlewoman knows that.

Ms. OAKAR. I think you just did a great job, SHIRLEY, of being very, very pointed and objective about the value of the resolution you present, and also the reason that many people do not feel they can support it.

Unfortunately, I happen to believe it is because it is presented by the Black Caucus. I really feel very badly that I have to say that on the floor of the House of Representatives, but I personally feel that is why it is not getting more support, because, in my view, in many ways and I cited earlier the fact that it was the only budget resolution that did not deprive the elderly of their health insurance, and yet we know what a volatile and important issue it is.

I really commend you and I am glad you said what you said. It is about time that we openly acknowledged that there is that subtle form of prejudice that exists.

Mrs. CHISHOLM. Certainly. I thank the gentlewoman.

Mr. SEIBERLING. Mr. Chairman, I rise to strike the requisite number of words and in support of the amendment.

Mr. Chairman, I had not intended to speak during this debate. It seems to me there has been plenty of discussion and most of the issues are being adequately covered. What is more, I went hiking with my two boys in the rain over the weekend and it left me with a bit of a frog in my throat.

But it seems to me, and I particularly address my colleagues on the Democratic side of the aisle, that we have an obligation. We have an obligation to give moral support to the only resolution that is not a bartered resolution, the only substitute that is not the result of an auction, the only substitute that dares to stand up and say this is right, this is the kind of order of priorities that the Congress ought to be following, and this is what we believe.

I realize we are between a rock and a hard place. Unfortunately, with the kind of steamroller that we experienced last year on the budget resolution we began to realize that the budget process itself has turned the legislative process on its head. The results speak for themselves.

We abdicated our constitutional responsibility last year. I remember one of our colleagues from the South standing here with that huge, big, thick Gramm-Latta reconciliation resolution which we got the morning we were to vote on it and nobody at the end of the day really knew everything that was in it, nor did anyone know everything that was in it 2 months later. I remember him saying "There is only one book I take on faith, and this ain't it." But, unfortunately, a majority of our colleagues took it on faith. The result is the economic disaster now confronting the country.

I saw the charts that were shown here earlier today by our distinguished colleague from North Carolina (Mr. MARTIN). It showed that in the last 20 years, in constant dollars, defense spending has remained more or less level, while, payments to individuals, have gone up fourfold.

I do not think we need to apologize about that. I think we should be proud of that fact. It shows that what Martin Luther King called for 15 or more years ago, a humane order of priorities, was actually adopted by the Congress of the United States. We should be defending that humane order of priorities. Instead we are saying, "Well, we have to pick up a few votes here, and if we do not we are going to get Latta-Michel."

Heaven knows I do not want to get Latta-Michel. It does not represent a humane order of priorities. But I do think it is in order to show what a decent set of priorities would look like, if only to show what the right wing are doing to the poorer half of our population.

☐ 1930

So I want to commend the Black Caucus for having the courage, the integrity and the intellectual honesty to tell it like it is and to say what we ought to be doing. No, I do not agree with everything in their substitute. I do not agree with everything in any of the proposals. And I doubt if anyone in this room does. But I would say in terms of a civilized, humane approach to the problems of our society, the Black Caucus resolution has come closer to doing the job that needs to be done than any of the other resolutions. I think they deserve our commendation and our thanks.

Mr. STOKES. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Fauntroy substitute.

(By unanimous consent, Mr. STOKES was allowed to proceed for 5 additional minutes.)

Mr. STOKES. Mr. Chairman, I rise in support of the Fauntroy substitute. The Congressional Black Caucus once again has presented an alternative budget plan that offers this Nation the promise of strong economic recovery, rather than the continued pain of unemployment, high interest rates and runaway deficts.

This alternative is necessitated by the fact that this current administration continues to make excuses for its bankrupt economic policies which are bankrupting our Nation. We are told to "just wait until our economic recovery program takes effect." We have been waiting now for 8 months with these results: Interest rates are the highest in history; 16 million Americans are either out of work, working part-time or so discouraged that they no longer even look for work. The housing industry is in the worst condition since World War II. Business failures and farm foreclosures are running at the highest levels since the Great Depression. This litany could go on and on.

But, suffice it to say that if the Congress had enacted last year the Congressional Black Caucus' economic recovery plan, instead of President Reagan's, we would not be suffering the economic contractions that are now wreaking havoc with our Nation. There is no joy, however, in pointing out that the Congressional Black Caucus last year predicted the misery and human suffering that would occur as a result of the adoption of the Reagan economic program. The Reagan record has all too clearly shown that the Congressional Black Caucus was right. The Congressional Black Caucus is right again this year. We have once again met the President's challenge to "put up or shut up." We put up once again a fair and sound budget proposal which will rescue our Nation from devastating and debilitating deficits, unemployment and economic stagnation.

The Fauntroy alternative controls Federal spending not by pushing millions more Americans into poverty: Not by a continued assault on the Nation's young, disadvantaged and poor, but by an assault on wasteful military spending, extravagant tax breaks to wealthy citizens, and irresponsible tax subsidies for profitable corporations.

Mr. Chairman, the Fauntroy substitute rejects the Reagan economic shell game which redistributes income from the poor and middle class to the rich. More than any other alternative, the CBC alternative embodies creative and comprehensive tax reform—stopping the raid on the Federal Treasury through tax breaks for those who least need them. Rather, the CBC alternative restructures the President's tax cut to principally benefit those earning less than $50,000 per year. Moreover, our alternative provides real tax relief to the poor and middle class by increasing the standard deduction and earned income tax credit.

The Fauntroy substitute proves that fiscal responsibility can be achieved, while maintaining compassion and concern for the American people. By implementing tax reform and by reducing military expenditures, the CBC budget would reduce the projected fiscal year 1983 deficit to $97 billion. By 1985, a surplus of $4.2 billion would result.

Let me emphasize once again that fiscal responsibility need not come at the expense of the poor and disadvantaged in our society. The Republican Party platform for 1980 said: "The measure of a country's compassion is how it treats the least fortunate." Yet, we now know that this Republican administration has systematically dismantled every program which was created to serve our least fortunate.

Under the CBC budget, the American tradition of compassion and concern for the needy and destitute would be restored. To address the totally unacceptable rate of unemployment among our people, the CBC alternative includes $6 billion for a desperately needed jobs program to train and put people who want to work back to work. Additionally, the CBC budget restores funding for important education programs, such as title 1 and student financial aid, in order to maintain an investment in our human capital and in our future by educating our young people. Other vital national needs in housing, social services, and transportation, which the Reagan budget fails miserably to address, are best met under the CBC alternative budget.

In short, Mr. Chairman, there is a way to move this Nation toward the goal of reduced inflation without throwing millions of Americans out of work. There is a way to reduce the Federal deficit without taking school lunches away from hungry children and snatching cost-of-living adjustments from the elderly. There is a way to lower interest rates and to restore confidence in our economy without slamming the door on thousands of small businessmen and farmers. Mr. Chairman, the way is the Fauntroy substitute.

Mr. Chairman, I have a special concern in the area of health care and want to discuss with my colleagues the CBC alternative budget proposals in this regard. The Fauntroy substitute recommends that $85.5 billion be spent on health care programs in fiscal year 1983 in order to provide the resources necessary to treat and prevent disease, care for sick workers, mothers, children and the elderly. This amount is a full $7.5 billion more than the Reagan budget and $5.5 billion more than the Budget Committee alternative.

Mr. Chairman, as cochairman of the Congressional Black Caucus Health Brain Trust, I enjoy the benefit of the special expertise of hundreds of experienced health care professionals throughout the country. These health care professionals are appalled, and rightly so, about the ruthless impact of last year's budget cuts on the ability of poor and disadvantaged Americans to obtain high quality medical care. It is all too obvious that the great progress that we have made in the last decade in expanding the availability and affordability of health care from inner city communities to isolated rural towns is swiftly being undermined.

Last year, 1 billion was slashed from the medicaid program, forcing States to cut benefits and limit eligibility for the poor and working poor. As a result, over 1 million people lost medicaid coverage. Virtually all of the losers were women and children in low-income families. Thousands of families with incomes at or below the poverty line, when faced with overwhelming medical care costs, have had to quit their meager paying jobs and go on welfare in order to keep or obtain vital medicaid coverage.

We believe that it is unconscionable to impose this type of pain and hardship on the poorest and most disadvantaged segment of the population. The CBC budget therefore restores those cuts in medicaid imposed last year and maintains a basic level of medicaid coverage for the millions of women, children, and low-income families who depend upon the Government for basic health care.

Similarly, the Fauntroy substitute restores cuts imposed last year in medicare and rejects any cuts for fiscal year 1983. More than 90 percent of medicare enrollees are senior citizens, who have the greatest health care needs in this Nation. Senior citizens have the highest percentage of heart attacks and the greatest number of strokes. They are the individuals, who for the most part, have the greatest incidence of cancer and suffer the greatest incidence of crippling and debilitating disease.

Moreover, in addition to being the most sick, the elderly suffer the double disadvantage of being sick and poor. One out of six senior citizens is poor. One out of every two black elderly is, poor or marginally poor.

The CBC finds untenable any proposals which penalize our senior citizens and ask them to use their already limited resources to pay more for medical care.

Mr. Chairman, the CBC also rejects as foolish and short-sighted any freeze in spending on such vital health programs, as maternal and child health, alcohol, drug abuse and mental health services health manpower, and biomedical research. Additional spending in these areas now only serves to save money in the long run.

No where is the cost effectiveness of a strengthened Federal investment in health care more evident than in the area of biomedical research. The economic losses from illness and diseases which we still are unable to prevent and cure run into the billions of dollars.

Last year, I had the pleasure of hearing testimony from 10 Nobel Laureates who spoke about the fact that our Nation is becoming "scientifically and technologically illiterate." They spoke about the need for more funding for biomedical research in order to maintain a leadership position in advancing new knowledge about medical care. In order to continue progress in understanding the causes of disease and illness, the CBC budget provides additional funding to maintain a strong Federal investment in biomedical research.

Mr. Chairman, let us remember that the debate about health programs, and about the larger Federal budget, is not simply a debate about numbers and dollars and cents. It is about human beings—children, parents, elderly. It is about their successes and failures. It is about their hopes and dreams. The CBC budget is an alternative which will allow all Americans to enjoy human dignity and a high quality of life. I urge my colleagues to support the Fauntroy substitute.

☐ 1940

Mr. GARCIA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it became clear to me if we had last year followed the lead of those of us who voted for the Congressional Black Caucus program, if we had followed that lead we probably would not be in the sad economic state that we are this year. But instead, Mr. Chairman, what happened was we were told that the President's budget would have us on the road to recovery, that the budget deficits would be an item of the past and that no individual would be injured by the budget reductions we are about to make.

Well, the President's budget passed, amid cheers. Sadly those who voted for it were misled.

We are not on a road to recovery. In fact, unemployment and business bankruptcies and individual despair are at the highest level since the Great Depression. The budget has a deficit greater than any other in the history of this country. If we were to continue with the President's proposals, which have been offered by the Republican leadership, the deficits would continue to have a dramatic and disabilitating effect on the economy.

Of the seven budget alternatives before us this year, the Republican alternative contains the highest 3-year deficit, yet once again the pressure is on, despite the realities confronting our economy and our citizens.

A closer look at the Republican alternative reveals that it fails to include the necessary amount of funds for an emergency housing stimulus program passed by a bipartisan vote of 349 to 55 just 2 weeks ago.

The Republican budget proposal underestimates current spending by as much as $9.2 billion.

It would also fail to provide the necessary funding for many crucial programs. It even fails to recognize that funds approved for 1982 have already been spent or are being spent for such programs as subsidized housing.

The Republican alternative is most negligent in meeting the needs confronting this Nation with respect to housing.

It will not meet the desire for homeownership. It will decrease by 300,000 the number of low-income housing units already approved. It will force substantial rent increases on the low income and the elderly and even homeowners which fall into the middle-class category also facing default will no longer be able to receive housing counseling to assist them in maintaining what we all know as the American dream.

In fact, the entire housing counseling program would be cut. Some public housing will have to close and several thousand low-income families are going to be displaced. All of this is coming at a time of a housing crisis in the United States.

In short, the Republican alternative will be an unquestionable disaster.

On the other hand, this proposal before us, seeks to address the real problems confronting our Nation to balance the budget, indeed to provide a surplus in 1985, and to correct the broad inequities created last year within our tax code.

The Congressional Black Caucus offers hope for our inner cities for mass transit and low- and moderate-income families in need of housing. It extends unemployment compensation for the many who could not find work during this period of extreme unemployment.

State and local governments, which last year were burdened with 67 percent of the budget cuts, will be able to get some form of relief. Many have had to resort to new taxes, thanks to the Federal Government's withdrawal of responsibility with respect to local economic development.

The Congressional Black Caucus budget invests in our future by providing funds for our children's education and job training for our youth. It accomplishes all this, Mr. Chairman, while maintaining the tax breaks for the middle- and low-income Americans, while closing the gross tax loophole created last year, such as tax leasing and special oil industry allowances.

I would say in closing, Mr. Chairman, that as I said last year, and the record is very clear, that I must commend the chairman of the Congressional Black Caucus, the Congressman from the District of Columbia, for putting together a great deal of hard work in making certain that the voice of the poor and the unfortunate in this country is heard.

For many years we have heard that we have not provided an alternative.

The CHAIRMAN. The time of the gentleman from New York (Mr. GARCIA) has expired.

(By unanimous consent, Mr. GARCIA was allowed to proceed for 1 additional minute.)

Mr. GARCIA. In closing, Mr. Chairman, I would just like to say that I believe that the staff of the Congressional Black Caucus, the members of the Congressional Black Caucus, and all of those who have spoken today dealing with specific items in the budget, should be commended because I believe that their budget, had it been passed last year, as I said in my opening statement, I believe that this country would be on a totally different course, and, yes, there is no question in my mind, it was stated here on at least two or three occasions, if this had been other than a Black Congressional Caucus budget we would have had many other Members voting for it. That is a fact.

I would hope that those who did not vote for this package last year will be able to support this package this year.

There is no question in my mind that this budget makes sense not just for some Americans, but for all Americans.

☐ 1950

● **Mr. HAWKINS.** Mr. Chairman, it is ironic and shortsighted in the extreme that none of the budget proposals put forward with the exception of the proposal by Mr. FAUNTROY contains anywhere near an adequate level of investment for job training. It should be pointed out that funding for job training is not income maintenance—it is not a subsidy for nonproductiveness, but an investment now which will pay off in future years through increased tax revenues and reduced expenditures for income support. We should not kid ourselves that cutting funds now for job training will save anything. We will end up adding to the deficit now and in future years through welfare costs, unemployment payments, food stamps, and other public assistance.

The Budget Committee proposal provides only $4.1 billion in authority for employment and training. The administration has proposed spending only $2.4 billion for this purpose. The Fauntroy proposal includes $6 billion for employment and training—the same level recommended to the Budget Committee by the Committee on Education and Labor. In addition to providing training to unskilled disadvantaged workers, this amount would allow spending up to $1 billion for retraining, relocation and job search assistance to dislocated workers and approximately $850 million for supplemental employment and training assistance to high unemployment areas. The Fauntroy proposal is based on the bipartisan Job Training Partnership Act which was approved by the Education and Labor Committee on April 27. This measure would replace the expiring CETA program with a job training system which is based on a partnership between local governments and private industry. This proposal would aid unskilled workers to develop the job skills necessary to secure private sector employment and would also facilitate the transition to new opportunities for skilled workers who have become displaced because of changing technology, impact of imports, or other structural changes in the economy.

The level of funding for employment and training contained in the Fauntroy proposal is by no means an extravagant amount. The funding level of $6 billion is almost half the amount expended for employment and training in 1979 when unemployment was only 5.8 percent compared with the present level of 9.4 percent.

Nor does the proposed level come anywhere near to meeting the needs of unemployed or unskilled workers in the labor market. In April, approximately 48 percent of all minority youth were officially unemployed. This figure does not take into account the hundreds of thousands of youth who have given up looking for work. In spite of this catastrophic level of unemployment, funding for youth job training programs has been cut drastically from 1981 levels.

At the level recommended in the Fauntroy alternative, approximately 2.5 million participants would be served. Yet CBO estimates that more than 16 million economically disadvantaged individuals alone would be eligible for training, not counting the hundreds of thousands of displaced workers. Even the $6 billion level proposed in this budget alternative would serve only a fraction of those eligible.●

● Mr. DIXON. Mr. Chairman, I rise to strongly support the Fauntroy amendment because I believe it addresses the needs of today's world, rather than creating problems for tomorrow's world.

Within the international affairs function, the Fauntroy amendment is far leaner than the President's request. It comes in at $750 million less in budget authority and $200 million less in outlays below the President's request.

This is significant because the Fauntroy amendment does more in terms of meeting the needs of the developing world, which truly promotes global security.

The Reagan administration has asked for a tripling of military assistance to Africa over 1981 levels. This myopia, believing that Africa's problems can be solved with military answers, is duplicated in the President's domestic budget which also seeks to massively rearm our Nation to the detriment of our social and human needs.

Africa is the only region of the world which has sustained two successive decades of declining food production. According to World Bank estimates, it will experience scant growth in per capita incomes which would be needed to buy the food it cannot grow.

African nations rank among the world's highest in terms of population growth. Tanzania's population of 16 million will double within 20 years under present trends.

You might respond that these, indeed, appear to be serious, even stability threatening problems. I agree. Yet it is the Fauntroy amendment which responds to them.

Despite the fact that President Reagan is seeking to triple military aid to Africa, he is actually reducing development assistance.

The logic of his proposals escape me. In the arid Sahel region of Africa, for example, international efforts will yield a 50-percent increase in food production by the year 2000. Unfortunately, such gains will be offset, because without U.S. support for population planning and child-spacing efforts, there will be a 100-percent increase in population in this starkly impoverished region.

Obviously population growth will affect progress development for Africa, and the entire developing world. The Reagan administration budget has been wholly inadequate in this regard, but the Fauntroy amendment trims unneeded arms sales to provide for a $300 million increase in development aid.

Africa is a region already troubled by military conflict and disputes. Half of the world's refugees are African—numbering more than 4 million. These tragic individuals, mostly women and children, have been displaced by turmoil, wars, and famine. These plagues will only be fueled by the massive transfer of arms to Africa.

The Fauntroy amendment will augment long-term programs to help resettle African refugees, and meet their continuing need for food, medical supplies, and the barest necessities of life.

Some of my colleagues might scoff at these concerns as being too distant from the daily lives of most Americans. Africa and America are separated by thousands of miles, but we are not isolated from the problems they face.

Our Nation is dependent upon Africa for numerous strategic minerals. We have ever-strengthening trade relations with African countries, and finally we live in but a single world.

The United States is not isolated from the problems of the developing world, eventually they will become ours. What is not decided is whether we will be part of the solving of these troubles or just a passive victim.

Foreign assistance is one of the most maligned segments of our Federal budget, although most Americans do not realize that it represents a tiny, shrinking fraction of our total spending. In truth though, I believe what the American taxpayer objects to is the legacy of U.S. funds being used to support massive boondoggles, overpriced, too technical weapons systems, and dispensing economic aid as political walkaround money.

All of the negative aspects of foreign assistance are reinforced by the President's program, with potentially dangerous consequences. The Fauntroy amendment follows the mandate of the American public that our programs overseas be humane, sound, and effective.

I believe the Fauntroy amendment builds the framework for a responsible and effective foreign policy in an interdependent world, and I urge its adoption.●

The CHAIRMAN. Does the gentleman from Ohio (Mr. PEASE) seek recognition to offer the first amendment made in order under the rule?

If not, the Chair recognizes the gentleman from Michigan (Mr. BONIOR) to offer an amendment.

AMENDMENT OFFERED BY MR. BONIOR OF MICHIGAN TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. FAUNTROY

Mr. BONIOR of Michigan. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. BONIOR of Michigan to the amendment in the nature of a substitute offered by Mr. FAUNTROY: Section 102(a) of title I is amended by inserting at the end thereof the following new paragraph:

"(7) The level of total tax expenditures is $273,135,000,000."

Mr. BONIOR of Michigan. Mr. Chairman, let me initially express my appreciation to the gentleman from the District of Columbia for offering his substitute and giving us an alternative and a chance to examine it and eventually to vote on it. While it is not exactly what I would like, I think it expresses a sense of decency and compassion and a set of priorities that I personally would like to associate myself with and for that I will support my colleague from the District of Columbia.

But I rise on an issue that I think has been talked around and about on this floor for many, many days now, and that is the issue of taxation; but I address a particular part of the tax problem that I think has not been addressed to date by this Congress and that is the question of tax expenditures and how to deal with the tax expenditure within the budget itself.

Mr. Chairman, my amendment is uncomplicated and straightforward. It would simply add a single line to this substitute to provide a nonbinding—and I repeat, nonbinding—target for tax expenditures of the amount of $273 billion for fiscal year 1983.

This is merely the aggregate figure computed by the Joint Committee on Taxation using those tax expenditures that are now in place, those 104 tax expenditures that are on the books.

It is the same figure used in the budget resolution report and my amendment makes neither deletions nor additions.

Mr. Chairman, the Budget Act of 1974 defines tax expenditures as those revenue losses attributable to provisions of the Federal tax laws which allow a special exclusion, exemption or deduction from gross income or which provide a special credit or preferential rate of tax or deferral of tax liability.

In other words, they constitute preferential tax treatment, or if you will, loopholes for a particular group of individuals or a particular type of corporate activity.

They also represent a hemorrhage in the budget process that we are struggling so hard to get hold of.

Since 1975, when the Congress began applying the provisions of the Budget Act to limit direct outlays, tax expenditures have actually exceeded the yearly growth rate of direct outlays, 14 to 11 percent.

In fact, since 1967, tax expenditures have grown from 50 programs costing $36 billion to the present level, as I have mentioned, of 104 programs at a cost of $273 billion for fiscal year 1983.

This figure is a full 35 percent of that which is estimated for direct outlays for the same year.

Furthermore, a Congressional Research Service study showed that the upper 5 percent of Americans in terms of income collect 30 percent of tax-expenditure benefits, with middle-income levels receiving the least relative benefit.

Now, to illustrate that point, let me just take that 5.6 percent of our upper income group in our society that make over $50,000 and let me just give you an example of how much benefit they gain through tax expenditures. I am going to read a list of tax expenditures that cost the Federal Government over $5 billion a year.

Real estate tax deductions: Of all those deductions that are applied for at the Federal level each year, 40 percent go to that top 5.6 percent of income earners.

State and local tax deductions, 54.6 percent.

State and local sales taxes and other deductions, 32.7 percent go to that top income group.

Home mortgage interest deductions, 31 percent.

Consumer interest on expense deductions, that top group gets 46 percent.

Charitable contribution deductions, that top group again gets 57.7 percent.

Capital gains exclusion, 83 percent.

I think that I have illustrated my point.

Despite the enormity of this category of fiscal activity, tax expenditures are nowhere reflected in our budget process. Once enacted, they require no appropriations, and with rare exceptions, no reauthorization. Since they represent taxes that are waived, they are reflected only by what is not in the revenue figure of the budget resolution. Although they function similar to outlays, they require no disbursements and are therefore not reflected in the outlay figure, either.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(By unanimous consent, Mr. BONIOR of Michigan was allowed to proceed for 2 additional minutes.)

Mr. BONIOR of Michigan. In sum, we have a pool of $273 billion in Federal financial commitments over which we have no year-to-year control or very little oversight.

The Congress recognized the major fiscal implications of the Federal credit budget 2 years ago when it included targets for that item in the budget resolution. Yet new Federal loan obligations constitute only $61 billion—and I use "only" advisedly—$61 billion, which is less than one-quarter of the budget for tax expenditures; and yet we have no control over tax expenditures in the budget process.

It does not seem unreasonable to me that the same consideration should be given to the tax expenditure budget; that is, its logical inclusion in the budget resolution with the other major budgetary items.

I emphasize again that this is not a binding target. It is nonbinding and it simply attempts to focus attention on the size and nature of tax expenditures. Exceeding this target would not subject any bill to a point of order on the floor as would be the case with binding ceilings such as those included in the second budget resolution. Thus, the Congress and relevant committees retain all their prerogatives should this amendment be adopted.

If we were to attempt to form a rational effective budget, then all types of physical activities should be made to stand congressional scrutiny.

I would hope Members would begin to start to focus on this area of the budget which has until now received very little attention and which has been growing at an alarming rate and if not curbed, will circumvent and undo the good things that we hopefully will do in this session with respect to the budget.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. BONIOR of Michigan. I yield to my colleague, the gentleman from Wisconsin.

Mr. OBEY. I would simply like to congratulate the gentleman for his statement and say that I totally agree with him.

In my judgment, there are two principal defects with the budget resolution in addition to the major problem, which is simply that it does not deal with real numbers.

I think one defect is that it does not break down revenues into both entitlements and discretionary funds, so that we have to vote on each of those items.

I also think that in the case that the gentleman is pointing out, we have a major weakness because we do not break down the revenue number to specify what portion of that number, in fact, is made up of tax expenditures.

The gentleman's proposal is philosophically neutral. It is politically neutral. It simply lays out exactly what is happening in the budget and we ought to support it.

□ 2000

Mr. FAUNTROY. Mr. Chairman, I move to strike the requisite number of words, and I rise to speak in support of the amendment.

Mr. Chairman, I rise to indicate that we accept the amendment from the distinguished gentleman from Michigan (Mr. BONIOR) and thank the gentleman for his willingness to offer his budget substitute.

We in the caucus feel that there are indeed too many tax loopholes for the very wealthy in this country. While we believe that the $273 billion cap that the gentleman from Michigan (Mr. BONIOR) proposed is overly generous, we believe that the concept he presents today begins to address the need to eliminate tax loopholes and to have marginal tax rates reflect the tax upon individuals and corporations.

Only in this way can we achieve true tax equity, and in the spirit of the substitute which we have offered as a Congressional Black Caucus, I accept the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. BONIOR) to the amendment in the nature of a substitute offered by the gentleman from the District of Columbia (Mr. FAUNTROY).

The amendment to the amendment in the nature of a substitute was agreed to.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from the District of Columbia (Mr. FAUNTROY), as amended.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. FAUNTROY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 86, noes 322, not voting 24, as follows:

[Roll No. 98]

AYES—86

Addabbo
Akaka
Bailey (PA)
Beilenson
Benjamin
Biaggi
Bingham
Boggs
Bolling
Bonior
Brodhead
Brown (CA)
Burton, Phillip
Chisholm
Clay
Collins (IL)
Conyers
Coyne, William
Crockett
Dellums
Donnelly
Downey
Dwyer
Dymally
Early
Edgar
Edwards (CA)
Fithian
Florio
Foglietta
Ford (MI)
Fowler
Frank
Frost
Garcia
Gonzalez
Gray
Guarini
Hawkins
Hoyer
Jacobs
Kastenmeier
Kildee
Kogovsek
Lehman
Leland
Lowry (WA)
Mattox
Mavroules
Miller (CA)
Minish
Mitchell (MD)
Moakley
Murphy
Nowak
Oakar
Oberstar
Obey
Ottinger
Pepper
Rangel
Reuss
Richmond

Rodino
Rosenthal
Roybal
Sabo
Savage
Scheuer
Schroeder
Schumer
Seiberling
Shannon
Simon
Smith (PA)
St Germain
Stark
Stokes
Studds
Udall
Washington
Waxman
Weiss
Williams (MT)
Wolpe
Yates

NOES—322

Albosta
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Aspin
Atkinson
AuCoin
Badham
Bafalis
Bailey (MO)
Barnard
Barnes
Beard
Bedell
Benedict
Bennett
Bereuter
Bethune
Bevill
Bliley
Boland
Boner
Bonker
Bouquard
Bowen
Breaux
Brinkley
Brooks
Broomfield
Brown (CO)
Broyhill
Burgener
Butler
Byron
Campbell
Carman
Carney
Chappell
Chappie
Cheney
Clausen
Clinger
Coats
Coelho
Coleman
Collins (TX)
Conable
Conte
Corcoran
Coughlin
Coyne, James
Craig
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daschle
Daub
Davis
de la Garza
Deckard
DeNardis
Derrick
Derwinski
Dickinson
Dicks
Dingell
Dorgan
Dornan
Dougherty
Dowdy
Dreier
Duncan
Dunn
Dyson
Eckart
Edwards (AL)
Edwards (OK)
Emerson
Emery
English
Erdahl
Erlenborn
Ertel
Evans (GA)
Evans (IA)
Evans (IN)
Fary
Fascell
Fazio
Ferraro
Fiedler
Fields
Findley
Fish
Flippo
Foley
Forsythe
Fountain
Frenzel
Fuqua
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Goodling
Gore
Gradison
Gramm
Green
Gregg
Grisham
Gunderson
Hagedorn
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Harkin
Hartnett
Hatcher
Heckler
Hefner
Heftel
Hertel
Hightower
Hiler
Hillis
Holland
Hollenbeck
Hopkins
Howard
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jeffords
Jeffries
Jenkins
Johnston
Jones (NC)
Jones (OK)
Jones (TN)
Kazen
Kemp
Kennelly
Kindness
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
LeBoutillier
Lee
Lent
Levitas
Lewis
Livingston
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lujan
Luken
Lundine
Lungren
Madigan
Markey
Marks
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Matsui
McClory
McCollum
McCurdy
McDade
McDonald
McEwen
McGrath
McHugh
McKinney
Mica
Michel
Mikulski
Miller (OH)
Mineta
Mitchell (NY)
Molinari
Mollohan
Montgomery
Moore
Moorhead
Morrison
Mottl
Murtha
Myers
Napier
Natcher
Nelligan
Nelson
Nichols
O'Brien
Oxley
Panetta
Parris
Pashayan
Patman
Patterson
Paul
Pease
Perkins
Petri
Peyser
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Ratchford
Regula
Rinaldo
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rousselot
Rudd
Russo
Santini
Sawyer
Schneider
Schulze
Sensenbrenner
Shamansky
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Skeen
Skelton
Smith (AL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (OR)
Snowe
Snyder
Solarz
Solomon
Spence
Stangeland
Staton
Stenholm
Stratton
Stump
Swift
Synar
Tauke
Tauzin
Taylor
Thomas
Traxler
Vento
Volkmer
Walgren
Walker
Wampler
Watkins
Weaver
Weber (MN)
Weber (OH)
White
Whitehurst
Whitley
Whittaker
Williams (OH)
Wilson
Winn
Wirth
Wolf
Wortley
Wright
Wyden
Wylie
Yatron
Young (AK)
Young (FL)
Young (MO)
Zablocki
Zeferetti

NOT VOTING—24

Blanchard
Brown (OH)
Burton, John
Courter
Dixon
Evans (DE)
Fenwick
Ford (TN)
Ginn
Goldwater
Hendon
Holt
Horton
Mazzoli
McCloskey
Moffett
Neal
Rahall
Railsback
Rhodes
Stanton
Trible
Vander Jagt
Whitten

□ 2010

The Clerk announced the following pairs:

On this vote:

Mr. Dixon for, with Mr. Rahall against.

Mr. Ford of Tennessee for, with Mr. Courter against.

Mr. PEASE changed his vote from "aye" to "no."

Mr. FITHIAN and Mr. DWYER changed their votes from "no" to "aye."

So the amendment in the nature of a substitute, as amended, was rejected.

The result of the vote was announced as above recorded.

□ 2020

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ROUSSELOT

Mr. ROUSSELOT. Mr. Chairman, I offer an amendment in the nature of a substitute which was printed in the RECORD of last Friday.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. ROUSSELOT:

Strike out all after the resolving clause and insert in lieu thereof the following:

TITLE I—REVISION OF THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEAR 1982

SEC. 101. The provisions of this title shall supersede the figures reaffirmed in S. Con. Res. 50 of the Ninety-seventh Congress for the fiscal year beginning on October 1, 1981.

SEC. 102. (a)(1) The level of Federal revenues is $622,800,000,000 and the net amount by which the aggregate level of Federal revenues should be decreased is $200,000,000.

(2) The level of total new budget authority is $784,500,000,000.

(3) The level of total budget outlays is $743,900,000,000.

(4) The amount of the deficit in the budget is $121,100,000,000.

(5) The level of the public debt is $1,147,700,000,000 and the amount by which the statutory limit on such debt should accordingly be increased is $747,700,000,000.

(6) The level of total obligations for the principal amount of new direct loans is $63,400,000,000, the level of total new primary commitments to guarantee loan principal is $74,850,000,000, and the level of total new secondary commitments to guarantee loan principal is $68,950,000,000.

(b) Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of subsection (a) of this section of this resolution, the Congress hereby determines and declares that, for the fiscal year beginning on October 1, 1981, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):
(A) New budget authority, $218,200,000,000;
(B) Outlays, $190,800,000,000.
(2) International Affairs (150):
(A) New budget authority, $16,750,000,000;
(B) Outlays, $11,450,000,000.
(3) General Science, Space, and Technology (250):
(A) New budget authority, $7,000,000,000;
(B) Outlays, $7,000,000,000.
(4) Energy (270):
(A) New budget authority, $4,750,000,000;
(B) Outlays, $6,500,000,000.
(5) Natural Resources and Environment (300):
(A) New budget authority, $10,400,000,000;
(B) Outlays, $12,850,000,000.
(6) Agriculture (350):
(A) New budget authority, $9,900,000,000;
(B) Outlays, $13,800,000,000.
(7) Commerce and Housing Credit (370):
(A) New budget authority, $7,500,000,000;
(B) Outlays, $3,750,000,000.
(8) Transportation (400):
(A) New budget authority, $21,350,000,000;
(B) Outlays, $21,450,000,000.
(9) Community and Regional Development (450):
(A) New budget authority, $7,000,000,000;
(B) Outlays, $8,650,000,000.
(10) Education, Training, Employment and Social Services (500):
(A) New budget authority, $25,450,000,000;
(B) Outlays, $28,200,000,000.
(11) Health (550):
(A) New budget authority, $79,050,000,000;
(B) Outlays, $73,750,000,000.
(12) Income Security (600):
(A) New budget authority, $261,350,000,000;
(B) Outlays, $251,850,000,000.
(13) Veterans Benefits and Services (700):
(A) New budget authority, $24,800,000,000;
(B) Outlays, $23,800,000,000.
(14) Administration of Justice (750):
(A) New budget authority, $4,500,000,000;
(B) Outlays, $4,650,000,000.
(15) General Government (800):
(A) New budget authority, $5,200,000,000;
(B) Outlays, $5,050,000,000.
(16) General Purpose Fiscal Assistance (850):
(A) New budget authority, $6,350,000,000;
(B) Outlays, $6,350,000,000.
(17) Interest (900):
(A) New budget authority, $102,350,000,000;
(B) Outlays, $102,350,000,000.
(18) Allowances (920):
(A) New budget authority, $2,850,000,000;
(B) Outlays, $1,900,000,000.
(19) Undistributed Offsetting Receipts (950):

(A) New budget authority. $30.250.000.000;

(B) Outlays. $30.250.000.000.

Sec. 103. (a) There is established a congressional Federal credit budget for fiscal year 1982 of which the levels of total Federal credit activity for fiscal year 1982 are:

(1) New direct loan obligations. $63.400.000.000.

(2) New primary loan guarantee commitments. $74.850.000.000.

(3) New secondary loan guarantee commitments. $68.950.000.000.

(b) Based on allocations of the appropriate levels of total Federal credit activity as set forth in paragraph (1) of this subsection. the appropriate levels of new direct loan obligations. new primary loan guarantee commitments, and new secondary loan guarantee commitments for each functional category are as follows:

(1) National Defense (050:)

(A) New direct loan obligations. $0;

(B) New primary loan guarantee commitments. $0;

(C) New secondary loan guarantee commitments. $0.

(2) International Affairs (150):

(A) New direct loan obligations. $10.400.000.000;

(B) New primary loan guarantee commitments. $8.100.000.000;

(C) New secondary loan guarantee commitments. $0.

(3) General Science. Space and Technology (250):

(A) New direct loan obligations. $200.000.000;

(B) New primary loan guarantee commitments. $0;

(C) New secondary loan guarantee commitments. $0.

(4) Energy (270):

(A) New direct loan obligations. $10.300.000.000;

(B) New primary loan guarantee commitments. $400.000.000;

(C) New secondary loan guarantee commitments. $0.

(5) Natural Resources and Environment (300):

(A) New direct loan obligations. $50.000.000;

(B) New primary loan guarantee commitments. $0;

(C) New secondary loan guarantee commitments. $0.

(6) Agriculture (350):

(A) New direct loan obligations. $22.600.000.000;

(B) New primary loan guarantee commitments. $2.700.000.000;

(C) New secondary loan guarantee commitments. $0.

(7) Commerce and Housing Credit (370):

(A) New direct loan obligations. $12.050.000.000;

(B) New primary loan guarantee commitments. $26.200.000.000;

(C) New secondary loan guarantee commitments. $68.200.000.000.

(8) Transportation (400):

(A) New direct loan obligations. $350.000.000;

(B) New primary loan guarantee commitments. $750.000.000;

(C) New secondary loan guarantee commitments. $50.000.000.

(9) Community and Regional Development (450):

(A) New direct loan obligations. $2.000.000.000;

(B) New primary loan guarantee commitments. $850.000.000;

(C) New secondary loan guarantee commitments. $0.

(10) Education. Training. Employment. and Social Services (500):

(A) New direct loan obligations. $1.300.000.000;

(B) New primary loan guarantee commitments. $6.500.000.000;

(C) New secondary loan guarantee commitments. $700.000.000.

(11) Health (550):

(A) New direct loan obligations. $50.000.000;

(B) New primary loan guarantee commitments. $100.000.000;

(C) New secondary loan gurantee commitments. $0.

(12) Income Security (600):

(A) New direct loan obligations. $2.750.000.000;

(B) New primary loan guarantee commitments. $17.050.000.000;

(C) New secondary loan guarantee commitments. $0.

(13) Veterans Benefits and Services (700):

(A) New direct loan obligations. $1.050.000.000;

(B) New primary loan guarantee commitments. $11.900.000.000;

(C) New secondary loan guarantee commitments. $0.

(14) Administration of Justice (750):

(A) New direct loan obligations. $0;

(B) New primary loan guarantee commitments. $0;

(C) New secondary loan guarantee commitments. $0.

(15) General Government (800):

(A) New direct loan obligations. $50.000.000;

(B) New primary loan guarantee commitments. $0;

(C) New secondary loan guarantee commitments. $0.

(16) General Purpose Fiscal Assistance (850):

(A) New direct loan obligations. $250.000.000;

(B) New primary loan guarantee commitments. $300.000.000;

(C) New secondary loan guarantee commitments. $0.

(17) Interest (900):

(A) New direct loan obligations. $0;

(B) New primary loan guarantee commitments. $0;

(C) New secondary loan guarantee commitments. $0.

(18) Allowances (920):

(A) New direct loan obligations. $0;

(B) New primary loan guarantee commitments. $0;

(C) New secondary loan guarantee commitments. $0.

(19) Undistributed Offsetting Receipts (950):

(A) New direct loan obligations. $0;

(B) New primary loan guarantee commitments. $0;

(C) New secondary loan guarantee commitments. $0.

(c) It is the sense of the Congress that the President and the Congress. through the appropriations process. should limit in fiscal year 1982 the off-budget lending activity of the Federal Government to a level not to exceed $30.200.000.000. the on-budget lending activity to a level not to exceed $33.200.000.000. new primary loan guarantee commitments to a level not to exceed $74.850.000.000. and new secondary loan guarantee commitments to a level not to exceed $68.950.000.000.

TITLE II—SETTING FORTH THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEARS 1983. 1984. AND 1985

Sec. 201. The Congress hereby determines and declares. pursuant to section 301(a) of the Congressional Budget Act of 1974. that for the fiscal year beginning on October 1. 1982—

(1) the level of Federal revenues is $701.750.000.000. and the net amount by which the aggregate level of Federal revenues should be increased is $18.850.000.000.

(2) the level of total new budget authority is $797.400.000.000.

(3) the level of total budget outlays is $701.750.000.000.

(4) the amount of the deficit in the budget is 0. and

(5) the level of the public debt is $1.285.550.000.000. and the amount by which the statutory limit on such debt should accordingly be increased is $885.550.000.

Sec. 202. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of section 201 of this resolution. the Congress hereby determines and declares pursuant to section 301(a) of the Congressional Budget Act of 1974 that. for the fiscal year beginning on October 1. 1982. the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority. $243.450.000.000;

(B) Outlays. $213.000.000.000.

(2) International Affairs (150):

(A) New budget authority. $12.050.000.000;

(B) Outlays. $7.500.000.000.

(3) General Science. Space. and Technology (250):

(A) New budget authority. $7.000.000.000.

(B) Outlays. $6.500.000.000.

(4) Energy (270):

(A) New budget authority. $4.400.000.000;

(b) Outlays. $3.300.000.000.

(5) Natural Resources and Environment (300):

(A) New budget authority. $9.400.000.000;

(B) Outlays. $9.000.000.060.

(6) Agriculture (350):

(A) New budget authority. $9.900.000.000;

(B) Outlays. $9.600.000.000.

(7) Commerce and Housing Credit (370):

(A) New budget authority. $5.000.000.000;

(B) Outlays. $2.000.000.000.

(8) Transportation (400):

(A) New budget authority. $21.300.000.000;

(B) Outlays. $17.000.000.000.

(9) Community and Regional Development (450):

(A) New budget authority. $6.760.000.000.

(B) Outlays. $6.500.000.000.

(10) Education. Training. Employment. and Social Services (500):

(A) New budget authority. $27.450.000.00;

(B) Outlays. $24.000.000.000.

(11) Health (550):

(A) New budget authority. $77.300.000.000.

(B) Outlays. $74.000.000.000.

(12) Income Security (600):

(A) New budget authority. $286.250.000.000;

(B) Outlays. $249.000.000.000.

(13) Veterans Benefits and Services (700):

(A) New budget authority. $23.750.000.000.

(B) Outlays. $23.050.000.000.

(14) Administration of Justice (750):

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(A) New budget authority, $4,600,000,000;

(B) Outlays, $4,100,000,000.

(15) General Government (800):

(A) New budget authority, $5,000,000,000;

(B) Outlays, $4,000,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New budget authority, $6,500,000,000;

(B) Outlays, $1,800,000,000.

(17) Interest (900):

(A) New budget authority, $92,000,000,000;

(B) Outlays, $92,000,000,000.

(18) Allowances (920):

(A) New budget authority, -$1,000,000,000;

(B) Outlays, -$1,000,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, $43,650,000,000;

(B) Outlays, -$43,650,000,000.

Sec. 203. (a) There is established a congressional Federal credit budget for fiscal year 1983 of which the levels of total Federal credit activity for fiscal year 1983 are:

(1) New direct loan obligations, $33,223,000,000.

(2) New primary loan guarantee commitments, $143,293,000,000.

(3) New secondary loan guarantee commitments, $32,008,000,000.

(b) Based on allocations of the appropriate levels of total Federal credit activity as set forth in paragraph (1) of this subsection, the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for each functional category are as follows:

(1) National Defense (050):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

(A) New direct loan obligations, $5,425,000,000;

(B) New primary loan guarantee commitments, $8,975,000,000;

(C) New secondary loan guarantee commitments, $0.

(3) General Science, Space, and Technology (250):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $171,000,000;

(C) New secondary loan guarantee commitments, $0.

(4) Energy (270):

(A) New direct loan obligations, $105,000,000;

(B) New primary loan guarantee commitments, $5,289,000,000;

(C) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

(A) New direct loan obligations, $45,000,000;

(B) New primary loan guarantee commitments, $25,000,000;

(C) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):

(A) New direct loan obligations, $13,869,000,000;

(B) New primary loan guarantee commitments, $5,702,000,000;

(C) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):

(A) New direct loan obligations, $8,905,000,000;

(B) New primary loan guarantee commitments, $66,733,000,000;

(C) New secondary loan guarantee commitments, $32,000,000,000.

(8) Transportation (400):

(A) New direct loan obligations, $121,000,000.;

(B) New primary loan guarantee commitments, $628,000,000;

(C) New secondary loan guarantee commitments, $8,000,000.

(9) Community and Regional Development (450):

(A) New direct loan obligations, $1,781,000,000;

(B) New primary loan guarantee commitments, $6,698,000,000;

(C) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment, and Social Services (500):

(A) New direct loan obligations, $848,000,000;

(B) New primary loan guarantee commitments, $10,300,000,000;

(C) New secondary loan guarantee commitments, $0.

(11) Health (550):

(A) New direct loan obligations, $36,000,000;

(B) New primary loan guarantee commitments, $104,000,000;

(C) New secondary loan guarantee commitments, $0.

(12) Income Security (600):

(A) New direct loan obligations, $1,000,000,000;

(B) New primary loan guarantee commitments, $18,356,000,000;

(C) New secondary loan guarantee commitments, $0.

(13) Veterans Benefits and Services (700):

(A) New direct loan obligations, $938,000,000;

(B) New primary loan guarantee commitments, $20,307,000,000;

(C) New secondary loan guarantee commitments, $0.

(14) Administration of Justice (750):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(15) General Government (800):

(A) New direct loan obligations, $5,000,000;

(B) New primary loan guarantee commitments, $5,000,000;

(C) New secondary loan guarantee commitments, $0.

(16) General Purpose Fiscal Assistance (850):

(A) New direct loan obligations, $145,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0;

(17) Interest (900):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0;

(18) Allowances (920):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0;

(19) Undistributed Offsetting Receipts (950):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0;

Sec. 204. The Congress sets forth the following budgetary levels for fiscal years 1984 and 1985—

(1) the level of Federal revenues is as follows:

Fiscal year 1984: $749,900,000,000

Fiscal year 1985: $804,600,000,000; and the amount by which the aggregate levels of Federal revenues should be increased is as follows:

Fiscal year 1984: $48,150,000,000;

Fiscal year 1985: $54,700,000,000;

(2) the level of total new budget authority is as follows:

Fiscal year 1984: $813,700,000,000;

Fiscal year 1985: $885,400,000,000;

(3) the level of total budget outlays is as follows:

Fiscal year 1984: $749,900,000,000;

Fiscal year 1985: $804,600,000,000;

(4) the amount of the deficit in the budget is:

Fiscal year 1984: $0;

Fiscal year 1985: $0;

(5) the level of the level of the public debt is as follows:

Fiscal year 1984: $1,404,450,000,000;

Fiscal year 1985: $1,490,800,000,000;

and the amount of which the temporary statutory limit on such debt should be accordingly increased is as follows:

Fiscal year 1984: $1,004,450,000,000;

Fiscal year 1985: $1,090,800,000,000;

Sec. 205. Based on allocations of the appropriate level of total new budget authority and of total budget outlays for fiscal years 1984 and 1985 as set forth above, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are respectively as follows:

(1) National Defense (050):

Fiscal year 1984:

(A) New budget authority, $270,000,000,000;

(B) Outlays, $241,000,000,000.

Fiscal year 1985:

(A) New budget authority, $310,100,000,000;

(B) Outlays, $275,700,000,000.

(2) International Affairs (150):

Fiscal year 1984:

(A) New budget authority, $14,500,000,000;

(B) Outlays, $8,000,000,000.

Fiscal year 1985:

(A) New budget authority, $14,900,000,000;

(B) Outlays, $8,900,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1984:

(A) New budget authority, $7,000,000,000;

(B) Outlays, $6,000,000,000.

Fiscal year 1985:

(A) New budget authority, $7,000,000,000;

(B) Outlays, $6,000,000,000.

(4) Energy (270):

Fiscal year 1984:

(A) New budget authority, $4,200,000,000;

(B) Outlays, $3,000,000,000.

Fiscal year 1985:

(A) New budget authority, $4,100,000,000;

(B) Outlays, $2,500,000,000.

(5) Natural Resources and Environment (300):

Fiscal year 1984:

(A) New budget authority, $9,300,000,000;

(B) Outlays, $8,700,000,000.

Fiscal year 1985:

(A) New budget authority, $8,900,000,000;

(B) Outlays, $8,000,000,000.

(6) Agriculture (350):

Fiscal year 1984:

(A) New budget authority, $9,800,000,000;

(B) Outlays, $9,200,000,000.

Fiscal year 1985:

(A) New budget authority, $9,000,000,000;

(B) Outlays, $8,700,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1984:

(A) New budget authority, $5,000,000,000;

(B) Outlays, $500,000,000.

Fiscal year 1985:

(A) New budget authority, $6,900,000,000;

(B) Outlays, $500,000,000.

(8) Transportation (400):

Fiscal year 1984:

(A) New budget authority, $19,200,000,000;

(B) Outlays, $17,000,000,000.

Fiscal year 1985:

(A) New budget authority, $19,500,000,000;

(B) Outlays, $16,500,000,000.

(9) Community and Regional Development (450):

Fiscal year 1984:

(A) New budget authority, $6,900,000,000;

(B) Outlays, $6,400,000,000.

Fiscal year 1985:

(A) New budget authority, $7,000,000,000;

(B) Outlays, $6,300,000,000.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1984:

(A) New budget authority, $21,700,000,000;

(B) Outlays, $22,500,000,000.

Fiscal year 1985:

(A) New budget authority, $21,700,000,000;

(B) Outlays, $21,500,000,000.

(11) Health (550):

Fiscal year 1984:

(A) New budget authority, $84,900,000,000;

(B) Outlays, $84,900,000,000.

Fiscal year 1985:

(A) New budget authority, $93,600,000,000;

(B) Outlays, $93,500,000,000.

(12) Income Security (600):

Fiscal year 1984:

(A) New budget authority, $289,900,000,000;

(B) Outlays, $274,800,000,000.

Fiscal year 1985:

(A) New budget authority, $315,200,000,000;

(B) Outlays, $290,100,000,000.

(13) Veterans Benefits and Services (700):

Fiscal year 1984:

(A) New budget authority, $24,200,000,000;

(B) Outlays, $23,600,000,000.

Fiscal year 1985:

(A) New budget authority, $24,200,000,000;

(B) Outlays, $24,200,000,000.

(14) Administration of Justice (750):

Fiscal year 1984:

(A) New budget authority, $4,200,000,000;

(B) Outlays, $4,200,000,000.

Fiscal year 1985:

(A) New budget authority, $4,200,000,000;

(B) Outlays, $4,200,000,000.

(15) General Government (800):

Fiscal year 1984:

(A) New budget authority, $4,700,000,000;

(B) Outlays, $4,000,000,000.

Fiscal year 1985:

(A) New budget authority, $4,200,000,000;

(B) Outlays, $4,000,000,000.

(16) General Purpose Fiscal Assistance (850):

Fiscal year 1984:

(A) New budget authority, $4,000,000,000;

(B) Outlays, $1,900,000,000.

Fiscal year 1985:

(A) New budget authority, $3,000,000,000;

(B) Outlays, $1,900,000,000.

(17) Interest (900):

Fiscal year 1984:

(A) New budget authority, $80,000,000,000;

(B) Outlays, $80,000,000,000.

Fiscal year 1985:

(A) New budget authority, $80,000,000,000;

(B) Outlays, $80,000,000,000.

(18) Allowances (920):

Fiscal year 1984:

(A) New budget authority, $800,000,000;

(B) Outlays, $800,000,000.

Fiscal year 1985:

(A) New budget authority, $800,000,000;

(B) Outlays, $600,000,000;

(19) Undistributed Offsetting Receipts (950):

Fiscal year 1984:

(A) New budget authority, $45,000,000,000;

(B) Outlays, $45,000,000,000.

Fiscal year 1985:

(A) New budget authority, $47,300,000,000;

(B) Outlays, $47,300,000,000.

TITLE III—PROVIDING RECONCILIATION INSTRUCTIONS AND OTHER ENFORCEMENT MEASURES

PART A—RECONCILIATION INSTRUCTIONS

SEC. 301. Pursuant to section 301(b)(2) of the Budget Act—

(A) the House Committee on Agriculture shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $271,000,000 and outlays by $2,742,000,000 in fiscal year 1983;

(B) the House Committee on Banking, Finance, and Urban Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce outlays by $4,905,000,000 in fiscal year 1983;

(C) the House Committee on Education and Labor shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $898,000,000 and outlays by $3,317,000,000 in fiscal year 1983;

(D) the House Committee on energy and Commerce shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $5,344,000,000 and outlays by $9,964,000,000 in fiscal year 1983;

(E) the House Committee on Foreign Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce outlays by $3,589,000,000 in fiscal year 1983;

(F) the House Committee on Merchant Marine and Fisheries shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $298,000,000 and outlays by $441,000,000 in fiscal year 1983;

(G) the House Committee on Post Office and Civil Service shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $349,000,000 and outlays by $1,280,000,000 in fiscal year 1983;

(H) the House Committee on Veterans' Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce the budget authority by $1,133,000,000 and outlays by $1,113,000,000 in fiscal year 1983;

(I) the House Committee on Ways and Means shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce the budget authority by $50,922,000,000 and outlays by $64,068,000,000 in fiscal year 1983;

SEC. 302. Pursuant to section 301(b)(2) of the Budget Act—

(A) the Senate Committee on Finance shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $50,928,000,000 and outlays by $64,657,000,000 in fiscal year 1983;

(B) the Senate Committee on Agriculture, Nutrition, and Forestry shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $275,000,000 and outlays by $2,757,000,000 in fiscal year 1983;

(C) the Senate Committee on Armed Services shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $89,000,000 and outlays by $103,000,000 in fiscal year 1983;

(D) the Senate Committee on Banking, Housing, and Urban Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $4,329,000,000 and outlays by $4,550,000,000 in fiscal year 1983;

(E) the Senate Committee on Commerce, Science, and Transportation shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $1,451,000,000 and outlays by $4,932,000,000 in fiscal year 1983;

(F) the Senate Committee on Foreign Relations shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce outlays by $3,934,000,000 in fiscal year 1983;

(G) the Senate Committee on Governmental Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce outlays by $2,215,000,000 in fiscal year 1983;

(H) the Senate Committee on Labor and Human Resources shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $2,159,000,000 and outlays by $6,084,000,000 in fiscal year 1983;

SEC. 303. The committees named in sections 301(A)-(H) and 302(B)-(H) shall submit their recommendations to the Committee on the Budget of their respective Houses. Those recommendations shall be sufficient to accomplish the changes required by such subsection. After receiving those recommendations, the Committees on the Budget shall report to the House and Senate a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

DEFERRED ENROLLMENT

SEC. 304. In the House of Representatives, no bill or resolution providing—

(1) new budget authority for fiscal year 1983, or

(2) new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act first effective in fiscal year 1983—which exceeds the appropriate allocation or subdivision of such new discretionary budget authority or new spending authority made pursuant to section 302 of such Act shall be enrolled until after Congress has completed action on the second concurrent resolution on the budget required to be reported under section 310 of such Act.

302(b) REPORT

SEC. 305. It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution, or amendment thereto, providing—

(1) new budget authority for fiscal year 1983; or

(2) new spending authority described in section 401(c)(2)(C) of the Budget Act first effective in fiscal year 1983;

within the jurisdiction of any of its committees unless and until such committee makes the allocations or subdivisions required by section 302(b) of the Budget Act.

SEC. 306. It is the sense of the Congress that if Congress acts to restore fiscal responsibility and reduces projected budget deficits in a substantial and permanent way, then the Federal Reserve Open Market Committee shall reevaluate its monetary targets in order to assure that they are fully complementary to a new and more restrained fiscal policy.

Mr. ROUSSELOT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The gentleman from California (Mr. ROUSSELOT) is recognized for 5 minutes in support of his amendment.

Mr. ROUSSELOT. Mr. Chairman, I would prefer to take that time tomorrow, but I will yield briefly to my colleague, the distinguished chairman of the Committee on the Budget, the gentleman from Oklahoma (Mr. JONES).

Mr. JONES of Oklahoma. Mr. Chairman, I appreciate the gentleman's yielding.

I take this time to make a unanimous-consent request that the Rousselot amendment be limited to debate of 1½ hours tomorrow.

I have discussed this matter with the author of the substitute, with the Speaker, with the majority leader, with the minority leader, and with the whip. The purpose would be to rise this evening and then to dispense with the 1-minute speeches tomorrow morning when the House goes in at 10 a.m. and go immediately into the budget resolution, with the first item being the Rousselot substitute.

So the debate would be limited to 1½ hours, with a vote thereafter.

Mr. ROUSSELOT. Mr. Chairman, I have a couple of additional comments, if I may.

We have the understanding that if there are quorum calls or other items that come up in the middle of that debate, that time will not be counted against the time on the amendment; is that correct?

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from California.

Mr. JONES of Oklahoma. Mr. Chairman, as I told the gentleman, if there is a procedural quorum call or something of that nature that is raised on our side of the aisle, I would be happy to move that that time period be extended so that the gentleman's substitute can be debated for a full hour and a half.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the gentleman's courtesy.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to my colleague, the minority leader.

Mr. MICHEL. Mr. Chairman, assuming that there might be some Members who argue against what the gentleman is proposing here, how would that 1½ hours time be divided between the proponents and the opponents of the proposition?

Mr. JONES of Oklahoma. Mr. Chairman, if the gentleman will yield, I would suggest that we could divide the time tomorrow when we have a better idea of the situation. If the gentleman wants to divide it halfway, that is fine with me.

Mr. ROUSSELOT. Mr. Chairman, as I understand it, under the rule five-minute discussions are in order. Individual Members receive that time for themselves, and I would assume that those who are interested in this fine, balanced budget resolution, carefully crafted, will be here to discuss it tomorrow, so we do not have to worry about those who will want to participate. I am sure that those who wish to do so will be here. Does the gentleman assume that?

Mr. JONES of Oklahoma. Mr. Chairman, if the gentleman will yield, I would assume that would be the case.

Mr. ROUSSELOT. Mr. Chairman, I appreciate my colleague's cooperation.

Mr. MICHEL. May I inquire, Mr. Chairman, whether the unanimous-consent request has been put?

Mr. ROUSSELOT. Yes, it has.

Mr. JONES of Oklahoma. Yes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN. Before the Chair entertains a motion for the Committee to rise, The Chair desires to make a statement relative to the order of the consideration of the perfecting amendments made in order by the House to the amendments in the nature of a substitute to be offered by Representatives LATTA, ASPIN, and JONES. As indicated by an insertion which will be made in today's CONGRESSIONAL RECORD by the chairman of the Committee on Rules, which was submitted for printing in the CONGRESSIONAL RECORD of May 21, but was omitted from that RECORD, it was the intent of the special order reported by the Committee on Rules and adopted by the House, House Resolution 477, to group the perfecting amendments in discrete subject matters and categories in order to fashion an orderly process for the consideration of the congressional budget.

The subject matter of revenues is to be considered first, followed by consideration of the defense budget. Due to a clerical error, the first perfecting amendment to be offered by Representative JONES, relating to revenues, was labeled No. 7 in the CONGRESSIONAL RECORD of May 21, and the second amendment to be offered by Representative JONES, relating to defense, was labeled No. 3 in the May 21 CONGRESSIONAL RECORD. The amendments were submitted in the proper order for printing in the RECORD and the Chair would therefore advise the Committee that those amendments will, if offered, be considered in the proper order, with Representative JONES' revenue amendment to be the third perfecting amendment made in order under the rule and Representative JONES' defense amendment to be the seventh perfecting amendment made in order under the rule. The Chair would also point out that the amendment by Representative WOLF, the 47th perfecting amendment made in order under the rule, was printed on page 11210 in the CONGRESSIONAL RECORD for May 21, but the Member's name was inadvertently omitted in the printing of the RECORD. The amendment, which will be reprinted in the RECORD of May 24, will be in order for consideration since it was properly submitted pursuant to the rule.

The Chair requests that Members bring to his attention any further errors that require correction in order that the Committee of the Whole may proceed in a fair and orderly fashion.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Chairman, do we assume from that statement that most of those perfecting amendments are basically just a rearrangement in order? Is that the main problem? Are there any major changes in the amendments themselves?

The CHAIRMAN. The Chair will state that there are only two that were transfers, and the gentleman is correct, there is no major change that the Chair knows of. It is just a question of getting it down to what we know is in error and correcting that. There is no implication that the Chair has had an opportunity to examine every amendment or every detail. That is why the Chair made the request at the end that if Members know of errors, they let the Chair know.

Mr. ROUSSELOT. Mr. Chairman, I appreciate that.

I might ask my colleague, the chairman of the Budget Committee, the gentleman from Oklahoma (Mr.

JONES), since one of those items is a defense item, is there any major change from the way it was originally printed in the RECORD?

Mr. JONES of Oklahoma. Mr. Chairman, if the gentleman will yield, none at all. The only change is as to the appearance and when it would be available to be offered.

Mr. ROUSSELOT. Mr. Chairman, I thank the gentleman.

● Mr. GEJDENSON. Mr. Chairman, I rise in support of the substitute amendment before us. Our Nation cannot continue down its current economic path, and the measure offered by Mr. OBEY presents a reasonable, realistic correction.

The economy will not have sustained growth unless we reduce unemployment and get the Federal deficit down. We do not need more promises of a recovery that will occur at some point ahead. We have been hearing these promises since the Reagan administration's inception, and it has been shown that they are unsubstantiated. We do not need to be told that the administration's program has not been given enough time to prove itself. Even Reaganomics' most staunch supporters are now arguing that changes must be made.

I urge my colleagues' support of the Obey substitute budget, because it takes concrete steps to address the unemployment and deficits that are keeping us in a deep recession.

The Obey plan provides the immediate economic stimulus needed to put people back to work. In addition to the employment training and security provisions contained in the committee bill, the Obey substitute makes a number of one-time allowances to address our current problems. The measure creates 360,000 summer youth jobs and 400,000 college work-study positions to help students weather their families' financial troubles. Targeted loans would be provided for graduate work in sciences and technical training, giving us the long-term assistance we need to reindustrailize our basic production capacity. The substitute earmarks $1 billion in job training for the 1.3 million discouraged workers who have exhausted unemployment benefits and who have dropped out of the job market entirely. The measure also would provide an additional $1 billion to local governments for immediate aid with job training for displaced workers.

The Obey budget offers an alternative to the unacceptable deficits that have been predicted for the next 3 years. The fiscal 1983 deficit would be below $100 billion. The budget's instructions do not stop there, however, because the plan calls for surpluses by 1986. This measure has real hope for releasing our economy from the growing spiral of high interest rates, rising debts, and tight money. The reduced deficit would be reached through judicious spending and revenue changes. A great deal of discretionary spending would be frozen at fiscal 1982 levels, with minimal increases made where needed for growth. In order to raise revenues, the Obey substitute would close many of the tax expenditures that give us high revenue losses but little or no production. These include reform of the safe-harbor leasing provision and reworking of the accelerated cost recovery system, both of which would be targeted to the industries that need assistance. The last phase of the individual tax cut would be adjusted to better meet the needs of middle- and lower-income families. In all, the substitute works for tax reform, not a repeal of any needed tax breaks and cuts.

The President's program has plunged us into a recession, and Mr. OBEY's plan would address the high deficits and painful unemployment that are crippling the economy. The current path is not the right one, an I urge my colleagues' support of a plan that will do something about it.●

● Mrs. CHISHOLM. Mr. Chairman, I would like to add a few of my thoughts to this general debate on national economic policy.

I strongly believe that by adhering to the basics of the Reagan program—by abandoning the poor, by ignoring the middle classes, by coddling the rich and by diverting our best minds and resources to production of horrifying weaponry—we may be committing economic suicide.

With every cut in social programs, with every factory shut down by this recession, with every new nuclear warhead, with every tax subsidy to undertaxed corporations and with every moment that we delay a drastic change of course, the American economy loses strength.

To all but the most ideological or the most idealistic, it must be clear that Reaganomics is a disease, not the cure. The snowball thrown from the peak of supply-side theory has started a swelling avalanche of joblessness and business failures; and yet the President and his supporters in the Congress insist that we add more snow to the wall of disaster sweeping across the economic landscape.

When will they face the fact that when you are in a deepening recession, you do things to end it, not prolong it? There is no mystery to ending a recession. Enough Presidents and Congresses have in past years taken the required steps to stimulate job creation and business expansion.

How long will we wait? How much longer will we follow a discredited economic philosophy? How many stores will close, new homes stand empty, new cars sit unsold, workers and machines be idle before we act?

Mr. Chairman, some have said that our President wants to return us to the life of earlier times, perhaps to the 1920's. I say that we are almost there now. Today's conditions remind me of the 1930's. I just pray that, either by economic or atomic catastrophe, we do not regress even further and faster than President Reagan intends and find ourselves living again in the stone age.●

Mr. JONES of Oklahoma. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose, and the Speaker pro tempore (Mr. FOLEY) having assumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the concurrent resolution (H. Con. Res. 345) providing for the consideration of the concurrent resolution (H. Con. Res. 345) revising the congressional budget for the U.S. Government for the fiscal year 1982 and setting forth the congressional budget for the U.S. Government for the fiscal years 1983, 1984, and 1985, had come to no resolution thereon.

□ 2030

CLARIFICATIONS ON BUDGET RESOLUTION PROCEDURES

(Mr. BOLLING asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BOLLING. Mr. Speaker, on Friday, May 21, 1982, in explaining the provisions of House Resolution 477, the rule on House Concurrent Resolution 345, I stated that category B substitutes would be amendable only by pro forma amendments for debate and the specified perfecting amendments printed in the May 21 RECORD. I further stated that the perfecting amendments would be considered only in the order specified or listed in the rule and that that order corresponding to 12 categories which we had established. Those categories do not correspond identically to the functional categories of the budget resolution but do follow them to the extent possible. I indicated on page 11086 of the RECORD that the categories would be printed following my statement. The list should have appeared on page 11087. Through some printing error this did not happen. Therefore, I am inserting the list of categories in the RECORD of today so that Members may review them prior to the start of the amendment process on the category B substitutes:

CATEGORIES OF AMENDMENTS MADE IN ORDER

1. Tax Measures: Sense of Congress relating to tax questions; Tax Expenditures; and Strikes Revenue Increases.

2. Defense (Function 050): Increase Defense, and Decrease Defense.
3. International Affairs (Increase; Function 150).
4. Education, Training, Employment & Social Services (Restoration; Function 500).
5. Income Security (Function 600): Medicare and health, etc.
6. Veterans Benefits (Function 700).
7. COLA
8. Administration of Justice (Function 750): Funding for FBI, Drug Enforcement, Bureau of Alcohol, Tobacco, and Firearms.
9. Federal Employee Compensation (Reconciliation).
10. Transfer amendments.
11. Reconciliation.
12. Procedural Amendments.

Mr. PANETTA. Mr. Chairman, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from California.

Mr. PANETTA. Mr. Speaker, may I ask, is it the intention of the Chairman that tomorrow, when we arrive at the principal substitutes in category B, they would be introduced beginning with the Latta proposal, then Aspin and Jones, in that order, with 5 minutes for purposes of explaining those substitutes?

Mr. BOLLING. That is correct.

Mr. PANETTA. Mr. Speaker, I thank the gentleman.

FEDERAL ENERGY REORGANIZATION ACT OF 1982—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 97-184)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Energy and Commerce and the Committee on Government Operations and ordered to be printed:

(For message, see proceedings of the Senate of today, Monday, May 24, 1982.)

□ 1230

SUPPORT OF THE U.S. FIRE ADMINISTRATION

(Mr. BONER of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONER of Tennessee. Mr. Speaker, 9 years ago, the National Commission on Fire Prevention and Control in an historic report brought to our attention the tremendous loss of lives and property in this country by fire and stressed the need for Federal participation to address the problem. Their findings resulted in enactment of the Federal Fire Prevention and Control Act of 1974, and ultimately the creation of the U.S. Fire Administration whose mission is to coordinate and strengthen local and State fire efforts.

The U.S. Fire Administration's efforts over the years have achieved significant reductions in losses by fire. Among their major accomplishments are the establishment of the National Fire Academy which will train more than 15,000 students this year with the most up-to-date methods and technologies available; the promotion of the use of smoke detectors in homes which doubles the residents' chances of surviving a fire, and the percentage of households using detectors has risen from 5 to 50 percent since the USFA was formed; the development of improved firefighter protective clothing which has sharply reduced the numbers of firefighter injuries and deaths; the establishment of a Federal Arson Task Force to attack arson, which accounts for more than $1.5 billion a year in losses; and establishment of a nationwide public fire education network coordinating the experience and resources of all 50 States in fire safety efforts. The USFA's prevention, training, and safety programs have proven to effectively deal with this Nation's fire problem but more can be done and needs to be done as it is estimated that still 8,000 persons die from fire annually, 300,000 more people are injured and the combined economic losses are a staggering $21 billion each year.

The Reagan administration recognizes the USFA as a most successful and worthwhile program and yet instead of citing the successes as justification to continue these fire safety efforts, incredibly, the President has recommended eliminating the agency.

The President's proposed termination of the USFA is, and should be, of great concern to every firefighter and fire department, professional and volunteer, and to all of our citizens who benefit from their services. Firefighting services are vital to every community and all too often we take for granted the dedicated efforts of the men and women who serve in these organizations, 80 percent of whom volunteer their time. They deserve our gratitude and need our support through continuing the programs conducted by the U.S. Fire Administration.

The House Committee on Science and Technology has reported a measure, House Concurrent Resolution 288, which I fully intend to support as it reaffirms our commitment to reduce the lives lost and property damage by fire through the efforts of the U.S. Fire Administration. I urge my colleagues to favorably consider this meritorious legislation.

FIVE FORMER TREASURY CHIEFS ISSUE PLEA FOR LOWER DEFICIT

(Mr. RHODES asked and was given permission to address the House for 1 minute, and to revise and extend his remarks, and include extraneous matter.)

Mr. RHODES. Mr. Speaker, I have said for some months that the bottom line as far as the budget effort is concerned has to be to get the deficit down to a point where the interest rate will go down to where the economy will begin to recover. This is important not only to Republicans but, to Democrats also because that is the sine qua non for providing jobs and getting our industries restarted, to fuel the prosperity we desire in this country.

Today in the Washington Post there is an article entitled "Five Former Treasury Chiefs Issue Plea for Lower Deficit." This is an article outlining what five former Secretaries of the Treasury intend to say to the public today. Those individuals are Mike Blumenthal, Bill Simon, John Connally, Henry Fowler, and Douglas Dillon. Here is a summation of what they will say:

> Unless the deficits are reduced, recovery from the recession will be feeble and temporary, interest rates will remain abnormally high, high unemployment will be chronic, and investment by business will remain at low levels, resulting in little productivity growth that will depress living standards and decrease the Nation's ability to compete in foreign markets.

So lest any of the Members think that in the actions we are about to take this week we are going too far in cutting Government spending or we are going too far in raising more revenue, I think they should heed the words of these five distinguished gentlemen who have served their country, and served it well, as Secretaries of the Treasury. They certainly are in a position to know of what they speak.

Mr. Speaker, the Washington Post article to which I referred is included as follows:

FORMER CABINET OFFICERS PLEAD FOR LOWER DEFICIT

(By James L. Rowe, Jr.)

> Five former treasury secretaries yesterday urged the president and Congress to slash defense and nondefense spending immediately to prevent high budget deficits from damaging the economy.
>
> A combination of spending cuts, tax increases and a one-year freeze on Social Security, Medicare and federal retirement benefits could reduce the deficit to less than $100 billion in fiscal 1983 and hold the 1985 deficit under $75 billion, the bipartisan group said in a statement.
>
> Otherwise, the former officials said, deficits will continue to grow and borrowing to finance them "would devour virtually every penny of household savings and would divert capital from productive investment at a record rate."
>
> Meanwhile, President Reagan spent yesterday morning phoning House members to seek support for a budget package he prefers that is similar to the one passed by the Senate. The budget package is sponsored by House Minority Leader Robert H. Michel

(R-Ill.). The Senate budget resolution calls for a $116 billion deficit in the spending year that begins Oct. 1.

The former treasury secretaries—who planned to issue their appeal formally at a news conference today—and their years in office are: W. Michael Blumenthal, 1977 to 1979; William E. Simon, 1974 to 1976; John B. Connally, 1971 and 1972; Henry H. Fowler, 1965 to 1968, and C. Douglas Dillon, 1961 to 1965.

They were joined by Peter G. Peterson, secretary of commerce under President Nixon and now chairman of the Wall Street investment firm of Lehman Brothers Kuhn Loeb Inc.

Their statement said that fairness is essential and criticized Reagan for concentrating spending cuts in programs "aimed at the poor," such as Medicaid, welfare, food stamps and legal assistance.

"It is now time for a wider sharing of burdens—for focusing fiscal reform on the major spending programs which confer benefits on middle and upper income groups," the six said. They did not single out any such programs in their statement, however.

In what they called a "program for immediate action," the former officials said Congress and the president should slow the growth in nondefense spending in order to reduce the deficit by $60 billion in fiscal 1985 (the federal spending year that begins Oct. 1, 1984).

"The best place to begin," they said, "is with a one-year freeze in benefits flowing from the large, broad-based entitlement programs—Social Security, Medicare, veterans' benefits, civil service and military retirement, and other nondefense subsidies and payments."

After the freeze, the former officials said, some sort of cap should be placed on how much benefits could rise in future years.

They also called for defense spending that would total $25 billion less than the president wants by 1985, and said that taxes should be increased by $60 billion by 1985. They suggested new taxes on oil and natural gas consumption and higher taxes on cigarettes and tobacco, as well as elimination of some corporate tax benefits.

"These steps, if undertaken now, would cut the [fiscal 1985] deficit by about $145 billion. This in turn could lead, through less federal borrowing and lower interest rates, to a further deficit reduction of $30 billion to $55 billion."

The former secretaries said "runaway deficits" can never be contained if any portions of the budget are placed "out of bounds." The president has asserted that Social Security benefits will not be changed and has been resistant to any reduction in his defense program.

Unless the deficits are reduced, the former officials said, recovery from the recession will be "feeble and temporary," interest rates will remain "abnormally high," high unemployment will be chronic, and investment by businesses will remain at low levels, resulting in little productivity growth that will depress living standards and decrease the nation's ability to compete in foreign markets.

GRAIN ELEVATOR TRAGEDIES TRIGGER REQUEST FOR NATIONAL ACADEMY OF SCIENCES STUDY

(Mr. BEREUTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BEREUTER. Mr. Speaker, after a series of grain elevator explosions in late 1977, the National Academy of Sciences embarked upon a comprehensive study of the causes and possible methods of avoiding future grain elevator tragedies such as the recent explosion in Council Bluffs, Iowa, which claimed five lives and caused millions of dollars in damage. I applaud the efforts of the Academy to make a significant contribution to reducing the incidence of these calamities, but I am disturbed by the excessive delays in making the results of this extensive study available to the industry. Certainly it would appear that the scientific data and expected recommendations of the Academy should be translated into new and safer design and maintenance practices throughout the industry. The Academy had originally indicated to me that the study would be made available in October of last year, and yet it still has not been made available. Although, of course, we must recognize that the scientific process requires time to arrive at meaningful results, we must also balance the need for refinements and review of the study with the pressing need for information which will help the industry to prevent these disasters in the future.

I recently sent a letter to the President of the National Academy of Sciences, requesting him to expedite the release of the study, and I include a copy of that letter in the RECORD, as follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 24, 1982.

Dr. FRANK PRESS,
President,
National Academy of Sciences,
Washington, D.C.

DEAR DR. PRESS: Over four years ago, following a series of serious grain elevator explosions, the National Academy of Sciences initiated a comprehensive study of the causes and effects of these tragic events. I applaud that initiative and the willingness of the Academy to make a significant contribution to reducing the incidence of grain elevator explosions.

I am, however, deeply concerned about what appears to be an excessive delay in the final publication of the results of this extensive effort. The study was originally to have been released in October of last year. The most recent information which I have been able to obtain indicates that the study will be released within the next several weeks.

Dr. Press, I cannot overemphasize the importance of this report to the management and workers of the grain industry, and I am respectfully requesting that you and the staff of the Academy make every possible effort to expedite the release of this information. Although I recognize the need to devote an adequate amount of time to this effort in order to come forward with meaningful findings and recommendations, I believe it is in the best interest of all concerned that the report be forthcoming at the earliest possible time.

Thank you for your consideration of this request. I look forward to hearing from you in the near future.

Best wishes,

DOUGLAS BEREUTER,
Member of Congress.

AMENDING THE CONSTITUTION TO CONTROL THE FEDERAL BUDGET

(Mr. BROWN of Colorado asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of Colorado. Mr. Speaker, in bill after bill, the House has voted to overspend the Nation's budget. This year, the increase in direct and indirect Federal borrowing will exceed $200 billion. The on budget deficit for this fiscal year alone may exceed $100 billion.

By resorting to deficit spending, Congress has avoided accountability for its spending decisions. Just once in the last 20 years has Congress balanced the budget. Such persistent fiscal ineptness has put our country on a roller coaster of high interest rates, inflation, and economic instability.

Congress clearly does not have the intestinal fortitude necessary to bring deficit spending under control. Congress will not likely change its ways unless it is forced to do so.

The time has come to pass a constitutional amendment requiring the Congress to enact a balanced Federal budget. The amendment most appropriate to this purpose is House Joint Resolution 350. It has four basic points.

First, it would require that, each fiscal year, Federal outlays be no greater than Federal revenues. Deficit spending would not be allowed for any fiscal year unless expressly approved by three-fifths of the Congress.

Second, total Federal revenues would not be allowed to grow at a rate greater than the growth of the national economy. This would help stabilize the relationship between the Federal Government and the economy that supports it. It also would discourage Congress from achieving a balanced budget through excessive tax increases. Any additional taxes for the fiscal year would have to be approved by a majority of the whole membership of both Houses and enacted into law.

Third, Congress would be prohibited from passing excess costs on to the States to circumvent the amendment. States could not be required to engage in additional activities without compensation from the Federal Government equal to the cost of those activities.

Fourth, Congress would be allowed to waive the provisions of the amendment when a declaration of war is in effect.

In essence, then House Joint Resolution 350 would require the Congress to balance the Federal budget every year, or else be strictly accountable to the public for increases in spending and taxes. The vast majority of voters in this country have expressed a strong interest in reduced levels of overall spending and taxing. The ability to live within one's means and pay one's debts are fundamental values of the American people.

Mr. Speaker, the backdoor pay raise which this Congress gave itself last year was an act that flies in the face of the American people.

It allows a tax deduction of up to $75 per day for Members of Congress. The American people have asked this Congress to lead it out of an economic crisis. In response to that request, the Congress, rather than tightening its own belt, has taken this action of personal largesse.

I believe that we must repeal that tax deduction. We must repeal this backdoor pay raise. I have sponsored two bills to do this. Further, I have declined to take advantage of this tax deduction by donating its value to charity.

NEED FOR TOP SECRET DEFENSE BRIEFING

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California (Mr. DORNAN) is recognized for 10 minutes.

Mr. **DORNAN** of California. Mr. Speaker, this morning in the beginning of our session during the 1-minute speeches I made mention of a remark that I had made to the House on March 24 also in the 1-minute period no Member of this House should really discuss the defense aspects of any of the submitted budgets unless he had taken advantage of the Defense Intelligence Agency/Central Intelligence Agency combined briefing on the Soviet military threat.

The briefing was given in this Chamber on the morning of May 4 and was given in room 345, the Cannon caucus room, on March 24, and was given in the Armed Services Committee chamber on February 24.

Unfortunately, even when it was given in the House Chamber here the doors were sealed off and that is only the third time in a century and a half that this Chamber has been used for a top secret briefing. All three briefings have been in the last 4 years. One was on the Panama Canal Treaty, one on Communist terrorism camps being built up in Nicaragua under the Sandinista government, and the third one on the DIA briefing titled "Soviet Threats and Military Capabilities."

I would like to submit in the RECORD at this point my remarks of March 24, and I underscore those remarks.

[From the CONGRESSIONAL RECORD, Mar. 24, 1982]

MEMBERS SHOULD BE GIVEN TOP SECRET BRIEFING ON SOVIET MILITARY STRENGTH PRIOR TO MAKING DECISIONS ON DEFENSE BUDGET

Mr. DORNAN of California. Mr. Speaker, this morning I had the second opportunity this year to receive a closed, member only, top secret briefing on the growth of Soviet military power. I had attended a similiar 3-hour briefing in January as an invited guest from the Foreign Affairs Committee to sit in with 14 members from our largest committee, Armed Services.

At the end of the DIA presentation by Mr. John Hughes last January I asked him if the briefing could not be fairly described as "awesome," in spite of the overuse of that word in American sportscasting. He said, "Yes, Congressman, the growth of Soviet power over just the last year is awesome."

Just in the last 3 months since that January top secret briefing the situation has grown worse. The briefing this morning, which fortunately had 40 Members in attendance (39 Republicans and 1 Democrat) adds some startling new developments to an already insane growth of raw military might on the part of the Kremlin.

I think before any of us considers debating any aspect of the President's defense package he or she must receive this Hughes briefing. It would be the height of irresponsibility for any Member of this House to participate in that debate without benefiting from that stunning, awesome top secret briefing.

And I will later submit in its totality a letter that I sent to the President of the United States on April 3 of this year suggesting that that entire John T. Hughes DIA/CIA briefing be made available to the major news media sources of this country.

I designated specifically 11 such sources, what is referred to as mega-media or east coast elite media, but it does include the Los Angeles Times.

So I prefer the laudatory expression used by Ambassador Jeane Kirkpatrick of "prestige media."

I designated those that should be brought to the White House into the large East Ballroom and briefed by the DIA/CIA people, with an introduction first by the President of the United States and the Secretary of Defense as the following: Generally, these news organizations are referred to at the University of Missouri, the University of Columbia, in their journalism schools as covering about 95 percent on international issues of what reaches the American people, and it would be the three networks, our Nation's three largest newspapers, the New York Times, the Los Angeles Times, the Washington Post; Time magazine, Newsweek magazine, U.S. News & World Report; the Wall Street Journal; PBS Television.

□ 2040

I suggested that the chief executive officer of each of these organizations, together with the delegated copilot of choice, usually the president of the news department, for example, with the networks, accompany the chief officer of these 11 giant news organizations. I certainly should have included the Associated Press and UPI, their chief executive officer, and the executive officer's No. 2 choice, and these 22 or 26, if you include API and UPI, men and women could sit in the East Ballroom of the White House and at the end of that 3-hour briefing that most Members have not availed themselves of at this point in time, they could decide, together with the President, how serious the Soviet military growth is, how serious that threat is, and then begin to transmit to the citizens of this country of ours exactly what we are up against and why the President's budget is so reasonable and so fair, in spite of these tough economic times in which we find ourselves.

I will submit at this point in the RECORD my letter to the President of the United States:

HOUSE OF REPRESENTATIVES,
April 3, 1982.

President RONALD W. REAGAN,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I attended the yearly Defense Intelligence Agency briefing, "Soviet Military Trends and Capabilities," on February 24. This was the sixth consecutive year as a Congressman that I received the superb Soviet threat briefing by Mr. John T. Hughes. This year, after three hours of viewing evidence and listening to the stunning intelligence analysis of the malignant growth of Soviet offensive power, I walked away in a state of shock. The growth over just this past year far outstrips the increase that I've been briefed on over the preceding five years.

I'm sorry to say, Mr. President, that there were only 15 members of the Armed Services Committee present. I was the only, repeat only, visiting member of any House of Representatives committee.

During the month following that briefing, I encouraged other House members to go over to the Pentagon and receive the Hughes briefing on their own but had no success. Then the Republican Study Committee came to the rescue and sponsored a repeat briefing in the Cannon House Office Building on March 24. I went back for the full three-hour Hughes briefing. There was significantly better attendance this time as 55 members of the House sat in stunned silence. Mr. Hughes had agreed with me at the February briefing that the only word to describe the increase in Soviet military capability over last year was "awesome."

I understand, Mr. President, that you have also received this same briefing. That is why your defense budget is so reasonable and necessary to you and to me. But what about the intelligent but uninformed American citizen who has to pay the bill?

Following the briefing I polled my colleagues about a course of action to support you. Everyone I spoke with—Bob Livingston, Dan Lungren, Ray McGrath, Bob Lagomarsino, Toby Roth, et al.—to a man, agreed that these Soviet threat facts, classified or not, must be given to the American people. Mr. President, that opinion was probably unanimous with all 55 Members of Congress in attendance.

We discussed that there might be a few specific points of intelligence that could not be released because of compromising sources. However, we were in accord that certainly 90-95 percent could be made public information.

Since we are not talking about U.S. military capability or methods of collecting intelligence, but about Soviet capability, and since the Soviet leaders obviously know the extent of their own buildup, why should only a few privileged Americans be fully informed of the present danger? At my urging, the ranking member of the House Armed Services Committee, the Honorable William Dickinson, one of your great supporters, has promised to circulate a "Dear Colleague" letter with the signatures of all those present at the March briefing, asking that the American people be made aware of the gravity of the Russian threat by showing them hard evidence.

If you so order the release of the Hughes briefing, I believe that prior to general public release, in order to insure proper dissemination of the information and to prevent any initial skepticism by the news media, you have to privately prepare the media with the extensive body of knowledge that they will be asked to transmit to the American people.

Therefore, there should be a briefing at the White House as soon as possible for the Chief Executive Officers of the nation's "prestige media" (an excellent phrase by Ambassador Jeane Kirkpatrick).

Mr. President, during previous periods in our history, such as World War II, we granted secret clearances to members of the written press and radio. The beloved combat correspondent, Ernie Pyle, knew about every "Top Secret" operation in every war theater which he covered. He had to know. He hit the beaches with our young men.

Isn't it time we trust the powerful leaders of mass media? We have no other choice. I feel, Mr. President, that you must seek counsel and professional opinion of our "prestige media" leaders as to how to get this story of Soviet offensive power out to the American people so that your defense budget, which I support 100 percent, is perceived as a reasonable response to Soviet expansion.

In order to counter Soviet propaganda and disinformation, we must conduct White House Top Secret briefings for the C.E.O.s of the three major networks plus PBS; our three largest newspapers (the Los Angeles Times, the New York Times, and the Washington Post) plus the Wall Street Journal; and, Time, Newsweek, and U.S. News and World Report. Each Chief Executive Officer should be invited to bring with him, to the White House, his News President or Senior Editor or another top corporate officer of his choice.

Imagine the following twenty-two media stalwarts sitting in the East Ballroom of the White House listening attentively to the Hughes Soviet threat briefing: Leonard Goldenson and Roone Arledge, Thomas Wyman and Van Gordon Sauter, Grant Tinker and Reuven Frank, Lawrence Grossman and Dan Agan, Arthur Sulzberger and Abe Rosenthal, Donald Graham and Ben Bradlee, Thomas Johnson and William Thomas, Warren Phillips and Edward Cony, Richard Munro and Henry Grunwald, Mark Edmiston and Charles Kennedy and, James McIlhenny and Marvin Stone.

I believe that "going public" with the substantial body of evidence contained within the Hughes briefing will in no way compromise our national security. My colleagues agree. The Soviets already "substantially know" (a Hughes analysis) how we get this information, so, I repeat, we are not divulging collection methods. As you know, the KH-11 "Big Bird" satellite handbook was sold by U.S. traitor William Kampiles to Soviet spies for a few thousand dollars.

I am firmly convinced that disclosure will significantly increase public support for your defense budget. Given the growing hostile mood of both Houses of Congress toward defense spending, your declassification of this information will provide a dramatic way in which to refocus public attention on the diminished state of our comparable defense capabilities.

Mr. President, our defense budget is in danger of being meat-axed by Congressmen and Senators who have not had this briefing, refuse to get this briefing, don't care about getting this briefing, or have had the briefing but are so terrified of losing their jobs in Congress that they are unwilling or unable to try and convince an uninformed and skeptical public that your defense positions are worthy of complete support.

The Soviets and their puppet satellites are hoping that we will continue to keep what "they" are doing Top Secret.

Time is running out.

Mr. President, I am at your service. With God's help, the American people put you, the right man, in the right job at precisely the right moment.

President Thomas Jefferson, one of our mutual heroes, said many times, "Give the American people the facts and they'll make the right decision."

Let's give our fellow citizens the right stuff upon which to base their decisions.

Respectfully,

ROBERT K. DORNAN,
Member of Congress.

Mr. Speaker, I have received an unsatisfactory response from the Defense Department at the highest levels, but during a testimony period before the Armed Services Committee, the Army Chief of Staff, General Myers, agreed in substance with my letter that there would be no danger to the United States to release almost in its totality what we are up against with the Soviet warmaking machine and what they have deployed out in the field, particularly in the Warsaw Pact countries. Also, a very gracious response has come to me from our Ambassador to the United Nations, Jean Kirkpatrick. She says that something must be done and done soon to educate the average American on what we are up against here.

I was sorely pressed to take this well during the discussion by the Black Caucus of our House on the defense aspects, particularly when the highly eloquent gentleman and friend from California, Mr. RON DELLUMS, was in the well. I decided that I would merely put in the RECORD some of my remarks during this special hour, so that it would appear in today's RECORD, and that I would save my thunder for tomorrow, particularly during that budget submitted by my fellow Republicans who refer to themselves as gypsy moths.

One of the reasons I resisted commenting upon the defense meat-ax cuts in Mr. FAUNTROY's substitute, the so-called Black Caucus budget alternative, is that only a fool would attempt to gainsay much of the suffering discussed here by the Black Caucus, of not only their fellow black Americans, but many deprived Americans. When it was the turn for the black American to come up to bat in this country, Government spending had reached such a runaway status that free enterprise was not pitching the right balls to the black American family that had been thrown to the Irish American, the Jewish American, the Polish American, all of the immigrants who had come to this country, particularly over the last 100 years.

And since the suffering out there is so grievous from crime and narcotics, and the failure of the public school system, just when black families needed it most, I was not going to quibble with an attempt by the Members of this House who are black, particularly since in percentage numbers they do not represent the percentage of black American citizens in our country, I was not about to quibble over something that maybe many of them do not find as important, our defense budget, as they find the social programs to try to give their own people a leg up in this, with all of its troubles, still richest country that civilization has ever produced or even seen or ever dreamed about.

However, tomorrow I hope that my black colleagues will listen, and on Wednesday, to some of the discussion that I will try to generate in this well on just exactly what the Soviets are doing. No social program is worth anything when the country loses its freedom.

For all of its faults, whatever social programs the Shah of Iran tried to implement in his country, starting with the franchise to vote for the women in his society, all of that has fallen by the wayside because the country has reverted back to a depression not seen in that country for a century or more.

I think that the defense budget can only be discussed coherently when someone has taken advantage of the entire 3-hour John T. Hughes DIA briefing and then dug even deeper, gone beyond it, set up the comparative charts, with what we are trying to do in rebuilding the defense structure of this country, and I did take note that my friend, for all of his elocution eloquence, for all of his oratorical skill, Mr. DELLUMS was not willing to engage in a colloquy with an other distinguished Californian, Mr. JOHN ROUSSELOT, on one significant defense system, the B-1 bomber, possibly because there are so many jobs in California attached to that system, including in Mr. DELLUMS' own district, but mainly because I do not believe Mr. DELLUMS has familiarized himself enough with this thinking man's system to understand why the time factors involved with a nuclear defense system that takes 11 hours to reach the target are so superior in keeping peace in the world, as opposed to some of the depressed projectory submarine-delivered nuclear systems that he described as reaching targets in only 4 minutes. So I hope that my distinguished friends who took the well today to discuss the defense aspects of all of the various budget amendments and the President's budget itself will pay keen attention tomorrow to some of the things that I unfortunately will only be able to allude to because they are incorrectly locked up in that overused classification "top secret."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. RAHALL (at the request of Mr. WRIGHT), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mrs. MARTIN of Illinois) to revise and extend his remarks and include extraneous material:)

Mr. DORNAN of California, for 10 minutes, today.

(The following Members (at the request of Mr. SWIFT) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 15 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. COELHO, for 5 minutes, today.
Mr. WEISS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. MARTIN of Illinois) and to include extraneous matter:)

Mr. McDADE.
Mr. BEARD.
Mr. WEBER of Minnesota.
Mr. MICHEL in three instances.
Mr. HILER.
Mr. BROYHILL.
Mr. ROTH.
Mr. CLINGER.
Mr. CONTE.
Mr. WOLF in two instances.
Mr. KEMP in two instances.
Mr. GILMAN.
Mr. LEACH of Iowa.
Mr. EVANS of Iowa.

(The following Members (at the request of Mr. SWIFT) and to include extraneous matter:)

Mr. BARNES.
Mr. SHELBY.
Mr. ANDERSON in 10 instances.
Mr. GONZALEZ in 10 instances.
Mr. BROWN of California in 10 instances.
Mr. ANNUNZIO in six instances.
Mr. JONES of Tennessee in 10 instances.
Mr. BONER of Tennessee in five instances.
Mr. MAZZOLI.
Mr. LELAND.
Mr. DYSON.
Mr. MURTHA in five instances.
Mr. RATCHFORD.
Mr. FLORIO.
Mr. FAUNTROY.
Mrs. SCHROEDER in two instances.
Mr. HAMILTON.
Mr. CONYERS.
Mr. MURPHY.
Mr. HUGHES.
Mr. WEISS.
Mrs. CHISHOLM.
Mr. BENJAMIN.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 907. An act to amend sections 351 and 1751 of title 18 of the United States Code to provide penalties for crimes against Cabinet officers, Supreme Court Justices, and Presidential staff members, and for other purposes; to the Committee on the Judiciary.

S. 982. An act to provide for the conveyance of certain Federal lands adjacent to Orchard and Lake Shore Drives, Lake Lowell, Boise project, Idaho; to the Committee on Interior and Insular Affairs.

S. 1407. An act to amend title 39, United States Code, by strengthening the investigatory and enforcement powers of the Postal Service by authorizing inspection authority and by providing for civil penalties for violations of orders under section 3005 of such title (pertaining to schemes for obtaining money by false representations or lotteries), and for other purposes; to the Committee on Post Office and Civil Service.

S.J. Res. 175. Joint resolution authorizing and requesting the President to proclaim "National Junior Bowling Championship Week"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. SWIFT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 47 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, May 25, 1982, at 10 a.m.

EXECUTIVE COMMUNICATION, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3988. A letter from the Assistant Secretary of Defense, transmitting a report of the value of property, supplies, and commodities provided by the Berlin Magistrate for the quarter January 1, 1982 through March 31, 1982, pursuant to section 719 of Public Law 97-114; to the Committee on Appropriations.

3989. A letter from the Executive Associate Director for Budget, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriations for the Bureau of Alcohol, Tobacco and Firearms, salaries and expenses, and for the Bureau of Government Financial Operations, salaries and expenses, for fiscal year 1982 have been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to section 3679(e)(2) of the Revised Statutes, as amended; to the Committee on Appropriations.

3990. A letter from the Architect of the Capitol, transmitting the Architect's semiannual report on expenditures of appropriations, pursuant to section 105(b) of Public Law 88-454, as amended; to the Committee on Appropriations.

3991. A letter from the Acting Secretary of the Navy, transmitting a draft of proposal legislation to amend chapter 75 of title 10, United States Code to authorize the Secretary concerned to defray the costs of transporting the remains of members of the uniformed services entitled to retired or retainer pay who die in a military medical facility of the Armed Forces; to the Committee on Armed Services.

3992. A letter from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting notice of the Navy's intention to study the conversion from in-house operation to commercial contract of various functions at different locations, pursuant to section 502(a) of Public Law 96-342; to the Committee on Armed Services.

3993. A letter from the Secretary of Transportation, transmitting a report on the state of the automobile industry during 1981, pursuant to section 12(b) of Public Law 96-185; to the Committee on Banking, Finance and Urban Affairs.

3994. A letter from the District of Columbia Auditor, transmitting a report on Crispus Attucks Park of the Arts, pursuant to section 455(d) of Public Law 93-198; to the Committee on the District of Columbia.

3995. A letter from the Secretary of Energy, transmitting a report on the activities undertaken with respect to the strategic petroleum reserve under the SPR Amendments Act of 1981 for the quarter January 1, 1982, through March 31, 1982, pursuant to section 165(b) of the Energy Policy and Conservation Act; to the Committee on Energy and Commerce.

3996. A letter from the Vice President for Government Affairs, National Railroad Passenger Corporation, transmitting the financial report of the Corporation for the month of January 1982, pursuant to section 308(a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Energy and Commerce.

3997. A letter from the Vice President for Government Affairs, National Railroad Passenger Corporation, transmitting a report covering the month of March 1982, on the number of passengers per day on board each train operated, and the ontime performance at the final destination of each train operated. by route and by railroad, pursuant to section 308(a)(2) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Energy and Commerce.

3998. A letter from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112(a); to the Committee on Foreign Affairs.

3999. A letter from the Attorney Adviser, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112(a); to the Committee on Foreign Affairs.

4000. A letter from the Director, Peace Corp, transmitting a draft of propsd legislation to amend the Peace Corps Act; to the Committee on Foreign Affairs.

4001. A letter from the Chief Scout Executive, Boy Scouts of America, transmitting an annual report on their activities, pursuant to 36 U.S.C. 1103; to the Committee on the Judiciary.

4002. A letter from the Forest Supervisor, Forest Service, Department of Agriculture, transmitting a copy of a public involvement plan providing for public comment by June 15, 1982, on forest plans in the White Mountain National Forest, pursuant to Public Law; jointly, to the Committees on Agriculture and Interior and Insular Affairs.

4003. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a draft of proposed legislation to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, as amended, and for other purposes, pursuant to section 607 of the Congressional Budget and Impoundment Control Act of 1974; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

4004. A letter from the Professional Audit Review Team, transmitting a report on the results of their annual evaluation of the performance of the Energy Information Administration of the Department of Energy; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

4005. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to amend the Low-Income Home Energy Assistance Act of 1981 to include emergency assistance generally, to remove certain burdensome and unnecessary Federal administrative requirements on State programs, and for other purposes; jointly, to the Committees on Energy and Commerce and Ways and Means.

4006. A letter from the Comptroller General of the United States, transmitting a report on steps needed to improve U.S. efforts to clean up the Great Lakes and meet water quality agreement commitments (CED-82-63, May 21, 1983); jointly, to the Committees on Government Operations, Foreign Affairs, and Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DELLUMS: Committee on the District of Columbia. Supplemental report on H.R. 5595, a bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to increase the amount authorized to be appropriated as the annual Federal payment to the District of Columbia (Rept. No. 97-512, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JENKINS (for himself and Mr. Martin of North Carolina):

H.R. 6468. A bill to amend section 168 of the Internal Revenue Code of 1954 to require economic substance in lease transactions under the accelerated cost recovery system; to the Committee on Ways and Means.

By Mr. MATSUI:

H.R. 6469. A bill to amend the Community Services Block Grant Act to clarify the authority of the Secretary of Health and Human Services to designate community action agencies for certain community action programs administered by the Secretary for fiscal year 1982, and for other purposes; to the Committee on Education and Labor.

By Mr. STRATTON:

H.R. 6470. A bill to authorize the establishment of a competitive health insurance program for members of the Federal Managers Association; to the Committee on Post Office and Civil Service.

By Mr. YOUNG of Alaska:

H.R. 6471. A bill for the acquisition by the United States by exchange of certain Native-owned lands or interest in lands in Alaska; to the Committee on Interior and Insular Affairs.

By Mr. WILLIAM J. COYNE:

H. Con. Res. 349. Concurrent resolution expressing the sense of the Congress with respect to honorary South African consulates in the United States; to the Committee on Foreign Affairs.

By Mr. YATES:

H. Res. 479. Resolution to disapprove the strategic petroleum reserve deferral; to the Committee on Appropriations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

384. By the SPEAKER: memorial of the House of Representatives of the State of Hawaii, relative to nuclear weapons; to the Committee on Foreign Affairs.

385. Also, memorial of the Legislature of the State of California, relative to emergency vehicles; to the Committee on Public Works and Transportation.

386. Also, memorial of the House of Representatives of the State of Hawaii, relative to national pollutant discharge elimination system permits for water releases from reservoirs; to the Committee on Public Works and Transportation.

387. Also, memorial of the House of Representatives of the State of Hawaii, relative to Federal tax laws; to the Committee on Ways and Means.

388. Also, memorial of the House of Representatives of the State of Hawaii, relative to the spousal individual retirement account; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DELLUMS:

H.R. 6472. A bill for the relief of Montol Rattapituck, Supvaran Rattapituck, and Molvarn Rattapituck; to the Committee on the Judiciary.

By Mr. LEACH of Iowa:

H.R. 6473. A bill for the relief of Lin Fang Su-min (a.k.a. Mrs. Lin Yi-hsiung); to the Committee on the Judiciary.

H.R. 6474. A bill for the relief of Lin Huan-chun; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 1968: Mr. Kemp and Mrs. Heckler.

H.R. 2493: Mr. LeBoutillier.

H.R. 2832: Mr. Edgar.

H.R. 3191: Mr. AuCoin.

H.R. 3752: Mr. Emerson and Mr. Horton.

H.R. 3984: Mr. Whitten.

H.R. 4653: Mr. Hendon.

H.R. 4664: Mr. Sabo.

H.R. 5324: Mr. Shamansky.

H.R. 5369: Mr. Panetta, Mr. Roe, Mr. Won Pat, Mr. Vento, Mr. Lehman, Mr. Markey, Mr. Frost, Mr. Conyers, Mr. Long of Louisiana, Mr. Crockett, Mr. Anderson, Mr. Fary, Mr. Guarini, Mr. Lowery of California, Mrs. Bouquard, Mr. Neal, Mr. Zeferetti, Mr. Bingham, Mr. Rangel, Mr. Gunderson, Mr. Hughes, Ms. Oakar, Mr. Smith of New Jersey, Mr. Roybal, Ms. Ferraro, Mr. Williams of Montana, Mr. Tauke, Mr. Ritter, and Mr. de Lugo.

H.R. 5480: Mr. Fish, Mr. Barnes, Mr. Foglietta, and Mr. Whitehurst.

H.R. 5713: Mr. Derwinski.

H.R. 5752: Mr. Hutto and Mr. Gramm.

H.R. 5820: Mr. Barnes and Mr. Dixon.

H.R. 5853: Mr. Edgar and Mrs. Kennelly.

H.R. 6077: Mr. Miller of California, Mr. John L. Burton, and Mr. Weaver.

H.R. 6092: Mr. Markey, Mr. Weiss, Mr. Kildee, Mr. Rangel, Mr. Vento, Mr. Ratchford, Mrs. Chisholm, Mr. Fauntroy, Mr. Ottinger, Mr. Mollohan, and Mr. Edgar.

H.R. 6095: Mr. Roe and Mr. Howard.

H.R. 6099: Mr. Simon, Mr. Seiberling, and Mr. Gephardt.

H.R. 6173: Mr. Findley.

H.R. 6219: Mr. Fish, Mr. Hyde, Mr. Corrada, Mr. Parris, Mr. Forsythe, and Mr. Edgar.

H.R. 6311: Mr. Bafalis, Mr. Vander Jagt, Mr. Frenzel, Mr. Duncan, Mr. Holland.

H.R. 6325: Mr. Edwards of Oklahoma, Mr. Benedict, Mr. Lujan, Mr. Wortley, Mr. Weber of Minnesota, Mr. Winn, Mr. Young of Florida, Mr. Smith of Alabama, Mr. Mitchell of New York, Mr. Fish, Mr. Horton, Mr. Sunia, Mr. Broyhill, Mr. Rogers, Mr. Wampler, Mr. Coughlin, Mr. Rousselot, Mr. Gilman, Mr. Whittaker, and Mr. O'Brien.

H.R. 6427: Mr. Solomon, Mr. Pepper, Mr. Washington, Mr. Hertel, Mr. Green, and Mr. Fazio.

H.R. 6455: Mr. Dannemeyer, Mr. Lungren, Mr. Smith of New Jersey, Mr. Tauke, Mr. Weber of Minnesota, and Mr. Luken.

H.J. Res. 359: Mr. Bliley, Mr. Brooks, Mr. Chappie, Mr. Coughlin, Mr. Daniel B. Crane, Mr. Dan Daniel, Mr. de Lugo, Mr. Ertel, Mr. Evans of Delaware, Mr. Fary, Mr. Fields, Mr. Fithian, Mr. Foley, Mr. Gaydos, Mr. Ginn, Mr. Gregg, Mr. Hansen of Utah, Mr. Heftel, Mr. Hiler, Mr. Hyde, Mrs. Kennelly, Mr. Leach of Iowa, Mr. McHugh, Mr. Madigan, Mr. Mattox, Mr. Rahall, Mr. Smith of Alabama, Mrs. Smith of Nebraska, Mr. Shamansky, Mr. Shannon, Mr. Stenholm, Mr. Waxman, Mr. Wirth, and Mr. Zablocki.

H.J. Res. 416: Mr. Ratchford.

H.J. Res. 431: Mr. Edgar, Mr. Guarini, Mr. Hertel, Mr. Ritter, Mr. Smith of Pennsylvania, Mr. Vento, and Mr. Wilson.

H.J. Res. 484: Mr. Moorhead, Mr. LeBoutillier, Mr. Horton, Mr. Forsythe, Mr. Fazio, Mr. Rahall, Mr. Ford of Tennessee, Mr. Frenzel, Mr. Roe, Mrs. Holt, Mr. Matsui, Mr. de Lugo, Mr. Pashayan, and Mr. Fish.

H. Con. Res. 252: Mr. Downey, Ms. Oakar, Mr. de Lugo, Mr. Ford of Tennessee, and Mr. Weaver.

H. Con. Res. 333: Mr. Jones of North Carolina, Mr. Dorgan of North Dakota, Mr. Rangel, Mr. Markey, Mr. Synar, Mr. Frost, Mr. Dyson, Mr. Gunderson, Mr. Matsui, Mr. Horton, Mr. Minish, Mr. Dreier, Mr. Marriott, and Mr. Edgar.

H. Con. Res. 335: Mr. Bliley, Mr. Coelho, and Mr. Dougherty.

H. Con. Res. 343: Mr. Hyde, Mr. Siljander, Mr. Kindness, Mr. Hunter, Mr. Bereuter, Mr. Mottl, Mr. Volkmer, Mr. Bliley, Mr. Coats, and Mr. Roe.

H. Res. 409: Mr. Lewis, Mr. Conte, Mr. de Lugo, Mr. Skelton, and Mr. James K. Coyne.

H. Res. 421: Mr. Akaka, Mr. Anthony, Mr. Bowen, Mr. Brooks, Mr. Eckart, Mr. Frost, Mr. Hall of Ohio, Mr. Heftel, Mr. Ratchford, Mr. Roe, and Mr. Weaver.

H. Res. 447: Mr. Albosta, Mrs. Holt, Ms. Ferraro, Mr. Minish, Mr. Beard, Ms. Mikulski, Mr. de Lugo, Mr. Sam B. Hall, Jr., Mr. Edgar, and Mr. Mineta.

H. Res. 456: Mr. Moffett and Mr. Shamansky.

H. Res. 463: Mr. Shumer, Mr. Rangel, Mr. Ford of Michigan, Mr. Fary, Mr. Eckart, Mr. Roe, Mr. Edgar, Mr. Dixon, Mr. Roybal, Mr. Rahall, Mr. Simon, Mr. Ottinger, Mr. Mavroules, Mr. Hatcher, Mr. Traxler, and Mr. Gray.

H. Res. 473: Mr. Gray, Mr. Edgar, Mr. Coleman, Mr. Hatcher, and Mr. McHugh.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

447. By the **SPEAKER**: Petition of the town of Sudbury, Mass., relative to nuclear weapons; to the Committee on Foreign Affairs.

448. Also, petition of the Town Council of Watertown, Mass., relative to nuclear weapons; to the Committee on Foreign Affairs.

449. Also, petition of Mr. Herbert J. Edelman, Brooklyn, N.Y., relative to tax relief; to the Committee on Ways and Means.

450. Also, petition of the town of Provincetown, Mass., relative to nuclear weapons; jointly, to the Committees on Armed Services and Foreign Affairs.

451. Also, petition of the School Committee of Northampton, Mass., relative to nuclear weapons; jointly, to the Committees on Armed Services and Foreign Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H. Con. Res. 345

By Mr. JONES of Oklahoma:

(An amendment to the Latta amendment in the nature of a substitute.)

—To the matter in Title II concerning Functions 500, 550, 600, 920, and the revenue level:

Function 500: Education, Training, Employment and Social Services

Increase budget authority by $59,000,000 in fiscal year 1983, by $274,000,000 in fiscal year 1984, and by $404,000,000 in fiscal year 1985;

Increase outlays by $31,000,000 in fiscal year 1983, by $226,000,000 in fiscal year 1984, and by $373,000,000 in fiscal year 1985.

Function 550: Health

Increase budget authority by $628,000,000 in fiscal year 1983, by $976,000,000 in fiscal year 1984, and by $186,000,000 in fiscal year 1985;

Increase outlays by $3,115,000,000 in fiscal year 1983, by $4,825,000,000 in fiscal year 1984, and $6,526,000,000 in fiscal year 1985.

Function 600: Income Security

Increase budget authority by $750,000,000 in fiscal year 1983, by $1,563,000,000 in fiscal year 1984, and by $2,141,000,000 in fiscal year 1985;

Increase outlays by $854,000,000 in fiscal year 1983, by $1,699,000,000 in fiscal year 1984, and by $2,301,000,000 in fiscal year 1985.

Function 920: Allowances

Increase budget authority by $25,481,000,000 in fiscal year 1983, by $25,874,000,000 in fiscal year 1984, and by $26,074,000,000 in fiscal year 1985;

Increase outlays by $3,500,000,000 in fiscal year 1983, by $5,550,000,000 in fiscal year 1984, and $7,200,000,000 in fiscal year 1985.

Increase the revenue level by $7,500,000,000 in fiscal year 1983, by $12,300,000,000 in fiscal year 1984, and by $16,400,000,000 in fiscal year 1985;

Increase the aggregate budget authority level by $26,918,000,000 in fiscal year 1983, by $28,687,000,000 in fiscal year 1984, and by $28,805,000,000 in fiscal year 1985;

Increase the aggregate outlay level by $7,500,000 in fiscal year 1983, by $12,300,000,000 in fiscal year 1984, and $16,400,000,000 in fiscal year 1985.

Reductions to reconciliation instructions in Title III:

House Committee on Agriculture:

Decrease budget authority reduction by $513,000,000 and outlay reduction by $503,000,000 in fiscal year 1983; decrease budget authority reduction by $1,301,000,000 and outlay reduction by $1,291,000,000 in fiscal year 1984; decrease budget authority reduction by $1,844,000,000 and outlay reduction by $1,844,000,000 in fiscal year 1985.

House Committee on Education and Labor:

Decrease budget authority reduction by $145,000,000 and outlay reduction by $117,000,000 in fiscal year 1983; decrease budget authority reduction by $405,000,000 and outlay reduction by $357,000,000 in fiscal year 1984; decrease budget authority reduction by $554,000,000 and outlay reduction by $523,000,000 in fiscal year 1985.

House Committee on Energy and Commerce:

Decrease budget authority reduction by $307,000,000 and outlay reduction by $423,000,000 in fiscal year 1983; decrease budget authority reduction by $458,000,000 and outlay reduction by $458,000,000 in fiscal year 1984; decrease budget authority reduction by $498,000,000 and outlay reduction by $498,000,000 in fiscal year 1985.

House Committee on Ways and Means:

Decrease budget authority reduction by $576,000,000 and outlay reduction by $2,901,000,000 in fiscal year 1983; decrease budget authority reduction by $564,000,000 and outlay reduction by $4,570,000,000 in fiscal year 1984; decrease budget authority reduction by $455,000,000 and outlay reduction by $7,113,000,000 in fiscal year 1985.

Increase amount of revenues by $7,590,000,000 in fiscal year 1983; $12,300,000,000 in fiscal year 1984; and $16,400,000,000 in fiscal year 1985.

Committee on Agriculture, Nutrition and Forestry:

Decrease budget authority reduction by $513,000,000 and outlay reduction by $503,000,000 in fiscal year 1983; decrease budget authority reduction by $1,301,000,000 and outlay reduction by $1,291,000,000 in fiscal year 1984; decrease budget authority reduction by $1,844,000,000 and outlay reduction by $1,844,000,000 in fiscal year 1985.

Senate Committee on Finance:

Decrease budget authority reduction by $883,000,000 and outlay reduction by $3,324,000,000 in fiscal year 1983; decrease budget authority reduction by $1,022,000,000 and outlay reduction by $5,028,000,000 in fiscal year 1984; decrease budget authority reduction by $1,953,000,000 and outlay reduction by $7,611,000,000 in fiscal year 1985.

Increase amount of revenues by $7,500,000,000 in fiscal year 1983; $12,300,000,000 in fiscal year 1984; and $15,400,000,000 in fiscal year 1985.

Senate Committee on Labor and Human Resources:

Decrease budget authority reduction by $145,000,000 and outlay reduction by $117,000,000 in fiscal year 1983; decrease budget authority reduction by $405,000,000 and outlay reduction by $357,000,000 in fiscal year 1984; decrease budget authority reduction by $554,000,000 and outlay reduction by $523,000,000 in fiscal year 1985.

By Mrs. SCHROEDER:

(Amendment to Latta substitute.)

—Section 102(a)(2) is amended to read:

"(2) the level of total new budget authority is $779,200,000,000;".

Section 102(a)(3) is amended to read:

"(3) the level of total budget outlays is $731,400,000,000;".

Section 102(a)(4) is amended to read:

"(4) the amount of the deficit in the budget is $103,000,000,000;".

Section 102(b)(1) is amended to read:

"(1) National Defense (050):

"(A) New budget authority, $215,950,000,000;

"(B) Outlays, $190,100,000,000.".

Section 201(2) is amended to read:

"(2) the level of total new budget authority is $781,210,000,000;".

Section 201(3) is amended to read:

"(3) the level of total budget outlays is $758,342,000,000;".

Section 201(4) is amended to read:

"(4) the amount of the deficit in the budget is $92,442,000,000, and".

Section 202(1) is amended to read:

"(1) National Defense (050):

"(A) New budget authority, $229,860,000,000;

"(B) Outlays, $204,092,000,000.".

Section 204(2) is amended to read:

"(2) the level of total new budget authority is as follows:

"Fiscal year 1984: $833,821,000,000.

"Fiscal year 1985: $890,623,000,000."

Section 204(3) is amended to read:

"(3) the level of total budget outlays is as follows:

"Fiscal year 1984: $792,572,000,000.

"Fiscal year 1985: $826,656,000,000."

Section 204(4) is amended to read:

"(4) the amount of the deficit in the budget is:

"Fiscal year 1984: $54,572,000,000.

"Fiscal year 1985: $5,256,000,000.".

Section 205(1) is amended to read:

"(1) National Defense (050):

"Fiscal year 1984:

"(A) New budget authority, $245,031,000,000;

"(B) Outlays, $217,562,000,000.

"Fiscal year 1985:

"(A) New budget authority, $259,733,000,000;

"(B) Outlays, $230,616,000,000.".

By Mr WOLF: (47):

(To any category B amendment.)

In the matter relating to the level of total new budget authority for fiscal year 1983, increase the amount by $213,000,000.

In the matter relating to the level of total budget outlays for fiscal year 1983, increase the amount by $490,000,000.

In the matter relating to the amount of the deficit in the budget for fiscal year 1983, increase the amount by $490,000,000.

In the matter relating to new budget authority for functional category 050 for fiscal year 1983, increase the amount by $213,000,000.

In the matter relating to budget outlays for functional category 050 for fiscal year 1983, increase the amount by $217,000,000.

In the matter relating to budget outlays for functional category 600 for fiscal year 1983, increase the amount by $273,000,000.

In the matter relating to the level of total new budget authority for fiscal year 1984, increase the amount by $936,000,000.

In the matter relating to the level of total new budget authority for fiscal year 1985, increase the amount by $1,770,000,000.

In the matter relating to the level of total budget outlays for fiscal year 1984, increase the amount by $1,625,000,000.

In the matter relating to the level of total budget outlays for fiscal year 1985, increase the amount by $2,885,000,000.

In the matter relating to the amount of the deficit in the budget for fiscal year 1984, increase the amount by $1,625,000,000.

In the matter relating to the amount of the deficit in the budget for fiscal year 1985, increase the amount by $2,885,000,000.

In the matter relating to new budget authority for functional category 050 for fiscal year 1984, increase the amount by $694,000,000.

In the matter relating to budget outlays for functional category 050 for fiscal year 1984, increase the amount by $700,000,000.

In the matter relating to new budget authority for functional category 050 for fiscal year 1985, increase the amount by $1,232,000,000.

In the matter relating to budget outlays for functional category 050 for fiscal year 1985, increase the amount by $1,237,000,000.

In the matter relating to new budget authority for functional category 600 for fiscal year 1984, increase the amount by $242,000,000.

In the matter relating to budget outlays for functional category 600 for fiscal year 1984, increase the amount by $925,000,000.

In the matter relating to new budget authority for functional category 600 for fiscal year 1985, increase the amount by $538,000,000.

In the matter relating to budget outlays for functional category 600 for fiscal year 1985, increase the amount by $1,648,000,000.

In the matter relating to reconciliation instructions in the House of Representatives, strike out any matter relating to the Committees on Armed Services and on Foreign Affairs.

In the matter relating to reconciliation instructions in the Senate, strike out any matter relating to the Committees on Armed Services and on Foreign Relations.

In the matter relating to reconciliation instructions to the Committee on Post Office and Civil Service of the House of Representatives and the Committee on Governmental Affairs of the Senate, reduce (but not below zero) each of the amounts set forth therein by the following amounts, respectively: $273,000,000, $242,000,000, $925,000,000, $538,000,000, and $1,648,000,000.

EXTENSIONS OF REMARKS

THE MELTDOWN MYTH

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. BROYHILL. Mr. Speaker, it is truly disheartening to see so much publicity implying that the specter of nuclear power run amok looms over the United States. The consequence of this journalistic bias, unfortunately, is to deprive the United States of cheap and safe energy during a period of dwindling financial and energy resources.

Opponents of nuclear power offer coal-fired utilities as the solution to all our problems. Coal, they suggest, is the safer, cheaper alternative to nuclear power. The statistics do not support this argument.

Bernard Cohen, professor of physics at the University of Pittsburgh and past-chairman of the American Nuclear Society's Division of Environmental Sciences, has written an excellent article which puts the whole issue into perspective. In that article, Professor Cohen points out that the fear of nuclear power, fueled by the media, has blinded the public to the dangers of coal-fired utilities. The case he makes in favor of nuclear power is quite compelling, and I commend the article to my colleagues' attention:

[From the Charlotte Observer, May 9, 1982]

THE MELTDOWN MYTH—PROBABILITIES MAKE NUCLEAR POWER A SCAPEGOAT, BUT THE CULPRIT IS COAL

(By Bernard Cohen, National Review magazine)

The term "meltdown" has become a household word synonymous with the ultimate disaster. The term, referring to a complete melting of the fuel in a nuclear power reactor, was impressed on the public consciousness by the movie "The China Syndrome," and its implications were underlined by the accident at Three Mile Island. Fear of a meltdown has led several commentators to say we should depend on coal, rather than nuclear power, for electricity.

How rational is this? According to estimates by government scientists, for nuclear power to be as dangerous as coal we would have to experience a reactor meltdown somewhere in the United States every two weeks. If that statement is shocking, it is because the dangers in a meltdown have been grossly oversold by the media.

If one rejects the government-sponsored studies and accepts the more pessimistic estimates of the leading antinuclear organization in this country, the Union of Concern Scientists (UCS), nuclear risks equal those of coal only if we have a meltdown every six months.

Since there seems to be a credibility problem with government statements, it should be understood that what we refer to as "government estimates" is actually work by scientists whose research is supported by the federal government—well over 90 percent of the involved scientific community. Their scientific work is not subject to political pressure or review, although the official summaries of their documents and the press releases concerning them are in the political arena.

Since science is international, and its findings can be readily checked, incorrect scientific information ordinarily is rapidly exposed in the scientific community, and those responsible pay a heavy price professionally. There is of course some room for honest disagreement in interpretation of data; that is why UCS can obtain results differing from the government estimates.

The "government estimates" I refer to are from the Nuclear Regulatory Commission (NRC) document WASH-1400, better known as the Rasmussen report. Contrary to some press reports, the Rasmussen report was not "repudiated" by the NRC. Actually, the NRC accepted the report of a committee headed by H. W. Lewis which said that the uncertainties in the Rasmussen report are larger than stated; it did not say that the dangers were greater. In fact, Lewis told a congressional committee that he believed the dangers were smaller than stated in the Rasmussen report.

The Lewis committee's principal criticisms referred to the Rasmussen report's estimate of the *probability* of a meltdown, not to a meltdown's *consequences*. It is the consequences of a meltdown I will discuss here.

The UCS report doesn't contain as much detail as the Rasmussen report, but its viewpoint can be roughly represented if all consequences given below are multiplied by 10.

A nuclear reactor is enclosed in a very powerfully built structure (called the "containment") with walls of heavily reinforced concrete several feet thick. This gives protection against a wide variety of external threats. The containment would not be breached by an automobile or tree hurled at it by a tornado, by the explosion of a large quantity of TNT placed against its walls, by an airplane flying into it or by an aerial bomb.

In a meltdown, the containment's function is to contain radioactive dust and gases for as long as possible.

Inside the containment there is equipment for removing airbone radioactive dust by sucking the air through filters as a vacuum cleaner and by scrubbing it with chemical sprays. Most of the dust would simply settle on walls, so if the containment maintained its integrity for a few days, the consequences of a meltdown would be minimal. This is what is expected to happen in the majority of meltdowns.

That is definitely what would have been expected in the Three Mile Island accident if a meltdown had not been prevented. None of the systems designed to preserve the containment integrity in such an accident were out of operation or would have been jeopardized by a meltdown, so there is no reason to have expected containment failure at Three Mile Island. According to the Kemeny Commission, appointed by President Carter to study the accident, "even if a meltdown occurred, there is a high probability that the containment building . . . would have been able to prevent the escape of a large amount of radioactivity."

Great harm will result only if the containment is breached shortly after the fuel melts. This is highly improbable, and expected in only 1% of all meltdowns. But this low probability factor is somehow ignored in nearly all public discussion.

In most meltdowns the containment is expected to maintain its integrity for a long time, and the expected number of fatalities is zero. That is, most meltdowns would not kill a single person, immediately or eventually.

However, as the molten fuel reacts with the concrete floor of the containment, gases would evolve which would slowly build up the pressure to the point where some gasses might have to be released to avoid cracking the containment, and there are several other possible combinations of failures that would lead to release of radioactivity. In such cases, it is probable that some cancers would be induced.

How many? In one out of five meltdowns there would be perhaps 1,000 eventual cancer fatalities. In one out of 100 meltdowns there would be 10,000—the number of fatalities we now get each year from burning coal. And in one out of 100,000 meltdowns there would be 45,000—the number of fatalities each year on our highways.

In addition to cancers, in one out of 100 meltdowns there would be a few early fatalities—people dying within a month or two from direct effects of radiation. In one of 500 meltdowns the number of such fatalities would exceed 100; in one out of 5,000 it would exceed 1,000; and in one out of 100,000 it would reach 3,500.

COAL KILLS 200 A WEEK

When all of these various kinds of consequences, the cancers and the early fatalities, are added, it works out to an average of 400 fatalities per meltdown—the number of fatalities we get every two weeks from the air pollution caused by burning coal, according to a 1975 National Academy of Sciences study.

Some people say it's not the average that makes a nuclear meltdown so threatening, but the catastrophic nature of a single event. They point out that the deaths from air pollution go unnoticed and are therefore less frightening.

However, the same would be true of the cancers from a nuclear meltdown. Even the 45,000 cancers caused by the worst accident—expected once in 100,000 meltdowns—would be distributed among 10 million people and over a 50-year time span, with the risk to each individual increased by less than half of 1 percent. The average American's risk of death from cancer is now 17 percent, so an increase to 17.5 percent (for those affected) would not be noticeable. In fact, the risk varies in different states, from 19 percent in New England to 14 percent in Kentucky and Tennessee, and nobody seems to notice that.

The average loss of life expectancy for those exposed would be about one month, which is equal to the risk incurred by an

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● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

overweight person who gains one additional pound, or a man who smokes one pack of cigarettes every three months.

GAS, OIL HAZARDS

Don't forget that this is the worst accident, but it is the only one the news media and "The China Syndrome" elect to discuss.

Let's compare these figures for the worst nuclear accident with the worst accidents that could result from using other energy sources now considered acceptable:

There are hydroelectric dams in this country whose failure could kill over 200,000 people.

There are potential gas explosions that could kill many hundreds of thousands, perhaps even wipe out a whole city.

There are oil fires possible that could create enough air pollution to kill many hundreds of thousands, and perhaps even wipe out a whole city.

There have already been air pollution episodes from coalburning that have killed 3,500 people in a week.

What about genetic damage, the much-publicized effect on future generations? The total number of genetic defects eventually expected from a reactor meltdown is about two-thirds of the number of cancers—the most probable number in a meltdown is zero, but the average is close to 300. These would occur over a period of 150 years and would be difficult to pinpoint, since about 200,000 U.S. babies are born annually with these types of genetic defects.

Coal burning, meanwhile, produces a large variety of chemicals that induce genetic defects. There is not enough information available to make quantitative estimates, but there is no reason to believe that these effects are less than those from the amount of nuclear radiation we are considering.

And then there is land contamination. We hear repeatedly that a meltdown could contaminate an area the size of Pennsylvania, 45,000 square miles. Of course this depends on one's definition of "contaminate," it could be said that the whole Earth is contaminated, since naturally radioactive elements like uranium, thorium, potassium and radon are found everywhere—in all rock and soil, in our bodies and in the air we breathe.

NUCLEAR CONTAMINATION

But if one uses the definition adopted by the International Commission on Radiological Protection, or by official national organizations that have ruled on the issue, the worst reactor accident would contaminate an area of 3,300 square miles—a circle with a 30-mile radius—90 percent of which could be readily decontaminated by such measures as washing hard surfaces with hoses and deep plowing of open fields.

Of course any area can be decontaminated at a cost, but it would probably be more practical to evacuate some areas for a period of time. In the worst accident, the evacuated area would probably be about 300 square miles, equivalent to a circle with a 10-mile radius.

In most meltdowns the cost of such an evacuation—including decontamination costs and lost pay—would be less than $50 million, and in nine out of 10 it would be less than $300 million. In one of 100 meltdowns the cost would be over $2 billion, and once in 10,000 meltdowns it would reach $15 billion. Averaging over all situations gives a cost of less than $100 million per meltdown.

By comparison, the property damage from coal burning is estimated to be about $13 billion per year, so for the monetary cost to the public to be as large from nuclear power as it now is from coal-burning we would have to have a meltdown every three days.

Why, then, have the media given such a different impression of the costs and risks of a nuclear power accident?

For the first time in the history of our civilization, an industry has exerted an intense effort to determine its environmental effects in advance. Thousands of man-years of effort have been expended in dreaming up all the things that could go wrong in nuclear plants and in estimating the possible consequences. (In addition, $2 billion has been spent for research on health effects of radiation, many times more than has been spent studying air pollution, food additives, and other environmental hazards that are generally recognized in the scientific community as being far more dangerous.)

With all of this effort, some very damaging scenarios can be developed, although they would have very small probabilities.

NUCLEAR POWER NEEDED

A reporter's job is to get a story that will attract the attention of the public. If public interest in a nuclear reactor meltdown had not been aroused by "The China Syndrome" and Three Mile Island, the facts recited in this article would have been dull—most people don't understand probabilities. A reporter trying to make an interesting story out of it naturally picks the worst possible accident—45,000 cancers, $15 billion cost—to discuss. His story says a nuclear accident could have these consequences, but reporters and readers seldom make a sharp distinction between could and would.

Since media people get most of their information from other media productions, powerful media figures from Dan Rather to Johnny Carson have been convinced that a reactor meltdown is the ultimate disaster. With them preaching this gospel, the public is soon convinced.

The consequences are tragic. Surely no one believes we will have a meltdown every two weeks, or even every six months. There have already been over a thousand reactor-years of experience operating nuclear plants around the world, and twice that in experience with naval reactors; and we have not yet had a single meldown.

Nonetheless, as a result of the fear spread by the media, the United States is abandoning nuclear power. We are thus being deprived of our cheapest, safest form of energy at a time when we desperately need it. Every time utilities build a coal-fired rather than a nuclear power plant, many hundreds of Americans will be condemned to premature death, and nearly a billion dollars in extra property damage will be incurred. That's the price we pay for the media's exciting story.

(Bernard Cohen, professor of physics at the University of Pittsburgh, was 1980-81 chairman of the American Nuclear Society's Division of Environmental Sciences.)●

THE ACID RAIN DEBATE

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. MURTHA. Mr. Speaker, shortly, the House of Representatives will be considering changes in the Clean Air Act. If ever there was a need for some rational, reasonable thinking, it is in this debate.

One area where that is particularly true is the debate over acid rain. A Cabinet member recently was quoted as saying that in some areas "acid rain is good for crops because the fields are alkaline, and a little acid rain helps to neutralize the soil."

Well, that may be true someplace, but to argue the overall effects of acid rain are good leaves a big gap in what we know about this environmental issue.

Let me say at this point that there probably has not been anyone in Congress who has pushed harder for expansion of coal that I have. I still fully hold that view. Economically and for our energy future, I believe it is essential that we burn more coal, and that we move toward a coal use policy—including synthetic fuels development—as quickly as possible.

But I believe it is those of us most intent on coal use who must also be most intent on solving the acid rain situation. To ignore it is to misunderstand the need for balancing energy, economic, and environmental progress.

We must be careful how we proceed. In the last debate we went to tall stacks to solve one environmental problem, and now believe that the contributes to acid rain. So, at great expense we have compounded the problems of air pollution.

In this debate, we want to look at what we can do about acid rain. I have supported speeding the process on studies now underway by the Federal Government so we find the best solutions to the problem. We also want to consider steps involving the washing and preparation of coal which helps to remove sulfur.

We are not going to solve the acid rain debate during consideration of this bill, because there is still too much we need to know about its origins and control. But we cannot afford to ignore it, or fail to make progress on it.

I have long held that if we are sincere and concerned, we can make progress simultaneously on the economy, energy, and the environment. They need not be at odds with one another. The acid rain debate will be a good test of our ability to meet this challenge.●

THE DENVER BUSINESS CHALLENGE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mrs. SCHROEDER. Mr. Speaker, Neil Pierce, in an article appearing in Nation's Cities Weekly, wrote of the ability of the business establishment in Denver, Colo., to carefully plan for and manage the growth now occurring in the city. One example cited, the Denver Business Challenge, illustrated this point well. This newly formed program seeks to stimulate, service, promote, and publicly recognize philanthropic and other public-purpose activities of Denver businesses. The program was started by Denver Civic Ventures, Inc., an organization referred to in Pierce's article as one dedicated to urban improvement.

My hat is off to Denver Ventures, Inc., for starting the Denver Business Challenge with an eye toward civic duty and social responsibility. Without this organization's energy, cities like Denver would become urban wastelands.●

REAGAN: STUBBORN OR STEADFAST?

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. MICHEL. Mr. Speaker, U.S. News & World Report's editor, Marvin Stone, has recently written an excellent article discussing the economic and political facts that President Reagan has been confronted with. I commend this article to your attention.

At this point I wish to insert into the RECORD, "Reagan: Stubborn or Steadfast?" by Marvin Stone from U.S. News & World Report, May 24, 1982.

[From the U.S. News & World Report, May 24, 1982]

REAGAN: STUBBORN OR STEADFAST?

(By Marvin Stone)

The President is under heavy fire these days, not only from Democrats but also from some members of his own party who feel he is being bullheaded about his budget.

Mr. Reagan is holding out for less government. He remains convinced that this longing is shared by the vast majority of Americans who elected him by a landslide 19 months ago.

The President, it seems, has a longer memory than most politicians. This was evident the other day in a speech in Washington when he reminded fellow Republicans why, while foes call him stubborn, he remains determined to rein in the growth of federal spending and the mammoth bureaucracy it has spawned. From his speech:

"Let's go to the American people. Let's remind them of the economic mess we faced when we took office (in January, 1981):

"Inflation in double digits * * * for two years in a row, back to back;

"First time in peacetime, interest rates that had hit, yes, 21.5 percent;

"Productivity and the rate of growth in the gross national product down for the third year in a row * * *.

"Let's remind them that in 1976 the inflation rate stood at 4.8 (percent). By 1980, it was 2½ times as high—12.4.

"Let's remind them that in December of 1976 the prime rate * * * averaged 6.4 percent. By December, 1980 * * * it reached 21.5 percent, a 200 percent increase.

"Let's remind them that when we took office, unemployment had been climbing and business failures increasing.

"When the recession hit us, it was our legacy from the years of boom and bust, of erratic spending and monetary policy * * *.

"Let's point out that for all of this, there's been one overriding cause—we've said it before and let's say it again—government is too big and it spends too much money.

"In the last 10 years, federal spending tripled.

"In the last five years, federal taxes doubled, largely because of the growth of social programs. In 1950, social programs cost the taxpayers 12 billion dollars; in 1980, nearly 300 billion dollars—an increase of an incredible 2,300 percent. In that same period, prices rose by 278 percent. So real social spending was actually 5½ times higher than in 1950.

"By 1980, 1 out of every 3 American families was receiving federal assistance of one sort or another—1 out of every 3 families. The budget for the Department of Health and Human Services—250 billion dollars, roughly—the third-largest budget in the world, exceeded only by the total budgets of the Soviet Union and the United States.

"Take just one social program as an illustration: Sixteen years ago, we were spending 65 million dollars on food stamps—65 million dollars; in 1981, we spent 11.3 billion dollars. That's an increase of over 16,000 percent * * *.

"Now, include in this picture the interest payments on our tremendous federal debt that * * * reached more than a trillion dollars last year. The yearly interest payments are 100 billion dollars, and that's as much as the entire federal budget was just 20 years ago * * *.

"In fact, if you take the cost of automatic spending increases and entitlement programs, add them to the interest payments and the federal debt and the other uncontrollables, and it means that 70 percent of the entire federal budget is made up of items over which the Congress and the administration are supposed to have no control. I wonder how some of you in the private sector would feel if you were told to rescue a sinking business, but only on the condition that you could work with 30 percent of that business's budget and the other 70 percent was off limits.

"So I think you can begin to understand the difficulty of halting the kind of momentum built up by the federal spending juggernaut over the past few decades."

Facts and figures such as those make it easier to understand why Mr. Reagan is standing firm.●

MAJ. GEN. JOHN B. CONAWAY

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. MAZZOLI. Mr. Speaker, I would like to call to the attention of my colleagues in the House the achievements of Maj. Gen. John B. Conaway, a Kentuckian, who serves as the Director of the Air National Guard of the United States.

John has over 26 years of military service, including 11 years on active duty in Air Defense Command, Tactical Air Command, Pacific Air Forces, and the National Guard Bureau. John has also served as both an operations officer and commander of the Kentucky Air National Guard.

In General Conaway's distinguished career, he has been the recipient of numerous awards and decorations, among them the Legion of Merit, numerous Armed Forces medals, and the Kentucky Distinguished Service Medal.

I commend Maj. Gen. Conaway for his contribution and service to his country.●

PLAYING GAMES WITH THE BUDGET

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. NEAL. Mr. Speaker, as we proceed with discussion of the fiscal year 1983 budget, we are somewhat mystified by the games the White House is playing.

During the weekend, I heard via radio that the President was urging listeners to his radio "chat" to get behind an unspecified "bipartisan" budget plan because it would reduce the huge deficit. He apparently neglected to say that the "huge deficit" to which he referred was that proposed in his own budget, recommendations. So far as I know, there is not a single budget proposal anywhere in Congress that would not lower the deficit of the President's budget, which he insisted was exactly the medicine the economy needed.

The President of late has been very difficult to pin down on budgetary matters. His surrogates, when they address these issues at all, speak without specificity. On May 7, for instance, Deputy Press Secretary Larry Speakes engaged in the following colloquy, according to the Wall Street Journal:

NOTABLE & QUOTABLE

From a White House press briefing May 7 with press secretary Larry Speakes. The questions were initiated by John Lofton, editor of Conservative Digest:

Q: Larry, do you think the administration's economic policy is coherent?

Mr. Speakes: Yes.

Q: Let me ask you for openers about The Wall Street Journal's lead editorial this morning that the President has bought a "pig in a poke" with this Domenici compromise. Which are the taxes that are to be raised to produce the $95 billion over the next three years?

Speakes: We haven't decided.

Q: But the $40 billion in so-called Social Security savings, will this come from more taxes or spending cuts?

Speakes: The commission will decide that.

Q: The President said yesterday, I believe, that none of the new taxes that are being considered of the $95 billion will be the kinds of things that will impinge on the incentive features of his business and individual tax cuts.

Speakes: That's true.

Q: What are the kinds of taxes that might not impinge on business or individual incentives?

Speakes: Loophole closings and base-broadening.

Q: Where? Taxes on what?

Speakes: We'll find some places for people who haven't been paying taxes that ought to be paying taxes and we'll put the pinch on them.

Q: Finally, the President says that the compromise—the Domenici compromise—will bring down the growth in federal spending. Do you have those figures as to what the growth rates will be?

Speakes: Yes. What we have is a $416 deficit reduction package.

Q: No. $416 billion.

Speakes: $416 billion deficit reduction over three years.

Q: In other words, the Domenici compromise would bring the rate down from what to what? What would it—what are the figures?

Speakes: I just had those figures—but we can surely figure what, if we do nothing, what it will do. We figure if you do nothing, it would be $416 billion versus about—what is it—$42 billion that we figure to reduce it to? That——

Mr. Speaker, these are critical times in the lives of all Americans, especially the millions who are suffering economic hardship because of the recession and high interest rates caused by the budget deficit. It would be most useful if we had a clearer explanation of the President's ideas than those put forth by Mr. Speakes on this occasion.●

RESPECTED EDUCATOR COMPLETES 48 YEARS OF SERVICE

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. McDADE. Mr. Speaker, Adam L. Hoynoski is completing 48 years of service in the public school systems of Pennsylvania, 15 years as superintendent of the school district in Old Forge, the community where he was born and reared. His has been a long and fine professional career, one that men and women at every level of society can well admire.

Mr. Hoynoski himself attended elementary school and high school in Old Forge, the community to which his life's work has been dedicated. He was the oldest of seven children of the late Stanley and Nora Hoynoski, and is married to the former Josephine Regula, also a native of Old Forge.

He began teaching at the elementary level in 1934 and after 4 years was appointed principal of Sussex School. In 1960, Mr. Hoynoski was appointed principal of a new central elementary school and was responsible for reorganizing and consolidating six separate schools into a single unit.

It was in 1967 that he became superintendent of the Old Forge School District, and he has served in that position until the present time, always with distinction.

Mr. Hoynoski will soon be honored at a testimonial by his professional colleagues and fellow workers. His example should be held up for everyone, I believe, for it is remarkable—individuals like Adam Hoynoski who have shepherded and preserved our Nation's great public school systems down through the years.

Adam Hoynoski's life has been commited to educating the youth of his own community. There can be no finer purpose for any of us, and no finer accomplishment.●

RIGHT-TO-WORK ON FEDERAL BASES IN RIGHT-TO-WORK STATES MUST BE PRESERVED

HON. ROBIN L. BEARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. BEARD. Mr. Speaker, Tennessee, my home State, is proud of its right-to-work law. It is a law favored by the overwhelming majority of Tennesseans who work for a living and it must and will be preserved.

But the distinct possibility exists that the Tennessee right-to-work law may be held to be inapplicable on Federal installations such as military bases for those civilian workers who work under private contract there. A Federal court has ruled that State right-to-work laws may not apply on Federal bases, even though the Federal Government itself forbids union shop contracts for Federal workers. The case is now before the Supreme Court and we must all hope that the Supreme Court goes with commonsense and upholds the right of private workers in right-to-work States to decide for themselves whether they wish to join a union, even if they work under contract on a Federal enclave.

I have written the President, however, asking that the Justice Department express in no uncertain terms the position of this administration in support of right-to-work on Federal installations in right-to-work States.

I am including an article that appeared in Federal Times that cogently describes the situation we face:

DECIDING THE RIGHT TO NOT JOIN

(By Kurt Koenig)

Her Majesty's Navy had a slight labor problem when it steamed up for war and set sail for the Falkland Islands several weeks ago. A committee of English trade union bosses refused to allow civilian jet engine mechanics to work over a weekend to recondition Pegasus jet engines for the Royal Navy's Harrier jump jets.

Poor, tired old Albion, that once sceptered isle. While the rest of the country's spurs were hot for one more rush into the breach (For God, England and Harry!) a committee of mutton-stuffed feather bedders took a walk (I'm all right, Jack). Talk about casting swine before earls.

It couldn't happen here, right?

Wrong. It will happen here unless someone in the White House (are you listening, Big Red?) wakes up to the fact that the same administration that brought us the defenestration of PATCO is about to take a 100-meter swan dive for big labor.

The issue is the validity of state right-to-work laws on federal installations. The battleground, for now, is the Supreme Court. But if the people around Ronald Reagan go through with the belly whopper they have been training for in the back corridors of the Pentagon, the NLRB, and the Justice Department, Uncle Sam's military could some day find itself on a shooting battleground, sucking the same parched wind as did John Bull's carrier pilots.

Sorry, this union shop closed for the duration. Take your jet engine over to Joe's Body and Radiator.

Federal law not only forbids federal workers to strike, but also bars forcing federal workers to join unions to begin with. But these safeguards against union muscle do not cover the employees of contractors on federal installations. And if there is one thing that Casper (Butter Knife) Weinberger and Variable David Stockman agree on, it is that more federal jobs ought to go to feather merchant civilian contractors.

So it is easy to foresee the day when a committee is going to decide that working to the rule is more important than keeping our planes flying. If you insist on a real example, take Patrick Air Force Base, Fla. Which brings us back to the case pending before the Supreme Court, Lord v. International Brotherhood of Electrical Workers, and Reagan's Interagency Olympic high divers.

The issue in the *Lord* case is simple to everyone but the judges and the high divers who are lobbying the White House to "give one to Big Labor."

The State of Florida, like 19 other states, has a right-to-work law, which basically means that people like Robert Lord can decide for themselves whether or not they want to join a union. Just as in the federal civil service, there are no union shops in Florida.

Or almost none. Thinking it saw a loophole in the Florida statute, IBEW muscles RCA (for whom Lord works), General Dynamics and other big aerospace and defense contractors at Patrick AFB and Kennedy Space Center into signing union shop agreements. Robert Lord had either to join the IBEW or lose his job. Like most of us, Lord didn't like being pushed around. He went to the National Right to Work Legal Foundation, and the foundation went to court.

It should have been an open and shut case. State laws control almost every aspect of life on federal installations. State game laws, state criminal laws, state tax and voting laws, and state business regulations, among others, all control on federal sites. Besides which, the federal Labor Management Relations Act itself specifically permits states to forbid union shops by enacting "right-to-work" statutes. Which is exactly what Florida did.

Anything as simple as that had the chance of a popsicle in a blast furnace of getting through a federal appeals court unmangled. To the astonishment of the most knowledgeable observers, the Fifth U.S. Circuit Court of Appeals reversed the trial judge and ruled that, in this lone aspect of sovereignty, Florida law did not control. Robert Lord had to join the union or get out.

The Fifth Circuit's decision opened the flood-gates on federal installations in the right-to-work states, many of which (such as Georgia, Virginia and South Carolina) are also heavy with military bases. The foundation appealed the case to the U.S. Supreme Court, and events got curioser and curioser.

The Supreme Court has asked the Solicitor General, a functionary in the Justice Department, to state the United States government's view on the issue. The answer has not been given at this writing, but a high dive team is working overtime to get this conservative, principled administration to take a walk on Robert Lord and the right of free choice. Key officials in the Defense Department, Labor, Justice and even the White House are lobbying hard to give this one away.

The high divers are hoping to waltz by a President whose mind is on other things, such as a strong national defense, a condition which doesn't include military decision-making by union committee. Bench those high divers, Gipper!●

SUMMER ENERGY DEBATE

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. MURTHA. Mr. Speaker, the worst part of this year's debate over American energy policy is simple: there is no debate.

With gas at the pumps, a surplus in the international market and a past winter where supplies stayed abundant, energy has all but been forgotten. That is a very dangerous trend. As former Energy Secretary James Schlesinger said, the energy crisis is over—until the next energy crisis.

In 1977, 1978, and 1979, the United States imported between 8 and 9 million barrels of oil a day, almost half of all consumption. The average in 1980 went down to 6.9 million barrels. For most of this year it has been hovering around 5 million barrels.

Obviously that is progress, and it has helped to stabilize energy prices. But we are kidding ourselves if we say that marks the end of the energy crisis. While there have been many positive developments, lurking behind the decline is the recession and its drag on the economy. Once the economy rebounds out, energy demands will again increase.

The task we face now is to make energy progress without the prod of a shortage or disruption. If we fail to make that kind of progress, then we will again be in bad shape when the next shortage comes.

Among the steps we should take are these:

Continue our conservation efforts, we must continue to press for good auto mileage and energy efficiency; we cannot let the temporary surplus send us back to our energy-wasting ways.

We must continue the effort toward synthetic fuels, particularly using coal. This is our surest way to promote further use of our own energy supplies. It takes time to bring this kind of development on line. Surely, if we fail to make progress on synthetic fuels now, we will be pressing for it again in the next crisis. Let us make the progress now, before that crisis.

During consideration of the budget I will be offering a series of amendments in the Interior Appropriations Subcommittee to restore funds to the budget needed for research in coal and other energy sources. We do not know all the answers. In a time of recession we cannot count on private industry filling this gap. We must continue the vital research and development work.

The need for work on energy has not disappeared. The problems are gone only temporarily. We must continue our progress with the crisis of a shortage.●

A REAL HERO

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. SHELBY. Mr. Speaker, I would like to share with my colleagues in the House of Representatives a story about Gillie Dockery of Tuscaloosa, Ala., who is a real modern-day hero.

Following is the story by Ken Stickney which appeared in the Tuscaloosa News on Tuesday, May 4, 1982. After reading the account of the incident, I am sure everyone will agree with me when I say this tribute is well deserved in the House.

CITY PAYS TRIBUTE TO A HERO

Tuesday is "Gillie Dockery Appreciation Day" in Tuscaloosa, and if local residents don't know who Dockery is, at least one 2-year-old West End child does.

That child is Dwight Prewitt, a 29th Avenue child who on March 2 had stopped breathing at his home after swallowing some foreign object.

Dockery, who was presented a proclamation from the Tuscaloosa City Commission today, said he was on the job for the Alabama Power Co. in the West End that day when the child's grandmother, Febia Prewitt, ran from her house clutching the child.

"I was on a regular routine job setting meters," Dockery recalled, "when she came from the house and screamed the child died."

Dockery, who first learned cardiopulmonary resuscitation from safety courses at the power company some 20 years ago, said he felt the child's pulse and found none. He immediately began to administer mouth-to-mouth resuscitation and heart massage, he said.

Although he learned the emergency care procedure years ago and the power company practices CPR at least once annually, Dockery said it was his first opportunity to administer CPR. It worked.

Dockery said he has no idea how long he applied the procedure. "At a time like that you don't have any idea how much time goes by," he said. "You just know you have to do the best you can as fast as you can."

Once the child began breathing, Dockery said he ran to his truck and called for an ambulance.

Since that time, Dockery said he's had the chance to see the child several more times—once when he brought the child a fruit basket and several more times when he's seen Dwight while at work in the West End.

"He shakes hands with me and speaks to me," Dockery said of his small friend.

Dockery said he recommends everyone learn CPR methods.

"It's just like auto insurance—it's no good until you need it," he said. "I'd say it would be a perfect insurance policy—one person in every house should know it."

Dockery, who has been working for Alabama Power for 23 years today, said he is "grateful" that his company places importance on safety training.

Bill Peppenhorst, division manager of energy services for Alabama Power, said the company places "a high value" on such training.

"We consider CPR to be very important, not only to the company but as Mr. Dockery demonstrated, to the community," he said.

"We certainly are proud of him," Peppenhorst said.

Gillie Dockery is a credit to his community of Tuscaloosa, Ala., and to the Alabama Power Co. His voluntary action on that March day should serve as a reminder to us all never to look the other way.

I am honored to have a gentleman of this caliber in my district and in my hometown of Tuscaloosa. We need today more outstanding citizens like Gillie Dockery.●

THE RATIONALE FOR RESTRAINT IN NICARAGUA

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. BARNES. Mr. Speaker, I want to share with my colleagues an article on Nicaragua by Susan Kaufman Purcell, formerly a Latin America specialist with the Carter administration and now a senior fellow at the Council on Foreign Relations. Although it was published in March at the time of the administration's release of aerial photographs of the supposed Nicaraguan military buildup, the article is still relevant today. Arguing that "most of the charges against Nicaragua involve future intentions rather than current realities," Ms. Purcell points out that "the best way to insure that Nicaragua does not change from a defensive to a blatantly aggressive power is for the United States to stop threatening it." This self-evident truth has not yet dawned on an administration which

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seems to find Nicaragua mcre useful as an adversary than as a constructive force in Central America. I hope my colleagues will give careful attention to this article, which appeared in the March 14, Los Angeles Times:

[From the Los Angeles Times, Mar. 14, 1982]

FIGURING OUT THE CENTRAL AMERICAN TIGHTROPE—THE LESSON OF NICARAGUA IS RESTRAINT

(By Susan Kaufman Purcell)[1]

NEW YORK.—Frustrated by its inability to generate public support for its Central American policies, the Reagan Administration last week released aerial photographs purporting to show Nicaraguan military installations built on the Cuban model, airfields with runways able to handle MIGs, and Soviet tanks and artillery. Administration spokesmen argue that the photographs show Nicaragua is engaged in a massive military buildup that will threaten its neighbors and upset the military balance in the region.

Perhaps the Administration's conclusions concerning this buildup are correct, but they do not necessarily follow from the evidence thus far presented. Nor are they the only possible conclusions that can be drawn.

Most of the charges against Nicaragua involve future intentions rather than current realities. The runways were lengthened for MIGs that have not yet arrived. The standing army of 25,000 to 30,000 and militia of 100,000 to 150,000 members are alleged goals. And the men and materiel supposedly are to be used to attack Nicaragua's neighbors, because the troops and weapons exceed in number "those normally required purely for defensive purposes."

The key word here is "normally." There is nothing "normal" about Nicaragua's defense needs. Its government counts among its declared enemies the most powerful country in the hemisphere. The last time the United States was faced with a Marxist revolutionary regime in its traditional sphere of influence, it tried to overthrow it by arming and supporting an invasion by a band of Cuban exiles.

In the case of Nicaragua, the U.S. government has not stopped anti-Sandinista exiles from operating training camps in Florida and California. Nor has it asked the Honduran government to disband the anti-Sandinista groups operating along that country's border with Nicaragua. Moreover, according to reports published last week, the Reagan Administration has been aware that several South American nations—including Argentina and Venezuela—have been working to form anti-Nicaraguan paramilitary groups.

However, these reports also contend that the Administration has not only refused to support such an initiative, but has also declined to back a separate, American-sponsored paramilitary operation. What the United States has done, Administration officials say, is to use the CIA to funnel millions of dollars in secret financial aid to moderate Nicaraguan organizations and individuals inside that country.

When Nicaragua's leaders defend the military buildup that has occurred since the July, 1979, revolution by citing factors like these, their arguments are often dismissed by U.S. officials as examples of paranoia. In the early 1960s, however, Cuba's "paranoia" produced a Cuban military buildup that enabled the Castro government to survive the Bay of Pigs invasion.

To argue that there is a defensive rationale to developments in Nicaragua is not to guarantee that Nicaragua will never use its military capabilities offensively. Although the United States has not yet presented convincing public evidence that Nicaragua is arming the Salvadoran rebels, for example, it would make sense for the Sandinistas to be acting precisely as the United States has charged. A leftist victory in El Salvador would be in the interests of Nicaragua for the same reason that it would be against the interests of the United States: The Sandinistas would gain an ally while we would lose one.

The best way to ensure that Nicaragua does not change from a defensive to a blatantly aggressive power is the United States to stop threatening it. Empty threats reinforce hostilities without producing desired changes in Nicaragua's behavior. Threats followed by action could produce even worse results: serious deterioration of relations between the United States and its Latin American neighbors, a domestic political crisis in the United States and increased polarization and instability in Central America.

Instead of threats, the United States should adopt a lower profile and let the Latin Americans work out a solution to the Central American problem. Countries that originally aided the Sandinistas' fight against President Anastasio Somoza, such as Costa Rica, Venezuela, Panama and Mexico, are becoming increasingly disenchanted with the Nicaraguan government's behavior.

A combined Latin American effort to end the fighting and perhaps disarm the region provides better insurance than unilateral U.S. actions that Nicaragua will not use its bases, men and weapons agressively. The quid pro quos proposed by Mexican President Jose Lopez Portillo, including a reduction of Nicaragua's armed forces in exchange for an end to the U.S. training camps, nonaggression pacts between Nicaragua and its neighbors and Nicaragua and the United States, as well as a negotiated settlement in El Salvador, could form the basis for such a combined Latin American effort.

Should this strategy fail to prevent Nicaragua from aggressively destabilizing neighboring governments, cooperative action under the Rio Treaty remains an option. Officially called the Inter-American Treaty of Reciprocal Assistance, the treaty, drafted in 1947, requires signatory states to unite against aggression in the Western Hemisphere, in which event the foreign ministers of the Organization of American States would meet and decide what action to take. This last-resort option, however, is viable only if the United States does not try to force it upon reluctant Latin American governments when they have not been given an opportunity to work out a peaceful solution to the problems of a hemisphere that is theirs as much as it is ours.●

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[1] Susan Kaufman Purcell is a senior fellow at the Council on Foreign Relations and was a member of the policy planning staff at the State Department under both the Carter and the Reagan administrations.

PROGRAM IS WORKING

HON. JOHN HILER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. HILER. Mr. Speaker, rightly so, Members of Congress are highly sensitive to views and opinions of those whom we have been elected to represent.

While I do not always agree with newspaper editorials, I found a recent editorial in the Michigan City News-Dispatch especially interesting and worth sharing with my colleagues in the CONGRESSIONAL RECORD.

Michigan City is a medium-sized industrial community that is perhaps suffering more than most because of its traditionally heavy reliance on manufacturing and automotive industries. But does the News-Dispatch, the mouthpiece of the community, choose to articulate gloom and doom about the course of our economy?

Not at all. In a well-documented editorial that also represents what I keep hearing from a substantial number of northern Indiana residents, the News-Dispatch cites evidence that the economic recovery program is beginning to work and that people believe it will work.

Before my colleagues begin voting to turn back the clock on economic recovery through tax and spending increases, I hope they would read this worthy editorial and perhaps more closely check the pulse of those they claim to represent.

[From the News-Dispatch, Wednesday, May 19, 1982]

ECONOMIC NOTES

Maybe—just maybe—it's time to stop listening to Tip O'Neill and the rest of the Congressional leadership and pay attention to some hard facts about the economy's state.

It's bad. There's no denying that. But is it going to stay bad, as the archetypical politician from Massachusetts would have us believe? Would we really be better off by turning the economy back over to the Democrats, who brought us to this situation during many years of inept fiscal policy?

We think not. Consider some of the information that has been surfacing in recent days and weeks.

Business Week in its May 10 issue declared boldly that, "The U.S. economy is entering the early stages of a recovery." The article listed these evidences.

—The runoff of business inventories has been the sharpest in modern economic history—a stupifying $40 billion annual rate in the first quarter of the year.

—The Consumer Price Index widely quoted as an indicator of economic woes when it rises, declined in March for the first time in 17 years.

—The stock market has been rising since mid-March.

—Sale of U.S.-made autos increased by 18 percent the first 10 days of May compared with a year earlier and with inventories at a slim 58-day supply. GM recalled 4,200 workers to assembly plants and increased chassis production.

—Housing starts increased by 2.5 percent in March, marking the fifth consecutive month they have inched up.

"What has occurred so far," said Business Week, "is the classic bottom . . . characteristic of almost every business cycle and that is invariably followed by an upswing."

Then a week later, in the May 17 issue of Business Week, William Wolman wrote in his economic commentary, ". . . monetary policy changed from being tight to being easy last November. Because this is occurring at a time when the inflation rate is decelerating, many monetarists believe that the current money surge will have a powerful impact that makes imminent both a strong economic recovery and a fall in interest rates."

Wolman said chances are good that there will be a fairly strong business pickup even before the 10-percent income tax cut kicks in July 1.

He concluded that, "If its economic impact occurs on the same schedule as did the earlier real-money reversals, the economy will be turning out of the recession this month."

And then there was Stephen Chapman writing in the Chicago Tribune May 9, who told of two polls taken in recent weeks. The first was taken by Oppenheimer and Co., a New York securities firm, of 93 money managers with portfolios totaling $540 billion. The poll disclosed that:

—Only 21 percent agreed that "the deficit is a big problem and we must get it down."

—More than half said "the deficit is a red herring" (translate that as politics").

—Sixty percent endorsed federal spending cuts.

—Only 16 percent favored tax increases.

Then Polyconomics, a consulting firm, surveyed 46 money managers controlling some $300 billion in investments. The survey found:

—Four percent thought tax cuts contributed to the recession.

—Only 13 percent said "high interest rates are caused by deficits."

—Only 20 percent favored tax increases.

—More than half said eliminating the third year of the planned tax cuts or imposing a 4-percent income tax surcharge would produce higher interest rates, not lower ones.

Chapman wrote that conventional wisdom has it that a big deficit pushes up interest rates. He points out though that net government spending normally is far smaller than the federal deficit or gross borrowing figure would suggest.

For instance, if the calendar-year 1982 deficit is $97 billion he said, net borrowing will amount to $46 billion, which would be $7 billion less than in 1975, another recession year.

What all this suggests, Chapman said, is that, "the gloomy purveyors of the conventional wisdom are mistaken" and that "Ronald Reagan and his discredited economic policy may yet be proven right." ●

VERIFICATION

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. MICHEL. Mr. Speaker, we are so busy dealing with so many urgent matters we may tend to forget that history will judge us primarily on one point: How are we dealing with the Soviet nuclear threat to our Nation? All other questions seem minor in comparison. And yet there are crucial facts that need to be ascertained before we can begin to deal with such matters as arms reduction and nuclear deterrence. One of those vital matters is verification. The Wall Street Journal recently published an editorial concerning this topic that is as chilling in its effect as it is accurate in its analysis.

At this point I wish to insert in the RECORD, "Verification" from the Wall Street Journal, May 20, 1982.

VERIFICATION

In 1972 the U.S. and the Soviet Union, among others, reached agreement on an arms control agreement with the sweeping title, "Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and Their Destruction." We have gradually learned the spirit in which the Soviets pledged to destroy any bacteriological or toxin weapons they possessed.

After signing of the convention, U.S. intelligence analysts were puzzled by continued construction of structures they had previously identified on satellite photographs as biological weapons facilities—combining animal pens and explosive assembly lines behind double fences. In 1979, we began to receive reports of an accident at one of these facilities, Military Compound No. 19, leading to an epidemic of anthrax near the Soviet city of Sverdlovsk. The reported symptoms indicated pulmonary anthrax, usually encountered only among workers in wool-sorting sheds. The Soviets said some ordinary anthrax had been caused by tainted meat and, though the convention obligated them to cooperate in any investigation of possible violations of the 1972 convention, they rebuffed all further inquiries.

Starting in 1976 and with increasing frequency in later years, Hmong refugees fleeing Laos told of "yellow rain," mists dropped from airplanes or spread by artillery shells that produced profuse bleeding and other bizarre symptoms. We now know that "yellow rain" contains trichothecene toxins derived from molds, banned under the 1972 convention. Poisoning from such toxins is exceedingly rare in most of the world, but was the cause of a stunning epidemic in the Orenburg region of the Soviet Union in the winter of 1943-1944. Afghan rebels fighting the Soviets also report poison gas attacks.

The cumulative evidence leads inescapably to the conclusion that the Soviets signed the biological weapons convention with every intention of violating it. They have proceeded with research, development and production of biological warfare agents, have tested them in remote battlefields and in fact have apparently adopted them as routine in some military situations. Presumably they agreed to the convention for propaganda purposes and to inhibit any Western development of similar weapons. They approached this arms control measure, in short, with total cynicism and utter bad faith.

In 1972, the U.S. and the Soviet Union also signed SALT I, which included a treaty limiting anti-missile systems and an interim agreement putting caps on intercontinental missiles and bombers and submarine-launched missiles. We now have to ask, what if the Soviets approached this 1972 agreement in the same spirit they approached the other one? What might they have done over the last decade?

For openers, we know the Soviets once had more than 900 intercontinental missiles in addition to those currently deployed under the SALT limits. These are the SS-7, SS-8, SS-9 and SS-11 missiles that have been replaced by more modern missiles over the life of the SALT agreements. Where are these 900 missiles today? We really have no idea.

The Soviet Union is a closed society, without Congress or Aviation Week peering over the generals' shoulders. Though it seems to be Soviet military habit never to throw away old weapons, SALT made no provision for supervising the destruction of deactivated missiles. Our space satellites do not have X-ray vision to peer through the roofs of warehouses (let alone into the numerous railroad tunnels in the Urals). The 900 deactivated missiles compare with 1,054 ICBMs the U.S. is allowed under SALT.

We could, of course, assume that the 900 missiles have somehow gone away. But it would seem to us far more prudent to assume that in any crisis they would be hauled out from somewhere and pointed at the U.S. After all, you're dealing with the people who developed "yellow rain."

Why, though, should the Soviets rely on old-fashioned missiles? In addition to the missiles they have deployed under SALT limits, they have also deployed the modern, mobile and highly accurate SS-20. The number usually given is 300, but this is the number of launchers, and in fact each launcher is routinely deployed with one missile and at least one reload. So you have at least 600 missiles, and each has three warheads. So you are talking about at least 1,800 nuclear weapons (though there are suspicions that many of the warheads are chemical rather than nuclear).

The SS-20 does not have quite enough range to be classed as an intercontinental missile, and is usually thought of as a theater weapon in Europe. But it just happens that the SS-20 is the top two rocket stages of the intercontinental SS-16. Could the Soviets have some extra boosters around to convert SS-20s into SS-16s? We have no good idea: SALT makes no provisions for counting what comes off Soviet production lines. But after all, we're dealing with the people who developed "yellow rain."

Why, though, should the Soviets use up SS-20s useful for threatening Europe? If they're going to produce extra boosters, why not just produce more SS-16s? This is the world's only mobile intercontinental missile, splendidly suited for storage in warehouses or railroad tunnels. There has been a recent flap in the press over the SS-16, and it seems the Soviets have deployed some 20 to 40 of them, in fixed silos rather than on mobile launchers. But if they have produced 40, how many more came off the line for the warehouses or railroad tunnels?

We have no firm idea. But we are dealing with the people who developed "yellow rain."

"It violates no confidence for me to state, as vice chairman of the Senate Select Committee on Intelligence, that our verification systems, being restored from losses sustained during the Iranian upheaval, give us high levels of confidence that the Soviets have been in general compliance with SALT I and, so far with the SALT II agreement as well." So reads a recent letter in the New York Times from Senator Daniel P. Moynihan. But if we can't rule out entirely plausible scenarios under which the Soviets might have twice the number of ICBMs specified in SALT, how then can we have a "high level of confidence" that they have not violated SALT?

Because, dear reader, if the Soviets have a thousand extra missiles stored in warehouses and railroad tunnels, it does not violate SALT until they haul them out. Welcome to the wonderful world of verification.

Verifying Soviet compliance with arms control agreements means, in effect, learning the most sensitive military secrets of a totalitarian society. Can we really bet our national security on doing this, even with space satellites and electronic eavesdropping? Or for that matter, even with on-site inspection? On-site inspection of how many sites? On-site inspection 24 hours a day? On-site inspection of possible hiding places for missiles produced before inspection? (While SALT I concerned huge ICBMs, SALT III would presumably also concern cruise missiles, which are 20 feet long.) Meaningful verification would mean freedom to inspect at will anywhere in the Soviet Union, which would mean the Soviet Union would have to stop being a totalitarian society.

In practice the answer to this dilemma has been to negotiate not about what is militarily meaningful, but about what is technically verifiable. Thus SALT-I limits "launchers"—concrete holes in the ground. It does not limit warheads or even missiles, which can kill people. This opens new avenues for the Soviets to breach the spirit of the treaty, but after a lot of internal debate our intelligence agencies tell us they can "verify" its letter. Because they can count the holes in the ground we are invited to feel safe.

Implicit in this, deny it as our negotiators always do, is an assumption of some minimum of Soviet good faith. Hard bargaining and even some cheating around the edges—this verification can handle. But it cannot handle a cynical and deliberate attempt to subvert arms control totally, to build a huge concealed military advantage. It cannot deal, in short, with the kind of behavior the Soviets have exhibited with "yellow rain."

Senator Moynihan's letter catches the point nicely, if perhaps unwittingly. "Can we trust the Soviets? May I offer Mr. Dooley's dictum on such questions: 'Trust 'ivrybody but cut the cards.'" But this is not an after-office poker game. At this saloon they don't check the six-guns at the door. Someone may blackjack you and run off with the pot, or pull a knife or spike your drink with mycotoxins. But we venture bravely in, fix the Soviets with our firmest stare, and keep reminding ourselves to cut the cards.●

A PROUD TRADITION IS ESTABLISHED

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. DYSON. Mr. Speaker, it is with a great deal of pride and pleasure that I inform my distinguished colleagues of the enlistment of three outstanding Marylanders into the Air Force. This event is made even more special by the fact that these young men are brothers, and are all serving at Lackland Air Force Base, Tex.

Samuel Franklin Shore, Jr., Mark Edward Shore, and Gregory Thomas Shore are the sons of Maryland State Senator Frank Shore. Upon my invitation, Senator Shore and his eldest son, Samuel, attended the Air Force Association's 1981 Annual Convention and Chief of Staff Luncheon in September.

Both Samuel and Mark had been considering joining one of the services, yet the firsthand experience of seeing the Air Force exhibits and meeting some of its members so impressed Samuel that he was able to communicate to his brothers his feeling of opportunity and adventure waiting for young people in the Air Force.

Gregory was the first to make his decision, leaving for Lackland Air Force Base on February 17. Samuel went along to Greg's swearing in and decided to enlist on the spot. Fortunately, there was an opening in the field in which he was interested, and on Monday, following Greg's departure, Sam also took a flight to Lackland. Finally, Mark also took the lead of his two brothers and was sworn in on March 24, 1982. They all are now serving at Lackland Air Force Base. The Air Force and the United States are, indeed, privileged to have such fine young men in the service of their Nation.

The enlistment of these three fine individuals into the Air Force is a fine tribute to the Shore family, to Maryland, and to the Air Force. It should be recognized as such, and I feel honored bringing it to your attention.●

EQUAL RIGHTS FOR THE HANDICAPPED

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. WEBER of Minnesota. Mr. Speaker, I would like to draw the attention of my colleagues to an important matter—the guarantee of equal rights for the handicapped. Section 504 of the 1973 Rehabilitation Act guarantees equal opportunities to the Nation's 35 million handicapped citizens. This section states that:

> No otherwise qualified handicapped individual in the United States, as defined in section 7(6), shall solely by reason of his handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

The 1978 amendments extended coverage to agencies of the executive branch of the Government and the U.S. Postal Service.

This legislation was passed to insure that discrimination would no longer be permitted; denying handicapped Americans their right to realize their full potential with dignity. This regulation has created fundamental changes in many facets of American life, in the actions and attitudes of institutions and individuals toward handicapped persons.

Current regulations provide that programs must be accessible to handicapped persons. Facilities were required to be barrier-free by June 1980. For employees, students or patients, accessibility is a primary necessity. Employers may not refuse to hire or promote handicapped persons solely because of their disability. Reasonable accommodation may also have to be made to the person's handicap where needed. Examples of reasonable accommodations may include a cassette recorder for a blind employee, changes in the physical location of the task to be performed, or similar actions. The extent of the progress made by the handicapped community in the years since this legislation was enacted has been great. I want to reaffirm my interest in seeing that this progress continues. I am aware that certain proposals to change the regulations implementing this legislation are of concern to the handicapped and also others who work with them for equal opportunity.

I am certain that Congress will exercise its oversight prerogative in this matter and not allow any major changes that would thwart the intent of Congress when this legislation was enacted.●

NEW HEADQUARTERS DEDICATED, PALM BEACH BLOOD BANK, INC.

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. MICA. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

DEDICATION CEREMONIES FOR THE NEW HEADQUARTERS OF THE PALM BEACH COUNTY BLOOD BANK, INC. AT WEST PALM BEACH, FLA.

I want to thank you all for inviting me today. It is always good to be here and I am very pleased to see all my good friends and many of our community leaders. Events like this go a long way in generating pride in our community, and we are especially grateful to Mrs. Chernow and Mrs. Marx who did so much to bring this to a reality.

I am glad that we have been able to come to this point today where we can open a new headquarters for the Palm Beach County Blood Bank that will meet the needs of this community. There has been a great deal of talk and discussion in Washington recently about budget cuts and everyone having to make sacrifices, and indeed this is true. That is all the more reason, however, for individuals to come together to contribute and to work and to support efforts like we have here today.

With these expanded new headquarters, the Palm Beach Blood Bank will continue to serve the greater Palm Beach County area in the coming years, and continue to maintain its generous program of donations that is now resulting in about 30,000 units of blood being given by members of the community each year.

You might be interested to know that this type of work has been going on in the United States since the mid-1930's when the first large scale blood bank was established by the Cook County Hospital in Chicago. Today a network of blood banks such as this, community blood centers and the Red Cross generate more than 12 million pints of whole blood every year across the country.

In looking further into my research on this important topic, I was amazed to find out that donating whole blood is not the primary work of a blood bank but that breaking that blood down into its derivatives such as plasma is another major function. These derivatives are used to prevent hepatitis and measles, combat shock, stop hemorrhaging, treat anemia, hemophiliacs, and severe vaccination complications. So again we owe a great deal to the fine men and women who work for and contribute to the Palm Beach County Blood Bank.

The opening of this new headquarters today should not mark the end of an effort, but should herald the beginning of a continued effort. Each of you will have to call on your friends and neighbors to support this project and make sure it continues to grow and meet the needs of our community.

I would like to commend again Mrs. Chernow for her great work. I would also like to commend the new director, Joseph Faletra and offer the services of my office in any way that may be of assistance to you.

In closing, let me say that I hope the actions and activities of this particular facility will serve as an example to not only others in Florida but all over the Nation as they question whether or not they can ever reach the point where they can build their own facility, and whether or not it is feasible to do so on a volunteer basis. The answer as proven by all of you today is "yes". You have my heartfelt congratulation and best wishes for continued success.●

A TRIBUTE TO RAYMOND "SPEEDY" CLARK

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. FLORIO. Mr. Speaker, I would like to take this opportunity to publicly applaud one of my constituents, Raymond "Speedy" Clark, for his show of heroism.

While on duty several weeks ago, Mr. Clark, a part-time cab driver for Yellow Cab of Camden, spotted a fire in the Morgan Village area of this city. Known for his quick thinking and precision, Speedy ran door to door alerting Village residents to the spreading blaze. At one house, he kicked in the front door, saving five children asleep inside. Mr. Clark, who has been a driver with Yellow Cab for the past 8 years, is a very modest man who claims if he could help anyone, he would.

Mr. Speaker, it is because of Raymond "Speedy" Clark that 43 people escaped from their burning rowhouses without serious injury. In retrospect, I believe that it is indeed important for all of us to, every once in awhile, reflect on the acts of courageous men like Speedy Clark which occur daily, and so often go unnoticed.●

TIME FOR STEEL ACTION

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. MURTHA. Mr. Speaker, today, I have introduced legislation to place a quota on the amount of foreign steel that can be brought into the United States.

We have patiently waited for a response from the administration. We have patiently waited for the dumping suites to work their way through the system. We have patiently waited for some relief from the imports.

We have been patient too long. Unemployment among our steelworkers has reached a level—has gone well past a level—that we can tolerate in this Nation. In the area I represent which has unemployment ranging from 15 percent to 19 percent, the pain of unemployment has become too great on the families of the unemployed.

The quota on steel imports is important for another reason. I was deeply involved in the creation of the "trigger-pricing" system during the Carter administration. It worked—for awhile. All the solutions we have tried work in some degree; but none have solved the problem. The "trigger-pricing" was eventually beaten by foreign producers; the court and dumping cases take too long. The time is at hand to find a lasting solution that will protect our steelworkers and our economy.

To those who say our own quotas could cause disruptions in international trade agreements, I say it is time to cause some disruptions. For foreign imports—not only in steel, but certainly in automobiles and many other areas—are ruining the economy, and it is time we put our trade partners on notice that we will no longer tolerate this undercutting of our economy.

Very soon in this Congress we will be considering the largest defense budget in the history of the country. I am concerned when the very military partners we are working so hard to protect, turn around and use imports to put our people out of work and undermine our economy.

Thus, I think it is time to protect our steelworker, with strict quotas that will give us back jobs within the steel industry. No economic recovery will be started, much less be complete, without this type of import protection.●

OUTLINE OF A STRATEGY TO CREATE JOBS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. HAMILTON. Mr. Speaker, the Nation's unemployment rate rose from 9 percent in March to 9.4 percent in April, the highest level on record since World War II. The number of jobless has broken through the 10-million mark, pushing to 10.3 million last month. The unemployment rate stood at 12.9 percent in March in Indiana, with more than one-third of a million Hoosiers looking for work. In response to these extraordinary figures, people are asking why we cannot seem to come up with a reasonable, affordable strategy to create jobs.

Most people I speak to realize that getting the economy growing again is the single most important way to bring unemployment under control. They know as well, however, that economic growth alone will not solve all our problems because the issue is not simply a shortage of jobs. Even in the midst of overall high employment, certain kinds of jobs go unfilled and certain kinds of workers remain idle. The jobs demand skills and training which the workers do not have. There is a fundamental mismatch in the labor market.

Because millions of Americans lack the skills and training to make their way in an increasingly specialized industrial economy, business, labor, and Government alike must try to open up new opportunities for productive work.

The effort begins with the recognition that improvements in human capital will not occur solely as a consequence of improvements in general economic conditions. Well-designed policies to foster investment in people must accompany—and are every bit as important as—the push to modernize plant and equipment.

As I analyze it, a strategy to create jobs must be formulated in three separate and distinct stages. First, we must identify the basic features of the approach we will take. Second, we must understand what our main goals are. Third, we must develop specific plans to reach those goals. Let me say a few words on each of these points.

BASIC FEATURES

Private sector: A strategy to create jobs does not mean turning to new and expensive Government programs or returning to business as usual. Rather, it means that we should make maximum use of the resources of the private sector and that we should be ready to experiment to see which approach works best. Basic reliance on the private sector really boils down to reliance on small business, which is currently generating an increasing share of employment. Between 1969 and 1976, for example, small business accounted for some 87 percent of all new jobs in the private economy—the 100 largest corporations contributed less than 2 percent. The outlook for employment will brighten when the small businessman feels he can begin to hire again.

Cooperation: A second basic feature of the strategy is cooperation. For example, in hundreds of plants around the country and in several dozen industries and communities, committees composed of workers and employers' representatives have been formed to find solutions to problems of mutual concern, such as changing skill requirements, labor bottlenecks, inefficient production processes, absenteeism, regulatory redtape, and how to create a climate in which the local economy can develop. Such cooperative activities as these may enhance Government's effort to smooth out imbalances in the labor market.

Flexibility: A third basic feature of the strategy is flexibility. The transition through which our economy is going has enormous implications for labor: More skills will be required, there will be permanent losses of employment in heavy industry, and high-technology firms will be bidding agressively for specialists in engineering and computers. Moreover, there will be fewer entrants into the work force and a higher proportion of minorities among job seekers. These changes and others will demand flexibility.

MAIN GOALS

Disadvantaged worker: Most people agree that something should be done to help the disadvantaged worker. The disagreement comes with the choice of help: Should it be designed primarily to give the worker temporary income or to train him for long-term private employment? My impression is that while both kinds of help are frequently needed, training for long-term private employment is what ought to be emphasized.

Dislocated worker: The problem of the dislocated worker, the one whose job has disappeared, is becoming serious. What is worse, we are not really set up to help the worker adjust to changing economic conditions. Collectively bargained private arrangements for adjustment assistance cover a very small portion of the working population. The main Federal response has come from the income maintenance system. Cash benefits clearly fill a vital need for temporarily unemployed workers, but they are inadequate to deal with the problems of dislocation or long-term joblessness. Most people again agree that something should be done to help the dislocated worker to ease the hardships and make the idea of industrial change less threatening. Disagreements arise when the method of providing help is considered. Who should pay the principal costs?

Skills of the entire work force: The importance of upgrading the skills of the entire work force should not be overlooked. Experts argue that education and training are responsible for some 20 percent of the increase in productivity between 1948 and 1966 and some 75 percent of the increase between 1973 and 1978. These increases were larger than those attributed to capital investment during the same periods. As long as workers—unlike capital—are essentially free to move, employers will tend to underinvest in training, leaving a role for Government resources. The disagreements on how best to train the worker are significant. Can existing programs of education and training merely be improved to meet our needs? How should work relate to school?

SPECIFIC PLANS

Targeted jobs tax credit: The targeted jobs tax credit gives a tax credit of up to $3,000 to employers who hire certain disadvantaged workers, but only about 21 percent of all employers report knowledge of it and a mere 3 percent say they use it. Its certification process is cumbersome, so small businesses which wish to keep hiring costs low do not find it attractive. This tax incentive could be streamlined in the context of its present targeting. In the alternative, it could be streamlined and retargeted to entry-level workers, dislocated workers, or skill-shortage workers.

Tax credits for educational use of equipment and employees: Bills now pending in Congress would provide tax credits to firms which donated equipment to colleges or schools for use in the training of students in scarce skills. Similar bills would provide tax credits to firms which allowed employees to teach engineering parttime. These bills are well worth examining closely.

Federal procurement and research and development for small business: Many experts believe that the decline in productivity of the American economy is due to the decline of small business. Congress should consider creating jobs by increasing the proportion of Federal procurement and research and development available to small business. Small firms hire more people and produce nearly four times as many innovations per dollar as do medium-size firms (nearly 24 times as many as large firms do). These innovations, in turn, mean even more jobs.

Modifications in unemployment compensation: Some experts have proposed that Congress begin to alter the unemployment compensation system to include retraining of dislocated workers. One idea is to make receipt of cash benefits conditional on retraining; another is to split the funds available, with part going to income maintenance and part to retraining; yet another is to establish a new fund for retraining out of new taxes. These ideas are bold ones, but they should be studied carefully.

Basic Federal employment and training programs: The fact that some Government training programs have failed does not mean that the Government should not help train the worker. It means that the Government should draw more heavily on private sector expertise and try again and again until it finds an efficient, effective package of programs to address imbalances in the labor market.

These five plans are certainly not the only ones we might adopt. Added funding of vocational education and of programs to strengthen basic skills is important. A new program under which information on education, training, jobs, and job seekers would be broadly disseminated is another possibility. The main point to keep in mind in assessing the options is that we cannot build a high-quality society with low-quality people. Far more attention must be given to the quality of the labor force.●

THE ZENUNIS: A PICTURE OF COURAGE

HON. WILLIAM R. RATCHFORD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. RATCHFORD. Mr. Speaker, we often take the freedoms our Nation provides for granted, assuming that men and women in other countries around the world enjoy the same liber-

ties that are guaranteed to us in the Constitution.

The rare glimpse of totalitarianism we receive from time to time, then, affords us the opportunity to understand the real human tragedy of this system. I think it would be difficult for most Americans to envision life without the freedoms and protections upon which our society is built, yet millions of people endure such an existence every day.

Some people cannot accept this type of life, though, Mr. Speaker, and I would like to point to a family in Waterbury, Conn., who risked their lives to escape the repression of Albania for freedom in America. Their story was dramatically recounted in a recent issue of the Waterbury Republican, and I would like to take this opportunity to include in the RECORD a copy of this fascinating account of the Zenuni family's flight.

[The article referred to follows:]

[From the Waterbury Republican, Apr. 4, 1982]

Hating Life More Than Fearing Death, They Fled

(By Bill Leukhardt)

Clutching bottles of poison, Zenun Zenuni, his brother, two sisters and their parents left their house in Videhove, Albania, for an evening walk last Aug. 19.

Theirs was no ordinary stroll, as the vials of hemlock they carried attest.

After years of misery in their homeland and months of planning, the Zenuni family had begun their bid to leave Albania by crossing the heavily guarded border into Greece.

Each knew of the firing squad or lengthy prison sentence anyone caught trying to escape from Albania automatically faces.

"You're better off dead than captured. That's why we each had poison—to kill ourselves rather than be taken", 32-year-old Zenun said last week through an interpreter. He and his family sat in the living room of the Waterbury apartment they settled in six weeks ago when they finally reached this country.

The route they took was scouted earlier in the year by Zenun's sisters, 19-year-old Valentina and 13-year-old Rosetta, who worked in fields near guard towers picking tobacco.

"We noticed what the hills were like, saw where the guards were and what their schedules were," Valentina said quietly.

Zenun went first, 100 yards in front of the rest of his family. If he was caught, the rest were to split up and follow different routes. But they were not detected.

An hour and 27 minutes later, the six were standing on Greek soil, tearfully embracing each other and looking back at the homeland they say they will never see again.

They had crawled up and down hills, dodged rifle-toting guards and clipped an electric fence, sliding under one at a time, to make their escape.

All they had were the clothes they wore, the poison they carried to kill themselves to avoid capture, and an overwhelming desire to leave behind a political system they say made their lives intolerable.

"The Communist Party controls everything and tries to control everyone," Zenun said. "We knew as long as we stayed in Albania, we'd never live freely."

All news is tightly controlled by the government, he said. And Albanians do not routinely hear any word from the outside world other than what the party tells them.

The Zenunis say Albanians hear repeated stories of terrible living conditions in the West—breadlines, riots, strikes, violence. The not-so-subtle message to Albanians is that things are better in their homeland.

But the Zenunis say their life was harder than most of their neighbors because Mrs. Zenuni's brother escaped to America in 1960 and the government feared they might hear a different story of the West than the party line.

"The government knew we had an uncle in America," Zenun said. "That marked us in their eyes as treacherous people not to be trusted because we had ties with America. We lived in fear of house arrest. There were villagers, party members, spying on our house at all times."

Their successful escape over the Albanian-Greek border, the first in many years, is something the family talks of quietly, without fanfare.

But to Albanians in this country, the six Zenunis are heroes, having made an escape over a border few have managed to cross in recent years.

"There's an electric fence along the border and guards every 200 meters," says Waterbury resident Nuri Laholi, the uncle whose escape to America 22 years ago was still fresh in the minds of Albanian officials in Videhove.

"Every night after 9 p.m., trusted party members come out to the border with their guns to help the military. My family says these people will shoot their own neighbors to keep them from getting out," Laholi said in English.

Because of their daring escape, the family has been honored by their countrymen in New York City and other places since their Jan. 26 arrival by plane in America. They had worked for five months in Greece to save money for the trip.

Laholi and several of the 500 Albanians living in Waterbury drove to Kennedy Airport in New York to meet them.

"We went down in four cars. We were very happy to greet them. Their story is amazing. We are very glad they are here," Laholi said in English, smiling as he looked around at the relatives he hadn't seen since 1960.

His relatives are equally thankful to be in America. To help them until they can learn English and make their own way, fellow Albanians collected $700 for them, a doctor gave them free medical care and an Albanian landlord has given them a second-floor apartment near downtown rent-free.

Thirteen-year old Rosetta has entered the sixth grade at West Side Middle School and the whole family is learning English at the Adult Education Center. One brother has found a job in a restaurant. The other hasn't been so lucky, but hopes one of his numerous applications for work will yield a job.

What they treasure the most is freedom, something all the family made clear to interpreter Benny Haxhi, a Naugatuck resident who escaped from Albania 30 years ago.

"They all say it's like a dream being here. You can't imagine the difference that freedom makes in your life," he said, after listening to the Zenunis flood of comments. Everything is like a miracle—so many things in the stores, so much to see and so much freedom. They are amazed to walk down the street and not be spied on.

"They say all Albanians look to America for help, that America is the best nation in the world and the only place people are literally dying to get into," Haxhi said, adding "They don't take for granted the freedoms that many of us here do. I said that, they didn't."

On April 17, Albanians living in Connecticut will gather at the Albanian Mosque on Raymond Street in Waterbury to honor the Zenuni family. U.S. Rep. William Ratchford, D-5th District, will be there, along with Waterbury Mayor Edward D. Bergin and Naugatuck Mayor William Rado.

The life the Zenuni family left behind is one of fear and gloom, judging from their story. The Albania they describe is a joyless land isolated from any contact with the outside world by its rulers. Everyone, they say, lives in fear of the Communist Party, led since 1944 by Envor Hoxha.

"There are two classes—the Communist Party and everyone else," Zenun said. "There are 500,000 party members out of 2.5 million people. How do they keep their power? They use fear."

If the Albanian border were opened and people were free to leave, the Zenunis say "10 people in their families would be left. Everyone else would leave. It's a terrible place to live because of the government."

The black mark they had with Albanian authorities because of Nuri Lahori's escape to America made the Zenunis' existence in Albania bleak.

Neighbors spied on them constantly, reporting all movements to authorities. The children were denied a college education and good jobs because they weren't party members and had the additional stigma of having a relative in America.

"We had no personal freedom," 29-year-old Saliko, Zenun's brother, said.

"If we wanted to go outside our village to the beach or a festival, we had to ask authorities for permission. We were ostracized from the Albanian Youth group and so had no right to speak at meetings," Saliko said.

Saliko and Zenun were given the most menial jobs, "pick-and-shovel jobs, the worst type of work," according to Laholi, their 64-year-old uncle.

The two girls did farm labor such as picking tobacco, while the parents, Audyl and his wife Ismian, tended a small family plot.

Laholi said his conversations with his sister Ismian convinced him that conditions have worsened in his homeland since he left.

"The country is controlled night and day by the government," he said. "There's 10,000 political prisoners in jails. The worst in America is better than the best of Albania."

That last statement, said in Albanian, brought nods of agreement from the Zenunis.

Benny Haxhi says the Albania described by the Zenuni family "shows a crazy nation. It's unbelievable what they tell us. The only ray of truth we get about Albania is through people like them who have left. Radio Tirana, the government radio, sends out gibberish and propaganda to Albanians and the world."

Saliko and Zenun did most of the talking with Benny Haxhi, but the comments made by other family members, and their expressions as they talked of their native country, made it clear their escape was not easy.

"We had seen and heard about what happens to anyone caught trying to leave Albania. It meant 25 years in prison and you'd come out a vegetable. If you organize the escape, you're shot by firing squad," Zenun said. "We decided we'd rather die than get caught. We each had poison to take."

"It was very hard to leave our motherland," Zenun said. "It wasn't hard to leave the government. Everybody wants to do it."●

THE "PEACE OFFENSIVE"

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. ROTH. Mr. Speaker, "There's more to the disarmament drive than meets the eye" writes Barron's senior editor John C. Boland. Mr. Boland points out that the American news media in general have displayed an "uncharacteristic lack of curiosity about the movement's roots" and that the "loudest pulpitpounding" for de facto disarmament via a nuclear freeze "comes not from the right but from the old-time left where Soviet goodwill has been an article of faith—badly misplaced—for generations."

This thought-provoking article surveys some of the key groups and individuals taking leading roles in the "peace offensive" and compares their premises with contemporary Soviet military doctrine on the first strike as a key factor in winning a nuclear war against the West as expressed in writings for an audience of Soviet military officers. In light of the public debate over the nuclear freeze and related disarmament issues, I strongly urge my colleagues to give this article their attention.

The article follows:

THERE'S MORE TO THE DISARMAMENT DRIVE THAN MEETS THE EYE

It was a granddaddy of television cliffhangers: at the final fade on "Lou Grant," nuclear war, growing out of a dustup in the Middle East, seemed a threat within hours. Heavy material for the CBS series on the perils of daily journalism. Not to be outdone perhaps, rival ABC plans to blow up Kansas City, Mo., in a four-hour TV movie. Said the city's mayor, quoted in TV Guide: "It's news to me."

It's not news that nuclear war is getting big play in the media. A week ago, CBS came back with a "60 Minutes" installment on U.S. civil defense efforts, finding the concept wanting. Similarly, taxpayers have done their bit, if unwittingly, by funding "M*A*S*H"'s Mike Farrell in a PBS documentary, "Thinking Twice About Nuclear War." Last month brought the alarm-sounding of Ground Zero Week. Next month commences the biggest anti-nuclear-arms bash of them all (of which more later). Books have sprouted, notably Nuclear War: What's In It For You, caring the Ground Zero lobby's cachet, and Freeze! How You Can Help Prevent Nuclear War, which bears the joint byline of U.S. Senators Edward M. Kennedy and Mark O. Hatfield. A more portentous-sounding the Fate of the Earth, by Jonathan Schell, made a quick leap from The New Yorker to hard covers.

On the political front, Senators Kennedy and Hatfield have introduced a resolution calling for an immediate, bilateral freeze on nuclear weapons development and deployment: the proposal quickly won wide bipartisan support. In the lower house, witnesses at hearings staged by Congressman Ron Dellums have denounced plans for a U.S. military buildup. Nuclear freeze propositions decorate several state ballots, while city councils, town meetings and state assemblies across the nation have endorsed a freeze. In California, Gov. Jerry Brown, smarting from a 67 percent negative rating from voters on his performance, has raised his sights to global matters in a bid for the U.S. Senate, hitching his wagon to the freeze campaign.

The media have greeted what seems to be a spontaneous national outpouring of alarm at the risks of nuclear conflict with generous ink and air time—and with an uncharacteristic lack of curiosity about the movement's roots. From Ground Zero Week, which fizzled, to the freeze campaign, which hasn't, the spring peace offensive has emerged as a public relations coup.

Several key administration strategies have come under attack: expansion of U.S. nuclear capability (via the cruise missile, MX, Trident II, etc.); deployment of Pershing II missiles in Western Europe to balance the Soviet Union's SS-20s and development of a U.S. civil defense plan relying on massive evacuation of cities, to counter a similar Soviet program. Arguments on all sides of those issues can be advanced by people of goodwill. When well-armed adversaries are staring each other down, and both plan to step up weapons procurement, the temptation to seek a simple answer—*"Enough is enough!"—bulks large.*

Spending billions to build Tridents, MXs, B-1s, cruise missiles? That's a bitter prescription for an over-taxed economy. Stepped-up European defenses? It's hardly inviting to the businessman or taxpayer to subsidize European welfare states where political resolve seems lacking. More billions for civil defense? Reasonable people doubt whether civilization can be defended against an onslaught of 8,000 Soviet nuclear warheads.

Small wonder that the peace drive has won converts. Even Congressman Ron Paul, a Texas Republican with impeccable credentials for common sense on economic affairs, concludes it may be time to pull back.

The loudest pulpit-pounding, however, comes not from the right but from the old-line left, where Soviet goodwill has been an article of faith—badly misplaced—for generations. From Riverside Church in New York, to Washington's Marxist think tank, The Institute for Policy Studies, to Communist fronts, including the World Peace Council, organizing for the peace campaign has been underway for months. The tattered banners: that the Soviet "threat" is a myth, that the Kremlin's ambitions are defensive, and that U.S. militarism, imperialism and colonialism endanger peace.

When Congressman Dellums hosted hearings on the military budget March 30-April 1, the lineup of "witnesses" included a clutch of his acquaintances at IPS, among them Earl C. Ravenal, of Georgetown University, a sometime IPS fellow who has urged a unilateral U.S. slashing of 40 percent-45 percent of its military forces. Dellums, while stacking the deck, didn't go as far as the Riverside Church Disarmament Program, headed by Cora Weiss, which invited Yuri S. Kapralov, then First Secretary of the Soviet Embassy in Washington, to address its 1979 peace convocation. Kapralov assured the audience that "we reject war as a means of settling international disputes." A year later, during campus "teach-ins," he played Harvard. In the past year, Denmark and the Netherlands have ejected other such Soviet "ambassadors" to local peace groups as KGB agents. In the U.S., things are more cordial; Kapralov received a jug of Vermont maple syrup from Riverside's William Sloan Coffin as "a gift to the children of the Soviet Embassy." Syrup, indeed. There's more to the peace movement than Lou Grant or "60 Minutes" has dug up.

The real noisemaking begins next month, with demonstrations in New York to coincide with the opening of the Second Special Session on Disarmament at the United Nations. The year of planning for that extravaganza, as documented by John Rees in *Information Digest*, has enlisted representatives of scores of radical groups. Just a sample: the Riverside Program; the Women's International League for Peace and Freedom; Mobilization for Survival; the U.S. Peace Council (a Communist-front); Women for Racial and Economic Equality; the War Resisters League; Fellowship of Reconciliation; the All-African People's Revolutionary Party; the National Lawyers Guild; Children's Campaign for Nuclear Disarmament; Coalition for a People's Alternative; Clergy and Laity Concerned; the Workers World Party and the Communist Party, U.S.A. On June 14, the shindig gets a little unruly, with "civil disobedience" planned at several U.N. missions.

Through the summer, the peace network hopes to rally public support so that by fall a full scale U.S. disarmament movement can be underway. The goal, according to organizers, who speak with more candor among themselves than they do to credulous reporters, is to create in the U.S. something akin to the neutralist movement in Europe.

America first? Not necessarily. Rather, let's say, NATO last. A major objective of the peace movement both here and abroad—not to mention, a top priority of the Soviet Union is to scotch U.S. deployment of Pershing II missiles in Europe, which would be targeted against the USSR. The deployment, beginning next year, is aimed at balancing the threat posed by Soviet SS-20s zeroed in on European capitals. A broader ambition, according to some activists, is to hasten the dissolution of the Atlantic Alliance as a military force. That last cause was cited by Fred Halliday at a January IPS conference. By standing down in Europe, the activists insist, the U.S. could defuse the risky "bloc logic" and ease Russian fears of encirclement.

Would that it were so easy. Policy, in this case, must flow from a reading of Soviet intentions, and the weight of evidence calls for pessimism. A 60-year saga of territorial expansion, amid which apologists have repeatedly offered assurance that "that's enough (for now)," has been capped by a nearly tenfold growth of Soviet warheads and a doubling of strategic delivery vehicles since 1968. If the Kremlin were only playing catch-up, it succeeded in ICBMs in 1969, in submarine-launched missiles in 1974 and in megatons in 1972. Yet the buildup has proceeded. The USSR now holds about a 3-to-2 advantage in land and submarine-launched missiles and a nearly 2-to-1 edge in megatons.

The fundamental issue, which evokes paroxysms of question-begging from the disarmament camp, is whether Soviet intentions are defensive or offensive. Do Soviet strategists regard nuclear war as "unthinkable" in the way that Americans at town meetings do? Are the key considerations—definitions of "victory" and "acceptable damage"—different? On that score, two American scholars, Joseph D. Douglass Jr. and Amoretta M. Hoeber, provide disquieting insights. In Soviet military doctrine, they report, "despite the unprecedented destruction, [nuclear] war is viewed as winnable." Writing in Soviet Strategy for Nuclear War (Hoover Institution Press, 1979), the analysts cite internal Russian military documents to paint a bleak picture: "In the event of war with the West, the Soviets place great importance on seizing the initiative and striking first, with surprise if at all possible. . . . The major peacetime Soviet political-military goal is to achieve these capabilities. . . . And essential to this process is the need to get the United States to forgo any military buildup that would deny the Soviets the possibility of achieving this relative capability—hence the importance of selling to the West an image of the Soviet Union that encourages U.S. inaction."

Where would a limited Soviet strike leave the U.S.? Among disarmament groups, scenario-writing commands almost as much energy just now as placard-painting. One Ground Zero script, describing an escalating conflict, bears a look: "On June 10, ignoring the U.S. warning, the Soviet Union launched a missile attack against ICBM and strategic bomber bases in the United States. At the same time Moscow passed a message through the still operating Soviet embassy in Washington saying that any retaliatory attack on the Soviet Union by surviving U.S. forces would lead to an all-out response against U.S. cities."

As Ground Zero writes the story, the President orders a reprisal anyway. One wonders whether any Western leader, faced with a fait accompli destruction of perhaps 80% of the land-based "deterrent" force, would launch a counterattack knowing that the enemy would be able to withstand the assault and reply, killing scores of millions of civilians. Add another element: Suppose Russia has evacuated its cities and might lose no more than 10% of its population. Suppose the U.S. hasn't.

A Soviet first strike—the "bolt from the blue"—is discounted in the disarmament camp as offering the Russians little. But, as Douglass and Hoeber document, that contention lacks support in internal Soviet literature. Military writings repeatedly stress the advantage, the scholars report, of "striking first against the West with maximum surprise when the situation calls for war and when factors are in the Soviet favor."

Western perspective, especially respect for life, hasn't guided Moscow in domestic or foreign policy. The rise and maintenance of the Soviet state have consumed upward of 50 million Russian lives, including 20 million in World War II (in which the Soviet Union was an early aggressor by moving into Poland). The political institutions and the society survived.

Kremlin envoys to Western peace groups bring comfort, denouncing nuclear war with the fervor of a bishop, as a horror permitting no winners. In that context, it's appropriate that a Soviet officer have the last word, addressed to an Eastern audience. Gen. Maj. A. S. Milovidov, writing in The Philosophical Heritage of V. I. Lenin and Problems of Contemporary War (A Soviet View), displays a harder-nosed perspective: "There is profound error and harm in the disorienting claims of bourgeois ideologues that there will be no victor in a thermonuclear world war. The peoples of the world will put an end to imperialism, which is causing mankind incalculable suffering."●

PERSONAL EXPLANATION

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. CLINGER. Mr. Speaker, on May 21, 1982, I was absent from the floor of the House for the last vote of the day. Had I been present, I would have voted in the following fashion: Rollcall No. 94: House Concurrent Resolution 345: First concurrent resolution of the budget, fiscal year 1983. The House resolved itself into the Committee of the Whole, "yea."

And on May 24, 1982, I missed the first vote of the day. Had I been present, I would have voted in the following fashion: Rollcall No. 95, Journal. The House by a vote of 329 yeas to 30 nays with 1 voting "present," approved the House Journal of Friday, May 21, 1982, "yea."●

POSTAL PROBLEMS

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. LELAND. Mr. Speaker, in the last several years, my hometown of Houston, Tex., has experienced tremendous growth. This growth has, naturally, brought with it a great many problems in our attempts to adequately meet the needs of all our new citizens. The Federal Government, as well as the State and local governments, have been unable to keep up with the growth and provide the level of services necessary. The Postal Service did not fare any better, and by last summer, postal service in Houston had deteriorated to the point where many Houstonians were being seriously inconvenienced and it became obvious that something had to be done.

As a consequence, the House Subcommittee on Postal Personnel and Modernization, which I am privileged to chair, held hearings in Houston to study what could be done and needed to be done to bring postal service in Houston up to an adequate level. At that time, we had a brand new Postmaster, Mr. Wallace Kido, who had previously served in California. Mr. Kido walked into an extremely difficult situation, and I am very pleased to say that by working together we have succeeded in bringing to Houston the resources necessary to improve postal service. Now, less than 1 year since the subcommittee hearings, service has improved noticeably. I think this is an excellent example of what can be accomplished when Congress and Government officials work together to solve problems. I also believe the improvement in postal service in Houston is a tribute to the abilities and dedication of Postmaster Kido, District Director Robert Hodges, and Southern Region Postmaster General Emmett Cooper. I wish the record to show my appreciation for their cooperation in this effort and that I look forward to continuing to work with them to further improve postal service to Houstonians.

I would like to insert in the RECORD a recent newspaper article by Margaret Downing in the Houston Post. Articles by Ms. Downing in 1981 helped bring attention to the postal problems in Houston and contributed to our successful effort to improve service. This article describes many of the changes and improvements that have been made.

[From the Houston Post, May 16, 1982]

POSTAL PROBLEMS—OFFICIAL NOTES PROGRESS; SAYS MORE NEEDED

(By Margaret Downing)

They've shortened the waiting times, instituted stamps-only lines, added facilities and urged the purchase of stamps by mail.

They've hired more employees, stressed courtesy, added self-service machines and enlarged and spruced up several buildings.

They've even tried to cut down the irritability factor by installing partitions in stations so customers can't see employees—untrained in window clerk duties—sitting down in the back while people stand in line for service.

They—employees and officials of the Houston Postal Service—have worked hard the past year to bury forever the kind of service problems that gained their post office national notoriety last year.

There has been improvement, but—in the assessment of their own postmaster—it hasn't been enough.

The change-of-address or mail-forwarding system continues to be problem-plagued at best, Postmaster Wallace Kido said in an interview last week. Misdelivery of mail and delay in delivering mail continue to be among the most serious problems in the Houston post office, Kido said.

Despite the opening of three new stations, including one in the Sharpstown area, lines at the Sharpstown station continue to back out into the mall, he said. In recognition of the fact that certain stations are always going to be high-traffic, the post office is trying to persuade patrons to use self-service facilities and stamp machines instead of lining up in the lobby.

Electronic calculators and scales given to window clerks have helped move customers faster, but in fact, lines continue to constitute a major challenge for postal planners, Kido said.

"We've probably improved the accessibility of our retail service in terms of reducing the waiting time and in terms of increasing the number of outlets that are available to the public probably something on the order of 20 percent," Kido said.

"I don't think that's nearly enough, but to go to that point in one year . . . I've really been gratified with the kind of energy and dedication of the people here."

Last May, The Houston Post examined the postal situation in Houston and found it in a state of disarray.

At one-third of the city's stations, patrons were waiting 20, 40 and even 60 minutes in line during peak use times. The average wait at all postal stations was 10-15 minutes, which exceeded the five-minute maximum wait that postal officials agreed was ideal.

The times, supplied by postal station supervisors, did not include heavy mailing periods such as before Christmas.

Houston's postal system, which pioneered some of the efficiency methods being used by post offices throughout the country, wasn't running itself very efficiently at all, its officials conceded.

In fact, several officials—including Houston's then-brand-new postmaster Kido—labeled the service situation intolerable.

Some reforms began.

After last year's Post stories on the Houston postal service, a special congressional hearing in Houston was called by Rep. Mickey Leland. Suddenly, Kido said, he had the attention of regional and national postal officials.

Kido credits the hearing and The Post's documentation of post office problems for much of his ability to convince the postal service board of governors that Houston's problems were critical and the post office here should be the only one in the nation exempted from a one-year nationwide freeze on building.

"It wasn't so much that we're going to get anything built this year, but if we didn't acquire sites by next year either they're going to be gone or they'll cost twice as much," Kido said.

Efforts at improvement continued. A Retail Analysis Survey conducted by local postal employees documented the need for more employees and facilities. By February, these teams, spending two days at each station, recorded average waiting times of three to seven minutes during peak hours at all facilities.

At one-fifth of the facilities customers were still waiting longer than the five-minute maximum, the study showed.

Building projects were accelerated. In a process of decentralization that the Houston post office has begun, a mail-sorting facility was opened in Conroe this year. It had been scheduled to open in 1983, said Eddie Kimbrough, industrial engineering coordinator for the Houston post office.

A Pasadena mail-sorting facility, originally scheduled to open in 1988, is now instead scheduled for opening sometime this June or July, Kimbrough said. A mail facility scheduled for a 1993 opening in the Richmond-Rosenberg area will probably be moved up as well, Kimbrough said.

With the backing of national officials, Kido began filling the numerous vacancies he found when he came here—positions that had been allowed to lie dormant for months.

The result has been what is an essentially handpicked staff of supervisors who work in accord with Kido's philosophy that allows little tolerance for inefficiency.

"For somebody to wait in line for a service and then be given erroneous information or be treated with discourtesy makes the wait in line appear magnified 20 or 30 times over," Kido said.

Courtesy training sessions and spot checks of clerks in action are being used to reduce rudeness and bad manners among postal employees, Kido said.

Houston's postal problems are closely tied to the city's growth, postal officials say. Building projects, which take three to four years from initiation to completion, always run behind need.

New streets and new people moving in at an astronomical rate overload an already hard-pressed system that this year has been handling an average 7.5 million pieces of mail each day.

Revenue in 1980 was about $218.5 million. Last year, it was $250.8 million. Last year, Houston had 150 ZIP codes. This year, there are 171. Most other large cities have 20 or 30 ZIP codes.

In 1980, there were 815,382 street addresses where postal deliveries were possible in Houston. Two years later, this has risen to 894,035 possible deliveries, an increase of 78,653 addresses.

With routes being constantly arranged and rearranged, it makes it difficut for a carrier to know his territory, said Ben Jasek, manager of mail distribution. "It throws our clerks into a continuous training program. When you're training, you're making mistakes," he said.

Despite this, customer complaints have been cut almost in half since last year, Kido said. Last year's complaints averaged 850 a month. For the first six months of this fiscal year, the monthly average was 460, he said.

"Cutting it from 850 to 400 something is real progress, but it's still too many, and I don't feel satisfied," Kido said.

Kido said he is also concerned about employee morale, something he thinks has improved with a decrease in mandatory overtime accomplished this past year by hiring more employees.

"When I came here, the overtime was just incredibly high. It's been reduced by 40 percent, but it's still not where we want it to be," Kido said.

Absenteeism has been reduced 35 percent in the past year, Kido said. At least part of this can be tied to the decrease in mandatory overtime, he said. When an employee is forced to work 10 days in a row, the only way he can get a day off is to call in sick, Kido said.

So far this year, the Houston post office has saved $1 million in sick benefits it paid last year because of the decline in absenteeism, Kido said.

Accidents are down 35 percent, and the amount of time lost due to accidents is also down substantially, Kido said.

But a major problem continues to be that of staffing the windows, said Jairus Beck, director of customer services.

The number of postal employees in Houston has increased from last year's 7,028 to 7,710 this year. Still, Beck said, if two clerks call in sick and another has a family emergency, that still leaves a six-window facility suddenly short on help.

On the other hand, if a station overstaffs to compensate for unexpected absences, it gets in trouble with federal budget officials, Beck said.

To get around the problem, the post office is developing a new program that will designate about 40 employees as relief personnel. If a station comes up short in the morning, the manager will call the main post office and ask for help, Beck said.

The post office plans the opening of nine lockbox lobbies that will provide 12,000 rental boxes this summer. The first, at Westridge and Buffalo Speedway near the Astrodome, is scheduled to open Monday, postal officials said.

The lockbox lobbies are part of a pilot project being tried out by Houston. These will be postal facilities contracted out to private individuals who will operate the stations.

Rates charged will follow post office standards, as opposed to private lockbox companies, which generally charge higher rents for the units, much desired by people and businesses wanting to get their mail early in the day.

During the past year, eight contract stations—private businesses such as drugstores, which operate a special postal counter—have been added, Beck said.

"This is a stopgap measure for us, rather than building new facilities which take three to four years for each facility," Beck said. Some contract stations are thinking about providing postal service on Sundays, retail sales officer Ike Bosley said.

Also, stamp machines—offering stamps at cost—have been placed in Safeway stores throughout the city and in some Gemco and Eckerd stores.

Changes made since May 1981 include opening: the DeMoss station, 6500 DeMoss; the Beechnut station, 11703 Beechnut; and the T.W. House carrrier annex, 1300 W. 19th St. Two finance units, which serve customers but do not have carriers assigned to them, were opened at the Heights and Westchase stations.

Lobby improvements were made at these stations: Long Point, Astrodome, Julius Melcher and the Airport Mall Facility.

One detached lockbox unit was installed at the Westridge station. The Friendswood station, an association office, was opened, while lockbox expansion was completed at the Katy associate station.

In 1982, scheduled changes include the expansion of the Albert Thomas station and the Westfield carrier station. A Weslayan finance unit will be opened as Weslayan and Bissonnet.

Lobby improvements are scheduled for the Greenway Plaza station, Sam Houston station, the Civic Center finance unit, Anson Jones station and Jensen Drive station.

Station expansions are planned in Clute, Sugar Land, Channelview and Crosby.

WAITING TIMES FOR SERVICE 1981 . .

Station	Number of windows	Number of clerks, peak hours	Number of clerks, other hours	Average wait, peak hours, in minutes	Average wait, other hours, in minutes	Short-long wait times, in minutes	Time lines shortest
Allen, John	3	3	2	15	2	0-20	9-9:30 a.m.
Almeda	4	3	2	5	2	1-10	10:30-11 p.m.

WAITING TIMES FOR SERVICE 1981 . . .—Continued

Station	Number of windows	Number of clerks, peak hours	Number of clerks, other hours	Average wait, peak hours, in minutes	Average wait, other hours, in minutes	Short-long wait times, in minutes	Time lines shortest
Astrodome	6	3	3	20	5-10	4-45	2:30 p.m.
Central Park	2	2	2	15	5	1-30	3:15-3:30 p.m.
Denver Harbor	4	3	1-2	10	5	1-15	3:15-3:30 p.m.
East Houston	3	2	1	8	2	2-15	10:30 a.m. and 1-2 p.m.
Eastwood	4	2	2	7	7	1-12	9:30 a.m.
Elder, Granville	4	3	2	7	4	1-12	2:30 p.m.
Fairbanks	3	2	1-3	15	2	0-30	3-4 p.m.
Fairview	5	3	2	15	5	0-20	10:30 a.m.
Foster Place	3	3	2	10	1	1-10	2:30 p.m.
Genoa	4	3	2	10	2	1-10	10 a.m. and 3 p.m.
Harrisburg	2	2	1	5		0-10	10:30 a.m. and 2-3 p.m.
Heights	3	3	2	10	1	1-15	9:30 a.m. and 2-3 p.m.
Irvington	5	3	2	5	10	0-15	2-3 p.m.
Jensen Drive	4	2	1	8	2-3	0-9	10:30 a.m. and 2-3 p.m.
Jones, Anson	4	2	2	15	5	1-25	10:30 a.m. and 2:30 p.m.
Leawood	3	2	2	5	2-3	2-16	2-3:30 p.m.
Long Point	6	4	4	30	5	1-45	3 p.m.
Melcher, Julius	6	6	5	25	9	0-35	10 a.m.
Memorial Park	4	6	6	25	5	2-60	9:30-10 a.m.
North Shepherd	6	4		5		1-10	
Oak Forest	4	4	3	15	5	3-25	2:30 p.m.
Park Place	4	3	1	10	3	1-12	10-11 a.m. and 3:30 p.m.
Rice, William	5	4	3	5	3	3-10	2:30-3 p.m.
River Oaks	4	3	2	9	4	4-9	10:30 a.m.
Roy Royall	4	3	3	30	10	1-40	3:30 p.m.
Sam Houston	6	4	3	30	10	2-30	10 a.m.
Sharpstown Mall	7	6	6	20	10	2-30	10-11 a.m. and 2-3 p.m.
Southmore	3	3	2	10	1-10	1-10	2:30-3 p.m.
South Park	4	3	2	5	2	0-5	10:30 a.m.
South Post Oak	6	5	3	18	8	8-18	10:30-11 a.m.
Thomas, Albert	4	4	3	10	1	0-15	10-11 a.m. and 2-3 p.m.
Westfield	5	4	5	13	5	2-10	2:30 p.m.
Westheimer	5	5	4	10	2	2-15	
—COMPARED WITH 1982							
Allen, John	closed						
Almeda	4	3	2	3.5	1	1-8	10:30-11:30 a.m.
Astrodome	4	4	2	5	2	2-10	2:30-3:30 p.m.
Beechnut	5	3	1	5	2	2-12	10-11:15 a.m., 1:30-2:15 p.m.
Central Park	3	3	1	3.5	1	1-10	10-11 a.m., 1:30-2:30 p.m.
DeMoss	6	5	2	4	2	2-9	11-12 a.m. and 2-3 p.m.
Denver Harbor	4	3	1	5	1	1-9	10-12 a.m. and 3-4 p.m.
East Houston	3	2	1	3.5	1	1-8	10-11 a.m. and 2-3 p.m.
Eastwood	4	3	2	4	1	1-9	9:30-10:30 a.m.
Elder, Granville	4	4	2	4	2	2-10	2-3 p.m.
Fairbanks	3	3	1	4	2	2-8	10-11 a.m. and 3-4 p.m.
Fairview	5	4	2	5	2	2-10	10-11 a.m., 1:30-2:30 p.m.
Foster Place	3	3	1	3.5	2	2-9	10 a.m. and 3 p.m.
Genoa	4	4	2	4	2	2-10	10 a.m. and 2-3 p.m.
Harrisburg	2	2	1	3.5	1	1-8	10:30 a.m. and 2-3 p.m.
Heights	5	5	2	3.5	1	1-8	10:30-11 a.m., 2-3 p.m.
Irvington	5	5	2	3	0	0-9	10-11 a.m. and 2-3 p.m.
Jensen Drive	4	3	1	4	1	1-9	10:30 a.m. and 2-3 p.m.
Jones, Anson	4	3	2	4	2	2-9	10-11 a.m., 2:30-3:30 p.m.
King, Martin L.[1]	4	3	2	3.5	0	0-0	10:30-11 a.m., 1-2 p.m.
Leawood	closed						
Long Point	6	4	3	5	2	2-12	2-3 p.m.
Melcher, Julius	78	7	4	7	4	4-12	10-10:30 a.m.
Memorial Park	8	8	4	7	4	4-15	
North Shepherd	6	6	3	5	2	2-10	10-11 a.m. and 2-3 p.m.
Oak Forest	4	4	2	5	3	3-10	11-12 a.m., 1:30-2 p.m.
Park Place	4	4	2	3.5	2	2-9	10-11 a.m. and 3-4 p.m.
Rice, William	5	4	3	4	2	2-9	2:30-3 p.m.
River Oaks	4	4	2	7	2	2-7	3-4 p.m.
Roy Royall	4	3	2	5	0	0-12	9:30-11:30 a.m., 2-4 p.m.
Sam Houston	6	5	3	6	3	3-13	10:30-11 a.m., 2-3 p.m.
Sharpstown Mall	7	7	5	7	4	4-12	
Southmore	3	3	1	3	0	0-10	10-11 a.m. and 1-2 p.m.
South Post Oak	6	5	3	7	3	3-12	10:30-11 a.m.
Thomas, Albert	4	4	2	4	1	1-8	10-11 a.m. and 2-3 p.m.
Westchase	4	3	2	4	2	2-10	9:30-11 a.m., 3-4 p.m.
Westfield	5	4	4	4	2	2-10	
Westheimer	5	5	4	6	4	4-15	

[1] Formerly the South Park station.

Compiled by Postal Service Retail Methods Observation Teams, April-May 1982. ●

TRIBUTE TO CHARLES KUNKLE

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. MURTHA. Mr. Speaker, I regret that the budget debate will prevent me from attending a tribute to my good friend Charles Kunkle, but the debate on cutbacks in Federal assistance highlights how important the contributions of private individuals can be to the development of a community.

Charlie Kunkle has a proud tradition of such contributions to our community in Johnstown, Pa. He has long sought to protect and promote the interests of the people in the Cambria-Somerset area, and he has been an important force behind every major economic development, especially since the creation of the Johnstown Area Regional Industries in 1973.

Under his guidance, JARI has flourished through the consistency of its purpose, which has been the preservation and expansion of the regional economic base. Charlie has been at the very heart of JARI's activities and has spearheaded the local effort to secure the Keystone synthetic fuels plant in our area. He is always available, providing sound advice and sensible ideas. In addition to devoting so much of his time to the Keystone project, his efforts to package defense contracts for the area are beginning to bear fruit.

What is it that would inspire a successful businessman to take on tasks that others see as impossible dreams? Whatever it is, it is the ethic that binds everyone at this dinner—the obligation to consider not just our own well-being, but that of our society as a whole.

Charlie Kunkle is an example of the kind of committed citizen that makes our system work. I am proud that the Johnstown Exchange Club has chosen to honor him tonight.

The enthusiasm with which people like Charlie Kunkle shoulder civic responsibility illustrates the vitality of our area. It is altogether fitting that we offer our appreciation for his fine work. I would also like to add my personal thanks for a job well done.●

A TRIBUTE TO BILL MAYHUGH

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. FAUNTROY. Mr. Speaker, I want to bring to the attention of my colleagues a man who has distinguished himself in the Washington metropolitan area because of his volunteerism. I am speaking of Bill Mayhugh. His name is, I am sure, familiar to many of you who listen to WMAL radio, but you may be unaware of his unselfish community activities away from the job. Let me share with you some information about Bill Mayhugh and tell you why I believe he is truly one of America's great volunteers.

A native Washingtonian, Bill Mayhugh has had an outstanding radio career for over 34 years. He has hosted the all-night program on WMAL radio since 1964, featuring music, news and information, telephone interviews, and celebrity visits for Washingtonians who are awake in the late night and early morning hours. He has become a legend in his home town and is looked upon as a top professional by his peers.

Bill Mayhugh's vocation takes up his nightime hours. His other vocation, helping others, takes up most of the remaining hours of his day. Since the beginning of his career, Bill Mayhugh has identified himself with almost every charitable endeavor in the Washington area. He makes over 200 outside appearances every year and devotes countless hours of his personal time to benefit those not so fortunate as himself.

Nothing characterizes the true picture of Bill Mayhugh more than his work on the WMAL-Leukemia Radiothon where his 24-hour straight stints at the microphone each year for the past 9 years have raised over $1,000,000 for the Leukemia Society.

Bill Mayhugh's sincere effort to help others is why he is being honored by the Shaw Community Center Food Committee on Thursday night, May 27, 1982.

The Shaw Community Center Food Committee is observing its 16th anniversary this year; its only function and enterprise is to distribute Thanksgiving Day turkey baskets to families living in the inner city who otherwise would not be able to participate in this annual American tradition. On the average, over 300 families have been provided with a Thanksgiving basket each year since the project began in 1966.

The food project will increase its generosity this year because of the work of Bill Mayhugh, who has asked that all of his friends that wish to honor him with gifts should instead give to the Shaw food project.

In the Holy Scripture, the Apostle Paul writes:

> Though I have all faith, so that I could remove mountains, and have not charity, I am nothing.

Bill Mayhugh is "everything" because he has boundless charity for his neighbor. I am proud to join the Mayor of the District of Columbia and the City Council of the District of Columbia in saluting a fellow Washingtonian, Bill Mayhugh, for his dedicated devotion to charity.●

PERSONAL EXPLANATION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. GILMAN. Mr. Speaker, due to a commitment in my district on May 24, 1982, I was unable to be present for the vote on the Miller amendment offered in the nature of a substitute to House Concurrent Resolution 345, the first concurrent resolution on the budget for fiscal year 1983. On rollcall No. 96, the question of agreeing to the Miller amendment, had I been present I would have voted "nay." That amendment failed by a vote of 285 to 181.●

STRAIGHT, INC.

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. WOLF. Mr. Speaker, I want to bring to the attention of my colleagues the opening of a drug rehabilitation program called Straight, spearheaded by parents and business people in the 10th Congressional District of Virginia which has overwhelming importance to our young people and thus to the entire Nation. The greater Washington area program is modeled after the successful original Straight program in St. Petersburg, Fla., which has helped approximately 2,000 young people become responsible, drug-free citizens again. With the country's growing drug-abuse problem, now reaching into the middle and elementary schools to exploit the youngest and most vulnerable individuals in our society, this type of help is vitally needed.

Adolescent drug and alcohol use has become America's fastest growing health problem. Drug users are not necessarily children from underprivileged families as commonly believed, but more often from well-to-do and unsuspecting families at higher income levels. It makes sense that these children are better able to obtain large sums of money to support their drug habits, as well as keeping them hidden from their families.

Straight, Inc. is a nonprofit, privately funded, family oriented program which provides rehabilitation services for 12 to 21-year-old drug users from around the country. It focuses on family participation and positive peer pressure to reinstate a positive self-regard and self-respect to the young person. Straight accepts no money from any level of government. All operational proceeds are generated from the families it serves and donations from interested groups and individuals within the community.

Although the St. Petersburg program has accepted cases from all over the country, including many from the greater Washington area, the facility is rapidly approaching the time when the need for its services will far surpass its capacity. Moreover, there are literally thousands of other families who could benefit from this program but cannot afford to send their children to Florida. The Northern Virginia Organizing Committee has already received hundreds of calls from area families who need help. I support their work and want to endorse the committee's present campaign to solicit contributions from corporations, businesses, foundations, churches, civic clubs, and individual citizens in order to obtain financial support to bring this highly effective treatment program to this area. The group's first public event to raise funds to support Straight will come June 26-27, during "Straight Weekend for Greater Washington," when area businesses will donate percentages of their profits to this worthy cause.

Straight is an excellent example of people, not government, helping other people. This is the spirit that made our country great and will keep it that way for young and old alike. I commend the 83 area families who are working so hard to establish the Straight program in northern Virginia. If you would like further information about "Straight Weekend for Greater Washington" or other aspects of the program, I encourage you to contact the Northern Virginia Organizing Committee at 703-476-3760 as soon as possible.●

RUSS A. MILLER

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. CONTE. Mr. Speaker, in this century it is unfortunately rare that an individual dedicates his life to so honorable, giving, and selfless a profession as the teaching and nuturing of young people. Russ A. Miller has done just that. Russ Miller is one of this Nation's finest educators—and in the 19th century sense of the phrase, he has truly excelled as a dedicated and unequaled "schoolmaster."

With the close of this school year, Russ Miller completes more than 45 years of uninterrupted service to Deerfield Academy, its students, its faculty, and its alumni. Those have been 45 years of extraordinary service in every aspect of the academy's life.

Russ's association with the school actually spans 54 years and dates to the fall of 1928 when he and his twin brother were first brought by their father from their home in Rochester, N.Y. to attend the Academy. In 1932, upon his graduation from Deerfield, he went on to attend Williams College—just a few miles farther on in the Berkshire Mountains of western Massachusetts. There he majored in political science while also pursuing the local history in which those hills are so rich.

After a brief flirtation with law school in the fall of 1936, Russ returned to Deerfield and the Pocumtuck Valley and began his career as a dormitory master under the school's famous headmaster, Frank L. Boyden. Over the next 45 years, Russ was chairman of the academy's history department, and held virtually every administrative post—actually, called upon to create most of them. As dean of the faculty, registrar, college advisor, chairman of the curriculum committee, assistant headmaster, acting headmaster, and alumni secretary, he brought quality education to thousands of young men who today remember him with great fondness and respect for all that he taught them.

In 1948, Russ Miller and Emilia Fuller, a recent graduate of Smith College, were married. Mimi, perhaps more than any other person, has researched and written the history of that historic area. Russ as well is keenly involved in historic preservation as president of the Pocumtuck Valley Memorial Association.

Deerfield, a school of great and long traditions, was built by the greatness, dedication and unshakable loyalty of a few truly outstanding schoolmasters. Russ Miller stands as a leader among that select group of schoolmasters. He has always combined a commonsense approach and a wry sense of humor in his unswerving devotion to the education of boys. His depth and breadth of devotion have been remarkable. Though Russ was always a self-proclaimed nonathlete, he coached the academy's 1945 varsity soccer team to an undefeated season. And today, he continues to teach history to students who relish his ability to make them feel as if they are living America's history, rather than merely studying it.

America is a nation made strong and honorable by the education of its young people. Russ Miller, in no small way, has truly added to the strength, honor, and quality of his country through his long career of dedicated schoolmastering.●

INTERNATIONAL BROTHERHOOD OF TEAMSTERS ENDORSES ENTERPRISE ZONE BILL

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. KEMP. Mr. Speaker, I was delighted to receive today a letter from John F. Sullivan, director of government relations for the International Brotherhood of Teamsters, announcing that the Teamsters Union strongly endorses enterprise zone legislation.

In a letter to Vice President BUSH, Teamsters President Roy D. Williams explained that:

> Our union strongly feels that action must be taken to dramatically aid the economically depressed areas through the country. In order to increase the assistance to these inner-city communities and their residents, the Government cannot bear the sole burden. However, private initiative must be challenged to assist our Government in combating the epidemic of poverty stricken Americans that dwell in our inner cities. This can be done by the enterprise zone program and, as well as assisting the needy, it also restores our Nation's urban areas into productive regions.
>
> The Kemp-Garcia proposal—

His letter continues:

> is an effective concept to provide an opportunity for government and private business to curb the plight of urban cities by reducing the fear of urban industries and relying on human capital that currently lives in the inner city.

Over 100 of my colleagues from both parties are now sponsors of the Enterprise Zone Tax Act, and I know they join me in thanking the Teamsters for their encouragement and support.

The letters from John F. Sullivan and Roy D. Williams follow:

INTERNATIONAL BROTHERHOOD
OF TEAMSTERS,
Washington, D.C., May 21, 1982.

Hon. JACK F. KEMP,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN KEMP: Roy L. Williams, the General President of the International Brotherhood of Teamsters, has asked me to extend to you the sincere appreciation and the compliments of the Teamsters union for your bold initiative in sponsoring the "Enterprise Zone" legislation. This innovative concept to deal with the plight of our urban cities comes at a time when America needs a daring program such as this to revitalize our stagnant economy.

Our union strongly supports the Reagan Administration in this plan which will provide assistance to the economically depressed inner-cities throughout the United States. The legislation you sponsored will not only increase the business production of our urban areas but will assist in getting many eager Americans back to work—many of them Teamsters.

I have enclosed for your information the letter that Mr. Williams sent to Vice-President Bush supporting the Reagan Administration's proposal. If there is any way that the Teamsters union can assist you and your colleagues in making the "Enterprise Zone" legislation a reality, please do not hesitate to contact me.

Sincerely,

JOHN F. SULLIVAN,
Director, Government Relations.

INTERNATIONAL BROTHERHOOD
OF TEAMSTERS,
Washington, D.C., May 18, 1982.

Hon. GEORGE BUSH,
The Vice President,
Washington, D.C.

DEAR MR. VICE PRESIDENT: President Reagan's bold new concept to battle poverty as well as the rapid decay of America's inner cities is not only an innovative but a highly feasible program. The Administration's "Enterprise Zone" plan to provide assistance to our nation's neediest inner-city residents while increasing the economy has the support of the International Brotherhood of Teamsters.

Our union strongly feels that action must be taken to dramatically aid the economically depressed areas through the country. In order to increase the assistance to these inner-city communities and their residents, the government cannot bear the sole burden. However, private initiative must be challenged to assist our government in combating the epidemic of poverty stricken Americans that dwell in our inner-cities. This can be done by the "Enterprise Zone" program and, as well as assisting the needy, it also restores our nation's urban areas into productive regions.

The Kemp-Garcia proposal is an effective concept to provide an opportunity for government and private business to curb the plight of urban cities by reducing the fear of urban industries and relying on human capital that currently lives in the inner-city. The Teamsters strongly endorse the "Enterprise Zone" legislation and extends its congratulations to the President and yourself for such a bold and encouraging program to better America.

If there is anything that I may do to assist you in making this legislation a reality, please feel free to contact my office.

Sincerely,

ROY L. WILLIAMS,
General President.●

WHERE ARE YOUR RESPONSIBLE WHITE LEADERS?

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● **Mr. CONYERS.** Mr. Speaker, a recent article in the April 23, 1982, edition of the Washington Post addressed a concern that must be on the minds of most Americans. It posed the question, "Where are your responsible white leaders?" I offer this insightful article to my colleagues at this time because of the crisis of leadership that is so evident from the manner in which we are currently dealing with the pressing problems that face this Nation. It calls upon the national leadership to stop misleading the American people about the causes of the economic and social crisis that has been a part of our lives in the recent past, and to cease blaming the individuals that, in reality, suffer most from the depressed condition of our economy. As the author of this article, Ambrose I. Lane, indicates, the current path of the national leadership is most irresponsible as it has increased the maldistribution of wealth and income, brought the Nation closer to nuclear war, and created distrust among the American people for each other and for the leadership itself.

I hope each Member of the House will have ample time to read this article and reflect on it as he makes his final contribution to the initial budget resolution for fiscal year 1983 that will, in important ways, reflect the quality of leadership that is presently at the helm of this Nation.

The full text of Mr. Lane's article, as extracted from the Washington Post is provided below:

[From the Washington Post, Apr. 23, 1982]

WHERE ARE YOUR RESPONSIBLE WHITE LEADERS?—WE BLACKS ARE SICK OF SINGLE-HANDEDLY TRYING TO MAKE THIS SOCIETY STRAIGHTEN UP AND FLY RIGHT

(By Ambrose I. Lane Sr.)

Dear white fellow Americans: Where are your responsible white leaders?

During the turbulent 1960s, it seemed that not one week would pass without a white politician, businessman, churchman or media personality asking: "Where are the responsible black leaders?" It is long past the time when blacks must ask the flip side of that question.

Frankly, blacks are tired of carrying the overwhelmingly disproportionate share of the responsibility for preserving freedom and extending democracy in America. We are weary of taking the lead in putting our lives on the line to guarantee that our Constitution will remain an inviolate "living document," a beacon of hope to oppressed people around this globe. Tired of your leaders predicting riots and "long hot summers" for urban ghettos where many blacks live.

And we are sick and tired of being your favorite scapegoats whenever your irresponsible, greedy leaders rip you off, treat you like the "boobs" you are sometimes—remember what one of your better writters, H. L. Mencken, wrote about you?— and then tell you that we are responsible for what they did to you and us. It seems that the bigger the lie your leaders tell you, the more you like it.

Let's look at a few examples:

In every war this nation has fought, our ancestors gave their lives and spilled their blood disproportionately.

If any American child should refuse to serve in the military, it should be ours, not yours. If any American child should clasp Marx and Lenin to his or her breast, it should be ours, not yours. But the opposite is true. Our "Johnnys" who came marching home, our "doughboys," our GIs, our Korean "policemen" and our Viet vets came home not to the nation's love and appreciation and honor, but to hate and bigotry and official, government-sanctioned—often government-initiated—discrimination.

Yet it was your children who fled to Canada during the Vietnam War. It was true-blue Americans like David Stockman who fled to schools of theology or took other avenues to deferments. It is your child and your neighbors' children who are looking to Marxism and Leninism and all the other "isms" for salvation from the dislocations created by your greedy, irresponsible leaders. Yet, throughout his sick life, your spymaster, J. Edgar Hoover, wasted millions of man hours and tens of millions of dollars in his obsessive, misdirected search for black communism.

In the entire history of this nation, no black American has ever been convicted as a spy.

Given the long travail of oppression we have suffered, that is an astonishing fact. No other group in this country has better reason to commit treason, yet it is your children—not ours—who have sold our nation out to the enemy. That is a hell of a truth to contemplate, isn't it?

Black Americans do not send your children to war. And we have killed no one with nuclear arms.

Need we elaborate? Systematically and with malice intended, blacks have been excluded from the vast majority of decision-making processes that determine whether or not American boys are forced to fight, die, or get maimed in battlefields on foreign shores. Those decisions have been the exclusive province of white males, most of whom are themselves too old to fight. Even your women have no say.

No individual black American, no black American leader, and no group of black Americans makes any major decisions about the American economy.

It then follows—like the night follows the day—that no black American can be held responsible for the decisions that produce the ups or the downs of the American economy.

Let's do a simple review of facts. According to the history books, no black American has ever been elected president of this country. Of 100 senators, there has never been more than one black American serving at one time in this century. In a House of 435 representatives, there have never been more than 17 black Americans elected to serve at one time in this century.

In the entire history of the U.S. Supreme Court, one—one—black has ever served. In the entire history of the Federal Reserve Board, only two blacks have ever served.

No black American has ever been president, chief executive officer, chief operating officer or board chairman of any Fortune 500 company, any major bank, any major multi-national corporation. Black Americans have held controlling stock ownership in none of these corporations. Neither have black Americans comprised a board majority or even a significant minority of the boards of these corporations.

No black American has ever served as president or chairman of any major daily newspaper. And black Americans have never comprised a board majority or even a sizable minority of the boards of these major media corporations.

No black American has ever headed any stock exchange or commodity exchange in the history of this country and fewer than five have even had seats on these exchanges. Federal Reserve Banks have had not a single black head throughout their history.

If the company you work for moves to the Sun Belt, the decision was made by a white leader. If your job was exported out of the country, to South Africa, for example, or maybe even to England or—worst of all worlds—to a communist, Eastern European country, don't blame us. It was your white leaders who were responsible.

If the Federal Reserve Board keeps interest rates in the stratosphere, don't blame us—it is your white leaders who are responsible. If the federal deficit and unemployment rates are also heading into orbit, look to your leaders, not to ours. If your heating bills are almost as high as, or even higher than, your mortgage payments; if the cost of a home exceeds your ability to pay; it you are a paycheck or two away from bankruptcy—look to your leaders, not to ours.

If your child has a hard time getting admitted to medical, dental, law, engineering or other professional schools, don't run around yelling "reverse discrimination." Take a look at the increasing number of non-Americans admitted to those schools, then blame your leaders, not ours or our children. We are just trying to "make it" like you and your child.

If you are upset that your child can successfully complete training at an accredited professional school and still must pass another exam before practicing that profession—and in a few professions must get permission to even take the exam—demand some answers from your leaders. Logic will tell any fool that either the accreditation is meaningless or the extra exam is unnecessary and simply a way to keep people out of the profession, as has been done to us.

If your labor union is forced by corporate power to give back salary and fringe benefits that we fought together for decades to achieve and you find that job security is an illusion, look to your leaders, not to us.

If investments made with your pension fund money finance either antiunion activity or the development and manufacture of robots to displace you from your job, look to your leaders, not to us.

If major corporations, benefiting directly from your pension fund investments, created political action committees to "buy" congressmen and presidents to do you and your union in, your leaders are responsible, not us.

If you voted for the current crop of politicians now in Congress and the White House, you are responsible for being a "boob," not us. Just as we have been right about presidential candidates during most of this century, we were right about Ronald Reagan. And if recent polls are any indication, most of you are finally seeing the light.

But enough of this approach. Let's take a look at our mutually ridiculous situation from another angle. Let us make this flat, bold, provocative assertion: Black Americans are principally responsibile for almost all of the humanizing reforms that have taken place in this country since let's say, the 1950s.

Certainly we were joined by some of your best, brightest and more courageous, but most of the lives and livelihoods that were jeopardized or snuffed out in frontal assaults on insensitive officialdom, at all levels throughout the country, were black American. Most of the benefits, however, that flowed from the blood we spilled went to you, not us.

Let's take a few examples:

Until the 1960's, local and state public employes were at the bottom of the pay and job security ladder. Moreover, with a few limited exceptions, most of you were not courageous enough to organize and fight a sustained battle to achieve equity in pay and job security. Black Americans changed all of that. You can chart your increased courage and your increased pay and fringe benefits and your increased organizing by the evolution of the black protest movement. The more hell black Americans raised on our cities' streets, in city halls, in corporate offices, in state houses and in the nation's capital, the more pay and benefit increases your leaders found that could award you.

Our movement was the best thing that ever happend to local and state public employes, the overwhelming majority of you white, since we were not often found worthy by you and your leaders for such jobs. In fact, the leaders of your employe and professional associations and your unions quickly understood what a good weapon our movement gave them. And your professional schools—schools of education, for example—also wised up in a hurry.

Police departments and unions and benevolent associations demanded not only higher salaries and benefits, but more men as well. The reason? "Crime in the streets." Now wasn't that clever? In one catchy phrase, they had joined routine criminal activity and the legitimate black protest movement, focused white fear and anger and confusion, and fashioned for themselves a weapon to use on officialdom to get the higher salaries and fringe benefits they demanded.

Not to be outdone, fire departments and their associations and unions demanded equity with policemen. After all, they said, more of us die in the line of duty than policemen; the areas having the greater incidences of fire are the same as those areas where policemen are having their greatest problems; and we are unarmed. We really should be paid more than police, they said, but we will settle for equity and we also need more men since our forces are understaffed.

Then came the teachers. We can't continue to teach in these "blackboard jungles," they said, at these abysmally low salaries we are paid. These kids, they said, are raising hell in our classrooms and in the halls; their parents are on our backs constantly because we haven't even taught their children to read; and now community organizations are harassing us with demands that we do a better job, plus relate to these "blackboard jungle" neigborhoods. We teachers are under constant threat of physical assault and are often actually assaulted.

In no time at all, teachers colleges and associations and unions had appropriated from the military a concept that officialdom would readily understand. Combat pay, they said. Teachers need combat pay.

And so it went throughout the 1960s. As long as the black movement was vigorous, the money flowed; annual increases in salaries often reached double digits; retirement benefits increased and the number of years to qualify decreased; health benefits often were fully paid and not contributory; and more people were hired. Even a few women and black Americans and other minorities were hired! Women were hired by police and fire departments to actually do the same jobs that men were doing. Miracle of miracles!

Those were heady days. Then "something" happened that began the initially slow but now accelerating reversal of your headiness.

That "something" was the assassination of Dr. Martin Luther King Jr., the death of Whitney Young, the reaching of old age of A. Philip Randolph and Roy Wilkins, the railroading of Adam Clayton Powell, the exhaustion and organizational demise of James Farmer, the end of Stokely Carmichael's and Rap Brown's effectiveness, the early assassination of Malcolm X and the end of the national effectiveness of Elijah Mohammed. Finally, this was capped by the infiltration of the black movement's organizations by provocateurs paid by our government's intelligence agencies

And your President Reagan is your oligarchy's "hired gun" whose job it is to administer the coup de grace to all of you public employes. He and his supporters, by repeatedly saying that government is not the solution; government is the problem," have really been saying: "Public employes are not the solution; public employes are the problem."

He and th [illegible] that without a revived, courageous black movement, they can get away with it because you will not risk in the 1980s what we risked in the 1960s. Unlike us, you have been brainwashed too well, especially your men. Just take a look at the polls. Apparently only blacks and white women have pierced through the veil of delusion created by Hollywood-on-the-Potomac.

The presidency of Lyndon B. Johnson produced more than 50 major pieces of domestic social legislation. Two facts of public life enabled President Johnson to push this legislation through Congress—the advent of Dr. King and the black movement's actions on the streets and in the courts.

But who have been the major beneficiaries? You and yours. And not only your poor. Take a look at those who benefit most from federal education loans and grants. Or health programs. Or food stamps. Or Supplementary Security Insurance. Medicaid. Medicare. Or even affirmative action programs. Ask your women about affirmative action or, better yet, check the figures on the dramatic increase in the number of working white women, especially women working in jobs from which they were historically excluded.

Who has ever heard of sexual harassment or of programs to help abused wives? Even homosexuals found the courage to leave their closets. And how about the antiwar movement in protest of our country's involvement in Vietnam? Finally, how about the multiplication of Ralph Naders across this country?

We know it is hard for you to admit it, but the visionary and sacrificial courage of Dr. King and his associates and followers inspired and gave hope and courage to all of these groups and more. Democracy became stronger and healthier throughout our land and inspired peoples throughout the world.

But you became confused. We became exhausted, some of us disillusioned by the constant harassment by our government and the increased "yellow journalism" of the major daily media. We had been in constant struggle from 1954 through the 1968 murder of Dr. King. That is a long time to struggle to change the policies of the most powerful and richest nation on earth; moreover, we struggled not just with the central government, but with state governments and city governments and major corporations as well. Even though it was long time, it was not long enough. Our strength and resources ebbed.

At that point, your oligarchy took over. And their brainwashing of you accelerated geometrically. They had to kill a few of your kids at Kent State and beat up a few at the Democratic convention in Chicago to let you know they meant business, to drive home the point to you that the white color of your skin meant nothing to them. Only their power and the retention of their ability to slake their greed had meaning and substance to them.

When the killings didn't shut up your vocal minority of courageous kids, they made draft deferments easier and ultimately ended the draft, creating a "volunteer" military. Loans and grants for college and graduate education increased and were made available to higher- and higher-income families.

But you were told by your oligarchy that we were getting everything and that only you were paying the bills. You became "the taxpayers," that virtuous, suddenly rediscovered magical entity, being victimized by "taxeaters." And in myriad ways, you were made to understand that "taxpayers" were white and middle-class and that "tax-eaters" were blacks and other minorities, lazy loafers who preferred the "dole" as their way of life. Now, wasn't the oligarchy smart? Once again, you were the "boobs" (Mencken, again) and we were the victims.

And while you were being pumped up again, you were being robbed and raped by manipulated prices. Your salaries jumped arithmetically—making you feel good about yourself and your self-worth—but the prices you (and we, with 50 percent less money to spend) had to pay for goods and services increased almost geometrically. Your leaders, who set both prices and salaries, were screwing all of us. The difference between us was that we always understood who the screwers and the screwees were; you seemed only to partially understand who the screwees were.

And now your president and his buddies in the Senate, your elected representatives, have completely unleashed your greedy oligarchy. While they kept you entertained with bombastic assurances that they would get rid of "fraud, waste and abuse" in government—code words for killing programs thought by you to benefit only us and a few "white trash"—they opened the federal treasury and poured out a cornucopia of goodies into the coffers of the oligarchy.

The Great Communicator didn't tell you this, since he probably didn't fully understand it himself, but supply-side economics really means to the oligarchy: I will supply my side.

We didn't do that; you and yours did it or allowed it to happen without any strong protest. But to rub your nose—yours, "the taxpayer's" nose—in their mess, the oligarchy's man, who wrote their tax package, had the gall to tell Congress recently not to touch the corporations' tax cut, but that your and our tax cut should be deferred or eliminated. You see, your leaders are always looking out for your best interests!

But the big boys are not through with you (and us) yet. They are going to cut Social Security, but to keep you in line until after this year's congressional elections, they are going to wait until 1983. You see, they not only plan to continue to screw you (and us) today, they plan to screw us all in perpetuity.

And how are they planning to keep you as "boobs" throughout 1982? They have a simple approach that has worked throughout the years. They will entertain you and energize you with diversions, fear, and emotional appeals. They will discover communist plots everywhere in the world. El Salvador. Nicaragua. Africa. Honduras. Guatemala. Libya. And good old Cuba is the all-time favorite, edging out Russia to whom we are selling 28 million tons of grain. Then they will find plots in the United States, maybe even something really exciting, like communists in government or in our colleges and universities or even in the churches and synagogues and temples. Communist plots everywhere!

Then there will be "great debates" on abortion. To keep the religious pot boiling, there will be "great debates" on teaching "creationism" and reinstating prayer in the schools. Nothing like religion to get the old juices flowing!

But if all else fails, there is that old standby, race. How about some "great debates" about affirmative action, racial quotas and school busing?

In short, Hollywood-on-the-Potomac will attempt to keep the juices of hate, anger and fear flowing with scenarios worthy of B-movies. You can count on cues to laugh, grimace and cry—mostly cry—at least until the first Wednesday after the first Tuesday after the first Monday of November. That is election day plus one.

Let us return to our original question: White Americans, where are your responsible leaders? In the 1960s, when the reverse question was asked of blacks, it was directly related to white concerns about black riots taking place in major cities. Many blacks in positions of leadership understood your question; others thought it was racist.

As we ask you the reverse question today, we are certain that some of you will think it a black racist question. It is not, at least by intent. Rather it is prompted by our concerns regarding the riot that has been taking place in our economy for a decade and is coming to a crescendo under the direction of the Great Communicator. It is prompted by concerns regarding the crashing waves and volume of war talk emanating from the White House. Finally, it is prompted by your immobilization, your failure to act.

In the 1960s, when you posed that question to blacks, many blacks responded. Black "mini-leaders" took to the streets, risking their lives to calm their outraged brothers and sisters. Dr. King and others at his leadership level risked their credibility among their own followers by publicly calling for calm and denouncing riots and chaos.

What will you do to bring this nation's economic riot and chaos under control in the 1980s? What will you risk? What will your "mini-leaders" do? What will those in your community at Dr. King's equivalent leadership level risk?

Our economy is in shreds. The dangers within the body politic are a greater threat to the nation than any foreign danger. Our Constitution is threatened. Do the safeguards of democracy mean as much to you as they do to us?

We await your reply in action.●

MR. JACK BANOV

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. WEISS. Mr. Speaker, next Tuesday, June 1, 1982, the Manhattan Council, Boy Scouts of America, will bestow upon Mr. Jack Banov, a resident of my district, special recognition for his outstanding community service. Mr. Banov's contribution to scouting and his commitment to the youth of New York City have earned him wide respect.

He has earned the highest honors for volunteer work with the Boy Scouts. In addition, he has served the Metropolitan Conference of Temple Brotherhoods, the Manhattan Jewish Committee on Scouting and various other volunteer groups for over 35 years.

In commendation of Jack Banov's achievements, I would like to insert into the Record a proclamation in his honor, proclaiming June 1, 1982 as Jack Banov Day, offered by the Boy Scouts' Manhattan Council:

Proclamation

Whereas Jack Banov has contributed significantly to the extension and enrichment of the Scouting movement; and

Whereas Jack has made countless contributions in the service of his fellow human beings; and

Whereas this deep commitment has included service to Troop 579, Manhattan, Riverside District, Nieuw Amsterdam District, Manhattan Council, the Manhattan Jewish Committee on Scouting, Temple Israel, and the Metropolitan Conference of Temple Brotherhoods for over thirty-five years; and

Whereas his unselfish service has earned him countless accolades including the District Award of Merit, the Silver Beaver, and the Shofar Award, now therefore, be it

Resolved That Manhattan Council, Boy Scouts of America, does hereby proclaim Tuesday, June 1, 1982 as Jack Banov Day; and, be it

Further resolved That his many friends, family and colleagues assemble at a dinner to pay him his well-deserved tribute of respect and love on this, his day of honor.●

A NEW MARKET FOR AMERICAN STEEL

HON. ADAM BENJAMIN, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. BENJAMIN. Mr. Speaker, I am joined by Messrs. Joseph M. Gaydos, Don Bailey, and John P. Murtha of Pennsylvania; Douglas Applegate of Ohio; Tom Bevill of Alabama; George E. Brown, Jr. of California; Robert H. Mollohan of West Virginia, and Henry J. Novak of New York, all members of the executive committee of the House Steel Caucus, who, on behalf of the more than 100,000 unemployed steelworkers, are filing their intent to reclaim the American market for domestic carbon and specialty steel.

This intent is expressed in the quota legislation described hereafter which we hope will pave a new avenue for gaging steel import penetration to the American economy, encourage enforcement and compliance with U.S. trade laws and recognize that the elusive goals of a balanced budget and national security are contingent upon the fair and equal treatment of American to foreign steel in the American marketplace.

The American economy is in a deplorable state. We are on the verge of a Federal deficit that could approach $180 billion. National unemployment is at the highest level since the Great Depression, housing starts are down 32 percent from a year ago and real GNP decreased 3.9 percent annually in the first quarter of 1982.

While almost every segment of our society is affected by this recession, our basic industrial community is one of the hardest hit in this country. The U.S. steel industry is not only threatened by the depressed state of our economy, but is unable to make a profit in steelmaking operations considering the flood of imported steel sold in this country at prices below the cost of production. The flood of imported steel is forcing many U.S. steel companies out of business which will eventually leave the United States without sufficient steel capacity when the economic recovery does occur.

About half, or 75 million tons per year, of U.S. carbon steel capacity has been shut down. Some 20 million tons are up for sale or may be permanently closed. Prices of such major products as plate are listed at almost $100 per ton lower than they were a year ago. The industry's payroll is down to 331,000, its lowest since the depression.

Obviously, the loss of business by our domestic producers from the flood of foreign-made steel has added to the number of layoffs and workers on short work weeks. Imports also threaten the industry's ability to carry out the over $6 billion modernization program which is vital to its long-term future.

If the trend of plant closings and of marginal facility liquidation continues, not only will our Nation be one of the few unable to meet its steel needs, it will be forced into a perilous reliance on uncertain sources of supply. That would seriously jeopardize the stability of our national security.

The steel industry's problems must be addressed immediately to avert a catastrophe. The combined effect of high interest rates, economic recession and indefensible import penetration have left this basic industry on the verge of an economic disaster. If we allow our domestic steel industry to languish and barely survive, there is the possibility that no opportunity for overall survival in the domestic market will exist, much less the global market.

We, as members of the House Steel Caucus, agree that orderly import restrictions are the only hope to introduce stability to our carbon and specialty steel producers. The bill we are about to introduce is not a perfect bill—in fact, we will be sending out the principles of this bill to all interested parties inviting comments. We will then reintroduce a clean bill the week of June 15.

We urge that this quota legislation be heard by the House Trade Subcommittee before the Independence Day district work period commencing June 25.

The legislative concept is vital to the national economy. We do not ride on the pride of authorship—rather we are pushed by the hurt, misery, and economic chaos engulfing the steel economy.

It is important that the American steel industry be freed from the political trade offs, international quid pro quos and foreign policy giveaways which have persuaded administration after administration to ignore and flaunt enforcement of U.S. trade laws.

We are now embarking upon the patriotic holiday season between Memorial and Independence Day. It is not our intent to memorialize the vestige of a once great steel industry. It is our goal to free the steel industry and its workers to be great and of world class again. To do so, we will employ all of our abilities to enact appropriate quotas into law.

The new market for American steel is the American market—unfettered by subsidized and dumped steel and open as a fair market in which all may compete in a real free enterprise system.

The following is an outline of the major provisions of the "Fair Trade in Steel Act of 1982":

TITLE I—CREATION OF A STEEL TRIPARTITE ADVISORY COUNCIL

Section 1—Directs the President to establish a Steel Triparte Advisory Council similar to the former Steel Tripartite Advisory Committee. Authorizes the President to appoint eight representatives of management and eight labor representatives. Government representatives include the Secretaries of Commerce and Labor as well as the EPA administrator.

Section 2—Duties of the Council include advising the President and Congress regarding steel problems and conducting research on trade, tax, environmental, health, safety and readjustment issues.

TITLE II—QUANTITATIVE RESTRICTIONS ON STEEL IMPORTS

Section 1—For the second half of 1982, the bill would require steel imports to be:

No more than 5 million tons; or

Reduced by 50 percent if steel unemployment exceeds 10 percent; or

Reduced by 100 percent if steel unemployment exceeds 15 percent.

For 1983 and each succeeding year for four (4) years, the bill would require steel imports to be:

No more than 10 million tons; or

Reduced by 50% if steel unemployment exceeds 10%; or

Reduced by 100% if steel unemployment exceeds 15%.

Annual allocation of steel imports by country and category shall be based on the historical pattern of imports during 1973-74 and subject to the absolute tonnage limits previously described.

Section 2—Total monthly allowances of steel imports by product, country of origin and port of entry shall not exceed 1/24th of the annual amounts established under Section 1.

Section 3—Before the beginning of each month, monthly import tonnage allowances shall be published by the Secretary of Commerce.

Section 4—Any quota shall be immediately suspended whenever the monthly tonnage allowance is exceeded by over 5% during any 2 month period.

The suspension stays in place until the excess tonnage is equalized during the following months.

When the suspension is finally withdrawn, the individual country's quota will be reduced by the percentage of excess shipments that occurred during the two-month period. (The reduced quota remains in place for 5 years.)

Section 5—Imports restrictions terminate in 5 years.

Authorizes the President to reduce import restrictions on steel products in case of temporary shortages or long-term disruption to the U.S. market.

Any final decision in such matters will be subject to the Congressional veto process.

Section 6—Administering authority will be the Department of Commerce.●

THE SIMON AMENDMENT IN SUPPORT OF HANDICAPPED EDUCATION

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. MURPHY. Mr. Speaker, during the consideration of the fiscal year 1983 budget resolution, I would like to draw the attention of my colleagues to an amendment that will be offered by PAUL SIMON to provide $663 million in additional budget authority for function 500, education, and training. One of the education programs that would benefit greatly from this amendment is Public Law 94-142, the Education for All Handicapped Children Act. While these additional funds would still not bring this program up to the fiscal year 1983 Omnibus Reconciliation Act level, they would help to insure continued program effectiveness and equal educational opportunity to all handicapped children.

As a result of this landmark legislation passed in 1975, an effective Federal, State, and local partnership has been established to provide a free appropriate public education to nearly 4 million handicapped children across the country. Prior to the enactment of Public Law 94-142, many handicapped children were housed in institutions receiving only custodial care, others who were fortunate enough to be in the public schools, were sitting in regular classrooms unidentified or in overcrowded special education classrooms receiving little individual attention. As a result of the Education for All Handicapped Children Act handicapped children are now being given the opportunity to obtain skills that will ultimately enable them to become self-sufficient taxpaying citizens.

Let me describe for you what the effect of the 3-year freeze would be on handicapped education programs without the passage of this amendment.

The fiscal year 1982 appropriation for Public Law 94-142 is $931 million. A freeze at this level for fiscal year 1983, at a 7.5-percent rate of inflation, would reduce the buying power to $861.2 million—a reduction of $69.8 million.

At an annual rate of inflation of 7.5 percent, the fiscal year 1984 and fiscal year 1985 buying power of the fiscal year 1982 appropriation would be $796.6 million, and $736.8 million respectively. Therefore, the loss of actual buying power over the next 3 years would be almost $4,200 million.

In addition, under a 3-year freeze the Federal contribution toward the excess costs of educating a handicapped child over the education of a regular education child would drop from 9.8 percent in fiscal year 1982 to 7.7 percent in 1985. This is calculated using a conservative estimate of 60,000 additional children each year.

It is apparent from recent surveys that if funding remains constant, but the cost of services increased, States will reduce identification efforts, materials, inservice, and personnel in handicapped education programs. In addition, services to preschool aged and 18- to 21-year-olds would be severely curtailed.

The bottom line is that quantity and quality of services to handicapped children would be significantly reduced without the passage of the Simon amendment.

In addition to the impact on services to handicapped children, we must also consider the long-term costs of our failure to adopt this amendment. It has been demonstrated time and again that the high costs of institutionalizing a handicapped adult at taxpayers' expense—$1 to $4 million per person—can often be prevented by providing appropriate education programs to handicapped youth. If we are truly serious about cutting costs, we must provide these additional education dollars through the adoption of the Simon amendment so that services to handicapped children will not be severely cut below current levels.●

THE BOOM OF THE 1980'S

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. KEMP. Mr. Speaker, in the heat of the budget debate we are sometimes caught in a morass of numbers and assumptions to the point that we lose sight of our objectives in setting national policy.

This morning's Washington Post carried an editorial piece by George Gilder which makes a positive contribution to bringing our real task to the fore. He writes: "Beyond the hall of media mirrors—distorting and exaggerating the economic gloom—U.S. industry is moving at astonishing speed, toward a new era of high productivity and growth."

It is to this future that we should address ourselves. The tax rate reductions which we enacted last year are designed to stimulate a new era of entrepreneurial creativity. The great temptation to remove this stimulus as an ill-designed attempt to shore up the policy errors of the past must be avoided. As Gilder puts it, "this decade of experience shows, tax hikes cause deficits by retarding taxable activity, and then exacerbate their effects on interest rates by extinguishing savings."

The savings rate, a robust 6.3 percent of disposable income and climbing, is one of the brightest current economic statistics. As the pool of savings grows, there will be more productive resources available to the entrepreneur. With the tax rates which are now law, the incentives exist for these resources to be taken up in job and wealth creating activities for the benefit of all Americans.

I ask that the text of Mr. Gilder's article be printed in the RECORD.

[From the Washington Post, Monday, May 24, 1982]

THE BOOM OF THE 1980's

U.S. economic policy currently operates in a house of media mirrors—a gallery of distoring myths and statistical gargoyles—that panic the policy-makes themselves into blind fits of self-defeating behavior. They raise-taxes to fight recession, raid our scarce savings to stimulate the housing industry of the world's most overhoused nation, and ululate over fake data that miss all the dynamics of economic life.

Politicians and editorial writers still talk of "huge tax cuts" on personal income, when in fact, even after the October reductions, 1981 brought an effective 10 percent increase in tax rates for most citizens, as inflation pushed wage earners into higher tax brackets and Social Security hikes continued. The oft-repeated estimate of a $750 billion Reagan tax cut is based on Carter administration fantasies of a revenue boom from a 46 percent increase in tax rates, brought by four more years of bracket creep. But a 46 percent rise in rates would bring a depression, not a boom in Treasury receipts.

These phantom revenues, however, have proven to be President Carter's most valuable legacy to his party. For it is this totally mythological money that is now alleged to have been "given" to the rich through the Reagan tax cuts. But in fact it is only the relatively poor who will pay less taxes in coming years.

Wealthy earners of "unearned" income, who have confronted rates well over 100 percent adjusted for inflation, will see their marginal rates substantially reduced. But the long history of tax cuts demonstrates that the decline in the top rate from 70 percent to 50 percent will actually bring a surge of new tax payments from the rich, as they pay more to the government and less to tax lawyers and accountants. On very conservtive assumptions, Michael Evans of Evans Economics, Inc., estimates a new revenue increase of $3 billion from this source alone in 1982.

The media mythology becomes especially bizarre on the subject of interest rates. A generation of Keynesian economists constructed an imposing edifice of spurious capital theory on the assumption that interest rates were low during the Great Depression, when, in fact, adjusted for deflation, they were prohibitively high. Now another generation is misleading policy-makers by speaking of today's real interest rates as at a "historic high" when, in fact, adjusted for inflation and taxes, they have long been close to zero for the dominant savers and borrowers.

With an inflation rate of 5 percent, for example, the saver must receive an interest rate of over 14 percent to receive a 2 percent real return after taxes in the 50 percent bracket where most savings occur. Conversely, individuals and corporations borrowing at high tax levels pay relatively low interest rates after inflation and taxes. Thus we punish the supply of funds (personal savings) with exorbitant taxes on false interest; and we reward the demand for this money with an array of subsidies for favored borrowers and with the deductibility of interest costs. The predictable result is a twisted money and bond market that imposes exorbitant rates on all unfavored borrowers in low tax brackets, chiefly unprofitable companies, start-ups and low-income mortgage seekers.

Nor can tax increases in any way relieve our interest rate problem. Increased income tax rates, effected through bracket creep and deferral of the "cuts," will reduce savings virtually dollar for dollar and also repress activity and tax revenues. Tax hikes retard savings four ways: by taxing most heavily the high incomes from which all net personal savings come; by deterring acquisition of further incomes still more likely to be saved; by taxing interest income at confiscatory rates; and by lowering incomes and savings in the conventional way explained by Keynes.

Thus President Johnson's infamous surtax of 1968-69 destroyed savings, increased inflation and interest rates and brought economic collapse in 1970. President Carter followed the hidden tax hike policy throughout his administration and reduced the federal deficit from almost 4 percent of GNP to under 1 percent by 1979. The result of this triumph over the deficit was a complete collapse of personal savings (to 3.6 percent), soaring inflation, doubled interest rates and a deficit that leaped to $60 billion in 1980. Incredibly enough the Reagan administration followed this path again in 1981, allowing effective income tax rates to rise in an effort to reduce the deficit produced by Carter's tax hike policies. The result is our current predicament higher deficits and lower growth.

As this decade of experience shows, tax hikes cause deficits by retarding taxable activity, and then exacerbate their effects on interests rates by extinguishing savings. The resultant recession triggers new welfare and other transfer payments that expand the size of government as a share of GNP, while requiring continual cutbacks in popular government spending programs, all in a politically and economically suicidal austerity package that pleases no one but Pete Domenici and other budget-blinded politicians and economists.

While President Reagan has so far failed to achieve substantial tax cuts, he has prevented the catastrophic bracket creep increases projected by the Carter administration and still sought by his opponents. Thus he has allowed the economy to maintain the highest level of employment in the West (58 percent of the adult population) while accepting more immigrants than any other country and opening the way for dramatic economic gains in coming years.

Beyond the hall of media mirrors—distorting and exaggerating the econometric gloom—U.S. industry is moving, at astonishing speed, toward a new era of high productivity and growth. While the television cameras circle like vultures around the decaying carcass of Detroit, and financial journalists recite false figures of capital formation and productivity that totally miss the productive breakthroughs in energy and electronics, the nation's economy has made a dramatic transition into the long-heralded computer age.

Over the next three years, the U.S. computer industry—led by companies like Apple and Osborne, which scarcely existed three years ago—will probably sell more personal computers than the Big Three auto companies will sell cars. Together with only slightly more modest surges in other revolutionary products, such as Computer Aided Design and Manufacture, and in energy production and conservation, this entrepreneurial achievement is well on the way to solving the world's energy and productivity problems and launching the boom of the 1980s. The current dismay about our economic prospects reflects a morbid preoccupation with nearly meaningless statistics, an obsession with the declining industrial structure of the past, and a blindness to the entrepreneurial future.●

ADMINISTRATION POLICIES HELP RICH GET RICHER

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. **FLORIO.** Mr. Speaker, the administration's economic program was presented with the contention that the burdens of economic recovery would be spread evenly through our society. Many of my colleagues have pointed out that the outcome was lacking in this equity.

I was interested to read a brief account of syndicated columnist David Broder's observations from around the Nation on this issue of equity. His perceptive account relates that "this prolonged and severe recession may be twisting the ties of trust and tolerance that hold communities together."

I commend this column to my colleagues as food for thought as we debate the Federal budget.

The Broder column, from the Philadelphia Inquirer, follows:

ECONOMIC GAP IS AN OMINOUS SIGN

(By David S. Broder)

WASHINGTON.—At a dinner in Seattle a couple of weeks ago, a bank official remarked that two major customers had been discussing the area's economic slump, which pushed unemployment in Washington state to 12.8 percent last month. The customers, she said, "Were embarrassed to say it, but they had had a very good year."

Her comments triggered a series of similar reports from those at the table. Yachts were selling briskly, one man remarked. Another told of an investment counselor who had just signed off on plans for a $1.5 million house—without a mortgage.

Last week, on another trip, I found myself in conversation with a real-estate broker from Greenwich, Conn. "How is business?" I asked. "For houses between $200,000 and $700,000," she said, "it's kind of slow. People aren't cutting prices, but they're having to leave their houses on the market longer. For properties over $700,000, it's terrific."

These are scattered anecdotes—of no significance in themselves. But they provide a counterpoint in a reporter's notebook to the all-too-frequent tales of layoffs and bankrupticies. And they point to a risk that could make the recession itself seem relatively benign: an explosive increase in antagonism between the haves and the have nots in this badly bent economy.

Almost every place I have been this year, in the East, Midwest and West, local officials and observers have remarked on the extraordinary patience and forebearance of those who are suffering from the economic squeeze. Some polls show that even among those who have lost their jobs, there is a persistent hope that, in the long run, current economic policies will bring the country to a healthier condition.

But in the last few weeks—as I have traveled from California to Connecticut, with many stops in between—there have been more frequent signs of the tension that is building beneath the surface.

For people like myself, who are lucky enough to have good-paying jobs with companies that are prospering, this really has been an easy year. Inflation is down and on big items—like cars and household furnishings—real bargains are available. Meantime, our taxes are being reduced and bankers and brokers compete in offering high interest rates for our tax-deductible retirement savings accounts.

But there is a sense of unease—if not guilt—in our conversations, as with the bank customers who felt "embarrassed" to admit they had had such a good year.

And increasingly, I sense, those who have been run onto the rocks in this economy are getting angry at those who are prospering.

That is part of the drumbeat of derision heard everywhere for the members of Congress who last year voted themselves a quiet little tax break of their own. It is part of the first sharp edge of personal hostility toward President Reagan that I have heard since his election. The comments are scattered, but they are there, indicating that his long-sustained personal popularity may be wearing thin.

But more important—and more worrisome in its potential—is the evidence that this prolonged and severe recession may be twisting the ties of trust and tolerance that hold communities together. In Dubuque, one of the hardest-hit cities I have seen this year, the Wall Street Journal earlier this month reported on the stark contrasts: When a supermarket opened with 55 jobs, more than 1,400 people applied. But a local company developing computer programs for doctors' clinics had a firstquarter profit gain of 66 percent.

There have been more layoffs in my own field—journalism—than at any time in the almost 30 years I have worked in it. But the New York Times' advertising column reported the other day that advertising revenues are up 41 percent at Town & Country Magazine, which has "repositioned recently as a service magazine for people with money," proving, the Times said, once again, the old tagline, "and the rich get richer."

The Wall Street Journal headlined another story, "Games, Other Luxuries Sell Well As Slump Slows Sales of Durables." Bank profits were up 20 percent over the previous year, in the first quarter, the paper said. But another story reported that more than 600,000 workers are within 13 weeks of losing their unemployment benefits—unless Congress votes an emergency extension.

Meantime, another tax cut approaches on July 1. According to the Joint Committee on Taxation, the 31.7 million tax-filers making $15,000 a year or less will divide $2.9 billion in savings; the 162,000 making over $200,000 will split $3.6 billion.

The favoritism to the rich inherent in these flat-rate tax cuts was justified on the grounds that they would stimulate the economy and produce jobs. But since the program was put into place, economic differences and social tensions in America have increased—and so has unemployment.

That is more than an economic calamity; it is a recipe for social disaster.●

LEON HENDERSON—DISTINGUISHED PUBLIC SERVANT

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. **HUGHES.** Mr. Speaker, today marks the 87th birthday of Leon Henderson, a distinguished public servant who grew up in my district. I would like to take this opportunity to commend this outstanding American citizen.

An economist by profession, Leon Henderson served the Roosevelt administration in a variety of capacities from 1934 to 1945. He capably served in such varied roles as economic adviser to the National Recovery Administration, member of the Works Progress Administration, member of the Securities and Exchange Commission, member of the War Production Board, and as the first Director of the Office of Price Administration. Through his service in these capacities, Mr. Henderson played a major role in the domestic side of the war effort. With his leadership in the Office of Price Administration, prices and inflation were held at workable levels, enabling the United States to maintain a massive war effort without suffering skyrocketing prices.

While in Government service, Mr. Henderson gave tirelessly of his time and effort in support of projects in his hometown area. Among these projects, the two most important were the development of Roosevelt Park, a residential community located in Millville in 1937, and the selection of Millville, N.J., as the site for the Army Air Training Base in 1941. That base now serves a vital role in the economy of all South Jersey.

Mr. Henderson's private career following his position as Director of the Office of Price Administration found him as economic adviser to both Gen. Dwight D. Eisenhower in Germany and Gen. Chiang Kai-shek in China. In addition, Mr. Henderson was an economic consultant to numerous nations and businesses and an active founder of Americans for Democratic Action.

Although Mr. Henderson now resides in Carlsbad, Calif., his legacy is still a strong force in his hometown of Millville, N.J., where his former high school recently honored him as one of its most distinguished graduates. He is an unprecedented example for the potential success of any Millville student—or of any young citizen in our country. Leon Henderson's career and contributions to our society have brought great honor on himself and all who have been associated with him. His lifetime has been a noble one because he has dedicated himself to serving others. We congratulate him on his past accomplishments and wish him well in this, his 87th year.

MEMORIAL HIGH SCHOOL,
Millville, N.J., May 4, 1982.

Hon. WILLIAM J. HUGHES,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HUGHES: On Thursday, May 20, 1982, a group of United States Government students from Millville, New Jersey, will be visiting Washington, D.C. and the United States Congress. This year's trip is of special importance to us. This year is Millville High School's One Hundredth Commencement Anniversary Year. In addition to this rather local achievement, we also are commemorating the activities of one of Millville's most distinguished graduates, Mr. Leon Henderson.

Mr. Henderson served in the Franklin Roosevelt administration from 1934-1945. A letter accompanying this one provides more details of his career. Mr. Henderson has been honored this year with formal resolution by the Millville Board of Education, the Millville City Commission, and the Cumberland County Board of Chosen Freeholders.

We hope that perhaps recognition of Mr. Henderson's career could be made in the Congressional record or in any other appropriate way. We also thought that you might like to have the information for your brief meeting with our students for the photo session.

We thank you for all of the considerations which you have shown to the students from Millville in the past and look forward to seeing you on May 20th.

Yours truly,

JONATHAN E. WOOD.
C. WILLIAM HOOVER.

Leon Henderson will be remembered as having served in the Roosevelt Administration from 1934 to 1945. An economist by profession, Mr. Henderson served this country in a variety of capacities, among them—economic advisor to the N.R.A., Executive Secretary of the T.N.E.C., the monopoly committee of the Senate in 1937, member of the Securities and Exchange Commission, and first Director of the Office of Price Administration, 1941-1942. In this last position, Mr. Henderson played a major role in the civilian side of the Second World War effort. With his leadership, prices and inflation were held at what were considered to be workable levels, thus enabling the United States to maintain a massive war effort without skyrocketing prices.

Mr. Henderson's private career following the O.P.A. found him as an economic advisor to Chiang-Kai-shek, an economic consultant to various nations and businesses, and an active founder of the A.D.A.

While in government service, Mr. Henderson gave tirelessly of his time and effort in support of projects for his hometown area. Among those projects, the two most important were the development of Roosevelt Park, a senior citizen residential community located in Millville in 1937, and the selection of Millville, New Jersey, as the site for the Army Air Training Base in 1941. That base now serves a vital role in the economy of all of South Jersey.

Mr. Henderson currently lives in Carlsbad, California, and will celebrate his 87th birthday on May 25, 1982.

PROCLAMATION

Whereas, Leon Henderson is a native of Millville, New Jersey, and graduated from Millville High School in 1913; and

Whereas, Mr. Henderson continued his education, graduated from Swarthmore College, studied further at the University of Pennsylvania, served as a Captain in the U.S. Army, taught at the University of Pennsylvania, was an Associate Professor at Carnegie Institute of Technology and a full professor of Economics at the University of Miami; and

Whereas, Mr. Henderson began his long distinguished public service in the state government of Pennsylvania under Governor Pinchot and continued it in the federal government under President Franklin Delano Roosevelt from 1934 to 1944 in the National Recovery Administration, Works Project Adminstration, War Production Board, Securities and Exchange Commission, and the Office of Price Administration; and

Whereas, following World War II, Mr. Henderson served as economic advisor to General Dwight Eisenhower in Germany, General Chiang Kai-shek in China, and to a wide variety of civilian posts in Central and South America as well as to cities and corporations in the continental United States; and

Whereas, Leon Henderson has always taken great pride in his roots in his hometown of Millville, supporting local organizations and institutions, and assisting the area directly in securing the location of the Army Air Base and a wing of Memorial High School for vocational purposes, encouraging glass companies and in many other local endeavors; and

Whereas, in 1941 Leon Henderson was named Millville's Citizen of the Year; and

Whereas, the distinguished career and accomplishments in public service of Leon Henderson serve as an unprecedented example for the potential success of any Millville student; and

Whereas, he has brought great honor and recognition to the City of Millville and to Millville High School.

Now, therefore, be it proclaimed, that the Board of Commissioners of the City of Millville on the occasion of the One Hundredth Commencement for Millville High School do hereby acknowledge and honor Leon Henderson as "A Most Distinguished Graduate of Millville High School".

[From a brochure of the National Concert and Artists Corps., New York, N.Y.]

INTERNATIONALLY FAMOUS ECONOMIST AND BUSINESS CONSULTANT—LEON HENDERSON

First administrator of OPA, now serving as Chief Economist of the Research Institute of America, president of the International Hudson Corporation, and as National Chairman of Americans for Democratic Action.

Leon Henderson first stepped into the international limelight when he was chosen shortly after Pearl Harbor as the nation's first Administrator of the Office of Price Administration, but he had long been famed in business circles as one of the country's soundest and sanest economists.

In the critical period of defense preparedness and in the early years of the war, he organized and developed the then urgently needed program of price controls, rent ceilings, rationing and civilian supply. Through his outstanding and significant work with the Research Institute of America, his writings for leading American publications, and his lectures, American business still looks to Leon Henderson for guidance and leadership on the great economic problems and issues on which hang the future security and welfare not only of Americans but of millions of others throughout the world.

Born May 26, 1895 in Millville, N.Y., Leon Henderson was educated at the Millville High School, Swarthmore College and the University of Pennsylvania. After graduation, he taught for a time at the Wharton School of Finance at the University of Pennsylvania and then at Carnegie Tech. In August of 1923, he was appointed Deputy Secretary of the Commonwealth of Pennsylvania and two years later went to the Russell Sage Foundation as Director of its Division of Remedial Loans, where his studies on consumer credit and investigations of loan sharks obtained passage of uniform legislation against usurious interest rates in several states and attracted widespread attention.

General Hugh Johnson, NRA Administrator, made Leon Henderson Director of his Division of Planning and Research in 1934. The following year he served as economic adviser to the Senate Committee of Manufactures and then went on to serve as consulting economist to WPA where he undertook many special government assignments on unemployment, relief and economic forecasts. He is recognized as the single authority who foretold accurately and publicly the recession of 1937. In 1938 he was appointed Executive Secretary of the government's monopoly study known at TNEC. He was appointed a commissioner of the Securities and Exchange Commission in May of 1939 and served in this post until his appointment in charge of prices by President Roosevelt.

LECTURE SUBJECTS

The elections's effect on business prospects

A keen analysis of the repercussions of changes in the political picture on the outlook for American business, both at home and abroad. Few economists have had Mr. Henderson's unusual opportunities to study the inter-relation of government and politics with business.

An economist's almanac for the days ahead

What's ahead for American business? Can inflationary tendencies be curbed without precipitating another depression? What will be the effect of the European Recovery Program or Marshall Plan on prices and business trends here at home? What is the outlook for American markets abroad after we help to rehabilitate Europe's industrial nations? How can we best insure continuing prosperity in America? Hear the answers of one of our most outstanding economists to these important questions.

[From the Gregg Writer, May 1932]

A CRUSADER AGAINST "AMERICA'S MOST BRAZEN RACKETEER"

Ninth of a Series of Interviews with One-Time Stenographers

(By Burt M. McConnell, New York City, N.Y.)

America's most brazen and most despicable racketeer, says Leon Henderson, of the Russell Sage Foundation, is the Shylock who lends small sums of money to workers in dire need—at interest rates that range between 120 and 480 per cent a year.

Leo Henderson says beer runners and gangsters have nothing "on" the loan shark when it comes to racketeering. He has fought them for six years, and he ought to know. Ever since he graduated from High School, Henderson has made use of shorthand; he was obliged to take notes from one "boss" while riding a bicycle!

SHYLOCK'S FOE

Short, stocky, keen, and aggressive, Henderson has been putting the unlicensed and unscrupulous money-lender out of business, in one State after another, for the past six years. Before the World War he was a writer of shorthand, and he has used it in a number of odd ways. For example:

An imitator of "Billy" Sunday the well-known evangelist, came to Henderson's home town, Millville, New Jersey, one winter for a series of revival meetings. Henderson had just finished two years' instruction in Gregg at the local high school, and was a "cub" reporter on the afternoon paper. He took down in shorthand the press reports that came over the wire, and made shorthand notes when interviewing people. Then the editor asked him to attend every meeting, take down the entire sermon, and make a column or two of the most interesting utterances of the evangelist. This was good practice—and it brought in some extra money. And, since Henderson was planning to go to Swarthmore College in the fall, any new source of income was welcome. Every night he took down the salient points in the discourse and wrote a column of general news for the paper, in addition to his other work.

After the evangelist had departed to save other souls, Henderson found his pay envelope rather thin. Besides, the World War had begun, and the du Pont Company's explosives factory nearby was flooded with orders. Thither went Henderson, still in his 'teens, ready to work at anything that would help him get through college. His first job was that of a day laborer. Then he learned that the safety engineer of the plant had recently fired three stenographers because they were too slow or could not adapt themselves to the unusual conditions.

"What are these conditions?" asked Henderson.

"Well," he was informed, "the engineer, in addition to being a fast dictator and a user of big words, has a lot of ground to cover—two square miles—so he uses a horse. He dictates as he rides along—recommendations for this and that safety measure—and the stenographer must take notes, as it were, on the fly."

SHORTHAND CYCLIST

As it happened, Henderson could ride a bicycle. Moreover, he had learned to ride with both hands off the handle-bars—while delivering newspapers on the front porches of his home town. So he got the job.●

HOUSE CONCURRENT RESOLUTION 333

HON. FLOYD J. FITHIAN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. FITHIAN. Mr. Speaker, I wanted to share with my colleagues in the House a letter I received from a former Iranian hostage, Gary Lee of Falls Church, Va., concerning the Federal Government's resumption of crude oil purchases from Iran.

As you may know, the Government resumed oil purchases from Iran last April 24 with a $53.1 million oil deal. The deal was the first since Iranian "students" seized the American embassy in Tehran in 1979.

Mr. Lee's brief but moving appeal argues, more eloquently than I am able, the case for halting further oil purchases and commercial relations with revolutionary Iran.

After reading Gary Lee's moving appeal I hope that my colleagues would join me in cosponsoring House Concurrent Resolution 333, a resolution expressing the sense of Congress against oil purchases from Iran.

May 21, 1982.

Hon. FLOYD FITHIAN,
House of Representatives, Washington, D.C.

DEAR CONGRESSMAN FITHIAN: As a former hostage for 444 days in Ayatollah Khomeni's country and also a concerned and proud American, I am heartened by the action you are taking to try and curtail any further purchases of crude oil from a country that remains our enemy at their own insistence. The points addressed in House Concurrent Resolution 333 are all too valid and continue to be so today. If the purchase of Iranian crude oil with American tax monies had the blessing of the American people that you and your colleagues represent I would have bowed to the will of the majority and kept silent.

Personally I cannot see how this great country can so soon forget the fact that it was Khomeni and his Iranian government who rubbed our noses in the dirt and who would love to do so again if they got the chance. It seems to me the $53 million (ironic that there were 53 of us for a long time) is going to this band of renegades and trouble makers who are desperate for hard currency to finance their open attempts to cause further discord in the neighboring countries which at present can be considered pro West. From what I can tell the purchase was made to save $4.50 per barrel. Is this the value placed on the entire ordeal suffered by the American people?

Leaving aside my own personal feelings as one who was held by that outlaw government in contravention to all codes of diplomatic conduct and international law, let me add that my wife, Pat Lee, feels as strongly or more so than I. She had to bear the burden of silence and lack of contact with me in a situation filled with uncertainty and constant fear of our well being and indeed, whether or not we were even alive.

Both of us applaud your efforts and as personal citizens of this country are glad to lend our assistance in your endeavor.

Sincerely,

GARY AND PAT LEE,
Falls Church, Va.●

REV. ARTHUR BARTLETT—MAN OF THE YEAR

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. ANDERSON. Mr. Speaker, on Friday, June 4, Rev. Arthur Bartlett will be honored as Man of the Year by the Maritime Trades Department, Southern California Ports Council, AFL-CIO. This distinction is being bestowed on Reverend Bartlett to honor his many years of dedicated service to the people of the South Bay area and to the maritime community as a whole.

Currently, the Reverend Bartlett serves as a member of the Los Angeles Harbor Commission, a position he has held since September 1981. His major responsibilities, however, lay in his role as port chaplain of San Pedro's Seamen's Church Institute.

The Seamen's Church, founded in 1881, is dedicated to improving the qualify of life and conditions of seamen in the South Bay area. These tasks are accomplished by providing seafarers of all nations with recreation and counseling during their sojourn in the Port of Los Angeles. Reverend Bartlett became full-time program director of the center in 1958 and immediately immersed himself into the task of serving seafarers in the area. Two years later, Bartlett commenced his religious studies when it became clear to him that the center was in need of a full-time chaplain. After several years of study, in Los Angeles and at the Episcopal Seminary in Berkeley, Bartlett was ordained an Episcopal priest in 1965.

As chaplain, Bartlett founded Beacon House, a residential center for recovering alcoholics. Now, he is attempting to establish a residence that would provide seafarers with decent temporary housing. The money raised in his honor at the Man of the Year banquet on the *Queen Mary* will go to this worthy project for construction of the residence.

Over the years, Arthur Bartlett has distinguished himself in a number of other ways. An individual with a firm understanding of the needs and concerns of the worker, earlier in life he was elected by his fellow workers as the president of the International Chemical Workers Union local; in addition, he also was a member of the Industrial Union of Marine and Shipbuilding Workers. He at present serves on the board of directors of the International Council of Seamen's Agencies and the Episcopal City Mission Society. Reverend Bartlett is a member of the Alcoholism Advisory Board of San Pedro and Peninsula Hospital. Before it was closed earlier this year, he served on the patient advisory council of the local U.S. Public Health Clinic, and he is a member of the San Pedro Elks Club.

My wife, Lee, joins me in congratulating Rev. Arthur Bartlett for the very significant contribution he has made, and is still making, to our harbor area. We wish him every success in his project to provide seafarers in the San Pedro Bay area with decent temporary housing, and we wish his wife Frances, and their three sons, Gregory, Robert, and Timothy much happiness in the future.●

NUCLEAR WEAPONS A PUBLIC HEALTH CONCERN

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. FRANK. Mr. Speaker, one of the most encouraging trends in the past year and a half is the increasing determination of members of the medical profession to speak out against the greatest health menace that faces all of us—the threat of nuclear war. Organizations such as the Physicians for Social Responsibility have played an invaluable role in informing the public of the inevitably tragic consequences of nuclear war and in refuting the glib assertions of many who should know better that nuclear war is survivable.

I was particularly pleased to learn last week that one of the distinguished leaders of the medical profession in Massachusetts, Dr. Alfred L. Frechette, the Public Health Commissioner of Massachusetts, has put his very considerable expertise behind this effort.

In his official capacity as Commissioner of Public Health for Massachusetts, Dr. Frechette has put out a statement on the terrible danger which nuclear war poses to the health of the people of Massachusetts. In doing so, Dr. Frechette has added to his very distinguished career as a dedicated and thoughtful defender of the public health.

The Department of Public Health's eloquent discussion of nuclear war, closes with a statement of profound truth and importance:

> The Department of Public Health has come to the realization that only the prevention of a nuclear attack will save us and our children from an unimaginable future horror. We hope that this document has helped to raise your awareness of the challenge before us.

I believe that the courageous action that Dr. Frechette has taken ought to be emulated by those with similar responsibilities in other States, and I make available the text of the Massachusetts Department of Public Health's statement toward that end.

NUCLEAR WEAPONS—A PUBLIC HEALTH CONCERN

(Commonwealth of Massachusetts, Department of Public Health, Alfred L. Frechette, M.D., M.P.H., Commissioner)

INTRODUCTION

Is nuclear war a proper concern of the Massachusetts Department of Public Health? The answer lies in the very nature and organization of public health in Massachusetts. Addressing the first meeting of the newly established Massachusetts Board of Health on September 15, 1869, Dr. Henry Bowditch, Chairman, told his colleagues: "Our work is for the future as well as for the present, and at this very opening of our labors we should try to place ourselves above the region of merely local or temporary excitement or of partisan warfare, in order that we may act wisely and for the ultimate good of the whole people".

Today, the Department of Public Health faces a far greater challenge than the one that confronted the fledgling Board of Health—how to avoid the unthinkable, catastrophic consequences of a nuclear war. As the nuclear arms race continues to pile up weapons that possess a destructive force over one million times that of the bomb exploded over Hiroshima, the possibility of a nuclear accident or attack hangs dangerously over the population.

According to the most highly qualified members of the international scientific and medical community, the effects of a nuclear attack on a concentrated area like the Commonwealth of Massachusetts would have devastating medical and public-health consequences, resulting in millions of fatalities and injuries, and unimaginable horror. Human existence as we now understand it could disappear.

In the face of this indescribable disaster, the Department of Public Health, which is mandated "To maintain, protect and improve the health and well-being of the people," has taken the position that the very idea of a nuclear war is totally unacceptable. To carry out its mandated objectives, the Department has followed the basic concept of public health—prevention of the occurrence of disease and injury. No longer are the elimination of unsanitary conditions and the spread of communicable diseases the only concerns of public health workers. The danger facing all people—not only the people of the Commonwealth—is far greater and more complex. In keeping with the principle of public health, the Department has, therefore, determined that prevention is essential to wipe out the "last epidemic of nuclear war."

To that end, the Department has begun a campaign of education to inform public health professionals and the people of Massachusetts of the enormous medical, social, and economic consequences of a nuclear war. This brochure, the first such effort of the Department, seeks to present simply and clearly what the public health effects of a nuclear attack on Massachusetts would mean. The Department will cooperate with the local boards of health, other concerned public health professionals and lay groups to create an informed public able to assist in our preventive efforts.

ALFRED L. FRECHETTE, M.D., M.P.H.,
Commissioner.

NUCLEAR WEAPONS: A DESIGN FOR DESTRUCTION

The nuclear fission bombs dropped on Hiroshima and Nagasaki represented a thousandfold increase in destructive power over all previously developed weaponry. The fusion bombs now stockpiled by the United States, the Soviet Union, and other nations represent a destructive power many times greater than the bomb that fell on Hiroshima. The technology for delivering bombs has also advanced dramatically since World War II. Recently designed planes now carry 12 or more nuclear-tipped short-range missiles in addition to bombs. These missiles can be directed accurately for up to 100 miles. Both the United States and the Soviet Union have arsenals of sea-based missiles, as well as hundreds of land-based intercontinental ballistic missiles.

The largest nuclear weapon, a 20-megaton intercontinental ballistic missile, is five times more powerful than all the bombs dropped by the United States in Viet Nam, and 1,500 times more powerful than the ones used on Hiroshima and Nagasaki. Each of the bombs dropped over the Japanese cities had an explosive power equivalent to 13,000 tons of TNT. A single megaton is equivalent to 1 million tons of TNT, and has a destructive power more than 70 times that which destroyed Hiroshima. A 20-megaton bomb, therefore, has the destructive force of 20 million tons of TNT, enough to wipe out not only individual cities but many cities and towns within a wide radius.

In a 1962 article in the New England Journal of Medicine, a group of physicians and physicists described, for the first time, the medical consequences of a blast from a 20-megaton bomb exploded on the ground. Destruction would occur through blast, thermal, and radiation effects.

The blast, if it exploded on the ground, would create a crater a half-mile in diameter and demolish everything standing within a four-mile radius. If a 20-megaton bomb exploded in the air, it would almost double the area destroyed. All buildings and basement shelters, with the possible exception of heavily reinforced concrete structures, would be destroyed within a 16-mile radius of a ground blast.

All persons in that area would be killed immediately by lung damage alone. Most buildings, including hospitals, would be damaged beyond repair for a radius of 15 miles from the center of the blast. The direct blast effects on humans are three basic types: blast-produced overpressures including eardrum and lung rupture; injury from flying glass, masonry, and other projectiles; and injury from being hurled by the blast.

Serious thermal effects would be experienced by persons as far away as 40 miles from the blast. In a blast, the second flash of thermal energy, released in an infrared pulse containing nearly 35 percent of the bomb's energy, would burn the skin of persons and ignite clothing up to 21 miles away, and could blind persons who looked at the fireball from as far away as 40 miles.

The explosion would create a huge pressure wave followed by winds greater than 1,000 miles per hour. The wind would create a low pressure area filled in by a rush of surrounding air, which would fan fires started by the blast to create a huge fire storm. It is estimated that nearly three million people would be killed by direct blast and thermal effects of a single 20-megaton ground blast in a metropolitan area.

The radiation effects of such a blast would also be major hazards for people at great distances from the blast site. The radius of the area affected by short- and long-term radiation depends upon wind currents and other influences on fallout patterns. It is generally assumed, however, that people in the 4,000 square miles surrounding a 20-megaton blast would receive at least 450 rem of radiation within 48 hours of the blast. This amount given as a short-term dose would permit the survival of about half of a healthy young adult population. But even much lower doses could kill children, elderly people, or those with weakening medical conditions, either pre-existing or the result of blast or burn injuries.

HIGH RISK AREAS IN MASSACHUSETTS

The scope and the nature of a nuclear interchange are difficult to predict. The build-up of world tension may be gradual, with initial attacks directed at military targets. A broader attack could also involve population centers, such as Greater Boston, and industrial targets. Massachusetts, which has dense population centers in Boston, Worcester, Springfield and Lowell, and a concentration of high technology industries along Route 128, would be a high risk area. With both a high population density and major governmental and industrial sites, the Greater Boston Area would be a likely target in the event of an attack.

PUBLIC HEALTH EFFECTS OF A NUCLEAR ATTACK ON MASSACHUSETTS

Using a hypothetical example, the group of concerned physicians and physicists estimated in 1962 the number of casualties from a nuclear attack on Massachusetts. The example assumed an attack on the three major population centers in the state—Boston, Worcester, and Springfield. Extrapolating from the 1962 calculations and assuming 20-megaton surface blasts in the three cities, one can estimate that a total of 1,345,287 immediate fatalities would result in the three areas from the effects of the blasts alone, and an additional 1,950,666 fatalities from thermal effects. The number of injured would approach 2,218,000. In other words, 57 percent of the state's population would be killed from such an attack and 39 percent would be injured.

In 1976, 8,888 of the state's 11,283 physicians and 29,128 of the 42,566 registered nurses lived in the areas around Boston, Worcester, and Springfield. In a population attack on these three cities, approximately 80 percent of the physicians and 70 percent of the registered nurses in the state would be among those killed. In addition, 81 of the 127 acute-care hospitals in Massachusetts would be destroyed, a loss of 64 percent of the hospitals; and 65 percent (18,056 out of 27,991) of the acute-care beds would be damaged or destroyed. Under such circumstances, no effective medical response would be possible. It is arguable that there would not be enough medical personnel available even to declare the casualties dead, let along to attend the injured survivors.

A second hypothetical example is of a more limited military attack on Hanscom Air Force Base in Bedford, northwest of Boston. Extrapolating from figures included in the study prepared by the Office of Technology Assessment of the Congress of the United States in 1979, one can project that a one-megaton surface burst on the air base would leave approximately 150,000 dead and 300,000 injured in the immediate aftermath of the attack.

Even the explosion from a one-megaton blast directed at this military target would result in property damage in an area 70 miles square. In addition to the destruction of hospitals in Boston, medical facilities in Lowell, Lynn, Cambridge, Watertown, and Concord would be damaged or completely destroyed.

The numbers of physicians in the entire state who might survive the two hypothetical attacks would be less than 2,400, a number far too small to care for the injured and the dying.

The only conclusion from these projections is that there is no effective medical or public health response to a nuclear attack on Massachusetts.

LONG-TERM EFFECTS OF A NUCLEAR ATTACK

The major immediate health effects of a nuclear explosion, as described above, would include blast injuries, lacerations of soft tissues and fractures, thermal injuries with surface burns, retinal burns, and respiratory tract damage, radiation injuries, including acute radiation syndrome, and psychiatric disturbances.

In the period after the attack, other medical problems would assume increasing importance. These long-range health effects were discussed in an article in the New England Journal of Medicine, November 12, 1981. It is important to reiterate that the capacity to respond to both short- and long-term problems would be severely hampered by a greatly disrupted health-care system. Although all medical resources would be limited, a large proportion of the surviving population would be in need of intensive medical treatment. Medical facilities would be reduced, with a resultant acute shortage of hospital beds, diagnostic equipment, blood, drugs, instruments, electric power, communication facilities, and means of transport.

Millions of corpses would constitute an immediate public health hazard. Corpses in areas affected by high levels of radiation would probably remain untouched for weeks since it would be unsafe to dispose of them. Because bacteria and viruses multiply rapidly in dead flesh, decaying corpses would become a source of epidemic infections. In addition, bacteria and viruses in a radioactive environment could mutate to become even more virulent or lethal. Whereas bacteria, fungi, viruses and insects are highly resistant to radiation, human beings and domestic animals are not. Survivors would suffer weakened resistance resulting from exposure to radiation, which affects the immune system in several different ways. Most important is its capacity to injure bone marrow. Other effects are a decreased antibody response, a decreased effectiveness of immunizing agents and an increased susceptibility to some toxins.

In addition to a weakened immune system response, survivors would suffer from other conditions that would further affect their ability to resist disease. These include malnutrition due to the disruption of the food supply system, severe emotional stress induced by loss of family and friends and general societal disruption, poor hygienic conditions resulting from contaminated water supplies, lack of housing, inadequate sewage treatment and waste disposal.

All of these factors would lead to a high incidence of infectious and communicable diseases among the surviving populace. All of the public health advances in controlling these diseases would be wiped out. This increased risk would be intensified by depleted stocks of antibiotics, shortages of physicians, nurses, and other public health workers, such as, sanitarians, radiation engineers, and epidemiologists, and the complete disorganization of services. Respiratory diseases such as pneumonia and tuberculosis would affect people in crowded shelters (if any were available). Diarrheal diseases would become widespread, as would infectious hepatitis. Rabies and tetanus, diseases endemic to certain rural areas, would be a threat to any evacuated populations. Other diseases such as influenza could spread rapidly. Nonimmunized infants would be particularly vulnerable to measles, whooping cough, and diphtheria.

Genetic changes can also be expected to occur after a nuclear explosion. In both Hiroshima and Nagaski, infants exposed to radiation in utero were born with great number of malformations. The incidence of cystic fibrosis, diabetes, hemophilia and mental retardation would be expected to increase, and the spontaneous gene mutation rate might double. Over a longer period of time, residual radiation would increase the incidence of leukemia and other neo-plasms. Additional effects would include decreased fertility, neonatal deaths, an increased incidence of cataracts, accelerated aging and a decrease in longevity.

Public health workers must recognize that assessment of casualties and long-term effects of a postulated nuclear attack, as described above, may well be an underestimation. This presentation does not explore the ecological and social problems that would result. Survivors would find a completely disrupted economy, as well as a disrupted governmental apparatus. The systems of communication, transportation, and energy, indeed society as we now know it—including its accumulated knowledge, art and culture—would cease to exist. The concept of community and mutual aid would undergo a fundamental change as groups struggled to survive. A public health response, under such circumstances, would be minimally effective.

CONCLUSION

Despite the difficulties and uncertainties involved in predicting the scope of a nuclear attack, one fact stands out grimly. Whatever the extent of a nuclear attack, the effects on the public's health and on the system of care developed to preserve and protect it would be devastating. Both the physical and psychological effects on the survivors and the challenges they would face are difficult to imagine during the normal course of daily life.

The Department of Public Health has come to the realization that only the prevention of a nuclear attack will save us and our children from an unimaginable future horror. We hope that this document has helped to raise your awareness of the challenge before us.●

RECOGNITION OF SHERIFF WAYNE HUGGINS OF FAIRFAX COUNTY

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. WOLF. Mr. Speaker, I would like to recognize Fairfax County Sheriff Wayne Huggins who successfully completed and graduated from the 128th session of the FBI National Academy on March 26, 1982, at the FBI Training Facility in Quantico, Va.

The Academy is an intensive 11-week training program designed for criminal justice administrators and is sanctioned by the University of Virginia. Sheriff Huggins received training in management planning and budgeting, constitutional law, media relations, forensic science, applied criminal psychology, statistics, terrorism, hostage negotiations, firearms, and physical training. He received 16 graduate credits from the University of Virginia for completing this course of instruction.

During the 11-week program, Sheriff Huggins received two prestigious awards. First, he was elected "Section Spokesman" by his classmates. There were 50 students from all over the country in his section. Second, he received the coveted "Bringing Home the Bacon Award" in his management class. This award is given to the student who prepares the best budget and justification for his budget for a hypothetical town that the FBI instructors have created.

Under the leadership of Sheriff Huggins, the Fairfax County Jail has been recognized as an outstanding facility in the country. The American Medical Association awarded a certificate to the facility for meeting their stringent requirements for medical safety and the National Association of Counties recognized the county's excellent work-release program as the outstanding program of this type in the Nation. The Police Executive Research Forum further commended the jail as a model facility to be used as a national standard.

I commend Sheriff Huggins and his excellent record of achievement that has involved more than 10 years of law enforcement experience including service with the U.S. Secret Service and the Virginia State Police. His striving to further educate himself and to constantly improve the Fairfax County Jail and its programs should serve as an example to law enforcement officials through the Nation.●

PERSONAL EXPLANATION

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mrs. SCHROEDER. Mr. Speaker, last Friday I was in Denver fulfulling longstanding commitments to my constituents. Had I been here, I would have voted "no" on rollcall No. 93, approving the Journal, and "yes" on rollcall No. 94, on going into committee.

As a result of being out of town, I was unable to afford myself of the opportunity to modify my amendment cutting the defense budget to House Concurrent Resolution 345, the first budget resolution. If I had been here, I would have submitted three versions of my amendment, all setting exactly the same dollar figures for the national defense (050) function. The difference between the amendments is that the aggregate totals for budget authority, outlays, and deficit are recalculated to reflect the differing contents of the Budget Committee budget, the Aspin budget, and the Latta budget.

Today I am placing in the RECORD revised versions of my amendment to dovetail with each of the three substitutes. When the time comes to offer my amendments, I will seek unanimous consent to make the modifications reflected in these amendments.●

EXPORT RELIABILITY BILL INTRODUCED

HON. COOPER EVANS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. EVANS of Iowa. Mr. Speaker, last Friday, along with my colleague, Congressman TOM TAUKE, I introduced legislation designed to improve net income of farmers and our Nation's reputation as a reliable supplier of agricultural goods in foreign markets.

Too many times, by three recent Presidents, we have seen embargoes placed on the sales of our farm goods abroad. Today's seriously depressed farm prices for grain and the outlook for totally unacceptable net farm income for 1982 can easily be laid at the feet of overseas sales embargoes.

This pattern of embargoes, coupled with today's fragile world peace situation, has caused both our grain merchants and potential overseas buyers to seek other grain suppliers before buying from the United States. Our U.S. grain producers have plenty of products available at very reasonable prices. Our grain merchants have demonstrated that they are able and willing to sell U.S. grain, and our overseas customers have continued to show interest in buying, but few export contracts are being signed at present because of uncertainty about delivery.

We must assure all involved that once a sales contract with an overseas buyer has been interred into, the United States will permit the seller to deliver on the contract. My bill does just that. It requires that the United States shall honor sales contracts which require that agricultural commodities be delivered to a U.S. port within 180 days of the contract signing.

It is most important that both our grain producers and merchandisers have this assurance at an early date. Our grain prices remain in the bargain basement, and even at these low prices little grain is being sold abroad. Our storage bins are filled, farmers need funds to pay for this year's planting, and our Nation needs to improve its balance of payments.

All of these concerns will be eased by my bill. I urge early hearings on the bill and would welcome cosponsors to join Congressman TAUKE and me as we seek to demonstrate to our customers abroad that the Congress is serious about the United States once again becoming a reliable source of supply for farm goods. This will again start grain moving abroad and dollars flowing to our farm families.●

BOY SCOUTS OF AMERICA HONOR COUNCILMAN RUSSELL RUBLEY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 24, 1982

● Mr. ANDERSON. Mr. Speaker, this Thursday, May 27, 1982, the Boy Scouts of America (Long Beach, Calif., Area Council) will honor Councilman Russell Rubley for his many contributions to the community in accordance with their North Long Beach "Citizen of the Year" program.

Born and raised in Springfield, Ill., Russ served in the U.S. Army Amphibious Engineers during World War II, in addition to his 4-year service in the Navy. A resident of Long Beach for over 40 years now, Russ needs little introduction to those who live in the area. An eager readiness to contribute and a sincere commitment to community betterment have been the traits of his involvement in civic affairs. Russ' many community activities have included being a sports official with the Long Beach Recreation Department; past member of the board for the Greater Long Beach Area Chamber of Commerce; member of the AFL-CIO; past member of the board for the North Long Beach YMCA; past area chairman for Long Beach Beautiful; member of the National Federation of Independent Business; current member of Elks Lodge 888, and currently serves as president of the North Long Beach Lions Club. If this is not enough, he serves as honorary chairman of the California Community Pools for the Handicapped.

Russ, who owns and manages Space Products Inc., was first elected to represent the 9th district of Long Beach (in which he has resided for the last 34 years) in 1969. Since that time has been returned by the voters three times. In his official capacity as city councilman, Russ was elected to the South Coast Regional Conservation Commission in 1972. In 1973 he was elected vice president of the city council and served in this capacity for the next 4 years. He has also served on the important Los Angeles County Transportation Commission since 1978 and, in fact, just finished a term as chairman. Russ' official responsibilities also include serving as chairman of the Community Development Commission and vice chairman of the finance committee and, for the past 13 years, as the council representative on the recreation commission.

Mr. Speaker, few citizens can claim to have done as much for their communities as Russ has done for Long

Beach. In all his endeavors, whether it be in business or civic affairs, he has proven himself to be an able leader. For his good work and many contributions in making Long Beach a better place to live and work, my wife, Lee, and I extend our congratulations and appreciation. We also extend our sincere hopes for a happy and rewarding future to him, his wife, Phyllis, and their daughters, Linda, Janis, and Carol.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, May 25, 1982, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 26

9:00 a.m.

Banking, Housing, and Urban Affairs

To hold hearings on S. 2531 and S. 2532, bills providing for capital assistance to insure the long-term viability of certain financial institutions engaged in mortgage lending.

5302 Dirksen Building

Commerce, Science, and Transportation

To hold hearings on the nomination of D. Bruce Merrifield, of Connecticut, to be Assistant Secretary of Commerce for Productivity, Technology, and Innovation.

235 Russell Building

9:30 a.m.

Judiciary

Criminal Law Subcommittee

To hold hearings on S. 1043, prohibiting the drugging or numbing of racehorses and related practices.

5110 Dirksen Building

Judiciary

Juvenile Justice Subcommittee

To hold hearings on the alleged abuse of juveniles in certain State-operated care facilities.

2228 Dirksen Building

Labor and Human Resources

To hold oversight hearings on activities of the Office of Federal Contract Compliance Programs, Department of Labor.

4232 Dirksen Building

10:00 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

3110 Dirksen Building

Environment and Public Works

Toxic Substances and Environmental Oversight Subcommittee

To resume hearings on S. 1866, revising regulatory procedures relating to safe drinking water requirements, and S. 2131, authorizing funds through fiscal year 1986 for the safe drinking water program.

4200 Dirksen Building

Foreign Relations

Business meeting, to mark up Senate Joint Resolution 163, Senate Joint Resolution 171, Senate Joint Resolution 177, Senate Joint Resolution 191, Senate Resolution 323, Senate Resolution 343, Senate Resolution 370, Senate Executive Resolution 5, Senate Executive Resolution 6, and Senate Concurrent Resolution 81, resolutions providing for a reduction of nuclear armaments by the United States and the Soviet Union, and other pending calendar business.

4221 Dirksen Building

Joint Economic

To continue hearings on issues to be addressed at the Versailles Economic Summit (June 4-6, 1982), focusing on the international trading system under pressure.

2318 Rayburn Building

10:30 a.m.

Select on Intelligence

To hold closed hearings on intelligence matters.

S-407, Capitol

1:30 p.m.

Agriculture, Nutrition, and Forestry

Rural Development, Oversight, and Investigations Subcommittee

To continue oversight hearings to review the energy needs of rural communities.

324 Russell Building

2:00 p.m.

Armed Services

Manpower and Personnel Subcommittee

To hold hearings to review the administration of certain military medical health care facilities during peacetime.

224 Russell Building

Environment and Public Works

Business meeting, to consider pending calendar business.

4200 Dirksen Building

Foreign Relations

Business meeting, to continue markup of Senate Joint Resolution 163, Senate Joint Resolution 171, Senate Joint Resolution 177, Senate Joint Resolution 191, Senate Resolution 323, Senate Resolution 343, Senate Resolution 370, Senate Executive Resolution 5, Senate Executive Resolution 6, and Senate Concurrent Resolution 81, resolutions providing for a reduction of nuclear armaments by the United States and the Soviet Union, and other pending calendar business.

4221 Dirksen Building

Judiciary

To hold hearings on pending nominations.

2228 Dirksen Building

Select Committee to Study Law Enforcement Undercover Activities of Components of the Department of Justice

To hold an organizational business meeting.

301 Russell Building

2:30 p.m.

Labor and Human Resources

Business meeting, to mark up S. 2036, providing for State and local employment and training assistance.

4232 Dirksen Building

MAY 27

9:00 a.m.

Finance

Taxation and Debt Management Subcommittee

To resume hearings on the proposed extension of the temporary limit on the public debt.

2221 Dirksen Building

9:30 a.m.

Appropriations

State, Justice, Commerce, the Judiciary and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1983 for contributions to international organizations of the Department of State, and the Securities and Exchange Commission.

S-146, Capitol

Banking, Housing, and Urban Affairs

To continue hearings on S. 2531 and S. 2532, bills providing for capital assistance to insure the long-term viability of certain financial institutions engaged in mortgage lending.

5302 Dirksen Building

Judiciary

Criminal Law Subcommittee

To hold hearings on S. 2420, revising certain provisions of the Federal criminal code to protect victims and witnesses of crimes.

6226 Dirksen Building

Judiciary

Juvenile Justice Subcommittee

To continue hearings on the alleged abuse of juveniles in certain State-operated care facilities.

2228 Dirksen Building

Labor and Human Resources

To hold oversight hearings on the Department of Labor's law enforcement programs.

4232 Dirksen Building

Joint Economic

To continue hearings on issues addressed at the Versailles Economic Summit (June 4-6, 1982), focusing on the U.S. commitment to economic development in the developing world.

2175 Rayburn Building

10:00 a.m.

Agriculture, Nutrition, and Forestry

Agricultural Production, Marketing, and Stabilization of Prices Subcommittee

To hold hearings on S. 2533, improving the milk price support program and providing authority to the Commodity Credit Corporation to donate surplus dairy products to needy persons in the United States and abroad.

324 Russell Building

Appropriations
Defense Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1983 for the Defense Establishment, focusing on tactical aircraft issues.
1114 Dirksen Building

Energy and Natural Resources
Public Lands and Reserved Water Subcommittee
To hold hearings on S. 1964 and S. 1965, bills designating certain wilderness areas in the Mark Twain National Forest in Missouri as components of the National Wilderness Preservation System, S. 2021, providing for the disposal and acquisition of certain Federal lands in New Mexico, and S. 2405, providing for certain lands in New Mexico to be included in the Cibola National Forest System and into the existing Sandia Wilderness.
3110 Dirksen Building

Environment and Public Works
To resume hearings to examine chemical and meteorological effects of acid deposition.
4200 Dirksen Building

10:30 a.m.
Select on Intelligence
To hold hearings on the nomination of John N. McMahon, of Maryland, to be Deputy Director of Central Intelligence.
5110 Dirksen Building

2:00 p.m.
Finance
Estate and Gift Taxation Subcommittee
To hold hearings on S. 2479 and S. 1983, clarifying certain technical provisions relating to estate and gift taxation, and other related measures.
2221 Dirksen Building

2:30 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1983 for the United Nations, focusing on voluntary contributions to international organizations and programs.
1223 Dirksen Building

Judiciary
To continue hearings on pending nominations.
2228 Dirksen Building

3:00 p.m.
Judiciary
Business meeting, to consider pending calendar business.
2228 Dirksen Building

JUNE 8

9:30 a.m.
Banking, Housing, and Urban Affairs
Securities Subcommittee
To resume hearings on S. 1869, S. 1870, S. 1871, and S. 1977, bills revising or repealing certain provisions of the Public Utility Holding Company Act of 1935.
5302 Dirksen Building

Energy and Natural Resources
To resume hearings on S. 1844, to facilitate the development of interstate coal pipeline distribution systems by granting the Federal power of eminent domain to those interstate pipelines which are determined to be in the national interest.
3110 Dirksen Building

1:30 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1983 for programs which fall within the jurisdiction of the subcommittee.
1318 Dirksen Building

JUNE 9

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Donald D. Engen, of Virginia, to be a Member of the National Transportation Safety Board.
235 Russell Building

Rules and Administration
To hold hearings on the nominations of Joan D. Aikens, of Pennsylvania, Lee Ann Elliott, of Illinois, and Danny Lee McDonald, of Oklahoma, each to be a Member of the Federal Election Commission.
301 Russell Building

Select on Indian Affairs
To hold hearings on law enforcement problems on Indian reservations including the authority and effectiveness of the Bureau of Indian Affairs police, tribal police, and the Federal Bureau of Investigation, and the quality of U.S. prosecution of criminal offenses.
6226 Dirksen Building

JUNE 10

9:30 a.m.
Banking, Housing, and Urban Affairs
Securities Subcommittee
To resume hearings on S. 1869, S. 1870, S. 1871, and S. 1977, bills revising or repealing certain provisions of the Public Utility Holding Company Act of 1935.
5302 Dirksen Building

Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on the implementation of the employee retirement income security program (ERISA).
4232 Dirksen Building

Small Business
To hold oversight hearings on activities of small business investment companies (SBIC's) and minority enterprise small business investment companies (MESBIC's).
424 Russell Building

10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
4200 Dirksen Building

1:30 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1983 for the Export-Import Bank of the United States.
1318 Dirksen Building

JUNE 14

9:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on S. 2469, providing for improved international telecommunications.
235 Russell Building

JUNE 15

9:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on S. 2469, providing for improved international telecommunications.
235 Russell Building

10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
4200 Dirksen Building

Select on Indian Affairs
To hold hearings on proposed authorizations for the tribally controlled community college program.
6226 Dirksen Building

Conferees
On S. 1193, authorizing funds for fiscal year ending September 30, 1982, and fiscal year 1983 for the Department of State, authorizing funds for fiscal year ending September 30, 1982 for the Arms Control and Disarmament Agency, authorizing funds for fiscal year ending September 30, 1982, and fiscal year 1983 for the International Communications Agency, and authorizing funds for fiscal year ending September 30, 1982, and fiscal year 1983 for the Board for International Broadcasting.
S-116, Capitol

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1983 for the Agency for International Development, focusing on the trade and development program, international disaster assistance, and American schools and hospitals abroad program.
S-146, Capitol

JUNE 16

9:30 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold oversight hearings on Federal Government cargo preference.
235 Russell Building

Rules and Administration
Business meeting, to consider the nominations of Joan D. Aikens, of Pennsylvania, Lee Ann Elliott, of Illinois, and Danny Lee McDonald, of Oklahoma, each to be a Member of the Federal Election Commission, and a proposed resolution of regulations and/or rules changes needed to implement television and/or radio coverage of the Senate.
301 Russell Building

10:00 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
To hold oversight hearings on the implementation of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (Super Fund).
4200 Dirksen Building

JUNE 17

9:00 a.m.

Commerce, Science, and Transportation
Communications Subcommittee
To resume hearings on S. 2469, providing for improved international telecommunications.
235 Russell Building

Select on Indian Affairs
To hold hearings on S. 1735, providing for the use and distribution of funds awarded the Pembina Chippewa Indians in specified dockets of the U.S. Court of Claims.
5110 Dirksen Building

Office of Technology Assessment
The Board, to hold a general business meeting.
EF-100, Capitol

10:00 a.m.

Environment and Public Works
Business meeting, to consider pending calendar business.
4200 Dirksen Building

JUNE 18

2:00 p.m.

Finance
Taxation and Debt Management Subcommittee
To hold hearings on miscellaneous tax measures, S. 2012, S. 2015, S. 2092, S. 2113, S. 2176, S. 2321, S. 2413, and Section 127 of the Economic Recovery Act of 1981.
2221 Dirksen Building

JUNE 23

9:30 a.m.

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold oversight hearings on the implementation of the National Materials and Minerals Policy Act of 1980 (P.L. 96-479).
235 Russell Building

10:00 a.m.

Select on Indian Affairs
To hold oversight hearings on indirect cost and contract provisions of the Indian Self-Determination and Education Assistance Act (P.L. 93-638).
6226 Dirksen Building

JUNE 24

10:00 a.m.

Environment and Public Works
Business meeting, to consider pending calendar business.
4200 Dirksen Building

SEPTEMBER 21

10:30 a.m.

Veterans Affairs
To hold hearings to receive American Legion legislative recommendations for fiscal year 1983.
318 Russell Building

CANCELLATIONS

MAY 25

9:00 a.m.

Governmental Affairs
To hold hearings on the annual report of the Postmaster General.
3302 Dirksen Building

10:00 a.m.

Appropriations
Military Construction Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1983 for military construction programs of the Air Force, focusing on national programs.
1223 Dirksen Building

Energy and Natural Resources
Business meeting, to consider pending calendar business.
3110 Dirksen Building

SENATE—*May 25, 1982*

The Senate met at 10:30 a.m., and was called to order by the President pro tempore (Mr. THURMOND).

The PRESIDENT pro tempore. Our opening prayer will be delivered by Dr. John C. McCollister, consultant to the president, Embry-Riddle Aeronautical University, Daytona Beach, Fla. He was suggested by Senator PAULA HAWKINS.

PRAYER

The Reverend Dr. John C. McCollister offered the following prayer:

Let us Pray:
Our Father, who art in this Chamber:
Hallowed be the office to which these Senators are called.
Thy kingdom be acknowledged by them,
Thy will be done by them as it is in heaven.
Give each Senator the daily bread of wisdom,
And forgive them any trespass of impatience
As they forgive those who demand of them to do the impossible.
And lead them not into the temptation to select the easy answer,
But deliver them from the evil of any power determined to destroy these, Thy faithful servants.
For thine is this Senate
And this Government
And this Nation
For ever and ever.
Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

Mr. President, I understand, pursuant to the order entered on yesterday, that the reading of the Journal has been dispensed with?

The PRESIDENT pro tempore. The Senator is correct.

Mr. BAKER. And that no resolution shall come over under the rule, and the call of the calendar has been dispensed with?

The PRESIDENT pro tempore. The Senator is correct.

Mr. BAKER. I thank the Chair.

ORDER OF PROCEDURE TODAY

Mr. BAKER. Mr. President, the agenda for today is as follows: After the time for the recognition of the two leaders has expired, three Senators will be recognized on special order, that is to say, Senators PROXMIRE, CHILES, and NUNN.

VITIATION OF SPECIAL ORDER FOR SENATOR THURMOND

Mr. President, while there is an order in favor of the distinguished President pro tempore, I am advised he has no requirement for that time. I ask unanimous consent that it be vitiated.

The PRESIDING OFFICER (Mr. GOLDWATER). Without objection, it is so ordered.

Mr. BAKER. After the execution of the special orders, there will be a period for the transaction of routine morning business to extend not past 12 noon in which Senators may speak for not more than 5 minutes each as ordered on last evening.

ORDER FOR RECESS FROM 12 NOON UNTIL 2 P.M. TODAY

Mr. President, I ask unanimous consent, as has been our custom in recent months and in order to accommodate caucuses by Senators on both sides of the aisle during that period, that the Senate stand in recess from 12 noon until 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, at 2 p.m. it is the intention of the leadership, pursuant to the order granted on last evening, to ask the Senate to turn to the consideration of the supplemental appropriations bill. I cannot now say how late the Senate will be in session today or tomorrow or Thursday, but I hope to have a further announcement to make on that very shortly.

Mr. President, I have no further need for my time under the standing order. If any Senator seeks recognition, I will be happy to yield to him.

I see none. I offer my time remaining to the minority leader.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished majority leader.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The minority leader is recognized.

DR. McCOLLISTER CONGRATULATED FOR EXCELLENT PRAYER

Mr. ROBERT C. BYRD. Mr. President, I listened with care and interest and appreciation to the prayer of the distinguished visiting chaplain this morning. His prayer was not an improvement on the Lord's Prayer, but it was certainly a novel rewording of it and very appropriate. I congratulate him on an excellent prayer.

Mr. BAKER. Mr. President, I join the minority leader in extending a welcome to our visiting chaplain today. I commend Senator HAWKINS for sponsoring this guest chaplain to appear here today and to offer that prayer in this manner.

ORDER OF PROCEDURE

Mr. ROBERT C. BYRD. I yield back to the majority leader any time he may wish.

Mr. BAKER. I thank the minority leader.

Mr. President, I ask unanimous consent that the order and sequence of special orders today may be arranged to accommodate Senators who are awarded special orders as they may seek recognition.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. BAKER. Yes.

Mr. ROBERT C. BYRD. At the close of morning business, a bill which has been introduced and has had its first reading will automatically have its second reading. If objection to further proceedings thereon is made, that bill will go on the calendar.

Will the majority leader allow us to have that done now so that Senator CHILES will not have to stay on the floor?

Mr. BAKER. I will be happy to.

Mr. President, under the provisions of rule XIV, at the end of morning business, if no Senator is seeking recognition, it is my understanding the Chair would call up that measure and it would be stated by the clerk for second reading.

CRIME CONTROL ACT OF 1982

Mr. BAKER. Mr. President, I ask unanimous consent that, as in morning business, the Senate proceed to the matter at the desk for the purposes of a second reading and a potential objection.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2543) to improve the effectiveness and efficiency of Federal law enforcement efforts.

Mr. CHILES. Mr. President, I ask unanimous consent that further reading of the bill be dispensed with.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **CHILES**. Mr. President, I object to further consideration of the bill.

The **PRESIDING OFFICER**. Under rule XIV, the bill will be placed on the calendar.

Mr. **BAKER**. I thank the Chair.

Mr. **ROBERT C. BYRD**. I thank the distinguished majority leader.

Mr. **CHILES**. I thank the majority leader, and I thank the distinguished minority leader.

Mr. **BAKER**. Mr. President, I yield back my time under the standing order.

RECOGNITION OF SENATOR PROXMIRE

The **PRESIDING OFFICER**. The Senator from Wisconsin is recognized for 15 minutes.

CONCLUSIONS: STUDY OF EFFECT OF NUCLEAR ATTACK ON THE UNITED STATES

Mr. **PROXMIRE**. Mr. President, for several weeks now I have been calling to the attention of the Senate, every day, excerpts from an excellent abbreviated study by CATO policy analysis of the consequences of a nuclear attack on the United States. The study is by two experts: Arthur Katz and Sima Osdoby. Katz is the author of "Life After Nuclear War," upon which the article is based. He also served as consultant to the Joint Congressional Committee on Defense Production, for which he wrote "Economic and Social Consequences of Nuclear Attack on the United States—1979," for the Senate Banking, Housing, and Urban Affairs Committee. Sima Osdoby is a graduate student in the Department of Political Science, the Johns Hopkins University.

Today, Mr. President, I call to the attention of the Senate the conclusions of this study. Here they are, as expressed by the two authors:

CONCLUSIONS

To see the problem of nuclear war in its proper context, we must first return briefly to the concept of "unacceptable" damage. Although two levels of damage—biological survival of individuals and the functioning of regions—often appear in public discussion of nuclear war, neither makes much sense in terms of the normal expectations of organized technical/industrial society. Not only must individuals survive, but so must the institutions necessary to maintain a social order. Do the weapons surviving constitute a viable military force and by what process would they be employed? The surviving weapons cannot order the economy, rebuild productive industrial capacity or grow or distribute food. Thus, simple biological survival of some members of the population or survival at a regional level could not be an acceptable outcome for a nation as a whole, and still less for its government.

One test of acceptability would be to maintain the minimum economic, political, and social capacity required for full recovery of the nation within a reasonable period of time. A higher standard would be the continued ability to play an effective independent role, politically, economically, diplomatically, and militarily. This ability would be measured in relation to the analogous surviving capability of the attacking nation(s) as well as to the capability of undamaged or less damaged nations which did not participate directly in the nuclear exchange. Would it be acceptable in a post-nuclear war world to become a client state such as Japan and Germany were after World War II? The question then becomes, what constitutes an acceptable post-attack national status—what kind of entity remains to fend for itself in the post-attack world? This may not be easy to answer. It is conceivable that on a superficial level, there may still be substantial military and strategic capability equal to or more potent than other nations. The social structure, however, would be in disarray or on the verge of collapse or political leadership unable to "control" the evolution of events. It is this perspective that underlies our conclusions.

The U.S. nuclear deterrent is adequate now and almost certainly through this century. This is true because weapons technology permits relatively small but sophisticated attacks that can deliver stunning damage to the industrial functioning of an adversary, or alternately to its key military infrastructure. The numbers of weapons needed to assure unacceptable damage to an adversary are indeed so small that it is difficult to conceive of any situation where U.S. forces would be inadequate. Even a surviving force of only 10 percent of U.S. ICBMs, or 100 missiles (assuming a functional command and control system) would posssess devastating and potentially fatal power. Moreover, a surviving bomber and invulnerable submarine nuclear force alone would be sufficient.

Therefore, the "window of vulnerability" projected for U.S. ICBMs in the 1980s is more a matter of perception and emphasis than of compelling reality. We make this assertion because the key underlying assumption of this short term vulnerability issue is that "limited," controlled nuclear war is credible. That is, it is accepted that if ICBMs are successfully attacked, the U.S. will be paralyzed—unable or unwilling to retaliate for fear of further destruction of its urban areas. If, as we conclude, limited nuclear war is not a credible strategy, then the sophisticated scenarios for land-based missile vulnerabilities become significant only because they might be believed, encouraging action on a false high-risk assumption.

To insure nuclear stability there must be a long-range commitment to maintaining the survivability of a mixed force, so that no single vulnerability can threaten the entire nuclear capability force and the command and control structure. In this longer term context, the vulnerability of land-based ICBMs is worrisome because other vulnerabilities could arise, particularly with regard to sea-based missiles. Yet given the huge nuclear capability available, improvements to assure continued survival are certainly not incompatible with a phased mutual reduction of total strategic nuclear weaponry.

What is more, the concept of "limited" nucler war is illusory and thus dangerous. It propagates a notion that no Soviet and no U.S. planner should be encouraged to accept as a basis for policy-making—that is, that damage from a military attack would be benign or "acceptable." As we have shown, damage to the fabric of civilian society from any effective attack against ICBMs and/or substantial numbers of military targets would create an imperative to retaliate and escalate. Thus the possibility of a controlled rational "limited" nuclear war would be undermined. The perception of threat and vulnerability generated by this damage would eliminate the political option of control. Moreover, a number of commentators have raised the serious possibility that in a technical sense, the command and control structure would be so physically vulnerable that even purely mechanical communication requirement for controlling a nuclear reponse will not be available. The combination of these two elements makes the viability of a "limited" nuclear war strategy highly doubtful.

Finally, civil defense, particularly crisis relocation (evacuation), has been presented as a complementary element in nuclear strategy. It is ineffective at best. Its purpose is to minimize human destruction and thus purports to strengthen the basis for the possibility of successfully enduring a "limited" or even urban-oriented nuclear attack. This argument is tenuous. First, it is hard to believe that in a period of extreme tension, a full-scale urban evacuation by the U.S. or Soviet Union would be perceived as anything but a signal of intent to pursue a nuclear strike. Since an effective evacuation takes at a minumum four to five days to complete, certain actions are likely to be taken by the other side. Among the possibilities: A threat to attack if the evacuation is not stopped; an attack during the evacuation phase when the population is most exposed; and of course the adoption of a strategy of "launch on warning," creating a hair trigger in a clearly dangerous situation. Ironically a launch on warning would defeat the whole purpose of a first-strike strategy.

Even with a successful evacuation, destruction from a well-designed second strike against a major portion of the urban economic and physical infrastructure (factories, housing, electricity generation, hospitals, etc.) would not necessarily leave a nation better off than no evacuation at all. A surviving population with no basic support systems is a prescription for human suffering, gross political instability, and eventually death on an incomprehensible scale. Even an evacuation without an attack would seriously damage the U.S. economy. And, as Fred Ikle succinctly put it, "The war will not end miraculously after the people have been moved into the nearest fields, and further problems of evacuation will then arise."

Taken together, the concepts of "limited" nuclear war and crisis relocation represent a kind of sophisticated exercise in self-deception; a Pollyanna-like vision of the world that crumbles when confronted with dispassionate, realistic analysis of the limits of resiliency or flexibility of a society damaged by nuclear war.

Therefore, it is time to rethink the purposes of our nuclear strategy and their implications. Particularly worrisome are the demands for more sophisticated strategic weapons and the direct and inadvertent growth of the technological capabilities to satisfy these demands. It is the potential for technological sophistication and the apparent control these technologies offer that permits military planners to construct scenarios that make nuclear war appear "benign" when analyzed superficially.

Unfortunately, there is no magical prescription to solve these problems. But it is clear that much of the debate about numbers of weapons and vulnerability has little to do with the real problem: We must establish a basis for the control of nuclear weapons, particularly sophisticated technology, and the appropriate strategic weapons mix to maintain a stable defense. This is the challenge confronting Congress, the executive branch, and the American people.

TERRORISM AGAINST THE BAHAIS

Mr. PROXMIRE. Mr. President, the New York Review of Books recently published an article entitled "The Terror Facing the Bahais," written by Firuz Kazemzadeh. The author is a professor of history and chairman of the Committee on Middle Eastern Studies at Yale University. He chronicles the history of the Bahai faith in Iran, a history of persecution by the Shiite clergy from the very inception of the religion.

The article begins with the sentence: "The threat of genocide hangs over the Bahais of Iran." This assertion is supported by the relentless campaign of terror being waged by Islamic fundamentalists since 1979. Since the Iranian revolution, more than 110 of the sects' leaders have been murdered, hundreds jailed, and thousands driven from their homes. Khomeini's followers have sacked Bahai temples and destroyed their cemeteries, confiscated Bahai properties, closed their schools and fired them from their jobs.

Mr. President, although the hateful force directed against Bahais has recently grown, these peaceful believers are no strangers to persecution. The Bab, an early leader of the religion, was executed in 1850, and in the next few years thousands of his followers were put to death by the government. These events were instigated by the clergy, who saw the movement as a pernicious and dangerous heresy. The mullahs urged the same assaults later in the decade when the sect experienced a revival.

During the reign of Reza Shah in the first half of this century, terrorism against the sect was stepped up. During this phase, however, the clergy had lost much of their political power, and used the Bahais as scapegoats to blame for the decline of Islam and the modernizing society's problems.

Mr. President, the present danger in the Khomeini government's assaults is the indication that they are part of a systematic effort to force the 400,000 Iranian Bahais to recant their faith. Professor Kazemzadeh states that:

> Should the efforts fail, tens of thousands or even hundreds of thousands could be massacred . . . . Neither the fury of the mullahs nor the nature of the Bahai religion is well understood here. Thus a situation may arise in which mass murder could once again be committed without the world's taking notice.

The world is taking notice of these events in Iran, and our State Department has taken steps to call international attention to this flagrant violation of human rights.

We in the Senate must do our part to signal the U.S. abhorrence of this persecution by ratifying the Genocide Convention.

Mr. Presidnet, I urge my colleagues to take this important step and immediately ratify the Genocide Treaty.

ORDER OF PROCEDURE

Mr. PROXMIRE. Mr. President, I yield back the remainder of my time, and I yield the floor.

The PRESIDING OFFICER. The Senator from Florida is recognized.

REFORM OF HABEAS CORPUS LAWS

Mr. CHILES. Mr. President, last week, Senator NUNN and I introduced S. 2543, the Crime Control Act of 1982. The bill is designed to curb violent crime and drug smuggling, and to reform our criminal justice system. We introduced the bill because we feel that it is imperative that the Senate act on a package of anticrime bills this session. We plan to speak out on crime, and on the need for anticrime legislation, and to highlight our concerns to our colleagues and to the American public.

One of the provisions of S. 2543 is a reform of the habeas corpus laws. It would give greater weight to the finality of State court convictions. All too frequently, a State court trial seems to be no more than the tryout on the road; the real show does not start until you start filing habeas corpus petitions. We recognize that finality in criminal cases should be treated differently than it is in civil cases. Nevertheless, in the words of the Chief Justice of the U.S. Supreme Court, "We must, at some point, have finality of judgment in our criminal justice system."

A key part of the reforms S. 2543 makes in the habeas laws is to establish a statute of limitations for filing habeas petitions. It is an attempt to assure that any habeas appeals is heard while the evidence is relatively fresh. It specifies that a habeas appeal must be filed within 3 years of the time the person has exhausted all of his State appeals. As a matter of course, this provides ample time for persons to file habeas petitions, while assuring that the writ is not abused by persons who file years or decades after their convictions become final.

One example of the delays which occur in today's system is set out in the case of Walker against Wainwright. In 1937, Walker raped a female child under the age of 10 years old, and was caught in the act by a number of citizens. An attorney was appointed and Walker entered a guilty plea. He was sentenced to life imprisonment. Thirty-one years later, after his parole was revoked, he filed for a writ of habeas corpus in Federal court. He alleged that he did not have an attorney when he was originally convicted, and that he was coerced into pleading guilty. The Federal habeas court ordered an evidentiary hearing, even though the court records from 1937 showed that Walker in fact had an attorney at his original trial. Fortunately, the State of Florida was able to locate the sheriff who had been involved with the original confession, and he testified that in no way was the confession coerced. The Federal court ruled in favor of the State, and Walker's appeal to the fifth circuit was denied.

However, while the sheriff who was involved in the 1937 case had been located, Walker's original defense attorney, and the judge in the original trial both had died. So, 2 years later, Walker filed another habeas petition in the Federal court. This time he alleged that his lawyer back in 1937 had been ineffective. The State of Florida objected to the writ of habeas, claiming that, since the 1937 trial the lawyer had died. Nevertheless, the Federal habeas court presumed that Walker had received ineffective assistance on the basis of his pleading guilty back in 1937. The State was powerless to offer evidence to rebut that presumption.

What the State was unable to show, since both the judge and the original defense lawyer were dead, was that the trial judge personally was opposed to capital punishment. By pleading guilty, Walker's attorney was able to get a life sentence from the judge. Had the case gone to trial before a jury, Walker might have been sentenced to death. I am not sure that a guilty plea was bad lawyering in that instance, Mr. President. However, we will never know. The delay of over 30 years in the filing of the habeas petition prevented the State from rebutting Walker's claim, since the State's key witnesses were dead. If there had been a real miscarriage of justice, Walker should have filed that petition earlier.

Mr. President, cases like this undermine the notion of finality in our State criminal courts. They certainly can increase friction between State courts and local courts. We in the Senate need to take action to assure that the writ of habeas corpus is not abused by those who wait until all the evidence against them has been destroyed and all the witnesses against them have died. We need to have in place a system that protects both the individual interest and the State interest in a fair trial, one that guarantees that habeas cases are heard while the evidence is still relatively fresh. We can have such a system, but only if we in the Senate are willing to act on court reform this session.

Mr. President, I am delighted that the bill, S. 2543, has now moved to the calendar.

Senator NUNN and I are going to be calling for that bill or other crime packages to be taken up so that the Senate can quickly pass a crime package.

We have probably less than 65 legislative days remaining in this session. To date we have passed no meaningful criminal reform bills and unless we act quickly and send a package to the House of Representatives we are going to find ourselves going through this year of Congress without passing any major bills.

Mr. President, each of us has spoken out that we are against crime. Each of us has endorsed a number of propositions and a number of bills. The President has. The Attorney General has. Both of the parties have.

It is time that we have some of that legislation in the Chamber so that we can debate it, so that we can work our will, and so that we can pass a major package of crime bills and send these bills on their way to the House of Representatives and give the Members of the House of Representatives an opportunity, before they run for reelection this year, to show that they stand four square against organized crime and drugs and are willing to do something about it.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HUMPHREY). Without objection, it is so ordered.

CAIRO WEATHER STATION

Mr. DIXON. Mr. President, the administration has proposed closing 38 National Weather Service offices, including one in Cairo, Ill.

I believe continued operation of these stations is essential. They play an important role in insuring that accurate and complete weather data is collected and disseminated. Reliable weather data is of great importance to agriculture and to aviation. Indeed, it is more and more essential to everyone in our increasingly complex economy.

The administration is advocating closure of these weather stations on budgetary grounds. However, I think that view is narrow and shortsighted. Reliable, timely weather forecasts can help make farmers and others more productive, adding to economic growth and efficiency.

The essential information these stations supply—its value to agricultural and other users—make their continued operation cost effective. I am convinced it is far wiser, on budgetary grounds, to keep these stations operating than it would be to close them.

I am pleased to see that the House of Representatives agrees with this position, and has included funding in the measure we are now debating.

I urge all of my colleagues to vote for continued funding to keep these 38 weather stations open.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TENTATIVE SCHEDULE FOR REMAINDER OF WEEK

Mr. BAKER. Mr. President, while we are waiting for the next Senator to seek recognition for the purpose of speaking on special order, let me take this opportunity to say that it appears unlikely now that we shall be able to fashion an emergency supplemental appropriations bill to take care of those matters which it appears may be occurring before we would return from our Memorial Day break. I regret that, but realism compels me to say that I think it is unlikely. In view of that, let me state that, at 2 p.m., when the Senate reconvenes, I shall ask that the Chair lay the urgent supplemental appropriations bill before the Senate for consideration.

There are a number of Senators who requested protection for today or tonight. I regret to say it is not possible to do that. Rollcall votes should be expectd in the course of this day.

Mr. President, I have no idea how late we shall run tonight—not unduly late, but perhaps past the regular 6 o'clock recess time. We shall establish an hour to convene tomorrow which will give us a maximum opportunity to deal with this measure, and I anticipate that tomorrow evening we shall be somewhat later, although not very late. That will occur on Thursday, when I expect the Senate to remain in as long as necessary to complete the resolution, if it appears feasible to complete the resolution on Thursday. If we have not done so, the Senate will be in on Friday and perhaps on Saturday.

In any event, Mr. President, as I see it at this moment, we must pass the urgent supplemental appropriations bill. How long that takes depends, of course, on the length of debate and the number of amendments. I am not prepared to offer an adjournment resolution for the Memorial Day recess until we can do that.

I regret to make this announcement, Mr. President, but in the interest of planning, I thought Senators should be aware of these decisions as soon as possible. If, in the course of the day, other decisions can be reached, other arrangements can be made, I would be anxious to amend or change these procedures, but as of this moment, it appears that we shall be in reasonably late tonight and rollcall votes should be anticipated.

We shall come in early tomorrow and spend a long day considering the supplemental appropriations bill, and we shall be in somewhat later tomorrow night but, if we have not finished by Thursday, Thursday evening could be very late indeed. The Senate will perhaps be in on Friday, even on Saturday, if it is possible to complete this resolution by doing so.

I am prepared to ask the Senate to forego its Memorial Day recess or a portion of it in order to complete this important matter.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR NUNN

The PRESIDING OFFICER. The Senator from Georgia (Mr. NUNN) is recognized.

S. 2565—AMENDMENT OF INTERNAL REVENUE CODE OF 1954 TO PROVIDE DISCLOSURE OF CERTAIN INFORMATION FOR USE IN CRIMINAL INVESTIGATIONS

(Introduced by Mr. NUNN, for himself, Mr. GRASSLEY, Mr. DOLE, Mr. ROTH, Mr. CHILES, and Mr. RUDMAN.)

Mr. NUNN. Mr. President, on behalf of myself, and Senators GRASSLEY, DOLE, ROTH, CHILES, and RUDMAN, I am today introducing a bill which is designed to restore the Internal Revenue Service to the role it once played in cooperative law enforcement efforts aimed at organized criminals and narcotics traffickers.

This bill is similar to S. 732 which I and 19 other cosponsors introduced in the Senate on March 17, 1981. S. 732 was passed by the Senate on July 27, 1981, as amendment No. 492 to the Economic Recovery Tax Act of 1981. A similar amendment was not enacted by the House of Representatives, however. The conference report concerning these provisions recommended full hearings on H.R. 1502 in the House and on its companion bill, S. 732, in the Senate prior to passage.

Hearings in both the House and Senate were held shortly after the conference report was issued. I wish to express my appreciation to Senator **Grassley** who, as chairman of the Subcommittee on Oversight of the Internal Revenue Service, conducted very thorough and bipartisan hearings on S. 732 and the issue of tax disclosure. Senator **Grassley** and his staff have worked long and hard on this bill and much of the credit for the bill I am now introducing goes to him. I also want to thank Congressman **Rangel**, chairman of the House Oversight Subcommittee, as well as Congressman **Rostenkowski**, the chairman of the House Ways and Means Committee. They and their staffs have devoted many hours of study to this bill and also deserve a great deal of credit for their work.

I also say the same thing about Senator **Dole** and his staff. We have indeed had many, many hours of joint staff consultation in putting this bill together.

Both of the subcommittees received considerable testimony on all sides of this issue. I compliment the respective chairmen for their interest in this problem and for holding the prompt hearings called for in the conference report.

I am pleased to report that the bill I introduce today is the result of the joint bipartisan efforts of the interested parties from both those committees in the Senate and the House. By agreement, we have arrived at an acceptable compromise bill. This bill is identical to a bill which Representative **Rangel**, chairman of the House Oversight Subcommittee of the Committee on Ways and Means, is today introducing in the House, with several cosponsors.

This bill is an outgrowth of extensive work done by the permanent Subcommittee on Investigations, where I served as chairman during the 96th Congress and currently serve as ranking minority member.

Mr. President, our subcommittee spent a large part of the last 3 years investigating various aspects of organized crime, labor racketeering, and narcotics trafficking. As I look back on our studies and hearings, I am astounded at the size and sophistication of these triple menaces to the well-being of our Nation.

The "underground economy" is estimated at upward of $124 billion a year, of which the traffic in illegal narcotics amounts to somewhere between $68 and $89 billion, according to the best estimates we can find. Included in these astronomical figures are an estimated $25 to $50 billion in unreported and untaxed profits—not enough to make up for the total deficit we face, but certainly, enough to go a long, long way.

All of this money has had a tremendous inflationary impact on the economy of several regions of the country, especially Florida, Texas, and the Southwest areas bordering Mexico. Even my home State of Georgia has experienced an increase in narcotics trafficking, for as enforcement authorities have cracked down on smuggling into Florida from South America, many traffickers have moved their operations northward.

The permanent subcommittee explored this problem extensively, and in December of 1979 we conducted very thorough hearings on "Illegal Narcotics Profits." We issued a comprehensive report on this investigation in August 1980 (S. Rept. No. 96-887).

It has long been recognized that financial investigations, relying on financial and tax records, are one of the most effective tools in piercing the veil of secrecy that protects those at the top of any organized crime ring—be it a drug smuggling operation or a traditional organized crime family.

Indeed, it was the ability of the Internal Revenue Service to conduct sophisticated financial investigations that sent such notorious mobsters as Al Capone and Frank Costello to jail on income tax evasion charges when other agencies were unable to gather enough evidence of nontax crimes to have them indicted, much less convicted.

We found, however, that even though organized crime and narcotics trafficking have become bigger and more sophisticated than ever before, the one law enforcement agency that the kingpin criminals fear most—the IRS—had withdrawn from the fray.

Prosecutors and others involved in Federal law enforcement testified before our subcommittee that they were hindered in doing financial investigations by the reluctance of IRS to lend them a hand in attacking those who call the shots in organized crime and narcotics trafficking. This testimony was given to the Subcommittee on Investigations not only in the illegal narcotics profits hearing in 1979, but in virtually every hearing we have conducted over the past 3 years concerning law enforcement issues.

Again and again, when we held hearings on organized crime and the use of violence in 1980, when we held hearings on the Labor Department's investigation of the Central States pension fund in 1980, in hearings on waterfront corruption in 1981 and, most recently, again in hearings on international narcotics trafficking last November, we have heard the same refrain: the withdrawal of IRS from joint law enforcement investigations of organized crime, labor racketeers, and narcotics traffickers has had a severely adverse effect upon law enforcement efforts against these criminals groups.

We found that there were two prime reasons for this withdrawal by the IRS. One was the disclosure provisions of the Tax Reform Act of 1976. The other was a general attitude on the part of IRS officials that the agency only should collect taxes and not serve in any capacity as a nontax law enforcement agency.

IRS ATTITUDE

Between 1974 and 1980, a series of IRS Commissioners and their top aides took the view that IRS should stick to "tax administration"—by which they meant tax collection and only tax collection—and out of the general law enforcement arena.

The IRS decision to stick with tax collection only and avoid criminal law enforcement was welcomed by some who believe that the only proper function of the IRS is tax administration. But these people ignore the simple fact that tax administration goes hand in hand with criminal enforcement. The IRS has been and always will be involved in criminal law enforcement because tax evasion is the end result of any crime that is committed for profit.

The question is not whether we want IRS to be involved in law enforcement for they always have been and always will be. The question is, Whom do we want IRS to concentrate its criminal enforcement efforts on? By adopting the policy of "tax administration" only, the IRS unwittingly altered the focus of its investigations away from the racketeers and drug dealers, who pay no tax on their illicit income, and onto the average, law-abiding citizen who does pay tax on his legally earned income.

The Permanent Subcommittee on Investigations hearings in 1979 and 1980 revealed numerous examples of the problems this attitude created for Federal law enforcement and the adverse impact it was having. Partially as a result of our subcommittee's work, the Carter administration ordered IRS to step up its investigations of suspected narcotics dealers and organized criminals. IRS has devoted more of its resources to these efforts, and it has adjusted some of its policies and interpretations with respect to the disclosure of nontax criminal evidence.

Moreover, since 1980, new leadership in the Internal Revenue Service has promulgated a series of regulations encouraging joint tax and nontax criminal investigations with other Federal law enforcement agencies. Several joint investigations have been conducted under these guidelines with great success, among them Operation Greenback in Florida. I submit that it was never the intent of Congress in passing the Tax Reform Act of 1976 to restrict or prohibit these joint investigations. On the contrary, this type of joint investigation is to be encouraged if we are ever to really strike the drug dealers and professional racketeers where they are most vulnerable and where it will hurt them the most—in the pocketbook.

I want to commend the IRS for correcting its prior policy, and I believe I speak for all who support the bill I am introducing today when I stress that this joint enforcement must continue. These changes within the IRS are steps in the right direction. However, the old erroneous attitude of the IRS is only a part of the reason why the IRS withdrew from the enforcement fight against drug dealers and racketeers. We still need to fine tune the Tax Reform Act of 1976 in order to remove some serious and unnecessary roadblocks to IRS active participation in Federal law enforcement.

THE TAX REFORM ACT OF 1976

The disclosure provisions of the Tax Reform Act of 1976 are found in section 6103 of the Internal Revenue Code of 1954 (26 U.S.C. 6103). They were enacted in the dying days of the 94th Congress and were intended to avoid future abuses of a "Watergate" nature.

Until the act became effective, tax returns were considered to be public records, and access to them was governed by Presidential Executive order. Many Federal agencies, including the White House, had easy access to tax returns for a wide variety of uses.

During the Watergate investigations, it was revealed that the Nixon White House had used tax returns to pressure potential campaign contributors and certain other individuals who were on a White House enemies list, and that the administration had ordered IRS to conduct audits of its enemies.

It also was revealed by the Senate Judiciary Committee that an IRS special service staff collected and disseminated information about thousands of individuals and groups which the IRS considered to have "extremist views and philosophies."

In short, various congressional committees found that tax returns and tax information were made available to a number of Federal agencies for many questionable purposes. I think all of us would agree that such disclosure represented an abuse of taxpayer privacy.

I want to point out, however, that the Permanent Subcommittee on Investigations was unable to document any abuse of tax information on the part of a Federal prosecutor.

The Watergate abuses were political abuses, not law enforcement abuses. A study done for Congress in 1976 by the Congressional Research Service and entitled, "Internal Revenue Service: History and Matters Dealing With Oversight of its Practices and Procedures," shows that not only was the attempted misuse of IRS information political in nature, but also that the White House failed miserably in its attempt to misuse the IRS.

Yet although the problem in 1976 was political, we did not even address the problem of political abuse in the Tax Reform Act of 1976. The Commissioner of the Internal Revenue Service frankly admitted in his testimony before our subcommittee that the Watergate abuses which spawned the Tax Reform Act were not even addressed by the act. He said that under current law, if the President told him to go out and audit political enemies, he would not be prohibited from doing so by the Tax Reform Act.

But to cure these perceived abuses, the Tax Reform Act made tax returns and most other information gathered by the IRS confidential and subject to disclosure by IRS only in accordance with very strict procedures. These procedures apply across the board and govern disclosure to all Federal agencies. They are so sweeping that they can be compared to the use of a sledge hammer to kill an ant.

Because of the nontax criminal disclosure provisions in section 6103(i), the average citizen is now the main target for IRS's resources. The testimony and statistics developed by 1980 bear this out. Since the 1976 act, IRS efforts in organized crime cases had dropped over 50 percent. Since the 1976 act, IRS efforts against major narcotics traffickers had dropped almost 75 percent. In the fiscal year 1979, IRS could only confirm 9 or 10 convictions against major narcotics dealers. This is despite the fact that narcotics generate $68 to $89 billion a year.

Our investigation has convinced me that the disclosure provisions of section 6103, coupled with the way they had been interpreted and enforced by IRS, have had a highly detrimental effect on our Federal law enforcement system.

In the hearings before the Permanent Subcommittee on Investigations on illegal narcotics profits, Oliver B. Revell, then the Deputy Assistant Director of the FBI in the Criminal Investigative Division, told us:

> The [1976] act's disclosure provisions often hamper the FBI's investigation of major ongoing white-collar crime and organized crime cases. When disclosure is sought to assist in the timely issuance of search warrants, or other legitimate law enforcement functions, the delays incurred are excessive to the requirement of investigation. When disclosure is sought, delays of three months are common. Delays of six to nine months have been reported on many occasions.
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> The act has resulted in unnecessary waste of taxpayers' dollars, budget funds and investigative time in that the IRS is usually unable to advise us of the cases on which it is working, which precludes us from obtaining close cooperation with IRS and leads, in some instances, to the FBI unknowingly conducting duplicative investigations. . . . It also leads to us being unable to obtain records which have been previously obtained by the IRS and pertain to [an FBI] ongoing investigation. So it delays our investigation and sometimes causes it to be closed because we cannot obtain records that have already . . . been obtained by IRS, when we didn't know of their investigation until we engaged in our investigation.

The Federal law enforcement system is complex and sophisticated. We do not have a Federal police state. Instead, we have a series of agencies broken down by criminal jurisdiction that must operate with a high degree of coordination and cooperation. It is not unusual, in fact it is quite common, to combine the skills and information of many agencies to achieve any measure of success in criminal enforcement.

IRS has a fine tradition and history of being one of the most effective law enforcement agencies, especially in cases involving high echelon criminals. Obviously, since the purpose of criminal ventures is to make money, very few substantive crimes can be committed without some tax consequence. Therefore, IRS always has been—and continues to be—a key agency both in terms of financial expertise and in terms of financial information.

Some of the provisions of the Tax Reform Act, however, have caused a severe breakdown in our delicate and complex Federal law enforcement system. It has taken up to 13 months simply to receive the assistance of IRS agents in joint investigations. The Tax Reform Act has helped to create a bureaucratic nightmare in cases where Federal agencies should willingly assist each other.

THE "CATCH 22"

It is possible, of course, for other agencies to obtain tax returns and other IRS-gathered information under section 6103. However, they must apply for a court order in order to get tax returns, and they must make written requests to obtain other IRS information about nontax crimes such as forgery, bribery, or narcotics violations that comes from sources other than tax returns.

In either situation, the requesting agency must describe the information it seeks to obtain.

The court order and written request requirements have created a "Catch-22" situation. Since IRS agents are forbidden to tell the other agencies of the criminal evidence they gather, it is virtually impossible for these other agencies even to know that such information exists, much less to describe that information with such particularity that they can satisfy the requirements for a court order or written request.

In other words, section 6103 required Federal investigative agencies to go through elaborate request procedures to obtain information that they may not even know that IRS has.

In November 1981 our subcommittee heard testimony from Jay Ethington, an assistant U.S. attorney for the northern district of Texas for the last 10 years. Mr. Ethington, who had prosecuted about 100 different narcotics traffickers, stated:

> We have a provision in the disclosure aspect of the Tax Reform Act that says I can gain the authority to get disclosure from IRS agents by going to a Federal judge and getting a court order, but before I can get the court order, I have to get authority from the Department of Justice. To get that authority, I must disclose the information that the IRS agent has that he is going to give me, but he won't give that to me until we get the authority. So, we are in a Catch-22 situation.

This "Catch-22" situation has made it all but impossible for the FBI, DEA, and other agencies to receive the necessary information and cooperation from the IRS.

Moreover, the application for a court order and the written request for disclosure may be made only by the Attorney General or his assistant, or by the head of a Federal agency. This centralization of all disclosure in a handful of high officials causes unnecessary delay in securing disclosure. A prosecutor in Los Angeles, for example, must secure authority to seek disclosure from an official 3,000 miles away. Most commonly, however, the prosecutor's immediate supervisor, such as the U.S. attorney or the strike force attorney-in-charge, will be far more familiar with the investigation and far more knowledgeable about the need for disclosure than will the remote official.

DISCLOSURE AMENDMENTS

Our amendments to the Tax Reform Act of 1976 will not scrap the privacy safeguards written into that act. They will strike a balance so that IRS can and will cooperate with Federal prosecutors.

Let me try to dispel some of the unfounded fears of our disclosure amendment by explaining how its provisions will protect the privacy of tax returns and other information supplied to IRS. I am sure that once these provisions are understood—and I admit this is an intricate, sometimes confusion area of the law—they will be accurately seen for their privacy merits as well as their attempt to improve law enforcement.

First, I want to point out that these amendments to the 1976 act leave the vast majority of that act intact. They do not alter the provisions of the 1976 act which prohibit loose distribution to Government agencies. The amendments are aimed at one isolated, specific subsection of the Tax Reform Act disclosure provisions which, in effect, prohibits the IRS from cooperating and exchanging information with other Federal law enforcement agencies.

Second, the amendments give IRS no additional power or authority whatsoever. The amendments do not alter the ability or power of IRS to obtain information in any manner. They do not alter the ability of the IRS to transfer information concerning the average citizen who earns his money legally. The amendments merely allow the IRS to cooperate and exchange information under a very carefully restricted legislative scheme involving court orders and formal written requests concerning criminals who earn their money from illegal means.

Third, the types of information which could be disclosed only by ex parte court order remain the same. This includes tax returns and all supporting attachments, such as W-2 forms, lists of charitable donations, and various other schedules. Information which is protected now by court order will continue to be so protected.

Let us look at the judicial standards that the Justice Department would have to meet before it could gain access to the information protected by court order. In order to obtain an ex parte order, Justice Department attorneys would have to present information believed to be reliable that establishes reasonable cause to believe that a specific criminal act has been committed. Those attorneys would have to establish that the information is sought exclusively for use in a Federal criminal investigation or proceeding, and they would have to establish that the information cannot reasonably be obtained elsewhere, under the circumstances, from another source. Finally, they must show that there is reasonable cause to believe that the information may be relevant to a matter relating to the commission of the criminal act.

We recognize that the information contained in tax returns can normally be secured from sources other than the IRS. In a grand jury investigation, for example, subpenas can be issued to a person's bankers, employers, partners, accountants, and associates in order to secure the records needed to recreate a person's income. However, such means are enormously and unnecessarily time consuming.

Also, they vastly increase the risk of disclosing the investigation to the potential defendant and his associates, which in many cases could adversely affect the investigation itself or expose the potential defendant to unfair public attention. Thus, when we speak of reasonably securing the information from other sources, we are recognizing that, in many but not all cases, it would be too time consuming to go to other sources, or that going to other sources could jeopardize the integrity of the investigation.

The standards we propose are essentially the same standards that must be met under Federal law in order for authorities to wiretap our telephones or put listening devices in our homes and offices. It seems to me that if these standards are sufficient to protect the privacy of our most personal conversations, they also are sufficient to protect our tax information.

In addition to these privacy protections, I would point out that our bill—unlike the exisiting provision of the Tax Reform Act—would channel all requests for court-ordered IRS information through the Justice Department. Only one agency would be permitted to obtain this information, and the requesting official in every case would be a Government attorney.

Our disclosure amendment is laden with safeguards for the privacy of all information we can reasonably expect to keep private. There will be no wholesale scrapping of privacy here. There will be no "sell-out" to a few law enforcement authorities who might like to see their work made easier. There certainly will be no attempt here to create a breeding ground for a repeat of the so-called Watergate abuses. And there certainly will be no "meat-ax" attempt to butcher the Tax Reform Act.

On the other hand, we believe we offer a very balanced well-thought-out effort to fine tune section 6103 of the Internal Revenue Code which, as the record clearly indicates, needs to be done.

These amendments are the product of over 2 years' hard work on the part of several congressional subcommittees, the Justice Department, and the IRS itself. They have been developed in the broad daylight with the views of all sides considered.

No one who is concerned about the privacy of tax returns or a repetition of the abuses of tax information should fear this amendment. Hard working, law-abiding taxpayers can rest assured that the information they supply IRS will remain within that agency where it belongs.

The only people that need fear this legislation are narcotics traffickers and organized crime figures and white-collar criminals who are cheating other taxpayers by not paying their fair share. In cases where criminal ventures generate profits, IRS must have the capability to cooperate with and exchange information with the Federal investigative and prosecutive agencies.

It is in this very small area—criminal tax evaders—that we seek our primary change so that IRS and other Federal law enforcement agencies can work even more effectively together against these criminals than they can today. As it now stands, the Tax Reform Act of 1976 makes it much easier for IRS to go after the average taxpayer than the criminals. This is a complete reversal of the societal priorities that we should be encouraging.

CONCLUSION

Mr. President, for generations the Internal Revenue Service led the way in this Nation's battle against organized crime and narcotics trafficking, but since 1977 it has hidden behind the disclosure provisions of the Tax Reform Act to stay out of the fray.

It is now time for us to decide that IRS shall become once again the effective force for justice that it was in the days of bootleggers and rumrunners. Our proposals will send IRS a clear and unmistakable signal that it should do just that.

We have spent many long hours in drafting what we feel is a very well-reasoned amendment. We have bipartisan support in the Senate. We have bipartisan support in the House. We will retain in this legislation the very important privacy safeguards that will prevent any repetition of Watergate-type political abuses. At the same time, we impress upon IRS our intention to have it cooperate fully with the fight against the ever-increasing organized crime and narcotics problems facing the Nation. We have reached a broad-based, bipartisan compromise on how to improve the Tax Reform Act of 1976 and thereby improve our Federal law enforcement efforts.

Mr. President, I think this is the single most important piece of legislation in the overall area of law enforcement that we will consider, not only this year but perhaps even this decade.

This is a time that we have to act. The time is now. I hope that the Senate will very promptly not only consider but pass this legislation.

Mr. President, I send the bill to the desk. I also send to the desk a section-by-section analysis of proposed amendments, and I ask that all of this be printed in the RECORD.

There being no objection, the bill and section-by-section analysis were ordered to be printed in the RECORD, as follows:

S. 2565

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONFIDENTIALITY AND DISCLOSURE OF RETURNS AND RETURN INFORMATION.

(a) IN GENERAL.—Subsection (i) of section 6103 of the Internal Revenue Code of 1954 (relating to disclosure to Federal officers or employees for administration of Federal laws not relating to tax administration) is amended by redesignating paragraph (6) as paragraph (7) and by striking out paragraphs (1), (2), (3), (4), and (5) and inserting in lieu thereof the following:

"(1) DISCLOSURE OF RETURNS AND RETURN INFORMATION FOR USE IN CRIMINAL INVESTIGATIONS.—

"(A) IN GENERAL.—Except as provided in paragraph (6), any return or return information with respect to any specified taxable period or periods shall, pursuant to and upon the grant of an ex parte order by a Federal district court judge or magistrate under subparagraph (8), be open (but only to the extent necessary as provided in such order) to inspection by, or disclosure to, officers and employees of any Federal agency who are personally and directly engaged in—

"(i) preparation for any judicial or administrative proceeding pertaining to the enforcement of a specifically designated Federal criminal statute (not involving tax administration) to which the United States or such agency is or may be a party,

"(ii) any investigation which may result in such a proceeding, or

"(iii) any Federal grand jury proceeding pertaining to enforcement of such a criminal statute to which the United States or such agency is or may be a party,

solely for the use of such officers and employees in such preparation, investigation, or grand jury proceeding.

"(B) APPLICATION FOR ORDER.—The Attorney General, the Deputy Attorney General, the Associate Attorney General, any Assistant Attorney General, any United States Attorney, any special prosecutor appointed under section 593 of title 28, United States Code, or any Attorney in charge of a Criminal Division Organized Crime Strike Force established pursuant to section 510 of title 28, United States Code, may authorize an application to a Federal district court judge or magistrate for the order referred to in subparagraph (A). Upon such application, such judge or magistrate may grant such order if he determines on the basis of the facts submitted by the applicant that—

"(i) there is reasonable cause to believe, based upon information believed to be reliable, that a specific criminal act has been committed,

"(ii) there is reasonable cause to believe that the return or return information is or may be relevant to a matter relating to the commission of such act, and

"(iii) the return or return information is sought exclusively for use in a Federal criminal investigation or proceeding concerning such act, and the information sought to be disclosed cannot reasonably be obtained, under the circumstances, from another source.

"(2) DISCLOSURE OF RETURN INFORMATION OTHER THAN TAXPAYER RETURN INFORMATION FOR USE IN CRIMINAL INVESTIGATIONS.—

"(A) IN GENERAL.—Except as provided in paragraph (6), upon receipt by the secretary of a request which meets the requirements of subparagraph (B) from the head of any Federal agency or the Inspector General thereof, or, in the case of the Department of Justice, the Attorney General, the Deputy Attorney General, the Associate Attorney General, any Assistant Attorney General, the Director of the Federal Bureau of Investigation, the Administrator of the Drug Enforcement Administration, any United States Attorney, and special prosecutor appointed under section 593 of title 28, United States Code, or any Attorney in Charge of a Criminal Division Organized Crime Strike Force established pursuant to section 510 of title 28, United States Code, the Secretary shall disclose return information (other than taxpayer return information) to officers and employees of such agency who are personally and directly engaged in—

"(i) preparation for any judicial or administrative proceeding described in paragraph (1)(A)(i),

"(ii) any investigation which may result in such a proceeding, or

"(iii) any grand jury proceeding described in paragraph (1)(A)(iii),

solely for the use of such officers and employees in such preparation, investigation, or grand jury proceeding.

"(B) REQUIREMENTS.—A request meets the requirements of this subparagraph if the request is in writing and sets forth—

"(i) the name and address of the taxpayer with respect to whom the requested return information relates;

"(ii) the taxable period or periods to which such return information relates;

"(iii) the statutory authority under which the proceeding or investigation described in subparagraph (A) is being conducted; and

"(iv) the specific reason or reasons why such disclosure is, or may be, relevant to such proceeding or investigation.

"(C) TAXPAYER IDENTITY.—For purposes of this paragraph, a taxpayer's identity shall not be treated as taxpayer return information.

"(3) DISCLOSURE OF RETURN INFORMATION TO APPRISE APPROPRIATE OFFICIALS OF CRIMINAL ACTIVITIES OR EMERGENCY CIRCUMSTANCES.—

"(A) POSSIBLE VIOLATIONS OF FEDERAL CRIMINAL LAW.—

"(1) IN GENERAL.—Except as provided in paragraph (6), the Secretary may disclose in writing return information (other than taxpayer return information) which may constitute evidence of a violation of any Federal criminal law (not involving tax administration) to the extent necessary to apprise the head of the appropriate Federal agency charged with the responsibility of enforcing such law. The head of such agency may disclose such return information to officers and employees of such agency to the extent necessary to enforce such law.

"(ii) TAXPAYER IDENTITY.—If there is return information (other than taxpayer return information) which may constitute evidence of a violation by any taxpayer of any Federal criminal law (not involving tax adminstration), such taxpayer's identity may also be disclosed under clause (i).

"(B) EMERGENCY CIRCUMSTANCES.—

"(i) DANGER OF DEATH OR PHYSICAL INJURY.—Under circumstances involving an imminent danger of death or physical injury to any individual, the Secretary may disclose return information to the extent necessary to apprise appropriate officers or employees of any Federal or State law enforcement agency of such circumstances.

"(ii) FLIGHT FROM FEDERAL PROSECUTION.—Under circumstances involving the imminent flight of any individual from Federal prosecution, the Secretary may disclose retun information to the extent necessary to apprise approprate officers or employees of any Federal law enforcement agency of such circumstances.

"(4) USE OF CERTAIN DISCLOSED RETURNS AND RETURN INFORMATION IN JUDICIAL OR ADMINISTRATIVE PROCEEDINGS.—

"(A) RETURNS AND TAXPAYER RETURN INFORMATION.—Except as provided in subparagraph (C), any return or taxpayer return information obtained under paragraph (1) may be disclosed in any judicial or administrative proceeding pertaining to enforcement of a specifically designated Federal criminal statute or related civil forfeiture (not involving tax administration) to which the United States or a Federal agency is a party—

"(i) if the court finds that such return or taxpayer return information is probative of a matter in issue relevant in establishing the commission of a crime or the guilt or liability of a party, or

"(ii) to the extent required by order of the court pursuant to section 3500 of title 18, United States Code, or rule 16 of the Federal Rules of Criminal Procedure.

"(B) Return information (other than taxpayer return information).—Except as provided in subparagraph (C), any return information (other than taxpayer return information) obtained under paragraph (1), (2), or (3) (A) may be disclosed in any judicial or administrative proceeding pertaining to enforcement of a specifically designated Federal criminal statute or related civil forfeiture (not involving tax administration) to which the United States or a Federal agency is a party.

"(C) Confidential informant; impairment of investigations.—No return or return information shall be admitted into evidence under subparagraph (A) (i) or (B) if the Secretary determines and notifies the Attorney General or his delegate or the head of the Federal agency that such admission would identify a confidential informant or seriously impair a civil or criminal tax investigation.

"(D) Consideration of confidentiality policy.—In ruling upon the admissibility of returns or return information, and in the issuance of an order under subparagraph (A)(ii), the court shall give due consideration to congressional policy favoring the confidentiality of returns and return information as set forth in this title.

"(E) Reversible error.—The admission into evidence of any return or return information contrary to the provisions of this paragraph shall not, as such, constitute reversible error upon appeal of a judgment in the proceeding.

"(5) Disclosure to locate fugitives from justice.—

"(A) In general.—Except as provided in paragraph (6), the return of an individual or return information with respect to such individual shall, pursuant to and upon the grant of an ex parte order by a Federal district court judge or magistrate under subparagraph (B), be open (but only to the extent necessary as provided in such order) to inspection by, or disclosure to, officers and employees of any Federal agency exclusively for use in locating such individual.

"(B) Application for order.—Any person described in paragraph (1)(B) may authorize an application to a Federal district court judge or magistrate for an order referred to in subparagraph (A). Upon such application, such judge or magistrate may grant such order if he determines on the basis of the facts submitted by the applicant that—

"(i) a Federal arrest warrant relating to the commission of a Federal felony offense has been issued for an individual who is a fugitive from justice,

"(ii) the return of such individual or return information with respect to such individual is sought exclusively for use in locating such individual, and

"(iii) there is reasonable cause to believe that such return or return information may be relevant in determining the location of such individual.

"(6) Confidential informants; impairment of investigations.—The Secretary shall not disclose any return or return information under paragraph (1), (2), (3)(A), or (5) if the Secretary determines (and, in the case of a request for disclosure pursuant to a court order described in paragraph (1)(B) or (5)(B), certifies to the court) that such disclosure would identify a confidential informant or seriously impair a civil or criminal tax investigation.".

(b) Conforming Amendments.—

(1) Subsection (p) of section 6103 of such Code (relating to procedure and recordkeeping) is amended—

(A) by striking out "(6)(A)(ii)" in paragraph (3)(A) and inserting in lieu thereof "(7)(A)(ii)",

(B) by striking out "(d)" in paragraph (3)(C)(i) and inserting in lieu thereof "(d), (i)(3)(B)(i),",

(C) by striking out "such requests" in paragraph (3)(C)(i)(II) and inserting in lieu thereof "such requests or otherwise",

(D) by striking out "(i)(1), (2), or (5)" each place it appears in paragraph (4) and inserting in lieu thereof "(i)(1), (2), (3), or (5)",

(E) by striking out "(d)" each place it appears in paragraph (4) and inserting in lieu thereof "(d), (i)(3)(B)(i),", and

(F) by striking out "subsection (i)(6)(A)(ii)" in paragraph (6)(B)(i) and inserting in lieu thereof "subsection (i)(7)(A)(ii)".

(2) Paragraph (2) of section 7213(a) of such Code (relating to unauthorized disclosure of information) is amended by striking out "(d)" and inserting in lieu there "(d), (i)(3)(B)(i),".

(c) Effective Date.—The amendments made by this section shall take effect on the day after the date of enactment of this Act.

SEC. 2. CIVIL DAMAGES AGAINST UNITED STATES FOR UNAUTHORIED DISCLOSURES BY AN EMPLOYEE.

(a) In General.—Subchapter B of chapter 76 of the Internal Revenue Code of 1954 (relating to proceedings by taxpayers and third parties) is amended by redesignating section 7430 as section 7431 and inserting after section 7429 the following new section:

"SEC. 7430. CIVIL DAMAGES FOR UNAUTHORIZED DISCLOSURE OF RETURNS AND RETURN INFORMATION.

"(a) In General.—

"(1) Disclosure by employee of United States.—If any officer or employee of the United States knowingly, or by reason of negligence, discloses any return or return information with respect to a taxpayer in violation of any provision of section 6103, such taxpayer may bring a civil action for damages against the United States in a district court of the United States.

"(2) Disclosure by a person who is not an employee of United States.—If any person who is not an officer or employee of the United States knowingly, or by reason of negligence, discloses any return or return information with respect to a taxpayer in violation of any provision of section 6103, such taxpayer may bring a civil action for damages against such person in a district court of the United States.

"(b) No Liability for Good Faith but Erroneous Interpretation.—No liability shall arise under this section with respect to any disclosure which results from a good faith, but erroneous, interpretation of section 6103.

"(c) Damages.—In any action brought under subsection (a), upon a finding of liability on the part of the defendant, the defendant shall be liable to the plaintiff in an amount equal to the sum of—

"(1) the greater of—

"(A) $1,000 for each act of unauthorized disclosure of a return or return information with respect to which such defendant is found liable, or

"(B) the sum of—

"(i) the actual damages sustained by the plaintiff as a result of such unauthorized disclosure, plus

"(ii) in the case of a willful disclosure or a disclosure which is the result of gross negligence, punitive damages, plus

"(2) the costs of the action.

(d) Period for Bringing Action.—Notwithstanding any other provision of law, an action to enforce any liability created under this section may be brought, without regard to the amount in controversy, at any time within 2 years after the date of discovery by the plaintiff of the unauthorized disclosure.

"(e) Return; Return Information.—For purposes of this section, the terms 'return' and 'return information' have the respective meanings given such terms in section 6103(b).".

(b) Conforming Amendments.—

(1) Section 7217 of such Code (relating to civil damages for unauthorized disclosure of returns and return information) is hereby repealed.

(2) The table of sections for part I of subchapter A of chapter 75 of such Code is amended by striking out the item relating to section 7217.

(3) The table of sections for subchapter B of chapter 76 is amended by striking out the item relating to section 7430 and inserting in lieu thereof the following:

"Sec. 7430. Civil damages for unauthorized disclosure of returns and return information.

"Sec. 7431. Cross references.".

(c) Effective Date.—The amendments made by this section shall apply with respect to disclosures made after the date of enactment of this Act.

SEC. 3. DISCLOSURE FOR USE IN CERTAIN AUDITS BY GENERAL ACCOUNTING OFFICE.

(a) In General.—Paragraph (7) of section 6103(i) of the Internal Revenue Code of 1954 (relating to disclosure to Comptroller General), as redesignated by section 1(a), is amended by redesignating subparagraph (B) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

"(B) Audits of other agencies.—

"(i) In general.—Upon written request by the Comptroller General of the United States to the head of any Federal agency, any returns or return information obtained under this title by such Federal agency for use in any program or activity shall be open to inspection by, or disclosure to, officers and employees of the General Accounting Office for the purpose of, and to the extent necessary in, making an audit authorized by law of such program or activity.

"(ii) Information from Secretary.—If the Comptroller General of the United States determines that the returns or return information available under clause (i) are not sufficient for purposes of making an audit of any program or activity of a Federal agency, upon written request by the Comptroller General to the Secretary, returns and return information (of the type authorized by this title to be made available to the Federal agency for use in such program or activity) shall be open to inspection by, or disclosure to, officers and employees of the General Accounting Office for the purpose of, and to the extent necessary in, making such audit.

"(iii) Requirement of notification upon completion of audit.—Within 90 days after the completion of an audit with respect to which returns or return information were opened to inspection or disclosed under clause (i) or (ii), the Comptroller General of the United States shall notify in writing the Joint Committee on Taxation of such completion. Such notice shall include—

"(I) a description of the use of the returns and return information by the Federal agency involved,

"(II) such recommendations with respect to the use of returns and return information by such Federal agency as the Comp-troller General deems appropriate, and

"(III) a statement on the impact of any such recommendations on confidentiality of returns and return information and the administration of this title.

"(iv) CERTAIN RESTRICTIONS MADE APPLICABLE.—The restrictions contained in subparagraph (A) on the disclosure of any returns or return information open to inspection or disclosed under such subparagraph shall also apply to returns and return information open to inspection or disclosed under this subparagraph.".

(b) CONFORMING AMENDMENT.—Subparagraph (C) of section 6103(i)(7) of such Code (as redesignated by this Act) is amended by striking out "subparagraph (A)" and inserting in lieu thereof "subparagraph (A) or (B)".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the day after the date of the enactment of this Act.

SECTION-BY-SECTION SUMMARY OF PROPOSED AMENDMENTS TO 26 U.S.C. 6103, 26 U.S.C. 7213, AND 26 U.S.C. 7217

This bill would streamline and clarify provisions of the Internal Revenue Code governing access to tax information for use in non-tax criminal investigations and prosecutions. The bill combines the results of both Senate and House hearings on tax disclosure. The most changes proposed would substantially assist federal law enforcement authorities in combatting narcotics trafficking, organized crime and white-collar offenses involving large sums of money. At the same time, the bill preserves the safeguards for taxpayer privacy established in 1976.

SECTION 1

Disclosure pursuant to court order [26 U.S.C. 6103(i)(1)]: The revised § 6103(i)(1) preserves the structure of the existing court order provision. The modifications are intended only to clarify existing law and to make the literal terms of the statute comply with actual practice.

For example, the standards in existing (i)(1), if read literally, require a factual showing that cannot be made unless the prosecutor seeking access is already in possession of the information sought. Courts have interpreted this language in a common-sense fashion to require proof only of those facts a federal prosecutor can realistically be expected to demonstrate: that there is reasonable cause to believe a specific federal crime has occurred or is occurring, that there is reasonable cause to believe tax information is relevant to that offense, that the information cannot be reasonably obtained, under the circumstances from another source, and that the information will be used exclusively for investigation and prosecution of that offense. The bill would substitute these standards for those of existing law. Because this merely codifies present practice, it has no practical effect on taxpayer privacy or tax administration. It does, however, reduce the potential for widely varying judicial results and the extreme chilling effect that the unrealistic language of current law has on federal prosecutors who need tax information for legitimate law enforcement purposes.

The proposed standard is more reasonable, with the added safeguard of prosecutorial intervention. The main criticism of the present standard was that it was impossible to meet. Therefore, no one used it. The proposal modifies the third requirement that the Government prove the financial information cannot be obtained from any other source. The fact is that the financial information is "available" elsewhere, but the Government would have to completely reconstruct a taxpayer's bank records to duplicate the information on the return. This third requirement of the present act also requires the Government to prove that the tax return was the most probative evidence of the crime to be proven. Since this section deals only with non-tax crimes, the tax return itself would never be the most probative evidence of the crime. Only the actual financial records would qualify. Thus an impossible standard would be deleted.

The new standards also recognize that there are instances when securing the information from other sources will be too complex or time-consuming, or will jeopardize the investigation and its integrity. In these instances, as well as others depending on the circumstances, it is reasonable to secure the information from the IRS.

The new (i)(1) modifies the class of federal officials who may authorize an application for a court order. Existing law requires all such applications to be routed through Washington for approval before being presented to the court, a requirement which results in substantial delay and paperwork. The new (i)(1)(B) would permit United States Attorneys, special prosecutors appointed under 28 U.S.C. 593, and Attorneys-in-Charge of Organized Crime Strike Forces in the field to present applications directly to the appropriate Federal court for consideration.

The bill would delete the authority currently possessed by all heads of federal agencies to approve (i)(1) applications, thereby centralizing application authority in a single agency, the Department of Justice, where it can be more effectively coordinated. Since 1976, only five applications for (i)(1) orders have been signed by non-Justice Department entities; this change will not, therefore, adversely affect federal agencies.

Finally, the new (i)(1) provides that court orders may be granted by U.S. Magistrates as well as U.S. District Judges. Magistrates are now authorized to grant analogous applications such as those for search and arrest warrants.

Disclosure pursuant to formal law enforcement request [26 U.S.C. 6103(i)(2)]: The revised § 6103(i)(2) clarifies existing law governing requests for return information other than taxpayer return information. As amended, (i)(2) would permit requests to be made by the heads of Federal agencies, Inspectors General, the Director of the FBI, the Administrator of the Drug Enforcement Administration, United States Attorneys, special prosecutors, and Attorneys-in-Charge of Organized Crime Strike Force field offices, as well as Justice Department officials. This avoids the necessity of routing all requests through Washington. In addition to the heads of agencies now authorized to request (i)(2) information, the bill would grant similar authority to the 15 Inspectors General whose mandate is to combat fraud, waste and abuse in federal programs.

Finally, the revised (i)(2) would modify the factual showing required to support a disclosure of return information other than taxpayer return information by requiring "the specific reason or reasons why such disclosure is, or may be, relevant to such proceeding or investigation". Current law requires a showing of materiality. Like the (i)(1) court order requirement, a prosecutor cannot always show the materiality of tax information to a case without access to the information sought.

IRS-initiated disclosure [26 U.S.C. 6103(i)(3)]: The bill encourages IRS to initiate reports of non-tax crime to law enforcement authorities. The new § 6103(i)(3) allows the Secretary the discretion to make such reports to the head of the appropriate Federal law enforcement agency. It permits disclosure of taxpayer identity where information constitutes evidence of a non-tax Federal crime by that taxpayer. This provision reasserts the intention of the Congress that IRS must develop and maintain a system by which its agents who discover evidence of non-tax criminal activity will be able to quickly refer that information to the appropriate law enforcement officials.

Emergency disclosure

The new § 6103(i)(3)(B) would permit IRS, in its discretion, to report to the appropriate law enforcement agencies any circumstances involving imminent danger of death or physical injury to any individual or the imminent flight of any individual from Federal prosecution. This authority for disclosure in rare emergency situations is patterned on the similar provisions of the Financial Privacy Act of 1978 (12 U.S.C. 3414(b)).

Admissibility of tax information [26 U.S.C. 6103(i)(4)]: Finally, the compromise bill would amend (i)(4) of § 6103 to provide that returns and taxpayer return information may be used in judicial and administrative proceedings upon a finding that the information is probative of a matter in issue relevant to the commission of a crime, or the guilt or liability of a party. The bill allows that information to be disclosed in judicial or administrative proceedings pertaining to enforcement of a Federal criminal statute or related civil forfeiture which may be pursued in addition to or in lieu of criminal prosecution.

The amendments to (i)(4) also clarify that returns and return information may be disclosed to a defendant pursuant to the Jencks Act, discovery provisions of the Federal Rules of Criminal Procedure or other discovery requirements. This explicitly protects a defendant's Due Process rights and is consistent with current practice.

The new § 6103(i)(4)(B) also allows disclosure of return information (other than taxpayer return information) without the special findings of relevance applicable to returns and taxpayer return information.

Section 6103(i)(4)(C) prevents the admissibility into evidence of information disclosed under subparagraphs (A)(i) or (B) where the admission would identify a confidential informant or impair a civil or criminal tax investigation.

Disclosure to locate fugitives

The new § 6103(i)(5) allows disclosure of return information by court order in order to locate fugitives from justice where a Federal arrest warrant has been issued for that individual. The showing required for disclosure is similar to that required for normal court ordered disclosure of return information.

The new §6103(i)(6) prevents any disclosure of return and return information under paragraphs (1), (2), (3)(A), or (5) by the Secretary if such disclosure would identify a confidential informant or seriously impair a civil or criminal tax investigation.

The final portion of Section 1 of the bill contains certain technical conforming amendments necessitated by the changes made in §6103 set forth above. The bill makes amendments under Section 1 effective on the day after enactment of this Act.

SECTION 2

Civil remedy

Section 2 would amend the civil remedy section of the Internal Revenue Code to make federal agencies liable as defendants in suits alleging unauthorized disclosure of tax information by Federal officers or employees, as opposed to the individual making the disclosure. This change would conform to the Financial Privacy Act of 1978 (12 U.S.C. 3417) and the Administration's proposed Tort Claims Act amendments.

Under present law, civil suits may be filed against both the federal agency and the employee involved. This creates a potential conflict of interest requiring retention of private counsel to represent the employee. Moreover, it is unduly harsh to place federal employees who work with tax information regularly in the position of risking financial ruin daily for any mistaken disclosure.

Of course, federal employees would continue to be subject to administrative sanctions, including dismissal, for any negligent disclosure as well as criminal prosecution for any willful, corrupt or malicious abuse to tax information. In the event of unlawful disclosure by a non-government employee, the bill imposes civil liability upon the person making the disclosure, as is the case under present law.

The bill limits damages for disclosure to the greater of $9,000 per act of unauthorized disclosure or the sum of actual and, where disclosure is willful or grossly negligent, punitive damages, plus the costs of action. The statute of limitations for such actions is set as two years from the discovery of the unauthorized disclosure by the plaintiff.

Finally, Section 2 includes technical conforming amendments necessitated by the changes made above. Section 2 amendments are made applicable to disclosures made after enactment of this Act.

SECTION 3

Disclosure for use in GAO audits [26 U.S.C. 6103(i)(7)]: Section 3 of the bill authorizes disclosure of returns and return information obtained by or available to a Federal agency under this title when requested in writing by the Comptroller General where necessary for a GAO audit of the program or activity to which the original disclosure related. Within ninety days of the completion of the audit, the Section requires written GAO notice to the Joint Committee on Taxation regarding the nature of the information involved and recommendations as to further use of the information.

The **PRESIDING OFFICER**. The bill is received and appropriately referred.

Mr. **NUNN**. Mr. President, I also send a section-by-section comparison of the existing law, of S. 732, and of this compromise, bipartisan proposal which shows the changes made each step of the way, and I ask unanimous consent that it be placed in the RECORD.

There being no objection, the comparison was ordered to be printed in the RECORD, as follows:

DISCLOSURE PROVISIONS COMPARISON OF EXISTING LAW, S. 732 AND COMPROMISE PROPOSAL

26 United States Code 6103 existing law.	S. 732	Compromise proposal (S. 2565)
(a) *General rule.*—"Returns" and "return information shall be confidential, and no person who had had access to returns or return information shall disclose the returns or information, except as authorized in § 6103.	Change in nomenclature to reflect new terms "return information" and "non-return information" vice "returns" and "return information	Maintains the nomenclature and general rule of existing law.
(b) *Definitions:*		
(1) *Return.*—Tax or information return, declaration or estimated tax or claim for refund, or claim for refund, or amending or supplement thereto, including supporting schedules, attachments, or lists which are supplemental to, or part of, the filed return.	(1) *Return information.*—Includes tax returns and supporting documentation now covered under "return" and "any information provided by or on behalf of an individual taxpayer [including natural persons or corporatives, partnership, association, union or other entity consisting of no more than 2 owners, shareholders, partners, or members] to whom such information relates." (See (b)(3) below.)	(1) *Return.*—Maintains the definition of existing law.
(2) *Return Information.*—A taxpayer's identity; the nature, source or amount of his income, payments, receipts, deductions, exemptions, credits, assets, liabilities, net worth, tax liability, tax withheld, deficiencies, overassessments, or tax payments; whether the taxpayer's return was, is being, or will be examined or subject to investigation or processing; any other data received, recorded, prepared, or collected by, or furnished to a determination of tax liability; any written determination, or any background file document relating to such determination, which is not open for public inspection.	(2) *Non-Return information.*—Any other information in possession of IRS except data in a form which cannot be used to identify, directly or indirectly, a particular taxpayer	(2) *Return information.*—Maintains the definition of existing law.
(3) *Taxpayer return information.*—Return information (as in (2)) which is filed with, or furnished to, IRS by or on behalf of the taxpayer or to whom such information relates	(3) *Individual taxpayer.*—Any natural person or a corporation, partnership, association, union, or other entity consisting of no more than 2 owners, shareholders, partners, or members.	(3) Makes no distinction between natural persons and business entities; maintains the existing definition of "Taxpayer return information."
(i) Disclosure for administration of Federal laws *Federal laws not relating to tax administration.*	(1) *Disclosure of return information:*	(1) *Disclosure of returns and return information for use in criminal investigations:*
(1) Non-tax criminal investigation—		

DISCLOSURE PROVISIONS COMPARISON OF EXISTING LAW, S. 732 AND COMPROMISE PROPOSAL—Continued

26 United States Code 6103 existing law.	S. 732	Compromise proposal (S. 2565)
(A) *Information from taxpayer.*—Upon grant of an ex parte order by a Federal district court judge, a return or taxpayer return information shall be open, but only to the extent necessary as provided in the order, to officers or employees of a Federal agency who are personally and directly engaged in—and solely for their use in—preparation of any administrative or judicial proceeding (or investigation which may result in such a proceeding) pertaining to the enforcement of a specifically designated Federal criminal statute.	(A) Return information shall be disclosed, pursuant to an ex parte order of a federal district court judge or magistrate, to officers and employees of the Justice Department who are personally and directly engaged in and solely for their use in preparation for any administrative, judicial, or grand jury proceeding (or investigation which may result in such a proceeding) pertaining to the enforcement of a specifically designated federal criminal statute (not involving tax administration). The order may provide for continuous disclose if justified under subparagraph (B)(iii) [i.e., there is reasonable cause to believe the information may be relevant to a matter relating to commission of a criminal act].	(A) Same as S. 732. Contains no provision providing for continuous disclosure.
(B) *Application for order.*—The head of any Federal agency described in (A) or, if the Justice Department, the AG, Deputy AG, or Assistant AG, may authorize an application for an ex parte order.	(B) *Application for order.*—The Attorney General, Deputy AG, an Assistant AG, a United States Attorney, or the Attorney-in-charge of a Criminal Division Organized Crime Strike Force may authorize an application for an ex parte order.	(B) *Application for order.*—The Attorney General, Deputy AG, Associate AG, any Assistant AG, any U.S. Attorney, any special prosecutor appointed under 28 USC 593, or any Attorney in Charge of a Criminal Division Organized Crime Strike Force may authorize an application for an ex parte order.
The judge may grant the order if he determines on the basis of facts submitted by the applicant that—	The judge or magistrate may grant the order if he determines on the basis of facts submitted that—	The judge or magistrate may grant the order if he determines on the basis of facts submitted that—
(i) there is reasonable cause to believe, based on information believed to be reliable, that a specific criminal act has been committed;	(i) No change.	(i) Same as S. 732.
(ii) there is reason to believe that such return or return information is probative evidence of a matter in issue related to the commission of such criminal act; and	(ii) the information is sought exclusively for use in a federal criminal investigation or proceeding concerning such act; and	(ii) Same as S. 732.
(iii) the information sought to be disclosed cannot reasonably be obtained from any other source, unless the information constitutes the most probative evidence of a matter in issue relating to the commission of such criminal act.	(iii) there is reasonable cause to believe that the information may be relevant to a matter relating to the commission of such criminal act.	(iii) Same as S. 732. (iv) the information sought cannot be reasonably obtained under the circumstances, from another source.
However, IRS shall not disclose any return or return information if it determines and certifies to the court that such disclosure would identify a confidential informant or seriously impair a civil or criminal tax investigation.	No change.	Same as S. 732.
No similar provision.	(C) *Duty of IRS*—IRS shall disclose to the appropriate Justice Department attorney such information ordered disclosed as soon as practicable following receipt of the ex parte order	(C) No similar provision.
Further disclosure is governed by (i)(1)(A) above.	(D) *Further disclosure.*—The government attorney may further disclose return information to such other federal government personnel or witness as he deems necessary to assist him in a criminal investigation or in preparation for the administrative, judicial or grand jury proceeding upon which the ex parte order is based.	(D) *Further disclosure*—Maintains existing law.

DISCLOSURE PROVISIONS COMPARISON OF EXISTING LAW, S. 732 AND COMPROMISE PROPOSAL—Continued

26 United States Code 6103 existing law.	S. 732	Compromise proposal (S. 2565)
(2) *Return information other than taxpayer return information.*—Upon written request by agency heads authorized to apply for ex parte order [para. (1)(A)], information supplied by third parties (i.e., return information not supplied by or on behalf of a taxpayer) shall be disclosed to officers and employees of such agency personally and directly engaged in, and solely for their use in, preparation for any administrative or judicial proceeding (or investigation which may result in such a proceeding).	(2) *Disclosure of Nonreturn information.* (A) Upon written request from the head of a federal agency, the Inspector General thereof, or the Attorney General or his designee in the case of the Justice Department, the IRS shall disclose nonreturn information as soon as practicable to officers and employees of such agency personally and directly engaged in, and solely for their use in preparation for any administrative, judicial, or grand jury proceeding (or investigation which may result in such a proceeding) as described in paragraph (1)(A).	(2) *Disclosure of Return Information other than taxpayer return information for use in criminal investigations.* (A) Upon written request from the head of any Federal agency or the Inspector General thereof, or the Attorney General, Deputy AG, Associate AG, any Assistant AG, the Director of the FBI, the Administrator of DEA, any special prosecutor appointed under 28 U.S.C. 593, any U.S. Attorney or any Attorney-in-Charge of a Criminal Division Organized Crime Strike Force, such information shall be discussed to officers and employees of such agencies who are personally and directly engaged in and solely for their use in preparation for any administrative, judicial or grand jury proceeding (or investigation which may result in such).
Such written request shall set forth—	Such written request shall set forth—	Such written request shall set forth—
(A) the name and address of the taxpayer;	(i) the name and address of the taxpayer;	(i) Same as S. 732.
(B) taxable period(s) to which the return information relates;	(ii) the taxable period(s) to which the nonreturn information relates;	(ii) Same as S. 732.
(C) the statutory authority under which the proceeding or investigation is being conducted; and	(iii) the statutory authority under which the proceeding or investigation is being conducted, and	(iii) Same as S. 732.
(D) the specific reason(s) why such disclosure is or may be material to the proceeding or investigation.	(iv) allegations of criminal conduct giving role to the proceeding or investigation.	(iv) The specific reason(s) why such disclosure is or may be relevant to such proceeding or investigation.
However, IRS shall not disclose any return or return information if it determines that such disclosure would identify a confidential informant or seriously impair a civil or criminal tax investigation. The name and address of a taxpayer may be disclosed under this paragraph.	No change.	No change.
No specific provision on further disclosure (see (i)(2) above).	(B) *Further disclosure.*—The agency head, an I.G., or the AG or his designee may further disclose nonreturn information to such federal personnel or witness as he deems necessary to assist him in preparation for the administrative, judicial, or grand jury proceeding upon which the request is based.	No specific provision on further disclosure.
Under paragraph (i)(1), taxpayer identity information is considered to be taxpayer return information and subject to disclosure only by grant of an ex parte order. However, under paragraph (i)(2), taxpayer identity information may be disclosed in connection with the disclosure, pursuant to written request, of return information other than that provided by or on behalf of a taxpayer (i.e., third-party information).	(C) For this purpose, the name, address and social security number of a taxpayer, whether a taxpayer filed a return for a given year or years, and whether there is or has been a criminal investigation of a taxpayer shall be treated as non-return information.	(C) Maintains existing law.
(3) *Disclosure of return information concerning possible criminal activities.*—IRS may disclose in writing return information (other than that provided by or on behalf of a taxpayer) which may constitute evidence of a violation of Federal criminal laws to the extent necessary to apprise the head of the appropriate Federal agency charged with enforcing such laws. The name and address of a taxpayer may be disclosed, even though supplied by the taxpayer, if there is third-party return information that may constitute evidence of a Federal crime.	(3) *Secretary's duty to disclose nonreturn criminal information.* (A) The IRS shall disclose, as soon as practicable and in writing, nonreturn information which may constitute evidence of a violation of federal criminal laws to the extent necessary to apprise the head of the appropriate federal agency or his designee charged with the responsibility for enforcing such laws. For this purpose, the name and address of the taxpayer shall be treated as nonreturn information.	(3) *Discloure of return information to apprise appropriate officials of criminal activities or emergency circumstances.* Maintains existing law and permits disclosure in certain emergency circumstances (see 5 below).
No similar provision.	(B) In addition to the above disclosures, whenever IRS recommends to DOJ a prosecution for tax law violation, it shall furnish to DOJ any return or nonreturn information reviewed, developed, or obtained during the tax investigation which may constitute evidence of a violation of federal criminal laws.	(B) No similar provision.

DISCLOSURE PROVISIONS COMPARISON OF EXISTING LAW, S. 732 AND COMPROMISE PROPOSAL—Continued

26 United States Code 6103 existing law.	S. 732	Compromise proposal (S. 2565)
IRS shall not disclose any return or return information if it determines that such disclosure would identify a confidential informant or seriously impair a civil or criminal tax investigation.	(C) However, IRS may decline to disclose any information under the above paragraphs if it determines that such disclosure would identify a confidential informant or seriously impair a civil or criminal tax investigation.	(C) Same as S. 732.
No similar provision.	i) *Use in judicial or adminstrative proceeding.*—Any information obtained under paragraphs (1), (2), or (3) may be entered into evidence in accordance with the Federal Rules of Evidence or other applicable law in any administrative, judicial, or grand jury proceeding pertaining to the enforcement of a specifically designated federal criminal statute (not including tax administration) or any ancillary civil proceeding to which the United States or any agency thereof is a party.	(4) *Use of certain disclosed returns and return information in judicial or administrative proceedings:* (i) Any return information may be disclosed in any judicial or administrative proceeding or related civil forfeiture to which the U.S. is or may be a party if the court finds the information is probative of a matter in issue relevant in establishing the commission of a crime or the guilt of liability of a party; or to the extent needed to comply with the Jencks Act (18 U.S.C. 3500) or pre-trial discovery. (ii) Return information other than taxpayer information may be disclosed in any such proceeding to which the U.S. is or may be a party, without any special finding by the court.
No similar provisions.	Any such information may be disclosed to the extent required by order of a court pursuant to 18 U.S.C. 3500 or Rule 16 of the Federal Rules of Criminal Procedure, or other applicable discovery requirements, such court being authorized in the issuance of such order to give due consideration to congressional policy favoring the confidentiality of return and nonreturn information as set forth in this title. However, any information obtained under paragraphs (1), (2), or (3) shall not be admitted into evidence in such processing if IRS determines and notifies the AG or designee or the head of such agency that such admission would identify a confidential informant or seriously impair a civil or criminal tax investigation, unless the court shall otherwise direct such disclosure.	Same provision as S. 732.
No similar provision.	(5) *Emergency circumstances.*—Under emergency circumstances involving an imminent danger of physical injury to any person, serious physical damage to property, or flight from prosecution, IRS may disclose information, including return information, to the extent necessary to apprise the appropriate Federal agency of such emergency. As soon as practicable thereafter, IRS shall notify DOJ of this action, and DOJ shall thereupon notify the appropriate Federal district court or magistrate of the disclosure.	(5) *Emergency circumstances*— (i) such disclosure may be made under circumstances involving an imminent danger of death or physical injury to any individual; disclosure may be made to the extent needed to apprise any appropriate State or Federal law enforcement agency; (ii) such disclosure may be made under circumstances involving imminent flight from Federal prosecution; disclosure may be made to any appropriate Federal law enforcement agency.
No similar provisions.	(6) *Assistance of IRS in joint tax and nontax investigations.*—No portion of § 6103 shall be interpreted to preclude or prevent IRS from assisting any other federal investigative agency in investigations of criminal matters which may lead to income tax violations, or from investigating or gathering relevant information concerning persons involved in such criminal activities.	(6) No similar provision.

DISCLOSURE PROVISIONS COMPARISON OF EXISTING LAW, S. 732 AND COMPROMISE PROPOSAL—Continued

26 United States Code 6103 existing law.	S. 732	Compromise proposal (S. 2565)
	(7) *Disclosure to State authority upon certification of evidence of a State felony violation.*—The official to whom disclosure has been made may apply to a district court for an ex parte order to further disclose to a State Attorney General or district attorney any return or nonreturn information that is relevant to a violation of a State felony statute. The application shall set forth the name and address of the taxpayer, the relevant taxable period(s), the State felony violation and statute, and a description of the information sought to be disclosed.	(7) No similar provision.
No similar provision.	The order for disclosure to State authorities may be granted if the judge or magistrate finds on the facts submitted that— (A) there is reasonable cause to believe, based on information believed to be reliable, that a specific state felony violation has occurred; and (B) there is reasonable cause to believe that the information may be relevant to a matter relating to the commission of such violation.	No similar provision.
No similar provisions.	(k)(4) *Disclosure to competent authority under international convention.*—Return or nonreturn information may be disclosed to competent authority of a foreign government which has a tax convention, mutual assistance treaty, or other convention relating to the exchange of tax information with the U.S. but only to the terms of the agreement. Disclosure of return or nonreturn information sought pursuant to a treaty or convention for use in non-tax criminal matters may be made only after a U.S. district judge or magistrate issued an ex parte order that there is— (A) reasonable cause to believe that the information may be relevant to a matter of a specific criminal act that has been committed or is being committed against the laws of the foreign country, and (B) that the information is sought exclusively for use in such country's criminal investigation or proceeding concerning criminal act.	No similar provision.
	Criminal Penalty for Disclosure	
(a)(1) It shall be unlawful for any present or former officer or employee of the federal government to willfully disclose any return or return information except as authorized in 26 USC 6103. A violation is punishable by a fine not exceeding $5,000 or 5 years in prison, or both, together with the costs of prosecution, and any person convicted of a violation shall be discharged from Government employ.	No Change.	Maintains existing law.
	(d) It shall be an affirmative defense that such disclosure of return or nonreturn information resulted from a good faith, but erroneous, interpretation of section 6103 while a federal employee was acting within the scope of his employment.	No similar provision.

DISCLOSURE PROVISIONS COMPARISON OF EXISTING LAW, S. 732 AND COMPROMISE PROPOSAL—Continued

26 United States Code 6103 existing law.	S. 732	Compromise proposal (S. 2565)
	Criminal Penalty for Disclosure	
(a) *General rule.*—Whenever any person knowingly, or by reason of negligence, discloses a return or return information in violation of section 6103, the taxpayer may bring a civil action for damages against such person.	(a) *General rule.*—Whenever any federal employee knowingly, or by reason of negligence, discloses return or nonreturn information in violation of section 6103, the taxpayer may bring a civil action for damages exclusively against the agency employing that employee. Whenever any person other than a federal employee discloses return or nonreturn information in violation of section 6103, the taxpayer may bring a civil action directly against such person.	(a) Same provision as S. 732.
No similar provision.	No similar provision.	The bill authorizes disclosure of returns and return information obtained by or available to a Federal agency under this title when requested in writing by the Comptroller General where necessary for a GAO audit of the program or activity to which the original disclosure related. Within ninety days of the completion of the audit, the Section requires written GAO notice to the Joint Committee on Taxation regarding the nature of the information involved and recommendations as to further use of the information.

Mr. GRASSLEY. Mr. President, I rise to introduce this measure with Senator NUNN, distinguished Chairman of the Senate Finance Committee, BOB DOLE, and Senator ROTH. This is a landmark in the evolution of this issue. Today, similar legislation will be introduced by Congressman RANGEL in the House of Representatives.

This bill strikes a delicate balance between the need of law enforcement for access to tax information and the need to protect the privacy of taxpayer information. This bill clearly sets forth the procedure law enforcement officials must employ to obtain this information. It requires a Federal district court judge or a magistrate to make certain findings before granting a request for return information, that is information submitted to the IRS on tax returns and supporting documents. Lesser standards are required for the disclosure of taxpayer return information (submissions by third parties to the IRS), and these new standards are stated in this bill.

One of the criticisms of the disclosure provisions enacted in 1976 is that they are too complex and cumbersome for U.S. attorneys in the field to use effectively. Senator DOLE and I hope that this bill and the committee report language will clarify these procedures to enable law enforcement personnel to obtain this information quickly. Our intent in drafting this bill is to facilitate the exchange of relevent information between Federal agencies pertinent to the commission of a crime. It is also our intent that Federal agencies continue to work in tandem on joint tax investigations to catch individuals who are committing crimes and failing to pay tax on the proceeds of their illegal criminal activity.

We have strived to protect taxpayer information from fishing expeditions by law enforcement authorities. Information submitted by the taxpayer may only be obtained by court order; supporting information may be obtained by written request. The showing another Federal agency must make is carefully delineated in this bill. Our aim was to protect taxpayer submissions to the IRS to insure the system of voluntary compliance was not undermined. As chairman of the Subcommittee on Oversight of the Internal Revenue Service, I intend to see this goal achieved.

During the past two Congresses, Senator NUNN has examined the issue of the appropriate use of tax information in nontax criminal investigations and introduced legislation to solve this problem. The introduction of this bill culminates a strong commitment on his part to improve law enforcement. He and his staff on the Permanent Subcommittee on Investigations are to be commended for their hard work in this area. Chairman DOLE also deserves praise for forging this compromise among parties with widely divergent interests. His patient pursuit of compromise legislation and the efforts of his staff to achieve this goal have made the introduction of this bill possible. Senator ROTH and his staff on the Permanent Subcommittee on Investigations have made valuable contributions to the legislation we are introducing today.

In short, this bill represents the agreement of a variety of Senators and Government agencies with very disparate interests. It is a reasonable approach to a difficult problem which merits serious consideration by all of my colleagues.

Mr. DOLE. Mr. President, today I am pleased to cosponsor legislation to clarify when tax returns and return information can be disclosed for Federal nontax criminal law purposes. In addition, similar legislation will be introduced in the House of Representatives by Congressman RANGEL and others.

The purpose of this bill is to continue the congressional policy of protecting the confidentiality of taxpayer information and to allow reasonable access to tax information for law enforcement purposes in certain circumstances and under certain conditions. The basic balance between the need of law enforcement authorities to access tax information and the need to protect the confidentiality of tax information which was struck by Congress in the 1976 Tax Reform Act will not be changed by this bill. On the other hand, this bill will facilitate the transfer of tax information when the standards set forth have been established. In addition, this bill will allow the disclosure of certain tax information under conditions and circumstances which are similar to those for which disclosure is already permitted.

Since the enactment of the 1976 Tax Reform Act, several bills have been introduced in this Congress and past Congresses which would allow law enforcement officials greater access to tax information. I would like to thank the distinguished Senator from Iowa, (Mr. GRASSLEY) for holding hearings and greatly assisting in working out this compromise legislation. I wish to compliment the distinguished Senator from Georgia (Mr. NUNN) for his work in this area, and also the distinguished Senator from Delaware (Mr. ROTH).

Their efforts made it possible to work out a compromise bill which is satisfactory from the points of view of the Internal Revenue Service and the Department of Justice, which balances the interests of protection of justified privacy interests and efficient collection of revenues with the equally justified interest in furthering the criminal justice process. I believe this bill continues the delicate balance struck by the 1976 Tax Reform Act and facilitates the disclosure of tax information to Federal law enforcement officials under specific circumstances.

Finally I would like to acknowledge the efforts of the staffs of the Finance Committee, Ways and Means Committee and Joint Committee on Taxation in working out the technical details of this compromise legislation.

TECHNICAL EXPLANATION OF DISCLOSURE OF TAX RETURNS AND RETURN INFORMATION FOR PURPOSES NOT RELATING TO TAX ADMINISTRATION

DISCLOSURE PURSUANT TO COURT ORDER

Under present law, returns and taxpayer return information that is, return information, submitted by, or on behalf of the taxpayer, may be disclosed by the IRS, pursuant to an ex parte order by a Federal district court judge.

Under this bill, returns and taxpayer return information with respect to any specified period or taxable periods could be disclosed pursuant to an ex parte order from a district court judge or magistrate. As under current law, disclosure would be made to officers and employees of a Federal agency who are personally and directly engaged in first, preparation for any administrative or judicial proceeding pertaining to the enforcement of a specifically designated Federal nontax criminal statute (or any investigation that may result in such a proceeding), or second, any Federal grand jury proceeding pertaining to enforcement of a Federal nontax criminal statute to which the United States is or may be a party.

APPLICATION FOR COURT ORDER

Under present law, the head of a Federal agency, the Attorney General, the Deputy Attorney General, or any Assistant Attorney General may authorize an application to a Federal district court judge for an ex parte order for the disclosure of returns and taxpayer information for nontax criminal law purposes.

Under this bill, the Department of Justice authorization has been decentralized in order to expedite the application for an ex parte court order. Under the bill, the Attorney General, the Deputy Attorney General, the Associate Attorney General, a U.S. attorney, a special prosecutor, or an attorney in charge of a criminal division organized crime strike force may authorize an application to a Federal district court judge or magistrate for an ex parte order for disclosure of returns and taxpayer return information.

STANDARDS FOR GRANTING COURT ORDER

Under present law, a Federal district court judge may grant an order for disclosure if he determines that: First, there is reasonable cause to believe a specific criminal act has been committed; second, there is reason to believe that the return or return information is probative of an issue related to the commission of the criminal act; and third, the information cannot be reasonably obtained from any other source unless the return or return information sought constitutes the most probative evidence.

Under this bill, a Federal district court judge or magistrate could grant a court order for disclosure if he determines that: First, there is reasonable cause to believe that a specific criminal act has been committed; second, there is reasonable cause to believe the return or return information is or may be relevant to a matter relating to the commission of such act; and third, the return or return information is sought exclusively for use in a Federal criminal investigation or proceeding concerning such act and the information sought to be disclosed cannot reasonably be obtained, under the circumstances, from another source.

APPLICATION FOR RETURN INFORMATION OTHER THAN TAXPAYER RETURN INFORMATION

Present law provides, that upon written request from the head of a Federal agency, the Attorney General, Deputy Attorney General, or an Assistant Attorney General, the IRS may disclose return information—other than taxpayer return information—to officers and employees who are personally and directly engaged in the preparation for any administrative or judicial proceeding (or any investigation that may result in such a proceeding) to enforce a specifically designated Federal nontax criminal statute to which the United States or the agency is or may be a party.

Under the bill, a written request for return information—other than taxpayer return information—could be submitted by the following individuals: the head of any Federal agency or the Inspector General thereof, the Attorney General, the Deputy Attorney General, the Associate General, the Director of the Federal Bureau of Investigations, the Administrator of the Drug Enforcement Administration, a U.S. attorney, a special prosecutor, or an attorney in charge of a Criminal Division Organized Crime Strike Force. Again, the Department of Justice has only been decentralized in order to expedite the process of obtaining return or return information for use in a criminal investigation or proceeding.

CONTENTS OF APPLICATION FOR RETURN INFORMATION OTHER THAN TAXPAYER RETURN INFORMATION

Under present law, a request for return information—other than taxpayer return information—must set forth the following: First, the name and address of the taxpayer with respect to whom the return information relates; second, the taxable period or periods to which the return information relates; third, the statutory authority under which the proceeding or investigation is being conducted; and fourth, the specific reason or reasons why the disclosure is or may be material to the proceeding or investigation.

Under this bill, a request for return information—other than taxpayer return information—would be required to set forth the same information. However, the fourth factor would be modified to provide a showing of the specific reason or reasons why the disclosure is or may be relevant to the proceeding or investigation.

TAXPAYER IDENTITY INFORMATION

Under present law, for purposes of the disclosure that is authorized through written request, the name and address of a taxpayer is not treated as taxpayer return information.

Under this bill, a taxpayer's identity information would not be treated as taxpayer return information. Taxpayer identity information is the name of a person with respect to whom a return is filed, his mailing address, and his taxpayer identifying number—social security number in the case of an individual.

DISCLOSURE OF RETURN INFORMATION TO APPRAISE APPROPRIATE OFFICIALS OF CRIMINAL ACTIVITIES OR EMERGENCY CIRCUMSTANCES

Under present law, the IRS is permitted to disclose return information—other than taxpayer return information—that may constitute evidence of a violation of Federal criminal laws. For purposes of this disclosure, the name and address of the taxpayer is not treated as taxpayer return information.

Under this bill, the IRS could disclose return information—other than taxpayer return information—that may constitute evidence of a violation of any Federal criminal law to the same extent as under present law. Moreover, the head of a Federal agency to whom disclosure is made would be permitted, specifically, to redisclose the information to officers and employees to the extent necessary to enforce the law.

This bill would provide new authority for the IRS to disclose return information in certain emergency circumstances. Under circumstances involving an imminent danger of death or physical injury to any individual, the IRS would be permitted to disclose return information to the extent necessary to apprise appropriate officers or employees of any Federal or State Law enforcement agency of such circumstances. Furthermore, under circumstances involving the imminent flight of an individual from Federal prosecution, the IRS could disclose return information to the extent necessary to apprise appropriate officers or employees of any Federal law enforcement agency of such circumstances.

USE OF DISCLOSED RETURN INFORMATION IN JUDICIAL OR ADMINISTRATIVE PROCEEDINGS

Under present law, returns or return information that have been disclosed to Federal officers or employees generally may be entered into evidence in an administrative or judicial proceeding pertaining to the enforcement of a specifically designated Federal criminal statute. However, in the case of returns or taxpayer return information that have been disclosed pursuant to a court order, the court must first find that the returns or return information sought to be entered into evidence is probative of a matter in issue relevant in establishing the commission of a crime or the guilt of a party. In addition, returns or return information may not be admitted into evidence if the IRS determines that the admission would indentify a confidential informant or seriously impair a civil or criminal tax investigation.

Under this bill, returns and taxpayer return information that have been disclosed pursuant to a court order could be disclosed in any judicial or administrative proceeding pertaining to the enforcement of a specifically designated Federal criminal statute or related civil forefiture—not involving tax administration—to which the United States or a Federal agency is a party: First, if the court finds that the return or the taxpayer return information is probative of a matter in issue relevant in establishing the guilt or civil liability of a party, or second, to the extent required by court order pursuant to title 18, section 3500, or rule 16 of the Federal Rules of Criminal Procedure. Return information—other than taxpayer return information—could be disclosed in any judicial or administrative proceeding pertaining to the enforcement of a specifically designated Federal criminal statute or related civil forefiture—not involving tax administration—to which the United States or a Federal agency is a party. As under present law, neither return nor return information will be admitted into evidence if the IRS determines that such admission would identify a confidential informant or seriously impair a civil or criminal tax investigation. In addition, this bill would require a court, in a ruling upon the admissibility of returns or return information, to give due consideration to the congressional policy favoring the confidentiality of returns and return information.

DISCLOSURE TO LOCATE FUGITIVES FROM JUSTICE

Present law does not provide for the disclosure of returns or return information for the purpose of locating Federal fugitives from justice.

Under this bill, persons who are permitted to authorize an application to a Federal district court judge or magistrate for the disclosure of returns or return information for Federal nontax criminal law purposes also would be permitted to authorize an application for disclosure of returns or return information for the purpose of locating fugitives. This information would be used exclusively for locating Federal fugitives from justice.

A Federal district court judge or magistrate could authorize a disclosure order if he determined, on the basis of facts submitted by the applicant, that: First, a Federal arrest warrant relating to the commission of a Federal felony offense has been issued for an individual who is a fugitive from justice, second, the return of such individual or return information with respect to such individual is sought exclusively for use in locating such individual, and third, there is reason or cause to believe that such returns or return information may be relevant in determining the location of such individual.

CONFIDENTIAL INFORMATION

Present law permits the IRS to refuse to disclose returns or return information if it is determined that disclosure would identify a confidential informant or seriously impair a civil or criminal tax investigation.

Under this bill, this discretion on the part of IRS would be retained. However, as a technical matter, this authority is consolidated into one provision.

CIVIL DAMAGES FOR UNAUTHORIZED DISCLOSURE OF RETURNS AND RETURN INFORMATION

Under present law, a person who knowingly or negligently makes an unauthorized disclosure of returns or return information with respect to a taxpayer may be sued in a civil action for damages.

Under this bill, if an officer or employee of the United States knowingly or negligently makes an unauthorized disclosure of returns or return information with respect to taxpayer, the taxpayer could bring a civil action for damages against the United States.

DISCLOSURE TO GENERAL ACCOUNTING OFFICE

Under present law, the General Accounting Office is permitted access to tax returns and return information for the purpose of conducting an audit of the Internal Revenue Service or the Bureau of Alcohol, Tobacco and Firearms, and for the purpose of auditing the safeguards used by other agencies to safeguard returns and return information. In addition, the GAO is permitted access to returns and return information when it is acting as an agent for the Committee on Ways and Means, Committee on Finance, or Joint Committee on Taxation.

Before the GAO receives tax data in connection with the audit of an agency, it must notify the Joint Committee of the audit. The Joint Committee may disapprove an audit by a vote of two-thirds of the members within 30 days of receipt of notice of the proposed audit.

Under this bill, the head of any Federal agency authorized to receive returns or return information, upon written request, may redisclose such returns or return information to the GAO for the purpose of making an audit of such Federal agency program activity. In addition, if the returns or return information recieved from the Federal agency is insufficient to audit the program activity the IRS, upon written request, may disclose such returns or return information to the GAO for the purpose of auditing such program activity. Therefore, GAO can obtain returns and return information only to the extent the Federal agency is authorized to obtain returns and return information. The GAO must also notify the Joint Committee on Taxation of its use of returns or return information obtained for the purpose of auditing a Federal agency program activity.

In conclusion, Mr. President, at a time when crime is on the rise in most of our cities, this bill provides taxpayers with assurances that their tax information will be confidential and that it will only be disclosed to a Federal law enforcement agency if certain specific facts are present indicating that the taxpayer has violated a specific Federal criminal law. Thus, we have preserved the delicate balance between taxpayer privacy rights and the need to assist in the enforcement of the Federal nontax criminal laws. I hope my colleagues will join me in supporting this legislation.

Mr. CHILES. Mr. President, Senator NUNN and I have been speaking out on crime here, on the Senate floor, over the last several days. In fact, we introduced the Crime Control Act of 1982, S. 2543, a package of anticrime proposals that we would like to see the Senate pass, in order to fight violent crime and drug trafficking.

At the time we introduced S. 2543, I mentioned that we were leaving out of that proposal one of the bills which I believe is absolutely vital to an effective fight against organized racketeering and drug trafficking. I am referring to our proposal to modify the Tax Reform Act of 1976, so that the Internal Revenue Service once again can become a full-fledged partner in the fight against organized crime. Today, I am delighted to join Senator NUNN in introducing a new version of this important measure, a measure which I feel has a good chance of becoming law in the upcoming session. Mr. President, today a bill with identical provisions to this one is being introduced in the House of Representatives, under the leadership of Congressman RANGEL. With identical proposals before each House of Congress, and with hearings on the need for this proposal already completed, we should be able to move forward quickly in each House, and pass this bill into law.

This new bill, with its bipartisan support in both Houses of Congress, makes it clear that Congress is serious about its desire to get the IRS back into the fight against crime. It shows that Congress is ready to move ahead with needed revisions in the Tax Reform Act of 1976, revisions of those provisions of current law which hamper the IRS's effectiveness today. More importantly, it shows that the Congress intends to encourage the IRS to continue and expand its recently established joint investigations with other Federal law enforcement agencies into racketeering, drug trafficking, and organized crime.

Over 3½ years ago, the Senate Permanent Investigation Subcommittee began to look into the role IRS plays in law enforcement, with a focus on drug trafficking. Those investigations culminated in a series of hearings which underscored the seriousness of the drug trafficking problem in south Florida. The hearings also pointed out that IRS participation in stopping drug trafficking was, at best minimal, and, in most cases nonexistent. I then held further oversight hearings on IRS efforts in stopping drug trafficking in my capacity as chairman of the Senate Appropriations Subcommittee on the Treasury and Post Office. The hearings identified two causes for this lack of involvement.

First, the limits on disclosure provisions enacted as part of the Tax Reform Act of 1976 crippled the IRS ability to cooperate with other law enforcement agencies.

Second, the IRS, as an institution, had decided not to get involved in investigations of organized criminal activities. The IRS attitude remained: "We plan to spend just as much time investigating a waitress who's trying to cheat on her tips as we will spend going after sophisticated criminals."

As a result of these hearings and investigations, I joined with Senator NUNN and other Senators in introducing a bill that modified the disclosure provisions of the Tax Reform Act of 1976. The bill was designed to retain the important protections against governmental abuse of individual tax returns. It also made changes necessary to assure that mobsters and drug traffickers could not abuse the disclosure protections to evade prosecution for their criminal activities. We testified before this committee, and worked with the IRS and the Justice Department to refine our bill. In December 1980, we brought our bill before the full Senate, as an amendment to an appropriations bill, but were defeated.

Last year, we reintroduced our proposal as S. 732. In July 1981, the Justice Department announced its support for the proposal, as did many of our Nation's Governors. We then brought the bill before the Senate again, as an amendment to the Tax Reform Act. This time we were successful, and the Senate adopted the bill by more than a 2 to 1 margin. Unfortunately, the proposal was dropped in the House-Senate conference. Since last summer, both the Senate Finance Committee and the House Ways and Means Committee have held hearings on this proposal. The administration brought forth its own proposal, and Members from both Houses sat down and worked out the differences in various proposals. The result of these discussions is the bill which is being introduced today.

Mr. President, the reason this bill is so badly needed is that it is the key to breaking up the organized crime rings that run the drug smuggling, the crime rackets, and the violence which is plaguing our entire country today. The persons at the top of these organizations have placed layers of people between themselves and the actual drugs or actual crime. When a person is arrested for smuggling drugs or on some other charge, the organization continues. The drugs seized or racket broken up amount to a temporary business loss, which the organization can make up in a matter of weeks or months, and there will be others ready to step in and take the place of those who were arrested. The people at the top are never caught.

There is only one reason why the people at the top are involved, and that is money. If we are to capture these people and break up the trafficking rings, we must focus on the money, on the suitcases of cash, the laundering operations, and the large cash purchases. Mr. President, we all know that no agency is better equipped to find the money than the Internal Revenue Service. They have shown their expertise and ability in the past. Al Capone was put into prison for tax evasion, not for murder or robbery or bootlegging. Yet today, the IRS has been unable to help.

A major reason for this lack of help has been the Tax Reform Act of 1976, and limits it places on the disclosure of nontax criminal information.

The disclosure provisions of the Tax Reform Act were drafted with an eye toward preventing abuses of taxpayer privacy by the IRS and other Federal agencies. Such abuses had occurred during the Watergate era, when the Nixon White House and the IRS made such disclosures for highly questionable purposes. In practice, however, the Tax Reform Act provisions have been interpreted so strictly that disclosure of evidence of nontax criminal activities has become virtually impossible.

In fact, the GAO reported that the IRS literally has a file drawer full of evidence of Federal nontax crime that it is prohibited from turning over to the Justice Department. In those instances where the IRS has been able to work with other agencies, the procedural requirements of the current disclosure law have created such time delays that the information loses its value. In Senator NUNN's words, "We've used a sledge hammer to kill an ant."

The current law has created a catch-22 situation. IRS agents are prohibited from telling other law enforcement officials about the criminal evidence they have gathered in their normal course of operations. To obtain that evidence, a Federal prosecutor must get a court order. The courts require that the prosecutor make a request for specific information to get a court order. But since IRS agents cannot tell the prosecutor what evidence is available, the prosecutor is unable to make a specific request. Moreover, if tax returns are requested, they must be the most probative evidence of the crime that the prosecutor is investigating. Remember, we are talking about nontax crimes. It is highly unlikely that tax information would ever be the most probative evidence of a nontax crime such as drug trafficking. The result is an impossible standard to satisfy.

The bill we are introducing today will help take care of the concerns raised about several of the provisions of earlier versions of this bill, yet it still maintains the protections needed to prevent abuses. IRS will not become some sort of clearinghouse about the financial aspects of crime, open to anyone who is curious. But IRS will no longer be hamstrung, and unable to cooperate even in those instances where it wants to cooperate. As in current law, this bill requires a prosecutor to get a court order to obtain information from the IRS. The prosecutor must show that the information he seeks is relevant to a crime, and that the information will be used solely in the investigation and prosecution of that crime, and that it is impracticable to obtain the information from another source. This new test is similar to the test a prosecutor must meet when he seeks a wiretapping order from the court. The bill would promote greater IRS cooperation with the Justice Department and other investigative agencies, by allowing the IRS to turn over certain types of criminal evidence such as bank records it obtains to the Justice Department. This helps eliminate the catch-22 situation. Finally, the bill makes changes in the penalty provisions, changes which will promote closer cooperation and joint investigations.

Mr. President, in closing, I wish to read a speech by former Attorney General Civiletti. He stated:

> Before the Tax Reform Act of 1976, financial information in the possession of the Internal Revenue Service—information filed by taxpayers as well as information collected by the Service in the course of its audits and investigation—was an important resource for criminal investigators and prosecutors in the Justice Department. Money is the medium in which most crimes are transacted, and this is especially true of the Federal crimes that merit the greater part of our investigatory effort—organized crime, and white-collar crime and narcotics trafficking. Before the Tax Reform Act of 1976, financial information in the possession of the Internal Revenue Service helped us to piece together and prove in court the paper trials—the illicit financial transactions—that are characteristic of these crimes. Moreover, the skilled personnel of the Internal Revenue Service were and still are the best and most numerous financial investigators in the Federal Government, and before the Tax Reform Act of 1976 we relied upon them heavily to unravel the complex transactions that conceal both tax and nontax crime. But the disclosure restrictions imposed by the Tax Reform Act of 1976 have limited our access both to the financial information in the possession of the IRS and to the assistance of these experts.

Mr. President, the task of pursuing and prosecuting the drug smuggler is difficult enough without first having to face the challenge of penetrating what Mr. Civiletti called the wall of secrecy between the IRS and the Justice Department. If we are to reverse our current failure to contain the drug trafficking trade, there can be no higher priority than insuring that the full resources of the Federal Government are dedicated to fighting this problem. The IRS, with its unmatched expertise, resources, and information, must be a full partner in that effort. Making the IRS a full partner in this fight is something that we in Congress can do, and must do.

Mr. **ROTH**. Mr. President, as chairman of the Permanent Subcommittee on Investigations, I wish to record my strong personal support for S. 2565, the Tax Reform Act Amendments of 1982.

Last November, I introduced S. 1891 which has served in large part as the basis for negotiations that have led us to the compromise bill introduced today. My introduction of that bill, which was cosponsored by several members of the Permanent Subcommittee on Investigations, including Senator Nunn, reflects the deep historical concern that our subcommittee has had over the adverse law enforcement impact of certain elements of the Tax Reform Act of 1976. The provisions of S. 2565 will greatly improve the ability of other Federal law enforcement agencies to work with the Internal Revenue Service to combat a variety of nontax crimes. For example, our subcommittee, within the past year, has heard testimony that the Federal drug enforcement effort could be markedly improved if the Tax Reform Act of 1976 were amended to facilitate the access to IRS information concerning major narcotic traffickers and to promote joint investigations with IRS. Amendments of this character, as they are reflected in S. 2565, are an added weapon in our battle against major criminal offenders, but do not jeopardize the privacy that should and must attach to the tax returns of the law-abiding population of this country. Our efforts to promote the overall effectiveness of Federal law enforcement agencies, while maintaining legitimate privacy interests, reflect objectives that have no partisan strings attached to them; majority and minority members of the Permanent Subcommittee on Investigations have continuously urged the type of reform found in S. 2565. I would expect that the type of bi-partisan support found in our subcommittee will be reflected in the entire Senate and that prompt passage of these provisions will follow.

In conclusion, I want to thank Senator Nunn for the excellent work he has done over the past few years in pressing for these long overdue revisions to the 1976 act. He and his staff are to be commended.

ROUTINE MORNING BUSINESS

The **PRESIDING OFFICER**. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond 12 noon with statements therein limited to 5 minutes each.

Mr. **DIXON**. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **DIXON**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

TUITION TAX CREDITS

Mr. **JEPSEN**. Mr. President, I am pleased to join many of my colleagues in supporting this administration's effort to provide tuition tax credits to working families who choose to send their children to private schools while continuing to pay public school taxes. The administration's proposal would allow parents who send their children to tax exempt, nonprofit, educational institutions on the elementary or secondary level to claim a maximum of 50 percent of the tuition paid for each child. The maximum credit allowable would be $100 in 1983; $300 in 1984; and $500 in 1985.

This legislation would insure that no provision of the proposal would conflict with the jurisdiction of individual States over statewide educational matters. Furthermore, this bill would stipulate that direct tuition to parents would not be considered public aid to nonpublic institutions. Additionally, this proposal would require that parents would be ineligible for the credit if their children were enrolled in a school that discriminated on the basis of race, color, or national origin.

Mr. President, I fully support tuition tax credits because I believe that the credit would encourage family choice and would foster greater competition and excellence in education. The credit would allow lower- and middle-income families to take advantage of private education which is now only available to those who can afford to pay for it. With greater diversity in education, families and individuals would be able to develop educational goals more in line with their own interests and preferences. Most importantly, however, tuition tax credits would insure that the parent's interest, that interest which the Supreme Court said is "of primary importance," would be served.

While some of the more controversial aspects of a tax credit for parents have been debated in the public arena, the basic wisdom of such a policy—the economic freedom to choose that it gives to parents—has been understated. Nobel prize-winning economist Milton Friedman and others have long argued the economic wisdom of allowing parents to decide how education money should be spent. After all, parents are the "consumers" of education. Teachers and school administrators are the "producers."

In my home State of Iowa, the public school system has achieved national recognition for student academic excellence. This level of achievement, I firmly believe, would be supported, rather than undermined, by granting an option for parents who freely choose nonpublic educational alternatives. Additionally, I am convinced that tuition tax credits in and of themselves would not be deducted from the Federal Government's General Education Fund and therefore would not be the direct cause of any decrease in Federal funding of local education. Overall, tuition tax credits would strengthen the vitality of all sectors of our educational system.

Mr. President, I commend this administration and this Congress for the action that they have already taken in support of tuition tax credits legislation. I would like to especially thank my colleagues, Senator Packwood and Senator Moynihan, for the leadership that they have taken on this issue in the Senate. As this Congress addresses the issue of tuition tax credits, I would like to be on record in support of tuition tax credits and any effort to improve the overall vitality of our system of education.

FAST MONEY GROWTH IS DANGEROUS TO THE HEALTH OF OUR ECONOMY

Mr. JEPSEN. Mr. President, in recent weeks there have been initiatives in the House and Senate Banking Committees and in the Budget Committees to couple an increase in M_1 money growth to reduction of the Federal budget deficit. For sure, reduction of the deficit is in order. However, I believe that it would be counterproductive to reaccelerate money growth at this time. Those who favor faster money growth contend that it will decrease interest rates. They are wrong. In the past, fast money growth has been associated with high and rising interest rates.

The link between fast money growth and high interest rates is inflation. In time, fast money growth produces inflation and inflation, in turn, causes interest rates to rise. Thus, from 1956 to 1966, when M_1 growth averaged only 2 percent a year, the yearly rise in the gross national product deflator was only 2 and the 3-month Treasury bill rate averaged 3 percent. From 1966 to 1975, yearly M_1 growth averaged 5.9 percent, the GNP deflator increased 5.7 percent a year and the bill rate averaged 5.7 percent.

At the end of 1975, the Treasury bill rate averaged 5.5 percent. Five years later, it averaged 15.7 percent. December interest rates and fourth quarter to fourth quarter M_1 growth for the 1976 to 1980 period are presented below together with national income accounts Federal budget deficits in this period.

[Dollars in billions]

	3 month Treasury bill rate in December in percent	4th quarter to 4th quarter M_1 growth in percent	Federal deficit in national income accounts
1976	4.4	6.2	$53
1977	6.1	8.2	46
1978	9.1	8.2	29
1979	12.1	7.5	15
1980	15.7	7.3	61

The record shows that we cannot blame the high and rising interest rates that have afflicted our economy since 1976 on deficits. They must be blamed, rather, on fast money growth and the inflation it produced. With M_1 growth averaging nearly 8 percent a year after 1976, inflation, which had fallen from 11 percent in 1974 to 5 percent in 1975 in terms of the Gross National Product price deflator, increased again to 10 percent in 1980, and as inflation increased interest rates soared.

Last year, 1981, M_1 grew 5 percent. And last year the long, terrible climb in interest rates ended. The 3-month Treasury bill rate is now about 12.2 percent, down over 3 percentage points from the December 1980 average. Banks' prime rate is 16.5 percent, down 5 full percentage points from the level reached in December 1980. Long-term interest rates also topped out last year. The yield on long-term Treasury bonds peaked last September when it averaged 15.3 percent. Now it is 13.3 percent.

Those who contend that we need a higher tax, tighter fiscal policy together with faster money growth also would be wise to remember that we tried that same strategy in 1968 and it failed. In 1968, 10 percent surtaxes on personal and corporate income taxes were enacted in June, retroactive to April and January. And from the first half of 1968 to the first half of 1969, M_1 grew 7.1 percent. The Federal Reserve provided this money growth in order to, as President Johnson put it, "allow credit to remain available, without soaring interest rates, to meet the needs of housing and other key areas." However, interest rates increased sharply in the second half of 1968 and the first half of 1969. The 3-month Treasury bill rate increased from 5.5 percent in June 1968 to 5.9 percent in December 1968 and to 6.5 percent in June 1969. The increase occurred despite the fact that the budget swung from a $25 billion deficit in fiscal year 1968 to a $3 billion surplus in fiscal year 1969, which is equivalent to a $100 billion swing today.

The record is clear. Fast money growth is dangerous to the health of our economy. It sows the seeds of inflation and high interest rates, and those events in turn are the food of recession. In closing, we urge you to reject proposals that would have the Federal Reserve reaccelerate money growth, whether coupled to a reduction of the deficit or not. Inflation has been reduced dramatically. Interest rates have topped out and are falling. Bringing the budget into closer balance, which is our responsibility, will by itself "automatically," as Senator **Proxmire** has said, "result in a less restrictive monetary policy"—that is, in lower interest rates. The Federal Reserve is now on the right track. Let us not direct or entreat it, however subtly, to change. Again as Senator **Proxmire** has stated, "the target ranges for growth in the monetary and credit aggregates set by the Federal Reserve Board for 1982 are appropriate."

EVELYN CHAVOOR

Mr. GOLDWATER. Mr. President, I would like to take this opportunity today to recognize Evelyn Chavoor, professional staff member and director of the research section of the Senate Select Committee on Intelligence, who will be leaving the staff this month after many years of outstanding and dedicated public service.

Evelyn Chavoor joined the Senate Select Committee on Intelligence in 1976, when it was first set up under the provisions of Senate Resolution 400, and she has served the committee loyally and in an outstanding fashion since that time.

Before joining our staff, Evelyn served in a number of important and challenging positions. From 1945 to 1951, she was head of the Office of Representative Helen Gahagan Douglas in the U.S. House of Representatives, and from 1951 to 1952, she was legislative assistant to Senator Blair Moody. In the mid-1950's, she served as assistant to the chairman of the Democratic National Committee, and in the 1960's and 1970's, ran the offices of several important law firms. For example, from 1968 to 1976, she was employed as head of the secretarial department of Covington & Burling here in Washington, D.C.

During Evelyn Chavoor's long and dedicated service with the Senate Select Committee on Intelligence, one or her many contributions was to set up and run our research section. This section has provided, and continues to provide, useful and prompt research products to the members and the professional staff members of our committee. Evelyn's judgment, scholarship, and knowledge of congressional resources has been of great value to the members and the staff or our committee as they conduct the business of our committee.

On behalf of all the members of this committee, past and present, I want to express my personal thanks to Evelyn Chavoor for her support of our activities over the years. She has shown exceptional dedication, loyalty, integrity, and service to the Select Committee on Intelligence, to the Senate, and to the Congress of the United States. I would like to thank her for her contributions to our important mission and wish her the best in any future endeavors.

SPENCER E. DAVIS

Mr. GOLDWATER. Mr. President, I rise today to recognize the contribution of Mr. Spencer E. Davis, professional staff member and press officer of the Senate Select Committee on Intelligence, who will be leaving our staff this month after many years of outstanding and dedicated public service.

Spencer Davis has served untiringly and effectively for the U.S. Senate since 1975, when he became a member of the Church committee staff. The following summer, he joined the staff of the new Senate Select Committee on Intelligence as one of the original staff members, and has served loyally and in an outstanding manner for this committee ever since.

Before coming to our committee, Spencer had a long and distinguished career in journalism. After graduating from Stanford University in 1932, he served with the Los Angeles Record, the Honolulu Advertiser and the International News Service. During World War II, he was a war correspondent in the Far East, covering 17 landings from the Solomon Islands to the Philippines. He led the Associated Press team with General MacArthur for Japan's surrender aboard the U.S.S. *Missouri*, and in 1945-46 he served with the Associated Press in China and Manchuria. During the Korean war, Spencer served with the Associated Press in San Francisco as foreign editor and from 1954 through 1975, he was diplomatic correspondent and specialist in Asian affairs for the Associated Press here in Washington, D.C. Spencer covered the White House from Eisenhower to Ford and the State Department for Dulles to Kissinger.

One might ask why a man with such a distinguished career would come to the Senate Select Committee on Intelligence? As a part of his staff assignment with our committee, Spencer Davis had the responsibility of handling press inquiries and of dealing with the news media. This was a particularly sensitive and difficult assignment. The members of the Senate Select Committee on Intelligence felt in years past and continue to believe that the media should know something of our oversight activities. At the same time, much of the sensitive information which our committee obtains cannot be revealed without jeopardizing the national security of this country. Thus, press relations are a very important aspect of our task on the committee.

Spencer Davis performed his role as press officer to the Senate Select Committee on Intelligence with great distinction, with great diplomacy, and with great sensitivity to the importance of the information he had in his possession. On behalf of all the members of the committee, past and present, I would like to thank Spencer for his dedication, loyalty and service to the Select Committee on Intelligence, to the Senate and to the Congress of the United States. We are grateful to him for his contributions and we wish him the very best in any future enterprise he may undertake.

FORMER SECRETARY MUSKIE ON PRESERVING SALT LIMITS

Mr. CRANSTON. Mr. President, our former colleague and former Secretary of State Ed Muskie last Sunday offered some important thoughts on the need for interim compliance with SALT limits while the START negotiations proceed.

I commend this address—"From Here to There: SALT to START"—to my colleagues' attention and ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

COMMENCEMENT ADDRESS BY EDMUND S. MUSKIE

INTRODUCTION

You must wonder, as have I, why thirteen years after strategic arms limitation talks (SALT) began, the United States and the Soviet Union are so far away from providing the citizens of our two countries (and the rest of the world) the security against the risk of nuclear war which they so greatly desire. Why?

In some ways we are like those famous pandas at the National Zoo, Hsing-Hsing and Ling-Ling. Their unproductive mating attempts have become an annual rite of spring. Here is the Washington Post's description of the 1982 season:

> The lovers met in "passion" beneath the willow trees in the soft gray dawn. He bit her ear. She slugged him, then shoved him down a hill. Then they joined—almost—in a ferocious 535 pound embrace.
>
> But once again despite a new strategy by the zoological matchmakers, the attempted liaison was a washout. The action was fast and furious, but the outcome was again disappointing. The official verdict was "ineffective breeding posture." Hsing-Hsing (at 285 pounds) was labeled as "inept;" and Ling-Ling—the 250 pound older woman—was criticized for rough and puzzling tactics, like standing on her head.
>
> Later, after a lunch of 30 to 40 pounds of bamboo, plus honey, apples, carrots, sweet potatoes, and powdered cottage cheese—picture this indulgence as standing for another round in the arms race—the two pandas tried again; and again failed, with the female even more truculent. They paced. They pawed. They bleated. They grappled, tumbling together in the grass, rolling like a furry soccer ball. But with each attempt, either Hsing-Hsing lost his balance or Ling-Ling lost her temper.
>
> While there was considerable laughing and joking among the voyeurs at the zoo, there was serious concern because time is running out on the aging pair. This may seem like a game, said a zoo spokesman. "But it is also a very serious effort to preserve a beautiful and endangered species."

Perhaps we and the Soviets should reexamine our basic approach to the problem of preventing nuclear war—in the search for the elusive technical solution in weapon systems and arms control agreements. The magic formula has not appeared to date and, though I wish President Reagan well in his efforts to find that formula, the weight of history is clearly against him.

As Roger Molander, the leader of the Ground Zero movement recently stated, the American people are not likely to wait much longer while we in Washington carry on yet another quixotic search for that elusive combination of weapons and arms control agreements that will make us all feel safer. They know that we simply do not have time to experiment with that hope for another generation—and then come up empty-handed in a world stocked with 50,000 more nuclear weapons. It goes against the grain of common sense. This may well be the time to re-examine the path we have been on, to paraphrase Robert Frost, and consider paths not taken.

II THEOLOGICAL DIMENSIONS

There are theological dimensions to this debate on the arms race, as suggested by Lewis Lapham. Ever since World War I it has been assumed, at least in some sophisticated intellectual circles, that all the "gods" were dead. They were thought to have perished in a succession of attacks mounted by subversive elements as various as Marxism and quantum mechanics.

But the current discussion of nuclear weapons suggests that modern man has succeeded in creating an appropriately modern god. If looked at as theological discourse not subject to the laws of reason, contradictions in the tortured arguments of both sides resolve themselves into the gospels of revelation: If it is by paradox that the Deity declares himself, the nuclear theorists offer several proofs of His divine existence. Consider:

First. What was irrational becomes rational. The doctrine of "mutual assured destruction" (MAD) which has governed American strategy for decades relies on a threat so monstrous, so beyond reason, that it becomes, in the words of Secretary of State Haig: "The only rational policy." Only by promising to obliterate civilization can we protect civilization.

Second. What was human becomes divine. The sum of knowledge invested in the construction of a nuclear weapon comprises as brilliant a work of the human imagination as the world has ever seen. The collective genius of hundreds of thousands of mathematicians, physicists and engineers has managed to collect the wonders of the universe in a space not much bigger than a hat box.

But the dogma of deterrence transfers the qualities of human courage and resourcefulness to supernatural objects. Men are reduced to the primitive threat: "Our gods will destroy your gods."

Third. The unknown takes precedence over the known. To the extent that the weapons become more complex and dangerous, the more impossible it becomes to predict what will happen if they were to be released from their shrines. What forms of life would continue to exist? What transmutations would take place? What savage race would rise from the ashes? Jonathan Schell makes us think about these things in "The Fate of the Earth."

Fourth. What was temporal becomes spiritual. Statesmen come and go, but the nuclear fires abide. Each congregation worships the terrible magnificence of the idols in their caves, furnishing them with greater degrees of speed and accuracy and power. Despite immense sums of treasure and intelligence offered in rituals of sacrifice, nobody can expect to live to see the god's birth—at least not for long.

Perhaps this final paradox permits a measure of peace for those of us accustomed to a Christian understanding of the world. A Jesuit teacher, who was recently invited to speak on "The Geography of Armageddon."

said "These things are not of this world. They belong to the afterlife."

III. ARMS AND MEN

But you and I are alive now, and we have to try to grapple with the danger. It is our moral responsibility even as we recognize that God created us out of the dust of the universe.

Presidents and their advisers have a special responsibility. No person with intelligence enough to reach the Oval Office is immune from the "sobering process" of seeing the world as it is.

Professor Stanley Hoffmann of Harvard noted recently that in every modern Presidency, there has been a swing one way or another. The men who at first emphasized arms control found they had to pay more attention to armament. Those who came to power preoccupied with beefing up America's defense had to make room in their thinking for arms control.

Hugh Sidey, a serious student of the Presidency, writes:

> Contradictory lessons of history shout at a President every day. One is that peace comes through power. Another is that weapons, once developed and stockpiled, are eventually used. Yet another is that people periodically demand reassurance that the destructive forces of war can be diminished. Presidents are hostage to all these thoughts.

IV. THE CHOICES BEFORE US

What are the immediate political choices before us? Although I see no magic in past approaches to the problem, and even though I recognize the paradoxes and contradictions in the tortured arguments of mere men—who are not God—I am compelled to try to reach solutions, or to take preventive steps, within the political system of which you and I are citizens.

The recent Eureka speech by President Reagan on the U.S. proposals for START negotiations, the recent calls for Senate reconsideration of the unratified SALT II treaty, and the strong public interest in the "nuclear freeze" idea, provide a fresh opportunity for the examination of alternative approaches to the challenge of preventing nuclear war and reducing arms.

It is useful to characterize the three approaches as Roger Molander has:

"Go for it all."

"One step at a time."

"Don't bother me with the details, just stop it."

I will briefly review the origins of the U.S.-Soviet effort to control strategic arms, and then turn to an analysis of the three roads proposed in our system today. The effort was begun by President Johnson late in his term, and pursued in earnest in 1969 under President Nixon. It had its origins not only in a recognition by both sides that it was in their mutual interest to control these weapons, but also in a belief by both countries that the other side had or was pursuing particular weapon systems which made nuclear war more likely.

In fact, the profound differences in the strategic nuclear force structures on the two sides gave vivid testimony to the existence of two distinctly different points of view on what constituted a safe or stable defense posture. Thus, the SALT talks to date, can be characterized as having two tracks. The first, and to date the dominant track is: "Let's see how many avenues of strategic nuclear weapons competition we can constrain—or freeze, in today's language." The second is: "Why don't you make your force structure look like mine?"

Now to return to the three approaches on the table in Washington today.

It is clear that President Reagan's START proposal represents a significant departure from the negotiating approach begun under President Nixon. Rather than emphasizing the control of different avenues of strategic competition, it essentially calls for the Soviets to restructure their strategic missile forces along lines much closer to our own. In that sense, START might be characterized as a call not only for a focus on reductions, but also as "STARTing over."

The focus of the President's proposal is missile warheads and especially land-based ICBM warheads. The ratio between Soviet ICBM warheads and SLBM warheads is almost four-to-one. President Reagan's proposal calls for a one-to-one ratio. Obviously, this would require profound changes in the Soviet force structure; however, it would not necessarily guarantee a decrease in the threat to our land-based forces. The inventories are so large to start with.

On the U.S. side, we currently have a two-to-four ratio between land-based missile warheads. We could thus meet the President's ceiling on warheads, and sea-based warheads, especially land-based, with relative ease.

In sum, the President's proposal would be a very good deal for us, and I think I and every other American would rejoice if the Soviets accepted the proposal.

At the same time, it should be pointed out that historical experience is not encouraging in terms of the likely success of a proposal of this character. It should be noted that the President's proposal calls for far and away the most dramatic restructuring of the other side's strategic forces of any proposal ever put forward in the history of the negotiations.

I point out this fact because it is important that we all recognize just how far reaching this proposal is. In the past, the response to such proposals has been either outright rejection or a comparable counterproposal which leaves the two sides miles apart and struggling to find common ground. The term applied to such proposals is "sweetheart deals," and one of the clear lessons of negotiations to date is that they significantly extend the time required to reach agreement.

Thus, if history is any teacher, an agreement based on the President's new proposal will take, as he has admitted, many years to negotiate. But as the President must realize, the American people are anxious to see concrete results in the arms control area soon—and not in the 7 years that it took to negotiate SALT II. This of course raises the question of whether the President would be willing to accept interim steps between where we are now and the goals he has set—which brings us to SALT II.

SALT II is, in fact, such an interim step, albeit a modest one in light of the proposal put forth by the President. When SALT began in 1969, there were no limits on either strategic offensive or defensive weapons. In 1972, President Nixon signed the ABM Treaty and the SALT I interim agreement offensive weapons. In 1974, President Ford concluded the outlines of the so-called Vladivostok agreement, a distinct improvement on the SALT I interim agreement. By the end of the Ford administration, additional limitations had been achieved in the emerging SALT II agreement. Finally, in 1979, the SALT II Treaty was signed by President Carter. All of these were positive steps in the deliberate step-by-step approach to arms control carried on during the administrations of Presidents Nixon, Ford, and Carter. Each step fit the Joint Chiefs of Staff characterization of the SALT II Treaty—modest but useful.

Finally there is the freeze approach. This approach or sentiment stems from a clear popular frustration with the slow step-by-step approach of nuclear arms control efforts to date. It is also clearly at variance with the "let's start over and go for it all even if it takes many years" approach which the President has put forward. The strength of the popular support for the freeze—three out of four Americans support it, according to a recent poll—is a clear "no confidence" statement by the American public with respect to previous efforts by elected officials and technical experts to control the strategic arms competition. It rejects arcane arguments about the strategic balance, destabilizing weapons systems, windows of vulnerability, and countervailing strategy. The message is simple. It says stop the competition, do it in a verifiable manner, do it as soon as possible, and when you've done it, then let's talk about restructuring forces and the other arcane issues that seem to have been the impediment to constraining the competition.

Unfortunately, I know that the problem is not that easy since much of the effort to date has gone to halting or freezing many of the avenues of competition. In fact, the SALT II treaty is essentially an agreement that freezes the competition in about 10 different areas and slows it down in several others. The magnitude of that challenge is reflected in the pages of treaty text and the reams of testimony provided to Congress.

V. A COMPROMISE SUGGESTION

In considering what is desirable, and what is possible, under today's political circumstances, I wish to suggest a compromise that can get us from where we are now to the laudable goal of major reductions the President has in mind.

It is only sensible not "to throw out the baby with the bath water" and to abandon all the limitations agreed upon up until now. As one of my predecessors, Henry Kissinger, stated recently:

> It seems to me a reasonable way to end the current impasse, establish a baseline for later reductions and end the agitation for quick fixes. * * * I have great difficulty understanding why it is safe to adhere to a nonratified agreement (SALT II) while it is unsafe formally to ratify what one is already observing.

Mr. Kissinger was referring to the Reagan administration's policy of saying "SALT II is dead" while—in so many words—indicating that we intend not to undermine its terms so long as the Soviets do likewise. This latter position is frequently stated rather casually, as if to suggest we may abandon even informal observance on short notice. If this were to happen, there would be no operating constraints on the arms race and we would be in a "free for all" situation. There are major new additions to their strategic strength the Soviets could pursue outside of SALT II.

In considering my compromise proposal it is important to bear in mind that the SALT II treaty was never debated and voted upon by the U.S. Senate, even though it was reported out of the Foreign Relations Committee in the fall of 1979.

BEST

I believe there is widespread support for the President's long-term START goals of major reductions in the most destabilizing intercontinental systems on both sides and the reconfiguration of Soviet forces that threaten the United States. I also believe that there is majority sentiment in both Houses of Congress for the United States and the Soviet Union to abide by the terms of the SALT II treaty, now, while START negotiations are getting under-way.

It is concern for the security of the United States over the next several years—while START is being negotiated—that causes me to urge a less casual and more positive statement by the President on the value of an interim SALT regime. We do not want the Soviets to feel free to "break out" of SALT II's limits on missiles and warheads; nor do we want them to be in a position to claim that the United States chose to abandon yet one more negotiated—but unratified—treaty on nuclear arms.

I believe that the policy of informal observance, or passive adherence, could be strengthened by a formal statement by the U.S. Congress that it expected the Soviet Union to live by all the provisions of the main SALT II treaty document—including the requirement that they reduce the number of their strategic delivery vehicles by more than 250 right away.

Of course, I am keenly aware of the "political baggage" that the SALT II treaty, negotiated under the President I served, carries with it. Further, in a substantive sense the treaty in the minds of many served as a reminder of the bankruptcy of the SALT "process": it could only ratify increases in arsenals but it had not worked to bring about reductions—points President Reagan has often made.

Therefore, I recommend to President Reagan and the leaders of Congress the following course of actions:

A. JOINT CONGRESSIONAL RESOLUTION

The resolution could be worded as follows: "Pending the successful conclusion of the new START negotiations between the United States and the Soviet Union, be it resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, that the United States shall continue to abide by the terms and provisions of the SALT II treaty so long as the Soviet Union fully abides by the terms and provisions of the SALT II treaty."

This joint resolution approach, requiring action by both Houses of Congress, and Presidential signature, is a way of avoiding a full-fledged formal consent-to-ratification battle over the treaty in the Senate. It would not necessarily require any formal action by the Soviet Union, whereas deeds—reductions in strategic delivery vehicles in the short run—would be required. Actions would speak louder than words. Further, we would be taking a step now that gave promise of more reductions to come in a START I treaty to be negotiated no later than 1985—when SALT II expires. The burden would be upon the Soviets, both to comply fully with the terms of SALT II and to agree to major reductions in the next 3 years.

B. A ONE-THIRD REDUCTION IN WARHEADS AND A ONE-HALF REDUCTION IN MISSILES IN THE CONTEXT OF SALT II—BY 1985

I believe there is a way to realize the President's "phase one" goals for warhead and missile reductions in the span of a 3-year negotiation, rather than a negotiation stretching over many years. This approach requires not starting from scratch, but reducing within the framework provided by SALT II.

The "joint statement of principles and basic guidelines for subsequent negotiations on the limitations of strategic arms"—which accompanied SALT II and was agreed to by both the United States and the Soviet Union—called for a prompt third round of talks to bring about a "significant and substantial reduction in the number of strategic arms" on both sides.

My idea, in general terms, is to pursue in annual reductions, over 5-10 years, an overall reduction of 50 percent in the SALT II limits and sublimits. This will lead the Soviet Union, with such additional constraints as may be required, to make both the one-third cut in ballastic missile warheads and the approximate 50-percent cut in ballistic missiles which the President has advocated.

It is true that the SALT II treaty does not directly constrain either warheads or ballistic missiles per se, but instead restricts such things as MIRV'ed missiles, strategic launchers, and heavy missiles. But, in my considered judgment, a 50-percent cut in the limits and sublimits of SALT II would, indeed, move the Soviet Union into the ball park of the Reagan plan—albeit with some collateral restraints (for example, either no new light missile or a limit on warheads on a new missile).

SALT II's provisions offer a ready agreed-upon context for reductions and make possible a less time-consuming START negotiation. In addition, such an approach could go a long way in achieving the other goal of holding Soviet missile warheads on land to half of their reduced total.

In conclusion, I believe that the course I have outlined would command broad, bipartisan support in Congress and in the country. I also believe that it would be supported by every former President, Secretary of State, and Secretary of Defense—as well as former National Security Advisers and the Joint Chiefs of Staff. A more positive statement about the SALT II agreement, linked to major reductions in START I, would be an act of great political consequence, at home and abroad.

I want President Reagan to succeed in doing more than any of his predecessors in bringing the nuclear threat under control. It is to that end that I raise my own compromise proposal.

VI. FINALE

I leave you with a poem that makes my point better than prose. It is by Joseph Malins.

A FENCE OR AN AMBULANCE

(By Joseph Malins)

'Twas a dangerous cliff, as they freely confessed,
though to walk near its crest was so pleasant;
but over its terrible edge there had slipped
a duke and full many a peasant.
So the people said something would have to be done,
but their projects did not at all tally;
some said, "Put a fence around the edge of the cliff,"
Some, "An Ambulance down in the valley."
But the cry for the Ambulance carried the day,
for it spread through the neighboring city;
a fence may be useful or not, it is true,
but each heart became brimful of pity
for those who slipped over that dangerous cliff;
and the dwellers in highway and alley
gave pounds or gave pence, not to put up a fence,
but an ambulance down in the valley.
"For the cliff is all right, if you're careful," they said,
"and, if folks even slip and are dropping,
it isn't the slipping that hurts them so much,
as the shock down below when they're stopping."
So day after day, as these mishaps occurred,
quick forth would these rescuers sally
to pick up the victims who fell off the cliff,
with their ambulance down in the valley.
Then an old sage remarked: "It's a marvel to me
that people give far more attention
to repairing results than to stopping the cause,
when they'd much better aim at prevention.
Let us stop at its source all this mischief," cried he,
"come, neighbors and friends, let us rally;"
If the cliff we will fence we might almost dispense
with the ambulance down in the valley."
"Oh, he's a fanatic," the others rejoined,
"dispense with the ambulance? Never!
He'd dispense with all charities, too, if he could;
no! no! We'll support them forever.
Aren't we picking up folks just as fast as they fall?
And shall this man dictate to us? Shall he?
Why should people of sense stop to put up a fence,
while the ambulance works in the valley?"
But a sensible few, who are practical too,
will not bear with such nonsense much longer;
They believe that prevention is better than the cure,
And their party will soon be the stronger.
Encourage them then, with your purse, voice, and pen,
And while other philanthropists dally,
They will scorn all pretense and put up a stout fence
On the cliff that hangs over the valley.
Better guide well the young than reclaim them when old,
For the voice of true wisdom is calling,
"To rescue the fallen is good, but 'tis best to prevent other people from falling."
Better close up the source of temptation and crime Than deliver from dungeon or galley;
Better put a strong fence round the top of the cliff Than an ambulance down in the valley."

COURAGE TO BE THE BEST

Mr. **LEAHY**. Mr. President, I ask unanimous consent to have printed in the RECORD a story written by Bob Marx of the Springfield College Alumni Association magazine about a Vermonter with great courage and determination.

I urge all of my fellow Senators to read this story of Ron Knight, a very courageous Vermonter from Northfield whose life should be an inspiration to us all.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Ron Knight—Courage To Be the Best

(By Bob Marx)

"He's an inspiration to the entire team," says Springfield College gymnastics coach Bob Cargill. "When the going gets tough in practice and someone gets frustrated he just looks over at Ron. Then he realizes he's got nothing to complain about."

Ron Knight has spent a lifetime fighting adversity. Few people were surprised last year when he competed in the NCAA Division II Gymnastics Championships with a broken hand and finished second on the pommel horse.

Ron was named All-American on the pommel horse this March 25-27 when the college hosted the first combined National Men's and Women's Gymnastic Championships.

"That was my ultimate goal" says the 21-year-old senior, already a two-time All-American at Springfield who ranked first in the nation on his specialty, "but first I wanted to help win the team title. Regardless of where I finished, I was pleased to know that I had done the best I'm capable of." (In the Nationals, the Men's team ranked third, while the Women placed fifth.)

Ron is currently fighting a battle against time. Both of his legs will be amputated above the knee in the near future, something Ron has known about for a long time. His left leg was amputated below the knee when he was 8 years old, one of fifteen operations he has endured. His right leg, bowed and half normal size, is degenerating in spite of nine corrective operations and both legs are constantly in pain from a lifelong bout with arthritis.

"The arthritis has degenerated both of my knee joints," says Knight, who stands 4'10" in height because of a childhood illness, spinal meningitis. "The doctors wanted to amputate both of my legs above the knee eight years ago but I convinced them to wait. I'm hoping I can hang on until the medical world comes up with an artificial knee joint that will last."

Knight admits that competing in gymnastics speeds up the degeneration process, but the experience has been well worth the sacrifice.

"If I had given up the sport I might have gotten another five or six years out of the (right) leg," he admits. "But gymnastics has been everything to me. Since this is my last year of competition I've decided to go all out. I won't have to worry about coming back to compete next year."

Remarkably, Ron has competed in three events this year, picking up still rings and parallel bars in addition to pommel horse.

"I haven't worked those two events since high school, but Bob (Cargill) suggested I add them to give us more depth. My scores have been right in there on both still rings and p-bars. My only problem has been my dismount. Because of the torque on my legs and problems landing, I have to throw a less difficult dismount, which lowers my score on the event.

"Working on the three events this year has kept my interest and enthusiasm at an all-time high, however. It's more of a challenge than specializing on one event."

Knight took up the sport of gymnastics during his junior years at Northfield (Vt.) High School. Even then he never expected to compete.

"Our principal, Dan Dilena, was also the gymnastics coach and he convinced me to try gymnastics to help me accept my handicap," Knight recalls. "It was an outlet for me, something athletic that I could do. It really helped my self-esteem."

A year after joining the sport Ron was a state champion on one event and finished fifth in the state tournament in all-around, despite competing in only five of the six events (he didn't compete in vaulting and a "0" was figured into his score).

During his freshman year at Springfield, Coach Frank Wolcott, who has since retired (he was Tournament Director of this year's NCAA Championships), suggested that Ron use an artificial leg for competition. It was a positive step toward Ron's emergence as a nationally prominent gymnast.

"The short leg has made a big difference in my scores," notes Ron. "The judges had been scoring me in the mid-eights but all of a sudden I was scoring in the nines. Style is very important in gymnastics and my set looked a lot more polished with the leg."

When he's not competing Ron straps on a pair of artificial limbs which raise his height from 4'10" to 5'8". The "stilts," as he calls them, help alleviate much of the constant pain in the knee joints, but he has still lost an inch in the last four years because of the constant pounding on his arthritic knee.

"Other people react a lot more to what "I've done than I do because I've never known any other way," Ron explained. "My parents never treated me any differently than the other kids. They taught me to ignore my handicap. I don't even think of it as a handicap because I've never known any other way.

Ron plans on spending another two or three years at Springfield College pursuing his Master's degree in Rehabilitation Counseling and perhaps helping coach the gymnastics team.

"I would like to work with physically disabled kids," he notes. "I'd like to counsel them and get them to accept their handicap. As for coaching, I'll have to wait and see. I'll have to learn the sport all over again from a coaching point of view.

If past record is any indication, there's no doubt that Ron Knight will succeed.

IN VERMONT: MIND OVER MUD

Mr. LEAHY. Mr. President, Vermont, certainly the most beautiful of all States, is known for many things: Our environment, the integrity and individuality of our people, the loveliness of our scenery and, particularly, the joys of life.

One aspect of Vermont life is not talked about, often, outside the borders of Vermont. It is the time of year not greeted with universal joy throughout the State, and it is one I have greeted with mixed emotions during each of my 42 years. That time is "mud season."

Even to mention these two words conjures the mind of any Vermonter everything they need to know about that time of year, and then some. For those unfulfilled people who have yet to be in Vermont during that season, I recommend an excellent article in Time magazine by Jane O'Reilly. I have never read anything better about that time, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

In Vermont: Mind over Mud

(By Jane O'Reilly)

"I remember a few years back, over on Tadmere Hill," recalls John Mach, patriarch of Pawlet, a town in southwest Vermont. "I was going along and I saw a hat in the road. I bent over and picked it up, and there was my old friend Henry Wheeler up to his neck in mud. So I said, 'Henry! Can I help you in any way?' And he said, 'No, that's all right, John. I've still got a horse under me.' "

This tale, oft told, always with a perfectly straight face, moves north each year with the melt. It is as much a harbinger of spring as a robin. Mud season is not winter and not quite spring. It is something in between, a few weeks transcending transition to become a seaon in itself. First comes a slow drip. Then a tentative trickle. Then the melt begins in earnest: a rush, a gurgle, a cascade. The earth squirts, muck and mire suck at boots, downhill becomes a torrent, uphill becomes a bog. Snowbanks dissolve, flowing over ground already saturated. The frost comes out of the earth, and a normally flat, hard roadbed melts into mud three feet and four feet deep.

The water runs off under roots, around rocks, channeling down the dirt roads, washing away culverts and shoulders and gravel. At night it freezes again, heaving the roadbed up into ridges like a freshly plowed field. By dawn the ground is reglazed with ice. With the sun the gurgle and tumble start anew. The soil undulates, quivering and rolling like a waterbed.

To Vermonters, mud season is mystical and inscrutable, a time to celebrate survival and renewal, even as they curse the ooze underfoot. It is a time to kayak on flooded rivers, to boil maple sap, to do some spring cleaning (Vermonters say, with reason, "I'm going to hoe out my house"). It is a time to stand outside in fresh air hinting of the grass and lilacs to come, and to be hugely entertained by the sight of neighbors and innocent strangers dealing with the mud.

"People drive up to a big mudhole and they are filled with awe. They get so excited they don't know what to do," says Mach. "They blow their horn hoping the mud will go away. When it doesn't, after a while they back up about ten yards to get a running start. Well, the mud might be a foot deep and the ruts two feet deep. Their wheels get cross-rutted, and the mud just drags off their muffler and shoots them across the road into the bushes. It's very interesting to see people scratch their heads and try to figure it out. Some just abandon their cars and start walking. Especially if they are in the mud over the door handles."

Central Vermont is enjoying the precise mid-stage of mud season. In Montpelier, the nation's smallest state capital, Nona Estrin says, "We've finished watching the snow melt, and we are about to begin watching the mud dry. Both are bona fide full-time activities. You may have a full-time job, but watching spring come is the romance in your life." An administrator with the state senior citizens program, she has been up since 5 a.m.: "I don't want to miss a moment, there is so much going on at this time of year." Squelching down the hillside behind her house, she points out the day lilies and ferns pushing up through the puddles and picks wild leeks for breakfast soup. An intense aesthetic response to mud is characteristic of Vermonters. John Rogers, fixing a roof in Montpelier, gazes down at his son's car, a 1964 Mustang completely encased in overlapping mud splatters, and says, "It's kind of pretty, isn't it?" Downtown at the Horn of the Moon Cafe, a superannuated hippie explains, "Mud is, like, very natural . . . you know, like earth . . . it, like, binds us together here in Vermont."

A few miles to the south in Brookfield, Postman Julian Hill offers another favorite vernal incantation. "In Vermont we have seven months of winter and five months of damn poor sledding." Hill, sporting a T shirt with the motto "Old Postmen Never Die, They Just Lose Their Zip," drives 63 miles a day on his rural delivery route. Detours add five miles in mud season. "I've had to jack myself out two or three times this year," he says. "The trick is to get under the car with this thing called a handyman jack, get it up three or four feet and then swing the car sideways onto solid ground."

Warning signs sprout on trees along the unpaved roads Frost heaves . . . bumps . . . closed. Only the foolish travel back roads without chains, winches and, for real safety, four-wheel drive. Brookfield has 76 miles of town road, and only four miles are paved. Citizens who are dissatisfied with the correlation between taxes paid and quality of road surface tend to complain. As a consequence, many road commissioners and some selectmen in Vermont tend to acquire unlisted telephone numbers after about a year of public service.

In Brookfield, the chairman of the board of selectmen is Dairy Farmer Charles Keeler. His phone is still listed. Standing in his barnyard, a seasonal bog, he says, "You can plow snow, but not mud. There's not much you can do about mud except wait for it go to away. The only thing to do is add gravel—18 inches is a pretty good surface—but mud season occurs before the town gravel pit melts out."

Mud season is an unpredictable phenomenon, different every year. Explains Early Bassett, who is visiting the Keeler farm on business: "There are always spots you don't anticipate. You just drop in, and the wheels aren't touching bottom any more, and you sit there until someone pulls you out." Bassett qualifies as an expert since he drives 42,000 miles a year. His business is artificially inseminating cows. Even the cows must be able to spot his license plate: TORO.

The sound a vehicle makes as it drops into the mud is a kind of ominous smush. Some people find it so depressing that they try to avoid mud season altogether. Jackie and Al Wilder, who run the Fork Shop Restaurant in Brookfield, closed up in March and went all the way to Europe. "Nobody can get to us over the mud anyway," says Al. They came home expecting tulips and sunshine and found instead all the pipes in their house frozen. It's not nice to avoid Mother Nature.

Up above the Wilders' house, on Bear Hill Road, Farmer Gaylen Brown is setting out to collect, from 1,000 buckets, the last of the maples sap. He pauses to bulldoze a passerby out of the bottomless depths across from his house. The Browns have farmed these 175 acres for almost 70 years. His daughter Theresa, 19, and son Willis, 20, are the fourth generation of Browns on the place. "Mud season's not so bad as it used to be," says Brown. "We used to have to hitch up the horses to the wagon and draw out the milk in cans to the nearest hard road to be collected. That would go on for six weeks every year. Roads got better once they had to get the buses through to these consolidated schools. And the bulk truck comes every day to pick up the milk. Everything's changed."

From an office in Montpelier, Ray Burke, the Vermont state highway dispatcher, is relaying news of mud and disaster to state road crews. "Mud is part of Vermont living," he says, "you try to organize your life around it. Pretty soon it dries out and then, pretty soon it comes again." On particularly bad nights, he gets out his guitar and sings something to cheer the boys up. The Vermont highway department is noted for its *esprit de corps*, and Burke's songs cover the traditional themes so comforting to men who must battle not only raging storms but also bureaucrats and politicians who would budget perfectly good funds for, say, schools instead of roads. One song celebrates the good wives left behind when a blizzard must be cleared away, and another the sad fact that stoicism is necessary in a poor state like Vermont: "You gotta drive that hunk of junk, son," goes the refrain. "You gotta drive it by yourself."

The state and town highway departments are separate entities in Vermont. It is never a good idea for someone who lives on a dirt road to get on the wrong side of the town road commissioner. So mucky can be the results that the names in the following cautionary tale have been omitted to protect the hapless. It seems that a flatlander (a non-Vermonter) moved in and stood up and spoke at his first town meeting. Not only is it impolitic and impolite for newcomers to speak before an introductory period of about five to ten years has passed, but this newcomer also complained about a narrow bend in his road. It was the first the road commissioner had heard of it, but he took pride in his job and fixed it right away. He never heard a word of thanks. But at the next year's town meeting, he heard the newcomer complain that the road had been widened too much. Ever since, the newcomer's road has been the last graded in summer, the last plowed in winter and left absolutely impassable in mud season. The road commissioner promises he will put a load of gravel on that mud—some day.

FIRE TRUCKS MADE In VERMONT

Mr. LEAHY. Mr. President, I take great personal pride in an article about the Middlesex Fire Equipment Co. of Montpelier, Vt., which appeared in one of our Vermont newspapers.

The article tells of how the company was begun by my good friend, Tom Pembroke, and his wife, Carla, in building fire engines recognized as the finest throughout the country. It also applauds the fine work of the company's general manager, Phil Noyes.

I had the pleasure of growing up with Tom Pembroke, and he is an extraordinary, competent and hard-working person. The article praises his foresight and dedication that, to those of us who have known him all of his life, is not the least bit surprising.

Because this is such an important story as an example of what individual integrity, ingenuity, and hard work can do, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Rolland Herald-Times Argus, May 2, 1982]

MONTPELIER FIRE TRUCK MAKER GROWING BY HOOKS AND LADDERS

(By Gerry McNulty)

Fire trucks aren't items you buy every day. And when small town selectmen or big city fire chiefs decide it's time to purchase one of those gleaming red vehicles they look for the best deal they can get.

Many of them, from all over New England and increasingly from New York, Pennsylvania and New Jersey, have found their bargain in Vermont's capital city from a company owned and operated by two ex-fire chiefs, Philip Noyes Sr., Tom Pembroke, and Pembroke's wife, Carla.

Noyes and the Pembrokes own the Middlesex Fire Equipment Co. in Montpelier, and together with the company's 15 employees they produced and sold 20 fire trucks from a converted granite shed shop on the banks of the Winooski River.

When sales of trucks are combined with the revenue from a full line of firefighting gear, the business raked in more than $1 million in sales last year.

And Pembroke credits the success of the business to a lot of hard work, to the ability of his company to understand and meet the needs of firefighters and to a dedication to quality.

Quality is the watchword, says Pembroke, who oversees the teams that perform every job from shaping steel sheets into truck bodies, to installing water pumps and gauges.

Company officials also note that most of the employees who build and sell the machines are former firefighters.

And company salesmen regularly carry a full schedule of weekend demonstrations and visits to fire schools from upstate New York to the backwoods of Maine.

The effort appears to be paying off.

The Middlesex name is taking its place alongside the giants of the fire truck business, like American LaFrance, and Pembroke says the company hopes to grow 20 percent in this year.

"Right now we've got enough work to go till February," Noyes, the company general manager, said.

Which means that each of the two-man teams that construct the Middlesex trucks will be pumping out a completed truck every two months from now until early next year.

"Last year we put out 20 trucks," Noyes said. "This year we should put out 22, 23."

The Middlesex trucks range in price from $50,000 to well over $100,000, and each is custom built to order, with only the cab and chassis coming from assembly plant stock.

For Pembroke, Middlesex Fire Equipment is a dream come true.

More than 15 years ago, Pembroke and other leaders within the Middlesex Fire Dept. wanted to buy an inexpensive truck—nothing fancy, just something sturdy. Frustrated with the high prices, low quality and limited options offered by most in the fire truck industry, Pembroke teamed up with a few friends and built their own truck. They bought an old chasses and rebuilt it, fitted the truck with a tank and pumps, and painted it in Pembroke's body shop.

Though Pembroke had no idea at the time, his company was being born.

As the tale reached other fire companies, more requests came in. One truck, then another and another.

Now president of the company, Pembroke began building fire trucks as a business in

1966. He eventually hired his father, and a brother and his wife began working as the company's secretary. By 1971, he had hired Noyes, who had run a feed store for 25 years and who was also a former fire chief, to run the sales department.

And after the truck business began to blossom, the company expanded its sales by dealing in a wide variety of fire equipment, pumps, nozzles, various kinds of extinguishers and life-saving equipment.

Local firefighters say Norman Bird, the company equipment dealer, is respected far and wide by firemen for his expertise in firefighting, life-saving and handling hazardous materials.

The company was born by word of mouth, and from the beginning Middlesex's reputation with firemen just kept growing.

Today, there are more than 220 trucks with the Middlesex name in service throughout the Northeast. There's even one in Portugal.

Last year a Portuguese-American club from Massachusetts put in its order for a "good, basic pumper," said Noyes, which was shipped back to the European country.

The export was a fluke, officials concede, but it demonstrated a very imported thing. The order had come as a request. It had not been sought out. The hard work the company had done over the years—endless summertime weekends on the road to firefighting demonstrations, encouraging firemen to visit the shop and inspect their own truck while it was under construction, sometimes fixing a problem without sending a bill out afterward even if the warranty was up—all was beginning to pay off.

Noyes points proudly to the fact that Middlesex claims some 67 percent of all new fire truck sales in Vermont, a figure that has been about that high for the past three years.

Although the company is hardly turning its back on Vermonters, its most faithful customers, the future will see a concentrated effort to capture more sales out of state.

One of the newest employees is a salesman who lives and works in Maine. Noyes said Middlesex is also working hard to sell more trucks in Massachusetts, and New York.

But that hardly means the competition has lessened. As Pembroke explains, many jobs come through bidding and the game seems to get tougher all the time.

"The other day, I went out to bid and there were 17 bids," he says.

But despite the competition, the company has grown in size and reputation.

Last year the company tore down the old red house that had housed its crowded Pioneer Street offices, and in its place a modern $60,000 office building, with conference rooms and display room for equipment sales was erected.

Though Middlesex Fire Equipment has come a long way from Tom Pembroke's paint shop, the partners have no intention of becoming the next industry giant.

"We don't want to get as big as American LaFrance for example. After you get to a certain point, you can't control it. You can't give it the personal touch, the service they need," says Noyes.

But Middlesex has made the industry giants sit up and take notice.

"They were our competition," when the company got started, Noyes recalls. "Now we are the competition."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHAFEE, from the Committee on Environment and Public Works, with amendments and an amendment to the title:

H.R. 1952: A bill to authorize appropriations to carry out conservation programs on military reservations and public lands during fiscal years 1982, 1983, and 1984 (Rept. No. 97-413).

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 1593: A bill to revise regulation of international liner shipping operating in the U.S. foreign commerce (Rept. No. 97-414).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute and an amendment to the title:

S. 1660: A bill to validate certain oil placer mining claims in Hot Springs County, Wyo. (Rept. No. 97-415).

By Mr. ABDNOR, from the Committee on Environment and Public Works, without amendment:

S. 2034: A bill to designate the lock and dam known as the Jones Bluff Lock and Dam, located on the Alabama River, as the "Robert F. Henry Lock and Dam" (Rept. No. 97-416).

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute and an amendment to the title:

H.R. 3126: A bill to direct the Secretary of the department in which the U.S. Coast Guard is operating to cause the vessel *Sky Lark* to be documented as a vessel of the United States so as to be entitled to engage in the coastwise trade.

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S. Res. 387: A resolution to acclaim the New World Festival of the Arts, to be held throughout greater Miami and Dade County, Fla., June 4, 1982, through June 26, 1982, as a major cultural and artistic event.

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S.J. Res. 133: A joint resolution to authorize and request the President to designate August 14, 1982, as "National Navajo Code Talkers Day."

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 162: A joint resolution to authorize and request the President to designate the week of June 20, 1982, through June 27, 1982, as "National Safety in the Workplace Week."

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S.J. Res. 190: A joint resolution to authorize and request the President to designate "National Family Week."

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 1992. A bill to amend the Voting Rights Act of 1965 to extend the effect of certain provisions, and for other purposes (with additional and minority views) (Rept. No. 97-417).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. NUNN (for himself, Mr. Grassley, Mr. Dole, Mr. Roth, Mr. Chiles, and Mr. Rudman):

S. 2565. A bill to amend the Internal Revenue Code of 1954 to provide for the disclosure of returns and return information for use in criminal investigations, and for other purposes; to the Committee on Finance.

By Mr. HEINZ (for himself and Mr. Helms):

S. 2566. A bill to reduce the duty on certain texturing machines; to the Committee on Finance.

By Mr. THURMOND (for himself and Mr. Biden):

S. 2567. A bill to authorize appropriations for the purpose of carring out the activities of the Department of Justice for fiscal year 1983, and for other purposes; to the Committee on the Judiciary.

By Mr. ARMSTRONG (for himself and Mr. Hart):

S. 2568. A bill to provide for confirmation of the repayment contract of the Dallas Creek Participating Project of the Upper Colorado Storage Project; to the Committee on Energy and Natural Resources.

By Mr. MATTINGLY (for himself and Mr. Nunn):

S. 2569. A bill to declare certain lands in the Cumberland Island National Seashore, Ga., as wilderness, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SASSER (for himself, Mr. Huddleston, Mr. Pryor, and Mr. Riegle):

S. 2570. A bill to recognize the special relationship between Congress and organizations of war veterans, to amend the Internal Revenue Code of 1954 to provide that a limit on the tax-exempt status of such organizations shall apply only if such organizations engage in substantial lobbying on issues unrelated to veterans affairs, the Armed Forces, or national defense, and for other purposes; to the Committee on Finance.

By Mr. PELL:

S. 2571. A bill to establish an International Narcotics Control Board in the executive branch to plan and coordinate overseas drug enforcement in order to provide a single Federal entity with authority to direct the international drug enforcement efforts of the Federal Government; to the Committee on Governmental Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. JEPSEN:

S. Res. 398. a Resolution entitled "The Clear Channel Broadcasting Resolution"; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. NUNN (for himself, Mr. Grassley, Mr. Dole, Mr. Roth, Mr. Chiles, and Mr. Rudman):

S. 2565. A bill to amend the Internal Revenue Code of 1954 to provide for the disclosure of returns and return information for use in criminal investigations, and for other purposes; to the Committee on Finance.

(The remarks of Mr. NUNN on this legislation appear earlier in today's RECORD.)

By Mr. THURMOND (for himself and Mr. BIDEN):

S. 2567. A bill to authorize appropriations for the purpose of carrying out the activities of the Department of Justice for fiscal year 1983, and for other purposes; to the Committee on the Judiciary.

DEPARTMENT OF JUSTICE APPROPRIATION AUTHORIZATION ACT, FISCAL YEAR 1983

Mr. THURMOND. Mr. President, I am introducing today, along with the distinguished ranking minority member of the Commitee on Judiciary, Mr. BIDEN, legislation to authorize appropriations for fiscal year 1983 for the U.S. Department of Justice.

The bill contains many of the same general provisions that were included in the fiscal year 1982 authorization request. As my colleagues are aware, the 1982 authorization bill for the Justice Department, S. 951, passed the Senate on March 2, 1982, and is presently in the House Judiciary Committee. Although the Department is authorized to carry out its activities by virtue of continuing resolution until October 1, 1982, it would be necessary to pass the legislation I introduce today for the Department to operate past that date, unless, of course, a new continuing resolution is approved.

Mr. President, because of the situation which has arisen with regard to these authorization bills in recent years, I feel compelled to raise a point which was also made in the letter of transmittal to the Vice President. The Department of Justice has not had a new authorization since fiscal year 1980. Granted, the Department has been able to carry out its activities, but not with the flexibility which should be available to the executive branch. The culprit is, in my opinion, the necessity to authorize the Department on an annual basis. Therefore, I am giving serious consideration to an amendment to current law which will require an authorization for a longer period of time.

Mr. President, I ask unanimous consent that a copy of the letter of transmittal and a copy of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2567

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Department of Justice Appropriation Authorization Act, Fiscal Year 1983".

SEC. 2. There are authorized to be appropriated for the fiscal year ending September 30, 1983, to carry out the activities of the Department of Justice (including any bureau, office, board, division, commission, or subdivision thereof) the following sums:

(1) For General Administration, including—

(A) the hire of passenger motor vehicles;

(B) miscellaneous and emergency expenses authorized or approved by the Attorney General, or the Deputy Attorney General, or the Associate Attorney General, or the Assistant Attorney General for Administration: $40,220,000 of which $797,000 is to remain available until expended for the Federal Justice Research program.

(2) For the United States Parole Commission, for its activities including the hire of passenger motor vehicles: $6,856,000.

(3) For General Legal Activities, including—

(A) the hire of passenger motor vehicles;

(B) miscellaneous and emergency expenses authorized or approved by the Attorney General, or the Deputy Attorney General, or the Associate Attorney General, or the Assistant Attorney General for Administration;

(C) not to exceed $20,000 for expenses of collecting evidence, to be expended under the direction of the Attorney General and accounted for solely on the certificate of the Attorney General;

(D) advance of public moneys under section 3648 of the Revised Statutes (31 U.S.C. 529);

(E) pay for necessary accommodations in the District of Columbia for conferences and training activities;

(F) not to exceed $50,000 which may be transferred from the "alien property fund, World War II", for the general administration expenses of alien property activities, including rent of private or Government-owned space in the District of Columbia; and

(G) the investigation and prosecution of denaturalization and deportation cases involving alleged Nazi Criminals: $136,565,000.

(4) For the Antitrust Division for its activities: $46,466,000.

(5) For the Foreign Claims Settlement Commission for its activities, including—

(A) services as authorized by section 3109 of title 5, United States Code;

(B) expenses of packing, shipping, and storing personal effects of personnel assigned abroad;

(C) rental or lease, for such periods as may be necessary, of office space and living quarters for personnel assigned abroad;

(D) maintenance, improvement, and repair of properties rented or leased abroad, and furnishing fuel, water, and utilities for such properties;

(E) advances of funds abroad;

(F) advances or reimbursements to other Government agencies for use of their facilities and services in carrying out the functions of the Commission;

(G) the hire of motor vehicles for field use only; and

(H) the employment of aliens: $820,000.

(6) For United States Attorneys and Marshals including—

(A) purchase of firearms and ammunition;

(B) lease and acquisition of law enforcement and passenger motor vehicles without regard to the general purchase price limitation for the current fiscal year;

(C) supervision of United States prisoners in non-Federal institutions;

(D) bringing to the United States from foreign countries persons charged with crime; and

(E) acquisition, lease, maintenance, and operation of aircraft: $320,945,000.

(7) For Support of United States Prisoners in non-Federal institutions, including—

(A) necessary clothing and medical aid, payment of rewards, and reimbursements to Saint Elizabeths Hospital for the care and treatment of United States prisoners, at per diem rates as authorized by section 2 of the Act entitled "An Act to authorize certain expenditures from the appropriations of Saint Elizabeths Hospital, and for other purposes", approved August 4, 1947 (U.S.C. 168a);

(B) entering into contracts or cooperative agreements for only the reasonable and actual cost to assist the government of any State, territory, or political subdivision thereof, for the necessary physical renovation, and the acquisition of equipment, supplies, or materials required to improve conditions of confinement and services of any facility which confines Federal detainees, in accordance with regulations to be issued by the Attorney General: $30,704,000. Provided, that not to exceed $2,800,000 shall be available for the purpose of renovating and equipping state and local jail facilities that confine Federal prisoners.

(8) For Fees and Expenses of Witnesses, including expenses, mileage, compensation, and per diem of witnesses in lieu of subsistence, as authorized by law, including advances of public moneys: $35,400,000. No sums authorized to be appropriated by this Act shall be used to pay any witness more than one attendance fee for any one calendar day.

(9) For the Community Relations Service for its activities, including the hire of passenger motor vehicles: $5,926,000.

(10) For the Federal Bureau of Investigation for its activities, including—

(A) expenses necessary for the detection and prosecution of crimes against the United States;

(B) protection of the person of the President of the United States and the person of the Attorney General;

(C) acquisition, collection, classification and preservation of identification and other records and their exchange with, and for the official use of, the duly authorized officials of the Federal Government, of States, cities, and other institutions, such exchange to be subject to cancellation if dissemination is made outside the receiving departments or related agencies;

(D) such other investigations regarding official matters under the control of the Department of Justice and the Department of State as may be directed by the Attorney General;

(E) purchase of police-type use without regard to the general purchase price limitation for the current fiscal year and hire of passenger motor vehicles;

(F) acquisition, lease, maintenance, and operation of aircraft;

(G) purchase of firearms and ammunition;

(H) payment of rewards;

(I) not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General and to be accounted for solely on the certificate of the Attorney General;

(J) payment of travel and related expenses for immediate family members of employees, including costs of expenses incurred for specialized training and orientation in connection with a transfer to Puerto Rico, other territories and possessions of the United States, and assignment in a legal attache post outside the territory of the United States;

(K) classification of arson as a Part I crime in its Uniform Crime Reports;

$799,331,000 of which not to exceed $3,000,000 for automated data processing and telecommunications and $600,000 for undercover operations shall remain available until September 30, 1984. None of the sums authorized to be appropriated by this Act for the Federal Bureau of Investigation shall be used to pay the compensation of any employee in the competitive service.

(11) For the Immigration and Naturalization Service, for expenses necessary for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, including—

(A) advance of cash to aliens for meals and lodging while en route;

(B) payment of allowances to aliens, while held in custody under the immigration laws, for work performed;

(C) payment of expenses and allowances incurred in tracking lost persons as required by public exigencies in aid of State or local law enforcement agencies;

(D) payment of rewards;

(E) not to exceed $50,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General and accounted for solely on the certificate of the Attorney General;

(F) purchase for police-type use without regard to the general purchase price limitation for the current fiscal year and hire of passenger motor vehicles;

(G) acquisition, lease, maintenance, and operation of aircraft;

(H) payment for firearms and ammunition and attendance at firearms matches;

(I) operation, maintenance, remodeling and repair of buildings and the purchase of equipment incident thereto;

(J) refunds of maintenance bills, immigration fines and other items properly returnable except deposits of aliens who become public charges and deposits to secure payment of fines and passage money;

(K) payment of interpreters and translators who are not citizens of the United States and distribution of citizenship textbooks to aliens without cost to such aliens;

(L) acquisition of land as sites for enforcement fences, and construction incident to such fences;

(M) research related to immigration enforcement which shall remain available until expended;

(N) payment of expenses related to the purchase of privately owned animals for official business, and expenses related to the maintenance of animals so used (whether donated, leased, hired, or purchased);

(O) payment of expenses necessary under Section 501(c) of the Refugee Education Assistance Act of 1980 (P.L. 96-422) for the processing, care, maintenance, security, transportation and reception and placement in the United States of Cuban and Haitian entrants;

$524,599,000 of which not to exceed $100,000 may be used for the emergency replacement of aircraft upon the certificate of the Attorney General and of which $1,821,000 shall remain available for construction until expended.

(12) For the Drug Enforcement Administration for its activities, including—

(A) hire and acquisition of law enforcement and passenger motor vehicles without regard to the general purchase price limitation for the current fiscal year;

(B) payment in advance for special tests and studies by contract;

(C) payment in advance for expenses arising out of contractual and reimbursable agreements with State and local law enforcement and regulatory agencies while engaged in cooperative enforcement and regulatory activities in accordance with section 503a(2) of the Controlled Substances Act (21 U.S.C. 873(a)(2));

(D) payment of expenses not to exceed $70,000 to meet unforeseen emergencies of a confidential character to be expended under the direction of the Attorney General, and to be accounted for solely on the certificate of the Attorney General;

(E) payment of rewards;

(F) payment of publication of technical and informational material in professional and trade journals and purchase of chemicals, apparatus, and scientific equipment;

(G) payment for necessary accommodations in the District of Columbia for conferences and training activities;

(H) acquisition, lease, maintenance, and operation of aircraft;

(I) research related to enforcement and drug control to remain available until expended;

(J) contracting with individuals for personal services abroad, and such individuals shall not be regarded as employees of the United States Government for the purpose of any law administered by the Office or Personnel Management;

(K) payment for firearms and ammunition and attendance at firearms matches;

(L) payment for tort claims against the United States when such claims arise in foreign countries in connection with Drug Enforcement Administration operations abroad;

(M) not to exceed $1,700,000 for purchase of evidence and payments for information (PE/PI) shall remain available until September 30, 1984;

$246,945,000 of which not to exceed $1,200,000 for research shall remain available until expended. For the purpose of section 709(b) of the Controlled Substances Act (21 U.S.C. 904)(b)), such sums shall be deemed to be authorized by section 709(a) of such Act, for the fiscal year ending September 30, 1983.

(13) For the Federal Prison System for its activities, including—

(A) for the administration, operation, and maintenance of Federal penal and correctional institutions, including supervision and support of United States prisoners in non-Federal institutions, and not to exceed $100,000 for inmate legal services within the system;

(B) purchase and hire of law enforcement and passenger motor vehicles without regard to the general purchase price limitation for current fiscal year;

(C) compilation of statistics relating to prisoners in Federal penal and correctional institutions;

(D) assistance to State and local governments to improve their correctional systems;

(E) purchase of firearms and ammunition and medals and other awards;

(F) payment of rewards;

(G) purchase and exchange of farm products and livestock;

(H) construction of buildings at prison camps and acquisition of land as authorized by section 4010 of Title 18 of the United States Code;

(I) transfer to the Health Services Administration of such amounts as may be necessary, in the discretion of the Attorney General, for the direct expenditures by that Administration for medical relief for inmates of Federal penal and correctional institutions;

(J) for Federal Prison Industries, Incorporated, to make such expenditures, within the limits of funds and borrowing authority, and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation, including purchase and hire of passenger motor vehicles;

(K) for planning, acquisition of sites and construction of new facilities, and constructing, remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account, to remain available until expended, and the labor of United States prisoners may be used for work performed with sums authorized to be appropriated by this clause; and

(L) payment of expenses necessary under Section 501(c) of the Refugee Education Assistance Act of 1980 (P.L. 96-422) for the processing, care, maintenance, security, transportation and reception and placement in the United States of Cuban and Haitian entrants;

(M) for carrying out the provisions of sections 4351 through 4353 of title 18 of the United States Code, relating to a National Institute of Corrections, to remain available until expended: $394,254,000.

SEC. 3. Sums authorized to be appropriated by this Act may be used for—

(a) the travel expenses of members of the family accompanying, preceding, or following an officer or employee if, while he is en route to or from a post of assignment, he is ordered temporarily for orientation and training or is given other temporary duty;

(b) benefits authorized under section 901 (5), (6)(A), (8), and (9) and section 904 of the Foreign Service Act of 1980 (22 U.S.C. 4081 (5), (6)(A), (8), and (9) and 22 U.S.C. 4084), and under the regulations issue by the Secretary of State.

SEC. 4. (a) Sums authorized to be appropriated by this Act which are available for expenses of attendance at meetings shall be expended for such purposes in accordance with regulations issued by the Attorney General.

(b) Sums authorized to be appropriated by this Act may be used for the purchase of insurance for motor vehicles and aircraft operated in official Government business in foreign countries.

(c) Sums authorized to be appropriated by this Act for salaries and expenses shall be available for services as authorized by section 3109 of title 5 of the United States Code.

(d) Sums authorized to be appropriated by this Act to the Department of Justice may be used, in an amount not to exceed $35,000 for official reception and representation expenses in accordance with distributions, procedures, and regulations issued by the Attorney General.

(e) Sums authorized to be appropriated by this Act may be used for per diem allowance for an employee who serves in a law enforcement capacity and/or members of his immediate family at a rate not to exceed the maximum authorized under the provisions of section 5702(a) of title 5, United States Code when necessarily occupying temporary living accommodations at or away from the employee's designated post of duty because of a threat to life or property or because legitimate investigative interests may be compromised.

(f) There are authorized to be appropriated for the fiscal year ending September 30, 1983, such sums as may be necessary for increases in salary, pay, retirement, and other employee authorized by law, and for other nondiscretionary costs.

Sec. 5. Notwithstanding the second paragraph relating to salaries and expenses of the Federal Bureau of Investigation in the Department of Justice Appropriation Act, 1973 (86 Stat. 1115), sums authorized to be appropriated by this Act for such salaries and expenses may be used for the purposes described in such paragraph until, but not later than the end of the fiscal year ending September 30, 1983.

Sec. 6. (a) With respect to any undercover investigative operation of the Federal Bureau of Investigation which is necessary for the detection and prosecution of crimes against the United States or for the collection of foreign intelligence or counterintelligence—

(1) sums authorized to be appropriated for the Federal Bureau of Investigation by this Act may be used to purchase real property, buildings, or other facilities and for leasing space within the United States, or other facilities and for leasing space within the United States, the District of Columbia, and the territories and possessions of the United States without regard to section 3679(a) of the Revised Statutes (31 U.S.C. 665(a)), section 3732(a) of the Revised Statutes (41 U.S.C. 11(a)), section 305 of the Act of June 30, 1949 (63 Stat. 396; 41 U.S.C. 255), the third undesignated paragraph under the heading "Miscellaneous" of the Act of March 3, 1877 (19 Stat. 370; 40 U.S.C. 34), section 3648 of the Revised Statutes (31 U.S.C. 529), section 3741 of the Revised Statutes (41 U.S.C. 22), and subsections (a) and (c) of section 304 of the Federal Property and Administrative Services Act of 1949 (63 Stat. 395; 41 U.S.C. 254(a) and (c));

(2) sums authorized to be appropriated for the Federal Bureau of Investigation by this Act may be used to establish or to acquire porprietary corporations or business entities as part of an undercover operation, and to operate such corporations or business entities on a commercial basis, without regard to the provisions of section 304 of the Government Corporation Control Act (31 U.S.C. 869);

(3) sums authorized to be appropriated for the Federal Bureau of Investigation by this Act, and the proceeds from such undercover operation, may be deposited in banks or other financial institutions without regard to the provisions of section 648 of title 18 of the United States Code, and section 3639 of the Revised Statutes (31 U.S.C. 521); and

(4) the proceeds from such undercover operation may be used to offset necessary and reasonable expenses incurred in such operation without regard to the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484 and 487); only upon the written certification of the Director of the Federal Bureau of Investigation or if designated by the Director, an Executive Assistant Director with prompt notification to the Attorney General or his designee thereafter, that any action authorized by paragraph (1), (2), (3), or (4) of this subsection is necessary for the conduct of such undercover operation. Such certification shall continue for the duration of the undercover operation without regard to the fiscal years.

(b) As soon as the proceeds from an undercover investigative operation with respect to which an action is authorized and carried out under paragraphs (3) and (4) of subsection (a) are no longer necessary for the conduct of such operation, such proceeds or the balance of such proceeds remaining at the time shall be deposited into the Treasury of the United States as miscellaneous receipts.

(c) If a corporation or business entity established or acquired as part of an undercover operation under paragraph (2) of subsection (a) with a net value of over $150,000 is to be liquidated, sold, or otherwise disposed of, the Federal Bureau of Investigation, as much in advance as the Director or his designee determines is practicable, shall report the circumstances to the Attorney General and the Comptroller General. The proceeds of the liquidation, sale, or other dispostion, after obligations are met, shall be deposited in the Treasury of the United States as miscellaneous receipts.

(d)(1) The Federal Bureau of Investigation shall conduct detailed financial audits of each closed undercover operation and report the results of each audit in writing to the Attorney General.

(2) For the purposes of paragraph (1), "undercover operation" means any undercover operation of the Federal Bureau of Investigation, other than a foreign counterintelligence undercover operation—

(A) in which the gross receipts exceed $15,000 and

(B) which is exempted from section 3617 of the Revised Statutes (31 U.S.C. 484 and 487) or section 304(a) of the Government Corporation Control Act (31 U.S.C. 869(a)).

Sec. 7. The Director, FBI, may establish and collect fees for the processing of noncriminal employment and licensing fingerprint cards. Such fee is to represent the cost of furnishing the service. The funds collected shall be credited to this appropriation without regard to other existing statutory limitations, e.g., title 31, U.S.C., sections 483(a) and 484, and may be used to pay for salaries and other expenses incurred in operating the FBI Identification Division, and such funds may be carried over from fiscal year to fiscal year for such purposes. There will be no fee assessed in connection with the processing of requests for criminal history records by criminal justice agencies from criminal justice purposes or for employment in criminal justice agencies. "Criminal justice agency" is defined in title 28, Code of Federal Regulations, sections 20.3(c) and (d).

Sec. 8. Section 709(a) of the Controlled Substances Act (21 U.S.C. 904) is amended—

(1) by striking out "and" after "1981", and

(2) by inserting after "1982", the following: "and $246,945,000 for the fiscal year ending September 30, 1983,".

Sec. 9. Without regard to the provisions of sections 3617 of the Revised Statutes (31 U.S.C. 484 and 487), the Drug Enforcement Administration is authorized to—

(a) set aside 25 per centum of the net amount of money realized from the forfeiture of assets seized by it under any provision of the Comprehensive Druge Abuse Prevention and Control Act of 1970 (21 U.S.C. 801 et seq.) to be available for obligation and expenditure only for the purpose of paying awards of compensation with respect to such forfeitures;

(b) the amounts credited under this section shall be made available for obligations until September 30, 1984;

(c) pay, totally within its discretion, such awards to any entity not an agency or instrumentality of the United States, or to any person not an officer or employee of the United States or of any State or local government, that provides information or assistance which leads to a forfeiture referred to in subsection (a);

(d) such awards can be made in any amount up to 25 per centum of the net amount realized from the forfeiture, or $50,000, whichever is lesser, in any case, except that no award shall be made based on the value of the contraband;

(e) the remaining 75 per centum of the net amount of money realized from the forfeitures referred to in subsection (a) shall be paid to the miscellaneous receipts of the Treasury; Provided, that the authority furnished by this section shall remain available until September 30, 1984, at which time any amount of the unobligated balances remaining in this account, accumulated before September 30, 1983, shall be paid to the miscellaneous receipts of the Treasury; and provided further, that the Drug Enforcement Administration shall conduct detailed financial audits, semiannually, of the expenditure of funds from this account and—

(1) report the results of each audit, in writing, to the Attorney General, and

(2) report annually to Congress concerning these audits.

Sec. 10. (a) That section 569(b) of title 28, United States Code, is amended to read as follows:

"(b)(1) Except as provided in paragraph (2), the United States marshals shall execute all lawful writs, process and orders issued under authority of the United States, and command all necessary assistance to execute their duties.

"(2) Service of complaints, summonses, and subpoenas shall not be performed by the United States marshal on behalf of any party other than the United States unless performed pursuant to—

"(A) section 1915 of this title or any other express statutory provision, or

"(B) an order issued by the court stating that it has concluded that service of a complaint, summons, or a subpoena should be made by the United States marshal in order to properly effect service;

(b) That section 1921 of title 28, United States Code, is amended to read as follows:

"(a)(1) Except as otherwise provided, the United States marshals or deputies shall collect, and a court may tax as costs, the fees for the following:

"(A) Serving a writ of possession, partition, execution, attachment in rem, or libel in admiralty, warrant, attachment, summons, capias, or any other writ, order, or process in any case or proceeding.

"(B) Serving a subpoena or summons for a witness or appraiser.

"(C) Forwarding any writ, order, or process to another judicial district for service.

"(D) The preparation of any notice of sale, proclamation in admiralty, or other public notice or bill of sale.

"(E) The keeping of attached property (including boats, vessels, or other property attached or libeled), actual expenses incurred, such as storage, moving, boat hire, or other special transportation, watchmen's or keepers' fees, insurance, and an hourly rate for each deputy marshal required for special services, such as guarding, inventorying, and moving.

"(F) Copies of writs or other papers furnished at the request of any party.

"(G) Necessary travel in serving or endeavoring to serve any process, write, or order, except in the District of Columbia, with mileage to be computed from the place where service is returnable to the place of service or endeavor.

"(2) The marshals shall collect, in advance, a deposit to cover the initial expenses for special services required under subparagraph (E), and periodically thereafter such amounts as may be necessary to pay such expenses until the litigation is concluded. This paragraph applies to all private litigants, including seamen proceeding pursuant to section 1916 of this title.

"(3) For purposes of subparagraph (G), if two or more services or endeavors, or if an endeavor and a service, are made in behalf of the same party in the same case on the same trip, mileage shall be computed to the place of service or endeavor which is most remote from the place where service is returnable, adding any additional mileage traveled in serving or endeavoring to serve in behalf of that party. If two or more writs of any kind, required to be served in behalf of the same party on the same person in the same case or proceeding, may be served at the same time, mileage on only one such writ shall be collected.

"(b) The Attorney General shall prescribe from time to time regulations for the fees to be collected and taxed under subsection (a).

"(c)(1) For seizing or levying on property (including seizures in admiralty), disposing of such property by sale, setoff, or otherwise and receiving any paying over money, the United States marshals or deputies shall collect commissions of 3 per centum of the first $1,000 collected and 1½ per centum on the excess of any sum over $1,000, except that the amount of the commission shall be within the range set by the Attorney General. If the property is not disposed of by marshal's sale, the commission shall be in such amount, within the range set by the Attorney General, as may be allowed by the court. In any case in which the vessel or other property is sold by a public auctioneer, or by some party other than the marshal or his deputy, the commission authorized under this subsection shall be reduced by the amount paid to such auctioneer or other party. This subsection applies to judicially ordered sales and execution sales, without regard to whether the judicial order of sale constitutes a seizure or levy within the meaning of State law.

"(2) The Attorney General shall prescribe from time to time regulations which establish a minimum and maximum amount for the commissions collected under paragraph (1).

"(d) The United States marshals may require a deposit to cover any of the fees and expenses prescribed under this section.".

(c) Without regard to the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484 and 487), the U.S. Marshals Service is authorized to credit amounts from fees collected for the service of civil process, including complaints, summonses, subpoenas, and similar process performed by the marshals to its current appropriation account for the purpose, only, of carrying out those activities.

(d) The amendments made by this Act shall take effect on enactment.

SEC. 11. (a) The Act of March 2, 1931 (8 U.S.C. 1353a and 8 U.S.C. 1353b) is hereby repealed.

(b) The Immigration and Nationality Act is amended by adding after section 283 the following new section:

"283a. *Extra compensation for overtime services, reimbursement by vessels and other conveyances for extra compensation paid to employees for inspectional duties.*

(a) The extra compensation for overtime services of immigration officers and employees of the Immigration and Naturalization Service for performing duties in connection with the examination and landing of passengers and crews of steamships, trains, airplanes or other vehicles arriving in the United States from a foreign port by water, land, or air shall be made under the provisions of 5 U.S.C. 5542, 5 U.S.C. 5545 and U.S.C. 5546 and section 7 of the Fair Labor Standards Act of 1938, as amended, as applicable except that

(1) overtime work shall be compensated by premium pay in accordance with the requirements and conditions of section 5542 of title 5, but the rate of such premium pay shall be at the rate of one and one-half times the employee's hourly rate of basic pay, rather than at the rates established under paragraphs (1)-(3) of section 5542(a); and

(2) section 5547 of title 5 shall not apply to premium pay under sections 5542, 5545(a)-(b), and 5546 of title 5, but premium pay may not be paid if payment would cause the employee's aggregate pay during any fiscal year to exceed the maximum rate of pay for GS-15 under section 5332 of title 5.

(b) The extra compensation for vertime services of immigration officers and employees of INS described in subsection (a) of this section shall be paid by the master, owner, agent, or consignee of such vessel or conveyance. The extra compensation shall be paid if the employee has been ordered to report for duty and has reported, whether the actual inspection or examination takes place, *provided* that this section shall not apply to the inspection at designated ports of entry of passengers arriving by international ferries, bridges, or tunnels, or by aircraft, railroad trains, or vessels on the Great Lakes and connecting waterways, when operating on regular schedules."

Sec. 12. (a) 8 U.S.C. 1353c (The Act of March 4, 1921 (41 Stat. 1424), as amended), is redesignated as 8 U.S.C. 1353b.

(b)(1) The Act of August 22, 1940, as amended (8 U.S.C. 1353d), is amended by striking the words "the Act of March 2, 1931" and inserting instead the words "section 283a of the Immigration and Nationality Act."

(2) 8 U.S.C. 1353d is redesignated as 8 U.S.C. 1353c.

(c) 5 U.S.C. 5549 is amended by—

(1) striking subsection (2), and

(2) redesignating subsections (3) through (5) as (2) through (4), respectively.

Sec. 13. (a) With respect to any undercover investigative operation of the Drug Enforcement Administration which is necessary to carry out its functions—

(1) sums authorized to be appropriated for the Drug Enforcement Administration by this Act may be used to purchase real property, buildings, or other facilities and for leasing space within the United States, the District of Columbia, and the territories and possessions of the United States without regard to section 3679(a) of the Revised Statutes (31 U.S.C. 665(a)), section 3732(a) of the Revised Statutes (41 U.S.C. 11(a)), section 305 of the Act of June 30, 1949 (63 Stat. 396; 41 U.S.C. 255), the third undesignated paragraph under the heading "Miscellaneous" of the Act of March 3, 1877 (19 Stat. 370; 40 U.S.C. 34), section 3648 of the Revised Statutes (31 U.S.C. 529), section 3741 of the Revised Statutes (41 U.S.C. 22), and subsections (a) and (c) of section 304 of the Federal Property and Administrative Services Act of 1949 (63 Stat. 395; 41 U.S.C. 254 (a) and (c)).

(2) sums authorized to be appropriated for the Drug Enforcement Administration by this Act may be used to establish or to acquire proprietary corporations or business entities as part of an undercover operation and to operate such corporations or business entities on a commercial basis, without regard to the provisions of section 304 of the Government Corporation Control Act (31 U.S.C. 869).

(3) sums authorized to be appropriated for the Drug Enforcement Administration by this Act, and the proceeds from such undercover operation, may be deposited in banks or other financial institutions without regard to the provisions of section 648 of title 18 of the United States Code, and section 3639 of the Revised Statutes (31 U.S.C. 521), and

(4) the proceeds from such undercover operation may be used to offset necessary and reasonable expenses incurred in such operation without regard to the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484 and 487); only upon the written certification of the Administrator of the Drug Enforcement Administration (or by a person designated to act for the Administrator in his absence) with prompt notification of the Attorney General or his designee hereafter that any action authorized by paragraph (1), (2), (3), or (4), of this subsection is necessary for the conduct of such undercover operation. Such certification shall continue for the duration of the undercover operation without regard to the fiscal years.

(b) As soon as the proceeds from an undercover investigative operation with respect to which an action is authorized and carried out under paragraphs (3) and (4) of subsectdion (a) are no longer necessary for the conduct of such operation, such proceeds or the balance of such proceeds remaining at the time shall be deposited into the Treasury as miscellaneous receipts.

(c) If a corporation or business entity established or acquired as part of an undercover operation under paragraph (2) of subsection (a) with a net value over $150,000 is to be liquidated, sold or otherwise disposed of, the Administrator of the Drug Enforcement Administration, as much in advance as the Administrator or his designee determines is practicable, shall report the circumstances to the Attorney General, and the Comptroller General. The proceeds of the liquidation, sale, or other disposition, after obligations are met, shall be deposited in the Treasury as miscellaneous receipts.

(d)(1) the Administrator of the Drug Enforcement Administration shall conduct detailed financial audits of each closed undercover operation and report the results of each audit in writing to the Attorney General.

(2) For the purposes of paragraph (1), "undercover operation" means any undercover operation of the Drug Enforcement Administration—

(A) in which the gross receipts exceeds $150,000, and

(B) which is exempted from section 3617 of the revised Statutes (31 U.S.C. 484 and 487) or section 304(a) of the Government Corporation Control Act (31 U.S.C. 869(a)).

SEC. 14. (a) The Attorney General shall perform periodic evaluations of the overall efficiency and effectiveness of the Department of Justice programs and any supporting activities funded by appropriations authorized by this Act and annual specific program evaluations of selected subordinate organizations' programs, as determined by the priorities set either by the Congress or the Attorney General;

(b) Subordinate Department of Justice organizations and their officials shall provide all the necessary assistance and cooperation in the conduct of evaluations, including full access to all information, documentation, and cognizant personnel, as required.

Sec. 15. (a) Chapter 15 of title 11 United States Code (92 Stat. 2651 et seq.) and Chapter 39 of title 28 United States Code (92 Stat. 2662 et seq.) are repealed.

(b) Section 408 of the Act entitled "An Act to establish a uniform Act on the Subject of Bankruptcy", approved November 6, 1978 (92 Stat. 2686), is repealed.

(c) Section 330 of title 11 United States Code (92 Stat. 2564) is amended by striking out "and to the United States Trustees."

Sec. 16. Section 1301 of the Justice System Improvement Act of 1979, (P.L. 96-157) is amended by adding at the end thereof the following new paragraph:

"(1) Notwithstanding any other provision of law, title to all expendable and non-expendable personal property purchased with funds made available under this title shall vest in the criminal justice agency or non-profit organization that purchased the property if it certifies to the appropriate State Criminal Justice Council, or its successor agency, that it will use the property for criminal justice purposes. If such certification is not made, title to the property shall vest in the State Criminal Justice Council, or its succesor agency, which shall seek to have it used for criminal justice purposes elsewhere in the State prior to using it or disposing of it in any other manner.

Sec. 17. Section 261(a) of the Juvenile Justice and Delinquency Prevention Act of 1974 (P.L. 93-415, as amended by P.L. 94-503, P.L. 95-115, and P.L. 96-509) is amended by inserting "and" after "September 30, 1981,", inserting a period after "1982", and striking "September 1983 and September 1984".

Sec. 18. (a) With respect to any investigative operation of the Federal Bureau of Investigation which is necessary for the detection and prosecution of crimes against the United States or for the collection of foreign intelligence or counterintelligence, the Director of the FBI or his designee may, with the concurrence of the United States Attorney or his designee in criminal investigations or the Office of Intelligence Policy and Review in intelligence investigations upon a determination that a person may possess or have care, custody or control of any books, papers, documents, or other objects, hereinafter, referred to as materials relevant to an investigation, issue in writing and cause to be served upon such person, a subpoena requiring such person to produce the materials. The subpoena shall—

(1) describe the materials to be produced with sufficient clarity to enable the materials to be reasonably identified; and

(2) prescribe a return date that provides a reasonably sufficient period of time within which the material can be assembled and made available.

(b) Enforcement—

(1) If a person fails to comply with a subpoena served upon him pursuant to the provisions of this section, the Attorney General may file and serve upon the person a petition for an enforcement order. The petition shall be filed in a district court of the United States for the judicial district in which the subpoena originated.

(2) Within ten days after the service of a subpoena upon a person, or at any time before the return date specified in the subpoena, whichever period is less, the person may file in a district court of the United States for the judicial district in which the subpoena originated a petition for an order modifying or setting aside the demand. The time allowed for compliance with the subpoena shall not run while the petition is pending in the court. The petition shall specify each ground upon which the petitioner relies in seeking relief.

(3) A district court of the United States in which a petition is filed under this section has jurisdiction to hear and determine the matter so presented, and to enter such order as may be required to effectuate the provisions of this section.

(c) Limitations—

(1) No subpoena shall require the production of any materials, if such material would be protected from disclosure under the standards applicable to subpoenas or subpoenas duces tecum issued by a court of the United States in aid of a grand jury investigation;

(2) Nothing in this section shall apply when records are sought by the FBI under the Federal Rules of Civil Procedure or the Federal Rules of Criminal Procedure or comparable rules of other courts in connection with litigation to which the Government and the person to whom the records relate are parties.

(3) Nothing in this section shall supersede the provisions of any other federal statute that explicitly regulates access to records by federal agencies.

(d) the exclusive remedy available to a person grieved by a substantial violation of this Act shall be a cause of action against the United States to be filed in a district court of the United States.

Sec. 19. Without regard to any other provision in law, the Law Enforcement Assistance Administration is terminated and its continuing functions are transferred to the Office of Justice Assistance, Research and Statistics.

Sec. 20. Notwithstanding Section 501(e)(2)(B) of Public Law 96-422, funds may be expended for assistance to Cuban and Haitian entrants as authorized under Section 501(c).

U.S. Department of Justice,
Office of Legislative Affairs,
Washington, D.C. May 10, 1982.

The Vice President,
U.S. Senate,
Washington, D.C.

Dear Mr. Vice President: There is transmitted herewith a legislative proposal which would authorize appropriations for fiscal year 1983 to carry out the activities of the Department of Justice.

Please note that the bill requests resource levels commensurate with the President's fiscal year 1983 appropriation request. In addition, it requests most of the same general provisions the Department included in its fiscal year 1982 authorization, e.g., an undercover provision for the FBI, authority to use confidential funds, authority to pay rewards and the protection of the President by the FBI as required.

The fiscal year 1983 bill does include some changes. The most pertinent changes are as follows:

Sec. 2(4). A separate authorization will be included for the Antitrust Division. This action is in conformance with prior decisions by the Judiciary Committee that a separate authorization be created for this activity.

Sec. 2(10)(J). A provision has been added that would allow family members of FBI agents under transfer to Puerto Rico, other territories and possessions of the United States and legal attaché posts outside the U.S. Territories, travel and per diem expenses. These expenses would be incurred when receiving orientation training prior to the agent's departure to the new assignment. Family success in adjusting to life in a new environment depends largely upon language ability, attitude and cultural awareness prior to their arrival. Training and orientation will be coordinated by the FBI Academy, Quantico, Virginia and the State Department's Foreign Service Institute.

Sec. 2(11)(N). Authority for the Immigration and Naturalization Service (I&NS) to purchase and lease privately owned animals (primarily horses) and accept donated animals for laws enforcement use has been added.

Sec. 2(11)(O) and (13)(L). Authority is included to expend funds commensurate with the transfer of functions to process, care, maintain, secure, transport and resettle Cubans and Haitians from the Department of Health and Human Services to DOJ.

Sec. 4(e). Authority is included to provide per diem allowances for law enforcement employees and their families in emergency situations, primarily, because of threat to life or property. The adjustment amends the current travel regulations to permit temporary living accommodations.

Sec. 6(a). Authority is requested to allow for a single certification of an undercover operation by the Director of the FBI and to authorize a single certification of the needed statutory exemptions for the duration of the undercover operation.

Sec. 6(a)(1). An adjustment to the FBI's current undercover authority is requested to permit the purchase of real property and other facilities not now authorized for purchase by the current law. This authority is necessary to conduct surveillance activities primarily in foreign counterintelligence matters. Purchases have been made in the past based on opinions from legal counsel, however, this authority would further confirm the legitimacy of these purchases.

Sec. 6(c) and 6 (d)(2)(a). Authority is requested to increase the dollar amount triggering an audit of the disposition of a corporation or business entity created for an undercover operation. The amount would be increased from $50,000 to $150,000. We have understood Congress' intent to have been to limit reports and audits to the most significant operations. Experience and inflation indicate that the $50,000 threshold does not reflect the most significant operations.

Sec. 7. Authority is requested for the FBI to establish fees to process the identification of records for State and local enforcement and licensing agencies and banking institutions. Such fees are to be credited to the FBI appropriation rather than returned to the miscellaneous receipts of the Treasury.

Sec. 9. Authority refining further the "moiety" reward provision included in the FY 1982 Authorization bill is proposed. This section provides discretionary authority to make award payments to imformants of up to 25 percent of the net value of sized assets, or $50,000, whichever is lesser. This provision permits greater flexibility for the DEA to *control* the award payment.

Sec. 10. This section requests again that the U.S. Marshal's responsibility for the service of *most* private process be terminated. The section is identical to the one approved by the Department and OMB last year and reflects the compromise reached between the Attorney General and the Chief Justice on this issue. It is requested again because final Congressional action on the FY 1982 Authorization has not taken place and may never take place.

SEC. 11 and 12. Authority is requested again to repeal certain provisions applicable to compensation for the overtime inspectional services of I&NS employees. The request reflects action taken by the President in his budget and is similar to the statutory changes proposed in the FY 1982 Authorization bill. In addition, the provision reflects two adjustments permitted by OMB in the interest of equity since analogous overtime legislation proposed for the U.S. Customs Service allowed the adjustments. The adjustments permit the overtime rate to be at the rate of 1½ times the employee's rate of basic pay, rather than a maximum of a GS-10, and an employee may earn more than the maximum rate of pay for a GS-15 within any pay period, although the employee may not exceed that maximum during any fiscal year.

SEC. 13. This section provides narrow exceptions to certain provisions of law which principally relate to the use of public funds with respect to the performance of undercover operations by DEA. The provision is virtually identical to the undercover provision included in this bill for the FBI.

SEC. 16. This authority is needed so that title to equipment purchased with Law Enforcement Assistance Administration (LEAA) funds can be given to the State and local agencies which are using it. Without such an amendment, the Office of Justice Assistance, Research and Statistics will be required to make arrangements for all the equipment to be turned over to the Federal Government. Such an arrangement may be much more costly than allowing State and local agencies to keep the equipment.

SEC. 17. This change is required to be consistent with the President's proposal to eliminate Juvenile Justice funding for FY 1983.

SEC. 18. This section requests that authority be granted to the Director of the FBI acting with the concurrence of the cognizant United States Attorney, to issue in writing, and cause to be served subpoenas for documentary material. Custodians of records which previously furnished records on a voluntary basis now are reluctant to do so because of fear of legal liability or loss of trade. The authority has precedent. The Inspector General Act of 1978 granted subpoena powers to the Inspectors General in both civil and criminal investigations. Similar authority exists in section 1968 of the RICO statute authorizing the Attorney General to issue civil investigative demands in racketeering investigations. The Internal Revenue Service and the Securities and Exchange Commission are other examples of agencies which have successfully used such powers.

SEC. 19. This section conforms to the President's budget proposal which terminates most of the LEAA's grant programs. LEAA was statutorily created and thus must be statutorily terminated.

SEC. 20. Section 501(e)(2)(B) of Public Law 96-422, the Refugee Education Assistance Act of 1980, disallows benefits (including detention) under Title V of that statute for Cuban and Haitian entrants under an order of deportation or exclusion. In order to apply funds that are appropriated for the purposes of implementing Title V a legislative adjustment to the restriction is necessary.

Please note that Section 15 provides, once again, legislation which will conform present law with the President's decision to eliminate the U.S. Trustees program. The section provides the necessary amendments repealing the pertinent provisions of the Bankruptcy Act of 1978 to conform with the President's decision.

We would also like to take this opportunity to briefly discuss the current authorization process, which is of great concern to this Department. The Department's 1981 and 1982 authorization bills have not been passed and action on continuing our authorities seems to always be in doubt.

It is critical that this Department be provided a reasonable expectation of continuity for its basic programs. The current authorization process does not provide this expectation. On the contrary, it has created an environment which makes planning and program implementation most difficult.

It is becoming increasingly clear that the annual authorization process needs to be reassessed. Accordingly, a new process providing, at a minimum, for a 3- to 5-year authorization cycle should be considered seriously. We are confident that such a cycle will adequately address the needs of the Congress to carry out its legislative mandate and its oversight function while, at the same time, providing for the Department's program continuity needs.

The Office of Management and Budget has advised that there is no objection from the standpoint of the Administration's program to the submission of this legislation to the Congress.

Sincerely,

ROBERT A. MCCONNELL,
Assistant Attorney General.

By Mr. ARMSTRONG (for himself and Mr. HART):

S. 2568. A bill to provide for confirmation of the repayment contract of the Dallas Creek participating project of the Upper Colorado storage project; to the Committee on Energy and Natural Resources.

REPAYMENT OF DALLAS CREEK PARTICIPATING PROJECT

● Mr. HART. Mr. President, I am pleased to join my colleague from Colorado, Senator ARMSTRONG, in introducing legislation today to confirm the terms of the repayment contract for the Dallas Creek water project, now under construction in Colorado.

This project, located on Colorado's western slope near Montrose, will upon its completion supply water to municipal and agricultural users in the area. It is a vital project, and has long been a high priority in my State.

Our legislation today seeks simply to clarify a portion of the contract for repayment of the project's costs signed between the U.S. Government and the Tricounty Water Conservancy District, which limits the district's repayment obligation to $38 million. This limit on the amount of the district's repayment obligation is different from the usual repayment contract's requirement that the water users repay the full amount of the construction costs allocated to them, even if this requires a renegotiation of the original contract terms. The limit in this case was an item explicitly negotiated between the Bureau of Reclamation and the conservancy district, and was accepted by the Bureau as a condition of the contract between the United States and the district.

After the repayment contract was negotiated and executed, the Teton Dam collapse prompted the Bureau to redesign the Dallas Creek project to add new structural guarantees of dam safety. Without these changes in the project design and the delays necessary to accomplish them, the portion of the project costs allocated to the tricounty district would not have exceeded the $38 million limit on the district's repayment obligation. Solely because of these design changes, however, the costs of the project now are expected to reach and possibly exceed $69 million.

Mr. President, although the repayment contract makes it clear that the conservancy district shall not be responsible for any of the construction costs beyond $38 million, there is a possibility that further construction of the project may be delayed or abandoned unless the conservancy district renegotiates the contract and agrees to repay the entire construction costs. This would probably be a violation of the contractual obligations of the United States. Further, it would be unfair to all parties, since stopping construction would involve the waste of the money and efforts which already have gone into bringing the project to 50 percent completion, and would keep pressing local water needs from being met.

Congress in 1980 approved a similar statutory limit on the repayment obligation of conservancy district to keep that district from being held liable for a comparable cost overrun caused by dam safety design changes—even though in that case, involving the Red Fleet Dam of the Jansen unit of the central Utah project, the repayment contract did not include a contractual limit on the district's obligation, and instead included the normal requirement that the district renegotiate the contract to cover any cost overruns. The case for congressional action certainly is far stronger in the case of Dallas Creek, where the legislation would merely affirm the repayment contract instead of changing its terms.

Mr. President, identical legislation, introduced by Congressman RAYMOND P. KOGOVSEK of Colorado, yesterday was reported out of the House Interior Subcommittee on Water and Power. Significantly, that bill, H.R. 4483, has been given a green light by the Reagan administration. Bureau of Reclamation officials, in testimony prior to the markup session, affirmed that the administration recognizes the terms of the Dallas Creek contract.

Mr. President, at this point I ask unanimous consent to have printed in the RECORD a fact sheet which explains some additional details of the situation, and I urge my colleagues to support this bill.

There being no objection, the fact sheet was ordered to be printed in the RECORD, as follows:

INTRODUCTION

In 1968, Congress authorized the construction of the Dallas Creek Project (Colorado River Basin Project Act, P.L. 90-537). In November, 1976, the definite plan report for the project was completed. The repayment contract was approved in late 1976 at an election of the residents of the Tri-County Water Conservancy District, the contracting and marketing local governmental agency for the project. In January, 1977, the contract was signed by the Department of Interior and the Conservancy District. In September, 1977, the Commissioner of Reclamation authorized the start of construction.

Thus, final designs and specifications for Stage I were not completed until mid-1979.

Due to dam safety design considerations prompted by the Teton Dam failure, the Bureau of Reclamation decided to proceed with construction in two phases. Invitations for bids on the first phase were not issued until August, 1979. In turn, a contract was not awarded to the successful bidder until December of 1979, the Bureau having obtained an extension of time from the bidders for the awarding of the contract. As soon as the contract was awarded, the contractor commenced work on the first phase and has proceeded on schedule to date. Construction on the first phase is scheduled for completion later in 1981.

At the time the repayment contract was signed, the estimated costs allocable to municipal and industrial water supply were $27,966,000 based on January, 1976 prices and the interest rate provided for fiscal year 1976. As of June, 1981, the Bureau of Reclamation estimates that the costs allocable to municipal and industrial water supply will be approximately $69 million. Approximately 60 percent of the increase from $28 million to $69 million has resulted from increases in construction costs caused by design changes, state of the art considerations, dam safety considerations, and added instrumentation, all of which were unanticipated at the time the repayment contract was negotiated. The remaining 40 percent of the cost increase is attributable to inflation. However, a large part of this has been incurred due to the delays caused by the Bureau in making design changes.

DISCUSSION

The repayment contract executed by the Conservancy District provides, in Article 6.c., that:

"The contractor hereby agrees to pay all project costs allocated to M&I use, including interest during construction, but not more than $38 million. Said obligation limit is the current estimated project costs allocated to M&I use, based on January 1, 1976, price levels and fiscal year 1976 interest rates increased to cover posssible changes in the cost of construction, increases in the applicable rate of interest, changes in project works, or changes in the allocation of project water. The estimated cost based on January, 1976 price levels and fiscal year 1976 interest rate is $27,966,000. The allocated M&I repayment obligation is based on furnishing 28,100 acre-feet annually of project M&I water and is to be paid with revenues received from project M&I water users and in accordance with Sub-Article d. hereof."

As can be seen, the repayment contract does not obligate the Conservancy District to renegotiate, or make any other adjustments in its contractual obligation should the costs allocable to municipal and industrial water supply exceed $38 million. To the contrary, the $38 million figure is an absolute ceiling.

This provision stands in marked contrast to the terms of most other repayment contracts, which typically provide for "ceilings" that must be increased to cover the costs allocable to municipal and industrial water supply should such costs prove to be in excess of those contemplated at the time of the execution of a contract. The lack of this renegotiation provision in the repayment contract executed by the Conservancy District indicates, and the record reflects, that the matter of a renegotiation provision was specifically discussed during the contract negotiations. The Federal government agreed with the Conservancy District's position during the negotiations that there should be no renegotiation clause in the repayment contract, the $38 million being a fixed amount. This clearly indicates that the United States has obligated itself, pursuant to a binding contractural agreement, to complete the contruction of the Dallas Creek Project and provide the 28,100 acre-feet of municipal and industrial water supply therefrom at a cost to the Conservancy District not exceeding the $38 million ceiling provided for in the repayment contract.

It should also be noted that the $38 million ceiling was arrived at by adding 35 percent to the original cost estimate of $27,966,000 in order to cover the anticipated impacts of inflation over the course of construction as originally scheduled in the definite plan report. However, the start of construction was delayed by two years by the Bureau. Absent this delay, inflation would not have accounted for 40 percent of the increase in allocable costs. Rather increased costs due to inflation would have been well within the 35 percent increase provided for. Furthermore, the dam design changes are entirely of the Bureau's own doing. In short, the actions of the Federal government, not the Conservancy District, which have caused the cost of construction allocable to municipal and industrial water supply to exceed the District's contractual obligation.

It would not benefit the Federal government or the affected water users to halt construction of the project. Stage I of the project is nearing completion, and the overall project is fifty percent completed. Contracts have been consumated for the sale of all the project water. Municipal and industrial needs, including future energy development, and dependent on water from the storage project.

RECOMMENDATION

In view of the fact that there is not a renegotiation clause in the repayment contract, the repayment obligations of the Conservancy District for municipal and industrial water supply is capped at $38 million, and the item in question concerning renegotiation was specifically discussed with the Bureau during contract negotiations, it is the feeling of the State of Colorado and the Conservancy District that the Federal government be held to the original contract. Included for discussion is language recommended for legislation to support this position:

"In accordance with the repayment contract for the Dallas Creek Participating Project of the Upper Colorado River Storage Project, entered into January 14, 1977, and entitled "Repayment Contract Between the United States of America and the Tri-County Water Conservancy District," the portion of the costs of such project, including interest on construction costs, allocated to municipal and industrial use which exceeds $38,000,000 shall not be reimbursable."

CONCLUSION

It is the position of the State of Colorado and the Tri-County Water Conservancy District that the increased costs allocable to municipal and industrial water supply incurred after the negotiation and execution of the repayment contract are solely the responsibility of the United States. It is further the position of the State of Colorado and the Tri-County Water Conservancy District that the repayment contract is a binding obligation between the parties thereto, with the repayment obligation of the Conservancy District for municipal and industrial water supply not exceeding $38 million.●

By Mr. SASSER (for himself, Mr. HUDDLESTON, Mr. PRYOR, and Mr. RIEGLE):

S. 2570. A bill to recognize the special relationship between Congress and organizations of war veterans, to amend the Internal Revenue Code of 1954 to provide that a limit on the tax-exempt status of such organizations shall apply only if such organizations engage in substantial lobbying on issues unrelated to veterans' affairs, the Armed Forces, or national defense, and for other purposes; to the Committee on Finance.

VETERANS' ORGANIZATIONS TAX REFORM ACT

● Mr. SASSER. Mr. President, on behalf of myself and the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Arkansas (Mr. PRYOR) and the Senator from Michigan (Mr. RIEGLE), I am pleased to introduce today the Veterans' Organization Tax Reform Act of 1982. This important legislation will clarify the congressional intent behind the granting of tax-exempt status to veterans' organizations. It highlights the special role veterans' organizations play in increasing congressional awareness of veterans' issues. Similar legislation is being introduced today in the House of Representatives by Congressman ROBERT A. ROE, with whom I join in urging the early approval of this legislation.

On March 26, 1982, the U.S. Circuit Court of Appeals for the District of Columbia handed down its opinion in *Taxation with Representation* v. *Regan*, F.2d , Docket No. 79-1464. This decision casts doubt on the constitutionality of certain tax exemptions for veterans' organizations, based on the lack of a clearly stated congressional intent behind such exemptions.

Currently, veterans' organizations may receive tax-deductible contributions while engaged in lobbying activities. Most tax-exempt organizations cannot both lobby and receive tax-deductible contributions and maintain their tax-exempt status. While the court's opinion instructed the lower court to devise a solution to the problem, the ruling also suggested that Congress should clarify its intent in treating veterans' organizations differently from other tax-exempt entities. My bill provides for a declaration of congressional intent and the retention of tax-exempt status for organizations concerned with veterans' affairs.

WHO SPEAKS FOR THE VETERAN

Mr. President, I want to take this opportunity to relate the story of one veteran by quoting a news item which appeared in the Wall Street Journal on May 21, 1982:

> A Social Security official ruled a Vietnam veteran no longer eligible for disability benefits despite a jaw wired shut and loss of a leg, two fingers, his spleen and parts of his stomach and buttocks. The man can work—and "that's how our rules are," according to the official.

Now who is going to go to bat for this veteran and others like him? Who is going to represent his interests before his duly elected representatives?

Well, it certainly will not be the President. He has other concerns. President Reagan wants those who can take care of themselves to help themselves—and since on paper this veteran can work, the President would say that he should. Never mind there is no job market for him—and that unemployment for the Vietnam-era veteran is now running at 719,000 individuals, and the administration has characterized another 479,000 as being "outside the labor market."

The President wants private sector involvement to aid those less fortunate than ourselves. The effect of the decision in Taxation however, would be to close off the private, nongovernmental involvement of veterans' service organizations. Those most qualified to assist the veteran would be effectively shut out.

Our veterans' organizations, Mr. President, are uniquely suited to representing the American veteran. They know the problems facing the vet. They know the hardships and pain of a disability. They know the difficulties when a veteran has to live on an inadequate pension. They see the inadequacies of the system firsthand. The tax-exempt status of veterans' organizations assist them in meeting the needs of the more than 30 million American veterans. In these times of reduced Government staff levels and budget cuts, we should encourage the veterans' service groups to continue their services to the veteran population.

MORE THAN TWO CENTURIES OF SERVICE

The veterans' organizations in this country have a long record of service, Mr. President. Shortly after the American Revolutionary War, the first veterans' organization was established to assist the veteran in obtaining the Federal benefits to which he was entitled.

Since that early beginning, veterans' service groups have been active in assisting the veteran, his family, or survivors. For example, each post of the Veterans of Foreign Wars is required by its bylaws to appoint a service officer whose duties are to assist veterans in obtaining the benefits for which they are eligible. In the course of performing this function, the service officer becomes an expert on veterans' education, disability, pension, health, and medical care benefits. For more than 80 years the VFW has assisted the veteran in eliminating the bureaucratic entanglement that has often confronted the unwary vet.

Additionally, the VFW is not the only veterans' service organization in existence. Annually, the Senate Committee on Veterans' Affairs looks to the experts from the American Legion, the Disabled American Veterans, the Blinded Veterans Association, the Paralyzed Veterans of America, and the Vietnam Veterans' of America—to name but a few—for advice on the veterans' issues before the Congress. It is clear that the Senate Committee on Veterans' Affairs places a great deal of confidence in the ability of these organizations to represent the interests of the average vet: those of us who do not serve on the committee similarly rely on the organizations to provide us with the information we need to make informed decisions on veterans' legislation.

Simply put, Mr. President, the veterans' organizations are the most efficient and effective way in which veterans' issues may be presented to Congress. To remove their tax-exempt status would seriously hamper the interests of the individual veteran and the legislative work of the U.S. Congress.

THE VETERANS' ORGANIZATION TAX REFORM ACT OF 1982

Mr. President, the legislation I submit to the Senate today answers clearly and unambiguously the questions raised in Taxation with Representation against Regan. Veterans' organizations are declared to have a special relationship with Congress based on their long record of service to the American public, our veterans, and our Government.

Perhaps most importantly, my bill declares it to be the express intention of Congress to maintain the tax-exempt status and permit the veterans' organizations to advise Congress on veterans' issues.

The substance of the legislation clearly places veterans' service groups within the "exempt organizations" portion of section 501 of the Internal Revenue Code of 1954. Under the bill, organizations which conduct a substantial portion of their activities in veterans' affairs qualify for tax exemptions. "Veterans' affairs" is defined as issues directly relating to veterans' programs and benefits, the Armed Forces and national defense. Additionally, veterans, organizations which qualify under the amended section 501 of the IRC are expressly permitted to receive tax-deductible contributions.

In short, Mr. President, this legislation expresses the sense of the Congress that veterans' organizations should maintain their current tax-exempt status. Our bill allows the veterans' service groups to breathe easy, free from the fear that their tax-exempt status could be revoked at any time.

Memorial Day if fast approaching. It is a day when we recognize the lasting sacrifice and contribution of the men and women who have served this Nation so well. I suggest, Mr. President, that it is also a time to recognize the role of the veterans' organizations in furthering the interests of the American veteran. For as Abraham Lincoln told us many years ago:

> With fairness in the right as God gives us to see the right, let us strive on to finish the work we are in, to bind up the nation's wounds, to care for him who shall have borne the battle, and for his widow and orphan, to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations.

I recommend the early approval of this important legislation which recognizes the contribution of our veterans' service organizations.

I ask unanimous consent that the Veterans' Organization Tax Reform Act of 1982 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2570

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SECTION 1. SHORT TITLE

This Act may be cited as the "Veterans' Organizations Tax Reform Act".

SEC. 2. FINDINGS AND DECLARATION.

(a) FINDINGS.—The Congress makes the following findings:

(1) Veterans of the wars of the United States have made unparalleled contributions to the creation and preservation of this Nation.

(2) Organizations of veterans of such wars have existed since shortly after the American Revolution.

(3) These veterans organizations have sought to aid disabled veterans, to assist the surviving spouses and children of veterans, and to provide mutual support and assistance for those who served their country in time of war.

(4) Many such organizations play a vital continuing role in providing the Congress with information and advice on matters pertaining to veterans affairs, the armed forces, and the defense of the Nation.

(b) DECLARATION.—The Congress declares that the unique and important public role played by veterans throughout most of our national history has resulted in a special relationship between the Congress and organizations representing such veterans which requires legislation to permit such organizations to advise and lobby Congress on matters pertaining to veterans affairs, the armed forces, and national defense without endangering their tax-exempt status.

SEC. 3. SUBSTANTIAL LOBBYING BY VETERANS ORGANIZATIONS ON MATTERS UNRELATED TO VETERANS AFFAIRS.

Section 501 of the Internal Revenue Code of 1954 (relating to exemption from tax on corporations, certain trusts, etc.) is amended by redesignating subsection (j) as subsection (k) and adding after subsection (i) the following new subsection:

"(j) Organizations of War Veterans, Etc.—

"(1) In general.—Notwithstanding subsection (a), an organization of war veterans shall not be exempt from taxation under subsection (a) if a substantial part of the activities of such organization consists of carrying on propaganda, or otherwise attempting, to influence legislation with respect to matters not related to veterans affairs.

"(2) Organization of war veterans defined.—For purposes of this subsection, the term 'organization of war veterans' includes a post of war veterans, or an auxiliary unit or society of, or trust or foundation for, any post or organization of war veterans.

"(3) Veterans affairs defined.—For purposes of this subsection, the term 'veterans affairs' means issues directly relating to—

"(A) programs and benefits for veterans and the surviving spouses and children of veterans,

"(B) the Armed Forces of the United States and national defense."

SEC. 4. MISCELLANEOUS AMENDMENTS.

(a) Deductions for Charitable Contributions.—Paragraph (3) of subsection (c) of section 170 of the Internal Revenue Code of 1954 (relating to charitable, etc., contributions and gifts) is amended by—

(1) striking out "and" at the end of subparagraph (A),

(2) striking out the period at the end of subparagraph (B) and inserting in lieu thereof ", and", and

(3) adding after subparagraph (B) the following new subparagraph:

"(C) not disqualified for tax exemption under section 501(j)."

(b) Estate Tax Deduction.—Paragraph (4) of subsection (a) of section 2055 of such code (relating to transfers for public, charitable and religious uses) is amended by inserting before the period "and which is not disqualified for tax exemption under section 501(j)"

(c) Gift Tax Deduction.—Paragraph (4) of subsection (a) and paragraph (5) of subsection (b) of section 2522 of such code (relating to charitable and similar gifts) are each amended by—

(1) striking out "and if no part of their net earnings" and inserting in lieu thereof "if no part of their net earnings", and

(2) inserting before the period ", and if such posts, organizations, units, or societies are not disqualified for tax exemption under section 501(j)".●

By Mr. PELL:

S. 2571. A bill to establish an International Narcotics Control Board in the executive branch to plan and coordinate overseas drug enforcement in order to provide a single Federal entity with authority to direct the international drug enforcement efforts of the Federal Government; to the Committee on Governmental Affairs.

INTERNATIONAL NARCOTICS CONTROL BOARD ACT OF 1982

● Mr. PELL. Mr. President, I am today introducing the International Narcotics Control Act of 1982, legislation designed to provide central leadership and direction to our overseas drug enforcement programs. This bill will remedy the greatest single impediment to an effective international narcotics control strategy—the lack of a single entity in the executive branch with the authority to coordinate overseas drug enforcement activities, and to marshal the resources of agencies within four executive departments with responsibility for controlling the flow of illegal narcotics into the United States.

It is no exaggeration to say that our society is literally engulfed by a flood of illegal drugs entering the country by sea, by air, and at our borders. The signs of a society increasingly awash in narcotics are too apparent in our communities, as seen in the growing numbers of drug-related deaths, hospital admissions due to drug-related incidents, and a soaring addiction rate. Drug trafficking has become a big business, with the retail value of the illicit drugs supplied to the U.S. market in 1980 estimated at $68.5 to $90 billion. Annual U.S. consumption of heroin is estimated to be in the range of 4 metric tons, supporting an addict population of approximately 420,000 Americans. In recent years, cocaine has become the fastest growing and most lucrative drug importing industry, with an annual U.S. consumption of 40 to 48 metric tons, worth an estimated street value of $26.8 to $32 billion.

The most virulent symptom of the illicit narcotics trade is the recent sharp increase in both violent crime and property crime. A recent survey by the University of Delaware showed that 90 percent of heroin users in Miami, Fla., rely on criminal activity as a means of income. Moreover, drug trafficking is increasingly handled by syndicates, leading to violence in the competitive struggle for the domestic drug market.

Clearly, heroin users—as well as traffickers and abusers of other dangerous drugs like cocaine, hashish, and quaaludes are extensively involved in criminal activity which threatens the personal security of every American citizen. Yet this is a problem that local law enforcement is virtually powerless—by itself—to stop.

I am convinced that we must attack the problem at its very source—in the countries that grow the opium, the coca bush, and produce and refine quaaludes and hashish for export to the United States. Controlling the flow of illegal narcotics coming into the United States is a key to reducing the criminal activity, violence, addiction, and health impairment we presently live with and pay for as a society.

Despite the best efforts of a number of Federal agencies concerned with this problem, the drug trafficking industry today flourishes virtually unchecked in our midst. The best estimates are that we are intercepting no more than 5 percent of the heroin, cocaine, and other hard drugs being smuggled into the United States by air, by sea, and at the borders.

In my judgment, the single most important failure in our narcotics control policy has been the lack of central authority and direction over the activities of agencies scattered in four executive departments with responsibility for overseas enforcement. The legislation I am introducing today remedies this deficiency by establishing the International Narcotics Control Board, consisting of the heads of the six agencies principally concerned with international narcotics control: The Assistant Secretary of State for International Narcotics Matters, the Administrator of the Drug Enforcement Administration, the Director of the Federal Bureau of Investigation, the Commissioner of the U.S. Customs Service, the Commandant of the Coast Guard, and the Commissioner of the Immigration and Naturalization Service.

As a working group of agency heads, the Board is charged with responsibility for: First, developing an overseas drug enforcement strategy, and second, implementing the strategy by marshaling the resources of the six agencies represented on the Board and tasking the agencies to coordinate their activities. To carry out its function of policy development and execution, the Board is empowered to task or detail personnel from each of the six agencies. The only full-time position authorized by this legislation is the Director for the Board, charged with coordinating the execution of Board policies.

Under my proposal, the chairmanship of the Board rotates on an annual basis between the Administrator of the Drug Enforcement Administration and the Assistant Secretary of State for International Narcotics Matters. The legislation authorizes $500,000 for the first year of the Board's operation, including all administrative support expenses. This additional funding, in my view, is miniscule in relation to the costs borne by our society as a result of drug trafficking.

This legislation will enable the six principal narcotics control agencies to mount a more effective, coordinated attack on drug trafficking. It will particularly ameliorate the lack of coordination between the FBI and DEA on the one hand, and agencies outside the Justice Department with pivotal roles in controlling drug smuggling—the State Department, the Customs Service, the Border Patrol and the Coast Guard. Marshaling the resources and expertise of these agencies under a single authority will, in my view, better enable the United States to contain the flood of illegal narcotics engulfing the country.

The United States cannot do the job by itself—the problem is far too complex for that. Other victim nations, including our own allies, are not fully committed to providing the assistance needed to secure cooperation from producing countries, and to prosecute fugitives and traffickers. I urge our State Department to spearhead an international campaign in this area, by securing working agreements with all victim nations to reduce the production and movement of illegal drugs throughout the world. This effort must be a continual one on the part of our State Department, and should be stressed at the highest levels of government and in international forums.

Controlling the international drug problem must be at the very top of our foreign and domestic policy agendas. The relationship of this problem to the crime epidemic and to increasing addiction rates in America is obvious to every one of us: it requires nothing less than an all-out, national strategy to strengthen and better coordinate overseas narcotics enforcement and control programs. The legislation I am introducing today is a needed step in the direction of a more effective international narcotics control policy, and I urge my colleagues to join me in the effort to strengthen our agency resources in the fight against drug trafficking.●

ADDITIONAL COSPONSORS

S. 479

At the request of Mr. ROBERT C. BYRD, the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of S. 479, a bill to designate the first Sunday in June of each year as "National Shut-In Day."

S. 700

At the request of Mr. ARMSTRONG, his name was added as a cosponsor of S. 700, a bill to amend chapter 45 of the Internal Revenue Code of 1954 with respect to the exemption of the State share of Federal royalties from the crude oil windfall profit tax and to insure the deductibility of certain severance taxes.

S. 1698

At the request of Mr. DENTON, the Senator from Pennsylvania (Mr. HEINZ) was added as a cosponsor of S. 1698, a bill to amend the Immigration and Nationality Act to provide preferential treatment in the admission of certain children of U.S. Armed Forces personnel.

S. 1992

At the request of Mr. MATHIAS, the Senator from Iowa (Mr. GRASSLEY), the Senator from Wyoming (Mr. SIMPSON), the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. D'AMATO), the Senator from Wyoming (Mr. WALLOP), the Senator from Wisconsin (Mr. KASTEN), the Senator from Georgia (Mr. NUNN), the Senator from Washington (Mr. GORTON), and the Senator from Kansas (Mr. DOLE) were added as cosponsors of S. 1992, a bill to amend the Voting Rights Act of 1965 to extend the effect of certain provisions, and for other purposes.

S. 2225

At the request of Mr. BAUCUS, the Senator from Ohio (Mr. METZENBAUM), and the Senator from Maine (Mr. MITCHELL) were added as cosponsors of S. 2225, a bill to amend the Internal Revenue Code of 1954 to remove certain limitations on charitable contributions of certain items.

S. 2278

At the request of Mr. EAST, the Senator from Colorado (Mr. ARMSTRONG) was added as a cosponsor of S. 2278, a bill to provide a policy of promoting public sector procurement of goods and services from profitmaking business concerns, and for other purposes.

S. 2420

At the request of Mr. HEINZ, the Senator from Nevada (Mr. CANNON) was added as a cosponsor of S. 2420, a bill to protect victims of crime.

S. 2446

At the request of Mr. SPECTER, the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 2446, a bill to amend the Small Business Act and the act entitled "An Act to amend the Small Business Act and the Small Business Investment Act of 1958," to provide assistance to small business concerns in acquiring procurement information and contracts from the United States.

S. 2526

At the request of Mr. CRANSTON, the Senator from Kentucky (Mr. HUDDLESTON) was added as a cosponsor of S. 2526, a bill to reduce interest rates, control inflation, and insure the availability of credit for productive purposes, and promote economic recovery by extending the Credit Control Act, and for other purposes.

S. 2543

At the request of Mr. NUNN, the Senator from Arizona (Mr. DECONCINI), the Senator from Illinois (Mr. DIXON), the Senator from Nebraska (Mr. EXON), the Senator from Kentucky (Mr. FORD), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Louisiana (Mr. LONG), the Senator from Hawaii (Mr. MATSUNAGA), the Senator from Rhode Island (Mr. PELL), the Senator from Arkansas (Mr. PRYOR), the Senator from Mississippi (Mr. STENNIS), and the Senator from West Virginia (Mr. ROBERT C. BYRD) were added as cosponsors of S. 2543, a bill to improve the effectiveness and efficiency of Federal law enforcement efforts.

SENATE JOINT RESOLUTION 133

At the request of Mr. DECONCINI, the Senator from Vermont (Mr. STAFFORD), and the Senator from Kentucky (Mr. FORD) were added as cosponsors of Senate Joint Resolution 133, a joint resolution to authorize and request the President to designate August 14, 1982, as "National Navajo Code Talkers Day."

SENATE JOINT RESOLUTION 162

At the request of Mr. ROTH, the Senator from Pennsylvania (Mr. HEINZ), the Senator from New York (Mr. MOYNIHAN), the Senator from Oklahoma (Mr. NICKLES), and the Senator from Kansas (Mrs. KASSEBAUM) were added as cosponsors of Senate Joint Resolution 162, a joint resolution to authorize and request the President to designate the week of June 20, 1982, through June 27, 1982, as National Safety in the Workplace Week."

At the request of Mr. THURMOND, his name was added as a cosponsor of Senate Joint Resolution 162, supra.

SENATE JOINT RESOLUTION 183

At the request of Mr. SPECTER, the Senator from Washington (Mr. JACKSON) was added as a cosponsor of Senate Joint Resolution 183, a joint resolution to authorize and request the President to issue a proclamation designating October 19 through October 25, 1982, as "Lupus Awareness Week."

SENATE JOINT RESOLUTION 190

At the request of Mr. THURMOND, his name was added as a cosponsor of Senate Joint Resolution 190, a joint resolution to authorize and request the President to designate "National Family Week."

SENATE CONCURRENT RESOLUTION 73

At the request of Mr. HEINZ, the Senator from New Hampshire (Mr. RUDMAN), and the Senator from Ohio (Mr. METZENBAUM) were added as cosponsors of Senate Concurrent Resolution 73, a concurrent resolution to condemn the Iranian persecution of the Bahai community.

SENATE CONCURRENT RESOLUTION 89

At the request of Mr. GLENN, the Senator from Arizona (Mr. DECONCINI) was added as a cosponsor of Senate Concurrent Resolution 89, a concurrent resolution expressing the sense of Congress that the U.S. Fire Administration should continue to make arson research and training an important and integral part of its mission and continue to support the antiarson and fire safety efforts of States and localities in order to reduce lives and property damage lost by fire and arson.

SENATE RESOLUTION 398—RESOLUTION RELATING TO RADIO INTERFERENCE FROM CUBAN STATIONS

Mr. **JEPSEN** submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES 398

Whereas, AM broadcast stations in the United States, particularly in the southeast, have been receiving illegal radio interference from Cuban stations for over thirteen (13) years; and

Whereas, the Cuban government has recently proposed to construct additional AM broadcast stations, some of which would operate with an effective radiated power of 500 kilowatts; and

Whereas, the highest powered AM stations in the United States operate with an effective radiated power of 50 kilowatts; and

Whereas, the construction of the proposed additional stations by Cuba would result in devastating interference to AM broadcast stations located throughout the United States; and

Whereas, the interference resulting from construction of the proposed Cuban stations would cause damage to both the American public by restricting their ability to receive radio programming they currently enjoy and to AM broadcasters by damaging their ability to earn advertising revenues; and

Whereas, the problem created by Cuban interference does not admit of a single technological solution (American broadcasters cannot simply increase the power with which they broadcast without purchasing new transmitting facilities at great cost); and

Whereas, the problem posed by Cuban radio interference must be called to the attention of the President of the United States and to the members of the United States Senate and House of Representatives so that action can be taken to preserve the technical integrity of AM broadcasting in the United States; now, therefore, be it

Resolved, That it is the sense of the Senate that the President and the Congress should take all necessary and appropriate action to persuade Cuba not to construct new high powered AM broadcast stations that would interfere with AM stations in the United States, or, in the alternative, to pursue legislation authorizing the construction of radio facilities that could be operated so as to cause interference to Cuban radio operations until such time as Cuban AM stations cease interfering with AM stations in the United States.

Mr. **JEPSEN**. Mr. President, I send a resolution to the desk, and ask that it be referred to the appropriate committee.

Mr. President, my resolution underscores the concerns of radio broadcasters both in my home State of Iowa and all across the country. They are concerned that their livelihood and the public service they provide are threatened by what one Defense Department official has been quoted as calling a game of chicken, between the United States and Cuba.

For the past 13 years, AM broadcast stations in the United States have been subjected to interference from high-powered Cuban stations. Now, in response to this country's plans for Radio Marti, Cuba has proposed to construct additional stations which would blanket the United States with radio signals 10 times more powerful than those of our most powerful commercial stations.

I favor Radio Marti because I believe that it is time to tell the truth to the Cuban people, but I think we should take a second look at any plan which would result in the widespread disruption of commercial broadcasting in this country.

I have further concerns over the frequency that has been chosen for Radio Marti. That frequency, 1040 kilohertz, is currently used by WHO Radio in Des Moines. Ironically, WHO is the station that gave Ronald Reagan his start in broadcasting.

If Radio Marti begins broadcasting on 1040 kilohertz, and if the Cubans respond with a jamming station of their own, then the long tradition of public service carried on by WHO would end. WHO's coverage would be reduced from over 1.7 million square miles to less than 6,000 square miles, and the people of the entire Midwest would lose a valuable source of news and weather information. In fact, WHO remains the only source of this vital information in some rural areas.

Mr. President, WHO and many other stations around the country stand to be devastated by what is threatening to become an escalating war of radio signals between the United States and Cuba.

It is time to be firm, yet at the same time, tell our neighbors to the south that we are willing to resolve this problem before it further disrupts radio broadcasting not only in our country, but in theirs as well.

AMENDMENTS SUBMITTED FOR PRINTING

URGENT SUPPLEMENTAL APPROPRIATION, 1982

AMENDMENT NO. 1494

(Ordered to be printed and to lie on the table.)

Mr. **GARN** (for himself and Mr. ARMSTRONG) submitted the following amendment intended to be proposed by them to the bill (H.R. 5922) making urgent supplemental appropriations for the fiscal year ending September 30, 1982, and for other purposes.

AMENDMENT NO. 1495

(Ordered to be printed and to lie on the table.)

Mr. **LUGAR** submitted an amendment to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NO. 1496

(Ordered to be printed and to lie on the table.)

Mr. **CRANSTON** (for himself, Mr. RIEGLE, Mr. BOREN, Mr. EXON, Mr. ROBERT C. BYRD, Mr. MOYNIHAN, Mr. BAUCUS, Mr. BURDICK, Mr. FORD, Mr. HUDDLESTON, AND Mr. LEAHY) submitted an amendment intended to be proposed by them to the bill H.R. 5922, supra.

AMENDMENT NO. 1497

(Ordered to be printed and to lie on the table.)

Mr. **PROXMIRE** submitted an amendment intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NO. 1498

(Ordered to be printed and to lie on the table.)

Mr. **BURDICK** submitted an amendment intended to be proposed by him to the bill H.R. 5922, supra.

NOTICES OF HEARINGS

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. **ROTH**. Mr. President, the Committee on Governmental Affairs will meet on Thursday, May 27, 1982, at 2 p.m., in room 3302 of the Dirksen Building to consider the following bills in a markup session:

S. 2363, the Uniform Relocation Assistance Act Amendments of 1982,

S. 2386, geographic distribution of Federal funds system,

S. 2329, efficiency advisory roundtable for the Advisory Commission on Intergovernmental Relations,

S. 2457, to increase the annual Federal payment to the District of Columbia,

S. 2073, to repeal postal size and weight limitations,

H.R. 3620, transfer of Federal property to the city of Hoboken, N.J.,

H.R. 4569, designating the U.S. Post Office Building in Hartford, Conn., as the William R. Cotter Federal Building.

For further information, please contact Link Hoewing at 224-4751.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON REGIONAL AND COMMUNITY DEVELOPMENT

Mr. **BAKER**. Mr. President, I ask unanimous consent that the Subcommittee on Regional and Community Development, of the Environment and Public Works Committee, be authorized to hold a markup on S. 2144, a bill to extend and phase out the work of the Appalachian Regional Commission, during the session of the Senate at 2 p.m., on Tuesday, May 25.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. **BAKER**. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the Senate on Wednesday, May 26, to hold a markup to consider S. 2036, the jobs training bill.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

PROTECTION OF VICTIMS AND WITNESSES OF CRIME

● Mr. **HEINZ**. Mr. President, on April 22, 1982, I introduced the Omnibus Victims Protection Act of 1982, S. 2420. This bill would help reform the criminal justice system, so that it is more sensitive and responsive to the needs of the victims of crime. Forty of my colleagues in the Senate have joined me in sponsoring this legislation.

A major component of S. 2420 is to strengthen the authority of the Attorney General to protect the victims and witnesses of crime against intimidation and retaliation by the defendant or the defendant's friends and relatives. The ease with which criminals can intimidate honest citizens has undermined the foundation of the criminal justice system and sabotaged the ideal of fairness and justice in our American society. We cannot continue to tolerate this situation.

Attempts to intimidate victims and witnesses to keep them from reporting crimes or testifying in court is a widespread problem. This problem is clearly demonstrated by a recent study by the New York City Victim Service Agency reported on by Joseph P. Fried in the New York Times. I ask that this article be printed in the RECORD.

The article referred to is as follows:

[From the New York Times, May 2, 1982]

INTIMIDATION OF WITNESSES CALLED "WIDESPREAD"

(By Joseph P. Fried)

Attempts to intimidate victims and witnesses to keep them them from reporting crimes or testifying in court is a "widespread problem" and criminal-justice officials are not dealing with it adequately, a study by the New York City Victim Services Agency has found.

The study was based on an 18-month investigation and analysis in which 153 victims and witnesses in various criminal cases in Brooklyn reported efforts to intimidate them. The attempts included physical attacks, verbal threats, vandalism and menacing looks or gestures, according to the 149-page study, which was issued last week. It was based on interviews with victims and witnesses in 1980.

Although all the episodes studied occurred in Brooklyn cases, attempted intimidation of victims and witnesses is "not an isolated phenomenon" but "widespread throughout the country," said Lucy Friedman, executive director of the Victim Services Agency.

While the full extent of such attempts is not known—criminal-justice officials believe many such episodes are never reported—the new study suggests that at least one in 10 victims and witnesses may be the target of intimidation efforts.

The 153 persons in the study who reported having been such targets represented 13 percent of 1,152 victims and witnesses initially interviewed. Those interviewed were involved in cases in the Brooklyn branches of three courts: State Supreme Court, the state's Family Court and the city's Criminal Court.

"There is reason to believe, however," the study says, "that the true rates of witness intimidation in these courts are higher than the rates reported in this study." Yet even the 13 percent is a 'significant proportion," the report says.

The intimidation attempts reported to the interviewers involved cases in which defendants were charged with such crimes as robbery, assault, burglary and rape, according to Liz Connick, a research associate with the Victim Services Agency who wrote the report.

The attempts were made by the defendants themselves, apparently while out on bail, or by their relatives or friends. They occurred in courthouses and police stations as well as in the homes and neighborhoods of the victims and witnesses. Often they were made by telephone. More than 90 percent of the 153 people reporting the attempts were victims and the rest witnesses.

"The most common way" in which victims and witnesses were threatened "was a direct verbal confrontation," according to the report. But in 29 of the 153 cases the attempted intimidation reportedly took the form of property vandalism, threats with a weapon or, in eight of the 29, actual physical attacks.

Most of the people subjected to the intimidation attempts said the incidents "did not affect their willingness to cooperate with the courts," the report said. In fact, the study found, conviction rates in the cases involving the attempts were "similar to overall conviction rates in the three courts" involved.

But the report also said it has "probably underestimated" the extent to which threats deter victims and witnesses from cooperating.

Holding that "greater efforts are needed to combat" intimidation, the study recommended such steps as these:

Existing sanctions against witness tampering should be more frequently applied.

Victims or witnesses should be separated immediately from defendants upon arrest and a separate waiting area should be provided for the victims and witnesses at police stations.

Victims and witnesses who have been threatened or fear retaliation should be helped in entering and leaving courthouses through back or side doors.

Victims and witnesses should be informed whenever defendants are released from cutody, before trial or after case disposition.

Judges should expedite cases in which threats are reported.

The study is available at $15 a copy from the Victim Services Agency, 2 Lafayette Street, New York, N.Y. 10007.

LOVE AND DEVOTION

● Mr. **ARMSTRONG**. Mr. President, our lives are flooded every day with news stories of human failure and disaster which do not fairly reflect the good and generous nature of the American people. Today, I ask to insert in the RECORD a front page lead story from the Sterling Journal Advocate of May 8, 1982.

This northeastern Colorado newspaper gave prominent recognition to June and Ed Tennant of Sterling, Colo., through a story of truly remarkable love and devotion. They have adopted nine children—all of whom were handicapped with cleft palates, harelips, club feet, emphysema or came from a minority background. Through the years, they cured the physical defects through surgery, and the emotional ones with love.

The Tennants have set a superb example for all of us, and their story nurtures the very best qualities that are so abundant in the people of America.

The article follows:

DETERMINATION KEY TO JUNE'S REWARD

(By Delinda Korrey)

Barren may be the medical term to physically describe Mrs. E. E. (June) Tennant, but there is nothing cold or sterile about the love and care she has given her nine adopted children.

And when Mrs. Tennant celebrates Mother's Day, Sunday, she'll be a little more grateful than most parents: it took her 12 years rather than nine months to have her first child.

June and Dr. Edward Tennant were married in March, 1945, and soon after, discovered she would not be able to give birth to any children.

For over 11 years after their marriage, the couple filed over and over again for adoption, but the agencies always found one or two "reasons" why the couple wasn't eligible.

But the Tennant's perseverance never faltered, and in January of 1965, they moved to Sterling with the sole reason of settling down and raising a family here.

Six months later, their prayers were answered with Rebecca.

But Rebecca was different than most babies: no one but the Tennants wanted her—she had two club feet.

From that point on the Tennants were blessed with one child after another.

All of the children they adopted were handicapped with cleft palates, harelips, club feet, emphysema, or came from a minority background.

The Tennants not only cured the physical defects by paying for costly surgery, but the emotional ones by love and tenderness.

Admitting they began adopting handicapped children because they were unable to adopt the healthy, "blue-eyed beauties" everyone else wanted, Mrs. Tennant said she soon discovered "a baby is a baby," and they all need love.

The second little one to become a Tennant was Jimmy, 1½-years-old. The Tennants took Jimmy in quite by accident. Dr. Tennant was the consulting physician for a 3-pound, 4-day old child in Akron, born with emphysema, who the doctor had to rush, by plane, to Denver for emergency surgery.

Several days later, a friend in Denver called asking the Tennants if they were interested in adopting another child. Their new son, it turned out was Jimmy, the doctor's own patient.

Adopted at 6½ months was Kristin who had difficulty with her leg muscles, probably spastic, while 9-year-old David was emotionally disturbed and suffered from generalized eczema.

Sonja, 11, Mark, 10, Barbara, 8, and Amy, a few months old, all suffered from a severe bilateral cleft palate, harelip, facial disfigurement, and a complex dental problem.

Juan, of Mexican-Indian heritage, was adopted to keep Amy company. Both Juan and Amy were "later life" children coming along after June and her husband had decided they would adopt no others.

Both are the only children still living at home.

From drug problems, to dropping out of high school to provide a child parents by marrying young; leaving high school early; or living with someone without a marriage license, the Tennant family, the mother explained, has experienced all the emotions and traumas of a blood-related family. And like others, she added wistfully, "Tears didn't seem to help."

Calling herself "stern but loving," Mrs. Tennant said, "All teens have to find themselves."

And, eventually after "finding themselves," they've done wonderfully, she said. "Love and discipline go hand in hand. Our family is closely knit. We stick up for each other under tension or trauma, or deviation from the norm. As long as we stood behind them, they did okay."

She recalled, "For me, myself, my ethics are often different than my children, but we can't lead their lives for them. If my children are a happy, well-adjusted Christian man or woman, that's as important as anything."

Both the children of ministers, the Tennants have tried to instill a sense of security in their children by teaching the love of God.

She explained, "Being a mother to nine adopted, physically handicapped and three emotionally disturbed foster children (the Tennants housed for short periods three foster children along with their own) I have come to the conclusion that it is more difficult for the adopted child than for the non-adopted to develop a secure self-image.

"He encounters more frustration, more emotional trauma, greater peer pressure, is more conscious of his place in life, and encounters a crisis regarding self-identity in his teen years."

Stressing her children are no different in their desire for love and security, and acceptance, Mrs. Tennant observed, "The only difference is that love must be distributed by the tons to compensate for and help overcome their handicaps. More reassurance is needed, more time allowed for fulfillment, more patience merited; the old adage, 'If at first you don't succeed, try, try again,' is a part of every day living."

Her role as a mother has changed during her 27-year span as a parent—a role that actually never ends.

"For one thing," she explained, her eyes sparkling, "I'm much more relaxed with the two youngest ones.

They teach me more than I can ever teach them. Somedays I would have given them all away, and somedays I think they would have given me away.

"Children are a challenge, but they're well worth it. Nothing teaches us parenthood. We all have to learn. My mother told me, 'Little ones, little problems; big ones, big problems.' And she was right. I hurt when they hurt, and I'm happy when they're happy."

Only one of the nine has decided to meet hers/his physical parents, and one told the Tennants they were the only parents she/he had.

Although most of the children have grown now, and are successful adults raising families of their own, the Tennant clan meets together at least once a year, usually around Christmas.

Sadly, they won't be together this Mother's Day. "A few will make it home," Mrs. Tennant said, "but we'll all be together in June to celebrate my 60th birthday."

Recalling her years as a mother, Mrs. Tennant says, "The very task of taking care of a child tends to make him your own. The task is not easy, but to see the adopted child mature, become stable and use his talents, reaching his potential is rewarding in itself. The first time he calls you Mom and Dad, you know the love is reciprocal and from the heart." Stressing, "We hope we've given them something they wouldn't have gotten otherwise," Mrs. Tennant admits the children have given their parents something they wouldn't have had otherwise.

"They gave us family," she said.●

ADOPT-A-HORSE FEE CONTROVERSY

● Mr. JACKSON. Mr. President, my colleagues are undoubtedly aware of the controversy surrounding the adopt-a-horse program. On Wednesday, May 19, 1982, the New York Times published a letter from Joan R. Blue, president of the American Horse Protection Association, which focuses on the recent increase in the adoption fees imposed by the Bureau of Land Management. Ms. Blue suggests that the fee increase has produced a sharp decline in the number of horses adopted, and that the result is not unintentional. BLM's real aim, in her view, has been to create the need for legislation which would provide an administratively more convenient alternative to the adoption program; namely, a mandate to sell excess horses and burros for commercial purposes.

Mr. President, I commend this letter to my colleagues and ask that it be printed in the RECORD.

[From the New York Times, May 19, 1982]

FROM ADOPT-A-HORSE TO SLAUGHTER A HORSE

To the EDITOR:

We read with interest your Followup on the News item of April 25 concerning the recent price increase in the Adopt-a-Horse program.

The Bureau of Land Management is not an innocent party in the current crisis over unadopted wild horses and burros. Before the adoption fees were raised, nearly all the wild horses removed from the public lands were adopted. The bureau knew this and also knew that the fee increase would cut adoptions in half this year. That means 6,000 animals will have to be destroyed.

The American Horse Protection Association has filed suit against the B.L.M. seeking to enjoin collection of the new fees on the grounds that they are illegally imposed. We are not opposed to an adoption fee—we agree that an adopter should have a financial stake in his animal—but we believe that a $200 fee is far too high. A moderate fee of $100 to $125 would result in a much higher level of adoptions and therefore would probably generate as much revenue as the higher fee.

The real rationale behind the fee increase we believe, was not economics but administrative convenience. The Bureau of Land Management has never been enthusiastic about running the Adopt-a-Horse program; conversations with the operators of satellite adoption centers have convinced us of that. A large population of unadopted wild horses has provided the perfect rationale for the bureau's real goal: the authority to sell horses and burros removed from the public lands.

In 1978, Congress directed the National Academy of Sciences to study a wide variety of questions dealing with the protection and management of wild horses and burros. Those studies are now under way and, although not yet funded adequately, they promise to provide valuable data. However, rather than wait for this information, the B.L.M. prefers to reduce the numbers of wild horses and burros drastically and unnecessarily.

By removing thousands of horses and burros and by making them difficult to adopt, the bureau has created the need for the legislation it wants. And there should be no mistake about the fate of the horses that are sold: the vast majority will go to slaughter.

This solution is not humane, nor is it necessary. We believe the Adopt-a-Horse program can work, and that it will work if the bureau and its Congressional allies will let it.

JOAN R. BLUE,
President, American Horse Protection Association, Washington.
May 4, 1982.●

ENERGY TAX REVENUE

● Mr. ARMSTRONG. Mr. President, today I am cosponsoring Senator MALCOLM WALLOP's legislation, S. 700, that would end the Federal Government's usurpation of energy tax revenue properly belonging to State and local governments.

Here are the details. The Federal Government first taxes the production of oil, through the windfall profits tax, and later taxes oil company profits. Then, on top of that, the Federal Government applies the windfall profits tax to the States' share of the royalty income from Federal leases. It is a double whammy, a classic case of double taxation, and it cost Colorado $2 million of royalty income in just 6 months of 1981 alone.

In 1920, Congress passed the Mineral Leasing Act. That measure imposed a 12.5-percent royalty on minerals extracted from public lands. The act gave the States a 37.5-percent share of that royalty income, which they were to use for public programs such as road construction and maintenance, and funding for local schools. In 1976, Congress increased the State's share from 37.5 percent to 50 percent. That change reflected such thinking. When an area is newly opened for mineral and energy development, State and local governments must provide a vast array of public services. Exploding population growth creates demands for much more than just new schools and roads. New hospitals, better sewers, more fire and police protection, and other new public facilities are necessary as well.

But what did not reflect sound thinking were provisions included in the Windfall Profits Tax Act of 1980. That act undermined the 1976 policy change by taxing the Federal and State share of the mineral royalty, thus reducing the funds returned to the States. In essence, Congress reneged on the commitment it made to the States when it increased their share of royalty income. In fact, according to the Wyoming State auditor, the windfall profits tax actually causes States to receive only about a third of every royalty dollar generated on Federal lands—less than the 37.5 percent share they had prior to 1976.

As though the tax imposed on royalty income were not enough of an insult, the windfall profits tax poses other problems for State and local governments. For example, in calculating the windfall profits tax, a company is allowed to deduct the cost of required State severance taxes. But the company cannot deduct the cost of required local ad valorem taxes. The nondeductible status of these ad valorem taxes is forcing local governments to consider transforming their property taxes into serverance taxes—a difficult process, at best. This situation is also intolerable for energy companies which are forced to pay double tax on their production—both ad valorem and a windfall tax.

The bottom line is this. The Federal Government must stop usurping funds belonging to lower levels of government and abandon its Feds first application of the windfall profits tax. This is not an abstract theory of political science; it is what actually is happening to State and local government, and it is costing them millions of dollars in needed revenues every year.

State and local governments, after all reap no windfall profits. They are not guided by compulsive profitmaking, they do not store up great riches and they do not misallocate their resources. Neither do they seek to distort the public interest; in fact, they much more accurately mirror the public interest than the Federal Government. The windfall profits tax was not designed to tax States, nor should it hamper their determined effort to solve the massive problems that energy development poses for them.

The New Federalism has no meaning if it is not a determination on the part of the Federal Government to give States and local governments the tools to do the job they do best, and then get out of their way.

S. 700, introduced by Senator Malcolm Wallop, is a good place to begin. It will correct the offending and irrational provisions of the windfall profits tax. Specifically, S. 700 amends the windfall profits tax so that:

First. State and Federal mineral royalty income will not be subject to the windfall profit tax.

Second. Local ad valorem taxes will be deductible expenses in calculating the windfall profit tax.

I am pleased to consponsor this important bill. I applaud his leadership in this area, and his efforts to develop a sound, practical solution to a very serious problem.●

THE BOSTON CELTICS

● Mr. TSONGAS. Mr. President, the pulse of the Boston Celtics fans has been beating exuberantly in the past few days. The Celtics have just emerged proud, if not victorious, from the Eastern playoffs of the National Basketball Association. Once again, the Celtics have etched the basketball annals with an example of what excellence is all about.

The playoffs pitted the Celtics against the Philadelphia 76'ers. The rivalry between these two great teams is longstanding and intense. The first four games of the best-of-seven playoffs left the Celtics trailing 3 to 1. But they refused to quit. In exhilarating games, the Celtics fought back to even the series at three games apiece.

That is the mark of a true winner, a team that perseveres in the face of adversity. Last year, the Celtics were the NBA champions. They displayed the kind of class this year that leaves no doubt that the team will be champions again. They are a team deserving of our continued support, for they are a team that is both scrappy and finely tuned, a team that is a joy to their fans.

Though the Celtics lost the crucial seventh game in the playoffs this year, they never lost their poise or fighting spirit. Their stellar performance in recent days is in the long tradition of Celtics excellence.

Mr. President, I extend my congratulations to Harry Mangurian, the Celtics owner; Red Auerbach, president and general manager; Bill Fitch, head coach; and to all the players and supporting staff for their magnificent 1981-1982 season. A season has ended, but Celtics fans can content themselves in knowing that their team will come back with a roar next year.●

MARTIAL LAW AND HUMAN RIGHTS IN TAIWAN

● Mr. KENNEDY. Mr. President, May 20 was the 33d anniversary of the declaration of martial law in Taiwan. Several of my distinguished colleagues and I issued a joint statement calling for an end to martial law and for progress toward restoring individual freedoms and human rights for all the people of Taiwan. I request that the text of our statement and remarks which I made in introducing that statement be included at this point in the Record.

The material follows:

Congressional Statement on Martial Law and on Political Rights and Human Freedoms in Taiwan

On May 20th, the courageous people of Poland will be suffering their 158th day under a hated martial law regime. The President and the Congress have both publicly called for an end to martial law in Poland.

But May 20th will also mark the 12,053rd day of martial law for the people of Taiwan. In both Taiwan and Poland strikes are outlawed, severe restrictions are placed on freedom of speech and association, and civilians are all too frequently hauled before military courts.

What makes the case for an end to martial law on Taiwan, as in Poland, so poignant and compelling is that, in both cases, brave and able citizens have, through years of sacrifice and courageous effort, proved to the whole world that they know how to make a more democratic system work.

The living standards of the people of Taiwan are the envy of much of the developing world. The people of Taiwan, by their hard work and ingenuity, have created an educated citizenry, a relatively prosperous middle-class society, and a respected body of politically able local representatives.

Despite these most admirable achievements, the martial law regime is so feared that Americans of Taiwan descent who have spoken out for democracy, are often too frightened to return to Taiwan, even for the funeral of a beloved parent.

In fact, if the rationale for martial law in Poland is weak, the justification for martial law on Taiwan is weaker. There is no serious threat of a military invasion of Taiwan. Martial law actually weakens the ability of Taiwan to meet the challenges now confronting it. Martial law is used on Taiwan to suppress legitimate political expression. Were Taiwan a more free, open, and democratic society, it would strengthen Taiwan's moral claim to American support.

We are joining together to call for an end to martial law on Taiwan so that the people of Taiwan can enjoy the blessings of freedom and due process to which they are entitled.

Edward M. Kennedy,
Senator,
Claiborne Pell,
Senator,
Stephen J. Solarz,
Congressman,
Jim Leach.
Congressman.

Senator Edward M. Kennedy's Remarks at Press Conference on Taiwan, May 20, 1982

Today marks the 33rd anniversary of the declaration of martial law on Taiwan. That declaration has long outlived its usefulness, and I am pleased to join my distinguished colleagues, Senator Pell, Congressman Solarz and Congressman Leach in issuing a statement today calling for an end to martial law and for progress toward restoring individual freedoms and human rights for all the people of Taiwan. I am also very pleased to announce this morning that Speaker O'Neill has called to ask that I report his own endorsement of our joint statement.

During my years in the Senate, I have spoken out as forcefully as I can against abuses of human rights wherever they occur. I have opposed the serious abuses of those basic rights by the rulers of The People's Republic of China. But one cannot look the other way when such abuses occur on the island of Taiwan.

In Taiwan today, a broad range of basic liberties are denied. Serious restrictions are placed on press and political freedoms. Strikes are outlawed. Political and religious leaders have been subjected to arbitrary arrest and imprisonment. Military tribunals are used for civil cases, and a range of other abuses persist.

Some members of the legislature in Taiwan have had the courage to question these restrictions and have called upon the government to set them aside. But despite these protests, there has been insufficient progress in restoring human rights for the people of Taiwan.

For several years I have persisted in private efforts to alleviate this burden of repression. I have urged the authorities on Taiwan to release the political and religious leaders who were imprisoned after the Kaohsiung incident in 1979, including The Reverend Kao, leader of the Presbyterian Church, and Lin Yi-hsiung, an assemblyman whose mother and two daughters were murdered after his arrest. I have also sought improvements in their prison conditions, and I am informed that the conditions have been improved.

While I welcome these improvements, it is clear that too many citizens are jailed in Taiwan for expressing their political views and defending their human rights. I therefore call on the leadership of Taiwan to take immediate action to release the political and religious prisoners and to improve the human rights situation on the island.

In addition, I urge the authorities on Taiwan to take advantage of the opportunities that are clearly available to broaden participation in the government by all inhabitants of the island. While there have been commendable increases in the proportion of native Taiwanese serving as local officials, a tiny minority of mainland Chinese living on Taiwan retain virtually full control at the national level. A number of legislators have been elected who are not members of the ruling nationalist party, but genuine opposition parties continue to be outlawed on the island. A more broadly-based government founded on respect for human dignity and the preservation of individual liberties offers the best hope for the island's continued stability, well-being and future peace.

The United States is proud of its long and close relationship with those who live on Taiwan. And I am proud of my own role in the Senate as a principal sponsor of the Taiwan Security Resolution in 1979—now part of the law of our land—which was specifically designed to reassure the people of Taiwan about our concern for their security and prosperity and for peace in the area.

Now, as then, our friendship with Taiwan is based on a continued interest in their well-being and on a common belief in freedom and in fundamental human rights. The continuation of political repression blights our mutual interests and friendship. There is no acceptable justification for such repression. A restoration of basic guarantees of individual liberties on Taiwan would contribute immeasurably to the future of the island and to relations between our two peoples. I call on the leaders there to take these actions as soon as possible. The era of martial law on Taiwan must end.●

IN DEFENSE OF A MORAL MAJORITY

● **Mr. DENTON.** Mr. President, in a recent issue of the Farm Bureau News, American Farm Bureau President Robert E. Delano wrote an article which I now share with my colleagues. I ask that the article, titled "In Defense of a Moral Majority", be printed in the RECORD.

The article follows:

[From the Farm Bureau News]

IN DEFENSE OF A MORAL MAJORITY

(By Robert B. Delano)

It is my contention that American citizens—by a vast majority—subscribe to high personal and national standards of conduct in keeping with the finest in Amercian tradition. In this sense, I contend, the average American is part of this country's "moral majority."

It is unfortunate that we have allowed moral idealism to become almost inseparable in the public mind from the political crusades of "moralistic" organizations and individuals.

As a result the basic moral ideals to which most of us subscribe have been under sustained public attack from many quarters. Moral ideals are pictured as outdated, wrong, dangerous and perhaps even un-American.

Of course, the exact opposite is true. This nation's great progress has been built on—and sustained by —basic moral and religious concepts. I am positive that a great American future depends upon successful defense of these ideals.

As early as grade school, I was taught how, because of public ridicule and persecution, the Pilgrims sought a new world in which their moral code—rigid by even the Puritan standards of those times—could be followed freely.

To do this, they came to America across open seas in tiny ships—several of my ancestors among them. The colony barely survived the harsh New England winters and the sicknesses that thinned and weakened its numbers.

The goal of these Pilgrim pioneers was the pursuit of a strong, rigid moral code and the search for a place to establish their own "moral majority" where they could practice their beliefs freely.

There are those who would now have us believe that this is wrong. Liberal writers, broadcasters and politicians have mounted what appears to be a sustained campaign to discredit any firm, religion-based moral code and especially, attempts to use the code in measuring political conduct.

The constancy and vehemence of these attacks stirred the curiosity of researchers S. Robert Lichter of George Washington University, Washington, D.C., and Stanley Rothman of Smith College in Massachusetts.

As part of their continuing work to define the attitudes of Americans considered to occupy "elite" positions, these men studied the religious, moral, political and social attitudes of 240 of the nations top writers, editors and broadcast reporters.

Among their findings: by a vast majority, the people surveyed supported strong liberal beliefs reflecting their own liberal personal lifestyles. Fully half do not have a religious affiliation, and 86 percent of the journalists surveyed do not attend religious services. By nearly the same percentage, these influential people support, work and vote for liberal political candidates.

The research was based on lengthy interviews with top journalists from the three major television networks, United Press International, Associated Press, The Washington Post, New York Times, Wall Street Journal, Newsweek and other news magazines.

The study reveals important media people as the ideological opposites of mainstream Americans and raises many questions about news objectivity or its lack.

What is (and has been) the liberal media impact in casting doubt on the workability of national economic reform? —in molding public opinion against improved national defense? —in urging new taxing and spending proposals? —in supporting more regulations? —in denying the values of private enterprise and in subverting the Christian-based morals we so strongly hold?

These are some of the questions alert Americans need to raise in this election year—a time when all citizens have a moral responsibility to help preserve freedom for future generations by electing candidates who share our fundamental moral and religious beliefs.●

SOVIET AND COMMUNIST ROLE IN ANTINUCLEAR MOVEMENT IN WESTERN EUROPE

● **Mr. EAST.** Mr. President, the movement for a nuclear freeze and indeed the movement against nuclear weapons in general has recently become an issue of much concern in our national media. Despite this attention, I fail to see that the proponents of a freeze or of other antinuclear proposals have attracted very much popular support for their cause. In any event, there have been several recent reports of direct Soviet, East European, or Western Communist involvement in and support for the antinuclear campaign in the West. I would suggest to those Americans who are genuinely concerned over nuclear weapons and the threat of nuclear war that they be extremely careful in choosing which organizations and groups with which to affiliate themselves, since at least some of these may receive the direct or indirect support of the Soviets. Such groups, of course, are not genuinely interested in strategic arms limitations or reductions, in peace, or even in disarmament, except as measures that would benefit the Soviets and the world Communist enterprise.

A recent, well-researched, and well-documented paper that shows the Soviet and Communist role in the antinuclear movement in Western Europe is "Moscow and the Peace Offensive" by Dr. Jeffrey G. Barlow of the Heritage Foundation. Dr. Barlow describes the enormous and well-funded propaganda apparatus of the Soviet Government and Communist Party and discusses the long history of Soviet-promoted "peace activities" around the world. He also shows how Moscow has used and manipulated the peace and antinuclear movements in Western

Europe in recent years to foster an anti-American mentality which serves the interest of the Soviets.

Mr. President, because of the length of Dr. Barlow's paper, I am asking permission that only part of it, dealing with the more recent Soviet propaganda and disinformation efforts, be printed in the CONGRESSIONAL RECORD, but I cannot recommend Dr. Barlow's paper strongly enough, and I urge all my colleagues to obtain a copy of the whole paper and read it as soon as possible.

The paper follows:

THE SOVIET PROPAGANDA CAMPAIGN AGAINST TNF MODERNIZATION: GEARING UP IN 1980

Even as the Soviet Union began readying an extensive propaganda effort against NATO's modernization of its theater nuclear forces in late 1979, Western Europe's communist parties were moving to consolidate their influence on the emerging national peace movements. During the last half of 1979, the Dutch Communist Party, whose "Stop the Neutron Bomb" movement had been so successful the previous year, broadened this effort into a new international campaign—-Stop the Neutron Bomb, Stop the Arms of Mass Destruction"—which could target the new NATO theater nuclear forces plan as well.[15] And in West Germany, the Communist controlled Committee for Peace, Disarmament, and Cooperation staged an International Antiwar Day on September 1 which was supported by a variety of groups, including the Association of German Students, Nature Friend Youth, and local organizations of the Young Socialists and the Catholic and Protestant churches, which were to loom large in the "nonaligned" peace marches two years later.

It became clear by mid-1980 that the Communist Party of the Soviet Union had mastered the primary lesson of the "neutron bomb" campaign: that major participation in the disarmament efforts of the CPSU by pacifist, religious, and ecological groups not directly linked to the USSR could assist significantly in influencing popular and government sentiments in NATO countries on nuclear weapons issues. The CPSU could see that two measures were necessary to ensure such broadly based European support: first, to downplay differences between the CPSU and the non-Communist European Left on all non-germane issues, thereby allowing the Soviets and their European Communist allies to embrace the gamut of European leftist groups in the struggle for "peace"; and second, to manipulate carefully in Europe peace themes and popular fears about the dangers of nuclear war in order to bring into the peace movements such groups as alienated young people who would be otherwise leaderless.

This theme was stressed by Bulgarian state and party leader Todor Zhivkov in his address to the World Parliament of Peoples for Peace, in September 1980:

"We must consider the efforts of social organizations and the masses. I am talking about the activities of the World Peace Council, which is the initiator of our present international meeting, and also about the activities of all peace-loving forces. . . .

"To state this objectively, there is no other social movement capable of joining together dozens and hundreds of millions of people, capable of organizing their efforts. . . . For the sake of this glorious goal we must together find the paths leading toward coordination of the joint initiatives of all peace-loving organizations, movements and forces on a national as well as international scale. . . .

"The role of youths and the intelligentsia is essential in the struggle for peace. . . .

"We are called upon to do everything in our power in order to involve the overwhelming majority of youths in the struggle for peace and happiness. . . ."[16]

The World Peace Council came out of its Sofia meeting determined to push at all levels for the adoption of the Soviet sponsored disarmament initiatives during 1981. Increasing popular support for the various European national peace organizations became the WPC's major priority. As the Council's 1981 "Programme of Action" detailed:

"This programme seeks to make 1981 the year of the decisive offensive of peace forces, to make the 80's the Decade for new victories for peace, for disarmament and detente, for national independence, justice, democracy and social progress. . . .

"The World Peace Council's Programme of Action for 1981 places its main emphasis on common united mass actions by the widest range of forces, campaigns, conferences, seminars and symposia at national levels. It's directed particularly at the strengthening of national and local peace movements."[17]

Communist dominated front organizations were active even then in the anti-TNF modernization effort in West Germany. In November 1980, at the initiative of the German Peace Union (DFU), a long-time Communist front organization, the so-called Krefelder Apell (Krefeld Forum) was promulgated by representatives of the Green Party (Germany's left-leaning ecology party), small trade union groups, the German Communist Party, the German Peace Union, German Evangelical Church groups (particularly the Lutherans), and pacifists and conscientious objectors.[18] The Forum, directed specifically against NATO, called upon the government to reverse its "erroneous and fatal decision" authorizing the stationing of new American theater nuclear weapons on German soil. Among the most prominent participants in the Krefelder Apell were Petra Kelly, leader of the Green Party, Pastor Martin Niemoeller, a well-known German theologian and honorary member of the World Peace Council's Presidium, who had been awarded the Lenin Peace Prize by the Soviet Union in 1967, and Major General (Ret.) Gert Bastian, a former Bundeswehr Division Commander who, since retiring, had participated as one of the "Generals for Peace" in the "peace" work of various World Peace Council front groups.[19] Mainly because of its seemingly non-Communist sponsorship, the Krefeld Forum was to prove very successful during 1981—signatures backing the Forum numbered 20,000 by early January and reached a reported 1.5 million by the end of the year.

THE 1981 CAMPAIGN AGAINST TNF MODERNIZATION

Soviet leaders undoubtedly were heartened to see the various national peace movements gearing up in early 1981 for massive protests against the TNF modernization plan. On January 12, 1981, Pravda looked to the possibility of a "mass movement" against missiles in both the Netherlands and Belgium, and the journal, New Times, noted in two January articles the mass campaigns in Italy and the United Kingdom and the increasing level of protests in West Germany.[20]

Needless to say, having done so much behind the scenes to initiate the anti-NATO activities of these groups, the Soviet Union hastened into public print to deny any connection with these efforts. As TASS commentator Vadim Biryukov proclaimed: "The protest against deployment of nuclear missiles in Europe can by no means be presented as a 'hand of Moscow.' Protest is being voiced by politicians, military men, scientists, trade union leaders, peace champions."

The major Soviet anti-TNF effort for 1981 started in late February, following Brezhnev's "peace offensive" speech to the 26th Soviet Party Congress. He declared that there is "currently no more important task on the international plane for our party, our people and all the peoples of the world than the defense of peace."[21] And although the actual "peace" proposals put forth during the 26th CPSU Congress were really reworked repetitions of older Soviet propsals, Soviet propagandists used them as the basis for their renewed efforts in Western Europe. On March 9, 1981, Soviet ambassadors in the Western European countries presented letters to their host governments from Brezhnev rehashing the proposals in his February speech.[22]

Meanwhile, Soviet "journalists" and "academicians" traveled around Europe providing the CPSU peace propaganda line to Western reporters. One of the most effective of these spokesmen was Georgiy Arbatov, the newly promoted full member of the CPSU Central Committee who is widely viewed in the United States as a shrewd, non-ideological observer of U.S.-Soviet matters. Arbatov's effectiveness as a propagandist and disinformation expert is directly linked to his position as director of the USSR Institute of the United States of America and Canada, an academic research institute subordinate to the Economics Department of the USSR Academy of Sciences. Despite its seeming independence from the formal Soviet propaganda apparatus, the Institute spokesmen who deal with Westerners always place the propaganda value of their comments above other considerations. In addition, the CIA has estimated that some fifteen percent of the identified personnel of the Institute have a current or former intelligence affiliation. Despite this, Arbatov and his colleagues enjoy a measure of credibility with the Western press—even Americans.

Georgiy Arbatov played on two themes in his interviews with Western European reporters—the harmlessness of ongoing Soviet theater nuclear force modernization efforts and the dangers inherent in planned U.S. and NATO efforts to counter them. In a Dutch newspaper interview, Arbatov noted:

"What is the SS-20? A replacement, a modernization of old missiles known in the West as SS-4's and SS-5's. No doubt the new missiles will be a better weapon—I am no military expert—but, their function is no different from that of the outdated missiles and the total number will not increase. It is unfair to say that this gives us something which the other side does not have."[23]

And in a Bonn television interview, Arbatov carefully equated the proposed NATO theater nuclear force modernization effort with the Soviet Union's 1962 emplacement of strategic missiles in Cuba and then hinted darkly about the possible conse-

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quences of following through with the NATO action.[24]

As the Soviet Union's Euromissile propaganda campaign accelerated, the efforts of all cooperating Soviet State organizations increased dramatically. KGB support tactics were used in ways almost certain to lead to exposure, such as what happened in the Netherlands in April 1981. A TASS "correspondent" named Vadim Leonov was accused of espionage and other activities and was expelled by the Dutch government. It turned out that Leonov had boasted, when intoxicated, of his role in manipulating the Dutch peace movement for Moscow. He had told his listener:

"Do you know that all those well meaning people in the Netherlands are being taken for a ride? They believe that the anti-neutron bomb movement and the reaction against the cruise missiles and other NATO activities have grown out of a pure idealism based on compassion for and concern with the fate of one's fellow man and his children. Oh, if those people just knew that everything is taking place according to a blueprint in Moscow, how they are being manipulated by a small group of communist ideologues who receive their instructions through me.

"If Moscow decides that 50,000 demonstrators must take to the streets in the Netherlands, then they take to the streets. Do you know how you can get 50,000 demonstrators at a certain place within a week? A message through my channels is sufficient. Everything is organized with military precision under the leadership of essentially conscientious objectors. I should know because not only am I daily involved with these clandestine activities, I am also one of those who transmit the orders coming in from Moscow."[25]

During 1981, several other such disclosures of direct KGB involvement were made. In October, the Danish government expelled Soviet Embassy Second Secretary Vladimir Merkoulov for subversive activities, after he had paid Danish author Herlov Petersen $2,000 to buy newspaper ads promoting a "Nordic nuclear free zone." Other Merkoulov-Peterson activities apparently included attempting to influence Danish public opinion-makers by treating them to expensive lunches and gifts. Merkoulov had been working with the Cooperation Committee for Peace and Security, a Danish Communist Party front organization with links to the World Peace Council. And in late November, two Soviet diplomats were up for expulsion from Norway because of their subversive activities. One of them, Soviet Embassy First Secretary Stanislaw Chebotok, had offered money to several Norwegians to write letters against nuclear arms to Norwegian newspapers.[26]

But because accounts of these matters were scattered while the press gave overwhelming attention to the nationalist flavor of many of the European peace groups, no public attempt was made to ask whether such covert Soviet activities were but shadows of a larger Soviet influence on the European disarmament movement.

In April 1981, the World Peace Council held its presidential meeting in Havana, Cuba. At the closing session, Romesh Chandra delivered an address which emphasized the role of mass demonstration in thwarting America's TNF modernization plans for Europe. Chandra also asserted at this meeting that the WPC had reached a "compromise with all political forces, with all governments, with all mass movements, with all organizations, with all workers, with the church, with the youth, with the women, with all existing mass movements."

During the spring and summer of 1981, the Soviet Union continued its overt propaganda for the United States to respond to Brezhnev's "generous" peace proposals. In June, in what apparently was intended as a warning to West Germany about the new missiles, Soviet propagandists reversed the previous decade's low-key propaganda line and accused the Germans of returning to "neonazism and revanchism." Obviously, all was not yet lost in the Federal Republic, since peace forces were increasing their strength there. As A. Grigoryants wrote in Izvestiya:

"A mass-based, truly popular movement against 'arms upgrading' is mounting in the FRG. Over 1 million people have already signed the Krefeld appeal calling on the federal government to reverse its agreement to the deployment of U.S. Pershing II missiles and cruise missiles in the FRG. Ferment is growing in both ruling parties. The SPD's major land and district organizations are demanding that their leaders annul the 'arms upgrading' decision".[27]

Later that month, the Supreme Soviet of the USSR released an "Appeal To the Parliaments and Peoples of the World." It "called on the law-making bodies of all countries resolutely to declare for businesslike and honest talks with the aim of preventing a new round of the nuclear arms race."

In July, the CPSU Central Committee sent a message on the problems of peace and disarmament to socialist and social democractic parties throughout Western Europe: "[O]ur appeal to you is based on the belief that remedying the international situation depends not only on the Soviet Union but also on the will of other states and their political parties and movements and on their willingness to make the necessary efforts to safeguard peace." It went on to note that since the socialist and social democratic parties enjoyed influence among the masses and the trade unions, "the way in which the international situation evolves depends in many respects on the social democrats' commitment. . . ."

The news on August 9, 1981, that the United States would produce and stockpile enhanced radiation warheads caused the Soviet Union to revive its anti-"neutron bomb" agitation. A TASS broadcast the same day proclaimed: "The U.S. administration has taken another extremely dangerous step towards the further spiralling of the arms race and enhancing the threat of nuclear war." And a day later Radio Moscow charged: "The proposed production of that most inhuman weapon of mass destruction signals a new step in preparations for a global nuclear holocaust."[28]

In West Germany, Communist Party chief Herbert Mies called on all German citizens to protest the Reagan Administration's "neutron" decision. In Helsinki, the World Peace Council issued a statement condemning the decision as threatening to accelerate the U.S. arms build-up "to the point of no return." On August 14, the Soviet Committee for European Security and Cooperation called the Reagan decision a threat to Europe and acknowledged its support for mass actions by the Western Europeans against this inhuman weapon. And at sessions of the U.N. Disarmament Committee, delegations from the Soviet Union and a number of Eastern European countries, including the German Democratic Republic, Hungary, and Czechoslovakia, introduced a proposal calling for the immediate start of debate on the question of drafting an international convention banning production, stockpiling, deployment, or use of the neutron weapons.

By the end of August 1981, Soviet propagandists and their allies effectively had merged the renewed "neutron bomb" agitation effort with the ongoing campaign against NATO's TNF modernization. This proved especially useful in raising the level of fear in Western Europe about the specter of nuclear war.

The culmination of the Soviet Union's 1981 propaganda efforts was the spectacle of massive national peace demonstrations in European capitals in the fall. Soviet propagandists had been anticipating these mass protests for months, and while they had done much to avoid exposing the range of the USSR's support for these peace demonstrations, they had not hesitated to make good use of the KGB's forgery capability to heighten the atmosphere for such protests.

In country after country during 1981, copies of "top secret" U.S. nuclear plans were conveniently "discovered" and passed on to sympathetic newspaper editors. In February, for example, a package containing a collection of documents purporting to be operational plans for American forces in Europe were mysteriously mailed from Birmingham, England, to a variety of Danish politicians and reporters. These documents described targets in Denmark, which supposedly would be bombed in time of war by U.S. forces. At the beginning of August, the Italian weekly Panorama published extracts ostensibly from two U.S. military directives—Directive 10-1, which related a plan to transfer special U.S. Army nuclear and chemical weapons units to Europe in emergency situations, and Document 100-7, a supposed Headquarters CINCEUR operations plans, which asserted that the decision to use nuclear weapons in the territories of the European NATO allies would be made by the U.S. Command without consulting the Europeans.[29] While in October, Austrian readers were informed of the finding of U.S. Document 77707/10-70 "in a safe" located in the barracks of a military saboteur training school in Bavaria. This document set forth U.S. plans to target Austrian cities and installations for nuclear destruction.[30] Such Soviet forgeries undoubtedly "took in" a good many unwary readers in Western European countries.

In West Germany the peace protests intensified in late summer. On August 29, 1981, a number of demonstrations were held in various areas. At Pirmasens, in the Palatinate, some 5,000 people protested the stockpiling of U.S. chemical weapons in the region. One of the major speakers was Petra Kelly of the Green Party. In Berlin that same day, about 30,000 people rallied against the neutron weapon and NATO's TNF modernization decision. In addition, groups of 3,000 and 1,500, respectively, demonstrated in Bremen and Hanover. These demonstrations were merely preliminaries to the planned major demonstration.

On September 13, Secretary of State Alexander Haig visited Berlin to meet with leaders and to deliver a foreign policy address on the Soviet threat and European relations. Haig's presence in the divided city was used as a pretext for a major disarmament demonstration by the left-wing Young Socialists (Jusos) and some twenty other groups, in-

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cluding the German Communist Party. Planning for the protest had been under the leadership of Jusos chairman, Willy Piecyk. Piecyk had clearly been echoing the Soviet propaganda line when, a few days before Haig arrived, he had remarked to a German reporter that NATO and the United States were steering toward confrontation with the Soviet Union and lowering the threshold of nuclear war by their weapons decisions. The September 13 demonstration by some 50,000 protesters began peacefully but climaxed in rioting in which a small hard-core portion of the participants looted and destroyed property; 251 (police officers and protesters) were injured.

The culmination of the 1981 West German disarmament campaign was for October 10. Organizers for this massive demonstration were chiefly Evangelical Church groups, established disarmament organizations; the German Communist Party, and hundreds of smaller peace, environmental, and Marxist groups.[31] Nevertheless, the FRG's Social Democrat/Free Democrat ruling coalition was most concerned by the participation of left-wing SPD parlimentarians, the most prominent of whom was Erhard Eppler, a member of the SPD Presidium. He announced on September 21 that he would speak at the demonstration and had been sympathetic with the Soviet position on theater nuclear forces for some time. In February 1981 he had told Der Spiegel:

"[I]t was obvious even at the time [when NATO approved TNF modernization] that the U.S. Government would not even dream of entering into serious talks on disarmament of the Eurostrategic weapons. The so-called zero option never existed at any time as far as the Americans were concerned. And now this measure, which was passed off as absolutely necessary for the military balance—whatever you wish to interpret as balance—is being included in a strategy which is no longer aimed at balance but at preponderance."[32]

He had just returned in August 1981 from talks in Moscow with CPSU Central Committee staff members Vadim Zagladin and Valentin Falin asserting that the Soviet Union's SS-20 missiles were not nearly as dangerous as thought in the West. The Soviets were "making intense preparations and they will try to make the best of these [TNF] negotiations" with the United States, even though they doubted that country's good faith.

The planned participation by Eppler and some fifty-eight SPD Bundestag members sparked a sharp vocal reaction from the Schmidt government. On October 2, Peter Corterier, minister of state at the Foreign Ministry, told Bild Am Sonntag that Social Democrats who participated in the so-called peace demonstration would be violating the SPD's irreconcilability resolution which prohibits joint activities with Communists. He went on to say: "Anyone who continues to demonstrate with Communists against the government must ask himself whether he can remain a member of this party." And during the course of a Bundestag debate on the "peace demonstration" on October 9, 1981, Chancellor Schmidt responded: "Unfortunately, it has become quite clear that the organizers—I am referring to the organizers and not to the demonstrators—refused to repudiate a number of supporting communist groups. . . ."

In the end, some 250,000 Germans rallied on October 10 in Bonn, including the large left-wing SPD Bundestag delegation and thousands of rank-and file SPD party members. The participants listened to speeches castigating the German government for agreeing to NATO's decision to modernize its theater nuclear forces and calling on Germany to repudiate its "colonization" by the United States. The demonstration was a major Soviet propaganda victory. Pravda hailed the German anti-missile movement, which it claimed had reached "unparalleled proportions," and noted with evident satisfaction that the demonstration was "a manifestation of an emergent alliance of people who are coming to realize despite all obstacles and difference of their world outlooks, their responsibility for safeguarding world peace." Just the day after the German mass rally, Welt Am Sonntag released news of a recent study by the Federal Office for the Protection of the Constitution ("Security-Endangering Leftwing Extremist Trends in the Struggle for Peace"), which acknowledged that Communist and ecological groups had together drawn up a three-year plan for actions against "counterarming"—a plan that included "resistance actions" against military installations in the Federal Republic.

The peace and disarmament activities in other Western European countries during the summer and fall of 1981 also revealed stage-managing by Communist front organizations. For instance, the largest disarmament demonstration of the summer—the "1981 March for Peace"—consisted of a six-week (late June through early August) "peace walk" from Copenhagen to Paris. It was organized by Women for Peace, a Danish disarmament group claiming to have 500,000 members. The march attracted wide attention in Europe, particularly because many of the participants were colorfully clad young people reminiscent of the "hippies" of the 1960s. What was not revealed at the time, however, was that Women for Peace had strong ties with Denmark's Cooperation Committee for Peace and Security, the largest Communist front group in the country. In fact, the two Danish organizations make little effort to disguise their connection, both sharing the same Copenhagen address in Gothersgade—in a building that had earlier housed the Danish-Cuban Friendship Association.[33]

The mass demonstrations in the fall of 1981 varied in the amount of overt Communist participation—from the marches in Paris and Rome, where goups tied to the national Communist parties were the chief organizers, to the demonstrations in London, Brussels and Amsterdam, where the organizing was done by more broadly based groups.[34] Even in the latter cases, the extensive planning and support of Communist influenced or dominated peace groups was noticeable to informed observers. Despite this clear link to Moscow, the protests received massive, favorable press coverage and had a significant impact on European public opinion.

PRESIDENT REAGAN'S ZERO OPTION

On November 18, 1981, President Ronald Reagan, in part to reassure Europe that the United States was determined to undertake serious arms control negotiations with the Soviet Union, delivered a major address on the American program for peace and arms control. In this speech, the President offered to cancel the planned deployment in Europe of new Pershing II and ground-launched cruise missiles if the Soviet Union agreed to dismantle its SS-20, SS-4 and SS-5 missiles already deployed.

This "zero option" proposal was immediately denounced by the Soviet Union. As Sergey Losey wrote in Izvestiya: "Unfortunately, the point at issue is in fact a propaganda 'cushion' designed to soften the unfavorable political consequences of the line pursued by the United States of starting a fresh steep round in the nuclear missile weapons race. . . ."

And not surprisingly, the leadership of a number of the "independent" European disarmament groups criticized President Reagan's zero option in almost the same words as those used by the Soviets. Britain's Campaign for Nuclear Disarmament (CND) warned that the zero option "was mainly about propaganda and not about disarmament." And the main speakers at the second "Krefeld Forum" were equally villifying in their comments. Josef Weber, for instance, exclaimed that there "is no doubt that with his propaganda coup Reagan intends first and foremost to mislead the peace movement rather than to begin serious negotiations."

In late November, Brezhnev visited West Germany. At a dinner given in his honor by Chancellor Schmidt, Brezhnev set forth the latest version of the USSR's TNF disarmament proposal, aimed at preventing the deployment of U.S. Pershing IIs and cruise missiles. The Soviet leader told his audience:

"To facilitate the dialogue and to create a favourable atmosphere for it, we have put forward this proposal: that while the talks continue, both sides should abstain from deploying new and modernizing the existing medium-range nuclear means in Europe. . . .

"Besides, as we have informed the federal chancellor today, should the other side consent to the moratorium I have just spoken about, the Soviet Union would be prepared not only to discontinue a further deployment of its SS-20 missiles. We would go even further.

"As an act of goodwill, we could unilaterally reduce a part of our medium-range nuclear weapons in the European part of the USSR. . . . This is a new and substantial element in our position."[35]

Here the Soviet leader was attempting to counter the favorable impression made on Western European leaders by Reagan's zero option. Moscow was claiming to have offered a greater concession. Soviet commentaries in the following weeks stressed that Leonid Brezhnev's proposals were the "genuine 'zero option.'"

Despite Soviet statements about its concessisons and the need for balanced negotiating positions, the Soviet leadership continued to depend upon the communists' alliance with the European disarmament movements as the focus of attack against U.S. deployment of the new missiles. In December 1981, International Department Head, Boris Ponomarev, in a speech to an all-union scientific students conference, declared:

"The question of war and peace has advanced into the focus of attention of wide sections of world public opinion. The anti-war movement in Western Europe, and in recent months also in the United States, and a number of other countries reached an unprecedented scale. . . . However, the interests of peoples and the interests of preseving peace call for further deployment of the anit-war movement, since no one has cancelled the U.S. giant military pro-

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grammes or Reagan's decision to manufacture neutron weapons. . . ."[36]

The need for even greater participation in the efforts of the "peace forces" by people of all backgrounds was echoed by the World Peace Council. The Bureau of the WPC Presidential Committee issued a statement following its January 1982 meeting which noted:

"The WPC calls on all peace movements and all peace workers to redouble their efforts to halt the arms race. . . .

"The WPC, as always, stands ready to encourage and support all initiatives along these lines, wherever and whenever they are undertaken, to have dialogue and to cooperate on an equal footing with all other peace forces."[37]

BREZHNEV'S MARCH MORATORIUM

The Soviet Union's most recent overt propaganda initiative was unveiled on March 16, 1982, in a speech by Brezhnev to the 17th Congress of Soviet Trade Unions. He announced a unilateral moratorium "on the development of medium-range nuclear armaments in the European part of the USSR"—freezing the further deployment of SS-20 missiles as "replacements" for the older SS-4s and SS-5s. Brezhnev further stated that the moratorium would stay in force either until the United States and the Soviet Union reached agreement on reducing medium-range missiles or until the U.S. began "practical preparations" for deploying Pershing IIs and GLCMs in Europe.

The thrust of the Soviet proposals was well timed to reinforce the growing support in the United States for a nuclear freeze. And although the Reagan Administration has since pointed out the major strategic inequalities inherent in this all-too-obvious Soviet propaganda ploy, the Brezhnev initiative has been given a more than respectful hearing on both sides of the Atlantic.

As it stands now, the Soviet disarmament campaign directed against NATO's deployment of modernized theater nuclear forces is moving ahead on all fronts. The disarmament movement in West Germany held Easter peace marches in twenty German cities. And the World Peace Council is gearing up its allied "peace forces" for a major push timed to coincide with the U.N. General Assembly's June 7-July 9 Second Special Session Devoted to Disarmament. Clearly, the United States should be attempting to devise a strategy to cope with the increasingly effective mass movement tactics of the Soviet propagandists.

CONCLUSION

Events in the past year demonstrate the effectiveness of the Soviet disarmament propaganda campaign when joined with European peace group efforts. It seems certain that the anti-nuclear sentiment in Western Europe, and now in the United States, will continue to grow unless it is checked by a well-organized counter-effort by the Reagan Administration.

Alerting the European and American publics to the incontrovertible facts of the strategic balance is the vital first step. Soviet propagandists and their allies (witting and unwitting) thrive on the public's ignorance of relative U.S. and USSR military capabilities. Exploiting this ignorance are peace groups on both sides of the Atlantic, which have established firm ties with leaders of the Protestant and Catholic churches and are laying the groundwork for grass-roots campaigns against American nuclear weapons. A massive rally is now scheduled to coincide with the June opening of the U.N. Special Session on Disarmament in New York. The nuclear freeze statements passed recently in several states and in dozens of localities in New England and California testify to the success of the American groups' preliminary organizing efforts.

Blunting the drive of nuclear freeze organizers in this country and of the disarmament movement in Western Europe will require far more than a few speeches by the President and his Secretaries of State and Defense. Needed is an effort at least equivalent to the Carter Administration's SALT-selling campagin of 1979. State, Defense and ACDA must mobilize a corps of speakers to travel to the towns, cities, and campuses across the United States. They must talk to citizens about the realities of the military balance, the questions raised about the Soviet Union's compliance with past arms limitation treaties, and the role that the Soviet propaganda apparatus is playing in the supposedly independent peace movement.

In Western Europe, activities of this sort should be coordinated through NATO and its affiliated public support organizations. It would be extremely useful for NATO delegations to share information concerning the links in their countries between known Communist front groups and the "independent" peace groups. Such data would permit an overall assessment of Soviet influence on the European disarmament movement.

A U.S. effort of this magnitude will prove difficult to organize and will cost more than the several millions of dollars that the Carter Administration spent in its SALT-selling effort, but nothing less than a major drive to counter the disarmament campaign now under way will be effective. Without such an effort, Washington will find itself increasingly hampered in its plans for strengthening U.S. and NATO nuclear deterrent forces. This deterrent offers the best guarantee of the peace that the disarmament movement so passionately desires. It is for this reason that the Soviet propaganda campaign and its coopting of other groups has become a major threat to peace. It is this story that the Reagan Administration must start telling.

FOOTNOTES

[15] C. C. van den Heuvel, "Netherlands," in Yearbook on International Communist Affairs 1980, edited by Richard F. Staar (Stanford: Hoover Institution Press, 1980), p. 192. Another name given to this group is the "Joint Committee—Stop the Neutron Bomb—Stop the Nuclear Armament Race." "Forgery, Disinformation, and Political Operations," Department of State Bulletin, November 1981, p. 54.

[16] "Zhivkov Speaks Before World Peace Parliament in Sofia," Sofia Domestic Service (Bulgaria), in Foreign Broadcast Information Service Daily Report: Eastern Europe, September 24, 1980, pp. C7-C8.

[17] World Peace Council Programme of Action 1981 (Helsinki: World Peace Council, [1980]), pp. 6-7.

[18] West German Chancellor Helmut Schmidt characterized the circumstances surrounding the Krefelder Apell in this way: "regarding the Krefeld peace appeal, it was preformulated by the German Peace Union which is one of the many groups around that are established with strong communist influence. Many people are members of the Peace Union as well as of the Communist Party." Interview with Helmut Schmidt: "Chancellor Schmidt Comments on Peace Movement," ZDF Television Network (Mainz), August 30, 1981, in Foreign Broadcast Information Service Daily Report: Western Europe, September 1, 1981, p. J2. For information on the German Communist Party's influence over German peace organizations such as the German Peace Union, see "Germany: Federal Republic of Germany," in Yearbook on International Communist Affairs 1968, p. 236. The Green Party was not founded as a left-wing party, per se, but was completely taken over by the Left (always a majority of the membership) during the course of its first party conventions, culminating in the one of March 21-23, 1980. See Elizabeth Pond, "Dissension sprouts in West Germany's Green Party," The Christian Science Monitor, March 25, 1980, p. 4. For information on the ecological parties in Western Europe, see J. F. Pilat, Ecological Politics: The Rise of the Green Movement, (The Center for Strategic and International Studies, Georgetown University) The Washington Papers Volume 8, Number 77 (Beverly Hills: Sage Publications, 1980).

[19] Jean Stead, "Western Europe's anti-war fever," The Guardian (London), April 7, 1981, p. 17. For information on Petra Kelly's background, see Roger Berthoud, "Radical 'Greens' alliance hopes to capitalize on provincial success," The Times (London), September 16, 1980; and "The Soviet Peace Offensive," Information Digest, December 25, 1981, pp. 385-386. For information on Martin Niemoeller's receipt of the Lenin Peace Prize, see "Germany: Federal Republic of Germany," in Yearbook on International Communist Affairs 1968, p. 236. For a representative sampling of information on Gert Bastian's disarmament activities, see Christian Potyka, "Attack on the Missile Arsenal," Sueddeutsche Zeitung (Munich), January 9, 1981, p. 3, in Foreign Broadcast Information Service Daily Report: Western Europe, January 12, 1981, p. J3; J. G. Heitink ["The finances of the anti-nuclear arms clubs and their income from abroad"], De Telegraaf, July 29, 1981, p. 9, reprinted in Current News: Foreign Media Edition, October 28, 1981, p. 7; and Charles Austin, "Antinuclear Groups Seeking a Global Network," The New York Times, December 6, 1981, p. 75. The views of Bastian and other former NATO generals and admirals in the "Generals for Peace" group are getting extensive play not only in Germany but also in the USSR, where the Soviet magazine Za Rubezhom has been printing translations of the writings of these retired officers.

[20] "Massive Campaign Heralded Against Euromissiles," Soviet World Outlook, Vol. 6 (February 15, 1981), p. 3.

[21] Quoted in an article in Kommunist by Boris Ponomarev, entitled "The International Significance of the 26th CPSU Congress"; excerpted in Leon Goure and Michael J. Deane, "The Soviet Strategic View: The 26th CPSU Congress and the Soviet 'Peace Campaign,'" Strategic Review, Vol. 9 (Summer 1981), p. 76. For a slightly different translation of the same passage, see Keith Payne, "The Soviet Peace Program," (Hudson Institute) Hudson Communique, Vol 1 (September 1981), p. 1.

[22] "Brezhnev Uses 26th Soviet Congress to Launch Double-Edged Peace Offensive," Soviet World Outlook, March 15, 1981, p. 3.

[23] Paul Brill, "Detent Is Not Dead," De Volkskrant (Amsterdam), March 16, 1981, in Foreign Broadcast Information Service Daily Report: Soviet Union, March 20, 1981, p. G4.

[24] "[Questioner] If individual West European states deploy missiles within the framework of NATO's decision to counterarm, would this entail sanctions from the Soviet side?

"[Arbatov] Oh well, you understand that very serious arms are involved. There is the Pershing II which we can compare—you know with what?—with Soviet missiles stationed in Cuba in 1962. You remember what the reaction of the American's [sic] was at that time.

"[Questioner] Yet, Mr. Arbatov, would that lead to a similar situation as in 1962 in Cuba? The missile crisis?

"[Arbatov] You know, I do not want to talk about that.

"[Questioner] You introduced it yourself.

"[Arbatov] I just want to say that the Soviet Union takes it very, very seriously. It would, therefore, be much better to avoid it. . . . But naturally there will be consequences. Naturally it will aggrevate and spoil the situation in Europe." Arbatov interview, ZDF Television Network (Mainz), March 16, 1981, in Foreign Broadcast Information Service Daily Report: Soviet Union, March 18, 1981, pp. G1-G2.

[25] Quoted in J. G. Heitink, [no article title given], De Telegraaf, July 22, 1981, p. 9, reprinted in Current News: Foreign Media Edition, October 28, 1981, pp. 3-4.

[26] Merkoulov-Petersen: "Soviet Diplomat Expelled for Espionage Activities," AFP (Paris), November 4, 1981, in Foreign Broadcast Information Service Daily Report: Western Europe, November 4, 1981, p. P1; and "The Soviet Peace Offensive," In-

formation Digest, pp. 386-387. For detailed information on the Cooperation Committee for Peace and Security, see John Wagner, Per Nyholm and William Schwarck, "Soviet-Oriented Communism Behind Danish Peace Movements (Part One)," Jyllands-Posten (Denmark), May 17, 1981. Chebotok: "Police Seek Expulsion of Two Soviet Diplomats," Stockholm Domestic Service, November 27, 1981, in Foreign Broadcast Information Service Daily Report: Western Europe, November 30, 1981, p. P1; and Information Digest, p. 387. More recently, on January 22, 1982, the Portugese government expelled two Soviet diplomats—press attache Yuri A. Babiants and attache Mikhail M. Morozov—for "engaging in activities which exceed their diplomatic status," in connection with the January 16 disarmament march in Lisbon. "Disarmament Offensive," Information Disgest, January 29, 1982, pp. 21-22.

[27] A. Grigoryants, "Letter from Bonn: Considering the Lessons of the Past," Izvestiya, June 21, 1981, p. 5, in Foreign Broadcast Information Daily Report: Soviet Union, June 26, 1981, p. AA2.

[28] "Decision 'Open Challenge,' " Moscow World Service, August 10, 1981, in Foreign Broadcast Information Service Daily Report: Soviet Union, August 11, 1981, p. AA2.

[29] " 'Classified Pentagon Documents' Reveal U.S. Plans," TASS, August 6, 1981, in Foreign Broadcast Information Service Daily Report: Soviet Union August 7, 1981, pp. AA4-AA5.

[30] B. Pechnikov, "Notes: When the Secret Comes Out," Komsomolskaya Pravda (Moscow), October 9, 1981, p. 3, in Foreign Broadcast Information Service Daily Report: Soviet Union, October 16, 1981, p. G3.

[31] Disclaimers to the contrary, many experienced German observers saw the fine hand of the communist-dominated German Peace Union behind much of the Evangelical Church's planning activities. German Communist Party (KPD) infiltration of Christian religious organizations had first begun in earnest in the late 1960s, with the formation of a KPD special "friedensbewegung" (Peace Commission). See "Germany: Federal Republic of Germany," in Yearbook on International Communist Affairs 1968, p. 236.

[32] ["SPD Leader Discusses Present State of Party"], Der Spiegel, February 9, 1981, in Foreign Broadcast Information Service Daily Report: Western Europe, February 11, 1981, p. J11.

[33] The two organizations had previously shared quarters at Reventlowsgade 12, Copenhagen, together with the group known as the Association of Democratic Women in Denmark, the Danish Branch of the international Communist front organization, the Women's International Democratic Federation (WIDF). See John Wagner, Per Nyholm and William Schwarck, "Soviet-Oriented Communism Behind Danish Peace Movements (Part Two)," Jyllands-Posten (Denmark), May 23, 1981. For the historical background on the WIDF, see "Women's International Democratic Federation," in Yearbook on International Communist Affairs 1968, pp. 726-728.

[34] In the case of the Paris demonstration, a number of groups, including the trade union CFDT and the Socialist Party, refused to participate because of the organizers' obvious pro-Soviet stance.

[35] "Brezhnev Dinner Speech," TASS, November 23, 1981, in Foreign Broadcast Information Service Daily Report: Soviet Union, November 24, 1981, p. G9.

[36] "Boris Ponomarev About Soviet Peace Initiatives," TASS, December 12, 1981, in Foreign Broadcast Information Service Daily Report: Soviet Union, December 14, 1981, p. AA1.

[37] "WPC Bureau Calls for Negotiations, an End to Arms Race," (World Peace Council) Disarmament Forum, Vol. 1 (January 1982), p. 4. Interestingly, two United States Congressman—Representative John Conyers of Michigan and Representative Gus Savage of Illinois—both members of the Congressional Black Caucus, were active participants in the WPC's Bureau meeting in Copenhagen. See their recorded comments in "WPC Bureau Meeting in Copenhagen Urges: Negotiations, Not Confrontation!" (World Peace Council) Peace Courier, Vol. 13 (January-February 1982), pp. 2-3. In addition, Congressman Savage was one of the honored participants in the Portugese "peace marches" that occurred on January 16, 1982—the same marches over which two Soviet diplomats were expelled from Portugal (see footnote 26). "Portugese Peace Marchers Call for End to Arms Race," Ibid., p. 6.●

KANSAS VIETNAM-ERA VETERANS RECOGNITION DAYS

● Mr. DOLE. Mr. President, after years of neglect and shame, America has finally begun to recognize the men and women who served so honorably during the Vietnam war. Kansans are no exception. Earlier this year the Kansas Legislature enacted House Concurrent Resolution No. 5049 designating this Memorial Day weekend as "Vietnam-Era Veterans Recognition Days." The theme of these recognition days is "this one's for you," and committees have been working for weeks to make the upcoming ceremonies a special time of appreciation.

A current television series is examining the Vietnam war in depth. It vividly portrays the confusion and danger faced by Americans in a war fought halfway around the world. Those of us who fought in World War II experienced some of the same dangers, but we had the full support of the American people. We came home to marching bands and speeches praising our courage. The Vietnam veteran came home to a Nation divided, and for the most part thankless.

But the intervening years have healed many of our Nation's wounds, and the Vietnam veteran is now receiving the praise and appreciation that is rightfully his. As my State prepares to honor its 90,000 Vietnam-era veterans, the Senator from Kansas expresses his thanks and support.●

TAXES AND THE COST OF LENDING MONEY

● Mr. GRASSLEY. Mr. President, conventional explanations for the cause of high interest rates relate mainly to prospects for higher inflation in the future due to huge deficits. These explanations always discuss "the fear factor" contained in current interest rates, or "the unpredictability factor," or "the risk factor," all of which refer to a cost premium attached to lended money.

If large deficits indeed cause interest rates to remain high, then the solution to lower deficits, the argument goes, is simply to reduce the deficit. The absurdity of this logic surfaces when taken to its extreme; i.e., that raising taxes alone to close the deficit would cause interest rates to tumble.

Taxation is definitely a factor in the interest rate equation, but it is seldom given any attention in the debate on a solution to high rates. Nonetheless, the rate of taxation represents part of the cost of lending money. This is explained in an article by George Gilder which appeared in yesterday's Washington Post.

According to Gilder, high interest rates reflect a high tax premium on earned interest. Taking this "tax factor" into account, Gilder argues that real interest rates are nowhere near historic highs, but rather reflect the historic norm.

The significance of this article is that it brings into clear perspective the role of taxes as a component of interest rates. It is particularly significant because there are presently three budget plans before the House of Representatives, all of which increase taxes in an effort to close deficits. Two of the three would increase taxes enough to compel Congress to repeal the third year of the tax cuts, an action which, according the Gilder argument, would raise, not lower, interest rates.

Using Gilder's rationale, an increase in tax rates or a delay in scheduled rate reductions would put upward pressure on interest rates despite having, on paper, "closed deficits." To raise taxes in to raise the cost of lending money. Conversely, one can argue that lower tax rates and the elimination of "bracket creep" would retire proportionately the "tax premium" component of interest rates, as would lower inflation the "inflationary premium."

Mr. President, I ask that this article be printed in the RECORD.

The article follows:

[From the Washington Post, May 24, 1982]

THE BOOM OF THE 1980's

(By George Gilder)

U.S. economic policy currently operates in a house of media mirrors—a gallery of distorting myths and statistical gargoyles—that panic the policy-makers themselves into blind fits of self-defeating behavior. They raise the taxes to fight recession, raid our scarce savings to stimulate the housing industry of the world's most overhoused nation, and ululate over fake data that miss all the dynamics of economic life.

Politicians and editorial writers still talk of "huge tax cuts" on personal income, when in fact, even after the October reductions, 1981 brought an effective 10 percent increase in tax rates for most citizens, as inflation pushed wage earners into higher tax brackets and Social Security hikes continued. The oft-repeated estimate of a $750 billion Reagan tax cut is based on Carter administration fantasies of a revenue boom from a 46 percent increase in tax rates, brought by four more years of bracket creep. But a 46 percent rise in rates would bring a depression, not a boom in Treasury receipts.

These phantom revenues, however, have proven to be President Carter's most valuable legacy to his party. For it is this totally mythological money that is now alleged to have been "given" to the rich through the Reagan tax cuts. But in fact it is only the relatively poor who will pay less taxes in coming years.

Wealthy earners of "unearned" income, who have confronted rates well over 100 percent adjusted for inflation, will see their marginal rates substantially reduced. But the long history of tax cuts demonstrates that the decline in the top rate from 70 percent to 50 percent will actually bring a surge of new tax payments from the rich, as they pay more to the government and less to tax lawyers and accountants. On very conservative assumptions, Michael Evans of Evans

Economics, Inc., estimates a net revenue increase of $3 billion from this source alone in 1982.

The media mythology becomes especially bizarre on the subject of interest rates. A generation of Keynesian economists constructed an imposing edifice of spurious capital theory on the assmuption that interest rates were low during the Great Depression, when, in fact, adjusted for deflation, they were prohibitively high. Now another generation is misleading policy-makers by speaking of today's real interest rates as at a "historic high" when, in fact, adjusted for inflation and taxes, they have long been close to zero for the dominant savers and borrowers.

With an inflation rate of 5 percent, for example, the saver must receive an interest rate of over 14 percent to receive a 2 percent real return after taxes in the 50 percent bracket where most savings occur. Conversely, individuals and corporations borrowing at high tax levels pay relatively low interest rates after inflation and taxes. Thus we punish the supply of funds (personal savings) with exorbitant taxes on false interest; and we reward the demand for this money with an array of subsidies for favored borrowers and with the deductibility of interest costs. The predictable result is a twisted money and bond market that imposes exorbitant rates on all unfavored borrowers in low tax brackets, chiefly unprofitable companies, start-ups and low-income mortgage seekers.

Nor can tax increases in any way relieve our interest rate problem. Increased income tax rates, effected through bracket creep and deferral of the "cuts," will reduce savings virtually dollar for dollar and also repress activity and tax revenues. Tax hikes retard savings four ways: by taxing most heavily the high incomes from which all net personal savings come; by deterring acquisition of further income still more likely to be saved; by taxing interest income at confiscatory rates; and by lowering incomes and savings in the conventional way explained by Keynes.

Thus President Johnson's infamous surtax of 1968-69 destroyed savings, increased inflation and interest rates and brought economic collapse in 1970. President Carter followed the hidden tax hike policy throughout his administration and reduced the federal deficit from almost 4 percent of GNP to under 1 percent by 1979. The result of this triumph over the deficit was a complete collapse of personal savings (to 3.6 percent), soaring inflation, doubled interest rates and a deficit that leaped to $60 billion in 1980. Incredibly enough, the Reagan administration followed this path again in 1981, allowing effective income tax rates to rise in an effort to reduce the deficit produced by Carter's tax hike policies. The result is our current predicament: higher deficits and lower growth.

As this decade of experience shows, tax hikes cause deficits by retarding taxable activity, and then exacerbate their effects on interest rates by extinguishing savings. The resultant recession triggers new welfare and other transfer payments that expand the size of government as a share of GNP, while requiring continual cutbacks in popular government spending programs, all in a politically and economically suicidal austerity package that pleases no one but Pete Domenici and other budget-blinded politicians and economists.

While President Reagan has so far failed to achieve substantial tax cuts, he has prevented the catastrophic bracket creep increases projected by the Carter administration and still sought by his opponents. Thus he has allowed the economy to maintain the highest level of employment in the West (58 percent of the adult population) while accepting more immigrants than any other country and opening the way for dramatic economic gains in coming years.

Beyond the hall of media mirrors—distorting and exaggerating the econometric gloom—U.S. industry is moving, at astonishing speed, toward a new era of high productivity and growth. While the television cameras circle like vultures around the decaying carcass of Detroit, and financial journalists recite false figures of capital formation and productivity that totally miss the productive breakthroughs in energy and electronics, the nation's economy has made a dramatic transition into the long-heralded computer age.

Over the next three years, the U.S. computer industry—led by companies like Apple and Osborne, which scarcely existed three years ago—will probably sell more personal computers than the Big Three auto companies will sell cars. Together with only slightly more modest surges in other revolutionary products, such as Computer Aided Design and Manufacture, and in energy production and conservation, this entrepreneurial achievement is well on the way to solving the world's energy and productivity problems and launching the boom of the 1980s. The current dismay about our economic prospects reflects a morbid preoccupation with nearly meaningless statistics, an obsession with the declining industrial structure of the past, and a blindness to the entrepreneurial future.

(The writer, program director of the Manhattan Institute for Policy Research, is the authority of "Wealth and Poverty.")●

WE MOURN THE PASSING OF A FRIEND

● Mr. PELL. Mr. President, it is always a sad moment in our lives when we hear news of the passing of someone we knew, particularly of a friend of the United States. Robert Dusek was such a friend, who lived in Bratislava, Czechoslovakia, where I established the first American consulate general in 1948. He was a Slovak who loved everything that was American, longing for a day that perhaps would offer him a chance to visit our country, which we all take for granted. At the end of World War II, when our troops entered Czechoslovakia, he managed to see and visit with our GI's. He helped the United Nation's Relief and Rehabilitation Administration (UNRRA) and, being an excellent mechanic, put together a shattered jeep which was his pride and joy for many years to come.

Robert Dusek became a good friend during those turbulent years in 1948 when the country was taken over by the Communists. As a result when the secret police wanted to close down our consulate general, Robert Dusek was one of the first "pawns" used in their effort to build up a case against our office. He was abused and dreadfully mistreated by the secret police.

And he proved to be one of those many unsung heroes who would do almost anything legitimate to help our American diplomatic and consular posts in Communist-dominated countries. Like Robert Dusek, they all suffered for it. In Slovakia, Dusek was arrested with two others who were connected with the consulate general, John Hvasta, and a local citizen, Frank Sporka. All three were sentenced to long terms in prison. In fact, Dusek had to work in the infamous Yachimov uranium mines for over 10 years—exposed to all kinds of radiation.

After his release, he lived in seclusion with his wife and son; but he managed to see his old friend, John Hvasta, just about 6 months ago in Budapest for several days, where John went for a visit.●

A JOY AND A HEARTBEAT

● Mr. MATHIAS. Mr. President, I call my colleagues' attention to a group of young individuals who have generously contributed their time and talent to the disadvantaged citizens of this community—the District of Columbia City Ballet.

In just the past year, this company has performed at nursing homes in the Washington metropolitan area and twice for retired military patients at the Old Soldiers Home. On April 23, 1982, the District of Columbia City Ballet, in coordination with the District of Columbia Department of Recreation, danced for the residents of a number of area nursing homes at the Scharpe School. They came in vans, minibuses and cars, on crutches and in wheelchairs to watch the ballet. This project exemplifies a community at its best—local artists and the District Government working together to produce an artistic achievement that enriches the lives of its citizens.

At a time when many arts organizations have had to compensate for recent budget cuts by limiting their activities, or closing down altogether, this organization, without ever having received one dime from State or local agencies, has managed to scrape together the bare essentials needed to provide hours of joyous entertainment for the elderly and handicapped citizens in the Washington area. The members of the District of Columbia City Ballet work full-time jobs during the day and give up their evenings and weekends to attend classes and rehearsals. Because of the company's limited budget, they are not paid. But these dedicated young artists and company director and choreographer Bernard Spriggs, find their reward in sharing the art they love with our sometimes forgotten citizens who otherwise might never have the opportunity to see a ballet or hear the music of Prokofiev, Bach, or Satie. The Kennedy Center may be out of reach to the citizens confined to nursing homes and hospitals but the District of Columbia City Ballet is not.

In a recent television interview, channel 7's Barbara Semedo asked audience participant Albert Gross to comment on a performance. He replied:

> . . .The ballet was really nice, you know, they really stayed on their toes. The feeling's nice you know. Just a joy and a heartbeat.

"Just a joy and a heartbeat" best describes what this group has given our community, and we are all grateful for their unselfish and very worthy contribution.●

ANNUAL FINANCIAL DISCLOSURE OF SENATOR STAFFORD

● **Mr. STAFFORD.** Mr. President, in each of the last 8 years, I have made public disclosures of my financial holdings, along with summaries of my Federal income tax report.

I have pledged that I would issue a similar report to the citizens of Vermont each year for the remainder of my time in public office.

In keeping with that promise, I am once again issuing a public statement of financial disclosure.

The financial statement shows that my wife, Helen, and I had net assets of $550,000 as of May 1, 1982, when the evaluation was made.

The statement I am making public lists details of our holdings, including bank accounts, cash value of life insurance and Federal retirement fund, real and personal property we own, and stocks and bonds.

The majority of the stocks and bonds listed were owned by us before I entered public office and there has been little real change in our financial conditions in terms of real dollars since I entered public office in Vermont 28 years ago. Like most Americans, the Staffords have felt the impact of inflation.

The summary of our joint Federal income tax return shows that Mrs. Stafford and I had an adjusted gross income last year of $102,000. Of that total, $60,663 came from my salary as a U.S. Senator.

We paid nearly $39,000 in Federal income taxes and more than $8,000 in Vermont State income taxes. Our total tax bill for the year was $47,291—or more than 46 percent of adjusted gross income.

I shall ask that details of our financial statement be printed in the CONGRESSIONAL RECORD, as in the past. And, as I have done in each of the last 8 years, I am making copies of the statement available to newspapers, radio and television stations, and other news services in Vermont.

This information is being made public because I remain convinced that those who serve in Government, as well as Government itself, must be as open and candid as possible with the public.

The net assets of the Staffords increased by $24,000 last, a gain of 4.5 percent that lagged behind the inflation rate. The value of our stock portfolio decreased by $2,000, but we were able to increases our savings by $20,000 and $5,000 was added to my Federal retirement fund.

The bulk of our assets consist of homes in Virginia and Vermont whose estimated total fair market value is $275,000.

One of the best ways Americans have to judge whether their Government and their officials are acting properly is to provide full disclosure of all interests of Government and of those who make decisions in Government.

Thus, I invite all Vermonters—and all other Americans—to examine my financial interests and to match those interests with my record as a public official.

We have made some progress in providing the public with more information about the interests and activities of public officials, but we have some way to go in providing full public disclosure.

I shall continue to support legislation that provides greater ventilation of the way we do business in our Government. In the meantime, I shall continue to make my own full disclosure to my fellow Vermonters.

The material follows:

Summary of 1981 joint Federal income tax return of Robert T. and Helen K. Stafford

Income:	
Salary	$60,662.50
Interest	5,793.28
Dividends	4,089.46
Other	38,614.92
Total income	109,160.16
Adjustments to income:	
Allowable Congressional expenses not reimbursed	3,214.87
Keough plan	3,750.00
Total adjustments to income	6,964.87
Adjusted gross income	102,195.29
Deductions	6,268.71
Exemptions	3,000.00
Taxable income	92,926.58
Federal income tax due and paid	38,883.32

Statement of financial condition of Senator and Mrs. Robert T. Stafford, May 1, 1982

	Value
Savings accounts:	
Bellows Falls Trust Co	$5,000.00
Burlington Federal Savings & Loan	5,000.00
Burlington Savings Bank	5,000.00
The Howard Bank	5,000.00
Rutland Savings Bank	5,000.00
Total	25,000.00
Certificates of deposit:	
Chittenden Trust Co	10,000.00
First Vermont Bank	10,000.00
The Howard Bank	10,000.00
Marble Savings Bank	10,000.00
Proctor Trust Co	10,000.00
Vermont National Bank	10,000.00
Total	60,000.00
Checking accounts:	
First Virginia Bank	694.00
Howard Bank	300.00
Riggs National Bank	6,000.00
Total	6,994.00
Life insurance:	
Connecticut General	
MONY	
NSLI	
NYLIC	
Travelers	
Total	18,194.00
Real estate (estimated market value):	
3541 Devon Drive, Falls Church, Va	125,000.00
27 Howard Avenue, Rutland, Vt	50,000.00
64 Litchfield Avenue, Rutland, Vt	100,000.00
Total	275,000.00
Additional assets:	
Contributions to Federal retirement (Dec. 31, 1981)	66,176.23
Law library and office furniture (27 South Main/Rutland)	2,000.00
Boat and two cars	24,000.00
Personal property	25,000.00
Total	117,176.23
Stocks—name and shares as of Apr. 29, 1982:	
A.T. & T.—100 at 54⅜	5,437.00
Bellows Falls Trust Co.—80 at 60	4,800.00
Cluett Peabody—20 at 15⅝	312.40
Con Edison of New York—100 at 37½	3,750.00
Gillette Co.—20 at 34½	690.00
Greyhound—20 at 14⅜	287.40
Howard Bank—1,172 at 12	14,064.00
International Harvester—20 at 4⅝	92.40
Manufacturers Hanover Trust—664 at 31⅜	20,829.68
Monsanto—40 at 66¾	2,670.00
N. L. Industries—40 at 25⅜	1,014.80
National Distillers—40 at 23⅛	924.80
Outboard Marine—20 at 22½	450.00
Security Pacific Corp.—16 at 32¾	524.00
Time, Inc.—30 at 45	1,350.00
Vendo—10 at 4	40.00
Total	57,236.48
Liabilities:	
National Permanent Federal Savings & Loan Association (First Mortgage, Devon Drive, 12-28-81)	4,490.64
Recapitulation:	
Total assets	559,600.71
Total liabilities	4,490.64
Net assets	
555,110.07●	

MR. JOHN M. WUNDERLEY

● Mr. **HEINZ**. Mr. President, I would like to call to your attention a recent outstanding contribution to adult learning and training by a community leader, Mr. John M. Wunderley. Mr. Wunderley has so often shown deep concern and, more importantly, has produced the necessary hard work to implement ideas which improve life in the McKeesport area.

The McKeesport campus of the Pennsylvania State University has developed a conference learning center to provide ongoing educational programs for the adult population of the Monongahela Valley and southwestern Pennsylvania due primarily to the efforts of John M. Wunderley. As president of the Campus Advisory Board, Mr. Wunderley's insight and understanding of the need for lifelong learning in our rapidly changing society indeed makes him a leader in this field.

I would like to express my appreciation for Mr. Wunderley's concern. Independent citizen leaders like Mr. Wunderley are certainly needed if the United States is to remain a world leader.●

RECESS UNTIL 2 P.M.

The **PRESIDING OFFICER**. Under the previous order, the Senate will now stand in recess until 2 p.m. today.

The Senate, at 12 noon, recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Cohen).

The **PRESIDING OFFICER**. The Chair, in his capacity as the Senator from Maine suggests the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **ARMSTRONG**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

TECHNOLOGY TRANSFER AND THE SOVIET THREAT

Mr. **ARMSTRONG**. Mr. President, in the May 1982 issue of IPO News, Defense Secretary Caspar Weinberger has an insightful article describing how legally and illegally acquired American technology has fueled the Soviet war machine. I commend it to the attention of all Senators.

I ask unanimous consent to have printed in the Record Secretary Weinberger's article, entitled: "Technology Transfer and the Soviet Threat."

There being no objection, the article was ordered to be printed in the Record, as follows:

Technology Transfer and the Soviet Threat

The Soviet Union is undertaking a large-scale effort to improve the technological quality of its huge war-fighting apparatus. The assessment of the Department of Defense and of the Reagan Administration is that this highly coordinated Soviet effort is being carried out at the expense of the Free World by a raid on our technology base.

Soviet leaders have learned that they have access to Western technology both through legal and illegal channels. Under the guise of purchases for benign, civilian objectives, the Soviets have obtained a wide range of equipment critical to their military program. Where they have failed to get what they wanted openly, they have resorted to a well-coordinated, illegal acquisition program.

Until now, the West has failed to respond to this challenge. Our export requirements were too loose. Our enforcement program was lax. Too many loopholes in our international control system persisted. Clear-cut violations of international export laws were forgiven and forgotten. Violators, when they were caught, were either not punished or received only with modest fines.

The result? The Soviet raid on our technology base not only continued—it increased in scope. It is their intent to catch up to the West in industrial, scientific and technological sophistication by using as much of the West's technology base as possible. An important part of our own national defense, as well as the security of our allies and friends around the globe, is the "quality edge" we have enjoyed for many years. This advantage is largely the result of the talent and skill produced by our free enterprise system We have made use of this asset effectively in supporting our national defense programs. It is one of the pillars of our security. The Soviets, too, want to use our technological resources to bolster their huge defense buildup.

From the Soviet point of view, there are immense benefits from exploiting the West's advanced technology base. These benefits to the Soviet include:

Saving billions of dollars by acquiring proven Western technology.

Saving years of research time.

Avoiding mistakes and errors that are costly and time-consuming.

Knowing in advance that new systems will work properly and, alternatively, knowing where to look should a particular project get in trouble.

The list of technology for military use acquired from the West is a long one. It includes high-speed computers used for designing weapons systems, signal processing, command and control and intelligence gathering; semi-conductor manufacturing know-how used to make Soviet weapons more reliable and precise; guidance technology for aircraft, ships, submarines, and missiles; and equipment to improve the Soviet military industrial base—ranging from precision machine tools to process know-how technology.

Much of this has happened because our international control system has broken down. That control system is centered around a voluntary organization called the "coordinating committee," or COCOM (a non-treaty coordinating committee for reviewing strategic exports to Communist countries comprised of the NATO members less Iceland plus Japan). Under COCOM controls, critical goods were legally exported to the Soviet Union. Some examples include:

Western shipbuilding know-how and equipment including dry docks, expanding Soviet naval construction, and repair capabilities.

Heavy vehicle construction plants and plant support facilities giving the Soviets a quantum jump in load durability and reliability and far better mobilization potential. For example, Kama River trucks are used by the Soviet army in Afghanistan.

Western semiconductor and microelectronics know-how, giving the Warsaw Pact an electronics manufacturing system that is operating in support of the military. In addition, modern printed circuit facilities were exported to the Soviet Union.

These legal acquisitions are supported by even more far-reaching illegal acquisitions. For example, only this past summer, millions of dollars' worth of high grade electronic polysilicon were diverted to the Soviet Union to fill military needs. These illegal acquisitions are taking place across a wide front. To give just one example, the Soviet Union illegally acquired IBM 360 and 370 main frame computers from the West. Their objective was to use the IBM computer as the base design of their own Ryad computer series. The Ryad copy was nearly exact, and for a very good reason. They wanted their computers to work with future generations of Western equipment. It is interesting to note the Soviet Ryad computer series uses the same repair manuals as the IBM.

I wish to emphasize that the control of design and manufacturing know-how and the mechanisms that transfer it to Communist countries is vital to the maintenance of U.S. technological superiority. Compared to this, all other considerations are secondary. While applied research or development may be of critical significance for selected areas, it is the design and manufacturing know-how that must impact a nation's military-industrial capability.

An important case in point is in the area of robotics. The Soviet Union is launching a concerted campaign to catch up with the Free World in utilization of industrial robots. The Soviets lag, however, in the technology. Robots are advanced machine tools which can perform precision, simultaneous manufacturing operations of key importance in many areas of military production. Soviet units have difficulty making the precision movements that are demanded of Western units. Perhaps the biggest stumbling block is electronics. The Soviets lag in the development of sophisticated components for robots such as feedback sensors and especially advanced microprocessors. Robotics is an emerging technology which must be controlled. A U.S. proposal to place this technology under explicit COCOM control is expected shortly.

Strategic trade controls within the Western Alliance need to be tightened over a wide spectrum of areas. We have oriented our export control philosophy towards technology-based controls using what has become known as the military critical technology approach. This approach, which is still evolving, gives emphasis to the technical judgments of defense experts from industry, academia and the government. The critical technology approach will expand and clarify export controls, for example, on equipment critical to manufacturing processes, such as large presses, heated dies, and molds used for bonding composite structures. This equipment can be used to manufacture civil as well as military items. Strengthened controls would prevent transfers to the Soviets of such items. We now fully realize that the most effective technology transfer mechanisms are those in which there is intense and continuing contact.

Turnkey factories, licenses with extensive teaching effort, joint ventures, technical exchanges with on-going contact, training in high technology areas, and processing equipment (with sophisticated know-how) are all highly effective transfer mechanisms. These should be subject to tight control when military critical technologies are involved.

To correct the deficiencies in our strategic trade controls, President Reagan took the lead last July at the Ottawa Summit Conference when he appealed to our allies to tighten our international control system. Substantive steps have recently been taken in COCOM to strengthen the multilateral export controls on strategic and high technology transfers to the Soviet bloc. We expect to work closely without COCOM partners in this effort.

This Administration is committed to an all-out effort of preventing the Soviets from acquiring the high technology they need through gaps in our export control system. It is essential, while we improve our own defenses, that we close down Soviet access to the technology they want for their military buildup. At stake is our ability to maintain the balance of power and protect the peace we presently have.

QUESTIONS ABOUT THE SOVIET GAS PIPELINE

Mr. ARMSTRONG. Mr. President, the Wall Street Journal of May 20 carried an excellent article by our colleague, Senator GARN, on its editorial page concerning the Yamal natural gas pipeline and the threat it poses to the Atlantic Alliance. I urge all Senators to ponder carefully the questions Senator GARN raises in the article.

I ask unanimous consent to have printed in the RECORD Senator GARN's article, "Questions About the Soviet Gas Pipeline."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

QUESTIONS ABOUT THE SOVIET GAS PIPELINE

(By Jake Garn)

There are reports that the Reagan administration has decided to soft-pedal its opposition to the proposed Siberian natural gas pipeline and "to view the issue in larger terms." Such a policy actually fails to take account of the "larger" issues—especially from the strategic perspective.

The pipeline project is the largest East-West economic venture in history. It will provide the Soviet Union with a much-needed boost in foreign-exchange earnings, help the Soviets maintain their control over Eastern Europe, bail the Soviets out of serious energy and economic difficulties, expose West European banks to a heightened risk of financial ruin and grant Moscow large-scale economic and political influence over Western European affairs that could sap the vitality from the NATO alliance.

In return, the Western Europeans get the privilege of turning over to the Soviets billions of dollars in technology, goods and equipment, paid for almost entirely by Western loans that are secured by as yet unrealized energy supplies sold at some unknowable market price in the future. All this so that our major allies can become dependent for up to 25% of their natural-gas supplies on the country that didn't hesitate to cut off energy shipments to Yugoslavia in 1948, to Hungary and Israel in 1956, to Czechoslovakia in 1968, and that used its energy leverage over Poland in 1981.

Some Unanswered Queries

This is indeed a curious deal which leaves a number of questions that the pipeline's advocates have not adequately answered:

Just how much is the line going to cost? The Europeans put the price at around $15 billion; but Roger W. Robinson of Chase Manhattan's Eastern European division says the price may be as high as $45 billion when you add up all the support costs. Of course, that's just the pipeline. How much more will the Europeans have to pay to make the line work once it's built? What in the way of follow-up projects will the Soviets be able to coerce or lure the Western Europeans into?

What kind of a market will the gas find once delivered? Assistant Secretary of State Robert Hormats testified that the market for natural gas in Western Europe is already a good deal softer than predicted a few years ago.

Will the Soviets actually be able to pay back their debts to the West as they claim that they will? Huge Russian gold sales attest to the difficulties the USSR is facing from the fall in oil revenues.

How much does Western support of the pipeline contribute to easing the Soviet Union's own energy problems as that country moves from oil to natural gas? The Office of Technology Assessment reports that "shortfalls in gas output would almost certainly be translated into domestic energy shortages, an eventuality that the Soviet economy is not well-equipped to handle." Moreover the lack of Western exports of steel pipe, according to OTA, "would seriously strain the Soviet steel industry," leading to the conclusion that, "failure to increase the gas pipeline network . . . would seriously damage Soviet economic prospects in the present decade."

How much does this Western support aid the Soviets in maintaining their leverage over the Warsaw Pact as Eastern Europe's "company store" for energy? Soviet exports of oil to Eastern Europe have not kept up with demand, forcing East Europeans to look elsewhere for energy supplies. How much will the pipeline and related projects allow the Soviets to resume their energy monopoly in that region?

To what extent will financing the Soviet pipeline reduce capital resources needed to finance the trans-Canadian natural gas pipeline? There are already significant doubts about this question.

Why did it take until just three weeks before Mr. Brezhnev's visit to West Germany for a high-level U.S. delegation to go to Bonn to express our interests on the pipeline project? President Reagan gave the issue priority status back in August. What happened to the follow-up? If the administration is truly opposed to the pipeline, then someone forgot to tell the French about it. Michel Jobert, the French minister of state and external trade, as recently as last month said, "The Americans themselves haven't decided what they are going to do yet."

These questions are not mooted by the signing of the pipeline contracts, because the pipeline is symptomatic of a deeper problem that goes right to the heart of Western security.

Few people in European government circles view the line as important for reasons of energy heed. The Europeans are right when they point out that the Soviet gas is relatively insignificant in terms of gross energy needs (though it would create important sectoral vulnerabilities). The market for natural gas in Europe is already soft and getting softer, and untapped stores of natural gas inside Western Europe could take the place of the Soviet gas. There must be more than energy needs involved to make a huge natural gas exporter like the Netherlands sign up for a share of the Soviets' gas.

There is indeed more to it, and it's not the employment issue, at least not according to what the German government officials have been saying privately. Sales are involved, but not sales merely for business' sake.

The fact is that the Western Europeans face a reality quite different from us. They are physically much closer to the growing military muscle of the Soviet Union. West Germany has 30-plus heavy Soviet divisions massed at its borders. Coupled with this growing fear of Soviet strength is increasing doubt over U.S. military strength and U.S. willingness to use that strength in defense of Western Europe. We see pacifist trends in Europe today, but the Europeans have seen pacifist trends and indecisiveness in the U.S. for the past 15 years. The graceless Vietnam retreat followed by the equivocal policies of the last administration have shaped Europe's perceptions of American toughness. Thus West German "faith" in Soviet energy reliability is actually born of fear and intimidation. That's why alternatives to the Soviet energy package, regardless of how attractive, have gotten a cold reception in Europe.

EUROPE'S APPEASEMENT POLICY

This has given rise to a dangerous policy: a European attempt to pursue a separate detente with the Russians while the U.S. carries the burden of the confrontation that makes such a European policy possible. In international politics that is called appeasement. It did not work for Neville Chamberlain, and it will not work for Helmut Schmidt, but that fact doesn't seem to deter states from trying it when they see themselves as vulnerable and friendless.

What is needed is American leadership clear, direct and determined. That leadership is not shown by soft-pedaling our opposition to appease the Soviet Union.

Determination is measured in sacrifice, real or perceived. Far from being a sacrifice, abandonment of the pipeline project would be a boon to the Europeans. Be that as it may, abandoning—or even suspending—the pipeline would be seen by the Europeans as a major sacrifice, but it would be a clear signal of their extreme disapproval of Soviet policies, particularly in Poland. A comparable American sacrifice would be to totally embargo shipments of U.S. goods to the Soviet Union—with no exceptions. The combined effect on the Soviets would be deep and painful.

Economic embargoes are limited foreign-policy tools. They are effective only when they impose a significantly painful cost that cannot be ameliorated domestically or with another supplier. If the West doesn't help build the pipeline, the Soviets have nowhere else to go. They will have to weigh the benefits of their policies against the costs posed to their own economic development.

That is just the sort of decision the Soviets should be forced to make.

Mr. ARMSTRONG. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. BAKER. Mr. President. I have one unanimous-consent request that I shall put and then I expect to ask the Senate to proceed to the next item of major business.

UNANIMOUS-CONSENT REQUEST

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, May 25, 1982, to consider and act on the following committee business:

S. 2222, S. 2216, S. 2320, S. 585, S. 2189, S. 1739, S. 1880, S. 2297, S. 186, S. 1483, S. J. Res. 162, S. J. Res. 190, S. Res. 387, S. J. Res. 133, and the Omnibus Judgeship bill.

Mr. METZENBAUM. Mr. President, reserving the right to object, would the majority leader be good enough to give us an opportunity to see what those measures are?

Mr. BAKER. I will be happy to do that. It has been cleared on the Senator's side of the aisle.

I will be glad to withhold the request for the time being.

Mr. METZENBAUM. If the majority leader would please.

Mr. BAKER. Yes.

Mr. President, I withdraw the request.

Mr. METZENBAUM. I thank the majority leader.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, may I say for the benefit of Senators what I said earlier today, I expect that we will be on the supplemental appropriations bill for the remainder of this day. I would not expect the day to be extraordinarily late, although we may run something past the 6:30 p.m. recess or adjournment hour. I expect we will be on this bill tomorrow, and there is one other item that we can take up tomorrow if it is agreeable to the minority leader.

Let me put the request at this time first in two parts.

ORDER FOR RECESS UNTIL 8:30 A.M. TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 8:30 a.m. on tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE CONSIDERATION OF S. 2332, THE IEA EXTENSION BILL ON TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent, then, that at 9 a.m. on tomorrow, May 26, the Senate turn to the consideration of Calendar Order No. 557, S. 2332, the IEA extension bill under the time agreement entered into on May 21.

Mr. President, before the Chair agrees to the request, could the Chair state the agreement of May 21?

The PRESIDING OFFICER. The clerk will read the agreement.

The assistant legislative clerk read as follows:

Ordered, That when the Senate proceeds to the consideration of S. 2332 (Order No. 557), a bill to extend the expiration date of section 252 of the Energy Policy and Conservation Act, time on any amendment in the first degree (except an amendment to be offered by the Senator from New Mexico (Mr. Domenici) dealing with strategic petroleum reserve oil, on which there shall be 2 hours) shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill; time on any amendment in the second degree shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill; and time on any debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate shall be limited to 10 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader, or his designee: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of final passage of the said bill, debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the Senator from Idaho (Mr. McClure) and the Senator from Washington (Mr. Jackson), or their designees: *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, appeal, or point of order.

Mr. BAKER. Mr. President, before the Chair grants the request, I understand that the minority leader may have an additional inquiry to make.

Mr. President, I change the unanimous-consent request to read at 9:30 a.m. on Wednesday, May 26, instead of 9 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, has the request been granted?

The PRESIDING OFFICER. It has.

ORDER FOR THE CONSIDERATION OF H.R. 5922 ON TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that after the disposition of S. 2332 under the order just entered, the Senate resume consideration of the urgent supplemental appropriations bill on tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

URGENT SUPPLEMENTAL APPROPRIATIONS, 1982

Mr. BAKER. Mr. President, in accordance with the order entered on last evening, I ask that the Chair lay before the Senate H.R. 5922, the urgent supplemental appropriations bill.

The PRESIDING OFFICER. The clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 5922) making urgent supplemental appropriations for the fiscal year ending September 30, 1982, and for other purposes.

The Senate proceeded to consider the bill.

Mr. ARMSTRONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, on behalf of the Appropriations Committee, I am authorized to modify the bill pending before the Senate, and I send the modification to the desk.

The modification is as follows:

On page 6, line 7, strike all after "employees" through "sex" on line 12.

On page 13, strike lines 15 through 23.

On page 30, strike lines 4 through line 19 on page 32.

On page 33, line 6, strike out all after "positions" through "activities," on line 11.

On page 34, strike out lines 6 through 24.

On page 35, line 8, strike out all after "1389" through "1982" on line 15.

On page 35, strike out lines 20 through line 13 on page 36.

On page 38, strike out lines 1 through line 10 on page 39.

On page 39, strike out lines 13 through line 18.

On page 39, strike out lines 22 through line 14 on page 40.

On page 42, strike out lines 2 through line 6.

On page 42, strike out lines 8 through line 12.

On page 44, strike out lines 21 through line 12 on page 49.

On page 49, strike out lines 20 through line 16 on page 50.

Mr. HATFIELD. Mr. President, the Senate has before it H.R. 5922, Urgent Supplemental Appropriations Bill for fiscal year 1982. I should like to emphasize the urgency of this measure, along with the fact that it falls within the budget totals for this fiscal year which were adopted last week in the concurrent resolution on the budget.

The bill, as reported by the Committee on Appropriations, provides new budget authority of $6.3 billion, along with rescissions of $7.6 billion for a net budget authority total of minus $1.3 billion. While this bill leaves total fiscal year 1982 spending levels $1.9 billion more than was requested by the President, the difference is due primarily to a few large add-on items: $1.0 billion for a new emergency housing program (Lugar bill); $211 million for community service employment for older Americans; $322 million for guaranteed student loans; and $171 million resulting from a reduction in the rescission for the rent supplement program.

Despite these amendments, which I believe can be described as enjoying fairly broad support in the Senate, total spending provided by this bill, when added to that already authorized, will leave $8.7 billion in budget authority and $842 million in outlays remaining under the revised second budget resolution for fiscal year 1982.

Mr. President, aside from these issues of aggregate budgetary impact, this measure contains funding for several very essential Government operations which must promptly be provided to avoid very adverse and costly program disruptions. Perhaps at the top of this list is $81.6 million recommended for the Bureau of Government Financial Operations which is needed to mail out social security, veterans, and railroad retirement checks on June 3. Other critical funding needs are $1.3 billion to maintain the guaranteed student loan program; $2.4 billion to allow continuation of the Environmental Protection Agency wastewater treatment construction grants program; and a number of smaller supplemental appropriations to prevent reductions in force or furloughs of personnel in agencies such as the Bureau of Alcohol, Tobacco, and Firearms; Bureau of Labor Statistics; and the Office of the Inspector General in the Department of Health and Human Services.

Mr. President, unless we take quick action on this measure, it will be virtually impossible to proceed through conference with the House, adoption of the conference report and transmittal to the President before the scheduled recess at the end of this week. I therefore urge that we conclude our consideration of this measure no later than tomorrow and that Senators refrain from offering amendments which can await consideration of the regular spring supplemental which is expected in another month.

Let me emphasize, this is an urgent supplemental, which must be acted upon promptly. The committee has attempted, I believe successfully, to limit inclusion in the bill to only those items which must be provided immediately. Other important but less critical funding requests were either deleted or excluded pending consideration of the regular spring supplemental.

Mr. President, I yield to the Senator from Wisconsin, the ranking minority member of the committee, who, as always, has been most cooperative and helpful in bringing this supplemental bill to the floor.

Mr. PROXMIRE. Mr. President, the urgent supplemental before us today, as reported by the Senate Appropriations Committee, would actually reduce the amount of budget authority currently on the books by $1.3 billion because of assisted housing rescissions totaling $7.6 billion. However, the authority provided remains at approximately $1.9 billion above the President's budget, primarily because of a $1 billion housing production assistance program. Although the program will have a modest impact on outlays in the current year, it will increase outlays significantly in 1983 and the next 3 fiscal years.

On the other hand, while budget authority goes down by $1.3 billion, outlays go up $1.9 billion, primarily due to the fact that the assisted housing rescissions yield very minor outlay savings in fiscal year 1982. The major component of the outlay increase is an appropriation of a bit over $1 billion for food stamps—funds that were requested by the President. In fact, the bill, as reported by the Senate Appropriations Committee increases outlays by a relatively modest $178 million above the President's budget.

Frankly, I believe that an increase of even $178 million in outlays is too much. Given the size of the budget deficit we are confronting in fiscal year 1982—a whopping $117.8 billion—we should be working for reductions in the President's outlay estimates, not increases. This is why I hope that, at the very least, we can avoid further add-ons to this urgent supplemental.

There is a further reason why we should be extremely reluctant to add additional money to the bill. We must pass this legislation in the Senate, take it up in conference, get both Houses to agree to a conference report, and send the bill to the President for his signature this week if we are to avoid some rather unpleasant consequences. For example, without the appropriations contained in the bill, a great many Government employees would have to be furloughed for periods of up to 5 weeks, and payments to approximately 40 airlines due in early June would be delayed, resulting in possible bankruptcies.

Of course, each amendment we add to the bill will further complicate and delay this process and each increase in the amounts appropriated by the bill will further increase the chances of a Presidential veto. I realize that this legislation has gotten the reputation of being urgent in name only, having been reported by the House Appropriations Committee back on March 23. However, at the risk of being compared to the boy who cried wolf, I want to make it clear to my colleagues that we must act to move the legislation very quickly, indeed, if we are to avoid a great many complaints from our constituents over the next 2 weeks. I do not see how we can recess for Memorial Day without taking final action.

NECESSITY FOR HOLDING DOWN SPENDING, INCLUDING PROGRAMS FOR WELFARE, EDUCATION, HEALTH, AND JOBS PROGRAMS

Mr. President, why must we hold down spending in such vital programs of national responsibility as welfare, education, health, and jobs? What argument stands up against our meeting our responsibility in these areas?

Let us forget antispecial interest arguments, forget the immense, explosive increase in spending for these programs, forget the allegations of abuse and fraud in some of these programs; and I will concede the powerful merits of each of these programs. I will agree that the Federal Government carries an inescapable responsibility for all these programs. I will not argue on any of these grounds against these programs. In fact, I would go further.

If we did not suffer a deficit exceeding $100 billion next year, if interest rates were not paralyzing our economy, shoving us into our most serious recession in 40 years, if we were not building a mammoth national debt that will require the Federal Government to spend more than $100 billion each and every year simply to pay interest on the national debt—in brief, if Federal spending had not imposed an absolutely unacceptable burden on this country, then I would favor every one, all, of these programs: If only we could afford them. The sad, cruel fact is that we cannot.

We find ourselves in the sad position of the credit card junkie, the generous big daddy or big mamma who simply cannot say no to the best, most expensive medical care and super education and excellent housing for her or his children. What big daddy wants to do for his kids is great; not only will the kids applaud it, but also, the neighbors and the whole community recognize what a heart of gold big daddy has. He is a great guy: compassionate, concerned. What a family man. The only trouble is he cannot afford what he is doing. He is driving the family into debt. He is destroying his capacity to help the family in the future. Tough as it may be, cruel and heartless as it may seem, he has to learn to say "NO."

Mr. President, we have to learn that same little, magic, two-letter word. How surprisingly difficult it has become after years of solving our problems by simply paying for them whatever the cost! But we have to break that habit. How hard it is! Breaking that habit will require us, as Senators, to look old friends in the face—friends from the health professions, friends devoted to helping the poor, friends who serve as educators, friends who champion useful Federal jobs—the salt of the Earth, wonderful people, and motivated by the help-thy-neighbor philosophy taught us by Jesus. And we must say, "No."

Mr. President, who comes to our committee hearings and our offices urging us not to spend money on these programs? Who makes a coherent, persuasive, case for fiscal prudence and denial of our charitable instinct? No one. I once asked a staff director of the Appropriations Committee, a man who had scheduled witnesses before our big spending committee for 25 years, to tell me how the number of witnesses testifying before the committee in support of spending compared with those opposing spending. His answer: Witnesses urging more spending outnumber those favoring economy by literally 1,000 to 1.

Mr. President, let us not overlook the grim fact we swim in a sea of campaign contributions that may largely determine who serves in this body and who does not. The million-dollar-plus Senate campaign will be the rule in 1982, not the exception. And who contributes these fat amounts? Groups that almost invariably want more money for their special interest or special tax considerations—reducing their taxes and deepening the deficit, or both.

But, somehow, in spite of this immense almost universal presence to spend more and deepen the deficit, we have to find a way to say: "NO!"

Mr. President, I thank my good friend, the manager of the bill, the chairman of the Appropriations Committee, and yield the floor.

Mr. HATFIELD. Mr. President, I yield to the Senator from New Mexico.

Mr. SCHMITT. Mr. President, I would like to inform the Senate of the Appropriations Committee's recommendations for those items in the urgent supplemental bill which fall under the jurisdiction of the Labor-HHS-Education Appropriations Subcommittee.

DEPARTMENT OF LABOR

For the Department of Labor, the committee has provided the language allowing a transfer from the Employment and Training Administration, training assistance account, to—

First, Employment and Training Administration, Program Administration, $8,742,000;

Second, Employment Standards Administration, $4,259,000; and

Third, the Bureau of Labor Statistics, $5,623,000.

In total, the committee is approving a transfer of $18,624,000 within the Department of Labor.

The committee is also recommending, at my request, the addition of $210,572,000 for community service employment for older American. This admendment will provide 9 months of forward funding for this program; forward funding is mandated by recently enacted authorizing legislation. This amendment will add budget authority, but no outlays in fiscal 1982.

The committee also agreed to House bill language in section 204 restoring jurisdiction for inspection of surface stone, sand and gravel operations, as well as surface construction activities to the Mine Safety and Health Administration. I opposed this language, and will support a floor amendment to strike it. As a result of this House provision, the committee has added language in section 214 which was inadvertently struck by section 204, to provide for proper classification of potash mines.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

For the Health Services Administration, the committee has provided a total of $63,580,000 for three programs: $35,600,000 for community health centers, which brings the program to a level of $284 million in fiscal 1982; $24,480,000 for the maternal and child health block grant, for a new total of $372 million; and $3,500,000 for those university affiliate facilities (UAF's) for which termination of funding has been announced.

Within the Health Resources Administration, the committee has added $1 million for the nursing research program. The committee hopes that these funds will be used especially to study the delivery of nursing services to the elderly.

Within the Department of Health and Human Services, the committee has proposed to delete funding added by the House for the work incentives (WIN) program. These funds have not been requested by the administration and are not urgently needed. Moreover, a recent GAO study of the WIN program indicates that claimed savings and program achievements may have been overstated.

The committee has also proposed accepting the House language to transfer $13,941,000 within the Office of Inspector General. Funds for the State medicaid fraud units which would not be obligated, would be shifted to the Inspector General's Office, and would prevent furlough of investigators.

The committee has deleted $23,340,000 added by the House to pay for refugee and entrant assistance. The House added this money to reimburse States which have had trouble implementing recently promulgated refugee regulations which limit reimbursement to States for costs of refugee and entrant cash and medical assistance. These funds were not requested by the administration and are not urgently needed.

DEPARTMENT OF EDUCATION

For guaranteed student loans, the committee is recommending the full $1.3 billion proposed by the House. This is the amount necessary to continue operation of the GSL program, under current law, for the balance of this fiscal year. As the very size of this supplemental indicates, however, it is crucial that Congress act swiftly to contain the rapidly escalating costs of this program by reviewing and revising the GSL authorization.

The committee has deleted $5,808,000 added by the House for Howard University. This money has been requested by the administration to offset the effects of the 4-percent cut made by the continuing resolution. This money is not urgently needed, however, and will be considered in the regular appropriations bill.

To provide funds for the enhanced operation of the Pell grant program, the committee is proposing a supplemental of $6,550,000 for Pell grant processing costs. The House, under departmental management, salaries and expenses, has included $4,650,000; this amount will cover increased costs for Pell grant processing, which the department underestimated in preparing its original fiscal 1982 budget. The additional $1.9 million in the Senate bill would be used to initiate a program to reduce Pell grant error rates by verifying income information supplied by all Pell grant recipients. The Department estimates that this initiative could avoid millions of dollars in erroneous awards.

The committee has recommended inclusion of an amendment for the Department of Education which is also in the House bill, and would allow the College for Human Services in New York to compete for a developing institutions, title III grant. The amendment does not award any funds to this college, but recognizes the college's unique situation, and allows it to compete for title III funds.

RELATED AGENCIES

Last, there are three items in the area of the related agencies under the subcommittee's jurisdiction. The first is an appropriation of $2 million for ACTION; these funds will help the Agency to avoid furloughs and will help prevent disruptions of the older Americans programs. Second, there is a proposed supplemental of $309,000 for the President's Commission for the Study of Ethical Problems in Medicine; these funds have been requested by the administration and will allow the Commission to complete its various studies, and prepare for termination in December 1982. Finally, the committee has added $24,400,000 for the Corporation for Public Broadcasting to increase CPB's advance funding for fiscal 1984 to $130,000,000, the full amount allowed under reconciliation.

I recommend that the Senate agree to the provisions in the Labor-HHS-Education chapter and the general provisions relating to this section.

I yield the floor.

Mr. **PROXMIRE**. Mr. President, funds provided under chapter I of the urgent supplemental appropriation will enable the Department of Education to expand its validation of income information on all Pell grant applications. Essentially, this would involve a requirement that all grant recipients, or their parents, provide a copy of their latest IRS form 1040 along with their application. The Department estimates overawards in the vicinity of $100 million in Pell grants because of erroneous income data reported on these applications.

Funds are also included to cover estimated costs for the guaranteed student loan program for the balance of the fiscal year. Approximately $1 billion of this will be used to pay interest subsidies and special allowances to lenders, as authorized under current law. Without this supplemental appropriation, the Federal Government will incur millions of dollars in penalties for delayed interest payments to lenders. The Appropriations Committee added bill language requiring ratable reductions in the campus-based student aid programs—specifically the supplementary educational opportunity grant and college work/study programs. This provisions will insure fairness in the allocation process and permit States and participating educational institutions to know the amount of funding it will receive for the forthcoming academic year.

The committee also added bill language to assure the completion of the 5-year contracts and grant agreements currently in effect between the National Institute of Education and 17 educational research laboratories and centers located throughout the country. The committee believes such action is necessary to clarify the intent of Congress previously set forth in both Houses during deliberation of the fiscal 1982 budget.

The bill also authorizes the transfer of funds from existing CETA appropriations, which the administration advises it has no plans to utilize, to three salaries and expense accounts within the Department of Labor. This will prevent massive furloughs within the Employment and Training Administration; the Employment Standards Administration; and the Bureau of Labor Statistics.

A similar transfer of funds is also authorized to the Inspector General's Office of the Department of Health and Human Services from moneys currently available for payments to the States for medicaid fraud units. State expenditures for these units, which are matched with Federal funds, are well below the level anticipated last fall. This transfer will prevent a furlough of staff in the Department's Office of Inspector General.

The committee also included bill language to prevent a phaseout of the Public Health Service Commissioned Corps. The committee believes that specific staff decisions regarding the Corps should be made within the Department of Health and Human Services, based on program rationale. The supplemental appropriation authorizes an additional $63.580 million for the following programs: $35,600,000 for community health centers, $24,480,000 for the material and child health block grant, and $3,500,000 for certain university affiliated programs previously funded under title V of the Social Security Act. Bill language is also recommended to assure that projects in rural areas may continue to be funded under the primary care research and development program.

Mr. **LUGAR** addressed the Chair.

Mr. **HATFIELD**. Mr. President, I am happy to yield to the Senator from Indiana.

The **PRESIDING OFFICER** (Mr. SPECTER). The Senator from Indiana is recognized.

Mr. **LUGAR**. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER**. The amendment is not in order unless it is the first committee amendment.

Mr. **HATFIELD**. The committee amendments have to come first, do they not?

The **PRESIDING OFFICER**. They do.

The question now is on the first committee amendment.

Mr. **HATFIELD**. Mr. President, I ask unanimous consent that the remaining committee amendments be considered en bloc.

Mr. **ARMSTRONG** addressed the Chair.

The **PRESIDING OFFICER**. Is there objection?

Mr. **ARMSTRONG**. Mr. President, reserving the right to object, I did not hear the unanimous-consent request of the Senator from Oregon. Could he restate that?

Mr. **HATFIELD**. Yes.

As the Senator recalls we deleted some 34 amendments from the committee print. I am now asking unanimous consent that the remaining committee amendments be considered en bloc.

Mr. **ARMSTRONG**. Mr. President, for reasons which I have discussed privately with the Senator from Oregon and with great regret and reluctance I am constrained to object.

Mr. **HATFIELD**. I wonder if the Senator from Colorado will yield? Will the Senator yield for a question?

Mr. **ARMSTRONG**. I yield for a question.

Mr. **HATFIELD**. Will the Senator agree to a unanimous-consent request that the remaining committee amendments, with the exception of the Lugar amendment or the housing amendment, be considered en bloc?

Mr. **ARMSTRONG**. Mr. President, at this time I do not agree to such a unanimous-consent request. I would certainly at the appropriate time be willing to meet with him to discuss the handling of amendments.

As my friend from Oregon knows, my concern about this bill goes primarily to the housing section and some other sections, but unless we are able to arrive at an understanding about the overall handling of the bill on the floor and in conference, then the Senator from Colorado has little choice but to pursue whatever means may be available, limited though I think they are, to defend his position, and it appears to me that the opportunity to discuss the housing section of the bill in the context of the urgent supplemental is not facilitated by granting such a request.

So reluctantly and with that understanding of my purpose, which is not to hinder his task, I must object to that request.

Mr. **HATFIELD**. I assure the Senator from Colorado I was only attempting to expedite the key part of this bill, getting it into focus and getting it before us, that he is so interested in, and that was the reason for the unanimous-consent request, merely to consider the remaining amendments, the committee amendments with the exception of the housing amendment en bloc, in order to move us to that amendment because I think that is really where the battleline is drawn where the Senator from Colorado has his greatest interest.

Now the Senator has entered his objection. That is all right. But I wish to make sure the Senator understood the purpose behind the unanimous-consent request.

Mr. **ARMSTRONG**. Mr. President, I appreciate that. I am not sure who has the floor. If I may, I wish to make an opening statement.

The **PRESIDING OFFICER**. The Senator from Indiana has the floor but since he has not asserted it, the Chair has not interrupted the colloquy.

Mr. **HATFIELD**. Mr. President, may I inquire of the Chair, I believe the Senator from Indiana has sent an amendment to the desk that is not in order at this time; is that correct?

The **PRESIDING OFFICER**. The Senator is correct. The amendment by the Senator from Indiana has been ruled out of order.

Mr. **HATFIELD**. Mr. President, may I be recognized at this point?

The **PRESIDING OFFICER.** The Senator from Indiana has the floor.

Mr. **LUGAR.** I yield the floor.

Several Senators addressed the Chair.

The **PRESIDING OFFICER.** The Senator from Oregon is recognized.

Mr. **HATFIELD.** Mr. President, then would the next order of business be to take up the first committee amendment?

The **PRESIDING OFFICER.** The question is on the first committee amendment.

Mr. **HATFIELD.** Mr. President, I ask the clerk to read the first committee amendment.

The **PRESIDING OFFICER.** The clerk will state the first committee amendment.

The assistant legislative clerk read as follows:

> On page 2, after line 10, insert the following:
>
> COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS
>
> For an additional amount for "Community service employment for older Americans", $210,572,000.

Mr. **ARMSTRONG** addressed the Chair.

Mr. **HATFIELD.** Mr. President, I yield the floor.

The **PRESIDING OFFICER.** The Senator from Colorado is recognized.

Mr. **HELMS.** Mr. President, will the Senator from Colorado yield so that I may ask one question of the distinguished chairman?

Mr. **ARMSTRONG.** Of course, I am pleased to yield to the Senator from North Carolina while retaining my right to the floor.

Mr. **HELMS.** Of course.

The **PRESIDING OFFICER.** The Senator from North Carolina.

Mr. **HELMS.** Mr. President, I wish to ask Senator HATFIELD a question. I am trying to follow the modifications he sent to the desk.

First of all, I assume that the committee met.

Mr. **HATFIELD.** Yes.

Mr. **HELMS.** I see. Very well.

The fourth modification: on page 33 strike out all after "positions." Which positions is the Senator talking about?

Mr. **HATFIELD.** The beginning of the italics part on line 6 on page 33.

Mr. **HELMS.** Line 6.

Mr. **HATFIELD.** The beginning of the italics.

Mr. **HELMS.** "The limitation on the National Aeronautics and Space Administration's Office of External Relations is increased from 120 full-time permanent positions," and then strike all after through "activities."

Mr. **HATFIELD.** Strike the italicized language.

Mr. **HELMS.** Through the word "activities" on line 11?

Mr. **HATFIELD.** That is correct.

Mr. **HELMS.** I thank the Senator, and I thank the Senator from Colorado.

Mr. **ARMSTRONG.** Mr. President, I shall take a few minutes to explain exactly why I am opposed to the enactment of the urgent supplemental and then prior to losing my right to the floor it is my intention to make a point of order against the bill and ask that the bill be resubmitted to the committee.

Before doing that I wish to spell out that this is not just parliamentary horseplay. As far as I am concerned, there is an urgent reason to defeat the urgent supplemental bill.

The reason is this. First of all, it is a bill that masquerades as one thing when in fact it is quite a bit more. There are some items of supplemental appropriations, some of which by someone's definition might be considered to be urgent. That is a matter which I think is open to dispute. But, for example, of the housing money that is in this bill, some $6.7 billion, there is not 10 cents of it that is regarded as urgent by the administration. There is a portion of it, not all, but a portion of it which has in fact been requested by the administration, but none of it is regarded as urgent and much of it has not been asked for.

Mr. President, let me just tick off for the benefit of any Senator who may not have had a chance to review the remarks I put in the RECORD yesterday, exactly why we are going too fast and why we are making a mistake to act on this bill at this time in this manner.

First, the bill provides $2.2 billion in spending above the level requested by the President.

Second, the bill contains an authorization for an entirely new $5 billion housing subsidy and also provides appropriations under this program of $1 billion to be committed before November 1 this year.

Mr. President, this may be a good idea. I have very grave doubts that it is. There is, however, legislation duly reported by the Banking Committee awaiting action on the calendar of the Senate which is this authorization and the text I believe to be verbatim the language picked up in this urgent supplemental appropriations bill.

It seems to me that there is a threshold question of procedure of whether or not we should be taking up a complicated, new, untested, untried, unproven, unrequested program of this kind under the guise of some hurry-up appropriations bill. I think we should not. The best information I have is this idea, whether you like it or not, only came into existence about 6 weeks ago, in just 6 weeks from conception to introduction to hearing to markup to the calendar and now it is stuck into an urgent supplemental bill, and I suggest to you it is a Trojan horse.

I also wish to make a point that like last week on the floor of the Senate Senators stood up and valiantly and properly stood up to the temptation of adding to the budget resolution enticing amendments which would have added spending for worthwhile and popular programs, and I was one of the Senators who did so. I voted against adding to the veterans appropriation, against adding to the handicapped appropriation, against adding to the vocational education and pollution control, and a lot of other programs that are worthwhile and which under ordinary circumstances I would fight myself to increase because they are good for this country.

The reason I did so and the majority of Senators did so not once or twice but about three dozen times is that we believe there is an overriding national priority to somehow get Federal spending in line with revenues and by doing that getting us on the path to a balanced budget to transmit the kind of signal of fiscal responsibility which will be received on Wall Street and Main Street as the sign that we are getting out of the deficit spending mode and that we are gradually going to get this country's economy under control.

Many of us believe, and with good reason, upon the advice of the best economists in America if we do so we can confidently expect interest rates to fall, and fall quickly, perhaps as much as 3 or 4 points in a couple of months. If that happened, Mr. President, we are going to see a tremendous surge of economic activity in America. We are going to see new houses being built, an increase in the production line volumes of America's automobile manufacturing companies. We are going to see this economy begin to bloom and thrive and grow, and we are going to have a self-sustaining cycle of prosperity.

If we do not, if those interest rates do not come down, if the House does not follow our lead in adopting a responsible budget resolution or if adopting one we then back away from it by passing bills like this and saying to Wall Street and Main Street "We were not really that serious about Federal spending after all," interest rates are not going to come down but are going to go up, just as some of the pessimists have said.

Rates will rise, there will be rising stagnation and rising unemployment. It means we are not going to get out of this mess this country is in. So this proposal on housing subsidies flies in the face of what I believe to be good policy for this country.

Mr. President, I also want to ask Senators to think at a very practical and political level of what they are going to say to their constituents, because last week what we said to people who care about programs for the handicapped, pollution, veterans, national defense, and a lot of other things, "Folks, your programs are good programs, but because of the overriding economic situation we cannot get it into the budget."

How are we going to explain that that is what we did last week, and this week, without any prior authorizing legislation we are going to jump in and authorize at one fell swoop a $5 billion authorization, an appropriation of $1 billion to be spent between now and the day before election in 1982?

It is interesting to note that that is when the money must be committed. Under this program, the money cannot be committed after election day. It has all got to be committed before election day.

Mr. President, I want to point out, too, that housing provision of this bill sets a horrible precedent. How are we going to say "no" to the other buyers and sellers of houses who are not covered by this subsidy provision if we go for it? If we say we are going to subsidize the sale and purchase of new homes, what do we say to the resale market? What do we say to people, some of whom are in just darned near tragic circumstances, who have got to sell their houses, who have been transferred to another city? They cannot move their family until they can get their old house sold, and I am not making up a hypothetical example, but these are facts multiplied a thousand times over.

They are going to come to us for a subsidy and say that it is not fair for us to give it to the housing industry without giving it to them. How are we going to be fair if we say "yes," on the mortgage subsidy provisions in this bill? What do we say to those who need to buy or sell cars, because that is what we are talking about, an employment opportunity?

Somebody believes that this mortgage subsidy is good for employment. If it is going to put people back to work, if you make a subsidy available at 10 percent, and you are going to put people back to work, how do we say "no" to the automobile companies and the unions if we say "yes" to this housing subsidy? How are we going to say no to the people who are on the farms?

Listen, my friends, on the farms of this country there are people whose farms have been owned by the same family and who have tended them for generation after generation. I can cite one case up in Northeast Colorado where a family farm has been in the same ownership for 85 years, and it is facing bankruptcy today because of high interest rates.

Ladies and gentlemen of the Senate, if we go for this mortgage interest subsidy for new homes, how do we say to the farmers and ranchers of this country, who are going under because of high interest rates, we are not going to subsidize their interest rates and, that matter, what are we going to say to Braniff Airlines, which has petitioned, as I understand it, for bankruptcy, or International Harvester, which is teetering on the brink of bankruptcy, and other companies, larger concerns and, I guess, smaller ones, maybe thousands that are in terrible financial shape and who could be saved by a mortgage interest subsidy?

So what do we say to them, I ask my friends of the Senate? My answer is we are going to say "yes" to them, too. Either we are going to have to draw a line in the dust, say that we have a program which is good for America, balancing the budget and getting us on the path of fiscal responsibility and bring interest rates down and do so promptly or we are going to say that we cannot make that program work, and we are going to have to bail out housing and cars and farms, and you name it. The end of that road is financial disaster.

I want to point out, as I did yesterday, that the President of the United States is gravely skeptical of legislation of this kind. He has sent a letter, which I inserted in the Record of yesterday's proceedings, and I hope we will take a long, hard look at it because he makes it clear he is not for bailouts, and he is not going to sign or at least he strongly hints he is not going to sign legislation of this kind.

I guess it is tradition, Mr. President, that the President of the United States never commits himself flatly in advance as to whether or not he is going to veto a bill. But he has come just as close to it in the communications he sent up here to Capitol Hill, his own and those of his closest and best advisers, that this is something he does not like the smell of, and I am just convinced that he will veto it. Maybe he will not. Maybe someone will explain why after writing a letter I put in the Record yesterday that he is going to sign it, but I will wager that he will veto it.

I want to call your attention to a letter from David Stockman which he sent up here, and I quote it in part because I put the whole letter in the Record yesterday. He is talking about H.R. 5922, and he said:

> The Administration opposes the following extraneous provisions of the bill:
>
> The housing bailout plans and the increase, relative to the President's request, of $2.2 billion in FY 1982 budget authority and $543 million in FY 1982 outlays, and
>
> Extraneous language in the bill that would commit the Administration to a 5-year, $1 billion a year housing stimulus program, set minimum budget levels for NASA programs.

He sums up in the following words:

> If extraneous matters remain in H.R. 5922, it would be difficult to recommend that the President approve the bill should it reach his desk.

I guess there is also a tradition that the Director of OMB never says what he is going to recommend, but I will tell you this: I cannot imagine that Dave Stockman is not going to recommend a veto.

I am not too sure whether or not on a matter such as this the President will seek the advice of the Board of Governors of the Federal Reserve, and the Board of Governors' Chairman, Mr. Volcker, has not flatly said he would recommend a veto either. But I put a two-page letter of his under date of March 17 in the Record in which he talks about the general notion of whether or not we ought to try to subsidize interest rates. The upshot of it is that he thinks it is sort of like trying to make water run uphill. It just is not going to work. So I assume he probably will recommend a veto.

You know the bottom line of this whole concept of subsidizing interest rates is this: Are we going to make a program work that will bring down interest rates for everybody or are we going to give up on that and start piecemealing it, ad hocking it, gradually bailing out this industry, then another, and then another, and then another, Mr. President?

During the course of debate on the budget resolution last week, I inserted in the Record of proceedings correspondence I had had with a number of the Nation's most distinguished economists, and I put to them this question: If we adopt a balanced program of budget restraint, that is, of modest tax increases, so-called revenue enhancements, plus some restraint of entitlement programs, and a cap on the appropriations program, and I outlined a scenario very much like that which went through the Senate last week, and which should be adopted by the House this week, if we adopt such a program, what is going to happen to short-term and long-term interest rates? I hope before they decide to vote on this pending housing subsidy mortgage interest bill that my colleagues will go back and read their responses, because uniformly, almost without exception, the economists said if you enact that kind of a program interest rates are coming down, and they are coming down fast.

Finally, Mr. President, before I offer my point of order, I would like to ask my colleagues to consider the very thoughtful observations on this matter which appeared in the New York Times last week, in which they summarized the whole issue so well in the headline, namely, "Will Housing Wreck the Budget?" and then talk at some length about why the housing subsidy bailout bill is not going to work. They addressed head on, that is the editorial writer of the New York Times addressed head on, the argument that somehow this is going to put people back to work. Here is what they said:

> Its defenders argue that the subsidy will create jobs and allow thousands to achieve the dream of homeownership. But parallel arguments can also be made for those who produce steel or simple farm machinery or mine copper or grow wheat. If Congress were prepared to foot the bill it is hard to see how economic recovery can be built on a foundation of Government subsidy.

Then they go on to discuss some other aspects of the bill, and the editorial sums up in these words

> It is easy to understand why the housing industry pushes so hard for help and why Congress lacks the will to resist. It is just as easy in this matter to see why some people believe Government has become the enemy of prosperity.

The notion that somehow 400,000 new units will be built as a result of this subsidy may in fact not be borne out. During the course of the debate on this bill—if, in fact, we are going to continue to debate this at length—I will introduce some survey data and some other information which I think will persuade Senators that, on the contrary, if this program is enacted, up to 85 percent of the units subsidized are units that would have been built anyway.

We are not talking about creating a huge number of jobs, we are talking about creating a few new jobs, at best, and subsidizing a lot of jobs and a lot of houses that were going to get built anyway. This is a bad program we should not enact.

Mr. President, I wanted to make these arguments as a preliminary notion. If we do so, if we are going to go ahead and debate this bill to its conclusion over the next several days, I expect to elaborate on each of these points. I believe the evidence is overwhelming. I believe it is compelling. I believe that over the course of a couple of weeks that I can convince a majority of my colleagues that they would make a mistake to enact any legislation which contains a bailout provision of this kind. But I hope that will not be necessary. I hope that, having taken a bite out of this apple, my colleagues will conclude that it is not tasty and that they will not be disposed to go on and do this.

There are so many reasons why this is the wrong program and the wrong time and the wrong bill. And I say all this by way of introduction, so, as I make my point of order, that there will be no misunderstanding on the part of anybody that I am just playing games and trying to resort to parliamentary tricks.

I feel very deeply about this. This is a program that is bad for America. It is far worse than just the $5 billion it entails. It sets a precedent. Once we get started, I doubt that we can ever get off such a program. So it is for that reason I intend to make a serious effort to defeat it.

Therefore, Mr. President, I make a point of order against the bill on the ground that it violates the provisions of rule XVI, paragraph 2. This rule states:

> The Committee on Appropriations shall not report an appropriation bill containing amendments to such bill proposing new or general legislation or any restriction on the expenditure of the fund appropriated which proposes a limitation not authorized by law if such restriction is to take effect or cease to be effective upon the happening of a contingency, and if an appropriation bill is reported to the Senate containing amendments to such bill proposing new or general legislation or any such restriction, a point of order may be made against the bill, and if the point is sustained, the bill shall be recommitted to the Committee on Appropriations.

Now, Senators know very well that I had intended to make such a point of order earlier. As a result of that knowledge, it is my understanding that the Appropriations Committee has modified their committee amendments by eliminating some 34 amendments which they deemed to be vulnerable to such a point of order.

Just by way of explanation, Mr. President, it is my understanding of the rules that If I make such a point of order someone might rise to suggest the question of germaneness as provided by rule XVI, paragraph 4. But under the precedent, under a precedent which is known informally as the Byrd precedent, it is my understanding that the Presiding Officer, with the advice of the Parliamentarian, must make first a threshold inquiry before he can accept the germaneness defense. He must first look into the bill and determine whether or not there is any House language to which an amendment in question could in fact be considered germane. If he finds that that is not the case, then the matter is not submitted to the Senate but instead the Chair must sustain the point of order.

Now, I am about to state my point of order and the specific portion of the bill which I have in mind, but I want to emphasize two points for the consideration of the Chair. First, I make my point of order under the provisions of rule XVI, paragraph 2, and I make my point of order against the bill. The remedy, should my point of order be sustained, is that the bill is automatically recommitted to the Committee on Appropriations. Second, I reemphasize that in my opinion the defense of germaneness is not appropriate in this circumstance.

The committee, I believe, has sought to find all such instances but has neglected to find at least one which has come to my attention. I would ask the Chair to look with me at the bill, on page 38, beginning at line 12.

If I may beg the Chair's indulgence, I am advised that perhaps the Committee on Appropriations had greater perspicacity than I believed.

Mr. HATFIELD. Will the Senator from Colorado please repeat the section to which he is referring?

Mr. ARMSTRONG. Mr. President, I ask the Chair's indulgence for just a moment. It appears to me, in reviewing the notes of the committee, that I was mistaken in the point I was about to raise. But I would like to raise another one and I will insert that in just a moment.

Mr. HATFIELD. Page 38?

Mr. ARMSTRONG. Yes; the Senator is correct. For the explanation of Members, I received this list not over 60 seconds, maybe only 30 seconds, before the Senator from Oregon began to speak and had not had a chance to review it carefully. So I apologize that I may have been mistaken.

The point of order which I intended to raise on page 38 had to do with the naming of a building.

However, rather than asserting flatly that I have found a potential vulnerable section that the committee has not found, I would like to ask: Has the committee modified—and this is addressed to the Chair—has the committee modified the language that appears in the bill at page 50, line 4? Has that been taken out?

Mr. HATFIELD. On the second page of our modification, that has been stricken.

Mr. ARMSTRONG. I thank the chairman of the Appropriations Committee. How about on page 35, at line 20?

The PRESIDING OFFICER. Will the Senator withhold for a moment?

Page 50, line 4, has been stricken.

Mr. ARMSTRONG. Has been stricken?

The PRESIDING OFFICER. It has.

Mr. ARMSTRONG. I thank the Chair.

How about page 35, line 20?

Mr. HATFIELD. That has been stricken.

The PRESIDING OFFICER. It has been stricken.

Mr. ARMSTRONG. How about page 29, line 17?

The PRESIDING OFFICER. That remains in the committee amendment.

Mr. ARMSTRONG. Mr. President, for the reasons I have stated, with the understanding and caveats and explanations that I have stated, I make a point of order against the bill and ask that it be returned to the Committee on Appropriations on the ground that this portion of the bill is offensive to the rule.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. That is a definition of a new item of appropriation and is not legislation.

Mr. ARMSTRONG. I thank the distinguished Presiding Officer.

The **PRESIDING OFFICER.** The point of order, therefore, is not well taken.

Mr. **ARMSTRONG.** I gathered that that would be the ruling.

Mr. President, as the debate wears on, I shall look for other places in the bill which may be of interest, and I hope everyone will stay tuned.

However, I think the important point is not whether or not all of the 34 instances on which the committee may have been vulnerable to a point of order have been satisfied. The committee thought there were 34 such instances. Maybe I can find the 35th. That is not the main point. The main point is whether it is good policy. And, for the reasons I have stated, I think it is a very poor policy.

I thank the Chair and I thank the chairman of the Appropriations Committee.

The **PRESIDING OFFICER.** The question is on the first committee amendment.

Mr. **BAKER** addressed the Chair.

Mr. **ARMSTRONG** addressed the Chair.

The **PRESIDING OFFICER.** The majority leader.

Mr. **BAKER.** I yield to the Senator from Colorado.

Mr. **ARMSTRONG.** I was going to ask if the chairman of the Appropriations Committee would give us an explanation of the first committee amendment. Specifically, I am wondering if the chairman of the Appropriations Committee could specify the administration's position on this amendment and whether or not it was requested by the administration, and the rationale for including it if it was not.

The **PRESIDING OFFICER.** The Senator from Oregon is recognized.

Mr. **HATFIELD.** Mr. President, I will give the Senator a response to the last part of his question. It was not requested by the administration. It did enjoy widespread support within the committee itself and, therefore, was adopted as a committee amendment.

Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. **HATFIELD.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **HATFIELD.** Mr. President, I yield to the Senator from New Mexico to answer the question posed by the Senator from Colorado.

The **PRESIDING OFFICER.** The Senator from New Mexico is recognized.

Mr. **SCHMITT.** Mr. President, it is my understanding that the Senator from Colorado has raised a question about the provision on page 2, lines 13 and 14, which is an additional amendment relating to community service employment for older Americans.

As the Senator may recall, in last year's continuing resolution which dealt with this item, we were able to obtain some reduction in budget authority by eliliminating the forward year funding that had been previously part of this program. This seemed like a good idea at the time, even though no outlays were affected and no community service employment was affected. The same number of individuals would be served; it just gave us an opportunity to make a one-time savings of budget authority in our overall budget mark. That is not entirely a subterfuge, but one might say that, to some degree, there was that element.

Nevertheless, since that has happened, those served by this program felt as if there were a greater threat to their employment opportunities and the committee began to feel that this change was probably not a good idea, since it posed a psychological threat to the older American community that was interested in this particular program.

The committee amendment does not change anything other than the budget authority number. There is no change in outlays.

Mr. **ARMSTRONG.** Mr. President, I appreciate the explanation of the Senator from New Mexico. I am not disposed to carry this particular part of the discussion very far. I do note that, of course, when we say it is only a budget authority item, that means it is an appropriation and it will someday result in outlays. Whether it results in an outlay during the current fiscal year, budget authority is an appropriation. That is all it is.

Mr. **SCHMITT.** The Senator is correct, but it will not increase outlays. It is over what would have happened had it been maintained as a current year funding program. We are just shifting budget authority annually and not the level of outlays.

We could only reduce fiscal 1983 outlays by eliminating the program. There is no question we could do that. But there has been no sentiment in the committee, in the Senate, or in the House, to eliminate this program. In fact, the sentiment has been just the opposite.

Mr. **ARMSTRONG.** Mr. President, I am not sure I entirely understand the Senator's point. I am not disposed to carry it too far. But in the light of that, how come the administration did not know that? How come they did not ask for the $210 million?

Mr. **SCHMITT.** Mr. President, I suspect they did not believe it is urgent. It is a political matter. It is of great interest to this older American community. As a matter of fact, the administration has proposed consolidation of this program within a block grant, which has not been approved. This is a bookkeeping thing, a one-time-only saving in budget authority because the budgeting previously has been forward-funded.

Mr. **ARMSTRONG.** Mr. President, I am grateful to the Senator from New Mexico for the information he has given. I should like to reflect on what he has said to consider whether or not I wish to consider this item or what I wish to do. Before doing so, I should like to turn to the game of hide-and-seek.

The committee has sought to hide within the bill a number of items that may be open to a point of order. I have been seeking and I think I have found one. So, under the same rubric that I have previously presented, I make a point of order against the bill on the grounds that it violates the provisions of rule XVI, paragraph 2.

Rather than repeating all of the explanatory remarks I have made previously, let me adopt them by reference and direct the attention of the Chair to page 49, that part of the bill which begins at line 13, which says:

> Notwithstanding any provision of this or any other Act, none of the funds appropriated for the Department of Labor, Mine Safety and Health Administration, shall be used to classify a mine in the potash industry as gassy based upon air samples containing concentrations of methane gas, unless such classification standard has been adopted through formal rulemaking on or after November 5, 1981.

Mr. President, I have not the faintest idea what that means, but it does appear to me that it is violative of paragraph 2 of rule XVI. Therefore, I do make a point of order against the bill and ask that the Chair recommit the bill to the Committee on Appropriations.

Mr. **HATFIELD.** Mr. President, I raise the defense of germaneness, that section 214 is germane to section 204.

The **PRESIDING OFFICER.** Under the precedents of the Senate, specifically one of March 24, 1954, a point of order under paragraph 2 of rule XVI is subject to a defense of germaneness. As Senator Richard Russell said in 1950: "We certainly have a right to amend a House legislative provision which comes to the Senate."

On the basis of those precedents, the Chair submits to the Senate the question, Is the amendment germane? All those in favor, say aye; opposed, nay.

The ayes appear to have it. The ayes have it. The point of order falls.

Mr. **BAKER.** Mr. President, I move to reconsider the vote by which the point of order fell.

Mr. **HATFIELD.** I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The **PRESIDING OFFICER.** The question now recurs on the first committee amendment.

UP AMENDMENT NO. 1000

Mr. ARMSTRONG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The amendment will be stated.

The legislative clerk read as follows:

The Senator from Colorado (Mr. ARMSTRONG) proposes an unprinted amendment numbered 1000.

Mr. ARMSTRONG. Mr. President, I send the balance of the amendment to the desk at this time.

Mr. President, in deference to the clerk, I ask unanimous consent that the reading of the remainder of the amendment be dispensed with.

The **PRESIDING OFFICER** (Mr. EAST). Without objection, it is so ordered.

The amendment is as follows:

And at the end of the first committee amendment the following: *Provided*, That, notwithstanding any other provisions of law of of this Act, none of the funds appropriated by this Act may be used for enforcement of the Davis-Bacon Act (40 U.S.C. 276) or for enforcement of the following statutes related to the Davis-Bacon Act:

"1. Federal-Aid Highway Act of 1956 (sec. 108(b), 70 Stat. 378, recodified at 72 Stat. 895; 23 U.S.C. 113(a), as amended), see particularly the amendments in the Federal-Aid Highway Act of 1968 (Public Law 90-495, 62 Stat. 815).

"2. National Housing Act (sec. 212 added to c. 847, 48 Stat. 1246 by sec. 14, 53 Stat. 807, 12 U.S.C. 1715c) and repeatedly amended.

"3. Federal Airport Act (sec. 15, 60 Stat. 178; 49 U.S.C. 1114(b)).

"4. Housing Act of 1949 (sec. 109, 63 Stat. 419, as amended 42 U.S.C. 1459).

"5. School Survey and Construction Act of 1950 (sec. 101, 72 Stat. 551, 20 U.S.C. 636(b) (1) (E), Public Law 85-620).

"6. Defense Housing and Community Facilities and Services Act of 1951 (sec. 310, 65 Stat. 307, 42 U.S.C. 15921).

"7. U.S. Housing Act of 1937 (sec. 16, 50 Stat. 896, as amended, 42 U.S.C. 1416).

"8. Federal Civil Defense Act of 1950 (sec. 3(c), 72 Stat. 533; 50 U.S.C. App. 2281, Public Law 85-606).

"9. Health Professions Educational Assistance Act of 1963 (sec. 2(a), 77 Stat. 164; 42 U.S.C. 292d (c) (4) and 42 U.S.C. 293a(c)(5), Public Law 88-129).

"10. Mental Retardation Facilities Construction Act (sec. 101, 122, 135; 77 Stat. 282, 284, 288, 41 U.S.C. 295(a)(2)(D), 2662(5), 2675(a)(5), Public Law 88-164).

"11. Community Mental Health Centers Act (sec). 205, 77 Stat. 292; 42 U.S.C. 2685(a)(5), Public Law 88-164).

"12. Higher Educational Facilities Act of 1963 (sec. 403, 77 Stat. 379; 20 U.S.C. 753, Public Law 88-204).

"13. Vocational Educational Act of 1963 (sec. 7, 77 Stat. 408; 20 U.S.C. 35f, Public Law 88-210).

"14. Library Services and Construction Act (sec. 7(a), 78 Stat. 13; 20 U.S.C. 355c(a)(4), Public Law 88-269).

"15. Urban Mass Transportation Act of 1964 (sec. 10, 78 Stat. 307; 49 U.S.C. 1609, Public Law 88-365).

"16. Economic Opportunity Act of 1964 (sec. 607, 78 Stat. 532; 42 U.S.C. 2947, Public Law 88-452).

"17. Hospital Survey and Construction Act, as amended by the Hospital and Medical Facilities Amendments of 1964 (sec. 605(a)(5), 78 Stat. 453; 42 U.S.C. 291e(a)(5), Public Law 88-443).

"18. Housing Act of 1964 (adds sec. 516(f) to Housing Act of 1949 by sec. 503, 78 Stat. 797; 42 U.S.C. 1486(f), Public Law 88-560.

"19. Commercial Fisheries Research and Development Act of 1964 (sec. 7, 78 Stat. 199; 16 U.S.C. 779(b), Public Law 88-309).

"20. Nurse Training Act of 1964 (sec. 2, 78 Stat. 909; 42 U.S.C. 296a(b)(5), Public Law 88-581).

"21. Appalachian Regional Development Act of 1965 (sec. 402, 79 Stat. 21; 40 U.S.C. App. 402, Public Law 90-103).

"22. Act to provide Financial Assistance for Local Educational Agencies in areas affected by Federal activities (64 Stat. 1100, as amended by sec. 2, 79 Stat. 33; 20 U.S.C. 2411, Public Law 59-10).

"23. Elementary and Secondary Education Act of 1965 (sec. 308, 79 Stat. 44; 20 U.S.C. 848, Public Law 69-10).

"24. Cooperative Research Act of 1966 (sec. 4(c), added by sec. 403; Public Law 89-750, 79 Stat. 46; U.S.C. 332a(c)).

"25. Housing Act of 1961 (sec. 707, added by sec. 907, 79 Stat. 496; 42 U.S.C. 1500c-3, Public Law 86-117).

"26. Housing and Urban Development Act of 1965 (sec. 707, 79 Stat. 492; 42 U.S.C. 3107, Public Law 89-117).

"27. Public Works and Economic Development Act of 1965 (sec. 712, 79 Stat. 575; 42 U.S.C. 3222, Public Law 89-136).

"28. National Foundation on the Arts and Humanities Act of 1965 (sec. 5(k), 79 Stat. 846; 20 U.S.C. 954(k), Public Law 89-209).

"29. Federal Water Pollution Control Act as amended by sec. 4(g) of the Water Quality Act of 1965 (79 Stat. 910; 33 U.S.C. 466e(g), Public Law 89-234).

"30. Heart Disease, Cancer and Stroke Amendments of 1965 (sec. 904, as added by sec. 2, 79 Stat. 928; 42 U.S.C. 299d(b) (4), Public Law 89-239).

"31. National Capital Transportation Act of 1965 (sec. 3(b) (4), 79 Stat. 644; 40 U.S.C. 682(b)(4), Public Law 89-173) Note: Repealed December 9, 1969, and labor standards incorporated in sec. 1-1431 of the District of Columbia Code.

"32. Vocational Rehabilitation Act (sec. 12(b), added by sec. 3, 79 Stat. 1284; 29 U.S.C. 41a(b)(4), Public Law 89-333).

"33. Medical Library Assistance Act of 1965 (sec. 2, adding sec. 393 of the Public Health Service Act, 79 Stat. 1060; 42 U.S.C. 280b-3(b)(3), Public Law 89-291).

"34. Solid Waste Disposal Act (sec. 207, 79 Stat. 1000; 42 U.S.C. 3256, Public Law 89-272).

"35. National Technical Institute for the Deaf Act (sec. 5(b) (5), 70 Stat. 126; 20 U.S.C. 684(b)(5), Public Law 89-36).

"36. Demonstration Cities and Metropolitan Development Act 1966 (sec. 110, 311, 503, 1003, 80 Stat. 1259, 1270, 1277, 1284; 42 U.S.C. 3310; 12 U.S.C. 1715c; 42 U.S.C. 1416, Public Law 89-745).

"37. Model Secondary School for the Deaf Act (sec. 4, 80 Stat. 1028, Public Law 89-695).

"38. Delaware River Basin Compact (sec. 15.1, 75 Stat. 714, Public Law 87-328) (considered a statue for purposes of the plan).

"39. Alaska Purchase Centennial (sec. 2(b), 80 Stat. 8, Public Law 89-375).

"40. Highway Speed Ground Transportation Study (sec. 6(b), 79 Stat. 895, 49 U.S.C. 1636(b), Public Law 89-220).

"41. Allied Health Professions Personnel Training Act of 1966 (80 Stat. 1222; 42 U.S.C. 295h(b)(2)(E), Public Law 89-751).

"42. Air Quality Act of 1967 (Sec. 307 added by sec. 2, 81 Stat. 506; 42 U.S.C. 1957j-3, Public Law 90-148).

"43. Elementary and Secondary Education Amendments of 1967 (81 Stat. 819; 20 U.S.C. 880b-6, Public Law 90-247).

"44. Vocational Rehabilitation Amendments of 1967 (81 Stat. 252, 29 U.S.C. 42a (c)(3), Public Law 90-391).

"45. National Visitors Center Facilities Act of 1968 (sec. 110, 82 Stat. 45; 40 U.S.C 808, Public Law 90-264).

"46. Juvenile Delinquency Prevention and Control Act of 1968 (sec. 133, 82 Stat. 469; 42 U.S.C. 3843, Public Law 90 445).

"47. New Communities Act of 1968 (sec. 410 of Public Law 90-448, 82 Stat. 516; 42 U.S.C. 3909).

"48. Alcoholic and Narcotic Addict Rehabilitation Amendments of 1968 (sec. 243(d) added by sec. 301, 82 Stat. 1008; 42 U.S.C. 2688h(d), Public Law 88-164).

"49. "Vocational Education Amendments of 1968 (sec. 106 added by sec. 101(b), 82 Stat. 1069, 20 U.S.C. 1246, Public Law 90-576).

"50. Postal Reorganization Act (39 U.S.C. 410(b)(4)(c), Public Law 91-375).

"51. Developmental Disabilities Services and Facilities Construction Amendments of 1970 (84 Stat. 1316, 42 U.S.C. 2675, sec. 135(a)(5), Public Law 91-517).

"52. Rail Passenger Service Act of 1970 (84 Stat. 1327, 45 U.S.C. 565, sec. 405(d), Public Law 91-518).

"53. Housing and Urban Development Act of 1970 (84 Stat. 1770, Sec. 707 (a) and (b), Public Law 91-609, 42 U.S.C. 1500c-3).

"54. Airport and Airway Development Act of 1970 (84 Stat. 219, sec. 22(b), Public Law 91-258, 41 U.S.C. 1722(b)) (this act provides for wage determination by the Secretary of Labor but does not subject the act to Reorganization Plan No. 14).

"55. Elementary and Secondary Education Amendments (84 Stat. 121, sec. 423, Public Law 91-230, 20 U.S.C. 1231 et seq.).

"56. Housing Act of 1959 (73 Stat. 681, Public Law 86-372, 12 U.S.C. 1701q(c)(3), Public Law 86-372).

"57. Housing Act of 1950 (64 Stat. 78, 12 U.S.C. 1749a(f)).

"58. Area Redevelopment Act of 1961 (75 Stat. 61, Public Law 87-27, 42 U.S.C. 2518).

"59. Mental Retardation Facilities and Community Mental Health Centers Construction Act Amendments of 1965 (79 Stat. 429, Public Law 89-105, 20 U.S.C. 618(g)).

"60. Veterans Nursing Home Care Act of 1964 (78 Stat. 502, Public Law 88-450, 38 U.S.C. 5035(a)(8)).

"61. Education Amendments of 1972 (86 Stat. 331, Public Law 92-318).

"62. Juvenile Delinquency Prevention and Control Act of 1968, amendment (86 Stat. 532, Public Law 92-381).

"63. State and Local Fiscal Assistance Act of 1972 (Public Law 92-512, Oct. 20, 1972, 86 Stat. 919).

"64. Rehabilitation Act of 1973 (Public Law 93-112, 87 Stat. 355).

"65. Domestic Volunteer Service Act of 1973 (Public Law 93-113, 87 Stat. 394).

"66. Comprehensive Employment and Training Act of 1973 (Public Law 93-203, 87 Stat. 839).

"67. Health Services Research, Health Statistics, and Medical Libraries Act of 1974 (Public Law 93-353, 88 Stat. 362).

"68. Safe Drinking Water Act (Public Law 93-523, 88 Stat. 1660).

"69. Indian Self-Determination and Education Assistance Act (Public Law 93-638, 88 Stat. 2206).

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"70. National Health Planning and Resources Development Act (Public Law 93-641, 88 Stat. 2225).

"71. Headstart, Economic Opportunity, and Community Partnership Act of 1974 (Public Law 93-644, 88 Stat. 2291).

"72. Special Health Revenue Sharing Act of 1975 (Public Law 94-63, 89 Stat. 304).

"73. Developmentally Disabled Assistance and Bill of Rights Act (Public Law 94-103, 89 Stat. 486).

"74. Public Works Employment Act of 1976 (Public Law 94-369, 90 Stat. 999).

"75. Energy Conservation and Production Act (Public Law 94-389, 90 Stat. 1125).

"76. Indian Health Care Improvement Act (Public Law 94-437, 90 Stat. 1400).

"77. Health Professions Educational Assistance Act (Public Law 94-484, 90 Stat. 2243)."

Mr. HATFIELD. Mr. President, I raise a point of order against the amendment to the committee amendment submitted by the Senator from Colorado in that it constitutes legislation on an appropriation measure.

Mr. ARMSTRONG. Mr. President, may I be heard on the point of order?

The PRESIDING OFFICER. The Senator from Colorado.

The Chair recognized the Senator from Colorado.

Mr. ARMSTRONG. Mr. President, I wonder if the Senator from Oregon would specify the portion of the amendment which I have sent to the desk which he believes violates the rules of the Senate and the rule which he believes it violates.

Mr. HATFIELD. I will be very happy to as soon as we receive a copy of it.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BAKER. Mr. President, do I understand that the point of order is made that this is legislation on an appropriation bill?

The PRESIDING OFFICER. That is correct.

Mr. BAKER. Then I inquire of the Chair is a limitation on expenditures in order under the rules and precedents?

The PRESIDING OFFICER. It is.

Mr. BAKER. Is this, in the opinion of the Chair, in the nature of a limitation?

The PRESIDING OFFICER. It is.

Mr. HATFIELD. Mr. President, will the Senator yield.

Mr. BAKER. I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. May I inquire further of the Chair, even if it limits funds appropriated from another act?

The PRESIDING OFFICER. The limitation states that it applies to this act. Therefore, it is in order.

Mr. HATFIELD. Mr. President, I withdraw the point of order.

The PRESIDING OFFICER. The point of order is withdrawn.

Mr. ARMSTRONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, the reason I have sent this amendment to the desk is to underscore the fact that as we begin to consider a series of committee amendments, which I understand to be 17 in nuymber, and a series of quasi-committee amendments, that is, those which were formerly committee amendments but which were taken out of the bill upon the modification of the chairman of the Committee on Appropriations so that the bill itself would no longer be vulnerable to a point of order on the grounds of violating paragraph 2 of rule XVI, and as we further begin to consider other possible amendments which may come before the Senate during the consideration of this bill, and, most of all, Mr. President, as we contemplate the thought of the mortgage interest subsidy provision which is contained in this bill, which, if enacted, will cost at least $1 billion between now and election day and perhaps as much as $5 billion over the course of time, even if my worst fears that it may lead to other similar bailout requests are never realized, it seems to me we ought to find some places to save money, too. We ought to find some places where there is fat, where we can make the kind of savings that are necessary in order to give preference to priority programs.

It just so happens that there are a few places that are really ripe for that kind of reform. I hope, if there are Senators who feel as I that we ought to find some ways to save money, that they would be disposed to support my effort to limit the expenditure of funds in this act for enforcement of Davis-Bacon.

I wish that we could seriously consider repealing the Davis-Bacon Act. It is a bad piece of legislation. It is a piece of legislation which is costing us three-quarters of a billion dollars a year in wasteful construction costs.

According to the General Accounting Office, the Department of Labor's inappropriately high wage determinations add between 5 and 15 percent to the cost of a construction project.

The GAO also calculates that the act imposes compliance and administrative costs of $189 million on contractors and another $12.4 million on Federal agencies.

A recent GAO report focused on the construction of our own Metro system and concluded that Davis-Bacon requirements will add approximately $150 million in unnecessary construction costs.

Think of that, Mr. President. Just on one Federal project, an increase in cost of $150 million that is not necessary according to the General Accounting Office.

The Congressional Budget Office has also examined the cost impact of Davis-Bacon on three big programs: Ground transportation, military construction, and EPA construction grants which, when considered together, account for about one-half of the Federal construction program.

CBO calculated savings to the Federal budget over the 1982-86 period to be approximately $780 million from just these three programs. They estimated that $2.4 billion in outlays could be saved in the budget over the next 5 years by repealing the Davis-Bacon Act

Mr. President, is the Senate in order?

The PRESIDING OFFICER. The Senator raises a valid point.

The Senator from Colorado has the floor and is entitled to the courtesy to be heard.

Will those Senators who are not listening to the debate and conducting their own business please adjourn to the cloakroom or somewhere other than this Chamber?

Mr. ARMSTRONG. Mr. President, I recommend the repeal of Davis-Bacon as one way to reduce the budget and to do so in a way that would not curtail any important program. In other words, it would not cut off any benefit to any person. It would not curtail anything that we are furnishing to anybody. It would just reduce our cost of doing business.

The U.S. Chamber of Commerce has estimated that repeal of Davis-Bacon would lower the price level by somewhere between one tenth of 1 percent and three-tenths of 1 percent, reduce the cost of a new home by $741 and would create anywhere from 23,000 to 150,000 new jobs.

Mr. President, did all Senators hear that? The chamber of commerce says that repealing the Davis-Bacon Act would reduce the cost of a new home by $741 and create up to 150,000 new jobs.

What this mortgage interest subsidy bill is all about is creating new jobs and new opportunities for people to have houses and reducing the cost of homeownership. Here is a way to do it. So let us repeal the Davis-Bacon Act.

We cannot do it in this bill. I regret that. I would foresee that some person who may not share my enthusiasm for this idea might make a point of order were I to present an outright repeal of Davis-Bacon. I am reluctant to think that any Senator would make such a point of order, because it is obviously such a meritorious and desirable idea. But I did not go so far as to say we ought to repeal Davis-Bacon. I think we should.

The most we can do without provoking a point of order is to say that none of the funds spent in here are going to be used for this purpose, but think of the signal that would transmit to the world if we would adopt such an amendment and send it on its way. It would go some distance, Mr. President, in the direction of paying for this costly and, in my judgment, ill-advised program of housing subsidy.

Did the majority leader seek me to yield?

Mr. **BAKER**. Yes. Will the Senator yield to me?

Mr. **ARMSTRONG**. I should be very pleased to.

Mr. **BAKER**. I thank the Senator.

Mr. President, I find myself in a position of conflicting views. I may say by way of preface that I do not support the Lugar amendment. Perhaps I would support it were it to occur after the Senate and House of Representatives had adopted a budget resolution and we knew how much money we had to spend both from taxes and from borrowed funds, but we are not at that point yet.

When the time comes, if the time comes, I will vote against the Lugar amendment as it is attached to this bill.

My conflict, however, is that I also have the responsibility of trying to move this urgent supplemental. So many things are dependent on it that I feel obligated to, indeed I have tried, to add whtever assistance I can to the efforts of those of the chairman of the committee to try to get this bill up and to try to have it survive any technical challenge that may be made against it by point of order.

This particular amendment to the first committee amendment might indeed be subject to a point of order of germaneness, under rule XVI, paragraph 4. It may be that that is the best way to approach this. Perhaps the best way to approach it is to move to table the amendment.

I have often said, and I will repeat, that I think the time has come when we should examine the relevancy and appropriateness of Davis-Bacon in today's society; but I have also said, and I repeat, that I am not prepared to do that collaterally. I will only do it directly and as an amendment to some other piece of legislation.

I think we have three alternatives here: One is to make a point of order of germaneness, which I think has been alluded to by the distinguished Senator from Colorado, even in terms of the suggestion that he may be inviting that point of order. I am not prepared to make it at this point.

The other is to make a tabling motion, which I would regret to do, because no one in this Chamber has a greater admiration for the Senator from Colorado than I do. I admire and respect him, and I fervently wish for his help on any legislative endeavor in which I engage.

The third one is the most attractive of all, and that would be for the Senator to make his point and then withdraw the amendment. I wonder whether the Senator from Colorado would consider that alternative at this time.

Mr. **ARMSTRONG**. I say to the distinguished majority leader that I would regret having the amendment tabled. I appreciate very much his expressions of friendship and regard, and I will reciprocate. While I would hate to have my amendment tabled, I would rather have it tabled by him than by anybody else.

However, I say to the majority leader, before he moves to the procedure to table, that when I yielded to him, I could have yielded with some reservation of my right to retain the floor, but I did not see any point in doing that, because at some stage I am going to sit down, and the Senator can obtain the floor.

I have other Davis-Bacon amendments to offer which are different and completely and totally—to the best of my ability, at least—invulnerable to parliamentary objection, although I cannot be certain of that.

Also, I have quite a number of amendments which relate to other subjects, including a dozen or more amendments which implement rescission, sent up here by the President of the United States, which have not been acted on, and I have other pet projects—although it is not my intention in the next several days to offer my amendment. I offered this amendment only to get the juices started and to get everybody interested.

It is my purpose, in an orderly way, to let the Appropriations Committee go through their amendments one at a time. After excising the 34, there are 17 others. I assume that then it would be the desire of the Appropriations Committee to take up the quasi-committee amendments, the 34 that are off in limbo someplace. Then I will bet there are some other amendments.

The Senator from Arkansas (Mr. BUMPERS) may offer an amendment to overturn the action of the House of Representatives, which has been acquiesced in by the Appropriations Committee, of putting the sand and gravel operations under EMSHA instead of OSHA, where they should have been all along and where the Senate voted twice to put them.

There might be a couple of hundred amendments floating around, for all I know. I do not have any intention of trying to hold the floor for any prolonged period of time. So when the majority leader wishes to move to table my amendment, I will take it in good spirits, and I will not ask for a rollcall vote, because I know how it will turn out.

I say this to the majority leader: The offer I made privately to the chairman of the Appropriations Committee and to the majority leader remains open for the time being, and it is the solution. The solution is to take out the housing subsidy section from this bill; take out all the housing stuff in this bill. None is considered urgent. The $6.7 billion, including the subsidy portion, is either objected to by the administration or is not considered urgent. Some of it is not considered desirable at all, but none is considered urgent. Let us take it out and agree that we are not going to put it in this bill, because I do not want to be sandbagged after the conference.

Let us take up the Senate Banking Committee bill in a routine orderly way, and on its merits, with just that one issue before us. After the kind of extended debate that would ensue, I think I could establish my point and convince a majority of Senators to vote against that bill. If I cannot do that, I am confident that we can convince the President of the United States to veto that bill, and sustain the veto.

I am willing to take my chances, provided we take it out of this bill and I can be assured that it is not going to come back in the conference report.

Even then, while I will not vote for the bill, which is atrocious, there are some things I object to about it, but I will retire from the floor, take my two briefcases, my staff members, my dogs, my family, and two or three amendments, and get off the floor and let the Senators go about their business. But I am not going to do that easily, unless I have some assurances that this housing provision is coming out of the bill.

Mr. President, I have extended arguments about Davis-Bacon which I will make in pursuit of this amendment, if I have an opportunity to rise again after I am seated. If I do not, if this amendment is tabled, then I will bring up another amendment at a suitable time and see where we go from there.

In the meantime, Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The legislative clerk called the roll.

Mr **BAKER**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Is there objection?

Mr. **ARMSTRONG**. Reserving the right to object, is the majority leader going to move to table my amendment now?

Mr. **BAKER**. I have not decided yet.

Mr. **ARMSTRONG**. In that case, I will not object.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **BAKER**. Mr. President, I do not know whether I have been threatened or intimidated or complimented. [Laughter.]

One of those things has just occurred, or maybe a combination of them.

I do not have any doubt of the Senator's sincerity. He knows that. Indeed, he knows that those of us who were engaged in this pursuit yesterday—the Senator from Colorado was present at more than one meeting—spent most of our time trying to work out an agreement to do what the Senator has suggested.

I, too, should like to see the housing bill stripped out. I made extensive explorations of that effort; and, for all practical purposes, we wasted a day of the Senate's time yesterday while we tried to do it. I thought it was a good effort and would produce a result. It did not produce a result.

I must advise my colleagues that there is ample reason for it; that while we did not succeed, it was not just an objection to proceed to strip out the housing provision or even to float an emergency supplemental bill with bare- bones provisions. That objection did not come just from the Democratic side; it also came from the Republican side and from the House. They politely told me, "You can do whatever you want," but they were not going to take it up. I cannot remember ever trying so hard and so long and producing so little result.

We are at an impasse. I should like to see that result; but unless somebody rises now to tell me—and I will yield for that purpose—that they are willing to strip out this measure, I do not think this measure is going to be stripped out voluntarily, and that does not leave me anything but to try to move this bill.

It is urgent that we appropriate these funds for the continued operation of the Government.

When the time comes, I will vote to remove the housing provision from this resolution. I will join in any reasonable effort to try to get it out of there. But I cannot join in an effort to try to defeat the bill itself, because it is fundamentally important that we proceed with it and let the Senate and Congress work their will on this question.

Having said that, Mr. President, I understand that the Senator from Colorado has all sorts of devices and techniques at his disposal to extend this debate, but I hope he will not do that. I think he made his point eloquently; and I hope that after he has done that a little longer, that may suffice for the moment, and that we can get on with the business of trying to work on this bill.

I repeat to him I will vote for his amendment if he offers an amendment to take the housing provision out.

My good friend, Senator LUGAR, to whom I feel a great friendship and debt of gratitude will understand it, I am sure. He will not like it, but he will understand it, but I will vote against his amendment.

But I hope we will not go on with a filibuster on this particular proposal because it is important that we get on with the business at hand.

Mr. President, just as the Senator from Colorado has many devices at his disposal, so the leadership has some, and I will not willingly nor gladly see this piece of legislation thwarted in the final effort to try to provide for the funds that are necessary to continue the operation of the Government.

I am prepared to offer a tabling motion, but I will not do that until the Senator from Colorado has another opportunity to speak. This is known as the second rising. So I am now prepared to yield the floor, and I will take my chances of regaining it at another moment.

Mr. **ARMSTRONG**. Mr. President, I shall only be brief.

In fact, I just ask if the majority leader would specify what are the provisions of this bill which are so urgent.

I have looked. While I was doing the hide and seek to determine what part of this was violative of rule XVI, paragraph 2, we did discover 34 such provisions, I guess. I also looked to see what it was that was so all-fired urgent that we had to rush this bill through, and I must say to the majority leader there may be many such items, but I could not find very many. If he could spell those out, that would form at least as one possibility the basis of an amendment that I might offer at some point.

Second, I understand the majority leader's point about the bill itself assuming there are some portions of it that are truly urgent, and I take that for granted, that there must be some such portions. Then it would seem to me that we do not advance the cause of good order by deliberately wrapping together controversial sections with those which are not controversial which are more or less housekeeping. In particular, it seems to me we do not speed the process by hanging on a truly urgent noncontroversial supplemental appropriation those items which are likely to invoke the veto of the President.

I know of no way to know whether or not the President will veto but unless he is a lot different person than I think he is, he is going to veto it. I mean one of the things that has really been hard for a lot of people to get their heads around about President Reagan is that he is a guy who does what he says. Most people when they get elected to office begin to find all kinds of reasons why they are going to do something different than what they said. I have not observed this to be a characteristic of President Reagan, and what he has said is everything but "I will positively, absolutely veto this." He did not say that to me. He has written letters. He sent signals. He has done everything except send smoke signals to indicate this is not something he likes.

Why would we want to put this in the urgent supplemental to get it vetoed and have to start all over again?

Mr. **BAKER**. Mr. President, if the Senator will yield to me without losing his right to the floor, I will tell him firsthand Ronald Reagan does what he says he will do. He said he was going to win that nomination. He did it over my strong protest. But he does indeed, and I in fact have a letter, which I have circulated to Members, pointing out in no uncertain terms that he disapproves of this position on this bill, but I feel obligated to at least submit this issue to the Senate so they can make a judgment on how they wish to proceed.

So as I said earlier at the beginning of these remarks, I find conflict in my own interest in this matter in that I favor the position of the Senator from Colorado in respect to the housing bill and I oppose that urged by the Senator from Indiana, on one hand, and on the other hand I feel a heavy obligation to go forward with the passage of a supplemental appropriations bill so Congress may craft it to provide for the operation of the Government for the next several weeks.

In answer to his question about what is urgent, there are urgent matters, and I spent a fair amount of time today trying to reduce this to an absolute irreducible minimum. I have consulted with the Secretary of the Treasury, with the Director of OMB, and others. That list is still being carefully combed and examined to make sure that when I make those representations they are absolutely correct.

So I am sure the Senator from Colorado will understand that I will refrain from making those representations now except to say that there are a number of places where it may not be possible to keep Federal employees on active service unless we pass this or a similar bill. There are a number of cases where we perhaps cannot make certain payments that are contracted and obligated to be made within the timeframes that are specified. There may be even some cases where functions of the Government cannot go forward, unless there are borrowings or advances within agencies of the departments that are not specifically provided for by law but may be within the discretion of Cabinet officers or administrators.

The reason I put it in that form is many in the executive department are reluctant to take the risks that are involved in order to make certain payments unless there is statutory authority for it which apparently does not exist.

So it is a complex question but the answer to the Senator's question is there are a great number of urgent items involving considerable money and involving employees of government numbering in the thousands that may be affected directly if we fail to pass the supplemental appropriations bill at this time.

● Mr. KENNEDY. I am prepared to meet this attempt to repeal the Davis-Bacon Act on this bill or on any other bill and to take as long as necessary to prevail.●

Mr. BAKER. Mr. President, I am prepared to make my tabling motion.

Mr. ARMSTRONG. Mr. President, I am prepared to be the table.

Mr. BAKER. I thank the Senator from Colorado. And if he is willing to endure it, I am willing to make it.

Mr. President, I move to table the amendment of the Senator from Colorado to the first committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Colorado to the first committee amendment. (Putting the question.)

The motion to lay on the table was agreed to.

Mr. ARMSTRONG. Mr. President, let the Record reflect that the ayes not only prevailed but prevailed by a very, very strong margin. I heard only two noes.

Tomorrow and on subsequent days when similar motions are made in the interest to see whether or not I have more votes, whether I am gaining strength or not, I will predict that is bound to happen, but I have no place to go but up. I think when more and more Senators understand what is really at stake here, it will not be only the Senator from Idaho, the Senator from Iowa, and the Senator from Colorado who voted against tabling such an amendment. At least I hope not.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FIRST COMMITTEE AMENDMENT—PAGE 2 AFTER LINE 10, INSERT NEW LANGUAGE

Mr. ARMSTRONG. Mr. President, may I inquire what is the pending business before the Senate? Is it the first committee amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. ARMSTRONG. Mr. President, then I wish to be heard briefly on the point of the first committee amendment.

Mr. BAKER. Mr. President, will the Senator withhold without losing his right to the floor?

Mr. ARMSTRONG. Of course.

Mr. BAKER. Mr. President, I think it is clear that we are going to have a fairly extensive debate on these measures and I wish to announce to the Senate that the Senate will remain in session to perhaps 6 p.m. or a little after, and I do not anticipate rollcall votes this evening.

Now I yield the floor.

Mr. ARMSTRONG. Mr. President, earlier this afternoon we had a brief discussion of the first committee amendment which provides an additional $210,572,000 for community service employment for older Americans.

The PRESIDING OFFICER. The Senator will suspend for a moment. The Senate is not in order.

The Senator from Colorado has the floor. Those staff members and Senators not listening to the debate and carrying on their own business please leave the Senate Chamber so the Senator from Colorado may be heard. He is entitled to be heard.

I would again ask those people who are conducting business in the aisles and generally carrying on discussions if they would please repair to the rear of the Chamber or leave the Chamber so that the Senator from Colorado can continue.

Mr. ARMSTRONG. Mr. President, I thank the distinguished Presiding Officer for maintaining order in the Chamber.

Earlier this afternoon we discussed the first committee amendment which provides an additional $210,572,000 for community service employment for older Americans.

Mr. President, aside from my underlying basic, fundamental, grassroots, bedrock objection to this bill, which centers around the mortgage interest and subsidy provision, I do have many other concerns, and this amendment is one of them.

The committee has recommended this additional amount authorized by title V of the Older Americans Act. These funds, in addition to the $66,528,000 authorized by the continuing resolution, will provide $277,100,000 which is the same as the fiscal 1981 appropriation and the original fiscal 1982 budget request, and will support 54,200 part-time jobs from July 1, 1982 to June 30, 1983.

What is not plain to me, Mr. President, although this seems a very worthwhile idea, and I am not intimately familiar with the program, but I am generally familiar with it and sympathetic to what I know about it, but what is not plain to me is why this should be a part of an urgent supplemental appropriation. Neither is it plain to me why we ought to vote in favor of such an amendment if it has not been requested by the administration.

It seems to me on balance it is not a good policy for the Senate to add, particularly under the title of an urgent supplemental, amounts which have not been requested by the administration. I am not saying for a minute that there are no circumstances under which the Senate should not start new programs or add amounts above those requested by the administration, but clearly in a supplemental appropriation that is a policy which is open to very serious doubt.

First of all, this is a time of great budgetary emergency, a time when our Nation is reeling from the shock of high interest rates, high inflation, and rising unemployment caused by the excess of Federal spending. It is a time when we have made great sacrifices to curtail the growth of worthy programs, and it is a time when the President has asserted extraordinary leadership in order to hold these programs at some reasonable level.

It hardly seems to me, Mr. President, that we are doing our part if, at this time, we add to amounts above those requested by the administration, under ordinary circumstances.

If it is necessary to do so, clearly we ought to do it as a deliberate, separate, thoughtful act where we spell out clearly why we are doing so and where we really confront a fundamental policy decision. It should not be done in the context of just a supplemental appropriation that just comes whistling in and out.

It seems to me that to do so is poor policy and it sort of compromises the process. So my disposition is to vote against this amendment. But I am not set in cement on it. I can certainly be persuaded otherwise, and if anyone can do it I am confident it would be the golden-throated orator from New Mexico.

Mr. SCHMITT. The Senator from Colorado is too generous. I should certainly hope his feet are not in concrete on this or any other issue, although if we do not get a few more water projects in the West it will not make any difference whether the Senator's feet are in concrete or not. You will not drown.

This is not a growth in this program. As I indicated earlier, it restores the money necessary for the forward funding characteristics of the program which have now been mandated subsequent to enactment of the continuing resolution. It was mandated by section 508(b) of the Older Americans Act Amendments of 1981.

I agree with the Senator we could wait a month, we could wait 2 months to put this money into an appropriation bill. However, there is broad support in the committee. I can count votes as well as most, at least in the Appropriations Committee, and I hope increasingly well on the floor of the U.S. Senate.

It is also a provision with great psychological attachment to the older Americans who are involved in this

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particular program. That is the explanation of why it is there.

The Senator can vote one way or the other as he sees fit. But some day it will come back as budget authority, presumably on an appropriation bill.

Mr. ARMSTRONG. Mr. President, can the Senator from New Mexico tell us if there was testimony before the subcommittee or the committee with respect to this appropriation? Did the administration come up and testify on this?

Mr. SCHMITT. We did not specifically——

Mr. ARMSTRONG. Or did we seek their opinion in writing or did we have any indication as to why they did not ask for this?

Mr. SCHMITT. Yes; my memory did serve me correctly, and it has just been confirmed.

The administration requested forward funding in their fiscal 1982 request. The Appropriations Committee chose not to provide the forward funding aspect of it in the continuing resolution, and that was agreed to under the provisions of that continuing resolution by the House of Representatives, and eventually by the President.

What happened subsequent to that agreement was the passage of the Older Americans Act Amendments of 1981 which reversed our decision, and mandated—reversed the decision of the Appropriations Committee and mandated—forward funding. So we are just correcting that whole process and getting back to where we were when the administration originally requested forward funding in the fiscal year 1982 budget.

Mr. ARMSTRONG. If I understand the explanation—and I will admit I am not confident that I do——

Mr. SCHMITT. Wait until the Senator hears some of my others.

Mr. ARMSTRONG. I will say to the Senator from New Mexico that is one of the reasons why I am clinging to the first committee amendment because I have a sketchy understanding of Heaven only knows what may ensue when we take up other amendments.

Mr. SCHMITT. I was hoping I would have a chance to explain the potash amendment.

Mr. ARMSTRONG. In due course I shall look forward with the utmost satisfaction to the Senator's explaining about the potash amendment.

Mr. President, if I understand the observation, the statement, of the Senator from New Mexico correctly, it comes down to this: If the administration really were forthrightly asked they would only be in favor of this amendment because it implements the provisions of their earlier budget, even though it was not explicitly requested as a part of this urgent supplemental.

Mr. SCHMITT. I am not sure what the administration will do because, being very up front with the Senator, they now favor block grant consolidation for this program, in proposed legislation to replace the Comprehensive Employment and Training Act.

All I can tell the Senator is how they felt with the fiscal 1982 budget, when forward funding was requested. The Congress subsequently mandated that there be forward funding and, therefore, we are complying with the mandate of the Congress, signed into law by the President.

What will happen with respect to the block grant proposals now before Congress for this Older Americans program I cannot tell the Senator. That is up to a committee other than the one on which I serve.

Mr. ARMSTRONG. Mr. President, in light of what the Senator from New Mexico has said, I wonder if it would appeal to him that we seek the counsel of the administration on this matter and find out how they actually feel about it?

Mr. SCHMITT. I would just——

Mr. ARMSTRONG. I will not propose that if the Senator thinks it would not be well-advised.

Mr. SCHMITT. It is certainly within the discretion of anyone, including the committee, to ask the administration how they feel about a particular program. But we do not always do that.

Mr. ARMSTRONG. Always, no. I honor the Senator's response because I would want to be at the head of the line of those who want to assert and to defend the prerogatives of Senators to do anything they think is right without respect to what somebody downtown things is right. But I do believe it is wise to at least have some idea of what the administration is thinking about, and I believe the record is pretty clear that the Senator from Colorado frequently crosses the administration, whether it is the Senator's own party or it is the other party.

I do not do this in any spirit of animosity, but simply because Senators are Senators and Presidents are Presidents and bureaucrats are bureaucrats, and we have some things in common and a lot of things different, and one of the facts of life is our constitutional responsibilities are our own and separate from those of the President.

While I admire the President, I would not be bound by his opinion. Nonetheless, it does seem to me it would be well for us to have the opinion.

Mr. SCHMITT. If the Senator would yield, I think we have the opinion.

Mr. ARMSTRONG. I see.

Mr. SCHMITT. We have two opinions, let us put it this way: we have the original opinion, which was the fiscal 1982 budget request, which requested forward funding, and we denied that request on the continuing resolution. We were subsequently reversed in that decision by our Congress, by our own two Houses, who said, "No, we want forward funding," and that has now been mandated.

The administration in the meantime, back at the ranch, decided they wanted to put this program, as well as several others, into a block grant. So I suspect if you went to the administration and said, "What do you think of the first committee amendment," they would say, "What bill?" You explain that, and then they would say, "Well, we have decided we want all of that in a block grant. We sent those proposals to Congress." If you check with the various authorizing subcommittees you will find that those proposals have so far been rejected.

Mr. ARMSTRONG. Mr. President, if this is to be understood, then, for a vote for or against block grants, it is helping me to get in perspective how I want to vote.

Mr. SCHMITT. I think it would not be interpreted a vote for or against block grants, but a vote for or against community service employment for older Americans. That is how our older Americans are going to interpret the vote.

Mr. ARMSTRONG. I trust that there will be many older Americans who will feel, first of all, that their overriding concern is to get inflation and high interest rates under control and they will not think it is for or against older Americans, regardless of what level of funding is suggested. I find most older Americans, particularly those who lived through the Great Depression, very, very sensitive to issues of fiscal responsibility. They think getting Federal spending under control is just about the most important thing that there is.

And so, at least the ones I have talked to—and I have talked to many older Americans, not necessarily persons who are recipients of benefits under the Older Americans Act, just generally people in their seventies and eighties, and on—what they say to me is that:

> The big thing you can do for us, Senator ARMSTRONG, is to go back there and tell your colleagues to stop spending so much money and get a balanced budget.

I did not mean to portray, I say to the Senator from New Mexico, that you are either for or against older Americans. I thought from his comments he was referring to whether or not we want to go to the block grant idea and I was prepared to go with it on that basis.

Mr. SCHMITT. If the Senator will yield further, right now, it is a bookkeeping exercise, really; frankly, it is. It is budget authority that is being moved around between budget years and the number of older Americans employed by this program which has been about 54,200 part-time jobs is not going to change. The outlay picture is not going to change. It is a question right now of whether that budget authority is on this year's basis, which it is at, at the present time because of the actions on the continuing resolution, or whether we add in the forward-funding element which will be next year. The only way outlays will be any different is if we decide not only to accept this amendment, but not to fund the program in fiscal year 1983 at all.

Mr. ARMSTRONG. Mr. President, I think at last I understand the point that is being made by the Senator from New Mexico; that the $210 million, which is the subject of this amendment, will actually not be spent until the next fiscal year.

Mr. SCHMITT. It is an appropriation resulting in fiscal 1983 outlays that would nevertheless occur, with or without forward funding. This is probably the only fiscal 1983 forward-funded appropriation in this bill, although it will all be obligated in fiscal 1982.

Mr. ARMSTRONG. It is perhaps the only——

Mr. SCHMITT. It is perhaps the only 1983 fiscal year appropriation in the bill. I could stand corrected. I take that back. There is a fiscal year 1984 appropriation in this bill, the Corporation for Public Broadcasting. But those are cleanup things that various committees are interested in.

Mr. ARMSTRONG. It seems to me, if we are not talking about anything else but the community service employment for older Americans and the Corporation for Public Broadcasting for fiscal year 1983, perhaps it would be well to drop those items out and clear them along for the appropriations for fiscal year 1983 rather than consider them as a part of a supplemental which, by its very terms, is considered urgent. I wonder, based on that explanation, if the Senator from New Mexico would be willing to defer this item and pass it over. I do not think, when the majority leader puts together his package of the emergency items or the superurgent items, I do not think this one is probably going to be one of those because it does not affect people this year and it can be handled in the regular appropriations next year.

Mr. SCHMITT. I would say to the Senator that there is one other element that has been brought to my attention, and that is that these job projects under the community service employment for older Americans do come up for renewal on July 1, 1982.

As it currently stands, funding would be available for those programs only to the end of the fiscal year, this fiscal year. So the job projects, without the forward-funding element—and this is the basic argument for forward funding of this program—would cease at the end of the fiscal year and then would be dependent on enactment of additional funding the fiscal year 1983 budget for continuation.

So, in summary, what they have right now is only 3 months funding for the next series of job projects which begin July 1, 1982. This is what I think did concern, significantly concern, many of the low-income persons aged 55 and over that have been employed by this program. I do not know whether the Senator has run into this category of employment in Colorado. There is a significant project in New Mexico. I think it is significant, or felt to be significant by many lower income older Americans throughout the country. And that is really why there is a great deal of interest in the program.

Mr. ARMSTRONG. The Senator asked about the significance of this as it is perceived in Colorado. I notice my colleague from Colorado, Senator Hart, is on the floor. He may wish to comment on this matter, as well, or perhaps other Senators would wish to join in this discussion.

Mr. President, I do not see other Senators clamoring for the opportunity to express themselves on this matter.

I wish to express my appreciation to the Senator from New Mexico for a very interesting, thoughtful, and well-reasoned discussion of this matter. I appreciate that. For my part, I am prepared to proceed for a vote. And, under the provision of the rules, I request a division vote, since we have not had one of those in the Senate in some time.

Mr. SCHMITT. Will the Senator yield for a question?

Mr. ARMSTRONG. Certainly.

Mr. SCHMITT. What is the division that he desires to have?

Mr. ARMSTRONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ARMSTRONG. It appears to me, and I think to a consensus of Senators in the room, that we are ready to vote on this matter. I see no point in discussing it any further. I am ready to vote on the amendment if others are and I do request a vote by division.

The PRESIDING OFFICER. The question is on the first committee amendment. The Senator from Colorado asks for a division. As many as are in favor of the amendment will rise and remain standing until they are counted. (After a pause.) Those opposed will rise and stand until counted.

On a division, the first committee amendment was agreed to.

Mr. SCHMITT. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ARMSTRONG. Mr. President, I wanted to point out that in accordance with the precedents, the results of a division vote are not recorded in the Journal, and I am grateful for that because I did not do very well. I did not get very many votes. But I thank the Members who voted with me on that amendment.

Mr. SCHMITT. I am sure somewhere, someone was standing in behalf of the Senator from Colorado.

Mr. ARMSTRONG. And while I hope that no record will be made of that, which would prove to be a source of embarrassment if it were published, I hope that those present will remember the general margin which we have seen here today because it is my hope that having started at somewhat of a low ebb, I will perhaps pick up some steam on future amendments.

Mr. SCHMITT. Mr. President, if the Senator loses any more ground, he would not even be here.

COMMITTEE AMENDMENT ON PAGE 3, BEGINNING ON LINE 10

The PRESIDING OFFICER. The clerk will read the next committee amendment.

The legislative clerk read as follows:

On page 3, after line 9, insert the following:

HEALTH SERVICES ADMINISTRATION

HEALTH SERVICES

For an additional amount for "Health Services", $63,580,000, of which $3,500,000 shall be used to provide twelve months of transitional funding for those University Affiliated Facilities previously funded under section 502(a) of the Social Security Act or predecessor legislation (title V of the Social Security Act as in effect prior to the enactment of the Maternal and Child Health Services Block Grant), but for which termination of such funding has been announced during fiscal year 1982.

HEALTH RESOURCES ADMINISTRATION

HEALTH RESOURCES

For an additional amount for "Health Resources", $1,000,000, which shall be available for nursing research grants.

Mr. ARMSTRONG. Mr. President, is that one which was dropped?

Mr. President, is a corrected printing being prepared?

Mr. HATFIELD. Yes, it is.

Mr. ARMSTRONG. Mr. President, I am kind of lost. That amendment was the subject of modification.

This is the amendment which begins on line 10, page 3?

The PRESIDING OFFICER. The Senator is correct.

Mr. ARMSTRONG. Could we have some explanation? On its face, it says this adds for health services $63,580,000.

> For an additional amount for "Health Services", $63,580,000, of which $3,500,000 shall be used to provide twelve months of transitional funding for those University Affiliated Facilities previously funded under section 502(a) of the Social Security Act or predecessor legislation (title V of the Social Security Act as in effect prior to the enactment of the Maternal and Child Health Services Block Grant), but for which termination of such funding has been announced during fiscal year 1982.

I am not sure that Senators fully understand the purpose of this amendment. I wonder if we could have some indication.

Mr. SCHMITT. Mr. President, I would be happy to oblige the Senator from Colorado briefly.

This amendment basically incorporates three actions approved by the committee. One is the addition of $35.6 million to the amount provided under the continuing resolution for the community health centers program. It would bring the annualized appropriations level to $284 million. This is the amount originally recommended by the Senate committee in the regular fiscal year 1982 Labor, Health, Human Services, and Education appropriations bill, which has not yet been enacted into law. Because of the rules under which the continuing resolution was enacted, a lower House figure was approved.

In 1981, as further background, 872 community health care centers provided care to 6 million patients. At the continuing resolution level of 672 centers or 200 less than supported in 1981, 4.2 million patients will be served, a 16-percent drop from fiscal year 1981.

This program has had significant support through the years in the Senate, less so in the House, and, therefore, the committee felt that it wanted to try to restore the Senate position through the supplemental bill.

Again, I think the Senator will find this is not an absolutely urgent matter as compared to others, but health programs are being cut back, particularly those served previously by community health centers, primarily in our rural and innercity areas where health services are generally less than adequate and certainly less than are available in other portions of the country.

This increase will not stop the retrenchment of this program and, hopefully, some improvement as a result of that retrenchment, but it will, I believe in the mind of the committee, at least, provide additional support for a necessary area of health services.

The second area covered is the so-called Bumpers amendment, which he prevailed upon in the committee. It was to add $24.48 million in funding maternal and child health block grant for fiscal 1982. This amendment will bring that block grant funding to $372 million, almost up to the ceiling authorized in the 1981 Omnibus Reconciliation Act.

Mr. President, to finish answering the question of the Senator from Colorado, the third portion of that amendment incorporates an amendment offered by Senator Chiles to add $3.5 million for university-affiliated facilities in the Secretary's discretionary setaside under the maternal and child health block grant which would bring that total to $14 million for fiscal 1982.

These funds would go to six centers proposed for elimination at the present time: California, Kansas, Colorado, New York, Wisconsin, and, strangely enough, the State of Florida.

Mr. ARMSTRONG. Mr. President, it has been said that it is an ill wind which blows no man to good. I am well aware of this amendment restoring funds to the JFK Child Medical Center going for another year.

I must admit, Mr. President, that I have mixed emotions. First, I am concerned that we may be on the verge of adopting an amendment which, having been described by the distinguished subcommittee chairman as not urgent, I am concerned that when I ask him——

Mr. SCHMITT. Important but not urgent. Anything the committee votes on in the majority must be important. The Senator, I am sure, understands.

Mr. ARMSTRONG. I do understand, Mr. President. The Senator's point is well taken. My concern, my apprehension, indeed, my dread, is that when I ask him "What was the administration position on this," I almost fear that the answer may be that they did not recommend it.

Mr. SCHMITT. If the Senator recalls, university-affiliated facilities are proposed for block grant consolidation by the administration. I may say I may have understated the importance of the funding, at least for the university-affiliated facilities. They are scheduled for termination in those six States by July 1, I think.

Mr. ARMSTRONG. Is that $15 million?

Mr. SCHMITT. $3.5 million to keep those centers operating for another 12 months.

Mr. ARMSTRONG. Then I shall certainly accept that explanation that, of the $63,580,000, at least $3.5 million is urgent, and the rest is important although not necessarily urgent.

Mr. SCHMITT. I am certain Senator Bumpers, if he were here, would argue long and eloquently that the maternal and child health program is urgent because the health of potential mothers, mothers, and children is always urgent. The same, I am sure, would be applied to the health services provided by the community health centers.

The Senator well knows that an eloquent argument can be made for any funding that specifically—we hope—goes to aid Americans who have less than normal access to funds for their own health. That is fundamentally what we are talking about here with this second committee amendment.

Mr. ARMSTRONG. Mr. President, I am intrigued by the notion that if the Senator from Arkansas were here, he would make an eloquent argument. I suggest we invite him to come. I should like to have him share his thoughts with us.

Mr. SCHMITT. Mr. President, I am sure if he is within the sound of our voices, he is on his way or he totally approves of the argument the Senator from New Mexico is making.

Mr. ARMSTRONG. Mr. President, there is risk that, having weighed the issue and identified the Senator from Arkansas as being in favor of this amendment and that he would be eloquent in its defense, if the Senator from Arkansas is not on his way, someone may misinterpret his failure to come here and defend it.

Mr. SCHMITT. I do not think so, Mr. President, because the amendment was offered and accepted by a significant majority in the committee, by a rollcall vote of 15 to 10. So it is the duty of the committee to support the amendment which is now a committee amendment by definition, rather than one which just has the authorship of a particular Senator.

Mr. PROXMIRE. Will the Senator from New Mexico yield to me?

Mr. SCHMITT. Yes, Mr. President, I yield.

Mr. PROXMIRE. Mr. President, it is my understanding that the Senator from Arkansas has a strong desire to be here on the floor. If he had known this was coming up now, he would be here. He is on his way now, should be here any moment. I think that before we pass on this amendment, we should allow him to come to the floor and speak on it.

Mr. ARMSTRONG. Mr. President, I should like to speak to one portion of this, university-affiliated facilities.

These have been funded by the Government for the last 15 years. Last year, Senator Dole objected and succeeded in getting the UAI's funded at a reduced level for 1 more year, rather than reduce the funding across the board for maternal and child health programs, one of which, as the Senator from New Mexico has pointed out, was in Colorado.

A doctor in Colorado brought this to my attention. I wrote to Secretary Schweiker and Under Secretary Swoop. The center has made a good effort at getting support and, frankly, they need a little more than 3 months to get their program underway.

We are optimistic about it, so I certainly endorse the notion of the $3.5 million which goes to support these centers, including the one in Colorado.

Mr. SCHMITT. If the Senator will yield, now that we have him up to $3.5 million, maybe we can move him up to the next level, which is $24.48 million additional money for maternal and child health.

Mr. ARMSTRONG. I certainly would not rule that out, Mr. President. I note the Senator has recommended an increase of $24.4 million. At that level, it appears to me that that would be—that increases the funding for amounts available under the block grant for distribution to States. Do I understand correctly how that is going to work?

Mr. SCHMITT. The Senator is correct, and it reaches almost to the ceiling recognized under the Omnibus Reconciliation Act of 1981.

Mr. ARMSTRONG. I see. While we await other Senators who may wish to speak on this, Mr. President, may I go back to the question, where was the administration? Did they request that this be included in the urgent supplemental?

Mr. SCHMITT. They did not.

Mr. ARMSTRONG. Did the committee hold any hearings at which administration witnesses were asked about this specifically?

Mr. SCHMITT. It would be my supposition, Mr. President, and we can check the records of the hearings dealing with maternal and child health block grants for the fiscal 1983 budget, that this was brought up—if not by the Senator from Arkansas, it was certainly discussed by him. We can check that when he comes.

Mr. ARMSTRONG. They declined to endorse it at that time?

Mr. SCHMITT. It is my guess that if it were proposed to them, they would be inclined to oppose it. This was not included in the recommendation of the chairman of the subcommittee to the full committee. It was added in full committee by the amendment of the Senator from Arkansas.

Mr. ARMSTRONG. Mr. President, how did it happen that the chairman of the subcommittee got rolled on this?

Mr. SCHMITT. He did not have the votes; it happens that way.

Mr. ARMSTRONG. Words to live by, Mr. President.

Mr. President, I think it would be useful to have the view of the administration. I should be glad to pause for a moment while we check to see if the hearing record reflects that question. It is a sort of theme, I think, of a lot of matters that are in here. I have already said much of the funding that was in here is represented to me as not being requested by the administration.

Mr. SCHMITT. If the Senator will yield, he is absolutely correct. I do not know of anyone who is going to argue that the administration requested these funds. The Senate Appropriations Committee, acting under its general charter of areas of jurisdiction, has added funds that, in their wisdom as a majority, it felt were necessary and urgent from their perspective. To say it is a request by the administration as part of the urgent supplemental is, of course, incorrect. I would be very surprised if the administration were to come in here and provide us with information that says this is urgent.

Mr. ARMSTRONG. Mr. President, I prepared some notes with respect to the overall funding levels suggested by this bill. I should like to review those briefly so we have a good perspective, a sort of context against which we can consider the second committee amendment. It is my understanding that the urgent supplemental includes not only somewhat more but substantially more than has been requested by the administration under any context and, in addition, contains vastly more, hugely more than has been requested by the administration as urgent items. To be specific, the administration requested $3.6 billion as urgent supplementals and the committee bill increased this amount by $321.9 million.

In addition to supplementals identified as "urgent," the bill provides supplemental funding for various other programs, some of which had pending administration supplemental requests. In this "nonurgent" category, the administration's requests total somewhat over $1 billion. The Senate bill adds another $1.7 billion on top of that.

In the housing area, this bill includes savings—rescissions—recommended by the administration, but does not accept the full total of the administration's recommended savings—thus adding $208.7 million in more spending.

The cumulative effect is that the Senate bill provides $2.2 billion in more spending than that proposed by the administration.

The bill contains an authorization, as I have mentioned for an entirely new, $5 billion housing subsidy and further provides as appropriation under this program of $1 billion to be committed before November 1 of this year.

That, I think, will be the subject of lengthy debate later.

The bill also provides for an additional $321.8 million in spending for the guaranteed student loan program above what the administration requests. The bill, I am advised, includes the full amount, more that $1 billion, requested by the administration for food stamps but does not include legislative language requested by the administration to alter the current benefit levels.

The Senate bill, in short, contains a large number of items which were not asked for by the administration. I want to just see if I can tick these off. Then I will send to the desk a table which has been prepared to reflect all of these in the hope that it perhaps could be included in the RECORD at this point, but I will just note the following:

It appears to include $322 million in funds not requested by the administration for the guaranteed student loan program; it appears to include $8 million for the Customs Service not requested; $210 million for community service employment for older Americans, which was the subject of the first committee amendment which has been adopted; $3.5 million which we are now talking about for the university-affiliated facilities, under maternal and child health; $24.5 million, which I believe will be the subject of discussion by the Senator from Arkansas in a moment; $35.6 million for the community health centers; $1 million in nursing research; $2 million in funds for ACTION.

All of these amounts, my colleagues, are in excess of what has been requested by the administration; $24.5 million for the Corporation for Public Broadcasting; $1 billion for assisted housing above what was requested by the administration; $254.4 million in public housing operation subsidies; $17.5 million above what the administration has requested for Coast Guard operating expenses; $216.5 million above the administration request for some programs of the Coast Guard; $72 million in Federal highway moneys above the administration request; $.5 million for the Inspector General of the GSA; $1.1 million for the U.S. Secret Service above the administration request; $60 million for the Postal Service; $9.9 million for the National Archives; $1.8 million for EDA; $2 million for NOAA; $2.1 million for the International Communications Agency above what was requested; $40 million for the Corps of Engineers, and various other amounts.

Mr. President, I do send to the desk this table and ask that it be printed at this point in the RECORD, because it does give us at least some perspective against which to judge our work as we consider the pending committee amendment.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

H.R. 5922, URGENT SUPPLEMENTAL BILL, COMPARISON OF ACTION TO DATE

[In millions of dollars]

Account	Request		House level, BA	Change	Change to outlays			Senate level, BA	Change	Change to outlay		
	BA	Outlays			1982	1983	1984–86			1982	1983	1984–86
URGENT SUPPLEMENTALS												
Commerce, general administration	3.2	3.2	3.2					3.2				
Labor:												
ETA, program administration (transfer)	8.7	8.1	8.7					8.7				
Employment Standards Administration (transfer)	4.3	4.1	4.3					4.3				
Bureau of Labor Statistics (transfer)	5.6	5.2	5.6					5.6				
HHS, Office of Inspector General (transfer)	13.9	13.9	13.9					13.9				
Education:												
Guaranteed student loans	978.0	734.0	1,300.0	+322.0	+242.0	+80.0		1,300.0	+322.0	+242.0	+80.0	
Howard University	5.8	5.1	5.8						−5.8	−5.1	−.7	
Departmental management	6.5	4.8	4.6	−1.9	−1.9			6.5				
EPA, waste treatment construction	2,400.0		2,400.0					2,400.0				
Treasury:												
Bureau of Financial Operations	81.6	80.0	81.6					81.6				
BATF	23.8	23.8	15.7	−8.1	−8.1			23.8				
U.S. Customs	6.8	6.8	3.4	−3.4	−3.4			14.8	+8.0	+8.0		
Merit System Protection Board	6.3	6.2	4.0	−2.3	−2.3			4.0	−2.3	−2.3		
CAB, payments to air carriers	28.4	28.4		−28.4	−28.4			28.4				
ICC, payments for direct rail	8.0	8.0	8.0					8.0				
Total, urgent supplementals	3,580.9	931.6	3,858.8	+278.0	+198.0	+80.0		3,902.8	+321.9	+242.6	+79.3	
OTHER SUPPLEMENTALS												
Health and Human Services:												
Community service employment for older Americans								210.5	+210.5	+9.4	+201.1	
WIN			76.8	+76.8	+65.0	+11.8						
Refugee and entrant assistance			23.3	+23.3	+7.0	+14.0	+2.3					
University affiliated facilities under maternal and child health								3.5	+3.5	+.5	+2.0	+1.0
Maternal and child health								24.5	+24.5	+16.5	+8.0	
Community health centers								35.6	+35.6	+23.6	+12.0	
Nursing research								1.0	+1.0	+.5	+.5	
ACTION			2.0	+2.0	+2.0			2.0	+2.0	+2.0		
President's Commission on Ethical Problems [2]	.3	.2						.3				
Corporation for Public Broadcasting								24.5	+24.5			+24.5
Housing and Urban Development:												
GNMA			1,000	+1,000			+325.0					
Single Family Housing Production Act of 1982			1,000	+1,000	+34.0	+172.0	+516.0					
Housing production assistance payments (Lugar—S. 2226)								1,000	+1,000	+5.0	+200.0	+600.0
FFB (supplemental transfer)	(1,400.0)	(1,400.0)	(1,400.0)						(−1,400.0)	(−1,400.0)		
Public housing operating subsidies								254.4	+254.4	+76	+178.4	
Transportation:												
Coast Guard, operating expenses	30.5	30.5	48.0	+17.5	+17.5			48.0	+17.5	+17.5		
Coast Guard, ACI (deferral)	(216.5)		(216.5)						(+216.5)			
FHWA, Federal-aid highways (obligation limitation)	(8,000.0)		(8,000.0)					(8,072.0)	(+72.0)	+9.0	+38.8	+19.0
Interstate transfer grants			12.2	+12.2	+2.2	+6.0	+4.0					
GSA, Inspector General								.5	+.5	+.5		
Treasury:												
Office of Special Counsel [2]	.2	.2						.2				
U.S. Secret Service								1.1	+1.1	+1.1		
U.S. Tax Court	1.5	1.5	1.5					1.5				
U.S. Postal Service								60.0	+60.0	+60.0		
National Archives								9.9	+9.9	+9.9		
Commerce:												
EDA, salaries and expenses (transfer)	1.8	1.8	4.5	+2.7	+2.7			3.5	+1.7	+1.7		
NOAA, operations, research			2.0	+2.0	+2.0			2.0	+2.0	+2.0		
International Communications Agency, salaries and expenses (transfer)								2.1	+2.1	+2.1		
FNS, food stamps [2]	1,006.6	996.6						1,006.6				
Corps of Engineers, flood control								40.0	+40.0	+40.0		
Employment/training assistance	−19.8		−18.6	+1.2	+1.2			−18.6	+1.2	+1.2		
Total, other supplementals	1,021.1	1,030.8	2,151.7	+1,130.6	+133.6	+203.8	+847.3	2,713.1	+1,692.0	+278.5	+640.0	+644.5
RESCISSIONS												
Annual contributions for assisted housing [1]	−5,999.8		−100.0	+5,899.8				−5,985.1	+14.7	+14.7		
Subsidized housing program [2]	−1,750.4							−1,579.4	+171.0			
Solar energy bank [2]	−21.8	−6.8							+21.8	+6.0	+15.8	
Total, rescissions	−7,772.0	−6.8	−100.0	+5,899.8				−7,583.1	+208.7	+21.9	+15.8	
Total, urgent supplemental	3,580.9	931.6	3,858.8	+278.0	+198.0	+80.0		3,902.8	+321.9	+242.6	+79.3	
Total, other supplementals	1,021.1	1,030.8	2,151.7	+1,130.6	+133.6	+203.8	+847.3	2,713.1	+1,692.0	+278.5	+640.0	+644.5
Grant total (net)	−3,170.0	1,956.0	5,911.0	+7,308.0	+332.0	+284.0	+847.0	−967.0	+2,223.0	+543.0	+735.0	+644.0

[1] Outlay effect has not yet been determined by the program division. [2] House did not consider this request.

CLOTURE MOTION

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, I send to the desk a cloture motion and ask the clerk to report it.

The PRESIDING OFFICER. The cloture motion is presented under rule XXII. The Chair directs the clerk to read the motion.

The bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on H.R. 5922, an act making urgent supplemental appropriations for the fiscal year ending September 30, 1982, and for other purposes.

Howard Baker, Mark O. Hatfield, Harrison Schmitt, Richard G. Lugar, Ted Stevens, Mark Andrews, Bob Kasten, William Proxmire, Robert Stafford, Frank Murkowski, Jake Garn, Charles Percy, John Warner, Gary Hart, Charles McC. Mathias, Lowell Weicker.

URGENT SUPPLEMENTAL APPROPRIATIONS, 1982

Mr. ARMSTRONG. Mr. President, it is said it is not asked for whom the bell tolls; it tolls for thee.

Mr. President, I see the Senator from Arkansas is here. He perhaps wishes to speak on this matter.

I am ready to go to the vote on it, but I know that the Senator is deeply interested in this program. I am happy to have his observations on it for the benefit of Senators who are interested in the second committee amendment.

Mr. **BUMPERS**. I thank the Senator very much for his deference. It is all right with me, though. I am prepared to go ahead and vote on it.

Mr. **ARMSTRONG**. Mr. President, the Senator from New Mexico said at the outset that he was sure that he could speak with confidence on this matter for the Senator from Arkansas, and he has been proven right again. I am ready to go to a vote and suggest that we do so.

Mr. **CHILES**. Mr. President, I want to thank Chairman SCHMITT for speaking up in behalf of the $3.5 million of transitional funding for university-affiliated facilities while I was on my way to the floor. This is truly an urgent item, since six of these facilities are slated for termination on July 1, if we do not provide this money.

Mr. President, the university affiliated facilities are a unique resource, which provide services to severely handicapped children in a university setting. This allows them to train professionals in the latest and best methods of treating these difficult cases. Our biggest problem in serving the handicapped is lack of skilled personnel; the task is difficult, and the burnout rate is high. The UAF's are a core resource that generate both personnel and the future trainers of personnel.

The amendment provides temporary, transitional funding. The Department only announced its decisions to terminate the six centers a few weeks ago, after the State legislatures had completed their sessions. We expect the States to pick up the UAF's next year, but they need time to make arrangements. Block grant funds have already been committed—we are 8 months through the fiscal year—so they are not available for this purpose.

The amendment has been drafted to assure that it does not disrupt the structure of the maternal and child health care block grant, nor pose any threat to reducing funds for other services under the block grant. I am pleased that the Appropriations Committee accepted this amendment, and I urge that it be maintained by the full Senate.

The **PRESIDING OFFICER**. Senators in favor of the amendment will rise and stand until counted.

(After a pause.) Those opposed will rise and stand until counted.

The amendment (on page 3, beginning on line 10) was agreed to.

Mr. **ARMSTRONG**. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. **HATFIELD**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

COMMITTEE AMENDMENT—PAGE 4, LINE 1

The **PRESIDING OFFICER**. The clerk will report the next committee amendment.

The assistant legislative clerk read as follows:

Page 4, line 1, strike all through line 5.

The **PRESIDING OFFICER**. The majority leader is recognized.

Mr. **BAKER**. Mr. President, I am advised that consideration of the next committee amendment may take a fair amount of time, and I had previously announced that the Senate would not be in late this evening.

RESTATEMENT OF ORDERS FOR WEDNESDAY

Mr. **BAKER**. Mr. President, earlier today, we provided for the consideration of S. 2332 to begin at 9 in the morning, with certain fairly complex time limitation agreements.

Mr. President, I have a further request to make with respect to tomorrow's schedule.

ORDER FOR RECESS UNTIL 8:45 A.M.

Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 8:45 a.m. instead of 9:30 a.m.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS ON TOMORROW

Mr. **BAKER**. Mr. President, I ask unanimous consent that after the recognition of the two leaders under the standing order, two Senators be recognized on special orders of not to exceed 15 minutes each. That is to say, the distinguished President pro tempore (Mr. THURMOND) and the distinguished Senator from Delaware (Mr. BIDEN).

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ORDER DESIGNATING PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS ON TOMORROW

Mr. **BAKER**. Mr. President, I ask unanimous consent that any time remaining prior to the hour of 9:30 a.m. may be devoted to the transaction of routine morning business in which Senators may speak for not more than 1 minute each.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ORDER CONCERNING VOTES IN CONNECTION WITH S. 2332

Mr. **BAKER**. Mr. President, I ask unanimous consent that in the event a rollcall vote is ordered in connection with the Domenici amendment dealing with SPRO and/or final passage of S. 2332, that the rollcall vote or votes occur without intervening debate, motion, appeal, or point of order, at 3 p.m. on Wednesday, May 26.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **BAKER**. Mr. President, further, I ask that in the event the rollcall votes are ordered in connection with the Domenici amendment and final passage, that the first rollcall vote be 15 minutes in length to be followed by the second rollcall vote to be 10 minutes in length.

Finally, I ask that paragraph 4 of rule XII be waived.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ORDER TO RESUME CONSIDERATION OF H.R. 5922 ON TOMORROW

Mr. **BAKER**. Now, Mr. President, I ask unanimous consent that if there is any time not committed to debate under the previous arrangement and order after consideration of S. 2332 and prior to the hour of 3 p.m., the Senate resume consideration of the supplemental appropriations bill.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

RECESS UNTIL 8:45 A.M. TOMORROW

Mr. **BAKER**. Mr. President, if no Senators now seek recognition, I move, in accordance with the order previously entered, that the Senate stand in recess until 8:45 in the morning.

The motion was agreed to; and at 6:16 p.m., the Senate recessed until Wednesday, May 26, 1982, at 8:45 a.m.

HOUSE OF REPRESENTATIVES—*Tuesday, May 25, 1982*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O sing to the Lord a new song, for He has done marvelous things!—PSALM 98: 1.

O Lord, You have been with us all our days and blessed us with gifts both great and small. We give thanks that when our spirits were low, You gave new strength, and when we were discouraged, You gave new hope. As You have promised to Your people a new song of joy and peace, so enable us to commit ourselves to the way of truth that we may be ministers of righteousness and herolds of peace in our own day and time. Amen.

THE JOURNAL

The **SPEAKER**. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. SOLOMON. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Chair's approval of the Journal.

The **SPEAKER**. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 371, nays 31, answered "present" 1, not voting 29, as follows:

[Roll No. 99]

YEAS—371

Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews
Annunzio
Anthony
Archer
Aspin
Atkinson
Badham
Bafalis
Bailey (MO)
Bailey (PA)
Barnard
Beard
Bedell
Beilenson
Benedict
Benjamin
Bennett
Bereuter
Bethune
Bevill
Biaggi
Bingham
Blanchard
Bliley
Boggs
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Breaux
Brinkley
Brodhead
Brooks
Broomfield
Brown (CA)
Brown (CO)
Burgener
Burton, Phillip
Byron
Campbell
Carman
Carney
Chappell
Chappie
Cheney
Clausen
Clinger
Coats
Coelho
Coleman
Collins (IL)
Collins (TX)
Conable
Conte
Corcoran
Coyne, James
Coyne, William
Craig
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daschle
Daub
Davis
Deckard
de la Garza
Dellums
DeNardis
Derwinski
Dickinson
Dicks
Dingell
Donnelly
Dorgan
Dornan
Dougherty
Dowdy
Downey
Dreier
Duncan
Dunn
Dwyer
Dyson
Early
Eckart
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emery
English
Erdahl
Erlenborn
Ertel
Evans (DE)
Evans (GA)
Evans (IN)
Fary
Fascell
Fazio
Fenwick
Ferraro
Fiedler
Fields
Findley
Fish
Fithian
Flippo
Florio
Foglietta
Foley
Fountain
Fowler
Frank
Frenzel
Fuqua
Garcia
Gaydos
Gephardt
Gibbons
Gilman
Gingrich
Ginn
Glickman
Goldwater
Gore
Gradison
Gramm
Gray
Green
Gregg
Grisham
Guarini
Gunderson
Hagedorn
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hawkins
Heckler
Hefner
Hertel
Hightower
Hiler
Hillis
Holland
Hollenbeck
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jeffords
Jeffries
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kindness
Kogovsek
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
Lehman
Leland
Lent
Levitas
Lewis
Livingston
Loeffler
Long (LA)
Lott
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Madigan
Markey
Marks
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Matsui
Mattox
Mavroules
Mazzoli
McClory
McCloskey
McCollum
McCurdy
McDade
McDonald
McEwen
McGrath
McHugh
McKinney
Mica
Michel
Mikulski
Miller (CA)
Mineta
Minish
Moakley
Molinari
Mollohan
Montgomery
Moore
Moorhead
Morrison
Mottl
Murphy
Murtha
Myers
Napier
Natcher
Neal
Nelligan
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Oxley
Panetta
Parris
Pashayan
Patman
Paul
Pease
Pepper
Perkins
Petri
Peyser
Pickle
Porter
Price
Pursell
Quillen
Railsback
Rangel
Regula
Reuss
Rhodes
Rinaldo
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Rodino
Roe
Rogers
Rose
Rosenthal
Rostenkowski
Roth
Roukema
Roybal
Rudd
Russo
Santini
Sawyer
Scheuer
Schneider
Schulze
Schumer
Seiberling
Sensenbrenner
Shamansky
Shannon
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Simon
Skeen
Skelton
Smith (AL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (OR)
Smith (PA)
Snowe
Snyder
Solarz
Spence
St Germain
Stangeland
Staton
Stenholm
Stratton
Studds
Stump
Synar
Tauke
Tauzin
Taylor
Thomas
Traxler
Udall
Vander Jagt
Vento
Volkmer
Walgren
Wampler
Watkins
Waxman
Weaver
Weber (MN)
Weber (OH)
Weiss
White
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wirth
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yatron
Young (FL)
Young (MO)
Zablocki
Zeferetti

NAYS—31

Barnes
Clay
Conyers
Coughlin
Dymally
Edgar
Emerson
Evans (IA)
Forsythe
Gejdenson
Gonzalez
Goodling
Harkin
Hendon
Jacobs
Johnston
LeBoutillier
Lee
Miller (OH)
Mitchell (MD)
Ratchford
Roemer
Rousselot
Sabo
Schroeder
Solomon
Stokes
Walker
Washington
Yates
Young (AK)

ANSWERED "PRESENT"—1

Ottinger

NOT VOTING—29

Applegate
AuCoin
Brown (OH)
Broyhill
Burton, John
Butler
Chisholm
Courter
Crockett
Derrick
Dixon
Ford (MI)
Ford (TN)
Frost
Heftel
Long (MD)
Lowery (CA)
Mitchell (NY)
Moffett
O'Brien
Patterson
Pritchard
Rahall
Richmond
Savage
Stanton
Stark
Swift
Trible

☐ 1015

Mr. VOLKMER changed his vote from "present" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 4769. An act to recognize the organization known as the American Council of Learned Societies.

The message also announced that the Senate has passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 92. Concurrent resolution setting forth the recommended congressional budget for the U.S. Government for the fiscal years 1983, 1984, and 1985, and revising the congressional budget for the U.S. Government for the fiscal year 1982.

REGULATING OPERATION FOR FOREIGN FISH PROCESSING VESSELS WITHIN STATE WATERS

Mr. **BREAUX**. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries be discharged from further consideration of the Senate bill (S. 2535) to regulate the operation of foreign fish processing vessels within State waters, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The **SPEAKER**. Is there objection to the request of the gentleman from Louisiana?

Mr. **FORSYTHE**. Mr. Speaker, reserving the right to object, I rise not to object but to ask the distinguished chairman of our subcommittee to explain the contents of this legislation and to express my support for the bill. Before yielding to the gentleman from Louisiana, I would note that S. 2535 is virtually identical to similar legislation already approved by the Committee on Merchant Marine and Fisheries. Like the House bill, S. 2535 adopts the same test for determining whether foreign processors will be allowed to operate within a State's internal waters that is used for allowing joint ventures in the Fishery Conservation Zone. The purpose of using this standard is to parallel the existing one. The joint venture test was enacted in the 1978 amendments to the act and the House report concerning this standard amplifies on its meaning. It is the committee's intent to stand by the guidance contained in that report.

Mr. **BREAUX**. Mr. Speaker, will the gentleman yield?

Mr. **FORSYTHE**. I yield to the gentleman from Louisiana.

Mr. **BREAUX**. Mr. Speaker, the bill before us, S. 2535, is a simple bill, intended to resolve a problem that has arisen due to court and executive branch interpretations of two words contained in the Fishery Conservation and Management Act (FCMA). In essence, actions by the executive and judiciary have resulted in a situation where no authority exists, under the existing statute, for the regulation of foreign fish processing operations within the internal waters of our coastal States. This relatively recent development has raised obvious concern for our domestic land-based fish processors who fear unfair competition from foreign processing vessels operating in these waters.

The bill which the other body has passed, and is before us today, would provide a rational method for regulating the presence of these foreign processing vessels and is virtually identical to a provision contained in a bill recently reported by our Merchant Marine and Fisheries Committee, H.R. 5002. Generally, the bill would permit a foreign fishing vessel to engage in fish processing activities within the internal waters of a State if: One, the foreign nation, under which such vessel is flagged, will be a party to a Governing International Fishery Agreement (GIFA) or treaty, within the meaning of subsection 201(b) of the FCMA, during the time the vessel will engage in such fish processing activities, and two, the owner or operator of the vessel applies to the Governor of the concerned State for, and is granted, permission for the vessel to engage in such processing. The Governor of the State may not grant such permission if he determines that processors within that State have adequate capacity and will utilize such capacity to process all of the United States harvested fish from the fishery concerned that are landed in that State.

Foreign fishing vessels which have been granted permission to conduct fish processing activities within the internal waters of a State are required to comply with all applicable Federal and State laws while operating within the internal waters of that State. For the purposes of this provision, the term "fish processing" has been defined to include the performance of any activity related to fishing including, but not limited to, preparation, supply, storage, refrigeration, or transportation. Finally, the phrase "internal waters of a State" has been defined to include all waters within the boundaries of a State except those seaward of the baseline from which the territorial sea is measured.

Our committee was aware that many different interpretations could be placed on the test of capacity and utilization of such capacity. Our intent in erecting this standard was to parallel the existing standard for joint ventures in the U.S. FCZ. This joint venture test was enacted by the Congress in 1978 amendments to the FCMA. At that time, extensive discussion was contained in both House and Senate reports concerning the intent of the capacity and utilization test. In addition to paralleling the statutory test for the conduct of FCZ joint venture operations, we stand by the guidance contained in House Report 95-1334.

Mr. Speaker, a number of joint venture arrangements have been proposed since the 1978 amendments to the FCMA became law and we fully expect that the concerned Governors will be guided by the discussions and interpretations that have accompanied the implementation of that statute.

As I indicated, the bill which we received from the Senate is nearly identical to a provision contained in our own bill, H.R. 5002. These two technical problems are the subject of correcting amendments I am offering here today. The first clarifies what constitutes internal waters for the purpose of this act. Our amendment clarifies that these waters constitute all State waters except those seaward of the baseline from which the territorial sea is measured. It is only this narrow band of water that appears to have no regulation. The second amendment is intended to make it clear that except for internal waters, fish-processing activities permitted by the coastal State Governor in a manner consistent with the standards of this act, no such processing activities are to be undertaken. The sole intent and purpose of this legislation is to erect this system. No additional grant of power is made by this bill to either the coastal State Governors or the Regional Fishery Management Councils, created by the FCMA.

Mr. Speaker, it is necessary that we pass this bill in an expeditious manner so that the concerned States may erect their internal regulatory systems for the upcoming summer fishing seasons.

Mr. **YOUNG** of Alaska. Mr. Speaker, will the gentleman yield?

Mr. **FORSYTHE**. I yield to the gentleman from Alaska.

Mr. **YOUNG** of Alaska. Mr. Speaker, I rise in strong support of S. 2535 and the amendments that we are considering today.

This legislation is very important to the State of Alaska and to every other coastal State. By passing this bill, we will help to remove the uncertainty that now exists for the fishing industry due to certain loopholes that have been found in the Fishery Conservation and Management Act.

This bill will allow foreign processing vessels to operate in the internal waters of coastal States under certain conditions. The nation in which the vessel is registered must be party to a governing international fishery agreement with the United States or to an international fishery agreement as identified under section 201(b) of the FCMA. Further, a foreign vessel must obey all applicable State and Federal laws. Most important, a vessel can only operate in a fishery where the Governor has determined that U.S. processors do not have the capacity, or do not intend to use the capacity they have, to process fish caught by U.S. fishermen.

This latter point must be clearly stressed. We are not, through this legislation, intending to create new definitions of "capacity and intent" as these terms are used in the FCMA. These terms are discussed in great detail in House Report 95-1334. They are further refined in the CONGRESSIONAL RECORD of July 11, 1978, pages 20053 through 20057, in remarks made on the passage of H.R. 13340.

During subcommittee debate on H.R. 5002, a bill reported by the Merchant Marine and Fisheries Committee earlier this month which contains language nearly identical to S. 2535, an agreement was reached that the terms "capacity and intent" would have the same meaning in regard to operations in the internal waters as they do to operations in the fishery conservation zone. House Report 97-549, which accompanies H.R. 5002, makes clear that the "capacity and intent" standard used here is meant to parallel existing law covering joint ventures. Thus, the Congress intends that the Governor of a coastal State must make his decisions on the basis of the guidance contained within House Report 95-1334, legislative history accompanying that report, existing law as it applies to joint venture operations in the fishery conservation zone, and discussions and interpretations that have accompanied the implementation of existing law which governs the granting of permission to joint ventures.

Mr. Speaker, this bill is very carefully crafted to strike a balance between the needs of fishermen, processors, and State governments. It has been put together after a lot of hard work by my colleagues from Massachusetts, Louisiana, and New Jersey and their staffs. We have been assured of quick action by the other body and I hope that we can pass this legislation and allow the U.S. fishing industry to get on with the business of supplying good quality food to the people of the United States.

● Mr. **PRITCHARD**. Mr. Speaker, I would like to make a statement in support of S. 2535 as amended. I also want to expand on some important points that were not considered in the Merchant Marine and Fisheries report language on this similar provision contained in H.R. 5002.

In our attempt to maintain consistency with the principles of the Fishery Conservation and Management Act, we have included a requirement that nations proposing to send processing vessels into a State's internal waters be a party to a governing international fishery agreement, or other fishing rights treaty, with the United States. This will assure that consideration is given to the important criteria concerning the cooperative spirit of the requesting nation in such areas as trade and tariff issues, enforcement, technology transfer, and other elements directed at enhancement of the U.S. fisheries industry.

Additionally, many of my colleagues and I believe it important that the Governors carefully consider the factors that will be used in determining whether to invite foreign processing vessels into these waters. For instance, when they examine the processing industry's capacity, and intent to utilize such capacity, determination will not be based solely on the price, or other contract provisions, offered by a foreign processor. Domestic processors should not be expected to match or exceed such foreign offerings—too many operational and foreign market differences exist for such an expectation. Nor should a Governor's decision be used to intervene in labor disputes among our fishery sectors.

Furthermore, domestic fishermen are not to be deprived the right to refuse delivery to U.S. processors, or to sell to foreign processors if a Governor has determined a lack of domestic processing capacity and intent. This, I feel, strikes a balance among all concerned parties, provides for a U.S. preferential treatment of our resources, and delegates the necessary authority to the States to regulate their internal waters in these circumstances.●

Mr. **FORSYTHE**. Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER**. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2535

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 306 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1856) is amended by adding at the end thereof the following new subsection:

"(c) EXCEPTION REGARDING FOREIGN FISH PROCESSING IN INTERNAL WATERS.—(1) A foreign fishing vessel may engage in fish processing within the internal waters of a State if, and only if—

"(A) the vessel is qualified for purposes of this paragraph pursuant to paragraph (4)(C); and

"(B) the owner or operator of the vessel applies to the Governor of the State for, and (subject to paragraph (2)) is granted, permission for the vessel to engage in such processing.

"(2) The Governor of a State may not grant permission for a foreign fishing vessel to engage in fish processing under paragraph (1)(B) if he determines that fish processors within the State have adequate capacity, and will utilize such capacity, to process all of the United States harvested fish from the fishery concerned that are landed in the State.

"(3) Nothing in this subsection may be construed as relieving a foreign fishing vessel from the duty to comply with all applicable Federal and State laws while operating within the internal waters of a State incident to permission obtained under paragraph (1)(B).

"(4) For purposes of this subsection—

"(A) The term 'fish processing' includes, in addition to processing, the performance of any other activity relating to fishing, including, but not limited to, preparation, supply, storage, refrigeration, or transportation.

"(B) The phrase 'internal waters of a State' means all waters within the boundaries of a State except the territorial sea.

"(C) A foreign fishing vessel shall be treated as qualified for purposes of paragraph (1) if the foreign nation under which it is flagged will be a party to (i) a governing international fishery agreement or (ii) a treaty described in section 201(b) of this Act (16 U.S.C. 1821(b)) during the time the vessel will engage in the fish processing for which permission is sought under paragraph (1)(B).".

SEC. 2. Paragraphs (10)(D) and (11)(B) of section 3 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1802 (10)(D) and (11)(B)) are each amended by striking "at sea".

SEC. 3. Section 307(2)(A) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1857(2)(A)) is amended to read as follows:

"(A) within the boundaries of any State, except that this subparagraph does not apply to fish processing permitted under section 306(c)(1); and".

"SEC. 4. This Act shall take effect on June 1, 1982.

AMENDMENTS OFFERED BY MR. BREAUX

Mr. **BREAUX**. Mr. Speaker, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. BREAUX: Page 2, strike out line 24 and insert the following: "except those seaward of the baseline from which the territorial sea is measured.".

Page 3, strike out lines 9 through 19, inclusive, and insert the following:

SEC. 2. Section 307(2) of such Act of 1976 (16 U.S.C. 1857(2)) is amended—

(1) by striking out "in fishing—" and inserting in lieu thereof a hyphen;

(2) by amending subparagraph (A) by inserting "in fishing" immediately after "(A)", and by striking out "or";

(3) by amending subparagraph (B) by inserting "in fishing" immediately after "(B)", and by striking out "and" after the semicolon and inserting in lieu thereof "or"; and

(4) by adding at the end thereof the following new subparagraph:

"(C) except as permitted under section 306(c), in fish processing (as defined in paragraph (4)(A) and defined in paragraph (4)(B) of such section); and ".

SEC. 3. This Act shall take effect on June 1, 1982.

The amendments were agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. **BREAUX**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the Senate bill just considered and passed.

The **SPEAKER**. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

PERMISSION TO MAKE IN ORDER CONSIDERATION OF TECHNICAL AMENDMENT TO BUDGET RESOLUTION

Mr. **JONES** of Oklahoma. Mr. Speaker, I ask unanimous consent to make in order consideration of my amendment printed in the RECORD on May 24, 1982, at page 11550 in lieu of the amendment printed in the RECORD of May 21, 1982, at page 11139.

The **SPEAKER**. Is there objection to the request of the gentleman from Oklahoma?

Mr. **WALKER**. Mr. Speaker, reserving the right to object, I do so to ask the gentleman what the details of his request are.

Mr. **JONES** of Oklahoma. Will the gentleman yield?

Mr. **WALKER**. I will be glad to yield.

Mr. **JONES** of Oklahoma. This is a technical amendment in order to make the amendment—I think it is No. 3 that I have—in order to raise revenues and redistribute the revenues in the Michel-Latta substitute. We have to change it technically because the Latta substitute changed numbers in a technical way on reconciliation, and we are just trying to make this amendment conform to the technical changes in the Latta substitute.

Mr. **WALKER**. Further reserving the right to object, it makes no changes in the numbers themselves or in the substance of the amendment?

Mr. **JONES** of Oklahoma. None whatsoever. This is strictly an amendment to conform my amendment to the technical changes made in the Latta amendment.

Mr. **WALKER**. Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER**. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1983

Mr. **JONES** of Oklahoma. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution (H. Con. Res. 345) revising the congressional budget for the U.S. Government for the fiscal year 1982 and setting forth the congressional budget for the U.S. Government for the fiscal years 1983, 1984, and 1985.

The **SPEAKER**. The question is on the motion offered by the gentleman from Oklahoma (Mr. JONES).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution, House Concurrent Resolution 345, with Mr. BOLLING in the chair.

The Clerk read the title of the concurrent resolution.

The **CHAIRMAN**. When the Committee of the Whole rose on Monday, May 24, 1982, pending was the amendment in the nature of a substitute offered by the gentleman from California (Mr. ROUSSELOT). The Committee had agreed to limit debate on this amendment to 1½ hours.

The gentleman from California is recognized for 5 minutes in support of his amendment.

Mr. **ROUSSELOT**. Mr. Chairman, I ask unanimous consent that I be allowed to speak for an additional 10 minutes.

The **CHAIRMAN**. Is there objection to the request of the gentleman from California?

There was no objection.

The **CHAIRMAN**. The gentleman from California (Mr. ROUSSELOT) is recognized for 15 minutes.

Mr. **ROUSSELOT**. Mr. Chairman, this is it. We have had a tremendous amount of discussion on the fiscal year 1983 budget. It is now time to discuss, and act, on the need for a balanced budget resolution.

Mr. Chairman, this budget contains all the elements that so many of my colleagues in this body have talked about for the last 7 and 8 months. There is no add-on deficit in this budget. This budget will sent the strongest signal both to Main Street and Wall Street and will be a tremendous incentive to bring down interest rates. I have heard that need expressed time and time again, especially from this side of the aisle.

Mr. Chairman, I would like to review with the Members of this body the facts supporting the Rousselot balanced budget substitute amendment to the first concurrent budget resolution for fiscal year 1983:

The balanced Budget substitute accomplishes the following:

Balances outlays with anticipated revenues at $701.75 billion for fiscal year 1983 by restraining increases in spending.

In comparison, the Budget Committee recommends a deficit of nearly $100 billion.

Recognizes the unexpended and unobligated Federal fund balances that have been accumulating while the bureaucracies try to figure out how to spend the money which has been authorized. By the end of fiscal year 1983, over a billion in unobligated funds will have accumulated for the various bureaucracies to spend. In addition, a like amount will have accumulated in pension reserves. Total unobligated balances are substantial. The Federal bureaucracy will not starve under the balanced budget substitute.

Takes into account waste and fraud in the Government which is encouraged by excessive Federal spending. According to the Justice Department, fraud may be costing the Government as much as $25 billion per year. Fiscal belt tightening will encourage the Federal agencies to be more careful with the people's money.

Mr. Chairman, the balanced budget substitute offered in previous years has experienced growing support among the Members of the House. In 1975, when I first introduced it, it received 95 "aye" votes. In 1978 it received 170 "aye" votes. And in May 1980 this balanced budget resolution received 191 "ayes" to 218 "noes"—only a 27-vote margin. The reason?

The reason is simple. The balanced budget substitute is based on an economic model which soundly stresses the interrelationships between large deficits and low productivity, high tax rates and low productivity, and high interest rates—caused by excessive money growth and Federal borrowing—and increasing tax rates. Together these factors influence our tax revenues and rate of economic growth. Unfortunately, the interrelationships of these factors is not well understood by some of the Members of this body.

Large deficits and higher tax rates will impede our Nation's economic development. The Members of this House have a chance to vote on our balanced budget substitute which does incorporate the interrelationship of these factors.

A "yea" vote will be for less government, lower taxes, no deficits, less inflation, lower interest rates and more productivity and greater employment opportunities. A "nay" vote will be for more government, bigger deficits, more inflation, higher interest rates, less productivity and more unemployment.

□ 1030

This will slow down Federal spending exactly the way many of my colleagues on both sides of the aisle have talked about for the last several months. Spending will be at a level of $701.75 billion, revenues at $701.75 billion, for a balanced budget. This will be a tremendous incentive to all of the various sectors of the economy that in Congress we have finally lived up to our responsibility to live within our means.

We have talked about it. We have discussed it. We have rehashed it. Now, you can vote for it right now with one positive, constructive vote.

Many of our colleagues have said they are concerned about small business and agriculture and all of the other phases of our economy that are now in recession. This is the responsible budget resolution to vote for to give encouragement and stimulus to small business.

How do we do that? The National Federation of Independent Business (NFIB), an organization with in-excess of 650,000 members, has sent each of the Members of Congress a letter which said, "We endorse this budget resolution as the best way to provide stimulus and help to small business."

Why? Because it takes away the tremendous add-on deficit that all, I repeat, all, the other resolutions contain. There will be no new deficit spending required under this resolution. That means that there will be less competition by the Treasury of the United States in the marketplace to be borrowing so much money. Economist after economist has said, "If Congress would only live up to its responsibility and not add so much to the deficit, we know there would be a tremendous reaction in the marketplace. We would not need all of that new interest to be charged by the Federal Government. It would be brought down to a real level of reductions."

Remember that the third or fourth largest item in any of these budgets is the interest charged on the current $1,100 billion debt. All other resolutions talk about and address themselves to adding to that tremendous burden that the American people and the marketplace already carries.

Now, we believe that it is important to have this Congress go on record and say that now is the time to bring down spending to such a level that the Treasury does not have to go out and borrow so much.

In our resolution, we also contemplate, after October 1, 1982, freezing all increases in Federal payments to individuals. That would be, I will say to my colleagues, after the 7.4-percent increase that is contemplated for social security. So that would not be touched, Mr. Chairman. I knew the Members would be glad to hear that.

But all other payments would be frozen at the level of October 1. The overwhelming majority of our former Secretaries of the Treasury of this Nation has said—and you read it on Monday, May 24, in the Washington Post—Congress should accept its responsibility to freeze the payments to individuals beginning in October 1982 and show the American people that this Government can live within its means. It is imperative that the Federal deficit be significantly reduced. We ask that of everybody else, but we always make ourselves an exception. These are former Secretaries of the Treasury, men with judgment from having to manage that tremendous deficit for long periods of time. This resolution—and, remember, it is setting targets for spending for 1983, 1984, and 1985—can do that now.

We do not have to wait. So many of my colleagues have projected time and time again and said, "Oh, we'll get to a balanced budget sometime in the future." Many, many times in the Chamber, ever since we have had a budget process, starting in 1974, committee chairman after committee chairman has come up here and said, "Oh, we should have a balanced budget, but we can't do it this year and we can't do it next year. We'll get to it a little later."

The American people are asking, why not now? Why cannot Congress live within its means? Everybody else does.

Approving an add-on debt of $100 billion to the already enormous Federal deficit will escalate inflation and interest rates and will decrease the earning power of America's working taxpayers. It will crowd out investment and production and cripple the ability of individuals and the private sector to save, invest, expand, and develop new resources and technologies. This is what stimulates our economy and creates the permanent, meaningful jobs that our Nation in seeking. We can balance the budget in fiscal year 1983 by reining in wasteful spending and by expanding the tax base by maintaining the present economic recovery program that sparks economic growth.

In 1978, Senator William Proxmire joined me in criticizing the excessive deficits that are added to the Federal budget year after year. In the additional views to the Joint Economic Committee Report of 1978 he said:

> I believe that both the President's proposed $500 billion budget and this Committee's estimate of expenditures of $500 to $505 billion are too high. These expenditures represent an enormous burden on American taxpayers. They should be cut by a minimum of $25 billion and better, yet by $35 billion in order to provide a freeze on Federal outlays of about $165 billion as the distinguished financial expert Henry Kaufman proposed before the House Committee on the Budget.
>
> Further, as one who has routinely examined the budgets of numerous Government agencies as a member of the Senate Appropriations Committee, I assert without fear of contradiction that there is not a single general Government function where a 5 to 7 percent cut of the funds could not result in a more efficient or less wasteful program combined with better services to the American public. One can name the function . . . and know from experience that the budget could be cut without harming the function.

The ever-increasing deficits like those recommended by the majority constitute a trend so ominous that even many of the liberal economists are claiming that we are "deficit-addicted." They admit that deficits are no longer stabilizing to the economy and that, rather than simply acting as an "occasional" stimulus, deficits have occurred in greater magnitude and regularity every year. The weakness of our past economic policies is that it removes the discipline of the balanced budget. Further, politically popular, but economical unproductive expenditures, can be easily clothed in the virtue of deficit-creating stimulus packages.

It is time to place restraints on increases in spending. While many of the chairmen of various House committees have lamented about the deficit that is facing us, they are at the same time recommending increases of more than $50 billion in spending. Apparently, the philosophical difference is that they want more and more spending and more and more taxes. I believe we should have less spending, less taxes and more prosperity.

There has been some good economic indications in the news recently. Inflation has all but disappeared as a major issue. Housing starts were up in February by 6 percent from January and nearly 12 percent from the October low. Building permits for privately owned housing units were up 16 percent in February from October, indicating more future increases in housing starts. The Industrial Production Index increased 1.6 percent in February, the first rise since last July. A near-record 57 percent of the working-age population is employed. The record is 59 percent. Income from wages and salaries rose $7.7 billion in the period from January to February. The deficit for the first 5 months of this fiscal year is $2 billion less than the deficit for the same period in fiscal year 1981. And, finally, interest rates, though still unacceptably high, have taken a drop in the past year. The prime rate, which was over 20 percent last summer, has dropped to 16.5 percent.

There are signs of economic recovery. The U.S. economy is entering the early stages of a recovery. The Consumer Price Index has declined for the first time in 17 years. Air travel, which traditionally signals a change in consumer sentiment, is picking up and the sales of U.S. made autos—managed to increase 6.1 percent for the middle 10 days of April compared with the same period last year. The semiconductor industry, one of the last sectors of the economy to cave in, is showing signs of being about the first to rebound.

The time is now for this Congress to take action to balance the Federal budget and to place our Nation on an economically sound basis.

I want to say that I recognize the hard work of the members of the Budget Committee and the many difficulties that they have faced. But the appalling fact is that, even after all their hard work, all the difficult choices, they have brought to the floor of the House a resolution which projects deficits exceeding $100 billion. That means, Mr. Chairman, that if we are to pass this resolution, a majority of Members of the U.S. House of Representatives must go on record as stating that the deficits which are appropriated for this year, or the next, or the one after that, are OK.

That is baloney. Perhaps a majority of you here can cast such a vote by supporting the committee budget. I certainly am convinced that a majority of the American people would not cast any such vote. I certainly will not.

I support the President's program for economic recovery. Because the President has shown the determination to control rampant Federal spending I have continued to not only support, but to advocate many of his restraints proposed for Government spending.

But coupled with that we have huge deficits—deficits which are now apparent to us all, but which also have put a hamstring on the control of Federal spending.

If we are to have any hope of getting on a sound economic basis, if we are to reduce interest rates, if we are to encourage job-creating economic growth, if we are to continue to hold down inflation, then I believe the present budget resolution must be substantially reshaped. The figures submitted by the budget resolution simply are too high on the spending side and, as a result, too high on the deficit side. In addition, they fund this spending with increased revenues. Even the revenues are too high. Let us not forget that this means higher and higher taxes for our constituents.

The projected deficits are too alarming to be permitted to stand.

I do not contend that these deficits can be cut without discomfort, but the longer we put off getting on a sound economic basis the more difficult it will be for everybody—the rich and the poor alike.

The Defense Department must be aware, for example, that while a strong national defense is essential, it cannot be maintained in the long run without a sound economy and a soundly based financial structure. Entitlement programs cannot be exempt from reductions, except where we are awaiting the report of the committee which is now studying the entire scope of the social security program, with the mission of preserving its solvency.

We must have a credible program of deficit reduction—otherwise, the critical element of business and consumer confidence will be lacking, and a soundly based and sustainable economic recovery will not be forthcoming.

I have discussed this subject with many prominent and noted economists and they overwhelmingly agree that while the seeds of recovery are in the ground—it does not insure a bumper crop. What is needed to tend to these seeds, the necessary nutrients and water and sunshine, is a drop, a substantial drop, in interest rates.

These economists all agree that an elimination of the Federal deficit would be just what the farmer ordered for these seeds.

What remains to be seen are the strength, the scope, and the duration of any such recovery. And the determination of that will depend to a significant extent on what is done by the Congress in acting on the budget.

The immediate and actual consequences of our budgetary decisions are considerable. But the psychological effects are even greater.

In summary, I cannot support the budget submitted by the Budget Committee for two basic reasons: one, spending is too high and two, the deficits are too great.

What I can support is the alternative budget resolution substitute I, and several of my colleagues in the House, including two members of the Budget Committee, have introduced—the balanced budget substitute.

For the past 11 years I have offered my balanced budget substitute resolution. The need for this resolution is even more pressing this year. It is imperative that the Congress send a signal—and a strong one—to Wall Street and the business community.

The deficits incurred by the rampant Federal spending of previous years is effecting the economy of this country. A lot of people lend money or have money loaned to them by others. They know about deficits and they know we have got to somehow do something about it. If not, we will have another period of superinflation. The Federal Reserve is going to be forced to loosen money enormously to prevent a disaster unless we have fiscal restraint here in the Congress.

Any approach that does not substantially reduce deficits will not be credible to those that lend money. Interest rates will not come down if large deficits are passed by the Congress. People have become educated about our deficit. Our colleague on the Senate side, Senator **Pete Domenici**, has stated on the floor of the Senate that "the budget process, for all its shortcomings, has finally convinced people that they ought to look at the budget for a few years into the future, make some projections and say, 'something is wrong', or 'gee, things are great.' "

Can you imagine, Mr Chairman, how the business community would respond if we told them that we had a balanced budget in 1983? I can tell you—they would say that interest rates would go down. That this is the signal that Wall Street has been waiting for.

Now, Mr. Chairman, can you imagine what these same lenders will say if we produced a fiscal year 1983 budget with the deficits skyrocketing or even camouflaged with a social security budget shifted to the side? Surely, interest rates would not be lowered. It is now time to solve these deficit problems.

It is unrealistic to expect interest rates to come down when a $100 billion 1983 Federal deficit coupled with Federal off-budget borrowing will consume 80 percent of the personal savings of Americans.

As the Federal Govenment borrows more and more money, it leaves only a tiny residue of savings which can be used for personal and business loans. That scarcity of available savings keeps interest rates high. And if we do not bring interest rates down dramatically, and I am talking not 2 to 4 but 6 to 8 percentage points, we will face higher unemployment, ever greater numbers of bankruptcies, and the prospect of a return to double digit inflation as pressures mount to increase the money supply to finance Federal borrowing.

Courage is what is needed. The balanced budget substitute creates hardship for some Americans—but it is a fair and equitable discomfort. It calls for spending restraints in all Federal programs. No one is exempt.

The American people want to go back to work. Our resolution will accomplish this. Otherwise, we will have a weak economy, high unemployment and further deficit spending.

Let us bear in mind that while reducing the interest rates—we will be putting Americans back to work.

While balancing the budget is not easy—and by no means politically popular in all circles—it is necessary. It is a budget that can initiate action and a budget that will show Americans that we mean action and can do it in a limited timeframe.

Judging by our current fiscal policy, the Congress has no intention of balancing the budget through an expanding economy. Today's high interest rates are wiping out all the economic gains that we could be making in response to the tax cuts that were enacted last year (1981).

Day by day, inflation has been increasing the tax burden levied on labor and capital. In so doing, it is virtually guaranteeing a recession. Inflation is a monetary phenomenon, and until we start "trading tobacco leaves" in the economy, as our forefathers did, inflation will continue to be a monetary phenomenon—caused by too much money chasing too few goods. If we are trying to slow down inflation, we should slow down the Federal Reserves' printing presses—not the productive economy—and the only way feasible to do this is to eliminate deficit spending.

Despite all the myths, we must face the cold facts as to what budget deficits are, and are not. Budget deficits represent an obligation that the Government has to those citizens from whom it has borrowed. It is an obligation to levy taxes on the general citizenry upon the maturity of the debt. In some instances the budget deficit is financed via the Federal Reserve Bank's printing presses and this can be inflationary. Historically, the Fed's role in financing the debt has been partly to blame for our current high interest rates. The real problems with running budget deficits is that in most cases they are simply an expedient way of redistributing earnings from one segment of our society to another segment by forcing future generations to pay for the tab.

Unfortunately, today's generation of taxpayers is already paying part of the tab. With deficits growing, the Federal Government's obligation to increase tax rates has also been growing. As a consequence, our Nation's financial managers have been systematically turning down high risk projects with paybacks too far off in the future. The bottom line has been that investment has been dropping off over a period of years and along with it productivity. The only reason investment has not fallen completely out of bed is because of the tax cuts we enacted last session.

Mr. Chairman, there can be no doubt of the need to balance the Federal budget. Large deficits associated with increased Federal spending either contribute to inflation or serve only to stifle investment because of the expectation of higher taxes in future years. Nor can there be any doubt that the drafters of our Constitution ever intended to provide the Congress with a free ride to spend to their heart's content by virtue of inflation and higher taxes. They adopted provisions to limit the Federal Government—but adoption of the 16th amendment has lead to the emergence of powerful special interest groups in society who are competing for larger and larger shares of a growing Federal spending pie.

The Congress is in need of a new set of fiscal rules which automatically limits the growth and the size of the Federal pie by constraining the power to raise taxes either through inflation or by direct vote. Ironically, the more the Federal Government has spent, the less productive our economy has become.

Congress must renavigate its fiscal course and reduce the size and scope of Federal Government. We must put an end to the unconscionable Federal intrusions into the workings of our national economy. Congress has the power to restrain Federal Government spending and balance the budget.

Now, $701.75 billion is a tremendous amount of money, and let us talk about how it affects the poor. According to our Budget Committee's statistics, the average poor family has spent for it on its behalf for a family of four roughly $17,000 a year by the Federal Government.

Now, we admit that many of those dollars do not actually reach those poor families; they are chewed up by the bureaucracies in all kinds of overhead expenditures. Under this budget resolution that average would still be maintained. In addition, with the efforts that are not underway to eliminate the bureaucracy and make sure that more of those dollars genuinely go to the poor, that is still a very tidy sum. It is a sum to be allocated to each poor family in this country.

So if the attempt is made to say there is nothing in here for the poor people, that just is not true. The levels of expenditure in all of these functional categories that you have seen clearly are at the same level or almost the same level as 1981-82, and we cannot make the judgment that it will be adequate for all the poor and all the needy. But it is there. What we are saying is that if there is a sacrifice to be made in future increases in spending, it should be even-handed and fair and across the board. That is what we recommend in this balanced-budget resolution.

Now, the spending levels, as the Members well know, are still established after we pass the budget resolution. The way that that is allocated is still done by each committee, the authorizing committees and, in the case of revenues, the Committee on Ways and Means.

I would, for the record, just like to explain the methodology used to determine projected receipts for fiscal year 1983. The March 1982 Monthly Treasury Statement provides us with 6-month totals for Federal receipts for fiscal year 1982. These figures are then extrapolated for the full year based upon previous 6-month proportions. Thus:

[Receipts in millions of dollars]

Treasury report	6 mo	Full yr	6 mo as percent of full yr
March, 1979	201,597	465,940	43.27
March, 1980	228,681	520,050	43.97
March, 1981	260,635	599,272	43.49
Average			43.58
March, 1982	289,590	664,502	43.58
Less 2.5 percent to account for effect of 10 percent tax cut on 4th quarter of fiscal year		−16,612	
Estimated full-year fiscal year 1982 receipts		647,890	

Determining fiscal year 1983 receipts is, admittedly, more hazardous using this method of computation. Slight variations in economic assumptions can wreak havoc upon any projections—and they have. But it is necessary to arrive at an approximate figure if for no other reason than to be able to gage spending. Therefore, just carry the formula one step further.

The fiscal year 1982 total of $647,890 million represents an 8.11-percent increase over 1981 receipts. This sum plus a similar 8.11-percent increase for fiscal year 1983 yields $700,434; less 2.5 percent for the third-year tax cut nets $682,923—the projected fiscal year 1983 total. To answer the obvious questions:

First, applying an 8.11 percent increase is not unreasonable since the average annual increase over the past 3 years has been 11.65 percent; significantly, despite the recession, 6-month revenues this year are 11.11 percent higher than for the comparable period last year. So the lower percentage increase of 8.11 percent is not overly optimistic.

Second, the July 1983 third-year increment of the tax cut package enacted last year will reduce revenues by 10 percent for the year; since there remains only the final quarter of the fiscal year, however, the effect on receipts would be an approximate 2.5-percent reduction.

Third, the resulting net increase from fiscal year 1982 to 1983 of 5.4 percent is not incomparable to the 4.7 percent average increase for 1964 and 1965 following enactment of the Kennedy tax cuts.

RECENT HISTORY

[In billions of dollars]

On-budget	Fiscal year						
	1977	1978	1979	1980	1981	1982[1]	1982[2]
Outlays	400.51	448.37	491.00	576.68	657.20	725.33	742.3
Receipts	355.56	399.56	463.30	517.11	599.27	626.75	623.0
Deficit	−44.95	−48.81	−27.69	−59.56	−57.93	−98.58	−119.3

[1] OMB estimate in February 1982.

[2] Revised CBO baseline.

I would now, Mr. Chairman, like to yield to my colleague, the gentleman from Pennsylvania (Mr. Walker), to comment on another aspect of this budget resolution.

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding.

I think it is important to recognize—and the gentleman makes the statement—that we have said over and over again that we are going to get to a balanced budget sometime. Congress said in 1978 that we were going to get it in 1981, and in fact we wrote it into the law of the land and said that in 1981 we were going to begin having balanced budgets. In 1980 we reaffirmed that.

The whole thing that this process should be about on the floor is to bring us into compliance with the law. What we have is not a lawmaking process; we have just a process in and of itself. We are supposed to be complying with the law. The gentleman's amendment is the only one being offered that brings us into compliance with the law, the law that we conscientiously passed back in 1978.

The problem is, as the gentleman said, that we keep exempting ourselves. We keep saying that we are exceptions. No State legislator in the country that has a similar kind of law exempts itself from the provisions of the law. As a matter of fact, they think they would be run out of office if they were in the position of saying, "We are an exception to the laws we pass." Only here do we have that kind of arrogance.

Mr. Chairman, I congratulate the gentleman from California (Mr. Rousselot) for his budget resolution because it establishes figures which put us in compliance with the law of the land. I thank my colleague for offering his amendment.

Mr. ROUSSELOT. Mr. Chairman, I appreciate my colleague's remarks, and I now yield to a distinguished member of the Budget Committee who has sat through many of these hearings in the Budget Committee and who will comment on the relationship to the gross national product. I yield to my colleague, the gentleman from North Carolina (Mr. Johnston).

Mr. JOHNSTON. Mr. Chairman, of a total budget of $700-plus billion, almost $500 billion of that budget is represented by payments to individuals, either for services rendered, past services rendered, or on the basis of some kind of need.

Now, there is no reason for us to possibly consider any other way to control Federal spending if we are not willing to tackle that $500 billion or five-sevenths share. Of the remaining two-sevenths, roughly one-seventh is represented by interest on the national debt, something we can do little about. That $500 billion is scheduled to increase on the existing budgets at rates from 4 to 8 percent in the coming year. If it does, it will be another year of spending outrunning the growth in the gross national product.

By eliminating these automatic increases we can disembed the inflationary bias of this economy. We can enlist millions of Americans in the army to fight inflation and we are winning this war.

In essence, under all the other budget proposals Government takes over more and more of the economy. This budget precludes that. Under this budget Government's share of the gross national product will decline to 22 percent of the GNP. This will be the first time in 5 years when we spent less than the economy grew. It is the only hope we have got to avoid what Mr. Orwell promised us would occur in 1984, that is, the State controlling not only the economy but its people, and we need to remember that we are on the threshold of 1984, that wonderful year of doublespeak, mind control, and economic control by government. And we are talking about 1983's budget that is now here.

Either we prepare ourselves to do something about it, even though it requires political courage that we have rarely been willing to muster in the past, or our opportunity is forever gone. There is no healthy economy on this planet where government spends as much as our Government, State, Federal, and local, is spending. Under all the other budget proposals this share will increase.

Let us talk about jobs. The private sector is expected to provide 83 percent of the jobs in this country with only 55 percent of the economy. Under the other proposed budgets, it simply cannot do the job. Remember, there are 84 million people out there employed in the private sector, and when you add up Government employment in toto, including the military and including State and local governments, it is only 18 million people. Yet the governmental sector of this economy in all other budgets is going to have 45 percent of the economy.

Everybody is for full employment. I just saw a full-employment economy. It is in the People's Republic of China. But I centainly would not want to exchange America for the economic conditions that prevail over there.

The real question is not whether we have full employment; the real question is whether the private sector provides that employment or whether we attempt to constantly enlarge the Government's share of our economy. And also continue to expect the private sector to have the savings and investment necessary to provide jobs.

The CHAIRMAN pro tempore (Mr. Bonior of Michigan). The time of the gentleman from California (Mr. Rousselot) has expired.

Mr. MARKS. Mr. Chairman, I rise in opposition to the substitute amendment, and I ask unanimous consent that I may be allowed to speak for 10 minutes.

The **CHAIRMAN** pro tempore. The gentleman from Pennsylvania (Mr. Marks) asks unanimous consent to speak for an additional 5 minutes.

Is there objection to the request of the gentleman from Pennsylvania?

Hearing none, the gentleman is recognized for 10 minutes.

Mr. ARCHER. Mr. Chairman, reserving the right to object, may I ask, will these 5 minutes come out of the 1½ hours allotted for debate on this amendment?

The **CHAIRMAN** pro tempore. The Chair will state that the gentleman is correct. However, the Chair has ruled that the gentleman is recognized for an additional 5 minutes.

Mr. ARCHER. Mr. Chairman, I was on my feet, and I would like to reserve the right to object. If this time is going to come out of the total amount of time, then I feel that I must object.

If the time can be added on, Mr. Chairman, I ask unanimous consent for this 5 minutes to be added on to the 1½ hours.

The **CHAIRMAN** pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The **CHAIRMAN** pro tempore. The gentleman from Pennsylvania (Mr. Marks) is recognized for 10 minutes.

Mr. MARKS. Mr. Chairman, I will not yield until I have finished.

Mr. Chairman, the situation the House finds itself in today as yesterday, is something out of Lewis Carroll's "Alice in Wonderland"—trying to appreciate the rule governing debate today, much less following the 7 substitutes and 67 odd amendments, is like playing croquet with hedgehogs and flamingos.

Mr. Chairman, I hold the President and his advisers primarily to blame for this ludicrous situation. Only a White House more interested in scenarios than fiscal responsiblity could first present Congress with a stillborn budget proposal, and then, launch a media blitz complaining that Congress was damaging chances for economic recovery by constantly delaying the budget process.

This administration keeps faulting Congress for not immediately making hard choices necessary to prepare a budget.

That is tantamount to a doctor strangling his patient and then complaining because the clergy can't bring him back to life. This administration has failed to make any hard choices in its travesty of a budget and now complains because Congress struggles in building a consensus on budget priorities.

I have only been here 6 years, but in those years, and well before, never has a President sent up a budget, knowing it was doomed, and then gone riding off into the sunset—leaving Congress to struggle without a scintilla of Presidential leadership. This is a disgrace and the American people know where the blame lies. It lies with the President of the United States and his colleagues.

Yesterday, and today, we have tried to write a budget for the United States on the floor of the House of Representatives—and We will continue to try though, as Everett Dirksen used to say, "There will be blood in the well up to our boot-tops, before we are through."

Mr. Chairman, I have looked at all the substitutes and find their deficits, with one exception because it has no deficit, absolutely unacceptable—and I believe the banking community, Wall Street, the American taxpayer, the blue-collar and white-shirted workers, the labor leadership, the small businessman and the corporate boardroom, the family struggling to send their children to college or graduate school, persons concerned with the environment, the black community and minorities generally will also find them unacceptable. The one exception to this view of course is the substitute offered by the gentleman from California, but he balances his budget for 1983 on the backs of the elderly, the poor, the sick, students, farmers, the housing, automobile and steel industries and their workers—and leaves essentially intact the unfair tax cuts and tax loopholes for corporations and wealthy individuals. His sensitivity to human needs, I need not dwell on—his substitute speaks for itself.

I just do not believe the American voter will return to office any Member of the House of Representatives or Senator, of whatever party, who with a straight face presents a budget deficit for 1983 ranging from $96.8 billion to $109.4 billion—and claims this was the best he or she could do and is in his constituents' best interest. If the White House likes scenarios, this scenario is one of political suicide.

We all know that with a deficit of about $100 billion there will be no easing of interest rates. You can have faith—you can have trust—and you can believe in this administration's economic policies if you care to, but I respectfully suggest to you that this administration will still be forecasting the roaring back of the economy ad infinitum.

Administration budget and economic experts must have "known in their hearts" that their deficit for 1983 was, at the time they presented it, in excess of $150 billion. They also knew that their proposed defense increases and insistence on maintaining tax subsidies for the rich was feeding those deficits, deficits which keep interest rates up, workers unemployed, and families unable to buy homes, cars, clothes, college educations for their children and the like.

Administration economists, of all people, should have learned the lesson from Franklin Delano Roosevelt, when he said, "We have known that heedless self-interest was bad morals: We know now that it is bad economics."

It is bad economics to fatten the rich even more than they are already bloated. It is also bad short- and long-term politics. This administration is riding into the sunset of political oblivion with its economic "brand" exposed in full view to the American people.

That brand spells, "g-r-e-e-d," and uncontrollable greed is exactly what we are seeing as the hallmark of this administration and its misguided and self-destructive economic policies.

May I first talk about corporate tax subsidies. The combination of accelerated depreciation, leasing of tax credits, plus investment credits, means that all of corporate America will soon reach the zero rate of taxation already achieved by such profitable corporations as, Occidental Petroleum, LTV, and Burlington Northern. Rather than helping directly those companies which should receive tax relief, these budgets are helping out very profitable corporations at an extraordinary cost to the Treasury, the taxpayers, and to the future economic recovery of this Nation.

Those special interests who gathered in Washington for the "Lear Jet Weekend" may find that in aiming to raid the Treasury—they really ended up shooting themselves in the corporate foot. The feeding frenzy generated around the Federal tax trough degenerated into an exercise in time-lapse cannibalism.

Their tax benefits are costing the Nation revenues it does not have—are hiking interest rates and the deficit to ungodly levels—and helping kill the recovery needed to generate their own profits and sustain healthy economic growth and the creation of jobs for the millions upon millions of Americans out of work.

Mr. Chairman, besides reducing the revenue hemorrhage—induced by the tax benefit given to corporations and the wealthy last year—another way in which we could cut the deficit is by repealing, reducing or delaying the 3d year tax cut.

However, neither the tiny net tax saving of the middle income, nor the several thousands realized by those with income in six figures, are justification for the economic penalties we will all pay through persistent high interest rates if the 3d year tax cut is left untouched.

Repeal or reductions in the third year tax cut are essential if money managers and investors are to be convinced of our determination to reduce deficits. It is far better to adjust the third year tax cut, and thus lower interest rates, and create jobs, than to maintain a tax cut which guarantees that the unemployed do not even have incomes on which to pay taxes.

Mr. Chairman, defense spending is the third area where significant Federal revenues can be saved. The President wants to increase defense spending by from 13 to 18 percent above inflation. The House Budget Committee would increase defense spending by 5 percent above inflation. While the committee proposal—and others—cut actual spending for 1983 between $10 and $15 billion, they are really merely nibbling at this mammoth fiscal cheese.

Mr. Chairman, I maintain that before we have a truly credible defense—and one which we can sustain without seriously eroding the economy—we must repair the economic damage this administration's policies have caused to our great productive economic machine.

Better to reduce defense spending by $50 to $60 billion than risk continued and deepening recession of the economy, while experiencing runaway inflation and horrendous cost overruns in the defense sector. Defense spending can and must be reduced significantly beyond what any of these budgets before us propose.

A delay of several years will not have the Russians launching their strategic missiles at us. Assuredly, Cuba will not strike out at us. Our present military strength is such that no nation on Earth would dare risk assured mutual destruction.

Defense spending ranging from $191 to $214 billion as proposed by the various substitutes, is just too high during this period of economic crisis.

I feel sure our allies in NATO and around the world would feel far more secure seeing a U.S. economy in good health—with rational interest rates, with greater production and productivity, and with a dollar valued to facilitate rather than dampen world trade.

As the saying goes, "When the American economy has a cold, the world economy catches pneumonia."

Mr. Chairman, these three revenue sources must be tapped. The American worker, running out of unemployment benefits, has lost patience with this President and this administration. The Congress must bite the bullet and present the American people with a budget which will foster economic growth and the creation of jobs for the millions and millions out of work.

We must repeal or adjust the tax benefits passed out last year during a moment of fiscal drunkenness on the part of this administration and the Congress—tax benefits which I hap-

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pened to have voted for, unfortunately.

We must repeal or adjust the third year tax cut—which, again, I voted for, unfortunately.

We must reduce defense spending to a level consistent with economic realities.

We cannot accept continuing deficits in the $100 billion plus range. In spite or what our Republican savior, the gentleman from New York has said, interest rates will not come down if deficits remain at current or higher levels. We must secure the revenues necessary to achieve that and the areas I have indicated are those which I believe will produce increased revenues without cutting off economic recovery.

Good government costs money—by good government, I mean that which helps people—not hurts them. We should be investing in a government that truly cares for those who cannot care for themselves. To have carelessly defaulted in his leadership responsibilities on the budget indicates that this President is greatly at odds with the view the vast majority of Americans hold of the American Government and its responsibilities. I believe this President and those around him truly misread the American people. They listen too much to the rhetorical grumblings and not enough to what the people really feel. The American people instinctively understand what Teddy Roosevelt and his cousin Franklin talked about when they used the word "national." The American people want a government that works and not one that is to be dismantled to oblige the greed and ideological liturgy of destruction espoused by this President's wealthy cronies.

Mr. Chairman, I have voted against all substitutes put before the House. I shall continue to vote against others yet to be discussed. The American people deserve better than the alternatives presented here for our deliberations and decision. These budgets are unacceptable. These things I believe.

□ 1045

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words and rise to oppose the amendment.

Mr. Chairman, the most important statement made by anyone on the floor yesterday in my judgment was made by the gentleman from Montana (Mr. WILLIAMS). He noted that during the debate yesterday virtually everyone seemed to be worshiping at the altar of a balanced budget for all time, under all circumstances, with no exceptions whatsoever.

He then went on to note that if we had learned anything from our experience in the Great Depression we should have learned that it is sometimes necessary to have budget deficits, just as it is sometimes necessary to have budget surpluses, and he was right.

What I would suggest today is that we ought to have a fundamental understanding in this House about the validity of Keynesian economics. The fact is that if you take a look at the history of this country you will see that the history both of the Depression and during the last 20 years has indicated that Keynesian economics is, indeed, valid.

The problem is that it has not been followed and it has not been followed as often by liberals as it has not been followed by conservatives.

The fact is that over the last 20 years we have been very good at following one-half of the Keynesian instruction manual. We have been very good at priming the pump during times of recession and high unemployment but we have not collectively met our responsibility to take that money back out of the economy in times when we had full employment, in times when we had an overheated economy by providing budget surpluses.

As a result, we have been ringing up big deficits regardless of the economic condition of the country.

I would submit that the test of policy is not whether you are for deficits or for surpluses; the test of intelligent public policy on economics is whether or not we have a sufficient understanding of when you need each. You may need them to fight a war or to bring us out of a recession but you cannot afford them most other times.

Some people will ask, "Why are the liberals suddenly crying about the huge deficits which are apparent in the Reagan program for the next 3 years, if it is not changed, when they have often voted for budgets which provided deficits?"

I think the answer is very simple. The problem with the Reagan program is that even at full employment it gives you large deficits. The problem with the Reagan program is that it is in that sense Carbon Copy Lyndon Johnson. That was the last time, under Johnson, when we tried to both have guns and butter. He tried to fight the Vietnam war without raising the taxes to pay for it. He ginned up defense spending. He overheated the economy. He delayed in asking for the tax cuts necessary to cool the economy back down. When he finally recognized his mistake Congress still delayed for 13 months in responding to that mistake.

That is the problem with the President's program and that is why many liberals want it changed today, as well I hope as intelligent conservatives, because they recognize that the President, too, is trying to have guns and butter. He is trying to have guns in the form of a military buildup and he is trying to have butter in the sense of providing larger tax cuts than we can afford without causing unnecessary loosening of fiscal policy. That is producing huge deficit 3 years from now when, with full employment, we should be nearing balance.

So the question that arises if we feel that way is: "Why do we not support the Rousselot amendment?"

□ 1100

Very frankly, there are three reasons why no thoughtful person on this floor, Republican or Democrat, ought to support it.

First, this year we have far different conditions than we expect to have 2 or 3 years down the line. This year our principal problem is lack of jobs. This year we do need additional tax cuts. And yet if you take a look at the revenue number proposed by the gentleman, he would raise revenues, he would raise new taxes by more than $20 billion over the amount you had in the Obey amendment yesterday. That will choke economic recovery too tightly and abort economic recovery.

The second point I want to make is that this budget guts the investment portion of the domestic economy. As I understand it, you would cut an additional $3 billion from education, an additional $4 billion from health, it would cut $24 additional billion out of income security, $600 million out of justice, $300 million out of—I have forgotten what it cuts $300 million out of, frankly, but it was important. I believe it was veterans.

But let me suggest that what you would get under this amendment is not economic growth. You would get a crash. The problem with the President's program is not that he tries to cut taxes or that he tries to build up the defense, but that he tries to do it too fast, and that is the problem with the gentleman's amendment. It does not slow down the runaway engine. It runs it into a brick wall, and the stop will kill the economy.

The CHAIRMAN pro tempore. The time of the gentleman from Wisconsin (Mr. OBEY) has expired.

(By unanimous consent, Mr. OBEY was allowed to proceed for 2 additional minutes.)

Mr. OBEY. In addition to that, the gentleman has another basic problem, in that he simply has phony numbers. His revenue number is $56 billion higher, but he only raises $18 billion in new taxes, which means that he creates $38 billion out of thin air. As was said in the Budget Committee the other day, that is the equivalent of his laying his hands on the budget, like an old-fashioned country preacher, laying his hands on that deficit and saying, "Heal, heal."

The fact is, when it comes to the healing powers of the gentleman from

California, I am an agnostic and the rest of us ought to be, too.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate the gentleman's comment. I hope that I can heal the financial situation of this country. We think it has been in great jeopardy for some time because of all of these great deficits that you are now trying to justify in your statement that Keynesian economics work.

Mr. OBEY. No; I would suggest to the gentleman that I am not trying to justify deficits. I have indicated on this floor for the last 3 years that I think in most cases they are a mistake.

Mr. ROUSSELOT. Good. I would like to have you join us.

Mr. OBEY. The difference between the gentleman from California and myself is that he cannot tell the difference between the times when you cannot afford them and times they are prudent and I think the majority of the Members of this House do.

Mr. ROUSSELOT. Oh, yes, we can. And that is what we are here to talk about today. If you will listen carefully, my colleague from California (Mr. DANNEMEYER) will help you understand the structure of the revenues, and we will be glad to explain those to you.

Mr. OBEY. The problem is that I understand them all too well. They are phony. They have not been run through CBO. They are based on thin air assumption which have been specifically rejected by Mr. Stockman.

Mr. ROUSSELOT. Oh, these figures in the Rousselot resolution are not phony at all.

Mr. OBEY. They have not been run through anyone's computer except the computer in the gentleman's head.

Mr. ROUSSELOT. Those figures are not phoney. They are based on history.

Mr. OBEY. I would rather have a more reliable computer. They are based on the gentlemans unique view of history. They are not arrived at by any accepted methodology; they are based on mythology. His estimates are specifically rejected by the administration and OMB.

Mr. ROUSSELOT. Let me say that my estimates in my 11 balanced budgets that I have offered, estimates for revenues have been far more accurate than CBO. Let me review our revenue figures:

REVISED REVENUE ESTIMATES

The methodology used to determine projected receipts for fiscal year 1983 is as follows: The March 1982 monthly Treasury statement provides us with 6-month totals for Federal receipts for fiscal year 1982. These figures are then extrapolated for the full year based upon previous 6-month proportions. Thus:

[Receipts in millions of dollars]

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Less 2.5 percent to account for effect of 10 percent tax cut on 4th quarter of fiscal year		−16.612	
Estimated full-year fiscal year 1982 receipts		647.890	

Determining fiscal year 1983 receipts is, admittedly, more hazardous using this method of computation. Slight variations in economic assumptions can wreak havoc upon any projections—and they have. But it is necessary to arrive at an approximate figure if for no other reason than to be able to gage spending. Therefore, just carry the formula one step further.

The fiscal year 1982 total of $647.890 million represents an 8.11-percent increase over 1981 receipts. This sum plus a similar 8.11-percent increase for fiscal year 1983 yields $700.434 million; less 2.5 percent for the 3d-year tax cut nets $682.923 million—the projected fiscal year 1983 total. To answer the obvious questions:

First, applying an 8.11-percent increase is not unreasonable since the average annual increase over the past 3 years has been 11.65 percent; significantly, despite the recession, 6-month revenues this year are 11.11 percent higher than for the comparable period last year. So the lower percentage increase of 8.11 percent is not overly optimistic.

Second, the July 1983 third-year increment of the tax cut package enacted last year will reduce revenues by 10 percent for the year; since there remains only the final quarter of the fiscal year, however, the effect on receipts would be an approximate 2.5 percent reduction.

Third, the resulting net increase from fiscal year 1982 to 1983 of 5.4 percent is not incomparable to the 4.7 percent average increase for 1964 and 1965 following enactment of the Kennedy tax cuts.

RECENT HISTORY

[In billions of dollars]

On-budget	Fiscal year						
	1977	1978	1979	1980	1981	1982 [1]	1982 [2]
Outlays	400.51	448.37	491.00	576.68	657.20	725.33	742.3
Receipts	355.56	399.56	463.30	517.11	599.27	626.75	623.0
Deficit	−44.95	−48.81	−27.69	−59.56	−57.93	−98.58	−119.3

[1] OMB estimate in February, 1982

[2] Revised CBO baseline

Mr. OBEY. The fact is that we also had an agreement at the summit conference that we would abide by certain baselines. We had an agreement we would run our numbers through CBO. The gentleman has not done that. Those numbers are phony and meaningless.

Mr. ROUSSELOT. We will show you how they are not phony, as a matter of fact our revenue figures are more realistic than CBO's.

Mr. DANNEMEYER. Mr. Chairman, I rise to speak on behalf of the amendment.

Mr. Chairman and Members, and particularly our esteemed colleague (Mr. OBEY)—yes, he is here.

You may be interested to know how we developed the revenue estimates in this budget which we contend will balance spending and taxes at about $702 billion.

Now, we project that the revenue under the existing tax system, without changing anything, for 1983 will be $682 billion. We admit we will have to increase taxes by $20 billion in 1983.

And you say, "Wait a minute. The CBO says revenue under the existing tax system will be $645 billion. Where do you get that additional $37 billion?"

Well, this is where we can look you in the eye and say that our data is accurate and credible.

This is the mythology of our estimates: We took the income to the Federal Government for the 3 preceding fiscal years for the first 6 months, Oc-

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tober 1 through March 31, and we found that in those 3 preceding fiscal years, 1979, 1980, and 1981, the Federal Government, as of March 31, had received on the average 43.58 percent of the revenue that it received in the whole fiscal year.

Using that as a guide, we found that as of March 31, 1982, the Federal Government has received $289,590 million, and extrapolating 43.58 percent on that figure, we produced the sum of $664,502 million for 1982, our existing fiscal year. And we took off 2.5 percent to reflect the tax cut that was realized for the people of this country last October 1, and we produced our estimate for the current fiscal year of $647,890 million.

Now, to estimate revenue for 1983 the following formula was utilized: We found that over the same 3 fiscal years, revenue to the Federal Government grew at an average rate of 11.65 percent. And so we used as a base $647 billion for 1982, and we adopted a growth factor of 8.11 percent for 1983. And that is how we developed the figure of $682 billion for 1983. We used a lower figure than 11.65 percent in order to be more accurate in our estimates.

Now, think for a moment. When we came back here earlier this year, we were told, I say to the Members, that the debt limit would be exceeded about the middle of May. First we were told maybe the first of May, then we were told the middle of May. Here it is, toward the end of May, and we have not had a vote on the debt increase. Why? Because the revenue to the Federal Government has been running at a rate higher than the CBO predicted.

Now, why would the CBO, that august institution that speaks for Congress, estimate revenue lower than we would anticipate? I will tell you why. The tax and spending program of last year (1981) reduced the rate of growth from the projected 16 percent (for 1982), had we done nothing, down to 10 percent.

The institution that we serve, this monster that is out of control, did not like that, and so the plenipotentiaries that speak for the monster, the Congressional Budget Office, said, "How can we create an atmosphere in this current year that will indicate to Members of Congress that the deficit is greater than has been projected?"

The CBO says, "It is simple. We will just lower revenue estimates, and we will raise spending estimates." And that is precisely what they have done.

Any talk of a $180 billion deficit for the current fiscal year, for 1983, is just nonsense. There is not way that spending is going to be at that level if we do nothing.

Mr. HOPKINS. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from Kentucky.

Mr. HOPKINS. Do I understand the gentleman's point in trying to get the deficit under control is through a reduction of Government spending? Would that be a correct statement?

Mr. DANNEMEYER. That is precisely correct.

Mr. HOPKINS. I want to compliment the gentleman for his attempt today, because in my opinion, trying to get this Government and this Congress to quit spending money is like trying to put hogs on a diet.

Mr. DANNEMEYER. Well, how do you do that?

Mr. HOPKINS. You just quit feeding them. That is the only way you do that.

Mr. DANNEMEYER. I think that is a credible suggestion.

Mr. HOPKINS. I compliment the gentleman.

Mr. Chairman, I would like, if I may, to state that I disagree with those who think that this might be political suicide. If it is, maybe what this country needs is a few Kamikaze pilots out here in Washington instead of out there trying to get by on high taxes and more Government spending.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I think it is important to recognize, too, that the gentleman has done an awful lot of work on where the spending cuts are included in this budget.

The CHAIRMAN pro tempore. The time of the gentleman from California (Mr. DANNEMEYER) has expired.

(On request of Mr. WALKER and by unanimous consent, Mr. DANNEMEYER was allowed to proceed for 2 additional minutes.)

Mr. WALKER. If the gentleman will yield further, the point was made by the speaker that preceded the gentleman in the well that there are massive cuts, spending cuts, within this budget, and I know the gentleman has done an awful lot of work in developing where those spending cuts lie.

Is it not factual to say that the vast majority of the spending cuts that are represented in this budget are as a result of GAO, recommended cuts, of reforms that GAO said that this Government should institute, in order to eliminate a lot of waste, fraud, and abuse that has taken place in Government over the last several years?

Mr. DANNEMEYER. The gentleman has accurately stated it.

Here is a list of them, some 299, that has been distributed to the Members of the House, totaling some $86 billion in cuts that we could adopt if we but had the courage to do it.

Mr. WALKER. I thank the gentleman.

Mr. DANNEMEYER. This chart to my left indicates, I think, where we are today. The column on the far right indicates the percentage of borrowing that the Federal Government has been borrowing in the credit markets of this country from the period 1960 to 1981. And in 1981, we see our Federal Government borrowed 78.8 percent of the credit available in the credit markets of the country.

Is there any wonder that interest rates are so high?

Mr. ROUSSELOT. Would the gentleman repeat that figure? I think we should get our colleagues over here to hear that.

Mr. DANNEMEYER. In 1981, the Federal Government borrowed 78.8 percent of the credit in the credit markets of this country, in contrast to just 2 years earlier when it borrowed 46.7 percent.

We believe that by cutting spending by some $80 billion from what is contemplated in the various proposals, on the average, by balancing the budget at $702 billion, we can drive down the percentage of the credit that the Federal Government will be borrowing to below 50 percent, closer to 40 percent. At that level, interest rates will decline at least 4 percentage points. It would lay the foundation for the recovery of the housing and automobile industry.

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from Colorado.

Mr. KRAMER. Mr. Chairman, I rise in support of the gentleman's amendment and I compliment him on his efforts. He is doing a great service to his country.

The CHAIRMAN pro tempore. The time of the gentleman from California (Mr. DANNEMEYER) has again expired.

(On request of Mr. KRAMER and by unanimous consent, Mr. DANNEMEYER was allowed to proceed for 2 additional minutes.)

Mr. KRAMER. If the gentleman will yield further, the gentleman and I both campaigned for this office at the same time in 1978, and we did so, I think, both of us campaigning against debt levels that were approaching $800 billion at that time. Just a few short years later now we are faced with a situation where that debt level has risen to $1.280 trillion by the end of the 1983 by some projections.

This debt is a cancer that is eating away at the basic fiber of our society

We have been caught in a vicious cycle, in financing this debt, by either choosing printing press money, which will give us absolutely devastation inflation, or the Federal Government eating up all available credit which drives interest rates through the ceiling and in fact drives businesses and individuals against the wall.

Right now this Congress is treading water. We have gone far enough to get the process of doing something in the way of balancing our budget started. But we have not yet swum across to the other shore. Unless we do so, if we continue to tread water, we are sure to sink. And unless we have the courage to balance the budget once and for all, and in so doing, do that thing which is right for this country, we are going to sink under the weight of that debt.

I would hope that this body would have the courage to follow the lead of this gentleman and the other gentleman from California to do the right thing, to swim across the shore, by balancing this budget now, so as to put this country's house in order and usher in a new day of reasonable interest rates, full employment, and true prosperity for all.

Mr. DANNEMEYER. I thank the gentleman.

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from North Carolina.

Mr. MARTIN of North Carolina. Earlier in the discussion, the distinguished Member from Wisconsin pointed out that the Congressional Budget Office is not accepting the figures that are based on current revenue levels, they are not accepting the trends that are actually there.

The CHAIRMAN pro tempore. The time of the gentleman from California (Mr. DANNEMEYER) has again expired.

Mr. MARTIN of North Carolina. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 1 additional minute.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from North Carolina?

Mr. ARCHER. Reserving the right to object, Mr. Chairman, I ask unanimous consent that all additional time added onto the 5 minutes be an extension of the total time for the debate on this issue.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. JONES of Oklahoma. Mr. Chairman, the agreement we had last night was that we would keep it within the hour and a half time limit, and I would be constrained to object.

The CHAIRMAN pro tempore. Objection is heard.

Is there an objection to the extension of 1 minute?

Mr. ARCHER. Reserving the right to object, Mr. Chairman, this is an extremely important proposal. I am very disappointed that the gentleman from Oklahoma has objected. Inasmuch as we spent so much time yesterday on other proposals, it seems that we should have the necessary time for Members to speak. I am afraid I will not be able to speak if all of this time is used up and the hour and a half becomes a limitation.

Mr. Chairman, would the gentleman form Oklahoma consider withdrawing his objection?

Mr. JONES of Oklahoma. If the gentleman will yield, Mr. Chairman, no, I will not, because we had a firm agreement with the minority leadership and the sponsor of this substitute. As we go on, if conditions change, I may reconsider; but not at this time.

Mr. MARTIN of North Carolina. Mr. Chairman, I withdraw my unanimous-consent request and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN pro tempore. Without objection, it is so ordered.

Mr. MARTIN of North Carolina. And point out that the Congressional Budget Office is not even accepting the numbers as they are today, as today's actual trend. Now, it may be that they lack confidence in all the other proposals that would end up with a $100 billion deficit, but we do have confidence that a zero deficit will free up the economy and sustain the current trend of growing revenues. Bear in mind that the revenue projections of the CBO are based on the $100 billion deficit as a base. With such a result, economic recovery will be weak, justifying their meager revenue estimate. But with a stronger recovery via a balanced budget, revenues should not be as low as under a half recovery.

The CHAIRMAN pro tempore. The time of the gentleman from California (Mr. DANNEMEYER) has expired.

(By unanimous consent, Mr. DANNEMEYER was allowed to proceed for 1 additional minute.)

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Mr. DANNEMEYER. I have just one comment I would like to leave with my colleagues. You know we talk about money and growth projections and estimates and what have you, but there is one thought that deserves to be considered as part of this entire exercise, and it is the moral issue, and let me put in this way:

Where do we, who are living today, get the moral authority to spend and consume and transfer the privilege and the duty of that spending and consuming, by us today, to future generations to pay?

Where do we get that kind of moral authority?

We have already created a debt of a trillion dollars for our children and our grandchildren. How much more can we transfer to future generations so we can live today?

Do we not think that our children and grandchildren are going to be crying to us in our graves, "Why, Dad, why, Mother, why did you put this burden of debt on me? What were you thinking of?"

We should all keep this in mind when we vote on this issue.

Mr. SMITH of Oregon. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the substitute.

I am of the opinion that this is why I was elected to Congress. This is the only reason. As I think about the remarks of our colleague from California (Mr. DANNEMEYER), my children's future is one of the reasons that I decided to run for this office; it was to try to straighten out the mess that the people who have been sent here before us have made of this Government, of this financial situation that we are faced with. I think that those of us who were elected in 1980 came here to provide the new kind of leadership that is going to provide a balanced budget for Americans.

As the gentleman from California said, it is here and it is now. We do not need to worry about doing it in 1983, we do not need to worry about someplace down the line. This is now.

Let us talk about the key factor here and why this budget can be balanced. It is something that is overlooked too often in any of these budget proposals. The key is if you go back and look at the tax growth, the tax growth to the Federal Government, since 1976. In 1976, the total revenues to the Federal Government were $298 billion. In 1981, the last year that we have a solid figure on—at least as solid as you can get—we were taxed as American taxpayers, $599 billion.

That is atrocious.

That is more than double.

This year, we are going to be at $623 billion under the estimates of the Treasury. CBO, everybody, is agreeing on these numbers. The gang of 17 numbers are the ones we are using.

The $645 billion in 1983 fiscal year grows to $702 billion by 1984 and $780 billion in 1985.

So, if we do nothing but just hold the spending at some kind of a constant, we are going to have a balanced budget. So it is not a big deal; it is not something that is out there in wonderland—it is here.

It is so bad that the demogoguery of this institution of all politics does not allow the American public to see that if we just stop spending money, we will have a balanced budget because of growth in the tax revenues. We are clearly not out of control on the tax cut side. Even with the tax rate cuts, so that you will hear, "tax rate cuts," that we put into effect last year under the economic recovery program, we have an increase in revenues to the Federal Government even in the personal income tax side. There is no excuse for not bringing the spending controls that are going to give us the balanced budget, bring the interest rates down, and provide jobs for the American taxpayers who have asked for that in the 1980 elections. That is the simplicity of this situation.

We can do this, we must do it, and we are doing it not for our generation necessarily, because we have inherited a mess from those who have gone before us. They have made a mess of this generation's economy, but certainly in the years that come, we will be thanked for having done the appropriate thing and the right thing—balancing the Federal budget.

This is something I can be for; it is something that everyone here can be for; and it is certainly something that the American taxpayer is for.

I yield back the balance of my time, Mr. Chairman.

Mr. HUGHES. Mr. Chairman, I rise in opposition to the Rousselot amendment.

I wonder if I could have the attention of my colleague from California, the sponsor of the amendment.

If I understand the gentleman's figures correctly, with regard to function 750, Administration of Justice, the gentleman would project outlays of $4.1 billion in fiscal year 1983, $4.2 billion in 1984 and $4.2 billion in 1985. That would, if my computations are correct, shave that category by about $1.3 billion in 3 years. Am I correct in that?

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from California.

Mr. ROUSSELOT. Well, if we can be convinced that CBO is correct in what will be spent for fiscal year 1982, it would be a reduction of roughly between $500 and $600 million—I am talking about 1983 over 1982 and to the best we can guess what the expenditure level will be.

Mr. HUGHES. Well, it would appear to be just double that.

Mr. ROUSSELOT. I am looking at what CBO gave us.

Mr. HUGHES. Let us accept the gentleman's figures of a $600 million cut. I would ask the gentleman where he would achieve those savings in the Department of Justice?

Mr. ROUSSELOT. Well, I would be more than willing to leave that to our authorizing committee, as everybody else has said. However, a few examples could be: First, $2,116,000 in the Federal Prison System; $110,291,000 in the Office of Justice Assistance, Research, and Statistics, and $2,799,200 in the Office of Justice Assistance. In addition to these, we could eliminate $1,968,000 in correcting auditing procedures in the Legal Services Corporation. If the authorizing committee eliminated funding for the Legal Services Corporation, we could well surpass that amount. In addition, you must remember that we have contemplated a freeze on October 1 for all individual checks from the Federal Government.

Mr. HUGHES. I can tell the gentleman that the authorizing committee is having a difficult time trying to find money now for the FBI and the Drug Enforcement Administration.

Mr. ROUSSELOT. I will be glad to sit down with the gentleman and help figure it out with the gentleman. I have great confidence, like everbody else, in the authorizing committees. I know, yesterday, in several of the resolutions, many of the individuals refused to get into great detail. I would just say to the gentleman that, in my judgment, on the basis of having been here for some time, on the basis of looking at these budgets year after year, I find that it is very seldom that one cannot find at least 5 to 10 percent in any one agency that cannot be reduced—including those mentioned by my colleague.

Mr. HUGHES. If I can recapture my time.

Mr. ROUSSELOT. The gentleman asked me a question.

Mr. HUGHES. I realize that. I only have a limited amount of time because I have some other questions.

The President, in his budget, asked for, I believe, an additional $54 million for the FBI and $15 million for the Drug Enforcement Administration, because we do not have sufficient resources right now within Justice to fully fund the missions that these important agencies have.

The gentleman is going in totally the opposite direction. The gentleman is talking about savings of at least $600 million and, according to my calculations, closer to $1.3 billion.

Mr. ROUSSELOT. We are in honest disagreement, one to another, on the basis of what CBO estimates will be spent in 1982.

Mr. HUGHES. I thank the gentleman.

Mr. ROUSSELOT. In any regard, I appreciate the gentleman bringing this up as I believe it is possible to realize a budget savings in this functional category without hurting these "people" programs.

Mr. HUGHES. I thank the gentleman.

Mr. ROUSSELOT. I would like to repeat, for the record, that it is possible to save in that category.

Mr. HUGHES. I do not intend to embarrass my colleague because, frankly, I have been tempted to support past Rousselot amendments. Indeed, I never supported any of the Carter budget cycles. I have been here for 7 years. I never agreed with the Carter cycles because we did not make deep enough cuts in the spending side of the budget. It was often embarrassing to me because the administration asked me to support the budgets but I never believed in them. I was tempted in 1978, I might say to my colleague from California, to support my colleague, and my colleague well knows we had some conversations at that time when we had a budget deficit approaching $28 billion. I felt the Rousselot amendment made sense because the figures were more realistic. But it makes no sense today because you are just pulling figures out of the air, such as for law enforcement.

Mr. ROUSSELOT. Please understand that this budget substitute has been carefully crafted, and we have not pulled these figures out of the air; they are indeed based on factual savings.

Mr. HUGHES. I do not want to yield any more at this time, Mr. Chairman.

I might say to my colleague, I am not speaking as a partisan because it is a bipartisan issue. The gentleman suggests that when you talk about domestic programs, we are talking about payouts to people. In the law enforcement category, we are talking about domestic security. We do not have enough FBI agents right now to perform all of the missions we want. We are cutting back in functions such as fingerprint history investigations because we do not have resources. Just recently, we had five homicides, we believe, because the FBI could not respond within 30 days on a fingerprint record check, due to a backlog.

We are moving Drug Enforcement Administration personnel to Florida and around within the State because we do not have sufficient personnel to follow through with investigations, and my colleague would cut Justice back another $600 million, at the least, and up to about $1.3 billion. That is just unacceptable. My colleague from California finds sufficient revenues in the budget for the armed services for external security but he would gut the budget resources needed for domestic security—law enforcement and criminal justice. I oppose the Rousselot substitute and ask my colleagues to do the same.

Mr. DUNN. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

I would suggest to my colleagues that to vote for the Rousselot amendment is to commit political suicide. After all, my colleague from California has the audacity to suggest that in some areas of government we should go back to less than we were spending in 1982. Who can possibly picture less money being spent by this distinguished body than 1982 or 1981?

If my colleagues do not like international affairs then you have an opportunity to cut $3.5 billion out. Energy, my colleagues can cut $3.5 billion out. Natural resources, my colleagues can cut another 3.5. Commerce and housing, an industry I am part of, my colleagues can cut $1.4 billion out. Transportation, my colleagues can cut $3 billion. On and on down the list. If my colleagues want to commit political suicide, this is the vote to do it on.

There is only one possible thing my colleagues can accomplish by voting for this Rousselot amendment, and that is the proper vote to restore this economy. It is the only statesman vote that we are going to have today. Members on both sides of the aisle have come to the conclusion that high deficits are high interest rates.

We talk about job-training programs. There is no need for job-training programs when there are no jobs out there to be had. There are not going to be any jobs out there to be had as long as the prime stays at 16 percent. And there is no disagreement in the country, the prime will stay that high as long as we are talking about deficits in the neighborhood of $100 to $120 billion.

The gentleman from California is absolutely correct, this is the only logical step to take if we are going to do as statesmen which has to be done. I challenge each and every one of the Members here to commit political suicide along with myself and vote for the Rousselot amendment and vote against each and every one of the other amendments on the floor today.

Mr. LUNGREN. Mr. Chairman, will the gentleman yield?

Mr. DUNN. I yield to the gentleman from California.

Mr. LUNGREN. I thank the gentleman for his statement. I think he makes a very important point.

Just to respond to what the gentleman from New Jersey said, I also happen to be on the Judiciary Committee. I think we should spend more on the FBI and DEA. I think we should spend more for border patrol. But the fact is if we are going to get a balanced budget we are all going to have to sacrifice. After we get a balanced budget and get the economy moving in the right direction, we will then have, gotten over the first hurdle, and we can do our work in a business-like fashion instead of trying to fund everything by deficit. That is all I say to the gentleman. I understand what he is saying, but the crisis now is an economic crisis. If we do not get over that we are not going to solve our other problems.

Mr. HAGEDORN. Mr. Chairman, will the gentleman yield?

Mr. DUNN. I yield to the gentleman from Minnesota.

Mr. HAGEDORN. Mr. Chairman, I want to compliment the gentleman in the well for his fine statement. I think the gentleman has hit the nail on the head. The question is whether we commit political suicide or allow this Nation to commit economic suicide.

Mr. Chairman, I would like to share with my fellow Members my thoughts on the workings of Congress during the past year. I must pay a compliment to the Democratic leadership. They have played their cards well. The administration sent a budget to Congress months ago * * * a budget that if unacceptable could have been changed immediately. But the Democratic leadership decided to sit on it. They sat on this budget for 4 months and now they want to blame the administration for our country's problems. I found these tactics inexcusable. They say they are trying to "save the American way" and in the process they are destroying it.

Our jobs are all nice and secure. At least for the next 6 months. But Americans out there in the "real world" are losing their businesses, their homes and their hope, because we cannot gather up the guts to stick to our guns and do what must be done. Reduce the deficit, balance the budget, and get the Federal Government under control.

This country is perilously close to a depression. And we in Congress are to blame. It is certainly not on anyone else's shoulders. I strongly support one of the budget proposals before you, the Rousselot amendment. This amendment shares the burden equally on all Americans. We must ask all Americans to accept this 1-year attempt to free our economy. Give it 1 year to see if this approach works. After 1 year, if the economy has not turned around, then we will look at other approaches. Obviously, the many approaches we have tried in the past have not worked.

I think those of you on both sides of this aisle who have repeatedly stated you support a balanced budget better think long and hard before voting against this amendment. This is your balanced budget in 1983 and it deserves a chance.

It is not perfect. None of these proposals are. But I believe the public understands the politics involved here. They also understand that they cannot buy a house, buy a car or buy much of anything until Congress reduces the amount of Federal spending and frees up the market. A $100 billion deficit will cause Federal borrowing, and other debts, to consume 80 percent of the entire savings of the American people. How can you vote in such a deficit and still say you want to help housing, construction or any struggling business?

House Joint Resolution 350, the balanced budget amendment, has some 200 cosponsors. If you added your name to that legislation with any amount of conviction, think twice before you vote against Mr. ROUSSELOT's amendment.

History has shown us, in 1916, 1920, 1932, and again in 1968, that when we raise taxes, receipts go down. How often do we have to try it until we realize, it simply does not work. I am firmly convinced that this economy is on the edge of a depression. We raised taxes in 1932 and it pushed us over the cliff and caused greater unemployment. I do not want to be responsible for the second great breakdown of our system.

I could repeat the many facts, the long lists of statistics and the endless economic theories. Obviously, we have all heard and read them countless times. Yet they have not spurred us into action. Why should they now? When our offices were flooded with mail last year in response to the President's first cry for support, we acted fast. Why is it that we will not continue through and give that plan a chance to work? I believe the American people would relish the chance to see this House act with a little gumption and guts.

Certainly, we must all compromise. However, a word of caution is needed. Last year, in a good faith effort to reach an acceptable middle ground, we agreed to phase in the tax cuts. However, we ignored the one basic rule of business. You never promise lower prices later when you want to make the sale today. That is exactly what we did. We told business and individuals that they would be better off waiting until tomorrow to do what our economy needed months ago.

If we had enacted an immediate substantial tax cut, we would not be in today's recession. And now we are talking about taking away that promise. A perfect way to make today's recession tomorrow's depression. As I stated before, I do not want to be the cause of that depression. Therefore, let us proceed slowly. It has taken the Democrats 4 months to begin to talk. We can now take the necessary time to enact a truly effective budget.

The vast majority of Americans want very little from this Government. They want their jobs back and the interest rates down. Then they want us out of their lives. I urge you to give them that much. Do not raise taxes, reduce spending. Support this administration and give it the time it needs. The American people voted it 4 years and we should support their choice.

Mr. DUNN. Let me say one thing in conclusion.

No matter what program we believe in, no matter what side of the aisle we are on, all of the programs that we believe in have something in common. They are based on a strong viable economy. They are based on a strong taxpayer. When we have interest rates of 16 percent, when we have deficits of $100 billion, we do not have that taxpayer. All the programs will suffer. They will continue to suffer under $100 billion deficits.

Mr. GOLDWATER. Mr. Chairman, will the gentleman yield?

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Mr. DUNN. I yield to the gentleman from California.

Mr. GOLDWATER. I thank the gentleman for yielding.

Mr. Chairman, I rise in strong support of the substitute offered by the gentleman from California (Mr. ROUSSELOT). If you can judge by the number of born-again budget balancers I have heard during discussion of the 1983 budget, and by the number of cosponsors of the legislation mandating a constitutionally guaranteed balanced budget (H.J. Res. 350), the substitute before us now should pass overwhelmingly.

Balancing the budget through enormous individual, business and other tax increases is not sound fiscal policy. Unfortunately, all the alternative proposals before us during consideration of the fiscal year 1983 budget achieve their total spending and revenue figures by just this means. Regrettably, even the Republican Latta-Michel substitute budget is included in this group.

On the other hand, balancing the Federal budget by across-the-board cuts, including reductions in defense spending, plus maintaining the individual and corporate tax cuts, is a reasoned means of economic recovery. I supported this concept 1 year ago in the President's economic recovery program package. I said then and I continue to believe that it took 30 years for Keynesian economic theory to be disproven; we should certainly let supply-side economics have a fair chance.

According to a recent Newsweek poll, 85 percent of Americans feel strongly that we must have a balanced budget, and we have to achieve one by cutting Federal spending. They want to see their individual tax cuts preserved. The Rousselot substitute does exactly this. If we can just listen to this silent majority and approve the gentleman's proposal, we will be sending a real message to the American people and to the financial markets that we do not mean more "business as usual," more taxing and taxing and spending and spending.

These are tough times, and we have to make some tough decisions. If we do not approve a true balanced budget based upon reasoned reductions in Federal spending—across the board—we are going to have to make even tougher decisions next year, and worse ones in years following. Our problems are not going to go away—and halfway measures now are going to mean halfway results. The American people are not going to be satisfied with this, and rightfully so. We have to act in a responsible, statesman-like manner and bite the bullet.

Right now we are reaping the rewards of years of Federal overspending; years of throwing money at every special interest and problem which seemed to need a response. Our rewards for this profligacy are a stagnant economy, close to 10-percent unemployment and double-digit interest rates. What is next if we continue on our present course? I hate to think; but really, what is left but total economic collapse? This all can be summed up if you reflect that if Federal deficit spending was economically beneficial, we would have the most dynamic, productive economy in the world.

We have abundant evidence that supply-side economics can work. Look at the Kennedy tax cut in 1962. It produced more revenue than it cost the Federal Government. Look at prop 13 in my own State of California. Look at the tax reduction measures in Northeastern States. These have all led to economic stimulation. There is one caveat here, though, and that is before our tax cuts will provide an economic stimulus we have to eliminate or reduce Federal deficits—we have to get the Federal Government out of private credit markets. The interest rates will come down when financial markets believe that they would not have to compete with Government; when they really see a sincere effort to get Federal spending under control. An unbalanced budget this year will continue to mean double-digit interest rates next year, and uncontrolled growth of Federal spending in fiscal years 1984 and 1985—trillion dollar Federal budgets.

For these reasons I urge my colleagues to vote in support of the Rousselot substitute balanced budget proposal. Is it not time for us to start behaving more like statesmen and less like Santa Claus? Thank you.

□ 1130

Ms. FIEDLER. Mr. Chairman, will the gentleman yield?

Mr. DUNN. I am glad to yield to my colleague, the gentlewoman from California.

Ms. FIEDLER. I think the gentleman really has hit the entire issue on the head.

I would like to give a very brief scenario of what happened in one of the States of this Union, California, when the legislature refused to respond to the demands on the part of the people to lower spending and lower taxation.

First, they passed proposition 13, which put an absolute restriction on the ways in which they could tax. Then because the legislature again refused to respond, as the Congress has, to the demands of the people, they went back again and said, "If you can't get it right the first time, we are going to require through the initiative process that the growth in government be restricted.

The CHAIRMAN pro tempore. The time of the gentleman from Michigan (Mr. DUNN) has expired.

Ms. FIEDLER. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 2 additional minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from California?

Mr. ARCHER. Mr. Chairman, reserving the right to object, I would ask unanimous consent that this 2 minutes be added on to the total time for the debate.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. OBEY. Mr. Chairman, because of the reasons cited by the chairman of the committee on the nature of the agreement reached last night, I feel constrained to object.

The CHAIRMAN pro tempore. Objection is heard.

Is there objection to the request of the gentlewoman for 2 additional minutes to the gentleman from Michigan?

Mr. ARCHER. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Michigan is recognized for 2 additional minutes.

Ms. FIEDLER. Mr. Chairman, if the gentleman will yield further, if they refused to again live within the constraints of the budget which were permitted, they went back to the initiative process and they passed another amendment which put strict constraints on the amount of funds that the California State Legislature could spend.

We have a very similar situation here, in that 34 States have already passed a resolution recommending that a Constitutional Convention be called to require a balanced budget. We need three more States to add to the 34 in order to comply with the law and God knows what we are going to get into if we do have a Constitutional Convention.

I would suggest to the Members of this House that this is a unique opportunity for them to retain control of the budgetary process, for if they refuse to do so, I am sure that the American people will find the means to take it out of their hands.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. DUNN. I yield to my colleague, the gentleman from California.

Mr. HUNTER. Mr. Chairman, I commend the gentleman for his comments. I agree with everything he has stated except one thing. I do not think that this is political suicide to vote for this amendment, because I think for the first time in many years the average guy on main street, realizes that he cannot get that car loan or that home loan because the Federal Government is taking most of the available money and most of the available credit today.

Ms. FERRARO. Mr. Chairman, I move to strike the requisite number of words.

I rise in opposition to the amendment and I yield to the gentleman from Pennsylvania (Mr. MARKS).

Mr. MARKS. Mr. Chairman, I thank the gentlewoman from New York for yielding so that I might finish my prepared remarks.

Mr. Chairman, the prerevenue sources I spoke of previously just must be tapped. The American worker is running out of unemployment benefits and has, in fact, lost patience with this President and this administration. People with a budget which will foster economic growth and the creation of jobs for millions and millions out of work is absolutely necessary.

We either must repeal, I believe, or adjust the tax benefits passed out last year during that moment of fiscal drunkenness on the part of this administration and we in the Congress, tax benefits which I happened to have voted for unfortunately.

We must repeal or adjust the third year tax cut which again I voted for, unfortunately.

We must reduce defense spending to a level consistent with economic realities.

Mr. Chairman, we cannot accept continuing deficits in the $100 billion plus range.

In spite of what our Republican savior, the gentleman from New York, has said, interest rates will not come down if deficits remain at the current or higher levels.

Good government does cost money. By good government I mean that which helps people, not that government which hurts people. We should be investing in a government that truly cares for those who cannot care for themselves. To have carelessly defaulted in his leadership responsibilities on this budget indicates that this President is greatly at odds with the view that the vast majority of Americans hold of the American Government and its responsibility.

I believe this President and those around him truly misread the American people. They listened too much to rhetorical grumblings and not enough to what people really feel.

The American people instinctively understand what Teddy Roosevelt and his cousin, Franklin, talked about when they used the word national.

The American people want a government that works and not one that is to be dismantled to oblige the greed and ideological liturgy of destruction espoused by this President and his wealthy cronies.

Mr. Chairman, I voted against all the substitutes put before this House so far. I shall continue to vote against others yet to be discussed.

The American people deserve better than the alternatives presented here for our deliberations and decision. These budgets are just not acceptable.

I thank the chairman and I thank the gentlewoman for yielding.

Ms. FERRARO. Mr. Chairman, I would just like to add that I agree that this resolution does balance the budget, but it does it only on paper. What we have to remember is that we are dealing with real people, with real jobs, with real programs that help the people in this country. Those are the ones we are going to hurt and hear from if this budget resolution is passed.

Mr. OBEY. Mr. Chairman, will the gentlewoman yield?

Ms. FERRARO. I yield to my colleague.

Mr. OBEY. I thank the gentlewoman for yielding.

I simply want to emphasize again what the gentlewoman has said. This amendment does not get us to a balanced budget. It is not based on real numbers. We are asked to assume that the gentleman who offered the amendment has a better understanding of what will happen in the economy than anyone else and we are asked to ignore the fact that an agreement was reached before the committee ever brought its resolution out that all budget resolutions would have their numbers run through the agencies which do not have an ax to grind. CBO has no ax to grind and this amendment does not do that.

It is based on fabricated assumptions. It does not get us to a balanced budget.

I would simply suggest that anyone who wanted to vote for a real balanced budget missed their opportunity yesterday if they did not vote for the balanced budget amendment which I offered yesterday afternoon.

Mr. HOPKINS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to my colleague, the gentleman from Texas (Mr. ARCHER).

Mr. ARCHER. Mr. Chairman, I thank the gentleman for yielding.

It is time for us to rise above our party affiliation of Democrat or Republican—above what partisan political advantage we might hope to get in this fall's election campaigns—and talk about the overriding problem facing this country. That problem is interest rates. If we are honest, we must face the fact that interest rates today relative to inflation are the highest in the history of the United States of America. All of the other specific problems that have been mentioned previously in this debate cannot be solved if we do not get interest rates down.

Americans want to buy cars. They want to buy homes, and yet when asked in survey after survey across this Nation, "Why don't you buy?" their answer is as clear as a clarion bell, "Interest rates are too high."

When asked, "What rate of interest would permit you to buy a car or home?" the resounding answer is "under 12 percent."

The Rousselot proposal for a balanced budget is the only proposal before this House that will reduce the interest rates to less than 12 percent.

Every other proposal involves a deficit of $110 billion. A deficit of that size, coupled with off-budget borrowing in 1983, will consume 80 percent of the net savings of the American people.

There is no way for a significant reduction in interest rates under those circumstances.

The paramount problem before this country is interest rates, interest rates, interest rates. This country cannot move again economically if we do not remove that stumbling block.

The other budget proposals, all of them, cavalierly treat the deficit and interest rates, and do not remove the blockage. Under the balanced budget proposal of the gentleman from California (Mr. ROUSSELOT), interest rates can be cut in half and we will unleash the greatest resurgence of economic activity that this country has seen in decades. Only in this way can we hope to provide jobs and opportunity and productivity and have the ability to meet the needs that this country has for defense and social programs. Only in this way can we show that we care about the unemployed families that want to work, to show that we care about the students who cannot afford loans because interest rates are too high. We can accomplish this only if we reduce interest rates.

The Rousselot amendment is the only alternative available to reduce the deficit and get the Federal Government out of the borrowing market where it is in competition with all of us who want credit to buy cars and homes.

The core of the Rousselot proposal, as you have already been told, is a freeze for 1 year beginning October 1, which treats everyone, active and retired, equally. It creates a 1-year saving of $26 billion. Increases before October 1 now scheduled under the law will not be affected.

My colleagues, I am worried about workers who want to work but cannot, about small businessmen who are failing through no fault of their own. I am worried so much that I do not believe that we can any longer talk about reelection or Band-Aid changes.

What we must talk about is major surgery. The boat is taking on water and turning up the motor is not going to solve the problem. Bailing with thimbles is not going to solve the problem.

There is no other proposal that will reduce interest rates, and if I am correct that interest rates are the No. 1 priority before this country today, we must adopt the Rousselot proposal.

Is it going to be easy? No. It never is easy to restrain Federal spending; but Americans need a halt to these interest rates, even if it requires tough decisions. Young and old alike have a stake in this and time is running out.

The CHAIRMAN pro tempore. The time of the gentleman from Kentucky has expired.

Mr. ARCHER. Mr. Chairman, I ask unanimous consent that the gentleman from Kentucky (Mr. Hopkins) be permitted to proceed for 2 additional minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. PARRIS. Reserving the right to object, Mr. Chairman, I sat here for 10 hours yesterday and listened to the debate on higher budgetary expenditures. I think it is criminal to limit this to an hour and a half.

The CHAIRMAN pro tempore. The Chair will state to the gentleman from Virginia that negotiations are presently underway to try to reach a reasonable solution, to let everyone speak for a reasonable amount of time, to divide the time equally between the two principal leaders on each side of the aisle.

Mr. PARRIS. I am grateful to the Chair for pointing that out to the Members; but we were not in on those negotiations.

Pending their determination, I ask unanimous consent that the additional 2 minutes of the gentleman be added on to the full time of debate on this issue.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Virginia?

Mr. OBEY. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

Is there objection to the request of the gentleman from Texas (Mr. Archer) that the gentleman from Kentucky (Mr. Hopkins) may proceed for 2 additional minutes?

Mr. PARRIS. Mr. Chairman, I withdraw my objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas that the gentleman from Kentucky (Mr. Hopkins) may proceed for two additional minutes?

There was no objection.

Mr. HOPKINS. Mr. Chairman, I yield to the gentleman from Texas.

Mr. ARCHER. As I said, Mr. Chairman, young and old alike have a stake in this and time is running out.

Three of my five children are here in the Capitol today. I told the President this week that I cannot face those children, as the gentleman from California (Mr. Dannemeyer) said, and tell them that I did not have the courage not to leave them $110 billion of extra debt to pay off.

President Carter in 1976 promised the people a balanced budget. Similar promises have been made over and over again by many of us and by presidential candidates, but there always seems to be an excuse. We always find a way to say, "later, not now."

Last year in September, the President spoke to this Nation and he said, "Our Government must return to the tradition of living within our means and must do it now."

I say to you, as he said to this Nation, we must ask ourselves two questions and answer them: If not us, who? If not now, when?

□ 1145

Mr. STATON of West Virginia. Since we are talking about real people, I would like to read a letter sent to me by one of my constituents.

> Dear Congressman Staton: This letter is being written in order to urge you to support our President's economic budget policies and his call for a balanced budget amendment. I believe our 3-year tax cut is essential for the economic health of our country and specifically for middle-class wage earners such as myself. Even more necessary is the indexing of taxes to the cost of living.
>
> Please do not allow them to repeal our hard-won tax indexing law.
>
> Mr. Staton, it is depressing to see how much money is taken out of my payroll check in taxes. I buy the Federal Government a new car every year. Believe me, I sure would like to pay off my own car instead.
>
> My wife and I feel sorry for the people out of work. But their real hope lies in a stronger economy, not Government handouts. Please vote to control the Federal budget, strengthen our national defense, and to minimize Government interference in our lives.

And he adds a postscript:

> My wife lost her job, and we are getting by on our few savings. But we still support the President.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

(On request of Mr. Staton of West Virginia and by unanimous consent, Mr. Hopkins was allowed to proceed for 1 additional minute.)

Mr. HOPKINS. I yield to the gentleman from West Virginia.

Mr. STATON of West Virginia. Mr. Chairman, I rise in support of the Rousselot amendment. It seems to me we have heard this paraphrased many times: Any nation that can put a man on the Moon ought to be able to do a number of things. I would suggest to my colleagues any nation that can put a man on the Moon ought to be able to balance the budget.

Mr. DREIER. Mr. Chairman, will the gentleman yield?

Mr. HOPKINS. I yield to my colleague from California.

Mr. DREIER. Mr. Chairman, I rise in support of Mr. Rousselot's balanced budget substitute amendment. My constituents have been clamoring for reduced interest rates. Today, we can either vote for higher interest rates or lower interest rates. We can either tell our constituents that we are listening to them and vote in favor of this amendment or we can send them a clear message that we lack the dedication to follow their wishes.

In hundreds of letters, my constituents have told me that they firmly believe we will never bring down interest rates until we balance the budget. We are given, today, an opportunity to do just that. By voting for this substitute amendment, we can vote to balance the budget.

The other budget proposals will continue the deplorable practice of deficit spending. They each have a deficit of at least $100 billion. It is time we realized that the Federal Government cannot continue spending billions more each year than it receives in revenues.

The solution to this problem is not huge tax increases, as some have suggested. We have to keep our tax cuts. We simply cannot break faith with the people on this. They expect their taxes to continue to decrease as we have promised, and we must insure that this is one promise we do not break.

Instead of the more than $25 billion tax increase that has been suggested by some, we must continue to make cuts in Federal spending. The balanced budget amendment takes this approach. It makes significant reductions in Federal spending while not imposing an enormous tax increase on the people of this country. I urge my colleagues to join me in voting for the balanced budget substitute amendment.

Mr. PANETTA. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Rousselot amendment.

Mr. Chairman, if there is one lesson Congress should surely have learned from last year, it is that there are no magic answers. There are not any short cuts, and there are no easy ways to solve what are obviously complex problems.

This crisis that we are facing is not only economic; it is very much political. We are suffering now from the consequence of promising the American people easy solutions that are never fulfilled.

One of the gentlemen who spoke here said that somehow this is political suicide to vote for this amendment. It is not that at all. This is easy. This is an easy vote. You can vote for Rous-

SELOT, and then vote for everything else.

That is the problem that the American people really see: that we promise magic answers and magic solutions, but we never deliver. The reality is that we will not deliver on this, either, even if it is adopted.

I want to recall for my colleagues the fact that back in 1980 we passed a balanced budget resolution at that time. Within a few months, it was in deficit almost $20 billion because of votes and actions by the Congress. This is not going to be any different. The reality is that it has three inherent weaknesses:

One, it uses smoke and mirrors. It says that somehow pumped into our economy in 1983 will come a magic $37.9 billion that will result from this tremendous turnaround that will take place in the economy, and an 8-percent growth rate. The Treasury Department itself says that at best, we are talking about a 4- to 4.6-percent growth rate. So you have already cut their projections in half, according to the Treasury Department itself. That is smoke and mirrors.

The second reason is that in reality we cannot implement the provisions in the Rousselot amendment in reconciliation. Let me tell you that the Rousselot amendment, if adopted, would call for reconciliation of $86 billion, $64 billion of which would have to come out of the Ways and Means Committee. Members of that committee are complaining about the problem of raising $20 to $30 billion in revenues now. Imagine if, on top of that, we were to ask the Ways and Means Committee to come forward with $64 billion in reconciliation that would impact not only on revenues, but on social security and unemployment compensation and SSI and disability. Are they really going to report those kinds of savings to the floor of the House? If they do, will Members vote for them? It is not going to happen, and my colleagues and I know that it is not going to happen.

We cannot even talk about the possibility of $40 billion in social security savings. Are we going to talk about $64 billion in terms of other savings in other areas? It is not going to happen.

Lastly, one of the reasons it is not going to happen is because if we implement this, it would, in fact, create chaos in the society. We are talking about not only a freeze on discretionary programs, which I support and the chairman supports, but we are talking about a freeze on entitlement programs. That means that the individual who is disabled and who qualifies for that assistance, if we reach that cap at the 1982 level, even if that person qualifies, that person will not be able to receive disability.

The person who is unemployed, if we reach that cap on the unemployment compensation at the 1982 level, even though that person is unemployed, even though that person qualifies for that benefit, that person will not receive that.

The person on medicare, the senior citizen who needs that care, if we reach that cap level, even though he qualifies for that care, that person will not be able to receive that kind of assistance.

That is true for nutrition, it is true for medicaid, it is true for all of the entitlement programs.

So the reality is that in a society that is suffering from serious recession at the present time, we are going to be targeting the very benefits that will help people at that time, and say no, even though you qualify for those benefits, even though it is legitimate that you should receive those benefits, somehow we are not going to provide it.

Numbers are people, ladies and gentlemen. Numbers are people, and people will be impacted by these cuts.

We are not going to resurrect this economy through this kind of magic solution.

I think it is much better to try to target on a progressive-step approach to reach it, and even the President himself agrees that is the only way to achieve that goal. I recognize the temptation of having a free vote to make a political statement. But there is a price—and that price is the very stability of our society. Without that, there can never be economic stability.

Mr. JONES of Oklahoma. Mr. Chairman, I have been discussing the time remaining with the gentleman from California, the author of this substitute. It appears additional time will be necessary. We have discussed this and agreed that by unanimous consent we would extend the time 20 minutes beyond the time remaining and split the time evenly. Without that unanimous-consent request, time will expire.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. LUNGREN. Mr. Chairman, reserving the right to object, does the gentleman suggest there be an extension of 40 minutes totally, 20 on each side?

Mr. JONES of Oklahoma. That is correct; 20 minutes to whatever time is remaining.

The CHAIRMAN pro tempore. Twenty minutes in addition to the 20 minutes remaining on the original time would be 40 minutes, 20 minutes to each side, equally controlled by Mr. ROUSSELOT and Mr. JONES.

Mr. LUNGREN. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. ROUSSELOT. Mr. Chairman, reserving the right to object, my understanding is, then, if the time were divided equally, each side would have 20 minutes apiece; is that not correct?

The CHAIRMAN pro tempore. The gentleman is correct. The time would be controlled by the gentleman from California (Mr. ROUSSELOT) and the gentleman from Oklahoma (Mr. JONES) divided equally.

Mr. ROUSSELOT. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma (Mr. JONES)?

Mr. LEVITAS. Mr. Chairman, reserving the right to object, I reserve the right to object to find out whether or not it is the Chair's intention to have that time assigned to Members who are on their feet at the time of the unanimous-consent request being granted, or in some other fashion?

The CHAIRMAN pro tempore. It is the Chair's impression from the discussion that we have just had that the time will be allocated by the two principals, the gentleman from Oklahoma (Mr. JONES) and the gentleman from Califorina (Mr. ROUSSELOT).

Mr. LEVITAS. Mr. Chairman, further reserving the right to object, as the Chair knows, and I believe the gentleman from California (Mr. ROUSSELOT) and the gentleman from Oklahoma (Mr. JONES) know, I have sought the opportunity to speak in support of the Rousselot amendment for quite some time. I would like to make certain and I would like to have some assurance that I will be able to have at least 5 minutes for that purpose.

Mr. JONES of Oklahoma. Mr. Chairman, if the gentleman will yield to me, let me explain the hour and a half limitation that was put on last night. It was then an attempt to look ahead at this week and try to complete a budget resolution before Memorial Day. We think on both sides of the aisle that this is important for a number of reason; that we ought to get a budget in place.

When you look at the remaining three substitutes, there are 70 amendments pending to those substitutes, and some of them are pending to more than one substitute. If we are going to complete the resolution this week, it was felt on both sides of the aisle it was necessary to limit debate. If the unanimous-consent request that we are making at this point is not granted, then the debate on this amendment will close in 20 minutes and most of the Members will not have an opportunity to speak.

So I hope that the unanimous-consent request will be accepted and I will do my best to parcel it out in a fair manner.

Mr. LEVITAS. Mr. Chairman, further reserving the right to object, I would like to receive some assurance from the gentleman from California (Mr. Rousselot) that I would, either through his yielding or through yielding by the gentleman from Oklahoma (Mr. Jones), since I do not see a number on this side seeking to speak, be able to have at least 5 minutes to speak.

Mr. ROUSSELOT. If the gentleman will yield to me, the gentleman can see on our side there is a great eagerness for this resolution. I know my colleague from Georgia is supportive of the resolution. I would like to be able to tell the gentleman that I could grant him 5 minutes, but we have a substantial number. Maybe we can work something out with the gentleman from Oklahoma (Mr. Jones). Maybe he can give you 3 minutes and I can give you 2 minutes.

Mr. JONES of Oklahoma. Mr. Chairman, I cannot guarantee what time I will yield, but I will give the gentleman some time.

Mr. LEVITAS. Mr. Chairman, further reserving the right to object, as I understand it, the Chair's stated intention, in the event the unanimous-consent request is not agreed to, is to continue to go from one side to the other recognizing Members who have been on their feet. Is that the Chair's intention?

The CHAIRMAN pro tempore. The Chair has the prerogative to do one of several things. He may continue the same process under the five minute rule, or the Chair can apportion the remaining time based upon the number of people who are standing or to one proponent and opponent to be yielded by them.

Mr. HOPKINS. If the gentleman will yield to me, I wonder if the Chair could inform us how much time there is left of the original time.

The CHAIRMAN pro tempore. There is 20 minutes of the assigned time left. The request under unanimous consent is for an additional 20 minutes, which will total 40 minutes, to be equally divided, 20 minutes controlled by the gentleman from California (Mr. Rousselot) and 20 minutes by the gentleman from Oklahoma (Mr. Jones).

Mr. HOPKINS. If the gentleman will yield further, then there would be an hour; is that correct?

The CHAIRMAN pro tempore. There will just be a total of 40 minutes, 20 minutes on each side.

Mr. HOPKINS. We would lose the original time, Mr. Chairman?

The CHAIRMAN pro tempore. No, the original time would not be lost. There is 20 minutes remaining on each side.

Mr. ROUSSELOT. The time would be extended 20 minutes.

Mr. HARTNETT. Mr. Chairman, will the gentleman from Georgia yield to me?

Mr. LEVITAS. I yield to the gentleman from South Carolina.

Mr. HARTNETT. I appreciate the gentleman yielding.

Mr. Chairman, to me it is absurd that we have spent 4 to 5 months reaching this point.

Mr. OBEY. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

The Chair will allocate the remaining 20 minutes between the gentleman from Oklahoma (Mr. Jones), 10 minutes, and the gentleman from California (Mr. Rousselot), 10 minutes.

The gentleman from California is recognized for 10 minutes.

Mr. ROUSSELOT. Mr. Chairman, I will reserve the balance of my time at this juncture.

The CHAIRMAN pro tempore. Does the gentleman from Oklahoma (Mr. Jones) desire to use part of his time?

Mr. JONES of Oklahoma. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa (Mr. Harkin).

Mr. HARKIN. Mr. Chairman, I would suggest that those of us who are from rural areas and who represent farmers in this country take a very long and hard look at the Rousselot budget. There is a trapdoor there for farmers the likes of which I have never seen in any budget before presented to this body.

I direct your attention to page 11185 of the Congressional Record of May 21, in which Mr. Rousselot has printed his reconciliation instructions.

□ 1200

If Members will look, he demands that the House Committee on Agriculture reduce budget authority by $271 million for fiscal year 1983, and that we reduce budget outlays by $2.742 billion in 1983. Go to any of the agricultural experts; go to the economists on the Committee on Agriculture; and ask them how that can be accomplished. There is only one way that we can have a cut in budget outlays of $2.7 billion with only a cut of $271 million in budget authority, and that is to cut the guts out of our price support program.

The only way that we can get that cut in budget outlays for next year is to totally abolish the dairy price support program, reduce loan rates for corn and wheat and cotton and every other crop in this country.

But, I do not think anyone has focused on this yet. I was just over in the Agriculture Committee and we are having hearings on the Farm Crises Act for this year, and I know that a number of my rural colleagues on both sides of the aisle have cosponsored that bill which calls for additional loan rates for setaside programs for next year. There is no way under the Rousselot instructions of reconciliation that that can possibly be accomplished.

The CHAIRMAN pro tempore. The time of the gentleman from Iowa has expired.

Mr. ROUSSELOT. Mr. Chairman, I reserve the balance of my time.

Mr. JONES of Oklahoma. Mr. Chairman, I yield 1 additional minute to the gentleman from Iowa.

Mr. HARKIN. Mr. Chairman, I think it is important that my rural colleagues understand what this budget does to agriculture next year. They totally abolish the Agricultural Cooperative Service. Members should go out and talk to their co-ops and see how they would like that one.

It abolishes the Packers and Stockyards Administration. Members should go out to their livestock producers and see how they would like to have the Packers and Stockyards Administration abolished.

The Office of Transportation is cut out of the Department of Agriculture. Ask those of us from Iowa, who are having problems with our roads and with our railroads, whether or not we want the Office of Transportation stricken from the Department of Agriculture.

So, before the Members vote on the Rousselot budget amendment, I hope they will take a close look at his reconciliation instructions on agriculture. There is only one way it can be accomplished, and that is to severely cut all of the price support programs for agriculture for next year.

● Mr. SHUMWAY. Mr. Chairman, the budget debate with which we are currently engaged is confusing and complex, to say the least. The serious condition of our economy has been eloquently described by Members on both sides of the aisle; that the business and financial communities await the result of our deliberations with great anticipation is an understatement.

The single most stringent impediment to economic recovery remains the persistence of high interest rates. The disastrous state of interest-sensitive industries, such as autos and housing, bears stark testimony to the effects of double-digit interest rates in terms of foregone output and investment and of lost jobs.

It is generally accepted that the single most important cause for high interest rates in the projected size of the fiscal year 1983 budget deficit, as well as outyear projections. Unfortunately, with but one exception, all the budget proposals before us contemplate fiscal year 1983 deficits totaling more than $100 billion. The adoption of such a budget can hardly send the appropriate signal to either the financial community or our constituents in general. The adoption of such a budget reflects a continuing inability to limit Federal spending to a level consistent with our means.

There is, however, a viable alternative. The Rousselot substitute provides for a balanced budget in fiscal year 1983, and, in so doing, enables us to finally control the runaway spending that for so long has plagued us. There can be no question that the size and scope of the Federal Government must be reduced; the Rousselot substitute achieves this objective by obtaining budgetary balance without increasing taxes.

I am well aware that most of us in this body support the concept of a balanced budget. I particular, I am pleased to note that several of our colleagues on the Democratic side have, as evidence by our debate this week, joined what I might call the born-again budget balancer club. Unfortunately, most of the balanced budgets so eloquently advocated are to occur sometime in the future—perhaps 1985. If the past is any guide, we should know that our record of achieving out-year budget targets is pretty slim.

Mr. Chairman, we now have the opportunity before us to vote for a balanced budget in fiscal year 1983. We can go on record in support of immediate fiscal responsibility and the promise of early economic recovery. I trust that we will do so.●

● Mr. DASCHLE. Mr. Chairman, the substitute budget proposed by the gentleman from California (Mr. ROUSSELOT) is the only budget to be voted on by the House which is intended to balance the Federal budget next year. On the basis of this single criteria, and this criteria alone I support the balanced budget substitute.

I strongly support a balanced Federal budget. As the author of a balanced budget constitutional amendment and as the author of additional legislation which would prohibit an unbalanced budget, I strongly believe restraint and discipline in the Federal budget must be reestablished.

In March of last year, President Reagan said, "the impact of spending reductions will be shared widely and fairly by different groups and the various regions of the country." I believe this commitment to fairness and equity must be honored. The balanced budget substitute is a success when it is judged on the single criteria of balancing the Federal budget, but is it less than successful when judged in terms of fairness, equity, and a fair shake for all of the American people.

Inequities which are contained in current policies, such as tax loopholes devised and enjoyed by the few, are preserved and enshrined in the balanced budget substitute. My support for the balanced budget substitute proposed by Mr. ROUSSELOT is a strong endorsement of a balanced Federal budget, but is not an endorsement of the inequitable means which have been proposed to achieve this important goal.

The goal of balancing the Federal budget can be achieved while the commitment to fairness and equity is honored. Fair play does not prohibit a balanced budget. The Rousselot balanced budget substitute achieves but one of these goals; both are needed.●

Mr. JONES of Oklahoma. Mr. Chairman, I will try one more time for a unanimous-consent request to close all debate on the Rousselot substitute at 12:40 p.m., with the remaining time to be equally divided and controlled by the gentleman from California (Mr. ROUSSELOT) and myself.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. ROUSSELOT. Mr. Chairman, reserving the right to object, could the gentleman make it 12:45?

Mr. JONES of Oklahoma. Yes, 12:45.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Oklahoma (Mr. JONES) and the gentleman from California (Mr. ROUSSELOT) will each control 22½ minutes.

The Chair recognizes the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Chairman, I yield 4 minutes to one of the coauthors of the Rousselot budget resolution, the gentleman from Pennsylvania, (Mr. WALKER).

Mr. WALKER. Mr. Chairman, these words should be very familiar to most of us:

> Do you solemnly swear that you will support and defend the Constitution of the United States against all enemies, foreign and domestic, that you will bear true faith and allegiance to the same, that you will take this obligation freely and without any mental reservation or purpose of evasion?

Those words are familiar because they are the words that we swear to when we come into this body at the beginning of each Congress. What does the Constitution require of us? the Constitution requires of us to make the laws, but it also, it seems to me, requires of us, based upon this language, to defend those laws, making us servants of the laws that we enact.

It seems to me that maybe we ought to take a look at what we have done recently with regard to the law. We voted against a balanced budget as it relates to fiscal year 1982 appropriations. We have voted against a balanced budget as it relates to fiscal year 1983 authorizations. We have voted against a balanced budget as it relates to requiring a vote by this body on a constitutional amendment. All of those votes related directly to the law of the land, now Public Law 95-435.

It seems to me perhaps many of us could justify those votes by saying, "Look, that may be the law. We passed it back in 1978 and we reaffirmed it in 1980, but we really can't do it. It is just not possible."

We have had comments here just within the last few minutes, it is really not possible to balance the budget. Well, today's offering, what we bring before the Members on this floor, belies that argument. Today, there are figures on paper that add up to a balanced budget, not in 1986, not in 1987, but a balanced budget in 1983.

So, the question before us is whether or not we will comply with the law, whether we are willing to comply with the law, and that is a very serious consideration for all of us lawmakers. As a matter of fact, every State legislature in this country that has a similar law, and many of them do, they feel very strongly that they have to comply with similar laws. It is something that they feel is absolutely essential for them to do.

Only here—only here do we have the kind of arrogance that says that we as lawmakers are above the law; we can do whatever we want. We pass laws, but go about ignoring them. I submit that the budget process we are engaged in is a budget process that does not replace the law of the land. Rather, what we should be doing is using this process to comply with the law of the land. That is what we can do by voting for the Rousselot amendment.

Are the figures credible? That issue has been raised today. I submit to the Members that there are a number of groups that say they are; the National Federation of Independent Business thinks they are credible; the National Taxpayers Union thinks they are credible; the National Association of Realtors—people who have a great stake in what is going on in this country today—they think it is credible, they are for this amendment.

So the question is one of will. Do we have the will to balance the budget, or are we going to willfully vote to violate the law of the land? Personally, I think the American people are willing to accept substantial change in how we run the Government if the net result is a balanced budget. If the budget results in a $100 billion deficit, sacrifice does not seem worth the effort.

So, I find that the reaction in my district anyhow, is, "we will do the sacrificing if you balance the budget."

The law requires that we adopt this budget, since it is the only one that complies with Public Law 95-435. Vote against the Rousselot amendment and you vote to ignore the law. Vote for the Rousselot amendment, and make this once again a government of laws rather than a government of men.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. ROUSSELOT. Did the gentleman say that the National Taxpayers Union has endorsed this resolution?

Mr. WALKER. I say to the gentleman that is exactly correct.

Mr. JONES of Oklahoma. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia (Mr. LEVITAS).

Mr. ROUSSELOT. Mr. Chairman, I yield 2 minutes to my colleague the gentleman from Georgia.

The CHAIRMAN pro tempore. The gentleman from Georgia (Mr. LEVITAS) has been recognized for an additional 2 minutes. The gentleman from Georgia is recognized for a total of 5 minutes.

Mr. LEVITAS. Mr. Chairman, there are a number of people on the floor today who have been laughing, scoffing, or ridiculing the gentleman from California for offering this balanced budget amendment because they say it is unrealistic. These are some of the same people who laughed and scoffed at the idea that the election in 1980 would come out the way it did. As the rhetoric for reducing deficits and the balanced budget have increased, the deficits themselves have also increased.

□ 1210

The truth of the matter is that Members in this body are talking more and more about balancing the budget, and doing less and less about it. The time is here today to do something about it.

There has been a great deal of talk recently about a constitutional amendment for a balanced budget. I have always supported this concept; in fact, I have introduced legislation requiring a balanced budget ever since I have been in Congress. President Reagan has recently endorsed this concept. While I applaud the President's support of a balanced budget amendment to the Constitution, I find it ironic that he has made such an endorsement in a year in which he has proposed the largest budget deficit in the history of this country. And adding to the irony, in this budget debate, he has endorsed the budget which has the largest deficit over 3 years of any of those being considered. Why not endorse a balanced budget today?

We have to keep in mind that a balanced budget amendment to the Constitution provides discipline for future administrations and Congresses. However, it does not move us a single step closer to even reducing the deficit of this year's budget.

We also have to keep in mind that almost all of the budgets we are considering today have record-setting deficits. These deficits are certain to keep interest rates high, which will, in turn, choke off any hope of economic recovery. We must stop this continuing trend of record-setting deficits. We must replace the talk with action and pass a balanced budget now.

I think, Mr. Chairman, that some of us are really too close to this budget situation and are too far away from listening to what the people in America, whether it is on Main Street or Wall Street, are telling us. What they are saying is that a budget deficit of $109 billion is too much. I will be amazed to see some of my friends on the Republican side of the aisle even thinking of voting for a deficit of $109 billion.

This time last year, we were considering a budget proposal with a deficit of $31 billion. At the time, that figure was astounding to most people. That budget proposal was introduced by Mr. LATTA and supported by President Reagan. When it passed, and when subsequent budget and tax proposals endorsed by the administration passed last year, we heard the administration claim that their economic recovery plan was in place and we would begin to see the economy turn around in fiscal year 1982.

I believe that President Reagan's program deserved a chance to work. That is why I voted in favor of both the Reagan-supported Latta substitute to the first budget resolution and the Reagan-supported Hance-Conable substitute tax cut bill. At the time of those votes, I expressed my misgivings about some of the proposals. I, personally, spoke with the President about my concerns over what would happen if the economy did not begin to improve as he expected it would. But he assured me that if we were facing high budget deficits in the fiscal years to follow, he would do whatever was necessary to bring these deficits down.

And yet now, this year, we are considering a budget with a deficit of over three times last year's proposed amount. As long as there is a deficit of that dimension interest rates are going to stay high, the economy is going to deteriorate, the recession will be there, and the fact of the matter is that the American people will suffer.

The time is here and now today to send that message, to make the statement that for the first time will give us some assurances that we are not going to see deficits on the order of $100 billion continue.

What we need, Mr. Chairman, is a sound economy. What we need, Mr. Chairman, to achieve that is to see interest rates come down. And there is no mix that I have seen put forth today that we are considering which will achieve that result except a balanced budget.

I say to my friends on this side that the truth of the matter is indeed that we have spent too much and seen deficits go too high, and that has brought us to the place we are in. We have got to reverse that. We are in a crisis situation. We bear the responsibility for doing something about it, and even though there was a great deal of political rhetoric about balanced budgets and reducing spending, the budget that the administration has sent up is the largest spending budget and results in the largest deficit, in the history of the United States. As I said before, I find this ironic.

We heard a lot of rhetoric last year expounding the idea that by voting for a tax cut, and in turn, reducing the amount of money available to Congress to spend, we would effectively force Congress to exercise a little fiscal restraint. Congress would not spend money that it did not have. But we did pass a tax cut bill, but that has not stopped some people in the Congress or the White House from proposing spending levels that will result in record deficits. Obviously, some in Congress and the administration will spend money, whether it has it or not. This has not moved us closer to our goal. The only way to reach our goal is to pass a balanced budget now.

The solutions are not easy. We must work together to make the hard decisions that will curtail spending and reduce our deficits. The time has come to place partisan politics behind us, place the American concern in front of us, and adopt a balanced budget. Let the budget committees go to conference, and come out with a message that will reverse the devastating trend of the economy.

To do this, the time is now and I call upon my colleagues on both sides of the aisle to support a balanced budget. Send that message and I think you will see more done to bring about economic recovery than all the manipulating, nitpicking, and talking about how to get to a $109 billion deficit.

I call upon my friends on both sides of the aisle to join in this vote for the Rousselot balanced budget amendment. That is what our constituents want on Main Street, and that is what the financial markets need on Wall Street. The time to do it is now. We should face up to our responsibility. The time to do it is now.

Mr. ROUSSELOT. Mr. Chairman, I yield 4 minutes to my colleague, the gentleman from North Carolina (Mr. MARTIN), a member of the Budget Committee.

Mr. MARTIN of North Carolina. First, Mr. Chairman, I want to deal with the kind of anticipated, but nevertheless mischievous and spurious, rumors that have been floated by some of our opponents. They are spreading the word around the floor of the House of Representatives that what the Rousselot-Martin-Dannemeyer-Johnston-Archer-Walker-Smith amendment does is to cut social security.

Mr. Chairman, that is not true. It does not cut social security. The rumor is false.

We have described in earlier debate how we plan to achieve the savings that are in this measure. We do not cut social security. I will probably need to say that a couple more times.

We do not cut social security.

We do not cut social security.

Mr. RUDD. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of North Carolina. I yield to the gentleman from Arizona.

Mr. RUDD. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, this amendment will restore the economic and financial health of the Nation, and I urge its adoption.

Mr. Chairman, we have heard a lot of debate today on the various budget alternatives that have been presented to us so far. If there is one constant theme that has run the course of the debate, it is this: What can this body do to restore the financial and economic health of this Nation?

We have heard of tax increases, pay-as-you-go plans, and budget increases which will help the economy by spending more borrowed dollars on programs that have more than doubled the size of the Federal budget since 1972.

The Federal budget has been growing at an uncontrolled rate for the last two decades. That growth has been matched by an equally alarming growth in taxes paid by working Americans. Since 1977, Federal revenues have gone up an average of over $60 billion each year. That represents an average of $550 for every working American.

At the same time, the trend in deficit spending has been increasing over the years, to the point now where the national debt stands at well over a trillion dollars. The annual interest payments on that debt alone are larger than the entire Federal budget for 1963. And that continued growth of Federal debt has reached a point where the Federal Government is consuming close to half of all the credit available on the market that would otherwise be available for business expansion, job creation, and the purchase of homes.

As borrowing has increased, so has the use of another tool of the Federal Government to satiate its growing appetite for cash. In the past, the Government has resorted to printing the money it needs for programs it sponsors and the result has been the crippling inflation rate that we have only recently been able to control.

It is clear that the runaway growth of the Federal budget has caused massive increases, inflationary increases in the monetary base, which hurt us all with inflation; massive increases in taxes, which hurt all working Americans; and, massive increases in credit consumption, which not only drives productive assets out of the market, but stifles future growth, which is the key ingredient to getting our unemployed back to work.

There is a budget proposal before us which is unique in that it does not rely on increases in taxes, increases in inflation or increased borrowing to put the Federal Government on a sound fiscal course. That proposal, introduced by my colleague from California, Mr. ROUSSELOT, would take the second hard step in achieving true budgetary reform and allow the enormous productive capacity of this great Nation to assert itself.

This budget proposal does not ask: "What can Congress do to help the Nation?" Rather it asks: "What should Congress not do in order for this Nation to help itself?" Congress should not increase taxes and take more hard-earned money from working Americans. Congress should not borrow so much credit that the tools to create jobs are left idle, and Congress should not monetize its debt problem, which eats away at everybody's income.

I urge my colleagues to vote for the budget proposal offered by the gentleman from California. It is what is needed, but more importantly, it is the right thing to do.

Mr. PANETTA. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of North Carolina. I yield briefly to the gentleman from California.

Mr. PANETTA. Mr. Chairman, let me ask the gentleman, does he not reduce the cost-of-living increases in social security in the outyears?

Mr. MARTIN of North Carolina. Mr. Chairman, we provide that the cost-of-living adjustment that is scheduled for July of this year, 1982, will go into effect. That is not part of the 1983 fiscal year anyway. But for the fiscal year 1983 all Government payrolls, civilian and military, and all Government-paid benefits will be frozen at the level that they are in on October 1. That does not cut them. It suspends for 1 year only any further cost-of-living adjustment.

But we contend that these people, these beneficiaries and their families and their children and their neighbors, will be far better off if we can take this shared sacrifice and bring interest rates down for everybody. They have their own borrowing requirements. They do not have interest subsidies; their children do not have interest subsidies.

Mr. PANETTA. But, Mr. Chairman, if the gentleman will yield further——

Mr. MARTIN of North Carolina. Let me use my time, and I will help see that the gentleman is recognized later by the chairman of the Budget Committee.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield briefly?

Mr. MARTIN of North Carolina. Mr. Chairman, let me make my statement first, because I see that my time is on the verge of being chopped up by friends and adversaries here, and I want to make a point or two while I have a bit of time left.

We do not cut social security. We do provide that there will be savings of some $26 billion by providing a 1-year freeze, a suspension of further cost-of-living adjustments for that one fiscal year, without cutting anybody's check but leaving it at the same level for that one year, whatever it is on October 1.

I believe that that sacrifice which is widely shared is a patriotic sacrifice. I will say that again. A sacrifice which is widely shared is a patriotic sacrifice that Americans can courageously believe in and accept, especially when they know that the benefit of doing that is going to be that their neighbors and their children and they themselves will be better off if we get interest rates down, as only this amendment can do.

Now, we began some time ago in the budget deliberations with an illusion that cropped up, and apparently everybody began to believe in it. I myself began to believe in it during all the debate in the Budget Committee. The illusion was that the best anybody can do is to reduce that 1983 deficit from $182 billion down to about $100 billion or $110 billion. That was an assumption that people began to work on, that the best we could do is to cut that deficit in half.

What happens, if you make that assumption, is that you come to a self-fulfilling prophecy. What you do, if you believe that all you can get is halfway results, is you accept halfway measures, and if you propose a halfway measure, you get halfway results and you get a halfway recovery and you get interest rates coming down halfway and you get relief for unemployment in a halfway fashion. Halfway recovery leads to half-hearted investment and job expansion.

With such a half recovery, indeed you do end up having to expand all the crutches, the subsidies, the bailouts, the compassionate generosity that will not be necessary if instead you go for a full recovery with a full press to get the budget into balance.

The CHAIRMAN pro tempore. The time of the gentleman from North Carolina (Mr. MARTIN) has expired.

Mr. ROUSSELOT. Mr. Chairman, I yield 1 additional minute to the gentleman from North Carolina (Mr. MARTIN).

Mr. EVANS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of North Carolina. Mr. Chairman, I have just 1 additional minute remaining, but since my friend, the gentleman from Georgia, has been waiting so patiently, I yield to him.

Mr. EVANS of Georgia. Mr. Chairman, let me ask, on social security, if we do not have an increase in the cost-of-living price index, there would be no decrease in the amount people would be entitled to next year, would there, anyway?

Mr. MARTIN of North Carolina. Mr. Chairman, the gentleman is absolutely correct. And for Federal employees who in the past, when inflation went up 12 to 15 percent, got a 4-percent increase in pay, those Federal employees will be better off with no increase in pay if we can hold the inflation rate down at the 3-percent level where it has been for the last 4 months, and get the interest rates down, than to go back to 10 percent inflation and 4 percent pay hikes. They do not have interest subsidies, and it is to their interest to get the interest rates down.

Mr. ARCHER. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of North Carolina. I yield to the gentleman from Texas.

Mr. ARCHER. If we go to conference with the Senate on any of the other budget proposals, what is the least deficit figure we could expect the conference to adopt?

Mr. MARTIN of North Carolina. It is estimated by everyone who offered these amendments that the least would be $110 billion.

Mr. ARCHER. If we adopt the Rousselot proposal, though, we have a chance to get significantly better results in conference with the Senate, do we not?

Mr. MARTIN of North Carolina. Yes, and we will bring interest rates down twice as much as what the Senate is proposing.

The CHAIRMAN pro tempore. The time of the gentleman from North Carolina (Mr. Martin) has expired.

Mr. JONES of Oklahoma. Mr. Chairman, I yield 4 minutes to the distinguished majority leader, the gentleman from Texas (Mr. Wright).

Mr. WRIGHT. Mr. Chairman, I do not take this time to throw cold water on the Rousselot proposal. I think one thing must be said for John Rousselot: He is consistent. He comes back every year with the same basic idea. It is the idea of balancing the budget immediately regardless of consequences and letting the chips fall where they may. And there is something to be said for the consistency of that position.

□ 1220

I think the gentleman's amendment is quite severe. I think it would cause some enormously Draconian hurt in many of the programs that already have been made to suffer unjustly and unduly.

Surely it is a good idea to balance the budget. Do my colleagues know the easiest way to balance the budget? The simplest way really would be just to repeal the tax cut of last year. That tax cut takes $96 billion out of the revenues for 1983 and adds that much to the deficit. In the 3 years of 1983 through 1985, it will deplete our revenues by more than $400 billion. That would cover the three deficits herein projected. If that simple act were done, just repealing last year's tax cut, the budget would be almost balanced.

Then if you were able to restore the employment level back to the level it enjoyed last July of 7.2 percent unemployment instead of the current 9.4 percent unemployment, that would reduce the 1983 deficit by an additional $60 billion at least, so you would have about $160 billion that you could take off the 1983 deficit by repealing the tax cut and by getting those 2 million Americans who have been thrown out of work in this present recession off the unemployment roll and back to work on a productive payroll.

But that is not going to be done, as a practical matter, in this administration. So let us just face it. Now we are being told that we are being threatened with high interest rates unless we get a certain kind of a budget formulation. That just is not honest.

We might just as well say we are going to have high deficits as long as the Federal Reserve persists in maintaining those high interest rates, because they have caused the high deficits and they have caused the unemployment and they have caused the rate of business failure.

But I am not here to argue that either. I have some things that I want to say and I am not trying to throw cold water on the gentleman from California. I have complimented the gentleman for his consistency.

But I think here is what we face as we enter this third day of debate on this budget resolution. There is an unreasoning fear among some that we will pass no resolution at all in the end. We can set those fears to rest and do the responsible thing for our country, I believe, by passing the House committee resolution.

It reaches a deficit figure, bear this in mind, $10 billion by our reckoning—by the committee budget resolution's reckoning—$10 billion less than that which was passed in the other body and embraced by the President. Even by the recalculation of the Congressional Budget Office, the committee budget is about $7 billion or $8 billion less than that in the other body's resolution.

The House committee resolution guarantees an adequate growth in military strength, at a real rate of 5 percent overall growth and a rate of 8 percent growth in actual weaponry. It does those things without compounding the injury, as the resolution in the other body would do, and as the Latta proposal would do, and as this present proposal would do, upon those who are already hurt severely by last year's cuts—those elderly Americans who are depending on social security and medicare benefits, those students who simply cannot stay in college unless there is some means of financial assistance available to them, and the average income family who just simply cannot buy a home unless we are able to do some things such as this House voted on May 11 by 349 to 50 to do.

I want to ask a question of the gentleman from California, Mr. Rousselot. Does his budget resolution make room, as the committee budget resolution does, in fiscal 1982 to accommodate that for which seven-eighths of our Members, including 135 members of the gentlemen's own party voted 2 weeks ago—the 1982 emergency housing initiative?

Mr. ROUSSELOT. Will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from California.

Mr. ROUSSELOT. My 1982 portion of this resolution does accommodate basically what the gentleman from Oklahoma's resolution does.

Mr. WRIGHT. I am sorry. I did not get the gentleman's answer.

Mr. ROUSSELOT. The answer is that the 1982 portion of this resolution is the same as the Jones resolution.

Mr. WRIGHT. So the gentleman's resolution is better in that respect than the Latta resolution because the Latta resolution does not allow in 1982 for that $1 billion emergency program that would make it possible for some 74,000 American families to buy a home?

Mr. ROUSSELOT. I appropriate your endorsement.

Mr. WRIGHT. I would ask the gentleman if that is correct.

Mr. MICHEL. That is absolutely in error. The homebuilders were told last night at 9 o'clock that you are just off base because in the Latta substitute, we do allow for inclusion of that housing assistance. The distinguished majority leader has just said that that makes the Rousselot amendment better than the bipartisan substitute.

Mr. WRIGHT. The gentleman I thought was for the Rousselot amendment.

Mr. MICHEL. I am for what I initially proposed to this House.

Mr. WRIGHT. The gentleman is not in favor, the gentleman is not in favor of the Rousselot amendment?

Mr. MICHEL. I am telling the gentleman that he was in error. The gentleman was in error when he said that the Latta-Michel substitute did not provide for the $37 million.

Mr. WRIGHT. No, no, the $1 billion in 1982.

Mr. MICHEL. I was talking about——

Mr. WRIGHT. That is what I am talking about, the $1 billion in 1982.

The CHAIRMAN pro tempore. The time of the gentleman from Texas (Mr. Wright) has expired.

(By unanimous consent Mr. Wright was allowed to proceed for 1 additional minute.)

Mr. WRIGHT. I will take this minute then to ask the gentleman from Illinois, Mr. Michel, does his and Mr. Latta's, provisions, or does it not, make way for that $1 billion in 1982 that we voted overwhelmingly on May 11 and that we added to the emergency supplemental appropriation?

Mr. MICHEL. Will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman.

Mr. MICHEL. It provides what is necessary for 1982, which is $37 million in outlays.

Mr. WRIGHT. $37 million is not the question. The question is does it provide the $1 billion that has been appopriated. Does it?

Mr. MICHEL. Let me read a letter from our dear friend Alice Rivlin that attests to the fact that what we do in our amendment does provide for implementation of what these Members voted for on that House bill.

Mr. ROUSSELOT. Will the gentleman yield?

Mr. WRIGHT. I yield to my friend.

Mr. ROUSSELOT. Our wonderful balanced budget resolution really brings interest rates down and we will not need all of those subsidies.

Mr. WRIGHT. I would say you can turn it the other way around. If any of us could have any influence at all on Paul Volcker, a lot of this would be academic because if we could get him to bring interest rates down then unemployment would come down and the deficit itself would come down and we would not have to do away with all of these programs for all of these people.

Mr. ROUSSELOT. Mr. Chairman, I yield 2 minutes to my colleague, the gentleman from Ohio (Mr. Wylie).

Mr. WYLIE. Mr. Chairman, I thank the gentleman from California for yielding me this time because I wanted to take it to go on record in support of the substitute offered by the gentleman from California because I think we must move to a balanced budget as the only way to bring interest rates down.

I am committed to a balanced budget concept. As a matter of fact, I supported the concept when former President Carter submitted it to us back on April 23, 1980.

We did not follow his suggestion but I applauded his conversion to the balanced budget concept during his administration.

I think it is important that we vote for a balanced budget right now by whatever means and by whatever procedure as a signal that we want Government spending brought within its revenues and that the Federal Government be taken out of the marketplace, which is the reason for our high interest rates.

I might make some changes in where the cuts should be made but I think it is more important that we vote for a balanced budget which would have a positive psychological impact on the Nation and on the world.

If changes need to be made, as has been pointed out here by the gentleman from Texas (Mr. Archer), those changes can be made in conference. But let us not get hung up on semantics.

I think it is more important that Congress go on record as far as this country is concerned that we are for a balanced budget and for bringing down interest rates.

I yield back the balance of my time.

Mr. JONES of Oklahoma. Mr. Chairman, I yield 1 additional minute to the majority leader, the gentleman from Texas (Mr. Wright).

Mr. WRIGHT. I thank the gentleman.

I have just reviewed the letter from Alice Rivlin to which my very distinguished friend, the gentleman from Illinois, Mr. Michel, made reference.

The letter is dated May 24, and it is addressed to Delbert Latta.

That letter says the following; with respect to the Latta amendment:

> * * * includes $1 billion in budget authority for each of fiscal years 1983 through 1985.

It does not say for 1982. And it refers to a GNMA program. It makes no reference to the emergency housing assistance program which the House passed on May 11 by 349 to 55.

□ 1230

I state it to you as a fact, not as an arguable proposition, but a fact that the Latta budget does not amend the existing 1982 budget in such a way as to accommodate what we voted to do on May 11. That is not an arguable question. That is a fact. And what Alice Rivlin has written does not dispute that. It has reference to other years and other programs.

Mr. ROUSSELOT. Mr. Chairman, I yield 2 minutes to my colleague, the gentleman from California (Mr. Lungren).

Mr. LUNGREN. I thank the gentleman for yielding.

Mr. Chairman, one of the things we perhaps have lost sight of here is that we have got two problems. One is the size of the deficit; the other one is tax rates. We have had a gentleman from the other side of the aisle quote John Keynes, to suggest all we have to do to get out of our problems is raise taxes. In 1933, John Keynes said this:

> Nor should the argument seem strange that taxation may be so high as to defeat its object, and that * * * a reduction of taxation will run a better chance, than an increase, of balancing the budget.

He went on to say, to those who suggest that all you have to do to balance the budget is to increase taxes:

> [This resembles] a manufacturer who, running at a loss, decides to raise his price, and when his declining sales increase the loss * * * decides that prudence requires him to raise the price still more.

We have tried the tax and tax, spend and spend philosophy that the gentlemen on the other side of the aisle, including the distinguished majority leader, have told us we ought to follow. It has not worked.

Some other questions have been raised. Ask your dairy producer, ask your small businessman whether they want this budget cut or that budget cut. But go home and ask your constituents whether they want a balanced budget. If you do not get 75 percent of them to say that they do, then you are not going to a district in the United States that I am aware of. If you think interest rates are going to go up because we balance the budget, tell me an economist that suggests that.

When you talk, as one of the other Members has suggested, that the other budget approaches are the progressive approaches because they embody the gradualism approach, ask anybody who stops smoking how successful it was to cut himself back from 5 packs a day to 4½ packs a day. He will tell you that it does not work. And it does not work in this House. It does not matter whether it is a Republican or Democratic President or House of Representatives. We promise and promise and promise a balanced budget at the end of the rainbow. The problem is we spend and spend and spend, and we never get there.

This is the only opportunity we have to draw down on the overburdening taxes that we have placed on the American people as well as the spending.

Go home and ask your people do they want a balanced budget. Go home and ask them, and then vote. And if they tell you they do not desire a balanced budget, I would be awfully surprised.

Mr. JONES of Oklahoma. Mr. Chairman, I yield 1 minute to the gentleman from Kansas (Mr. Glickman).

Mr. GLICKMAN. Mr. Chairman, a lot of people are saying, "This amendment is a freebie, and we will vote for this because we are for a balanced budget. It doesn't matter anyway, because the late amendments will take precedence over this one." But I say to my colleagues that if you vote for this, and whether it passes or not, are you then later going to vote for the Parris amendment to remove the cap on cost-of-living adjustments which will add hundreds of millions to the budget? Are you then going to vote against the Oakar-Waxman-Solarz amendment adding hundreds of millions to medicare? Are you going to vote against the Simon amendment to raise education funds? Are you going to vote like so many other prople did, including the author of this resolution, for the $1 billion legislation in housing funds?

The fact of the matter is, this is not a freebie amendment at all. The fact of the matter is, if you vote for this Rousselot balanced budget amendment you have got to be consistent and vote against everything else, everything else which have numbers higher than this one. And that would also mean Latta-Michel as well, because the Latta-Michel numbers are way above this.

So all I am saying, it is fine, the gentleman from California is a fine, honorable, funny, consistent man; but I am not sure that the rest of us in this House are going to be so fine, honorable, funny and consistent as he is. I am opposed to this amendment, but if anybody who votes for it, I hope that their votes on future amendments which will add money to this budget, will be consistent with their support for this "freebie" balanced budget amendment.

Mr. ROUSSELOT. Mr. Chairman, I yield 1 minute to the gentleman from Virginia (Mr. PARRIS).

Mr. PARRIS. Mr. Chairman, I would say to the majority leader that if Jimmy Carter, the former Democrat President of the United States, had not appointed Paul Volcker, Chairman of the Federal Reserve Board, we would not have to try to talk to that gentleman. Monetary policy is part of our problem.

The second thing I would suggest to you is that as I was shaving this morning in my bedroom, I watched a former Democrat Secretary of the Treasury, Mr. Henry Fowler, my constituent and a friend of mine, say on television that if we do not reduce the deficit, below the figures represented by all other of these budget proposals, we will have destroyed the economy of this Nation. He served as the Secretary of the Treasury under President Johnson. Others who have served under other Presidents have said the same thing.

If we do not adopt this resolution, we will have at least a $100 billion deficit, and everybody who is an expert or even knowledgeable in this matter say that is unacceptable, including three former Democrat Secretaries of the Treasury who appeared on national television this morning.

I urge my colleagues, in spite of any political pressure, and I submit there is not a person in this House who has more political pressure on this vote than me, to stand up and vote for it. Let us get this economy moving again in the interests of all our citizens.

Mr. JONES of Oklahoma. Mr. Chairman, I yield 1 minute to the gentleman from South Carolina (Mr. DERRICK).

Mr. DERRICK. Mr. Chairman, I have sat in that seat over there for the last 8 years and heard the same arguments. Sure, I want to balance the budget. I want to bring down the deficit. But I really think it is time that we stopped playing, it is time for us to buckle up our breeches and get on with the problem. Everyone sitting over there as well as sitting over here knows there are only two ways that you can balance a budget, and both of them unfortunately, are unpleasant. That is to either cut spending or to raise revenues. And what we are really saying to the American people is that we do not have the intestinal fortitude to do that. What we are looking for is a mechanism, a mechanism that will make that decision for us, whether it be balancing the budget, whether it be supply side economics, or what it will be. And we are being in the tradition of politicians looking for someone else to make the hard decisions that we are not willing to make.

Mr. JONES of Oklahoma. Mr. Chairman, I yield 1 minute to the gentleman from Montana (Mr. WILLIAMS).

Mr. WILLIAMS of Montana. Mr. Chairman, it seems to me that we are missing a major point here with regard to the Rousselot budget, and that is that poll after poll after poll of the American people for the past many months has shown that the American people do not want it. What they do want is a sincere, midcourse correction made in the President's economic program. They do not want any more supply-side, trickle down. They do not want any more laissez faire economics because they recognize that not only is it bad morals, it is also bad economics. They do not want any more Hooverism. The Rousselot amendment simply spreads the quicksands of Reaganomics. The American people have had it with experimental tax cuts, and the polls show it, and Rousselot continues it. The American people, Wall Street, and Main Street are frightened by economic adventurism. The polls show it, but Rousselot continues it. The American people do not want to balance the budget on the backs of moderate-income Americans, but Rousselot continues it. Mr. ROUSSELOT's budget is reverse Robin Hood economics, and the American people overwhelmingly do not want it.

Mr. JONES of Oklahoma. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. HANCE).

Mr. HANCE. Mr. Chairman, I think we are in for some tough decisions this summer, and I think the tough decisions come in one or two areas. If this passes, we are going to have to face some tough decisions on making significant cuts in spending. And if any of the other amendments pass, we are going to make some tough decisions on raising taxes. I think that is really the true issue on this vote, and I commend the gentleman from California. I fully support him.

Mr. ROUSSELOT. Mr. Chairman, I yield 1 minute to the gentleman from Idaho (Mr. CRAIG).

Mr. CRAIG. Mr. Chairman, I rise today in support of the Rousselot substitute budget amendment. I do so because it is the only real alternative we have before us which will balance the budget, reduce the crippling interest rates, and restore economic prosperity to our country.

The bipartisan recovery substitute promises us a deficit of $102.6 billion. The Jones substitute gives us a deficit of $103.9 billion. Mr. Chairman, these are not budget alternatives at all. They represent the same tax and spend programs that we have experienced for the past two decades.

The economy of Idaho is based on agriculture, timber products, and mining. High interest rates have a devastating effect on these industries. I cannot support any budget proposal that will keep the interest rates at their current levels. Budget proposals with $100 billion deficits will do just that.

The Rousselot substitute gives us a balanced budget with no deficits. We have before us a rare opportunity to pass this important piece of legislation and watch the interest rates tumble in a short period of time.

All this legislation does is to freeze most of the Federal spending programs at their 1982 levels. At a time when small businesses have not had a pay increase in over 2 years, when homebuilders and the forest products industry are going broke, when blue-collar workers across the Nation are accepting wage reductions, I do not think it is too much to ask the 1 out of every 3 Americans who receive some type of Federal assistance, to accept the same paycheck they will receive in July 1982 again in July 1983.

It is time this body of Congress start helping the taxpaying producer instead of bowing to the special interest tax consumers. We do not intend to cut their benefits, we just want them to hold the line.

When will we open our eyes? Have we not seen or heard about the problems faced by International Harvester, Braniff Airlines, the homebuilding industry, the steel industry. How many more bankruptcies must occur before Congress will enact a budget which will reduce the interest rates?

If we do not make a decisive decision on this proposal, Congress will end up bailing out every major industry in the country, and that is not necessary.

Businesses can succeed through the normal course of the marketplace if the Federal Government does not eat up most of the available capital.

Mr. Chairman, the greatest form of welfare this Nation can provide its people is a job in the private sector. The Rousselot budget substitute will provide that by bringing down the interest rates. We have no alternative.

Mr. ROUSSELOT. Mr. Chairman, I yield 1 minute to my colleague, the gentleman from Pennsylvania (Mr. RITTER).

□ 1240

Mr. RITTER. Mr. Chairman, I come from a northeast congressional district, which is heavily industrialized, heavily unionized, and suffering from double-digit unemployment. My district is the Lehigh Valley of Pennsylvania, the area including and surrounding the cities of Allentown, Bethlehem, and Easton.

Several thousand Bethlehem Steel workers are idle in the Lehigh Valley because steel construction is dead in the water. Why? The interest rates are too high for people to make loans to begin construction projects.

In my district, several thousand Mack Truck auto workers are idle because truck sales have almost ground to a halt. Why? Because these days, if you can afford the interest rates to purchase a $50,000 or $60,000 truck, you do not need the loan.

In my district more than 1,000 electrical workers are idle because high interest rates have made new residential housing and new business construction almost nonexistent and the telephones made by Western Electric to outfit those homes and offices are simply not selling.

Many hundreds of truck drivers are idle in the Lehigh Valley because production and sales are depressed by high interest rates and the goods just are not there to be shipped.

So many thousands of workers connected with homebuilding and general construction are idle because mortgage lending at 16-percent interest rates is virtually nonexistent.

These features of our current recession indicate that high interest rates are overwhelmingly responsible for causing the present rate of unemployment. We need a Federal budget that will make a dent in these interest rates.

Senior citizens are worried about the future of social security because they know that if workers are not working then the revenues needed to support the benefits just are not there. Sharply reduced interest rates resulting from a balanced budget help to insure social security because people that are employed pay in the needed social security taxes.

The balanced budget amendment would provide a frontal assault on high interest rates by reducing the $100 billion deficit down to zero. Just think of the impact on our jobs if steel, trucks and cars, home appliances were once again affordable. In 1981, Federal borrowing represented over 78 percent of the total savings of the American people. That is an incredible amount and it is no wonder there is no money left for private borrowing. Without this amendment, Federal borrowing would continue to rise to astronomical heights. By reducing the pressure of the $100 billion budget deficit, we would more than double the available funds left for personal and private borrowing. Interest rates could be cut in half in a matter of months. Steelworkers, auto workers, construction workers, electrical workers and thousands of others in the Lehigh Valley would be called back to work.

Mr. Chairman, if high interest rates are causing this recession, then a bold move to slash these rates is the best way to get us out of the recession.

Mr. Chairman, on behalf of the working people of the Lehigh Valley, I rise in support of the amendment for a balanced Federal budget.

Mr. ROUSSELOT. Mr. Chairman, I yield one-half minute to my colleague from the Budget Committee, the gentleman from North Carolina (Mr. JOHNSTON).

Mr. JOHNSTON. Mr. Chairman, I think everyone ought to be aware of the fact that anybody who votes against this amendment is voting themselves an automatic pay increase next fall, due to the automatic increase of 4 percent scheduled in the other budget bills, and I do not necessarily think we want to go home and explain how in an era of layoffs and short workweeks we are going to get an automatic pay increase next fall. The Rousselot amendment freezes this increase along with all other Federal pay levels and thus does not increase congressional pay.

Mr. ROUSSELOT. Mr. Chairman, I yield one-half minute to the gentleman from California (Mr. DORNAN).

Mr. DORNAN of California. Mr. Chairman, during a debate in California this week, the most liberal member of not only our California delegation of 21 but of the whole Republican House delegation of 191 described the distinguished gentleman from California (Mr. ROUSSELOT), as a national asset. I agree with that. Definitely a national asset. What he and the other distinguished gentleman from California (Mr. DANNEMEYER) have done today is to bring focus to the whole budget process. With this Rousselot budget we get to respond to the challenge to the Congress from the American people of only three powerful words, "balance the budget."

There was a love song in the thirties titled "Three Little Words," those words obviously were "I love you." Well the U.S. taxpapers are not whispering softly to the U.S. Congress, "I Love You"—but they are shouting three simple words, "balance the budget." So if we love our fellow citizens, we will obey and "balance the budget."

Vote for Rousselot today and in November. Preserve one more national asset:

[From the Washington Post, May 24, 1982]

THE BOOM OF THE 1980's

(By George Gilder)

U.S. economic policy currently operates in a house of media mirrors—a gallery of distorting myths and statistical gargoyles—that panic the policy-makers themselves into blind fits of self-defeating behavior. They raise taxes to fight recession, raid our scarce savings to stimulate the housing industry of the world's most overhoused nation, and ululate over fake data that miss all the dynamics of economic life.

Politicians and editorial writers still talk of "huge tax cuts" on personal income, when in fact, even after the October reductions, 1981 brought an effective 10 percent increase in tax rates for most citizens, as inflation pushed wage earners into higher tax brackets and Social Security hikes continued. The oft-repeated estimate of a $750 billion Reagan tax cut is based on Carter administration fantasies of a revenue boom from a 46 percent increase in tax rates, brought by four more years of bracket creep. But a 46 percent rise in rates would bring a depression, not a boom in Treasury receipts.

These phantom revenues, however, have proven to be President Carter's most valuable legacy to his party. For it is this totally mythological money that is now alleged to have been "given" to the rich through the Reagan tax cuts. But in fact it is only the relatively poor who will pay less taxes in coming years.

Wealth earners of "unearned" income, who have confronted rates well over 100 percent adjusted for inflation, will see their marginal rates substantially reduced. But the long history of tax cuts demonstrates that the decline in the top rate from 70 percent to 50 percent will actually bring a surge of new tax payments from the rich, as they pay more to the government and less to tax lawyers and accountants. On very conservative assumptions, Michael Evans of Evans Economics, Inc., estimates a net revenue increase of $3 billion from this source alone in 1982.

The media mythology becomes especially bizarre on the subject of interest rates. A generation of Keynesian economists constructed an imposing edifice of spurious capital theory on the assumption that interest rates were low during the Great Depression, when, in fact, adjusted for deflation, they were prohibitively high. Now another generation is misleading policy-makers by speaking of today's real interest rates as at a "historic high" when, in fact, adjusted for inflation and taxes, they have long been close to zero for the dominant savers and borrowers.

With an inflation rate of 5 percent, for example, the saver must receive an interest rate of over 14 percent to receive a 2 percent real return after taxes in the 50 percent bracket where most savings occur. Conversely, individuals and corporations borrowing at high tax levels pay relatively low interest rates after inflation and taxes. Thus we punish the supply of funds (personal savings) with exorbitant taxes on false interest; and we reward the demand for this money with an array of subsidies for favored borrowers and with the deductibility of interest costs. The predictable result is a twisted money and bond market that imposes exorbitant rates on all unfavored borrowers in low tax brackets, chiefly unprofitable companies, start-ups and low-income mortgage seekers.

Nor can tax increases in any way relieve our interest rate problem. Increased income tax rates, effected through bracket creep and deferral of the "cuts," will reduce savings virtually dollar for dollar and also repress activity and tax revenues. Tax hikes retard savings four ways: by taxing most heavily the high incomes from which all net personal savings come; by deterring acquisition of further income still more likely to be saved; by taxing interest income at confiscatory rates; and by lowering incomes and savings in the conventional way explained by Keynes.

Thus President Johnson's infamous surtax of 1968-69 destroyed savings, increased inflation and interest rates and brought economic collapse in 1970. President Carter followed the hidden tax hike policy throughout his administration and reduced the federal deficit from almost 4 percent of GNP to under 1 percent by 1979. The result of this triumph over the deficit was a complete collapse of personal savings (to 3.6 percent), soaring inflation, doubled interest rates and a deficit that leaped to $60 billion in 1980. Incredibly enough, the Reagan administration followed this path again in 1981, allowing effective income tax rates to rise in an effort to reduce the deficit produced by Carter's tax hike policies. The result is our current predicament: higher deficits and lower growth.

As this decade of experience shows, tax hikes cause deficits by retarding taxable activity, and then exacerbate their effects on interest rates by extinguishing savings. The resultant recession triggers new welfare and other transfer payments that expand the size of government as a share of GNP, while requiring continual cutbacks in popular government spending programs, all in a politically and economically suicidal austerity package that pleases no one but Pete Domenici and other budget-blinded politicians and economists.

While President Reagan has so far failed to achieve substantial tax cuts, he has prevented the catastrophic bracket creep increases projected by the Carter administration and still sought by his opponents. Thus he has allowed the economy to maintain the highest level of employment in the West (58 percent of the adult population) while accepting more immigrants than any other country and opening the way for dramatic economic gains in coming years.

Beyond the hall of media mirrors—distorting and exaggerating the econometric gloom—U.S. industry is moving, at astonishing speed, toward a new era of high productivity and growth. While the television cameras circle like vultures around the decaying carcass of Detroit, and financial journalists recite false figures of capital formation and productivity that totally miss the productive breakthroughs in energy and electronics, the nation's economy has made a dramatic transition into the long-heralded computer age.

Over the next three years, the U.S. computer industry—led by companies like Apple and Osborne, which scarcely existed three years ago—will probably sell more personal computers than the Big Three auto companies will sell cars. Together with only slightly more modest surges in other revolutionary products, such as Computer Aided Design and Manufacture, and in energy production and conservation, this entrepreneurial achievement is well on the way to solving the world's energy and productivity problems and launching the boom of the 1980s. The current dismay about our economic prospects reflects a morbid preoccupation with nearly meaningless statistics, an obsession with the declining industrial structure of the past, and a blindness to the entrepreneurial future.

The **CHAIRMAN** pro tempore. The gentleman from Oklahoma (Mr. JONES) is recognized for the balance of his time.

Mr. **JONES** of Oklahoma. Mr. Chairman, it is very tempting to support the Rousselot substitute because I think all of us would like to balance the budget and we would like to do it as soon as possible, but I think we ought to consider what we are voting on before we vote.

Let us look at it from two angles: First of all, let us assume that the Rousselot substitute will in fact be implemented. What does it mean? What does it mean to our constituents?

Well, in the first place, let us look at the revenue side.

Mr. Chairman, let us assume that the Rousselot substitute will be implemented. On the revenue side, under the Rousselot amendment, it assumes that revenues will increase $57 billion from 1982 to 1983. However, it calls for a tax increase of only $19 billion. It assumes that the revenue will increase at a rate of growth double what the Congressional Budget Office assumes in its most optimistic assumption, and nearly double what the Reagan administration, assumes.

If those revenue growth rates are not met, presumably taxes will have to be increased by that $57 billion.

Second, let us look at the outlay side of the Rousselot amendment in 1983.

We have heard it said that there will be no cuts in social security, but if we look at the Rousselot substitute in function 600, income security, we see that the Rousselot substitute cuts in 1983 $24 billion below the Jones substitute, $22 billion below the Michel substitute, and over the 3-year period it cuts $60 billion from income security over the next 3 years.

Now social security is two-thirds, more than two-thirds of that particular budget function. There is no way, despite what the gentleman from California or anybody else tells us, that we can cut $60 billion from that function and not cut social security benefits period.

That is a deeper cut on social security than Senator DOMENICI offered in the other body.

Let us take the health function. A freeze on medicare means for the older person who is getting health care benefits in fiscal year 1983, that his or her health care costs have to go up.

Let us look at the function on education and training.

The Rousselot substitute cuts $4.2 billion in education and training programs below the 1982 level. It is not just a freeze, it is below the 1982 level.

That means in education programs, guaranteed student loans, Pell grants, other education programs for the handicapped, et cetera, they will have a cut under the Rousselot substitute.

There is no other way that we can read that.

Mr. **ARCHER**. Regular order on the time, Mr. Chairman.

May I ask how much time is left?

The **CHAIRMAN** pro tempore. All time has expired.

Mr. **ARCHER**. Regular order.

The **CHAIRMAN**. All time having expired, the question is on the amendment in the nature of a substitute offered by the gentleman from California (Mr. ROUSSELOT).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. **ROUSSELOT**. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 182, noes 242, not voting 8, as follows:

[ROLL NO. 100]

AYES—182

Anderson
Archer
Badham
Bailey (MO)
Barnard
Beard
Benedict
Bennett
Bereuter
Bethune
Bevill
Bliley
Bouquard
Brinkley
Broomfield
Brown (CO)
Broyhill
Burgener
Butler
Byron
Campbell
Carman
Carney
Chappell
Chappie
Cheney
Clausen
Coats
Collins (TX)
Corcoran
Coyne, James
Craig
Crane, Daniel
Crane, Philip
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daschle
Daub
Derwinski
Dickinson
Dornan
Dreier
Duncan
Dunn
Dyson
Edwards (AL)
Edwards (OK)
Emerson
Erdahl
Erlenborn
Evans (GA)
Fiedler
Fields
Flippo
Forsythe
Fountain
Fowler
Frenzel
Fuqua
Gibbons
Gingrich
Ginn
Goldwater
Gradison
Gramm
Gregg
Grisham
Hagedorn
Hall, Ralph
Hall, Sam
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hefner
Hendon
Hiler
Hillis
Holland
Holt
Hopkins
Hubbard
Huckaby
Hunter
Hutto
Ireland
Jeffries
Jenkins
Johnston
Kazen
Kindness
Kramer
Lagomarsino
Latta
Leath
LeBoutillier
Lee
Levitas
Lewis
Livingston
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
McClory
McCloskey
McDonald
McEwen
Miller (OH)
Montgomery
Moore
Moorhead
Morrison
Myers
Napier
Neal
Nelson
Nichols
O'Brien
Oxley

Parris
Pashayan
Patman
Paul
Petri
Porter
Quillen
Rhodes
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Rose
Roth
Rousselot
Rudd
Sawyer
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Siljander
Skeen
Smith (AL)
Smith (NE)
Smith (OR)
Snyder
Solomon
Spence
Stangeland
Staton
Stenholm
Stump
Tauzin
Taylor
Thomas
Trible
Vander Jagt
Walker
Wampler
Weber (MN)
Weber (OH)
White
Whitehurst
Whitley
Whittaker
Winn
Wolf
Wortley
Wylie
Young (AK)

NOES—242

Addabbo
Akaka
Albosta
Alexander
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkinson
AuCoin
Bailey (PA)
Barnes
Bedell
Beilenson
Benjamin
Biaggi
Bingham
Blanchard
Boggs
Boland
Bolling
Boner
Bonior
Bonker
Bowen
Breaux
Brodhead
Brooks
Brown (CA)
Burton, Phillip
Chisholm
Clay
Clinger
Coelho
Coleman
Collins (IL)
Conable
Conte
Conyers
Coughlin
Courter
Coyne, William
Crockett
D'Amours
Davis
de la Garza
Deckard
Dellums
DeNardis
Derrick
Dicks
Dingell
Donnelly
Dorgan
Dougherty
Downey
Dwyer
Dymally
Early
Eckart
Edgar
Edwards (CA)
Emery
English
Ertel
Evans (DE)
Evans (IA)
Evans (IN)
Fary
Fascell
Fazio
Fenwick
Ferraro
Findley
Fish
Fithian
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gilman
Glickman
Gonzalez
Goodling
Gore
Gray
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Harkin
Hawkins
Heckler
Heftel
Hertel
Hightower
Hollenbeck
Horton
Howard
Hoyer
Hughes
Hyde
Jacobs
Jeffords
Jones (NC)
Jones (OK)
Jones (TN)
Kastenmeier
Kemp
Kennelly
Kildee
Kogovsek
LaFalce
Lantos
Leach
Lehman
Leland
Lent
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
Madigan
Markey
Marks
Matsui
Mattox
Mavroules
Mazzoli
McCollum
McCurdy
McDade
McGrath
McHugh
McKinney
Mica
Michel
Mikulski
Miller (CA)
Mineta
Minish
Mitchell (MD)
Mitchell (NY)
Moakley
Moffett
Molinari
Mollohan
Mottl
Murphy
Murtha
Natcher
Nelligan
Nowak
Oakar
Oberstar
Obey
Ottinger
Panetta
Patterson
Pease
Pepper
Perkins
Peyser
Pickle
Price
Pritchard
Pursell
Railsback
Rangel
Ratchford
Regula
Reuss
Richmond
Rinaldo
Rodino
Roe
Rogers
Rosenthal
Rostenkowski
Roukema
Roybal
Russo
Sabo
Santini
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shamansky
Shannon
Sharp
Shuster
Simon
Skelton
Smith (IA)
Smith (NJ)
Smith (PA)
Snowe
Solarz
St Germain
Stark
Stokes
Stratton
Studds
Swift
Synar
Tauke
Traxler
Udall
Vento
Volkmer
Walgren
Washington
Watkins
Waxman
Weaver
Weiss
Whitten
Williams (MT)
Williams (OH)
Wilson
Wirth
Wolpe
Wright
Wyden
Yates
Yatron
Young (FL)
Young (MO)
Zablocki
Zeferetti

NOT VOTING—8

Bafalis
Brown (OH)
Burton, John
Dixon
Dowdy
Ford (TN)
Rahall
Stanton

☐ 1300

Mr. RINALDO and Mr. ATKINSON changed their votes from "aye" to "no."

Messrs. LEWIS, CHAPPELL, NELSON, and ROSE, and Mrs. BOUQUARD changed their votes from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

PARLIAMENTARY INQUIRY

Mr. LOTT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LOTT. Mr. Chairman, I would like to inquire, so that we will all know exactly where we are under the rule now, as to the present situation.

As I understand it, we have now completed the four substitutes under the so-called category A substitutes, and we are prepared to move into category B, where three substitutes may be offered.

I would like to inquire as to the order in which those three would be offered and what then would be the parliamentary situation.

The CHAIRMAN. Perhaps it would be helpful if the Chair re-read an earlier statement.

After all amendments in category A are disposed of—which is the current situation—the following three amendments in the nature of a substitute printed in the CONGRESSIONAL RECORD of May 21, 1982, which shall be offered, pending simultaneously, and voted on only in the following order: First, an amendment in the nature of a substitute by, and if offered by, Representative LATTA; second, an amendment in the nature of a substitute by, and if offered by, Representative ASPIN; and third, an amendment in the nature of a substitute consisting of the text of House Concurrent Resolution 345 if offered by Representative JONES of Oklahoma. That will be the first process. None of the said substitutes in category B shall be subject to amendment except by pro forma amendments for the purpose of debate only and by the perfecting amendments printed in the CONGRESSIONAL RECORD of May 21, 1982, numbered 1 through 68 in House Resolution 477, which shall be considered only in the order listed in said resolution. An amendment initially offered to one of said substitutes by the Member who caused the amendment to be printed in the CONGRESSIONAL RECORD may be debated under the 5-minute rule unless it has been offered to the amendment in the nature of a substitute offered by Delegate FAUNTROY, in which case it shall be debatable for not to exceed 10 minutes, equally divided and controlled by the proponent and a Member opposed thereto.

After the disposition of a perfecting amendment to the category B substitute to which originally offered, the perfecting amendment may then be offered separately to either or both of the other category B substitutes by any Member prior to the offering of another of the perfecting amendments; but debate on such perfecting amendment if offered to a subsequent substitute shall continue not to exceed 10 minutes, equally divided and controlled by the proponent and a Member opposed thereto. It shall also be in order to consider the amendment or amendments provided in section 305(a)(6) of the Congressional Budget Act of 1974 necessary to achieve mathematical consistency. If more than one of the amendments in the nature of a substitute made in order by this resolution have been adopted, only the last such amendment which has been adopted shall be considered as having been finally adopted and reported back to the House.

☐ 1310

The Chair proposes to recognize and allow debate by the three Members proposing to whatever amount of time the committee approves, each in order, until all are pending before the Committee of the Whole. In other words, Mr. LATTA will be recognized first. He will have as much debate as is allowed to him under the 5-minute rule by the Committee. Then Mr. ASPIN will be recognized, if he rises, to go through the same process. Then Mr. JONES will be third on that list for the same process. Then, the Committee will go back and all the amendments in the nature of a substitute will be subject to amendment in the manner described.

Mr. LOTT. Mr. Chairman, pursuing my parliamentary inquiry, then the three substitutes will all be pending at that point simultaneously, all will be subject to the prefecting amendments offered in the order that they are printed in the rule. Is that correct?

The CHAIRMAN. That is correct, and the important point that the Chair would like to emphasize—it has been emphasized a number of times—is that these will be done in order, and it is the Member's responsibility to be here. There will be no return to earlier amendments. They will be dealt with one at a time, completed, and the Chair will then move on.

Mr. LOTT. I thank the Chairman.

PARLIAMENTARY INQUIRY

Mr. LATTA. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LATTA. Mr. Chairman, in listening to what the Chair has just explained to the minority whip, I assume the procedure will be, after I yield the floor in introducing my substitute, then we will go immediately to Mr. ASPIN, and as soon as he yields the floor we will then go to Mr. JONES.

The CHAIRMAN. That is correct.

Mr. LATTA. So we will not have any intervening debate at that point.

The CHAIRMAN. No. The only possible exception to that is that by unanimous consent—and the Chair tried to imply this—by unanimous consent if the gentleman seeks additional time over 5 minutes of that provided, that he will be given that opportunity. No other debate will intervene.

PARLIAMENTARY INQUIRY

Mr. RHODES. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RHODES. Suppose an amendment is offered by the proponent to one substitute but not to other substitutes. At that particular time, as I understand the rule, the amendment would then be available to other Members to offer to the substitutes which had not been considered previous to that time. The question occurs as to whether or not, after the amendment has been disposed of once, whether another Member could come back to that amendment to offer it to another substitute, or are all Members precluded from using an amendment printed in the RECORD after the amendment which comes after that in sequence, has been considered?

The CHAIRMAN. The Chair has consulted with the Parliamentarian, and agrees that if one proposal is made and there is nobody who rises when the request by the Chair is made, "Is there an additional offering of that amendment," then that amendment will be closed off.

Amendment No. 1 will be over, and then the Committee will move to amendment No. 2, and move to amendment No. 3 in exactly that same fashion. In other words, each amendment will be dealt with by itself and finally.

Mr. RHODES. If I understand the Chair correctly, then if amendment No. 1 is offered to Latta and disposed of, and amendment No. 1 is not then offered to the other substitutes and no other Member other than the proponent desires to offer it, then the Committee goes to amendment No. 2, and any further offerings of amendment No. 1 would be precluded?

The CHAIRMAN. That is correct.

PARLIAMENTARY INQUIRY

Mr. LATTA. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LATTA. As I recall the rule, there is a slight variation. If, in the situation the Chairman just explained, if say amendment No. 5 is offered to our substitute and does not prevail, and then they offer it to the Aspin substitute, or to the Jones substitute, then there are only 10 minutes of debate allowed under the rule.

The CHAIRMAN. That is correct. The second and third offerings would be under a 10-minute rule.

PARLIAMENTARY INQUIRY

Mr. ASPIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ASPIN. Mr. Chairman, if we go through the series where Mr. LATTA offers his substitute and maybe asks for additional time to explain it, and then explains his substitute; then we go to the coalition substitute and I may ask for additional time, and so forth; we finish the presentation of all three substitutes, is it the intention of the Chair to recognize additional Members for general debate on the substitutes, or is it the intention of the Chair to go directly to the amendments at that point?

The CHAIRMAN. The Chair will entertain pro forma amendments for a time, and at the conclusion of that, he will go to numbered amendments.

Mr. ASPIN. I thank the Chairman.

PARLIAMENTARY INQUIRY

Mr. MICHEL. Mr. Chairman, a parliamentary inquiry one more time.

The CHAIRMAN. Certainly.

Mr. MICHEL. The question is prompted by the question of the gentleman from Wisconsin (Mr. ASPIN) because under normal procedure there would be a presentation of a Member, and joined in by either cosponsors or other Members. Would it make a more orderly process if at least a selected few or limited number be recognized in general support of the proposition that was introduced before getting to that amendment stage?

□ 1320

The CHAIRMAN. The gentleman from Ohio (Mr. LATTA) can yield for that purpose if he gets extra time, but it would make for a more orderly process to get all three substitutes presented, with only the principal proponent being allowed debate at that point. At the end of those three being set in and available simultaneously, then, as the Chair just said, he would entertain pro forma amendments by Members who desire to support or oppose any one of the three, and at the conclusion of a reasonable time, then proceed to the numbered amendments.

Mr. MICHEL. I thank the Chair.

The CHAIRMAN. The Chair recognized the gentleman from Ohio (Mr. LATTA).

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA

Mr. LATTA. Mr. Chairman, I offer an amendment in the nature of a substitute that was duly printed in the CONGRESSIONAL RECORD of May 21, 1982, pursuant to the rule, and I also ask unanimous consent that I be given an additional 15 minutes in order to explain the amendment in the nature of a substitute.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The gentleman from Ohio (Mr. LATTA) will be recognized for 20 minutes, but first the Clerk will report the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. LATTA:

Strike all after the resolving clause and insert the following:

TITLE I—REVISION OF THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEAR 1982

SEC. 101. The provisions of this title shall supersede the figures reaffirmed in S. Con. Res. 50 of the Ninety-seventh Congress for the fiscal year beginning on October 1, 1981.

SEC. 102(a)(1). The level of Federal revenues is $628,400,000,000, and the net amount by which the aggregate level of Federal revenues should be increased is $900,000,000.

(2) the level of total new budget authority is $764,900,000,000;

(3) the level of total budget outlays is $728,900,000,000;

(4) the amount of the deficit in the budget is $100,500,000,000;

(5) the level of the public debt is $1,147,700,000,000, and the amount by which the statutory limit on such debt should accordingly be increased is $747,700,000,000;

(6) the level of total obligations for the principal amount of new direct loans is $63,400,000,000, the level of total new primary commitments to guarantee loan principal is $74,850,000,000, and the level of total new secondary commitments to guarantee loan principal is $68,950,000,000.

(b) Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of subsection (a) of this section of this resolution, the Congress hereby determines and declares that, for the fiscal year beginning on October 1, 1981, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $219,000,000,000;

(B) Outlays, $187,600,000,000.

(2) International Affairs (150):

(A) New budget authority, $19,000,000,000;

(B) Outlays, $11,400,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $7,000,000,000;

(B) Outlays, $6,900,000,000.

(4) Energy (270):

(A) New budget authority, $4,800,000,000;

(B) Outlays, $6,200,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority, $10,100,000,000;

(B) Outlays, $12,700,000,000.

(6) Agriculture (350):

(A) New budget authority, $9,600,000,000;

(B) Outlays, $12,800,000,000.

(7) Commerce and Housing Credit (370):

(A) New budget authority, $6,300,000,000;

(B) Outlays, $3,400,000,000.

(8) Transportation (400):

(A) New budget authority, $21,100,000,000;

(B) Outlays, $21,200,000,000.

(9) Community and Regional Development (450):

(A) New budget authority, $6,600,000,000;

(B) Outlays, $8,200,000,000.

(10) Education, Training, Employment and Social Services (500):

(A) New budget authority, $23,800,000,000;

(B) Outlays, $27,900,000,000.

(11) Health (550):

(A) New budget authority, $79,100,000,000;

(B) Outlays, $73,500,000,000.

(12) Income Security (600):

(A) New budget authority, $250,700,000,000;

(B) Outlays, $249,600,000,000.

(13) Veterans Benefits and Services (700):

(A) New budget authority, $24,800,000,000;

(B) Outlays, $24,200,000,000.

(14) Administration of Justice (750):

(A) New budget authority, $4,500,000,000;

(B) Outlays, $4,600,000,000.

(15) General Government (800):

(A) New budget authority, $5,200,000,000;

(B) Outlays, $5,100,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New budget authority, $6,400,000,000;

(B) Outlays, $6,400,000,000.

(17) Interest (900):

(A) New budget authority, $99,200,000,000;

(B) Outlays, $99,200,000,000.

(18) Allowances (920):

(A) New budget authority, $300,000,000;

(B) Outlays, $400,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, $31,800,000,000;

(B) Outlays, $31,800,000,000.

Sec. 103(a). There is established a congressional federal credit budget for fiscal year 1982 of which the levels of total federal credit activity for fiscal year 1982 are:

(1) New direct loan obligations, $63,400,000,000;

(2) New primary loan guarantee commitments, $74,850,000,000;

(3) New secondary loan guarantee commitments, $68,950,000,000.

(b) Based on allocations of the appropriate levels of total federal credit activity as set forth in paragraph (1) of this subsection, the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for each functional category are as follows:

(1) National Defense (050):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

(A) New direct loan obligations, $10,400,000,000;

(B) New primary loan guarantee commitments, $8,100,000,000;

(C) New secondary loan guarantee commitments, $0.

(3) General Science, Space and Technology (250):

(A) New direct loan obligations, $200,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(4) Energy (270):

(A) New direct loan obligations, $10,300,000,000;

(B) New primary loan guarantee commitments, $400,000,000;

(C) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):

(A) New direct loan obligations, $22,600,000,000;

(B) New primary loan guarantee commitments, $2,700,000,000;

(C) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):

(A) New direct loan obligations, $12,050,000,000;

(B) New primary loan guarantee commitments, $26,200,000,000;

(C) New secondary loan guarantee commitments, $68,200,000,000.

(8) Transportation (400):

(A) New direct loan obligations, $350,000,000;

(B) New primary loan guarantee commitments, $750,000,000;

(C) New secondary loan guarantee commitments, $50,000,000.

(9) Community and Regional Development (450):

(A) New direct loan obligations, $2,000,000,000;

(B) New primary loan guarantee commitments, $850,000,000;

(C) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment and Social Services (500):

(A) New direct loan obligations, $1,300,000,000;

(B) New primary loan guarantee commitments, $6,500,000,000;

(C) New secondary loan guarantee commitments, $700,000,000.

(11) Health (550):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $100,000,000;

(C) New secondary loan guarantee commitments, $0.

(12) Income Security (600):

(A) New direct loan obligations, $2,750,000,000;

(B) New primary loan guarantee commitments, $17,050,000,000;

(C) New secondary loan guarantee commitments, $0.

(13) Veterans Benefits and Services (700):

(A) New direct loan obligations, $1,050,000,000;

(B) New primary loan guarantee commitments, $11,900,000,000;

(C) New secondary loan guarantee commitments, $0.

(14) Administration of Justice (750):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(15) General Government (800):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(16) General Purpose Fiscal Assistance (850):

(A) New direct loan obligations, $250,000,000;

(B) New primary loan guarantee commitments, $300,000,000;

(C) New secondary loan guarantee commitments, $0.

(17) Interest (900):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(18) Allowances (920):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(19) Undistributed Offsetting Receipts (950):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0

(c) It is the sense of the Congress that the President and the Congress, through the appropriations process, should limit in fiscal year 1982 the off-budget lending activity of the Federal Government to a level not to exceed $30,200,000,000, the on-budget lending activity to a level not to exceed $33,200,000,000, new primary loan guarantee commitments to a level not to exceed $74,850,000,000, and new secondary loan guarantee commitments to a level not to exceed $68,950,000,000.

TITLE II—SETTING FORTH THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR FISCAL YEARS 1983, 1984, AND 1985

Sec. 201. The Congress hereby determines and declares, pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1982—

(1) the level of Federal revenues is $665,900,000,000 and the net amount by which the aggregate level of Federal revenues should be increased is $20,900,000,000;

(2) the level of total new budget authority is $805,200,000,000;

(3) the level of total budget outlays is $768,500,000,000;

(4) the amount of the deficit in the budget is $102,600,000,000;

(5) the level of the public debt is $1,285,550,000,000, and the amount by which the statutory limit on such debt should accordingly be increased is $885,550,000,000.

Sec. 202. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of section 201 of this resolution, the Congress hereby determines and declares pursuant to section 301(a) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1982, the appropriate level of new budget authority and the estimated

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budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $253,850,000,000;

(B) Outlays, $214,250,000,000.

(2) International Affairs (150):

(A) New budget authority, $16,200,000,000;

(B) Outlays, $12,050,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $7,050,000,000;

(B) Outlays, $7,150,000,000.

(4) Energy (270):

(A) New budget authority, $3,600,000,000;

(B) Outlays, $3,900,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority, $9,000,000,000;

(B) Outlays, $10,550,000,000.

(6) Agriculture (350):

(A) New budget authority, $6,400,000,000;

(B) Outlays, $9,050,000,000.

(7) Commerce and Housing Credit (370):

(A) New budget authority, $7,300,000,000;

(B) Outlays, $2,450,000,000.

(8) Transportation (400):

(A) New budget authority, $21,450,000,000;

(B) Outlays, $20,050,000,000.

(9) Community and Regional Development (450):

(A) New budget authority, $6,850,000,000;

(B) Outlays, $7,850,000,000.

(10) Education, Training, Employment and Social Services (500):

(A) New budget authority, $27,250,000,000;

(B) Outlays, $26,800,000,000.

(11) Health (550):

(A) New budget authority, $79,800,000,000;

(B) Outlays, $76,950,000,000.

(12) Income Security (600):

(A) New budget authority, $259,200,000,000;

(B) Outlays, $270,900,000,000.

(13) Veterans Benefits and Services (700):

(A) New budget authority, $24,710,000,000;

(B) Outlays, $23,860,000,000.

(14) Administration of Justice (750):

(A) New budget authority, $4,400,000,000;

(B) Outlays, $4,500,000,000.

(15) General Government (800):

(A) New budget authority, $4,900,000,000;

(B) Outlays, $4,750,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New budget authority, $6,500,000,000;

(B) Outlays, $6,500,000,000.

(17) Interest (900):

(A) New budget authority, $112,800,000,000;

(B) Outlays, $112,800,000,000.

(18) Allowances (920):

(A) New budget authority, $2,950,000,000;

(B) Outlays, $2,750,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, $43,110,000,000;

(B) Outlays, -$43,110,000,000.

SEC. 203 (a). There is established a congressional federal credit budget for fiscal year 1983 of which the levels of total federal credit activity for fiscal year 1983 are:

(1) New direct loan obligations, $55,600,000,000;

(2) New primary loan guarantee commitments, $92,800,000,000;

(3) New secondary loan guarantee commitments, $53,300,000,000;

Based on allocations of the appropriate levels of total federal credit activity as set forth in paragraph (1) of this subsection, the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for each functional category are as follows:

(1) National Defense (050):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $50,000,000;

(C) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

(A) New direct loan obligations, $10,650,000,000;

(B) New primary loan guarantee commitments, $8,800,000,000;

(C) New secondary loan guarantee commitments, $0.

(3) General Science, Space and Technology (250):

(A) New direct loan obligation, $150,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(4) Energy (270):

(A) New direct loan obligations, $11,150,000,000;

(B) New primary loan guarantee commitments, $1,800,000,000;

(C) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(6) Agriculture (350).

(A) New direct loan obligations, $16,000,000,000;

(B) New primary loan guarantee commitments, $2,650,000,000;

(C) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):

(A) New direct loan obligations, $11,150,000,000;

(B) New primary loan guarantee commitments, $35,800,000,000;

(C) New secondary loan guarantee commitments, $53,300,000,000.

(8) Transportation (400):

(A) New direct loan obligations, $400,000,000;

(B) New primary loan guarantee commitments, $450,000,000;

(C) New secondary loan guarantee commitments, $0.

(9) Community and Regional Development (450):

(A) New direct loan obligation, $1,750,000,000;

(B) New primary loan guarantee commitments, $ 100,000,000;

(C) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment and Social Services (500):

(A) New direct loan obligations, $850,000,000;

(B) New primary loan guarantee commitments, $7,250,000,000;

(C) New secondary loan guarantee commitments, $0.

(11) Health (550):

(A) New direct loan obligations, $100,000,000;

(B) New primary loan guarantee commitments, $100,000,000;

(C) New secondary loan guarantee commitments, $0.

(12) Income Security (600):

(A) New direct loan obligations, $2,050,000,000;

(B) New primary loan guarantee commitments, $18,750,000,000;

(C) New secondary loan guarantee commitments, $0.

(13) Veterans Benefits and Services (700).

(A) New direct loan obligations, $1,050,000,000;

(B) New primary loan guarantee commitments, $20,950,000,000;

(C) New secondary loan guarantee commitments, $0.

(14) Administration of Justice (750):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(15) General Government (800):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(16) General Purpose Fiscal Assistance (850):

(A) New direct loan obligations, $250,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(17) Interest (900):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(18) Allowances (920):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(19) Undistributed Offsetting Receipts (950):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(c) It is the sense of the Congress that the President and the Congress, through the appropriations process, should limit in fiscal year 1983 the off-budget lending activity of the Federal Government to a level not to exceed $29,800,000,000, the on-budget lending activity to a level not to exceed $25,800,000,000, new primary loan guarantee commitments to a level not to exceed $92,800,000,000, and new secondary loan guarantee commitments to a level not to exceed $53,300,000,000.

SEC. 204. The Congress sets forth the following budgetary levels for fiscal years 1984 and 1985—

(1) the level of Federal revenues is as follows:

Fiscal year 1984, $738,000,000,000;
Fiscal year 1985, $821,400,000,000;

and the amount by which the aggregate levels of Federal revenues should be increased is as follows:

Fiscal year 1984, $36,000,000,000;
Fiscal year 1985, $41,400,000,000.

(2) the level of total new budget authority is as follows:

Fiscal year 1984, $867,640,000,000;
Fiscal year 1985, $953,090,000,000.

(3) the level of total budget outlays is as follows:

Fiscal year 1984, $817,660,000,000;
Fiscal year 1985, $873,590,000,000.

(4) the amount of the deficit in the budget is:

Fiscal year 1984, $79,660,000,000;
Fiscal year 1985, $52,190,000,000.

(5) the level of the public debt is as follows:

Fiscal year 1984, $1,404,450,000,000;
Fiscal year 1985, $1,490,800,000,000;

and the amount by which the temporary statutory limit on such debt should be accordingly increased is as follows:

Fiscal year 1984, $1,004,450,000,000;
Fiscal year 1985, $1,090,800,000,000.

SEC. 205. Based on allocations of the appropriate level of total new budget authority and of total budget outlays for fiscal years 1984 and 1985 as set forth above, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are respectively as follows:

(1) National Defense (050):
Fiscal year 1984:
(A) New budget authority, $278,850,000,000;
(B) Outlays, $242,650,000,000.
Fiscal year 1985:
(A) New budget authority, $322,200,000,000;
(B) Outlays, $277,550,000,000.

(2) International Affairs (150):
Fiscal year 1984:
(A) New budget authority, $16,800,000,000;
(B) Outlays, $12,350,000,000.
Fiscal year 1985:
(A) New budget authority, $21,250,000,000;
(B) Outlays, $12,450,000,000.

(3) General Science, Space, and Technology (250):
Fiscal year 1984:
(A) New budget authority, $7,050,000,000;
(B) Outlays, $7,100,000,000.
Fiscal year 1985:
(A) New budget authority, $7,050,000,000;
(B) Outlays, $7,050,000,000.

(4) Energy (270):
Fiscal year 1984:
(A) New budget authority, $2,900,000,000;
(B) Outlays, $2,350,000,000.
Fiscal year 1985:
(A) New budget authority, $2,270,000,000.
(B) Outlays, $1,500,000,000.

(5) Natural Resources and Environment (300):
Fiscal year 1984:
(A) New budget authority, $8,400,000,000;
(B) Outlays, $9,500,000,000.
Fiscal year 1985:
(A) New budget authority, $7,950,000,000;
(B) Outlays, $8,400,000,000.

(6) Agriculture (350):
Fiscal year 1984:
(A) New budget authority, $8,100,000,000;
(B) Outlays, $7,350,000,000.
Fiscal year 1985:
(A) New budget authority, $5,700,000,000;
(B) Outlays, $6,950,000,000.

(7) Commerce and Housing Credit (370):
Fiscal year 1984:
(A) New budget authority, $7,900,000,000;
(B) Outlays, $1,950,000,000.
Fiscal year 1985:
(A) New budget authority, $7,650,000,000.
(B) Outlays, $1,750,000,000.

(8) Transportation (400):
Fiscal year 1984:
(A) New budget authority, $21,700,000,000.
(B) Outlays, $19,700,000,000.
Fiscal year 1985:
(A) New budget authority, $22,050,000,000.
(B) Outlays, $19,550,000,000.

(9) Community and Regional Development (450):
Fiscal year 1984:
(A) New budget authority, $7,000,000,000.
(B) Outlays, $7,500,000,000.
Fiscal year 1985:
(A) New budget authority, $7,200,000,000;
(B) Outlays, $7,500,000,000.

(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1984:
(A) New budget authority, $27,550,000,000;
(B) Outlays, $26,700,000,000.
Fiscal year 1985:
(A) New budget authority, $27,400,000,000;
(B) Outlays, $26,550,000,000.

(11) Health (550):
Fiscal year 1984:
(A) New budget authority, $92,650,000,000;
(B) Outlays, $84,550,000,000.
Fiscal year 1985:
(A) New budget authority, $104,550,000,000;
(B) Outlays, $94,500,000,000.

(12) Income Security (600):
Fiscal year 1984:
(A) New budget authority, $279,100,000,000;
(B) Outlays, $286,150,000,000.
Fiscal year 1985:
(A) New budget authority, $314,250,000,000;
(B) Outlays, $307,000,000,000.

(13) Veterans Benefits and Services (700):
Fiscal year 1984:
(A) New budget authority, $25,980,000,000.
(B) Outlays, $25,800,000,000.
Fiscal year 1985:
(A) New budget authority, $27,090,000,000;
(B) Outlays, $26,640,000,000.

(14) Administration of Justice (750):
Fiscal year 1984:
(A) New budget authority, $4,300,000,000;
(B) Outlays, $4,350,000,000.
Fiscal year 1985:
(A) New budget authority, $4,250,000,000;
(B) Outlays, $4,250,000,000.

(15) General Government (800):
Fiscal year 1984:
(A) New budget authority, $4,600,000,000;
(B) Outlays, $4,550,000,000.
Fiscal year 1985:
(A) New budget authority, $4,600,000,000;
(B) Outlays, $4,400,000,000.

(16) General Purpose Fiscal Assistance (850):
Fiscal year 1984:
(A) New budget authority, $6,700,000,000;
(B) Outlays, $6,700,000,000.
Fiscal year 1985:
(A) New budget authority, $6,850,000,000;
(B) Outlays, $6,850,000,000.

(17) Interest (900):
Fiscal year 1984:
(A) New budget authority, $118,800,000,000;
(B) Outlays, $118,800,000,000.
Fiscal year 1985:
(A) New budget authority, $112,100,000,000;
(B) Outlays, $112,100,000,000.

(18) Allowances (920):
Fiscal year 1984:
(A) New budget authority, $1,950,000,000;
(B) Outlays, $1,600,000,000.
Fiscal year 1985:
(A) New budget authority, $1,750,000,000;
(B) Outlays, $1,350,000,000.

(19) Undistributed Offsetting Receipts (950):
Fiscal year 1984:
(A) New budget authority, $48,790,000,000;
(B) Outlays, $48,790,000,000.
Fiscal year 1985:
(A) New budget authority, $50,050,000,000;
(B) Outlays, $50,050,000,000.

PART A—RECONCILIATION INSTRUCTIONS

SEC. 301. Pursuant to section 301(b)(2) of the Budget Act—

(A) the House Committee on Agriculture shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $720,000,000 and outlays by $710,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $1,831,000,000 in budget authority and $1,821,000,000 in outlays in fiscal year 1984, and $2,505,000,000 in budget authority and $2,505,000,000 in outlays in fiscal year 1985.

(B) the House Committee on Armed Services shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $218,000,000 and outlays by $218,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $703,000,000 in budget authority and $703,000,000 in outlays in fiscal year 1984, and $1,242,000,000 in budget authority and $1,242,000,000 in outlays in fiscal year 1985.

(C) the House Committee on Banking, Finance and Urban Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $0 and outlays by $695,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $0 in budget authority and $697,000,000 in outlays in fiscal year 1984, and $0 in budget authority and $687,000,000 in outlays in fiscal year 1985.

(D) the House Committee on Education and Labor shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $183,000,000 and outlays by $155,000,000 in fiscal year 1983, further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $455,000,000 in budget authority and $407,000,000 in outlays in fiscal year 1984, and $604,000,000 in budget authority and $573,000,000 in outlays in fiscal year 1985.

(E) the House Committee on Energy and Commerce shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $367,000,000 and outlays by $483,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $526,000,000 in budget authority and $526,000,000 in outlays in fiscal year 1984, and $575,000,000 in budget authority and $575,000,000 in outlays in fiscal year 1985.

(F) the House Committee on Foreign Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $0 and outlays by $2,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $2,000,000 in budget authority and $8,000,000 in outlays in fiscal year 1984, and $4,000,000 in budget authority and $15,000,000 in outlays in fiscal year 1985.

(G) the House Committee on Government Operations shall report changes in laws within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $0 and outlays by $0 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $320,000,000 in budget authority and $240,000,000 in outlays in fiscal year 1984, and $636,000,000 in budget authority and $557,000,000 in outlays in fiscal year 1985.

(H) the House Committee on Merchant Marine shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $4,000,000 and outlays by $4,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $15,000,000 in budget authority and $15,000,000 in outlays in fiscal year 1984, and $27,000,000 in budget authority and $27,000,000 in outlays in fiscal year 1985.

(I) the House Committee on Post Office and Civil Service shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $0 and outlays by $376,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $242,000,000 in budget authority and $1,061,000,000 in outlays in fiscal year 1984, and $538,000,000 in budget authority and $1,808,000,000 in outlays in fiscal year 1985.

(J) the House Committee on Veterans Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $77,000,000 and outlays by $77,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $75,000,000 in budget authority and $75,000,000 in outlays in fiscal year 1984, and $71,000,000 in budget authority and $71,000,000 in outlays in fiscal year 1985.

(K) the House Committee on Ways and Means shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $910,000,000 and outlays by $5,390,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $769,000,000 in budget authority and $8,146,000,000 in outlays in fiscal year 1984, and $722,000,000 in budget authority and $11,273,000,000 in outlays in fiscal year 1985.

(L) the House Committee on Ways and Means shall report changes in laws within the jurisdiction of that committee sufficient to increase revenue by $20,900,000,000 for fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional revenues of $36,000,000,000 for fiscal year 1984, and $41,400,000,000 for fiscal year 1985.

SEC. 302. Pursuant to section 301(b)(2) of the Budget Act—

(A) the Senate Committee on Agriculture shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $720,000,000 and outlays by $710,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $1,831,000,000 in budget authority and $1,821,000,000 in outlays for fiscal year 1984, and $2,505,000,000 in budget authority and $2,505,000,000 in outlays in fiscal year 1985.

(B) the Senate Committee on Armed Services shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $218,000,000 and outlays by $218,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $703,000,000 in budget authority and $703,000,000 in outlays for fiscal year 1984, and $1,242,000,000 in budget authority and $1,242,000,000 in outlays in fiscal year 1985.

(C) the Senate Committee on Banking, Housing and Urban Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $0 and outlays by $695,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $0 in budget authority and $697,000,000 in outlays for fiscal year 1984, and $0 in budget authority and $687,000,000 in outlays in fiscal year 1985.

(D) the Senate Committee on Commerce, Science, and Transportation shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $4,000,000 and outlays by $4,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $15,000,000 in budget authority and $15,000,000 in outlays for fiscal year 1984, and $27,000,000 in budget authority and $27,000,000 in outlays in fiscal year 1985.

(E) the Senate Committee on Finance shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $1,277,000,000 and outlays by $5,873,000,000 in fiscal year 1983; further, the Congress finds that prospect of unacceptably high budget deficits in the future years requires additional savings of $1,615,000,000 in budget authority and $8,912,000,000 in outlays for fiscal year 1984, and $1,933,000,000 in budget authority and $12,405,000,000 in outlays in fiscal year 1985.

(F) the Senate Committee on Foreign Relations shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $0 and outlays by $2,000,000, in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $2,000,000 in budget authority and $8,000,000 in outlays for fiscal year 1984, and $4,000,000 in budget authority and $15,000,000 in outlays in fiscal year 1985.

(G) the Senate Committee on Governmental Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $0 and outlays by $376,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $242,000,000 in budget authority and $1,061,000,000 in outlays for fiscal year 1984, and $538,000,000 in budget authority and $1,808,000,000 in outlays in fiscal year 1985.

(H) the Senate Committee on Labor and Human Resources shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $183,000,000 and outlays by $155,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $455,000,000 in budget authority and $407,000,000 in outlays for fiscal year 1984, and $604,000,000 in budget authority and $573,000,000 in outlays in fiscal year 1985.

(I) the Senate Committee on Veterans' Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $77,000,000 and outlays by $77,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $75,000,000 in budget authority and $75,000,000 in outlays for fiscal year 1984, and $71,000,000 in budget authority and $71,000,000.

(J) The Senate Committee on Finance shall report changes in laws within the jurisdiction of that committee sufficient to increase revenues by $20,900,000,000 for fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional revenues of $36,000,000,000 for fiscal year 1984, and $41,400,000,000 in fiscal year 1985.

SEC. 303. The committees named in sections 301 and 302 shall submit their recommendations to the Committees on the Budget of their respective Houses by June 30, 1982. Those recommendations shall be sufficient to accomplish the changes required by those subsections. After receiving those recommendations, the Committees on the Budget shall report to the House and Senate a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

SEC. 304. In the House of Representatives, no bill or resolution providing—

(1) new budget authority for fiscal year 1983, or

(2) new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act first effective in fiscal year 1983, which exceeds the appropriate total allocation of new discretionary budget authority or new spending authority made pursuant to section 302(b) of such Act by the committee of jurisdiction shall be enrolled until after Congress has completed action on the second concurrent resolution on the budget required to be reported under Section 310 of such Act.

SEC. 305. It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution, or amendment thereto, providing—

(1) new budget authority for fiscal year 1983; or

(2) new spending authority described in section 401(c)(2)(C) of the Budget Act first effective in fiscal year 1983,

within the jurisdiction of any of its committees unless and until such committee makes the allocations or subdivisions required by section 302(b) of the Budget Act in connection with the most recently agreed to Concurrent Resolution on the Budget.

SEC. 306. (a) After the Congress has completed action on the concurrent resolution on the budget required to be reported under section 310(a) for fiscal year 1983, and, if a reconciliation bill or resolution, or both, for such fiscal year are required to be reported under section 310(c), after that bill has been enacted into law or that resolution has been agreed to, it shall not be in order in either the House of Representatives or the Senate to consider any bill, resolution, or amendment providing authority for—

(1) new direct loan obligations for fiscal year 1983;

(2) new primary loan guarantee commitments for fiscal year 1983; or

(3) new secondary loan guarantee commitments for fiscal year 1983;

or any conference report on any such bill or resolution, if—

(A) the enactment of such bill or resolution as reported;

(B) the adoption and enactment of such amendment; or

(C) the enactment of such bill or resolution in the form recommended in such conference report;

would cause the appropriate level of total new direct loan obligations for fiscal year 1983, total new primary loan guarantee commitments for such fiscal year, or total new secondary loan guarantee commitments for such fiscal year set forth in such concurrent resolution on the budget to be exceeded.

(b)(1) The joint explanatory statement accompanying the conference report on this resolution shall include an estimated allocation, based upon section 203 of this resolution as recommended in such conference report, of the appropriate levels of total new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments authority among each committee of the House of Representatives and the Senate which has jurisdiction over bills and resolutions providing such new authority.

(2) As soon as practicable after this resolution is agreed to every committee of each House shall, after consulting with the committee or committees of the other House to which all or part of the allocation has been made, subdivide among its subcommittees the allocation of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments allocated to it in the joint explanatory statement accompanying the conference report on this resolution.

SEC. 307. It is the sense of Congress that reductions in federal employment should be accomplished through attrition only.

SEC. 308. It is the sense of the Congress that if Congress acts to restore fiscal responsibility and reduces projected budget deficits in a substantial and permanent way, then the Federal Reserve Open Market Committee shall reevaluate its monetary targets in order to assure that they are fully complementary to a new and more restrained fiscal policy.

Mr. LATTA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

TECHNICAL AMENDMENT OFFERED BY MR. LATTA TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA

Mr. LATTA. Mr. Chairman, I offer a technical amendment to my amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will report the technical amendment.

The Clerk read as follows:

Technical amendment offered by Mr. LATTA to the amendment in the nature of a substitute offered by Mr. LATTA: Strike all beginning with "SEC. 203(a)" until "SEC. 204", and insert the following:

SEC. 203 (a). There is established a congressional federal credit budget for fiscal year 1983 of which the levels of total federal credit activity for fiscal year 1983 are:

(1) New direct loan obligations, $56,000,000,000;

(2) New primary loan guarantee commitments, $92,400,000,000.

(3) New secondary loan guarantee commitments, $53,300,000,000.

(b) Based on allocations of the appropriate levels of total federal credit activity as set forth in paragraph (1) of this subsection, the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for each functional category are as follows:

(1) National Defense (050):

(A) New direct loan obligations, $50,000,000.

(B) New primary loan guarantee commitments, $50,000,000.

(C) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

(A) New direct loan obligations, $10,650,000,000;

(B) New primary loan guarantee commitments, $8,800,000,000.

(C) New secondary loan guarantee commitments, $0.

(3) General Science, Space and Technology (250);

(A) New direct loan obligations, $150,000,000;

(B) New primary loan guarantee commitments, $0.

(C) New secondary loan guarantee commitments, $0.

(4) Energy (270):

(A) New direct loan obligations, $11,550,000,000;

(B) New primary loan guarantee commitments, $2,200,000,000;

(C) New secondary loan guarantee commitments, 0.

(5) Natural Resources and Environment (300):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, 0;

(C) New secondary loan guarantee commitments, 0.

(6) Agriculture (350):

(A) New direct loan obligations, $16,000,000,000;

(B) New primary loan guarantee commitments, $2,650,000,000;

(C) New secondary loan guarantee commitments, 0.

(7) Commerce and Housing Credit (370):

(A) New direct loan obligations, $11,150,000,000;

(B) New primary loan guarantee commitments, $35,800,000,000;

(C) New secondary loan guarantee commitments, $53,300,000,000.

(8) Transportation (400):

(A) New direct loan obligations, $400,000,000;

(B) New primary loan guarantee commitments, $450,000,000;

(C) New secondary loan guarantee commitments, 0.

(9) Community and Regional Development (450):

(A) New direct loan obligations, $1,750,000,000;

(B) New primary loan guarantee commitments, $100,000,000;

(C) New secondary loan guarantee commitments, 0.

(10) Education, Training, Employment and Social Services (500):

(A) New direct loan obligations, $850,000,000;

(B) New primary loan guarantee commitments, $7,250,000,000;

(C) New secondary loan guarantee commitments, $0.

(11) Health (550):

(A) New direct loan obligations, $100,000,000;

(B) New primary loan guarantee commitments, $100,000,000;

(C) New secondary loan guarantee commitments, $0.

(12) Income Security (600):

(A) New direct loan obligations, $2,050,000,000;

(B) New primary loan guarantee commitments, $18,750,000,000;

(C) New secondary loan guarantee commitments, $0.

(13) Veterans Benefits and Services (700):

(A) New direct loan obligations, $1,950,000,000;

(B) New primary loan guarantee commitments, $20,950,000,000;

(C) New secondary loan guarantee commitments, $0.

(14) Administration of Justice (750):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(15) General Government (800):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0.

(C) New secondary loan guarantee commitments, $0.

(16) General Purpose Fiscal Assistance (850):

(A) New direct loan obligations, $250,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(17) Interest (900):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, 0;

(C) New secondary loan guarantee commitments, 0.

(18) Allowances (920):

(A) New direct loan obligations, 0;

(B) New primary loan guarantee commitments, 0;

(C) New secondary loan guarantee commitments, 0.

(19) Undistributed Offsetting Receipts (950):

(A) New direct loan obligations, 0;

(B) New primary loan guarantee commitments, 0;

(C) New secondary loan guarantee commitments, 0.

(c) It is the sense of the Congress that the President and the Congress, through the appropriations process, should limit in fiscal year 1983 the off-budget lending activity of the Federal Government to a level not to exceed $30,200,000,000, the on-budget lending activity to a level not exceed $25,800,000,000, new primary loan guarantee commitments to a level not to exceed $93,750,000,000, and new secondary loan guarantee commitments to a level not to exceed $53,300,000,000.

Mr. **LATTA** (during the reading). Mr. Chairman, I ask unanimous consent that the technical amendment be considered as read and printed in the RECORD.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. **LATTA**. Let me say, Mr. Chairman, that this has been discussed with the chairman of the committee. It is necessary because of an error at CBO.

This amendment represents the true figures that were submitted to CBO in the credit budget. The way they came back with their figures, there is a $400 million differential which we intended in our credit budget resolution.

Mr. **JONES** of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. **LATTA**. I am happy to yield to the gentleman from Oklahoma.

Mr. **JONES** of Oklahoma. Mr. Chairman, this is the amendment that the gentleman from Texas (Mr. STENHOLM) and the gentleman from Texas (Mr. GRAMM) spoke to me about last night. I asked them to talk to CBO and find out where the error was.

Was this merely an error in transmission or what? Does the gentleman have any further information on that?

Mr. **LATTA**. Mr. Chairman, that is the information that I received.

Mr. **JONES** of Oklahoma. Did CBO confirm that that was the way they received it?

Mr. **LATTA**. Mr. Chairman, the staff advises me that the numbers that came back—and they talked with CBO about them—were not the numbers they gave CBO, and there was a difference of $400 million in the credit item.

PARLIAMENTARY INQUIRY

Mr. **BRODHEAD**. Mr. Chairman, I have a parliamentary inquiry.

The **CHAIRMAN**. Does the gentleman from Ohio (Mr. LATTA) yield for a parliamentary inquiry?

Mr. **LATTA**. I am happy to yield to the gentleman from Michigan.

The **CHAIRMAN**. The gentleman from Michigan (Mr. BRODHEAD) will state his parliamentary inquiry.

Mr. **BRODHEAD**. Mr. Chairman, this is an amendment that is not an amendment that was mentioned in the rule or that was set forth in the rule as one of those that the rule allowed to be offered; is that correct?

The **CHAIRMAN**. The gentleman is correct.

Mr. **BRODHEAD**. Then would it not require unanimous consent to adopt this amendment?

The **CHAIRMAN**. It does.

Mr. **BRODHEAD**. At what point, Mr. Chairman? That unanimous-consent request has not been made, has it?

The **CHAIRMAN**. It has not been made in any final form. It is implied, and the Chair takes it as a unanimous-consent request which will be made.

Mr. **LATTA**. That is correct, Mr. Chairman.

Let me just point out that there were several—and I stress that "several"—discrepancies in the various numbers that came back from CBO, and in our case we have two of them, one dealing with the credit budget, and one of them dealt with the housing. And it did not reflect what we sent over there.

Mr. **BRODHEAD**. Mr. Chairman, if the gentleman will yield for just a moment, if I understand what the Chair said, then, there is unanimous-consent request pending?

Mr. **LATTA**. That is correct.

The **CHAIRMAN**. At the appropriate time the Chair will put the unanimous-consent request. The gentleman's request is tantamount to a unanimous-consent request, and the Chair will put the unanimous-consent request.

Mr. **BRODHEAD**. I thank the Chair.

Mr. **LATTA**. Mr. Chairman, if I may just speak to that point, let me say that on both sides there will probably be some technical amendments that come up, and I would hope that on purely technical amendments there would not be any objection, because we do want to pass a budget here. We do want to be as cooperative as we possibly can, and I would urge Members on our side not to object if there are technical amendments that come up on that side, and I would hope that feeling would prevail in this House today.

Mr. **BRODHEAD**. Reserving the right to object, Mr. Chairman, if I might, may I say this?

The **CHAIRMAN**. The gentleman is in order. He reserves the right to object.

Mr. **BRODHEAD**. Mr. Chairman, I would like to propound an inquiry to the distinguished ranking minority member of the Budget Committee.

I would ask the gentleman what the effect of the amendment is. Does it add spending, subtract spending, or leave spending unchanged, and in what function?

Mr. **LATTA**. No; this deals, as I explained earlier, with the credit budget, and specifically with the required direct loan surplus.

Mr. **BRODHEAD**. Does it increase the figure?

Mr. **LATTA**. The figures, as now before us, show $55 billion 400 million, and it should be $56 billion.

Mr. **BRODHEAD**. Then the effect of the gentleman's amendment would be——

Mr. **LATTA**. Excuse me. It shows $55 billion 600 million; that is what it is, and it should be $56 billion.

Mr. **BRODHEAD**. So the effect of the gentleman's amendment would be to add $400 million?

Mr. **LATTA**. $400 million, as was the intent.

Mr. **BRODHEAD**. To the credit budget?

Mr. **LATTA**. That is correct.

Mr. **BRODHEAD**. I would say, further reserving the right to object, Mr. Chairman, that we went through this process last year where we had amendments being offered to the budget and changes being adopted right up to the last minute, and I think there was a feeling on both sides of the aisle that that was a very disorderly process and that it did not result in a sound process or, in the view of some of us, sound legislation.

I would say, further reserving the right to object, Mr. Chairman, that since this item does have the effect of adding $400 million to the credit obligations of the Federal Government, I feel that it is more than a technical amendment, and I would feel reluctantly constrained to object, and I do object.

Mr. **LATTA**. Mr. Chairman, before the gentleman objects, let me—would the gentleman withhold that?

The **CHAIRMAN**. Would the committee permit the Chair to make a statement?

Mr. **LATTA**. Yes; I will certainly yield to the Chair.

The **CHAIRMAN**. The Chair thinks it is important for the gentleman to be aware that there may be a number of similar propositions on both sides that have to do with what seemed to be changes not in base rates but CBO figures. The Chair thinks that the chairman of the committee is in a better position to describe the situation than the Chair, but we may have on both sides problems comparable to this one, and the Chair does not know whether this is one of those or not. But it is very important that at the beginning the chairman and the ranking minority member of the Budget Committee discuss this matter in general if there is going to be a problem on the first proposal.

The Chair had hoped that these were worked out between the two in advance. There is a potential objection to a whole range of matters on both sides, and if we have the first objection—and it may be perfectly valid—we will then have a situation which is going to get more and more confused and complicated, and the situation ought to be described by the chairman and the ranking minority member since the chairman of the committee has no authority to deal with this except to state and put requests.

Mr. **JONES** of Oklahoma. Mr. Chairman, I have a further inquiry.

Mr. **BRODHEAD**. I am happy to yield to the gentleman from Oklahoma.

Mr. **JONES** of Oklahoma. In answer to the question posed by the chairman, I do not know of any other such amendments that are pending on which a unanimous-consent request would be made. However, that is not to say it would not happen.

Basically, when this was brought to my attention last night, the position I took was that so long as it was genuinely a technical error, then that is one thing. But if it was to change the substance, to make the gentleman's amendment more attractive, then that is an entirely different thing.

□ 1330

I have not been satisfied myself as to the answer to those two questions. I am wondering if I may pose a question to the chairman. Could this unanimous-consent request be considered later on in the debate and when we can explore that issue more thoroughly?

The **CHAIRMAN**. Would the gentleman from Ohio withhold this particular request and go on with the debate and deal with it later?

Mr. **LATTA**. Mr. Chairman, I want to be as cooperative as I possibly can because these are going to be a couple of difficult days and we do want to pass a budget.

Here is a situation where we submitted figures to CBO and they came back with a different figure. If that is not a technical error I do not know what is, because we are entitled to have before this House our figures and not CBO's when it comes to the amount we want to have in the credit budget.

That is the simple explanation of the amendment. I do not know how you can be any fairer or any more forthright about the amendment.

If you feel that you want to consider it at some later time during this debate I will withdraw the amendment. I was under the impression, speaking as far as the chairman of the committee is concerned, that staff had been in touch with the chairman and the chairman had agreed to the amendment.

Now if the chairman wants more time to reconsider his decision I will be happy to give it to him.

Mr. **GRAMM**. If I might, let me just explain what happened.

We met to write the credit budget. We agreed on a set of figures and the credit budget was taken over to OMB.

Needless to say, the first priority in checking the numbers was on that part of the budget that is on budget, that affects outlays, that affects the deficit.

When we got the computer printout and looked at this category there was an error.

The other body has the figure we seek. It is not a controversial item in conference. The figure in the other body will be accepted. There are not going to be any votes swayed.

But the point is this: should we have a right to ask unanimous consent to correct an error that resulted, it could have been our staff taking the material over, it could have been an error in writing it down, it could have been an error in putting it on the computer. But the point is it is a technical matter and when the final budget is adopted the figure we seek will be the figure.

We are simply asking to correct one of maybe 10,000 numbers in the whole budget that was in error that we have found. There may be others.

I thank the gentleman for yielding.

Mr. **JONES** of Oklahoma. I renew my request.

The **CHAIRMAN**. Does the gentleman withdraw his request?

Mr. **LATTA**. I will be happy to withdraw the amendment at this time.

The **CHAIRMAN**. The gentleman is recognized for 5 minutes in support of his substitute.

The **CHAIRMAN**. The gentleman has 9 minutes remaining of the 20 minutes he asked. Does he wish to make a unanimous-consent request?

(By unanimous consent, Mr. LATTA was allowed to proceed for an additional 15 minutes.)

Mr. **LATTA**. Mr. Chairman, let me restate something that I stated when this debate opened. This House must pass a budget resolution. I think in a spirit of cooperation, and I want to stress the cooperation in view of the fact of what we have pending, in the spirit of cooperation I believe that we can pass a budget resolution that the country so badly needs.

I know there is going to be a lot of partisanship exhibited during the next several hours and maybe during the next couple of days, but this is good. It will point up the differences between the parties as well as the resolutions and we ought to point up those differences.

But certainly we have to keep in the back of our minds that we have to pass a resolution. We have to pass a resolution with which we can go to conference. We have to pass something that we can be proud of and something that will do the job that is needed to be done for the country.

I think most people in this Chamber will agree that the biggest job we have before us is the matter of bringing down interest rates. I heard some of the statements made earlier today about the Chairman of the Federal Reserve, Mr. Volcker. He cannot do it all himself.

The big problem is right here in this Congress. Are we going to continue spending and spending, and borrowing and borrowing, and taxing and taxing?

This is a question we have to decide.

If we want to continue on the way of the past, we are not going to bring interest rates down. No way.

The package that I have presented here is a bipartisan package hammered out through several long hours and everything is not to my liking in that package.

If I had written the substitute all by myself, it would be written differently in a good many areas but this is a consensus that we have arrived at.

We have heard a lot about cutting, cutting. There has been many stories printed in the newspaper, and there has been a lot of talk over television that we are cutting the budget.

You know and I know, we are not cutting spending from fiscal year 1982. Even the budget, the bipartisan budget substitute now before the House is $39.6 billion more, more, not less, more than fiscal year 1982.

We are not cutting from fiscal year 1982. We are adding to that spending.

It is a question of how much do you add, how much can you add, and still bring down those interest rates.

Certainly I was pleased, as was everyone looking at the financial page today, to see that the interest rates have dropped a little bit just within the last day. They have got to drop a lot more. But I was pleased to see that Treasury bills fell to 11.48 on 26-year bills. This is a good beginning. It is good to know that several major banks cut their broker loan rate to 14.75 from 15.50, a move that could foreshadow a decline in the prime rate from 16.50.

But certainly what is starting now is not going to continue if we say here in this House today, tomorrow, or the next day that we cannot reduce spending and borrowing, we cannot resist that temptation to say yes, yes, yes to every request being made. We are not going to bring down those interest rates. On the contrary, they will probably start back up.

I know my colleagues are going to go back home and say we are doing everything we can to reduce interest rates because it is hurting everybody. Certainly what we do here on this floor will have some influence, I am confident of that. But if we merely do a little tinkering here and a little tinkering there we are not going to accomplish much.

So we have to show the country and those people who are deeply involved with these interest rates that we mean business about reining in deficit financing.

☐ 1340

The recovery package we have introduced on a bipartisan basis will have the best chance of bringing down interest rates. It is a $76 billion deficit reduction package which slows the growth of spending by $56 billion in fiscal year 1983 and adds $20 billion in revenues. Certainly it is a resolution which if adopted, will slow the seemingly unquenchable appetite for government spending and will lead the country back to economic recovery.

I need not tell the Members of this House that this package has the backing of the President of the United States, as he expressed last night, and has support on both sides of the aisle. It is truly a bipartisan package. This package spends less money overall than the other 2 plans that we will be considering later on. It provides more money for the buildup of our national defenses which we started last year. It also raises fewer taxes than either of the other two. It protects the fundings for critical programs for the poor, the elderly and the unemployed. Yes, and it does provide a reconciliation date. The others do not.

This bipartisan recovery budget calls for a minimum revenue increase over the next 3 years of $95 billion. By contrast, both of the other alternatives increase taxes by greater amounts during the next 3 years.

The Jones or the committee version calls for $147 billion in tax increases, while the so-called coalition or Aspin package would increase taxes by $135 billion. That $135 billion tax increase in the coalition budget could cancel the 33 percent of the 3-year tax reduction voted by the Congress last year. The bipartisan package would protect those individual income tax reductions made last year and which will be further reduced on July 1 this year by 10 percent and July 1 next year by another 10 percent.

When you add the social security tax increases scheduled for the next 3 years—and the taxes called for in the Aspin and Jones' budgets—it adds up to a $247 billion total increase in taxes for the American working person, almost a quarter of a trillion dollar increase.

Both the Jones and the Aspin budgets would mean either the elimination or deferral of the 10 percent individual income tax cut in July of 1983. They would also require reductions in the business tax incentives for investments, productivity and jobs. Supporters of the coalition and Jones budget will tell you their resolutions do not require doing anything with the individual income tax and business tax cuts. They probably will say that specific revenue increases will be made by the Ways and Means Committee. True. True. But there is no way to raise the kind of money they are talking about without taking the measures I have just outlined.

Why are their tax increases so high? Well, because their spending is high. Because they insist on spending more and more money, they must raise taxes. If the coalition resolution revenue increases were cut back to the $95 billion level that is in our resolution it would mean a $40 billion increase in their deficit over 3 years.

So to reduce the deficit, we will need to slow the growth of Government spending. The bipartisan recovery budget does that in a fair and a balanced way.

Now, let me point out at this juncture that we deal in aggregates—aggregates—in the Budget Committee. We do not mandate anything other than those aggregates until we get to reconciliation and then we tell the committees how much money they have to raise or reduce their spending. But we are merely showing the way as to how you can get to where we have to go.

Let me say we freeze all nondefense discretionary spending programs at the 1982 level and then add back money for programs we believe additional spending is warranted and slow spending for programs we believe are growing too rapidly and not needed.

For example, the bipartisan budget provides $139 million more—more—for compensatory education for disadvantaged children than does the Jones budget. We add $50 million more than the Jones budget for handicapped education and $78 million more for education block grants. We increase energy conservation spending by $166 million. We spend $45 million more than the Jones budget on vocational education. We spend $217 million more on elementary and secondary education. We spend $107 million more on CETA. It provides $13 million or 59 percent more than Jones for the energy regulatory activities. It adds $23 million or 55 percent to Jones for energy research. It exceeds the President's January request by $6.1 billion for medicaid—$6.1 billion for medicaid than was in the President's request. It provides for $3.7 billion or 68 percent more than the President requested for public assistance. It adds $2.7 billion more than the President requested for guaranteed student loans.

Now, there have been a lot of stories being spread around this Capitol building—and that this is not unusual—that the bipartisan recovery budget cuts the funds appropriated in the 1982 emergency housing supplemental. We heard a little about this earlier. This simply is not true.

In fiscal years 1983, 1984, and 1985 we have just as much for this program as do the other alternatives in the allowance function.

The letter from Alice Rivlin has been read. But let me just point out that there was an error, certainly by Alice Rivlin, when we submitted that amount of money, and she came back with a letter admitting her mistake.

Furthermore, our budget provides for $1 billion Ginne Mae tandem mortgages, just as is contained in the House Budget Committee proposal. This amount of money is contained in our housing function, contrary to the erroneous reports being circulated.

Also in the housing area authority, our proposal contains exactly the same for Farmers Home Administration as does the House Budget Committee proposal. In our case funds are recorded differently because it assumes certificates of benefit ownership are to be sold to the Federal Financing Bank which issues these loans in its own name.

Once again, erroneous information was issued, which must be corrected. We have received a letter from the CBO which admits an error was made in removing the $1 billion out of the resolution, and this letter from Alice Rivlin has already been read so I am not going to take the time of the House to re-read it. We have, however, asked for and expect to receive a similar letter from CBO regarding the 1982 supplemental request.

Under the entitlements, entitlements are the fastest growing segment of the Federal budget. In this important area the bipartisan recovery budget achieves savings of approximately $34 billion, more than twice the savings contained in the coalition package which calls for entitlement reform of only $16 billion. The coalitions $16 billion in entitlements savings amounts to only 1.4 percent of the current law entitlement spending of $1.2 trillion. The bipartisan resolution contains only $6.9 billion in entitlement savings in the first year. Certainly as you look at the amount involved, we ought to have more savings than the resolution now before us contains.

☐ 1350

It contains more savings than either the other two propositions.

These savings are accomplished while still allowing full cost-of-living increases for social security, railroad retirement benefits, veterans' pensions and compensation.

Our proposal calls for cost of living increases to be capped at 4 percent for fiscal year 1983 and 1984, 1985.

I understand an amendment will be offered by the gentleman from Virginia (Mr. PARRIS) to give these Federal employees and Federal retirees the same cost of living as the individuals on social security, railroad retirement benefits and others.

But our provision as far as capping these individuals I have mentioned, the Federal retirees and the Federal employees, is the same as the Budget Committee.

Entitlement savings are critical and if we fail to slow their rapid increase and we are not doing much in any of these packages, including the one now before us, we are not going to be able to control Government spending in the manner in which we should.

In the well of the House is one example of the tremendous growth in our entitlement programs. This is HHS programs from 1950 to 1984. In 1950 we start up with only $12.5 billion. We get to 1970. My colleagues can see that it is above $35 billion.

Then it starts almost right straight up. Now we are up to $108.1 billion in 4 years.

A tremendous increase in this one department alone.

The bipartisan budget assumes some medicare savings. Here is someplace where a lot of misinformation has been put out by you know who in this Chamber, because every time you talk of any kind of savings they always try to bring in that the elderly people are going to get hurt.

Nothing, nothing in these savings is going to touch the recipient in any substantial way at all.

But savings we must have and the committee recognized that, as does the coalition budget recognize some savings must be made in medicare.

Medicare savings in our proposal over 3 years, 3 years, will be $23.2 billion, compared to the coalition budget medicare savings of $9.4 billion.

Without any reform at all, in this one particular program, medicare costs will total over $200 billion for the next 3 years. To give the Members some idea of the magnitude of this increase. That is nearly as much as the entire cost of this program during its first 15 years of existence up to 1980.

Let me repeat that.

This $200 billion for this one program for the next 3 years, $200 billion, is nearly as much as the entire cost of the program during its first 15 years of existence from 1965 to 1980.

Now if anybody in this Chamber or anybody in this country can live with that type increase and say nothing needs to be done, I think they ought to rethink their position. They do not know anything about the problem if they say nothing needs to be done. But more needs to be done than is being done in the coalition package or in the Jones package.

As I pointed out earlier, they would only do something about $9.4 billion.

What do we propose? The administration has proposed hospital-cost containment. Hospital costs have been increasing—this is what we are talking about, the provider, not the recipient, as some have spread out across this country erroneously, and I think it is unfair to the person paying his own bill—we are talking about the taxpayers now.

I got a letter in my office this morning from a taxpayer—he is not on medicare—telling me how much his insurance costs his family. He said, "I cannot afford it. I cannot afford the cost for the insurance."

These medicare costs have gone out of sight, and they have taken costs to others using hospitals with it.

Hospital costs have been increasing at an annual rate of 14.2 percent since 1976, far outdistancing the Consumer Price Index, which rose by 9.8 percent during that period.

Since 1967, hospital costs have increased more than 500 percent and medical care costs about 250 percent.

About noonday, I spoke with the Secretary of HHS. Do you have any idea how much hospital costs increased last year? Just last year? Nineteen percent. A 19-percent increase last year.

Is there anything wrong with trying to get a handle on these skyrocketing costs?

I do not think so.

The people I talk with are complaining all the time about it.

By getting some kind of a handle on these costs we may reduce the costs to everyone.

The bipartisan resolution is a step toward getting these costs under control without, let me emphasize that—without reducing benefits to the recipients.

Hospital cost containment initiatives assume no changes in the beneficiary's out-of-pocket costs. But both the other alternative before us would permit excessive escalation of hospital costs to continue unabated since they only target $4.5 billion in savings over 3 years for new cost containment measures.

Our resolution would also provide medicare savings in other areas of $9.8 billion not included in the Jones or Aspin budgets over 3 years. How do you get there? Let me mention just a few for starters. By putting a cap on physicians' fees in 1983, and allowing a 5 percent increase in 1984.

We talk about capping everything else. Is it not fair to consider a cap here.

Reducing reimbursements for radiologists and pathologists to the level applicable to all other physicians.

The **CHAIRMAN**. The time of the gentleman from Ohio (Mr. LATTA) has expired.

Mr. **LATTA**. Mr. Chairman, I ask unanimous consent to proceed for 15 additional minutes.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. **LATTA**. By eliminating reimbursements for uncovered services, by delaying the medicare coverage until the first full month of eligibility, indexing of part B physician coverage deductible to the CPI, requiring medicare to become the second insurer rather than the first, when the recipient is covered by other insurance. Such costs savings, if agreed to, would certainly not harm the elderly or significantly reduce their benefits, as the uninformed have been saying for the last couple of days.

There is another significant difference between these packages that will be proposed today. One of them is defense.

I know how easy it is to go home and talk to people who are unfamiliar with the defense needs of this country and tell them we can take everything out of defense. It is very, very easy to say that.

Our resolution would preserve more of the money needed to rebuild our defenses than the other alternatives.

□ 1400

Where our resolution helps put our defense back into its proper balance in terms of the budget, the coalition package would require major cutbacks in force structure and planned modernization.

Let me give you a summary of where these cutbacks would have to come, prepared by the Secretary of Defense. The coalition budget would require $22 billion defense budget authority cuts in fiscal year 1983 and $91 billion over 3 years.

This amounts to a 10-percent reduction in the planned 1983-85 defense program. Compared to the bipartisan package, the coalition budget merely shifts $23 billion in outlays from defense to social programs.

The coalition defense cut in excess of the bipartisan budget in 1983 will be $4.4 billion; in 1984, $7.2 billion; in 1985, $11.4 billion, for a total of $23 billion.

The coalition social program savings shortfall compared to the bipartisan substitute would subtract $5.8 billion in 1983; $9.6 billion in 1984, and in 1985, $13.4 billion, for a total reduction of $28.8 billion.

The coalition defense cut would require major cutbacks in force structure and planned modernization programs, including the cancellation or stretch out of Army attack helicopter AH-64, the M-1 tank, two Navy aircraft programs; the A-6E and the EA-6B; three Navy shipbuilding programs, one cruiser, two frigates, one amphibious assault ship; the Air Force A-10, and the KC-135 reengineering procurement; Naval LAMPS-3 antisubmarine helicopter.

The deactivation of 2 Army combat divisions; 1 Marine brigade, 30 Navy ships; the Air Force Active and Reserve fighting wings would be deactivated.

They would have deep cuts in construction and real property maintenance affecting a large number of military bases and installation across this country.

Also, severe reductions in ship overhaul and aircraft modifications, resulting in reduced readiness.

The coalition defense and pay cuts would eliminate 75 percent of the Reagan administration increase to the last Carter budget.

Let me repeat that. It would eliminate 75 percent of the Reagan administration increase to the last Carter budget.

This returns defense funding levels and growth rates to the drastically inadequate trends of the Carter period.

I can certainly give you more reductions on defense which would be called for if either the Jones or the coalition substitute would be adopted by this House. I think I have given you enough to make the point.

Mr. GRAMM. Mr. Chairman, would the gentleman yield?

Mr. LATTA. I would be happy to yield to the gentleman.

Mr. GRAMM. I thank the gentleman for yielding and I commend him on his leadership of our bipartisan effort to bring the deficit under control and to adopt a budget.

I would like on the time the gentleman has yielded to make a point as to the differences that exist between the bipartisan recovery budget and the House Budget Committee proposal.

I think a comparison is very simple, because whether you take our assumptions of HBO's assumptions, the bottom line is basically the same. the Question is, how do we achieve the bottom line? How do we bring the deficit under control in 1983?

I would like to simply break the budget into four different parts and show the clear differences that exist.

In the area of nondefense discretionary spending, the bipartisan recovery budget cuts 126 percent more than the House Budget Committee budget does.

In the area of targeted entitlements, the No. 1 problem with Government spending growth, the bipartisan recovery budget cuts targeted entitlements in 1983 by 133 percent more than the House Budget Committee does.

In the area of defense, excluding pay, the House Budget Committee cuts defense outlays 20 percent more than we do, cuts budget authority 97 percent more than we do and takes away 71 percent of the defense buildup which has occurred since the last Carter budget.

Finally, in the area of taxes, the House Budget Committee raises taxes 54 percent more than we do.

So fellow Members of the House, do not deceive yourselves by believing that the differences between these two budgets that we will vote on or among the three budgets that we now have to consider, are small. They are not small.

Basically the choice we have is this: If you want to raise taxes and slash defense so that we can go on spending here in Congress as usual, vote for the Jones budget or the Aspin budget, because it will give that to you.

If you want to gain control of Federal spending so that we can meet our legitimate defense needs and so that we can let the working men and women of this country keep more of what they have earned to provide positive incentives for people to work, save, and invest, then you want to vote for the bipartisan recovery budget. We put the focus of attention where the problem is. The problem is in spending, not taxing. Taxes have doubled in the last 6 years and yet the deficit has grown every year. We have a clear choice of how to achieve the same bottom line. We control spending, meet our defense needs, and provide positive incentives for people to work, save, and invest.

The other two alternatives which are left raise taxes, slash defense, and continue spending and that it the choice we face in this House.

I believe the American people are on the side of the bipartisan recovery budget and I hope Members of Congress will be as well.

I thank my colleague for yielding.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I am happy to yield to the gentleman from Louisiana.

Mr. ROEMER. I thank the gentleman for yielding.

A couple quick comments on the bipartisan recovery budget. We are here talking about this week, this month, this year, the economic future of this country. It is not pleasant to talk about these things, but they ought to be laid on the table.

The fact is that this country is in trouble economically. It is in trouble for a lot of reasons; inflation gone wild for a decade and a half; the fact that we are yet hostage to the OPEC nations when it comes to energy; the fact that the tax burden has continued to rise on American working men and women; the fact that political demagoguery, politics, continues to be the No. 1 subject even in economic questions.

The fact is at this point in our history we are spending our tomorrows today and that spending has not yielded a brighter today. It has only dimmed our future.

The problem in this budget, as in all others, is Federal spending and one of the most remarkable things about the bipartisan recovery budget is that for the first time in a while, in an equitable manner, it approaches the big spending items in the budget in a fair manner and reduces the rate of growth, not spending at all.

The biggest element in this budget is entitlements. Some 46 percent of the prospective 1983 budget is the entitlement program, some $356 billion.

This budget, described as drastic by some, cuts less than $7 billion from $356 billion.

After tightening entitlements, listen to this role. In 1983, food stamps will be up $300 million over 1982.

After the minimal tightening here, in 1983 SSI spending will be up $500 million over 1982.

After minimal tightening here, medicaid spending will be up $550 million in 1983.

After minimal tightening here, medicare spending will be up nearly $4 billion in 1983 over 1982.

Compare that to the alternatives; first, the President's budget that he came out with in January and February, which budget to many conservative Democrats was totally unacceptable, both in terms of adequacy, it under estimated the deficit and did little to deal with it. In terms of accuracy, the figures there were not justifiable in truth; and finally, in terms of equity it asks cuts from some, but left sacred cows like the Eximbank and foreign aid not untouched, but growing.

□ 1410

Compare the bipartisan recovery budget with the Jones or the coalition. The Jones freeze in discretionary spending looks like a thaw. Look at the figures. We managed to save double the money and allow spending to increase slightly in 1983.

Look at taxes, if Members would. The people who pay for this budget are not in this room. Look at our tax reports. The people who pay for this budget are working in this country, and frankly, the Jones and the coalition budget raises up to 50 percent more in taxes in the first year alone.

Finally, when we compare these budgets, ask which one does in a fair manner for this country what must be done. It is spending that is out of control, and the wonder is not that interest rates are high; the wonder is that they are not higher. The wonder is not that the people of this country have allowed us to increase their taxes for 20 years in a row and increase spending; the wonder is, Mr. Chairman, that they have the patience that they have shown us thus far.

Let us adopt this budget. It is tough, but these are tough times. It is realistic for the real world. It is not the end; but it is a darned good beginning.

Mr. LATTA. I thank the gentleman for his comments.

Mr. Chairman, we have a chart in the well which shows our defense outlays as a share of GNP.

In 1955, defense accounted for about 10 percent of our gross national product. By 1965, this had dropped to around 7.5 percent. The peak represents the Vietnam war. Then we saw a fall again between 1970 and 1980. Members will see there has been a slight increase between 1985 to 1987 that is planned. The bipartisan budget will help the chairman achieve his goal. The coalition budget and the Jones budget will not.

They will reduce defense outlays to the point that the critical manpower modernization programs will be in jeopardy. We will actually be going back dollarwise to the spending on the basis of a gross national product to the 1966 level. The $22 billion defense budget authority cut in fiscal year 1983, the $1 billion cut over 3 years in the coalition budget, represents a step back to the days of the Carter administration.

In outlays, the coalition's budget, $52 billion in defense savings over 3 years and $15 billion in pay and retirement savings eliminates 74 percent of the Reagan administration's increase over the last Carter budget.

The **CHAIRMAN**. The time of the gentleman from Ohio has expired.

Mr. **LATTA**. Mr. Chairman, I yield myself 7 additional minutes.

Mr. **PEYSER**. Mr. Chairman, will the gentleman yield?

Mr. **LATTA**. I yield to the gentleman from New York.

Mr. **PEYSER**. I thank the gentleman for yielding to me.

Mr. Chairman, I would like to go back to one segment that I am really not clear on. I was listening to the gentleman's statement dealing with education. I am looking at some figures that confuse me a little, because it appears to me that the gentleman's budget is the only budget really of all the budgets that are offered that reduces guaranteed student loans.

Am I correct on that? In other words, of all the budgets we have had on the floor, and those that are projected, the gentleman's is the only one that reduces guaranteed student loans.

Mr. **LATTA**. Let me give you the figures.

On the program for higher education, the guaranteed student loans, Pell grants, NDSL, SEOG, work-study, SIG, under our proposal is $7 billion 89 million; the House Budget Committee, $77 billion 500 million. There is a slight reduction in all these programs of $411 million.

We also, then, add money on some of the other education programs. For example, in elementary and secondary education, we add $127 million. In handicapped and vocational education, we add $95 million to what they are asking for. Under manpower training and CETA, we add $107 million.

I pointed out earlier that there are some of these programs where they are adding money where they thought there was more of a need than there was in all these areas, and there is not any question in all of the programs that I indicated in higher education there will be a slight reduction of $411 million.

Mr. **PEYSER**. I thank the gentleman for that explanation.

When one examines the figures, and I am looking at those figures as well, and particularly in projecting this over the 1983, 1984, and 1985 period, the Latta budget comes out substantially less, $670 million less, in student financial assistance. It comes out nearly $240 million less in the elementary and secondary education, and I am talking about the House budget, not amended, because as the gentleman knows, there will be an amendment pending on the Simon budget that will restore money for education.

But as I look through these figures, I find it very hard to reconcile or to let either the education community or the students around this country feel that your budget is really a budget that is helpful to them.

Now, one other question I would like to ask, if the gentleman would respond, deals with the proposed changes in the charges for something like the guaranteed student loan, and the proposed changes for charges, say, in the national direct student loan. In other words, under the gentleman's proposal, what would the students be paying in interest on these loans for the guaranteed student loans?

Mr. **LATTA**. That is something that the Committee on Education and Labor is going to have to determine.

Mr. **PEYSER**. Yes, but there is a projection in here, unless I am mistaken, that bases the figures on a loan interest rate that would be based on paying not the rate of today, but the market rate on loans and, of course, that would have a disastrous effect on students. But that is part of the way these figures, as explained to me, were calculated, on the fact that the interest rate would be far different than the interest rate today.

Mr. **LATTA**. Let me say to my friend, the gentleman from New York, and I know of his long-time interest in guaranteed student loans and so forth, the best thing we can do for the students and for this country is to cut spending in this Congress, to reduce interest rates for everybody, and that will include the students, and it will do them a great benefit.

Now, if I may reclaim my time, I would like to continue for fiscal year 1983, pointing out some of the key domestic social programs, showing a comparison between our budget and that of the House Budget Committee.

As I just indicated to the gentleman from New York, on higher education, which includes the GSL, Pell grants, NDSL, SEOG, work study, and SIG, the bipartisan recovery budget provides or $7 billion 89 million, the House Budget Committee provides for $7 billion 500 million.

In elementary and secondary education, we provide $3 billion 573 million. The House Budget Committee provides for $3 billion 356 million.

The handicapped and vocational education, we provide for $1 billion 845 million. The House Budget Committee provides for $1 billion 750 million.

In manpower training and CETA, we provide $3 billion 207 million, as opposed to the House Budget Committee's $3 billion 100 million.

Social services, title XX, $2 billion 400 million in our proposal; $2 billion 450 million in the House Budget Committee.

□ 1420

Under the Older Americans Employment, we provide $266 million as opposed to the House Budget Committee $250 million. On mass transit operating, we provide $1,036,000,000 as opposed to $1,050,000,000 in the House Budget Committee. On energy conservation it is $312 million in our package as opposed to $450 million in the House Budget Committee. Low income energy assistance, we provide $1 billion $875 million as opposed to the House Budget Committee of $1 billion $900 million.

The EPA compliance research and abatement programs, we provide $571 million as opposed to $450 million in the House Budget Committee. On Amtrak, we provide $758 million as opposed to $750 million in the House Budget Committee budget. In the WICK program, we provide $1 billion $332 million as opposed to $1 billion in the House Budget Committee. In the WIN program, we provide $300 million as opposed to $250 million in the House Budget Committee. In economic development we provide $212 million as opposed to $150 million in the House Budget Committee.

The **CHAIRMAN**. The time of the gentleman from Ohio has again expired.

(By unanimous consent, Mr. LATTA was allowed to proceed for 5 additional minutes.)

Mr. **LATTA**. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts (Mr. CONTE).

Mr. **CONTE**. Mr. Chairman, the bipartisan recovery budget that we are offering today is designed to attack the economic and fiscal problems currently confronting this Government and the country.

As you know all too well, we are currently facing a projected deficit for fiscal 1983 of $181.8 billion. Our total national debt is now $1,106 billion. In 1955 our national debt totaled $275 billion. So you can see that for a lot of years we have been spending much more than we have taken in as a Government. We cannot continue on that path.

We have said it before and should remind ourselves again—our spending policies are directly forcing us to mortgage many future generations of Americans in order to pay for the manner in which we are living and managing our Government programs today. To continue on that path will only serve to weaken the Nation and destroy the incentives of future generations. We must get the Federal budget, the deficit and spending, under control.

Timing for this budget is critical. We need a Federal budget in place just as quickly as possible so that the Congress can move forward with its appropriations business; and so that America's businesses, America's financial institutions, and the American people can get on with the vital task of economic growth and recovery.

The bipartisan recovery budget is a fair and balanced package of deficit reduction measures. We all realize that it may not be perfect in terms of meeting every conceivable concern or need, but it is a good package that will sharply reduce the Federal load on the Nation's credit markets, and that will pave the way for continuing reductions in interest rates.

Let me give you a few facts about the bipartisan package:

It will reduce the deficit by $77 billion in the first year, and by $393 billion over 3 years.

It will reduce the deficit to less than 1 percent of the gross national product by 1985.

It guarantees $312 billion in net tax cut over the period fiscal 1983 to fiscal 1985 without changing individual tax cuts or basic depreciation reforms.

It permits real defense growth in excess of 7 percent between now and 1985 thereby assuring our essential defense investment and readiness programs while reducing defense expenditures from the President's proposed budget by $7.5 billion in fiscal 1983 alone.

Essentially, this bipartisan recovery budget freezes virtually all discretionary programs at fiscal 1982 levels. This amounts to a $5.8 billion increase in appropriations over the President's budget for key programs in education, employment and training, social services, mass transit, and energy conservation.

In addition to freezing most discretionary programs at the fiscal year 1982 level, in many cases the budget goes further and adds additional funds to vital health, education and social service programs above the fiscal year 1982 level. These add-ons total $1,068 million. For instance this package includes; $166 million above the 1982 level for energy conservation; $139 million above the 1982 level for compensatory education, title I programs; $50 million above the 1982 level for handicapped education and $246 million above the President's request for handicapped education.

Also included is $110 million more than 1982 for the Pell grant program and $78 million more for the education block grants.

There is $20 million more than fiscal year 1982 for vocational and adult education; $42 million more for maternal and child health and other health functions; and $54 million more for the work incentives program.

Other programs included at the full 1982 level which the President had proposed to severly reduce include: Title XX social services, rehabilitation services, foster care, and Conrail labor protection.

Those are just a few of the add-ons. When you begin to consider how far above the President's fiscal 1983 budget request this package is for discretionary programs, you will see that we have added to the President's proposal; $575 million for the low-income fuel assistance program; $332 million for the WIC—women's, infants' and children's program; $266 million for older Americans programs; $278 million for supplemental opportunity grants; $130 million for college work study and $191 million to NDSL; $77 million for the libraries programs; $820 million to CETA; $396 million to mass transit operating expenses; and $158 million to Amtrak.

I could go on and list many more program areas where this bipartisan recovery budget is far above the President's proposals in discretionary areas. You can check them for yourself. As I said before this is a balanced package. It strives to shield discretionary programs while taking a fair share of reductions from slowed defense growth and entitlement spending.

Specifically, $7.5 billion in savings are achieved in the area of defense spending. And while this still allows for 7 percent real growth in defense spending between now and 1985, it does so in a restrained manner. When you take into account this budget's efforts to restrain increases in pay costs, this budget is projected to achieve $10 billion in total defense savings.

While the budget we propose calls for controlled spending in entitlement programs as any budget must, it is important to note that it restores $6.1 billion, or 76 percent of the President's proposed medicaid cuts; it restores $3.7 billion or 68 percent of the President's proposed public assistance (AFDC and SSI) reductions; it restores $4.6 billion or 45 percent of the President's proposed reductions in nutrition programs (food stamps); and $2.7 billion of the President's proposed reductions in funding for the guaranteed student loan program. In total this bipartisan package restores more than $19.3 billion in entitlement support to the President's budget proposal for the next 3 years while achieving entitlement savings of nearly $7 billion in fiscal 1983.

Now we all know that this is not a perfect package. It represents a compromise, but it is a compromise that strives to give a real boost to the economy while shielding discretionary programs and taking a fair share of cuts from defense.

Mr. DAVIS. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield.

Mr. DAVIS. I thank the gentleman. I have a couple of questions.

The **CHAIRMAN.** The time of the gentleman from Ohio has again expired.

Mr. LATTA. Mr. Chairman, I ask unanimous consent to proceed for 10 additional minutes.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Ohio?

Mr. PANETTA. Reserving the right to object, Mr. Chairman, I guess what I am concerned about is trying to set some kind of limitation here. We have three substitutes involved here. The gentleman is almost on an hour on his substitute in terms of general debate. I though the concern here was that we could try to expedite presentation of the substitutes. Obviously, if the gentleman takes an hour other substitutes will also ask for an equal amount of time, so I would be concerned.

If the gentleman intends to continue to extend the time, I would like some guidance as to how long we are going to be doing this.

Mr. LATTA. May I answer the gentleman? I have two requests for time yet, and that is it.

Mr. PANETTA. Mr. Chairman, I withdraw my reservation of objection.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Ohio?

There was no objection.

The **CHAIRMAN.** The gentleman from Ohio (Mr. LATTA) is recognized for 10 minutes.

Mr. DAVIS. Mr. Chairman, if the gentleman will yield to answer my questions; first of all, does the present proposal we are talking about allow any money in there for unemployment extension?

Mr. CONTE. Yes, it certainly does. It allows for an additional 13 weeks.

Mr. DAVIS. I was under the impression that it did not. In my discussions, I find there is $700 million in the Aspin proposal, $700 million in the Jones proposal, but I was under the impression that there was not any in this substitute. The gentleman now is telling me that we do have $700 million in there for extended unemployment benefits of 13 weeks.

Mr. CONTE. I do not know what the figure is.

Mr. LATTA. Let me say, being from Ohio and a high unemployment State, there will be money in there, extended unemployment benefits, when it comes back from conference.

Mr. DAVIS. That is a little bit different than what we have been saying. I just want a clarification.

Mr. CONTE. I do know that when we were making up this budget that was a matter of controversy, and we had agreed to put in 13 additional weeks for unemployment compensation.

Mr. DAVIS. Well, that is a very important item with me because I am one of those undecided people, having gotten a call from the President on Thursday, from the Vice President on Friday, and from my mother on Saturday. I still have not made up my mind, so I am interested in this item and two or three more that I am going to talk about. I want to know for sure, and I know what the other two resolutions contain, but I am not sure about this one.

Mr. LATTA. Mr. Chairman, I cannot yield further. I promised two speakers and we only have 10 minutes, and I have assured the other side that we are going to finish at that time.

Mr. Chairman, I yield 4 minutes to the gentleman from Alabama (Mr. DICKINSON).

Mr. DICKINSON. Mr. Chairman, I welcome the opportunity to participate in this debate, and I want to focus specifically on the relationship between outlay cuts and budget authority reductions as they relate to the national defense line of the budget.

Because of the nature of military equipment, complexity, exotic metals, large forgings, and the like, money is not necessarily completely spent the year that it is appropriated. In fact, in the shipbuilding line, specifically the large nuclear carrier, only $26 million of the total $3.6 billion authorization is actually spent the first year. In the Air Force aircraft procurement account of the $18.1 billion authorized for 1983, only $1.8 billion will be spent in 1983—a 10-percent expenditure rate.

In the Army aircraft procurement line of a total of $2.6 billion authorized for 1983, only $235 million will be spent in 1983—a 9-percent rate.

In the weapons and tracked combat vehicle procurement line only $305 million of a $4.9 billion authorization will actually be spent in 1983—a 6-percent rate.

In procurement for the Marine Corps, only $198.8 million of a $2.2 billion authorization will be spent in 1983—or less than 10 percent.

In contrast, more than 82 percent, $57.5 billion, of the 1983 operation and maintenance authorization, $69.6 billion, will be spent in 1983. This includes money for pay, flying and steaming hours, training, and other efforts that make our forces more proficient.

The point that I am making is that if we agree to excessively large outlay cuts, we are faced with a Hobson's choice—we either have to decimate many significant procurement programs—or cut into readiness and pay and allowances. Both are unacceptable given the rate of the Soviet buildup.

We can accept some outlay cuts—given the economic situation, but they must be tailored.

I believe that the bipartisan substitute, the Michel-Latta bill does the best job in that regard. This plan would reduce defense outlays by $22 billion over the next 3 years compared to a $45.7 billion cut under the Aspin plan and $47.4 billion under the Jones substitute.

Consequently, I support the bipartisan substitute budget and urge my colleagues to do likewise.

Mr. TRIBLE. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I am glad to yield to the gentleman from Virginia.

Mr. TRIBLE. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the Latta bipartisan substitute.

All of us agree that we must take action to reduce the Federal deficit. If we do not act we face the prospect of spiraling deficits—$182 billion in 1983, $215 billion in 1984, and $232 billion in 1985.

This prospect is intolerable. Deficits of this magnitude would crush our hopes for economic recovery and sustained growth. It would virtually eliminate the possibility of lower interest rates and low inflation.

If we do not act, Government's claim on resources will grow, crowding out private investment just as we are recovering from a recession. Expansion plans will be frustrated as private firms face competition from Government for scare resources.

Still, there remain vast differences on how to attain this end. I believe we can foster economic recovery and continued growth only if we adopt the Latta substitute.

The bipartisan recovery substitute offers a sound plan to place the Federal deficit on a steadily descending plane. Under the Latta proposal, deficits will fall to 1 percent GNP in 1985.

It reduces the deficit by attacking the heart of our current dilemma—Federal overspending. It does not, as the alternatives before us today, rely on ever-higher taxes to support Federal spending.

It insures that the personal income tax cuts enacted last year will remain in fact. No element in our economic recovery program is more vital and no other alternative can guarantee its retention.

The other alternatives would maintain the Federal spending spree and raise taxes. Under the committee proposal, taxes would rise $147 billion over the next 3 years. The Aspin substitute would increase taxes by more than $130 billion.

I do not believe the American people want these massive tax increases at a time when they will have their first experience of real tax relief in years this July.

We must curtail the growth of Government and reject the now shopworn and unacceptable policy of tax and tax, spend and spend.

These are no alternatives either for the Congress or the American people.

The bipartisan substitute insures that the badly needed buildup of our defense capability will continue. The other alternatives before us contemplate more substantial cuts in defense spending in future years. We cannot compensate for a decade of neglect in 1 year, yet the other alternatives would make a mockery of our efforts last year.

We could not tolerate the cuts in major defense programs or major manpower reductions that would be required by the alternatives before us.

We live in a hard world and the cost of peace and freedom is high. Still, those costs must be borne for there is no more important function of Government than providing for the security of its citizens.

While making much-needed reductions in Government spending, the bipartisan substitute insures that social programs are not neglected. Funding for public assistance, nutrition programs, medicaid, and student loans are increased markedly over the President's original proposals. Where savings are made, they are carefully targeted to insure that those most in need do not suffer as a result of our actions.

In sum, the bipartisan substitute offers the American people a Federal budget that controls spending without endangering recovery, maintains our defense, and continues programs for those most in need. I urge its adoption.

Mr. LATTA. Mr. Chairman, may I inquire, how much time do I have remaining?

The **CHAIRMAN.** The Chair will state that the gentleman from Ohio (Mr. LATTA) has 4 minutes remaining.

Mr. LATTA. Mr. Chairman, I yield my remaining 4 minutes to the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Chairman, I rise to support the bipartisan recovery budget offered by my colleague from Ohio (Mr. LATTA). The bipartisan recovery budget is a budget that strikes a fair balance between the many competing forces for shares of the taxpayer's dollars.

The bipartisan budget is not perfect—no budget is ever perfect, and certainly no two persons would likely agree on each and every point of an entire budget. But the bipartisan recovery budget is an excellent compromise:

Most important, it shows, realistically, significantly declining deficits; frankly, I doubt if the competing substitute budgets could achieve their stated deficits because they rely too heavily on unrealistic tax increases which are unlikely to be enacted into law;

The balance between increased revenues and decreased spending necessary to achieve the target deficits is reasonable and fair—24 percent of the deficit reduction in the bipartisan budget results from revenue increases, whereas revenues account for 35 percent in the reported resolution and 32 percent in the Aspin substitute.

It is important to pass a believable budget, and in my judgment the bipartisan substitute budget is the most likely to be enacted and, therefore, is the most believable.

The Aspin and Jones budgets are also unrealistic because they will result in substantially higher deficits than they actually indicate. The reason is simple—if either were adopted, and even if the revenue assumptions were enacted by the Congress, the President would surely veto that revenue bill. The result would be a substantially higher deficit. This is not to say that the Congress should not work its will, but the high revenue figures in the Aspin and Jones budgets are simply unrealistic in terms of ever being signed into law. The public knows this, so let us not play games by pretending to reduce the deficits by showing revenue increases that are almost certain to be vetoed.

In this context, I must say that I would prefer stronger enforcement provisions. As I stated in my dissenting views, to the budget resolution "the key to any budget is not so much the numbers as the likelihood of implementation and enforcement." Stronger reconciliation should be applied and the reconciliation instructions should be extended to 1983 and 1984. In addition, a provision making the first budget resolution automatically become the second binding resolution if we fail to enact a second resolution on time, should be included.

The importance of this House adopting a budget this week and proceeding to conference with the other body cannot be overstated. The other body has passed a budget. Failure to pass a budget resolution this week would be tragic; such a failure would send the worst possible signal to the American people—that the House of Representatives is unable to agree on a fiscal policy at a time when the economy is in very poor condition and when leadership is so desperately needed.

Mr. Chairman, fundamental to economic recovery are lower interest rates and the way to get lower interest rates is by producing lower deficits. High deficits, especially during an expected period of economic recovery, will crowd out the limited pool of investment capital and cause interest rates to rise, thereby thwarting the recovery, there is little or no debate over this.

Market crowding out is seen vividly from basic statistics. In 1965, the Federal deficit as a percentage of personal savings was below 5 percent—actually, 4.7 percent. By 1970, the ratio was 5 percent. But by 1975, the deficit was 56.4 percent of personal savings, and in 1980—the last year for which we have savings data—the figure was a staggering 72.9 percent.

Personal savings is not the only source of investment capital, but these figures illustrate—I think rather dramatically—the nature of the crowding out problem. With so much of our potential investment capital being diverted to finance growing Government deficits, less is left for competing private sector demands. The diminished savings pool means higher interest rates for both the private and public sectors.

Since the Jones and Aspin substitute lower the deficits to about the same levels as does the bipartisan substitute, the decision should fall on which budget is more fair and which is most likely to be enacted. The Latta bipartisan budget is superior on both criteria. Very importantly, the bipartisan substitute reduces the Federal spending as a share of GNP from 24 percent in 1985 under the CBO baseline to about 21 percent.

The bipartisan budget contains the basic elements the American people voted for in 1980—lower spending, lower taxes and less government. The competing budgets, by comparison, call for more spending, more taxing, and bigger government. Increased spending and increased taxing has proven to be the cause, not the solution, of our economic woes.

Mr. Chairman, failure to adopt a budget and move on to conference with the other body interjects further economic uncertainty into the financial sector; it would accelerate investment into relatively liquid assets instead of into plant and equipment and new jobs. We cannot afford inaction and we cannot afford failure. If we fail to enact a budget, we also fail the American people.

During the next several weeks young people will be leaving our institutions of learning to look for jobs. The greatest gift this body can give them is a vote for the bipartisan recovery budget to achieve a strong dynamic economy with expanding opportunities for all people.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. LATTA) has expired.

(By unanimous consent, Mr. LATTA was allowed to proceed for 1 additional minute.)

Mr. LATTA. Mr. Chairman, I yield to the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Chairman, I thank the gentleman for yielding.

I am advised that no fiscal year 1983 funds are specifically assumed in your budget resolution substitute for the Motor Carrier Ratemaking Commission since all nondefense discretionary spending is held for the most part at the fiscal year 1982 level and the Commission received all of its appropriation in fiscal year 1981.

Mr. LATTA. Mr. Chairman, the gentleman is absolutely correct. The budget resolution by its very nature is not a line item resolution. It identifies total spending for each budget aggregate and for each functional category. The final determination of funding for a particular program lies with the Appropriations Committee.

Mr. SHUSTER. That being the case, is it not true that the authority and amount of funding contained in your budget resolution is enough to accommodate approximately $750,000 in fiscal year 1983 for the Ratemaking Commission should the Appropriations Committee decide to make the money available for that purpose?

Mr. LATTA. Mr. Chairman, the gentleman from Pennsylvania is correct.

Mr. SHUSTER. Mr. Chairman, I thank the gentleman from Ohio (Mr. LATTA), and I just want to indicate for the record that both the gentleman from Wisconsin (Mr. ASPIN) and the gentleman from Oklahoma (Mr. JONES) have concurred with our understanding.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. LATTA) has expired.

The Chair would like to say to the gentleman from Ohio (Mr. LATTA) that now is an appropriate time to offer his unanimous-consent request if he wishes to renew it. Will the gentleman state it as a unanimous-consent request, if he so wishes?

Mr. LATTA. Yes, Mr. Chairman. I would like to offer this technical amendment, as I explained earlier, on the credit budget which would increase the new direct loan obligation of 1983 to $56 billion from $55.6 billion.

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The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Technical amendment offered by Mr. LATTA to the amendment in the nature of a substitute offered by Mr. LATTA: Strike all beginning with "SEC. 203(a)" until "SEC. 204", and insert the following:

SEC. 203. (a) There is established a congressional federal credit budget for fiscal year 1983 of which the levels of total federal credit activity for fiscal year 1983 are:

(1) New direct loan obligations, $56,000,000,000;

(2) New primary loan guarantee commitments, $92,400,000,000;

(3) New secondary loan guarantee commitments, $53,300,000,000.

(b) Based on allocations of the appropriate levels of total federal credit activity as set forth in paragraph (1) of this subsection, the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for each functional category are as follows:

(1) National Defense (050):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $50,000,000;

(C) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

(A) New direct loan obligations, $10,650,000,000;

(B) New primary loan guarantee commitments, $8,800,000,000;

(C) New secondary loan guarantee commitments, $0.

(3) General Science, Space and Technology (250):

(A) New direct loan obligations, $150,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(4) Energy (270):

(A) New direct loan obligations, $11,550,000,000;

(B) New primary loan guarantee commitments, $2,200,000,000;

(C) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):

(A) New direct loan obligations, $16,000,000,000;

(B) New primary loan guarantee commitments, $2,650,000,000;

(C) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):

(A) New direct loan obligations, $11,150,000,000;

(B) New primary loan guarantee commitments, $35,800,000,000;

(C) New secondary loan guarantee commitments, $53,300,000,000.

(8) Transportation (400):

(A) New direct loan obligations, $400,000,000;

(B) New primary loan guarantee commitments, $450,000,000;

(C) New secondary loan guarantee commitments, $0.

(9) Community and Regional Development (450):

(A) New direct loan obligations, $1,750,000,000;

(B) New primary loan guarantee commitments, $100,000,000;

(C) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment and Social Services (500):

(A) New direct loan obligations, $850,000,000;

New primary loan guarantee commitments, $7,250,000,000;

(C) New secondary loan guarantee commitments, $0.

(11) Health (550):

(A) New direct loan obligations, $100,000,000;

(B) New primary loan guarantee commitments, $100,000,000;

(C) New secondary loan guarantee commitments, $0.

(12) Income Security (600):

(A) New direct loan obligations, $2,050,000,000;

(B) New primary loan guarantee commitments, $18,750,000,000;

(C) New secondary loan guarantee commitments, $0.

(13) Veterans Benefits and Services (700):

(A) New direct loan obligations, $1,050,000,000;

(B) New primary loan guarantee commitments, $20,950,000,000;

(C) New secondary loan guarantee commitments, $0.

(14) Administration of Justice (750):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(15) General Government (800):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(16) General Purpose Fiscal Assistance (850):

(A) New direct loan obligations, $250,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(17) Interest (900):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(18) Allowances (920):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(19) Undistributed Offsetting Receipts (950):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(c) It is the sense of the Congress that the President and the Congress, through the appropriations process, should limit in fiscal year 1983 the off-budget lending activity of the Federal Government to a level not to exceed $30,200,000,000, the on-budget lending activity to a level not to exceed $25,800,000,000, new primary loan guarantee commitments to a level not to exceed $93,750,000,000, and new secondary loan guarantee commitments to a level not to exceed $53,300,000,000.

Mr. LATTA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. JONES of Oklahoma. Mr. Chairman, reserving the right to object, I shall not object, but I do want to point out that this does not appear to be a technical amendment. The CBO notified our staff that on Friday night they spoke with the gentleman from Arkansas (Mr. Bethune) on the issue of the credit budget. At that time, they were told by him to adopt the President's credit budget which is $400 million below on the Rural Electrification, below the committee budget.

Over the weekend, however, apparently there was an interest in changing the President's budget to add back this $400 million to the credit budget. Given this sequence of events it appears that this item is not a technical error. But I shall not object.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. CHAIRMAN. Is there objection to the unanimous-consent request of the gentleman from Ohio for the change as described?

Mr. BRODHEAD. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Chair recognizes the gentleman from Wisconsin (Mr. Aspin).

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ASPIN

Mr. ASPIN. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. Aspin: Strike all after the resolving clause and issue in lieu thereof the following:

TITLE I—REVISION OF THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEAR 1982

Sec. 101. The provisions of this title shall supersede the figures reaffirmed in S. Con. Res. 50 of the Ninety-seventh Congress for the fiscal year beginning on October 1, 1981.

Sec. 102. (a)(1) The level of Federal revenues is $622,800,000,000 and the net amount by which the aggregate level of Federal revenues should be decreased is $200,000,000.

(2) The level of total new budget authority is $784,500,000.

(3) The level of total budget outlays is $743,900,000,000.

(4) The amount of the deficit in the budget is $121,100,000,000.

(5) The level of the public debt is $1,147,700,000,000 and the amount by which the statutory limit on such debt should accordingly be increased is $747,700,000,000.

(6) The level of total obligations for the principal amount of new direct loans is $63,400,000,000, the level of total new primary commitments to guarantee loan principal is $74,850,000,000, and the level of

total new secondary commitments to guarantee loan principal is $68,950,000,000.

(b) Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of subsection (a) of this section of this resolution, the Congress hereby determines and declares that, for the fiscal year beginning on October 1, 1981, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $218,200,000,000;

(B) Outlays, $190,800,000,000.

(2) International Affairs (150):

(A) New budget authority, $16,750,000,000;

(B) Outlays, $11,450,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $7,000,000,000;

(B) Outlays, $7,000,000,000.

(4) Energy (270):

(A) New budget authority, $4,750,000,000;

(B) Outlays, $6,500,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority, $10,400,000,000;

(B) Outlays, $12,850,000,000.

(6) Agriculture (350):

(A) New budget authority, $9,900,000,000;

(B) Outlays, $13,800,000,000.

(7) Commerce and Housing Credit (370):

(A) New budget authority, $7,500,000,000;

(B) Outlays, $3,750,000,000.

(8) Transportation (400):

(A) New budget authority, $21,350,000,000;

(B) Outlays, $21,450,000,000.

(9) Community and Regional Development (450):

(A) New budget authority, $7,000,000,000;

(B) Outlays, $8,650,000,000.

(10) Education, Training, Employment and Social Services (500):

(A) New budget authority, $25,450,000,000;

(B) Outlays, $28,200,000,000.

(11) Health (550):

(A) New budget authority, $79,050,000,000;

(B) Outlays, $73,750,000,000.

(12) Income Security (600):

(A) New budget authority, $261,350,000,000;

(B) Outlays, $251,850,000,000.

(13) Veterans Benefits and Services (700):

(A) New budget authority, $24,800,000,000;

(B) Outlays, $23,860,000,000.

(14) Administration of Justice (750):

(A) New budget authority, $4,500,000,000;

(B) Outlays, $4,650,000,000.

(15) General Government (800):

(A) New budget authority, $5,200,000,000;

(B) Outlays, $5,050,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New budget authority, $6,350,000,000;

(B) Outlays, $6,350,000,000.

(17) Interest (900):

(A) New budget authority, $102,350,000,000;

(B) Outlays, $102,350,000,000.

(18) Allowances (920):

(A) New budget authority, $2,850,000,000;

(B) Outlays, $1,900,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, $30,250,000,000;

(B) Outlays, $30,250,000,000.

SEC. 103. (a) There is established a congressional Federal credit budget for fiscal year 1982 of which the levels of total Federal credit activity for fiscal year 1982 are:

(1) New direct loan obligations, $63,400,000,000.

(2) New primary loan guarantee commitments, $74,850,000,000.

(3) New secondary loan guarantee commitments, $68,950,000,000.

(b) Based on allocations of the appropriate levels of total Federal credit activity as set forth in paragraph (1) of this subsection, the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for each functional category are as follows:

(1) National Defense (050):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

(A) New direct loan obligations, $10,400,000,000;

(B) New primary loan guarantee commitments, $8,100,000,000.

(C) New secondary loan guarantee commitments, $0.

(3) General Science, Space and Technology (250):

(A) New direct loan obligations, $200,000,000;

(B) New primary loan guarantee commitment, $0;

(C) New secondary loan guarantee commitments, $0.

(4) Energy (270):

(A) New direct loan obligations, $10,300,000,000;

(B) New primary loan guarantee commitment, $400,000,000;

(C) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):

(A) New direct loan obligations, $22,600,000,000;

(B) New primary loan guarantee commitments, $2,700,000,000;

(C) New secondary loan guarantee commitment, $0;

(7) Commerce and Housing Credit (370):

(A) New direct loan obligations, $12,050,000,000;

(B) New primary loan guarantee commitments, $26,200,000,000;

(C) New secondary loan guarantee commitments, $68,200,000,000;

(8) Transportation (400):

(A) New direct loan obligations, $350,000,000;

(B) New primary loan guarantee commitments, $750,000,000;

(C) New secondary loan guarantee commitments, $50,000,000;

(9) Community and Regional Development (450):

(A) New direct loan obligations, $2,000,000,000;

(B) New primary loan guarantee commitments, $850,000,000;

(C) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment, and Social Services (500):

(A) New direct loan obligations, $1,300,000,000;

(B) New primary loan guarantee commitments, $6,500,000,000;

(C) New secondary loan guarantee commitments, $700,000,000.

(11) Health (550):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $100,000,000;

(C) New secondary loan guarantee commitments, $0.

(12) Income Security (600):

(A) New direct loan obligations, $2,750,000,000;

(B) New primary loan guarantee commitments, $17,050,000,000;

(C) New secondary loan guarantee commitments, $0.

(13) Veterans Benefits and Services (700):

(A) New direct loan obligations, $1,050,000,000;

(B) New primary loan guarantee commitments, $11,900,000,000;

(C) New secondary loan guarantee commitments, $0.

(14) Administration of Justice (750):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(15) General Government (800):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(16) General Purpose Fiscal Assistance (850):

(A) New direct loan obligations, $250,000,000;

(B) New primary loan guarantee commitments, $300,000,000;

(C) New secondary loan guarantee commitments, $0.

(17) Interest (900):

(A) New direct loan obligations, $0;

(B) New primary loan commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(18) Allowances (920)

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(19) Undistributed Offsetting Receipts (950)

(A) New direct loan obligations, $0;

(B) New primary loan commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(c) It is the sense of the Congress that the President and the Congress, through the appropriations process, should limit in fiscal year 1982 the off-budget lending activity of the Federal Government to a level not to exceed $30,200,000,000, the on-budget lending activity to a level not to exceed $33,200,000,000, new primary loan guarantee commitments to a level not to exceed $74,850,000,000, and new secondary loan guarantee commitments to a level not to exceed $68,950,000,000.

TITLE II—SETTING FORTH THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEARS 1983, 1984, AND 1985

SEC. 201. The Congress hereby determines and declares, pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1982—

(1) the level of Federal revenues is $675,750,000,000, and the net amount by which the aggregate level of Federal revenues should be increased is $30,750,000,000,

(2) the level of total new budget authority is $825,100,000,000,

(3) the level of total budget outlays is $772,550,000,000,

(4) the amount of the deficit in the budget is $96,800,000,000, and

(5) the level of the public debt is $1,285,550,000,000, and the amount by which the statutory limit on such debt should accordingly be increased is $885,550,000,000.

SEC. 202. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of section 201 of this resolution, the Congress hereby determines and declares pursuant to section 301(a) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1982, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $242,900,000,000.

(B) Outlays, $209,850,000,000.

(2) International Affairs (150):

(A) New budget authority, $16,250,000,000.

(B) Outlays, $12,200,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $8,100,000,000.

(B) Outlays, $7,700,000,000.

(4) Energy (270):

(A) New budget authority, $5,000,000,000.

(B) Outlays, $4,700,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority, $9,500,000,000.

(B) Outlays, $10,900,000,000.

(6) Agriculture (350):

(A) New budget authority, $7,000,000,000.

(B) Outlays, $9,300,000,000.

(7) Commerce and Housing Credit (370):

(A) New budget authority, $7,950,000,000.

(B) Outlays, $2,950,000,000.

(8) Transportation (400):

(A) New budget authority, $22,150,000,000.

(B) Outlays, $20,250,000,000.

(9) Community and Regional Development (450):

(A) New budget authority, $7,000,000,000.

(B) Outlays, $7,900,000,000.

(10) Education, Training, Employment and Social Services (500):

(A) New budget authority, $27,900,000,000.

(B) Outlays, $27,550,000,000.

(11) Health (550):

(A) New budget authority, $77,200,000,000.

(B) Outlays, $79,900,000,000.

(12) Income Security (600):

(A) New budget authority, $286,100,000,000.

(B) Outlays, $272,950,000,000.

(13) Veterans Benefits and Services (700):

(A) New budget authority, $24,400,000,000.

(B) Outlays, $23,650,000,000.

(14) Administration of Justice (750):

(A) New budget authority, $4,600,000,000.

(B) Outlays, $4,650,000,000.

(15) General Government (800):

(A) New budget authority, $5,000,000,000.

(B) Outlays, $4,850,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New budget authority, $6,500,000,000.

(B) Outlays, $6,500,000,000.

(17) Interest (900):

(A) New budget authority, $114,550,000,000.

(B) Outlays, $114,550,000,000.

(18) Allowances (920):

(A) New budget authority, $3,350,000,000.

(B) Outlays, $3,150,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, $43,650,000,000;

(B) Outlays, $43,650,000,000.

SEC. 203. (a) There is established a congressional federal credit budget for fiscal year 1983 of which the levels of total federal credit activity for fiscal year 1983 are:

(1) New direct loan obligations, $55,200,000,000.

(2) New primary loan guarantee commitments, $99,100,000,000.

(3) New secondary loan guarantee commitments, $68,250,000,000.

(b) Based on allocations of the appropriate levels of total federal credit activity as set forth in paragraph (1) of this subsection, the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for each functional category are as follows:

(1) National Defense (050):

(A) New direct loan obligations, 0;

(B) New primary loan guarantee commitments, 0;

(C) New secondary loan guarantee commitments, 0.

(2) International Affairs (150):

(A) New direct loan obligations, $10,950,000,0000;

(B) New primary loan guarantee commitments, $8,950,000,000;

(C) New secondary loan guarantee commitments, 0.

(3) General Science, Space and Technology (250):

(A) New direct loan obligations, $150,000,000;

(B) New primary loan guarantee commitments, 0;

(C) New secondary loan guarantee commitments, 0;

(4) Energy (270):

(A) New direct loan obligations, $11,950,000,000;

(B) New primary loan guarantee commitments, $850,000,000;

(C) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0.

(C) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):

(A) New direct loan obligations, $18,250,000,000;

(B) New primary loan guarantee commitments, $2,650,000,000;

(C) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):

(A) New direct loan obligations, $12,150,000,000;

(B) New primary loan guarantee commitments, $40,100,000,000;

(C) New secondary loan guarantee commitments, $68,250,000,000.

(8) Transportation (400):

(A) New direct loan obligations, $350,000,000;

(B) New primary loan guarantee commitments, $750,000,000;

(C) New secondary loan guarantee commitments, $0.

(9) Community and Regional Development (450):

(A) New direct loan obligations, $1,950,000,000;

(B) New primary loan guarantee commitments, $500,000,000.

(C) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment and Social Services (500):

(A) New direct loan obligations, $850,000,000;

(B) New primary loan guarantee commitments, $7,250,000,000;

(C) New secondary loan guarantee commitments, 0.

(11) Health (550):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $100,000,000;

(C) New secondary loan guarantee commitments, 0.

(12) Income Security (600):

(A) New direct loan obligations, $2,050,000,000;

(B) New primary loan guarantee commitments, $18,700,000,000;

(C) New secondary loan guarantee commitments, 0.

(13) Veterans Benefits and Services (700):

(A) New direct loan obligations, $1,050,000,000;

(B) New primary loan guarantee commitments, $20,950,000,000;

(C) New secondary loan guarantee commitments, 0.

(14) Administration of Justice (750):

(A) New direct loan obligations, 0;

(B) New primary loan guarantee commitments, 0;

(C) New secondary loan guarantee commitments, 0.

(15) General Government (800):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, 0;

(C) New secondary loan guarantee commitments, 0.

(16) General Purpose Fiscal Assistance (850):

(A) New direct loan obligations, $250,000,000;

(B) New primary loan guarantee commitments, 0;

(C) New secondary loan guarantee commitments, 0.

(17) Interest (900):

(A) New direct loan obligations, 0;

(B) New primary loan guarantee commitments, $0.

(C) New secondary loan guarantee commitments, $0.

(18) Allowances (920):

(A) New direct loan obligations, $4,900,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(19) Undistributed Offsetting Receipts (950):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(c) It is the sense of the Congress that the President and the Congress, through the appropriations process, should limit in fiscal year 1983 the off-budget lending activity of the Federal Government to a level not to exceed $31,050,000,000, the on-budget lending activity to a level not to exceed $24,950,000,000, new primary loan guarantee commitments to a level not to exceed $99,100,000,000, and new secondary loan guarantee commitments to a level not to exceed $68,250,000,000.

SEC. 204. The Congress sets forth the following budgetary levels for fiscal years 1984 and 1985—

(1) the level of Federal revenues is as follows:

Fiscal year 1984: $751,000,000,000.

Fiscal year 1985: $843,000,000,000.

and the amount by which the aggregate levels of Federal revenues should be increased or decreased is as follows:

Fiscal year 1984: $47,000,000,000.

Fiscal year 1985: $60,000,000,000.

(2) the level of total new budget authority is as follows:

Fiscal year 1984: $880,975,000,000.

Fiscal year 1985: $945,425,000,000.

(3) the level of total budget outlays is as follows:

Fiscal year 1984: $818,150,000,000.

Fiscal year 1985: $874,450,000,000.

(4) the amount of the deficit in the budget is:

Fiscal year 1984: $67,150,000,000.

Fiscal year 1985: $31,450,000,000.

(5) the level of the public debt is as follows:

Fiscal year 1984: $1,404,450,000,000.

Fiscal year 1985: $1,490,800,000,000.

and the amount by which the temporary statutory limit on such debt should be accordingly increased is as follows:

Fiscal year 1984: $1,004,450,000,000.

Fiscal year 1985: $1,090,800,000,000.

SEC. 205. Based on allocations of the appropriate level of total new budget authority and of total budget outlays for fiscal years 1984 and 1985 as set forth above, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are respectively as follows:

(1) National Defense (050):

Fiscal year 1984:

(A) New budget authority, $268,650,000,000;

(B) Outlays, $235,500,000,000.

Fiscal year 1985:

(A) New budget authority, $296,850,000,000;

(B) Outlays, $266,200,000,000.

(2) International Affairs (150):

Fiscal year 1984:

(A) New budget authority, $16,800,000,000;

(B) Outlays, $12,300,000,000.

Fiscal year 1985:

(A) New budget authority, $21,200,000,000;

(B) Outlays, $12,300,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1984:

(A) New budget authority, $8,300,000,000;

(B) Outlays, $8,100,000,000.

Fiscal year 1985:

(A) New budget authority, $8,100,000,000;

(B) Outlays, $8,050,000,000.

(4) Energy (270):

Fiscal year 1984:

(A) New budget authority, $4,400,000,000;

(B) Outlays, $3,750,000,000.

Fiscal year 1985:

(A) New budget authority, $4,350,000,000;

(B) Outlays, $3,550,000,000.

(5) Natural Resources and Environment (300):

Fiscal year 1984:

(A) New budget authority, $9,000,000,000;

(B) Outlays, $9,950,000,000.

Fiscal year 1985:

(A) New budget authority, $8,500,000,000;

(B) Outlays, $9,050,000,000.

(6) Agriculture (350):

Fiscal year 1984:

(A) New budget authority, $8,550,000,000;

(B) Outlays, $7,750,000,000.

Fiscal year 1985:

(A) New budget authority, $6,100,000,000;

(B) Outlays, $7,450,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1984:

(A) New budget authority, $8,500,000,000;

(B) Outlays, $2,600,000,000.

Fiscal year 1985:

(A) New budget authority, $8,350,000,000;

(B) Outlays, $2,600,000,000.

(8) Transportation (400):

Fiscal year 1984:

(A) New budget authority, $22,575,000,000;

(B) Outlays, $20,250,000,000.

Fiscal year 1985:

(A) New budget authority, $23,125,000,000;

(B) Outlays, $20,450,000,000.

(9) Community and Regional Development (450):

Fiscal year 1984:

(A) New budget authority, $7,150,000,000;

(B) Outlays, $7,600,000,000.

Fiscal year 1985:

(A) New budget authority, $7,350,000,000;

(B) Outlays, $7,700,000,000.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1984:

(A) New budget authority, $28,300,000,000;

(B) Outlays, $28,200,000,000.

Fiscal year 1985:

(A) New budget authority, $28,200,000,000;

(B) Outlays, $28,250,000,000.

(11) Health (550):

Fiscal year 1984:

(A) New budget authority, $81,400,000,000;

(B) Outlays, $89,150,000,000.

Fiscal year 1985:

(A) New budget authority, $93,800,000,000;

(B) Outlays, $100,750,000,000.

(12) Income Security (600):

Fiscal year 1984:

(A) New budget authority, $313,400,000,000;

(B) Outlays, $289,650,000,000.

Fiscal year 1985:

(A) New budget authority, $343,850,000,000;

(B) Outlays, $312,450,000,000.

(13) Veterans Benefits and Services (700):

Fiscal year 1984:

(A) New budget authority, $25,650,000,000;

(B) Outlays, $24,900,000,000.

Fiscal year 1985:

(A) New budget authority, $26,700,000,000;

(B) Outlays, $26,500,000,000.

(14) Administration of Justice (750):

Fiscal year 1984:

(A) New budget authority, $4,600,000,000;

(B) Outlays, $4,600,000,000.

Fiscal year 1985:

(A) New budget authority, $4,600,000,000;

(B) Outlays, $4,600,000,000.

(15) General Government (800):

Fiscal year 1984:

(A) New budget authority, $4,700,000,000;

(B) Outlays, $4,600,000,000.

Fiscal year 1985:

(A) New budget authority, $4,700,000,000;

(B) Outlays, $4,500,000,000.

(16) General Purpose Fiscal Assistance (850):

Fiscal year 1984:

(A) New budget authority, $6,750,000,000;

(B) Outlays, $6,700,000,000.

Fiscal year 1985:

(A) New budget authority, $6,850,000,000;

(B) Outlays, $6,850,000,000.

(17) Interest (900):

Fiscal year 1984:

(A) New budget authority, $114,200,000,000;

(B) Outlays, $114,200,000,000.

Fiscal year 1985:

(A) New budget authority, $105,650,000,000;

(B) Outlays, $105,650,000,000.

(18) Allowances (920):

Fiscal year 1984:

(A) New budget authority, $2,450,000,000;

(B) Outlays, $2,150,000,000.

Fiscal year 1985:

(A) New budget authority, $2,000,000,000;

(B) Outlays, $1,600,000,000.

(19) Undistributed Offsetting Receipts (950):

Fiscal year 1984:

(A) New budget authority, $49,500,000,000;

(B) Outlays, $49,500,000,000.

Fiscal year 1985:

(A) New budget authority, $50,850,000,000;

(B) Outlays, $50,850,000,000.

TITLE III—PROVIDING RECONCILIATION INSTRUCTIONS AND OTHER ENFORCEMENT MEASURES

PART A—RECONCILIATION INSTRUCTIONS

SEC. 301. Pursuant to section 301(b)(2) of the Budget Act—

(A) the House Committee on Agriculture shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $207,000,000 and outlays by $207,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high deficits in future years requires additional savings in budget authority by $530,000,000 and outlays by $530,000,000 in fiscal year 1984 and budget authority by $661,000,000 and outlays by $661,000,000 in fiscal year 1985;

(B) the House Committee on Banking, Finance and Urban Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce outlays by $695,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high deficits in future years requires additional savings in outlays of $697,000,000 in fiscal year 1984 and outlays of $687,000,000 in fiscal year 1985;

(C) the House Committee on Education and Labor shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $73,000,000 and outlays by $73,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings in budget authority of $101,000,000 and outlays of $101,000,000 in fiscal year 1984 and budget authority of $97,000,000 and outlays of $97,000,000 in fiscal year 1985;

(D) the House Committee on Energy and Commerce shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $59,000,000 and outlays by $59,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high deficits in future fiscal years requires additional savings in budget authority of $65,000,000 and outlays of $65,000,000 in fiscal year 1984 and budget authority of $72.000.000 and outlays of $72.000.000 in fiscal year 1985:

(E) the House Committee on Veterans Benefits and services shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $171.000.000 and outlays by $171.000.000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high deficits in future fiscal years requires additional savings in budget authority of $187.000.000 and outlays of $187.000.000 in fiscal year 1984 and budget authority of $195.000.000 and outlays of $195.000.000 in fiscal year 1985:

(F) the House Committee on Ways and Means shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $334.000.000 and outlays by $2.680.000.000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high deficits in future fiscal years requires additional savings in budget authority of $205.000.000 and outlays of $3.776.000.000 in fiscal year 1984 and budget authority by $267.000.000 and outlays of $4.360.000.000 in fiscal year 1985:

(G) the House Committee on Ways and Means shall report changes in laws within the jurisdiction of that committee sufficient to increase revenue by $29.750.000.000 for fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional revenue increases of $46.000.000.000 for fiscal year 1984, and $59 000.000.000 for fiscal year 1985.

Sec. 302. Pursuant to section 301(b)(2) of the Budget Act—

(A) the Senate Committee on Agriculture, Nutrition, and Forestry shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $207.000.000 and outlays by $207.000.000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high future budget deficits in future fiscal years requires additional savings in budget authority of $530.000.000 and outlays of $530.000.000 in fiscal year 1984 and budget authority of $661.000.000 and outlays of $661.000.000 in fiscal year 1985:

(B) the Senate Committee on Banking, Housing, and Urban Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $90.000.000 and outlays of $785.000.000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high future budget deficits in future fiscal years requires additional savings in budget authority of $100.000.000 and outlays of $797.000.000 in fiscal year 1984 and budget authority of $104.000.000 and outlays of $791.000.000 in fiscal year 1985:

(C) the Senate Committee on Labor and Human Resources shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $73.000.000 and outlays by $73.000.000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of budget authority of $101.000.000 and outlays of $101.000.000 in fiscal year 1984 and budget authority of $97.000.000 and outlays of $97.000.000 in fiscal year 1985:

(D) the Senate Committee on Veterans' Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $81.000.000 and outlays by $81.000.000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of budget authority by $87.000.000 and outlays by $87.000.000 in fiscal year 1984 and budget authority by $91.000.000 and outlays by $91.000.000 in fiscal year 1985:

(E) the Senate Committee on Finance shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $393.000.000 and outlays by $2.814.000.000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high deficits in future fiscal years requires additional savings in budget authority by $270.000.000 and outlays of $3.841.000.000 in fiscal year 1984 and budget authority of $339.000.000 and outlays of $4.432.000.000 in fiscal year 1985:

(F) the Senate Committee on Finance shall report changes in law within the jurisdiction of that committee sufficient to increase revenue by $29.750.000.000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high deficits in future fiscal years requires additional revenue increases of $46.000.000 in fiscal year 1984 and of $59.000.000 in fiscal year 1985.

Sec. 303. The committees names in sections 301(A)-(E) and 302(a)-(D) shall submit their recommendations to the Committees on the Budget of their respective Houses. Those recommendations shall be sufficient to accomplish the changes required by such subsection. After receiving those recommendations, the Committees on the Budget shall report to the House and Senate a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

Sec. 304. (a) In the House of Representatives, no bill or resolution providing—

(1) new budget authority for fiscal year 1983, or

(2) new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act first effective in fiscal year 1983 which exceeds the appropriate allocation or subdivision of such new discretionary budget authority or new spending authority made pursuant to section 302 of such Act shall be enrolled until after Congress has completed action on the second concurrent resolution on the budget required to be reported under section 310 of such Act.

(b) For purposes of this section, "budget authority" and "new discretionary budget authority" shall not include spending authority or budget authority derived from any highway public transportation or aviation trust fund, 90 percent or more of the receipts of which consist or will consist of amounts (transferred from the general fund of the Treasury) equivalent to amounts of taxes (related to the purposes for which such outlays are or will be made) received in the Treasury under specified provisions of the Internal Revenue Code of 1954.

Mr. ASPIN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ASPIN. Mr. Chairman, may I inquire of the Chair how much time the gentleman from Ohio, Mr. Latta, consumed in the presentation of his amendment?

The CHAIRMAN. The gentleman from Ohio consumed 73 minutes; an hour and 13 minutes.

Mr. ASPIN. Mr. Chairman, I would like to ask unanimous consent for 40 minutes, if I might, for the presentation of our substitute.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The CHAIRMAN. Is the gentleman asking for 40 minutes overall?

Mr. ASPIN. Forty minutes overall. It may be we will need some extra time.

Mr. Chairman, we have a group of people here who have put together an alternative budget, a truly bipartisan budget. It was a coalition of people which really put this thing together by working together and coming up with a combination budget to see what it would look like.

There are a number of people who have been instrumental in putting this amendment together, all of which I would like to give a chance to explain part of it.

I would like, if I may, Mr. Chairman, to first call upon the gentleman from California, Mr. Panetta, for 5 minutes to explain a little bit of the numbers in the amendment. Then I would like to yield half of the time; in other words, 20 minutes to the gentleman from Washington, Mr. Pritchard. He will have some people to call on his side, and then when his time has expired we have some more people on our side.

The CHAIRMAN. The gentleman will have to remain on his feet throughout the whole 40 minutes unless he obtains unanimous consent to yield portions of the time.

Mr. ASPIN. I understand the ground rules, Mr. Chairman.

The CHAIRMAN. Does the gentleman ask unanimous consent to yield portions of the 40 minutes?

Mr. ASPIN. Yes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. LATTA. Mr. Chairman, reserving the right to object, as everyone, including the Chair, observed, I was on my feet all during the time that we were yielding here.

Do I understand the gentleman properly, that he is asking to yield the floor to somebody else during that time and he is not going to have to stand there?

Mr. ASPIN. Will the gentleman yield?

Mr. LATTA. I yield to the gentleman.

Mr. ASPIN. Yes, sir.

Mr. LATTA. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. PRITCHARD. Mr. Chairman, reserving the right to object, I think that we would hope to take only 40 minutes. But if during the time that Members are giving talks, if they are interrupted and we get into a debate situation, why, then, I think we might want to have additional time.

I would hope that we could get through with 40 minutes, but that really would preclude any questioning from other Members, as I understand it.

It is my hope that we not take a lot of time because I understand the concern of all of the Members here to get to the amending process. But I do want to at least have a chance to fully explain our amendment to the members of the committee.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The CHAIRMAN. It has been agreed that the gentleman will receive 40 minutes and the gentleman may yield the time and sit after he yields the time.

Mr. ASPIN. Mr. Chairman, I yield 5 minutes to the gentleman from California Mr. PANETTA.

Mr. PANETTA. Mr. Chairman, the debate we are going through on the various substitutes is indeed very complex and large as we try to deal with individual subsections and functional areas.

I think for the guidance of the Members there are really four basic questions or four basic tests that each Member has to apply with regards to each of these substitutes as they approach their decision as to which one they will support.

The first question, or the first test, it seems to me, is to ask which substitute has the lowest deficit. The whole purpose of dealing with these various proposals is to try in a meaningful way to reduce the deficit to a substantial degree so that we can hopefully send signals to the money markets, to the Federal Reserve, to reduce interest rates because of the serious problems we are seeing in the economy. For that reason, getting to a low deficit in a meaningful way is extremely important.

Of all of the substitutes that are being proposed the Aspin-Pritchard substitute has the lowest deficit. Whether it is under OMB or whether it is under CBO or whether it is the numbers we have presented to you, this substitute has the lowest deficit. Our numbers indicate that we would have a deficit in the area of $97 billion.

The Latta proposal would be $102 billion, according to their numbers, and the Budget Committee $103 billion, or thereabouts. If you use CBO numbers, they would indicate that our deficit is at $104 billion, that the Latta substitute is $109 billion, and the committee's is approximately $109 billion to $110 billion.

So no matter what numbers you use, whether they are the Budget Committee's or whether they are ours, or whether they are the CBO's, we have confirmation that the one substitute that has the lowest deficit is the Aspin-Pritchard substitute.

I think that is a significant question that all Members need to ask and I believe this substitute provides the best answer of all three proposals.

Second, and I think a very important question that all of us need to ask with regard to all of these substitutes is what about the issue of fairness. When we are dealing with the kinds of reductions that are involved in trying to reduce the deficit, what proposal attempts to do it in a fair and balanced way?

I do not think there is much question but that the general sense from the budget proposals adopted last year is that the principal burden in the budget cuts rested with those at the middle and lower income levels of our society. Reconciliation itself, $35 billion to $40 billion, basically targeted programs for people.

There was a strong reaction in this country that, indeed, if we are to reduce the budget again, if we are to try to get the deficit down, that sacrifice should be shared not only in discretionary and entitlement programs, but, more importantly, to consider the area of defense and to consider the area of revenues.

The proposal the gentleman from Wisconsin has offered provides for that kind of fairness and balance in terms of trying to achieve our goals in the deficit.

First of all, with regard to discretionary programs, we, as does the chairman's proposal in the committee, freeze the discretionary programs at current levels, current appropriated levels, which is not what the Latta proposal does. It goes below that level cutting some of the programs as opposed to simply freezing them at current levels.

□ 1450

Our proposal basically holds those programs at current levels.

In the entitlement area, we generally assume roughly the same figures that the committee has adopted of $3.2 billion in reductions in the entitlement area.

The one area of distinction—and we think it is a fairness argument—deals with COLA's for retirees. Our position is that if indeed we are not going to proceed to deal with the issue of COLA's with regard to those receiving social security benefits, with regards to railroad retirees and with regards to veterans, then we ought to apply the same principle to other retirees, both military and Federal civil service. And so we would not include a cap of 4 percent on their COLA's as part of our entitlement reductions.

Third, in the area of defense, we think it is extremely important, if we are going to present an argument to the American people that we have a fair and balanced package, that defense play a role in terms of achieving our deficit goals. The 5-percent real growth is what we have built into this particular substitute. It is essentially the same principle advocated by the committee. This is not a question of whether we are going to cut back on defense. The real question that has to be asked is, How much of a growth element above inflation are we going to provide for defense? And we think a 5-percent growth rate not only makes sense in terms of the deficit figure we are trying to arrive at, but also makes sense in terms of our defense posture and the ability to spend money appropriately and accurately in the areas that we decide are effective.

Last, in the area of revenues. Yes, revenues have to be included here.

The CHAIRMAN pro tempore (Mr. BARNARD). The time of the gentleman from California (Mr. PANETTA) has expired.

Mr. ASPIN. Mr. Chairman, I yield 4 additional minutes to the gentleman.

Mr. PANETTA. In the area of revenues, our 3-year figure comes to $135 billion. That, I would remind the Members, is similar to what the Senate proposal was originally, in the sense that they had offered $95 billion in terms of revenue increases but then added $40 billion in social security savings that would have been provided. The argument on the Senate side was that those savings would not be in reductions in social security benefits, and if you are going to achieve those savings, the only other alternative is to increase taxes. So that in fact the proposal in the other body was for an increase in taxes, be they social security or others, in the vicinity of $135 billion. Our figure is below that proposed by the committee, but it does exceed the amount proposed in the Latta proposal. But we do think that revenues have to be included if we are going to achieve the targets we are aiming at.

Last, we do include consideration of the credit budget because we do think that the Congress is going to have to make efforts to try to restore some discipline in the area of credit budgets.

The third question that needs to be asked is the question: What about productivity in our society? What about the positive element of any budget? How are we investing funds in our society? We cannot simply be chopping away. We have also got to be concerned about how are we investing funds in areas that are going to increase productivity in our society. And I would say to the Members that this is probably the one substitute that indeed has the clearest proposal with regards to productivity. I think the gentleman from Colorado, Mr. WIRTH, who has been involved in that effort will explain it further. But we do try to improve agriculture and provide additional funds for crop insurance and for soil conservation. We do go to education and student aid and provide additional aid there, as we do in employment, with regards to training.

The environment is a very important part of this piece. We provide funds for hazardous waste management. There is no other proposal that really has made room for that—an extremely important issue in our society today.

We provide additional funds for transportation.

In the veterans area, we include $300 million more for medical assistance for veterans.

In the productivity area, there is $300 million for basically research and development.

There is a positive element that has been built into this budget that we think is important for our society.

The last test, the last question I think you ought to ask is: What proposal is winnable? What proposal can carry votes from both sides of the aisle? What proposal can go to conference with something to be conferential, not simply to walk into conference and do nothing. We must have a basis on which we can go into conference.

I would remind the Members that the Senate has adopted a budget that has $116 billion deficit. If you enact the Latta proposal, it is $110 billion deficit. Are we going to decide on a deficit somewhere between $110 and $116 billion? No. We need to go into conference with some leverage. This proposal, it seems to me, is winnable. This proposal, it seems to me, is fair. It is one that makes the kind of midcourse correction that is absolutely essential if we are to reduce the deficit, if we are to be compassionate and if we are to truly provide for the future.

Mr. MARTIN of North Carolina. Mr. Chairman, will my friend yield for a clarifying point?

Mr. PANETTA. I yield to the gentleman from North Carolina.

Mr. MARTIN of North Carolina. Just for clarification, the gentleman made a point that the substitute which he is supporting has an extra $300 million for veterans, and that is quite true. The gentleman says that no other budget has that. It is my understanding that the Latta-Michel budget also has that same figure. So it is not true that you are unique in that respect.

Mr. ASPIN. First of all, Mr. Chairman, we have a number of Members here who will talk further, but in putting together this coalition budget on our side we owe a great deal of appreciation to the gentleman from California (Mr. PANETTA), who just spoke in the well, who at least from the Democratic side has provided an enormous amount of effort and an enormous amount of leadership. The other Members who are critical in this are the gentleman from Colorado (Mr. WIRTH) and the gentleman from California (Mr. MINETA).

At this point, Mr. Chairman, I yield over to our colleagues on the other side, and I yield 20 minutes to the gentleman from Washington (Mr. PRITCHARD).

Mr. PRITCHARD. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa (Mr. LEACH).

Mr. LEACH of Iowa. Mr. Chairman, in rising in favor of the coalition budget, I would like to stress that ours is a fair budget—carefully balancing the needs of the poor with the requirements of defense. It is also a compassionate budget—having in fact the lowest deficit of the remaining alternatives. In addition, it is future oriented—giving greater priority to basic education and scientific research than either the Latta or the Jones approaches.

Mr. Chairman, this basic science orientation of our budget is one of its most important hallmarks. As we look back at World War II, it is clear that what distinguished the United States of America from our rivals and our allies was our technological and scientific base. It is here, above all else, where we must always remain second to none.

Finally, our budget envisions a 5-percent real growth per year in defense spending. This is less than the 6½ percent contained in the Latta approach, but we are convinced that it is prudent and responsible.

America's greatest security asset is our economy, and to the degree that it is jeopardized by excessive spending, to that extent our defensive capacity is weakened.

The key to any budget resolution is the test of fairness and balance. We believe our budget best meets this test.

Implicit in this coalition budget is the assessment that a midterm correction is in order.

Implicit also is the assessment that liberals erred profoundly in the 1970's by refusing to make the tough decisions on spending issues and simply voting too much money for too many programs. Conservatives today, on the other hand, appear to be in the process of putting their heads in the sand and voting too many tax cuts for too many interest groups. If fiscal sanity is to be established, discipline on both sides is the order of the day. That is what this budget debate is all about.

What is needed in Congress is a new mood, a new fairness, a new discipline. We believe this can best be achieved by attempting to construct a majority in Congress from the center working out, rather than from the philosophical edges working in. This requires a constructive degree of bipartisanship. America is crying out for consensus, not greater social division. Just as a bipartisan foreign policy was so crucial to our country in the 1940's, so a bipartisan economic policy is crucial to the economy in the 1980's.

Mr. Chairman, I urge serious consideration to our coalition budget. It is time to put behind us the partisan rancor that is dividing our country.

□ 1500

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. LEACH of Iowa. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. I would like to compliment the gentleman for his comments and indicate that I think this year is the time for Democrats and Republicans to put themselves in a common cause, and the gentleman has articulated that this particular substitute represents the aggressive actions of both Democrats, Republicans, conservatives, and liberals, who really want a budget for the United States that makes sense, and I appreciate the gentleman's leadership.

Mr. LEACH of Iowa. I thank the gentleman for his comments and would certainly respond by noting that he has been one of those foremost in the Congress in attempting to put together this type of approach.

Mr. PRITCHARD. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa (Mr. TAUKE).

Mr. TAUKE. Mr. Chairman, when we began work on this coalition package several weeks ago we feared that it was very possible that when the House considered the budget that we would not be able to muster a majority for any proposal.

We are here because we believe it is absolutely essential that a package be passed and we believe that this proposal has the best chance of passing.

First, I think it is worthwhile to note that in the two major areas this proposal is in the middle. On the revenue side, we have one-third of 1 percent less in revenues than the House Budget Committee. We are 1½ percent more in revenues than the Latta proposal. If anything this should demonstrate how close everyone is together on revenues.

On outlays, we are less than one-half of 1 percent higher in outlays than the Latta proposal. We are about 1⅓ percent under the House committee on outlays.

I think that the second thing that the Members of the House should consider is that we need to look at what our position will be as we go into conference. At this juncture, we know what the Senate package is. I do not believe that the majority of the Members of the House want to go into conference with greater cuts in the discretionary programs than the Senate has approved, and greater cuts in the entitlement programs than the Senate has approved, yet that is what we are being asked to do under the Latta proposal.

Mr. Chairman, it occurs to me also that it is worthwhile to point out just one major area in which there is a significant difference between our proposal and the Latta substitute.

The Latta substitute calls for an 11-percent reduction over the next 3 years in medicare costs. We in this proposal call for a 4½-percent savings in medicare costs. It is interesting to note, as the gentleman from Ohio (Mr. Latta) did, that costs in the medicare program have been going up substantially. He pointed out that hospital costs went up 19 percent last year. But the problem is that under the Latta budget there is no structural change to hold down those hospital costs, there is no reduction in services that is mandated to hold down those costs. What is done is shift costs from the Federal Government to somebody else. In this case that somebody else is the hospitals and/or the private-pay patients. If you represent a rural area like I do, where the hospitals have a percentage of medicare patients that exceeds 50 percent, you know that they cannot afford much more cost shifting. The private pay patients, who have to pick up those costs that are not paid by the Federal Government cannot afford much more either. It is this kind of so-called savings—savings that do not really exist—that we seek to avoid in this coalition package. We attempt to realistically address the budgetary problems.

Finally, despite avoiding that kind of faulty savings, we have ended up with a lower deficit than any other budget. I think that is a strong selling point.

Mr. PRITCHARD. Mr. Chairman, I yield 4 minutes to the gentleman from Vermont (Mr. Jeffords).

Mr. JEFFORDS. Mr. Chairman, as has just been pointed out, the real significance here is in where the cuts are and what a proposal does to certain programs. I would like to talk right now about education, nutrition, and agriculture, and I would like to compare the three proposals. First, I really sympathize with anybody out there who is trying to do this kind of comparison, because although the Jones and the coalition package have used one base line, present 82 program spending levels, for various reasons the Latta package uses essentially three different base lines. Thus when you compare program cuts and add ons you have to be very careful what the base line is.

The one that all substitutes use most of the time is to compare a program with present services and program levels, the amount to be spent in fiscal 1982.

Another base line that is used in the Latta substitute to which I will make specific reference in a minute, is one of the 1982 appropriations levels. This means if you had deferrals from a previous year you could have a very different figure between the current service level and the last year's appropriations level. If there were deferrals a cut would result in 1983. And the final one in Latta is the President's recommended levels. This could be much lower than the 1982 program level. An add on to this might still be less than the 1982 program level. And another difference which comes out in the Latta, one which you must carefully look at, is that they on occassion refer to block grants which are not yet in existence. So you have to be careful with short acronyms that are labels for present programs which are used by Latta supporters to describe things which are not yet in existence and thus may give you a very different picture. Thus when the gentleman from Ohio gave WIC figures, his were not for the WIC programs, but rather for a proposed block grant also including the maternal and child care program.

Let me go on to the education differences.

First, the coalition package is very close to what the gentleman from Illinois, Mr. Simon, wants to do to all the substitutes. That gives you an idea of the fairness of our proposal, for I know his amendment has wide support.

What he intends to do is to add to the other proposals to bring them really up to where we are now. In addition our deficit is lower. The others will have deficit increases with his amendment. Thus we are fair to start with. As compared to Latta, the coalition is $650 million above in budget authority and as to Jones $450 million above. But the most important budget to compare as the previous speaker pointed out, is to look where we have to go in conference with the Senate budget if Latta passes. The Senate is $2.4 billion below the coalition package in the education function.

So if we go in with a low figure, Latta, we are going to have to descimate, by the compromise process, the educational programs.

Now, as to education with respect to employment and training. First of all, here it is important to know that there is a different base line used in the Latta package as to the others. So when the gentleman from Ohio and the gentleman from Massachusetts point out there is a $50 million increase in the WIN, program, what they did not point out, is that there is a $500 million cut from current employment training levels in Latta. It is the old Stockman shell game that we saw last year. Give them a little here, take a bunch away there. Remember we are talking functional levels here. The coalition package maintains current spending levels plus money for the program for dislocated workers in the auto industry and others. Latta cannot. Where is there money for a summer youth program? This figure here is well below current spending levels.

Now as to nutrition.

First of all, all of the substitutes require some cuts in the food stamp program. But the cuts are modest in the Jones and coalition package, $200 million in 1983 and a total of over 3 years of $1.4 billion.

In the Latta package they are huge, even worse then the cuts in the other body which were labeled very drastic by the senior Senator from Kansas, Mr. Dole, who is a protector of the food stamp program. Members on my side of the aisle should take note of this and read his comments in the Record.

In the Latta package there is a $0.7 billion cut in 1983 and a $5 billion cut over 3 years. The other body had $0.8 billion in 1983 and $3.3 billion in 3 years. Again if you go to conference with these figures and if you start off with the Latta package you are going to have horrendous cuts in the food stamp program eliminating all elderly and disabled from the program over the 3 years.

Now WIC. This is another one.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Ohio.

Mr. LATTA. Did I understand the gentleman to say that through our proposal you would eliminate all of the elderly, and who else did the gentleman say in the food stamp program? I think the gentleman would want to correct his remarks.

Mr. JEFFORDS. All I know is that the figures that I have indicate——

Mr. LATTA. Would the gentleman repeat that so everybody can hear the outlandish statement the gentleman just made.

Mr. JEFFORDS [continuing]. The facts that I have been given indicate——

Mr. LATTA. I was listening to it.

Mr. JEFFORDS. I have the time. The facts I have indicate at the end of 3 years approximately 92 percent of the elderly, disabled, and working poor would have to be removed from the program, or receive reductions in benefits with a $5 billion cut. I think that is quite obvious because of the size of the cut.

Now, with respect to WIC.

There was a statement made by the gentleman from Ohio, which again when he referred——

The CHAIRMAN. The time of the gentleman from Vermont (Mr. Jeffords) has expired.

Mr. PRITCHARD. I yield 1 additional minute to the gentleman from Vermont (Mr. Jeffords).

Mr. JEFFORDS. The WIC program that the gentleman from Ohio referred to with the $1.3 billion figure is a proposed block grant program. This block program has been proposed by the administration to combine WIC and the child and maternal care programs. This may make sense to some but is misleading as used here. If you take a look at the WIC program itself, which has been demonstrated by a Harvard study to show a 3-to-1 favorable benefit-to-cost ratio WIC actually sufferes severe cuts under the Latta proposal. The first year 165,000 people will be knocked off and then WIC is held at a funding level such that increasing numbers drop off, 245,000 in 1984, and 375,000 in 1985. This is at a time when the largest child bearing age group is entering our population.

The other proposals have a modest cut the first year but then pick up the number dropped as they go forward, recognizing the increasing population to be served.

So there is confusion again on what is being compared. The $1.3 billion the gentleman from Ohio referred to is a block grant proposal including child and maternal health care. His program is a severe cut, not an increase as his statement would indicate.

In addition, there are significant differences in agriculture with respect to soil conservation, animal plant health crop insurance and forest service and others which give advantages to the coalition over the Latta and Jones proposal.

In 1983 Latta is $144 million less than the coalition's in soil conservation outlays, $44 million less in outlays for APHIS, and $85 million less in the Agriculture Forest Service.

Also the coalition is $400 million more in budget authority each year than Latta.

My time has expired. But I believe Members can see that the coalition's proposal with much less of a deficit is still much, much fairer than either of the other options as to these programs.

Mr. PRITCHARD. Mr. Chairman, I yield 3 minutes to the gentleman from Connecticut (Mr. DeNardis).

Mr. DeNARDIS. I thank the gentleman from Washington for yielding.

Mr. Chairman, let me underscore what my colleagues from Vermont, Mr. Jeffords, has just said about the field of education.

One of the major differences between the Latta and the coalition budget happens to be in the area of education. The coalition budget, the Aspin budget, recognizes that educational infrastructure is extremely important in the development of human capital in the interest of a productive and mobile workforce. This is particularly true in the field of higher education.

□ 1510

If the gentleman from Illinois (Mr. Simon), the distinghished chairman of the Subcommittee on Postsecondary Education, fails to have his amendment on education, including higher education, adopted and added to the three major budget proposals that we are now considering, the budget proposal in its present form which makes the strongest commitment to education in general and higher education in particular is the Aspin budget.

Specifically, with respect to the guaranteed student loan program, the Latta budget is going to require some very, very different cuts. Remember, last year we enacted some cuts and now on the heels of that, the Latta budget asks us to find $100 million in fiscal year 1983, $250 million in fiscal year 1984, and $315 million in fiscal year 1985.

One of the ways that the Latta budget would achieve savings is to tie the interest rate on the GSL to the 91-day Treasury bill rate, which means that if the average 91-day Treasury rate goes up to about 15 or 16 percent, then the interest rate that students are going to pay in this country is going to go well above the 9-percent that they now pay.

Remember, just a year ago, that went up from 7 to 9 percent. Tying the interest rates to the 91-day Treasury bill rates presents several concerns. Every time a student received a loan, the loan would be set at a different rate. This would produce a major increase in recordkeeping and other administrative tasks which might discourage their participation in the program.

But more important, high interest rates will be troubling and very costly to hundreds of thousands of students in this country. There is a great deal of support for the guaranteed student loan program in this country. It is one of the most important sources of finance for higher education we provide. Let me say I was fully in accord with the reimposition of eligibility standards last year and I think most of the Members of this body agreed; but to go this step further really is going to impose some very serious harships and limit accessibility for hundreds of thousands of people to participate in this program.

The Aspin budget, with is careful protection and enhancement of education programs recognizes the educational system as an economic resource. I urge my colleagues to support it.

Mr. PRITCHARD. Mr. Chairman, I yield 3 minutes to the gentlewoman from Rhode Island (Mrs. Schneider).

Mrs. SCHNEIDER. Mr. Chairman, I rise as a cosponsor and strong supporter of the coalition/Aspin/Pritchard substitute. Our proposal offers a clear choice for reasonable, responsible attention to our Nation's defense, to critical human needs, and to the revitalization of our economy. Certainly none of us is totally happy with any proposal which we have or will be considering, but I sincerely believe that this substitute is the single best vehicel for addressing the very serious concerns of all Members.

First, this substitute puts aside partisan rhetoric and goes to the heart of our Nation's problems. Each Member represented in negotiations over this budget was willing to work to reach agreement on important issues without resorting to partisan bickering. In my view, this is the only proposal on the table which truly respects the legitimate demands of the American people that we throw down the gloves and work together to attack the very real problems our Nation faces—without assigning blame to previous administrations, current administrations, or any other factor than the lack of a united, cohesive budget policy.

Second, this is the major proposal which will do the single best job at reducing the deficit. The financial markets and the Federal Reserve will not respond until we, here in Congress, can demonstrate real progress on bringing down the deficit. We know our assignment and here is our opportunity to do it—to show a willingness to take substantial steps to bring Federal outlays closer in line with Federal revenues.

Certainly, we all have different priorities for bringing spending into balance with revenues. Some of us would like to see a reliance on spending cuts for human services, or tax increases, or a stretchout of our rearming program. What this budget does is recognize that there is an honest centrist position in this Congress within both parties. It represents a meeting of the minds and a willingness to utilize a proportionate share of each deficit-reduction scheme to do the job. Amazingly enough, when we showed that we could come together, we ended up with the smallest deficit.

Third, we attacked the deficit without having to raise taxes as much as the committee proposal or slash human services needs, education assistance, or health care as much as the Latta substitute. The hallmark of this proposal its its innate fairness—its genuine representation of the mainstream of this Congress and, thus, the Nation.

Fourth, the coalition budget proposal is, as its name suggests, passable. While others are shouting accusations and hurling blame, we sat down and looked for solutions. This proposal is not an attack on any particular philosophy but a genuine combination of the best of each, and therefore eminently supportable by each and every Member of this body.

Mr. Chairman, I urge each of my colleagues to take this unique opportunity to do what Americans from every part of this country have been demanding—to put an stop to endless finger pointing and a beginning to a united attack on our Nation's problems. It seems all too often that the people of this country are so far ahead of their representatives in Government. Here is a clear chance to do what the people want—to get on with economic recovery unduly raising taxes, without hurting the needy, and without neglecting our national security needs.

Mr. Chairman, I urge the wholehearted support of all Members of both sides of the aisle for the Aspin-Pritchard substitute, of which I am proud to be a cosponsor.

Mr. PRITCHARD. Mr. Chairman, we are focusing on the differences between these proposals and I think that is the proper function for this debate, but we want to be very careful that in focusing on the differences we do not fool ourselves that these programs are wildly apart, because truly they are not.

On the tax side, there is 1½ percent difference between the Aspin and the Latta proposal; less than half a percent between the Jones proposal and the Aspin proposal.

In spending and outlays, about 1 percent difference between Aspin and Jones; between Latta and Aspin, less than one-half of 1 percent.

In the deficit, there is not much difference between the Latta and the Jones proposal. We are almost $6 billion less, than either the Jones and Latta. I think it was important to bring a bipartisan approach, a centrist position, it is important that a commitment be made from both sides of the aisle that we are going to stay on course, not 1 year, but we are going to stay in here 3, 4, or 5 years, and get control of the budget.

We do not know who is going to be running the shop next year, here or in the White House 3 years from now. We cannot project that, and I think it is terribly important if the financial centers are going to respond that they believe that both parties are going to have a commitment, to get a hold of the budget.

Now, it is true, we have cut more out of defense in the proposal by the Aspin than the Latta proposal; But when you hear some of the proposals that are being said, 80 percent, 68 percent, you know, you would think—somebody came up to me and said, "How much are you cutting, 10 percent?"

I said, "No, we are not cutting defense 10 percent."

"Is it 6, is it 5, is it 2?"

"It is 1½ percent."

Mr. MICHEL. Mr. Chairman, would my friend yield on that point?

Mr. PRITCHARD. I would be happy to yield to the gentleman.

Mr. MICHEL. I thank the gentleman. I wish he had had just a little bit more faith in our ability to put together earlier what we have; but the gentleman speaks of percentages. There is no question that 1 percent of a dollar is not all that much; but 1 percent of a much larger multibillion dollar figure, we are talking about real bucks out there and there is a difference. I do not think it ought to be simply minimized by using a percentage figure when we are talking in terms of hundreds of millions of dollars.

Mr. PRITCHARD. But the difference is still there; if it is 1 percent difference, it is 1 percent difference. I just think that it is terribly important that we get a budget out of here. This is the best vehicle to get to conference.

Mr. ASPIN. Mr. Chairman, at this point I yield to the gentleman from Colorado (Mr. Wirth). Of all the Members who were instrumental, at least from the Democratic side, in bringing our coalition together and to have the meetings, the Member who instigated it and really did push us to get together and have the meetings is the gentleman from Colorado.

I yield 5 minutes to the gentleman from Colorado (Mr. Wirth).

Mr. WIRTH. Mr. Chairman, in line with that last colloquy, we talked about differences and percentages. I should just point out that the deficit being offered in the coalition budget is, as the gentleman from Washington pointed out, significantly lower if we look at the deficit as a percentage of the total budget. It is about 1 percent lower than everybody else's, which is I think a significant number, to use the argument of the gentleman from Illinois.

We are in the process of examining the budget alternatives; everybody in this House, I believe, wants to achieve a budget. One of the things that our coalition believes is that, all along the line, we have as a House neglected to look beyond this year; it is imperative that we recognize the changing nature of our economy and that we recognize that there are significant investments we in the United States must make in our economy and in our economic future.

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We are seeing a very sharp educational decline in the United States by every objective measure. We are producing for the first time, graduating for the first time in this country, a generation that is less literate than its parents were, just at a time when the country is demanding an increasingly well educated society, an increasingly well-educated work force to manipulate ideas and numbers in an increasingly sophisticated society.

We, as a country, are beginning to lose our position as the idea capital of the world.

I am hopeful that the Simon amendments will pass, which will increase the educational investments up to the levels in the coalition budget, but it should be very clearly pointed out, as has been pointed out earlier, that that basic investment in education in our future is there.

We also have in the coalition budget the only package that is available in any of the three budgets focused on long-term economic growth and productivity, focused on research and development, university graduate student training, focused on laboratories and the reinstrumentation of Government laboratories.

Why is that important? Over the last 10 years, research and development in the United States, as a percentage of our gross national product, has dropped by 20 percent. Research and development has dropped by 20 percent. It has gone just the other way in Japan and West Germany. In other words, we in the United States are living off past investments.

This decline is made worse in the Senate Budget Committee action which calls for a 10-percent further decline in research and development, and a 13-percent decline in support for university research and development.

The package that we are offering includes a major R. & D. component for the National Science Foundation, the National Institutes of Health, the U.S. Department of Agriculture, and NASA.

In the area of graduate fellowships, we also have a significant investment being made in our future. Today, for example, the number of engineering Ph. D.'s in the United States has declined by 20 percent from its level 8 years ago. Ten percent of the engineering faculty positions in the United States today are empty because we do not have engineers trained to fill those faculty positions.

The trend is just the opposite among our major international competitors.

Third, in the area of university instrumentation, our basic major university research institutions are still living off the capital developed post-Sputnik, when most of the NSF programs were put into place. A panel of

Nobel Laureates, testifying before the Science Committee, said that some very good young scientists are choosing not to join university faculties because they fear they will not be able to do any research. The universities need to attract such people, because they are the ones who will be and will educate the scientists of the future.

A similar syndrome exists in the physical facilities at our universities, again 20 years old and aging very rapidly. A recent defense science board study pointed out that the deterioration of science and research physical plant was endangering our national security.

And finally, basic inhouse research is established in this budget. NASA, for example, has on the drawing boards the 30/20 satellite, the major new high transponder satellite being developed by NASA, a prototype for a whole new generation of communications satellites, a market the Japanese have pledged to capture.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

Mr. ASPIN. Mr. Chairman, I yield 1 additional minute to the gentleman from Colorado (Mr. WIRTH).

Mr. WIRTH. Mr. Chairman, the coalition budget is the only budget in which is found a package focused on the future of our economy, the changing nature of our economy, and the imperative investments that we must make in that future. There will not be that alternative in the Latta substitute nor in the Jones budget. This is the only budget that looks to the future, and I would urge my colleagues to support the coalition budget.

Mr. Chairman, the United States has long been the idea capital of the world. We have led the way into the technological revolution now bearing fruit for the entire world. American innovation, in computers, in biomedicine, in telecommunications, in photovoltaic cells, and in myriad other fields has provided enormous economic growth and new jobs for our economy. Such areas which utilize the brainpower of Americans are our brightest hopes for renewed prosperity in this era of intense international economic competition. Nearly 1 million new American jobs are expected to be created in computer-related fields alone between 1978 and 1990.

It is easy, when working on an annual budgetary cycle, to devote most attention to programs which will solve a problem this year, or yield some political benefit next election. But such shortsightedness over a number of years, is now threatening our Nation's position as the innovative capital of the world. It is part of the reason I believe we have found ourselves in such difficult economic circumstances.

The package offering will, at modest cost, do a great deal toward rebuilding a healthy economy for the rest of this decade and beyond. It is a series of investments which will do much to improve our Nation's sagging productivity growth.

Reasons for declining growth in productivity are many, and there is room for debate among the experts about the causes of this frightening trend. But one connection is made clear in a number of studies—productivity increases are correlated to increased investments in research and development. R. & D. investments are the seed corn leading to a harvest of new inventions and economic growth.

We have seriously neglected this seed corn. Our Nation allowed a 20-percent drop in the ratio of R. & D. spending to gross national product between 1967 and 1978, while Japan and West Germany increased the same ratio by more than 20 percent. In this time when one in seven American jobs depends directly on exports, our economic competitors have realized how important investments in brainpower are. Real supply-side economics means investing in our people and in the facilities and equipment they need to turn good ideas into inventions and jobs. For too long, we have been living off the major investments in education we made in the 1950's and 1960's, and this trend is causing serious erosion in our lead in the world of ideas.

Unfortunately, our colleagues on the Senate Budget Committee took action recently which will only allow the sad deterioration of our research base to continue. Their budget would mean, by 1985, a 10-percent reduction in our commitment to basic research, a 13-percent reduction in support for research and development at universities, and a 2-percent reduction in the total research and development budget.

Their action makes it clear that it is up to us to rectify this problem. The modest investment I propose will take us a long way toward providing the support our brightest minds must have.

It would mark a major new commitment to research and development in our Nation's universities. Its goal is to restore universities to their place as full partners in the pursuit of economic strength. It has five major components which I would like to outline briefly.

First, it would increase budget authority for four key Federal agencies' university R. & D. programs by a total of $131 million.

The National Institutes of Health, the National Science Foundation, the U.S. Department of Agriculture, and the National Aeronautics and Space Administration all have good track records of supporting innovation and the basic research so important to later productivity growth. These investments will take our Nation a long way toward renewing our base of basic knowledge and our ability to compete with the increasingly aggressive efforts of our economic competitors.

Second, the plan would restore a Federal commitment to higher education through a strong program of graduate fellowships in science and engineering.

It would increase the number of new Government fellowships in these fields from a level of 625 proposed by the administration to a total of 1,660 for $47.5 million in 1983 budget authority, and would broaden the program to cover six Federal agencies rather than two. The agencies would select the fields for these 3-year competitive merit-based and portable fellowships.

This proposal would help solve what is becoming a national disgrace. The number of engineering Ph. D.'s granted to Americans declined 27 percent between 1972 and 1980, when basic research in this field is increasingly important to both national security and sustained economic health. We are facing shortages of Ph. D. engineers and other scientists, and Japan, with half our population, was found in a recent study to be graduating more engineers than the United States. Our Nation's engineering undergraduate classrooms are overcrowded, while more than 10 percent of all engineering faculty positions in the United States stand vacant. The lure of the job market is drawing away many of our most talented engineering undergraduates, and yet it is those with advanced degrees in this and other key scientific fields who are likely to make the discoveries which can lead to key productivity increases.

This program would provide an incentive for the most able individuals to stay in the classroom and the laboratory to help advance our pool of scientific knowledge.

Third, the productivity package includes a university instrumentation component, an investment of $300 million of fiscal 1983 budget authority to be shared among six key Federal agencies.

This is a small price to pay for upgrading our obsolete research instruments. A 1980 National Science Foundation report stated that equipment used in our Nation's top-ranked universities had a median age twice that of instruments available to leading industrial research laboratories.

Deteriorating equipment compromises the efficiency of the research which can be accomplished, and means that some students have to be retrained on state-of-the-art equipment when they graduate.

The need for a multiyear catchup program was made clear in testimony by 1981 American Nobel laureates before the House Science and Technology Committee in February.

Stanford University's Dr. Arthur Schawlow said obsolete equipment available to many American scientists means, "some very good young scientists are choosing not to join university faculties * * * because they fear that they will not be able to do any research. The universities need to attract such people for they are the ones who will be, and will educate, the scientists of the future."

Dr. Torsten Wiesel of Harvard Medical School said, "other countries, including Germany, Switzerland, and Japan, show much more willingness to adequately equip their laboratories for basic research."

Their thoughts have been echoed by a variety of other experts. We will face a more severe brain drain from the great basic research centers in our Nation if we do not address the serious problem of outdated research equipment. This proposal will make sure we can get the most for our research dollars and retain our preeminent position in basic research.

Fourth, my proposal includes a provision to rehabilitate aging university laboratories themselves, at a cost of $155 million in budget authority.

Many laboratories are deteriorating to the point where their research functions are being harmed. For more than a decade, the Federal Government has neglected its responsiblity to maintain and upgrade university laboratories where the bulk of federally supported basic research and advanced training are carried out, as a recent report by the Defense Science Board pointed out.

This package would establish a comprehensive multiyear program for research facilities, on a matching basis with industries, State universities and others. The same six Federal agencies would be involved as would carry out the instrumentation program—the National Science Foundation, the Department of Defense, the National Institutes of Health, the Department of Energy, the Department of Agriculture, and the National Aeronautics and Space Administration.

It would go a long way toward correcting what NSF Deputy Director Donald Langenberg described as a problem which has meant the "productivity and efficiency of the Nation's academic research enterprise has already declined and will continue to decline." This is a national security problem crying for a Federal role in its solution.

This entire productivity package will cost $584 million in budget authority in 1983, but would represent among the most important investment we as a Nation could make. The greatest natural resource our Nation possesses is our people. More than ever before, well-trained minds are key to future economic growth and real national security. The deterioration of our research base has been allowed to continue too long already. These investments will help propel our most promising industries toward a new era of innovation and give our Nation a much better chance of maintaining our undisputed role as the idea capital of the world.

Mr. ASPIN. Mr. Chairman, at this time I yield 3 minutes to the gentleman from Tennessee (Mr. GORE).

Mr. GORE. Mr. Chairman, I would say to my colleagues today that we have a difficult task in the balance of this week to pass one of these budget plans. That is our first priority, and I hope we measure up to the task.

We have to pass a budget that works and does the job that the country needs to have done. I have looked at all of these plans very carefully, and I believe strongly that the Aspin-Pritchard coalition budget substitute is by far the best. There are a lot or reasons for that. I think it is mostly because the Members who have put this substitute together have really been sensitive to the ideas and comments that Members of the House have brought to them.

When problems have come up in various committees, many of us have talked with the Members of the coalition and they have said, "I think there is probably a way that we can work that out; yes, this is a problem that needs to be attacked."

There are thoughtful Members of this coalition on both sides of the aisle, and I want to compliment them on the work they have done. They have been both responsive and responsible.

I want to take, in the time I have here, one example of what I am talking about, the problem of hazardous chemical waste disposal.

Every Member in this body is familiar with the problems associated with hazardous chemical waste disposal. We have had a major uproar in this country about this problem in all 50 States. People know what the problem is, and they want America to solve this problem. And this is the only budget substitute that allows us to solve this problem, and I think the reason is that the group of people who have put together this coalition and who have worked out this budget is the only group that has been sensitive to the problem. They are the only ones who have listened when we told them that if we do not allow enough in this budget category to clean up hazardous chemical waste dumps, the job is not going to be done.

This is the only budget that allows for it. The Jones budget does not do it. The Latta budget does not do it.

Now, if you are in favor of facing up to this problem, if you believe, as do 90 percent of the American people, that this problem has gone on too long and that it has got to be solved, then take a look at the relevant budget categories. Take a look at the neglect of hazardous chemical waste disposal and the cleanup of these dumpsites in the Latta budget and in the Jones budget, and then take a look at how the problem is solved in a responsible way under the Aspin-Pritchard substitute.

Again, like so many of the other examples that have been discussed, this too is an instance where we are asking America to invest in the future by avoiding much, much larger expenditures in the years to come.

If we do not clean up these dumpsites and not allow America's ground water resources to be further poisoned and destroyed, then the expenses that will come due in years to come will swamp the minor expenditures that this Aspin-Pritchard substitute makes possible and that the other budgets do not.

So I would urge my colleagues to support the Aspin-Pritchard coalition budget because it is by far the best one that we have pending today.

Mr. ASPIN. I thank the gentleman for his comments.

May I ask of the Chair how much time is remaining?

The CHAIRMAN pro tempore. The gentleman from Wisconsin (Mr. ASPIN) has 1 minute remaining.

Mr. ASPIN. Mr. Chairman, I have one more speaker, but there are a couple of Members who would like to make unanimous-consent requests and ask some questions.

Mr. Chairman, I ask unanimous consent to proceed for 5 more minutes, and I think that will be the end of it. We would not need any more time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ASPIN. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. MINETA). Of all the Members besides the gentleman from California (Mr. PANETTA) and the gentleman from Colorado (Mr. WIRTH) who were most influential on the Democratic side in putting together this coalition, there is one other gentleman who deserves special mention, and that is the gentleman from California (Mr. MINETA). They were the Members who were very, very active in putting this together.

Again, I yield 3 minutes to the gentleman from California (Mr. MINETA).

Mr. MINETA. Mr. Chairman, we now know what the Senate will be bringing to the budget conference table. Therefore, as Members are making decisions on the various budget alternatives currently before the house, it is critical that everyone factor in what the Senate-passed resolution contains.

The Senate-passed resolution proposes a cumulative 3-year deficit of $273 billion. It contains medicare reductions of $18.3 billion over the next 3 years, and reduces other targeted entitlement programs by over $26 billion in that same time period. And it cuts discretionary spending by $28 billion over the next 3 years.

Now, if the House adopts the Michel-Latta substitute, the House will bring to the budget conference a budget resolution which cuts medicare $5 billion more than the Senate-passed resolution.

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It reduces targeted entitlement programs by $9 billion below the Senate-passed resolution, and it decreases discretionary spending by 40 percent more than the Senate-passed resolution. Many of our colleagues who are planning to vote for the Latta substitute may not understand what that substitute really does. The Latta substitute, as an example, in function 500, as it relates to education, assumes a baseline that does not exist and in fact could only exist if the Congress were to enact the 1982 rescissions which were requested by President Reagan, rescissions which have been firmly rejected by this Congress.

Because of what the Senate has done; because of what the Michel-Latta substitute offers us, this Member feels that the House should go into conference with a more centrist budget resolution, a budget which truly reflects a consensus of the views of House Members on both sides of the aisle. For the past several weeks a coalition of Members on both sides of the aisle have been working to fashion such a bipartisan compromise budget. The budget alternatives developed by this bipartisan coalition reduces the 3-year cumulative deficit $20 billion below the deficits in the Senate-passed resolution. It makes necessary reforms in the entitlement programs but assures that the neediest in our society will not bear a disproportionate share of the burden of cutting Federal spending.

It freezes discretionary programs at fiscal year 1982 levels, but provides additional funding for carefully selected programs which the coalition believes are important to the economic and social needs of our society. The budget passed by the House will be critical to the position of this body in the budget conference. I urge you to support the Aspin-Pritchard budget which is the bipartisan coalition budget. This is a frugal budget, this is a fair budget and in the battle of the budget, this is the DMZ.

I would hope that this is the one that passes.

Mr. ASPIN. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts (Mr. MAVROULES).

Mr. MAVROULES. Mr. Chairman, I rise to express my support for the bipartisan coalition budget, offered to the House by Mr. ASPIN and other members of the Budget Committee.

Underlying the specifics of any budget proposal is the elementary question of equity and fairness. For the budget resolution, more than any other piece of legislation we will consider this year, is an index of our national priorities. It expresses our agenda for the country's business, and reflects what we hope to accomplish.

I believe the bipartisan budget is a compromise alternative, which should be acceptable to a majority in this House. For the bipartisan budget meets our responsibility to draft a budget which is, above all else, fair and responsible.

The bipartisan alternative meets the fair and responsible test. It provides for necessary defense spending. It provides for tax cuts. It trims questionable expenditures. And, it has the lowest deficit of the three pending proposals, while taking the necessary steps to ease the hardships created by the present recession to rebuild the Nation's most important resource, its human capital.

The budget submitted in February foundered almost immediately in the Senate. The supply-siders, who originally claimed a $23 billion deficit for 1983, a balanced budget in 1984, and a surplus in 1985, presented the Congress with a proposal with respective deficits of $182 billion, $216 billion, and $233 billion, over the next 3 years.

Now, just a few weeks ago, the President told the U.S. Chamber of Commerce, in reference to his economic plan, "if it ain't broke, don't fix it." Well, I suppose then, that the projected $631 billion in deficits resulting from the February budget, represents part of his supply-side plan.

But, if lowering deficits is the key to restoring confidence on Wall Street, and bringing interest rates down, then the bipartisan budget is essential. Instead of the 3 year, $631 billion deficits of the February proposal, the projected deficits for the bipartisan proposal are $96 billion, dropping to $67.2 billion the following year, and by fiscal year 1985, down to only $31.5 billion.

Yes; under this bipartisan alternative, we can bring budget deficits down while still meeting our responsibility to the disadvantaged and the needy.

Soon, Congress must seriously address potential reforms of our entitlement programs, but at the same time, we cannot ask the neediest of Americans to bear a disproportionate share of the burden of Federal spending cuts.

I would urge my colleagues to support this bipartisan budget. It is fair and it is reasonable.

Many of us have noted that as an insurance policy, just in case things do not work out, the RNC and the National Republican Congressional Committee have sunk $1.7 million into TV ads designed to fix blame for the country's economic problems on the Speaker and the Congress.

Let us put that mentality behind us. Compromises have been required of all of us. We have a proposal which appeals to Members on both sides. It should be adopted by the House immediately.

Mr. ASPIN. Mr. Chairman, I yield 30 seconds to the gentleman from Iowa (Mr. BEDELL).

Mr. BEDELL. Mr. Chairman, I rise to commend those who have worked together on this coalition budget. I wish to especially commend the two colleagues of mine from Iowa who have been involved in this effort. I think the gentleman from Iowa who said this is a national problem, not a partisan problem, states it very well. I am in strong support of this substitute.

Mr. ASPIN. Mr. Chairman, I yield 1 minute to the gentleman from Oregon (Mr. AuCOIN).

Mr. AuCOIN. Mr. Chairman, I appreciate the gentleman yielding to me.

I have a question to pose to the gentleman.

I want to first state how much I respect the work he has done and the work of his colleagues in bringing to the floor his substitute.

My question relates to the emergency housing initiative that the House expressed its support for by a margin of 343-67 about 2 weeks ago. Today, a number of the Members have come up to me to ask, "Are there funds under the gentleman's substitute to accommodate the $1 billion emergency housing production program?"

I have indicated to those colleagues that yes, there are funds for that purpose. It is my understanding that the funds provided in the gentleman's substitute are exactly the same way they are in the Jones substitute. My understanding is that these funds are found under function 920, and the program entitled "employment initiatives." Further, if I understand that the $2 billion figure listed under "employment initiatives" will go in part to housing, $1 billion of it. Are these understandings correct?

Mr. ASPIN. I would like to answer the gentleman. The gentleman is absolutely correct. In this regard, there is no difference between the coalition resolution and the Jones resolution, both of which allow for this initiative which the gentleman has been so influential and so important in bringing to the attention of this body.

Mr. AuCOIN. I appreciate the gentleman's explanation. I think it also ought to be noted, however, that there is a significant difference between these two substitutes and the Latta substitute.

Mr. ASPIN. The gentleman is absolutely correct.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. ASPIN. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Chairman, I thank the gentleman. I want to commend him for the effort he and colleagues on both sides of the aisle have made to fashion a bipartisan approach.

I would like to ask the gentleman from Ohio, Mr. LATTA, a question about his substitute, if he would care to answer it.

He is $641 million below the Jones substitute on the matter of energy supply and energy R. & D. Among other things, this could gut the GCEP, the gaseous centrifuge enrichment program, which is very important not only in my district and Mr. MCEWEN's district, but in Mr. LATTA's district. I am just wondering if he would care to comment on this and explain how he would avoid that catastrophe for the State of Ohio?

Mr. LATTA. I will be glad to reply. Let me say that GCEP is affected in our budget.

Mr. SEIBERLING. The $641 million has to come out of something, and it would probably have to come out of GCEP, or the Clinch River breeder reactor, and probably both.

The CHAIRMAN pro tempore. The time of the gentleman from Ohio has expired.

All time has expired.

Mr. ASPIN. Mr. Chairman, let me ask for 1 minute additional to give the gentleman from Ohio (Mr. LATTA) a chance to respond to the question of the gentleman from Ohio (Mr. SEIBERLING).

Mr. LATTA. Let me say that under our proposal the revenues are generated to pay for the program under the uranium enrichment program, so it would not have to show up in the budget.

Mr. SEIBERLING. If the gentleman will yield, the Latta proposal also has $670 million less for NASA, which puts at risk the Lewis Research Center, also in Ohio. I wonder if the gentleman can tell me how he avoids that catastrophe.

Mr. ASPIN. I would ask for additional time, Mr. Chairman, but I do not think it is going to do much good.

Mr. LATTA. We have a book about 2 inches thick—containing a breakdown on all of these programs and it takes the staff at least a couple of seconds to turn to program or programs in which Members may be interested.

Mr. ASPIN. Mr. Chairman, I yield back the balance of my time.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OKLAHOMA

Mr. JONES of Oklahoma. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. JONES of Oklahoma: strike out all after the resolving clause and insert in lieu thereof the following:

TITLE I—REVISION OF THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEAR 1982

SEC. 101. The provisions of this title shall supersede the figures reaffirmed in S. Con. Res. 50 of the Ninety-seventh Congress for the fiscal year beginning on October 1, 1981.

SEC. 102. (a)(1) The level of Federal revenues is $622,800,000,000 and the net amount by which the aggregate level of Federal revenues should be decreased is $200,000,000.

(2) The level of total new budget authority is $784,500,000,000.

(3) The level of total budget outlays is $743,900,000,000.

(4) The amount of the deficit in the budget is $121,100,000,000.

(5) The level of the public debt is $1,147,700,000,000 and the amount by which the statutory limit on such debt should accordingly be increased is $747,700,000,000.

(6) The level of total obligations for the principal amount of new direct loans is $63,400,000,000, the level of total new primary commitments to guarantee loan principal is $74,850,000,000, and the level of total new secondary commitments to guarantee loan principal is $68,950,000,000.

(b) Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of subsection (a) of this section of this resolution, the Congress hereby determines and declares that, for the fiscal year beginning on October 1, 1981, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $218,200,000,000;

(B) Outlays, $190,800,000,000.

(2) International Affairs (150):

(A) New budget authority, $16,750,000,000;

(B) Outlays, $11,450,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $7,000,000,000;

(B) Outlays, $7,000,000,000.

(4) Energy (270):

(A) New budget authority, $4,750,000,000;

(B) Outlays, $6,500,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority, $10,400,000,000;

(B) Outlays, $12,850,000,000.

(6) Agriculture (350):

(A) New budget authority, $9,900,000,000;

(B) Outlays, $13,800,000,000.

(7) Commerce and Housing Credit (370):

(A) New budget authority, $7,500,000,000;

(B) Outlays, $3,750,000,000.

(8) Transportation (400):

(A) New budget authority, $21,350,000,000;

(B) Outlays, $21,450,000,000.

(9) Community and Regional Development (450):

(A) New budget authority, $7,000,000,000;

(B) Outlays, $8,650,000,000.

(10) Education, Training, Employment and Social Services (500):

(A) New budget authority, $25,450,000,000;

(B) Outlays, $28,200,000,000.

(11) Health (550):

(A) New budget authority, $79,050,000,000;

(B) Outlays, $73,750,000,000.

(12) Income Security (600):

(A) New budget authority, $261,350,000,000;

(B) Outlays, $251,850,000,000.

(13) Veterans Benefits and Services (700):

(A) New budget authority, $24,800,000,000;

(B) Outlays, $23,800,000,000.

(14) Administration of Justice (750):

(A) New budget authority, $4,500,000,000;

(B) Outlays, $4,650,000,000.

(15) General Government (800):

(A) New budget authority, $5,200,000,000;

(B) Outlays, $5,050,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New budget authority, $6,350,000,000;

(B) Outlays, $6,350,000,000.

(17) Interest (900):

(A) New budget authority, $102,350,000,000;

(B) Outlays, $102,350,000,000.

(18) Allowances (920):

(A) New budget authority, $2,850,000,000;

(B) Outlays, $1,900,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, -$30,250,000,000;

(B) Outlays, -$30,250,000,000.

SEC. 103. (a) There is established a congressional Federal credit budget for fiscal year 1982 of which the levels of total Federal credit activity for fiscal year 1982 are:

(1) New direct loan obligations, $63,400,000,000.

(2) New primary loan guarantee commitments, $74,850,000,000.

(3) New secondary loan guarantee commitments, $68,950,000,000.

(b) Based on allocations of the appropriate levels of total Federal credit activity as set forth in paragraph (1) of this subsection, the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for each functional category are as follows:

(1) National Defense (050):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

(A) New direct loan obligations, $10,400,000,000;

(B) New primary loan guarantee commitments, $8,100,000,000;

(C) New secondary loan guarantee commitments, $0.

(3) General Science, Space and Technology (250):

(A) New direct loan obligations, $200,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(4) Energy (270):

(A) New direct loan obligations, $10,300,000,000;

(B) New primary loan guarantee commitments, $400,000,000;

(C) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):

(A) New direct loan obligations, $22,600,000,000;

(B) New primary loan guarantee commitments, $2,700,000,000;

(C) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):

(A) New direct loan obligations, $12,050,000,000;

(B) New primary loan guarantee commitments, $26,200,000,000;

(C) New secondary loan guarantee commitments, $68,200,000,000.

(8) Transportation (400):

(A) New direct loan obligations, $350,000,000;

(B) New primary loan guarantee commitments, $750,000,000;

(C) New secondary loan guarantee commitments, $50,000,000.

(9) Community and Regional Development (450):

(A) New direct loan obligations, $2,000,000,000;

(B) New primary loan guarantee commitments, $850,000,000;

(C) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment, and Social Services (500):

(A) New direct loan obligations, $1,300,000,000;

(B) New primary loan guarantee commitments, $6,500,000,000;

(C) New secondary loan guarantee commitments, $700,000,000.

(11) Health (550):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $100,000,000;

(C) New secondary loan guarantee commitments, $0.

(12) Income Security (600):

(A) New direct loan obligations, $2,750,000,000;

(B) New primary loan guarantee commitments, $17,050,000,000;

(C) New secondary loan guarantee commitments, $0.

(13) Veterans Benefits and Services (700):

(A) New direct loan obligations, $1,050,000,000;

(B) New primary loan guarantee commitments, $11,900,000,000;

(C) New secondary loan guarantee commitments, $0.

(14) Administration of Justice (750):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(15) General Government (800):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(16) General Purpose Fiscal Assistance (850):

(A) New direct loan obligations, $250,000,000;

(B) New primary loan guarantee commitments, $300,000,000;

(C) New secondary loan guarantee commitments, $0.

(17) Interest (900):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0;

(18) Allowances (920):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0;

(19) Undistributed Offsetting Receipts (950):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0;

(c) It is the sense of the Congress that the President and the Congress, through the appropriations process, should limit in fiscal year 1982 the off-budget lending activity of the Federal Government to a level not to exceed $30,200,000,000, the on-budget lending activity to a level not to exceed $33,200,000,000, new primary loan guarantee commitments to a level not to exceed $74,850,000,000, and new secondary loan guarantee commitments to a level not to exceed $68,950,000,000.

TITLE II—SETTING FORTH THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEARS 1983, 1984, AND 1985

Sec. 201. The Congress hereby determines and declares, pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1982—

(1) the level of Federal revenues is $676,700,000,000, and the net amount by which the aggregate level of Federal revenues should be increased is $31,700,000,000.

(2) the level of total new budget authority is $828,000,000,000.

(3) the level of total budget outlays is $780,550,000,000.

(4) the amount of the deficit in the budget is $103,850,000,000, and

(5) the level of the public debt is $1,285,550,000,000, and the amount by which the statutory limit on such debt should accordingly be increased is $885,550,000,000.

Sec. 202. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of section 201 of this resolution, the Congress hereby determines and declares pursuant to section 301(a) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1982, the appropriate level of new budget authority and the estimated budget outlays for each mayor functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $242,850,000,000;

(B) Outlays, $212,300,000,000.

(2) International Affairs (150):

(A) New budget authority, $16,150,000,000;

(B) Outlays, $12,100,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $7,750,000,000;

(B) Outlays, $7,600,000,000.

(4) Energy (270):

(A) New budget authority, $5,300,000,000;

(B) Outlays, $5,000,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority, $9,400,000,000;

(B) Outlays, $10,850,000,000.

(6) Agriculture (350):

(A) New budget authority, $6,900,000,000;

(B) Outlays, $10,100,000,000.

(7) Commerce and Housing Credit (370):

(A) New budget authority, $8,050,000,000;

(B) Outlays, $3,050,000,000.

(8) Transportation (400):

(A) New budget authority, $22,300,000,000;

(B) Outlays, $20,400,000,000.

(9) Community and Regional Development (450):

(A) New budget authority, $7,000,000,000;

(B) Outlays, $7,900,000,000.

(10) Education, Training, Employment, and Social Services (500):

(A) New budget authority, $27,550,000,000;

(B) Outlays, $27,450,000,000.

(11) Health (550):

(A) New budget authority, $77,300,000,000;

(B) Outlays, $80,100,000,000.

(12) Income Security (600):

(A) New budget authority, $286,950,000,000;

(B) Outlays, $273,800,000,000.

(13) Veterans' Benefits and Services (700):

(A) New budget authority, $24,100,000,000;

(B) Outlays, $23,400,000,000.

(14) Administration of Justice (750):

(A) New budget authority, $4,600,000,000;

(B) Outlays, $4,650,000,000.

(15) General Government (800):

(A) New budget authority, $5,000,000,000;

(B) Outlays, $4,850,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New budget authority, $6,500,000,000;

(B) Outlays, $6,500,000,000.

(17) Interest (900):

(A) New budget authority, $115,000,000,000;

(B) Outlays, $115,000,000,000.

(18) Allowances (920):

(A) New budget authority, $1,050,000,000;

(B) Outlays, $850,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, $43,650,000,000;

(B) Outlays, 43,650,000,000.

Sec. 203(a). There is established a congressional Federal credit budget for fiscal year 1983 of which the levels of total Federal credit activity for fiscal year 1983 are:

(1) New direct loan obligations, $60,900,000,000.

(2) New primary loan guarantee commitments, $99,100,000,000.

(3) New secondary loan guarantee commitments, $68,250,000,000.

(b) Based on allocations of the appropriate levels of total Federal credit activity as set forth in paragraph (1) of this subsection, the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for each functional category are as follows:

(1) National Defense (050):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

(A) New direct loan obligations, $10,850,000,000;

(B) New primary loan guarantee commitments, $8,950,000,000;

(C) New secondary loan guarantee commitments, $0.

(3) General Science, Space, and Technology (250):

(A) New direct loan obligations, $150,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitment, $0.

(4) Energy (270):

(A) New direct loan obligations, $11,950,000,000;

(B) New primary loan guarantee commitments, $850,000,000;

(C) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):

(A) New direct loan obligations, $19,150,000,000;

(B) New primary loan guarantee commitments, $2,650,000,000;

(C) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):

(A) New direct loan obligations, $12,150,000,000;

(B) New primary loan guarantee commitments, $40,100,000,000;

(C) New secondary loan guarantee commitments, $68,250,000,000.

(8) Transportation (400):

(A) New direct loan obligations, $350,000,000;

(B) New primary loan guarantee commitments, $750,000,000;

(C) New secondary loan guarantee commitments, $0.

(9) Community and Regional Development (450):

(A) New direct loan obligations, $1,950,000,000;

(B) New primary loan guarantee commitments, $500,000,000;

(C) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment, and Social Services (500):

(A) New direct loan obligations, $850,000,000;

(B) New primary loan guarantee commitments, $7,250,000,000;

(C) New secondary loan guarantee commitments, $0;

(11) Health (550):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $100,000,000;

(C) New secondary loan guarantee commitments, $0.

(12) Income Security (600):

(A) New direct loan obligations, $2,050,000,000;

(B) New primary loan guarantee commitments, $18,700,000,000;

(C) New secondary loan guarantee commitments, $0.

(13) Veterans Benefits and Services (700):

(A) New direct loan obligations, $1,050,000,000;

(B) New primary loan guarantee commitments, $20,950,000,000;

(C) New secondary loan guarantee commitments, $0.

(14) Administration of Justice (750):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(15) General Government (800):

(A) New direct loan obligations, $50,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(16) General Purpose Fiscal Assistance (850):

(A) New direct loan obligations, $250,000,000;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(17) Interest (900):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee, commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(18) Allowances (920):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee, commitments, $0;

(C) New secondary loan guarantee commitments $0.

(19) Undistributed Offsetting Receipts (950):

(A) New direct loan obligations, $0;

(B) New primary loan guarantee commitments, $0;

(C) New secondary loan guarantee commitments, $0.

(c) It is the sense of the Congress that the President and the Congress, through the appropriations process, should limit in fiscal year 1983 the off-budget lending activity of the Federal Government to a level not to exceed $31,050,000,000, the on-budget lending activity to a level not to exceed $29,850,000,000, new primary loan guarantee commitments to a level not to exceed $99,100,000,000, and new secondary loan guarantee commitments to a level not to exceed $68,250,000,000.

SEC. 204. The Congress sets forth the following budgetary levels for fiscal years 1984 and 1985—

(1) the level of Federal revenues is as follows:

Fiscal year 1984: $753,650,000,000;
Fiscal year 1985: $846,550,000,000;

and the amount by which the aggregate levels of Federal revenues should be increased is as follows:

Fiscal year 1984: $51,650,000,000;
Fiscal year 1985: $66,550,000,000;

(2) the level of total new budget authority is as follows:

Fiscal year 1984: $888,400,000,000;
Fiscal year 1985: $852,850,000,000;

(3) the level of total budget outlays is as follows:

Fiscal year 1984: $826,400,000,000;
Fiscal year 1985: $881,200,000,000;

(4) the amount of the deficit in the budget is:

Fiscal year 1984: $72,750,000,000;
Fiscal year 1985: $34,650,000,000;

(5) the level of the public debt is as follows:

Fiscal year 1984: $1,404,450,000,000;
Fiscal year 1985: $1,490,800,000,000;

and the amount of which the statutory limit on such debt should be accordingly increased is as follows:

Fiscal year 1984: $1,004,450,000,000
Fiscal year 1985: $1,090,800,000,000;

SEC. 205. Based on allocations of the appropriate level of total new budget authority and of total budget outlays for fiscal years 1984 and 1985 as set forth above, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are respectively as follows:

(1) National Defense (050):

Fiscal year 1984:

(A) New budget authority, $268,150,000,000;

(B) Outlays, $235,350,000,000.

Fiscal year 1985:

(A) New budget authority $295,950,000,000;

(B) Outlays, $265,950,000,000.

(2) International Affairs (150):

Fiscal year 1984:

(A) New budget authority, $16,800,000,000;

(B) Outlays $12,300,000,000.

Fiscal year 1985:

(A) New budget authority, $21,200,000,000;

(B) Outlays, $12,300,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1984:

(A) New budget authority, $7,750,000,000;

(B) Outlays, $7,750,000,000.

Fiscal year 1985:

(A) New budget authority, $7,600,000,000;

(B) Outlays, $7,600,000,000.

(4) Energy (270):

Fiscal year 1984:

(A) New budget authority, $4,700,000,000;

(B) Outlays, $4,050,000,000.

Fiscal year 1985:

(A) New budget authority, $4,650,000,000;

(B) Outlays, $3,850,000,000.

(5) Natural Resources and Environment (300):

Fiscal year 1984:

(A) New budget authority, $8,750,000,000;

(B) Outlays, $9,850,000,000.

Fiscal year 1985:

(A) New budget authority, $8,350,000,000;

(B) Outlays, $8,850,000,000.

(6) Agriculture (350):

Fiscal year 1984:

(A) New budget authority, $8,400,000,000;

(B) Outlays, $8,250,000,000.

Fiscal year 1985:

(A) New budget authority, $6,850,000,000;

(B) Outlays, $7,500,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1984:

(A) New budget authority, $8,650,000,000;

(B) Outlays, $2,750,000,000.

Fiscal year 1985:

(A) New budget authority, $8,350,000,000;

(B) Outlays, $2,600,000,000.

(8) Transportation (400):

Fiscal year 1984:

(A) New budget authority, $22,400,000,000;

(B) Outlays, $20,050,000,000.

Fiscal year 1985:

(A) New budget authority, $22,950,000,000;

(B) Outlays, $20,250,000,000.

(9) Community and Regional Development (450):

Fiscal year 1984:

(A) New budget authority, $7,150,000,000;

(B) Outlays, $7,600,000,000.

Fiscal year 1985:

(A) New budget authority, $7,350,000,000;

(B) Outlays, $7,700,000,000.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1984:

(A) New budget authority, $28,250,000,000;

(B) Outlays, $28,000,000,000.

Fiscal year 1985:

(A) New budget authority, $28,300,000,000;

(B) Outlays, $28,200,000,000.

(11) Health (550):

Fiscal year 1984:

(A) New budget authority, $81,700,000,000;

(B) Outlays, $89,650,000,000.

Fiscal year 1985:

(A) New budget authority, $94,100,000,000;

(B) Outlays, $101,250,000,000.

(12 Income Security (600):

Fiscal year 1984:

(A) New budget authority, $314,500,000,000;

(B) Outlays, $290,050,000,000.

Fiscal year 1985:

(A) New budget authority, $344,550,000,000;

(B) Outlays, $312,400,000,000.

(13) Veterans Benefits and Services (700):

Fiscal year 1984:

(A) New budget authority, $25,150,000,000;

(B) Outlays, $24,550,000,000.

Fiscal year 1985:

(A) New budget authority, $26,000,000,000;

(B) Outlays, $25,900,000,000.

(14) Administration of Justice (750):

Fiscal year 1984:

(A) New budget authority, $4,600,000,000;

(B) Outlays, $4,600,000,000.

Fiscal year 1985:

(A) New budget authority, $4,600,000,000;

(B) Outlays, $4,600,000,000.

(15) General Government (800):

Fiscal year 1984:

(A) New budget authority, $4,700,000,000;

(B) Outlays, $4,600,000,000.

Fiscal year 1985:

(A) New budget authority, $4,700,000,000;

(B) Outlays, $4,500,000,000.

(16) General Purpose Fiscal Assistance (850):

Fiscal year 1984:

(A) New budget authority, $6,750,000,000.

(B) Outlays, $6,700,000,000.

Fiscal year 1985:

(A) New budget authority, $6,850,000,000;

(B) Outlays, $6,850,000,000.

(17) Interest (900):

Fiscal year 1984:

(A) New budget authority, $119,300,000,000;

(B) Outlays, $119,300,000,000.

Fiscal year 1985:

(A) New budget authority, $110,850,000,000;

(B) Outlays, $110,850,000,000.

(18) Allowances (920):

Fiscal year 1984:

(A) New budget authority, $200,000,000;

(B) Outlays, $500,000,000.

Fiscal year 1985:

(A) New budget authority, $500,000,000;

(B) Outlays, $900,000,000.

(19) Undistributed Offsetting Receipts (950):

Fiscal year 1984:

(A) New budget authority, $49,500,000,000;

(B) Outlays, $49,500,000,000.

Fiscal year 1985:

(A) New budget authority, $50,850,000,000;

(B) Outlays, $50,850,000,000.

TITLE III—PROVIDING RECONCILIATION INSTRUCTIONS AND OTHER ENFORCEMENT MEASURES

PART A—RECONCILIATION INSTRUCTIONS

SEC. 301. Pursuant to section 301(b)(2) of the Budget Act—

(A) the House Committee on Agriculture shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $207,000,000 and outlays by $207,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $530,000,000 in budget authority and $530,000,000 in outlays in fiscal year 1984, and $661,000,000 in budget authority and $661,000,000 in outlays in fiscal year 1985;

(B) the House Committee on Armed Services shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $212,000,000 and outlays by $212,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $691,000,000 in budget authority and $691,000,000 in outlays in fiscal year 1984, and $1,228,000,000 in budget authority and $1,228,000,000 in outlays in fiscal year 1985;

(C) the House Committee on Banking, Finance, and Urban Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce outlays by $695,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $697,000,000 in outlays in fiscal year 1984, and $687,000,000 in outlays in fiscal year 1985;

(D) the House Committee on Education and Labor shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $73,000,000 and outlays by $73,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $101,000,000 in budget authority and $101,000,000 in outlays in fiscal year 1984, and $97,000,000 in budget authority and $97,000,000 in outlays in fiscal year 1985;

(E) the House Committee on Energy and Commerce shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $60,000,000 and outlays by $60,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $68,000,000 in budget authority and $68,000,000 in outlays in fiscal year 1984, and $77,000,000 in budget authority and $77,000,000 in outlays in fiscal year 1985;

(F) the House Committee on Foreign Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce outlays by $3,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $2,000,000 in budget authority and $8,000,000 in outlays in fiscal year 1984, and $4,000,000 in budget authority and $15,000,000 in outlays in fiscal year 1985;

(G) the House Committee on Merchant Marine and Fisheries shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $4,000,000 and outlays by $4,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additioal savings of $15,000,000 in budget authority and $15,000,000 in outlays in fiscal year 1984, and $27,000,000 in budget authority and $27,000,000 in outlays in fiscal year 1985;

(H) the House Committee on Post Office and Civil Service shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $0 and outlays by $273,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $242,000,000 in budget authority and $925,000,000 in outlays in fiscal year 1984, and $538,000,000 in budget authority and $1,648,000,000 in outlays in fiscal year 1985;

(I) the House Committee on Veterans' Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce the budget authority by $171,000,000 and outlays by $171,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $187,000,000 in budget authority and $187,000,000 in outlays in fiscal year 1984, and $195,000,000 in budget authority and $195,000,000 in outlays in fiscal year 1985;

(J) the House Committee on Ways and Means shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce the budget authority by $334,000,000 and outlays by $2,489,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of $205,000,000 in budget authority and $3,576,000,000 in outlays in fiscal year 1984, and $267,000,000 in budget authority and $4,160,000,000 in outlays in fiscal year 1985; and

(K) the House Committee on Ways and Means shall report changes in laws within the jurisdiction of the committee sufficient to increase revenue by $31,700,000,000 for fiscal year 1983; further, the Congress finds that the prospect of unacceptably high deficits in future years requires additional revenues of $51,650,000,000 for fiscal year 1984, and $66,550,000,000 for fiscal year 1985.

SEC. 302. Pursuant to section 301(b)(2) of the Budget Act—

(A) the Senate Committee on Finance shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $393,000,000 and outlays by $2,548,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $270,000,000 in budget authority and $3,641,000,000 in outlays for fiscal year 1984, and $339,000,000 in budget authority and $4,232,000,000 in outlays in fiscal year 1985;

(B) the Senate Committee on Finance shall report changes in laws within the jurisdiction of that committee sufficient to increase revenues by $31,700,000,000 for fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional revenues of $51,650,000,000 for fiscal year 1984, and $66,550,000,000 in fiscal year 1985;

(C) the Senate Committee on Agriculture, Nutrition, and Forestry shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $207,000,000 and outlays by $207,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $530,000,000 in budget authority and $530,000,000 in outlays for fiscal year 1984, and $661,000,000 in budget authority and $661,000,000 in outlays in fiscal year 1985;

(D) the Senate Committee on Armed Services shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $213,000,000 and outlays by $213,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptable high budget deficits in future years requires additional savings of $694,000,000 in budget authority and $694,000,000 in outlays for fiscal year 1984, and $1,232,000,000 in budget authority and $1,232,000,000 in outlays in fiscal year 1985;

(E) the Senate Committee on Banking, Housing, and Urban Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $90,000,000 and outlays by $785,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $100,000,000 in budget authority and $797,000,000 in outlays for fiscal year 1984, and $104,000,000 in budget authority and $791,000,000 in outlays in fiscal year 1985;

(F) the Senate Committee on Commerce, Science, and Transportation shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $4,000,000 and outlays by $4,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $15,000,000 in budget authority and $15,000,000 in outlays for fiscal year 1984, and $27,000,000 in budget authority and $27,000,000 in outlays in fiscal year 1985;

(G) the Senate Committee on Foreign Relations shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce outlays by $3,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $2,000,000 in budget authority and $8,000,000 in outlays for fiscal year 1984, and $4,000,000 in budget authority and $15,000,000 in outlays in fiscal year 1985;

(H) the Senate Committee on Governmental Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce outlays by $270,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $240,000,000 in budget authority and $917,000,000 in outlays for fiscal year 1984, and $534,000,000 in budget authority and $1,633,000,000 in outlays in fiscal year 1985; and

(I) the Senate Committee on Labor and Human Resources shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $73,000,000 and outlays by $73,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $101,000,000 in budget authority and $101,000,000 in outlays for fiscal year 1984, and $97,000,000 in budget authority and $97,000,000 in outlays in fiscal year 1985.

(J) the Senate Committee on Veterans' Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by $61,000,000 and outlays by $81,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of $87,000,000 in budget authority and $87,000,000 in outlays in fiscal year 1984, and $91,000,000 in budget authority and $91,000,000 in outlays in fiscal year 1985.

Sec. 303. The committees named in sections 301(A)-(I) and 302(C)-(J) shall submit their recommendations to the Committee on the Budget of their respective Houses. Those recommendations shall be sufficient to accomplish the changes required by such subsection. After receiving those recommendations, the Committees on the Budget shall report to the House and Senate a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

DEFERRED ENROLLMENT

Sec. 304. In the House of Representatives, no bill or resolution providing—

(1) new budget authority for fiscal year 1983, or

(2) new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act first effective in fiscal year 1983—which exceeds the appropriate allocation or subdivision of such new discretionary budget authority or new spending authority made pursuant to section 302 of such Act shall be enrolled until after Congress has completed action on the second concurrent resolution on the budget required to be reported under section 310 of such Act.

302(B) REPORT

Sec. 305. It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution, or amendment thereto, providing—

(1) new budget authority for fiscal year 1983; or

(2) new spending authority described in section 401(c)(2)(C) of the Budget Act first effective in fiscal year 1983:

within the jurisdiction of any of its committees unless and until such committee makes the allocations or subdivisions required by section 302(b) of the Budget Act.

Sec. 306. It is the sense of the Congress that if Congress acts to restore fiscal responsibility and reduces projected budget deficits in a substantial and permanent way, then the Federal Reserve Open Market Committee shall reevaluate its monetary targets in order to assure that they are fully complementary to a new and more restrained fiscal policy.

Mr. JONES of Oklahoma (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the Record.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. JONES of Oklahoma. Mr. Chairman, I am going to ask unanimous consent for an extension of the 5 minutes of time, and I have not figured out how much yet. We hope to complete this budget resolution this week. I think it is terribly important that we do that. So far the substitute that has taken the least amount of time in debate has received the most amount of votes, and the substitute that has taken the most amount of time in debate has received the least amount of votes, so with regard to that, I am going to ask unanimous consent for 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma (Mr. Jones) for 30 minutes.

□ 1540

Mr. PEPPER. Mr. Chairman, may I ask the gentleman, is there any likelihood that we will be in session on this matter as late as Thursday or through Thursday?

Mr. JONES of Oklahoma. Mr. Chairman, there is a possibility we will be on this as late as Thursday. In discussing this with some of the leadership, we learned that it could go to Friday if the progress on the amendments to the three substitutes is not speedy. I would hope that the body would be able to keep the amendments moving along.

We are going to work as late as we possibly can tonight. I would like to finish this tomorrow, but I feel surely that we will be here Thursday and possibly Friday.

Mr. PEPPER. Mr. Chairman, I thank the gentleman.

Mr. JONES of Oklahoma. Mr. Chairman, the issue before us concerns the final three substitutes, and I would like to highlight some of the differences between those substitutes.

In the first place let me state that the Aspin substitute is very, very close to the committee resolution, or what is known as the Jones substitute. It has been developed over the last few weeks, as has been pointed out by some in both parties, in consultation with the chairman of the Budget Committee, and it is so close to the Budget Committee resolution that there really is very little difference.

There are two or three differences, however, that may be the key to some Members. One is the fact that in discretionary spending, the Aspin substitute cuts more than the committee resolution, and in entitlement programs the Aspin substitute cuts a little more than the Jones substitute. In defense spending the Aspin substitute cuts a little bit more than the Jones substitute. But for all intents and purposes, those who vote for the Aspin substitute could vote for the committee resolution because the Aspin substitute has been worked out in consultation and is virtually the same except in those instances I mentioned.

The real debate and the real issue today is between the committee resolution, or what is known as the Jones substitute, and the Republican substitute, which goes by the name of the Michel-Latta substitute. Here there are some significant differences. But first of all, let me mention the similarity between the proposals, and that is in the size of the deficits. The deficits under both of these substitutes are virtually the same.

On the same calculations that I think the gentleman from Ohio (Mr. LATTA) and I would agree upon the deficit in both substitutes would be about $103 billion. The CBO in contrast, places that deficit in both substitutes at about $110 billion. In any event, the deficits are roughly the same in both the Michel-Latta substitute and the Jones substitute.

There is one key difference in the Jones substitute or the committee resolution that I think is important. It adds language dealing with monetary policy. We urge the Federal Reserve System to recognize that if adopt a tighter fiscal policy, then Fed policy or monetary policy can ease up somewhat to allow for real economic growth in the 4-percent range. That will in fact help the economy. Over the past year, the administration's budget has not been workable because it has monetary and fiscal policy clashing up against each other rather than meshing and trying to work in harmony for the growth of the economy. That clash of a stimulative, runaway fiscal policy bumping up against a very restrictive monetary policy has had the effect of driving interest rates up to record levels, and will keep those interest rates at record levels until we change the mix of monetary and fiscal policy. We try to accomplish that change of policy mix in the committee resolution.

Before getting into the 1983 differences between the Republicans substitute and the committee resolution, let me say that one of the major differences between the two substitutes deals with fiscal year 1982. In that respect I should point out that the Latta substitute for fiscal year 1982—which cannot be amended for the fiscal year 1982 budget—is below the current 1982 spending by $7 billion in budget authority and $6 billion in outlays. That means that there can be no further spending for any program in 1982 if the Latta substitute prevails and is put into effect.

There cannot be enough spending for the pending urgent supplemental appropriations bill, and when it comes back from conference, it will be subject to a point of order.

For instance, there is not enough for the defense supplemental which has already been requested by the President. There is not enough for disaster assistance; it is short by $300 million. And, I think most important of all, there is not enough money in the Latta substitute to accommodate the $1 billion emergency housing bill which passed this House by an overwhelming majority just a few days ago. I think that fact is very clear; there is no dispute about that.

So if you are interested in pursuing the $1 billion housing program that passed the House just a few days ago, if you are interested in the disaster assistance that is inevitably going to come due, or if you are interested in the extension of unemployment benefits, you should know that those urgent matters cannot be accommodated in the Latta Republican substitute. I repeat, there is no way these programs can be accommodated in the Latta substitute, but they can be accommodated in the Jones substitute or the committee resolution. I think that is terribly important for our Members to understand, and it is a basic fundamental difference.

The Latta substitute also assumes, as the President's budget does, all of the rescissions which have already been rejected by the Congress, and the money withheld under those rejected rescissions was released in April.

If the Latta substitute should prevail all the way through the process, this is what the Members who vote for the Latta substitute are telling their States and their districts they are willing to support. They are saying that a majority in Congress is willing to go back this year, between now and October, and take $411 million from compensatory education, take $259 million from handicapped education, take $350 million from rehabilitation services, take $106 million from vocational education, and take $135 million from Pell grants and work study programs—programs with people behind the cold numbers, and programs where people will be applying for funds this fall.

That is in the Latta budget, and we should make no mistake about it. You will not be accurate if you tell your constituents that you are for housing and vote for the $1 billion housing program, or the Pell grants, or these other items, because they are simply not accommodated in the Latta budget. That is a stark difference between the Latta substitute and the Jones substitute. Those programs cannot be accommodated; there is no amendment pending to accommodate them.

Now, let us move to fiscal year 1983. In the first place, the gentleman from Ohio (Mr. LATTA) made the statement in discussing his substitute that there will be $39.8 billion more in spending in fiscal year 1983 than in fiscal year 1982, and the gentleman's statement is correct as far as it goes. What he does not tell us is that all that spending increase is in two areas: First, in military expenditures, there is a $26.65 billion increase from 1983 over 1982. Second, there is an interest cost of $13.6 billion. Just in military and interest costs the Latta substitute grows by over $40 billion. And that means there is an actual cut in other programs.

We will get into those programs in just a minute, but the fact is that all of the increase in the Latta budget occurs in military expenditures and in interest rates.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, the gentleman is making a totally false statement. I have to say that, and I am sorry to have to say it.

I read a whole list of programs where there are increases. The gentleman is just adding up the increases for defense, and he is saying that that amount, plus the interest, equals 39.6. He can arrive at that figure any way he wants, but let us not state that we are not having increases in other programs, because we are.

Mr. JONES of Oklahoma. Mr. Chairman, I will take my time back to clarify the point.

I am not using my figures; I am using the CBO figures. As far as the add-backs the gentleman talked about in domestic programs, those are add-backs from a base that is below the 1982 program level. The fact is that those add-backs still in many instances leave programs below the 1982 figures. I will get into the details in just a minute.

There are essentially four areas in which the two substitutes differ, and I think we can pretty well define the argument through those four areas.

☐ 1550

In entitlement programs we start from a Congressional Budget Office current policy baseline—what I call the automatic pilot theory of Government. That takes the Government as it existed in January 1982 and adjusts for inflation.

From that baseline, the Latta substitute would cut $6.9 billion from entitlement programs. The Jones substitute, from that baseline, would cut slightly under $3 billion, a $4 billion difference in entitlement program cuts.

I think it should be pointed out that in those entitlement programs the major difference between the Latta substitute and the Jones substitute occurs in medicare. The Jones substitute clearly cuts those programs that do not affect the direct benefits of medicare beneficiaries, our elderly citizens. The Latta substitute cuts medicare even more than the other body does. The Latta substitute cuts medicare from that baseline by $4.85 billion, according to the Congressional Budget Office.

The Latta substitute assumes $12.3 billion over the next 3 years by expansion of existing regulations limiting hospital reimbursements. They claim these savings will come entirely from hospitals and doctors.

The fact is that this just is not going to happen. Nobody expects the savings in hospital cost containment to be as great as the gentleman from Ohio says it will be.

The Senate Finance Committee estimates that such savings could total only $2.25 billion. Even after adding other hospital reform measures, there is nothing approaching the $12.3 billion in savings assumed in the substitute.

That means there is only one place where savings of that magnitude in medicare can occur. That is directly out of the pockets of the elderly citizens who are having to purchase health care over the next 3 years.

For example, the estimate of the committee is that 70 percent of the total savings in medicare in the Latta substitute will have to come in the form of higher medicare insurance premiums, additional out-of-pocket physician and hospital payments, and payments for home health care and other direct out-of-pocket costs.

If an elderly patient under the Latta substitute was in a modest-cost hospital for 2 weeks he or she would have to pay $534 in 1983, roughly double the present out-of-pocket rate, and up to $851 in 1985.

I commend to my colleagues a letter dated May 21 sent out by the chairman of the Ways and Means Committee, the gentleman from Illinois (Mr. ROSTENKOWSKI). In that letter he points out the devastating effect of the medicare cuts under the Republican substitute.

As he points out in the letter, it will be a struggle for the Ways and Means Committee to cut the $2.1 billion called for in the committee resolution. To get more than that is going to be very difficult. He points out that next year under the Latta substitute a beneficiary who is hospitalized for 20 days would have to pay over $650 in out-of-pocket expenses, more than double the current burden. If he were unfortunate enough to be hospitalized for 2 months his liability would exceed $1,300, or four times what elderly patients now pay.

Chairman ROSTENKOWSKI writes that the cost containment assumed in the Latta substitute simply does not exist. The Latta substitute savings are even greater than the savings proposed by the Carter administration for cost containment, and virtually all of the people on the other side of the aisle turned that recommendation down.

I might point out that the Rostenkowski letter also deals with SSI in the Latta substitute and notes that the recipients receiving supplemental security income with other income would have their benefits reduced an average of $240 a year. This would be done through the elimination of the income disregard for SSI recipients who receive social security.

This would actually cut the benefits of the poorest of the elderly poor, those who are eligible to receive SSI benefits.

So a clear difference exists between the Latta substitute and the committee resolution with regard to entitlements.

Over $4 billion more in cuts in 1983 will occur in entitlement programs under the Latta substitute, and most of those additional cuts will come directly out of the pockets of the elderly.

A second major difference between the two substitutes is in the discretionary domestic program area. The Latta substitute cuts $7.2 billion, again greater cuts than occur in the package coming out of the other body. That compares to $3.1 billion in cuts in discretionary domestic programs in the committee resolution.

In taxes there is a difference in the revenues to be raised, and this is the third major difference between the two substitutes.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. I am happy to yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. The gentleman said that the discretionary Latta was $7.2 in cuts and his is $3.1. That is the precise same figures as in the entitlement programs; is that correct?

Mr. JONES of Oklahoma. There is a greater disparity among the entitlement programs where the committee bill cuts about $2.6 billion versus $6.9 billion in the Latta substitute.

Mr. MITCHELL of Maryland. But Latta cuts $6.9 billion in entitlements and $7.2 billion in discretionary?

Mr. JONES of Oklahoma. The gentleman is correct.

Mr. MITCHELL of Maryland. I thank the gentleman very much.

Mr. JONES of Oklahoma. I might mention in some of the discretionary programs, since there has been a discussion of the add-backs to the Latta substitute, that add-backs may occur from a much lower base. Let us look at the bottom line as to which substitute is doing more in some of these discretionary programs.

If you take, for example, general science, space and technology, function 250, even with all of the add-backs that he talks about he will be spending $450 million less than the committee resolution next year.

Look at transportation, where $350 million less would be spent next year.

The energy function has already been discussed; $1.1 billion less will be spent on energy programs in 1983 under the Latta substitute than under the committee resolution.

Look at programs in health care—$3.15 billion less will be spent under the Latta substitute next year than under the committee resolution.

In education, training and employment, $650 million less will be spent under the Latta substitute next year than under the committee resolution.

Those are two big differences between the two substitutes, discretionary domestic programs and entitlement programs.

The third difference truly is in the area of taxation and there the committee resolution does raise more revenues than the Latta substitute. The difference, the substantive difference, is that the committee resolution puts on the table the 1981 tax bill and allows the Ways and Means Committee to consider delaying or deferring the third year of the 1981 tax bill and/or indexing.

This issue is not on the table under the Latta substitute, and I do agree with the gentleman from Ohio that the revenue feature of the Latta substitute protects the 1981 tax bill in the Latta substitute. That is the difference. It is a policy difference that ought to be debated and ought to be decided upon.

The other difference is in the area of national defense or military expenditures. In that regard neither substitute, none of the three substitutes will cut military expenditures, unlike most of the other items in the budget.

All substitutes will increase military expenditures, and the only question is how much will they increase military expenditures.

□ 1600

In the Jones substitute, the committee resolution, there is an overall real increase—this is after accounting for inflation—in military expenditures of a little over 5 percent.

If you look at the procurement and readiness level of the military budget, it is nearly a 9-percent real growth in military under the Jones substitute. Now, that compares to a greater increase in the Latta substitute—the point being that in 1983 under the Jones substitute we would be spending 6.2 percent of GNP on military, and under the Latta substitute 6.3 percent of GNP will be spent on military.

So they are very close. But again, an honest difference is the fact that the Latta substitute spends slightly more on military expenditures than the Jones substitute. It was our judgment, after looking at the military-industrial complex in this country, that we cannot efficiently spend more than a 5-percent overall growth in military over the next few years and that we will have just as much waste, just as much inefficiency in the military as in any of the most criticized domestic programs if we try to exceed that spending level.

So those are the four differences between the two budgets. I do want to commend all of the people who have been involved in these substitutes. I think this year, unlike last year, there has been a genuine attempt by all parties to try to build a budget that is credible and highlights policy differences. From that regard, I think we have improved the quality of the debates considerably.

I also have been concerned, as has been the gentleman from Ohio, that all of the budgets will be voted down because of election year expediency. I am beginning to believe that Members on both sides of the aisle are so concerned about the fragile state of this economy that we will muster the courage to vote for a budget resolution.

The point I want to make here is that in going into conference to defend the House position, we are in much better shape if we support the committee resolution. Then we can come out with a product that will be both workable from an economic point of view and fair from the point of view of the citizens who will have to live under this budget.

Mr. Chairman, I urge adoption of the committee substitute.

Mr. **KEMP**. Mr. Chairman, will the gentleman yield?

Mr. **JONES** of Oklahoma. I yield to the gentleman from New York.

Mr. **KEMP**. I appreciate the gentleman's comment about the quality of the debate. I wonder if he would be willing to take a couple of minutes and expand upon some of the points that he raised in his remarks. Does the gentleman have time for that?

Mr. **JONES** of Oklahoma. Mr. Chairman, how much time have I consumed?

The **CHAIRMAN** pro tempore. The gentleman has 6 minutes remaining.

Mr. **JONES** of Oklahoma. Since we are using less time anyway, I may ask unanimous consent to extend the 30 minutes, but let me yield to the other Members. I would like to move on with the debate.

Mr. **KEMP**. Will the gentleman save some time for questions from this side of the aisle?

Mr. **JONES** of Oklahoma. I will be happy to try to save some time.

Mr. **KEMP**. Because the gentleman made some rather significant statements that impact heavily on this debate and, understanding the gentleman's desire to engage in debate, I thought maybe it would help to clarify some of those points if the gentleman could answer some questions.

Mr. **JONES** of Oklahoma. I will be happy to save some time.

Mr. **KEMP**. I thank the gentleman.

Mr. **JONES** of Oklahoma. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. BROOKS), the distinguished chairman of the Committee on Government Operations.

Mr. **BROOKS**. Mr. Chairman, the budget resolution adopted by the House Budget Committee merits our support. The resolution, carefully worked out by the committee, is a balanced and fair plan. It provides for a strong national defense. It makes necessary reductions in wasteful and overfunded programs and it recognizes the need to fund important human capital investments such as education and job training.

Most importantly, the House Budget Committee resolution recognizes the need to deal with the massive deficits projected for the next 3 fiscal years. Those deficits will total almost $630 billion if we fail to act. Deficits of the magnitude the Congressional Budget Office projected, should we not adopt as budget plan, would drive real interest rates higher and throw more Americans out of work. The time for fiscal responsibility is now.

Of course there are many budget plans circulating around Capitol Hill. Almost every Member has his or her idea of the best thing to do. But we do not need budgets written on the backs of envelopes. Our House Budget Committee has spent months searching for an effective solution. Under Chairman JONES they have worked long and hard to find the practical formula. The Budget Committee's plan is an honest and forthright effort and every other budget plan I have seen embodies at least parts of the same formula, namely that we need more revenues and less spending to get us out of the budget dilemma.

As a result of this budget process, we now know what the issues are. I hope that the Members of the House of Representatives will support the Budget Committee's resolution.

Mr. **JONES** of Oklahoma. I thank the gentleman.

Mr. Chairman, I yield 1 minute to the gentleman from Colorado (Mr. WIRTH), a member of the Committee on the Budget.

Mr. **WIRTH**. I thank the gentleman for yielding.

Mr. Chairman, I also want to commend the distinguished chairman of the Budget Committee for a superb job in putting together a very difficult budget.

I listened with interest to the chairman's discussion of the differences between the proposals over here and the Latta substitute, and I was reminded of the letter that came to us today from the president of the National Association of Homebuilders, sent to all Members of Congress. It says:

> On behalf of the more than 115,000 members of the National Association of Homebuilders, I urge you to vote against the Michel-Latta substitute.

The Homebuilders say that the Michel-Latta substitute would negate the overwhelming House vote for passage just 2 weeks ago of H.R. 6294, the emergency housing stimulus program.

The letter from the Homebuilders also says:

> In addition to deleting funds for the emergency housing stimulus program, the Michel-Latta substitute would decimate the FHA and Ginny Mae housing programs for fiscal year 1983 and terminate the Farmers Home Administration rural housing programs in fiscal year 1984.

Could I ask the distinguished chairman of the Budget Committee if this is correct, that Latta would get rid of the housing stimulus program which this House so overwhelmingly supported 2 weeks ago?

Mr. **JONES** of Oklahoma. There is no question about that. There is simply no room in the fiscal year 1982 budget for the $1 billion housing stimulus program that was passed by this body just a few days ago.

As I pointed out, if Latta were to prevail, the housing bill included in the supplemental appropriations when it comes back from conference, could not be enrolled unless we wanted to waive the Budget Act and throw it out the window. It could not be accommodated. That is why this letter from the National Association of Homebuilders, as well as a previous letter from mortgage bankers urges opposition to the Latta substitute and support for the committee resolution.

Mr. **WIRTH**. I thank the distinguished chairman.

The **CHAIRMAN** pro tempore. The gentleman from Oklahoma (Mr. JONES) has 2 minutes remaining.

Mr. **JONES** of Oklahoma. Mr. Chairman, I see that we do have Members who wish to consume about 20 minutes.

I ask unanimous consent for 25 additional minutes beyond our allotted time.

The **CHAIRMAN** pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. **KEMP**. Reserving the right to object, Mr. Chairman, will there be any time to engage in the quality of the debate that the gentleman mentioned he would like to discuss?

Mr. **JONES** of Oklahoma. The answer to the gentleman is that we will try to make time available. But as was pointed out previously by the Chairman of the Committee of the Whole, the pro forma amendments are still available to the Members throughout this process, both now and toward the end, and that would also be available to Members.

Mr. **KEMP**. Further reserving the right to object, the gentleman previously said that he might be willing to engage in discussion for a few minutes. Is there going to be any time for that?

Mr **JONES** of Oklahoma. I hope so.

Mr. KEMP. I have been waiting to ask the gentleman some questions. He is the leader of my committee.

Mr. JONES of Oklahoma. If the gentleman will yield, I am trying to accommodate enough time. That is why I asked for an additional 25 minutes.

Mr. KEMP. Again, I was reserving the right to object to make sure that the gentleman was going to yield at some point for a chance to ask some questions about the budget.

Mr. JONES of Oklahoma. That is my intention, as I state again, to try to have that time for colloquy. I have a number of Members who want to speak first. That is why I am asking for this unanimous consent.

Mr. KEMP. Further reserving the right to object, can the gentleman tell us at what point in the debate he will make time available?

Mr. ROSTENKOWSKI. Mr. Chairman, could we have regular order?

Mr. KEMP. I object, Mr. Chairman.

The **CHAIRMAN.** Objection is heard.

Mr. JONES of Oklahoma. Mr. Chairman, I yield such time as he may consume to the gentleman from Oregon (Mr. AuCoin).

Mr. AuCOIN. I appreciate the gentleman yielding, and I particularly appreciate the gentleman from Colorado (Mr. Wirth) making it clear that there is nothing in the Latta-Michel substitute for the emergency housing production program that this House passed just a few days ago.

I want to ask the gentleman from Oklahoma if he would explain why the emergency housing program does not show up specifically in any of the accounts under the committee's proposal. Is there a function number we should be looking for to find those funds in the resolution?

□ 1610

Mr. JONES of Oklahoma. In function 920 you will find a $2 billion addition to the 1982 budget that would accommodate not only the $1 billion emergency housing program that was passed but would also accommodate an emergency jobs creation program if it were to be passed by this Congress or the extension of the 13-week unemployment benefits that is moving through this body at the present time.

Mr. AuCOIN. Both of those things are found under function 920?

Mr. JONES of Oklahoma. Yes.

Mr. AuCOIN. I thank the gentleman for making this clear.

Mrs. MARTIN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. I yield to the gentlewoman from Illinois.

Mrs. MARTIN of Illinois. I thank the gentleman for yielding since I think we are talking about clarification of a point that two of the Members have brought up?

Mr. JONES of Oklahoma. Let me ask again, before I yield, there have been a number of Members on our side of the aisle who asked for some time. By extending the time that I asked for initially we would still be taking considerably less than the time the gentleman from Ohio took to explain the Latta substitute.

If there is going to be another objection then I would suggest I am going to have to yield to people on my side.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. I yield to the gentleman from New York.

Mr. KEMP. I would not have objected had the chairman of the Ways and Means Committee not stood up and called for regular order. I was hoping to get some agreement from the gentleman as chairman of our committee to allow for a couple of questions from this side of the aisle to clarify some points that were made by the majority. When the chairman of the Ways and Means Committee stood up and called for regular order I finally objected. I have no objection to extending the debate but it is not much of a debate when it is just between the gentleman's majority party.

The **CHAIRMAN** pro tempore. The time of the gentleman from Oklahoma (Mr. Jones) has expired.

All time has expired.

Mr. KEMP. Reserving the right to object. I will not object.

The **CHAIRMAN** pro tempore. Regular order. The gentleman will please state his position.

Mr. JONES of Oklahoma. Mr. Chairman, I ask unanimous consent for 25 additional minutes for debate on the Jones substitute.

The **CHAIRMAN** pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. KEMP. Reserving the right to object, and I will not object, do I have a chance to explain why I am reserving the right to object?

Mr. BROOKS. Regular order.

Mr. KEMP. Is someone over there yelling regular order?

I object. There will be no more time——

The **CHAIRMAN.** Objection is heard.

Mr. KEMP. To allow the minority to have a chance to engage in this so-called quality of debate?

Mr. ANTHONY. Mr. Chairman, I ask unanimous consent to be recognized for 5 minutes to speak in favor of the Jones substitute.

Mr. KEMP. Reserving the right to object, Mr. Chairman.

The **CHAIRMAN** pro tempore. Does the gentleman from Arkansas (Mr. Anthony) move to strike the last word?

Mr. ANTHONY. I move to strike the last word.

The **CHAIRMAN** pro tempore. The gentleman is recognized for 5 minutes.

Mr. ANTHONY. I would be happy to yield to my friend from New York at this point if he would like to ask some questions and take it out of the 5 minutes that I have, then at the same time, I would ask the gentleman to reconsider an additional request that we do have additional time. There are other Members who have patiently waited all day to be able to be heard.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. ANTHONY. I yield to the gentleman from New York.

Mr. KEMP. I understand that, and I am sorry someone over there keeps yelling regular order. I was not making a reservation to be frivolous. I was simply taking it to protect the minority party's right to ask some questions of the distinguished chariman of the Budget Committee, and if the gentleman could assure us that there will not be any regular order cries from his side of the aisle, I will take back my reservation and allow the debate to go forward.

I am not interested in denying any Member of the majority a chance to speak. I am only trying to protect the rights of the minority to ask some questions of our distinguished chairman.

Is that unfair?

Mr. ANTHONY. I would ask at this time that the gentleman withdraw his objection. I would hope that people on my side of the aisle would not ask for regular order.

Mr. KEMP. I appreciate the gentleman's assurances, but if we could have it from the chairman of the committee then I would feel better.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. ANTHONY. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Let me just state what I thought had been stated two or three times as clearly as I could.

Now, I do not intend to ask for a unanimous consent. I do not intend to have another objection. As far as I am concerned I am ready to roll with this thing. If people want to get their own time that is their business. We were trying to accommodate Members on this side just as we accommodated Members on that side. If that is not in the best interests of this body, then let us move on.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. ANTHONY. I yield to the gentleman from New York.

Mr. KEMP. I think that is in the best interest of debate but at this point in the overall discussion of the budget there are serious reservations that the chairman has raised about the Latta budget and if the chairman is interested in the quality of the debate, as he said originally, then I thought he would like to yield for a question.

Mr. ANTHONY. I would like to reclaim my time. I think the chairman of the committee has been more than willing to engage in quality debate, and what has happened now is that we have allowed some feelings to be hurt and to be ruffled a little here and as a result what is happening is the Members like me and other Members who have been waiting patiently to be heard today are going to be denied the opportunity to put on the record our thoughts and our feelings.

I am willing to engage in any type of colloquy, discussion, debate, but I would at least like to move forward.

I would like at this time to go ahead and finish my statement in support of the Jones amendment. If I have any time left I would be happy to come back and engage in a colloquy.

Mr. Chairman, I would like to go on record in support of the Jones substitute or amendment and in opposition to the Latta amendment for basically four reasons.

That is the housing component, the education component, the elderly component, and the energy component. Simply stated, housing is the industry that normally leads the United States out of recessions. It has in the past, it will this time, if given the opportunity.

As has been stated over and over again, the Latta proposal does not allow for the $1 billion emergency housing assistance program that was passed by this House on May 11. But more particularly, I address these concerns to Members who represent rural areas. I represent a rural area in south Arkansas. Housing has been decimated in south Arkansas as it has all across the country. Under the proposal proposed by the gentleman from Ohio (Mr. LATTA), 300,000 subsidized rural housing units will be eliminated, 80,000 jobs will be lost. It reverses a national commitment to housing. Over the 3-year period of time, from 1983 through 1985, there is a $60 billion request for budget authority to be removed from housing. I do not think the country can stand that.

I am not proud to stand up here and tell the Members that Arkansas is 49th in education. Only 45 percent of our high school students finish high school. Only 9.7 percent of our students 25 years of age or older have finished 4 years of college. But I can tell the Members that I will stand up here and fight any budget proposal that attempts to cut guaranteed student loans to the extent that 500,000 students nationwide will not be able to get a college education, cut the work study program and State students incentive grant programs where 100,000 to 150,000 students would be denied the opportunity to work to go through college. The cuts would deny even more people in the State of Arkansas an opportunity to get a college education.

The CHAIRMAN pro tempore. The time of the gentleman from Arkansas (Mr. ANTHONY) has expired.

Mr. ANTHONY. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Arkansas?

Mr. KEMP. Mr. Chairman, reserving the right to object, I wonder if at some point the minority might get a unanimous-consent request to allow for some extra time for the chairman or the majority, and recognizing that no ruffles have been made and no feelings are hurt, but just with the understanding that there might be a chance for some colloquy and some questions from this side of the aisle.

Would the gentleman be interested in that?

□ 1620

Mr. ANTHONY. I would be interested in that.

Mr. KEMP. Well, with all due respect to the gentleman, I am more interested in discussing it with the chairman. I wondered if the chairman would give us some assurance that he might be interested in a debate over some of these very strong economic assumptions upon which he has built his case.

Mr. JONES of Oklahoma. As far as I am concerned right now, we are operating under the 5-minute rule and people can get their own time.

Mr. ANTHONY. Mr. Chairman, I renew my request to proceed for an additional 5 minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. ANTHONY. Mr. Chairman, there are four additional areas in which requests for rescissions are requested that would have a crippling effect on education. If you come from a State that already has a low education base, such as I do in the State of Arkansas, it will just add misery upon misery.

Compensatory education has a $411 million rescission request.

Handicapped education has a $259 million rescission request.

Rehabilitation education has a $350 million rescission request, and vocational education has a $106 million rescission request, cuts that I could not support.

When it comes to the elderly, the State of Arkansas ranks second only behind the State of Florida in its percentage of elderly population. We have already heard many other Members talk about medicare. I would like to talk about medicare from the standpoint of a State like Arkansas. It would create great problems for our elderly population.

As I perceive, reading the Latta budget, the Aspin substitute and the Jones sustitute, if Latta is passed, what I must go home and tell my senior citizens is that I have voted to increase their deductibles, increase their copayments and increase their insurance premiums.

I will not be able to look them in the eye and truthfully say that I have done anything as their representative to lower health costs. All I will be able to do is say yes, I have shifted the cost from the Federal Government so that we can lower the deficit and I have shifted it to many thousands of senior citizens across the country. I for one am not willing to go home and look my senior citizens in the eye and tell them that I have shifted the cost rather than cut the cost.

Also, in the fact that I do serve on the subcommittee that will have to be debating these particular medicare legislative proposals, I have already taken some liberty of studying them in depth. For one legislator's opinion, I say that they are unrealisitic and they are unachievable, as many others also agree.

Arkansas last year had to shift $20 million out of its aid for families with dependent children program to its medicaid fund because it was in a $20 million shortfall.

This budget that would be proposed by the gentleman from Ohio (Mr. LATTA) would shift additional cost to the medicaid program, and I simply tell you that Arkansas, as many other States, is in no financial shape to pick up the tab. The elderly would be hurt with less health care being provided.

Energy is the fourth category that I am interested in. We use in the State of Arkansas the REA. The work is not completed with the REA. The Jones budget treats REA positively. We can continue some good work with the REA in the State of Arkansas and other southern rural areas.

The Latta budget, if passed, will cut the insured loans. It will cut the loan guarantee. From a reading of the detailed report, it appears it will be approximately a 30-percent cut, a cut that I think is unfair, unconscionable, and would be increasing the cost of borrowing, therefore increasing the utility cost for rural Americans. Again, I cannot go home and tell my people that I voted for that.

It also cuts research and development for solar, geothermal, renewable resources, fusion, and also conservation.

Basically, Mr. Chairman, what it says, if I go home, is that the United States has no energy policy. I can tell you that it will not be long before OPEC will come to grips with the world glut of oil. We will see higher energy prices if we do not move forward with an energy policy. We will only come back to this floor and this body and say that we are going to pay the piper once again. We have been given two warnings. We cannot afford to wait for the third.

Mrs. MARTIN of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think it is wise to debate all the budgets that are being offered, but we must debate them on the same ground and a few statements have been made, I am sure unintentionally, that do not correctly reflect what happens to be in the bipartisan package. I know that the excellent and truthful chairman of the Budget Committee would want those facts available to everyone here.

First of all, there has been a letter passed around by the National Homebuilders Association. I think it worries all of us who are concerned about homebuilders. You will be pleased, I think, to know that we also have a letter from the Congressional Budget Office stating that the numbers on which the National Homebuilders made their judgments were, indeed, in error; so that we have to then look at the numbers that exist now and what the Latta substitute truly says in terms of what will be available for housing.

First of all, the 1983 housing credit is at a level of $18 billion above the President's original budget. There is a 70-percent increase for rural housing. There is room for emergency housing in the budget.

Elderly housing assistance is at twice the President's level, equal to the Jones package.

Rural housing is equal to the Jones package.

I just wanted you to know this, so that we do not misunderstand the housing provisions in the Latta substitute.

In other words, the Latta substitute provides the same amount in fiscal years 1983 through 1984 for emergency housing as does the Jones.

Now, you may not like the Latta substitute for other reasons. You might not like the Jones substitute, but you should know those housing numbers are the same.

A second issue I think important is, of course, medicare, and especially its effect on senior citizens.

I think all of you may wish to know that the Latta substitute does not do some of the things that I am hearing it does. If it did, obviously, Mr. LATTA and other sponsors would not be working for it. In fact, the claim that the recipients of medicare will be punished is just blatantly false. Both the Jones substitute and the coalition substitute, project 3-year medicare savings of $9.4 billion, which is about 5 percent of the current cost.

The Bipartisan Recovery budget assumes 3-year savings of $23.2 billion, or 11.6 percent of projected current law costs.

They are achieved by incorporating almost all of the Jones and coalition savings measures, plus $13.4 billion additional for a major hospital cost containment package.

In other words, it is not the recipients of medicare, the beneficiaries that are going to be cut. Some wealthy doctors indeed, yes, some hospitals whose attempted economies kind of fascinate me with their "buy, build and buy," yes.

Now, if you want to protect them, believe me, that is your perfect right; but let us not hear that it is going to be the beneficiaries.

I am just saying, since medicare, those costs have gone up for everyone and you cannot say no one is going to bear them. This time we are not going to punish people that need hospital help. We are going to say to those who have provided it that, "guess what, you have charged enough for too long and you have to pull in your belts, not the elderly. I do not know many doctors and physicians, much as I like them, who are in the welfare lines. I do not know how many hospital board members are out there saying they need food stamps. We are saying, "pull in your belts."

Now, I will be happy to yield to the gentleman from New York and then to the chairman, the gentleman from Oklahoma.

Mr. KEMP. I appreciate my friend, the gentlewoman from Illinois, yielding.

I was just going to make the point that notwithstanding the tremendous concern by our colleagues on the left side of the aisle for some of these programs, they are also talking about $145 billion over 3 years in taxes on the American economy.

No one disputes the fact that we are in a very severe recession. Hopefully, it is a cylical recovery that will grow as the third quarter comes on. Nonetheless, $145 billion averages out to a family of two working people to $2,900 over the next 3 years.

□ 1630

Mr. JONES of Oklahoma. Mr. Chairman, I yield 5 additional minutes to the gentlewoman from Illinois (Mrs. MARTIN), if she will yield.

Mrs. MARTIN of Illinois. Mr. Chairman, I will yield to the gentleman from New York (Mr. KEMP), and then certainly to the gentleman from Oklahoma (Mr. JONES), the chairman, and then another Member of the Budget Committee.

Mr. KEMP. I appreciate the gentlewoman yielding to me. I am glad the gentleman from Oklahoma (Mr. JONES) did get 5 additional minutes to explain this.

I just want to make the point that our distinguished Budget Committee chairman voted to cut the tax rate on capital gains for the American people by 30 percent in 1981. In 1978, he voted to cut it by 50 percent. He voted to cut the corporate income tax from 48 down to 44. He voted to cut the corporate income tax rate another 30 percent, which was the amendment of the gentleman from Illinois (Mr. ROSTENKOWSKI) on the Ways and Means Committee. He has voted to lower the tax rate on dividends and savings by 30 percent. He voted to cut the 70-percent bracket down to 50, and now he wants to raise taxes on the hard-working people of this country by $2,900 over the next 3 years.

It is just interesting that the gentleman's compassion is for corporations, but not for the hard-working, blue-collar workers of Oklahoma and Buffalo, N.Y.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentlewoman yield?

Mrs. MARTIN of Illinois. Of course I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Mr. Chairman, it is not unusual to be misrepresented on what I have actually done in my career by the gentleman from New York. We have had this discussion before.

The fact of the matter is, it is not accurate that I have been asking to raise taxes. The 1978 tax bill, which I had something to do with, reduced the taxes particularly for middle-income Americans, not the wealthy ones, to the extent that the gentleman's bill did last year.

The point I am getting at is this: Even if the revenues were to be increased by the amount in the committee resolution, and that assumes the other body capitulated totally to our position, we would still be left with the largest tax cut in the history of the United States. So I think we ought to put that in perspective.

But I am more concerned with the two points the gentlewoman raised.

First of all, with the emergency housing stimulus program.

Mrs. MARTIN of Illinois. We assume the same things the gentleman does in the baseline.

Mr. JONES of Oklahoma. That is already $6 billion below the spending levels for 1982. It cannot be accommodated. The CBO testifies to that, and they are the arbiter.

Mrs. MARTIN of Illinois. I can only tell the gentleman CBO documentation assumes the same baseline he does. That is why I know it was an inadvertent error. Function 920, if the gentleman will check it, and 370.

Mr. JONES of Oklahoma. The letter from Mrs. Rivlin does not even deal with the emergency housing program.

Mrs. MARTIN of Illinois. Yes. If the gentleman wishes to check and have his staff check, there is a second letter coming from CBO. That is why, before all the Members panicked about the Latta resolution, I wanted to let them know about that.

Mr. JONES of Oklahoma. I hope the second letter can somehow magically develop $6 billion, because, it is not in the gentlewoman's budget and we are below the spending levels for 1982, and it will not accommodate the housing.

The second point is on medicare. The gentlewoman states that in her cost containments, the doctors and the hospitals are going to pay all these costs, and the recipients, the beneficiaries, are not going to have to pay it. That defies logic.

Does the gentlewoman mean she is going to have a cost containment program that is going to save more money than the entire Carter administration recommended, and more than the other body?

Mrs. MARTIN of Illinois. I would certainly not argue with the gentleman's own budget, but the gentleman will see he makes a number of assumptions, some of which he now is saying, "Good gravy, no one should make them." We agree with those and go beyond them because it can and must be done.

Mr. JONES of Oklahoma. I am just asking on that, the gentlewoman's cost containment is going to be all the savings; is that correct?

Mrs. MARTIN of Illinois. Our cost containment is part of the savings. Prospective reimbursement is certainly going to help us, and I just wanted to make sure that it is not the beneficiaries that would be having their dollars cut. We go beyond the gentleman because we think it is possible.

Mr. Chairman, I now yield to the gentleman from Arkansas (Mr. ANTHONY).

Mr. JONES of Oklahoma. May I ask if you are repudiating the indexing premium?

Mrs. MARTIN of Illinois. I thought I yielded to the gentleman from Arkansas.

Mr. JONES of Oklahoma. And the partly deductibles?

Mrs. MARTIN of Illinois. I yield to the gentleman from Arkansas.

Mr. ANTHONY. I thank my colleague for yielding.

Mr. Chairman, I have looked at function 370. I find that the figures are identical. I have looked at function 920, and I find that the functions are not identical. I wish that could be clarified for me.

According to the May 21, 1982, CONGRESSIONAL RECORD, 11186, my colleague's 920 shows new budget authority with a minus of $300 million in outlays, with a minus $400 million.

The CHAIRMAN pro tempore. The time of the gentlewoman has expired.

(On request of Mr. ANTHONY and by unanimous consent, Mrs. MARTIN of Illinois was allowed to proceed for 2 additional minutes.)

Mr. ANTHONY. Will the gentlewoman yield to me?

Mrs. MARTIN of Illinois. Yes, of course I yield to the gentleman from Arkansas.

Mr. ANTHONY. Mr. Chairman, in looking at page 165 of the report of the House Committee on the Budget, the same figure that came from the gentleman's committee is 2.85 on budget authority and 1.90 on outlays. This simply stated is where we are making the assumption, where the Association of Homebuilders is making the assumption, that there is not room for the housing program there. There is substantial difference, and I would like to have it clarified.

Mrs. MARTIN of Illinois. I had a hard time with it, too. Sometimes when one is new and we have to explain things a lot, I hope I get this right.

It is in our baseline assumptions. If you will check the budget booklet, for instance, you will see the words "Adjustment reflects estimated outlay effect of the proposed $2 billion," in this case the employment stimulus initiative, which includes housing. In other words, we are using the same things as the Jones budget does. It shows up in our baseline.

It does have room for that, and, in effect, the coalition budget, Jones budget and Latta 1983 through 1985 have that similarity in their housing functions.

Mr. WATKINS. Mr. Chairman, will the gentlewoman yield?

Mrs. MARTIN of Illinois. I yield to the gentleman from Oklahoma.

Mr. WATKINS. Mr. Chairman, I would like to ask a question.

If the budget the gentlewoman supports contains cuts on medicare that do not go to the beneficiaries, the cost containment does not affect the beneficiaries and only the hospitals, then you just shut down every rural hospital in the United States. The small rural hospitals, dependent on medicare to stay open, will have their doors shut in over 50 percent of the counties in this entire United States.

Mrs. MARTIN of Illinois. Well, I think there are legitimate differences. I happen to have rural areas, as the gentleman knows. I do not believe that is going to happen. My hospitals, too, are dependent on medicare, but all would agree that when belts are tightened, hospitals must tighten theirs, too.

Mrs. BOUQUARD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let us make no mistake about it, in energy, space and science this substitute carries the wrong authorship. It is, in budget functions 250, general science, space and technology, and 270, energy, clearly the Stockman substitute. Mr. Stockman has crawled out of the woodshed, and crept into the back door of the House. In all due respect, I do not believe that Mr. LATTA is the real author of this energy, space and science amendment, and I do not think it is Mr. MICHEL's either. I am certain that neither gentleman can be very proud of it.

Let us briefly analyze what this substitute does in terms of decimating research and development funding for the key civilian agencies. The Reagan request for NASA, the National Science Foundation, and general science programs in the Department of Energy was $7.8 billion in appropriations for 1983. I am looking forward to an explanation from our colleagues on the other side of the aisle as to why this amendment undercuts the Reagan request for fiscal year 1983 by three-quarters of a billion dollars.

Let me just summarize my special concerns for my colleagues. The Latta amendment gives NASA a $670 million problem and the National Science Foundation a $100 million problem even if the DOE general science programs are kept at the Reagan request. This ill-advised amendment sets a level of funding for function 250 which not only impacts the schedule and very existence of important programs, but threatens to cause serious institutional dislocations with the closing of vital NASA research centers. I might note for my colleagues that the NASA-Lewis Research Center in Cleveland, Ohio which has done an outstanding job in energy as well as aeronautics and space, is directly put in jeopardy by this ghost-written amendment.

In the energy function 270, the amendment is $1.7 billion below the Jones amendment and a full $1.4 billion below the Aspin substitute, which differs from Jones only in the manner of counting revenues. This Stockman substitute is also inexplicably below the President's request in energy by a full $650 million. I have worked very hard over the past 4 months with our committee leadership on science and technology, the Budget Committee and the Appropriations Committee to achieve a balanced energy R. & D. budget. This OMB amendment before us not only destroys any possibility of a balanced energy program, but it seems maliciously aimed at forcing the Appropriations Committee to trade off solar and fossil R. & D. funding versus nuclear fission and magnetic fusion levels. There is no room to accommodate even our nuclear waste program, although major legislation is about to move to the House floor. This amendment is a criminal recommendation for energy funding and as far as our energy future goes, it seems targeted at destroying our ability to increase energy supply through new technologies. This very limited funding level in the OMB version means that the critical Gas Centrifuge Enrichment

Plant (GCEP) at Portsmouth, Ohio, will be cut back by $300 million and put in peril. Also other nuclear fission programs must be traded off versus other energy R. & D. options within constraints much more severe than were contained even in the President's unfortunate fiscal year 1983 request.

I have recommended a carefully thought-out fossil energy R. & D. program for fiscal year 1983 at a level of $320 million, and the Jones and Aspin amendments accommodate this program by recommending caps on funding at the 1982 level of $417 million. The so-called Latta substitute puts the Nation's coal research program on a "going out of business" curve of just $107 million. This fossil R. & D. recommendation has already been unanimously rejected by the Interior Appropriations Subcommittee through their resolution on the deferrals in fossil energy requested for fiscal year 1982 funds. This overwhelming disapproval passed on the House floor just 2 weeks ago. Yet Mr. LATTA's substitute takes a position in stark contrast to how the House has already spoken on fossil energy funding.

Mr. Chairman, this Stockman substitute savages our energy, space, and science programs and will put extreme pressure on the Appropriations Committee to trade off one critical project versus the other. It further reduces key R. & D. programs as well as the support of skilled scientific and technical personnel in the Government and in industry. It is a bankrupt amendment, ill-conceived and indefensible. I urge my colleagues to reject it. Thank you.

□ 1640

Mr. GRAMM. Mr. Chairman, I move to strike the requisite number of words.

Mr. MATTOX. Mr. Chairman, will the gentleman yield?

Mr. GRAMM. I yield to my colleague, the gentleman from Texas.

Mr. MATTOX. Mr. Chairman, in April 1981, when the Budget Committee was considering the fiscal 1982 budget, I proposed an amendment that would have balanced the budget in 1982. My amendment accepted most of the administration's budget cuts but it omitted the enormous tax cut that the administration advocated and that has contributed to the deficit that we face today.

My amendment failed. In fact, I got only four votes.

Later the House adopted the administration's budget—the Gramm-Latta substitute.

The administration's budget was based on the radical "supply-side" theory that you do not have to balance the budget. It was based on the theory that an enormous gap between what you spend and what you take in in revenue will somehow send a positive signal to Wall Street.

During the Budget Committee's markup last year, my good friend, the gentleman from New York (Mr. KEMP) who is the architect of the administration's tax cut, made a statement that I found shocking and almost incredible at the time. However, events have proved the accuracy of Mr. KEMP's remarks.

On April 7, 1981, the gentleman from New York, Representative KEMP, the coauthor of the President's tax program, had this to say about the philosophy underlying the administration's program:

> Balanced budget. I used to think that * * * I do admit to that. What's radical about Reagan's economics, and Stockman's economics, and Republican economics today is we don't any longer worship at the shrine of the balanced budget.

Well, Mr. KEMP may not worship at the shrine of the balanced budget. Mr. Stockman may not worship at the shrine of the balanced budget. Mr. Reagan may not worship at the shrine of the balanced budget, and Republicans in general may not worship at the shrine of the balanced budget, but millions of Americans do.

Millions of Americans—including a good number of folks in the the financial markets—continue to believe that the Federal Government should balance its own accounts so that it spends no more than it takes in.

I find myself now in a very difficult situation. It is hard to know what is the fiscally sound course to take. I voted to report the Budget Committee's recommendation, because I believed we needed a vehicle to bring this debate to the floor and that was the fairest and soundest proposal I had seen until that point.

But we are now in the middle of a debate in which achieving a deficit of $110 billion is considered a great victory for fiscal responsibility. Last Friday, the Republican Senate passed a budget with a deficit of $116 billion.

The Republican alternative that we have before us has a deficit of $110 billion, according to the most recent CBO analysis. This is the budget that President Reagan endorses.

I never thought I would have lived to see the headline: "Republican President endorses $110 billion deficit!" How things have changed!

How did we get to this point where a $110 billion deficit is hailed as a great victory? We all know the answer to this question. The answer—in one word—is "Reaganomics."

Reaganomics has produced a 1983 projected deficit of $182 billion. Compared to a Reaganomics deficit of $182 billion, $116 billion looks good. But only in comparison to the outrageous result imposed upon us by Reaganomics.

Last year the administration told us we needed a massive military buildup. They said we needed to spend $1.5 trillion on the military over 5 years. Along with this massive increase in military spending, they said we needed an enormous tax cut. To be more specific, they said that the wealthy and big corporations needed a big tax cut. The message was: The Nation needs this big military buildup, but we do not have to pay for it. In fact, we need to make major cuts in our revenues.

This illogical combination of spending increases and tax cuts was somehow supposed to instill confidence in the financial markets. This has not happened.

What has happened was what was predictable all along. The financial markets saw that Reaganomics produces increasing deficits and so they kept interest rates high and stifled recovery.

In addition to a $182 billion deficit, Reaganomics has also given us the worst recession since World War II. Last month, unemployment reached 9.4 percent; 10.3 million Americans are out of work. Industries like housing and autos are in a near-depression state.

I only wish that this administration would give a greater sign that it is finally realizing what its policies have produced. Reaganomics has given a tax reduction all right, jobless people do not pay taxes.

This is now day 490 of the Reagan administration. Four-hundred and ninety days ago a President was inaugurated who the American people believed would balance the budget.

In day 490 of the Reagan administration, we are further away from a balanced budget than we have ever been in the history of our Nation.

I am running for attorney-general of Texas. I will not be around to remind the administration of its promise to balance the budget. I hope that you who remain will do this for me.

The time has come to reject this folly called "Reaganomics."

The time has come to reject the foolish and dangerous idea that we can have a massive increase in military spending without paying for it. If we truly need it, we should be willing to pay for it.

The time has come for our Republican colleagues to join with us Democrats to restore a sound fiscal policy to this Nation.

We need to work together to fashion a budget that is fair to all Americans and that is based on accepted standards of fiscal responsibility.

The Latta budget is unfair and irresponsible. It hurts the elderly, it denies educational opportunity to millions of Americans, and it is a "back door attempt" to cut social security benefits. We cannot afford to repeat the mistakes of a year ago. Defeat the Latta budget.

Mr. GRAMM. Mr. Chairman, I am concerned that in this debate we have forgotten what the budget process does and what it does not do. I have people come up to me and say, "What did you do to the Farmers Home Administration? What have you done to the Soil Conservation Service? What have you done to specific line items in this budget?"

I have listened here, and half of the discussion we have had today is about specific items within the budget. I would like to begin my statement by making the point that the only thing that is binding in the budget is the functional categories, and even the functional categories on a point of order, are binding only on the bottom line, so no matter what we do here we are not directing funds to a specific program or away from a specific program.

If the distinguished chairman of the committee in his talking papers or backup material has listed programs that he contemplates funding within the functional categories, we in no way fund his programs by adopting his budget. If the distinguished minority member of the Budget Committee presents increases above the baseline for specific programs and we adopt his budget substitute, which I support, we do not fund those increases. All we do is provide money for that functional category, and I think it is very important that we realize it.

Within that context, I would like to address this body the housing bill that was adopted by the House, and about whether or not it can be accommodated in the Latta budget. The answer is clearly that it can be accommodated in the Latta budget, and let me explain why.

First of all, in the 1982 budget, the functional numbers of the resolution are not binding. Hence, the Congress can, in the process of completing action on supplemental appropriations, adjust the relative priorities to accommodate whatever it desires to do within the bottom line budget totals.

But, in this particular case we have the happy coincidence that we are going to end fiscal year 1982 in the commerce and housing credit function with $16,283,951,000 of unobligated budget authority. We, therefore, have the ability in this House to reallocate, possibly out of section 8 housing, $1 billion to the housing program in budget authority for fiscal year 1982.

I do not think the point has been challenged which has been made here, that the Latta resolution explicitly plans for such action. In the 1983 through 1985 totals, the Latta resolution treats spend-outs from the 1982 supplementals in an identical manner to the Jones and Aspin resolutions.

So, Mr. Chairman, it may be that in the listing of what they contemplate that the chairman's budget resolution explicitly takes the housing bill into account. It may be that the ranking minority member's substitute does not, but the bottom line is that the budget authority is there in the commerce and housing credit function; that this House, if it chooses to spend that money, clearly can spend it under the Budget Act. It is also true that in 1983, 1984, and 1985, the resolution offered by Mr. LATTA carries the same spend-out assumptions for the supplementals as does the budget offered by Mr. JONES.

I urge my colleagues not to be misled by discussions about what we spend on programs A through Z. The only thing we are bound by are the bottom line spending totals, and if we require reconciliation we will be bound by reconciliation instructions.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. GRAMM. I yield to the distinguished majority leader.

Mr. WRIGHT. Mr. Chairman, I thank the gentleman for yielding, because I think a clarification is really absolutely necessary. The gentleman is aware, is he not, that unless the fiscal year 1982 budget be amended by a third budget resolution, the emergency housing initiative that was included in our supplemental appropriation bill without a waiver would be subject to a point of order. The gentleman understands that?

Mr. GRAMM. I do not understand that, nor do I accept it as fact.

Mr. WRIGHT. Well, it is a fact. I will recite to the gentleman, and I think every other member of the Budget Committee understands that it is definitely a fact. There is no money provided unless we amend the 1982 budget resolution to make it possible.

The CHAIRMAN pro tempore. The time of the gentleman from Texas has expired.

(At the request of Mr. WRIGHT and by unanimous consent, Mr. GRAMM was allowed to proceed for 2 additional minutes.)

Mr. WRIGHT. There just is not any money for it, and I will state that to the gentleman as an incontrovertible fact. It is not a matter of opinion. There just simply is not any possibility of explaining it away.

I want to ask the gentleman this further question: Is it not true that the Latta substitute also on a matter of function 500, education, training, and employment services, assumes a baseline that does not exist in fact, and one which only could exist if the Congress were to enact approximately $1.6 billion in the 1982 rescissions requested by the President, rescissions which have already been firmly rejected by Congress? Is that not the fact?

Mr. GRAMM. If I might reclaim my time, I would like to answer by repeating the fact that we have an uncommitted budget authority in the commerce and housing credit function of over $16 billion. So, you may transfer that budget authority by a decision of this House.

Second, the point I am making, and I make again, is that we are constrained by the totals, but if we are willing to take funds away from low priority programs, we can fully fund the housing initiative and the employment initiative in 1982.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. GRAMM. I will not yield until I have answered.

Mr. WRIGHT. Well, the gentleman understands there is a difference between budget authority and outlays?

Mr. GRAMM. Yes. I understand that.

Mr. WRIGHT. There is no room in outlays.

Mr. GRAMM. The point I make is that we are not precluded from funding the housing program if we are willing to take uncommitted balances from outlay from any other function in the budget. We do not accept in the bipartisan recovery budget rescissions that the President has recommended and that are technically possible, and my answer is that if you are willing to cut something else, if you place the priority of the housing program that high, then you can take the money away from somebody else, but do not add it to total spending.

The CHAIRMAN pro tempore. The time of the gentleman from Texas (Mr. GRAMM) has expired.

(On request of Mr. JONES of Oklahoma, and by unanimous consent, Mr. GRAMM was allowed to proceed for 1 additional minute.)

Mr. JONES of Oklahoma. Mr. Chairman, if the gentleman will yield, if the urgent supplemental bill came before this body, having come out of conference with a $1 billion housing measure, given the present state of the 1982 budget and the adoption of the Latta substitute, it would be subject to a point of order because there is not enough room in the 1982 budget.

The gentleman is correct on one matter; if you want to rescind money for 1982 from other programs to make room for that item, then it is theoretically possible. What I would ask the gentleman is: What programs do you want to rescind for 1982 in order to fund this program?

Mr. GRAMM. Mr. Chairman, reclaiming my time, nothing we can do in the budget process can set out those rescissions. As there is no free lunch, there is no free housing program.

The point I am making is that the President has set out twice the rescissions we have accepted. Look at what is technically possible. I cannot set your priorities for you.

Mr. KEMP. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wonder if I might engage our committee chairman in a colloquy.

I must say to my friend, the gentleman from Oklahoma, that I have no desire or purpose to distort his record. I think he should be proud of his tax cutting record, as I am of mine.

I just wanted to clear up something that the gentleman has been saying in Oklahoma and in New York and in Washington and in the press. He makes an allegation that it is the minority party that cut taxes for the so-called rich and it is the majority party that wants to protect tax cuts for the middle income, and that is wrong categorically.

I would just like, if I could, to clarify his assertions because I believe it was the gentleman's amendment in 1978, cosponsored along with the late Bill Steiger, for whom we all have high regard and fond memories, that cut the capital gains tax by around 50 percent. Is that not true? Did the gentleman not cosponsor the Steiger amendment, or did Mr. Steiger not cosponsor the Jones capital gains tax cut amendment?

Mr. JONES of Oklahoma. Mr. Chairman, if the gentleman's question is, relative to the 1978 reduction in capital gains taxes, did I cosponsor it, the answer is that I did cosponsor that, and it actually made revenue for the Government.

Mr. KEMP. That is even better. I am glad to hear that because many of us predicted it would.

Mr. JONES of Oklahoma. Unlike the 1981 tax cut.

Mr. KEMP. Let me just finish the point and by the way—the 1981 tax cut is raising revenue at higher than predicted rates. I am glad to see the gentleman is not apologizing for his efforts to cut capital gains and he should not apologize. There was not anybody in this country, in the Democratic party or the Republican party, who did not recognize that the capital gains rates in 1978 were unduly hampering savings and investments. We were all for doing what the gentleman advocated in 1978.

Second, did not the gentleman help cut the corporate tax rate in 1978?

Mr. JONES of Oklahoma. The gentleman helped on the indexing for individuals as well as small business corporation rate cuts.

Mr. KEMP. I recognize that.

Mr. JONES of Oklahoma. As well as dropping the top rate 2 percentage points.

Mr. KEMP. On what?

Mr. JONES of Oklahoma. The corporate rate.

Mr. KEMP. So the gentleman did help cut the corporate tax rate by at least 2 percent?

Mr. JONES of Oklahoma. The gentleman is correct. The tax bill in 1978 was one that had a relationship to overall fiscal policy. We did not try to cut taxes more deeply than we were trying to cut the rest of the programs.

Mr. KEMP. I will grant the gentleman's argument, but I am trying to establish the fact that the gentleman is not apologizing—nor should he apologize—for cutting the capital gains rate from 49 to 28. We cut the corporate income tax rate from 46 to 44; is that right?

Mr. JONES of Oklahoma. It was 48 to 46.

Mr. KEMP. Yes, 48 to 46. And is the gentleman not also telling us he helped index at least by 6 percent the thresholds at which the average American taxpayer reached a tax bracket in 1978?

Mr. JONES of Oklahoma. Mr. Chairman, if the gentleman will yield, in 1978 we tried to cut taxes on a one-time basis for individuals as well as business, the purpose of which was to make whole particularly the middle-income taxpayer.

Mr. KEMP. Was not the threshold for indexing——

Mr. JONES of Oklahoma. We were widening all brackets for middle income.

Mr. KEMP. Did you not widen all brackets?

Mr. JONES of Oklahoma. We did widen all brackets, but basically it helped the middle-income taxpayer.

Mr. KEMP. I know that. I know whom it helped.

Mr. JONES of Oklahoma. Unlike the rate reductions which helped mostly the very high income.

Mr. KEMP. The gentleman widened all brackets by 6 percent, right or wrong?

Mr. JONES of Oklahoma. The brackets were widened by approximately that amount. When you widen brackets, that helps middle-income workers; when you cut marginal rates, you basically help the highest incomes.

Mr. KEMP. Why does the gentleman object to the fact that it was established policy in 1978 to widen all of the tax brackets by 6 percent? And irrespective of whom it helped most, did he not participate in an across-the-board reduction in the tax rates in 1978; yes or no?

Mr. JONES of Oklahoma. I was a cosponsor of the 1978 tax bill.

Mr. KEMP. All right the answer is yes and I think the point has been granted.

I would reestablish my major contention that it is unfair for the gentleman to have cut the capital gains rate from 49 to 28 and again from 28 to 20 in 1981; it is unfair for the gentleman to take credit for the across-the-board widening of all the brackets by 6 percent, which is an across-the-board effective tax rate reduction for all taxpayers; it is unfair for the gentleman to support reduced corporate tax rates, and then turn around and blame Members on this side of the aisle for seeking equal, across-the-board tax rate cuts for all Americans.

The CHAIRMAN pro tempore. The time of the gentleman from New York (Mr. KEMP) has expired.

(By unanimous consent, Mr. KEMP was allowed to proceed for 3 additional minutes.)

Mr. KEMP. Mr. Chairman, the gentleman is taking credit for helping cut the corporate tax rate by 2 percentage points, 4 percent, which I voted for, which a majority of us voted for. No one apologizes for it. Now the gentleman came back in 1981 and helped his party structure a tax bill. That tax bill was a little bit different than the Republican Party's tax bill and President Reagan's tax bill. It cut taxes for business more than the Republican bill and cut taxes for individuals less than the Republican bill. It would have added $6 billion more to the 1983 deficit than the Republican bill. But I would remind the gentleman from Florida (Mr. PEPPER), who is sitting there in the second row on the Democratic side of the aisle, that the Democratic tax bill cut the corporate tax rate by 30 percent over 3 years, phased in 3 years after the accelerated depreciation.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. KEMP. Now that would have been a tax rate reduction on every single major oil company and every single major corporation in America, and I do not think anyone would apologize for the attempt to reduce tax rates across the board for corporations. The corporate income tax is too much of a burden, particularly at a time when we need to stimulate capital formation.

I would say to my friend, the gentleman from Florida, who keeps suggesting that I need more time, that the gentleman from Oklahoma was also a cosponsor of a tax cut that lowered the 70 percent bracket to 50 percent in one step. The Kemp-Roth bill or the Reagan tax rate reduction bill was a 3-step reduction of all rates by 30 percent.

The gentleman wanted to cut the top rate from 70 to 50 in one step. It was not a bad thing to do. In fact I think this is one reason revenues are going up 11 percent faster, than OMB had originally predicted. This incidentally will lower the deficit for 1982 to about $95 billion. Yet the CBO base line from which we are operating in 1982 is a $119 billion deficit.

So that deficit is out the window because the revenues are rising instead of falling from cutting the top tax rates and the gentleman does not apologize for that.

□ 1700

The gentleman further does not apologize, nor should he, for cutting the capital gains rate by more than a third. The gentleman is a long-time supporter of cutting capital gains rates by another third from 28 to 20 percent. That means that an individual in the top tax bracket who made $100,000 on an investment in, say, stock, paid $49,000 in taxes on that gain in 1977, $28,000 in 1979, and $20,000 in 1982.

So now just stop and think and count it all. We have cut the corporate rate twice under the gentleman's policy. We have cut the capital gains rate twice under the gentleman's policy.

The gentleman proposed immediate expensing of all new investments in America's industrial capacity, for which no one should apologize. In fact, I think that was a little bit better than the 10-5-3 program, as far as I am concerned.

Why does the gentleman say it is unfair of the minority party to try to cut the tax rates across the board on the rest of the American people?

The CHAIRMAN pro tempore. The time of the gentleman from New York (Mr. KEMP) has again expired.

(At the request of Mr. JONES of Oklahoma and by unanimous consent Mr. KEMP was recognized for an additional 2 minutes.)

Mr. KEMP. Could the gentleman tell me why it is unfair for us to cut the tax rate 25 percent across the board, yet it is fair for him to cut all of the other corporate tax rates in the country across the board?

Mr. JONES of Oklahoma. Will the gentleman yield?

Mr. KEMP. I yield to the gentleman.

Mr. JONES of Oklahoma. I really hesitate to stop the gentleman.

Mr. KEMP. I can understand that.

Mr. JONES of Oklahoma. I think the gentleman's speeches do help the debate. Certainly it helps our side.

Let me just say first of all the tax bill last year, the difference between the tax bills last year were two significant differences that I think need to be recounted.

First of all, the bill that came out of the Ways and Means Committee targeted more individual tax relief at middle-income taxpayers in actual dollar terms than did the gentleman's Kemp-Roth tax bill.

Clearly in dollar terms the massive amounts of tax relief goes to the highest incomes under the gentleman's tax program.

The second significant point, if the gentleman will yield, is that it was not an uncontrollable tax cut program that did not relate itself to the rest of the fiscal policy. The bill that came out of the Ways and Means Committee made the third year of a tax cut contingent upon economic performance.

I think if we had had some restraint—in fact, one of the economists, Charlie Schultz, says there is nothing wrong with supply-side economics that dividing by 10 would not cure—the fact of the matter is if we had shown some restraint last year, both in terms of the size and the continuation of the tax program, as well as military expenditures, we would not have frightened the financial markets to the extent we have today, we would not have seen interest rates at the levels they are today, and we would not be here trying to bail out of the economic mess that we find ourselves in.

Mr. KEMP. But the gentleman does then agree that it is not necessarily unfair to have tried to cut the tax rates across the board. It may be wrong, the gentleman believes, but it is not unfair.

Is the gentleman still saying it is unfair?

Mr. JONES of Oklahoma. If the gentleman will yield, I will say that a tax cut was warranted, a tax cut is warranted, but it ought to go to the people who have caught it in the neck between the very high paying and those who do not pay taxes at all. It should have gone to middle income Americans, and that is where it did not go.

The CHAIRMAN pro tempore. The time of the gentleman from New York (Mr. KEMP) has again expired.

(By unanimous consent Mr. KEMP was allowed to proceed for 2 additional minutes.)

Mr. KEMP. I really want to clear this up because it has been bothering me for a long time. I have great affection for the gentleman from Oklahoma, but this has bothered me. There is really no hope of getting this point across.

But I cannot understand why cutting the tax rates from 70 to 50 in one year, which was the chairman's strategy, is more fair than cutting the tax rates for all people between the brackets of 14 to 50 over 3 years by 30 percent. I do not understand how anybody can suggest that that is equity or fairness.

Obviously if you cut the top rates from 70 to 50, if you take the static revenue effect of a tax cut of a high bracket earner, you have cut in 1 year thousands upon thousands of dollars. But that was not necessarily a bad thing to do. I would say to my friend, the distinguished majority leader, that if you lift the third year of the tax cut, with bracket creep, and the increase in social security payroll taxes from 1980 to 1983, by 1984 the only family in America that will have had any tax cut will be those families with incomes above $120,000.

One can restructure the tax cut, as the gentleman from Texas would like to do. But if you lift the third year you are going to have to redistribute the tax level and make it more progressive. I would say to my friend, the majority leader, for whom I great regard, as he knows, it is frankly not a question of equity; it is a question of simple and honest across-the-board attempts to build into the tax system lower rates not just for some but for all.

I am against raising any taxes. There is no economic theory which supports raising taxes of any kind during a recession. The last time it was done in this Nation was by Herbert Hoover. The last time it was done anywhere was by Margaret Thatcher. Both proved dismal failures.

Yet, the budget alternatives we have before us today seek to increase the tax burden in the midst of the worst postwar recession. The committee budget would increase revenues by $147 billion, the bipartisan recovery budget by $95 billion, and the Aspin-Mineta budget by $137 billion. There has been much argument about the manner in which these revenues should be raised but I think there has been very little thought to the effect these increases will have on the economy and to the impact they will have on American families and entrepreneurs.

Three things should be considered. First, higher taxes are permanent. Borrowing is transitory. Taxing will remove funds from savings and remove incentives to save. Borrowing can be accomplished without destroying savings which are now 6.3 percent, the brightest economic change.

Second, there has not yet been tax relief. By 1985, aggregate tax relief will total $1 billion for individuals. Adding $95 billion in tax burden will not only wipe this out, it will cause tax increases under Reagan to match those under Carter.

Cumulative individual tax reductions under the Economic Recovery Tax Act equal $148 billion through 1985. Over that same period, social security taxes increase $43 billion. Bracket creep would add another $104 billion. Adding $95 billion to this would be a total increase of $242 billion, offset by only $148 billion in tax reductions. The higher revenue level recommended by the committee would increase this to $297 billion. It is easy to see that in either case, the tax relief which we enacted last year would be eliminated.

FAMILY OF FOUR EARNING $24,000 IN 1982 WITH COST-OF-LIVING ADJUSTMENTS

	1979	1980	1981	1982	1983	1984	1985	1986	1987	1983
1 Income	$17,889	$20,304	$22,368	$24,000	$25,440	$26,610	$27,888	$29,170	$30,483	$31,855
2 Tax under 1980 code		2,062	2,415	2,716	2,982	3,199	3,462	3,738	4,021	4,317
3 Tax under current law			2,385	2,427	2,414	2,441	2,552	2,668	2,788	2,913
4 Tax under 1980 rate			2,273	2,437	2,584	2,703	2,832	2,963	3,096	3,235
5 Tax under HBC					3,416	3,633	3,869	4,135	4,408	4,693
6 Tax increase from HBC over current law					1,002	1,192	1,317	1,467	1,620	1,780
7 Tax increase from HBC over 1980 law					434	651	807	397	387	376
8 Tax increase from HBC over 1980 rate					832	930	1,137	1,172	1,312	1,458
9 Tax under SBC					3,270	3,250	3,355	3,470	3,588	3,715
10 Tax increase from SBC over current law					856	809	803	802	800	802
11 Tax increase from SBC over 1980 law					288	51	107	268	433	602

COMBINED EFFECTS ON INDIVIDUAL TAX PAYMENTS OF PERSONAL TAX CUTS AND SOCIAL SECURITY INCREASES AND BRACKET CREEP

Calendar years	Increase			Personal tax cuts [2]	Net change
	Social security [1]	Bracket creep	Total		
1981	6	13	19	4	15
1982	13	28	41	41	0
1983	19	53	72	84	12
1984	26	77	103	116	13
1985	43	104	147	148	1
1986	58	135	193	181	12
Total			575	574	+1

[1] Increase in tax rates plus increase in base above that consistent with growth of incomes.

[2] Rate reductions, indexing, and reduction of marriage penalty.

Third, in order to raise the levels of revenue contemplated even under the various alternatives surely will cause marginal rates to increase. We must remember that there are ways to increase tax rates without changing the tax tables.

The Senate Budget Committee listed 11 personal deduction repeals which could be used to raise revenues from individuals. Taking just seven of these away from a family which itemizes and uses the deductions would destroy the rate reductions now planned. Making these changes would increase taxes on a $24,000 family by $856 in 1983. Taxes would be $288 more than before the Reagan tax cuts. Every time a deduction is eliminated, the taxpayer moves to a higher tax bracket. Therefore, what we have is an implicit rather than explicit repeal of the third year of the President's tax rate reduction.

In order to reach the even higher levels of static revenue requested in the committee alternative, the third year of the rate reductions and rate indexation would have to be explicitly repealed. These actions, as recommended by Chairman JONES in markup, would increase the tax bite by $1,002. Is this in the name of equity?

I have had a chart made showing the change in marginal tax rates which would result from repealing the third year, from repealing the third year and indexation, and from simply repealing indexation, the results speak for themselves. In these charts, I have not included the effects of the Senate deduction changes but I remind my colleagues that repeal of the third year and indexation would increase static revenues by $86.1 billion over 3 years, far short of the Latta $95 billion or the Jones $149 billion.

Mr. WRIGHT. Mr. Chairman, I think it is time that we made a clear separation between fantasy and fact. There really must be a clearly drawn distinction in our minds between theoretical possibilities on the one hand and harsh realities on the other.

I may say something in a moment about the tax structure and the tax cuts, but first I want to talk a little bit about the difference between theoretical possibilities that have been discussed here and just straight, plain facts.

I suppose it is a theoretical possibility somehow that someone might construct some fanciful scenario to save $40 billion from the social security program without reducing social security payments to any of the recipients. I do not know how it could be done. I do not think it is a realistic possibility.

I think it would be folly for anyone to even indulge that fantasy and say, "Oh, my goodness, we aren't going to cut any social security recipient's payments at all, but we are going to save $40 billion by some undisclosed method of better management."

The other body had that notion in its budget resolution and finally abandoned it. It would not hold water. Nobody believed in it.

The same kind of a theoretical possibility may be indulged if one were to stretch his imagination widely enough to assume under the Latta substitute that you can reduce medicare payments by $23 billion over the next 3 years and not reduce the amount that any recipient would receive, nor require the typical recipient to have to come up with more money out of pocket for a prolonged medical stay in a hospital. But it strains credulity.

I do not think it is logical for anybody to assume that to be possible. Theoretically maybe, way out in the cosmic realms of remote possibility, somebody might conjure up an idea that he thinks could do that. But we know better, do we not?

Do we not know better? Do not all of us know, really, in our minds, that you just simply cannot reduce the medicare program by $23 billion, as the Latta substitute would do, without hurting those people who are depending on that medicare program?

There may be a theoretical possibility, as was suggested by my friend from Texas, Mr. GRAMM, that conceivably you might have been able to have funded that $1 billion emergency aid that seven-eighths of the Members, including 135 Members of the Republican side voted for, by finding some other place to rescind money as a concomitant simultaneous action and not make it subject to a point of order. But, of course, we did not do that.

The fact is that we did not rescind any money and the housing provision is incorporated in an appropriations bill. That bill is subject to a conference committee report against which a point of order will lie unless we do what is proposed in the Jones committee budget and raise the original 1982 limit by the appropriate amount.

A point of order will lie against it as it stands today, and it will not be able to be enacted into law if the Latta budget is enacted in its present form.

Theoretics to the side, you just cannot be in favor of that emergency housing program's going into effect this year so as to rescue housing from its crisis and be in favor of the Latta substitute. You just cannot be in favor of both of them. You have to be for one or the other. Take your pick, whichever one, but you cannot be for both of them.

The same thing applies to some of these other assumptions that are indulged in the Latta substitute. It assumes a baseline for 1982--let us understand this now; I am not talking about the 1982 baseline that was voted last year and that is in existence. It assumes an impossibly low baseline for function 500. That covers education, training, employment services. At the very moment when unemployment is rising more menacingly than it has in the past 40 years, the Latta budget assumes for our current year a baseline which is approximately $1.6 billion less than the real one that exists in fact.

□ 1710

It assumes, in other words, that somehow we are going to reduce the amount of money that we have already set in motion for these programs this year. The presumption is that we would go back and enact all of the 1982 rescissions that President Reagan requested and which Congress rejected, that we would change our minds and that we would rescind some $1.6 billion in budget authority.

The CHAIRMAN pro tempore. The time of the gentleman from Texas (Mr. Wright) has expired.

(By unanimous consent, Mr. Wright was allowed to proceed for 3 additional minutes.)

Mr. WRIGHT. The Latta budget for 1982 assumes we will reduce three student financial assistance programs. One is Pell grants, by $91 million below what we have already put up, that we would rescind that much that we have already appropriated. That is the assumption. For this year. Not next year.

It assumes, further, that we would rescind some $44 million in college work study programs that we have already voted. That is the assumption in the Latta budget. That may be a theoretical possibility but it is a fantasy. Does anybody in this House really believe that we are getting ready to do that? Do you want to do that? Do you want to take away the money that already has been appropriated for work study, for student State incentive grants, other higher education programs, by $23 million?

Do you think the House is going to do that? Do you want to do it? Do you want to rescind services for handicapped children by some $258 million, appropriations we have already made? Do you want to go back on that commitment and cut $258 million in this year out of moneys that have already been made available to services for the handicapped children?

Well, each of those is an assumption indulging in somewhat fanciful figures that are included in the Latta budget. Now, they may be theoretical possibilities, but not facts.

Just so, it was a theoretical possibility, which I know the President wanted to believe, that if we gave back to a family of four with $100,000 income, $6,872 in a tax cut, that they would take that money and invest it in job-producing enterprises. That may have been a perfectly good theory. They are not doing it. Do you know where they are putting that money? They are putting it in CD's. That is the fact.

You can talk all you want to about that tax cut is being across the board. It is not across the board. This tax cut was not an even percent of the tax that you pay. It was not an even percentage of the amount of money that you make. In every instance the flat rate percentage favors the taxpayer in the higher income bracket. He got a bigger percentage of the cut than the guy in the lower income bracket.

The average family of four making $20,000 in the third year is not going to get but $544. That is not enough to go out and buy a car. That is not enough to buy an appliance. It is not enough to stimulate the economy. But that family with $100,000, four people, will get almost $7,000. That is about 7 percent of its income that it will get back. This represents only about 2½ percent of the income that the $20,000 family will get back.

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to my dear friend. The gentleman is an authority on taxation.

The CHAIRMAN pro tempore. The time of the gentleman from Texas (Mr. Wright) has expired.

(On request of Mr. Conable and by unanimous consent, Mr. Wright was allowed to proceed for 2 additional minutes.)

Mr. CONABLE. Mr. Chairman, I want to be sure what the distinguished majority leader is saying. He seems to be saying that we in this budget process really have no right to cut the budget at all. Is the gentleman espousing such a doctrine?

Mr. WRIGHT. Oh, no, not at all, I do not think that, under any circumstances.

Mr. CONABLE. Then the gentleman acknowledges the Jones budget does cut back on many of these same things that the gentleman is talking about; is that correct?

Mr. WRIGHT. Sure, it does. Of course it does. But it does not draw an unwarrantable assumption of things that simply cannot come to pass.

Mr. CONABLE. The gentleman seems to be saying, though, that the budget process itself is one that leaves us helpless to deal with some of the growth, which I think the gentleman himself would acknowledge is ultimately going to put us in very serious problems.

Mr. WRIGHT. No, I do not believe that we have no right to cut budgets. I think that we have a responsibility to cut things that are not needed. But I do not believe that we are being honest with ourselves or with the public if we indulge in assumptions that we either can or will take $1½ billion out of education and training programs that were already approved and appropriated for, for this current fiscal year—it just has about 4 or 5 months to go. I do not think the gentleman from New York believes we are going to do that. And yet that is the assumption that is indulged in, in the Latta budget.

Mr. CONABLE. If the gentleman will yield further, I must acknowledge that in this institution, as currently made up, there is going to be obviously serious difficulty in getting the budget back under control.

Mr. WRIGHT. There is no question about it.

Mr. CONABLE. But it clearly is our responsibility to try.

Mr. WRIGHT. Absolutely.

Mr. CONABLE. And I do not believe the gentleman should criticize us for trying. I think the American people want us to try. They do not understand the doctrine of helplessness some of my colleagues are espousing.

Mr. WRIGHT. I just think we ought to be realistic and admit what we are doing and not invent some fanciful theory that says, "Well, theoretically, we could do certain things if we were to rescind some other undisclosed thing." Of course you could. But we all know that some of these assumptions in the Latta bill are wholly unrealistic.

Mr. CONABLE. I think the figures speak for themselves.

Mr. WRIGHT. If we did not have any military needs to spend on, theoretically we would have all of that money to spend somewhere else. But this is theory, not fact.

Mr. ALBOSTA. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Michigan.

Mr. ALBOSTA. I have something I think is very interesting and refers to what the gentleman is saying.

The CHAIRMAN pro tempore. The time of the gentleman from Texas (Mr. Wright) has again expired.

(On request of Mr. Albosta and by unanimous consent, Mr. Wright was allowed to proceed for 1 additional minute.)

Mr. ALBOSTA. The Joint Committee on Taxation says that 31.7 million tax filers making $15,000 or less will divide $2.9 billion in savings; whereas—listen to this one—162,000 making over $200,000 a year will split $3.6 billion in the next 10 percent tax cut.

Mr. WRIGHT. I thank the gentleman. Those figures demonstrate the unfairness of the 1981 tax cut.

Mr. Chairman, I shall not ask for any further extensions of time, and I appreciate the indulgence of the Committee in allowing me this much time.

Mr. JONES of Oklahoma. Mr. Chairman, I think the debate has been very interesting. I do not intend to cut it off now. I will just remind our colleagues that we have 70 amendments to these 3 substitutes. We are going to be late tonight. If we are going to finish this week, we are going to enjoy less the dialog that is occurring now and try to get on to the amendments. So I would not impose a limitation of time at this time, but I may in just a few minutes.

Mr. MOORE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think most of us realize that in an election year we are not really going to affect the budget deficit that is before us for fiscal year 1983 unless we move in some sort of bipartisan fashion.

The debate has dwelled a great deal on taxes, and everybody is aware of the differences between the three substitutes before us and how much they raise new revenues—$20 billion in the Gramm-Latta bipartisan, $30 billion in the Aspin coalition, and $30 billion in the Jones committee substitute.

There is a world of difference between that $10 billion difference in one versus the other two. What I would like to do is inject a bit of practicality into this debate about where we are going to be when we finish passing one of these budget resolution substitutes.

In the Ways and Means Committee on which I am privileged to serve, our committee chairman has made it plain, it has been reported, that he is not interested in moving a tax bill to the House floor unless he has a number of Republicans—the number I have heard is 9 of the 12—supporting it. That means that we are going to have to work in a bipartisan fashion to produce any revenue-raising bill out of that committee. I do not blame him for that position.

□ 1730

If I were in his shoes I would demand a bipartisan group to produce a tax bill in an election year, too. I would not want my party, be it Republican or Democrat, to claim to be the party that raised taxes. Both sides better be pushing those tax increases or you have got political troubles this close to an election.

My point simply is this. If you are going to ask the Ways and Means Committee to raise $30 billion in new taxes, forget it. I do not think it is going to happen. I do not know how you are going to do it, but I do not think you are going to see the Ways and Means Committee do it.

The Republicans on that committee have met, and while we have not taken any votes, we have kicked it around, and we realize we are going to have to come up with some tax increases. We are willing to go half way, maybe we can raise $20 billion. I am not sure about that as most of us have never supported tax increases.

But I intend to vote for the Gramm-Latta bipartisan substitute, and by so doing commit myself to the chairman of my committee that I am going to produce and vote for $20 billion increase in taxes out of that committee. I am not going to vote for the other two. Likewise, I am not going to vote for $30 billion in taxes coming out of that committee nor do I think you are going to find any number of Republicans who will. Therefore, you put the Chairman in the position that any tax that is produced is a Democratic tax that comes to the floor, it is Democrat tax raising in an election year opposed by Republicans.

I think the people are tired of political finger pointing. But that is what is going to happen if we get that kind of tax increase, and I think everybody here ought to know it now before we get into that so we do not fall out with a case of the reds at one another saying, "Why didn't you tell me this was going to happen?"

That is what is going to happen as a practical reality. It is going to be everything we can do to produce $20 billion and we will oppose anything over that.

I think 30 is going too far and that the Senate has even gone further than we can do. That is a practical point in the debate I ask you to consider. These are not just figures we are kicking around. When these budget figures are decided upon, we then have to go back and bring about legislation that makes them real. I do not think in an election year we can do it at over $20 billion in taxes. I do not think you are going to find that bipartisan cooperation at that level. That would be a mistake, because then the process breaks down and we have done nothing to bring down those deficits, we all go home to face the voters in November, saying we failed. None of us want to be in that position. Therefore, I urge my colleagues to strongly consider the Gramm-Latta bipartisan substitute if nothing else because of this tax level.

Mr. BETHUNE. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the gentleman from Arkansas.

Mr. BETHUNE. I would like to make a point. While there has been a good deal of criticism about the targets that we have set on the spending side over here in suggesting that we are theorizing if we think we are going to hit those targets, what the gentleman is trying to point out is that if those on the other side think that we are going to hit these revenue targets that they are presenting, that they are theorizing. And so I think the gentleman is bringing the House to its senses. Let us get sensible. We are going to have to do something on the spending side and, indeed, as we all are reluctant to do, probably have to do something on the revenue side. But this is an election year and we have already demonstrated we have got no courage when we have passed up the gentleman from California's substitute that was on the floor earlier today to bring spending under control.

I think the gentleman has made a real contribution here and there is a little theorizing going on on both sides of the aisle.

Mr. HEFNER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have been sitting in my office and watching that color television that is provided for me, to where I can keep up with the things that are taking place in this House, and, if you just kept it on Capitol Hill, it would be a pretty dramatic and comical thing to watch.

I was talking to some of the press today and they said to me, "How do you go back to your district, whether you be a Democrat, Republican, and put a good face on a $100 billion deficit?"

And to quote an old cliché that we used to say down in North Carolina, it is like the lady that had the ugly baby, so ugly that they had to put a pork chop around its neck to get the dogs to play with it.

That is what this budget is—all of them. A hundred and ten billion dollars.

I have been in this body for 8 years and I have faced some deficits. I was requested in the Ford administration to help pass to extend the debt limit and to vote for a $68 billion deficit when we got very few votes from this side. A lot of votes from this side had never voted for a deficit of any size, and now here we are faced with an argument from three alternatives that say if we can get this deficit to $100 billion, or $115 billion we are going to be sending a good signal, we are going to be sending a signal to Wall Street, everything is going to improve and interest rates are going to come down dramatically.

Three former economic advisers said before the Budget Committee, and a lot of folks here heard this, and one of the gentleman, I will not call his name, if you can come with a realistic budget of $110 billion deficit, interest rates will plummet precipitously. A $110 billion deficit and that is sending a signal that the interest rates are going to come down precipitously.

I got a tax cut like everyone else, everybody knows what salary here is. I got a substantial tax cut.

I have got a little business in North Carolina. I need to borrow some more money today. I would gladly have forgone my tax cut last year if it had gotten the deficit down to where interest rates would come down where I could have gotten a loan to expand my business where I can hire some more people.

I want to give you a little history lesson if I may. We sat in this body last year, the President of the United States went before a joint session, made a beautiful speech, and he urged the Members of this body in a bipartisan way to cut $35 billion out of the budget.

We went to work in the Budget Committee and we did not get in a bipartisan way after the first 4 minutes. We could not even agree on assumptions. But, nevertheless, we hammered out two different positions.

The same arguments were given last year that are being given today. The President got his budget package.

We came along late. The gentleman from Illinois (Mr. Rostenkowski) and the Ways and Means Committee went to work on a tax package. The same thing happened. You got two different tax packages.

The same arguments were used on the tax package that is being used here today. The tax package was passed. And I might add the program has not been in effect now for a few months. The tax package has been in effect 20 days before the President was inaugurated, January 1, 1981. Now I do not know what happened. I am not pointing an accusing finger, but we have got some 10 million people who are out of work, who are not worried about a tax cut. They are worried about some kind of benefits that they can get to pay their house payment, their car payment, and to get them through, to buy something to eat, to keep the wolf from the door, so to speak.

I do not know what went wrong. But the same arguments are being made today that if you will pass this $110 billion deficit that sends a signal, and all of a sudden interest rates are going to come down.

I do not care whose budget it is—whether it is our budget, the Budget Committee, the alternative, Aspin, or whoever.

I voted for the Rousselot budget. If I am going to gamble I want to get something from it. If I am going to go all the way across the board and ask everybody to be devastated by cuts, at least I will get a balanced budget. I am not going to support a budget that devastates some programs and still winds up with a $110 billion deficit.

I am of the mind right now to vote against them all. I do not know how to go to my district and put a good face before the chamber of commerce or anybody and tell them that we have passed a budget, done a great job and we have got the deficit down to $110 billion.

Big deal.

The CHAIRMAN pro tempore. The time of the gentleman from North Carolina (Mr. Hefner) has expired.

(By unanimous consent, Mr. Hefner was allowed to proceed for 2 additional minutes.)

Mr. HEFNER. Mr. Chairman, since we do a little bit of finger pointing around here, I have heard people from this side and some of my good conservative friends on this side that has never, never since I have been in this body, voted for one dime of deficit spending—and I have been eaten alive from people from this side when I have. And I have seen people get up and take the well and make a speech on this side and say we have got to vote for this package because it is a $100 billion deficit but it is moving in the right direction, that has never voted for one thin dime of deficit in the past.

Let me just say this to you, if I may be political for a minute. Had Jimmy Carter been reelected and had a $110 billion deficit he would have been lynched because he is not a good communicator. He would have been lynched and burned in effigy all across this country.

Now, I do not know how you put a good face on a $110 billion deficit, but my friend, I just do not believe there is any way that whichever budget passes, $110 billion in deficits, that interest rates are going to come down. There is not going to be the money there for the people to get to build houses and to buy cars.

The only thing that is saving the automobile industry today is because the automobile industry is subsidizing interest rates to 12.8. If they go up to the regular prime rate, there is no way you are going to sell automobiles.

So I am saying to you today this argument is getting to be a little bit on the ridiculous side, and whoever prevails, whoever prevails, I do not think is going to be able to go and brag about what a great job that we have done here to get a $110 billion deficit.

We are really moving in the right direction. If we miscalculate as bad as we did last year, this $100 billion deficit could be $400 billion because we went in last year with a budget that assumed we would have a $42 billion deficit.

☐ 1730

The CHAIRMAN pro tempore. The time of the gentleman from North Carolina has expired.

(By unanimous consent, Mr. Hefner was allowed to proceed for 2 additional minutes.)

Mr. HEFNER. I would like to make just one other point, Mr. Chairman. Last year when we considered this budget, last year when we passed this budget, the Gramm-Latta prevailed and also reconciliation, we passed this and we sent a signal to the money markets, to the people out in the countryside, the bankers, the homebuilders, the automobile builders, the citizens of this country, we said we have got a budget that has $42 billion in deficit, $42 billion in deficit.

What kind of a signal did it send? Wall Street reacted. The market plunged. Interest rates stayed high.

Now, what in the name of God makes us think that if we come in here 1 year later and show $110 billion that they are going to react any differently. It is absolutely ludicrous to think that that is going to happen.

I just wish you all the best of luck when you go back home to the townhall meetings and to the Rotary Clubs and the chambers of commerce. Especially I hope that you are going to have good luck in trying to put a good face on this $110 billion deficit, because I do not think you can do it.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have had a very interesting debate over the past couple days. We have discussed a lot of items that are in the budget alternatives and we have discussed a lot of items that are not in the budget alternatives.

What has been of interest to me is that the Latta alternative, which I consider to be the superior alternative, has been criticized because it perhaps cannot contain every program that is dear to every Member's heart.

I would concede that is a valid criticism. If we are really trying to control spending, if we are trying to get a handle on the Federal budget, then we are going to have to cut something. Those who do not want to cut anything, or who want to increase spending, will have their opportunity to stand up and be counted. I shall not be among them.

As the gentleman from Texas (Mr. Gramm) has pointed out, we are not talking in this budget about individual programs. We are talking about functional aggregates.

What the Latta substitute tries to do is to establish a responsible set of aggregates that takes us as far as we dare go in this House toward fiscal responsibility. It is not the budget that I would have chosen myself. I would have looked for deeper spending cuts than those presented in this particular budget.

It is, however, all we can stand and all that we can pass. It includes all the spending cuts that we can realistically make, and it provides as much in tax increases as this House would ever think of voting. Any more taxing or spending would fail.

Now, we have been through the preliminaries. We now move into the playoffs, and the playoffs pit the Latta bill against the Jones bill and against the Aspin bill. As the chairman of the committee, the distinguished gentleman from Oklahoma, has stated, the Aspin bill is not very much different from the Jones bill. Both spend more money than the Latta bill, and those who like to spend money will probably want to support either Jones or Aspin or both.

Those who would prefer to spend less will want to vote for Latta; but I submit to you that the key difference between those three versions is not spending. It is the amount of taxes that are increased in those bills. The difference is not insignificant. The Jones bill raises about $55 billion more in taxes than the Latta bill, $31 billion in the first year and rising up to $60 billion or whatever—$70 billion in the third year.

Now, the gentleman from Louisiana (Mr. Moore) pointed out that we are going to have enormous difficulties raising $20 billion worth of taxes in the first year.

Let me assure you that that is not going to be nearly as difficult as raising $70 billion in the third year.

The Aspin substitute, which is sort of a weak-kneed version of Jones, but very similar, increases taxes about $45 billion more than the Latta bill.

Now, all those who would like to increase taxes and whose constituents are asking to pay more taxes will probably want to rally around Jones or rally around Aspin.

As for me, my constituents are telling me to reduce spending. They are telling me to control Federal spending and they are telling me that we should raise taxes as little as possible, particularly when we are trying to nurture a fragile recovery.

With Aspin or Jones, you will tax the recovery out of existence. With Latta, there is in my judgment a good chance that we can develop it.

I urge adoption of the Latta amendment.

Mr. PEYSER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not know if this is something symbolic, but walking up here I just picked up a nut on the floor. I am not going to make any comment relating to any of the remarks that we have heard. I will put it on the right side of the table.

I do think, Mr. Chairman, that something has happened in this debate over the last several hours. I do not have the privilege of serving on the Budget Committee or on Ways and Means, but I am certainly an interested Member in what goes on on the floor and what is said. Over the last few minutes, I heard my good friend, the gentleman from New York (Mr. Kemp) engage for 17 minutes in a discussion with my good friend, the gentleman from Oklahoma, about how he voted 3 years ago and what all that meant.

I will tell you the truth, I do not think the American public gives a damn how anybody voted 3 years ago or what it might have meant or what it did not mean, but I do think they give a real damn over what we are doing.

The problem I have with all of this, with all of the programs, with the substitutes and the amendments, is that somehow we seem to have lost sight that we are not just dealing in numbers, that we are dealing with people's lives.

It is very easy to talk about a couple hundred thousand people here or closing this or that institution up and never recognize that these millions of people in our country have names, those people are really totally dependent on what we are going to do here in the next day or two, and yet we go on talking about the functions and the different technical programs, all of which are part of the process, but my feeling is that we have lost sight of the people.

To me, it really is perhaps too simple; but you see, I say that the American public today is really not vitally concerned as to whether they participate fully in a 1983 tax cut. What they are concerned about is whether there are going to be jobs. What they are concerned about is that their kids are going to be able to go to school. What they are concerned about is if they have medical problems they are going to be able to get help, what they are concerned with are high interest rates and yet so many of these programs are really addressed to cutting those and saying, well, we just have to eliminate that section and eliminate this section and somehow people will work it out, those nameless people.

Well, I would like to suggest that we ought to adopt a program, and we have few options left, that is going to do the most for the people who need help from this Government and are not going to be reluctant—my friend, the gentleman from Minnesota, said that in an election year, and my friend, the gentleman from Louisiana, said that in an election year who is going to have courage to delay or defer a tax cut?

Well, I do not want to look super courageous, but I certainly have that courage and I certainly believe that the majority of Members in this House when faced with the alternatives have that courage. I will have no problem voting that way, so I say let us give people with names, our constituents whom we know, the kind of response from this budget that is going to help them. I do not want to stand by while a million students are being dropped out of school, and that is what will happen under the Latta budget, and there is no argument with that.

I do not want to stand still for senior citizens who will not be able to get the medical help they need because function so and so is being reduced by a certain amount.

□ 1740

I do want to say if we need to raise taxes, let us raise them and perform the function of Government.

Mr. Chairman, I just hope that we can get this budget put together and help the people we represent.

Mr. ERTEL. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Pennsylvania.

The CHAIRMAN pro tempore. The time of the gentleman from New York has expired.

(On request of Mr. Ertel and by unanimous consent, Mr. Peyser was allowed to proceed for 2 additional minutes.)

Mr. ERTEL. Mr. Chairman, I rise today in opposition to the Latta substitute. We adopted a Latta budget last July. Since that time 2.5 million more Americans have lost their jobs. In my own State of Pennsylvania, which is following economic policies similar to those of the Reagan administration, unemployment has risen in 13 months from 7.4 percent to 10.7 percent—one of the highest rates in the Nation.

There is an overwhelming need for action: in the short run, to help people acquire the skills they need to get jobs, and in the long run, to help our work force adjust to a changing economy. Yet, the budget proposed this year by House Republican leaders does not recognize this need, and in fact, would reduce funding significantly for employment training programs. I cannot support a budget that cuts back our investment in employment for Pennsylvanians and all Americans.

Mr. PEYSER. I thank the gentleman for his comments.

In closing, Mr. Chairman, I would just like to say while it is obviously necessary that we use both our hearts and our heads in working this plan out, I would like to think that we will let a little more of the heart come into play here in solving these problems.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I would be glad to yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Chairman, I would just like to commend the gentleman for his words of wisdom.

One point that he made that I specifically would like to endorse is the fact that any cuts in medicare is going to be a burden on older Americans. Any cuts is going to limit their coverage of medical insurance.

Make no mistake, we are expecting all the burden of reform for health cost containment on the backs of our disabled and the elderly. In effect we will decrease their necessary health insurance programs.

Mr. MADIGAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the distinguished chairman of the Budget Committee, the gentleman from Oklahoma (Mr. Jones), might be feeling a bit badly at this point about his budget resolution, because I have not heard anybody stand up and say anything good about it. All I have heard are Members standing up here and talking about the Latta budget proposal. I have not heard anything about the Jones budget proposal at all during this period of time that we are supposed to be talking about the Jones budget.

Since that is the procedure that we are following, I hope the gentleman from Oklahoma will excuse me if I also refrain from speaking about his budget and take a moment to respond to some of the recent criticism about the Latta budget, most specifically with regard to the allegation by the last two speakers that the Latta budget proposal somehow contemplates cutting medicare.

In fact, the Latta budget proposes to increase medicare funding 33 percent over the next 3 years from a current level of $49½ billion to a level next fiscal year of $53 billion, and then up to $58.6 billion, and then up to $65.5 billion in fiscal year 1985, an overall increase of 33 percent in those 3 fiscal years.

No cut at all, Mr. Chairman, in medicare funding is contemplated by the proposal being advanced by the gentleman from Ohio (Mr. LATTA). In fact, his proposal would increase medicare funding an average of 11 percent a year during the next 3 years when economists, both working for the Government and working outside the Government, tell us that the rate of inflation will be about 6 percent. So what we are proposing here is to provide an increase for medicare.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I will not yield to the gentlewoman, as the gentleman from New York refused to yield to me. Courtesy on the floor of the House is contagious. I might yield to the gentlewoman when I finish my remarks.

Mr. Chairman, we are considering here in the Latta proposal providing an average of 5 percent a year above what is forecast to be the rate of inflation for medicare funding. Now, there will be more opportunities to discuss this later, and I intend to do that, but I do want to make that point at this point in the RECORD: That the gentleman from Ohio is not advocating a cut at all. He is advocating a 33-percent increase in medicare.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I would not yield to the gentlewoman from Ohio.

Ms. OAKAR. I really thank the gentleman for yielding. When I am on the floor, if I can I would be happy to yield to the gentleman when I have an amendment.

If that is true, that the medicare proposal in the Latta substitute—and by the way, I do not agree with its proposal, and I do not agree with the Jones proposal either in terms of medicare—if that is true, why is it that every national senior citizen organization of repute really feels that this is going to cut their benefits? You know, in the last budget we cut, those of the Congress who voted for the cuts in medicare, we cut medicare already $1.4 billion. We raised the fees, as the gentleman knows, $15 every time they have to go to a doctor.

Why is it that all the senior citizens really do not believe that? Because they have experienced the other cuts, and they know it is not true. So who are we kidding?

Mr. MADIGAN. The gentlewoman is making some distinction between reputable senior citizens groups and those that are not. I do not know what senior citizens groups fall in what category. I would suggest that is a subjective decision on her part, and that not all senior citizens groups are taking the position to which she attributes them as having.

Ms. OAKAR. Would the gentleman yield on that point?

Mr. MADIGAN. I would say further to the gentlewoman, and then I will yield, that those who are under the impression that there is some cut, some actual cut being contemplated here, are under that impression because somebody has told them that, and it simply is not true.

I will be happy to yield to the gentlewoman.

The **CHAIRMAN.** The time of the gentleman has expired.

Ms. OAKAR. Mr. Chairman, I ask unanimous consent that the gentleman be accorded 3 additional minutes.

The **CHAIRMAN.** Does the gentleman desire additional time?

Mr. MADIGAN. I will accept it, Mr. Chairman.

The **CHAIRMAN.** Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mr. MADIGAN. I would be happy to yield.

Ms. OAKAR. First of all, I really appreciate the gentleman yielding to me.

Name one reputable senior citizen or older American organization that agrees with any of the cuts that are proposed in any of the budget proposals relative to medicare, but in particular, the Latta substitute.

Mr. MADIGAN. I understand that the National Alliance for Senior Citizens supports the Latta proposal.

Ms. OAKAR. They agree with that? Could you tell me the makeup of the National Alliance for Senior Citizens?

Mr. MADIGAN. I could not tell you the makeup of any national senior citizen organization.

Ms. OAKAR. I am going to submit for the RECORD when I offer my amendment the variety of organizations of national distinction that really and truly do not agree with the point of view of the Latta substitute.

Mr. MADIGAN. If the gentlewoman would allow me to reclaim my time, I am talking about outlays: fiscal year 1982, $49.5 billion for medicare. Under Latta, for fiscal year 1982, $53 billion, an increase of $3½ billion.

For fiscal year 1984, $58.6 billion, an increase of $9 billion over the current fiscal year.

□ 1750

For fiscal year 1985, $65.5 billion, an increase of $17 billion over the current fiscal year. Those are the actual numbers contained in the budget proposal being advocated by the gentleman from Ohio (Mr. LATTA). Those are not cuts, they are increases in the total of 33 percent for the next 3 fiscal years, during a period of time when the rate of inflation by both private economists and Government economists is expected to be 18 percent.

Ms. OAKAR. Will the gentleman yield to me again?

Mr. MADIGAN. Yes, I will.

Ms. OAKAR. I did ask for the time from the gentleman, and I really appreciate that.

I just simply want to ask the gentleman, who pays for medicare? Do the senior citizens contribute in any way, shape or form to medicare?

Mr. MADIGAN. Everybody who pays anything into the social security fund pays for the medicare, as the gentlewoman well knows.

Ms. OAKAR. They in effect pay for it, having paid for part A. What about part B, which is also affected by the cuts? Do the older people pay for medicare?

Mr. MADIGAN. May I reclaim my time?

Ms. OAKAR. It is the gentleman's time.

Mr. MADIGAN. Because we are talking about a health related issue, perhaps at this point we ought to talk about insanity, because insanity is exactly what is contemplated if we are going to increase by 15 percent a year.

The **CHAIRMAN.** The time of the gentleman from Illinois has again expired.

(By unanimous consent, Mr. MADIGAN was allowed to proceed for 1 additional minute.)

Mr. MADIGAN. If we are going to increase by 15 percent a year for the next 3 fiscal years the budget outlays for medicare, then what we are talking about doing is giving medicare an increase in funding almost three times what the rate of inflation is expected to be. Now, that is insanity because what that says to every hospital administrator in this country is, "we want you to raise your costs at least 15 percent. We are going to tell you right now that for the next 3 fiscal years a 15-percent-a-year increase in your costs is all right with us."

If that is not insanity, I do not know what is.

Ms. OAKAR. The gentleman did not answer who pays for medicare. The fact of it is, part A is paid by the social security insurance program which older people paid into. Part B is paid by older people also. They pay $11 a month for medicare, and as a matter of fact, $11——

Mr. MADIGAN. The gentlewoman may be interested in knowing that pays 30 percent of the cost.

Ms. OAKAR. That is one of the few programs where people pay in.

Mr. OTTINGER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time to inquire of the sponsors of the Latta-Michel amendment, whoever might want to respond, with respect to what they have done to decimate the energy budget, over which I have particular concern as chairman of the Energy, Conservation, and Power Subcommittee.

As I read from the documents that were supplied with the Latta-Mitchell budget, the Latta budget is $1.2 billion below the Senate resolution, and $1.7 billion below the Jones resolution. As I see it from this documentation, there is virtually no money in here for fossil energy research and development; no money for solar energy research; conservation is allotted $312 million, which is a 20-percent reduction from fiscal year 1982 spending levels and is $74 million below the Jones resolution.

Furthermore, the energy supply function, as I read from these documents, is cut some $641 million below the Jones resolution. I wonder what is cut out? Is nuclear cut out? What other programs are cut out?

Another problem: There is apparently revenue but no expenditure allocated for a nuclear waste program. The Latta budget provides for $300 million in revenues, but no money for expenditure for that program, whereas the Jones budget calls for putting in the fees, the $300 million, and spending that for nuclear waste, as is contemplated by the legislation we are considering.

I wonder if there is anybody here who knows anything about this budget who can explain these serious energy cuts, since we still have a very serious energy crisis. We spent $77 billion last year for energy imports. How are we going to relieve our dependence on imported oil if in fact this budget eliminates all the money for the programs which could help us do that. Is anybody in the Chamber who can talk to these questions?

Mr. WINN. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I will be glad to yield.

Mr. WINN. Mr. Chairman, I thank the gentleman for yielding. I am glad that he asked these questions. I think that the gentleman realizes, through his service on the Science and Technology Committee, that no specific funding decisions below the gross energy functional level are being made here. Therefore, no decision is being made on any individual projects in any Member's State or district. Not by any budget levels here today or by any estimates, whether by CBO or congressional staff or anyone else, are the decisions being made. We do not know what is being cut out. That action, if any, comes under the authorization process.

Mr. OTTINGER. If I may reclaim my time, what I am reading from is a document put out by the sponsors of the resolution, I assumed. It is called, "Summary of the Bipartisan Package," and it has various estimates for decreases in all of these programs. If these are not correct, I would like to know what is contemplated. Does the gentleman contemplate getting rid of Clinch River? I would hope so. I might be tempted to support that portion of the budget, but that is not what this says. It says this money is primarily coming out of the solar and fossil and conservation programs.

I think the people are entitled to know where those cuts are contemplated by the authors of the resolution if they are proposing such drastic cuts.

Mr. WINN. If the gentleman will yield further, I think that I answered the gentleman's question. I could not hear what the gentleman was reading from or what he was referring to, but as he well knows, there may be some estimates made in there, but it cannot be set in concrete until the appropriations process is allowed to work.

Mr. OTTINGER. Well, in other words, the gentleman is telling us that we are supposed to buy a $1.7 billion reduction from the Jones resolution in the energy function without having any idea at all where the proponents of this resolution would propose to make the cuts, and what kind of damage that might do to the national energy program and to the Nation. That is incredible.

Mr. WINN. I gather then that the gentleman from New York does not have any faith in the appropriations process.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield.

Mr. HUNTER. Mr. Chairman, I would be happy to refer the gentleman to a very important energy program which in fact will be cut under the Jones proposal. That happens to be the projection of American naval forces which presently protects the energy lifeline which flows from the Middle East to the United States. I would like to list some of these cuts in this important defense program: decommissioning of 36 older ships; withdrawal of the carrier task forces from both the Indian Ocean and the Mediterranean Sea; reduction of the fleet steaming hours, and so forth.

Mr. OTTINGER. The gentleman is talking about additional cuts after the energy program has failed and the resulting catastrophe requires military action. He is talking about what we are going to do militarily.

Mr. HUNTER. I am talking about protecting our sea lanes.

Mr. OTTINGER. I reclaim my time. The gentleman is talking about what we do militarily to address the problem after our energy program has failed. What I think we ought to be doing is preventing our dependence on imported oil that requires us to contemplate military action at all, and that is where this budget fails altogether.

Mr. HUNTER. I am talking about the maintenance of sea lanes which presently protect the energy lifeline we have flowing from the Middle East, which is seriously jeopardized by the Jones proposal.

Mr. JONES of Oklahoma. Mr. Chairman, I again want to remind the committee that we have 68 amendments pending, and some of them are pending to more than one substitute. If we just did 1 hour per amendment, we would be here clear into next weekend. I know the gentleman from Michigan had sought recognition. There will be time during the 5-minute rule during the amendments to speak, and I would hope that we could move on to the amendments after we hear from the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, with great respect and affection for both the author of the Latta amendment, and my dear friend from Illinois (Mr. Madigan) I rise to try and set the record straight.

□ 1800

The budget cuts made by the Latta proposal in the area of medicare would be $4.9 billion. In the area of medicaid they would be about half a billion dollars. In total, they would come to about $5.4 billion in those two programs.

The budget proposed by my good friend, the gentleman from Ohio (Mr. Latta), claims to be adding more funding for energy conservation, for health, for energy regulatory activities, and for research in these two areas than the House committee budget resolution. Regrettably, that is not so. As the figures indicate, the budget offered by my good friend, the gentleman from Ohio (Mr. Latta), adds funding to a base level freeze which does not include deferred 1981 funds, while the Jones and the Aspin budget proposals freeeze funding at a level which incorporates both deferred 1981 funds and transferred expenditures. In other words, the Jones and Aspin budget proposals use as their baselines the funds agencies really are spending in this fiscal year; the Latta substitute uses as its baseline only the moneys appropriated for this fiscal year, a fictitious and much lower budget figure.

I think it is, therefore, important that we analyze the Latta proposal in the light of what it in fact does. In the area of energy, the cut made by the Latta proposal would be $1.7 billion in budget authority and $1.1 billion in budget outlays in fiscal year 1983.

The Latta substitute budget resolution is warmed-over rhetoric from the past year, should be seen for what it is, and should be resoundingly defeated by the Members of the House.

Last year, there was an effort to dismantle many energy programs during reconciliation; that effort was stillborn because of the recognized need for a balanced energy policy. I submit that the DOE dismemberment will also die stillborn, since it remains essential that this Nation have energy policy and programs and that it retain its commitments to our allies.

The Latta budget would result in the total abolition of a meaningful energy program for this country. It would cut by an additional 33 percent an energy budget which has already been slashed to the bone.

The Latta budget assumes that a system of user fees will be instituted at FERC. A system of user fees would turn FERC into a "bounty hunter" which would have the funding to monitor and protect the public interest only when there were a lot of license applications pending at the Commission. If ultimately approved by the Congress, any user fees that are collected should go to the U.S. Treasury, not to the FERC as the Latta budget provides, first, so that Congress can continue to control the agency's activities and second, so that FERC is not left with wildly fluctuating budgets depending upon varying numbers of license applications.

Even though its sponsors claim otherwise, the Latta budget would impose further cuts in the conservation, solar, geothermal, and renewable energy budgets—leaving this Nation vulnerable to any supply cutoff. Evidently, neither the sponsors of the Latta substitute or the administration has understood the strength of repeated bipartisan congressional expressions of support for a strong conservation and renewable energy effort in this country.

The Latta substitute and its supporters here have a particularly incredible failing. They do not believe in investing in the people of this country.

They said they did not want to cut social security, but they have tried twice.

The Latta substitute would reduce medicare by $4.9 billion.

The Latta substitute would further reduce food stamps—by $710 million.

The Latta substitute would cut veterans' benefits by $137 million.

The Latta substitute would reduce medicaid by $483 million.

The Latta substitute would reduce guaranteed student loans by $31 million.

The Latta substitute would cut aid to families with dependent children, supplemental security income, and child support by more than half a billion dollars.

The Latta substitute would cut employment and training by $529 million.

The Latta substitute would cut subsidized housing by $504 million.

The Latta substitute would cut small business loans by $181 million.

In other words, the administration, through the Latta substitute, wants to reduce this Nation's commitment to the elderly and their health; to children, their health, and education; to veterans who have served in this country's wars; to individuals who want to work but need training; to people who need help in order to get started in business. The list could go on and on, but the point my colleagues should understand is that this administration has no use for the unfortunate in this great country who need a little help and some commitment in order to be productive, contributing citizens in our society and it is an administration represented in the Latta amendment.

Perhaps the most regrettable aspect of this exercise is, as I have indicated, that the Latta substitute would inflect significant cuts in both medicare and medicaid, according to every study that we on the Energy and Commerce Committee can make with regard to this.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. Since I mentioned the name of my dear friend, the gentleman from Illinois, I, of course, yield to him.

Mr. MADIGAN. Mr. Chairman, I appreciate the gentleman's yielding.

I do not dispute what the gentleman is saying except to make the point that the gentleman would be speaking more correctly for the record if he spoke of cuts in the rate of growth as opposed to actual cuts. To suggest that there is a cut of $4.8 billion in medicare is to ignore the fact that the Latta budget proposal would increase medicare funding in each of the next 3 years over the present level of expenditures, either with regard to authority or outlays, and would increase outlays for a total of 33 percent over the next 3 fiscal years, some 9 percent in the next fiscal year and some 12 percent in each succeeding fiscal year.

So if the gentleman is saying that we would propose to cut the rate of growth from 45 percent over the next 3 fiscal years to 33 percent over the next 3 fiscal years, the gentleman would be speaking correctly for the record.

Mr. DINGELL. Mr. Chairman, let me, then, agree and also disagree with my good friend, the gentleman from Illinois, and let me observe that what in fact will occur with regard to hospital expenditures, as mentioned by the gentlemen, is in good part so.

The way it would work out is that the hospital and health expenditures are going up, due to inflation, at a rate of about 12 percent. The consequences of the Latta proposal are that, with regard to health expenditures under medicare and also under medicaid, this Nation will not even keep pace with the inflation that we can properly anticipate.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield further?

Mr. DINGELL. The consequences of that are that we will see some reductions in the real level of medicare expenditures and of medicaid expenditures.

Now I will be delighted to yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Chairman, I want to thank the gentleman for yielding, and I will relate to him an experience.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. DINGELL) has expired.

Mr. MADIGAN. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan (Mr. DINGELL) be allowed to proceed for 3 additional minutes.

The CHAIRMAN. The Chair will inquire, does the gentleman desire the 3 additional minutes?

Mr. DINGELL. Mr. Chairman, really I do not.

The CHAIRMAN. Objection is heard.

Mr. DINGELL. However, I will accept them and yield to my friend, the gentleman from Illinois.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield further?

Mr. DINGELL. Yes, I do indeed.

Mr. MADIGAN. Mr. Chairman, I appreciate the gentleman's yielding.

I would relate to the gentleman an experience that I have just had over this past weekend where the board of directors of a hospital in Illinois has advised me that it is their intention to lower the room rate for their hospital by some $12 per day this summer because the financial position of that hospital is so strong that they are going to actually be able to decrease their charges during the next year rather than increase them at all.

Now, that is not what the hospital administrator wanted to do. He wanted to keep the charges at the same level and introduce a completely free dental program for the staff and employees of all of the hospital, saying to the board that "We can afford to do that because we are on a cost-based reimbursement system that becomes a labor cost, and medicare and medicaid will pay for that."

But they refused to do that and instead chose to actually lower the hospital cost at that hospital in Illinois.

There are well-managed hospitals around this country which have managed to keep their cost increases below 9 percent during the last fiscal year. They are not a majority certainly, but many hospitals have been able to do that.

All we are asking them to do under the Latta proposal is to keep their increases at 5 percent more than the rate of inflation that is predicted for the next 3 years.

Mr. DINGELL. Mr. Chairman, I thank the gentleman for that statement, and certainly there ought to be something done about the hospital administrator to whom he alludes.

But I would observe that not many hospitals have this kind of choice. Many hospitals are trying very hard to hold their costs down, and in those areas this proposal will cause a hardship not upon the hospital but upon the persons who would be receiving benefits under medicare and medicaid.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to my friend, the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I thank the gentleman for yielding.

I would just like to say that the sponsors of this amendment, the Latta amendment, showed $23.219 billion over the next 3 years as savings in the entitlement program for medicare and $1.969 billion in savings in the entitlement program for medicaid.

There is no way you can take that kind of a cut without hurting the beneficiaries.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to my friend, the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I would like to point out that some of the hospitals that have the biggest increases annually are the ones that are doing the best job with their outpatient service, and thus they are doing the most to contribute to lower costs overall for medical services. Some of those who are not increasing but 8 or 9 percent are not using outpatient service in many cases where they could and, therefore, retain patients in the hospital which cost less per day to service.

So what we would be doing here in putting an arbitrary cap on these daily hospital costs would be to penalize some of the people who are doing the most to reduce total health care costs.

Mr. DINGELL. Mr. Chairman, I agree with the gentleman.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. DINGELL) has expired.

Mr. HUGHES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to thank the chairman of the Budget Committee for his indulgence. I know that he wants to move this matter along.

I have listened to the debate all day and have learned a lot about these functional categories, and I hope I can make a better decision as to these budgets.

I have a particular area of concern, and that is in the area of administration of justice, category 750. I happen to believe that in this debate we have neglected one area of great concern to Americans, and that is the area of crime and the criminal justice system, which has a lot of problems.

If I read the OMB current service base line figures correctly, as well as the CBO base line figures, we need a total of $4.82 billion just to operate the programs, including the crime functions at existing levels. CBO estimates that the baseline figures are 4.79. So I do not understand how either the Jones budget or the Latta-Michel budget can possibly assimilate cuts of anywhere between $220 million and $420 million in budget authority and outlays.

□ 1810

I would ask my colleague from Oklahoma, Mr. JONES of the Budget Committee, how in the world are we going to accommodate in the Jones budget cuts ranging upward, $220 million in budget authority and closer to, as I understand it, roughly $190 million in budget outlays when in fact even the President's own budget submitted in January requested increases in some of the categories such as the FBI and Drug Enforcement.

MR. JONES of Oklahoma. Will the gentleman yield?

Mr. HUGHES. I will be happy to yield.

Mr. JONES of Oklahoma. It is accurate to say all three substitute budgets are spending under the current policy level in the function pertaining to administration of justice.

The committee budget resolution attempted to freeze all discretionary programs at the 1982 levels. Within that category the appropriations and authorizing committees can divide up the total of $4.6 billion in budget authority as they see fit.

Undoubtedly some of it will be an increase in FBI and certain agencies, and a decrease in others.

It is true we are not spending as much as current policy, but it is also true that the committee resolution on the administration of justice function will have $200 million more in budget authority than the Latta substitute and $150 million more in outlays.

Mr. HUGHES. I understand that and appreciate that. But what I am saying, in essence, is that the majority leader a little while ago said we are going to have to deal, instead of with the theoretical, with the practical.

Where are we going to make these cuts? Are we going to make them in the FBI and the DEA where we are already underfunded and regretfully cutting back?

In fact, under the President's January 1982 request we are going to lose a little over 400 agents in the FBI. We have cut the criminal record history tracing back and now cannot supply that information to the States because of the backlog at the FBI: we are cutting back even more personnel in that particular department.

We do not have enough Border Patrol agents. We do not have enough marshals to serve the some 3,000 fugitive warrants that we have outstanding and unexecuted.

We do not have enough U.S. attorneys to move the criminal cases in southern Florida and other places throughout the country. We are now moving judges to southern Florida to try to expedite cases.

So where are we going to pick up the sum of $220 million under Jones or $400 million under the Latta substitute?

Mr. REGULA. Will the gentleman yield?

Mr. HUGHES. I will be happy to yield to the gentleman from Ohio.

Mr. REGULA. I think we should point out the Latta budget restores the present level, just as the House Budget Committee. The difference between the two is that there is a reduction is legal services provided in the Latta substitute that is not in the committee budget. Otherwise they are identical.

But I think the gentleman is overlooking one fact, that the fundamental policy in the United States is we try to manage government better. We try to manage everything better. We have a situation where we need some efficiencies and to just say that everything has been as it should be in terms of cost effectiveness in prior years belies the fact that we are saying to these agencies you can do a better job with the same amount of money.

Inflation is very dramatically reduced, and let us say to all of the agencies, not just this particular function but to all, to do a better job of using your resources.

Mr. HUGHES. If I can reclaim my time, that sounds like what the Attorney General says when he comes before our Judiciary Committee. We are going to have to do more with less.

The CHAIRMAN. The time of the gentleman from New Jersey (Mr. HUGHES) has expired.

(By unanimous consent Mr. HUGHES was allowed to proceed for 2 additional minutes.)

Mr. HUGHES. Law enforcement is a labor intensive function. You are not talking about holding your own. We are talking about a loss because according to the CBO baseline figures or OMB current service budget, we need $4.82 billion just to hold our own.

That does not allow for inflation.

That means just to provide existing services we need $4.82 billion. Under the Latta-Michel budget we drop down in budget authority to $4.4 billion. That is a loss of $400 million not even allowing for the loss for inflation that we are going to experience.

I do not know where we are going to find that because we have been unable to stretch our present resources to perform the crime functions. The President in his January budget asked for more for the FBI and for drug enforcement resources and that is not allowed in this budget.

Mr. REGULA. If the gentleman will yield further I would point out many labor contracts are on a freeze. What we are really talking about is a freeze.

Let me make one other point and that is that law enforcement essentially is a State and local function. If we have a strong economy in this Nation they will have the resources to meet those needs in the State and local communities.

Mr. HUGHES. If I can reclaim my time again, drug enforcement is a national function. The drug problem is our problem. The marihuana and heroin and cocaine are not grown in this country. It is a national problem requiring a national response.

The National Government has to provide the arson task force operations where they are interstate and the FBI operations are clearly national functions. They are not local and State functions.

Also we are called upon to provide leadership in the area of crime. The American public is concerned about the crime problem. It is right up at the top of the list of things that they want us as leaders to commit more efforts to—not less. I do not see any urgency in these budgets directed to the crime problem. I will later offer an amendment that will restore some of these cuts.

I yield back the balance of my time.

Mr. WAXMAN. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, I know many of you are anxious to go on to the amendments, but I do not want to leave the RECORD at this point unrefuted in terms of the comments that have been made about the health-care cuts, particularly the medicare cuts.

Even if we show that the medicare budget will actually increase in dollar amounts, there is a cut of great magnitude in what would otherwise be the amount necessary to keep the program at the same level of service. We ought to understand that there would be, as a result of this slashing cut, a dramatic shift of out-of-pocket costs to the beneficiaries, from the elderly persons who will have to make up those funds.

If we had a $23.3 billion cut in 3 years, as the Latta proposal would have us make, we are going to have more out-of-pocket costs for the elderly to pay, who now pay 30 percent of their health-care bills.

It is not as if medicare paid for all of their health-care needs. Thirty percent of their health care costs are coming out of their pockets.

So we are going to see a dramatic increase in cost sharing.

Some savings could be achieved through reductions in physician and hospital reimbursements. But let us not kid ourselves as to the amount of savings we are going to be able to achieve in that area.

For example, we had a proposal by the Carter administration for a hospital cost containment program. Some of you who were around in the last Congress will remember that legislation. It was very, very difficult and failed.

That bill, had it been passed, would have saved $2.6 billion for hospital outlays over the first 3 years.

What the Latta proposal is suggesting is that we can save, through hospital cost containment, $12 billion in the first 3 years.

I just think we ought to be realistic about it and not kid ourselves. If we make the kind of cuts in medicare that are being proposed it will mean the elderly in this country will have to come up with that money out of their own pockets.

I will in due time come up with an amendment to the Latta proposal to restore the medicare amounts. I hope we can debate it more fully then and have support of my colleagues on both sides of the aisle.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I will be happy to yield to my distinguished colleague from New Jersey (Mrs. ROUKEMA).

☐ 1820

Mrs. ROUKEMA. I thank my colleague for yielding.

I would like to indicate that there are many parts of the Latta proposal that I strongly endorse. But I have grave misgivings about this particular area of medicare, as I have stated to my colleagues on this side of the aisle. I have noted with great interest the amendment of my colleague from California, and I find that it makes some good sense to me. It seems to be a rational approach to effective reductions in medicare and a first step to bringing health care inflation under control.

I have been alarmed by the same $12 billion figure that the gentleman has indicated as representing cost savings through prospective reimbursement and hospital cost containment and, therefore, have scanned the literature, whether it be studies done by senior citizen groups or even some studies done within our HHS Department, and I have not found any study to indicate the optimistic assumptions under the Latta budget.

Therefore, I am hopeful that with the gentleman's modest proposal there can be an improvement in the Latta substitute, and it will inure to the benefit of all medicare recipients.

I will have more to say at the time the gentleman presents his proposal, but I thank the gentleman for his constructive addition.

Mr. WAXMAN. I thank the gentlewoman for her kind words, and I want to underline the fact that if this $12 billion cannot be saved by holding down hospital costs, the committees will then have to come up with some proposal to save that amount because this budget process instructs us to achieve a certain dollar savings. And if we cannot save it in hospital reimbursements, we are going to ask older people to come up with more money to pay for their health care needs.

Mrs. ROUKEMA. If the gentleman will yield further, may I ask a question of the author of the amendment and the chairman of the subcommittee? It is my understanding that the gentleman's amendment does not deny the need for health cost inflation control but assumes that the rate of savings will be more modest, but the gentleman is also assuming that there will be future corrective reforms of the medicare program. Is that not correct?

Mr. WAXMAN. That is correct. We will try to develop whatever reforms we can to achieve savings in the short term, and we want to work with everyone who is concerned about how to achieve savings in the health-care system over the long term.

The administration has talked about some dramatic reforms. We have not yet seen them.

The CHAIRMAN. The time of the gentleman from California (Mr. WAXMAN) has expired.

(On request of Mr. MADIGAN and by unanimous consent, Mr. WAXMAN was allowed to proceed for 2 additional minutes.)

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to my colleague, the gentleman from Illinois.

Mr. MADIGAN. I thank the gentleman from California for yielding, and I will say that I do not intend to belabor this because I know that we are going to have further opportunities to debate this. But so that we might make something a part of the RECORD here this evening, for the benefit of our colleagues to be looking at in the morning, is it not correct that the gentleman from California was the sponsor of the Carter hospital cost containment proposal?

Mr. WAXMAN. The gentleman is correct, and if I might reiterate the point I made earlier, that proposal, which was rejected by the House of Representatives as being too draconian, would have only saved $2.6 billion, whereas the Latta proposal is suggesting that we can save $12 billion over the same period of time.

Mr. MADIGAN. If the gentleman will yield further, I would say to the gentleman for the record that while the gentleman was seeking recognition I went to the telephone and called the Office of Management and Budget, which reported to me that the fiscal years 1983, 1984, and 1985 savings in medicare under the Carter hospital cost containment bill sponsored by the gentleman from California were an aggregate of $15 billion, $3 billion more than is contemplated in the Latta budget.

Mr. WAXMAN. Let me just reclaim my time to point out that the Director of the Office of Management and Budget who opposed that legislation successfully when he was a colleague is incorrect in that figure. He is giving up an aggregate figure that represents the savings on the total hospital bill, not just for the medicare program. When we talk about medicare alone, the savings come to only $2.6 billion. And I just do not think that this House of Representatives is prepared to vote for a hospital cost containment proposal of the magnitude that would be required to make those kinds of savings that the Latta budget would require of us.

Mr. MADIGAN. If the gentleman will yield further for one brief comment, as I said, we are going to have further opportunities to debate this when we reach the amendments of the gentleman from California; but I thought it was important at this point in the Record for today that we at least attract the Members' attention and let all of the Members know that there are two sides to this argument.

Mr. WAXMAN. In reclaiming my time, I will say to the gentleman that there are even more than two sides. It is a very complicated problem.

Mr. BROYHILL. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The Chair will presume the state that this is the last Member the Chair will recognize on this debate at this time. It is time, under the general agreement, that the committee move on to the amendment stage. After the gentleman from North Carolina (Mr. Broyhill) has completed his 5 minutes, the Chair proposes to recognize the gentleman from Ohio (Mr. Pease).

The gentleman from North Carolina (Mr. Broyhill) is recognized for 5 minutes.

Mr. BROYHILL. Mr. Chairman, I have been listening with interest to this debate over the rehash of the debates that we had about 3 years ago, and I pulled the Record here of November 15, 1979. The gentleman from California was alleging total savings of $16.7 billion in Federal dollars over a 5-year life of the bill. Now he comes back, apparently, at this late date with a far smaller projected savings than at that time 3 years ago.

Mr. Chairman, I want to reemphasize points that have already been made, and that is under the bipartisan bill sponsored by the gentleman from Ohio (Mr. Latta) we are not talking about reductions in spending for medicare; we are talking about slowing down the increase in the cost of this program.

The assumed spending levels in the Latta proposal would increase from the present level of $49.5 billion to $53 billion in fiscal year 1983, $58.6 billion in fiscal year 1984, to the level of $65.5 billion in 1985. This is an increase of 9 percent per year.

I point out that health care costs are continuing to outstrip the general inflation. In 1981, last year, hospital costs increased 19 percent. Physician fees rose at an 11-percent rate. In the past 3 months, the health care price index increased at a 10 percent annual rate, compared with about a 1-percent annual rate for the overall economy.

Now, the Federal Government, of course, is a major payer of health care costs, 40 percent of in-patient hospital costs, 17 percent for physicians. And we should be concerned about the rapidly increasing costs. This openended payment system of medicare is a major source of health care cost inflation and, of course, it is contributing significantly to Federal deficits.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from California.

Mr. WAXMAN. I want to point out to my colleague that when we have a health care economy that is increasing at a faster rate than the rest of the economy and we decide we are going to pay less for the hospital care of the people who are covered by the medicare program, the hospitals just turn around and ask the beneficiary for the patient to pay the difference. They do not decrease their costs. They just ask the medicare person to pay more money out of pocket. That is not cutting the health care inflation. That is only shifting the burden to the patient, to the elderly person.

I also want to disagree with a statement that has been made about the anticipated cost savings under the Carter hospital cost containment proposal. That proposal applied not only to the Federal Government, but to private insurance as well. And the savings for the Federal Government were only $2.6 billion over 3 years.

Mr. BROYHILL. If I may reclaim my time, I would be glad to show the gentleman the Record which I have in my hand, and he was saying at that time $41.2 billion savings for the American people over the same period of time, a savings of $16.7 billion in Federal dollars.

Mr. WAXMAN. If the gentleman will yield further, does the gentleman deny the fact that a hospital is just going to turn around and ask an older person to pay the rest of the bill? Why does the gentleman believe it would lessen the cost for their care when we do nothing about the increases in health care inflation?

Mr. BROYHILL. If I may reclaim my time, Mr. Chairman, I think the fact is that the program that we presently have is a key factor in driving up the costs of medical care, health costs in this country. And we just cannot sit here and let this program continue to go up by 15 percent a year. Without these savings, the medicare program is going to cost $200 billion in the next 3 years, which is more than the total program cost for the first 16 years of the program.

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from New York.

□ 1830

Mr. CONABLE. I think the gentleman makes a very good point.

I would like to say also that we are on the verge, I hope, of moving toward some reform of the medicare program.

We must try to convert the first dollar of coverage into some sort of major medical coverage of catastrophic illness. I do not know that this can be accomplished quickly, but it must be eventually, because the first dollar spent on illness is not what makes old people so insecure, but the long-term deteriorative illness. Unless we can find some way of protecting this risk, but throw our natural resources at early medical costs in increasing amounts, eventually our old people will have to stand in line for treatment.

AMENDMENT OFFERED BY MR. PEASE TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA

Mr. PEASE. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. Latta).

The Clerk read as follows:

Amendment offered by Mr. Pease to the amendment in the nature of a substitute offered by Mr. Latta: At the appropriate place insert:

It is the sense of the House of Representatives that the Congress should enact legislation such as the following suggested changes in the Internal Revenue Code of 1954 in order to use the closing of tax loopholes to the maximum extent possible as a way of raising revenue over the next 3 fiscal years:

(1) Phase-out of the employee stock ownership credit.

(2) Limitation of the issuances of industrial development bonds.

(3) Limitation of the deduction for payment of nonbusiness interest (other than for purchase of a home or automobile).

(4) Repeal of the partial exclusion of dividends.

(5) Repeal of the exclusion of scholarship and fellowship grants.

(6) Repeal of the exclusion of amounts received under qualified group legal services plans.

(7) Repeal of the 15 percent exclusion of interest (scheduled to take effect in 1985).

(8) Elimination of the deductions for the extra cost of first-class travel.

(9) Limitation of the business deduction to 80 percent of the amount paid by the taxpayer with respect to meals, lodging, and entertainment.

(10) Repeal of the deduction for State and local personal property taxes.

(11) Limitation of the deduction for casualty losses to 10 percent of the taxpayer's adjusted gross income.

(12) Repeal of safe harbor leasing

(13) Reduction of the basis of property subject to a deduction, under the accelerated cost recovery system, by the amount of the investment tax credit allowed with respect to such property.

(14) Repeal of the charitable deduction for individuals who do not itemize deductions.

(15) Imposition of a requirement that real property construction period interest and taxes be capitalized in the case of corporations.

(16) Repeal of the investment tax credit for timber and the amortization of reforestation expenditures.

(17) Repeal of the deduction for taxpayers holding motor carrier operating authorities.

(18) Limitation of the deduction for medical expenses to medical expenses in excess of 5 percent of the taxpayer's adjusted gross income.

(19) Repeal of the expensing of intangible drilling and development costs in the case of oil and gas wells and geothermal wells.

(20) Repeal of the capital gains treatment of dividends reinvested in the stock of public utilities.

(21) Elimination of the use of the completed contract method of accounting for long-term contracts.

(22) Limitation of the deduction for additions to the reserves for bad debts in the case of thrift institutions.

(23) Repeal of percentage depletion with respect to natural resources.

(24) Repeal of special capital gains treatment of timber, coal, and domestic iron ore.

(25) Elimination of the use of modified coinsurance contracts as a method of treating investment income as underwriting income.

(26) Limitation of the tax credit for possessions corporations to prevent abuse of such credit.

(27) Repeal of the credit for oil and gas extraction taxes paid or accrued.

(28) Elimination of the special treatment of domestic international sales corporations.

(29) Increase in the percentage of gain or loss treated as short-term capital gain or loss in the case of regulated futures contracts.

(30) Imposition of a 5 percent capital gains tax for estates, based on the decedent's holdings at the time of death (subject to a $100,000 exclusion).

(31) Limitation on the phased-in increase in the unified credit against gift and estate taxes, and indexation of such credit.

(32) Repeal of the recent changes in current use valuation.

(33) Imposition of a $100,000 limitation on the estate tax exclusion for annuities and for the proceeds of life insurance.

(34) Repeal of the exemption for royalty oil, the reduction in tax imposed on newly discovered oil, and the exemption for stripper well oil.

Mr. PEASE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. PEASE. Mr. Chairman, we have before us three substitutes at the present time. They differ in many, many respects. However, all three agree on one point, and that is that we will need to raise revenue over the next 3 years or, if you will, to offset some of the revenue losses that will occur because of the tax bill passed in 1981.

Under the Latta substitute, it is assumed there will be $95 billion in revenue raised over the next 3 years.

In the Aspin substitute, about $143 billion, and in the Jones about $150 billion.

My amendment is a sense of Congress provision only, and what is the sense of Congress expressed in this provision? It is that, to the maximum extend possible, Congress should use the closing of tax loopholes as a way of raising revenue over the next 3 years.

Is this sensible? No one is eager, as far as I know, in this House, to defer the third year of the tax cut passed last year. No one is eager to eliminate indexing due to take effect in 1985. Those who talk about doing those things do so not out of eagerness but rather out of a sense of despair because of the large deficits forecast for the next 3 years.

Would it not be better for the $95 billion in revenue under the Latta proposal, or the $143 billion under the Aspin proposal, or the $150 billion of revenue under the Jones proposal, to be achieved by closing tax loopholes rather than adding to the burden of ordinary Americans?

My amendment asks that we do just that.

Now I knew that it would be too easy, to flip, to just say let us do it by closing tax loopholes without going through the exercise of identifying some specifics that we can address.

And so I have developed a list of 34 specific loopholes that could be closed that would raise $110 billion over a 3-year period.

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. PEASE. I yield to the gentleman from North Carolina.

Mr. MARTIN of North Carolina. Is there a copy of the list?

Mr. PEASE. I will be happy to make that list available.

Mr. MARTIN of North Carolina. Where would it be?

Mr. PEASE. It is in the RECORD.

My list of tax loopholes, I would emphasize, is my list. I think most Members would agree on most of the items in that list but not all Members would agree on all items.

But I would point out that this is a sense of Congress language, it is not binding on the Ways and Means Committee as to each and every item in the list.

I view this amendment as a clear signal to the Ways and Means Committee and to the Congress to turn first to the closing of loopholes when we seek to find this additional revenue ranging from $95 billion to $150 billion over the next 3 years.

My colleague, the gentleman from Michigan (Mr. BONIOR), will soon offer an amendment trying to establish some sort of a ceiling of $273 billion in tax expenditures for 1983.

My amendment envisions $15 billion in tax loophole closing in 1983, $42 billion in 1984, $53 billion in 1984, for a total of $110 billion.

Surely we can find $15 billion or even $53 billion out of $273 billion in tax expenditures.

We have heard a lot of talk in the last few days about tough dicisions that we will have to make in regard to entitlement programs, in regard to education, and health, and other domestic programs, and even in regard to defense.

Why not extend these tough decisions to the closing of tax loopholes? Why cut down meals for hungry children while oil companies and oil millionaires get subsidized by rank and file taxpayers?

Mr. CONABLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the distinguished gentleman from Ohio has proposed a sense of the Congress amendment which I think is a very bad way to make tax policy and I urge the defeat of the amendment. I would like to read a few of the words from this amendment.

> It is the sense of the House of Representatives that the Congress should enact legislation which makes the following changes in the Internal Revenue Code of 1954.

It then lists some 34 proposed loophole closings.

Mr. PEASE. Mr. Chairman, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Ohio.

Mr. PEASE. I think the gentleman is in error. There were two possible amendments that I proposed in the RECORD last Friday. The one that I have offered does not provide that those changes will have to be made. I will read the language, if the gentleman wishes. It says it is the sense of the House that the Congress should enact legislation such as the following suggested changes in the Internal Revenue Code in order to use the closing of tax loopholes to the maximum extent possible as a way of raising revenue over the next 3 fiscal years.

Mr. CONABLE. I was not aware the gentleman had put in two such amendments. In any event, let me read some of the proposals; my collegues may doubt the wisdom of going on record as favoring these without some study, thought and deliberation.,

The first proposal phases out the employee stock ownership credit—ESOP.

Second, limitation on the issuance of industrial development bonds.

Third, limitation on the deduction of payment for nonbusiness interest, other than for the purpose of home or automobile.

Fourth, repeal the partial exclusion of dividends.

Fifth, repeal the exclusion of scholarship and fellowship grants.

Another: Repeal the deduction for State and local personal property taxes.

Another, limitation of deduction for casulty losses to 10 percent of the taxpayer's adjusted gross income.

Another, repeal of the charitable deduction for individuals who do not itemize deductions.

Another, repeal of personal depletion with respect to all natural resources.

Another, repeal of special capital gains treatment of timber, coal and domestic iron ore. Elimination of special treatment of domestic international sales corporations.

Imposition of the 5-percent capital gains tax for estates based on the decedent's holdings at the time of death, subject to a $100,000 exclusion.

Another, imposition of $100,000 limitation on State estate exclusion for annuities and for the proceeds of life insurance.

All of these are far-reaching proposals. They do need a good deal of careful study before being enacted and I submit, Mr. Chairman, that this is not an appropriate place to instruct the Ways and Means Committee as to such detailed proposals. It is in fact a usurpation of the jurisdiction of that committee since we are dealing with aggregates. We are going to have a very difficult time, I submit, in coming up with as much as $20 or possibly $30 billion of tax cuts this year.

□ 1840

Nonetheless, it seems to me that this is an inappropriate amendment at this point and I urge my colleagues to vote it down.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. CONABLE. I am happy to yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, one of the complaints we hear against the budget act from our colleagues is that it usurps the function of committees.

Does the gentleman agree that dealing with this issue is a proper role for the Committee on Ways and Means to determine in a tax bill, rather than to operate through nonbinding language on the budget resolution?

Mr. CONABLE. Well, it is a sense of Congress proposal and is not binding on the Ways and Means Committee for that reason; however, I would urge my colleagues to be very careful about their strong and unquestioning support of some of these proposals for which the sense of Congress is being sought. It does need a good deal of study and some care, I believe, before we get ourselves out on this kind of limb.

Mr. REGULA. Mr. Chairman, will the gentleman yield further?

Mr. CONABLE. I yield to the gentleman from Ohio again.

Mr. REGULA. As I understand, one of these provisions would repeal certain elements of the estate tax and would impose burdens on farmers, small businessmen, and others.

Mr. CONABLE. Yes, that is correct. There are many other proposals that I have not read. I have read some that I think should give sufficient pause to the membership.

Mr. BONIOR of Michigan. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I rise in support of the amendment of my colleague, the gentleman from Ohio (Mr. PEASE).

While I do not agree with all of its priorities, I think it is a sensible and courageous attempt and I want to emphasize this, to force a major element of our fiscal policy out of the corners and into the light of deliberations on budget resolutions.

Tax expenditures or tax subsidies or tax loopholes, call them what you want, have one simple effect. They reduce the taxes which groups of individuals or corporations would pay in their absence. They are meant to reduce the tax burden or encourage a particular economic behavior; but this is important also. In modifying the tax responsibility of a particular, they affect the tax responsibility of the aggregate, the whole, all of us.

The Congress decides each year which Federal services are essential and at what level they are going to be funded and obviously a similar level of revenues must be collected to fund those activities.

The continuation or enactment of tax expenditures, while lowering the tax burden of some, raises it for the rest or at least maintains it at a higher level than it would be in the absence of those tax expenditures. Thus, tax expenditures affect all taxpayers regardless of their intended effect and they are literally getting out of control. Since 1975, tax expenditures have grown at a faster rate than direct outlays. In 1967, as I mentioned on the floor yesterday, there were 50 tax expenditures or loopholes which cost the Federal Government $36 billion. Today there are 104 with a price tag of $273 billion.

Even more impressive, however, is the fact that in some functions of the Federal budget, such as energy and in housing, tax expenditures actually exceed Federal outlays. Yet they are nowhere accounted for in the budget process. They do not require appropriations and are rarely reauthorized. They do not appear in the budget resolutions and the revenue figure because they constitute revenue foregone. They do not appear in the outlay figures because they require no disbursements. Most of them simply continue from year to year without control or oversight—$273 billion.

This further diminishes the already minor portion of the Federal economic activity that Congress is able to effect each year. In fact, as Dr. Rivlin mentioned in 1980 when he appeared before the Rules Committee, when you eliminate tax expenditures and other uncontrollables in the Federal fiscal policy each year, what you are doing is basically letting the Congress work with 30 percent of the budget.

As we have seen last year and will probably see again this year, this has a disastrous budgetary consequence for the programs that Congress does control.

Neither should our portfolio of tax expenditures be considered particularly rational or equitable. For instance, and the gentleman from Ohio alluded to this, there is no apparent reason why coal or timber royalties would be taxed as capital gains rather than at the higher normal rate as income.

A Library of Congress report stated in 1980 that the greatest absolute benefit from tax expenditures "went to the highest income group," about 5.6 percent that make over $50,000 a year.

Last year even as we made Draconian cuts in what both sides admit are beneficial social programs, even as we attempted to cut social security benefits and in fact did, even as we made what we termed absolute essential reductions in educational assistance to our promising young students, the Congress created 8 new tax expenditure programs, expanded 22 others while eliminating only 2.

Perhaps the Congress would not change those priorities or change that mix even if it had the opportunity, but the point is that when the Congress yearly struggles, especially as we have struggled this year, to set national priorities through the budget, tax expenditures should also bear the regular scrutiny of that process. If the Congress were to permit itself that direct scrutiny, I cannot believe that the Americans would allow it to reduce education assistance, while a company such as General Electric with net earnings of $2.6 billion paid no taxes last year and actually received a check from the Federal Government of $100 million from the renowned sale leaseback provision.

The CHAIRMAN pro tempore (Mr. Moakley). The time of the gentleman from Michigan has expired.

(By unanimous consent, Mr. Bonior of Michigan was allowed to proceed for 2 additional minutes.)

Mr. BONIOR of Michigan. Is there any equity in asking our children, the handicapped, the elderly, to help us reform the economy when some of our wealthiest corporations pay zero income taxes because of the tax expenditures we refuse to deal with or touch?

You know, in the now famous article that has been alluded to time and again on this floor, David Stockman wrote in the Atlantic Monthly—or he did not write, somebody wrote about him—that he was going to deal with this issue as soon as they got the social cuts taken care of.

Well, we know he did not deal with the issue. We know that the administration has not dealt with the issue and what we ended up with was a large list of tax expenditures and in Mr. Stockman's words, the hogs were really feeding.

You know, to wait for further reform from the administration is to anticipate a larger trough with an expanded guest list.

We must begin this reform here. We must begin it now in our deliberations and I would ask you to consider the amendment of the gentleman from Ohio and later I have an amendment which deals with the aggregate total.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. BONIOR of Michigan. I yield to my colleague, the gentleman from Ohio.

Mr. REGULA. I thank the gentleman for yielding.

The gentleman has used the term "tax expenditures" and also the term "revenue foregone." I wish the gentleman would explain to this body what a definition of "tax expenditures" and also "revenue foregone" would be.

Mr. BONIOR of Michigan. The Budget Act defines tax expenditures as those revenue losses attributable to provisions of the Federal tax laws which allow a special exclusion, exemption, or deduction from gross income or which provide a special credit or preferential rate or deferral of tax liabilities.

Mr. REGULA. Is the gentleman suggesting that any form of a credit, such as a contribution to charity, would be a tax expenditure?

Mr. BONIOR of Michigan. Contributions to charities are considered tax expenditures, that is correct.

The CHAIRMAN pro tempore. The time of the gentleman from Michigan has again expired.

(At the request of Mr. Wolpe, and by unanimous consent, Mr. Bonior of Michigan was allowed to proceed for 2 additional minutes.)

Mr. WOLPE. Mr. Chairman, will the gentleman yield?

Mr. BONIOR of Michigan. I yield to the gentleman.

Mr. WOLPE. I thank the gentleman for yielding. I want to associate myself with his remarks.

The issue before us is not whether or not each and every tax expenditure on the list Mr. Pease has offered for consideration is justified or not. Clearly some are and clearly some are not. For example, I have long supported tax credits for charitable contributions, estate tax relief for family farmers and small business owners, the Federal deduction for State and local personal property taxes, and a responsible industrial development bond program. I have also argued that some tax provisions—such as the safe harbor leasing provision—are in urgent need of reform. Still other provisions of the tax code—such as wholly unjustified tax breaks for the oil interests—should be repealed outright.

But the Pease amendment does not require the Ways and Means Committee to adopt any specific recommendation. It simply expresses the sense of the Congress that the Ways and Means Committee, in its search for ways to raise new revenue, consider closing some of the existing loopholes before it considers raising taxes on average taxpayers.

The only real issue before us at this point is that tax expenditures are really nothing more than another form of government spending, albeit a less obvious one. A dollar spent is a dollar spent—whether it goes as a direct subsidy or as a tax credit to a special interest group.

We have heard Member after Member in this body get up and rail against proposed specific expenditures for medicare or for job training or for education and say nothing about the tax expenditures which are a direct subsidy for particular interests, again maybe justified, maybe not justified; but if I understand what the gentleman in the well is saying and what the gentleman from Ohio is proposing in his amendment, it is about time that this legislative body begin to look at the issue of tax expenditures in the same way as we would look at the question of direct expenditures in the budget.

To hear the suggestion made that it is somehow inappropriate and an intrusion upon the legislative function of the Ways and Means Committee that this issue of tax expenditures be brought into the debate before this House is to suggest that it is inappropriate for the Budget Committee or for the House as a whole in its budget deliberations to make any suggestions with respect to the public policy merits or lack of merits of any specific direct spending item.

□ 1850

The reality is that the direct tax expenditure has the same economic impact on the deficit, it has the same kind of impact as a subsidy into the economy as a direct expenditure. It is the same thing if we say to a specific interest, "You do not have to pay your tax bill to the Government," as to say, "We are going to give you a special check after you pay the tax bill."

It is about time we begin to look at tax expenditures in the same way as we look at direct budget expenditures.

I commend the gentleman in the well and the gentleman from Ohio for their leadership on this issue.

The CHAIRMAN pro tempore. (Mr. Moakley). The time of the gentleman has expired.

(On request of Mr. Pease and by unanimous consent, Mr. Bonior of Michigan was allowed to proceed for 2 additional minutes.)

Mr. PEASE. Mr. Chairman, will the gentleman yield?

Mr. BONIOR of Michigan. I yield to my colleague, the gentleman from Ohio.

Mr. PEASE. I thank the gentleman for yielding to me.

I would like to thank the gentleman for his support of my amendment and also for very clearly outlining the problem we have with tax loopholes generally in our budgeting process. I think the gentleman from Michigan (Mr. Wolpe) who just spoke added very much to that explanation.

I think it is ridiculous, if I may say so, for anybody to think that we, the House of Representatives, do not have the right to make suggestions to the Ways and Means Committee, not binding instructions but suggestions, as to how they might accomplish the need to raise anywhere from $95 billion to $150 billion of taxes from the American people over the next 3 years.

What this amendment says, as I mentioned before, purely and simply is that the Ways and Means Committee we think, in our opinion, ought to turn first to tax loopholes before raising taxes on people.

Mr. BONIOR of Michigan. I thank the gentleman.

One further point: If you want a good vote to take back to your constituents after this process is finished, hopefully by the Memorial Day recess, consider this amendment and consider the amendment that I will offer right after the Pease amendment which deals with the 273 nontarget binding resolution. Your people will understand the lease-back provision. They will understand some of the other loopholes we have created over the years in this Congress, and I can guarantee my colleagues they will feel very comfortable with your position on the votes taken on these amendments.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the last speaker in the well said this was a courageous amendment. There is not any question in my mind that it is a courageous amendment. It is also a foolhardy one.

If any Member of this body would get himself or herself on record for the number of changes in the Tax Code that is suggested here, that person is indeed courageous, and should be able to run for sheriff in any county in the United States.

Take a look at the first item. It knocks out ESOP's. That is the people's capitalism. There is no money there, but it is the incentive we are trying to use to broaden the base of capitalism. Knock it out, says the author.

The second one is the limitation of industrial revenue bonds, industrial development bonds. Go ahead. Fight all the mayors in the United States if you want to.

Mr. PEASE. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. Not until I am finished. But then I will yield to my courageous colleague.

The next one is the limitation of nonbusiness interest except for the purchase of a home or for an automobile. The gentleman's district makes automobiles. This item screams, "Pull up the gangplank, I am on board. My loophole is OK, but yours is not."

Now, the next one is the most fearless of all. The gentleman repeals the charitable deduction for individuals who do not itemize.

So we are going to take the charitable deduction away from the poor folk, the person who uses the standard form. But rich folks will still be able to deduct their charitable deductions.

That is a wonderful one, and anybody who can support that one will get some kind of posthumous decoration, I suspect.

Here is another one: Limitation of deductions for the addition to the reserves for bad debts in the case of thrifts. That is about the last thing the thrifts have left—a lot of bad debts. Let us take away the addition to the reserves so we can send them to the bottom of the ocean. It is a good idea because we just voted $8½ billion to sustain them, so we ought to vote for something to hurt them.

The next one is the limitation on the tax credits, the special treatment for Domestic International Sales Corporation. We are trying to maintain our balance of trade in this country. We are trying to increase export sales. We have one lousy incentive to sell abroad, and that is the DISC. Now, if we follow the gentleman's amendment, we will get rid of that, too.

Finally, here is the most supercourageous tax recommendation of all. It tells us to undo what we did to limit the estate tax last year. I will bet that very few of my colleagues have farmers or small businessmen asking them to undo the changes that we put into the Tax Code last year.

Well, Mr. Chairman, I am not going to go through all 34 of them, but I think those I have talked about are illustrative of the folly of this amendment.

In the first place, if we believe in the tax expenditure theory, we must believe that the Government has the first claim on every dollar rattling around our economy. I reject that theory, and I think most Members of this Congress reject that theory.

Mr. Chairman, I think we ought to reject this amendment despite the courage of my distinguished colleague from Ohio, to whom I now yield.

Mr. PEASE. I thank my colleague for yielding.

Mr. Chairman, I do not want to take credit for being too courageous. Actually, I have gone over this list very carefully in consultation with the Joint Tax Committee staff.

In contrast to what the gentleman says, I do not advocate outright repeal of such things as the estate tax provisions put in last year. I also point out to the gentleman that the limitation on the issuance of industrial development bonds is not a repeal. It is the limitation which was proposed 3 months ago by President Reagan to the Congress.

I say again, closing tax loopholes is the sort of thing which the people of America, your constituents and mine, will understand. Maybe we do not understand in this body why we cannot stand up to the special interests, but believe me, the ordinary rank and file American does understand that, and will support this sort of action.

Mr. FRENZEL. I thank the gentleman for his contribution, Mr. Chairman, and I repeat that most of the items in this list are changes in the Tax Code that this body will not choose to make. In my judgment, it is the height of folly for this body to charge one of its committees to make changes which none of us will want to accept if they are brought before us.

I urge the rejection of the amendment.

Ms. OAKAR. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I was not going to speak on this amendment, but I notice with interest that when they were ticking off the number of exemptions that my colleague from Ohio had listed, they forgot to mention the loopholes that are afforded to the oil and gas companies and the public utilities. Those are the biggest tax loopholes.

The spirit of what my colleague is trying to do is absolutely correct. The average American cannot take advantage of tax loopholes. They are fed up with seeing wealthy people get away without paying a dime, large corporations not paying a dime in taxes, while the middle-income and moderate-income person really has the entire burden of taxation.

So there is no question that the spirit of what the gentleman is doing is absolutely accurate. I am sure the majority of Americans would say end all tax loopholes, tax everyone on an equal basis, and we will settle for it, but we are fed up with the wealthy paying no taxes because of all the special interest tax loopholes while we have to pay the taxes.

So let us not kid ourselves. We know the spirit of what the gentleman, my colleague from Oberlin, is trying to do. He is trying to eliminate the elaborate tax loopholes afforded the corporations like the oil companies and the utilities, and so forth. While we may not agree with every item listed I certainly want to support the thrust of what he is trying to do.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Ohio (Mr. PEASE) to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

□ 1900

RECORDED VOTE

Mr. FRENZEL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 68, noes 342, not voting 22, as follows:

[Roll No. 101]

AYES—68

Addabbo
Annunzio
Aspin
Beilenson
Biaggi
Bonior
Brodhead
Brown (CA)
Clay
Collins (IL)
Conyers
Coyne, William
Dellums
Derwinski
Dingell
Dymally
Early
Eckart

Edgar
Edwards (CA)
Fary
Florio
Foglietta
Gore
Gray
Harkin
Hawkins
Hertel
Jones (NC)
Kastenmeier
Kildee
Leach
Leland
Long (MD)
Lujan
Marks
McCloskey
Mikulski
Miller (CA)
Mitchell (MD)
Moakley
Mottl
Oakar
Oberstar
Ottinger
Oxley
Pease
Price
Reuss
Rodino
Rosenthal
Sabo
Savage
Scheuer
Schneider
Seiberling
Shannon
Solarz
St Germain
Stark
Stokes
Studds
Vento
Walgren
Washington
Waxman
Weaver
Wolpe

NOES—342

Akaka
Albosta
Alexander
Anderson
Andrews
Anthony
Applegate
Archer
Atkinson
AuCoin
Badham
Bailey (MO)
Bailey (PA)
Barnard
Barnes
Beard
Bedell
Benedict
Benjamin
Bennett
Bereuter
Bethune
Bevill
Blanchard
Bliley
Boggs
Boland
Boner
Bonker
Bouquard
Bowen
Breaux
Brinkley
Brooks
Broomfield
Brown (CO)
Brown (OH)
Broyhill
Burgener
Burton, Phillip
Butler
Byron
Campbell
Carman
Carney
Chappell
Chappie
Cheney
Clausen
Clinger
Coats
Coelho
Coleman
Collins (TX)
Conable
Conte
Corcoran
Coughlin
Courter
Coyne, James
Craig
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daschle
Daub
Davis
de la Garza
Deckard
DeNardis
Derrick
Dickinson
Dicks
Donnelly
Dorgan
Dornan
Dougherty
Dowdy
Downey
Dreier
Duncan
Dunn
Dwyer
Dyson
Edwards (AL)
Edwards (OK)
Emerson
Emery
English
Erdahl
Erlenborn
Ertel
Evans (DE)
Evans (GA)
Evans (IA)
Evans (IN)
Fascell
Fazio
Fenwick
Ferraro
Fiedler
Fields
Findley
Fish
Fithian
Flippo
Ford (MI)
Forsythe
Fountain
Fowler
Frank
Frenzel
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Goldwater
Gonzalez
Goodling
Gradison
Gramm
Green
Gregg
Grisham
Guarini
Gunderson
Hagedorn
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Heckler
Hefner
Heftel
Hendon
Hightower
Hiler
Hillis
Holland
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jeffries
Jenkins
Jones (OK)
Jones (TN)
Kazen
Kemp
Kennelly
Kindness
Kogovsek
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leath
LeBoutillier
Lee
Lehman
Lent
Levitas
Lewis
Livingston
Loeffler
Long (LA)
Lott
Lowery (CA)
Lowry (WA)
Luken
Lundine
Lungren
Madigan
Markey
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Matsui
Mattox
Mavroules
McClory
McCollum
McCurdy
McDade
McDonald
McEwen
McGrath
McHugh
McKinney
Mica
Michel
Miller (OH)
Mineta
Mitchell (NY)
Moffett
Molinari
Mollohan
Montgomery
Moore
Moorhead
Morrison
Murphy
Murtha
Myers
Natcher
Neal
Nelligan
Nelson
Nichols
Nowak
O'Brien
Obey
Panetta
Parris
Pashayan
Patman
Patterson
Paul
Pepper
Perkins
Petri
Peyser
Pickle
Porter
Pritchard
Pursell
Quillen
Railsback
Rangel
Ratchford
Regula
Rinaldo
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roe
Roemer
Rose
Rostenkowski
Roth
Roukema
Rousselot
Roybal
Rudd
Russo
Santini
Sawyer
Schroeder
Schulze
Schumer
Sensenbrenner
Shamansky
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Simon
Skeen
Skelton
Smith (AL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (OR)
Smith (PA)
Snowe
Snyder
Solomon
Spence
Stangeland
Staton
Stenholm
Stratton
Stump
Swift
Synar
Tauke
Tauzin
Taylor
Thomas
Traxler
Trible
Udall
Volkmer
Walker
Wampler
Watkins
Weber (MN)
Weber (OH)
Weiss
White
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wirth
Wolf
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zablocki

NOT VOTING—22

Bafalis
Bingham
Bolling
Burton, John
Chisholm
Crockett
Dixon
Foley
Ford (TN)
Ginn
Hollenbeck
Johnston
Mazzoli
Minish
Napier
Rahall
Rhodes
Richmond
Rogers
Stanton
Vander Jagt
Zeferetti

□ 1910

The Clerk announced the following pairs:

On this vote:

Mr. Ford of Tennessee for, with Mr. Zeferetti against.

Mr. Dixon for, with Mr. Rahall against.

Messrs. DeNARDIS, RANGEL, LEHMAN, YATES, RINALDO, BEDELL and PEPPER changed their votes from "aye" to "no."

Mr. HERTEL changed his vote form "no" to "aye."

So the amendment to the Latta amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Does the gentleman from Ohio (Mr. PEASE) seek recognition to offer his perfecting amendment to one of the other pending amendments in the nature of a substitute?

If not, does any other Member seek recognition for that purpose?

AMENDMENT OFFERED BY MR. BONIOR OF MICHIGAN TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ASPIN

Mr. BONIOR of Michigan. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The CHAIRMAN. Is the gentleman's amendment printed in the RECORD under the rule?

Mr. BONIOR of Michigan. It is, Mr. Chairman.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BONIOR of Michigan to the amendment in the nature of a substitute offered by Mr. ASPIN: Section 102(a) of title I is amended by inserting at the end thereof the following new paragraph:

(7) The level of total tax expenditures is $273,135,000,000.

The CHAIRMAN. Under the rule, debate on this amendment is limited to 10 minutes.

Mr. BONIOR of Michigan. Mr. Chairman, I ask unanimous consent that 3 minutes of my time be reserved to close debate.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BONIOR of Michigan. Mr. Chairman, let me say at the outset that this amendment will only take 10 minutes. I get 5 minutes and the opposition will get 5 minutes.

I offered this amendment yesterday to the substitute offered by the gentleman from the District of Columbia and it was overwhelmingly adopted by a voice vote.

□ 1920

Second, let me suggest that this amendment, unlike the previous amendment, does not have lists that you can refer to and say that you would have cut here and you would have cut this loophole out and you would have cut this charitable contribution out. This has no list. All it requires is that we set a number so that we can have some control on tax expenditures or tax loopholes or tax subsidies, or whatever you want to call them, in the budget process. The number that we set is what we have this year, $273 billion, which is about 35 percent of outlays.

The other point I would like to make is that it is nonbinding. It is just a target. It is bringing this whole issue of tax expenditures out of the back of the budget process.

Right now all that is required is that there should be report language. We are asking that we can bring it into the budget process in a nonbinding fashion and sort of ask the Ways and Means Committee—not direct them, but ask them—to live within the number that we specify. It is $273 billion. It is neither a deletion nor an addition over what is expected to be expended this year, according to the Joint Committee on Taxation.

I do not want to repeat myself, Mr. Chairman. I have talked yesterday on this issue; I have talked about the fact how regressive tax expenditures generally are, how they have grown compared to outlays. They have exceeded outlays in the rate of growth 14 percent to 11 percent. I have talked about how they have increased in terms of the number of programs, tax expenditure programs. We had 50 back in 1967. We have 104 now. I talked about the growth in dollars. I think I have made my point. This issue that I talk about this evening I think is appealing for the simple reason that it does not specify specifically where we are asking Ways and Means to make the reduction.

Mr. ASPIN. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Wisconsin (Mr. Aspin) is recognized for 5 minutes.

Mr. ASPIN. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. Rostenkowski).

Mr. ROSTENKOWSKI. Mr. Chairman, this Bonior amendment is simply trying to provide information to the Congress. That information, I might point out, is already available and made annually by the Joint Committee on Taxation.

If the gentleman's amendment today is the first step in expanding the budget process to include tax expenditures, I have strong reservations about its usefulness.

Amendments to the budget process should be made through amendments to the Budget Act, not through rules that come before the committee in the Budget Act.

If we are going to devise a method to limit tax expenditures through the budget process, we must have some full appreciation of the concept. As the gentleman from New York (Mr. Conable) and I have pointed out before the Rules Committee last year, on this issue there is serious disagreement among scholars as to what tax expenditures really are. Those issues should be worked out prior to making them part of the process.

For example, the tax bill enacted last year contains a new deduction for married couples designed to reduce the marriage tax penalty. Is this deduction a tax expenditure, or is it just one of the several mechanisms in the tax law used to determine the relative tax burdens of different taxpaying units like the head of household rate schedules which is not treated as a tax expenditure.

I understand what the gentleman from Michigan (Mr. Bonior) is trying to do. I just object to the process by which he is doing it. If we work through the process and he wants to amend the Budget Act, I think that is where he should go.

Mr. ASPIN. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. Conable).

Mr. CONABLE. Mr. Chairman, we have already had substantial discussion about the concept of the tax expenditure and what a can of worms it is. Quite frankly, it is based on the idea that everything the Government does not tax away from you is an expenditure on the Government's part. The general idea is abhorrent to many of the Members here who believe in private property.

In fact, a limit on aggregate tax expenditures as provided by this amendment could have a number of unintended effects. For example, if tax rates are reduced, due to the interaction of such a rate reduction with other tax provisions, the rate reduction would reduce the size of the tax expenditures, making room for more tax expenditures. It is, even though the law was otherwise unchanged, very difficult for me to understand how we could enforce such a ceiling in any way, unlike Government expenditures. No wonder the resolution is supposed to be nonbinding. I think it is a bad idea, and I hope it will be defeated.

Mr. ASPIN. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. Panetta).

Mr. PANETTA. I thank the gentleman for yielding.

Mr. Chairman, basically I think many of us support the basic thesis behind the gentleman's amendment, which is to try to look at the overall area of tax expenditures in the context of the budget. It ought not to be an area that we simply avoid looking at. It ought to be a part of the budget process just like, hopefully, the credit budget would be something that we would look at in terms of taking a comprehensive approach to the budget process.

The problem here is that in order to really make this enforceable, we are talking about going to the Rules Committee and going to the Budget Committee in terms of reforms in the Budget Act itself. That is where this amendment specifically belongs.

I think the idea is a good one. It ought to be debated, as we are here. But I think ultimately it ought to be debated in the context of the Rules Committee and the Budget Committee that really can determine then whether enforcement ought to be tied to an idea like this. It ought not be included in the budget resolution.

□ 1930

Mr. ASPIN. Mr. Chairman, I yield back the balance of my time.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. BONIOR of Michigan. I yield to the gentleman from Wisconsin.

Mr. OBEY. All the gentleman from Michigan is saying is that we ought to list in the budget on a nonbinding basis the amount which is the largest and the fastest growing item in the Federal budget. That is all he is saying. The name of the game in this town used to be to get your program funded in an appropriations in the budget. Now the new game in this town is to get your program funded in the Tax Code where it is hidden and the public never sees it and nobody every pays any attention to it.

All the gentleman is suggesting is that it is ludicrous to have a budget of the United States before the U.S. Congress and not list in that budget one single number on a nonbinding basis to illustrate what is the fastest growing item in the budget.

I fail to see anything wrong with it. I do not believe there are any serious technical problems with it. I strongly urge the House to pass it. We ought to have this item in the budget and we also ought to have the number for entitlements in the budget so that we do not just focus on the 25 percent of the budget which is small, gets everybody's attention, and does not contain the big bucks.

Mr. GLICKMAN. Mr. Chairman, will the gentleman yield?

Mr. BONIOR of Michigan. I yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Chairman, I support this. I did not support the Pease amendment. This just involves a nonbinding target for tax expenditures of $273 billion. That is the exact level estimated by the Joint Committee on Taxation on current policy. The intent is get on the record the need to bring these tax expenditures into the budget process. I think it makes perfect sense and I urge adoption of the gentleman's amendment.

Mr. BONIOR of Michigan. I thank my colleague.

This is not a binding resolution, it just brings into daylight what should have been brought into daylight years ago.

If we can deal with the credit budget, which is one-sixth of tax expenditures in the budget process, we certainly ought to be able to focus upon tax expenditures, which is a greater amount of dollars. I request my colleagues in the committee to look favorably upon this amendment so we can get on with the task of dealing with the whole budget process.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Michigan (Mr. Bonior) to the amendment in the nature of a substitute offered by the gentleman from Wisconsin (Mr. Aspin).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ASPIN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 164, noes 246, not voting 22, as follows:

[ROLL NO. 102]

AYES—164

Addabbo
Albosta
Alexander
Anderson
AuCoin
Barnes
Bedell
Beilenson
Benjamin
Bennett
Bereuter
Bethune
Biaggi
Bingham
Blanchard
Boggs
Boland
Bolling
Bonior
Bonker
Brodhead
Brown (CA)
Burton, Phillip
Clay
Collins (IL)
Conte
Conyers
Coyne, William
Crockett
D'Amours
Daschle
Daub
Davis
de la Garza
Dellums
DeNardis
Derwinski
Dicks
Dingell
Dorgan
Dwyer
Dymally
Early
Eckart
Edgar
Edwards (CA)
Ertel
Evans (DE)
Evans (GA)
Evans (IN)
Fascell
Fazio
Ferraro
Findley
Fithian
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Garcia
Gejdenson
Gephardt
Gilman
Glickman
Gore
Gray
Hamilton
Harkin
Hawkins
Heckler
Hertel
Holt
Howard
Hughes
Jacobs
Jeffords
Jones (NC)
Kastenmeier
Kennelly
Kildee
Kogovsek
LaFalce
Leach
Lee
Lehman
Leland
Long (LA)
Long (MD)
Lowry (WA)
Lujan
Lundine
Markey
Marks
Martin (IL)
Mattox
Mavroules
McClory
McCloskey
McDade
McHugh
Mikulski
Miller (CA)
Miller (OH)
Mitchell (MD)
Moakley
Moffett
Mottl
Murphy
Murtha
Nelson
Nowak
Oakar
Oberstar
Obey
Ottinger
Patterson
Pease
Pepper
Petri
Peyser
Pursell
Ratchford
Reuss
Rinaldo
Rodino
Roe
Rosenthal
Roybal
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shamansky
Shannon
Sharp
Simon
Smith (IA)
Smith (NJ)
Smith (PA)
Snowe
Solarz
Stokes
Studds
Swift
Synar
Vento
Volkmer
Walgren
Washington
Waxman
Weaver
Weiss
Williams (MT)
Williams (OH)
Wolpe
Wylie
Yates
Yatron
Young (MO)

NOES—246

Akaka
Annunzio
Anthony
Applegate
Archer
Aspin
Atkinson
Badham
Bailey (MO)
Bailey (PA)
Barnard
Beard
Benedict
Bevill
Bliley
Boner
Bouquard
Breaux
Brinkley
Brooks
Broomfield
Brown (CO)
Brown (OH)
Broyhill
Burgener
Butler
Byron
Campbell
Carman
Carney
Chappell
Chappie
Cheney
Clausen
Clinger
Coats
Coelho
Coleman
Collins (TX)
Conable
Corcoran
Coughlin
Courter
Coyne, James
Craig
Crane, Daniel
Crane, Philip
Daniel, Dan
Daniel, R. W.
Dannemeyer
Deckard
Derrick
Dickinson
Donnelly
Dornan
Dougherty
Dowdy
Downey
Dreier
Duncan
Dunn
Dyson
Edwards (AL)
Edwards (OK)
Emerson
Emery
English
Erdahl
Erlenborn
Evans (IA)
Fary
Fenwick
Fiedler
Fields
Fish
Flippo
Forsythe
Fountain
Fowler
Frenzel
Fuqua
Gaydos
Gibbons
Gingrich
Goldwater
Gonzalez
Goodling
Gradison
Gramm
Green
Gregg
Grisham
Guarini
Gunderson
Hagedorn
Hall, Ralph
Hall, Sam
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hefner
Heftel
Hendon
Hightower
Hiler
Hillis
Hollenbeck
Hopkins
Horton
Hoyer
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Jeffries
Jenkins
Jones (OK)
Jones (TN)
Kazen
Kemp
Kindness
Kramer
Lagomarsino
Lantos
Latta
Leath
LeBoutillier
Lent
Levitas
Lewis
Livingston
Loeffler
Lott
Lowery (CA)
Luken
Lungren
Madigan
Marlenee
Marriott
Martin (NC)
Martin (NY)
Matsui
McCollum
McCurdy
McDonald
McEwen
McGrath
McKinney
Mica
Michel
Mineta
Mitchell (NY)
Molinari
Mollohan
Montgomery
Moore
Moorhead
Morrison
Myers
Natcher
Neal
Nelligan
Nichols
O'Brien
Oxley
Panetta
Parris
Pashayan
Patman
Paul
Perkins
Pickle
Porter
Price
Pritchard
Quillen
Railsback
Rangel
Regula
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Rose
Rostenkowski
Roth
Roukema
Rousselot
Rudd
Russo
Santini
Sawyer
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Skeen
Skelton
Smith (AL)
Smith (NE)
Smith (OR)
Snyder
Solomon
Spence
St Germain
Stangeland
Stark
Staton
Stenholm
Stratton
Stump
Tauke
Tauzin
Taylor
Thomas
Traxler
Trible
Vander Jagt
Walker
Wampler
Watkins
Weber (MN)
Weber (OH)
White
Whitehurst
Whitley
Whittaker
Whitten
Wilson
Winn
Wolf
Wortley
Wright
Wyden
Young (AK)
Young (FL)
Zablocki

NOT VOTING—22

Andrews
Bafalis
Bowen
Burton, John
Chisholm
Dixon
Ford (TN)
Ginn
Hall (OH)
Holland
Johnston
Mazzoli
Minish
Napier
Rahall
Rhodes
Richmond
Rogers
Stanton
Udall
Wirth
Zeferetti

□ 1940

The Clerk announced the following pairs:

On this vote:

Mr. Zeferetti for, with Mr. Rahall against.

Mr. Richmond for, with Mrs. Chisholm against.

Mr. Wirth for, with Mr. Rogers against.

Messrs. **AKAKA**, **MATSUI**, and **COLEMAN** changed their votes from "aye" to "no."

Messrs. **LONG** of Maryland, **FINDLEY**, and **DICKS** changed their votes from "no" to "aye."

So the amendment to the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

□ 1950

The **CHAIRMAN** pro tempore (Mr. MOAKLEY). Does the gentleman from Michigan seek recognition to offer a perfecting amendment to one of the other pending amendments in the nature of a substitute?

If not, does any other Member seek recognition for this purpose?

AMENDMENT OFFERED BY MR. JONES OF OKLAHOMA TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA

Mr. **JONES** of Oklahoma. Mr. Chairman, pursuant to the rule and to the subsequent order of the House, I offer an amendment to the amendment in the nature of a substitute offered by Mr. LATTA.

The Clerk read as follows:

Amendment offered by Mr. JONES of Oklahoma to the amendment in the nature of a substitute offered by Mr. LATTA:

To the matter in title II concerning functions 500, 550, 600, 920, and the revenue level:

Function 500: Education, Training, Employment and Social Services:

Increase budget authority by 59,000,000 in fiscal year 1983, by $274,000,000 in fiscal year 1984, and by $404,000,000 in fiscal year 1985;

Increase outlays by $31,000,000 in fiscal year 1983, by $226,000,000 in fiscal year 1984, and by $373,000,000 in fiscal year 1985;

Function 550: Health:

Increase budget authority by $628,000,000 in fiscal year 1983, by $976,000,000 in fiscal year 1984, and by $186,000,000 in fiscal year 1985;

Increase outlays by $3,115,000,000 in fiscal year 1983, by $4,825,000,000 in fiscal year 1984, and $6,526,000,000 in fiscal year 1985;

Function 600: Income Security:

Increase budget authority by $750,000,000 in fiscal year 1983, by $1,563,000,000 in fiscal year 1984, and by $2,141,000,000 in fiscal year 1985;

Increase outlays by $854,000,000 in fiscal year 1983, by $1,699,000,000 in fiscal year 1984, and by $2,301,000,000 in fiscal year 1985;

Function 920: Allowances:

Increase budget authority by $25,481,000,000 in fiscal year 1983, by $25,874,000,000 in fiscal year 1984, and by $26,074,000,000 in fiscal year 1985;

Increase outlays by $3,500,000,000 in fiscal year 1983, by $5,550,000,000 in fiscal year 1984, and $7,200,000,000 in fiscal year 1985;

Increase the revenue level by $7,500,000,000 in fiscal year 1983, by $12,300,000,000 in fiscal year 1984, and by $16,400,000,000 in fiscal year 1985.

Increase the aggregate budget authority level by $26,918,000,000 in fiscal year 1983, by $28,687,000,000 in fiscal year 1984, and by $28,805,000,000 in fiscal year 1985;

Increase the aggregate outlay level by $7,500,000 in fiscal year 1983, by $12,300,000,000 in fiscal year 1984, and $16,400,000,000 in fiscal year 1985;

Reductions to reconciliation instructions in title III:

House Committee on Agriculture: Decrease budget authority reduction by $13,000,000 and outlay reduction by $503,000,000 in fiscal year 1983; decrease budget authority reduction by $1,301,000,000 and outlay reduction by $1,291,000,000 in fiscal year 1984; decrease budget authority reduction by $1,844,000,000 and outlay reduction by $1,844,000,000 in fiscal year 1985.

House Committee on Education and Labor: Decrease budget authority reduction by $145,000,000 and outlay reduction by $117,000,000 in fiscal year 1983; decrease budget authority reduction by $405,000,000 and outlay reduction by $357,000,000 in fiscal year 1984; decrease budget authority reduction by $554,000,000 and outlay reduction by $523,000,000 in fiscal year 1985.

House Committee on Energy and Commerce: Decrease budget authority reduction by $307,000,000 and outlay reduction by $425,000,000 in fiscal year 1983; decrease budget authority reduction by $458,000,000 and outlay reduction by $458,000,000 in fiscal year 1984; decrease budget authority reduction by $498,000,000 and outlay reduction by $498,000,000 in fiscal year 1985.

House Committee on Ways and Means: Decrease budget authority reduction by $576,000,000 and outlay reduction by $2,901,000,000 in fiscal year 1983; decrease budget authority reduction by $564,000,000 and outlay reduction by $4,570,000,000 in fiscal year 1984; decrease budget authority reduction by $455,000,000 and outlay reduction by $7,113,000,000 in fiscal year 1985.

Increase amount of revenues by $7,500,000,000 in fiscal year 1983; $12,300,000,000 in fiscal year 1984; and $16,400,000,000 in fiscal year 1985.

Committee on Agriculture, Nutrition and Forestry: Decrease budget authority reduction by $513,000,000 and outlay reduction by $503,000,000 in fiscal year 1983; decrease budget authority reduction by $1,301,000,000 and outlay reduction by $1,291,000,000 in fiscal year 1984; decrease budget authority reduction by $1,844,000,000 and outlays reduction by $1,844,000,000 in fiscal year 1985.

Senate Committee on Finance: Decrease budget authority reduction by $883,000,000 and outlay reduction by $3,324,000,000 in fiscal year 1983; decrease budget authority reduction by $1,022,000,000 and outlay reduction by $5,028,000,000 in fiscal year 1984; decrease budget authority reduction by $953,000,000 and outlays reduction by $7,611,000,000 in fiscal year 1985.

Increase amount of revenues by $7,500,000,000 in fiscal year 1983; by $12,300,000,000 in fiscal year 1984; and $15,400,000,000 in fiscal year 1985.

Senate Committee on Labor and Human Resources: Decrease budget authority reduction by $145,000,000 and outlay reduction by $117,000,000 in fiscal year 1983; decrease budget authority reduction by $405,000,000 and outlay reduction by $357,000,000 in fiscal year 1984; decrease budget authority reduction by $554,000,000 and outlay reduction by $523,000,000 in fiscal year 1985.

Mr. JONES of Oklahoma (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. The Chair will inquire of the gentleman if this is the amendment made in order today by the unanimous consent request?

Mr. JONES of Oklahoma. The answer is yes, Mr. Chairman.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma (Mr. JONES)?

There was no objection.

Under the rule, the debate on this amendment is limited, and the gentleman from Oklahoma (Mr. JONES) is entitled to 5 minutes.

PARLIAMENTARY INQUIRY

Mr. FRENZEL. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. FRENZEL. I could not hear the Chair's statement when he said something was limited.

The CHAIRMAN pro tempore. The gentleman from Oklahoma (Mr. JONES) has 5 minutes.

Mr. FRENZEL. There is no limitation on debate on his amendment?

The CHAIRMAN pro tempore. That is correct.

Mr. JONES of Oklahoma. Mr. Chairman, there is no limitation of debate on this particular amendment, but I hope that after the amendment is explained and the appropriate people have their rebuttals and affirmatives that we can limit the debate so that we can move on with all of the amendments.

Mr. Chairman, essentially this amendment builds on the pay-as-you-go concept that was introduced in the Miller substitute yesterday. The main objection to the Latta substitute is the fact that they cut too deeply in entitlement programs, particularly in the medicare and into discretionary programs, and in a whole range of programs such as training and education.

What this amendment does is to amend the Latta substitute to increase the revenues $7½ billion in fiscal year 1983, and to redistribute those funds into the entitlement and domestic discretionary programs.

This would not increase the size of the deficit, but it would say that in those areas where programs were cut too deeply, they can be restored, but we are going to pay for it.

Mr. Chairman, I think it is also fair to point out that the $7½ billion is the same amount that would be lost in revenues in fiscal year 1983 because of the third 10-percent cut in the Kemp-Roth tax bill.

Those revenues to be distributed in the entitlement programs, for example, would eliminate the reductions in guaranteed student loan programs that presently exist in the Latta substitute and the reductions in the medicaid program except for the error rate sanctions. It would restore the reductions in medicare to more than half, and minimize the impact on elderly citizens who are going to have to pay higher bills, higher health care bills, under the Latta substitute.

Also, in the discretionary programs it would increase spending to a level slightly below that recommended in the committee resolution.

The committee resolution, or what is known as the Jones substitute, would cut 1983 nondefense discretionary spending by $6.3 billion in budget authority.

It would cut in budget authority $6.3 billion, and in outlays $3.1 billion. That is under the committee resolution.

The Latta substitute, on the other hand, cuts almost $36 billion in budget authority in 1 year, and $7.4 billion in outlays in these discretionary programs.

Now, this extreme cut would come out of only one category of spending, nondefense discretionary domestic programs, and that category constitutes less than one-eighth of total budget authority in the entire Federal budget. Yet the Latta substitute cuts the aggregate program levels in this category of spending by 25 percent in this 1 year alone, and this is on top of the fact that this category of spending programs was cut very, very deeply in fiscal year 1982 as a result of the Gramm-Latta program last year.

Specifically, this amendment would allow, without adding to the deficit, for discretionary add-backs. Obviously these add-backs would be determined by the Appropriations Committee, but they could apply to such areas as housing, education, energy supply, transportation, the Forest Service, Soil Conservation Service, loans for small business, Postal Service, the Park Service, the space and science programs. These are all areas in the Latta substitute which provide less funds and inadequate funding in comparison to that of the committee resolution.

So I hope that those who are interested in restoring the deficiencies to the Latta program will do it in a pay-as-you-go basis, and do it by putting the third year of this tax program on the table for consideration.

I urge the adoption of this amendment.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. I yield to the gentleman from New York.

Mr. KEMP. I appreciate my friend yielding to me.

The gentleman mentioned that we are repealing part of what he called the Kemp-Roth or the Republican or the Reagan, or however it is phrased, but he did mention my name.

The gentleman remembers does he not, that the original tax rate reduction as proposed by the President was for an across-the-board reduction of 10 percent a year for 3 years in all rates? So that would have meant that the 70-percent bracket would have come down over 3 years instead of over 1 year, and I just wonder, is the gentleman talking about raising the rates again? Is he talking about taking some of the tax cut that he gave to the people who came down from 70 to 50? Is that part of the gentleman's attempt, I would inquire?

Or is the gentleman's intent to repeal the third year of tax rate reduction? The level of the gentleman's amendment, as he states, would exactly do this.

Does the gentleman realize that no American family except those benefiting from the change in the top rate from 70 percent to 50 percent, will have had any tax relief until the third year? Surely the distinguished chairman would not deny tax cuts to those in the middle-income brackets—to those who did not benefit from reducing the top rates or from cutting the capital gains tax.

Would the gentleman explain for us the intent of his amendment?

Mr. JONES of Oklahoma. What I would point out is that the $7½ billion represents the revenue that would be lost in fiscal year 1983 by the third phase of the Kemp-Roth tax cut.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the Jones version, or the House Budget Committee version, is burdened by too much spending and too much tax increase. The chairman, by the effect of this amendment, is trying to spread the gloom to other better versions of the budget resolution.

I think his amendment can best be described as a "misery loves company" amendment, because what the gentleman is saying is, as long as our committee budget raised taxes too high, as long as it spent too much money, then let us have everybody raise taxes too high and let us have everybody spend too much money.

Instead of perhaps applying the tax increase against the deficit, it is spent. Instead of looking for cuts in spending, the amendment looks for increases in spending.

Mr. Chairman, this amendment is exactly what it seems to be. It should be rejected so we can get about the business of accepting the Latta substitute.

Mr. GRAMM. Mr. Chairman, I move to strike the requisite number of words, and I rise to oppose the amendment.

Mr. Chairman, my argument is simple and has nothing to do with the merits of this amendment. It is a perfectly legitimate position to want to raise taxes and spend, and that is something that this Congress has done for 30 years. But the way the rule is structured, the Jones amendment gets voted on four times. It is the vehicle of markup against which we must pit our substitute. He offers an amendment which makes our package his package. He has already said that the Aspin package is basically a blueprint of his package, and if our package is adopted, he gets to offer his again.

Mr. Chairman, I would like to ask my colleagues to vote down this amendment so that Members can have a legitimate choice between two alternatives: One alternative that raises taxes and raises spending; and the other alternative which gives people a clear option to control spending and to control the growth of taxes.

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So that we might have a free-standing choice between the bipartisan recovery budget and the Jones budget, and the Aspin copy, I ask my colleagues to vote down this amendment.

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. GRAMM. I yield to the gentleman from North Carolina.

Mr. MARTIN of North Carolina. Mr. Chairman, I want to see if I have got this right. I heard the gentleman in his description earlier of the Jones amendment, is he saying that the Jones amendment is to "tax and tax and spend and spend"?

Mr. GRAMM. I only heard a spend. I did not hear any tax and tax, spend and spend.

Mr. MARTIN of North Carolina. Is this a "cut and cut and balance and balance" amendment, or is this a "tax and tax, spend and spend"?

Mr. GRAMM. I only heard one tax and one spend, but I would like to reiterate my point, and that is this: We are going to have a choice between the Jones budget and the bipartisan recovery budget. Let us not prejudice that choice by trying to make their budget our budget. Let us give Members a free-standing choice on the two budgets. No matter how you stand on this issue, the House has a right to have that chance, and I urge my colleagues to vote no.

Mr. MARTIN of North Carolina. If the gentleman will yield further, as I understand, this would apply to all 3 years, so this is "tax and tax and tax," and "spend and spend and spend" for the 3 years, is that correct?

Mr. GRAMM. I admit to being outdone, and I yield back the balance of my time.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, members of the committee, first of all let me say that the Jones amendment provides for $3.5 billion in allowances. I do not know for sure, but I imagine that is knocking out the 4-percent pay and COLA cap that is in the so-called Latta bill. He also provides for $3.1 billion in the health field, which I imagine tags into medicare. Anyone who is supporting that change will have a clear shot, as I understand it, on a later amendment on that. The thing I am intrigued with, and I have nothing but the highest respect for the gentleman——

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. CONTE. Yes.

Mr. JONES of Oklahoma. I think, if I understood the gentleman correctly, he said some of that would go to pay or to reduce the appropriation, to be redistributed into discretionary programs.

Mr. CONTE. The $3.5 in allowances.

Mr. JONES of Oklahoma. That is correct.

Mr. CONTE. Can the gentleman tell us about that?

Mr. JONES of Oklahoma. I did in the opening statement. It can be used by the Appropriations Committee to restore the cuts the Latta substitute places on education.

Mr. CONTE. I got that, $31 million the gentleman puts on for outlays in education. I have that right here, but then on the bottom the gentleman has $3.5 billion in allowances, and I would like a breakdown on that. Is the gentleman doing away with the 4-percent caps on pay raises?

Mr. JONES of Oklahoma. No, this has nothing to do with pay raises. The $7.5 would be redistributed to restore the cuts in medicare that Latta makes; to restore the cuts in medicaid except for the error rate reduction; to restore the guaranteed student loan program cuts; to get it to the committee resolution level; to get housing, education, the other items which I have mentioned in discretionary programs to the committee resolution level.

Mr. CONTE. Well, as I understand it, maybe I am wrong, but as I understand——

Mr. JONES of Oklahoma. In this case the gentleman is.

Mr. CONTE. No, I am not.

Mr. JONES of Oklahoma. It has nothing to do with pay.

Mr. CONTE. The Latta package has $3.3 billion in the student loans. It provides $100 million more in the Pell grants, so we are all right in those particular fields. I do not know exactly where we are coming out of here, but I would like to see this whole budget process repealed, get rid of it.

But, let me tell the gentleman, I have nothing but the highest respect for the gentleman from Oklahoma. I cannot understand one thing. I read here an excerpt of quotes from the gentleman's hometown newspaper as reprinted in the May 19 RECORD. Here it says:

> House Budget Committee Chairman Jim Jones said Monday the $780 billion budget he steered through committee last week lists too far to the left to suit him.
>
> But political realities, and a belief that Congress must adopt a budget to prove to the country that the Government can work, persuaded him to go along with his committee, Jones, a Tulsa Democrat, said.
>
> "I had to go to the left," Jones said at a press conference at his local office. If he had the deciding vote on the budget, Jones added, he would junk the committee plan.

Then he goes on:

> Jones said he believes the proper budget lies between the plan drafted by the House committee and one drafted by the Senate committee.
>
> While his House committee was pushing him left—

Oh, he must have been busy at this point, he was listing all over the place—

the Senate committee was pushing * * * to the right, Jones said.

"What I would hope to do is come back to the middle," Jones said.

So here he is, he is sinking the boat over to the left and we are going to the right to help bring it back to the middle.

Defeat his amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Oklahoma (Mr. Jones) to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. Latta).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FRENZEL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 175, noes 237, not voting 20, as follows:

[Roll No. 103]

AYES—175

Addabbo
Akaka
Albosta
Alexander
Anderson
Annunzio
Aspin
AuCoin
Bailey (PA)
Barnes
Bedell
Beilenson
Benjamin
Bennett
Bevill
Biaggi
Bingham
Blanchard
Boggs
Boland
Bolling
Boner
Bonior
Bonker
Brinkley
Brodhead
Brown (CA)
Burton, Phillip
Chappell
Clay
Coelho
Collins (IL)
Conyers
Coyne, William
Crockett
Daschle
de la Garza
Dellums
Derrick
Dicks
Dingell
Donnelly
Dougherty
Downey
Dwyer
Dymally
Early
Eckart
Edgar
Edwards (CA)
Ertel
Evans (IN)
Fary
Fascell
Fazio
Ferraro
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fountain
Frank
Frost
Garcia
Gaydos
Gejdenson
Gonzalez
Gore
Gray
Guarini
Hall (OH)
Harkin
Hatcher
Hawkins
Hefner
Heftel
Hertel
Hollenbeck
Howard
Hoyer
Hubbard
Hutto
Jacobs
Jones (NC)
Jones (OK)
Kastenmeier
Kazen
Kennelly
Kildee
Kogovsek
LaFalce
Lantos
Lehman
Leland
Long (LA)
Long (MD)
Lowry (WA)
Lundine
Markey
Marks
Matsui
Mattox
Mavroules
McHugh
Mica
Mikulski
Miller (CA)
Mineta
Mitchell (MD)
Mitchell (NY)
Moakley
Moffett
Mollohan
Mottl
Murphy
Neal
Nelson
Nowak
Oakar
Oberstar
Obey
Ottinger
Panetta
Patterson
Pease
Pepper
Perkins
Peyser
Price
Rangel
Ratchford
Reuss
Rodino
Roe
Rose
Rosenthal
Rostenkowski
Roybal
Russo
Sabo
Savage
Scheuer
Schroeder
Schumer
Seiberling
Shamansky
Shannon
Smith (PA)
Solarz
St Germain
Stark
Stokes
Stratton
Studds
Swift
Synar
Traxler
Udall
Vento
Walgren
Washington
Watkins
Waxman
Weaver
Weiss
Whitley
Williams (MT)
Wilson
Wolpe
Wright
Wyden
Yates
Yatron
Zablocki

NOES—237

Anthony
Applegate
Archer
Atkinson
Badham
Bailey (MO)
Barnard
Beard
Benedict
Bereuter
Bethune
Bliley
Bouquard
Breaux
Brooks
Broomfield
Brown (CO)
Brown (OH)
Broyhill
Burgener
Butler
Byron
Campbell
Carman
Carney
Chappie
Cheney
Clausen
Clinger
Coats
Coleman
Collins (TX)
Conable
Conte
Corcoran
Coughlin
Courter
Coyne, James
Craig
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daub
Davis
Deckard
DeNardis
Derwinski
Dickinson
Dorgan
Dornan
Dowdy
Dreier
Duncan
Dunn
Dyson
Edwards (AL)
Edwards (OK)
Emerson
Emery
English
Erdahl
Erlenborn
Evans (DE)
Evans (GA)
Evans (IA)
Fenwick
Fiedler
Fields
Findley
Fish
Fithian
Flippo
Forsythe
Fowler
Frenzel
Fuqua
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Goldwater
Goodling
Gradison
Gramm
Green
Gregg
Grisham
Gunderson
Hagedorn
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Heckler
Hendon
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Huckaby
Hughes
Hunter
Hyde
Ireland
Jeffords
Jeffries
Jenkins
Jones (TN)
Kemp
Kindness
Kramer
Lagomarsino
Latta
Leach
Leath
LeBoutillier
Lee
Levitas
Lewis
Livingston
Loeffler
Lott
Lowery (CA)
Lujan
Luken
Lungren
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
McClory
McCloskey
McCollum
McCurdy
McDade
McDonald
McEwen
McGrath
McKinney
Michel
Miller (OH)
Molinari
Montgomery
Moore
Moorhead
Morrison
Murtha
Myers
Napier
Natcher
Nelligan
Nichols
O'Brien
Oxley
Parris
Pashayan
Patman
Paul
Petri
Pickle
Porter
Pritchard
Pursell
Quillen
Railsback
Regula
Rinaldo
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Roth
Roukema
Rousselot
Rudd
Santini
Sawyer
Schneider
Schulze
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Skeen
Skelton
Smith (AL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (OR)
Snowe
Snyder
Solomon
Spence
Stangeland
Staton
Stenholm
Stump
Tauke
Tauzin
Taylor
Thomas
Trible
Vander Jagt
Volkmer
Walker
Wampler
Weber (MN)
Weber (OH)
White
Whitehurst
Whittaker
Whitten
Williams (OH)
Winn
Wolf
Wortley
Wylie
Young (AK)
Young (FL)
Young (MO)

NOT VOTING—20

Andrews
Bafalis
Bowen
Burton, John
Chisholm
Dixon
Ginn
Holland
Johnston
Lent
Mazzoli
Minish
Rahall
Rhodes
Richmond
Rogers
Simon
Stanton
Wirth
Zeferetti

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The Clerk announced the following pairs:

On this vote:

Mr. Zeferetti for, with Mr. Rhodes against.

Mr. Richmond for, with Mr. Johnston against.

Mr. Wirth for, with Mr. Rogers against.

Mr. Rahall for, with Mr. Lent against.

Mr. GLICKMAN changed his vote from "aye" to "no".

Mr. FOUNTAIN changed his vote from "no" to "aye".

So the amendment to the Latta amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. Does the gentleman from Oklahoma (Mr. Jones) seek recognition to offer a perfecting amendment to the amendment in the nature of a substitute?

Does any Member seek recognition for that purpose?

Does the gentleman from New York (Mr. Kemp) seek recognition to offer the fourth amendment?

Mr. KEMP. No, Mr. Chairman.

AMENDMENT OFFERED BY MR. MARTIN OF NORTH CAROLINA TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OKLAHOMA

Mr. MARTIN of North Carolina. Mr. Chairman, pursuant to the rule, I offer an amendment to the amendment in the nature of a substitute, which has been duly printed in the Record.

The CHAIRMAN pro tempore. Will the gentleman from North Carolina indicate to what substitute it is offered?

Mr. MARTIN of North Carolina. This amendment is offered to the Jones substitute first.

The CHAIRMAN pro tempore. the Clerk will report the amendment.

PARLIAMENTARY INQUIRY

Mr. PICKLE. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. PICKLE. Mr. Chairman, according to the published amendments scheduled for action in order, the next amendment would be offered by the gentleman from New York (Mr. Kemp) to maintain the status quo in the tax cuts from last year.

Is that amendment going to be offered now?

Mr. KEMP. No; it has been withdrawn.

Mr. PICKLE. Has the gentleman withdrawn his amendment?

Mr. KEMP. Yes.

Mr. PICKLE. That is very interesting. I thank the gentleman.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. Martin of North Carolina to the amendment in the nature of a substitute offered by Mr. Jones of Oklahoma:

Page 12, line 10, strike out "$676,700,000,000" and insert in lieu thereof "$665,000,000,000".

Page 12, line 12, strike out "$31,700,000,000" and insert in lieu thereof "$20,000,000,000".

Page 12, line 18, strike out "$103,850,000,000" and insert in lieu thereof "$115,550,000,000".

Page 22, line 4, strike out "$753,650,000,000" and insert in lieu thereof "$737,000,000,000".

Page 22, line 5, strike out "$846,550,000,000" and insert in lieu thereof "$820,000,000,000".

Page 22, line 8, strike out "$51,650,000,000" and insert in lieu thereof "$35,000,000,000".

Page 22, line 9, strike out "$66,550,000,000" and insert in lieu thereof "$40,000,000,000".

Page 22, line 18, strike out "$72,750,000,000" and insert in lieu thereof "$89,400,000,000".

Page 22, line 19, strike out "$34,650,000,000" and insert in lieu thereof "$61,200,000,000".

Page 35, line 1, (relating to reconciliation instructions to the House Committee on Ways and Means) strike out "$31,700,000,000" and insert in lieu thereof "$20,000,000,000", and on line 4, strike out "$51,650,000,000" and insert in lieu thereof "$35,000,000,000", and on line 5, strike out "$66,550,000,000" and insert in lieu thereof "$40,000,000,000".

Page 35, line 21, (relating to reconciliation instructions to the Senate Committee on Finance) strike out "$31,700,000,000", and insert in lieu thereof "$20,000,000,000", and on page 36, line 1, strike out "$51,650,000,000" and insert in lieu thereof "$35,000,000,000", and on line 2, strike out "$66,550,000,000" and insert in lieu thereof "$40,000,000,000".

Mr. MARTIN of North Carolina (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. MARTIN of North Carolina. Mr. Chairman, I want to say to my colleagues that at this point we need to review the bidding. Let us see where we are. First of all, with the defeat of the first amendment, we can say: So much for a proposal to raise taxes by closing some 34 so-called loopholes.

Second, with the second amendment we can say: So much for trying to raise taxes by limiting undefined tax expenditures as though the Government has some inherent claim on personal income. And after the third amendment, we can say: So much for trying to raise taxes by tax and tax, spend and spend.

I think, Mr. Chairman, it is now in order that we try to see if we might go in a different direction, not more taxes but less.

The Martin amendment seeks to change the revenue increases in the Jones substitute to the same levels as those in the Latta substitute, and if successful, a subsequent companion amendment will be offered to the Aspin substitute.

I am saying that rather than raise taxes more, this is to raise taxes less, the same as the Latta substitute.

I can see from the packed attendance in the press gallery that this is the "Big One."

Mr. Chairman, there are several purposes of this amendment, and I want us to understand what they are. The first purpose is to put the 3 substitutes that are now out there before us onto equal revenue footing, to put them on the same basis as far as tax increases, to put them on the same basis as far as revenues are concerned.

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Now I recognize and anticipate that some will argue that by thereby reducing the tax increases in the Jones substitute, it will, therefore, increase the deficit in the Jones substitute.

Mr. Chairman, while that is a consequence, it does follow that there will result an increase in deficit in the Jones substitute.

I say to my colleagues, that is not my fault. That is not my fault. That is the fault of the committee for not cutting their spending levels more.

Mr. Chairman, the truth is that if you take not only the revenues that would be raised and extracted out of the private sector by the Jones substitute, but also the deficits that would be extracted out of the private sector, by borrowing; if you combine taxes and debt it extracts from the private sector the Jones substitute is already $361 billion combined over the 3 years.

The total that it will extract out of the private sector, and that is $39 billion more, that is $39 billion more extracted out of the private sector, a $39 billion greater burden on the private sector than in the Latta substitute. It is the same regardless whether my amendment is accepted or rejected. It will still be a $39 billion greater burden on the private sector by combining the taxes that they take out of the private sector and the credit that they take out of the private sector, elbowing aside others at the credit window.

Thus this amendment not only puts the revenue increases on the same level, it also exposes the Jones substitute as imposing already a heavier burden on the private sector. It is a greater drain on the society than the Latta substitute whether my amendment is accepted or rejected.

Because they have not done their homework, they have not cut spending as much, so their burden is greater.

The second purpose that I have is to remind my colleagues, as the gentleman from Louisiana (Mr. MOORE) and others have pointed out in this debate, that the chairman of the Ways and Means Committee has repeatedly been quoted as saying that he will not bring out a revenue measure except one that contains only tax increases that will also be supported by the majority of 8 or 9 of the 12 Republicans on the Ways and Means Committee.

Now, this gesture of bipartisanship is a unique interest in the minority, when you recall the artificial limitation whereby we only get one-third of that otherwise distinguished committee.

The CHAIRMAN pro tempore. The time of the gentleman from North Carolina (Mr. MARTIN) has expired.

(By unanimous consent, Mr. MARTIN of North Carolina was allowed to proceed for 2 additional minutes.)

Mr. MARTIN of North Carolina. Mr. Chairman, I do not see any way that you are going to be able to get 8 or 9 of the 12 Republicans on the Ways and Means Committee to support tax increases on the order of that proposed by the Jones substitute. There is no way you are going to get $32 billion in tax increases in the first year, in 1983, if you are going to rely on a majority of the Republicans in that committee to bring it out. It is doubtful you are going to be able to get $20 billion. That is going to take quite a heavy bit of work for us.

So, if you are not going to get a tax bill that raises taxes more than $20 billion, why kid yourself? How are you going to get that extra $10 to $12 billion? The higher deficit is already foreordained.

So my amendment is the "truth in juggling" amendment. It is the "truth in juggling" amendment.

Then the third purpose, Mr. Chairman, is that this is the amendment that will allow a moment of truth, because there are some colleagues who want to be able to vote against the Latta substitute free standing and then say, "Well I like the lower tax increase in the Latta substitute but I did not like their pattern of spending cuts."

Well, if you like the Jones or the Aspin spending patterns, I want to see that you have an opportunity to vote for lower tax increases to go along with those spending patterns also.

The alternative that you will be able to show, if you defeat these amendments, and the Latta substitute, if you vote against all three, is that you will be able to show that you believe that the American people are fundamentally undertaxed.

The CHAIRMAN pro tempore. The time of the gentleman from North Carolina (Mr. MARTIN) has again expired.

(At the request of Mr. REGULA and by unanimous consent, Mr. MARTIN of North Carolina was allowed to proceed for 2 additional minutes.)

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of North Carolina. I yield to the gentleman from Ohio.

Mr. REGULA. I thank the gentleman for yielding.

If I understand the gentleman correctly, using the same revenue figures, the Jones deficit over the 3-year period would then be about $31 billion more than the Latta deficit; is that correct?

Mr. MARTIN of North Carolina. That is roughly correct.

Mr. REGULA. So that this puts them on an equal footing?

Mr. MARTIN of North Carolina. With regard to revenues. But it shows that they are out of balance on the deficit because they have not done their homework on spending cuts.

It also shows that if you combine the revenues that they extract out of society, with the deficits that they will extract out of society, they are worse off than the Latta substitute no matter how you cut it.

Mr. REGULA. I think the impact of the gentleman's amendment would be to make it very clear that Jones is a high spending choice here between that and the Latta substitute; is that correct?

Mr. MARTIN of North Carolina. I would say it is higher tax and higher tax and higher spending and higher spending.

Mr. REGULA. I thank the gentleman.

Mr. MARTIN of North Carolina. I yield back the balance of my time, Mr. Chairman.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment and I would like to ask the gentleman a question, if he would respond.

Could the gentleman tell us what his deficits are in each of the 3 years under the gentleman's amendment.

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from North Carolina.

Mr. MARTIN of North Carolina. The gentleman has a copy of the amendment as it was submitted.

Mr. OBEY. No, I do not.

Mr. MARTIN of North Carolina. I beg the gentleman's pardon. There is a stack of them on the desk there that were distributed earlier.

Mr. OBEY. I have looked at the desk, I cannot find it. If the gentleman has the numbers would the gentleman tell me what his deficits are?

Mr. MARTIN of North Carolina. The Jones proposal——

Mr. OBEY. What is the gentleman's deficit?

Mr. MARTIN of North Carolina. My deficit? I do not have a deficit. I am proposing to amend the Jones substitute. It has the huge deficit.

Mr. OBEY. What is the resulting deficit? What would the deficit be if the gentleman's amendment is adopted?

Mr. MARTIN of North Carolina. We are talking about the Jones substitute. What would the deficit be if my amendment to the Jones substitute is agreed to?

Mr. OBEY. That is correct.

Mr. MARTIN of North Carolina. For 1983, the amended deficit would be $115.6 billion, if agreed to.

Mr. OBEY. Which would make it the largest deficit in 1983 of any alternative before us; is that not correct?

Mr. MARTIN of North Carolina. That is absolutely correct. That is not my fault.

Mr. OBEY. Whose fault is it? Howdy Doody's? It is the gentleman's amendment.

Mr. MARTIN of North Carolina. I appreciate the polite courtesy of my colleague in his fraternal greeting.

Mr. OBEY. What is the gentleman's deficit in 1984?

Mr. MARTIN of North Carolina. The deficit in the Jones substitute?

Mr. OBEY. As amended by the Martin amendment.

Mr. MARTIN of North Carolina. For 1984, if amended by my amendment, and if agreed to, $89.4 billion.

Mr. OBEY. Is that not also higher than any alternative offered to the House for that year?

Mr. MARTIN of North Carolina. That is precisely the point that I have been trying to make.

Mr. OBEY. And in 1985 what would the gentleman's deficit be?

Mr. MARTIN of North Carolina. For 1985? The gentleman will remember that my deficit was zero. I joined in offering a balanced budget and it was rejected by the House.

Mr. OBEY. After the gentleman's amendment increases the deficit to the Jones amendment, what would the deficit then be?

Mr. MARTIN of North Carolina. The Jones substitute, as amended by my amendment to put it on the same revenue base as the Latta substitute, would have a deficit of $61.2 billion.

Mr. OBEY. Again did the gentleman vote for the Rousselot amendment earlier today?

Mr. MARTIN of North Carolina. If the question was addressed to the gentleman from North Carolina in the well, I would say not only did I vote for it, I helped to write it.

Mr. OBEY. Well, I thank the gentleman.

Mr. MARTIN of North Carolina. I take great pride in that.

Mr. OBEY. I would suggest to the House that the last response makes quite clear what is happening here tonight. I regard this as a nonserious amendment. I regard it as a nonserious effort to sabotage the Jones amendment but regard it as a most serious attack on economic stability in this country.

Mr. MARTIN of North Carolina. Will the gentleman yield?

Mr. OBEY. I will after I have completed my statement.

Mr. MARTIN of North Carolina. I wanted to see if the gentleman wanted me to respond to his characterization.

Mr. OBEY. I do not yield.

I would suggest, if you will recall just a moment ago, the gentleman indicated he did not want to put a "greater burden on the private sector" by maintaining the revenue number in the Jones amendment.

I would suggest if you ask anybody in the private sector they would say right now that they feel pretty burdened by the interest rates which they are having to pay. I think they feel pretty burdened by the fact that this economy has been so crippled by the economic policies of the last year that we wind up in real terms, in real dollar terms, with this economy producing less than it produced 2½ years ago. That is the real burden on this economy, the fact that Reaganomics has brought us such an incredible degree of unemployment, such an incredible level of high interest rates, such an incredible listing of farm auctions, and business bankruptcies. The reason for that is because we always try to have it both ways, as I would suggest someone has it if they voted for the Rousselot amendment earlier in the afternoon and then votes for this amendment tonight.

□ 2040

The fact is that if you adopt the amendment, you will be voting to create the highest deficits of any of the alternatives before the House, yesterday or today. I do not think that is what the House wants to do and I would urge a no vote on the amendment.

Mr. MARTIN of North Carolina. I thank the gentleman for yielding to me.

Mr. LATTA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment.

Let me say, I commend the gentleman for offering this amendment, because he makes it crystal clear how much the revenue increases are in the two opposing substitutes. I think the House ought to know this. In order to get down to the deficits they attempt to do, they must do this by increased revenues and the gentleman pinpoints this in this amendment.

Mr. ASPIN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, let me just say in response to the point that the gentleman in the well was making a few moments ago, what he is doing, he is taking taxes and making them equal, I take it, in each of the three substitutes that we would be offering if his amendment were to pass.

Mr. MARTIN of North Carolina. That is exactly correct.

Mr. ASPIN. Which is to say that we can offer different alternative budgets, except that taxes have to be the same level in all three.

I would just like to recall the words of the gentleman from Texas (Mr. GRAMM) who a few moments before in arguing against the amendment of the gentleman from Oklahoma (Mr. JONES) said that what we are trying to do at the end of the day is to have different budget resolutions that people can vote on and offer different alternatives.

If the Martin amendment were to pass, we would have the same taxes in all three and in effect the choices would be very severely constrained. We would only have differences in the amount of defense spending and differences in the amount of domestic spending.

It seems to me that what we really want to have is some choices and one of the choices in order to reduce the deficit is to increase taxes.

It seems to me a perfectly logical way to reduce that deficit is to have an option out there that says in effect that we ought to do something about increasing the taxes or reducing the rate of tax decreases that are now built into the current tax system; so it seems to me that what we are doing is singling out taxes to give a special place which I do not think they deserve. Somebody else might offer an amendment to make defense the same in all three substitutes. Somebody else might offer to make entitlement programs the same in all three. We are offering alternatives and the alternatives ought to include the option of changing the tax structure in order to reduce the deficit.

It seems to me a perfectly legitimate position that the Jones substitute has and I think we ought to vote down the amendment and leave the Jones substitute the way it is.

Mr. MARTIN of North Carolina. Mr. Chairman, would my colleague on the committee yield to me for a moment?

Mr. ASPIN. I would be happy to yield.

Mr. MARTIN of North Carolina. I think the gentleman is quite correct and, indeed, the purpose of my amendment is to see to it that the Members of the House do have a choice. They can choose with regard to the Jones substitute whether they will vote for higher taxes by voting no on my amendment, or they can vote for lower taxes by voting yes on my amendment. They will have a choice only by my having offered this amendment, which is precisely why I offered it.

The gentleman does recall that there are 63-some amendments that are offered to various substitutes. The characterization the gentleman has made is not just with mine, but with all. Amendments allow us to make choices.

Mr. ASPIN. Mr. Chairman, if I can reclaim my time, the House will have a chance to vote on higher taxes or a little different tax structure when it comes time to vote on the three alternatives at the end of this whole process. I do not think we ought to eliminate the differences in them at this point.

I think we ought to leave the amendments, the three substitutes, essentially the way the authors want and let us have a chance to vote on them as they are and vote down the Martin amendment.

Mr. BETHUNE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, all day long Members on that side of the aisle for the most part have been berating us on this side for trying to control spending, but the last vote that we had here in the House I thought was a very interesting one, because it says, Mr. Chairman, that we are not going to get the kind of revenues and tax increases that the gentleman has in his proposal.

It is bad economics. The people do not want it. The other body has already gone on record clearly against repeal of the third year of the tax program and against repealing the indexing.

The President has indicated his intention to fight that and if he does veto that, the Republicans here are going to back him up on it and the conservative Democrats I am sure will be right there with us.

So where are you going to get the revenues, Mr. Chairman, to meet your budget figures? I do not think they are there.

Last year the gentleman chided us for saying that we were too optimistic, and I remember the gentleman standing in the well and saying, "Oh, it's fun and games, it's fun and games," these optimistic figures that we are talking about; but today the biggest phony figure is not the real effort that we are trying to make on this side of the aisle to constrain runaway Government spending and runaway Government lending, the real charade that is taking place is in the revenue figures on the other side, because you cannot raise that kind of revenue in the face of the kind of vote we just had and in the face of the opposition that you face. If you cannot get the third year in indexing, then let me read a laundry list of what you have to do to raise the kind of revenue that you need, and this that I am going to read will only raise $127 billion. It will not get to the $147 billion. It will only raise $127 billion, so everyone over there better be prepared to vote for this, because this is what you are going to have to vote for.

You are going to have to repeal the student exemption, repeal the State and local sales tax deduction, repeal the State and local personal property tax deduction, repeal the consumer interest expense deduction, except automobiles; repeal the $100 dividend exclusion, repeal the $150 health insurance deduction, repeal the 10-percent floor under medical expense deduction, the 10-percent floor under the casualty deduction.

On business deductions, repeal the employer health deductions; eliminate capital gains for timber, repeal entertainment deductions.

On excise taxes, double the tax on distilled spirits, double the tax on tobacco, double the tax on beer, double the tax on wine, double the tax on telephones, double the tax on motor vehicles, 10-percent excise tax on luxuries.

That is what you are going to have to do to raise $127 billion, and then you are going to be $20 billion short of your mark, and if you do not vote for those kinds of tax increases and if you vote for Jones and if you do not vote for Martin, then you are going to have to be prepared to vote for those kind of tax increases on the American public, or you are going to have to go out there and explain the kind of deficits that the gentleman from Wisconsin was calculating for us.

Mr. MOORE. Mr. Chairman, will the gentleman yield?

Mr. BETHUNE. I certainly will yield.

Mr. MOORE. The gentleman is making the same point that two of us made earlier in debate on the House floor, that you are putting the Ways and Means Committee in a position that they are not going to come forward with any tax bill at all, if you are talking about $30 billion or so.

While the Martin amendment may well increase the deficit of the Jones amendment, what you are doing is making it possible if the Jones substitute passes to have at least the revenue portion come before the Ways and Means Committee.

If you do not adopt the Martin amendment, I think you can just kiss-off and forget every single tax revenue bill coming out of the Ways and Means Committee, because the gentleman just read through, with all that list we are still short in trying to raise those kind of revenues. At $20 billion it will be hard enough.

So, I think the Martin amendment is not specious. I do not think it is a nonserious amendment. What it does is probably put the Jones substitute in a position that if it passes it will work. It may even be able to pass because of the revenue reduction.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. BETHUNE. I yield to the gentleman.

Mr. ROEMER. I thank the gentleman for yielding.

If the gentleman's point is that the Martin amendment puts both budgets on the same platform in terms of revenue, let the American public know the difference between these budgets, the gentleman is absolutely correct.

The difference in the budget down at this end of the table and the budget proposed over here is in revenues. Is the money saved from the deficit? No. They spend every cotton-picking dime of it.

□ 2050

Mr. ROEMER. That is right. If Members vote for it, they can choose their poison from this list right here.

Mr. JONES of Oklahoma. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment. I will not take long to express my opposition.

I hope that the Members will be listening, because I understand a number of them who did not listen fully to the debate on the last amendment said they would not have voted as they did has they heard all the debate. Let me just make this statement:

Every one of the witnesses that came before the House Budget Committee said it was absolutely important to get the deficits down to a manageable level. They said unless and until we got deficits down in a controllable status, we would never get interest rates down, and we would never get economic recovery happening in the next 3-year period.

Mr. BETHUNE. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. I would be happy to yield to the gentleman from Arkansas.

Mr. BETHUNE. Would the gentleman not agree that most of the witnesses said that the better way to get the deficits down is to reduce spending rather than raise taxes?

Mr. JONES of Oklahoma. No. Most of the witnesses said we have to have a combination of spending cuts and revenue raisers. Many of those witnesses, including officials from previous Republican administrations, said that they support raising revenues, even if that meant going into the Kemp-Roth tax cut and postponing or delaying that in the 1983-85 time period.

The list of tax increases that the gentleman from Arkansas read off are very interesting. I would point out to the gentleman that over $200 billion in revenue lost in this same 3-year period is represented by the tax bill that passed this Congress last year, and that in itself would more than accommodate the revenue measures called for in the committee resolution. When you add to that the number of tax loopholes that could be accommodated and corrected, that is additional areas in which to raise revenues.

The point that I want to get across, and it is this one point that every Member ought to be concerned about, and that is if you are serious about trying to get the deficits down to size and to have all of the substitutes before this body get the deficit in the range where the witnesses told us was manageable and would have a positive effect on bringing interest rates down, you cannot possibly vote for the Martin amendment because if the Martin amendment passes, it would give us the highest level of deficits of any substitute before this body. It would be a higher level of deficits than the bill which passed the other body, and it would be irresponsible for us to do that.

Mr. CONABLE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, the gentleman from Oklahoma says taxes are going down by a tremendous sum as a result of last year's tax cut. In fact, tax revenues are still rising and will continue to rise unless we get the third year of the tax cut. Obviously they are lower than they would be had we not tried to reduce the highest level of taxation this country has ever had in its history on the Federal level.

Now, something has been said about a laundry list of things that are possible to raise taxes. I want to appeal to my colleagues not to stand for a budget, for a blueprint of Government here that we cannot deliver on. I seriously doubt that many of you who are going to vote against the Martin amendment are going to be willing to come forward and vote for the tax increases that are involved in $31.7 billion of revenue raising, which is the Jones figure, or $30.8 billion which is the Aspin figure.

I have put together a somewhat different laundry list, made up of things that many people I know on our side of the aisle feel would be an appropriate part of a revenue increase. I want to just list what they come to. They still do not come anywhere near close to the $31.7 billion in Jones.

For instance, repeal the third year, $7.5 billion.

Repeal safe harbor leasing. Many people want only to modify it at this point because they realize it does something for autos and steel and the other unprofitable industries that are in serious trouble. If you repealed it totally, it would be $2.9 billion.

If you repealed the oil provisions in last year's bill, that is $1 billion. If you put a $5 oil import fee, and I have heard a great deal about that, that in fact would raise $8.7.

You are still only at the $20 billion level. To get to $26.6 billion, you would have to double the excise taxes on alcohol, tobacco, beer, wine, telephone and gasoline. $26.5 billion is all you have come to, after all these things. You still have more than $5 billion to raise somewhere.

Now, my colleagues, do not put us in the position of being on what John Gardner calls the roller coaster of aspiration and disillusionment, pretending we are doing something in the budget and then failing to follow through on it.

In my view, it is a very difficult thing to get tax increases of the dimension you are looking for. I hope we will find support for the Martin amendment under these circumstances.

The CHAIRMAN pro tempore. For what purpose does the gentleman from Texas (Mr. WRIGHT) rise?

Mr. WRIGHT. In opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from Texas is recognized for 5 minutes.

Mr. WRIGHT. Mr. Chairman, I think it is imperative we defeat this particular amendment.

If those on my left were simply seeking a tricky, cynical way to burden down the committee bill and make it unpalatable, and thereby prejudice its opportunity to be embraced by this House, and finally to pass a budget resolution, they could not have found a better way to do it.

If that is your goal, if you just want to find a cynical way to burden down the committee bill and make it unpassable, then you might want to vote for this.

But if you really want a choice, if you want a choice that will permit the Government to continue to have some humane interest in the elderly, and in the young who are trying to go to college, and in the young people trying to buy homes, then you will leave it alone and you will leave us the option of having enough moneys in the Treasury to accommodate it.

Let us analyze exactly what this amendment would do to the committee bill. It would add $63 billion to the deficits for the next 3 years in the committee bill. Do you want to do that? Do you want to add $63 billion to the deficits? I do not think you do. If you are serious about the idea that high deficits cause high interest rates, you would be voting in this instance for higher and higher interest rates, because interest rates are interested not in how you get the money, not in how you spend the money necessarily, but what the bottom line is apparently in the deficit.

Now, that would unfairly burden the committee bill.

Let me show you what the total deficits for the next 3 years are in these three bills.

There is $232 billion under the committee bill, $252 billion under the Latta substitute, $227.9 billion under the Aspin bill.

Do you know what accounts for those deficits more than any other single thing? It was the big, big tax cut of last year.

When David Stockman was before the House committee, I asked him for his appraisal of just how much money was siphoned out of the revenues of the Government by that tax cut in these 3 years. He said a little over $400 billion. A little over $400 billion! That accounts for the whole anticipated deficit.

Do you not think that it is a fair proposition to ask the average American which he would rather have? Does he want a big tax cut, or would he rather have a balanced budget? I think that the average American, once asked that question, would respond in the latter, because I think he is a responsible person. And the average American was deceived by marketing and by salesmanship on this tax cut last year. The average American is not really getting any of it. I think all of us really know that deep in our hearts.

That tax cut that we voted last year can yield up $30 billion from the enormity of its coffers without really hurting anybody at all, because that much is going to the 5 or 6 percent of the wealthiest families in this country who do not really need that tax cut, and who really are not taking it and investing it in job-producing enterprises. They are not investing it in the kind of things that modernize our aging industrial plant.

This has been the most regressive set of tax cuts in the history of the United States. It has turned the United States back around and headed us in a direction of about 50 years ago.

□ 2100

It is the trickle down theory that is espoused here. There is an obsession on the side, I am sure, of those who want to support the Latta substitute, and in the White House, to protect at all costs this $7,000 return to the $100,000 family under the guise of trying to help all the families. Well, it does not help all the families. That program hurts most of the families of the United States. On balance, it hurts 75 percent of the families of the United States, so you face this question right now; do you want to insure that there is not going to be any way in any of these bills to redress the grievance that the old people are going to feel when they are forced to pay $534 for a 2-week stay in the hospital, maybe $710 in the year after that, when you have added that on their backs in order to protect these 30 pieces of silver for those at the top of the economic ladder, the top of the economic pyramid, on the theory that some of it is going to trickle down? Do you really believe that this worked in the 1920's? I tell you it did not, and it will not work in the 1980's.

Ms. FIEDLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was very impressed with the argument by the majority leader, impressed in a very negative way, because what I heard him say is that $400 billion of the taxpayers' money is somehow very valuable when it is in the hands of this Congress and the other body, but it is not valuable and it is not a tremendous asset to the people when it is in their own hands.

Now, I have a very hard time buying that argument because I am personally convinced that the taxpayers are able to keep their own funds. They are far more able to spend them in a cost-effective way to benefit themselves than we will ever be able to do in this House of Representatives or in the Congress as a whole. For every dollar that the American people get through the States, through the school districts, we take 50 cents just to supplement the bureaucracy which we built, and how have we built it?

We built it to protect our own encumbencies. It is a travesty to the American people to consider adding on another 20 percent plus to their taxes, which are already a very heavy burden. I would hope the Members would support not only the Martin amendment, but the Latta substitute because frankly, it is the best option that we have at this time.

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentlewoman yield?

Ms FIEDLER. I yield to the gentleman from North Carolina.

Mr. MARTIN of North Carolina. Mr. Chairman, I want to thank my colleague for yielding to me.

First, I point out that she also serves on the Budget Committee, and probably has the best attendance record of all of the members on either side of the aisle on the Budget Committee during all the hearings and all the debate.

Let me say first that I am honored that my humble amendment is worthy of the attention of the distinguished majority leader. My tax equalization amendment does not create the deficit. The failure of the Budget Committee to adequately cut spending is what has created comparatively high deficits of the committee substitute.

Now, what about this tax cut? It has been called the biggest tax cut in history; that was passed in 1981. Yet, it did not bring taxes down at all. Tax revenues are going up. They are going up. Taxes are still going up thanks to bracket creep and thanks to rising social security taxes that were voted on back in the last decade and then left there to trap people as they work.

In fact, according to the Congressional Budget Office, our own Congressional Budget Office, taxes over the next 3 years will be rising faster than inflation.

Again, if the gentlewoman will continue to yield, the CBO showed evidence that taxes will continue to rise faster than any economist has projected inflation over the next 3 years covered by these resolutions. Should that not be enough? The reason that it is not enough is because we fail to deal with that steeply rising red line I have shown on the chart.

All the payments for individuals and to individuals which, after correction for inflation, over the last two decades, have risen fourfold. We have referred to this chart over and over in this debate.

The problem is not with defense. Defense is roughly where it was with the Kennedy administration, the Kennedy administration two decades ago, in constant buying power. It is not with the other agencies of Government; the Justice Department, the Coast Guard, the Border Patrol, the Interior Department, and so forth. They are only slightly higher than they were two decades ago. The problem is with that steady rise in payments to and for individuals, all of that heartfelt compassion that was well intended but which has been out of control. And that is why we have the large deficits, under current law, of $181 billion. That is why we will have deficits on the order of $110 billion or $115 billion even if we adopt some of these things, because that is out of control.

There is one other thing, my colleagues will recall. During the discussion of the Budget Committee, a majority on both sides of the aisle made public statements—I sat there and counted—made public statements that they felt that we had to restrain the rapid growth of entitlements, the cost of living adjustments by Consumer Price Index were rising faster than the dollar was being devalued, rising faster than the wages of working men and women whose taxes have to pay for all of those benefits. It is rising far faster after we take their taxes out of their wages. And yet these substitutes do nothing at all about that inequity.

Ms. FIEDLER. Would the gentleman like to share with our colleagues what the total tax increase will be on the American people if we are to pass the Jones budget?

Mr. MARTIN of North Carolina. I might say to the gentlewoman that I am not sure I should carry the burden of trying to point out to the American people what the entire tax increase will be. But it will be $150 billion in greater tax increases, and that is in addition to the currently built-in tax increases that are rising faster than inflation.

The CHAIRMAN. The time of the gentlewoman from California (Ms. FIEDLER) has expired.

Ms. FIEDLER. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

Mr. OTTINGER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. DORNAN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, a minute ago this chart was taken off the floor. I do not know why it came back. I cannot believe that our distinguished majority leader, a fine man, could possibly understand how deceptive that chart is.

Now, not too many years ago I was a $20,000 income family of five, and $544 meant more to me as a family than now, as a $70,000 a year family with about $6,000 carved out for a daughter's wedding last month. That chart is phony and deceptive because there is no $21,000 family, $22, $23, $24, $30, $40, $50. It is giving this wide disparity between this hidden evil $100,000 a year man and his wife, or a wife and her husband, as opposed to an average American family, and it conveys a totally phony and false impression.

I think again the bottom line is what the distinguished and hard working lady from California said, whether or not we are going to leave $544 in the hands of the families of America, or bring it to this body to spend it with all the best intentions on failed programs.

□ 2110

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. Yes, I am glad to yield to the distinguished gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I thank the gentleman for yielding.

I was intrigued by the majority leader's implication that if we would just raise taxes, we would have a balanced budget. Let us look at the record.

During the 4 years of the Carter administration, when the majority party controlled both Houses, controlled tax policy, and controlled spending policy, we had a total of $181 billion in deficits with the high taxes. Now, the lesson from that is that if taxes go up, the spending goes up, and the only way we can cut the spending is to cut the taxes, cut the flow of revenues.

I am disappointed that no one has suggested on that side that if this amendment were to pass, we would reduce the spending. No, the whole story is that if the amendment passes, deficits will go up. It never even occurs to the majority party that we could cut spending in response to lowering revenues and leave the money in the pockets of the people who earn it.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield to me?

Mr. DORNAN of California. Yes, I am glad to yield to the distinguished majority leader.

Mr. WRIGHT. Mr. Chairman, I appreciate the gentleman's yielding, and it is kind of him.

The gentleman did make reference to the chart that I showed, and he said he wants to preserve this $544 for the $20,000 family. I will go along with that.

I do not know if the gentleman would agree with me on a proposition that would save us $12 billion in fiscal year 1983. If we would take the 1982 tax cut that is coming along this year in July and cap it off, that is $700 and that would give the total allowable return to the family that makes $46,000 a year, and everybody else would get that $700, too. And if you really want to protect those average families, we could do that, and we could add $12 billion to the savings this year and lower the deficit by that much and still protect all the people who make $46,000 and less totally in the second and third years.

Would the gentleman agree that that would be a fair proposition?

Mr. DORNAN of California. Mr. Chairman, to the distinguished majority leader let me say that amendment is not before us. It still smells of redistribution of wealth.

Mr. WRIGHT. Oh, it is before us. It is one of the ways that we might get there. It is one of the things the gentleman would make impossible.

Would the gentleman agree that it would be fair?

The CHAIRMAN. The time of the gentleman from California (Mr. DORNAN) has expired.

Mr. PANETTA. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from California (Mr. PANETTA) is recognized, but first the charts will be removed.

Mr. PANETTA. Please, Mr. Chairman.

The CHAIRMAN. Perhaps from the laughter, it might be worth having the Chair remind the Members that charts are always brought forward for a particular speaker. They are present entirely at the sufferance of the committee.

Mr. PANETTA. Mr. Chairman, I hope that we continue to ask two very basic questions as we deal with all of these substitutes and one certainly has to be: What is the situation with regard to the deficits? And the second is fairness.

Why are we here? Why are we even beginning to debate these substitutes? These are all substitutes to the President's budget that was proposed in February of this year. That budget was rejected. It was rejected by Republicans, and it was rejected by Democrats.

Why was it rejected? Because it projected record deficits over the next 3 years—$620 billion in deficits over the next 3 years, $120 billion in 1983, assuming that his program was adopted by the Congress. It was rejected because it called for high deficits.

It was also rejected because it called again for cuts on the same programs that were impacted in the budget proposal that was adopted by this Congress last year. It was rejected by all Members because we said it went too far, and for that reason we are now discussing these substitutes.

But it seems like we are going back to the same basic, warmed-over budget proposal. We are talking now about a deficit that would be $116 billion.

I would remind the Members that the Senate, using the same revenue figures, has adopted a budget resolution that calls for a $116 billion deficit for 1983.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. I am pleased to yield to the gentleman from Illinois.

Mr. SIMON. Mr. Chairman, I commend the gentleman from California (Mr. PANETTA) for his statement, and I would simply point out two things to my colleagues.

One is that one of the most thoughtful and distinguished conservative columnists, George Will, says that the United States ought to be building a more substantial revenue base, not cutting it back, and I think an examination of our economy and of that of some other countries suggests that George Will is correct.

Second, I would point out that before we ever passed the monstrous tax cut, Arthur Burns, Paul Volcker, and a great many others whom we respect advised us, "Don't pass any tax cut at this point." And now we are going against that very sound advice in a gargantuan way.

Mr. PANETTA. Mr. Chairman, the problem is that we are still facing these record deficits, and, frankly, even though the Latta proposal involves less in revenues, I do not see that reflected in the deficit figure. They are proposing a $110 billion deficit even with their revenue figure.

In fairness, we have to look at all areas, including revenues, and I would remind the Members again that the President himself, in negotiations with the Speaker, proposed $122 billion over the next 3 years in revenue increases.

I would remind the Members that in terms of the proposals that have been debated here we have talked about the need for additional revenues in order to try to bring some fairness here. We cannot look at medicare, we cannot look at medicaid, we cannot look at the health programs, we cannot look at education programs and not look at the need to increase revenues at the same time if we are in fact going to reduce the deficit.

It is a basic choice here that is involved in the Martin amendment. If you are for higher deficits, then vote for Martin; if you are for basic unfairness in the approach to the budget resolution, then vote for Martin; but if you are for some kind of return to commonsense, then please vote against the Martin amendment.

Mr. GINGRICH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time primarily just before we vote to introduce into the RECORD a letter sent today by the Secretary of the Treasury to the Republican leader in the House. I want to enter this letter into the RECORD because, frankly, I think there is an amazing level of inaccurate and misleading information which purports to pass for debate on occasion in this body.

The letter says:

> DEAR BOB: I am writing to you to point out my deep concerns regarding the massive tax increases which would be imposed on the working people of this country if either the Jones budget or the Aspin substitute were adopted.

Mr. Chairman, I can appreciate why some of our friends who would like to hide from this restraint would prefer not to listen to the man who is going to have to recommend how we raise these revenues.

> The revenue target in either of these budgets would hardly be achieved without repeal of the third year of last year's tax cuts.

And I say to my liberal friends who advocate fairness that they should listen carefully.

To continue:

> Yet the third year of the tax cut is essential if we want to provide any real relief to the American people.
>
> The third year and indexing are both needed to offset the tax increases from bracket creep due to inflation and the payroll tax increases scheduled under the 1977 Social Security amendments. The repeal of these provisions would result in an $870 tax increase for a median income ($24,000) family of four between 1983 and 1985.

That is, if you vote against Martin, you are in effect at a minimum voting for a $870 tax increase for a median income family.

To quote further:

> So the average working family would bear the brunt of a repeal of the third year. Upper income taxpayers, who have already benefited from the reduction in the top tax rate from 70 to 50 percent, would lose the least. The third year represents only 12 percent of the three year tax cut for the highest income taxpayers, but it amounts to more than one-third of the tax cut for every other taxpayer.
>
> It is also important to recognize that Congress would have to impose major additional tax increases in addition to a repeal of the third year in order to meet the Jones or Aspin revenue targets. For example, even if Congress repealed the third year, repealed leasing, repealed the oil provisions enacted last year, imposed a $5 per barrel import fee on oil and doubled excise taxes on alcohol, beer, wine, tobacco, telephones, and gasoline, taxes would still not be high enough to meet the target imposed by either the Jones or Aspin budgets.

□ 2120

So in conclusion let me simply say to my good friends on the left, there are many things you can attack about last year's tax cuts, some of which you put in your original proposal in the Ways and Means Committee. There are many ways to get fairness in terms of the wealthier Americans.

Repealing the third year is not one.

To vote against Martin, if earlier you voted against Jones would, I think be blatantly wrong. If you want to protect the American taxpayer you have a simple expedient that provides fairness, guarantees minimum revenue for this Government to spend, and that is to vote for Martin.

Mr. ALBOSTA. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, I would like to point out to the Committee here tonight that I am getting some of the results back, on a recent questionnaire that I sent out to all of my constituents in my district. One of the questions that I asked my constituents was this: Would you be in favor of rescinding the 10 percent tax cut that is going to come about in July if it meant balancing this Federal budget or helping to balance this Federal budget?

Do you know how many responded to that favorably? Almost all of them.

I also asked the question in my questionnaire, Are you better off under this administration's economic plan, are you worse off, are you the same?

Do my colleagues know what the response was? Most of those that said that they were better off under this administration's plan remarked that they wanted us to rescind that tax cut. They want us to be responsible down here. We are running a business. This is not a junky place. You have to run this business responsibly and you ought to raise enough revenue if you are going to spend the money to cover what you are going to spend it on.

You have to ask yourself if you have cut the programs to the bone, if you have cut them to the bone, do you want to take some of the bone out too? Do you want to cut senior citizens' programs? Do you want to cut aid to students in this country? Do you want to have a bunch of illiterates in this country for the next 20 or 30 years?

That is not what you want. I have a farm that I have run all my life. I spend more money on that farm today than I spent 10 years ago, and I spent more 10 years ago than I spent the 10 years before that. It is going to take more money to run this Government and to run it properly.

So I say to all of you, to make a mistake by not considering what we might be able to do in terms of raising the revenue to cover the kind of expenses that are necessary to run this Government is a mistake.

I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina (Mr. MARTIN) to the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. JONES).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. MARTIN of North Carolina. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 178, noes 237, not voting 17, as follows:

[Rollcall No. 104]

AYES—178

Archer
Atkinson
Badham
Bailey (MO)
Beard
Benedict
Bereuter
Bethune
Bliley
Breaux
Broomfield
Brown (CO)
Brown (OH)
Broyhill
Burgener
Campbell
Carman
Carney
Chappie
Cheney
Clausen
Clinger
Coats
Coleman
Collins (TX)
Conable
Conte
Corcoran
Coughlin
Courter
Coyne, James
Craig
Crane, Daniel
Crane, Philip
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daub
Deckard
Derwinski
Dickinson
Dornan
Dreier
Duncan
Dunn
Edwards (AL)
Edwards (OK)
Emerson
Emery
Erdahl
Erlenborn
Evans (GA)
Evans (IA)
Fenwick
Fiedler
Fields
Findley
Fish
Forsythe
Frenzel
Gilman
Gingrich
Goldwater
Goodling
Gradison
Gramm
Gregg
Grisham
Gunderson
Hagedorn
Hall, Ralph
Hammerschmidt
Hansen (ID)
Hansen (UT)
Hartnett
Hendon
Hiler
Hillis
Holt
Hopkins
Horton
Hunter
Hyde
Ireland
Jeffries
Kemp
Kindness
Kramer
Lagomarsino
Latta
LeBoutillier
Lee
Lent
Lewis
Livingston
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
McClory
McCollum
McDade
McDonald
McEwen
McGrath
Michel
Miller (OH)
Mitchell (NY)
Molinari
Montgomery
Moore
Moorhead
Morrison
Myers
Napier
Nelligan
O'Brien
Oxley
Parris
Pashayan
Paul
Petri
Pickle
Porter
Quillen
Railsback
Regula
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Roth
Rousselot
Rudd
Sawyer
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Skeen
Skelton
Smith (AL)

Smith (NE)
Smith (OR)
Snyder
Solomon
Spence
Stangeland
Staton
Stenholm
Stump
Tauzin
Taylor
Thomas
Trible
Vander Jagt
Walker
Wampler
Weber (MN)
Weber (OH)
Whitehurst
Whittaker
Winn
Wolf
Wortley
Wylie
Young (FL)

NOES—237

Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
AuCoin
Bailey (PA)
Barnard
Barnes
Bedell
Beilenson
Benjamin
Bennett
Bevill
Biaggi
Bingham
Blanchard
Boggs
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Brinkley
Brodhead
Brooks
Brown (CA)
Burton, Phillip
Butler
Byron
Chappell
Clay
Coelho
Collins (IL)
Conyers
Coyne, William
Crockett
D'Amours
Daschle
Davis
de la Garza
Dellums
DeNardis
Derrick
Dicks
Dingell
Donnelly
Dorgan
Dougherty
Dowdy
Downey
Dwyer
Dymally
Dyson
Early
Eckart
Edgar
Edwards (CA)
English
Ertel
Evans (DE)
Evans (IN)
Fary
Fascell
Fazio
Ferraro
Fithian
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fountain
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gore
Gray
Green
Guarini
Hall (OH)
Hall, Sam
Hamilton
Hance
Harkin
Hatcher
Hawkins
Heckler
Hefner
Heftel
Hertel
Hightower
Holland
Hollenbeck
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jeffords
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kastenmeier
Kazen
Kennelly
Kildee
Kogovsek
LaFalce
Lantos
Leach
Leath
Lehman
Leland
Levitas
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
Markey
Matsui
Mattox
Mavroules
McCloskey
McCurdy
McHugh
McKinney
Mica
Mikulski
Miller (CA)
Mineta
Mitchell (MD)
Moakley
Moffett
Mollohan
Mottl
Murphy
Murtha
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Ottinger
Panetta
Patman
Patterson
Pease
Pepper
Perkins
Peyser
Price
Pritchard
Pursell
Rangel
Ratchford
Reuss
Rinaldo
Rodino
Roe
Rose
Rosenthal
Rostenkowski
Roukema
Roybal
Russo
Sabo
Santini
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shamansky
Shannon
Sharp
Simon
Smith (IA)
Smith (NJ)
Smith (PA)
Snowe
Solarz
St Germain
Stark
Stokes
Stratton
Studds
Swift
Synar
Tauke
Traxler
Udall
Vento
Volkmer
Walgren
Washington
Watkins
Waxman
Weaver
Weiss
White
Whitley
Whitten
Williams (MT)
Williams (OH)
Wilson
Wirth
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)
Zablocki

NOT VOTING—17

Bafalis
Bowen
Burton, John
Chisholm
Dixon
Ginn
Johnston
Marks
Mazzoli
Minish
Rahall
Rhodes
Richmond
Rogers
Stanton
Young (AK)
Zeferretti

□ 2140

Mr. **WILLIAMS** of Ohio changed his vote from "aye" to "no."

So the amendment to the Jones amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The **CHAIRMAN**. Does the gentleman from North Carolina (Mr. MARTIN) seek recognition to offer his perfecting amendment to one of the other pending amendments in the nature of a substitute?

Mr. **MARTIN** of North Carolina. Mr. Chairman, I ask unanimous consent to be recognized for 1 minute so that I may explains my intentions.

The **CHAIRMAN**. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. **MARTIN** of North Carolina. Mr. Chairman, I wanted to take this minute so that I could say to our colleagues in the House, it had been my intention to offer the same amendment to the substitute that is before us by the gentleman from Wisconsin (Mr. ASPIN) and his colleagues. However, I do feel that I have had full opportunity to express the intent of my amendment. It has been offered in good faith. It has been debated roundly by both sides. Even in defeat, it has gotten attention to the matter of the relative disparity of the excessive total extraction from the private sector that goes on in both the Jones and the Aspin substitute. It has been made clear that the majority of the Democrats want higher tax increases, and the majority of Republicans do not. That is now unmistakably clear. Therefore, there is no need to put our colleagues through the old meat grinder one more time and, therefore, I will not offer the Martin amendment to the Aspin substitute.

The **CHAIRMAN**. Does any Member seek recognition for that purpose?

If not, that forecloses further debate on amendment No. 5.

Mr. **CLAUSEN**. Mr. Chairman, I wish to impress upon my colleagues in the House the need to adopt a budget that will send the strongest possible message to the financial markets and to the money managers in this country, that Congress will impose fiscal responsibility upon this Government. A balanced budget is the strongest message we can give them. I supported the balanced budget substitute as I do the proposed constitutional amendment requiring a balanced Federal budget. This is the only way the budget process can work. The sooner we move toward this discipline, the sooner we will bring about the kind of stabilizing influence this country so desperately needs.

Meanwhile, our basic objective is to establish a positive phasing down of the deficit projections over the next few years. The resolution which imposes the greatest budgetary discipline, while assuring a secure future for older Americans by honoring the commitments Government has made through social security and retirement programs, is absolutely essential if interest rates are to come down, and we are to see a resurgence in the industries that employ a large segment of the work force in this country. A decrease in interest rates will go a long way toward revitalizing the total housing industry, and the economy as a whole, restoring jobs across the United States.

Mr. Chairman, we have already made great progress in reducing the bite of inflation on those who feel it the most—the poor, the elderly—by reducing Federal spending. Let us not stop short of our goals, and run the race to the finish. But let me add this caveat—in doing so, in holding up no sacred cows, let us keep foremost in our minds a commitment to those who cannot help themselves. Short of achieving a balanced budget objective, we must move in our voting patterns toward the best attainable budget compromise, that will minimize the tax burden, that will lessen public sector spending, and will get our economy moving again. The inflation psychology that got us into this mess, is now in the short-term liquidity psychology stage, all because of a lack of confidence of the American people. Now the time has come to bite the bullet, move off dead center, and adopt the budget resolution that will do the most to set in motion the economic recovery of the United States. I believe the bipartisan recovery resolution is the best we can expect of the three major budget resolutions that are now pending before this House. It reduces projected outlays by $297 billion over the next 3 years, which will reduce the projected deficit a total of $391 billion. It does so without putting the entire burden of restraint on domestic social programs, targeting the savings in entitlement programs to areas of evident abuse or excess. I have voted in the past and will vote in the future to protect social security benefits, and to protect and strengthen the health care programs.

Mr. Chairman, Members of the House, I urge you to support the bipartisan recovery compromise budget. It may take great political courage for some of you to make this choice, but the choice is one of turning the economy around now, while we still can, or heading further down the road of high interest rates and high unemployment. I ask you to join with me in showing the American people that we in Congress have the courage to do what we must to revitalize our Nation's economy and address our devastatingly high unemployment by adding some incentive and dynamism to the job-creating private sector.

● Mr. FRENZEL. Mr. Chairman, as the budget debate proceeds this body will discuss and evaluate literally dozens of amendments, more than a half a dozen of which are comprehensive substitute resolutions. The Rules Committee has wisely allowed for nearly everyone to be heard, but the ultimate winner may be confusion.

The first test is the Miller substitute. It was billed as a pay-as-you-go resolution but it has the highest deficit of all, and in addition, it calls for over $35 billion in new taxes in fiscal year 1983. Obviously, it is not a serious effort to meet the challenges of deficits, recession and interest rates.

The Obey substitute is next. Its deficit is attractive, less than $100 billion. But it too calls for more than $37 billion in new taxes in the first year. Over the 3 years, it raises taxes over $230 billion. Its spending is as high as the committee resolution, but it cuts defense spending below the committee's recommendation. Using the huge new taxes and the transfers from defense, it allows current spending to exceed even the amounts in committee's resolution. To me it can be described as a high-tax, low-recovery budget.

The Fauntroy substitute is simply a chromeplated edition of Obey. It spends a little more, and taxes a little more than the Obey version. If the Obey revision is profligate then the Fauntroy version is superprofligate.

The fourth alternative, the Rousselot substitute is different. It dares to balance the budget in the coming year. That is undeniably a radical approach, but I suspect it comes closer to the inclinations of most of our constituents than any of the versions to be presented during this debate.

The Rousselot substitute has the additional virtue of attacking the deficit where it lives—in the spending accounts. Not only does it contemplate the smallest tax increase of all alternatives, but also it is the only resolution which seeks to cap all increases in entitlements. Entitlements are one of the keys to budget control. Entitlements are the issue always raised by economists and credit market analysts as the worst cause of high interest rates. Clearly, this budget version would have the strongest influence in reducing high interest rates.

The objections to the Rousselot substitute are that its spending cuts are unnecessarily severe. Its outlay total is $125 billion less than the committee budget, and it reduces the deficit from $180 in the CBO baseline to zero. My own judgment is that such cuts are, in fact, too severe for our current economic status. Members will often vote for concepts like this amendment, but then refuse to make the cuts in entitlement law, or appropriations, that are required to implement it.

But there is even a more troubling flaw. This Rousselot substitute bases its balanced budget on revenue assumptions that are, for most people, including me, nebulous at best. Others have described the revenue figure as one composed of equal parts of smoke and moonbeams. My own criticisms are not so harsh, but I believe its revenues cannot be achieved without increasing taxes.

Certainly, neither OMB nor CBO, nor any economist I can find, agrees that the Rousselot budget revenue figures will work. If they do not, then new taxes will be the result, or another big deficit will occur. The sponsors believe that the prospect of a balanced budget will produce more economic activity which will produce, in turn, more tax revenue. I agree with them, but it will not happen right away.

However, after 25 years of increasing deficits, the attractiveness of a balanced budget, even one built on moonbeams and smoke, is irresistible. It may be a symbolic vote only, but somewhere, some time, the Congress must vote, symbolically or otherwise, to eliminate the deficit.

There is a final advantage of the Rousselot amendment. It is a matter of strategy. Whatever the House passes must go into conference with the other body. Its deficit is $116 billion. Because the Senate deficit is much too high, it is strategically reasonable to go to conference with a deficit that may be unreasonably low.

Despite my affection for the Rousselot amendment, I continue to support the bipartisan recovery substitute to be offered by the distinguished gentleman from Ohio, (Mr. LATTA). It is the most practical most passable version among our choices. Had I been the only drafter of that alternative, I would have cut defense a little more, and made other changes including if necessary, revenue increases to force the fiscal year 1983 deficit under $100 billion. Because I was not alone, I support the Latta substitute as an imperfect budget, but the best alternative available this year.

To me the prime target has always been a deficit in the $100 billion range, with sharply declining deficits in fiscal year 1984 and 1985. We need to reduce Federal borrowing needs so it gobbles up a smaller proportion of our savings. That is how we can get the high interest rates down. But if we use enormously increased taxes to lower the deficit, as most of the alternatives demand, we will squash the recovery no matter what the interest rates are. So minimum tax increases also become a prime goal of the budget resolution.

The Latta substitute comes closest to meeting the objectives of the process while defending against the pitfalls.

We cannot reduce deficits unless we cut a little spending. Opposition to the Latta substitute centers on its spending cuts. The clienteles of every Federal Government program have complained that they would be denied. The Latta budget is pretty restrained. Spending overall is not cut as much as I would like. But me cannot cut spending and still guarantee every Government department and beneficiary more Federal largesse.

If we are to reduce deficits and restore economic recovery, we have to reduce spending across the board. We have to make a change. The Latta substitute makes that needed change in the most reasonable way.

Two choices follow the Latta substitute. One is sponsored by the gentleman from Wisconsin, (Mr. ASPIN). The other is the committee's own resolution, the Jones budget. Both do not reduce much spending except for defense. Both call for tax increases, $135 billion and $150 billion, respectively. Both are too much. Both will stifle the recovery. Both should be rejected in favor of the Latta amendment.●

● Mr. BINGHAM. Mr. Chairman, I would like to point out a fundamental difference between the Republican budget substitutes which Representative MICHEL and Representative ROUSSELOT plan to offer and the budget alternatives proposed by Representatives JONES, OBEY, FAUNTROY, ASPIN, and MILLER. The Republican substitutes adopt the cuts in Federal housing assistance proposed by the administration's February budget request, which would obliterate 40 years of bipartisan Federal support for housing. The Democratic alternatives would freeze Federal support for housing at fiscal year 1982 levels and at least preserve our country's commitment to decent and affordable housing for all Americans.

As a Congressman from the Bronx in New York City, I know well the critical role Federal housing programs have played in preserving the neighborhoods in my district. The Republican budget alternatives would put an end to most of these programs. They would abolish all Federal housing construction programs, slash public housing operating and moderization subsidies, and force recipients of Federal rent supplements to pay an even larger proportion of their limited incomes for rent. These budget substitutes would have the Federal Government abandon our Nation's housing problems at a time of crisis, and would be unfair to the relatively few people who would continue to receive Federal Housing assistance.

The administration's budget recommendations call for the rescission of $16.4 billion appropriated for low-income housing in 1982 and 1983. Approval of these rescissions would result in the cancellation of 300,000 of the 700,000 subsidized units now in the pipeline. This, combined with a cut in the number of new units requested under this year's budget authority, would result in the loss of nearly one-half million units over the course of the next decade.

The President's proposed cuts would eliminate the section 8 and public housing construction programs. Although the implementation of section 8 was complicated by changes in the U.S. general economic condition, by the end of June 1981 approximately 1,061,000 were occupied and about one-half of the residents were elderly. Although there is a desperate shortage of affordable rental housing in almost every major urban area of our country, the administration is determined to go ahead with its cuts in Federal construction programs.

The poor are not the only ones who will be hurt by these cutbacks in construction. The housing industry will also be hurt by these cuts, which come at a time when the industry can least afford it. Already suffering from high unemployment rates and from a squeeze on its financial resources, these cuts in construction outlays will deal another severe blow to the construction business.

It is not just construction programs that the administration proposes to eliminate. The administration calls for cuts in funding of operating and rehabilitation expenses for public housing as well. While public housing programs have come a long way in providing decent housing for our Nation's poor, the need for Government expenditures in this area had far from disappeared. Without taking into account the administration's budget cuts for this year, public housing authorities across the country already face tremendous difficulties. Public housing authorities in Chicago and Detroit are deeply in debt and those operating in Boston, Philadelphia, Newark, and St. Paul have exhausted their operating reserves.

The problem for PHA's is more than just meeting operating expenses. The need for more units of public housing and for rehabilitation of existing units is tremendous. Nationwide, over 10 percent of all public housing needs improvements. In New York State as a whole and in my district in the Bronx, this figure jumps to over 25 percent. Furthermore, there is a need for additions to the housing stock. In New York City the official rate of vacancy of rental units is less than 2.3 percent.

Not only has the Reagan administration proposed to eliminate the section 8 and public housing construction programs and cut funds for operation and rehabilitation of public housing, the administration has recommended the overhaul of section 8 existing program, which provides rent supplement payments. Changes in section 8 existing fall in two main categories: First, revisions in recipient contributions and second, establishment of a voucher system. In an effort to reduce the cost of section 8 existing, the Reagan administration has introduced a series of measures which seek to increase the amount an individual will have to contribute toward housing. First, rather than contributing 15 to 25 percent of their income to rent, recipients will now be required to spend 30 percent of their income toward rent. The amount that an individual will have to contribute will actually be higher, because the administration would require that food stamps be counted as part of income. In New York the requirement that food stamps be counted as income will in and of itself raise rents 26 percent. The cultural effect of all the changes is more devastating.

In addition to modifying the formula for calculating recipient contributions, the administration's plan calls for establishing a voucher program. While the budget does not detail the type of voucher program advocated, the central thrust of such a proposition is to decrease Government involvement in housing and to increase reliance on the private sector by issuing vouchers which may be used toward paying rent on a unit which recipients locate themselves. A study by the Pratt Center concluded that such a plan would be unworkable in New York, given the city's extremely low rental vacancy rate. Furthermore, the voucher plan would effectively eliminate the ability of the Government to target housing assistance to particular neighborhoods. Consequently, the abandonment and decline of some urban neighborhoods is likely to continue.

If the only alternative of the Congress were to adopt or reject the Republican budget substitutes, the future of housing in this country would be very bleak. Fortunately, the Democratic alternatives would continue budget authority and outlays for housing at fiscal year 1982 levels, and thus permit funding of the omnibus housing bill, H.R. 5731, introduced by Representative GONZALEZ and reported out by the House Banking Committee. The Gonzalez proposal addresses the needs of low- and moderate-income people who live in rural as well as urban areas, targets assistance to those who need assistance the most, and maintains, upgrades, and expands the public housing stock. The Gonzalez housing proposal may be divided into three parts: low-income housing assistance, a new multifamily housing production program, and help for single-family homeowners.

The Gonzalez proposal authorizes $12.5 billion for additional low-income housing assistance. This money would be spent both for modernization of public housing units and the construction of an additional 136,000 units. The additional units include 15,000 public housing units; 25,000 section 8 existing units; and 76,000 conversions to section 8 from other programs as well; 4,000 Indian public housing units; and 16,000 section 202 units for the elderly or handicapped. In addition to its rehabilitation and construction provisions, the Gonzalez bill includes $32 million for public housing projects with operating deficits and a financial adjustment factor (FAF) to make new section 8 projects which are already in the pipeline feasible.

In addition to these low-income housing assistance programs, the Gonzalez bill calls for continued assistance of rural housing programs at 1982 funding levels and for the establishment of new multifamily housing production program. The new multifamily housing production program would support 50,000 to 100,000 additional units, of which at least 20 percent must be for lower-income households. The legislation stipulates that these projects be located in areas with a "severe shortage of rental housing opportunities for families and individuals without other reasonable and affordable housing alternatives in the private market."

In recognition of the difficulties presently facing single-family homeowners and the construction industry, the Gonzalez plan calls for programs which aid families that already own their own homes and those who wish to acquire homes. The first of these programs would continue and expand the 235 program. According to the National Low Income Housing Coalition, this program would assist some 100,000 in financing their homes. A second program would provide $760 million in emergency loans for some 76,000 homeowners.

To assist homeowners and the construction industry, the bill sets aside $3.5 billion for construction of single-family homes and condos and provides interest subsidies down to a 9.5 percent rate for 10 years with half of the subsidies paid back at the time of resale. Additionally, all FHA mortgage and insurance programs would be extended for another year.

The bill also contains a small but significant provision which authorizes $3 million for the Neighborhood Reinvestment Corporation to expand its demonstration program of mutual housing associations. A mutual housing association is a private, nonprofit corporation which develops, owns, and manages housing for people of low and moderate income. The concept is based on extensive experience in Western Europe with professional nonprofit housing associations. I initiated this concept in the Congress 2 years ago, and am delighted the Housing Subcommittee decided to provide additional support for the excellent work done by the Neighborhood Reinvestment Corporation in testing the potential of mutual housing associations to help meet American housing problems.

If the Gonzalez proposal were adopted, we would maintain our present Federal commitment to decent and affordable housing. On the other hand, to adopt the President's plan would be to strike at the core of Federal housing programs in this country. The stark difference between the two proposals may be seen by examining the effect of each on the production of new low-income housing units. The President's proposed rescissions and budget cuts would result in the loss of nearly one-half million units over the next 10 years, with some 300,000 of these resulting from the cancellation of projects already in the pipeline. The Gonzalez bill would save these 300,000 units and add an additional 136,000 units.

This contrast between the Republican and Democratic budget alternatives presents yet another powerful reason for the House to reject the budget substitutes offered by Representative MICHEL and Representative ROUSSELOT.●

● Mr. UDALL. Mr. Chairman, yesterday, I voted in favor of three alternative budgets. I would like to take this opportunity to explain each of those votes and my reasons for them.

The first of these alternatives was offered by the gentleman from California, Mr. MILLER. The Miller proposal embodies a pay-as-you-go approach to the budget process. Simply put, it held forth the proposition that if we are to balance the budget anytime soon, we must pay as we go for any increases in spending—whether that spending is for a defense buildup or to provide a cost-of-living increase for social security recipients. If adhered to, the pay-as-you go approach would have produced a balanced budget by 1985. In the process, it would have forced us to make some difficult, but honest, decisions regarding spending and taxes. I found this to be a sound and sensible approach and voted for it for that reason.

The second substitute was offered by the gentleman from Wisconsin, my friend and colleague Mr. OBEY. As a cosponsor of the measure, I felt that it best represented my views on our budget priorities and the need for fiscal responsibility. If adopted, it would have put us on the path to a balanced budget by 1985. In the process, it would have cut total Federal spending over the next 3 years by $62 billion more than the President's January budget. It would have trimmed the President's proposed Defense budget but still have allowed room for a 5-percent pay hike for the military and a yearly 7 percent in "real dollar" nonpay defense expenditures. And while it would have made sharp cuts in nondefense spending as well, it would have met most of the critical needs in the areas of education, job training, unemployment compensation, and the promotion of science and technology.

After the rejection of the Miller and Obey substitutes, I voted in favor of the substitute introduced by the gentleman from the District of Columbia, Mr. FAUNTROY, and sponsored by the Congressional Black Caucus. His proposal—like the Miller and Obey proposals and unlike the other principal substitutes—would have produced a balanced budget by 1985. It would have offered a more humane and just alternative to the budgets supported by the President and the budget passed by the Senate. It too would have trimmed the size of the President's proposed defense increase and raised revenues in a manner consistent with the attainment of a balanced budget. It did not best represent my views on what is required in terms of defense spending. I also had reservations about the size of the spending and revenue estimates. But despite those concerns, I felt it provided the House with one last opportunity to go to conference with the Senate in a position of real bargaining authority.

It was my concern—and remains my concern—that the House may yet approve a fiscally responsible budget that is also humane and attentive to national needs, but one that leaves us in a poor bargaining position as we go to conference with a Senate budget resolution that in my judgment does not reflect a sound ordering of priorities nor offer any real hope of a balanced budget anytime soon.●

Mr. CROCKETT. Mr. Chairman, I rise today, rather reluctantly, to oppose the Jones substitute as well as the original budget resolution we have before us. I say "reluctantly" because, after the debacle of last year's budget battle, I had hoped that the Democratic leadership would find its way back to the true philosophical strength of the Democratic Party, and stop chasing after the Republican bandwagon which is heading toward the nearest cliff. In my opinion, the leadership has bent over backwards to accommodate those Members who, while elected as Democrats, have been voting as Republicans. In the meantime, those of us who were elected as Democrats and vote as Democrats, and the millions of Americans we represent, are left out in the cold.

Mr. Chairman, last year, at about this time, I addressed my colleagues in the House on the Reagan budget proposal then before us. I spoke of the devastation that budget would bring to my consituents, and to the millions of disadvantaged citizens of the United States. I spoke about my deep concerns over the outrageous spending in that Reagan budget for the Pentagon, and for spending designed to help us kill instead of spending designed to let us live in peace and dignity.

This year, listening to my colleagues in the Congressional Black Caucus and others speaking before the House last night, I heard the same issues being raised, the same concerns being shared, and the same deaf ears failing to hear.

This year's budget again seeks to take us down the road to oblivion, again ignoring the needs of the poor and the aged, the children and the handicapped, the ill and the underprivileged. We again face the prospect of a Pentagon budget crammed to the rafters with new toys and new projects to hasten the day we face military annihilation.

As I rise today in opposition to this budget, and the pending substitutes, I must also say that the alternatives which we considered yesterday, including the Obey substitute and the Fauntroy substitute, were in my opinion only minimally successful in seeking to stop this growth of military spending at the expense of the poor. Even so, they were a clear choice from the proposals before us today, and the fact that so many of my colleagues failed to support their passage is an ominous sign to those suffering from the present budget.

I am saddened, not only for myself, but for my constituents, that the focus of debate has not shifted to where our real priorities should lie—with cutting the military budget and restoring the Federal commitment to domestic economic and social programs.

Mr. Chairman, the authors of the first concurrent resolution on the budget, which is before us for consideration, contend that their version of the Nation's budget will reduce the burgeoning national deficit, require equal sacrifices of all Americans, and establish reasonable spending priorities on the part of the Federal Government in this age of economic austerity.

Laudable goals, indeed. But, in reality, nothing more than a facade to hide a war budget, which, if brought to its natural conclusion in fiscal year 1985, would have this Nation spending more in real dollars than was spent at the height of the Vietnam war.

This budget is nothing more than an updated version of the fabled emperor's new clothes, an illusion that attempts to clothe itself in terms of equity and reason, but if enacted would further strip the poor, the minorities, the handicapped, the aged, and the unemployed of critical assistance already cut to the bone by last year's budget resolution.

The Jones substitute, which attempts to freeze almost every program category of Federal spending, is little consolation to the poor, whose lives have been made almost intolerable by the cuts we imposed last year.

The Jones budget, like most of the alternatives before us today, fails to address the issue of cutting military spending. And, unless we begin to address that issue, we will soon find ourselves spending close to one of every three taxpayers' dollars for military equipment and manpower.

The casual and careless approach we have taken toward the Pentagon's war-chest is, to me, unconscionable. Our national defense will not be strengthened by allowing our society to crumble from within, by allowing our young people to learn the meaning of utter hopelessness before they can learn the meaning of hope; by letting our cities die from lack of investment and business activity; by watching the housing and automobile industries dry like weeds as a direct result of Federal policies and deficits; by wasting the minds and talents of a generation of children whose education is stunted by Federal apathy; by abandoning our elderly and our young to fend for themselves in housing, health, nutrition, and other needs.

Mr. Chairman, our deep national commitment to those in need has always been the mooring to which our national defense had been tied.

We now seem to have lost our bearings.

Can we really expect our citizens to believe that it is more crucial to spend $125 million to reactivate outmoded and costly World War II vintage battleships, than to restore that $125 million cut from last year's Economic Development Administration and begin the revitalization of our urban centers? I think the British experience in the Falklands during the past few weeks have shown just how vulnerable such multimillion dollar toys are.

Can we convince ourselves and others that building the AH-64 helicopter, which has already incurred cost overruns of $9 million per helicopter, is more important than restoring the $9 million cut from the guaranteed student loan program and preventing the forced drop out of a million college students?

Is the building of one nuclear attack submarine, which costs $788 million and is to be used for deterrence only, worth the cost of all the health care cuts in last year's budget?

Can we not see that $196 million for CETA is more cost-effective than $196 million for the boondoggle of the C-5A? Or that $367 million would be better used to provide housing for our elderly handicapped than spent on one B-1 bomber.

Mr. Chairman, the people in my district are angry that we cannot understand these simple equations.

In addition, they see that our foreign aid is becoming more military oriented, and more politicized than ever.

Last week, the House Foreign Affairs Committee, of which I am a member, reported out a bill that increased foreign military assistance by $1 billion in credits and off-budget military loan guarantees over last year. Seventy-five percent of this military assistance is targeted to two countries in the Middle East—Egypt and Israel. If this authorization bill is approved by the House, we will likely provide Egypt and Israel with $3 billion in arms sales this year.

The amount of military aid that Egypt will be "forgiven" under that bill, and which will never be repaid, is equivalent to this year's targeted reductions in medicaid benefits for the aged and disabled, and also all of the supplemental social security income cuts. The same bill, which "forgives" Israel an additional $200 million in military assistance, approximates the total reductions this Congress has already taken from the aid to families with dependent children program.

Mr. Chairman, while nations line up to receive their free military goodies, my constituents are in soup lines, waiting for some charitable group to give them food; they are waiting in unemployment lines, hoping desperately that they will not be part of the 23-percent unemployment in my district today; they are waiting for this Government to wake up and act before it is too late.

Mr. Chairman, this Nation does not need to sell more military equipment to areas of political and social unrest. We do not need to have a nuclear arsenal that can incinerate the Earth any more times than we now can.

What we do need, and desperately, is the vision to recapture our national will and commitment to provide leadership of a different kind—to live out the constitutional guarantees to all our people, and to direct this Nation's resources toward solving our own problems of providing adequate housing, health, education, and other needs of our people.

Mr. Chairman, and my colleagues, do not ignore the cries of the needy in this country, do not turn away from the righteous anger that is building in our cities. If you do, you could find that this summer will be long, hot, and violent.

I urge you to vote against the Jones substitute, and against this budget.

Mr. JONES of Oklahoma. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Bolling, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the concurrent resolution (H. Con. Res. 345) revising the congressional budget for the United States Government for the fiscal year 1982 and setting forth the congressional budget for the U.S. Government for the fiscal years 1983, 1984, and 1985, had come to no resolution thereon.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair wishes to advise the Members that the first item on the schedule tomorrow will be under the Federal Trade Commission Improvements Act on a privileged motion by the gentleman from Michigan (Mr. DINGELL).

COMMUNICATION FROM THE HONORABLE JOE MOAKLEY

The SPEAKER laid before the House the following communication from Hon. JOE MOAKLEY of Massachusetts:

HOUSE OF REPRESENTATIVES,
Washington, D.C. May 25, 1982.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, U.S. House of Representatives, Washington, D.C. 20515

DEAR MR. SPEAKER: Pursuant to clause 2 of rule L of the Rules of the House of Representatives, I am writing to inform you that I have received a subpoena duces tecum issued from the United States District Court for the Eastern District of New York. I will consult with counsel in making the determinations required under clause 3 of the rule.

Sincerely,

JOHN JOSEPH MOAKLEY.

□ 2150

ELECTION LAW REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota, Mr. FRENZEL, is recognized for 20 minutes.

● Mr. FRENZEL. Mr. Speaker, today with a number of colleagues from the House Administration Committee I am introducing H.R. 6479 which is primarily designed to enhance the role of political parties in financing campaigns for Federal office. Additionally, the bill makes some modifications in the current Presidential public financing provisions and the Federal Election Commission's enforcement authority. The following Members are cosponsors: Hon. GUY VANDER JAGT, Hon. WILLIAM L. DICKINSON, Hon. ROBERT E. BADHAM, Hon. NEWT GINGRICH, Hon. WILLIAM M. THOMAS, Hon. GARY A. LEE, and Hon. JAMES K. COYNE.

Since 1971, our election laws have undergone four major revisions. The results of Government regulation of campaign financing has been a mixed bag. Most everyone involved in elections will agree that the most important component of campaign financing—disclosure—has worked pretty well. The public has ready access to campaign financing information at the Federal Election Commission and at a local State office. The changes in the bill do not alter the current requirements of public disclosure except to streamline the process and to legislatively require the Federal Election Commission to place a higher emphasis on its disclosure responsibilities.

In 1974, I was one of the primary sponsors of the amendment creating the Federal Election Commission. I believed then—as I believe now—that we need an independent agency to monitor and enforce the law. However, I am not entirely pleased with the performance of the Commission, but I do not believe it should be abolished in favor of a return to the old system of disclosure and enforcement.

There are several observations one can make about our system. First, participants take their obligations under a complicated law and regulations very seriously. The result is a very high compliance level with the law. Second, although the Commission has shown a little more sensitivity to the type of conduct they are regulating, political speech, it continues to demonstrate little enthusiasm for extending the right of due process to respondents who get enmeshed in their enforcement procedures.

H.R. 6479 incorporates the recommendations of the Committee on Election Law, Section of Administrative Law of the American Bar Association, on reform of the Commission's enforcement procedures. The procedures provide for more equitable treatment for respondents.

Third, the bill makes some modification in the Presidential taxpayer financing aspects of the law. The Commission and the Congress has witnessed two Presidential elections under the current law. I believe we have a sufficient amount of experience to make the needed—and probably noncontroversial—changes before the next Presidential election cycle.

However, Mr. Speaker, as I stated earlier, the primary thrust of my bill is to enhance the role of political parties in financing campaigns. The bill takes several steps toward accomplishing this goal. First, the party contribution and expenditure limitations are significantly increased. Second, parties would be permitted to engage in profitmaking ventures to defray the administrative and solicitation costs of operating their committees. Third, the party committee would be permitted to accept donations from individuals, corporations, and labor unions to defray their administrative and solicitation costs.

The section-by-section analysis of H.R. 6479 follows:

SECTION-BY-SECTION EXPLANATION OF THE FRENZEL BILL

Sec. 1. The title is the Federal Election Campaign Act Amendments of 1983.

Sec. 2. This section provides that any reference in this Act to a section or other provision is a reference to a section or provision of the Federal Election Campaign Act of 1971, as amended in 1974, 1976 and 1979.

Sec. 3. Paragraph (a) defines contribution to include donations made to draft committees advocating that a clearly identified individual become a candidate for federal office.

Paragraph (b) exempts from the definition of contribution donations to political committees of political parties which are used solely to defray establishment, administration, and solicitation costs. The donations would not be subject to any limitations, but would be reported on a semi-annual basis.

Paragraph (c)(1) extends to the national committee of a political party the current exemption from the definition of contribution regarding costs for campaign materials such as pins, bumper stickers, handbills, brochures, posters, party tabloids, and yard signs.

Paragraph (c)(2) extends to the national committee of a political party the exemption from the definition of contribution the costs of voter registration and get-out-the-vote drives. This provision also expands the class of candidates on whose behalf this activity can be undertaken to include all federal candidates.

Paragraphs (d), (e), (f)(1) and (f)(2) are technical amendments to incorporate the above changes in the definition of expenditure. Additionally, paragraph (e) deletes the 20 percent fund raising exemption for presidential candidates.

Sec. 4. This paragraph deletes the requirement that reports be filed with the Clerk of the House and the Secretary of the Senate. All reports shall be filed with the Federal Election Commission.

Sec. 5. This section authorizes the Commission to terminate reporting requirements of principal campaign committees three years after the date of the last election involved. This provision does not apply to those principal campaign committees of candidates receiving public funding.

Sec. 6. This section requires political committees of a political party receiving donations which are used solely to defray establishment, administration, and solicitation costs under Section 3, Paragraph (b) to report those donations on a semi-annual basis.

Sec. 7. This section eliminates the Clerk of the House and the Secretary of the Senate as ex-officio members of the Federal Election Commission.

Sec. 8. This provision allows a political committee of a political party to seek the expedited procedure for advisory opinion requests during the 60 day period before an election.

Sec. 9. Paragraph (a)(13) requires the Commission to establish time limits on investigations undertaken by the general counsel.

Paragraph (a)(14) requires the Commission to publish an index of all investigations and to update the index on a quarterly basis.

Paragraph (b) requires the Commission, in any internally generated matter, to notify the potential respondent of the alleged violation and permit such person to demonstrate why no action should be taken. The Commission may request further voluntary responses before taking any action. Any finding by the Commission must be accompanied by a written statement of reasons.

Paragraph (c) requires that the Commission make available to a respondent any evidence relied upon by the general counsel in recommending whether the Commission should find probable cause to believe that a violation has occurred. This paragraph also requires that a copy of any brief or report by the general counsel in reply to the respondent's brief shall be provided to the respondent.

Paragraph (d) requires that an opportunity for a hearing be provided to a respondent before the Commission makes any determination regarding probable cause. This paragraph further provides that the Commission may not demand an admission of guilt by the respondent in any conciliation agreement.

Paragraph (e) deletes the authority of the Commission to levy civil penalties for violations other than a knowing and willful violation of the Act.

Sec. 10. This section deletes the requirement of 2 U.S.C. 437(h) that the Court of Appeals sit *en banc* when hearing cases brought under this provision.

Sec. 11. Paragraph (a) deletes the national clearinghouse duties of the Commission and requires the Commission to compile, maintain and publish analyses of the reports and statements filed with it by August 30 of the year following a regularly scheduled general election. The reports and studies would be made available to the public, at cost, except those copies requested by any agency or branch of the federal government.

Paragraph (b) requires the Commission to conduct audits in accordance with published procedures. Additionally, prior to any vote on any audit finding, the political committee involved is given an opportunity to respond in writing to any information furnished to the Commission.

Sec. 12. This provision requires non-candidate committees to file in the state in which they are headquartered rather than in each state in which they have made a contribution.

Sec. 13. Paragraph (a) would increase the party committee contribution limitation to candidates for federal office from $5,000 per election to $15,000 per election.

Paragraph (b) deletes the state expenditure limitations for a publicly funded candidate for the presidential nomination.

Paragraph (c) increases the base presidential primary expenditure limitation from $10,000,000 to $18,000,000. Additionally, this provision deletes the computation method for the State expenditure limitations. The presidential general election base expenditure limitation is raised from $20,000,000 to $30,000,000.

Paragraph (d) increases the amount of money a national party committee can spend on behalf of their presidential nominee. Additionally, this paragraph eliminates the limitation on the amount a party committee can spend on behalf of their House candidates and increases the minimum amount the party committee can spend on behalf of their Senate nominees.

Paragraph (e) increases the contribution limitation to candidates for the United States Senate from the Republican or Democratic Senatorial Campaign Committee, or the national committee of a political party from $17,500 to $30,000.

Sec. 14. Paragraph (a)(8) permits a separate segregated fund to solicit a contribution from another separate segregated fund.

Paragraph (a)(9) defines the term "stockholder" which includes any employee who has a vested beneficial interest in a stock ownership plan.

Paragraph (b) permits membership organizations, cooperatives or corporations without capital stock or their separate segregated funds to solicit the families of their members.

Paragraph (c) eliminates the annual corporate authorization requirement for trade association PAC solicitation. This provision allows the member corporation approval to stand until revoked.

Sec. 15. This section permits political committees of political parties to engage in bona fide commercial transactions in order to defray establishment, administration and solicitation costs.

Sec. 16. This section deletes the voting system study.

Sec. 17. Paragraph (a) provides the opportunity for a presidential general election candidate to request a hearing before the Commission if a demand for a repayment of funds is made.

Paragraph (b) changes the availability of party convention funding from July 1 to January 1 of the calendar year preceding the convention.

Paragraph (c) restricts private parties from filing suits against other private parties and requires such person to use the administrative process at the Commission in pursuing complaints for violations of the election laws.

Paragraph (d) provides the opportunity for a presidential primary candidate receiving public monies to request a hearing before the Commission if a demand for repayment is made.

Sec. 18. The effective date for these amendments to the Act is January 1, 1983.●

GEORGE GILDER ON SUPPLY-SIDE ECONOMICS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 10 minutes.

● Mr. KEMP. Mr. Speaker, this article by George Gilder is essential to the current debate over the budget and I urge my colleagues to read it before they vote to raise taxes on the American people.

Supply-Side Investing

(By George Gilder)

We are moving into the "Roaring '80s." This is not a period of sluggishness and stagnation like the one that we've just undergone in the '70s. This is a period of major transition and change in our economy and in the world economy, and we are going to look back on this period with wild surprise. We're going to see it as a unique window of opportunity for investment in the new frontiers of the economy, in the new companies that will shape our coming decades. We will look back with amazement that the shares of Intel Corporation, for example, were going for $25 and Amdahl for $19 and Semicon for $4. These are ridiculous under estimates of the value of major companies that are going to shape the future of the world in the coming decades. But to understand the promise of this period we also have to understand better what happened during the 1970s and why the sources of gloom that overcame the world economy during this period are now at last dissipating.

One of the most important sources of the psychological depression we underwent during the last decade was the belief that, in the energy crisis, world capitalism was somehow confronting fundamental limits of growth—that we were exhausting our material resources, that new profits and possibilities would all be captured by OPEC and by foreign countries and masters of physical resources. But today we can clearly see that the energy crisis is essentially over, that for the coming decades energy prices are going to go down, not up, and that the energy problem will be a decreasing force in all our lives. The energy crisis was essentially overcome, not by the big oil companies and by the Department of Energy, as we all know, but by the vitality of capitalism itself—by the development of all sorts of new technologies that pervade the system and increase the energy efficiency of virtually all equipment in the American economy.

On the supply side, the energy crisis was solved to a considerable extent by small companies. Perhaps the most important is one few of you have ever heard of. It was started in Canada in 1974 by two Americans; the leader, named John Masters. Masters had previously been a uranium geologist for Kerr McGee, and in this capacity he found the biggest uranium deposits in America, called Ambrosia Lake, in Utah. He thought that the principles that he had applied to find uranium could also be used to find natural gas. It's a fascinating story. Masters was unable to get any support from the major oil companies or from any major group with expertise in oil and gas. But today his company has probably found some 440 trillion cubic feet of natural gas in western Canada, and the principles he's applied in his geological searches have also opened the way to similar discoveries in the Overthrust Belt of the United States. But this is just one example of the energy developments that have high promise for the future and show that this particular source of gloom—the supposed energy crisis—is coming to an end.

A second source of discouragement was the idea that our economy was becoming fundamentally less productive—that somehow we'd confronted a genuine and profound productivity crisis that could not be overcome for years to come. It was believed that the movement of manpower from manufacturing to service industries would nullify the productivity gains that were earlier achieved by the movement from agriculture to manufacturing. But this is a profound misunderstanding of the process.

I first arrived at this conclusion while I was working at the National Center for Productivity and Quality of Working Life in Washington, D.C. I discovered that during the 1970s manufacturing productivity rose by a total of 90 percent. Meanwhile, the productivity of offices, which are kind of the factory floor of service companies, rose by a total of only 4 percent in 10 years. And since we're increasingly becoming a service economy, this was a depressing set of statistics. But then I pursued the matter further and found that the very companies that had improved their own manufacturing productivity most during the '70s were largely devoted to producing equipment designed to enhance the productivity of offices—designed, in fact, to improve the productivity of the entire service sector of the American economy.

I think this equipment is now largely in place, and it's moving through the system in ever-greater quantities. All these word processors and distributed-data processors; all the audit equipment of the automated office, the electronic warehouse, and the computer-controlled assembly line—all these new forms of equipment are in place, and people are learning how to gain their real productivity yield. During the next decade we will make major increases in productivity as a result of these important developments.

Probably more important from my point of view—or at least as important, because it permits these favorable trends to come to a favorable fruition—is the triumph of supply-side economics. Many people today laugh when you talk about supply-side economics. It's widely assumed that supply-side economics has already failed. But when you appraise the current economic situation, it's worth understanding that last year we had no tax cuts at all. In 1981 we had a 10-percent tax increase as a result of bracket creep. The problem of the American economy last year is really attributable to the failure to apply that first 10-percent tax cut when it was originally scheduled for application. Instead, taxes were permitted to rise again for another year—10 percent for the average taxpayer—as a result of bracket creep.

What we really underwent last year was demand-side economics—the assumption that we can ultimately balance the budget by allowing taxes to rise. This fact is generally not understood by the media or, indeed, by many economic experts. They still imagine that somehow tax cuts are a threat to the U.S. economy because huge deficits will result. You can tell when analysts do not understand how these tax cuts will work when you hear them mention the size of the cut as somehow being $552 billion over the next four years, or $760 billion over the next five years. Whenever you hear people say that it's a $552-billion tax cut, the first thing you have to ask is, "Compared to what?" All these estimates of the size of the Reagan-administration tax cut are based on Carter-administration projections, which assume that people continue to produce and work and invest while tax rates rise by 46 percent over four years. This idea is obvious baloney, and all these estimates that the size of the tax cut has been $500 billion or $700 billion are false. The government never would have collected this money. Indeed, I'm assured that the government will get more revenues over the next five years under the Reagan-administration tax structure than it could have acquired by allowing taxes to rise every year.

Incidentally, this last proposition is often believed to have been disproven by the British experience, but in fact has been massively supported by the experience in Britain over the last couple years. What actually happened in Britain? Between 1976 and 1980, social-security tax rates rose by 50 percent. Everybody expected this to greatly increase the revenues available for social security. But, in real terms, revenues declined throughout that period. And, partly due to the fact that social-security taxes are a direct tax on work, unemployment soared. This is precisely what a supply-side economist would have predicted.

Prime Minister Thatcher also virtually doubled the value-added tax (VAT), and it was widely predicted that there would be a huge new influx of revenues from the increased tax. What really happened as a result of this policy? Did the doubled VAT bring in 70 or 80 percent more revenues, as all prevailing economists in England anticipated? No—revenues increased only 45 percent in real terms.

Mrs. Thatcher did, in fact, cut the income tax. Yet the British still have among the highest income taxes in the world. Their 60-percent rate strikes incomes of about $35,000, and their 75-percent rate is one of the highest levels on unearned income. But Thatcher did cut these rates from 98 percent and 83 percent, respectively. She thought, however, that she had to increase the VAT so much, because there would be a big drop in revenues from the income tax. But what happened with income-tax revenues after she cut the rates? At a time of a near-depression in the British economy—largely due to the huge value-added and social-social taxes that had been imposed on the system—revenues from the income tax increased in real terms for the first time in six years.

Ever since the Healy-Callahan government imposed the 98-percent and 83-percent income-tax rates, revenues had gone down every year, year after year. The first year revenues started going up again was 1980, a year of depression in the British economy, but a year when income-tax rates went down. So the British experience, contrary to what many people say, does not disprove supply-side propositions—it fully vindicates them. The results of the increased tax rates were precisely as a supply sider would have anticipated. The result of the tax cuts were precisely what a supply sider would have predicted.

Still, it's regarded as a very grave portent for the US economy that our deficits seem to be going out of control—that deficit spending is somehow going to cause huge increases in interest rates, which in turn will strangle economic expansion. In order to understand why this will not happen, one has to understand the impact of the tax cuts; because in real terms, President Reagan has prevented a catastrophe—the vast expansion of taxes, which would have plunged the country into depression. The real tax cuts don't go into effect until 1983 and 1984. At that juncture, taxes really begin to come down.

We still have to appraise the meaning of the federal deficit. The first principle to understand about deficits is that what matters is not the share of the deficit as a portion of GNP—not the size of the deficit as a portion of total national output—but the size of the deficit in proportion to total national savings. The Carter administration was very effective in reducing the deficit as a portion of GNP. The deficit dropped from about 3.6 percent to about 1 percent of GNP. This was a major success in controlling the size of the deficit by this measure. Because Carter achieved this result by allowing taxes to rise, however, the consequence was that personal savings declined to the lowest level of the last 30 years. As a result of this attempt to lower the deficit through higher taxes, inflation doubled and interest rates doubled. In other words, this policy of allowing taxes to continue to rise year after year, which has been proposed as the answer to our current predicament, will increase interest rates and inflation rather than reduce them.

A lot of people who talk about the rising costs—of oil, of food, of real estate—that we experienced during the '70s often assume that these items, which dominated the consumer price index, were the major factors of that inflationary decade. But the fastest-rising cost in the US economy during the 1970s was not fuel or food or real estate. The fastest-rising cost was government: taxes on every level—federal, state, and local.

We've had endless experience with the impact of higher taxes on inflation, federal deficits, and interest rates. The results are entirely negative, and that's why we have to move in the other direction—cutting tax rates in order to expand savings, which ultimately fund the deficit. If, while the deficit drops, savings drop more rapidly—as happened during the Carter administration—there is more inflationary pressure, that is, more pressure on the Fed to print money. The Reagan administration program is based on the proposition that when you reduce tax rates, savings increase; thus, the pressure on the Fed to print money declines, and the deficit, as a proportion of national savings—which is the crucial measure—steadily decreases.

The reason this proposition is true is that each marginal tax rate inhibits savings three ways. First, it taxes the very funds—marginal earnings—that an individual has the highest propensity to save. Each new dollar that you earn you are more likely to save than the previous dollar. Progressive taxes take away from the very dollars that you have the highest propensity to save. Second, high marginal tax rates deter people from earning the additional dollars they're most likely to save. And third, high marginal tax rates also tax the returns from savings at the highest possible levels. So, cutting marginal tax rates imparts a triple stimulus to savings but only a single stimulus to consumption.

After every major tax cut, whether in Japan, the United States, Germany, or Britain, savings always increase faster than the deficit. And, as a result of the cut in marginal tax rates, inflationary pressures that derive from the deficit steadily decline. This, of course, has been most striking in Japan, where they've cut taxes 18 out of the last 20 years, and every year savings increased. Every year, incidentally, tax revenues increased as well, and the savings rate rose from 17 to 24 percent during that period.

Perhaps the worst misconception of supply-side economics that I've recently encountered is the idea that it somehow widens the gap between the rich and the poor. There are endless examples of the utter fatuity of that claim, but perhaps the best example comes from the 1920s, when the top income-tax rate was reduced from 73 to 25 percent in four years. All established economists during that period—or a great many of the liberal economists who even then dominated our economic discourse—predicted that these tax rates would radically reduce the taxes of the rich and increase the burdens on the poor. On the contrary, the tax payments in the top bracket increased by nearly 200 percent. The share of total taxes paid by the rich rose from 27 to 63 percent, and the share of taxes paid by the poor plummented.

How can this be the case? If you consider it closely, you'll understand. The poor and middle class usually pay their taxes at source—that is, their taxes are withheld from their paychecks—so with across-the-board tax cuts, the poor and middle class actually pay less. The rich, however, have mobile money, and nothing can mobilize it faster than contemplating a 70-percent tax rate. People don't rise to the 70-percent tax bracket by being dumb, and when they face this kind of confiscatory rate it greatly concentrates the mind. They have an incentive to devote about 70 percent of their time to figuring out how to avoid these punishing rates of taxation, and they succeed.

So, contrary to what nearly everybody imagines, high progressive tax rates do not redistribute income. What progressive tax rates do is redistribute taxpayers. They redistribute money out of productive, dynamic investments in the industries of the economy and into off-shore tax havens and tax shelters of every description, into the underground economy, into leisure activities, into the purchase of Rolls Royces and collectibles—they redistribute wealth from productive activity into relatively unproductive activity.

I myself got a further understanding of this process during the course of writing Wealth and Poverty, when I interviewed businessmen. I didn't interview economists, because I thought that they had done enough damage already. So, just as when I wrote a book on poverty I interviewed hundreds of poor people, when I wrote a book on wealth I interviewed rich people or people in business who had made major contributions to the economy.

I learned a lot about the future possibilities of the American economy. It was exciting, because I discovered that beyond the gloom of the 1970s was an exciting new economy emerging on our horizons. I was frustrated, however, because I wanted to invest in it, but I didn't have any money.

Wealth and Poverty surprised me beyond all expectations, however, and began earning me lots of money. I then wanted to invest in the future of the American system, but what did I discover? No sooner did I acquire some money than I was beset on every side by people urging me to eschew this productive knowledge I had acquired during the course of writing the book. Instead, they told me all about the Cayman Islands, 1031 real-estate swaps, triple net real-estate leases, butterfly straddles, and every kind of intricate mode of avoidance of the productive domains of the U.S. economy. They told me to invest in porno films, race horses, and cattle. I actually did invest in cattle, and I sit in my house eating breakfast, watching my tax shelters bound around in the field across the way depreciating like mad. The crucial thing I learned is that this happens to everybody who earns money in the U.S. economy. And this strikes at the very dynamic crux of capitalism.

Capitalism is not simply a matter of physical capital formation. The reason capitalism succeeds is that it joins knowledge with power. Every business is in essence an experiment—virtually a laboratory test of an entrepreneural idea—and the outcome is not predetermined. It's an experiment the outcome of which will shape future investment, for each business experiment has a double yield. It has a financial profit, on which everybody focuses in considering the economy; but it also has an invisible profit of knowledge. Along with the accumulation of physical capital, there is an expansion of metaphysical capital, and it's the fusion of these two forms of capital that is the dynamic synthesis of economic growth.

High tax rates stultify wealth, because their effect is to divorce knowledge from power, to divert physical capital in unproductive directions, and thus to bring to a halt the dynamic proceses on which capitalism subsists. From this point of view, I think we can learn a lot from the experience of Japan, because the most important event since World War II is the triumph of capitalism in Asia.

When I was at Harvard, everybody told me that the future of Asia lay in Maoism. As a matter of fact, they said, the great experiment in Communist China would exert this magnetism on all countries on the periphery of the Mainland. The overseas Chinese in Hong Kong, Taiwan, and Singapore would look to Maoist China for inspiration for the future of their economies. Even Japan, they declared, would increasingly succumb to the allure of communist ideas.

The most imporant phenomenon of the recent era is that all the magnetism comes from the other direction. Rather than the massive land mass of China exerting magnetism on the little barren regions of Hong Kong, Taiwan, and Singapore, the metaphisical capital accumulated through capitalism in these areas is exerting a magnetism on Communist China. The Communist leaders now confees the failure of their system and are consulting with the overseas Chinese and the Japanese to learn how to import capitalist techniques onto the Mainland. This is a crucial fact to understand: capitalism triumphed in those very countries that had the least natural resources, the least promise on the surface for dynamic growth.

Reading the media these days, however, you might suppose that Japan is some sort of socialist country. This is one of the most absurd ideas that I've encountered anywhere. Japan's success is largely attributable to having twice as many small businesses per capita as the United States and much more dynamic competition than the United States. In turn, these developments are largely attributable to Japan's having the lowest marginal tax rates on personal income of any country in the industrialized world. The Japanese have a very high top tax rate of 70 percent, which was imposed by General MacArthur and the American advisors after World War II. But that rate only applies to incomes over $396,000. Essentially, the Japanese have the lowest tax rates of any major industrial country.

It's often said that MITI—The Ministry of Trade and Industry in Japan—which is supposedly a great force of government planning, is the key to the Japanese economy. To get an idea of the role MITI, it's worth understanding that during the 1960s the main recommendation of Japan's planners was that the Japanese get out of the auto industry. They proposed that Nissan Motors and Toyota combine into one company and that capital slowly be diverted from automobiles into other parts of the economy. Above all, they said that companies in other industries—motorcycle companies like Honda and Suzuki, and machine tool companies like Toyo Kogo, which made the Mazda—had no role in the Japanese auto industry and should not be permitted to enter it.

The Japanese economy, however, was an open capitalist system, and as a result the Japanese auto companies told MITI to jump in the Asian Ocean, and they proceeded to create such a dynamic auto industry so intensely competitive in Japan's domestic market that it has overflowed to conquer the world. This is a triumph of capitalism and entrepreneurship—the triumph of the spirit of enterprise over the limits of physical capital—and it is on this type of success that the future of the American economy most depends.

During this period the Japanese invested less in real estate, less in energy, less in physical commodities, than virtually any other major country. What they essentially invested in was new ideas. In the United States, as entrepreneurs are unleashed, we can expect that the highest possibilities will derive from the emancipation of metaphysical capital, the capital of ideas rather than the capital of physical resources.

This is an age when the sand from which the silicon chip is manufactured will be a more important natural resource than iron or gold. This is an age when mind will triumph over matter, and the place to go with your investments is to the frontiers of American technology, the frontiers of mind and spirit, rather than the commodities and condominia and collectibles, which have dominated our horizons in the last decade.●

KEVIN STARR PRAISES FORT MASON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PHILLIP BURTON) is recognized for 10 minutes.

● Mr. PHILLIP BURTON. Mr. Speaker, San Francisco's noted columnist Kevin Starr recently visited Fort Mason, part of the Golden Gate National Recreation Area. His thoughtful and sensitive prose captures the unique chemistry of Fort Mason, a center for a variety of arts and recreational activities for the community.

I am pleased to present Kevin Starr's article to my colleagues, many of whom played essential roles in passage of legislation creating the "amenities of Fort Mason."

The article follows:

Let's consider, for a moment, the question of public amenities. Specifically, let's remind ourselves just how wonderfully successful the whole Fort Mason experiment is turning out. After all, we San Franciscans—so recently near the closing of about a third of our branch libraries—need all the encouragement that we can get.

The other night, my friend Joan Browning, a graphic designer here in San Francisco, invited me to an Irish country dance and concert (a ceili it is called) in Building C of Fort Mason. I went, expecting to encounter a relatively small group of Celtic antiquarians, a hardy band, determined to keep alive the ancient dances of Ireland.

Instead, I walked into a room filled with hundreds of people from the Bay Area, of all ages—but with a predominate number of people being in their twenties and thirties—gathered to dance traditional Irish dances as called and taught by San Franciscan Larry Lynch, a former United States champion Irish dancer, and to hear, in addition to the dancing music a program of traditional Irish harping and singing.

As I entered Building C, I looked into one meeting room and there was a large gathering of black Americans, some of them wearing African attire, gathered for a program dealing with African music and its relationship to American jazz. On the second floor, another group was working at painting lessons, and there was a meeting going on of Lawyers for the Arts. The bulletin board out on the third floor, where the Irish dancing was to occur, was filled with notices for continuing or upcoming events and activities, plays, concerts, rolfing sessions, lectures, meetings of cultural groups, and so forth. To list the specific events, in fact, would be to suggest the structure and landscape of that broadly based surge of creativity and expression that characterizes Bay Area culture.

Central to this outburst of creativity is an interest in folk music and folk dancing. For a number of years now, for instance, the San Francisco Folk Music Center, located in Building C of Fort Mason, has been putting on an astonishing series of weekly performances at Fort Mason, through Plowshares, its weekly coffee house concert. American, Irish, Scottish, Peruvian, Mexican—you name it, folk music of the world performs at Plowshares to large audiences.

The Bay Area, to include Sonoma and Mendocino counties, is, in fact, the folk music and folk dance center of America these days. And this in part explains why there were so many young people gathered the other Friday evening for Larry Lynch's ceili. San Francisco-born, Lynch, a man in his early thirties, found himself by his late teens, after years of rigorous training, one of the two or three finest Irish dancers in the world.

But he had a dream that went beyond his own expertise. He believed in Irish dancing as a form of recreation that would allow people to free themselves from the snares of the television set and create their own recreational community, specifically in Fort Mason. Sure enough, people responded. The crowd I saw the other evening astonished me, as I say, by its overall youthfulness. It's quite an experience to see 150 or so Americans, few of them knowing each other outside this dance community, performing together in intricate dances that make of the whole group one performing unit. I have seen this in Israel, but Israel is a more homogenous culture than the United States.

Now back to the question of public amenities. The Fort Mason experiment is based upon the premise that the American people have not yet fully surrendered their ability to entertain themselves in a manner that is at once recreational but demanding. Whether it be black music or Irish dancing, rolfing or Zen cookery, there are still enough Americans willing to participate—not just spectate.

Fort Mason now serves as a Bay Area community center, supporting this idea of low-cost participatory entertainment. In the case of Fort Mason at least, the taxpayer is getting more than his or her money's worth.●

CRIMINAL JUSTICE SUBCOMMITTEE TO HOLD HEARINGS ON PUBLIC SAFETY OFFICERS' BENEFITS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

● Mr. CONYERS. Mr. Speaker, the Subcommittee on Criminal Justice, which I chair, will begin hearings on four bills to amend the Public Safety Officers' Benefits Act on Thursday, May 27, starting at 10 a.m. in room 2226 of the Rayburn House Office Building. Three of our colleagues—Mr. KILDEE, Mr. NEAL, and Mr. WALKER—will testify, as will a representative of the International Association of Fire Fighters. Additional hearings are planned, and the next one will be held on Tuesday, June 15. Persons interested in testifying at the June 15 hearing are invited to contact the subcommittee at 226-2406.●

MRS. BOGGS INTRODUCES LEGISLATION TO EXTEND PERIOD OF TIME A NATIONAL BANK MAY HOLD REAL ESTATE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Louisiana (Mrs. BOGGS) is recognized for 10 minutes.

Mrs. BOGGS. Mr. Speaker, for myself and on behalf of my colleagues, Mr. LIVINGSTON, Mr. LOTT, Mr. MONTGOMERY, and Mr. BARNARD, I have introduced today legislation which will authorize national banks to hold certain real estate consistent with the law applicable to State-chartered banks in the State where the national bank is located.

Under the legislation, only those parcels of real estate, or interests in real estate, which were written down and carried on the books of the bank at not more than a nominal amount as of December 31, 1979, could continue to be held by such national bank. In addition, such bank would be required to report in its annual financial statement the aggregate earnings from such real estate.

The need for this legislation was explained last year at the time the Congress enacted Public Law 97-25 which placed a moratorium on any enforcement action by the Comptroller of the Currency concerning the National Bank Act of 1864 and its provision limiting national banks to a 5-year period for the holding of real estate which had been acquired but which was not used in the conduct of normal banking operations.

Despite the fact that for some 50 years the Office of the Comptroller had not required national banks to divest themselves of this real estate under the 1864 law, approximately 2 years ago the then Comptroller apparently changed his position on the interpretation of the 1864 law and took actions toward requiring the prompt divestiture of this real estate. Not only would such requirement have resulted in serious economic hardship to the national banks holding such real estate since they would be required to dispose of it without regard to market conditions, but such action of the Comptroller would have been unfair due to the disparate treatment accorded State-chartered institutions which are authorized to hold real estate without regard to the 1864 law's 5-year limitation. At least one bank in my own congressional district was subjected to enforcement action by the Comptroller and would have been seriously harmed had Congress not enacted Public Law 97-25 last year.

It is important to note that not only was was the decision by the Comptroller's Office to require the divestiture of such real estate inconsistent with that office's prior position, but in addition, it is inconsistent with what appears to be the position of the new administration.

Treasury Secretary Regan, in public statements and in testimony before the Banking Committees of the Congress, has advocated that national banks be given expanded powers, including the authority to invest in real estate, in order to permit banks to more effectively compete with nondepository financial organizations. To insulate banks from the potential additional risk to which banks might be exposed by exercise of these additional powers, Secretary Regan has advocated that the powers be exercised through subsidiaries of a bank holding company. However, the concern Secretary Regan has expressed and which would be applicable to new investments by banks in real estate is not applicable to the situations covered by the legislation we have introduced, since the legislation grants no new investment authority but merely permits the retention of assets which are carried at only a nominal value on the books of such banks.

In addition, at this point in time when general concern is being expressed regarding the capitalization and profitability of depository institutions, it is particularly appropriate to permit these banks to retain this real estate since it enhances the capital and earning position of such banks.

It is quite conceivable that this administration and this Comptroller will see the wisdom of permitting these national banks to hold such real estate, but these banks should not be subjected to off-again, on-again divestiture enforcement action by the Comptroller's Office. To the extent existing law permits such discretionary action on the part of the Comptroller, it ought to be clarified and restated. In short, the legislation provides a statutory basis for a continuation of the prior practice and, at the same time, maintains a "level playing field" between National and State-chartered institutions with respect to their authority to hold real estate.

Inasmuch as the moratorium contained in Public Law 97-25 expires December 31 of this year, my colleagues and I urge the Committee on Banking, Finance and Urban Affairs to promptly consider and favorably report this legislation.

Mr. Speaker, I would like to include with my remarks a copy of H.R. 6477 as well as some background information on the need for this legislation.

Thank you.

H.R. 6477

A bill to extend, under certain conditions, the period of time a national bank may hold real estate

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5137 of the Revised Statutes (12 U.S.C. 29) is amended by adding at the end thereof the following new paragraph:

"Notwithstanding any other provision of this section, any national banking association which, on the date of enactment of this paragraph, held real estate or an interest in real estate which was carried on the association's books at not more than a nominal value on December 31, 1979, may continue to hold such real estate or interest in real estate for such period as would be permitted a state-chartered bank by the law of the state in which the association is located if the aggregate amount of earnings from such real estate or interests in real estate is separately disclosed in the annual financial statement of the association."

EXPLANATION OF BILL

BACKGROUND

The National Bank Act of 1864 required national banks to dispose of any real estate they acquired which was not used in connection with banking operations (other real estate owned-"OREO") within five years from the date of such acquisition. At the time of its enactment, the reason given for this restriction was concern that if national banks were permitted to acquire and retain possession and ownership of real estate, it could lead to banks engaging in monopolistic real estate activities, could impair the capital structure of such banks and lead to unsafe and unsound banking practices.

Consistent with this view, initially national banks were even prohibited from making real estate mortgage loans and when subsequently permitted to do so, national banks were limited to the making of only very short-term mortgage loans. Satisfied that the earlier concerns were unfounded, the law has been gradually relaxed until today national banks may make real estate mortgage loans under substantially the same terms and conditions as any other mortgage lender.

Although the facts are somewhat in dispute, enforcement by the Office of the Comptroller of the Currency of the five-year real estate holding limitation has been inconsistent. Through either direction, permission, or acquiescence of the Comptroller's Office, national banks in certain states, particularly the Gulf states of Louisiana, Mississippi, Alabama, et al., were not subjected to disciplinary action if national banks in those states owning "OREO" wrote the value of such real estate down on the books of the bank to zero or a nominal amount. The practice which prevailed usually involved the writing down of the value of such real estate 20 percent per year for five years so that by the end of five years the real estate did not appear as an asset on the books of the bank or, if it did, it was shown as having only a nominal value and this apparently satisfied the Comptroller's Office. By and large, this real estate was acquired by these banks many years ago and could not be disposed of economically.

Within the past two years or so, the Comptroller's Office, in an apparent change of policy, has adopted a strict enforcement position, and with respect to some of these national banks has insisted on prompt divestiture of such real estate.

As primary justification for this new enforcement action, the Comptroller's Office has contended that the statute is clear and requires the Comptroller to insist on such divestiture. In addition, it has been argued that the holding of such real estate is not a proper incident of banking and to permit these national banks to continue to hold such real estate would be unfair to other banks which have divested themselves of their real estate pursuant to the law.

The national banks which hold such real estate in turn have argued that:

(1) The writing down of the value of such real estate on the books of the bank satisfies both the law and the Comptroller's prior interpretations thereof;

(2) The holding of such real estate, rather than being an unsafe or unsound banking practice, really contributes to the safety and soundness of the bank since it constitutes an asset whose value is not reflected on the balance sheet and any earnings from such real estate contribute to the welfare of the bank, its depositors, and shareholders;

(3) To be required to divest itself precipitously of this real estate would require the sale of the real estate for less than could be obtained through orderly sale under normal marketing procedures and, therefore, would not be in the best interest of the bank; and,

(4) It is unfair to require these national banks to divest themselves of this real estate since state-chartered institutions in these states are permitted to hold OREO indefinitely if they have written it down to zero or a nominal amount on the books of such banks.

With respect to point (4) above, it should be mentioned that one justification for the position previously taken by the Comptroller's Office could have been the fact that in those states where the five-year limitation was not enforced, state law permitted state-chartered banks to hold other real estate indefinitely if the real estate was written down on the books of such state-chartered institution to zero or a nominal amount. Inasmuch as state law gave state institutions this authority, the concept of a level playing field dictated that national banks should not be placed in an unfair competitive position by strict enforcement of the law (or be provoked to switch to a state-chartered bank).

PRIOR CONSIDERATION OF THE ISSUE BY THE CONGRESS

In response to the new enforcement initiative of the Comptroller's Office, certain affected national banks took their case to the Congress and, through the efforts of Senator Tower and others, were able to have enacted in P.L. 97-25 a provision which authorized a national bank to continue to hold OREO until December 31, 1982 if the bank had written such real estate down on its books to zero or a nominal amount by December 31, 1979. In introducing his legislation, Senator Tower questioned the new interpretation being given the 1864 law by the Comptroller's Office and urged Congressional reexamination of that law and the Comptroller's interpretation thereof prior to the expiration of the "moratorium" on December 31, 1982.

PRESENT CONSIDERATIONS

Within the past year or so, it has become apparent that depository institutions must be granted more liberalized investment authority if they are to compete with non-depository financial entities. This conclusion was voiced by Treasury Secretary Regan when he testified before the Senate Banking Committee late last year and advocated expanded powers for commercial banks including the authority to invest in real estate. His specific recommendation called for such activity, along with others, to be conducted through subsidiaries of bank holding companies rather than by the bank itself.

In view of the fact that Secretary Regan has advocated an elimination of the restriction against banks holding real estate, it is clear that he feels such activity is a proper incident to banking and does not share the concerns earlier expressed. His suggestion that the holding of real estate by banks be through the holding company structure is no doubt prompted by a continuing concern that the safety and soundness of the bank itself should not be impacted by such real estate activity. However, this concern is not applicable to the real estate and the national banks affected by the provisions of Public Law 97-25 since to be eligible for the "moratorium" included in Public Law 97-25, national banks were required to have written such real estate down on the books of the bank to a nominal amount by December 31, 1979, and, therefore, to the extent real estate covered by this amendment has value in excess of the nominal amount, it adds to rather than detracts from, the safety and soundness of the capital structure of such banks.

Secretary Regan's concern obviously relates to newly acquired real estate which would be carried at fair market value and which would involve the use of assets of a bank holding company or bank for its acquisition. It is, therefore, apparent that a distinction should be made between those instances where national banks have held real estate for many years and have written such real estate down to a nominal amount and those new situations where national banks will be acquiring equity positions in real estate which Secretary Regan has advocated be done through a holding company subsidiary.

It should be further pointed out that in every known instance where national banks have written their long-held real estate down to a nominal amount there has been a gradual sale or other disposition of such real estate as the market and economic conditions have permitted. By and large, this real estate is unimproved vacant acreage which can be sold at a fair value only over a period of years as changes in market conditions permit its bringing a fair price.

The proposed legislation does not attempt to address the broad question of the authority of national banks to invest in and hold real estate or real estate interests as advocated by Secretary Regan before Senator Garn's committee. Rather, it addresses only that real estate which is presently held by a national bank and which is carried on the bank's balance sheet at zero or nominal value. By requiring such real estate to have been written down on its books by December 31, 1979, the legislation does not permit the acquisition or holding of any "new" real estate by a bank nor does it apply to any bank or real estate not meeting the December 31, 1979 write-down requirement.

In addition, the proposed legislation requires those banks authorized by its provisions to continue to hold OREO to report annually any earnings derived from such real estate which is a requirement imposed by the Congress in P.L. 97-25 and limits its application to national banks located in states where state law authorizes state-chartered institutions to hold real estate without regard to the five-year limitation.

Mr. Speaker, I would like to yield to my colleague, the gentleman from Louisiana (Mr. LIVINGSTON).

Mr. LIVINGSTON. Mr. Speaker, I thank the gentlewoman for yielding. I am very pleased to join with the gentlewoman from Louisiana and other colleagues in introducing this bill, which would simply complete the actions that this body took last year, when we authorized national banks to continue to hold real estate until December 31, 1982. This was done in what is now Public Law 97-25.

As the gentlewoman has explained, the bill we are introducing today would remove the date limitation and allow national banks—under very restrictive conditions—to hold real estate. I want to emphasize that the bill does not attempt to address the broad question of the authority of national banks to invest in and hold real estate. Rather, it addresses only such real estate that is presently held by a national bank, carried on the bank's balance sheet at zero or nominal value by December 31, 1979, and held by a national bank in a State that allows State-chartered banks to hold real estate.

I would like to point out also that this bill deals with real estate acquired by national banks through foreclosure or otherwise which is not used in normal banking operations. To the extent that the bank makes earnings from this land, our bill requires a financial disclosure.

Our dual banking system is one of the great strengths of this Nation, and I urge my colleagues to join with us in leveling the playing field such that nationally chartered banks may enjoy the same privileges of State-chartered banks where the particular State has seen fit to grant real estate holding ability to the State banks. Such equality for national banks is consistent with the longstanding interpretation of Federal law by the Office of the Comptroller of the Currency; that is, until about 2 years ago.

Our bill will not reshape the entire financial industry, but it will complete business we have already begun, and thereby end this newly born regulatory uncertainty threatening our banking system.

I urge my colleagues to support this bill.

Mrs. BOGGS. Mr. Speaker, I yield to the gentleman from Mississippi (Mr. LOTT).

Mr. LOTT. Mr. Speaker, I thank the gentlewoman for yielding.

Mr. Speaker, I would like to commend the gentlewoman for her leadership in this effort, and I am pleased to join her in cosponsorship of this important legislation.

I think this is certainly needed legislation, and I will be working with her through the committee process and here on the floor of the House to assure its prompt consideration.

SCIENCE AND PROGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BROWN) is recognized for 5 minutes.

● Mr. BROWN of California. Mr. Speaker, last week I was privileged to attend the annual award dinner of the National Science Board, the policy committee for the National Science Foundation. The recipient of the prestigious Vannevar Bush Award was a scientist and statesman I have long respected and admired, Dr. Lee A. DuBridge, president emeritus of the California Institute of Technology. Dr. DuBridge's acceptance speech, entitled "The Search for Excellence," was itself an outstanding example of why Lee DuBridge is held in such esteem.

The Vannevar Bush Award is named after Dr. Vannevar Bush, the distinguished scientist and adviser to Presidents who wrote the short but profound report, "Science—The Endless Frontier." This report, more than anything else, provided the impetus for the creation of federally funded National Science Foundation. This report still provides the main rationale for Federal support of civilian research, development, and scientific education. Simply put, the well-being of this Nation is dependent upon a strong scientific and technical base, and only the Federal Government has the breadth of concern and resources to maintain this base.

Dr. DuBridge serves as president of the California Institute of Technology for more than 20 years. He served as President Nixon's science adviser, and an adviser to many other key policymakers. He worked with Dr. Bush in helping create the National Science Foundation. He helped make America the scientific and technological leader it is today.

Sadly, the state of the U.S. scientific and technological enterprise is falling into disrepair. This decline has come about through a variety of causes, but has recently accelerated. While the present administration seems to have ambiguous views about this problem, the health of science and technology is not a partisan matter. My own involvement with science and technology policy has shown me that there are many concerned individuals in both major parties, with one's views almost determined by one's experiences. Senator CHARLES PERCY, who presented Dr. DuBridge with the Vannevar Bush Award, was in a highly technical industry before he entered the U.S. Senate. And even though he is from a party other than my own, I know he shares my concern about the state of science and technology in the United States.

Mr. Speaker, I have made these remarks to place in context the speech by Dr. DuBridge. I realize my colleagues are busy, as am I, but frankly we should all take the time to consider the implications of our actions upon the future of this country. The acceptance speech by Dr. Lee DuBridge places the role of science and technology in the perspective we should all see it. I recommend the address, "The Search for Excellence," to my colleagues.

THE SEARCH FOR EXCELLENCE

(By Lee A. DuBridge)

(On Acceptance of the Third Vannevar Bush Award of the National Science Foundation, May 19, 1982)

Senator Percy, Dr. Branscomb, members of the National Science Board (past and present), friends of the National Science Foundation, and friends of mine.

I am truly overwhelmed by the honor which has been bestowed on me this evening, and I want to express my sincere gratitude to the officers and members of the National Science Board and of the National Science Foundation, and to all those who had anything to do with choosing me for this great compliment. I can assure you it is a great experience for one who has been retired for 10 years to be called back and remembered so generously for the activities in which he was engaged 20, 30, or 40 years ago. I had almost forgotten some of them myself.

I shall treasure this Vannevar Bush Award more than any other which I have received. It is precious to me for many reasons, not least of which was having the award presented by my old friend Chuck Percy. Chuck, thank you, thank you for your wonderful and flattering words from a wonderful friend. I appreciate what you said, even though I wonder if you did not exaggerate a bit.

I am also appreciative of this Award because I treasure most highly my many years of friendship and collaboration with Van Bush. I cherish the memory of the many enterprises in which we were jointly engaged, and the many friendships which we jointly enjoyed, both during and after World War II. Working with him and within the OSRD family for five years during the war was one of the great, if not the grestest, experiences of my life. Being with him in his office or his home here in Washington, or in my office or home in Cambridge of Pasadena, was always a pleasant and stimulating experience. In 1948, Van and I signed the agreement for the joint operation of the Palomar and Mt. Wilson Observatories by CalTech and the Carnegie Institution of Washington, a commitment and a collaboration which lasted for 32 fruitful years. Also, at Van's request, I was one of those who testified before the Congress in favor of the passage of the National Science Foundation Act, and we rejoiced together when NSF became a reality. Van was a great man and a great friend, and it is an honor to have an award bearing his name.

Another reason for being proud of this award is that the two previous recipients are among my favorite people. My association with Jim Killian, the first recipient, began nearly 42 years ago when I went to MIT as the director of the Radiation Laboratory, and it continued as we worked together on many other successful ventures during successive years on the President's Science Advisory Committee, and in the great collaboration which existed for many years between CalTech and MIT while he was President of MIT. He is truly one of the Nation's great statesmen of science. Bill Baker, last year's awardee, and I have also worked together in many ways for many years and still do. His wise counsel and warm friendship have always been an inspiration to me. I am delighted to see him here tonight. I am so proud to have my name linked with those of these two great men.

Finally, I treasure this award because it comes from my favorite Government agency, the National Science Foundation. I was proud to be one of the original members of the National Science Board and had ten very happy years as a part of that group. I enjoyed my association with all of the successive Board chairmen, with the many Board members, with the first four directors of the Foundation, and with many members of the staff.

The impact of the Foundation on the scientific enterprise in this country has been beyond calculation. In spite of the many ups and downs which any Government agency undergoes, as times and administrations change, NSF stands today as a billion-dollar-a-year pillar of strength for our Nation's search for knowledge and its useful applications.

Again, to you, the present members of the National Science Board and of the Foundation—my sincere thanks! I am particularly glad that I share the honors tonight with Vernice Anderson.

I was informed by Lew Branscomb that when I accepted this award, neither the award nor the dinner came free. The price I would have to pay would be to deliver a brief speech, and the price you would have to pay would be to send in a check and then to listen to my speech. Now it is time to pay our bills!

The topic of my remarks—"The Search for Excellence"—is a pretty hackneyed one to be sure. It was suggested in my conversation with Lew Branscomb about this evening's events. He complimented me by saying that he thought I knew something about that subject. I was then reminded that a few years ago a statement about me was published in which I was charged with being an "elitist" in my views of science and education. Clearly, the author did not intend that as a compliment. But, according to my dictionary, the "elite" part of any group of things or people is the choicest or the best part. An elitist, then, is one who admires the best—that is, he admires excellence. Why then is it wrong to be an elitist? I suppose because in the popular mind "elitism" has been unfortunately equated to "snobbishness." The word elite is a good word to describe many important things in people.

It is the elite members of the human family—in science, engineering, literature, philosophy, government and other fields—who have blazed the trails leading to the intellectual and cultural development of the human race. These elite members of our society have not always had an easy time of it. Many were reviled, persecuted, and even put to death by their contemporaries who resented and rejected the new ideas and the better ideas which they propounded. However, we now know that these elite individuals down through the years, from Euclid to

Einstein, are the ones who have changed the world in which we live. Now, fortunately, we admire their elitism—or to abandon that dirty word—we admire their devotion to excellence.

Are we then more tolerant today of excellence and of new ideas then were the people of twenty centuries ago—or ten, or one? We like to think so. Einstein's ideas were every bit as revolutionary as those of Galileo, but, unlike Galileo, he became an international hero—every place, that is, except in Nazi Germany. Many living Soviet scientists and scholars have attained world acclaim, but not always in their own country. No, even today, the pursuit of excellence is not universally admired. But what about our own country? Are we fully devoted to the pursuit of excellence?

Well, during the past 60 years (since 1922, when I graduated from college) there has been some spectacular progress in the direction of the pursuit of excellence. Our Nation's scientific enterprise has seen an explosive growth both in quantity and quality. I will not bore you by reciting the statistics of this growth. I did not even want to bore myself by looking them up! However, my good friend Mannie Piore, who is here tonight, did look them up and wrote a marvelous article in Physics Today last December in which he described the growth of physics, that is, funding over the last 50 years. It is an article I commend at least to the physicists to read. But there is one statistic I do remember: up to the year 1922 only two American physicists had ever won a Nobel prize. No American chemist had won one, and just one American physicist. In recent years, Americans have been known to almost sweep the field of Nobel Prizes.

The number of active scientists and engineers in this country has doubled, redoubled, and then doubled again. So has the funding of scientific research. In the twenties and thirties there were only a dozen or so first-rate university science departments in the country, each graduating a small handful of Ph.D.'s each year. Now there are many top-rated schools, producing thousands of scientists and engineers. Good ones, too!

The scientific leadership of the world crossed the Atlantic from Europe to America sometime between the 1940's and 1960's, because of our many outstanding achievements and high quality scientific and educational work being done here. The American scientific enterprise was doing very well, indeed, in 1957. But then the launching of Sputnik I gave it a further big boost, and suddenly excellence in science and science education became a national watchword. We had to beat the Russians! While that was not a very high-minded reason for what followed, what followed was pretty good! Indeed, the next dozen years saw a golden age in science and technology in this country. Funding for new activities and facilities led to spectacular achievements in space exploration, high energy physics, astronomy, biology, medicine, computer technology, and many other areas. The NSF during these years undertook an extensive and fine program. Led by Jerrold Zacharias, aimed at the improvement of science education at all levels in our schools, colleges, and universities. The present and the future looked bright, indeed, in 1970.

Then what happened? Unfortunately, several things.

The success of the Apollo mission apparently led people to believe that now we were ahead of the Russians and could relax and rest on our laurels. But the price of excellence is eternal vigilance, and we must not relax.

Then the oil crisis in the Middle East, a deteriorating economy, and double digit inflation led to rapidly rising costs of everything and declining available funds. As a result, our planetary exploration program has been radically curtailed, major new facilities for high energy physics cannot be built, and research programs in nearly every area of science have had to be revised downward.

Most serious of all, for a variety of reasons, our whole educational system, especially as it refers to scientific education, is now in a state of crisis. For many years national attention has been focused on the declining quality of education our children have been receiving in public schools, as indicated by falling test scores, for example. This situation has recently been exacerbated by tax reform measures adopted in several states, such as California and Massachusetts, further decreasing school funding. In California, this is also affecting the funding of state colleges and universities. And now the Federal Government is also reducing its funding of educational programs and its support of promising undergraduate and graduate students. At a time when we are encouraging industry to invest more capital in productive machinery, we are neglecting our most important asset—human capital.

Finally, to compound our problems, we are realizing that we in the United States have no monopoly on scientific and technological talent. In certain areas, such as electronics, optical equipment, automobiles, and other countries are forging ahead of us. Even in high energy physics, in which we had been the leaders for so many years, the European consortium is still investing heavily in important new high energy facilities, and we are not.

Our position of leadership is in grave danger. This is not merely a matter of hurting our pride. It is a matter of endangering the future welfare of our country.

We are all keenly aware, in these days of economic recession, that the welfare of all our people depends critically on our economic viability as a nation. We can recover that viability only if we can produce high quality goods and services at prices that are competitive on the world market. To do this we must push our management skills and our technological skills to the limit. But technological advance must be built on a strong base of advancing science and science education. But while we are neglecting to build these aspects of our scientific and human capital, other nations are increasing their investment in education and scientific research.

To make a long story short, we face some serious problems. We are in a situation where the pursuit of excellence in our national life seems to be faltering. If we allow it to deteriorate further, our future may be a grim one.

Can we solve these problems?

Not being an economist or a political scientist or even a prophet, I cannot answer that question. But I do know that in order to solve a problem, we must first understand what the problem is. That is what I have been trying to suggest tonight. Our first task, of course, is to get out of the economic morass in which we find ourselves. No one appears to know how to do that yet, or at least do it quickly. But even in times of trouble like these, as Chuck Percy stated a few minutes ago, we must not forget our long-range goal of supporting those activities and those institutions that seek to promote excellence in all phases of our national life. If we neglect that, we face a long uphill struggle indeed. I am convinced that that is one thing we need not and must not do. Sometimes it takes a time of crisis to unite our people and to stimulate them to work together to achieve important national goals. I hope this time of crisis will have that effect.

There are a few encouraging signs. I am sure that most of the people in this room agree with me that our pursuit of excellence—our pursuit of scientific research and education—must not falter, and many of you are in a position to do something about it and are doing something. We will all support you. Also, many of our great colleges and universities are determined to maintain the excellence of their programs, in spite of current difficulties. Many corporations, foundations, and individuals are giving attention to this problem through additional support of worthwhile endeavors, but it is impossible for private funding to make up for any serious shortfall of Federal funding. Thus, a renewed Federal policy, giving high priority to critical research and educational activities, is clearly in order. Some Government officials have said that these matters can wait a few years. "The planets will always be there" it has been said. "We can explore them later." Well, the planets may be there but the great teams of scientists and engineers who have been assembled and trained over many years may be quickly dissipated, and it will take many years to rebuild them, if we could. The same is true in other areas of research. If we rest any longer on our laurels, those laurels themselves may be destroyed. We should not let that happen.

Dr. Simon Ramo concluded in a recent address at Caltech somewhat as follows: "I want to end on a note of optimism," he said. "It is generally agreed that things must get worse before they get better. Well—things are getting worse!"

It is time we all tried to make them get better. Thank you very much.●

DENYING TAX ADVANTAGES TO CERTAIN NONCOMPETITIVE GOVERNMENT HOUSING SALES

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California (Mr. STARK) is recognized for 5 minutes.

● Mr. **STARK**. Mr. Speaker, I am today introducing legislation that will deny the advantages of the accelerated cost recovery system to property purchased from the Federal Government without competitive bidding. This legislation responds to a recent sale so odious on its face, so inherently partisan in nature that Congress must take action to insure that this kind of bargaining is not allowed to go unchecked.

The Washington Post reported on May 11 that the Department of Housing and Urban Development has agreed to sell seven housing projects in an $11 million package deal at below market mortgage rates, bypassing the standard procedure of competitive bidding. The sale is being made to a company that includes Edward L. Weidenfeld, President Reagan's campaign committee lawyer, and his wife, Sheila, who was Press Secretary to former First Lady, Betty Ford. There is little doubt that there is a definite political element involved in this arrangement. This obvious political favoritism has prompted Senator WILLIAM PROXMIRE to ask the Inspector General at HUD for an investigation of the sales.

Not only is the sales price about $600,000 less than HUD estimated would result from a sale on the open market, but HUD is, in addition, planning on lending most of the $4 million down payment to the buyers at a 2½ percent interest rate. The profit of over $1 million that has been estimated for this investment does not include the major benefit that the company will receive from the deal; the use and sale of the tax deductions that result from the accelerated depreciation. Assistant Housing Secretary, Phillip Abrams, has estimated that these benefits could be sold for about $4 million.

Mr. Speaker, I am introducing legislation today which will negate the enormous tax benefits that would be recognized in this kind of sales. Specifically, my legislation would require that, in the case of a purchase of certain property from the Federal Government that bypass the competitive bidding process, such property will be subject to the straight line method of depreciation over a recovery period of 40 years. My bill would be effective from January 1, 1982, so as to include this giveaway. We, in Congress, have the responsibility to prevent these kinds of abuses of power.

[Text of bill follows:]

H.R. 6487

A bill to amend the Internal Revenue Code of 1954 to deny the benefits of the accelerated cost recovery system to residential real property acquired from the Federal Government in a sale without competitive bidding

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (b) of section 168 of the Internal Revenue Code of 1954 (relating to amount of deduction under accelerated cost recovery system) is amended by adding at the end thereof the following new paragraph:

"(4) CERTAIN PROPERTY ACQUIRED FROM FEDERAL GOVERNMENT WITHOUT COMPETITIVE BIDDING.—

"(A) IN GENERAL.—In the case of any 15-year real property described in subparagraph (B), notwithstanding any other provision of this section, the applicable percentage shall be determined by the use of the straight line method over a recovery period of 40 years.

"(B) PROPERTY TO WHICH PARAGRAPH APPLIES.—For purposes of subparagraph (A), property is described in this subparagraph—

"(i) if such property is residential rental property (as defined in section 167(j)(2)(B)) or is described in clause (i), (ii), (iii), or (iv) of section 1250(a)(1)(B), and

"(ii) if—

"(I) such property is acquired by the taxpayer from the Federal Government in a sale not pursuant to competitive bids, or

"(II) the basis of such property in the hands of the taxpayer is determined (in whole or in part) by reference to the basis of such property in the hands of a taxpayer described in subclause (I)."

(b) The amendment made by subsection (a) shall apply to property placed in service after December 31, 1982, in taxable years ending after such date.●

THE FEDERAL RESERVE IN THE YEARS AHEAD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 20 minutes.

● Mr. REUSS. Mr. Speaker, there follows my comments before the May 23, 1982, annual dinner of the Federal Reserve Bank Governors, Chairmen, and Deputy Chairmen:

When I see Chairman Volcker I am reminded of an automobile trip we took through the mountains of Sicily a dozen years ago after a monetary meeting there, in order to see the Temple of Peace and Plenty at Segesta. But on the way to this perfect structure our car hit a large rock, and our infrastructure fell out. A wrecker came from Palermo and towed us away before we could see the promised Temple.

This year Paul and I are at it again. We thought we were in sight of the Temple of Peace and Plenty. But our infrastructure is cracking and we are being towed helplessly away from our goal.

Finding our way to that goal requires that we be clear as to the nature and responsibilities of the Federal Reserve, the Executive, and the Congress. Is the Fed independent, and from whom? What role for the Fed lies ahead? And where could I find a better audience to discuss this than you who lead that magnificently decentralized and splendidly hybrid institution?

The Federal Reserve's position in our system is unique. The Fed is the monetary agent of the Congress, subject to Congressional control, but only in the broadest sense. Toward the Executive, on the other hand, the Federal Reserve is, and of right ought to be, independent, though it must work with the Executive in the greatest possible harmony.

Why this independence from the Executive, but not from the Congress?

In essence, it is because Congress is given by Article I, Section 8 of the Constitution the monetary power: "to coin money, regulate the value thereof." That ultimate monetary power is as much the Congress' as are the taxing and spending powers.

Federal Reserve Board Chairmen from the beginning have recognized this. This Chairman Thomas McCabe in 1950 called the Federal Reserve "a creature of the Congress and reporting to the Congress." Thus Chairman William McChesney Martin, Jr. in 1956 called the Federal Reserve "an independent agency of the government, responsible to Congress." Thus Chairman Arthur Burns in 1971: "I know the Constitution and I am a law-abiding citizen—the Federal Reserve is an agent of the Congress, independent of the Executive Branch." Thus Chairman William G. Miller in 1978: "It is only the Congress that has created the Fed, not the Constitution."

From the Executive, however, the Fed was given the widest measure of independence. Governors are appointed for 14 years. The Fed makes its own budget.

There are two good reasons for this independence from the Executive, but not from Congress.

When Congress acts with respect to the Fed, it acts by formal resolution, rather than by ambiguous conversation. But when the Executive attempts to parley with the Fed, it is frequently done behind closed doors, and can give rise to all sorts of dark suspicions as to what is going on.

Let me give a couple of examples of White House monkeying around with the Fed, once on the loose money side and once on the tight money side.

During the days of the Treasury/Fed controversy, President Truman had a dramatic secret meeting with the Federal Open Market Committee at the White House on January 31, 1951. After the Feds left the White House, the White House issued a press release announcing that the Fed had "pledged its support to President Truman to maintain the stability of government securities as long as the emergency lasts." Whereupon the Fed went into a flurry of leaks challenging the White House's version. The result was not edifying.

And just the other day another President, Mr. Reagan, called another Fed Chairman, Mr. Volcker, to the White House for a lengthy private meeting. If press accounts are to be believed, the President's appeal was for more tight money. And the Fed, in its recent utterances, has backed President Reagan's position that it's no trick at all to get the budget deficit under control by means other than adjusting that $40 billion a year deficit-creator, the July, 1983 scheduled tax reduction—Switzerland without the Alps, in short.

I'm not sure that this White House private pitch for tight money was any more edifying than President Truman's private pitch for easy money 30 years ago!

Thus the first reason for the independence from the Executive, but not from Congress, is that a Congressional resolution is a precise instrument, whereas presidential conversation is not.

A second reason why it is proper that the Fed should be independent from the Executive, but not from the Congress, is that the Executive has available unfair instruments of torture that the Congress lacks. Most Fed members find themselves appointed to the stub of a 14-year term and hence are eligible for reappointment. And the Chairman of the Fed is always eligible for reappointment.

So if you want the Fed to be free, it must be urged to stand up against possible slings and arrows from the Executive.

Come to think of it, there's an interesting issue of the responsibility of the Fed to the Congress immediately ahead of us. If my hopes come true, Congress will shortly enact a budget resolution which credibly gets the deficit under control. Both House and Senate are including in their budget resolutions a directive to the Fed to adjust its unrealistic monetary target—the 2.5-5.5 percent monetary corset in which the Fed has encased itself for 1982.

In the first four months of 1982, the Fed's monetary production was vastly in excess of its range—close to 9 percent. If the Fed now attempts to get within its range for the rest of the year, it will likely be creating inadequate new money—and interest rates will stay unconscionably high.

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If, on the other hand, it continues greatly to exceed its announced range, the markets will continue to take alarm even though actual money creation is not tight, because of fears that the Fed is out of control—and interest rates will stay unconscionably high.

Once before, by H. Con. Res. 133 in 1975, Congress directed the Fed, in the face of a high-interest-rate recession, to "lower interest rates" and expand "the monetary and credit aggregates." Chairman Burns and the Fed, with only a minimum of grumbling, obliged. Interest rates declined, and we got out of the recession. As Chairman Volcker recalled only the other day, in "the mid-70s we seemed to be getting back on the (growth without inflation) path. You will recall both interest rates and the inflation rate declined well into that recovery." And Arthur Burns today presides happily over our embassy at Bonn.

You will note that Congress in this Resolution is not attempting to mandate a monetary target, or even a range. All that we are saying is that the present range is an albatross. We ask that the Fed kindly shake it off.

With the albatross shaken off, we expect the Fed's new ranges to be what the Fed believes will best lead to our ultimate Humphrey-Hawkins goals of maximum employment, maximum production, and maximum purchasing power.

As you know, I am not a governor of the Federal Reserve. I'd be the first to admit that the mere mention of that possibility could cost the Nation 100 points on the Dow Jones. But if I were a governor, I'd need a monetary policy, and mine would be the monetary policy of Tom, Dick, and Harry: We should create a reasonable amount of new money, not enough to validate inflation, but not so little as to suffocate growth.

In bad times we ought to move toward more ease, in times of prosperity toward more caution.

Above all, we should be quite humble about what we are doing. Both the supply of and the demand for money are rogueish things. Financial ingenuity is constantly changing the meaning of money. (What should we make of money market funds?) And the demand for money proceeds from a whole variety of sources which the Fed can little perceive and hardly control.

For that matter, in fiscal policy, modesty is also becoming. A balanced budget is a good goal, recognizing that in slack times we are going to run deficits, but in inflationary times we ought to be running surpluses. But here again, the statistical raw material is almost as fragile as on the monetary side. Federal spending is but a small part of the mass of off-budget federal items, and spending by state and local governments, consumers, investors, and exporters. And the line between capital outlays and current expenditures is hard to draw.

So neither fiscal or monetary policy deserves to say: "I am Sir Oracle. When I open my mouth, let no dog bark!"

Both the Fed and the Congress, I predict, will survive the current crisis.

But what of the future? I suggest that the Federal Reserve's major functions may be thinning out a bit.

Its primary function, monetary policy, would benefit by becoming a little less Olympian. Open market purchases and sales are something less than precise instruments, and that hence too much should not be expected of them. Following the 1978 Monetary Control Act, changes in reserve requirements will be infrequent. And Milton Friedman may one day prevail in his urging that the discount rate be made a penalty rate, set automatically, rather than one set by the Fed.

Just as its monetary policy for the Fed may become a little less demanding, so will its regulatory policy. One of these years Congress is likely to conclude that it doesn't make sense to have federal bank regulation scattered among three or four agencies, and may set up a unified regulator, perhaps not just over banks but over other financial institutions as well. And that unified regulator might turn out to be somebody other than the Fed!

Thirdly, your check-clearing functions could end up somewhere in the private sector.

With your duties thus curtailed, what then becomes of your banks and your branches and your centers, your mixed banker/private boards, your thousands of skilled economists and administrators, your jet planes and your computers, your cloud-capped towers, your gorgeous palaces?

Why, I would hope that your decentralized and hybrid institution (with labor and public participation strengthened) could adjust to the new circumstances, and find important new tasks to perform. To suggest a couple:

In your economic regions, why not place your public-private leadership and your skilled technicians at the service of the real needs of the region and the Nation—planning and problem-solving for reindustrialization, productivity, competitiveness, efficiency? In many places the Fed is already doing this. It can do better.

A second opportunity, stemming partly from the first, is to act as a training and marshalling ground for the kind of skilled public servants that are needed in a sophisticated society through all levels of government. In France, for example, one of the reasons for its post-war economic success has been the existence of the great Institutes of Politics, Administration and Polytechnics which staff public and private institutions, on a rotating basis, with something close to philosopher-kings. The Fed, the Nation's greatest repository of such skills, could well take upon itself such a training function, in cooperation with regional schools of business and public administration.

I am sure there are other ideas for the Fed in the years ahead. Change will come. Just as the medieval monasteries finally gave up counting how many angels could dance on the head of a pin, and instead turned to painting some pretty fine frescoes and distilling some excellent brandy, who knows what great New Careers lie ahead for you and yours?

As one whose candle was lit at about the same time as the Fed's, I wish you well.●

NEXT STEPS FOR PEACE

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WEISS) is recognized for 5 minutes.

● Mr. **WEISS**. Mr. Speaker, there is a growing disparity between the deeply felt wishes of the American people for a lessening of the perilous prospect of nuclear war and the policies and practices of the executive branch of the U.S. Government. President Reagan's administration is committed to an arms race without precedent, with planned military expenditure of $1,650 billion from 1981 to 1986.

Meanwhile, there is no science from which to predict that additional firepower and forces, nuclear and conventional, could deliver defense—as an actual shield—or improve military security for the American people. Neither is there any science or prospective technology from which to forecast any way of overcoming the limits of military power. People and communities cannot be destroyed more than once. As weaponry is accumulated in multiples of overkill, there is no way of translating numerical differences in overkill into superiority-inferiority that is militarily or humanly meaningful.

It has long seemed reasonable to think that adding to weapons and Armed Forces adds to a nation's strength and security. That familiar assumption must be questioned in the nuclear age. More, larger, speedier weapons now add to insecurity. Under these conditions the remaining military strategy for improving our National security is through a process that mutually and reliably reduces the stocks of lethal weapons on all sides of the arms race.

The mounting concern of the American people extends to nonnuclear wars as well. Military adventures, as in Latin America, that would repeat the Vietnam pattern are no contribution to the security of the American people.

Diverse public opinion polls confirm that as many as 3 out of 4, to 8 out of 10, Americans now favor a halt to the arms race. That halt is called freeze, as embodied in House Joint Resolution 434 and Senate Joint Resolution 163, calling for "* * * a mutual and verifiable freeze on the testing, production, and future deployment of nuclear warheads, missiles, and other delivery systems. * * *"

The freeze idea is generally viewed as a first step toward lessening war dangers. What are the next steps?

The Congress of the United States can now perform a considerable service by initiating a national discussion on realistic next steps for diminishing and reversing the arms race. Two issues are paramount: First, are there practical, reliable ways for carrying out a mutually agreed reversal of the arms race; second, are there practical ways for carrying out conversion from a military to civilian economy so that the immense resources and technical skills now applied to the military could be utilized for improving the productivity of our ailing civilian industrial economy?

The last proposal made by the Government of the United States for comprehensive reversal of the arms race was the "Outline of Basic Provisions of a Treaty on General and Complete

Disarmament in a Peaceful World," presented by President John F. Kennedy to the 18-Nation Committee on Disarmament on April 18, 1962. The development of the arms race during the past 20 years has added importance to the concepts laid out in the U.S. Government proposal of 1962.

The proposal is comprehensive. It covers all aspects of the arms race and is thereby especially well suited to cope with the military problem of asymmetry (differently composed armed forces) especially among the great powers. For example, the United States has more long-range bombers and aircraft carriers. The Soviets have more soldiers and land-based missiles. This means that by addressing arms race reversal with a system of equal, proportionate reductions, across the board, all the parties to the process are assured that there is no trick device that alters relative military capability during an arms reduction process. As indicated by the explanatory papers accompanying the U.S. proposals, they are "so organized that they do not change the relative military strength of the participants during the disarmament process. Thus a nation can proceed to disarm without fear that their relative position vis a vis other nations may be altered to their disadvantage."

The U.S. plan of 1962 was thoughtfully conceived. During the first two stages, enduring for 6 years, of a 10-year process, "the U.S. plan provides for slashing the nuclear warmaking capacity of nations by 65 percent * * * and eliminating it entirely in the final stage." All aspects of armament and Armed Forces are comprehended in the terms of this proposal. It therefore accounts for technological development of the recent past and into the future.

Comprehensive verification procedures are proposed by the U.S. proposal, with increasing intensity during the course of the arms reversal process.

A major element in the U.S. proposal is the parallel buildup of international peacekeeping procedures and institutions paralleling the reversal process.

The U.S. proposal has major elements of flexibility. Thus, the proportional reductions defined for particular stages lend themselves to alteration in accordance with contemporary conditions and feasibility.

It is also noteworthy that "the United States has never formally withdrawn this proposal." (Letter from A. Richard Richstein, General Counsel, United States Arms Control and Disarmament Agency, May 11, 1982.)

For all these reasons the 1962 proposal commends itself to our attention today. We have but to review the explanation of this plan as set forth by the U.S. Arms Control and Disarmament Agency in its publication 10 (October 1962) entitled "Toward a World Without War, a Summary of United States Disarmament Efforts—Past and Present." The following is abstracted from this explanatory statement:

> The new U.S. plan represents a "total approach" to solving the problem of war on our planet. It starts from the premise that the main objective is not the destruction of arms—important as this is—but the elimination of war and the building of a secure and lasting peace. Hence arms reduction—disarmament in the classic sense—is not treated in isolation but is made part and parcel of two other equally important elements of the peacebuilding process: (1) measures to enable the United Nations to become an effective agency for keeping the peace is a disarmed world and (2) steps to reduce the risks of war through accident or miscalculation.
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> Many earlier disarmament efforts had foundered because they approached arms reduction as a goal in itself, without sufficient regard for the political conditions which cause international tensions. One of the few "successful" disarmament efforts of the past, the Washington Naval Conference of 1922, for example, resulted in an agreement by France, Great Britain, Japan, Italy, and the United States to reduce their respective fleets of battleships to a fixed level. Yet this agreement, while temporarily halting a naval race in battleships, had no lasting benefit for international peace, because it was unrelated to effective peacekeeping and peacebuilding measures.
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> In the light of such experiences and of postwar international developments, the United States proposes a realistic, not a Utopian, plan. It does not assume that disputes and distrust among nations will vanish with a stroke of a pen on a disarmament treaty; nor does it pretend that disarmament can be achieved overnight or apart from effective international measures to safeguard the security of nations. Yet, if accepted, this plan could transform our world within a short span of years into a secure and peaceful planet.
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> Despite the complexity of the problem, the technique of the U.S. plan is basically simple. It is to stop the present arms race and start the world immediately on the path toward a secure world without arms. As Ambassador Arthur Dean, the U.S. delegate, put it when he presented the plan to the 18-Nation Disarmament Conference, the idea is "that the nations of the world should seize a moment in time to stop the arms race, to freeze the military situation as it then appears, and to shrink it to zero . . . like a balloon—instead of permitting more and more air to be blown into the balloon until it bursts, the air is let out of the balloon, and the balloon shrinks in simple proportion until the air is all gone."
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> ### ELEMENTS OF THE NEW U.S. DISARMAMENT PLAN
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> The U.S. proposal divides the process of disarmament into three stages—the first two to be carried out in estimated 3-year periods and the last stage as promptly as possible thereafter. In order to make speedy progress possible, Stage I can begin immediately after the treaty is ratified by the U.S.S.R., the United States, and such other countries as may be agreed on. Stage II would go into effect after the measures in Stage I have been implemented and verified, when preparations for Stage II are complete, and "all militarily significant states" have joined the treaty. Stage III would commence at the completion of Stage II and after all states possessing armed forces and armaments have become parties to the treaty. This staged process is intended to protect the security interests of all participants by assuring them that they will not be disarming in good faith while others lag behind or remain outside the agreement.
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> The U.S. plan is based on the following elements:
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> 1. *Arms Reduction.* The dismantling of the military establishments of nations begins immediately in Stage I and continues until completed in Stage III. The process of dismantling is designed to reduce as speedily as practicable the capacity of nations for waging war with nuclear and other weapons of mass destruction or with major conventional weapons. The steps for reducing the military potential extend equally to all participating nations and are so organized that they do not change the relative military strength of the participants during the disarmament process. Thus nations can proceed to disarm without fear that their relative position vis-a-vis other nations may be altered to their disadvantage. The U.S. plan provides for slashing the nuclear warmaking capacity of nations by 65 percent during the first two stages—estimated 6 years—of the treaty, and eliminating it entirely in the final stage.
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> 2. *Verification.* Effective by an international agency to make sure that nations are carrying out their obligations is essential. In the present world atmosphere of mutual distrust and suspicion it represents the only sound guarantee nations can accept for disarming. Without such effective safeguards no nation can be certain that its national security is not being jeopardized by some unscrupulous country bent on war or conquest. Soviet Foreign Minister Gromyko stated at Geneva on March 19, 1962:
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> "The Soviet Union wishes to have the necessary guarantees that the disarmament obligations that have been agreed upon will be strictly carried out and that there are no loopholes which will permit the clandestine production of aggressive armaments once the process of general and complete disarmament has begun.
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> "Our country does not intend to take anyone at his word, least of all States which have established closed military alignments, are pursuing a policy of building up armaments and have placed their military bases as close as possible to the Soviet Union. Nor do we expect others to take us at our word."
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> The U.S. proposals for verification by an International Disarmament Organization (IDO) are consistent with Mr. Gromyko's analysis of the problem. They call for strict but not excessive verification—the precise amount depending on the specific disarmament measure being considered. The simpler and more limited any specific step, the simpler and more limited the verification procedure suggested . . .

It should be noted that the 1962 proposal will of course require a measure of updating. For example, that draft proposal recommends that a treaty be concluded with respect to no weapons of mass destruction in outer space. Such a treaty has since been concluded. It also recommends nonproliferation agreements. This too has been at least partially complied with. The verification procedures contemplated 20 years ago are surely subject to modification owing to the advanced development of technologies for satellite and seismic observation, for example, since that time.

The following is the official text of the U.S. 1962 plan:

Blueprint for the Peace Race: Outline of Basic Provisions of a Treaty on General and Complete Disarmament in a Peaceful World

(U.S. Arms Control and Disarmament Agency)

". . . not to an arms race but to a peace race—to advance together step by step, stage by stage, until general and complete disarmament has been achieved."—President Kennedy, September 25, 1961.

STATEMENT BY PRESIDENT KENNEDY, PRESS CONFERENCE, APRIL 18, 1962

The United States has today tabled at Geneva an outline of every basic provision of a treaty on general and complete disarmanment in a peaceful world. It provides a blueprint of our position on general and complete disarmament as well as elaboration of the nature, sequence, and timing of specific disarmament measures.

This outline of a treaty represents the most comprehensive and specific series of proposals the United States or any other country has ever made on disarmament. In addition to stating the objectives and principles which should govern agreements for disarmament, the document calls for the grouping of individual measures in three balanced and safeguarded stages. We are hopeful through the give-and-take of the conference table this plan will have a constructive influence upon the negotiations now in progress.

I want to stress that with this plan the United States is making a major effort to achieve a breakthrough on disarmament negotiations. We believe that the nations represented at Geneva have a heavy responsibility to lay the foundations for a genuinely secure and peaceful world starting through a reduction in arms.

FOREWORD

An ultimate goal of the United States is a world which is free from the scourge of war and the dangers and burdens of armaments, in which the use of force has been subordinated to the rule of law, and in which international adjustments to a changing world are achieved peacefully. Today, in a world riven by dangerous tensions and mistrust, the attainment of this goal necessitates continuing and patient efforts to achieve the progressive reduction of national warmaking capabilities in such a manner as to increase the security of all nations. Thus, responsible arms control and disarmament proposals cannot be directed toward the attainment of unilateral political or military advantage. They must be fully responsive to the legitimate security interests of all nations.

On the basis of these considerations, President Kennedy on September 25, 1961, presented to the General Assembly of the United Nations the "United States Program for General and Complete Disarmament in a Peaceful World." To provide a more precise statement of the United States approach to disarmament and the manner in which that approach should be implemented, the United States on April 18, 1962, presented to the conference of the 18-nation Committee on Disarmament, meeting in Geneva, an "Outline of Basic Provisions of a Treaty on General and Complete Disarmament in a Peaceful World." Although not a draft treaty, the "Outline" elaborates and extends the proposals of September 25 and provides in specific terms a substantial basis for the negotiation of arms control and disarmament treaty obligations.

The principal provisions of the United States Outline are described in the summary that follows. The complete text of the Outline begins on page 5.

OUTLINE OF BASIC PROVISIONS OF A TREATY ON GENERAL AND COMPLETE DISARMAMENT IN A PEACEFUL WORLD

Summary

Principles and Process of Disarmament

Disarmament would be implemented progressively and in a balanced manner so that at no stage could any state or group of states obtain military advantage. Compliance with obligations would be effectively verified. As national armaments were reduced, the United Nations would be progressively strengthened.

Disarmament would be accomplished in three stages—the first to be carried out in 3 years; the second, also in 3 years; and the third, as promptly as possible within an ageed period of time. Stage I would be initiated by the United States, the Soviet Union, and other agreed states. All militarily significant states would participate in Stage II; and all states possessing armaments and armed forces, in Stage III.

Transition from one stage of disarmament to the next would take place upon a determination that all undertakings in the preceding stage had been carried out and that all preparations for the next stage had been made.

Disarmament Measures

A Armaments. During Stage I, inventories of major categories of both nuclear delivery vehicles and conventional armaments would be reduced by 30 percent. Fixed launching pads would be reduced with associated missiles. Half of the remaining inventories would be eliminated during Stage II, and final reductions would be made in Stage III. Upon the completion of Stage III, states would have at their disposal only agreed types of nonnuclear armaments for forces required to maintain internal order and protect the personal security of citizens.

Production of armaments during Stage I would be limited to agreed allowances and would be compensated for by the destruction of additional armaments to the end that reductions would not be impaired. In Stage II, production of armaments would be halted except for parts for maintenance of retained armaments. Any further production of national armaments would be ended in Stage III except for production of agreed types of nonnuclear armaments for internal forces.

Military research, development, and testing would be subject to increasing limitations during the disarmament process. During Stage III, appropriate action would be taken to insure that new scientific discoveries and technological inventions of military significance were not used for military purposes.

B. Armed forces. Force levels of the United States and Soviet Union would be reduced to 2.1 million at the end of Stage I. Half of the remaining forces of these two states would be disbanded during Stage II, and final reductions would be made in Stage III. Other states would also progressively reduce their force levels. By the end of Stage III, states would have at their disposal only those agreed forces and related organizational arrangements required to maintain internal order and protect the personal security of citizens.

C. Nuclear weapons. Production of fissionable materials for use in nuclear weapons would be halted in Stage I, and limitations would be imposed on the production of fissionable materials for other purposes. The availability of fissionable materials for use in nuclear weapons would be reduced during Stage I and subsequent stages by safeguarded transfers to nonnuclear weapons purposes.

If nuclear weapons tests had not already been halted under effective international control, arrangements to this end would be undertaken in Stage I. States which had manufactured nuclear weapons would agree in Stage I not to transfer control over nuclear weapons to states which had not manufactured them or to assist such states in their manufacture. States which had not manufactured nuclear weapons would refrain from seeking them. Transfers of fissionable materials between states would be limited to peaceful purposes and would be safeguarded.

Beginning in Stage II, nonnuclear components and assemblies of nuclear weapons would be destroyed and limitations would be imposed on further production or refabrication of nuclear weapons. At the end of Stage II, remaining nuclear weapons would be registered internationally to assist in verifying the fact that by the end of Stage III states would not have such weapons at their disposal.

D. Outer space. The placing of weapons of mass destruction in orbit would be prohibited in Stage I, and limitations would be imposed on the production, stockpiling, and testing of boosters for space vehicles. States would support increased cooperation in peaceful uses of outer space.

E. Military Bases. Reduction of military bases, wherever they might be located, would be initiated in Stage II, and final reductions would be made in Stage III.

F. Military expenditures. Military expenditures would be reported throughout the disarmament process.

Verification

The verification of disarmament would be the responsibility of an International Disarmament Organization, which would be established within the framework of the United Nations. Reductions of armaments and armed forces would be verified at agreed locations; and limitations on production, testing, and other specified activities, at declared locations. Assurance that agreed levels of armaments and armed forces were not exceeded and that activities subject to limitation or prohibition were not being conducted clandestinely would be provided through arrangements which would relate the extent of inspection at any time to the amount of disarmament being undertaken and to the risk to the disarming states of possible violations.

Such assurance might, for example, be accomplished through arrangements under which states would divide themselves into a number of zones through which inspection would be progressively extended. By the end of Stage III, when disarmament had been completed, all parts of the territory of states would have been inspected.

Reduction of the Risk of War

To promote confidence and reduce the risk of war during the disarmament process, states would, beginning in Stage I, give advance notification of major military movements and maneuvers, establish observation posts to report on concentrations and movements of military forces, and insure rapid and reliable communications among heads of governments and with the Secretary-General of the United Nations.

An International Commission on Reduction of the Risk of War would examine possible extensions and improvements of such measures as well as additional measures to reduce the risk of war through accident, miscalculation, failure of communications, or surprise attack.

Arrangments for Keeping Peace

In Stage I, states would undertake obligations to refrain from the threat or use of force of any type contrary to the United Nations Charter. Throughout the three stages of disarmament, states would use all available means for the peaceful settlement of disputes, would seek to improve processes for this purpose, and would support measures to improve the capability of the United Nations to maintain international peace and security.

A United Nations Peace Observation Corps would be established in Stage I, and a United Nations Peace Force, in Stage II. The United Nations Peace Force, which would be equipped with agreed types of armaments and would be supplied agreed manpower by states, would be progressively strengthened until, in Stage III, it would be fully capable of insuring international security in a disarmed world.

OUTLINE OF BASIC PROVISIONS OF A TREATY ON GENERAL AND COMPLETE DISARMAMENT IN A PEACEFUL WORLD

Complete text

In order to assist in the preparation of a treaty on general and complete disarmament in a peaceful world, the United States submits the following outline of basic provisions of such a treaty.

A. Objectives

1. To ensure that (a) disarmament is general and complete and war is no longer an instrument for settling international problems, and (b) general and complete disarmament is accompanied by the establishment of reliable procedures for the settlement of disputes and by effective arrangements for the maintenance of peace in accordance with the principles of the Charter of the United Nations.

2. Taking into account paragraphs 3 and 4 below, to provide, with respect to the military establishment of every nation, for:

(a) Disbanding of armed forces, dismantling of military establishments, including bases, cessation of the production of armaments as well as their liquidation or conversion to peaceful uses;

(b) Elimination of all stockpiles of nuclear, chemical, biological, and other weapons of mass destruction and cessation of the production of such weapons;

(c) Elimination of all means of delivery of weapons of mass destruction;

(d) Abolition of the organizations and institutions designed to organize the military efforts of states, cessation of military training, and closing of all military training institutions;

(e) Discontinuance of military expenditures.

3. To ensure that, at the completion of the program for general and complete disarmament, states would have at their disposal only those non-nuclear armaments, forces, facilities and establishments as are agreed to be necessary to maintain internal order and protect the personal security of citizens.

4. To ensure that during and after implementation of general and complete disarmament, states also would support and provide agreed manpower for a United Nations Peace Force to be equipped with agreed types of armaments necessary to ensure that the United Nations can effectively deter or suppress any threat or use of arms.

5. To establish and provide for the effective operation of an International Disarmament Organization within the framework of the United Nations for the purpose of ensuring that all obligations under the disarmament program would be honored and observed during and after implementation of general and complete disarmament; and to this end to ensure that the International Disarmament Organization and its inspectors would have unrestricted access without veto to all places as necessary for the purpose of effective verification.

B. Principles

The guiding principles during the achievement of these objectives are:

1. Disarmament would be implemented until it is completed by stages to be carried out within specified time limits.

2. Disarmament would be balanced so that at no stage of the implementation of the treaty could any state or group of states gain military advantage, and so that security would be ensured equally for all.

3. Compliance with all disarmament obligations would be effectively verified during and after their entry into force. Verification arrangements would be instituted progressively as necessary to ensure throughout the disarmament process that agreed levels of armaments and armed forces were not exceeded.

4. As national armaments are reduced, the United Nations would be progressively strengthened in order to improve its capacity to ensure international security and the peaceful settlement of differences as well as to facilitate the development of international cooperation in common tasks for the benefit of mankind.

5. Transition from one stage of disarmament to the next would take place upon decision that all measures in the preceding stage had been implemented and verified and that any additional arrangements required for measures in the next stage were ready to operate.

Introduction

The Treaty would contain three stages designed to achieve a permanent state of general and complete disarmament in a peaceful world. The Treaty would enter into force upon the signature and ratification of the United States of America, the Union of Soviet Socialist Republics and such other states as might be agreed. Stage II would begin when all militarily significant states had become Parties to the Treaty and other transition requirements had been satisfied. Stage III would begin when all states possessing armed forces and armaments had become Parties to the Treaty and other transition requirements had been satisfied. Disarmament, verification, and measures for keeping the peace would proceed progressively and proportionately beginning with the entry into force of the Treaty.

Stage I

Stage I would begin upon the entry into force of the Treaty and would be completed within three years from that date.

During Stage I the Parties to the Treaty would undertake:

1. To reduce their armaments and armed forces and to carry out other agreed measures in the manner outlined below;

2. To establish the International Disarmament Organization upon the entry into force of the Treaty in order to ensure the verification in the agreed manner of the obligations undertaken; and

3. To strengthen arrangements for keeping the peace through the measures outlined below.

A. Armaments

1. Reduction of Armaments

a. Specified Parties to the Treaty, as a first stage toward general and complete disarmament in a peaceful world, would reduce by thirty percent the armaments in each category listed in subparagraph b below. Except as adjustments for production would be permitted in Stage I in accordance with paragraph 3 below, each type of armament in the categories listed in subparagraph b would be reduced by thirty percent of the inventory existing at an agreed date.

b. All types of armaments within agreed categories would be subject to reduction in Stage I (the following list of categories, and of types within categories, is illustrative):

(1) Armed combat aircraft having an empty weight of 40,000 kilograms or greater; missiles having a range of 5,000 kilometers or greater, together with their related fixed launching pads; and submarine-launched missiles and air-to-surface missiles having a range of 300 kilometers or greater.

(Within this category, the United States, for example, would declare as types of armaments: the B-52 aircraft; Atlas missiles together with their related fixed launching pads; Titan missiles together with their related fixed launching pads; Polaris missiles; Hound Dog missiles; and each new type of armament, such as Minuteman missiles, which came within the category discription, together with, where applicable, their related fixed launching pads. The declared inventory of types within the category by other Parties to the Treaty would be similarly detailed).

(2) Armed combat aircraft having an empty weight of between 15,000 kilograms and 40,000 kilograms and those missiles not included in category (1) having a range between 300 kilometers and 5,000 kilometers, together with any related fixed launching pads. (The Parties would declare their armaments by types within the category).

(3) Armed combat aircraft having an empty weight of between 2,500 and 15,000 kilograms. (The Parties would declare their armaments by types within the category).

(4) Surface-to-surface (including submarine-launched missiles) and air-to-surface aerodynamic and ballistic missiles and free rockets having a range of between 10 kilometers and 300 kilometers, together with any related fixed launching pads. (The Parties would declare their armaments by types within the category).

(5) Anti-missile missile systems, together with related fixed launching pads. (The Parties would declare their armaments by types within the category).

(6) Surface-to-air missiles other than anti-missile missile systems, together with any related fixed launching pads. (The Parties would declare their armaments by types within the category).

(7) Tanks. (The Parties would declare their armaments by types within the category).

(8) Armored cars and armored personnel carriers. (The Parties would declare their armaments by types within the category).

(9) All artillery, and mortars and rocket launchers having a caliber of 100 mm. or

greater. (The Parties would declare their armaments within the category).

(10) Combatant ships with standard displacement of 400 tons or greater of the following classes: Aircraft carriers, battleships, cruisers, destroyer types and submarines. (The Parties would declare their armaments by types within the category).

2. Method of Reduction

a. Those Parties to the Treaty which were subject to the reduction of armaments would submit to the International Disarmament Organization an appropriate declaration respecting inventories of their armaments existing at the agreed date.

b. The reduction would be accomplished in three steps, each consisting of one year. One-third of the reduction to be made during Stage I would be carried out during each step.

c. During the first part of each step, one-third of the armaments to be eliminated during Stage I would be placed in depots under supervision of the International Disarmament Organization. During the second part of each step, the deposited armaments would be destroyed or, where appropriate, converted to peaceful uses. The number and location of such depots and arrangements respecting their establishment and operation would be set forth in an annex to the Treaty.

d. In accordance with arrangements which would be set forth in a Treaty annex on verification, the International Disarmament Organization would verify the foregoing reduction and would provide assurance that armaments did not exceed agreed levels.

3. Limitation on Production of Armaments and on Related Activities

a. Production of all armaments listed in subparagraph b of paragraph 1 above would be limited to agreed allowances during Stage I and, by the beginning of Stage II, would be halted except for production within agreed limits of parts for maintenance of the agreed retained armaments.

b. The allowances would permit limited production in each of the categories of armaments listed in subparagraph b of paragraph 1 above. In all instances during the process of eliminating production of armaments:

(1) any armament produced within a category would be compensated for by an additional armament destroyed within that category to the end that the ten percent reduction in numbers in each category in each step, and the resulting thirty percent reduction in Stage I, would be achieved; and furthermore

(2) in the case of armed combat aircraft having an empty weight of 15,000 kilograms or greater and of missiles having a range of 300 kilometers or greater, the destructive capability of any such armaments produced within a category would be compensated for by the destruction of sufficient armaments within that category to the end that the ten percent reduction in destructive capability as well as numbers in each of these categories in each step, and the resulting thirty percent reduction in Stage I, would be achieved.

c. Should a Party to the Treaty elect to reduce its production in any category at a more rapid rate than required by the allowances provided in subparagraph b above, that Party would be entitled to retain existing armaments to the extent of the unused portion of its production allowance. In any such instance, any armament so retained would be compensated for in the manner set forth in subparagraph b (1) and, where applicable, b (2) above to the end that the ten percent reduction in numbers and, where applicable, destructive capability in each category in each step, and the resulting thirty percent reduction in Stage I, would be achieved.

d. The flight testing of missiles would be limited to agreed annual quotas.

e. In accordance with arrangements which would be set forth in the annex on verification, the International Disarmament Organization would verify the foregoing measures at declared locations and would provide assurance that activities subject to the foregoing measures were not conducted at undeclared locations.

4. Additional Measures

The Parties to the Treaty would agree to examine unresolved questions relating to means of accomplishing in Stages II and III the reduction and eventual elimination of production and stockpiles of chemical and biological weapons of mass destruction. In light of this examination, the Parties to the Treaty would agree to arrangements concerning chemical and biological weapons of mass destruction.

B. Armed Forces

1. Reduction of Armed Forces

Force levels for the United States of America and the Union of Soviet Socialist Republics would be reduced to 2.1 million each and for other specified Parties to the Treaty to agreed levels not exceeding 2.1 million each. All other Parties to the Treaty would, with agreed exceptions, reduce their force levels to 100,000 or one percent of their population, whichever were higher, provided that in no case would the force levels of such other Parties to the Treaty exceed levels in existence upon the entry into force of the Treaty.

2. Armed Forces Subject to Reduction

Agreed force levels would include all full-time, uniformed personnel maintained by national governments in the following categories:

a. Career personnel of active armed forces and other personnel serving in the active armed forces on fixed engagements or contracts.

b. Conscripts performing their required period of full-time active duty as fixed by national law.

c. Personnel of military organized security forces and of other forces or organizations equipped and organized to perform a military mission.

3. Method of Reduction of Armed Forces

The reduction of force levels would be carried out in the following manner:

a. Those Parties to the Treaty which were subject to the foregoing reductions would submit to the International Disarmament Organization a declaration stating their force levels at the agreed date.

b. Force level reductions would be accomplished in three steps, each having a duration of one year. During each step force levels would be reduced by one-third of the difference between force levels existing at the agreed date and the levels to be reached at the end of Stage I.

c. In accordance with arrangements that would be set forth in the annex on verification, the International Disarmament Organization would verify the reduction of force levels and provide assurance that retained forces did not exceed agreed levels.

4. Additional Measures

The Parties to the Treaty which were subject to the foregoing reductions would agree upon appropriate arrangements, including procedures for consultation, in order to ensure that civilian employment by military establishments would be in accordance with the objectives of the obligations respecting force levels.

C. Nuclear weapons

1. Production of Fissionable Materials for Nuclear Weapons

a. The Parties to the Treaty would halt the production of fissionable materials for use in nuclear weapons.

b. This measure would be carried out in the following manner:

(1) The Parties to the Treaty would submit to the International Disarmament Organization a declaration listing by name, location and production capacity every facility under their jurisdiction capable of producing and processing fissionable materials at the agreed date.

(2) Production of fissionable materials for purposes other than use in nuclear weapons would be limited to agreed levels. The Parties to the Treaty would submit to the International Disarmament Organization periodic declarations stating the amounts and types of fissionable materials which were still being produced at each facility.

(3) In accordance with arrangements which would be set forth in the annex on verification, the International Disarmament Organization would verify the foregoing measures at declared facilities and would provide assurance that activities subject to the foregoing limitations were not conducted at undeclared facilities.

2. Transfer of Fissionable Material to Purposes Other Than Use in Nuclear Weapons

a. Upon the cessation of production of fissionable materials for use in nuclear weapons, the United States of America and the Union of Soviet Socialist Republics would each transfer to purposes other than use in nuclear weapons an agreed quantity of weapons-grade U-235 from past production. The purposes for which such materials would be used would be determined by the state to which the material belonged, provided that such materials were not used in nuclear weapons.

b. To ensure that the transferred materials were not used un nuclear weapons, such materials would be placed under safeguards and inspection by the International Disarmament Organization either in stockpiles or at the facilities in which they would be utilized for purposes other than use in nuclear weapons. Arrangements for such safeguards and inspection would be set forth in the annex on verification.

3. Transfer of Fissionable Materials Between States for Peaceful Uses of Nuclear Energy

a. Any transfer of fissionable materials between states would be for purposes other than for use in nuclear weapons and would be subject to a system of safeguards to ensure that such materials were not used in nuclear weapons.

b. The system of safeguards to be applied for this purpose would be developed in agreement with the International Atomic Energy Agency and would be set forth in an annex to the Treaty.

4. Non-Transfer of Nuclear Weapons

The Parties to the Treaty would agree to seek to prevent the creation of further national nuclear forces. To this end the Parties would agree that:

a. Any Party to the Treaty which had manufactured, or which at any time manufactures, a nuclear weapon would:

(1) Not transfer control over any nuclear weapons to a state which had not manufactured a nuclear weapon before an agreed date;

(2) Not assist any such state in manufacturing any nuclear weapons.

b. Any Party to the Treaty which had not manufactured a nuclear weapon before the agreed date would:

(1) Not acquire, or attempt to acquire, control over any nuclear weapons;

(2) Not manufacture, or attempt to manufacture, any nuclear weapons.

5. Nuclear Weapons Test Explosions

a. If an agreement prohibiting nuclear weapons test explosions and providing for effective international control had come into force prior to the entry into force of the Treaty, such agreement would become an annex to the Treaty, and all the Parties to the Treaty would be bound by the obligations specified in the agreement.

b. If, however, no such agreement had come into force prior to the entry into force of the Treaty, all nuclear weapons test explosions would be prohibited, and the procedures for effective international control would be set forth in an annex to the Treaty.

6. Additional Measures

The Parties to the Treaty would agree to examine remaining unresolved questions relating to the means of accomplishing in Stages II and III the reduction and eventual elimination of nuclear weapons stockpiles. In the light of this examination, the Parties to the Treaty would agree to arrangements concerning nuclear weapons stockpiles.

D. Outer Space

1. Prohibition of Weapons of Mass Destruction in Orbit

The Parties to the Treaty would agree not to place in orbit weapons capable of producing mass destruction.

2. Peaceful Cooperation in Space

The Parties to the Treaty would agree to support increased international cooperation in peaceful uses of outer space in the United Nations or through other appropriate arrangements.

3. Notification and Pre-launch Inspection

With respect to the launching of space vehicles and missiles:

a. Those Parties to the Treaty which conducted launchings of space vehicles or missiles would provide advance notification of such launchings to other Parties to the Treaty and to the International Disarmament Organization together with the track of the space vehicle or missile. Such advance notification would be provided on a timely basis to permit pre-launch inspection of the space vehicle or missile to be launched.

b. In accordance with arrangements which would be set forth in the annex on verification, the International Disarmament Organization would conduct pre-launch inspection of space vehicles and missiles and would establish and operate any arrangements necessary for detecting unreported launchings.

4. Limitations on Production and on Related Activities

The production, stockpiling and testing of boosters for space vehicles would be subject to agreed limitations. Such activities would be monitored by the International Disarmament Organization in accordance with arrangements which would be set forth in the annex on verification.

E. Military expenditures

1. Report on Expenditures

The Parties to the Treaty would submit to the International Disarmament Organization at the end of each step of each stage a report on their military expenditures. Such reports would include an itemization of military expenditures.

2. Verifiable Reduction of Expenditures

The Parties to the Treaty would agree to examine questions related to the verifiable reduction of military expenditures. In the light of this examination, the Parties to the Treaty would consider appropriate arrangements respecting military expenditures.

F. Reduction of the risk of war

In order to promote confidence and reduce the risk of war, the Parties to the Treaty would agree to the following measures:

1. Advance Notification of Military Movements and Maneuvers

Specified Parties to the Treaty would give advance notification of major military movements and maneuvers to other Parties to the Treaty and to the International Disarmament Organization. Specific arrangements relating to this commitment, including the scale of movements and maneuvers to be reported and the information to be transmitted, would be agreed.

2. Observation Posts

Specified Parties to the Treaty would permit observation posts to be established at agreed locations, including major ports, railway centers, motor highways, river crossings, and air bases to report on concentrations and movements of military forces. The number of such posts could be progressively expanded in each successive step of Stage I. Specific arrangements relating to such observation posts, including the location and staffing of posts, the method of receiving and reporting information, and the schedule for installation of posts would be agreed.

3. Additional Observation Arrangements

The Parties to the Treaty would establish such additional observation arrangements as might be agreed. Such arrangements could be extended in an agreed manner during each step of Stage I.

4. Exchange of Military Missions

Specified Parties to the Treaty would undertake the exchange of military missions between states or groups of states in order to improve communications and understanding between them. Specific arrangements respecting such exchanges would be agreed.

5. Communications Between Heads of Government

Specified Parties to the Treaty would agree to the establishment of rapid and reliable communications among their heads of government and with the Secretary General of the United Nations. Specific arrangements in this regard would be subject to agreement among the Parties concerned and between such Parties and the Secretary General.

6. International Commission on Reduction of the Risk of War

The Parties to the Treaty would establish an International Commission on Reduction of the Risk of War as a subsidiary body of the International Disarmament Organization to examine and make recommendations regarding further measures that might be undertaken during Stage I or subsequent stages of disarmament to reduce the risk of war by accident, miscalculation, failure of communications, or surprise attack. Specific arrangements for such measures as might be agreed to by all or some of the Parties to the Treaty would be subject to ageement among the Parties concerned.

G. The international disarmament organization

1. Establishment of the International Disarmament Organization

The International Disarmament Organization would be established upon the entry into force of the Treaty and would function within the framework of the United Nations and in accordance with the terms and conditions of the Treaty.

2. Cooperation of the Parties to the Treaty

The Parties to the Treaty would agree to cooperate promptly and fully with the International Disarmament Organization and to assist the International Disarmament Organization in the performance of its functions and in the execution of the decisions made by it in accordance with the provisions of the Treaty.

3. Verification Functions of the International Disarmament Organization

The International Disarmament Organization would verify disarmament measures in accordance with the following principles which would be implemented through specific arrangements set forth in the annex on verification:

a. Measures providing for reduction of armaments would be verified by the International Disarmament Organization at agreed depots and would include verification of the destruction of armaments and, where appropriate, verification of the conversion of armaments to peaceful uses. Measures providing for reduction of armed forces would be verified by the International Disarmament Organization either at the agreed depots or other agreed locations.

b. Measures halting or limiting production, testing, and other specified activities would be verified by the International Disarmament Organization. Parties to the Treaty would declare the nature and location of all production and testing facilities and other specified activities. The International Disarmament Organization would have access to relevant facilities and activities wherever located in the territory of such Parties.

c. Assurance that agreed levels of armaments and armed forces were not exceeded and that activities limited or prohibited by the Treaty were not being conducted clandestinely would be provided by the International Disarmament Organization through agreed arrangements which would have the effect of providing that the extent of inspection during any step or stage would be related to the amount of disarmament being undertaken and to the degree of risk to the Parties to the Treaty of possible violations. This might be accomplished, for example, by an arrangement embodying such features as the following:

(1) All parts of the territory of those Parties to the Treaty to which this form of veri-

fication was applicable would be subject to selection for inspection from the beginning of Stage I as provided below.

(2) Parties to the Treaty would divide their territory into an agreed number of appropriate zones and at the beginning of each step of disarmament would submit to the International Disarmament Organization a declaration stating the total level of armaments, forces, and specified types of activities subject to verification within each zone. The exact location of armaments and forces within a zone would not be revealed prior to its selection for inspection.

(3) An agreed number of these zones would be progressively inspected by the International Disarmament Organization during Stage I according to an agreed time schedule. The zones to be inspected would be selected by procedures which would ensure their selection by Parties to the Treaty other than the Party whose territory was to be inspected or any Party associated with it. Upon selection of each zone, the Party to the Treaty whose territory was to be inspected would declare the exact location of armaments, forces and other agreed activities within the selected zone. During the verification process, arrangements would be made to provide assurance against undeclared movements of the objects of verification to or from the zone or zones being inspected. Both aerial and mobile ground inspection would be employed within the zone being inspected. In so far as agreed measures being verified were concerned, access within the zone would be free and unimpeded, and verification would be carried out with the full cooperation of the state being inspected.

(4) Once a zone had been inspected it would remain open for further inspection while verification was being extended to additional zones.

(5) By the end of Stage III, when all disarmament measures had been completed, inspection would have been extended to all parts of the territory of Parties to the Treaty.

4. Composition of the International Disarmament Organization

a. The International Disarmament Organization would have:

(1) A General Conference of all the Parties to the Treaty;

(2) A Control Council consisting of representatives of all the major signatory powers as permanent members and certain other Parties to the Treaty on a rotating basis; and

(3) An Administrator who would administer the International Disarmament Organization under the direction of the Control Council and who would have the authority, staff, and finances adequate to ensure effective and impartial implementation of the functions of the International Disarmament Organization.

b. The General Conference and the Control Council would have power to establish such subsidiary bodies, including expert study groups, as either of them might deem necessary.

5. Function of the General Conference

The General Conference would have the following functions, among others which might be agreed:

a. Electing non-permanent members to the Control Council;

b. Approving certain accessions to the Treaty;

c. Appointing the Administrator upon recommendation of the Control Council;

d. Approving agreements between the International Disarmament Organization and the United Nations and other international organizations;

e. Approving the budget of the International Disarmament Organization;

f. Requesting and receiving reports from the Control Council and deciding upon matters referred to it by the Control Council;

g. Approving reports to be submitted to bodies of the United Nations;

h. Proposing matters for consideration by the Control Council;

i. Requesting the International Court of Justice to give advisory opinions on legal questions concerning the interpretation or application of the Treaty, subject to a general authorization of this power by the General Assembly of the United Nations;

j. Approving amendments to the Treaty for possible ratification by the Parties to the Treaty;

k. Considering matters of mutual interest pertaining to the Treaty or disarmament in general.

6. Functions of the Control Council

The Control Council would have the following functions, among others which might be agreed:

a. Recommending appointment of the Administrator;

b. Adopting rules for implementing the terms of the Treaty;

c. Establishing procedures and standards for the installation and operation of the verification arrangements, and maintaining supervision over such arrangements and the Administrator;

d. Establishing procedures for making available to the Parties to the Treaty data produced by verification arrangements;

e. Considering reports of the Administrator on the progress of disarmament measures and of their verification, and on the installation and operation of the verification arrangements;

f. Recommending to the Conference approval of the budget of the International Disarmament Organization;

g. Requesting the International Court of Justice to give advisory opinions on legal questions concerning the interpretation or application of the Treaty, subject to a general authorization of this power by the General Assembly of the United Nations;

h. Recommending to the Conference approval of certain accessions to the Treaty;

i. Considering matters of mutual interest pertaining to the Treaty or to disarmament in general.

7. Functions of the Administrator

The Administrator would have the following functions, among others which might be agreed:

a. Administering the installation and operation of the verification arrangements, and serving as Chief Executive Officer of the International Disarmament Organization;

b. Making available to the Parties to the Treaty data produced by the verification arrangements;

c. Preparing the budget of the International Disarmament Organization;

d. Making reports to the Control Council on the progress of disarmament measures and of their verification, and on the installation and operation of the verification arrangements.

8. Privileges and Immunities

The privileges and immunities which the Parties to the Treaty would grant to the International Disarmament Organization and its staff and to the representatives of the Parties to the International Disarmament Organization should enjoy in the territory of each of the Parties to the Treaty would be specified in an annex to the Treaty.

9. Relations with the United Nations and Other International Organizations

a. The International Disarmament Organization, being established within the framework of the United Nations, would conduct its activities in accordance with the purposes and principles of the United Nations. It would maintain close working arrangements with the United Nations, and the Administrator of the International Disarmament Organization would consult with the Secretary General of the United Nations on matters of mutual interest.

b. The Control Council of the International Disarmament Organization would transmit to the United Nations annual and other reports on the activities of the International Disarmament Organization.

c. Principal organs of the United Nations could make recommendations to the International Disarmament Organization, which would consider them and report to the United Nations on action taken.

NOTE: The above outline does not cover all the possible details or aspects of relationships between the International Disarmament Organization and the United Nations.

H. Measures to strengthen arrangements for keeping the peace

1 Obligations Concerning the Threat of Use of Force

The Parties to the Treaty would undertake obligations to refrain, in their international relations, from the threat or use of force of any type—including nuclear, conventional, chemical or biological means of warfare—contrary to the purposes and principles of the United Nations Charter.

2. Rules of International Conduct

a. The Parties to the Treaty would agree to support a study by a subsidiary body of the International Disarmament Organization of the codification and progressive development of rules of international conduct related to disarmament.

b. The Parties to the Treaty would refrain from indirect aggression and subversion. The subsidiary body provided for in subparagraph a would also study methods of assuring states against indirect aggression or subversion.

3. Peaceful Settlement of Disputes

a. The Parties to the Treaty would utilize all appropriate processes for the peaceful settlement of all disputes which might arise between them and any other state, whether or not a Party to the Treaty, including negotiation, inquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, submission to the Security Council or the General Assembly of the United Nations, or other peaceful means of their choice.

b. The Parties to the Treaty would agree that disputes concerning the interpretation or application of the Treaty which were not settled by negotiation or by the International Disarmament Organization would be subject to referral by any party to the dispute to the International Court of Justice, unless the parties concerned agreed on another mode of settlement.

c. The Parties to the Treaty would agree to support a study under the General Assembly of the United Nations of measures which should be undertaken to make existing arrangements for the peaceful settlement of international disputes, whether legal or political in nature, more effective; and to institute new procedures and arrangements where needed.

4. Maintenance of International Peace and Security

The Parties to the Treaty would agree to support measures strengthening the structure, authority, and operation of the United Nations so as to improve its capability to maintain international peace and security.

5. United Nations Peace Force

The Parties to the Treaty would undertake to develop arrangements during Stage I for the establishment in Stage II of a United Nations Peace Force. To this end, the Parties to the Treaty would agree on the following measures within the United Nations:

a. Examination of the experience of the United Nations leading to a further strengthening of United Nations forces for keeping the peace;

b. Examination of the feasibility of concluding promptly the agreements envisaged in Article 43 of the United Nations Charter;

c. Conclusion of an agreement for the establishment of a United Nations Peace Force in Stage II, including definitions of its purpose, mission, composition and strength, disposition, command and control, training, logistical support, financing, equipment and armaments.

6. United Nations Peace Observation Corps

The Parties to the Treaty would agree to support the establishment within the United Nations of a Peace Observation Corps, staffed with a standing cadre of observers who could be dispatched promptly to investigate any situation which might constitute a threat to or a breach of the peace. Elements of the Peace Observation Corps could also be stationed as appropriate in selected areas throughout the world.

I. Transition

1. Transition from Stage I to Stage II would take place at the end of Stage I, upon a determination that the following circumstances existed.

a. All undertakings to be carried out in Stage I had been carried out.

b. All preparations required for Stage II had been made; and

c. All militarily significant states had become Parties to the Treaty.

2. During the last three months of Stage I, the Control Council would review the situation respecting these circumstances with a view to determining whether these circumstances existed at the end of Stage I

3. If, at the end of Stage I, one or more permanent members of the Control Council should declare that the foregoing circumstances did not exist, the agreed period of Stage I would, upon the request of such permanent member or members, be extended by a period or periods totalling no more than three months for the purpose of bringing about the foregoing circumstances

4. If, upon the expiration of such period or periods, one or more of the permanent members of the Control Council should declare that the foregoing circumstances still did not exist, the question would be placed before a special session of the Security Council; transition to Stage II would take place upon a determination by the Security Council that the foregoing circumstances did in fact exist

Stage II

Stage II would begin upon the transition from Stage I and would be completed within three years from that date.

During Stage II, the Parties to the Treaty would undertake:

1. To continue all obligations undertaken during Stage I;

2. To reduce further the armaments and armed forces reduced during Stage I and to carry out additional measures of disarmament in the manner outlined below;

3. To ensure that the International Disarmament Organization would have the capacity to verify in the agreed manner the obligations undertaken during Stage II; and

4. To strengthen further the arrangements for keeping the peace through the establishment of a United Nations Peace Force and through the additional measures outlined below.

A. Armaments

1. Reduction of Armaments

a. Those Parties to the Treaty which during Stage I reduced their armaments in agreed categories by thirty percent would during Stage II further reduce each type of armaments in the catgegories listed in Section A, subparagraph 1.b of Stage I by fifty percent of the inventory existing at the end of Stage I.

b. Those Parties to the Treaty which had not been subject to measures for the reduction of armaments during Stage I would submit to the International Disarmament Organization an appropriate declaration respecting the inventories by types, within the categories listed in Stage I, of their armaments existing at the beginning of Stage II. Such Parties to the Treaty would during Stage II reduce the inventory of each type of such armaments by sixty-five percent in order that such Parties would accomplish the same total percentage of reduction by the end of Stage II as would be accomplished by those Parties to the Treaty which had reduced their armaments by thirty percent in Stage I.

2. Additional Armaments Subject to Reduction

a. The Parties to the Treaty would submit to the International Disarmament Organization a declaration respecting their inventories existing at the beginning of Stage II of the additional types of armaments in the categories listed in subparagraph b below, and would during Stage II reduce the inventory of each type of such armaments by fifty percent.

b. All types of armaments within further agreed categories would be subject to reduction in Stage II (the following list of categories is illustrative):

(1) Armed combat aircraft having an empty weight of up to 2,500 kilograms (declarations by types).

(2) Specified types of unarmed military aircraft (declarations by types).

(3) Missiles and free rockets having a range of less than 10 kilometers (declarations by types).

(4) Mortars and rocket launchers having a caliber of less than 100 mm. (declarations by types).

(5) Specified types of unarmored personnel carriers and transport vehicles (declarations by types).

(6) Combatant ships with standard displacement of 400 tons or greater which had not been included among the armaments listed in Stage I, and combatant ships with standard displacement of less than 400 tons (declarations by types).

(7) Specified types of non-combatant naval vessels (declarations by types).

(8) Specified types of small arms (declarations by types).

c. Specified categories of ammunition for armaments listed in Stage I, Section A, subparagraph 1.b and in subparagraph b above would be reduced to levels consistent with the levels of armaments agreed for the end of Stage II.

3. Method of Reduction

The foregoing measures would be carried out and would be verified by the International Disarmament Organization in a manner corresponding to that provided for in Stage I, Section A, paragraph 2.

4. Limitation on Production of Armaments and on Related Activities

a. The Parties to the Treaty would halt the production of armaments in the specified categories except for production, within agreed limits, of parts required for maintenance of the agreed retained armaments.

b. The production of ammunition in specified categories would be reduced to agreed levels consistent with the levels of armaments agreed for the end of Stage II.

c. The Parties to the Treaty would halt development and testing of new types of armaments. The flight testing of existing types of missiles would be limited to agreed annual quotas.

d. In accordance with arrangements which would be set forth in the annex on verification, the International Disarmament Organization would verify the foregoing measures at declared locations and would provide assurance that activities subject to the foregoing measures were not conducted at undeclared locations.

5. Additional Measures

a. In the light of their examination during Stage I of the means of accomplishing the reduction and eventual elimination of production and stockpiles of chemical and biological weapons of mass destruction, the Parties to the Treaty would undertake the following measures respecting such weapons:

(1) The cessation of all production and field testing of chemical and biological weapons of mass destruction.

(2) The reduction, by agreed categories, of stockpiles of chemical and biological weapons of mass destruction to levels fifty percent below those existing at the beginning of Stage II.

(3) The dismantling or conversion to peaceful uses of all facilities engaged in the production or field testing of chemical and biological weapons of mass destruction.

b. The foregoing measures would be carried out in an agreed sequence and through arrangements which would be set forth in an annex to the Treaty.

c. In accordance with arrangements which would be set forth in the annex on verification the International Disarmament Organization would verify the foregoing measures and would provide assurance that retained levels of chemical and biological weapons did not exceed agreed levels and that activities subject to the foregoing limitations were not conducted at undeclared locations.

B. Armed Forces

1. Reduction of Armed Forces

a. Those Parties to the Treaty which had been subject to measures providing for reduction of force levels during Stage I would further reduce their force levels on the following basis:

(1) Force levels of the United States of America and the Union of Soviet Socialist Republics would be reduced to levels fifty percent below the levels agreed for the end of Stage I.

(2) Force levels of other Parties to the Treaty which had been subject to measures providing for the reduction of force levels during Stage I would be further reduced, on the basis of an agreed percentage, below the levels agreed for the end of Stage I to levels which would not in any case exceed the agreed level for the United States of America and the Union of Soviet Socialist Republics at the end of Stage II.

b. Those Parties to the Treaty which had not been subject to measures providing for the reduction of armed forces during Stage I would reduce their force levels to agreed levels consistent with those to be reached by other Parties which had reduced their force levels during Stage I as well as Stage II. In no case would such agreed levels exceed the agreed level for the United States of America and the Union of Soviet Socialist Republics at the end of Stage II.

c. Agreed levels of armed forces would include all personnel in the categories set forth in Section B, paragraph 2 of Stage I.

2. Method of Reduction

The further reduction of force levels would be carried out and would be verified by the International Disarmament Organization in a manner corresponding to that provided for in Section B, paragraph 3 of Stage I.

3. Additional Measures

Agreed limitations consistent with retained force levels would be placed on compulsory military training, and on refresher training for reserve forces of the Parties to the Treaty.

C. Nuclear Weapons

1. Reduction of Nuclear Weapons

In the light of their examination during Stage I of the means of accomplishing the reduction and eventual elimination of nuclear weapons stockpiles, the Parties to the Treaty would undertake to reduce in the following manner remaining nuclear weapons and fissionable materials for use in nuclear weapons:

a. The Parties to the Treaty would submit to the International Disarmament Organization a declaration stating the amounts, types and nature of utilization of all their fissionable materials.

b. The Parties to the Treaty would reduce the amounts and types of fissionable materials declared for use in nuclear weapons to minimum levels on the basis of agreed percentages. The foregoing reduction would be accomplished through the transfer of such materials to purposes other than use in nuclear weapons. The purposes for which such materials would be used would be determined by the state to which the materials belonged, provided that such materials were not used in nuclear weapons.

c. The Parties to the Treaty would destroy the non-nuclear components and assemblies of nuclear weapons from which fissionable materials had been removed to effect the foregoing reduction of fissionable materials for use in nuclear weapons.

d. Production or refabrication of nuclear weapons from any remaining fissionable materials would be subject to agreed limitations.

e. The foregoing measures would be carried out in an agreed sequence and through arrangements which would be set forth in an annex to the Treaty.

f. In accordance with arrangements that would be set forth in the verification annex to the Treaty, the International Disarmament Organization would verify the foregoing measures at declared locations and would provide assurance that activities subject to the foregoing limitations were not conducted at undeclared locations.

2. Registration of Nuclear Weapons for Verification Purposes

To facilitate verification during Stage III that no nuclear weapons remained at the disposal of the Parties to the Treaty, those Parties to the Treaty which possessed nuclear weapons would, during the last six months of Stage II, register and serialize their remaining nuclear weapons and would register remaining fissionable materials for use in such weapons. Such registration and serialization would be carried out with the International Disarmament Organization in accordance with procedures which would be set forth in the annex on verification.

D. Military Bases and Facilities

1. Reduction of Military Bases and Facilities

The Parties to the Treaty would dismantle or convert to peaceful uses agreed military bases and facilities, wherever they might be located.

2. Method of Reduction

a. The list of military bases and facilities subject to the foregoing measures and the sequence and arrangements for dismantling or converting them to peaceful uses would be set forth in an annex to the Treaty.

b. In accordance with arrangements which would be set forth in the annex on verification, the International Disarmament Organization would verify the foregoing measures.

E. Reduction of the Risk of War

In the light of the examination by the International Commission on Reduction of the Risk of War during Stage I the Parties to the Treaty would undertake such additional arrangements as appeared desirable to promote confidence and reduce the risk of war. The Parties to the Treaty would also consider extending and improving the measures undertaken in Stage I for this purpose. The Commission would remain in existence to examine extensions, improvements or additional measures which might be undertaken during and after Stage II.

F. The International Disarmament Organization

The International Disarmament Organization would be strengthened in the manner necessary to ensure its capacity to verify the measures undertaken in Stage II through an extension of the arrangements based upon the principles set forth in Section G, paragraph 3 of Stage I.

G. Measures To Strengthen Arrangements for Keeping the Peace

1. Peaceful Settlement of Disputes

a. In light of the study of peaceful settlement of disputes conducted during Stage I, the Parties to the Treaty would agree to such additional steps and arrangements as were necessary to assure the just and peaceful settlement of international disputes, whether legal or political in nature.

b. The Parties to the Treaty would undertake to accept without reservation, pursuant to Article 36, paragraph 1 of the Statute of the International Court of Justice, the compulsory jurisdiction of that Court to decide international legal disputes.

2. Rules of International Conduct

a. The Parties to the Treaty would continue their support of the study by the subsidiary body of the International Disarmament Organization initiated in Stage I to study the codification and progressive development of rules of international conduct related to disarmament. The Parties to the Treaty would agree to the establishment of procedures whereby rules recommended by the subsidiary body and approved by the Control Council would be circulated to all Parties to the Treaty and would become effective three months thereafter unless a majority of the Parties to the Treaty signified their disapproval, and whereby the Parties to the Treaty would be bound by rules which had become effective in this way unless, within a period of one year from the effective date, they formally notified the International Disarmament Organization that they did not consider themselves so bound. Using such procedures, the Parties to the Treaty would adopt such rules of international conduct related to disarmament as might be necessary to begin Stage III.

b. In the light of the study of indirect aggression and subversion conducted in Stage I, the Parties to the Treaty would agree to arrangements necessary to assure states against indirect aggression and subversion.

3. United Nations Peace Force

The United Nations Peace Force to be established as the result of the agreement reached during Stage I would come into being within the first year of Stage II and would be progressively strengthened during Stage II.

4. United Nations Peace Observation Corps

The Parties to the Treaty would conclude arrangements for the expansion of the activities of the United Nations Peace Observation Corps.

5. National Legislation

Those Parties to the Treaty which had not already done so would, in accordance with their constitutional processes, enact national legislation in support of the Treaty imposing legal obligations on individuals and organizations under their jurisdiction and providing appropriate penalties for noncompliance.

H. Transition

1. Transition from Stage II to Stage III would take place at the end of Stage II, upon a determination that the following circumstances existed:

a. All undertakings to be carried out in Stage II had been carried out;

b. All preparations required for Stage III had been made; and

c. All states possessing armed forces and armaments had become Parties to the Treaty.

2. During the last three months of Stage II, the Control Council would review the situation respecting these circumstances with a view to determining at the end of Stage II whether they existed.

3. If, at the end of Stage II, one or more permanent members of the Control Council should declare that the foregoing circumstances did not exist, the agreed period of Stage II would, upon the request of such permanent member or members, be extended by a period or periods totalling no more than three months for the purpose of bringing about the foregoing circumstances.

4. If, upon the expiration of such period or periods, one or more of the permanent members of the Control Council should declare that the foregoing circumstances still did not exist, the question would be placed before a special session of the Security Council; transition to Stage III would take place upon a determination by the Security Council that the foregoing circumstances did in fact exist.

Stage III

Stage III would begin upon the transition from Stage II and would be completed within an agreed period of time as promptly as possible.

During Stage III, the Parties to the Treaty would undertake:

1. To continue all obligations undertaken during Stages I and II;

2. To complete the process of general and complete disarmament in the manner outlined below;

3. To ensure that the International Disarmament Organization would have the capacity to verify in the agreed manner the obligations undertaken during Stage III and of continuing verification subsequent to the completion of Stage III; and

4. To strengthen further the arrangements for keeping the peace during and following the achievement of general and complete disarmament through the additional measures outlined below.

A. Armaments

1. Reduction of Armaments

Subject to agreed requirements for nonnuclear armaments of agreed types for national forces required to maintain internal order and protect the personal security of citizens, the Parties to the Treaty would eliminate all armaments remaining at their disposal at the end of Stage II.

2. Method of Reduction

a. The foregoing measure would be carried out in an agreed sequence and through arrangements that would be set forth in an annex to the Treaty.

b. In accordance with arrangements that would be set forth in the annex on verification, the International Disarmament Organization would verify the foregoing measures and would provide assurance that retained armaments were of the agreed types and did not exceed agreed levels.

3. Limitations on Production of Armaments and on Related Activities

a. Subject to agreed arrangements in support of national forces required to maintain internal order and protect the personal security of citizens and subject to agreed arrangements in support of the United Nations Peace Force, the Parties to the Treaty would halt all applied research, development, production, and testing of armaments and would cause to be dismantled or converted to peaceful uses all facilities for such purposes.

b. The foregoing measures would be carried out in an agreed sequence and through arrangements which would be set forth in an annex to the Treaty.

c. In accordance with arrangements which would be set forth in the annex on verification, the International Disarmament Organization would verify the foregoing measures at declared locations and would provide assurance that activities subject to the foregoing measures were not conducted at undeclared locations.

B. Armed Forces

1. Reduction of Armed Forces

To the end that upon completion of Stage III they would have at their disposal only those forces and organizational arrangements necessary for agreed forces to maintain internal order and protect the personal security of citizens and that they would be capable of providing agreed manpower for the United Nations Peace Force, the Parties to the Treaty would complete the reduction of their force levels, disband systems of reserve forces, cause to be disbanded organizational arrangements comprising and supporting their national military establishment, and terminate the employment of civilian personnel associated with the foregoing.

2. Method of Reduction

a. The foregoing measures would be carried out in an agreed sequence through arrangements which would be set forth in an annex to the Treaty.

b. In accordance with arrangements which would be set forth in the annex on verification, the International Disarmament Organization would verify the foregoing measures and would provide assurance that the only forces and organizational arrangements retained or subsequently established were those necessary for agreed forces required to maintain internal order and to protect the personal security of citizens and those for providing agreed manpower for the United Nations Peace Force.

3. Other Limitations

The Parties to the Treaty would halt all military conscription and would undertake to annul legislation concerning national military establishments or military service inconsistent with the foregoing measures.

C. Nuclear Weapons

1. Reduction of Nuclear Weapons

In light of the steps taken in Stages I and II to halt the production of fissionable material for use in nuclear weapons and to reduce nuclear weapons stockpiles, the Parties to the Treaty would eliminate all nuclear weapons remaining at their disposal, would cause to be dismantled or converted to peaceful use all facilities for production of such weapons, and would transfer all materials remaining at their disposal for use in such weapons to purposes other than use in such weapons.

2. Method of Reduction

a. The foregoing measures would be carried out in an agreed sequence and through arrangements which would be set forth in an annex to the Treaty.

b. In accordance with arrangements which would be set forth in the annex on verification, the International Disarmament Organization would verify the foregoing measures and would provide assurance that no nuclear weapons or materials for use in such weapons remained at the disposal of the Parties to the Treaty and that no such weapons or materials were produced at undeclared facilities.

D. Military Bases and Facilities

1. Reduction of Military Bases and Facilities

The Parties to the Treaty would dismantle or convert to peaceful uses the military bases and facilities remaining at their disposal, wherever they might be located, in an agreed sequence except for such agreed bases or facilities within the territory of the Parties to the Treaty for agreed forces required to maintain internal order and protect the personal security of citizens.

2. Method of Reduction

a. The list of military bases and facilities subject to the foregoing measure and the sequence and arrangements for dismantling or converting them to peaceful uses during Stage III would be set forth in an annex to the Treaty.

b. In accordance with arrangements which would be set forth in the annex on verification, the International Disarmament Organization would verify the foregoing measure at declared locations and provide assurance that there were no undeclared military bases and facilities.

E. Research and Development of Military Significance

1. Reporting Requirement

The Parties to the Treaty would undertake the following measures respecting research and development of military significance subsequent to Stage III:

a. The Parties to the Treaty would report to the International Disarmament Organization any basic scientific discovery and any technological invention having potential military significance.

b. The Control Council would establish such expert study groups as might be required to examine the potential military significance of such discoveries and inventions and, if necessary, to recommend appropriate measures for their control. In the light of such expert study, the Parties to the Treaty would, where necessary, establish agreed arrangements providing for verification by the International Disarmament Organization that such discoveries and inventions were not utilized for military purposes. Such arrangements would become an annex to the Treaty.

c. The Parties to the Treaty would agree to appropriate arrangements for protection of the ownership rights of all discoveries and inventions reported to the International Disarmament Organization in accordance with subparagraph a above.

2. International Cooperation

The Parties to the Treaty would agree to support full international cooperation in all fields of scientific research and development, and to engage in free exchange of scientific and technical information and free interchange of views among scientific and technical personnel.

F. Reduction of the Risk of War

1. Improved Measures

In the light of the Stage II examination by the International Commission on Reduction of the Risk of War, the Parties to the Treaty would undertake such extensions and improvements of existing arrangements and such additional arrangements as appeared desirable to promote confidence and reduce the risk of war. The Commission would remain in existance to examine extensions, improvements or additional measures which might be taken during and after Stage III.

2. Application of Measures to Continuing Forces

The Parties to the Treaty would apply to national forces required to maintain internal order and protect the personal security of citizens those applicable measures concerning the reduction of the risk of war that had been applied to national armed forces in Stages I and II.

G. International Disarmament Organization

The International Disarmament Organization would be strengthened in the manner necessary to ensure its capacity (1) to verify the measures undertaken in Stage III through an extension of arrangements based upon the principles set forth in Section G, paragraph 3 of Stage I so that by the end of Stage III, when all disarmament measures had been completed, inspection would have been extended to all parts of the territory of Parties to the Treaty; and (2) to provide continuing verification of disarmament after the completion of Stage III.

H. Measures to Strengthen Arrangements for Keeping the Peace

1. Peaceful Change and Settlement of Disputes

The Parties to the Treaty would undertake such additional steps and arrangements as were necessary to provide a basis for peaceful change in a disarmed world and to continue the just and peaceful settlement of all international disputes, whether legal or political in nature.

2. Rules of International Conduct

The Parties to the Treaty would continue the codification and progressive development of rules of international conduct related to disarmament in the manner provided in Stage II and by any other agreed procedure.

3. United Nations Peace Force

The Parties to the Treaty would progressively strengthen the United Nations Peace Force established in Stage II until it had sufficient armed forces and armaments so that no state could challenge it.

I. Completion of Stage III

1. At the end of the time period agreed for Stage III, the Control Council would review the situation with a view to determining whether all undertakings to be carried out in Stage III had been carried out.

2. In the event that one or more of the permanent members of the Control Council should declare that such undertakings had not been carried out, the agreed period of Stage III would, upon the request of such permanent member or members, be extended for a period or periods totalling no more than three months for the purpose of completing any uncompleted undertakings. If, upon the expiration of such period or periods, one or more of the permanent members of the Control Council should declare that such undertakings still had not been carried out, the question would be placed before a special session of the Security Council, which would determine whether Stage III had been completed.

3. After the completion of Stage III, the obligations undertaken in Stages I, II and III would continue.

GENERAL PROVISIONS APPLICABLE TO ALL STAGES

1. Subsequent Modifications or Amendments of the Treaty

The Parties to the Treaty would agree to specific procedures for considering amendments or modifications of the Treaty which were believed desirable by any Party to the Treaty in the light of experience in the early period of implementation of the Treaty. Such Procedures would include provision for a conference on revision of the Treaty after a specified period of time.

2. Interim Agreement

The Parties to the Treaty would undertake such specific arrangements, including the establishment of a Preparatory Commission, as were necessary between the signing and entry into force of the Treaty to ensure the initiation of Stage I immediately upon the entry into force of the Treaty, and to provide an interim forum for the exchange of views and information on topics relating to the Treaty and to the achievement of a permanent state of general and complete disarmament in a peaceful world.

3. Parties to the Treaty, Ratification, Accession, and Entry into Force of the Treaty.

A. The Treaty would be open to signature and ratification, or accession, by all members of the United Nations or its specialized agencies.

b. Any other state which desired to become a Party to the Treaty could accede to the Treaty with the approval of the conference on recommendation of the Control Council.

c. The Treaty would come into force when it had been ratified by———states, including the United States of America, the Union of Soviet Socialist Republics, and an agreed number of the following states:

———.

d. In order to assure the achievement of the fundamental purpose of a permanent state of general and complete disarmament in a peaceful world, the Treaty would specify that the accession of certain militarily significant states would be essential for the continued effectiveness of the Treaty or for the coming into force of particular measures or stages.

e. The Parties to the Treaty would undertake to exert every effort to induce other states or authorities to accede to the Treaty.

f. The Treaty would be subject to ratification or acceptance in accordance with constitutional processes.

g. A Depository Government would be agreed upon which would have all of the duties normally incumbent upon a Depository. Alternatively, the United Nations would be the Depository.

4. Finance

a. In order to meet the financial obligations of the International Disarmament Organization, the Parties to the Treaty would bear the International Disarmament Organization's expenses as provided in the budget approved by the General Conference and in accordance with a scale of apportionment approved by the General Conference.

b. The General Conference would exercise borrowing powers on behalf of the International Disarmament Organization.

5. Authentic Texts

The text of the Treaty would consist of equally authentic versions in English, French, Russian, Chinese and Spanish.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. RAHALL (at the request of Mr. WRIGHT), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. CAMPBELL) to revise and extend their remarks and include extraneous material:)

Mr. FRENZEL, for 20 minutes, today.

Mr. KEMP, for 10 minutes, today.

Mr. MCCLORY, for 15 minutes, on May 26, 1982.

(The following Members (at the request of Mr. TRAXLER) to revise and extend their remarks and include extraneous material:)

Mr. PHILLIP BURTON, for 10 minutes, today.

Mr. HOYER, for 5 minutes, today.

Mr. GONZALEZ, for 15 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. COELHO, for 5 minutes, today.

Mr. CONYERS, for 5 minutes, today.

Mr. WILLIAM J. COYNE, for 10 minutes, today.

Mr. BLANCHARD, for 5 minutes today.

Mrs. BOGGS, for 10 minutes, today.

Mr. BROWN of California, for 5 minutes, today.

Mr. STARK, for 5 minutes, today.

Mr. REUSS, for 20 minutes, today.

Mr. GAYDOS, for 60 minutes, on June 2, 1982.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. HOPKINS, to follow colloquy with Mr. DANNEMEYER earlier.

Mr. WEISS, notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $4,165.

(The following Members (at the request of Mr. CAMPBELL), and to include extraneous matter:)

Mr. MCDADE.

Mr. FORSYTHE in two instances.

Mrs. SNOWE in two instances.

Mr. LEE.

Mr. SHUMWAY.

Mr. CONTE.

Mr. DORNAN of California in two instances.

Mr. DERWINSKI in two instances.

Mr. DENARDIS in two instances.

Mr. GRISHAM.

Mr. COLLINS of Texas.

Mr. DOUGHERTY.

Mr. PAUL.

Mr. LEBOUTILLIER.

Mr. CONABLE.

Mr. ROGERS.

Mr. LOWERY of California.

Mr. GINGRICH.

Mr. MCCLORY.

Mr. CLINGER.

(The following Members (at the request of Mr. TRAXLER) and to include extraneous matter:)

Mr. BARNES.
Mr. DE LUGO in two instances.
Mr. SCHUMER.
Mr. GRAY.
Mr. O'NEILL.
Mr. YOUNG of Missouri.
Mr. BLANCHARD.
Mr. RANGEL.
Mr. LAFALCE.
Mr. CONYERS.
Mr. FRANK in two instances.
Mr. HUBBARD.
Mr. ASPIN.
Mr. WYDEN in two instances.
Mr. SIMON.
Mr. LEHMAN.
Mr. GARCIA.
Mr. FARY.
Mr. BOLLING.
Mr. DOWNEY.
Mr. EDGAR in two instances.
Mr. LUNDINE.

ENROLLED BILLS SIGNED

Mr. HAWKINS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 4769. An act to recognize the organization known as the American Council of Learned Societies.

BILL PRESENTED TO THE PRESIDENT

Mr. HAWKINS, from the Committee on House Administration, reported that that committee did on May 24, 1982, present to the President, for his approval, a bill of the House of the following title:

H.R. 1543. To confirm a conveyance of certain real property by the Central Pacific Railway Co. and Southern Pacific Co. to A. C. Taber and his wife, Mary Taber.

ADJOURNMENT

Mr. TRAXLER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 55 minutes p.m.), the House adjourned until Wednesday, May 26, 1982, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4007. A communication from the President of the United States, tansmitting proposed supplemental appropriations for fiscal year 1982 and amendments to the request for appropriations for the fiscal year 1983 (H. Doc. No. 97-185); to the Committee on Appropriations and ordered to be printed.

4008. A letter from the Comptroller General of the United States, transmitting his review of proposed recission of budget authority, five new deferrals and revisions to two previously reported deferrals, contained in the message of the President dated March 18, 1982, (H. Doc. No. 97-155), pursuant to sections 1012(a), 1013(a), and 1014(c) of Public Law 93-344 (H. Doc. No. 97-186); to the Committee on Appropriations and ordered to be printed.

4009. A letter from the Deputy Secretary of Energy, transmitting notice of a delay until the end of June in submission of the next semiannual report on the alternative fuels production program, required by title II of Public Law 96-126; to the Committee on Appropriations.

4010. A letter from the Assistant Secretary of the Air Force (research, development and logistics); transmitting notice of the proposed conversion to contractor performance of the commissary shelf-stocking and custodial services function at Nellis AFB, Nev., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

4011. A letter from the Assistant Secretary of the Air Force (research, Development and logistics); transmitting notice of the proposed conversion to contractor performance of the transient aircraft services function at March AFB, Calif., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

4012. A letter from the Acting Assistant Secretary of the Army (manpower and reserve affairs), transmitting a draft of proposed legislation to amend title 10, United States Code, to eliminate the service credit for professional experience and education in the computation of years of service for determining whether a reserve commissioned officer shall be transferred to the retired reserve; to the Committee on Armed Services.

4013. A letter from the Director, Facility Requirements and Resources, Department of Defense, transmitting notice of the location, nature, and estimated cost of a construction project proposed to be undertaken by the Naval and Marine Corps Reserve, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

4014. A letter from the Vice President for Government Affairs, National Railroad Passenger Corporation, transmitting a report covering the month of February 1982, on the number of passengers per day on board each train operated, and the on-time performance at the final destination of each train operated, by route and by railroad, pursuant to section 308(a)(2) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Energy and Commerce.

4015. A letter from the executive vice president, the Philadelphia Belt Line Railroad Co., transmitting a statement to supplement the report previously submitted by the Interstate Commerce Commission on the status of negotiations between Conrail and the Philadelphia Belt Line; to the Committee on Energy and Commerce.

4016. A communication from the President of the United States, transmitting a report on progress toward conclusion of a negotiated solution of the Cyprus problem, pursuant to section 620(c) of the Foreign Assistance Act of 1961, as amended (H. Doc. No. 97-187); to the Committee on Foreign Affairs and ordered to be printed.

4017. A letter from the Comptroller, Department of State, transmitting the semiannual report on the activities under the international narcotics program, pursuant to section 481(b)(2) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

4018. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on political contributions by Ambassador-designate George Quincey Lumsden, Jr., and members of his family, pursuant to section 304(b)(2) of Public Law 96-465; to the Committee on Foreign Affairs.

4019. A letter from the Assistant Secretary for Planning and Evaluation, Department of Health and Human Services, transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

4020. A letter from the Assistant Secretary for Health, Department of Health and Human Services, transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

4021. A letter from the Under Secretary of the Interior, transmitting the fourth annual report on the status of general management planning for each unit of the national park system, pursuant to section 12(b) of Public Law 91-383, as amended; to the Committee on Interior and Insular Affairs.

4022. A letter from the Under Secretary of the Interior, transmitting notice of a 1-year deferment of the 1981 construction repayment installment due from the Cedar Bluff Irrigation District No. 6, Pick-Sloan Missouri basin program, Kansas, pursuant to section 17(b) of the Reclamation Project Act of 1939, as amended; to the Committee on Interior and Insular Affairs.

4023. A letter from the Assistant Secretary of the Interior, transmitting notice that a change regarding the irrigation purpose is being made in the plan of the Armel unit and that a proposed contract with the State of Colorado has been made for the use of the conservation capacity of Bonny Dam and Reservoir (principal feature of the Armel unit), pursuant to section 7(c) of the Reclamation Project Act of 1939; to the Committee on Interior and Insular Affairs.

4024. A letter from the Assistant Secretary of the Interior for Indian Affairs, transmitting a proposed plan for the use and distribution of the judgment funds awarded in docket Nos. 343-70 and 87-C before the U.S. Court of Claims to the Pyramid Lake Paiute Tribe of the Pyramid Lake Reservation, pursuant to sections 2(a) and 4 of Public Law 93-134; to the Committee on Interior and Insular Affairs.

4025. A letter from the Assistant Attorney General, Department of Justice, transmitting a copy of the President's message and a proposed constitutional amendment relating to school prayer along with a memorandum which contains an analysis of the amendment and legal arguments supporting its adoption; to the Committee on the Judiciary.

4020. A letter from the controller, Boys Clubs of America, transmitting the audit report of the organization for calendar year 1981, pursuant to section 3 of Public Law 88-504; to the Committee on the Judiciary.

4027. A letter from the Deputy Administrator, General Services Administration, transmitting various prospectuses proposing the lease of space and construction projects, pursuant to section 7(a) of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DINGELL: Committee on Energy and Commerce. Senate Concurrent Resolution 60. Concurrent resolution disapproving the Federal Trade Commission trade regulation rule relating to the sale of used motor vehicles. (Rept. No. 97-586). Referred to the Committee of the Whole House on the State of the Union.

SUBSEQUENT ACTION ON A BILL SEQUENTIALLY REFERRED UNDER TIME LIMITATION

Under clause 5 of rule X, the following action was taken by the Speaker:

Referral of H.R. 5427 to the Committee on Energy and Commerce extended for an additional period ending not later than June 11, 1982.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

[Omitted from the Record of May 24, 1982]

Mr. DINGELL: Committee on Energy and Commerce. H.R. 6337. A bill to amend the Energy Policy and Conservation Act to extend certain authorities relating to the international energy program, and for other purposes; referred to the Committee on Merchant Marine and Fisheries for a period ending not later than June 11, 1982, for consideration of such provisions of section 3(b) of the bill as fall within the jurisdiction of that committee pursuant to clause 1(n), rule X (Rept. No. 97-585, Pt. I). Ordered to be printed.

[Submitted May 25, 1982]

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 6369. A bill to provide a program of Federal supplemental unemployment compensation, and for other purposes; with amendments; referred to the Committee on Appropriations for a period not to exceed 15 legislative days with instructions to report back to the House as provided in section 401(b) of Public Law 93-344 (Rept. No. 97-587, Pt. I). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. RANGEL (for himself, Mr. Conable, Mr. Gibbons, Mr. Pickle, Mr. Jenkins, Mr. Shannon, and Mr. Russo):

H.R. 6475. A bill to amend the Internal Revenue Code of 1954 to provide for the disclosure of returns and return information for use in criminal investigations, and for other purposes; to the Committee on Ways and Means.

By Mr. BEDELL:

H.R. 6476. A bill relating to the effective date of the change made by section 421 of the Economic Recovery Tax Act of 1981 in the definition of family members for purposes of the estate tax special valuation of farm, etc., real property; to the Committee on Ways and Means.

By Mrs. BOGGS (for herself, Mr. Livingston, Mr. Lott, Mr. Montgomery, and Mr. Barnard):

H.R. 6477. A bill to extend, under certain conditions, the period of time a national bank may hold real estate; to the Committee on Banking, Finance and Urban Affairs.

By Mr. CRAIG:

H.R. 6478. A bill to amend the Food Stamp Act of 1977 to establish certain employment requirements for food stamp program; to the Committee on Agriculture.

By Mr. FRENZEL (for himself, Mr. Vander Jagt, Mr. Dickinson, Mr. Badham, Mr. Gingrich, Mr. Thomas, Mr. Lee, and Mr. James K. Coyne):

H.R. 6479. A bill to amend the Federal Election Campaign Act of 1971 to increase the role of political parties in financing campaigns under such act, and for other purposes; to the Committee on House Administration.

By Mr. HANCE:

H.R. 6480. A bill to amend the Internal Revenue Code of 1954 to allow individuals who do not itemize deductions a deduction for expenses paid or incurred for services in connection with the preparation of any individual income tax return; to the Committee on Ways and Means.

By Mr. LEVITAS:

H.R. 6481. A bill to provide that Members of Congress will be treated in the same manner as other taxpayers with respect to the deductibility of living expenses while away from home in the pursuit of a trade or business; to the Committee on Ways and Means.

By Mr. PEASE (for himself, Mr. Wright, Mr. Gibbons Mr. Pepper, Mr. Boland, Mr. Moakley, Mr. Brown of California, Mr. Ford of Michigan, Mr. Jenkins, Mr. Downey Mr. Conyers, Mr. Simon, Mr. Bailey of Pennsylvania, Mr. Brodhead, Mr. Fithian, Mr. Matsui, Mr. Ertel, Mr. Seiberling, Mr. Alexander, Mr. Holland, and Mr. Traxler):

H.R. 6482. A bill to improve worker training under the Trade Act of 1974, and for other purposes; to the Committee on Ways and Means.

By Mr. ROE:

H.R. 6483. A bill to recognize the special relationship between Congress and organizations of war veterans, to amend the Internal Revenue Code of 1954 to provide that a limit on the tax-exempt status of such organizations shall apply only if such organizations engage in substantial lobbying on issues unrelated to veterans affairs, the armed forces, or national defense, and for other purposes; to the Committee on Ways and Means.

By Mr. SHANNON:

H.R. 6484. A bill to amend the Internal Revenue Code of 1954 to expand the credit for university research; to the Committee on Ways and Means.

By Mr. SIMON (for himself, Mr. Kildee, Mr. Perkins, Mr. Williams of Montana, Mr. Udall, Mr. Dorgan of North Dakota, Mr. Roberts of South Dakota, Mrs. Chisholm, Mr. Washington, Mr. Phillip Burton, Mr. Clay, Mr. Peyser, Mr. Oberstar, Mr. Corrada, and Mr. Daschle):

H.R. 6485. A bill to amend and extend the tribally controlled Community College Assistance Act of 1978, and for other purposes; to the Committee on Education and Labor.

By Mr. SMITH of Iowa (for himself and Mr. Udall):

H.R. 6486. A bill to require the Secretary of the Interior to establish a program to insure the stockpiling and replacement of topsoil on public lands and other lands which are moved or covered by surface mining projects, reclamation projects, and other Federal and federally assisted projects, and for other purposes; jointly, to the Committees on Agriculture and Interior and Insular Affairs.

By Mr. STARK:

H.R. 6487. A bill to amend the Internal Revenue Code of 1954 to deny the benefits of the accelerated cost recovery system to residential real property acquired from the Federal Government in a sale without competitive bidding; to the Committee on Ways and Means.

By Mr. WHITE:

H.R. 6488. A bill to amend the Congressional Budget Act of 1974 and the Budget and Accounting Act, 1921, to direct the Federal Reserve Board to increase the money stock at an annual rate not to exceed the historic growth rate of the real gross national product, to bring the activities of the Federal Finance Bank and other off-budget entities within the unified budget, to eliminate budget deficits, to limit the levels of total budget outlays, and to allow for the gradual elimination of the public debt; jointly, to the Committees on Banking, Finance and Urban Affairs, Government Operations, Rules, and Ways and Means.

By Mr. BONER of Tennessee:

H.J. Res. 492. Joint resolution to designate September, 1982 as "National Sewing Month"; to the Committee on Post Office and Civil Service.

By Mr. KINDNESS (for himself, Mr. Lott, and Mr. Beard):

H.J. Res. 493. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. STUDDS (for himself, Mr. Barnes, Mr. Solarz, Mr. Yatron, Mr. Leach of Iowa, Mr. Gejdenson, and Ms. Oakar):

H.J. Res. 494. Joint resolution with regard to Presidential certifications on conditions in El Salvador; to the Committee on Foreign Affairs.

By Mr. PHILLIP BURTON:

H. Res. 480. Resolution expressing the sense of the House of Representatives with respect to changes in the Railroad Retirement Act of 1974 proposed in the President's budget for fiscal year 1983; to the Committee on Energy and Commerce.

H. Res. 481. Resolution expressing the sense of the House of Representatives with respect to proposals to reduce benefits or cost-of-living adjustments under social security and other federally administered retirement programs; jointly, to the Committees on Armed Services, Post Office and Civil Service, Ways and Means, and Energy and Commerce.

By Mr. DREIER:

H. Res. 482. Resolution expressing the sense of the House of Representatives that the Congress should begin consideration of a simplified Federal income tax on the income of individuals, with all income taxed at a single rate; to the Committee on Ways and Means.

By Mr. EDWARDS of Oklahoma (for himself, Mr. Gingrich, Mr. Huckaby, and Mr. Lewis):

H. Res. 483. Resolution to establish the ad hoc Committee on Entitlements; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

389. By the SPEAKER: Memorial of the Legislature of the Commonwealth of Virginia, relative to withholding State tax from the pay of military retirees; to the Committee on Armed Services.

390. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to the section 8 subsidy to the elderly; to the Committee on Banking, Finance and Urban Affairs.

391. Also, memorial of the Legislature of the Commonwealth of Virginia, relative to independent financial institutions; to the Committee on Banking, Finance and Urban Affairs.

392. Also, memorial of the Legislature of the State of Iowa, relative to decontrol of natural gas; to the Committee on Energy and Commerce.

393. Also; memorial of the Legislature of the Commonwealth of Virginia, relative to medicaid; to the Committee on Energy and Commerce.

394. Also, memorial of the Legislature of the Commonwealth of Virginia, relative to selling certain surplus properties; to the Committee on Government Operations.

395. Also, memorial of the Legislature of the State of Hawaii, relative to the extension through fiscal year 1985 of Public Law 92-444; to the Committee on Merchant Marine and Fisheries.

396. Also, memorial of the Legislature of the Commonwealth of Virginia, relative to the Anti-Arson Act of 1981; jointly, to the Committees on Banking, Finance and Urban Affairs, the Judiciary, and Science and Technology.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. JEFFORDS:

H.R. 6489. A bill for the relief of Mrs. Beverly E. Reardon; to the Committee on the Judiciary.

By Mr. WEBER of Minnesota:

H.R. 6490. A bill for the relief of Gordon Beck; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 385: Mr. Grisham.

H.R. 2311: Mr. Edgar, Mr. Gejdenson, and Mr. Moakley.

H.R. 2445: Mr. Mottl.

H.R. 3847: Mr. de Lugo.

H.R. 3904: Mr. Goodling.

H.R. 4147: Mr. Mottl and Mr. Fish.

H.R. 5242: Mr. Robert W. Daniel, Jr. and Mr. Bedell.

H.R. 5276: Mr. Emerson.

H.R. 5572: Mr. Hyde.

H.R. 5920: Mr. McCollum and Mr. Deckard.

H.R. 5987: Mr. Ratchford and Mr. Simon.

H.R. 6087: Mr. Rose, Mr. Daub, Mr. Gore, Mr. Fowler, and Mr. Kastenmeier.

H.R. 6120: Mr. Udall and Mr. Hughes.

H.R. 6134: Mr. Johnston.

H.R. 6142: Mr. Dunn, Mr. Dorgan of North Dakota, Mr. Horton, Mr. Hatcher, Mr. Bereuter, Mr. Myers, Mr. Railsback, Mr. Hughes, Mr. Erdahl, Mr. Madigan, Mr. Ottinger, and Mr. Huckaby.

H.R. 6181: Mr. Hutto and Mr. Smith of Alabama.

H.R. 6201: Mr. Anthony, Mr. Barnard, Mr. Sam B. Hall, Jr., Mr. Ottinger, and Mr. Brinkley.

H.R. 6212: Mr. Dougherty and Mr. Murphy.

H.R. 6231: Mr. Howard, Mr. Lundine, Mr. Bevill, Mr. Smith of Oregon, Mr. Traxler, Mr. Fish, Mr. James K. Coyne, Mr. Broomfield, Mr. Mottl, Mr. Bliley, Mr. Moakley, Mr. Hightower, Mr. Hiler, Mr. LeBoutillier, Mr. Mitchell of Maryland, Mr. Brinkley, Mr. Long of Louisiana, Mr. Frost, Mr. Coelho, Mr. Clinger, Mr. Napier, and Mr. Oxley.

H.R. 6315: Mr. Anthony.

H.R. 6330: Mr. St Germain, Mr. Downey, Mr. Rinaldo, Mr. Yates, Mr. Sabo, Mr. Mitchell of New York, Mr. Ford of Michigan, Mr. Hollenbeck, Mr. Hughes, Mr. Zablocki, and Mr. Horton.

H.R. 6348: Mr. Roberts of South Dakota and Mrs. Byron.

H.R. 6450: Mr. Rhodes and Mr. Bennett.

H.R. 6467: Mr. Mitchell of Maryland and Mr. Derwinski.

H.J. Res. 323: Mr. Annunzio.

H.J. Res. 415: Mr. Daub and Mr. Simon.

H. Con. Res. 222: Mrs. Heckler.

H. Con. Res. 310: Mr. Shelby, Mr. Mitchell of Maryland, Mr. Hertel, Mr. Kildee, Mr. Roe, Mr. Porter, Mr. Fascell, Mr. Studds, Mr. Bonior of Michigan, Mr. Dellums, Mr. Fauntroy, Mr. Fish, Mr. Hollenbeck, Mr. Shamansky, and Mr. Harkin.

H. Con. Res. 332: Mr. Mitchell of Maryland, Mr. Conte, Mr. Hartnett, Mr. Daschle, Mr. Wyden, Mr. Lundine, Mr. Roberts of South Dakota, Mr. McEwen, Mr. Lagomarsino, Mr. Roe, Mr. Gejdenson, Mr. Roth, Mr. Bailey of Missouri, Mr. Gunderson, Mr. Jeffords, Mr. Ottinger, Mr. Nelligan, Mr. Mineta, Ms. Fiedler, Mr. Gingrich, Mr. Jeffries, Mr. Fauntroy, Mr. Bereuter, and Mr. Hughes.

H. Con. Res. 334: Mrs. Holt, Mr. Young of Missouri, Mr. Bevill, and Mr. McDonald.

H. Res. 167: Mr. Dwyer.

H. Res. 252: Mr. Peyser.

H. Res. 367: Mr. Dougherty, Mr. Dornan of California, Mr. Dowdy, Mr. Ford of Tennessee, Mr. Fauntroy, and Mr. Foglietta.

H. Res. 452: Mr. Gray.

H. Res. 454: Mr. Bonior of Michigan, Mr. Lee, Mr. Moakley, Mr. Rahall, Mr. Walgren, Mr. Edwards of California, Mr. Matsui, Mr. Frank, and Mr. Coelho.

H. Res. 456: Mr. Bedell and Mr. Frank.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

452. By the SPEAKER: Petition of the National Association for Practical Nurse Education and Service, Inc., New York, N.Y., relative to the Vocational Education Act; to the Committee on Education and Labor.

453. Also, petition of the Board of Supervisors of the county of Los Angeles, Calif., relative to the purchase of Iranian oil; to the Committee on Foreign Affairs.

454. Also, petition of township of Montclair, N.J., relative to nuclear arms weapons freeze; jointly, to the Committees on Armed Services and Foreign Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 746

By Mr. LEVITAS:

—Page 30, insert the following after line 11 and redesignate succeeding sections accordingly:

CONGRESSIONAL REVIEW PROCEDURES

SEC. 202. (a) Title 5 of the United States Code is amended by inserting immediately after chapter 7 of the following new chapter:

"Chapter 8—CONGRESSIONAL REVIEW OF AGENCY RULEMAKING

Sec.
"801. Definitions.
"802. Resolution of disapproval.
"803. Resolution for reconsideration.
"804. Effect on statutory time limits.
"805. Computation of calendar days of continuous session of Congress.
"806. Procedure for consideration of resolutions.
"807. Effect on judicial review.
"808. Administrative Conference study.

"§ 801. Definitions

"The definitions set forth in section 551 of this title shall apply to this chapter except that—

"(1) those functions excluded from the definition of the term 'agency' by paragraph (1)(H) of such section are included in such definition for purposes of this chapter;

"(2) the terms 'rule' and 'emergency rule' shall not include—

"(A) a rule of agency organization, practice, or procedure,

"(B) a rule relating to agency management or personnel,

"(C) a rule granting or recognizing an exception or relieving a restriction, or

"(D) a rule adopted without public notice and comment pursuant to an agency finding that such notice and comment were unnecessary due to the routine nature or insignificant impact of the rule; and

"(3) the term 'promulgation' means the filing of a final rule with the Office of the Federal Register for publication.

"§ 802. Resolution of disapproval

"(a)(1) Simultaneously with the promulgation of any rule or emergency rule, and simultaneously with the repromulgation of any rule under subsection (b) or (c) of section 803 of this title, the agency shall transmit a copy of the rule or emergency rule to the Secretary of the Senate and the Clerk of the House of Representatives. A rule other than an emergency rule shall not become effective if—

"(A) within 60 calendar days of continuous session of Congress after the date of promulgation of the rule—

"(i) one House of Congress adopts a concurrent resolution, the matter after the resolving clause of which is as follows: 'That Congress disapproves the rule promulgated by dealing with the matter of which rule was transmitted to Congress on .', the first blank being filled with the name of the agency issuing the rule, the second blank being filled with the title of the rule and such further description as may be necessary to identify it, and the third being filled with the date of transmittal of the rule to Congress, and transmits such concurrent resolution to the other House of Congress; and

"(ii) such concurrent resolution is not disapproved by the other House within 30 calendar days of continuous session of Congress after such transmittal; or

"(B) within 60 calendar days of continuous session of Congress after the date of promulgation of the rule, a committee of either House of Congress has reported or been discharged from consideration of a concurrent resolution disapproving the rule, and within 90 calendar days of continuous session of Congress after such date of promulgation, both houses of Congress adopt such a concurrent resolution.

"(2) If at the end of 60 calendar days of continuous session of Congress after the date of promulgation of a rule, other than an emergency rule, no committee of either House of Congress has reported or been discharged from further consideration of a concurrent resolution disapproving the rule, and neither House has adopted such a resolution, the rule may go into effect at the end of that 60-day period. If, within such 60 calendar days, such a committee has reported or been discharged from further consideration of such a resolution, or either House has adopted such a resolution, the rule may go into effect not sooner than 90 calendar days of continuous session of Congress after the date of it's promulgation unless disapproved as provided in paragraph (1)(B).

"(b)(1) An agency may not promulgate a new rule or an emergency rule identical to one disapproved pursuant to this section unless a statute is adopted affecting the agency's powers with respect to the subject matter of the rule.

"(2) If an agency proposes a new rule dealing with the same subject matter as a rule disapproved under this section, the agency shall comply with the procedures required by law for the issuance of a new rule, except that if less than 12 months have elapsed since the date of such disapproval, such procedures may be limited to changes in the disapproved rule.

"§ 803. Resolution for reconsideration

"(a) Either House of Congress may adopt a resolution directing agency reconsideration of a rule, other than an emergency rule. The matter after the resolving clause of such a resolution shall be as follows: 'That the directs to reconsider its rule dealing with the matter of which rule is found at .' (or, in the case of a new rule, 'was transmitted to Congress on '), the first blank being filled with the House of Congress adopting the resolution, the second blank being filled with the name of the agency issuing the rule, the third blank being filled with the title of the rule and such further description as may be necessary to identify it, and the fourth blank being filled with the citation to the rule in the agency records or in the case of a new rule, the date on which it was transmitted to Congress.

"(b)(1) A rule shall not become effective if—

"(A) within 60 calendar days of continuous session of Congress after the date of promulgation of the rule, a committee of either House of Congress has reported or been discharged from further consideration of a resolution for reconsideration of the rule, and

"(B) such a resolution for reconsideration is adopted by either House of Congress within 90 calendar days of continuous session of Congress after such date of promulgation.

The agency shall reconsider the rule and, within 60 calendar days after the date on which the resolution for reconsideration is adopted, either withdraw or repromulgate the rule with such changes and with such public participation as the agency determines to be appropriate. If the agency takes no action within that 60-day period the rule shall lapse. If repromulgated, the rule shall be subject to congressional review and go into effect as provided in section 802 of this chapter.

"(2) If at the end of 60 calendar days of continuous session of Congress after the date of promulgation of a rule, other than an emergency rule, no committee of either House of Congress has reported or been discharged from further consideration of a resolution for reconsideration of a rule, the rule may go into effect at the end of that 60-calendar day period. If, within that 60-calendar day period, such a committee has reported or been discharged from further consideration of such a resolution, the rule may go into effect not sooner than 90 calendar days of continuous session of Congress after the date of its promulgation, subject to paragraph (1)(B) of this subsection.

"(c) One hundred eighty days after the adoption of a resolution for reconsideration with respect to a rule which has taken effect, the rule shall cease to be effective unless repromulgated by the agency with such changes as the agency considers appropriate. Unless excepted by subsection 553(a) of this title, the agency shall, not less than 60 days prior to repromulgating such a rule, give notice of a proceeding to consider its repromulgation. The notice and proceeding shall comply with subsections (b) and (c) of section 553 of this title, except that the agency shall hold a hearing for oral presentations with respect to the rule. Rules repromulgated pursuant to this subsection within 180 days after the adoption of the resolution for reconsideration shall take effect as provided in section 802(a) of this title, except that during the period for congressional review provided in that section the rule with respect to which the resolution for reconsideration was adopted may remain in effect.

"(d) A concurrent resolution of disapproval under section 802 of this title supersedes a resolution for reconsideration of the same rule or part thereof.

"§ 804. Effect on statutory time limits

"If the Congress adopts, under this chapter, a resolution of disapproval or a resolution for reconsideration of a rule which was being promulgated subject to a statutory time limit for rulemaking, the adoption of the resolution shall not relieve the agency of its statutory responsibility for adopting a rule, but any such statutory time limit shall apply, only from the date on which the resolution is adopted, to any rulemaking begun as a result of the adoption of the resolution.

"§ 805. Computation of calendar days of continuous session of Congress

"For the purposes of computing calendar days of continuous session under this chapter—

"(1) continuity of session is broken only by an adjournment sine die; and

"(2) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation.

"§ 806. Procedure for consideration of resolutions

"(a) The provisions of this section are enacted by the Congress—

"(1) as an exercise of the rule making power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described in sections 802 and 803 of this title; and they supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House of Congress to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

"(b)(1) Resolutions of disapproval described in section 802 of this title and resolutions for reconsideration described in section 803 of this title shall, upon introduction or receipt from the other House of Congress, be immediately referred by the presiding officer of the Senate or of the House of Representatives, in accordance with the rules of the respective House, to the standing committee having oversight and legislative responsibility with respect to the agency promulgating the rule to which the resolution relates. Such resolutions shall not be referred to any other committee.

"(2) If a committee to which is referred a resolution which has not been adopted by the other House of Congress does not report that resolution to its respective House—

"(A) within 45 calendar days of continuous session of Congress after referral, in the case of a resolution of disapproval of a rule, or a resolution for reconsideration of a rule described in section 803(b) of this title; or

"(B) within 90 calendar days of continuous session of Congress after referral, in the case of a resolution for reconsideration of a rule described in section 803(c) of this title,

it shall be in order to move to discharge that committee from further consideration of the resolution.

"(3)(A) In the case of a resolution of disapproval of a rule, if a committee to which is referred such a resolution which has been adopted by the other House of Congress does not report that resolution to its respective House within 15 calendar days of continuous session of Congress after referral, it shall be in order to move to discharge that committee from further consideration of the resolution.

"(B) If a resolution of disapproval has been ordered reported or discharged from the committee of one House to which it was referred, and that House receives a resolution of disapproval with respect to the same rule from the other House, the resolution of disapproval of the other House shall be placed on the appropriate calendar of the first House. If prior to the disposition of a resolution of disapproval of one House, that House receives the companion resolution of disapproval from the other House, the vote in the first House shall occur on the resolution of disapproval of the other House.

"(4) A motion to discharge described in paragraph (2) or (3)(A) of this subsection must be supported by one-fifth of the Members of the House of Congress involved, and is highly privileged in the House and privileged in the Senate (except that the motion may not be made after the committee involved has reported a resolution of disapproval or a resolution for reconsideration with respect to the same rule); and debate on the resolution shall be limited to not more than one hour, the time to be divided in the House equally between those favoring and those opposing the motion to discharge and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader or their designees. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(C)(1) Except as provided in paragraphs (2) and (3) of this subsection, consideration of a resolution of disapproval or a resolution for reconsideration shall be in accordance with the rules of the Senate and of the House of Representatives, respectively.

"(2) When a committee has reported or has been discharged from further consideration of a resolution with respect to a rule, it shall be in order at any time thereafter (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(3) Debate on the resolution shall be limited to not more than two hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order and it is not in order to move to reconsider the vote by which the resolution is agreed or disagreed to.

"§ 807. Effect on judicial review

"Congressional inaction on or rejection of a resolution of disapproval or of a resolution for reconsideration of a rule under this chapter shall not be deemed an expression of approval of that rule.

"§ 808. Administrative Conference study

"The Administrative Conference of the United States shall undertake a study of congressional review of agency rules under sections 801 to 806 and the effect of such review on agency rulemaking, and shall report its findings to the Congress not later than July 1, 1986. There is authorized to be appropriated $200,000 for such study.".

(b) The table of chapters for part I of title 5 is amended by inserting immediately after

"7. Judicial Review .... 701"

the following:

8. Congressional Review of Agency Rule Making .... 801".

(c) The provisions of chapter 8 of title 5, United States Code, as added by subsection (a) of this section, shall, during the period during which that chapter is in effect (as provided in subsection (d) of this section), supersede any other provision of law governing procedures for congressional review of agency rules to the extent such other provision is inconsistent with that chapter.

(d) Chapter 8 of title 5, United States Code, as added by subsection (a) of this Section, shall cease to be effective at the adjournment sine die of the Ninety-ninth Congress.

Page 27, strike out line 4 and all that follows through page 30, line 11, and insert in lieu thereof the following:

"(h) Each agency shall transmit each regulatory agenda, or relevant portion thereof, published by the agency pursuant to section 631 of this title, to any committee in Congress having legislative jurisdiction over the statute or statutes under which the agency may issue the rules to which the agenda relates.".

Page 2, line 11, insert after "Act," the following: "and the provisions of title 8 of such title 5, as added by section 202 of this Act.".

EXTENSIONS OF REMARKS

BUSINESS FAILURE EPIDEMIC

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. LAFALCE. Mr. Speaker, we are experiencing today an epidemic of business failures that we have not seen since the depths of the Great Depression. This year we can expect almost 25,000 businesses to fail. That number will be even higher if interest rates remain at today's extraordinary levels and if more large companies fail, pulling down many small firms with them.

The Wall Street Journal carried a front page article yesterday that shows dramatically how business is suffering and why it is suffering. It is disturbing reading, but it is must reading. Let me quote the article's main points:

"A bankruptcy epidemic is sweeping American business, and there is no letup in sight."

"In the first 3 months of this year, businesses filed for bankruptcy at the rate of 36 every hour of the business day."

Economists say that it is the variety of bankruptcies, as well as the number, that makes today's shakeout so severe (and so different from previous economic downturns). Bankruptcy filings are occurring in almost every industry."

"Edward I. Altman, a finance professor and chairman of the MBA program at New York University, estimates that 200 of the largest 2,000 industrial concerns are potential bankruptcy candidates, based on the weakness of their balance sheets."

The article attributes today's business failure epidemic to two developments that occurred in late 1979: The start of the Federal Reserves Board's tight money policies that have pushed interest rates to historically high levels for a period of unprecedented length and the revision of the Nation's bankruptcy laws.

Businesses have been so weakened by the sustained high interest rates and today's deep recession that a recovery "won't immediately reverse the trend," the article continues. "The early stages of an upturn are punishing to weak businesses, which often overextend to the breaking point in order to gear up output."

The article's findings confirm what I have been hearing from experts in the field. Two months ago, I wrote 24 U.S. bankruptcy judges and trustees throughout the United States asking for their impressions on why small businesses are filing for bankruptcy today and the facts that are behind the increase we have seen for the past year. The bankruptcy judges and trustees are in the best position to see why a business fails.

The 18 responses I received make grim reading that cannot be ignored. Over and over, they cite high interest rates as the leading cause of most small business failures. For example, William P. Westphal, Sr., U.S. trustee for the District of Minnesota, North Dakota, and South Dakota, wrote, "The two primary causes for the increases in bankruptcies generally—as well as for small businesses in particular—are the extremely high interest rates and the length of the current recession." Charles B. McCormick, U.S. bankruptcy judge for the Northern District of Illinois, talked of "high interest, tight money, inflation" as the leading causes.

Moreover, several commented that today's recession is much deeper and broader in its impact than the last major recession of 1974-75. Scott Bush, U.S. trustee for the Northern District of Texas, said, "The tentacles of the current recession reach all communities, at all locations. Even the glorious Sun Belt has not been insulated. The current recession is much more severe than the 1974-75 recession."

Interestingly, none of those responding cited the new Federal bankruptcy code as a factor in the increased small business bankruptcy filings.

I am so concerned by the responses I have received that I plan to hold hearings soon to hear directly from the judges and trustees about what they are seeing. We must confront the devastating price that our Nation's businesses are paying for high interest rates and recession.

The article follows:

[From Wall Street Journal, May 24, 1982]

BANKRUPTCY WAVE: BUSINESS FAILURES HIT POST-DEPRESSION HIGH; TIDE EXPECTED TO SWELL

(By Thomas Petzinger, Jr.)

A bankruptcy epidemic is sweeping American business, and there is no letup in sight.

In the first three months of this year, businesses filed for bankruptcy at the rate of 36 for every hour of the business day. At that pace, the total for the year would be 74,676, the largest in American history.

And the percentage of failing companies has reached a post-Depression high. According to Dun & Bradstreet, business failures are occurring this year at an annual rate of 80 per 10,000 companies. That is 29% higher than last year's rate and within striking distance of 1933's rate of 100 per 10,000.

Economic downturns always claim their corporate victims. The 1970 recession's most notable casualty was Penn Central Transportation Co. Real-estate investment trusts and W. T. Grant Co. were casualties of the 1974 recession. But economists say that it is the variety of bankruptcies, as well as the number, that makes today's shakeout so severe. Bankruptcy filings are occurring in almost every industry.

FROM AM TO WICKES

The list already includes Braniff International Corp., the airline operator; Wickes Cos., the diversified manufacturer and retailer; AM International Inc., the office-equipment maker; Saxon Industries Inc., which converts paper into a variety of products and sells photocopiers; and Lionel Corp., the toy-supermarkets operator and manufacturer of electronic parts. All have filed for reorganization since late February.

It is widely feared that struggling International Harvester Co. will file before long. With $7.04 billion in revenue last fiscal year, the maker of farm machinery, trucks and construction equipment would almost certainly be the biggest U.S. company ever to file a bankruptcy petition.

While Harvester might become the biggest, it probably wouldn't be the last corporate stalwart to file for bankruptcy in this downturn. Edward I. Altman, a finance professor and chairman of the MBA program at New York University, estimates that 200 of the largest 2,000 industrial concerns are potential bankruptcy candidates, based on the weakness of their balance sheets.

The big winners are the law firms and accountants who are coming to dominate the bankruptcy trade. "Business is booming," says Rees W. Morrison, a New York bankruptcy lawyer.

The bankruptcy epidemic goes back to two major events of late 1979: the beginning of the Federal Reserve Board's tight-money policies and a revision of the nation's bankruptcy laws. Since then, business bankruptcies have soared 153%.

The Fed's campaign to reduce inflation through slower monetary growth sent interest rates rocketing; the recession has failed to cool the rates to affordable levels. Many businesses can't earn the profits they need to meet the cost of their swollen debt. Increasingly, bankruptcy is their only way out.

MAY OUTLAST RECOVERY

Congress's revisions made it more tempting than it used to be for companies to file under the bankruptcy code's Chapter 11, which keeps creditors at bay while permitting debtor companies to stay in business. In this year's first quarter, Chapter 11s accounted for 20% of business bankruptcy filings, up from 12% only a year earlier.

Economists and consultants expect the torrid bankruptcy rate to continue for the rest of the year at least. "There are a lot of companies losing their shirts, and as the economy keeps going sideways, you'll see more companies running out of shirts," says management consultant Thomas E. Dewey, Jr.

Even a second-half economic recovery won't immediately reverse the trend, economists say. The early stages of an upturn are punishing to weak businesses, which often overextend to the breaking point in order to gear up output. Business failures surged for nearly a year following the economic turnaround and interest-rate drop that began in 1975.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Transportation deregulation is contributing mightily to the failure rate. Braniff's midnight decision to file for bankruptcy followed cutthroat fare wars and highly leveraged expansion arising from airline deregulation in 1978. Auditors have questioned the future of Texas Air Corp. and its 51%-owned Continental Airlines affiliate. Republic Airlines and Pan American World Airways are among other struggling carriers.

The deregulated trucking companies are in much the same situation. Batches of membership invitations mailed from the American Trucking Associations in Washington, D.C., are coming back marked "address unknown" as newly formed cartage concerns join established companies in bankruptcy court. The association knows of 144 established haulers that have been driven from business since mid-1980.

Long-term economic changes will continue to bankrupt companies in a variety of other industries whose future once seemed boundless, economists say. Small oil and gas firms are quickly dropping from sight energy users mend their wasteful ways. A number of farmers probably won't be able to survive as their rural banks, once a source of cheap funds, continue losing deposits to money-market funds. Some autoparts, steel and electronics suppliers figure to fall to foreign competition regardless of interest-rate levels in the U.S.

Workers bear much of the burden of a bankruptcy. Four-fifths of all bankruptcy filings are for straight liquidations, in which a company's assets are scattered at auctions and its jobs lost altogether. The piecemeal sale of $350,000 in video gear in this month's liquidation of Advent Corp. cost New Hampshire 200 jobs. The 144 trucking firms known to have gone under since mid-1980 had employed 28,600 persons.

Hundreds of West Virginia coal miners have been stuck with unpaid medical bills this year as their employers went bankrupt without having paid insurance premiums, the United Mine Workers union says. "It's legal thievery is what it is," says David Vidovich, A UMW official in Logan, W. Va. Resentment over such unpaid benefits led to two days of wildcat strikes in February.

Bankruptcies also burdening the Pension Benefit Guaranty Corp., a government agency that bails out insolvent retirement plans. The agency already is seeking congressional approval for a 130% increase in the $2.60 annual premium it charges U.S. companies for every employee covered by a plan. "A few Harvesters could break the PBGC," says a pension-law lawyer.

A PBGC spokesman denies any danger. But the agency told Congress last week that if more big companies followed Braniff into bankruptcy, even the 130% premium increase might still leave the PBGC short of funds.

Another result has been to make some big, rich law firms even bigger and richer. One reason is that the 1979 bankruptcy code eliminated a longstanding requirement that a "spirit of economy" prevail when bankruptcy lawyers set their fees. Bankruptcy law, in other words isn't a charity case any longer.

The Wall Street law firm of Skadden, Arps, Slate, Meagher & Flom, well known for its involvement in corporate takeover cases, raided another big partnership in 1980 to hire Michael Cook, a bankruptcy specialist. Its bankruptcy practice now consists of three partners, 10 associates, four to five paralegals, several clerks and an ever-increasing retainer list. "If you're a bankruptcy lawyer these days and you aren't busy, there's something wrong with you," Mr. Cook says.

A lawyer who participated in the prolonged bankruptcy proceedings of GAC Corp. in Miami asked court approval for fees of $210 an hour for 6,898 hours, a total of $1,450,000. In a ruling last year, Judge Thomas C. Britton allowed the lawyer to collect just $650,000 for his role in the reorganization of the real-estate concern.

Accountants also are participating in a big way. The Chicago auditing firm of Seidman & Seidman is offering "diagnostic services" to help troubled companies decide if they should file for bankruptcy. They often do, and Seidman usually gets to handle the bankruptcy accounting at rates of $100 to $150 an hour for each partner involved in the account.

"It is indeed a marketing tool," says Alexander Knopfler, partner in charge. Seidman takes special precautions to insure that it doesn't lose fees when a client goes into bankruptcy. "In pre-Chapter 11 situations we always work on the basis of an advance payment," Mr. Knopfler explains.

FRUSTRATED JUDGES

While some lawyers and accountants benefit, overworked bankruptcy judges just get frustrated. "This used to be an intellectually challenging job, but the seven-day-a-week paper flow has taken all the fun out of it," says Judge Dean Gandy in Dallas. Chapter 11 filings have quadrupled in his court in three years, with "small oil and gas cases being the most common type now," he says.

Minneapolis's bankruptcy judges have begun hearing cases 90 minutes earlier, at 8:30 a.m., and are continuing two hours later, until 6 p.m., because of a growing caseload. "I've got five judges and they're all booked solid," says the bankruptcy court clerk, Timothy Walbridge. Last year's Chapter 11 reorganization of Arctic Enterprises Inc., a snowmobile maker with 18,000 creditors, required special computers. "If we get Republic Airlines in here it would be a wipeout," Mr. Walbridge frets. Republic, citing recent traffic gains, says: "Tell them not to worry. We don't intend to file."

Federal budget cutbacks have cut out nine of the 13 lawyers and clerks helping to administrate Chapter 11 cases in the U.S. Trustee's Office in Chicago. "Morale, funds, impetus—you name it, we've lost it," says David Brown, the office's supervising attorney for Chapter 11 cases. The office used to conduct creditors' meetings for each pending case every 30 to 40 days, now it holds only an initial meeting of creditors.

HOPE TO LIMIT DAMAGE

Economists hope that the increasing use of Chapter 11 will lessen the damage from bankruptcies.

Chapter 11 can keep jobs and assets in place because it prevents creditors from foreclosing on a debtor, enabling the company to continue operating while it negotiates a plan to pay off its debts at so many cents on the dollar.

The new bankruptcy code makes Chapter 11 a more compelling alternative in a number of ways. It makes it less likely that the courts will oust management in favor of a trustee. It also helps prevent secured creditors from feasting on a debtor's assets and leaving a carcass with little long-term hope for survival.

But the chances of escaping the auction block under Chapter 11 aren't so great. While the changes in the law were designed to improve those chances—traditionally around 33%—today's weak economic conditions make survival under Chapter 11 more difficult. "To reorganize a business, you have to be able to get some business," says Lawrence King, who teaches at NYU's law school.

Another problem today is that many big companies are waiting until the last minute to file Chapter 11 petitions. By then it is often too late. One reason: As companies pile up losses outside of bankruptcy, they often cannibalize assets that otherwise could be used to reorganize.●

A. NUCLEAR WEAPONS FREEZE

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. PATTERSON. Mr. Speaker, there is a growing concern among the American public about the escalating nuclear arms race and the increasing possibility of nuclear war. Never has the fear of nuclear war hung so dangerously over the human race as it does today. Weapons originally designed to protect us and preserve our liberty have become the greatest threat to our existence.

People all across the country are realizing there can be no winner in a nuclear exchange. Increasing numbers of Americans including scientists, religious leaders, homemakers, clerks, teachers, doctors, and even military leaders are raising their voices against the nuclear arms race. Their message is loud and clear: Enough is enough.

Mr. Speaker, it is up to us, the policymakers of this great Nation of ours, to do something. We may argue over the technical details, but I think it would be in our best interest to recognize the importance of this subject and take immediate necessary action. The United States, which produced the first nuclear weapons and maintains a nuclear stockpile capable of destroying the world several times over, holds a special responsibility to help reverse reckless nuclear escalation.

I would like to take this moment to encourage my fellow House colleagues to join me in supporting House Joint Resolution 434, which calls on the United States and the Soviet Union to seek an end to the arms race through a nuclear weapons freeze and mutual, verifiable reductions in nuclear arms. The idea is a long overdue and very necessary effort which recognizes the significant and growing concern among the American public that the danger of nuclear war, whether launched by design or accident, are real and growing.

Support for a mutual and verifiable freeze on nuclear weapons is both strong and broad. Recent polls show that the American public overwhelmingly supports the idea of a nuclear freeze by a 3 to 1 margin. It has been endorsed by nearly half of the country's Roman catholic bishops and numerous city councils, county councils, and State legislatures. In my own State of California over 717,000 signatures were collected to insure the inclusion of a freeze initiative on our November ballot. Over 102,000 of those signatures came from Orange County, where my district is located, largely through the efforts of groups like the Orange County Bilateral Nuclear Weapons Freeze Initiative and the Orange County Alliance for Survival who have been diligently working night and day to educate the people of southern California on the importance of this issue.

Nuclear war could destroy civilization as we know it. We owe it to the future of our children to do something about nuclear escalation before it gets out of hand and spreads to smaller, lesser developed countries, whose actions may not be controllable. Nuclear bombs are no longer regarded as merely weapons of deterrence, but as potential weapons of war. Suddenly some are saying a nuclear war is not only survivable, but winnable.

Mr. Speaker, if now is not the time to stop the nuclear arms race, when will that time ever come?●

A CORPORATE RESPONSE TO ENVIRONMENTAL ISSUES

HON. LAWRENCE J. DeNARDIS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. DeNARDIS. Mr. Speaker, I am submitting into the RECORD, for the benefit of my colleagues, a speech which Roy M. Coughlin, staff manager of buildings for Southern New England Telephone Co., presented at Yale University on the 12th anniversary of Earth Day. I strongly believe that it would be pragmatic and economically sound for many other companies throughout the country to follow this thoughtful corporate response to environmental issues.

A CORPORATE RESPONSE TO ENVIRONMENTAL ISSUES

(By Roy M. Coughlin)

Thank you for inviting me to speak here today, and to help observe Earth Day 1982. I am pleased to be able to say I was a participant in the first Earth Day activities, in Philadelphia, in April 1970. This was perhaps my initial awakening to the devastation we, the people of the planet, were inflicting upon our own nest. Since that first Earth Day, in 1970, I have been considered by many to be a conservationist. Before that, I was just cheap!

I've been told that you, the students of Yale, are as much interested in why my company, the Southern New England Telephone Company, became environmentally conscious, as you are in what we have done. I'll tell you that the president of the company at that time (now chairman), Alfred Van Sinderen, had served on an environmental commission for former Governor Dempsey in the sixties, and was appalled at the ecological damage in Connecticut, and became aware of the impact this company might be having. When Governor Dempsey left office, Mr. Van Sinderen asked him to act as a disinterested observer, and to audit our operation, with respect to adverse environmental impacts. Governor Dempsey found that we were far from the pure and clean operation that a service company might (and did) feel it was. He proposed several recommendations for cleaning up our act.

The first recommendation which we acted upon was to appoint a high-level panel, the Committee on Ecological Policy, to consider strategies for implementing these recommendations. Our committee not only agreed with the Governor, but, in fact, added many recommendations of our own, based upon our more intimate knowledge of the business. A total of 65 recommendations were put forth. We met 64 of these. And we have been in the environmental protection business ever since.

When it all began, the president charged the committee with doing the job before it, without being overly concerned with the cost. He would, he stated, bear the responsibility and the accountability for that. We have learned, to our great pleasure, what conservationists already knew, that environmentally sound management is good business management. In the ten years of the program we call Operation Guardian, we have saved costs of well over fifty million dollars.

Our first lesson was that if you want to know what's really wrong with you, don't ask your mother . . . or your friends. Instead, ask your critics. We were the first utility that I know of to ask the state's environmentalists and citizen activists to help us correct our own sins. Needless to say, they did so with great vigor. The result, the happy result, was that we have had a nonadversarial relationship since. To this day, we meet with, and cooperate with, the friends of the environment, in meeting mutual objectives.

Our instincts also told us that we had best score some accomplishments before we stepped into the public view to brag about our good intentions. Within the first year after our committee's establishment, we had done exactly that, and it was apparent that we were on the road to an exciting new venture—the blending of sound business practices with well-founded environmental management.

The broad issues to which we felt we needed to respond were air pollution, water pollution, and resource conservation. Among those resources were paper, metals, and energy. By the time that energy shortages became the highlight issue, our actions were already in place. We had begun paper recycling, which permitted us to close down thirty incinerators—this saved moving scrap paper into landfill, or burning it, and it saved the energy required to produce virgin paper. We now use recycled paper for most of our internal applications. Metal reclamation kept noxious products out of the water supply, made the best use of precious and scarce metals, and provided an entirely new supply source for materials used in our operation. And, of course, energy conservation fell into place as the need for it grew.

Now, ten years later, we have saved more than a half million barrels of oil, worth more than twenty-seven million dollars. We have used pure conservation, substitution of alternate fuels, wind power, solar power, and every new technology which made any sense to try. While we have always looked at the cost-effectiveness of an approach, an additional test has been used in determining the feasibility of a project—what will this company do if a sudden significant energy shortfall occurs?

How do we operate with, say, fifty per cent less energy, when the need for telephone service would become even greater, without seriously impairing the provision of service? While it was apparent that external forces would make our actions largely unpredictable, it was equally obvious that a design for crisis management was essential. It is a philosophy we like to call Managed Pessimism.

That is, we look down the road and saw two possible scenarios: the first presented a world without energy shortages—with all problems resolved. If that occurred, we knew, we would still be ahead, because we would have saved resources, and money, while improving our operating procedures dramatically; with the other scenario, that of continuing shortfalls, we knew we would be even better off. Our vulnerability would be minimal.

This company has fourteen thousand employees, three thousand vehicles, and three hundred buildings. We also have one million customers. We are a major employer, and major influence in the small but important state in which we operate. Our impact is significant, and the actions we take are visible to all. With that in mind, we undertook to tell others about our successes, in the hope that they would follow. There are many corporate leaders, governmental units, and private individuals who will state openly that their actions were begun because of our successes. And we are just as proud of that role of leadership as we are of the more than two dozen awards we have received for our program.

We have been cited by the President, by the Environmental Protection Agency, the Energy agency, the Department of Transportation, and their state counterpart agencies; and by the Federated Garden Clubs, the Council on Environmental Quality, the American Lung Association of Connecticut, and others. Perhaps even more significantly, groups such as yours have asked us to tell our story.

There are still people within our business who do not completely sympathize with the need to do what we are doing. Leadership from the top has overridden these objections, has pointed out the correctness of the course, and has permitted us to continue. The 'bottom line' the dollars not spent, are the best argument for some.

I see Yale is collecting scrap paper. We have an operation called Sort and Save, which solicits employee cooperation in the collection of costly and valuable office paper. But in addition, we collect the junk paper, old telephone directories, despite their total lack of resale value, with a depressed housing market. I see Yale conserving energy very successfully. We are saving energy in both our buildings and our fleet. We are pleased and amazed that our building energy consumption has dropped by more than sixty-five per cent! And, we have enjoyed the best miles-per-gallon record in the Bell System several times.

I see Yale students putting forth their energies in fighting for causes with which we can agree, but in which we cannot necessarily participate. It is for us to focus our attention on those issues where we can do the most good, and which bear the most relevance to our community effects and relationships. I know we are doing that well.

I said earlier that there are people for whom the only useful argument for being in the "environmental fight" is the "bottom line", the dollars to be saved. I am pleased that I do not have to use that argument with you.

Thank you very much.●

STATEMENT ON PETITION TO DISCHARGE S. 951

HON. ROBERT A. YOUNG

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. YOUNG of Missouri. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

STATEMENT BY CONGRESSMAN ROBERT A. YOUNG ON PETITION TO DISCHARGE S. 951

The discharge petition introduced today by my colleague from Louisiana, Henson Moore, represents months of work by all of the Members here to get the Congress to consider anti-busing legislation. Since the Senate passed S. 951 in March, we have all been hopeful that this bill could provide the means of finally addressing this important issue and we have all been working to obtain its approval in the House. As you know we have been blocked in these efforts to date. I want to thank Henson for his fine work in spearheading this effort here today and I join him in initiating this discharge petition.

The passage of S. 951 in the Senate last March was the first significant step the Congress has taken to put an end to forced busing. It is now up to us in the House to get this bill moving. I am disappointed that after so much intense opposition displayed against forced busing by the people of this nation and by so many Members of Congress that the Judiciary Committee has chosen to ignore this major piece of legislation. That Committee has shown no indication until this petition was started today that it intends to consider S. 951, even after the attorney general has indicated his opinion as to the legality of the bill. The only alternative we in the House have is to obtain a petition to discharge this bill from the Committee on the Judiciary.

In pursuit of its authority to enforce the guarantees of the Fourteenth Amendment, Congress has on several occasions legislated both with respect to school busing and to racial balance in schools. However, Congress has never established limits on the authority of federal courts to order forced busing and I feel it is imperative that we do so this year.

I know that the district Congressman Moore represents is in the midst of a desegregation controversy and my own district in the St. Louis metropolitan area is also being threatened with perhaps one of the most far reaching desegregation plans in the history of busing. In St. Louis, at least eighteen suburban school districts, which have never been found guilty of any wrongdoing, are to be included in a metropolitan desegregation plan with the City of St. Louis. Children are likely to be bused for several hours a day across an entire metropolitan area to satisfy one judge's opinion of a desirable racial balance. Forced busing in St. Louis, like forced busing everywhere else, will only serve to divide children from their neighborhoods and families to spend needless hours going to and from school. Unquestionably, the funds used to pay for forced busing would be far better spent on educational programs and teachers salaries.

Today's action is particularly hopeful for opponents of forced busing because S. 951 specifies that the Senate Judiciary Committee should report out legislation to permanently limit the ability of the Federal Courts to order busing and that such legislation should be reported before the August recess. It is my wish that we in the House could also use this bill as a vehicle for reporting out of the House legislation to permanently end forced busing. I have introduced legislation, H.R. 5200, which I feel offers a good approach to limiting the use of forced-busing. I know my Colleagues Mr. Mottl, Mr. Moore, Mr. Bafalis and Mr. Hubbard have all sponsored or cosponsored other pieces of legislation which address various aspects of this problem. S. 951 is a good start, but I emphasize the need to go beyond this bill to consider other aspects of forced busing such as the role of neighborhood schools and the need for quality education. Accordingly, I reemphasize the need for the House to consider these and other measures which will hopefully lead to an end to forced busing in this Country.

I feel that placing reasonable limits on the power of federal courts in desegregation cases, as would be done by S. 951, would serve to diffuse a great deal of the controversy and animosity which exists in this Country today over the use of forced busing. It is my belief that forced busing has been given a chance to remedy the problems associated with segregation and it has failed. The polarizing effects of busing and the requisite expense have deflected attention, energy and resources from critically important efforts to improve the educational quality of our schools. Further, in their efforts to enforce desegregation plans, federal courts have assumed an even greater role in the administration of public education and reached deep into the once private confines of family life to engineer social change that separates children from their families and communities. The overwhelming majority of Americans, black and white, oppose busing as a means of achieving equal educational opportunities. There is an emerging consensus among educators, sociologists, and legal scholars that forced busing, far from reducing the inequality of education has, in fact, had the exact opposite effect.

With the adoption in the Senate of such an important anti-busing measure as S. 951, I feel it is essential that we in the House take every step possible to get this bill out of the Congress and on the President's desk this year. Accordingly, today's action is particularly hopeful for opponents of forced busing because it provides us with a new start to our efforts to get this legislation reported out of the Congress. This discharge petition is a clear indication that Members of Congress intend to take action on the busing question this year.

It is my belief that we can be successful with this petition and that the citizens of this country will finally see some action this year on this important question.●

RELIGION IN RUSSIA—A MORE ACCURATE VIEW

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. SCHUMER. Mr. Speaker, the Reverend Billy Graham touched off a serious controversy when he stated that he had seen freedom of worship during his recent trip to the Soviet Union. It is simply incredible that a man who has been a prominent religious and public figure for over 20 years could be so naive. The record of the Soviet Government is strikingly clear on this subject: It is intolerant of organized religion and does what it can to repress religious worship and study.

I would like to take this opportunity to present my colleagues with the observations of another recent American visitor to the Soviet Union. New York City Council President Carol Bellamy is not a religious leader, but unlike Billy Graham, she did have the sense to seek out the real people of Moscow to find out about religion in Russia. The following are her observations, as expressed in a letter to the editor of the New York Daily News:

SAYS REVEREND GRAHAM VISITED RUSSIA WITH HIS EYES SHUT

Your editorial, "From Russia, with love," disputes Rev. Billy Graham's contention he saw no evidence of religious repression in the Soviet Union. Based on my own experience during a recent fact-finding tour of the U.S.S.R., I agree with you. Religious persecution not only exists—it's getting worse.

Jewish "refuseniks" are harassed by Soviets. Their religious materials are confiscated, their meetings and classes are disrupted and their apartments are searched. On May 8th I joined with about 300 Soviet Jews who congregate in front of the Moscow synagogue on Saturdays. We were talking when an armored van turned onto the street and authorities, over loudspeakers, ordered us to disperse. The refuseniks told me that was the first time in several years that their gathering had been broken up.

I questioned Soviet officials about the sharp decrease in the number of Jews seeking to emigrate from the U.S.S.R. to rejoin their families in Israel—down from 51,000 in 1979 to the 3,500 projected for 1982. More than half a million visa applications are pending.

Persecution is not limited to Jews. At the American Embassy I met several Pentecostalists who have been confined within the Embassy for two years, waiting for permission to leave Russia. In all my meetings with Soviet dissidents, one message to the free world prevailed: "Do not forget us because, in the end, our fight is your fight."●

PHILADELPHIA COMMEMORATES THE SECOND ANNIVERSARY OF THE ASSASSINATION OF ARCHBISHOP OSCAR ROMERO

HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. GRAY. Mr. Speaker, March 24, 1982, marked the second anniversary of the assassination of Archbishop Oscar Romero of El Salvador. Despite the passage of these 2 years, the archbishop's murder goes unsolved as does that of thousands of other Salvadoran civilians. In addition, El Salvador's military government has failed to bring charges against those accused of killing four American churchwomen. Nor has it brought to justice the murderers of two American union employees engaged in land reform efforts in El Salvador.

Yet, the Reagan administration continues to aid the military government of El Salvador and seeks to further involve the United States in the Salvadoran conflict.

On March 18, 1982, the Philadelphia City Council adopted Resolution No. 732, commemorating the second anniversary of the assassination of Archbishop Oscar Romero and memorializing President Reagan to cease all military aid to El Salvador. Mr. Speaker, I wish to share with my colleagues the resolution as follows:

Resolution No. 732

Commemorating the second anniversary of the assassination of Archbishop Oscar Romero of El Salvador and memorializing President Ronald Reagan to cease all military aid to El Salvador.

Whereas, Archbishop Oscar Romero of El Salvador, an outspoken defender of human rights, was assassinated on March 24, 1980, a murder still unsolved by the Salvadoran military government; and

Whereas, On March 24, 1982, an ecumenical service to commemorate the second anniversary of his murder will be held in Philadelphia at Sts. Peter and Paul Cathedral; and

Whereas, Three American nuns and an American lay missionary: Maura Clarke, Ita Ford, Dorothy Kazel and Jean Donovan, were assassinated in El Salvador on December 4, 1980, and charges have still not been filed against the six national guards held after world protests; and

Whereas, Michael Hammer and Mark Pearlman, two AFL-CIO employees of the American Institute for Free Labor working on land reform in El Salvador were killed in January 1981; and

Whereas, the Salvadoran government has denied civil and political rights to its people and has killed nearly thirty thousand civilians since 1980, including priests, catechists, lay workers, peasants and union members, in a country of five million people, the size of Massachusetts; and

Whereas, The National Conference of Catholic Bishops of the United States, the National Council of Churches, the American Baptist Churches, Presbyterian Church of the U.S.A., Union of American Hebrew Congregations, the Quakers, many unions, students and other concerned citizen groups have expressed strong opposition to American military involvement in El Salvador; and

Whereas, Three recent delegations of U.S. Congressmen have returned from visits to El Salvador urging the President to cease military involvement in that country; and

Whereas, on February 1, 1982, President Reagan announced he was sending an additional fifty-five million dollars in military aid to El Salvador, an act opposed by many in Congress; and

Whereas, the desperate human service needs of the cities continue to be slashed drastically for education, health care, housing, mass transit, jobs, the elderly and the disabled, while the military budget escalates; therefore

Resolved by the Council of the City of Philadelphia, That Council commemorates the second anniversary of the assassination of Archbishop Oscar Romero of El Salvador and memorializes President Ronald Reagan to cease all military aid to El Salvador.

Resolved, further, that copies of this resolution be transmitted to President Ronald Reagan, Secretary of State Alexander Haig, Senators Arlen Specter and John Heinz, and all Congressmen from Pennsylvania.●

IN DEFENSE OF THE SMALL FAMILY FARMER

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mrs. SNOWE. Mr. Speaker, I was unable to vote on the bill, H.R. 5539, the Federal Reclamation Act amendments when it was before the House on May 6, 1982. I would now like to take the opportunity to indicate that if I had been present I would have voted "no" on final passage of this bill.

I oppose this legislation because I believe it discriminates against the small family farmer. The bill increases from 160 acres to 960 acres the amount of land under a farmer's ownership which would be eligible for irrigation water at the lower, subsidized cost. H.R. 5539, in effect, would encourage consolidation of farm ownership and assist the process of larger and larger aggregations of agricultural production. I feel that this will result in the loss of the small farmer's livelihood and local control over his farming operations and practices.

Further, I personally find it hard to believe that in these times of limited Federal dollars, legislation was passed that would substantially increase support for large farms in their use of irrigation water which is federally subsidized. I recognize that the 160-acre limitation in the 1902 act does not adequately reflect modern-day farming practices; however, by substantially increasing the acreage limitation to 960 acres grossly ignores the economic problems affecting our country today.

In conclusion, Mr. Speaker, I believe we have a right to protect the small family farmer as it is the family that preserves the working values, beliefs, and traditions from one generation to another. For many farm families, the children are greatly involved in the planting of the crop, the harvesting, and the general maintenance of the farm. This close-knit family structure allows for the most efficient type of farming operation, and I fear that this legislation will seriously weaken this structure.●

THE WRONG RIGHT IN EL SALVADOR

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. BARNES. Mr. Speaker, a recent editorial in the New York Times contains an intelligent discussion of how we should deal with the rightwing government that was recently elected in El Salvador. I include it in the Record for the information of my colleagues:

The Wrong Right in El Salvador

The recent right-wing victors in El Salvador's election present three faces: primitive, traditional and pragmatic. There's a case of American collaboration with their practical wing and acquiescing in the traditional conservatism of another group. But there is no reason whatever to indulge the primitive faction, led by the bloody-minded Roberto d'Aubuisson. That some United States diplomats try to put a moderate face on "Major Bob" is not just misguided, it is alarming.

Mr. d'Aubuisson's Arena Party took a fourth of one million valid ballots, giving it 19 of 60 seats in the new Constituent Assembly. But those votes don't deodorize a leadership that talks of exterminating opponents and sneers at Christian Democrats as watermelons—green outside, red inside.

As president of the interim assembly, Mr. d'Aubuisson sees himself as El Salvador's ruler. With the votes of the more traditional right, his party has voided the crucial second phase of the land reform championed by the Christian Democrats and some pragmatic officers who served in the recent junta.

But the interim assembly should not be conceded plenary powers. It was to draft a constitution, name a provisional government and prepare elections once promised for next year. Until those elections are held, the center of power should be the provisional president, Alvaro Magaña, and his three-party Cabinet, in which centrist Christian Democrats hold key ministries.

The United States has earned the right to press for this agenda. It was the main promoter of the voting and continues to underwrite the economy and armed forces. Yet its officials are glossing over the crudities of the d'Aubuisson group and are trying to make an ungainly government appear promising.

The primitive right scoffs at America's dilemma, believing that any regime will keep getting guns and money so long as it battles against leftist guerrillas. It can get only comfort from a House committee's vote to dilute past conditions for American aid. Those conditions included evidence of genuine respect for human rights, reforms and a good-faith effort to win over moderates in the insurgent ranks.

Those are not utopian conditions. Their value is accepted by the pragmatic Salvadoran officers who overthrew a rightist regime in 1979 and formed the junta eventually led by President José Napoleon Duarte. That coup was a response to the overthrow of the Somoza dynasty in Nicaragua, which shook all Central America. Reasonable conservatives concluded that unless reforms were sponsored from above there would be an explosion below. In Honduras and now in Guatemala, army leaders also seem to be moving with the tide.

In promoting the March election in El Salvador, Washington did not intend to enthrone the primitive right. If the Administration cannot find the voice to say that clearly, let Congress once again speak for the American people.●

GEORGE DANIELSON, ASSOCIATE JUSTICE, CALIFORNIA COURT OF APPEAL

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. O'NEILL. Mr. Speaker, my good friend, and our former colleague, the Honorable George Danielson is now an associate justice of the California Court of Appeal. George took the oath on Friday, May 14, and I am sorry I could not be there to shake the judge's hand.

I have missed George these past few months since his resignation from this body. I miss his contribution to our weekly whip meetings and his assistance on the floor during votes; I miss his advice and counsel; and I miss his warmth and cheerfulness.

I know the Committee on the Judiciary has missed George. As you know, he was the chairman of the Subcommittee on Administrative Law and Governmental Relations and he did an outstanding job.

Most of all, I suppose, we miss George here in this Chamber in the Speaker's chair presiding over the Committee of the Whole. He enjoyed wielding the gavel here in the House and I know he will enjoy his new gavel in the courthouse.

Millie and I send our very best wishes to George and his lovely wife, Candy.●

HOMEBUILDERS LEADERSHIP

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. McDADE. Mr. Speaker, while it is certainly no secret, the decline in homebuilding throughout the country, with its depressing effects on housing, construction jobs, and business vitality, has been called to the attention of the public and local, State and Federal governments largely through the efforts of leaders in the homebuilding industry. In Pennsylvania, the past president of the Pennsylvania Builders Association, Mr. Joe Palchak, has played an important role in this effort.

In February of last year, almost immediately after being named president, Mr. Palchak called for Government action to address housing issues. He was vocal, at the State and national levels, in focusing attention on the fact that for every 1,000 fewer houses that are being built, over 1,700 jobs are lost, as well as some $8.8 million in local, State and Federal taxes. Furthermore, he said at the time, "Many builders and their employees who made it through 1980 will not be so lucky in 1981 if current trends continue."

Mr. Palchak, of course, was stating the facts that have now persuaded Congress to approve a proposal for mortgage interest rate subsidies. He was stating them well over a year ago.

Also, in February 1981, the Pennsylvania Builders Association, in conjunction with the Pennsylvania Association of Realtors, the Pennsylvania Manufactured Housing Association, and the Industrialized Housing Manufacturers Association, began to push a five-point legislative package to help reduce projected losses in housing starts in our State. They estimated that there could be losses of more than $3 billion to Pennsylvania's economy last year.

With Mr. Palchak again playing a leading role, these associations stayed with the legislative battles in our State capital, Harrisburg, and, in the last hours of 1981, saw a mortgage revenue bond issue measure passed and sent to the Governor for signature.

Mr. Palchak is from the Pocono Builders Association in the far eastern portion of Pennsylvania, but during his term as president of the State association, he demonstrated the kind of leadership that reveals not only vigor but broad concern for the housing problems of the country as a whole.●

THE SCIENTIFIC RESEARCH AND EDUCATION ACT

HON. JAMES M. SHANNON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. SHANNON. Mr. Speaker, one of the most serious problems that we face in trying to improve the productivity of our economy and compete with foreign industries on a technological level is an increasing shortage of the highly trained workers that are needed by our technical industries. For example, it is expected that there will be a shortfall of 25,000 electrical engineering and computer science graduates by 1985. This shortage is caused in part by university facilities that are inadequate to train technicians in the numbers needed and in part by a lack of incentives for engineers to go on to graduate study and teaching rather than entering the private sector.

Today, I am introducing the Scientific Research and Education Act. This bill will help address the shortage of adequately trained technicians by expanding existing Federal income tax provisions to encourage corporations to increase their education and research donations to colleges and universities. An identical bill has been introduced in the Senate by Senator LLOYD BENTSEN.

First of all, the act expands eligibility for the 25-percent R. & D. tax credit already in the Internal Revenue Code to include payments by corporations to colleges and universities which are used to pay faculty salaries and graduate student assistantships in engineering and the biological and physical sciences, as well as salaries paid by firms to engineers they lend to college and university facilities. Further, the act expands the credit by permitting it to apply to the full amount of payments for basic university research and for education, rather than 65 percent of such amounts under current law, and by eliminating the current requirement that amounts paid to universities for either basic research or education be taken into account by the paying corporation in subsequent years in determining the incremental R. & D. expenditures eligible for the R. & D. credit in those years.

I hope that my colleagues will join me in supporting this measure to increase the numbers of trained personnel that will be needed to improve America's competitive position in the future.●

FREEDOM FOR THE SLOVAKS

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. BLANCHARD. Mr. Speaker, March 14 was Slovak Independence Day, and then as now, many of us in Congress have a special place in our hearts for the oppressed men, women, and children of Eastern Europe. We must continually remember the plight of the families who live under Soviet domination, and we need to maintain an ongoing vigil for their struggle for freedom.

On February 17, 1982, Jednota, the largest Slovak newspaper in the United States, published an article by Dr. Joseph A. Mikus on the oppression suffered by the Slovak people. With his starting point, the broadcast that was entitled "Let Poland Be Poland," he concludes that perhaps it is also time that we as Americans also call on the Soviet Union and their imposed governments in Eastern Europe to "let Slovakia be Slovakia." I would urge my colleagues to pay special attention to Dr. Mikus' comments, and I would like his article to be printed in its entirety at this point in the Congressional Record.

The article follows:

"Let Poland be Poland!"—Let Slovakia be Slovakia, Too!

(By J. A. Mikus, Ph.D.)

The program broadcast on Sunday, January 31, 1982 at 8:00 p.m. by PBS under the same title has left me with the impression that our official tolerance toward the agressiveness of Communism is changing.

It was an unusual program. Was it a turning point in our policy?

Until now, the press and media of the countries of the Soviet orbit have been insulting "American imperialism," while Voice of America did not find it necessary to react. Nor has there been any common position of the West on Communism. The United Nations resolutions condemning the suppression of the Hungarian Revolution in 1956, the occupation of Czecho-Slovakia in 1968, and of Afghanistan recently, were matters of procedure. But the Western world as a whole remained passive trying to "coexist" with Soviet aggressions. While the Communist Parties from all over the world are frequently gathering in Moscow in order to study the strategy concerning the advancement of their objectives, the West is basically still at the stage of bilateral diplomatic consultations. It was then surprising that the Prime Minister of 14 countries made statements against the marshal law in Poland.

Another innovation was the inclusion in that program of political refugees not only from Poland (Czeslav Milosz—a Nobel prize winner in literature), but also from the Soviet Union (Rostropovich—director of the National Symphony Orchestra in Washington). For decades Washington has considered the refugees as emotionally conditioned individuals, and consequently as a sort of nuisance. Yet, the refugees who have not ceased to observe the conditions in their countries of origin know in the long range much better what is going on there than many of our diplomats accredited in those countries do. Thus, our Foreign Policy toward the Soviet Union has been too tolerant. The policy of Henry Kissinger with all its credit generosity appears now as particularly permissive and damageable to the interest of America and of the West in general.

Now, finally, a reverse of it seems to be imperative.

And at last but not least, the problem of the difference in ideology has been stressed in that program, something which was minimized in the past. Indeed, Catholicism was properly stressed as the sustaining force of the Polish national resistance to Communism. Some pictures from the Pope's visit in Poland were included pointing to the values by which Poland has been able to remain what it is in European history.

We hope that a similar program will be useful to develop with respect to every country or nation of the communist orbit. The tyranny and economic inefficiency of Communism should be exposed everywhere. The error of our media was to have favored certain factional deviations from the official policy within the existing Communist Parties of East-Central Europe. For instance, much fuss has been made in our press of the Charter 77 and its signatories in Czecho-Slovakia, even though between 1945 and 1949, i.e., at the time of the strongest persecution of Catholics in Slovakia, nearly all of its signatories were Stalinist communists. Slovak Catholics are still being persecuted by medieval methods. To celebrate the mass, priests need a permission from the Government. Those who do it without such a permission are jailed. Yet, we rarely read articles about it in the American press.

If we gladly accept the slogan "Let Poland be Poland!" by analogy why not coin a similar one: "Let Slovakia be Slovakia!"●

RECOGNITION OF LIFE-SAVING ACTS OF 15-YEAR-OLD YOUTH

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mrs. SNOWE. Mr. Speaker, I would like to take the time to recognize the life-saving act of a 15-year-old youth from my district.

While delivering newspapers on Friday, May 7, Sherry DeRosby, a ninth grade junior high school student from Mechanic Falls, spotted young Ellery Hewey drowning in the Waterhouse Brook. The young girl acted quickly; jumping a small fence, she pulled the 4-year-old boy from the water, surely saving his life. This was not the first time that Miss DeRosby had come to the aid of an individual in distress. In April of this year when the Northeast was hit by a surprise blizzard, the worst since 1977, Sherry, again on her paper route, discovered an elderly woman lying on the pavement and immediately went to the woman's aid.

The concern for her fellow man which Miss DeRosby has displayed is something that I take pride in recognizing. It is always a pleasure to see such concern in the youth of today, which gives promise for the leaders of tomorrow. I am grateful to have had this opportunity to share Miss Sherry DeRosby's laudable actions with my colleagues.●

COLLINS FILES DISCHARGE PETITION FOR BUSING BILL

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. COLLINS of Texas. Mr. Speaker, today I am filing a discharge petition to discharge S. 951, the Department of Justice authorization bill from the House Judiciary Committee to the House floor for consideration.

On June 9, 1981, by an overwhelming vote of 265-122, the House included the Collins' antibusing amendment to the Department of Justice authorization bill. The basic amendment is what we want to have discharged from the Judiciary Committee. It will take 218 Members' signatures to force the Senate bill to the House floor for consideration.

Mr. Speaker, this discharge petition is absolutely necessary to give the House the same opportunity to have full and complete consideration of this most important issue regarding education. I would like to briefly highlight the legislative history of the forced school busing amendment which will clearly illustrate the delays the legislation has undergone:

Almost 1 year ago—on June 9, 1981—by a vote of 265-122, the House included the Collins' antibusing amendment.

After 8 months of delay, the Senate passed its version of the bill, with the amendment and other antibusing language, by a vote of 57-37.

In an unusual parliamentary maneuver, after both Houses supported antibusing language, instead of going to conference, which is the normal procedure, the bill was held at the Speaker's desk.

On March 8, 1982, I wrote to Speaker O'Neill and Chairman Peter Rodino, of the House Judiciary Committee, requesting that the bill be brought directly to the House floor or that it be referred to the House Judiciary Committee.

Finally, on March 22, 1982, the Senate bill was referred to the House Judiciary Committee.

Since 30 legislative days have passed since that time, and since the Judiciary Committee has not scheduled hearings, and since Chairman Rodino has stalled action and House consideration on the antibusing amendment, I am filing a discharge petition.

Once we achieve 218 signatures, the House will once again have an opportunity to voice their overwhelming objection to the negative practice of forced school busing.

Mr. Speaker, we have the momentum behind us to enhance our children's education with an end to forced school busing. We can end forced school busing during this Congress despite the stall tactics which have been throw our way. A 1982 poll shows that 73 percent of the American public oppose forced school busing.

The administration has stated its opposition to forced school busing. On May 6, 1982, Attorney General William French Smith said that the Collins' antibusing language and the Senate antibusing amendment are constitutional.

Since 1968, I have fought in Congress to end forced school busing and I believe this is the year we will achieve this great victory for all students.●

FRANK JOHNSON SELECTED AS CITIZEN OF THE YEAR IN LA VERNE

HON. WAYNE GRISHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. GRISHAM. Mr. Speaker, it is my privilege to stand before my colleagues in the House of Representatives and pay tribute to Frank Johnson. The city of La Verne, Calif., has selected Frank as their Citizen of the Year and he is most deserving of this high honor.

Frank Johnson has been the guiding force in the growth of La Verne from a small agricultural community to a thriving city ably serving its population. Frank served on the La Verne City Council for more than 20 years and during that time held the position of mayor for 16 of those years.

Owner of the Texaco service station on the corner of Bonita and C Streets, Frank is very active in community and civic affairs. He was a Church of the Brethren appointed member to the University of La Verne Board of Trustees. Frank also serves on the church board's Property and Finance Commission, on the board of directors of the David and Margaret Home, as a volunteer fireman, and is a member of the Bonita High School Boosters Club.

As Frank said when interviewed in La Verne Magazine, "My goal and the council's is to serve people the best way we know how. We should accomplish things the citizens would like to see happen." If you look around La Verne today you can see that Frank's goals have been achieved.

Congratulations, Frank, on being selected Citizen of the Year.●

ATLANTIC BLUEFIN CRISIS

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. FORSYTHE. Mr. Speaker, in recent years there has raged a great debate regarding whether or not tuna should be included in the Fishery Conservation and Management Act (FCMA). Most people who support inclusion and most people who oppose this proposal share the same objective. That objective is the conservation of the resource. However, there is an honest disagreement regarding the best way to conserve bluefin and other species of Atlantic tuna.

As an active participant in this debate, I have examined and reexamined all the evidence and I have met with my constituents. Many of my constituents clearly favor including tuna within the FCMA. Although my view is not popular with many of my constituents, I believe that coordinated and effective international management of a resource which is found off the shores of many nations and which is harvested by fishermen from several countries is the best conservation program. However, if the international mechanism established for this purpose, the International Commission for the Conservation of Atlantic Tunas (ICCAT) fails, there will be no recourse but to include tuna within the FCMA and I will actively and enthusiastically support that proposal.

Until 1981, ICCAT had failed. ICCAT seemed more interested in maximizing harvests than in protecting the resource. In 1981, that changed. Resource conservation became the guiding principle and the allowable harvest levels for bluefin tuna were cut by 80 percent—and by using the coastal States preference concept which I advocated, the U.S harvest was reduced by only 60 percent while the Japanese harvest was cut by 92 percent.

It has been interesting to watch the debate about the Atlantic bluefin tuna because too often people have lost sight of the real issue. For some people, the debate is cast exclusively in terms of more fish for the United States. The corollary of that is to boot the Japanese out of our 200-mile zone. Neither is the true issue. Whether bluefin tuna consist of one Atlantic-wide stock or whether it is two stocks is not the issue because, in either event, the fish are harvested inside and outside the 200-mile zones of many nations. In the Western Atlantic alone this fish is found off the coasts of 22 nations.

The real issue is the protection of the resource. And let there be no mistake about the gravity of the problem. Given the condition of the resource, we must be concerned with the survival of the species. Who gets to harvest the fish is an irrelevant question if there are no fish to harvest. It is unfortunate that many people involved in the debate over whether tuna should be managed by ICCAT or whether it should be included within our 200-mile zone have forgotten this reality. When we are talking about an adult bluefin population that is now only 15 percent of its 1960 level, we are talking about conservation. When we talk about a juvenile bluefin population which is an alarming 10 percent of its 1960 level, we are talking about the survival of the resource.

It is said that the United States is more conservation oriented than ICCAT and that if we manage tuna within our 200-mile zone, the tuna would be more protected. For some people that is a polite way of saying they want to boot the Japanese out. For others it is a real concern for the conservation of the resource. If the motivation for including tuna in our 200-mile act is simply securing more of the resource for ourselves, without regard to the limitations on that resource, then we are beginning to walk down a dangerous road.

It may be true that the United States is more likely to conserve bluefin tuna under our 200-mile regime. But, it is false to say that this will enhance the stock or make more fish available for U.S. harvest. Officials of the National Marine Fisheries Service (NMFS) and Regional Fishery Management Council members have both indicated that if tuna were managed under the FCMA, there is virtually no chance that the allowable U.S. harvest could be increased. The condition of the resource will not permit it.

To include tuna within our conservation law and to establish a regime which is different from ICCAT would set a dangerous precedent. It is dangerous, not because of what we do, but because of what others might do. We would be establishing the principle that the United States and other nations are free to manage bluefin within their 200-mile zones in any manner they wish. The results could be disastrous. Other ICCAT nations would be likely to follow the U.S. lead but with a different result. They, too, could ignore ICCAT and establish non-ICCAT conservation regimes within their 200-mile zones. Unfortunately, in too many cases these regimes would be conservation programs in name only. In reality they would be exploitative to the full extent possible. Bluefin would have less protection. The current situation in which every ICCAT member nation manages tuna within its 200-mile zone according to the ICCAT management regime would be gone. It is only by the moral and legal pressure exerted through an international regime that we can successfully manage bluefin tuna and other migratory species.

This does not mean that we can turn our backs on U.S. fishermen who harvest this resource commercially and recreationally. Within the ICCAT conservation program I have urged, and the United States has adopted as its official position, the concept of a coastal State preference under which coastal fishermen will have priority access to the resources found within our 200-mile zone.

The application of the Coastal States preference concept to the ICCAT conservation program resulted in a 92-percent decrease in the Japanese bluefin harvest. Normally there are 24 Japanese tuna longline vessels operating in the Gulf of Mexico in the winter and early spring. This year there were none. Normally there are 20 Japanese vessels operating in the Atlantic in June. This year there will be none. In July there are usually 20 Japanese vessels operating in the U.S. zone. This year there will be four. Yes, we could have excluded those four vessels by including tuna within our FCMA. But for how long would the resource survive if the Japanese also decide to ignore ICCAT and fish beyond our 200-mile zone for bluefin tuna in ever-increasing numbers. And let there be no mistake about it, the Japanese have that capability. The percent of their bluefin harvest within our zone has steadily decreased. Five years ago the Japanese were harvesting 89 percent of their bluefin within our zone. Today, it is only 50 percent. In fact, the ICCAT conservation program covers a geographic area that extends beyond our 200-mile zone by another 1,600 miles

As I said earlier, the issue is not the exclusion of the Japanese. The issue is the conservation of a migratory resource. The pitfalls of every nation seeking to maximize its catch and the need for unified management of migratory species are clear. This reality was recently recognized by the 12 Atlantic Coast States—Maine through North Carolina. They recognized that to really manage and conserve striped bass a coordinated management system was essential.

The striped bass ignores State and Federal boundaries just as the bluefin tuna ignores national and international boundaries. The States recognized that 12 different management systems were not the ideal way to manage a resource which migrates up and down the Atlantic coast. Each State is now in the process of formally implementing a unified management system for this species. This is a commendable departure from past practices—and it can only work to the benefit of the species. It is a necessary departure and should be done more frequently. The principles which impelled the States to adopt a coordinated conservation program are the same principles which should drive us toward coordinated international management of other migratory species.

It is always easier to take for yourself first and let the devil take the hindmost. We are all guilty of that. But in fisheries conservation, the easy path is a certain path to disaster. It is time that all of us contemplate the future, our inevitable and ever increasing dependence on marine resources, and the need to coordinate our various management systems for these resources. If we fail to do this, the common property resources of the ocean will remain the common property of all, the responsibility of none, and the lost hope of future generations.

Some individuals who support inclusion of tuna within the FCMA do so for two other reasons—reasons unrelated to tuna conservation. One is to eliminate the gear conflict problems caused by having Japanese fishing fleets within the U.S. 200-mile zone, and the second is to reduce the incidental taking of billfish by the Japanese longline fleet. I believe that the ICCAT conservation program coupled with the implementation of new regulations by NMFS will resolve this problem.

The 1981 ICCAT recommedations reduced the Japanese bluefin harvest by 92 percent. This dramatic reduction helped solve both the gear conflict problem and the incidental taking of billfish. Further, I have requested that NMFS amend the preliminary billfish management plan to impose a per fish penalty fee on the Japanese for the taking of billfish pursuant to their tuna longline fishery. I have also asked NMFS to close large ocean areas to Japanese longliners as another means of reducing the gear conflict and billfish problem. These recommendations have been accepted and the draft regulations are being prepared. In fact, NMFS is proposing to forbid Japanese longliners from operating within the 1,200 fathom curve. U.S. fishermen who have spoken to me about their gear conflict problems have only asked for a closure within the 1,000 fathom curve.

The protection of other tuna resources found within the 200-mile zone can also occur through ICCAT. Presently, there is not a conservation problem. The combined United States and Japanese harvests are small compared to the amount of yellowfin, bigeye, and other tuna which can safely be taken. Further, the economics of the Japanese tuna fishery strongly suggest that it is the bluefin harvest which makes the bigeye and yellowfin fishery profitable. Without the bluefin harvest, it is considered unlikely that the Japanese will continue a major yellowfin and bigeye fishery. The dramatic reduction in the number of Japanese tuna longliners operating in the Western Atlantic suggests that this is the case.

Mr. Speaker, I believe that highly migratory species such as tuna can best be managed by a coordinated and effective international regime. As I stated earlier, if that regime fails, we must take action to protect the resource.●

RESULTS OF ANNUAL CONSTITUENT QUESTIONNAIRE

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. CONTE. Mr. Speaker, I would like to take this opportunity to share with my colleagues the results of my annual constituent questionnaire.

According to this poll, my constituents favor a go slow policy on the President's New Federalism initiative, strongly support an immediate resumption of SALT II talks, and consider the threat of nuclear war the most serious problem our Nation faces today.

In addition, while 55 percent of the respondents do not fully support a continuation of the President's economic program they do not want a repeal of last year's tax cuts to alleviate the Federal deficit. In fact, two-thirds of those people who said they do not fully support the program would rather find other revenue sources than give up their tax cut. These same people find cutting further into human service programs the least desirable way to reduce the deficit.

The First District is also still enthusiastic about energy conservation; a very low percentage favored repeal of energy conservation and alternative energy investment credits to alleviate the deficit.

Luxury and consumption taxes, as well as inclusion of Federal employees into the social security system, were heavily favored as ways to shore up the social security trust funds.

My constituents' views were fairly evenly divided on the issues of the reimposition of a grain embargo on the Soviet Union—46 percent favor, 47 percent oppose—and a raising of the gasoline and diesel fuel tax—45 percent favor, 51 percent oppose. By a margin of 2 to 1 respondents were against relaxation of air quality requirements on industry.●

AUTO CONSUMER BEWARE

HON. GARY A. LEE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. LEE. Mr. Speaker, one of the first comments heard when discussing the Clean Air Act warranty reduction provisions I authored which are now a part of H.R. 5252 is—"You're taking something away from the consumer."

After studying the issue for a year the House Small Business Committee came to the conclusion that the warranties contained in the act were anticompetitive, anticonsumer and had nothing to do with clear air but rather were simply an economic issue.

Let us look at what the warranties in the act are actually doing to the consumer. First of all, to maintain his Clean Air Act warranties the consumer is forced to return to the franchised dealer for all parts and all service for the 5 years/50,000 mile useful life of that vehicle. The vehicle manufacturers claim—and rightly so—that if they face the liability of repairing those cars free of charge to the customer, they have every right to demand control over the parts and service that go into maintaining that vehicle. The manufacturers contend that to maintain the validity of the Clean Air Act warranties that all parts and service be done at their franchised dealer.

Is this a good deal? The Chicago Tribune recently conducted a survey on servicing of a 1978 Chevrolet Impala and a 1978 Toyota Corolla at the franchised dealer; at a Sears Auto Center; and at an independent service facility. The following chart is a breakdown of those charges:

	Dealer	1978	Sears Auto Center		Independent mechanic	
	Chevy Impala	Toyota Corolla	1978 Impala	1978 Corolla	1978 Impala	1978 Corolla
Tuneup	$89.90	$80.00	$62.99	$54.98	$85.00	$60.00
Oil Change	23.25	18.55	19.00	19.00	21.95	21.95
Replace exhaust system	204.90	128.00	135.99	[1]24.99	185.00	140.00
Oil filter	6.10	5.30	3.19	3.19	3.95	3.95
Air filter	11.12	5.95	2.79	2.79	6.00	6.00
PCV valve	3.60	4.45	2.49	2.49	2.35	2.35
Fuel line filter	2.10	4.45	2.49	2.49	3.00	3.00

[1] Muffler only; all other parts must be ordered out with prices depending on what service center pays.

Note: Tuneup includes new plugs, PCV valve, ignition points, fuel line filter and air filter, and engine set to factory specifications. Exhaust system includes muffler, tail pipe, extension clamps. Prices are samples and will vary higher or lower by shop. They don't reflect possible service specials.

Source: Chicago Tribune Survey, Chicago Tribune April 20, 1982.

A little simple mathematics with the above figures show that requiring the consumer to return to the franchised dealer for all parts and service is not a very good deal for the consumer. For the past 50 years the consumer has taken his new car back to the franchised dealer for the first 18 months or so and then transferred 75 percent to 80 percent of his business to the independent industry. The chart clearly indicates why. If you take the total prices for the columns for the work on the 1978 Impala you find that work at the dealer costs 51.3 percent more than the work at the Sears Auto Center and some 38.4 percent above the same work done by the independent service facility. Obviously, this is why the public has made the choice over the years—a purely economic one—that after their new car commercial warranties expired they have their cars maintained in the independent sector. Unfortunately, under the Clean Air Act warranties they can no longer do so.

It is obvious that to reduce the Clean Air Act warranties to 2 years or 24,000 miles is not taking something away from the consumer. It is in fact returning to the consumer his right to choose, as he has for years, where he wishes to have his car serviced and the parts he wishes to use. The right to work on the car himself will also be restored. Owners of vehicles since the 1981 model year was introduced have not been able to do so.

Of course, there is no law saying the consumer must return his car to the franchised dealer for all parts and service, only a strong economic pressure which we have dubbed the "glove box psychology." The consumer paid for that warranty whether he wanted it or not, in the purchase price of the car, and he will seek to continue to keep that warranty valid by having his service done where the manufacturer stipulates. Should he do otherwise, he has voided the warranty and will have to pay for any repairs himself. Under these circumstances, the consumer is actually paying twice to get the same repair job. Once when he buys the car and then if he inadvertently voids the warranty, once again when he gets it fixed. The 400,000 businesses in the independent parts and service industry are most upset by the Clean Air Act warranties, and rightfully so. The warranties preclude them from the marketplace for the 5 year/50,000 miles useful life of that vehicle. The consumer who has chosen to work on the car himself or to do business with independents can no longer do so without voiding his warranty. As long as the consumer has any hope of economic relief for a repair job under the supposed Clean Air Act warranties, he will return that car to the franchised dealer in an attempt to have the work done under the warranty.

So we are not taking something away from the consumer, but rather returning his freedom of choice and competition. My provisions in H.R. 5252 reduce the Clean Air Act warranties to 2 years/24,000 miles. A little longer than the historic market shift, but one that is acceptable by the independent industry.

We in Congress cannot in all good conscience force the consumers of this Nation to use only dealer service costing up to 50 percent more for 5 years or 50,000 miles without good reason. There is no good reason for this mandatory shift since the durability of the emissions control system is mandated through the initial vehicle manufacturers certification under section 206 and the recall of defective systems is covered by EPA under the recall provisions in section 207(c) of the law.

We must restore the open competitive marketplace and allow consumers the right to choose where they have their service done and the right to work on their cars themselves. I would urge my colleagues to support the warranty reduction provisions of H.R. 5252.●

INDICATIONS OF SUCCESS

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. HUBBARD. Mr. Speaker, as we resume debate today on the various 1983 budget proposals, a constituent of mine in Wickliffe, Ky., Richard K. Boyd, Jr., has indicated in a well worded letter to me that there are clear and tangible signs that President Reagan's economic recovery program is a success. I consider Dick Boyd's comments both timely and appropriate and I would like to share them with my colleagues at this time. His letter follows:

Hon. Carroll Hubbard, Jr.,
Rayburn House Office Building,
Washington, D.C.

Dear Carroll: Like many Americans today, I am becoming increasingly frustrated by a series of developments in this country related to the national economy.

And what most frustrates me—along with many other people with whom I talk—is the fact that President Reagan's Economic Recovery Program is being "doomed to failure" by many members of Congress and by most of the news media who are actually contributing to its potential demise through the lack of support necessary for its success.

In spite of what I'm being told about the inability of this program to succeed, I think there are some very clear and tangible indications of success. I'd like to cite three such indicators that I see:

(1) The rate of inflation—which most Americans two years ago said was our worst problem—has been reduced drastically.

(2) The rate of personal savings necessary to fuel productive capital investment has increased dramatically.

(3) The inadequacies in our national defense system are being rectified.

I don't profess to be an economist nor can I tell you that I even begin to fully understand all of the factors which work on the direction of the economy. I can say, however, that I know of no plan nor program which has any opportunity for success if it is abandoned at the half-way mark. I think it's clear that a start has been made and that this program can and will succeed if given the support it needs.

Partisan politics aside, I feel that President Reagan has demonstrated clear and positive leadership, and that he, his administration and this economic program deserve full Congressional support. Without that support, the financial community lacks the confidence necessary to work toward reducing interest rates and stimulating growth which will provide employment and economic development.

As a constituent, I respectfully urge your full and vigorous support for the President's economic program.

Most sincerely yours,

Richard K. Boyd, Jr.,
Public Relations Manager.●

PRIVACY RIGHTS OF TAXPAYERS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. RANGEL. Mr. Speaker, today I am introducing legislation to preserve and reaffirm the privacy rights of taxpayers to confidentiality of their tax returns and related information, while facilitating disclosure of that information to Federal law enforcement agencies for purposes on investigation and prosecution of Federal nontax crimes under section 6103(i) of the Internal Revenue Code.

I want to emphasize that this legislation completely preserves the taxpayer privacy protections currently provided in Internal Revenue Code, section 6103(i). It maintains the existing essential balance between the fundamental privacy rights of taxpayers and legitimate Federal law enforcement needs. The modifications to the current statutory disclosure rules that are set forth in this bill are designed solely for the purpose of easing administratively the flow of tax information within the same restrictive parameters presently established in existing law. The only exceptions are the provisions in the bill: First, to permit disclosure of tax information, by the IRS on its own initiative, in carefully defined emergency circumstances involving, (a) an imminent danger of death or physical injury to any individual, or (b) the imminent flight of an individual from Federal prosecution; and second, to allow disclosure of returns or taxpayer return information, upon the granting of an ex parte order for the purpose of locating Federal fugitives from Justice.

Joining with me in sponsoring the bill are my colleagues, Congressmen Conable, Gibbons, Pickle, Jenkins, Shannon, and Russo. I am pleased to announce that identical legislation is also being introduced in the Senate today by Senators Nunn, Grassley, Dole, Roth, Chiles, and Rudman.

Before describing this legislation in greater detail, I would like to take this opportunity to commend my colleagues in both Houses of the Congress—and their staffs—for their diligent interest, commitment, and hard work over the past several months regarding this highly sensitive and important taxpayer privacy issue which have produced this consensus bill.

Our efforts to collectively resolve this critical issue began in earnest during the conference on the Economic Recovery Tax Act of 1981. The conferees, agreeing to the deletion of the Nunn amendment to the Senate bill which would have substantially expanded disclosure of tax information for use in nontax criminal investigations and prosecutions, stated in the conference report that:

> * * * The conferees intend that this matter should be thoroughly examined in Congressional hearings in the near future and that appropriate legislative action should be taken.

And so, on December 14, 1981, the Ways and Means Oversight Subcommittee, which I chair, held a comprehensive hearing to examine the operation of Internal Revenue Code, section 6103(i), which specifically deals with the release of tax information by the IRS to Federal law enforcement agencies for use in investigations and prosecutions of Federal nontax crimes. The subcommittee addressed the issue of whether the current disclosure rules contained in Code section 6103(i) strike the appropriate balance between taxpayer privacy rights and compelling Federal law enforcement needs.

The extent to which the Internal Revenue Service should be able to disclose tax information has long been a subject of considerable controversy. In direct response to evidence that tax information was being abused and misused for purposes unrelated to administration of the tax laws, as well as a widespread concern that taxpayers' rights to privacy were not being protected, the Congress acted, in the Tax Reform Act of 1976, to impose strict confidentiality on tax return information. The purpose of this legislation clearly was to protect taxpayers from unwarranted release of private statements and materials which taxpayers are compelled by law to submit to the IRS each year. However, the Congress also recognized that there may be compelling nontax criminal cases for which it would be proper for the IRS to share tax information with Federal law enforcement agencies. Thus, Code section 6103(i) provides several carefully drafted procedures by which tax returns and tax information may be released for nontax Federal law enforcement purposes. The statute requires a Federal law enforcement agency to obtain a court order authorizing the disclosure by IRS of a tax return or return information submitted by, or on behalf of, the taxpayer. Other tax information, that is, that obtained from third-party sources, can only be disclosed upon written request.

Some individuals, including certain Members of Congress and administration officials, believe that current law is too restrictive and has greatly hampered Federal law enforcement efforts, particularly those relating to drug trafficking and organized crime activities. Others urge that the appropriate balance has been established between these two sensitive and equally compelling societal interests.

Both of these views were presented in detail and discussed at great length during the subcommittee's hearing on this issue. The overwhelming weight of testimony and evidence presented at the hearing confirmed that current law does strike the appropriate balance between the competing interests of taxpayer privacy rights and Federal law enforcement needs. Clearly the Department of Justice did not demonstrate, by sufficient data or other factual information, that law enforcement efforts have been hampered because the current disclosure rules are substantively too restrictive. Moreover, the weight of testimony supported the view that sound tax administration policy mandates that IRS's primary function be, and continue to be, the collection of Federal tax revenues, rather than function as an equal partner with law enforcement agencies in combating nontax Federal crimes. However, evidence presented at the hearing and additional information gathered by the subcommittee support the conclusion that a few administrative-related, procedural statutory modifications to Code section 6103(i) are needed.

The legislation which I am introducing today would amend current law to include these modifications which streamline the current disclosure procedures for use in nontax Federal criminal investigations and prosecutions, while maintaining the same degree of protection for taxpayer privacy and confidentiality of tax returns and related information. A technical explanation of this bill is set forth below:

Technical Explanation of H.R. 6475, Disclosure of Tax Returns and Return Information for Purposes Not Relating to Tax Administration

Disclosure Pursuant to Court Order (sec. 1(a) of the bill and sec. 6103(i)(1)(A) of the Code):

Present law: Under present law, returns and taxpayer return information (i.e., return information submitted by, or on behalf of, the taxpayer) may be disclosed by the IRS, pursuant to an ex parte order by a Federal district court judge, to officers and employees of a Federal agency who are personally and directly engaged in the preparation for any administrative or judicial proceeding (or any investigation that may result in such a proceeding), pertaining to the enforcement of a specifically designated Federal nontax criminal statute, to which the U.S. or the agency is or may be a party.

H.R. 6475: Under the bill, returns and return information with respect to any specified taxable period or periods could be disclosed pursuant to an ex parte order by a Federal district court judge or magistrate. Disclosure would be made to officers and employees of a Federal agency who are personally and directly engaged in (1) preparation for any judicial or administrative proceeding pertaining to the enforcement of a specifically designated Federal nontax criminal statute to which the U.S. or the agency is or may be a party (or any investigation that may result in such a proceeding) or (2) any Federal grand jury proceeding pertaining to enforcement of a Federal nontax criminal statute to which the U.S. is or may be a party.

Application for Court Order (sec. 1(a) of the bill and sec. 6103(i)(1)(B) of the Code):

Present law: Under present law, the following individuals may authorize an application to a Federal district court judge for an ex parte order for the disclosure of returns and taxpayer return information for nontax criminal law purposes: the head of a Federal agency, the Attorney General, the Deputy Attorney General, or an Assistant Attorney General.

H.R. 6475: Under the bill, the following individuals would be permitted to authorize an application to a Federal district court judge or magistrate for an ex parte order for disclosure: the Attorney General, the Deputy Attorney General, the Associate Attorney General, a United States Attorney, a special prosecutor, or an Attorney in charge of a Criminal Division Organized Crime Strike Force.

Standards for Granting of Court Order (sec. 1(a) of the bill and sec. 6103(i)(1)(B) of the Code):

Present law: Under present law, a Federal district court judge may grant an order for disclosure if he determines that:

(1) there is reasonable cause to believe, based upon information believed to be reliable, that a specific criminal act has been committed;

(2) there is reason to believe that the return or return information is probative evidence of a matter in issue related to the commission of the criminal act; and

(3) the information sought to be disclosed cannot reasonably be obtained from any other source, unless it is determined that, notwithstanding the reasonable availability of the information from another source, the return or return information sought constitutes the most probative evidence of a matter in issue relating to the commission of the criminal act.

H.R. 6475: Under the bill, a Federal district court judge or magistrate could grant a court order for disclosure if he determined that:

(1) there is reasonable cause to believe, based upon information believed to be reliable, that a specific criminal act has been committed;

(2) there is reasonable cause to believe that the return or return information is or may be relevant to a matter relating to the commission of the act; and

(3) the return or return information is sought exclusively for use in a Federal criminal investigation or proceeding concerning the act, and the information sought to be disclosed cannot reasonably be obtained, under the circumstances, from another source.

Application for Return Information Other Than Taxpayer Return Information (sec. 1(a) of the bill and sec. 6103(i)(2) of the Code):

Present law: Present law provides that upon written request from the head of a Federal agency, the Attorney General, the Deputy Attorney General, or an Assistant Attorney General, the IRS must disclose return information (other than taxpayer return information) to officers and employees who are personally and directly engaged in the preparation for any administrative or judicial proceeding (or any investigation that may result in such a proceeding), pertaining to the enforcement of a specifically designated Federal nontax criminal statute, to which the U.S. or the agency is or may be a party.

H.R. 6475: Under the bill, a written request for return information (other than taxpayer return information) could be submitted by the following individuals: the head of any Federal agency or the Inspector General thereof, the Attorney General, the Deputy Attorney General, the Associate Attorney General, the Director of the Federal Bureau of Investigation, the Administrator of the Drug Enforcement Administration, a United States Attorney, a special prosecutor, or an Attorney in Charge of a Criminal Division Organized Crime Strike Force. Furthermore, this information could be disclosed for use in preparation for an administrative or judicial proceeding (or any investigation that may result in such a proceeding), or any grand jury proceeding.

Contents of Application for Return Information Other than Taxpayer Return Information (sec. 1(a) of the bill and sec. 6103 (i)(2) of the Code):

Present law: Under present law, a request for return information (other than taxpayer return information) must set forth the following:

(1) the name and address of the taxpayer with respect to whom the return information relates;

(2) the taxable period or periods to which the return information relates;

(3) the statutory authority under which the proceeding or investigation is being conducted; and

(4) the specific reason or reasons why the disclosure is or may be material to the proceeding or investigation.

H.R. 6475: Under the bill, a request for return information (other than taxpayer return information) would be required to set forth the same information. However, the fourth factor would be modified to provide a showing of the specific reason or reasons why the disclosure is or may be relevant to the proceeding or investigation.

Taxpayer Identifying Information (sec. 1(a) of the bill and sec. 6103(i)(2) of the Code):

Present law: For purposes of the disclosure that is authorized through written request, under present law, the name and address of a taxpayer is not treated as taxpayer return information.

H.R. 6475: Under the bill, a taxpayer's identity would not be treated as taxpayer return information. Taxpayer identity is the name of a person with respect to whom a return is filed, his mailing address, and his taxpayer identifying number (social security number in the case of an individual).

Disclosure of Return Information to Apprise Appropriate Officials of Criminal Activities or Emergency Circumstances (sec. 1(a) of the bill and sec. 6103(i)(3) of the Code):

Present law: Under present law, the IRS is permitted to disclose return information (other than taxpayer return information) that may constitute evidence of a violation of Federal criminal laws. This information may be disclosed to the extent necessary to apprise the head of the appropriate Federal agency charged with the responsibility of enforcing such laws. For purposes of this type of disclosure, the name and address of a taxpayer is not treated as taxpayer return information if there is return information (other than taxpayer return information) that may constitute evidence of a violation of Federal criminal laws.

H.R. 6475: Under the bill, the IRS could disclose return information (other than taxpayer return information) that may constitute evidence of a violation of any Federal criminal law (not involving tax administration) to the same extent as under present law. Moreover, the head of a Federal agency to whom disclosure is made would be permitted, specifically, to redisclose the information to officers and employees to the extent necessary to enforce the law. Furthermore, if there is return information (other than taxpayer return information) that may constitute evidence of a violation by any taxpayer of any Federal criminal law (not involving tax administration), then the taxpayer's identity also could be disclosed.

In addition, the bill would provide new authority for the IRS to disclose return information in certain emergency circumstances. Under circumstances involving an imminent danger of death or physical injury to any individual, the IRS would be permitted to disclose return information to the extent necessary to apprise appropriate officers or employees of any Federal or State law enforcement agency of such circumstances. Furthermore, under circumstances involving the imminent flight of any individual from Federal prosecution, the IRS could disclose return information to the extent necessary to apprise appropriate officers or employees of any Federal law enforcement agency of such circumstances.

Use of Disclosed Returns and Return Information in Judicial or Administrative Proceedings (sec. 1(a) of the bill and sec. 6103(i)(4) of the Code):

Present law: Under present law, returns or return information that have been disclosed to Federal officers or employees generally may be entered into evidence in an administrative or judicial proceeding pertaining to the enforcement of a specifically designated Federal criminal statute (not involving tax administration) to which the U.S. or a Federal agency is a party. However, in the case of returns or taxpayer return information that have been disclosed pursuant to court order, the court first must find that the return or return information sought to be entered into evidence is probative of a matter in issue relevant in establishing the commission of a crime or the guilt of a party. Also, returns or return information may not be admitted into evidence if the IRS determines that the admission would identify a confidential informant or seriously impair a civil or criminal tax investigation. The admission into evidence of returns or return information contrary to these provisions does not, as such, constitute reversible error upon appeal of a judgment.

H.R. 6475: Under the bill, returns and taxpayer return information that have been disclosed pursuant to court order could be disclosed in any judicial or administrative proceeding pertaining to the enforcement of a specifically designated Federal criminal statute or related civil forfeiture (not involving tax administration) to which the United States or a Federal agency is a party (1) if the court finds that the return or taxpayer return information is probative of a matter in issue relevant in establishing the commission of a crime or the guilt (or liability) of a party, or (2) to the extent required by court order pursuant to 18 USC sec. 3500 or rule 16 of the Federal Rules of Criminal Procedure.[1] Return information (other than taxpayer return information) could be entered into evidence or otherwise disclosed in any judicial or administrative proceeding pertaining to enforcement of a specifically designated Federal criminal statute or related civil forfeiture (not involving tax administration) to which the U.S. or a Federal agency is a party).

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[1] 18 USC sec. 3500 allows defendants, in certain circumstances, to examine witnesses' statements for impeachment purposes. Rule 16 deals with pre-trial discovery between the parties.

As under present law, neither returns nor return information would be admitted into evidence or otherwise disclosed if the IRS determined that such admission would identify a confidential informant or seriously impair a civil or criminal tax investigation. In addition, the bill would require a court, in ruling upon the disclosure or admissibility into evidence of returns or return information, to give due consideration to the Congressional policy favoring the confidentiality of returns and return information.

Disclosure to Locate Fugitives from Justice (sec. 1(a) of the bill and new sec. 6103(i)(5) of the Code):

Present law: Present law does not provide specifically for the disclosure of returns or return information for the purpose of locating Federal fugitives from justice.

H.R. 6475: Under the bill, persons who are permitted to authorize an application to a Federal district court judge or magistrate for the disclosure of returns or taxpayer return information for Federal nontax criminal law purposes also would be permitted to authorize an application for the disclosure of returns and return information for the purpose of locating fugitives. This information would be used exclusively for locating individuals.

A Federal district court judge or magistrate would authorize a disclosure order if he determined, on the basis of facts submitted by the applicant, that:

(1) a Federal arrest warrant relating to the commission of a Federal felony offense has been issued for an individual who is a fugitive from justice,

(2) the return of such individual or return information with respect to such individual is sought exclusively for use in locating such individual, and

(3) there is reasonable cause to believe that such return or return information may be relevant in determining the location of such individual.

Confidential Informants (sec. 1(a) of the bill and new sec. 6103(i)(6) of the Code):

Present law: Present law permits the IRS to refuse to disclose returns or return information if it is determined that disclosure would identify a confidential informant or seriously impair a civil or criminal tax investigation.

H.R. 6475: The bill retains this discretion on the part of the IRS. However, as a technical matter, this authority is consolidated into one provision.

Civil Damages for Unauthorized Disclosure of Returns and Return Information (sec. 2 of the bill and new sec. 7430 of the Code):

Present Law: Under present law, a person who knowingly or negligently discloses a return or return information with respect to a taxpayer, in violation of the restrictions in Code sec. 6103, may be sued in civil action for damages in a district court of the United States.

H.R. 6475: Under the bill, if an officer or employee of the U.S. knowingly or negligently disclosed a return or return information with respect to a taxpayer, in violation of the provisions of Code sec. 6103, the taxpayer could bring a civil action for damages against the U.S. Present law would be retained for disclosures other than by officers or employees of the U.S.

Disclosure of Returns or Return Information for Use in Certain Audits by the General Accounting Office (sec. 3 of the bill and new sec. 6103(i)(6) of the Code):

Present law: Present law allows the General Accounting Office to have access to tax returns and return information for the purpose of conducting an audit of the Internal Revenue Service or the Bureau of Alcohol, Tobacco, and Firearms, and for the purpose of auditing the safeguards used by other agencies to safeguard returns and return information. However, before the GAO receives tax returns or return information in connection with an audit, it must notify the Joint Committee on Taxation of the audit. The Joint Committee may disapprove an audit by a vote of at least two-thirds of its members within 30 days of receipt of notice of the proposed audit.

In addition, the GAO is permitted access to returns and return information when it is acting as an agent for the Committee on Ways and Means, Committee on Finance, or Joint Committee on Taxation.

H.R. 6475: The bill would extend GAO access to tax returns and return information to include any returns or return information obtained by a Federal agency for use in any agency program or activity. This information would be open to officers and employees of the GAO, and only to the extent necessary in auditing such programs or activity. Furthermore, the GAO would be permitted access to returns and return information that have not been obtained by a Federal agency, provided that the agency is authorized to obtain the information for use in the program or activity that is the subject of the GAO audit.

The pre-audit notification procedures of present law would be continued. Within 90 days after the completion of any audit with respect to which the GAO had access to tax returns or return information, the GAO would be required to submit a report to the Joint Committee on Taxation containing an analysis of the use of returns and return information by the Federal agency involved and any GAO recommendations with respect to the use of returns and return information by such Federal agency.●

NATIONAL HOME SEWING MONTH

HON. WILLIAM HILL BONER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. BONER of Tennessee. Mr. Speaker, today I am introducing a joint resolution that will designate the month of September 1982 as "National Sewing Month." This coming September sewers from across the country will celebrate National Sewing Month sponsored by the American Home Sewing Association and I am proud and honored to join with the association in this celebration. The American Home Sewing Association represents over 500 member companies, manufacturers, retailers, wholesalers, and service businesses from the equipment, fiber, pattern, fabric, and notions sectors.

I understand that National Sewing Month is an industrywide promotion effort designed to increase home-sewing interest, consumer-sewing education and family-sewing participation by inspiring consumers across the country with one universal sewing theme. This is the first such industrywide program as the industry's first step toward the long-range goal of revitalizing the sewing spirit in America.

I have been a strong supporter of the family and believe that home sewing contributes in a major way to building a family unit. For years—indeed, for generations—the fundamentals of home sewing have been learned in the context of the family and in the home economics classes of local schools. For most, home sewing remains home and family oriented. But for others, the skills acquired have made a significant contribution to the economy. Unnumbered careers in fashion, retail merchandising, fashion design, interior design, patternmaking, and textile design—to say nothing of the tens of thousands who have found employment in the garment industry—have had their genesis in a seventh or eighth grade home economics class, where the adventure, intrigue, and eventually the pride of making one's own clothes became the first and lasting pleasure.

Over 90 million Americans sew at home—50 million citizens have the basic skills to do small-item or mend-type sewing at home and 40 million citizens sew at least part of their wardrobe, with many of these making complete wardrobes and major home furnishing's items. In addition to clothing, home sewers make clothing accessories, sports accessories, home furnishings, arts/crafts handiwork, and energy-saving items.

The home-sewing industry contributes to the economic life of this Nation. They employ thousands of people directly in the manufacturing, wholesale, retail, and service sectors. In addition, thousands more are involved as teachers, mechanics, truck drivers, contractors, farmers, and many other professions. The industry generates over $3.5 billion in sales annually, involves millions of dollars of capital invested in plant, machinery, and people as well as providing investment income to thousands of stockholders.

The American Home Sewing Association will be conducting radio broadcast interviews with industry people during the month of September, as a part of an extensive press campaign, including the use of TV, newspapers, and magazines. Various organizations have been sent ideas by the association for special community home sewing programs during this period including home economics teachers, extension agents, 4-H Clubs, American

Sewing Guild chapters, Girl Scouts, Future Homemakers of America, and others.

At this time, I wish to recognize the valuable contribution to the sewing industry made by the American Home Sewing Association. I congratulate the officers of the association for their contribution to the industry, the American consumer and our economy, Leonard Ennis, executive vice president, Harold Cooper, chairman of the board, Leona Rocha, president, Sal Alcina, president-elect, David Colin, vice president finance, Doris Katz, vice president membership, Earle Angstadt, Jr., vice president education affairs, Thomas Sullivan, Jr., vice president government relations, Patrick McGinty, vice president industry expansion, David Schoenfarber, vice president member services and Alan Sorrell, vice president shows and conventions.

I urge the Congress to consider and pass a national sewing month resolution and to have President Ronald Reagan join with the industry in designating September 1982 as National Sewing Month.●

RETIRED FEDERAL EMPLOYEES MEET TO REAFFIRM POSITIVE ROLE OF GOVERNMENT WORKERS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. FRANK. Mr. Speaker, last month 275 Massachusetts members of the National Association of Retired Federal Employees and their guests met in Dedham, Mass., to renew their pledge to the positive commitment that the Federal Government and its employees can make to the country.

During their 2-day meeting which was attended by representatives from every chapter in the State, the retired Federal employees reaffirmed their faith in the role of sound government. The convention pledged to closely monitor the congressional budget process, particularly in light of the radical shifts in spending priorities being made in Washington.

One key area of legislative concern was the maintenance of programs affecting senior citizens—social security, medicare, and other vital Government programs designed to assist elderly Americans, as well as Federal retirement.

The Massachusetts State Federation of Chapters of the National Association of Retired Federal Employees deserves congratulations for its fine contribution to the public welfare through its members' many years of service to the country and for their ongoing efforts to express their concerns about the future direction of the Federal Government.

A summary of the proceedings follows:

NARFE STATE FEDERATION CONVENTION REPORT—MAY 5, 1982

State: Mass. Convention city: Dedham, Mass. 02062.

Place held: Holiday Inn. Dates: April 23/24, 1982.

Attendance: No. of Delegates: 252. No. of Chapters rep. by Delegates: 28. No. of Visitors: 18. No. of Chapters in Federation: 28. Total: 270.

Who presided: Charles E. O'Neill, President, Mass. State Federation.

Host chapter (Name and No.): Mass. State Federation.

Host chapter committee members (Names and Titles):

General Chairman: Charles E. O'Neill. Others: Anthony Carrara. Plus all other State Officers.

Convention committee chairmen (Name and Committee):

General Chairman: Resolutions—Frank Orlando, Chapter 1491. Bylaws—John Moran, Chapter 430. Rules—Thaddeus Pulkowski, Chapter 115. Balloting—Wm. V. Sherwood Jr., Chapter 1568. Credentials—William Kane, Chapter 1491. Legislative—Dr. James F. Lawrence, Chapter 189.

Names of visiting VIPs (full names, titles and addresses): Mr./Mrs. James Doyle, Maine, State President, So. Portland, Maine; Mr./Mrs. Ernest Burke, State President, R.I. Cumberland, R.I.; Mr./Mrs. Charles Reilly, Past Pres. R.I. Cranston, R.I.

NOTE.—Were photographs taken? (Yes or No) Yes. If so, have your photographer expedite a black and white print to you. Identify it as to convention, date, and event. Please list names and titles as they appear from left to right. Also, please have elected President send in his picture (head and shoulders type) along with a biography.

Important business transacted (Include legislative matters) (Attach copies of adopted Resolutions): Important Massachusetts legislation discussed and all bills sponsored by "Silver Haired Legislators" accepted and indorsed by Convention action.

Entertainment of other social activity: Banquet, evening of April 23, followed by guest speakers, donation raffle and dancing till midnight, music by John Rampino Band.

New officers elected (Including Executive Board) (Show office, full name, home address, phone number, and home Chapter): All Officers returned for another term.

Welcoming addresses (Names and Titles): Charles E. O'Neill, President; Anthony Carrara, Treasurer.

Highlights of their remarks: Welcome to fine turnout of so many delegates representing every Chapter in the State.

Principal convention speakers (Names and Titles): George E. Auman, National Officer, Director of Field Operations Walter J. Czarniak, Field Vice President, Area 1.

Highlights of their remarks: (Auman) changes taking place at National Headquarters, formation of National PAC Fund, Membership, etc.

Czarniak: Pleasure always to return to Massachusetts, congratulations to its fine Executive Board, necessity to monitor closely the Budget process in its route through Congress, his own role on the National Executive Board.

Place and date of next convention: Probably Springfield, Mass.

Awards: Membership, Ted Powers of Falmouth, Ed Bergeron of Fall River, Charles E. O'Neill, Norwood, John Vieira New Bedford, Ethel Desoe, Northampton.

Other convention information of interest, or comments: Appearance and well received speech of Congressman Barney Frank on Saturday.

Banquet (or dinner). Where? Midland Room, Holiday Inn. When? Evening, April 23. Attendance: 260. Name of Toastmaster: Anthony Carrara. Entertainment: Stirring music of John Rampino.

Attach and updated copy of the convention program, indicating thereon any changes that may have occurred. Many thanks to you for your help.

COMMITTEES

Nominating: Herminia Vieira, Chairman (297); Norman Johnson (818); Joe Zecchi (221); Frances Forman (115); Anton Bielan (189).

Constitution and Bylaws: John Moran, Chairman (430); Dan Fabrizio (430); Carl Piazza (486); William Anguria (255); June Callahan (1279); Edward Connors (221); Leda Couture (430).

Balloting: Wm. V. Sherwood, Jr., Chairman (1568); Harold R. Amato (428); Lottie McGuirk (484); Robert J. Buchanan (807); Louis Totino (818); Thomas E. McGreevey (255); Aniah Bielan (189); Aaron Glasser (465); Dorothy Davis (430).

Rules: Thaddeus Pulkowski, Chairman (115); Edward Roderick (486); Edward Cimek (484); Douglas Pelton (430); Frank W. Townes (1846).

Time and Place—Convention: John C. McCarthy, Chairman (2[illegible]5); Harry Denapoli (486); Nicholas P. Curto (221).

Legislative: Dr. James F. Lawrence, Ph. D., Chairman (189); Jack Wigon (34); Frederick E. Sterritt (430); John Papile (430); Robert Austin (394); Mary Mastrangelo (807); Edward F. Power (1279); Clifford Carlson (897).

Resolutions: Frank Orlando, Chairman (1491); John Vieira (297); John W. Devine (897); Clifford J. Gerrior (189); Frances Forman (115); William Gazillo (221).

Time and Place—Midyear: Donald W. Doherty, Chairman (1568); Mary E. Kennedy (484); Mary E. Ryan (430).

Credentials: William Kane, Chairman (1491); Evelyn C. Belanger (807); Rev. George Warriner (484); Jeannette Deraney (1491).

Auditing: Edmond A. Bergeron, Chairman (115); John J. Greaney (807); Elton Rollins (430); William Eldridge (507).

Ombudsman: Irene Mossbacher (434).

Floor Manager: Louis Maister, Chairman; Mario Storlazzi (434); Ulric Montcalm (474).

Sargeant-at-Arms: Mike Burniko, Chairman (297); Robert Hall (428).

Parliamentarian: William J. McGuirk (484).●

BUDGET AMENDMENT TO FREEZE NUCLEAR WEAPONS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. CONYERS. Mr. Speaker, the House will consider today an amendment I am offering to the budget resolution that would delete $20.4 billion in budget authority and $8 billion in outlays from the national defense function of the fiscal year 1983 budget. The $8 billion in savings would be used to lower the Federal deficit.

The reductions comprise all the expenditures related to new spending on the further testing, production, and deployment of additional nuclear warheads, and of the delivery systems that would transport them to their targets. The amendment does not affect existing nuclear stockpiles.

In effect, the amendment translates into budgetary policy the nuclear freeze concept. It permits us to recognize the actual cost savings that can be achieved if U.S. policy today were to freeze our nuclear weapons stockpiles and add no additional ones.

The question of what to do about the continuing and incredible buildup of nuclear weapons here and throughout the world has to be the overriding international issue over the long run. This is particularly the case, since the administration has proposed to build an additional 17,000 nuclear warheads over the next several years to add to our already bloated inventory.

I am reminded of the extraordinary congressional hearings on defense policy that my colleague, Mr. **Ronald V. Dellums**, initiated along with a number of our colleagues. The hearings, known as the ad hoc hearings on the full implications of the military budget, took place over several weeks in March and April 1982. The witnesses were drawn from all areas of life and of expertise on the questions addressed. Among them were former Senator William J. Fulbright; former SALT II negotiator, Paul Warnke; retired Adm. Gene Larocque; former CIA official and arms control leader, Herbert Scoville; and Prof. Owen Chamberlain, the Nobel Prize winning scientist at the University of California who was involved in the original project to build the atomic bomb.

In the context of the budget amendment I have offered, I want to share excerpts from the testimony before the ad hoc committee, which deal directly with current nuclear arms policy, the dangers, and alternatives to it.

1. FORMER SENATOR J. WILLIAM FULBRIGHT (MARCH 16, 1982)

The nuclear development program within (administration) budget contemplates an expenditure of some $222 billion over the next 6 years. . . . The implied purpose of this program is to gain nuclear superiority over the Soviet Union. This program, together with existing programs, will result in some 17,000 new and more powerful nuclear weapons during the next 10 years.

This (administration) budget . . . has the effect of shifting the focus of our policy from that of deterrence of nuclear war to the waging and the winning of a nuclear war. . . . This military budget is so large and the emphasis upon nuclear weapons so strong, and the rhetoric about the Soviet Union is so extreme, that one cannot resist the feeling that we are preparing to fight and to win a nuclear war.

2. ADMIRAL GENE LAROCQUE, REAR ADMIRAL RETIRED, DIRECTOR, CENTER FOR DEFENSE INFORMATION (MARCH 17)

Winning a nuclear war and defeating the Soviets is a pipe dream. Neither we nor they can win a nuclear war. This is the fundamental truth of military affairs today. It is a bitter pill to swallow, particularly for military men . . .

Preparations to fight and win a nuclear war are a central part of the $222 billion package of strategic nuclear weapons the President announced last year. The fiscal 1983 military budget is a nuclear war budget, and I think we should make no mistake about that.

In the nuclear area, we could quite safely adopt a freeze on the production of nuclear weapons. . . . A freeze could be negotiated . . . the United States today has upwards of 30,000 nuclear weapons, and about 12,000 of which can be exploded on the Soviet Union. This is far more than sufficient to destroy the Soviet Union even if they strike us first. If all the nuclear weapons the President has requested are produced, we will be able to explode 20,000 nuclear weapons on the Soviet Union by 1990. We simply have no offensive or defensive need for all these very expensive weapons.

3. PAUL WARNKE, FORMER DIRECTOR OF THE ARMS CONTROL AND DISARMAMENT AGENCY AND SALT II NEGOTIATOR (MARCH 18)

When it comes to arms control, nuclear arms has to be the focus of our attention . . . there is this constant drive to secure strategic nuclear superiority, and you can't get it . . . There is no way in the world that either we or the Soviet Union is going to gain any meaningful strategic nuclear superiority . . .

Some people in the present administration call for developing the kind of nuclear forces that will enable us to wage nuclear war rationally. Now, that is a contradiction in terms.

I think it is impatience and fear on the part of the American public that has led to this grassroots movement calling for a freeze . . . and I would hope that our politicians would begin to respond to this popular movement, because it is real and eventually they are going to have to pay a political price if they don't respond.

4. HERBERT SCOVILLE, FORMER ASSISTANT DIRECTOR OF ARMS CONTROL AGENCY, A FORMER TOP OFFICIAL AT CIA (MARCH 18)

The administration's program seems directed almost entirely towards the procurement of more new weapons, particularly those which can threaten the current mutual deterrent posture. . . . Nuclear war does not seem to be a danger which influences the Reagan administration's strategic decisions.

I have been amazed at just what has happened in the last three or four weeks in terms of public attitude . . . The freeze campaign has taken off and then you also have Kennedy's proposal for a large-scale reduction. These are now things which the public is really behind and the administration is obviously worried about . . . and I think this is the real hope for the people in the administration and in power to recognize the strong public concern about nuclear war and the desire not to make it more likely and spend billions of dollars on those wasteful systems.

STATEMENT OF DR. OWEN CHAMBERLAIN, UNIVERSITY OF CALIFORNIA (APRIL 1, 1982)

Dr **Chamberlain**. I am a member of the National Academy of Sciences, a fellow of the American Academy of Arts and Sciences, and in 1959 was awarded the Nobel Prize for Physics with Professor Emilio Segre.

It was in 1941 that I joined the Manhattan Project, working with Professor Segre in Berkeley and Los Alamos on the team that designed and built the first atomic bomb. I am not a supporter of the freeze movement, particularly our freeze initiative, nuclear weapons freeze initiative in California, and of course, it is a bilateral nuclear weapons freeze that we are speaking of.

Many of us who had produced that first atomic bomb were profoundly worried about the unprecedented consequences of nuclear destruction, and so after World War II, we joined in the newly formed Federation of American Scientists, then called the Federation of Atomic Scientists expressly to warn the world in the clearest way that we knew how of the danger to civilization of a nuclear war.

I believe that the danger is far greater today than it has been at anytime in the last 30 years with the exception of the Cuban missile crisis. Because of the stridency of the Reagan Administration in addressing the Soviet Union, and because of the planned deployment of a number of new weapons, some of whose dangers I wish to discuss, this Administration is far from the first to be strident toward the Soviet Union.

The Soviets say they are ready to reduce arms. Fine. Let's talk without stridency about our mutual needs for security. It is now impossible to preserve the security and safety of the United States without also preserving the safety and security of the Soviet Union. This is the reality. We must respond to it by changing our mode of thinking from confrontation to negotiation.●

PRIVACY RIGHTS OF TAXPAYER

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. CONABLE. Mr. Speaker, I have introduced today with my colleagues, Messrs. **Rangel**, **Gibbons**, **Pickle**, **Jenkins**, **Shannon**, and **Russo**, legislation modifying existing law governing the disclosure of information to Federal law enforcement agencies for purposes of investigation and prosecution of Federal nontax crimes under section 6103(i) of the Internal Revenue Code. I am pleased to announce that identical legislation is also being introduced in the other body today by Senators **Nunn**, **Grassley**, **Dole**, **Roth**, **Chiles**, and **Rudman**.

While the legislation would make certain changes in the rules, it is intended that the changes would completely preserve the taxpayer privacy protections currently provided in the section 6103(i) of the Internal Revenue Code.

I believe the legislation would maintain the existing essential balance between the fundamental privacy rights of taxpayers and legitimate Federal law enforcement needs. The modifications to the current statutory disclosure rules that are set forth in this bill are designed solely for the purpose of easing administratively the flow of tax information within the same restrictive parameters presently established in existing law. The only exceptions are provisions in the bill: One, to permit disclosure of tax information, by the IRS on its own initiative, in carefully defined emergency circumstances involving, first, an imminent danger of death or physical injury to any individual, or, second, the imminent flight of an individual from Federal prosecution; and two, to allow disclosure of returns or taxpayer return information, upon the granting of an ex parte order for the purpose of locating Federal fugitives from justice.

The extent to which the Internal Revenue Service should be able to disclose tax information has long been a subject of considerable controversy. In direct response to evidence that tax information was being abused and misused for purposes unrelated to administration of the tax laws, as well as a widespread concern that taxpayers' rights to privacy were not being protected, the Congress acted, in the Tax Reform Act of 1976, to impose strict confidentiality on tax return information. The purpose of this legislation clearly was to protect taxpayers from unwarranted release of private statements and materials which taxpayers are compelled by law to submit to the IRS each year. However, the Congress also recognized that there may be compelling nontax criminal cases in which it would be proper for the IRS to share tax information with Federal law enforcement agencies. Thus, Code section 6103(i) provides several carefully drafted procedures by which tax returns and tax information may be released for nontax Federal law enforcement purposes. The statute requires a Federal law enforcement agency to obtain a court order authorizing the disclosure by IRS of a tax return or return information submitted by, or on behalf of, the taxpayer. Other tax information, that is, that obtained from third-party sources, can be disclosed only upon written request.

Some individuals, including certain Members of Congress and administration officials, believe that current law is too restrictive and has hampered Federal law enforcement efforts, particularly those relating to drug trafficking and organized crime activities. Others urge that the appropriate balance has been established between these two sensitive and equally compelling societal interests.

Both of these views were presented in detail and discussed at great length during the hearings on this issue held by the Committee on Ways and Means' Oversight Subcommittee on December 14, 1981. The weight of testimony and evidence presented at the hearings confirmed that current law does strike the appropriate balance between the competing interests of taxpayer privacy rights and Federal law enforcement needs. Clearly the Department of Justice did not demonstrate, by sufficient data or other factual information, that law enforcement efforts have been hampered because the current disclosure rules are substantively too restrictive. Moreover, the weight of testimony supported the view that sound tax administration policy mandates that IRS's primary function be, and continue to be, the collection of Federal tax revenues, rather than service as an equal partner with law enforcement agencies in combating nontax Federal crimes. However, evidence presented at the hearings, and additional information gathered by the subcommittee, support the conclusion that a few procedural statutory modifications to Code section 6103(i), related almost exclusively to administration, are needed.

The legislation which I am introducing today is intended to amend current law to include these modifications so as to streamline the current disclosure procedures for use in nontax Federal criminal investigations and prosecutions, while maintaining the same degree of protection for taxpayer privacy and confidentiality of tax returns and related information.●

LONG ISLAND'S NEWEST HALL OF FAMER: BISHOP JOHN R. McGANN

HON. JOHN LeBOUTILLIER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. LeBOUTILLIER. Mr. Speaker, four times each year for the past 24 years, Long Island's Sky Island Club has hosted a luncheon to honor and recognize outstanding achievers in their fields.

On Wednesday, March 17, 1982, the Sky Island Club inducted the newest member of the Long Island Hall of Fame in ceremonies noting the numerous accomplishments of Bishop John R. McGann, bishop of the Diocese of Rockville Centre which encompasses all of Nassau and Suffolk Counties.

John McGann was ordained into the priesthood on June 3, 1950, at the Seminary of the Immaculate Conception in Huntington, N.Y. He served the people in various parishes around Long Island for the next 20 years.

In 1970 he was appointed auxiliary bishop of Rockville Centre, and in 1971 was awarded a doctor of laws degree by St. John's University. In 1977 he obtained a doctor of humanities degree by Molloy College.

On June 24, 1976, Bishop McGann was installed as bishop of Rockville Centre Diocese and assumed the responsibility of spiritually guiding the 1,100,000 Roman Catholics living on Long Island. Since then he has been instrumental in adapting the many Vatican II changes, as well as developing a permanent deaconate program that is extremely visible in ministering to the needs of many Long Islanders.

Bishop John R. McGann is a dynamic leader of the Catholic community and a sincerely humane individual. By his cheerfulness he gives inspiration and hope to all who come in contact with him. It is extremely apparent that he is willingly and truly serving the Lord with gladness.

Submitting these remarks into the CONGRESSIONAL RECORD extends official recognition to Bishop John R. McGann for his numerous contributions to Long Island. I bid best wishes and sincere tribute to a fellow Long Islander and fine American. Congratulations to Bishop McGann, member of the Long Island Hall of Fame of the Sky Island Club.●

MURDER OR COMPASSION?

HON. JOHATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. BINGHAM. Mr. Speaker, in recent weeks there has been much controversy in this body and around the Nation concerning the rights of parents to withhold treatment from severely retarded and deformed infants at the time of birth. The anonymous couple in Indiana who requested that treatment be withheld from their infant made an incredibly difficult decision concerning their future and the future of their child. I am sure they have suffered with that decision, and with the national publicity which followed it.

The media has now brought another case to our attention, focusing on a family whose newborn infant was diagnosed as having mental and physical problems similar to those of the infant in Indiana. His parents also wanted to withhold treatment, but his doctors, the hospital he was treated in, and the courts would not allow the child to die. Instead, the baby's life has been prolonged for 18 months, causing great suffering for both the child and his parents. Even after all this time, his physical problems have not been solved, and his mental problems will never be solved.

The dilemma faced by parents with severely handicapped infants is heartbreaking. In the past, there was no decision to be made: These children simply did not survive. With the advent of advanced medical techniques, hospitals, doctors, and the Government have become increasingly involved in making life and death decisions for the severely handicapped. Ultimately, however, it should be the decision of the parents as to whether or not the existence of a child who stands no chance for any kind of a normal life and will not survive without heroic measures should be prolonged. Parents must also consider how the presence of a severely handicapped child will affect the quality of life of their other children both financially and emotionally in the years to come. But the present administration has become involved in the decisionmaking process by threatening to withhold Federal funds from hospitals that deny food or treatment to handicapped infants.

Columnist Judy Mann of The Washington Post wrote recently of the ethics involved in withholding treatment from very sick infants, and the consequences of letting them survive. She accurately points out the high financial and emotional costs involved. The bills do not end with the hospital stay. From there, the costs of educating the child and supporting him have just begun. Many families are feeling the financial burden of raising healthy and normal children these days. Those with handicapped children who will never be able to support themselves financially face the prospect of high medical, educational, and support costs over the child's entire lifetime.

In recent years, the Government has funded many programs for the handicapped, and the results have been remarkable. Both physically and mentally handicapped Americans are being educated and trained, and many are able to hold jobs and contribute to their own support. These handicapped citizens have a new feeling of self-worth when they are able to assume responsibility for themselves, and the overall costs to the Government for their care are reduced as well.

But the hope for families with handicapped members is fading as Federal programs are slashed by the administration's budget cuts. Faced with the prospect of never ending financial burdens and the trauma of watching the physical suffering of a child with little or no hope for a normal life, some believe that they have only one choice to make and that is to allow a child with severe birth defects to die.

Following is the recent column from the Washington Post written by Judy Mann which describes the problems families of severely handicapped children must face today, and reasons why some are choosing to let their children die:

[From the Washington Post, May 21, 1982]

DEFORMITY

(By Judy Mann)

There is probably nothing more heart-rendering and tragic for parents than to give birth to a severely deformed baby. In two recent cases, that tragedy has been compounded by the fact that modern medicine can save the lives of infants who in an earlier time would have died, and their parents have had to decide whether to have corrective surgery performed. A case involving a Downs Syndrome baby in Indiana and another case involving a spina bifida baby in Illinois have now placed the private anguish of two families under public scrutiny and touched off a furor in the right-to-life movement.

The Reagan administration has threatened to withhold federal funds from hospitals that deny food or treatment to handicapped newborns. Some people see this as a symbolic gesture to the antiabortion lobby, and some see it as dangerous interference in a traditional doctor-patient relationship, and still others—namely, the handicapped lobby—see it as a bitter irony that this is all the administration has done so far for the handicapped.

Threatening to withhold money is certainly a heavy-handed approach, at least by itself, to a complex problem that in the past was handled quietly by the doctors and parents involved. Now, however, right-to-life advocates working in hospitals are drawing attention to these situations. Babies who have the most limited opportunity at life, and may face great pain, are becoming the objects of court suits and investigations, their parents the victims of everything ranging from misplaced good intentions to outrageous harassment.

Since the administration has chosen to get involved in this, it ought to get involved constructively, facing four-square the awful financial and emotional burden it is placing on parents by pressuring hospitals to keep these infants alive. It ought to face, too, the fact that there are tremendous ethical and moral questions, compounded by widespread ignorance, that guidelines could help resolve. Just as the medical community has looked hard at the issue of prolonging adult life with extraordinary measures, so should there be a discussion of the kinds of questions posed by these infants. It is not a matter to be left up to solely to the courts or to the whim of regulators in the Health and Human Services Department.

Marilyn Trainer, the mother of a 15-year-old Downs Syndrome child, has counseled numerous parents who have given birth to such children and has a better idea than most of us of what they face. "I think taking the decision away from parents and hospitals is really dangerous," she says, "but at the same time when this first happens parents may not be in the position to excercise the best judgment.

"They are mourning. The baby they expected didn't come. Instead they are left with this enormous problem." They, and their doctors, may also not be well-informed about what infant stimulation and the right to public education have done for retarded children.

"Forty years ago the kids with Downs Syndrome were called mongoloid idiots and sent away to state institutions for the feeble-minded," says Trainer. "Now more and more parents are keeping their Downs Syndrome babies at home. There is more and more enlightenment concerning Downs Syndrome." Her son Ben can read and do simple math. "The difference is like night and day between the kids who've had opportunities and those who haven't.

"If there is going to be a law that says these kids have to live," says Trainer, "then there has to be a law that says either the government or some right-to-life group has to provide for their care, and that includes medical, educational and emotional support for the parents, and if the parents still emotionally can't take it, then provide for foster parents. I don't think these children shoud be sent to an institution."

Parents confronting these awful choices would surely be more inclined to do everything they could to let the baby live if they knew the government would extend a genuinely helpful hand later on. Instead, the Reagan administration is proposing a 30 percent cut in funds for the handicapped, along with numerous changes in regulations that would give states greater flexibility in deciding who is handicapped and how to educate them.

The idea of withholding medical treatment or nourishment to a baby is abhorrent, but if the Reagan administration is going to pressure hospitals into letting these infants live, then it ought not to be cutting out funds and weakening programs that might give them something to live for.●

THE PARK SERVICE'S IMPROPRIETY—A "SILENT SCANDAL"

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. PAUL. Mr. Speaker, for years I have been concerned about the National Park Service's persistent efforts to take over more and more of our land. The Federal Government now owns about one-third of all the land in America, and thanks to the Park Service's seemingly insatiable appetite, that huge share continues to grow.

There is no legitimate reason for the Federal Government to own so much of our land—and the land is being aquired in highly questionable ways. Innumerable homeowners, retirees, and ranchers have been forced off their land through thinly veiled Government threats and the use of armed might.

Building and zoning ordinances have been manipulated to serve the interests of the greedy Federal landgrabbers and shadowy special interests. Innocent people have lost their homes and livelihoods, and have been willfully sacrificed so that the Park Service might increase its hoard.

Moreover, the Park Service has deliberately misrepresented costs when seeking authorizations from Congress. Land acquisition costs routinely exceed budgeted amounts by five and six times. Despite these shocking cost overruns, many landowners are still forced—through legal trickery—to accept far less than market value for their expropriated property.

The Park Service has been strongly criticized in no fewer than eight GAO audits. There are reports of the gravest improprieties; serious questions concerning the ethics of the Park Service's behavior remain unanswered. The special interests being served have never been fully identified, much less brought to the public's attention. Clearly, this entire operation is at the very least suspect.

Today's Wall Street Journal contains an excellent editorial on this matter, and I commend it to my colleagues' attention. Far too many of our fellow citizens have been made victims of the "personal anguish" the editorial describes.

In addition, the mounting evidence of roguish Park Service behavior sheds important new light on Secretary Watt's efforts to place a moratorium on Park Service acquisitions. I believe the evidence is now more than strong enough to warrant a moratorium on acquisitions, until the questions have been answered and the Park Service made to account for its dubious activities and methods.

The Park Service's ongoing efforts to gobble up our Nation should be stopped and the land returned to the American people. At the very least, though, we must condemn the crude methods employed and put a stop to this willing sacrifice of private individuals to hidden special interests and a bloated Federal monster.

The editorial follows:

THE SILENT SCANDAL

Suppose the U.S. Army were buying a lot of land and asked Congress for $100 million when it knew the real cost would be closer to $500 million. Suppose it used arbitrary power to clear ranchers, retirees and summer homeowners off the land. Suppose it gave some people three months to vacate, and sent armed officers along with the appraisers.

Suppose furthermore, it couldn't get all the land it wanted at fair market value because of its grossly underestimated budget and so arranged with sympathetic local officials to slap zoning changes, building restrictions and the like on targeted parcels to force landowners to sell at its price.

And suppose that the boundary lines on these Army ranges kept changing to include some people, at their loss, and exclude others, at their considerable gain. That an internal investigation, after noting that a series of preliminary boundary maps were missing from the files, offered the official conclusion that it could find no documentary evidence of wrongdoing. And, to top it off, that all the land-buying served no overriding national purpose. We think there might be some public outcry on the situation.

Well, one major federal bureaucracy has been charged with just this pattern of behavior. It's not the Army, but that motherhood and apple pie outfit, the National Park Service.

Evidence has been mounting for years that something is very wrong in the way the Park Service has been taking private property to add to the vast federal land hoard (about one-third of the U.S. land area). The U.S. General Accounting Office has issued eight thick audits severely criticizing Parks and the Interior Department. Interior's own Inspector General recently completed a major investigation; Parks personnel, citing the summary, claim they were exonerated, but that hardly holds up when you look at the main body of the report.

In the Santa Monica Mountains east of Malibu and in the Cuyahoga Valley between Akron and Cleveland, Ohio, the Park Service has been assembling "national recreation areas" by means particularly vulnerable to attack. Landowners in the Santa Monica Mountains say they have been told by park officials on the scene that their property won't be taken, yet they have discovered it on acquisition lists filed in Washington. The local park supervisor has encouraged conservationist-dominated local boards to impose land-use restrictions on them, further adding to their anxiety.

The threat has become reality in the Cuyahoga Valley, a moderately scenic, semi-suburban area. Park officials promised to take only 30 homes but actually have condemned 300, converting the area into a strange, seedy landscape of boarded-up, decaying homes, weed-grown farms and tumble down roadside stands.

A few homes were spared. One expensive dwelling was occupied by a park official. The area encompasses the home of Congressman John F. Seiberling, chairman of the Parks subcommittee of the House Interior and Insular Affairs Committee, and one of the proponents of park expansion. It was not condemned. Department files reveal that the Congressman also succeeded in saving the homes of some of his neighbors.

These exemptions were made possible by "scenic easements," which allow owners to keep their land if they agree not to make changes that would affect the "scenic" quality. Congress indeed has encouraged Parks to purchase scenic easements rather than land. The unwillingness of park administrators to accept this guidance has been mainly responsible for purchase cost overruns. Congress authorized $155 million for the Santa Monica project; the Park Service now estimates costs could go to $700 million. The Cuyahoga acquisition went from $35 million to $70 million and the latest estimate, nearly three years old, calls for $100 million more.

The pattern is consistent nationwide. However the department's land grabbers feel about birds and trees, they seem to have little regard for people.

The personal anguish occasioned by Park Service takings played a large role in Interior Secretary Watt's decision to place a moratorium on land acquisition last year. Loud environmentalist outcries forced him to rescind his action. Just a few days ago, he issued a new directive to field staff to de-emphasize acquisition in favor of less costly means, like scenic easements, of achieving objectives. It remains to be seen how that will play with his bureaucracy and its environmentalist constituents. It also remains to be seen how much relief already targeted homeowners will get.

The scandals of the 19th Century involved large private interests exploiting public land. Today, the reverse is true. Powerful public agencies exploit little property owners. Many in Washington will argue that the ends justify the means, but to us it looks no prettier.●

IT IS TIME TO CUT OFF SUPPORT FOR EL SALVADOR'S RULERS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. BROWN of California. Mr. Speaker, the headlines in the newspaper read the South Atlantic, but another area, Central America, needs our attention as well. For those who have not followed events since the ill-fated and misunderstood election in El Salvador, the opponents of reform and social justice have been turning back the clock. This should come as no surprise, given the conditions in El Salvador, where the oligarchy has continued its control over the military and paramilitary forces in that country.

Since the election, right-wing death squads have continued their reign of terror and pattern of assassination. And since the election, the U.S. Government, as represented by the Reagan administration, has publicly excused every move to the right and toward the shame of the past.

Since the Reagan administration is not speaking for the American people, it is necessary for the Congress to fill this void. The Congress must make it clear that the United States will have no part in this repression and regression. We must terminate U.S. aid to make our views unambiguously clear, and make it difficult for those who depend on U.S. aid to continue their present course.

Mr. Speaker, I sometimes wonder if what seems so obvious to me is obvious to others. For this reason, I am encouraged by the editorial comment in this country denouncing what is going on in El Salvador. At this time, I wish to insert in the RECORD an editorial from one of the few newspapers to sustain close coverage of events in El Salvador—the Los Angeles Times.

[From the Los Angeles Times, May 23, 1982]

EL SALVADOR SUSPENDS SENSE

El Salvador's newly elected Constituent Assembly made a serious mistake last week in suspending a key provision of that country's land-reform program. The United States should now exert all the pressure it can to have the action reversed, even suspending U.S. aid to El Salvador if necessary.

The land reform was begun two years ago, shortly after a military coup overthrew a right-wing dictatorship. Its principal aim was to win support for the new government in its war against leftist guerrillas. The rebels rely for most of their popular support on poor, disaffected peasants, many of them landless sharecroppers.

From the beginning, the land reform has been strongly supported by the United States. It was often cited as proof that the new Salvadoran government was progressive and sincerely intended to change an almost feudal economic system in order to short-circuit an impending revolution. The land reform was bitterly opposed, however, by the most conservative elements of Salvadoran society, sometimes violently. Hundreds of land-reform workers and peasants have been killed since efforts to implement the reform began. Last week's vote in the rightest-controlled assembly is widely seen as the first step toward rolling back the land reform.

The problem began when President Alvaro Magana asked the assembly to exempt cotton and sugar cane from the land reform for one crop cycle as an economy measure. Conservative deputies then took it onto themselves to expand the resolution, suspending the largest phase of the three-part land-reform program.

The reform in question is a land-to-the-tiller program modeled after a similar effort to win peasant support during the Vietnam War. The program gives sharecroppers and tenant farmers the right to claim title to up to 17 acres of land that they have cultivated for absentee landlords. Land-reform specialists estimate that more than 150,000 peasant families, almost 1 million people in a country of 5 million, qualified for land grants under the decree.

El Salvador's land-to-the-tiller program has had problems, and is controversial as a result. Some critics charge that it has hurt an already war-ravaged economy by making land ownership so uncertain that many farmers are refusing to plant crops. Magana's request for a temporary exemption of cotton and sugar cane, key cash crops, was intended to overcome this problem.

The intended beneficiaries of the program have also had complaints. The contend that the government has been slow to act on many peasants' petitions for land, and has also failed to protect the new landowners from intimidation and attacks by former landlords, right-wing thugs and leftist guerrillas, who all want the land reform to fail. To date, only 29,000 families have been granted title to their land.

Regardless of the land reform's effectiveness, the assembly action will have an important symbolic effect. To stop a land reform after it has begun can be more dangerous than never starting it at all. The vote will be construed as an indication that the needs of the peasants are less important to the new assembly than are the concerns of the small landed oligarchy whose selfish and short-sighted policies helped push El Salvador into a civil war in the first place.

That is why the United States must try to reverse the assembly action. In the words of Sen. Charles H. Percy (R-Ill.), chairman of the Senate Foreign Relations Committee, the United States must "send a swift, strong, firm message" to the Salvadoran assembly. If it reneges on the land reform, "not one cent of funds shall go to the government of El Salvador." In the coming fiscal year, that could amount to $188 million in military and economic assistance.

For the Reagan Administration to now act indecisively could be disastrous for U.S. policy in El Salvador. It could be read by rightists in the assembly as a sign that the United States will not react if they tamper with other reforms, including important efforts to improve the human-rights record of the Salvadoran security forces.

If the "suspension" of the land reform is allowed to take effect, the United States should immediately suspend aid to the Salvadoran government in response. If the Reagan Administration is not willing to take that step, Congress should do so. Further aid should not be proffered until the land reform is back in operation.●

NOT ALONE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. DERWINSKI. Mr. Speaker, the Suburbanite Economist Newspaper, serving southwest suburban Chicago, has been especially attentive to the recent developments in Poland. In the May 16 edition, the Economist comments on the negative press attention in that country due to the severe censorship and sustained level of press coverage that is allowed outside the country. The editorial follows for the Members attention:

NOT ALONE

The riots in Poland are carrying out the slogan that was scrawled in Warsaw in December: "The winter belongs to you. The spring belongs to us."

That message to the Communist Party's military government from supporters of the suppressed labor movement called Solidarity was in the historic spirit of Polish independence.

Now, in May, the people of Poland, especially the young people, are demonstrating that the spirit of freedom lives, and yet will live, with ever-returning spring.

A great deal of television coverage of the riots was permitted by the government. Why was it shown at length on Warsaw television? Why were foreigners permitted to see the water cannon pummeling women caught in a cul de sac while trying to get away? And the militia man's arm rising and falling, rising and falling above the body of a fallen demonstrator—why did the Polish government want to show that? We assume we see almost nothing that the government censorship in Warsaw doesn't want us to see.

The fear is that the coverage was part of a propaganda buildup to justify a new crackdown, even more severe repression and censorship, whatever the Kremlin requires to rebuild its confidence in its puppet regime in Poland.

Our sympathies with Solidarity and our support for the protestors must be affirmed and reaffirmed. Those people must know that they do not walk alone.●

PARTY OF COMPASSION OR PARTY OF POLITICAL EXPEDIENCY?

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. LOWERY of California. Mr. Speaker, President Reagan has been the recipient of numerous partisan potshots in recent months. Leaders of the Democratic Party have attempted to portray him as a calculating autocrat, intent on balancing the Nation's financial woes on the backs of the elderly and poor.

In reality, nothing could be further from the truth. As Patrick Buchanan notes in a recent column, it is not Mr. Reagan's commitment to the economic well-being of the common man that needs to be called into question. Rather, it is the motives of the men who occupy positions of preeminence in the dubiously self-proclaimed "Party of Compassion."

Mr. Buchanan's article demonstrates remarkable insight into the realities of the current political situation, and I would like to take this opportunity to commend a reading of it in its entirety to my colleagues in the House of Representatives.

The President's press conference of Thursday last was among his best.

Mr. Reagan was in command of his material, self-confident, prepared intellectually and psychologically for the encounter, which is what these sessions have become. From the crispness of his answers and the sharpened edge, Mr. Reagan is reaching the limits of toleration of pretentious press demands for new assurance that he is not a country club bigot.

The answer that revealed most about the man—in this writer's judgment—was the rambling response on the "flat tax."

For the uninitiated, the flat tax is the supply sider's utopian solution. It would replace the federal income tax—now graduated rapidly to 50 percent of every extra dollar earned by the upper-middle-income group—with a flat tax of, say, 18 percent of all income.

The first $5,000 in earnings might be exempt, perhaps Social Security payments as well, but beyond that everyone would pay 18 cents out of every dollar earned, be it on capital gains, salary, interest, rent, racetrack winnings, etc. Eliminated would be all the deductions, exemptions, credits, exclusions which make our federal tax code about as easily comprehensible as the Upanishads.

The ancillary benefits of the flat tax would be widespread unemployment among tax lawyers and total shutdown of the shelter industry. It would require of all of us about a half hour's work to figure out how much we owed each April. The tax thus has about it an efficiency and a theoretical beauty that should naturally appeal to Ronald Reagan. Yet, here was his hesitant reply:

"But the thing is, I think it's not as simple as it sounds, because I think there are differences in—well, would it have an effect on all those institutions, educational, artistic, humanitarian, that exist on contributions? What would it do to some people? I recall one, I won't name him, he's now decreased, but in the last years of his life he was giving his total income to a very charitable medical cause—total.

"And I wonder, I just wonder if it's, if we've—maybe there's a happy medium, maybe there's a way where you can leave some things. What about a family that has the same income as another family but has a longtime catastrophic illness to care for in the family?"

Caught off guard, the President responded in a fashion unadulterated by political calculation. And what crossed the President's mind, in assesssing the flat tax, was how it might adversely affect churches and hospitals, whether it was truly fair to place the identical tax burden on the man raising a retarded child and the fellow baching it up in a singles condo.

What came out of that answer was in sharp contradiction to the propaganda pouring out of this capital about cruel and insensitive Ronald Reagan.

Let me go further. The reality is the reverse of what we are getting. It is not Mr. Reagan's commitment to the economic well-being of the common man that should be called into question, but the character of the men who occupy the positions of preeminence in the "Party of Compassion."

From the evidence of the past month, it is clear that many Democrats do not in the least wish to make Social Security whole. They want the issue; they want the political gain from having terrified millions of older people into believing that Mr. Reagan wishes to destroy a system on which their economic security has come to depend.

Second, the Democratic Party—or at least its dominant wing—does not want a budget compromise, does not want a reduced deficit, does not want confidence and calm in the nation's financial markets. In the last analysis, the dirty little secret is that the Democratic Party does not want a Reagan "recovery" because it hopes to profit politically and profit mightily on Nov. 2 from the misery of the American people.

If the economy turns around, if unemployment starts to follow inflation downward, if interest rates begin to fall, if it appears that the President's ideas were right and his tenacity justified, if things are suddenly looking up for everyone, the Left Democrats are finished. The Republican Opportunity State—Rep. Newt Gingrich's phrase—will quickly displace the Democratic Welfare State.

In short, if America wins Ronald Reagan's riverboat gamble, the Democratic Party loses, which is why the President is encountering demagoguery, obstructionism and bad faith all along the line.

Bryce Harlow, who has served presidents since the world war, says that in the history he has read and the history he has lived, the closest parallel with the present is the early days of the Great Depression, when the Republican-haters in the Democratic Party privately rejoiced in the collapse and refused to cooperate with Hoover, because they knew that the deepening Depression would destroy the Republicans even as it destroyed the economy.

When the American people awaken to the fact that some in the Party of Compassion are praying for disaster, the November results may be other than anticipated.●

ASPEN AND JONES ARE UNFAIR TO WORKING AMERICANS

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. GINGRICH. Mr. Speaker, I am attaching a letter from the Secretary of the Treasury that demonstrates how unfair the Aspen and Jones amendments are to working Americans. The letter was written to Republican leader BOB MICHEL and follows:

DEAR BOB: I am writing to you to point out my deep concerns regarding the massive tax increases which would be imposed on the working people of this country if either the Jones budget or the Aspin substitute were adopted.

The revenue target in either of these budgets could hardly be achieved without repeal of the third year of last year's tax cut. Yet the third year of the tax cut is essential if we want to provide any real relief to the American people.

The third year and indexing are both needed to offset the tax increases from bracket creep due to inflation and the payroll tax increases scheduled under the 1977 Social Security Amendments. The repeal of these provisions would result in an $870 tax increase for a median income ($24,000) family of four between 1983 and 1985.

So the average working family would bear the brunt of a repeal of the third year. Upper income taxpayers, who have already benefitted from the reduction in the top tax rate from 70 to 50 percent, would lose the least. The third year represents only 12 percent of the three year tax cut for the highest income taxpayers, but it amounts to more than one-third of the tax cut for every other taxpayer.

It is also important to recognize that Congress would have to impose major additional tax increases in addition to a repeal of the third year in order to meet the Jones or Aspin revenue targets. For example, even if Congress repealed the third year, repealed leasing, repealed the oil provisions enacted last year, imposed a $5 per barrel import fee on oil, and doubled excise taxes on alcohol, beer, wine, tobacco, telephones, and gasoline, taxes would still not be high enough to meet the target imposed by either the Jones or Aspin budgets.

The additional massive tax increases called for in either the Jones or Aspin budgets would reduce savings and investments, lower real economic growth, reduce job opportunities, and worsen the budget situation. I urge the House to adopt the revenue projections in the Latta substitute, a level which preserves meaningful tax relief for the American people.

With best wishes.

Sincerely,

DONALD T. REGAN.[1]

BROOKLINE SELECTMEN DEMONSTRATE COMMITMENT TO THE DISABLED

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. FRANK. Mr. Speaker, with the enactment of Public Law 97-149, Congress continued the momentum created by the 1981 International Year of Disabled Persons by designating 1982 as the National Year of Disabled Persons. Public awareness and understanding of the abilities of those with some form of disability is critical as we formulate public policies which affect the lives of the disabled.

For that reason, I am very pleased that the board of selectmen of Brookline, Mass., has voted unanimously to proclaim 1982 as the National Year of Disabled Persons in Brookline. By their action, the board has recognized the value of this public awareness and understanding and has committed itself to working in partnership with the disabled community to improve the lives of disabled Americans. The proclamation makes a number of very concrete proposals as to goals which should be attained and which I would like my colleagues to consider, particularly during the ongoing debate on the first budget resolution.

The board also designated John J. Doherty as the town's liaison to the National Office on Disability. Mr. Doherty has been a creative and forceful advocate for the rights of the disabled. He has demonstrated that those with a form of disability can be valuable and contributing members of their community. His designation is further proof of the sincerity of the board in its commitment to the rights of the disabled.

A copy of the proclamation follows:

BROOKLINE (MASS.) BOARD OF SELECTMEN,
APRIL 27, 1982

On motion, it was unanimously

Voted: To issue the following proclamation designating 1982 as the National Year of Disabled Persons:

PROCLAMATION

Whereas, The designation by the United Nations of 1982 as the International Year of Disabled Persons has stimulated new progress toward achieving the full participation in national and community life of the thirty-five million Americans who have disabilities; and

Whereas, Such progress has drawn upon the initiative and resources of individuals and organizations in all sectors of American society who have worked in partnership with disabled persons; and

Whereas, Such partnership has contributed substantially toward improving the lives of disabled Americans; and

Whereas, Further action is required to increase public understanding of the unfulfilled needs and potential contributions of disabled persons; and

Whereas, Further progress should be made in the United States toward achieving the following long-term goals of and for disabled persons promoted during the International Year of Disabled persons: (1) expended educational opportunity; (2) improved access to housing, buildings, and transportation; (3) expanded employment opportunity; (4) expanded participation in recreational, social and cultural activities; (5) expanded and strengthened rehabilitation programs and facilities; (6) purposeful application of biomedical research aimed at conquering major disabling conditions; (7) reduction in the incidence of disability by expanded accident and disease prevention; (8) expanded application of technology to minimize the effects of disability; and (9) expanded international exchange of information and experience to benefit all disabled persons; and

Whereas, The United Nations is building upon the International Year of Disabled Persons momentum and is considering long-term initiatives to improve the lives of the world's one-half billion disabled persons.

Now, therefore, we the members of the Board of Selectmen of the Town of Brookline, do hereby proclaim 1982 as the National Year of Disabled Persons in the Town of Brookline and call upon the citizens of this community to observe such year through activities in support of long-term goals of and for disabled persons promoted during the International Year of Disabled Persons.

Attest:

RICHARD T. LEARY,
Executive Secretary.

JOHN J. DOHERTY, NATIONAL OFFICE ON DISABILITY

The Board considered the question of designating John J. Doherty as the Town's liaison to the National Office of Disability.

On motion, it was unanimously

Voted: To designate John J. Doherty as the Town's liaison to the National Office on Disability.

Attest:

RICHARD T. LEARY,
Executice Secretary.●

ADMINISTRATION-BACKED BUDGET UNFAIR TO ELDERLY

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. GARCIA. Mr. Speaker, the budget policies of the administration and like-thinking Members of Congress advocating deep cuts in human needs programs—massive shifts in the tax burden from corporations and the wealthy to middle- and low-income taxpayers and the largest peacetime military buildup in the Nation's history—are leading the country to disaster and economic hardship. Proposals from the Republican side of the aisle and endorsed by the Reagan administration would create a lopsided budget, unfair to everyone but the rich.

Although the administration plan is touted as a bona fide compromise, it leaves the big giveaways intact. No wonder the President was so eager to embrace the plan introduced in the Senate. It is just what he wanted all along—caviar for his rich friends and catsup for the rest of us.

I urge my colleagues to consider the effects these cuts will have on the poor, the low income, and the elderly; especially the elderly. The Reagan-backed budget proposal would slash $27 billion from health programs over the next 3 years, including more than a $23 billion cut in social security's medicare program. The result of the adoption of this proposal would be to shift the cost of this savings directly to the aged and disabled. It would increase the annual deductible for part B of medicare and would increase the monthly premium, resulting in lower monthly social security checks just as certainly as if the Congress had reduced the cost-of-living increase in social security benefits.

The result of this action would be devastating to the elderly and the disabled and I urge my colleagues to vote against such harsh measures.●

ELOQUENT TRIBUTE TO THE LATE CONGRESSMAN HERMAN SCHNEEBELI

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. McCLORY. Mr. Speaker, supplementing earlier tributes paid to our late former beloved colleague, Herman T. Schneebeli, I wish to recall again the moving memorial service in his memory which took place in his hometown of Williamsport, Pa. on Monday May 17.

Mr. Speaker, on that occasion a long-time friend and leading member of our Dartmouth class of 1930, Fred C. Scribner, Jr., delivered a personal, heartwarming and emotional eulogy to Herman Schneebeli and to his career as a Dartmouth man, a Member of Congress, a husband and father, and a distinguished American citizen.

Mr. Speaker, Fred Scribner's remarks speak more eloquently than these brief words. His statement, which will touch the hearts of all who knew Herman Schneebeli, follows:

STATEMENT PRESENTED AT MEMORIAL SERVICE FOR HERMAN T. SCHNEEBELI

We come together today, family, friends and associates of Herman T. Schneebeli, in this church he knew and served so faithfully and devotedly, in a service of thanksgiving.

We are thankful for Herm's rich, full life. We are grateful for his distinguished service to our country and for his many contributions to this community.

For ourselves we sorrow, because one who contributed so much to our lives, one whom we enjoyed and admired, no longer walks among us.

A friend for more than 50 years, I knew him first as a classmate at Dartmouth, an endearing and warm companion; and then, in turn, as a successful entrepreneur, captian in the U.S. Army, an interested and understanding public citizen, a candidate for office, a Congressman, tax expert, political leader and one who above all was devoted to his beloved wife, Mary Lou, his children and his grandchildren.

In every capacity in which I knew him, he measured up to the fullest. There were no flaws in his character. Every contact was rewarding.

Herm was one of the most beloved and honored members of our class.

While he worked hard in college and was an active leader, whenever a special prank was under way, he would be in the center of activity. Herm was, as you know, a joyous person. A pictorial review of Herm in college would probably have startled some of his congressional associates of later years.

There was no part of college activities in which Herm did not participate.

He was elected vice president of the class in his junior year and senior year. He was given many other honors, including election to the town volunteer fire department, an honor usually reserved for more rugged individuals.

In 1971 he received a special award from the class of 1930 as one of the college's most outstanding graduates.

In his senior year he roomed with Nelson Rockefeller, an association which sharpened the interest of both men in public service. Both of these men were leaders then, but few realized that in that room there lived one man destined to become Vice President of the United States and another who would eight times be elected to the Congress of the United States, serving as the ranking Republican member of the Ways and Means Committee.

Dr. Ernest Martin Hopkins, the beloved president of Dartmouth during our undergraduate days, who followed Herm's career with great satisfaction, frequently said that one of the main purposes of the college was to send her sons out from the peace and quiet of Hanover "strong to meet the challenges and to know the satisfaction of toil and struggle and need for service." On another occasion, he said, "Dartmouth is not primarily a place or a thing, an assembly of scholars or a student body. It is an influence designed to make men realize their greater capacities and to be their better selves."

Herm understood the Hopkins' philosophy. He was committed to it.

In the late 1950's the United States Chamber of Commerce developed and produced a program designed to educate the business world on the importance of able citizens running for public office.

Herm was a leader in this program in this area. He urged businessmen to become active in political activities, campaign for office. Believing in what he said, he ran for Congress in 1960 and was elected to fill a vacancy. Thereafter, he was reelected for seven terms. Serving in Congress for less than one year, he was appointed to the Ways and Means Committee, the most powerful committee in the House. At the time of this appointment, he had served in Congress a shorter period of time than any person ever appointed to that committee. He ultimately became the ranking Republican member on the committee and in that position he was one of the 10 most influential Congressmen in Washington.

Although voting on the conservative side on most domestic issues in Presidential politics, Herm was a liberal. He gave effective and much appreciated support to Eisenhower and Rockefeller, and, more recently, to George Bush.

He never lost his concern for the people of this community and his home. He never was afflicted with Potomac fever. When he felt he had completed his work in Washington, he retired and came back here to be in a place he loved with his family and his close friends.

Herman T. Schneebeli was one of this Nation's most distinguished citizens. Because of his innate modesty too few appreciate that fact. Only Herm knew of the major contributions which he made in shaping the tax laws of this country and as a congressional leader serving as an advisor at numerous crucial international conferences.

He was a man of strength and understanding and compassion with an infectious good humor. He liked people. He was unselfish, thoughtful, and generous and always, in a wonderful way, in his busy life, his wife and family came first ahead of all other interests.

We all need places to which—and people to whom—we can repair, to contemplate, to be refreshed, inspired. Herm was, for many of us, a source of great strength. His availability as a generous and understanding friend was an invaluable resource for scores of people. No monument could be erected for Herm to match that which during his life, by his example, he built in our minds and hearts.

How fortunate we have been to have walked a way with him, to have lived and worked with him. He, indeed, followed to the utmost the advice of President Hopkins: "Go now and see to it that that which you have received here is used for others and the enjoyment and betterment of those with whom you live and work and of those places where you serve." One of this State's outstanding citizens, a fine man, has finished his course with honor.

We will remember the leadership he provided, his willingness to serve this country unselfishly, never seeking his own gain or advancement.

We can best honor him by following his example, sacrificing personal ambition for the good of others.

So we say goodbye for now, knowing that this place and the halls of Dartmouth and the hills of New Hampshire will remember, as will you, a loyal son of the college, a devoted husband, father and grandfather, a most distinguished citizen and our beloved friend, Herman Schneebeli.●

BEATRICE GLADDEN—LADY WHO CARES

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. LEHMAN. Mr. Speaker, I am pleased to have this opportunity to recognize Mrs. Beatrice Gladden for her efforts and accomplishments on behalf of our youth in the small and striving community of Washington Park. This devotion to civic duty and sense of community pride does not end with our youth, however. She holds memberships on the Women's International League for Peace and Freedom, the Concerned Democrats and Democratic Club, the Girl Scouts, and serves on the board of directors for Lock-Towns Community Health Center.

Mrs. Gladden says that her greatest and most fulfilling challenge since raising her son, Michael—a University of Michigan engineering graduate, who works for Florida Power & Light—is the pursuit of what is culturally, socially, and economically beneficial for the youth and all the citizens in her community.

The Miami Herald Neighbors has published the following article on Mrs. Gladden, and I am sure the citizens of Washington Park join me in expressing appreciation to Mrs. Gladden for her continuing efforts and contributions to our community.

The article follows:

BEATRICE GLADDEN

Beatrice Gladden puts a lot of personal stock in building the pride of black children.

The kids call her "Miss Bea."

She calls them "my kids."

At 49, Gladden has been an educator in the Dade County school system for 25 years and now is Title I program coordinator at Westview Junior High, 1901 NW 127th St.

Three years ago, Gladden became the first black person appointed to a major North Miami Beach advisory board. She is finishing her term on the Civil Service Board.

In 1950, her family was one of the first to move into the once-walled-off, predominantly black section of North Miami Beach known as Washington Park. There, Gladden still lives with her mother. Her son and his family live nearby.

She talks of many priorities—the importance of bilingual education, her dreams of visiting Africa, her work on various community committees. But it is talk of children that puts the spark in Gladden's eyes.

Washington Park, a residential neighbor hood of 800 families, seldom is the center of attention, she says.

"It's bothered me. I feel students out here have no way of gaining an identity, [something that] is needed for blacks."

School desegregation boundries mean that neighborhood children attend different elementary, junior and high schools. Their only chance to know one another inside the neighborhood, she said, is outside of school.

"I think that's why I got involved in parks and recreation." (She formerly served on the city's Parks and Recreation Board). "We see very few things culturally advantageous here."

Once Gladden got the North Miami Beach Voters Council, based in Washington Park, to sponsor a modern dance teacher for the summer.

Money is needed, she said, to pay more people to come in and provide similar programs after school and in the summer to teach the children about their heritage, its art and music.

"I have not been able in my goings-around to get the kinds of things here that are [in other black neighborhoods]."

She is proud, however, that Washington Park's young people seem to have taken on more responsibility for their surroundings.

"Just the mere fact that the park stays in tack without broken windows and graffiti shows a certain amount of maturity in the neighborhood," she said.●

LIBYA'S NEW TARGET: THE SAUDI AWACS

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. WYDEN. Mr. Speaker, during last October's debate on the sale of AWACS aircraft to Saudi Arabia, Members of this House raised objections on the grounds that the sale jeopardizes the security of advanced American military technology.

The delivery of the five Saudi AWACS is still a few years away, but a report has been published in England that raises serious questions over the security of the American AWACS now in Saudi Arabia and the Saudi AWACS once they are delivered.

Foreign Report this week reports that a serious attempt was made in April to attack one of the American AWACS. By pure chance, the terrorist attack was blocked. Mr. Speaker, I submit the Foreign Report article for the RECORD.

[From Foreign Report, May 20, 1982]

LIBYA'S NEW TARGET: THE SAUDI AWACS

An attempt to blow up one of Saudi Arabia's American-supplied Awacs (early-warning radar) aircraft was recently foiled by Saudi security forces. Two Libyans and one Palistinian, carrying explosives and machine-guns, were arrested on April 4th on Dhahran airfield just as an Awacs was about to land. Dhahran is close to the Gulf, west of Bahrain, and its military airfield is used for routine patrols along the Gulf and the Saudi-Iraqi border.

Foreign Report was told that the sabotage squad was arrested by chance since Saudi security measures at the airfield are limited. A routine patrol in a jeep spotted a hole in the airfield's fence, an alert was ordered, the airfield was closed and the three would-be saboteurs were arrested. The three men told their interrogators that they had been sent by a Libyan commander, Said Quaddaf Adam, to destroy an Awacs.

This was the second attempt to hit the Awacs. The first took place in early March when a terrorist belonging to a Libyan-backed extremist group was arrested after throwing a hand-grenade at an Awacs at the airfield of Hamis Mushayet. It did no damage.●

THE OLYMPIC COIN ACT

HON. JOHN G. FARY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. FARY. Mr. Speaker, on May 20, the House passed the Olympic Coin Act, which will provide for the minting of commemorative coins to support the 1984 Los Angeles Olympic games. This is a most worthy goal to help our American athletes and the city of Los Angeles stage the Olympics.

The bill authored by Representative FRANK ANNUNZIO will insure an Olympic coin program that will provide much needed revenue to help operate this exciting but costly event. The coins will be minted under the supervision of the Franklin Mint. No outside corporation or business will profit from the sale of these coins. All proceeds will be spent on the athletes. In addition, the sale of these coins will enable all Americans to help support the Olympics and our fine, young athletes. Mr. Speaker, I commend my colleague from Illinois on this legislation.●

REAUTHORIZATION OF THE TRIBALLY CONTROLLED COMMUNITY COLLEGES ASSISTANCE ACT OF 1978

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. SIMON. Mr. Speaker, today I am introducing legislation reauthorizing the Tribally Controlled Communi-

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ty Colleges Assistance Act of 1978. This important legislation, which provides much-needed financial assistance to 18 tribally controlled Indian community colleges, was initiated in the Congress under the leadership of former Congressman Mike Blouin, Chairman **PERKINS** and my friend and colleague from Michigan, **DALE KILDEE**. It has enjoyed the joint support of many Members in the Congress including many of my colleagues of both parties on the Postsecondary Education Subcommittee and on the full Education and Labor Committee. Today I am joined by 14 of my colleagues in sponsoring this legislation which has the unanimous support of the tribally controlled colleges and the tribal chairmen associated with each institution. I am looking forward to early House action on this bill. The presidents of the colleges and the American Indian Higher Education Consortium have contributed significantly to the development of this bill. I applaud their effort and cooperation.

The tribally controlled community colleges are institutions providing a multitude of services. They are located on the reservations and are therefore accessible to students of all age groups—permitting students to live at home with their families, and making part-time study possible. Before the advent of tribally controlled colleges, Indian students who wished to pursue postsecondary education had to travel hundreds of miles, necessitating leaving families behind, and creating severe economic strain and cultural isolation.

Additionally, direct tribal involvement with the colleges is compatible with principles of self-determination. This allows close coordination of educational programs with economic development plans of the tribe, as well as the educational and cultural priorities of the community. The tribally controlled colleges operate as social and cultural centers for the reservation community, as well as valuable information resource centers. As a result, the educational investment in these institutions is repaid many times over.

The draft bill, which I will introduce today, continues the basic thrust of the initial Tribally Controlled Community Colleges Assistance Act of 1978. We are proposing several changes which I believe will enhance the colleges themselves and improve the quality of educational opportunity. The bill proposes:

A revised method for determining the number of full-time equivalent students that will be used to allocate appropriated funds;

A new system for assisting the existing colleges with technical assistance; providing planning assistance for tribes interested in starting a community college; and an improved way for assessing institutional eligibility to receive funds under this act;

A new authorization for construction funds to assist in providing much needed facilities for the colleges; and

A new authorization for endowments for the tribally controlled colleges which requires the colleges to raise matching funds in the private sector.

In addition, we have included language to assure appropriate monitoring and recordkeeping of Federal funds as requested by the administration.

I believe each of these changes is essential and will make an important contribution to the growth and improvement of the tribally controlled colleges.●

PORTRAIT OF SUCCESS: RALPH M. PAIEWONSKY

HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. DE LUGO. Mr. Speaker, my friends in the U.S. Virgin Islands will gather later this week to honor one of our own. I join with them in paying tribute to this native son—Ralph M. Paiewonsky. His accomplishments are many, and I want to share them with my colleagues and people of this Nation.

Public service for Ralph Paiewonsky began in 1936. He served five 2-year terms as a member of the Municipal Council of St. Thomas and St. John, which is equivalent to the present Legislature of the Virgin Islands. He also served as chairman of the council and chairman of the Legislative Assembly of the Virgin Islands, a joint legislative body of the Municipal Councils of St. Thomas-St. John and St. Croix. From 1939, Mr. Paiewonsky advocated the needs and concerns of the Virgin Islands on many occasions by testifying before many committees of both Houses of Congress.

President John F. Kennedy appointed Ralph M. Paiewonsky to serve as Governor of the U.S. Virgin Islands in 1961. He served in that position until February 13, 1969. Tremendous gains in economic and social stability were made under his administration and leadership. Some of the achievements were: An accredited college—College of the Virgin Islands; new industry; new airports; and, worldwide attention on these Caribbean islands as a paradise worth visiting. Governor Paiewonsky's imprint on the economic and social fabric of the Virgin Islands cannot be overemphasized.

Following his tenure in public life, Governor Paiewonsky has remained active. Currently, he is chairman of the board and chief executive officer of A. H. Riise Liquors, Inc. and Ralph M. Paiewonsky Associates. However, his business concerns have not kept him from making further contributions to the people of the Virgin Islands. He has given of this time and talents by serving in the following capacitites: General chairman of the Governor's Advisory Committee on Tourism and Trade; chairman of the Virgin Islands Water and Power Authority; chairman of the Virgin Islands Port Authority; chairman of the board of the College of the Virgin Islands; member of the Governor's Economic Advisory Committee; and, adviser to the Committees of Finance and Commerce of the Legislature of the Virgin Islands.

The achievements of this outstanding man have brought him several honors. In 1962 and 1966 respectively, he was awarded the Alumnus of the Year Award and Presidential Citation from his alma mater. The Association for Middle Income Housing, Inc. presented Governor Paiewonsky with their annual award in 1966 for outstanding performance in public housing. He has received the following honorary degrees: Doctor of humane letters from Tufts University (1967) and Hebrew Union college (1969); and, doctor of laws from Fairleigh Dickinson University (1967). He has just been named as the recipient of the 1982 Time Magazine Distinguished Wholesaler Award.

The 14th Legislature of the U.S. Virgin Islands unanimously passed a bill conferring upon Governor Paiewonsky the highest commendation of the Government of the U.S. Virgin Islands—the Virgin Islands Medal of Honor. This tribute could not go to a more deserving person.

I join with my friends in thanking and congratulating Governor Paiewonsky for his contributions and achievements. I know his wife, Ethel, and their two children, Bernard and Joyce, are honored. The people of the Virgin Islands and I are truly proud of Ralph and share him with the Nation as an example of an extraordinary citizen.●

MEMORIAL DAY 1982

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. BROWN of California. Mr. Speaker, it is with pride and humility that I join in remembering and paying homage to our countrymen who have made the supreme sacrifice in the service of their Nation and its cause.

This Memorial Day we should all remember those brave men and women, citizens of all races and creeds, who once followed the flag and now lie beneath it.

We should all remember, and be grateful to those men and women who lost their lives in our defense. We should remember the veterans who today bear the physical and emotional scars of battle and who themselves remember the hardships, and the friendships they developed with comrades at arms who are no longer with us.

We have a financial commitment to our veterans, as well. In my own area, ill and disabled veterans can receive varied and comprehensive hospital and medical care services at the Veterans' Hospital in Loma Linda. Veterans with service-connected injuries have top priority for treatment, however.

As a nation, we have faced many dangers. Our Government has survived because of the sacrifices our soldiers have been prepared to make. In the coming years we will continue to be challenged, and so the remembrance of those hundreds of thousands who served, and who have died in our defense, must strengthen our resolve to keep this country a bastion of freedom of which we all can be proud.

The sacrifices of our brave men and women should not pass in vain. It is our duty to keep this country strong and free. We must use our hard-won freedom wisely in the knowledge that freedom without compassion and honor is not freedom at all.

As the Nation pauses on May 31, Memorial Day, to commemorate those who gave their lives in its defense, much of the activity will focus on ceremonies at the 105 national cemeteries operated by the Veterans' Administration, such as the National Cemetery in Riverside County.

I am proud of my community for its dedication to this country through its commitment to our Armed Forces. I am also proud of the people of the Inland Empire who have consistently supported veterans and their families, not just on Memorial Day, but every day.●

A HEALTH CARE PLAN THAT MAKES CENTS

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. WYDEN. Mr. Speaker, in recent days I circulated to colleagues a series of four background papers on legislation of mine aimed at curbing out-of-control health care costs.

The legislation is H.R. 5084, and it provides for a new way to pay for medicare expenses. That method of payment goes by the name, prospective reimbursement.

I strongly support prospective reimbursement because it will save money—and because it is doable now.

My four-part backgrounder, which follows, describes how I came to support prospective reimbursement, the background of hospital cost containment legislation, a detailed explanation of what prospective reimbursement will do, and an outline of H.R. 5084.

May 12, 1982.

PART ONE—CONTROLLING HEALTH CARE COSTS: WHY I INTRODUCED A PROSPECTIVE REIMBURSEMENT BILL

DEAR COLLEAGUE: When I came to Congress last year, I had an ambitious goal: to stem the tide of runaway health care costs.

I had just spent the past seven years working with senior citizens.

I had seen elderly men and women suffer without the medical help they needed because they could not afford to foot the bill.

I had seen others, devastated by huge hospital and drug bills, end up in nursing homes because they could no longer make ends meet.

And I had seen—and even considered seriously—the various "solutions" to escalating health care costs: National Health Insurance, the Carter Cost Containment legislation and the so-called Voluntary Effort.

But despite their good intentions, all of these "solutions" had problems. The most serious problem was that no plan provided any real incentive to cut health care costs. Instead, they merely pitted the consumer the government and health care providers against one another.

Searching for a better alternative, I came upon a plan called prospective reimbursement. Prospective reimbursement is a plan that would, for the first time, give providers incentives to reduce costs; a plan that would form a partnership between the various involved parties to work together to provide quality, affordable health care for all Americans.

The more I looked into this prospective reimbursement idea—and the more I saw of the Administration's cut-and-slash proposals for Medicare "reform"—the more I realized that prospective reimbursement was the necessary first step to get our health care system on the road to recovery.

That's why in November of last year, I introduced my own prospective reimbursement plan, H.R. 5084.

That's also why, over the next three days, I will be sending out a series of Dear Collegues outlining the history of health care cost containment proposals, describing the general concept of prospective reimbursement, and outlining the specifics of my bill.

If you have any questions in the interim, don't hesitate to give me, or Roberta Feinstein of my staff, a call at 5-4811.

With warm regards.

Sincerely,

RON WYDEN,
Member of Congress.

May 13, 1982.

PART TWO—THE HISTORY OF COST CONTAINMENT LEGISLATION

DEAR COLLEAGUE: Health care costs in America are running wild.

Between 1970 and 1980, personal health care expenditures in this country more than tripled, increasing at an average annual rate of 13 percent. By 1981, the total tab for this care had shot up to $247 billion—costing consumers $1 out of every $10 and the federal government a grand total of $80.7 billion, one-third of the total cost. And if nothing is done to stem the tide, this tab can be expected to double again every 5 years.

Virtually everyone agrees that something must be done to control these runaway costs—and soon. Increasingly, people are turning to a proposal called prospective reimbursement—a proposal that would give health care providers incentives to reduce costs; a plan that would allow the government, providers and consumers to work together to provide quality, affordable health care to all Americans.

But to understand why experts are beginning to turn to prospective reimbursement, one must first understand the history of the cost-containment battle.

During the past four decades, Congress has considered a succession of legislative proposals to alter the role of the federal government in the provision of health care services to the American people.

In the 1940s, President Harry Truman first introduced the idea of National Health Insurance. The basic purpose of this plan was to establish a comprehensive national health care system which dealt with reimbursement and delivery of health care services. For close to 40 years, National Health Insurance legislation was at the center of the health care debate, but it never was enacted for a combination of reasons—cost, fear of government control of the health care delivery system and fear that health care providers would be pitted against patients.

Then in 1965, Medicare and Medicaid were enacted to assist the elderly and poor in paying their health care bills. Although these programs did serve an immediate and invaluable purpose in aiding senior citizens and the poor, they did not resolve the overall problem of rising health care costs.

The price of health care continued to rise until the Economic Stabilization Program (ESP) was initiated by President Nixon in late 1971.

During the life of this program (which lasted in one form or another until April, 1974), medical prices increased only about two-thirds as fast as other prices. However, with the end of the controls, increases in medical prices resumed their pre-ESP relationship to other prices. For example, during the April 1974-December 1978 period, charges for a semi-private hospital room rose almost twice as fast as other prices.

In 1977, President Carter tried again to do something about runaway health care costs. Recognizing that hospital costs represented a major portion of the total health bill (40 percent), he concentrated his efforts there. The vehicle was Hospital Cost Containment, a proposal which would have capped the amount hospitals were able to increase costs annually. The legislation didn't pass, but hospitals responded with the Voluntary Effort.

Under the Voluntary Effort, hospitals attempted to trim costs by such measures as keeping staff levels and the number of beds constant. Unfortunately, this effort did not show long-term results. Although the rate of increase in hospital costs dropped from 13.8 percent in 1977 to 11.3 percent in 1979, they were back up to 18.4 percent in 1981.

Something has to be done about these soaring health care costs, particularly the hospital portion. The best first step appears to be prospective reimbursement. Tomorrow, in the third part of this series on health care, I will discuss "What is prospective reimbursement."

Sincerely,

RON WYDEN,
Member of Congress.

MAY 14, 1982.

PART THREE—WHAT IS PROSPECTIVE REIMBURSEMENT?

DEAR COLLEAGUE: If you sold your services to the government and it guaranteed to pay your bills no matter how much you increased your costs, would you look for ways to be more efficient?

Remarkably, that's how the Medicare program was billed for more than $35.6 billion in 1980 by hospitals and other health care providers. After each service was provided—tests, physician visits, injections, etc.—Medicare picked up the tab. Payment was on a piecemeal basis, and when a senior citizen entered a hospital, the facility had a large financial stake in selling a lot of its services.

It is primarily this method of reimbursement—not fraud, infatuation with new technology, or our quest for immortality—that is draining the Medicare trust fund. If nothing changes, the system's trustees predict Medicare will go broke sometime between 1986 and 1991.

Fortunately, we can change the inefficient way in which we operate the Medicare program. Medicare costs can be reimbursed in an efficient, business-like manner. Today's system rewards hospitals for wasteful practices such as unnecessary testing; a new method of reimbursement can give health care providers tangible rewards for controlling such unnecessary costs.

That method is called prospective reimbursement.

Today, Medicare penalizes hospitals that offer outpatient services, share equipment with other facilities, standardize their supplies or effect other efficiencies of the marketplace by sending them smaller reimbursement checks.

Prospective reimbursement ensures that tomorrow's Medicare program will reward such practices, by allowing health care providers that agree in advance upon an amount to be paid for patient services to keep all savings realized by being efficient. By so doing, prospective reimbursement allows us to cut hospital cost increases from the intolerable to the inevitable.

Prospective reimbursement has already proven itself at the local level—as I know it will at the national level.

In my hometown of Portland, Oregon, prospective reimbursement is used to serve the indigent through a program called Project Health. In Denver, Colorado, St. Joseph's Hospital uses it to negotiate many of its service contracts. In Rochester, New York, nine hospitals have used the incentives this system offers to hold their cost increases to just half the national average—allowing several of the hospitals to bring their financial statements into the black for the first time in years. Nine states are negotiating fees for medical services they provide before these services are rendered.

Virtually everyone who has studied or worked with today's system of Medicare reimbursement now believes it must be changed. The Gray Panthers and the American Hospital Association are strange political bedfellows, to say the least. But both have recently expressed support for the concept of prospective reimbursement. They have been on opposite sides of a decades-long debate on how to control hospital costs, and finally they've found an idea they both want to pursue.

Similarly, other hospital groups that vigorously resisted the Carter Administration's mandatory system of cost controls, and consumer groups that mocked the hospital industry's voluntary effort at controlling costs, are coming together for purposes of supporting this alternative to the way we spend the Medicare dollar. Congress should not keep them, or other taxpayers, waiting any longer for Medicare reform.

Tomorrow, in part 4 of my health care series, I will explain how my prospective reimbursement plan, HR 5084, differs from other such plans.

With warm regards,

Sincerely,

RON WYDEN,
Member of Congress.

MAY 17, 1982.

PART FOUR—THE WYDEN PLAN FOR CUTTING HEALTH CARE COSTS

DEAR COLLEAGUE: Over the past few days, I have shared with you my thoughts about what we should do to begin to put the skids to runaway health care costs.

Central to my discussion has been a plan called prospective reimbursement—a plan that will not cost the federal government a penny, but instead, will allow us to save money by changing the way the government and health care providers do business under Medicare.

There is, however, one caveat we must all bear in mind: prospective reimbursement is not, in itself, a magical cure for all of the problems of our health care system.

Just as with any proposal, the benefits depend on the specifics of the individual plan. For example, one of the so-called prospective reimbursement plans currently circulating involves a system that would shift the costs of health care from Medicare to private pay patients—an unacceptable alternative and one which my bill prohibits.

My prospective reimbursement plan, HR 5084, emphasizes flexibility, cooperation and incentives. As such, I believe it deserves your serious consideration.

Here's how my plan works.

Under HR 5084, hospitals are not forced to prescribe to a specific reimbursement plan. Instead, they are given the opportunity to negotiate reasonable health care packages up front—to sit down with the government before the care is provided and agree to a reasonable price to be paid for that care.

The potential cost-savings for the government—and the health care system as a whole—are obvious.

So are the benefits to the hospitals.

HR 5084 assures hospitals that they will receive an amount not less than they received last year for the treatment of Medicare and Medicaid patients. This amount would be adjusted upwards for future years depending on inflation, increased hospital utilization and changes in case-mix.

By requiring payments to be negotiated in advance, HR 5084 allows hospitals to plan in advance. Under the current system, hospitals never know how much they will receive from Medicare in any given year. Thus, they are prohibited from doing any long-range planning.

HR. 5084 also allows hospitals to keep any savings they realize by offering outpatient services, sharing equipment with other facilities, standardizing their supplies or effecting other efficiencies of the marketplace. Under today's system, hospitals who save money get smaller checks from Medicare, thus, there is no incentive to save.

HR 5084 frees hospitals from the onerous burden of auditing and cost-finding that is part of the current Medicare Principles of Reimbursement.

Finally, HR 5084 allows hospitals the flexibility they need to make prospective reimbursement work for them. Recognizing that hospitals in Dubuque are different from those in Denver, and that those in Denver are different from those in New York, HR 5084 allows each hospital or group of hospitals to come up with their own prospective reimbursement system.

Thus, my prospective reimbursement plan makes sense for everyone.

It makes sense for the health care provider because there is less red tape, a greater opportunity to meet costs, and a chance to plan ahead.

It makes sense for the government because Medicare expenditures will be controlled.

And it makes sense for the health care system as a whole—and, thus, for the consumer—because, instead of simply cutting benefits as current federal policy seems to dictate, my legislation allows us to get the best deal for our tax dollar. And it preserves the quality of care by stipulating that quality not be sacrificed.

Now is the time to begin taming the health care monster. Please join me in this effort to provide quality medical care with a reasonable price tag. Call Roberta Feinstein of my staff at 5-4811 to cosponsor this important legislation.

Sincerely,

RON WYDEN,
Member of Congress.

A TRIBUTE TO MY WONDERFUL DAUGHTER

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. ROGERS. Mr. Speaker, I rise to explain my unavoidable absence from the House this evening. My daughter Allison is graduating from high school tonight. And months ago, before there was any expectation that the House would be in session tonight, I promised her that I would speak at her commencement exercises. While I regret my absence here this evening, I have no doubt that my place is definitely with my daughter tonight.

As the House continues its work on the budget this week, we are undertaking work which is essential to the long-term vitality of our Nation. But Mr. Speaker, in listening to the debate today and reflecting about my daughter's graduation tonight, I could not help thinking that all of our labors, all of our efforts to set our economic house in order, are not just so that we can have a better world to live in ourselves, but so our children will have a world to live in where our dreams for them can come to fruition.

A wise writer once commented that "the sweet memories of her childhood, the joy and happiness of her love today, the bright dreams for all her tomorrows, these are the blessings of a daughter." Mr. Speaker, I do not believe there is a man anywhere in the world who has a daughter who can compare to my daughter. I would like to tell you about her today.

I have had many proud and happy moments. But there is no question, the most pride and the most happiness in my life have come from my family; from my wife Shirley, my sons Anthony and John, and my daughter Allison. But on the occasion of her graduation, I would like to talk about Allison. Earlier this year, I went to the ceremony when Allison was inducted into the National Honor Society. As I watched my daughter that day, a daughter who suddenly looked very grown up, I felt a joy and a pride that made other events look pale in comparison.

She is an excellent student. With insights that always startle and impress me, she is bright, inquisitive, creative, and articulate. She has an artistic flair which I have always bragged on to my neighbors, whether it is in her own art work or her music. And she has grown into a warm, kindly, and compassionate kind of person.

When Allison was a little baby, like many parents are apt to do, I used to look at her asleep in her crib. I would dream about the kind of person she would become and the kind of life she would live. I had many high and elated hopes for her. And Allison has surpassed every one.

Even now, when I go anywhere with her, I want to brag on her. I want to tell everyone who sees us that this beautiful young woman I am with is my daughter.

Tonight she is graduating from high school. She has a world of possibilities before her many of which she has earned by her own hard work and talents and any of which she can approach with the certainty that she can make it a success.

When I speak at her commencement tonight, I will tell her in the words of a writer that there is no warmer moment in life then the one spent basking in the sunlight of a daughter's smile. I cannot think of a truer statement. We very rarely have the opportunity to tell those closest to us how we feel. But I would like to tell her tonight how very proud of her I am and will alway be, how hopeful I am for every bit of her happiness, and how very much I love her.●

THE VIETNAM VETERAN: WHO IS TO BLAME? WHO IS RESPONSIBLE?

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. EDGAR. Mr. Speaker, on May 20 I addressed the House on the subject of the administration's failure to adequately implement two provisions of law, enacted last year, which were designed to provide increased job training, employment, and small business opportunities for Vietnam veterans.

This statement was accompanied by a letter, signed by four of my colleagues, DON EDWARDS, DAVID BONIOR, TOM DASCHLE, and LEON PANETTA, sent to the President of the United States expressing our concern over this issue.

Rather than go into detail again over the specifics of our complaint I would like to submit for the RECORD an article which appeared in the Philadelphia Inquirer on May 21 which summarizes our statements. Following that article, I submit another article which appeared in the Washington Post on May 25 which describes the administration's response to our charges.

If these statements from the administration spokesman quoted in the Washington Post article are correct, then it is very clear that the administration is accepting culpability in not adequately implementing these programs for Vietnam veterans. However, in both instances the reasons cited for their inaction are blamed, not on the lack of need for both the programs, nor the cost itself, but because of the disastrous state our economy is in. Again, whose fault is that.

On May 20, we charged that the administration had deliberately not funded a small business loan program for Vietnam veterans which would have provided small business loans for Vietnam era and disabled veterans up to $200,000. We also stated that the VA has failed to even write the regulations for how the programs would be implemented, as required by law, even if those funds had been approved.

The administration spokesman responded that the program was not implemented, not because of its cost, nor because of the merits of the program, but because, "The administration does not feel it is the proper time to ***TEMPT*** (emphasis added) veterans into small business ventures, given the state of the economy, the heavy rate of foreclosures, etc."

In other words, "Why stimulate small businesses if they are only going to fail anyway." When is the proper time if not now?

Mr. Speaker, I find this analysis outrageous. The Nation currently has the highest default and bankruptcy rate in 40 years. What I hear the administration saying is,"Why bother making any attempt to encourage or stimulate small business, either for Vietnam veterans or nonveterans. Those who can 'make it' can become big businesses; those who can't, can, just like old soldiers, fade away."

I am certain the U.S. Chamber of Commerce and the National Federation of Independent Businesses will be very interested in this callous and insensitive statement. It is exactly this type of attitude from the administration that has brought our entire economy to its knees during the past year.

On the other point: We charged that the administration had deliberately overregulated eligibility criteria for a targeted extension of job training benefits in order to limit participation in the program and cut costs. The latest VA statistics indicate that in the first quarter of this year only 169 Vietnam veterans out of 2,455 applicants had their claims accepted. I believe that statistic is proof enough to show that the program is not working, either as it was intended by the Congress, or at all.

The administration spokesman also said that it was their interpretation that it was not the Congress intention to provide these job-training services for veterans "who are experiencing employment difficulties that are more closely related to the Nation's economic problems in general than with their military service."

I state in response, that it was the intent of Congress to help veterans, regardless of who is to blame for the highest unemployment rates in 40 years. There are currently 750,000 Vietnam era veterans out of work, the highest number of unemployed since the end of the war. However, if the Vietnam veteran unemployment rate were equal to their nonveteran peers, I could see the VA spokesman's point. To the contrary, in every age category, the rate of unemployment among Vietnam era veterans is far greater than the rate for those who did not serve. Regardless of the aggregate totals or the numbers involved or the recession we are in at the present time, that statistic clearly shows the continuing readjustment problems being experienced by thousands of Vietnam veterans. They served their country while others made their way up the employment ladder. These are problems that need to be solved and commitments which must be kept and not ignored.

As chairman of the House Veterans' Affairs Subcommittee on Education, Training and Employment, I have scheduled a hearing on June 17 to discuss this matter with VA officials. I would like to extend an invitation to my colleagues to testify before the subcommittee and join us in investigating this issue at that time.

The articles follow:

[From the Philadelphia Inquirer, May 21, 1982]

VETERANS SHORT-CHANGED OVER AID BY WHITE HOUSE, CONGRESSMEN SAY

(By Michael A. Hobbs)

WASHINGTON.—Several members of Congress charged yesterday that the Reagan administration was deliberately failing to implement the employment and small business assistance programs for Vietnam veterans in violation of congressional intent.

At issue was the landmark Veterans Health Care, Training and Small Business Loan Act, which Reagan signed into law in 1981. It created two Vietnam veterans assistance programs budgeted for a total of $167 million.

So far, the Veterans Administration has not implemented any provisions of the small business loan program, the congressmen said. The five-year, $25 million program was to provide business loans or loan guarantees of up to $200,000 each to Vietnam and disabled veterans.

The 1981 act also extended eligibility for Vietnam veterans for job training, vocational education and secondary education under the GI Bill from January 1982 to January 1984. The two-year extension would cost taxpayers $142 million.

The congressmen, led by Rep. Robert W. Edgar (D., Pa.), charged that the administration was trying to kill the employment and job-training provisions of the act by overloading the program with conflicting and complex regulations. So far, they said, only 56 veterans had qualified for benefits.

Edgar protested the administration's actions in an angry floor speech. Four others—Reps. Don Edwards (D., Calif.), David Bonior (D., Mich.), Tom Daschle (D., S.D.) and Leon Panetta (D., Calif.)—joined Edgar in a protest letter to the White House. The five congressmen chair committees and subcommittees related to veterans affairs.

Because the small business loan program will expire in five years, and the vocational training eligibility will end in 1984, the congressmen accused the administration of deliberately delaying implementation of the provision to "bar their use at all."

Edgar cited government statistics showing that there were 747,000 unemployed Vietnam veterans—up 47 percent from last year. He said the administration had practically "overregulated" the jobs program "out of existence" by publishing a five-inch thick, 2,656-page book of regulations.

Edgar called the burdensome regulations "an outrage" coming from "an administration that prides itself on reducing government regulations.

"After reading these regulations, there might be one veteran, who lives in the Aleutians, who happens to be left-handed, who might qualify for the program," said Edgar, chairman of the House Veterans Affairs Subcommittee on education, training and employment.

Edgar added that so far this year, in the entire Philadelphia area, "only two veterans had their claims accepted."

[From the Washington Post, May 25, 1982]

HELPING VETERANS

Five Democratic members of Congress have written President Reagan to complain that, in effect, the administration is talking out of both sides of its mouth on the issue of helping Vietnam veterans. They point to last year's Veterans' Health Care, Training and Small Business Loan Act, which set up a $25 million small business loan and loan guarantee program for Vietnam veterans and a $142 million program extending eligibility under the GI bill for on-the-job and vocational training. The Veterans Administration has yet to propose regulations for the loan program and has severely restricted access to the training programs, the congressmen charge.

The VA doesn't argue with that. On the loan program, spokesman John Scholzen said, "The administration does not feel . . . it is the proper time to tempt veterans into small business ventures, given the rate of economy, the heavy rate of foreclosures, etc." As for extending job training, he said, "The administration does not believe it was the intent of Congress to provide a general extension of the GI Bill to veterans who do possess a relatively extensive educational background or a marketable skill but who are experiencing employment difficulties that are more closely related to the nation's economic problems in general than with their military service."●

IRA MAGAZINER LOOKS AT INDUSTRIAL POLICY

HON. STAN LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. LUNDINE. Mr. Speaker, now that the House is immersed in heated debate on the 1983 budget, we would all do well I think to divert our attention for a few moments to the op-ed page of today's New York Times where Mr. Ira Magaziner presents an insightful assessment of America's larger predicament.

Certainly, a Federal budget is important, and the ecomomic policy it embodies even more so. But, as Mr. Magaziner observes,

> We still need to confront the fundamental shortcoming of Mr. Reagan's program—its failure to provide an active, realistic proposal for industrial development.

The connections between a budget and industrial policy are numerous and fairly direct. For example, today's rising deficits are partly attributable to the chronic decline of key sectors in our economy, and the very high cost of the resultant unemployment—both in terms of foregone revenues and transfer payments. But, Mr. Magaziner highlights a more central connection: The same laissez-faire approach which underlies the President's budget also guides his approach to industrial development. Just as the President claims that major human services eliminated from the budget will be replaced by a private sector spirit of voluntarism, and that tax cuts will automatically be channeled into productive uses, so he seems to believe that—in an unfettered marketplace—industrial vigor will be restored by something akin to spontaneous generation. Clearly, that will not happen. Business investment this year, despite generous tax cuts, is projected to be even less than last year. And even when that investment occurs, there is no assurance that it will add to the competitive strength of the American economy—witness, for example, United States Steel's bidding war over Marathon Oil.

Mr. Magaziner proposes a sensible alternative to this laissez faire muddle: We need a cooperative and deliberate strategy among business, labor, and Government which will strengthen the competitive position of American industries. As Magaziner points out, we are not obliged to take his word for this. We need only look to the examples of our more successful trading partners such as Japan and West Germany. Their recent economic performance—despite much greater dependence on foreign oil—has substantially exceeded ours, largely because they are pursuing economic growth strategies with the joint support of business, labor, and Government.

My colleagues know that I have advocated this kind of tripartite cooperation for many years. I believe this approach can be specifically applied to industrial policy. Last month, I introduced the National Industrial Development Act, legislation which can lead America toward this kind of tripartite industrial strategy. H.R. 6099 establishes a national industrial development board which will comprise, in equal numbers, chief executives of major corporations, presidents of major unions, government officials, and leading representatives of the public interest. This board will be charged with developing a consensus on America's industrial priorities and a strategy for achieving them. As Mr. Magaziner warns, "The business-labor-government cooperation required to develop and carry out a constructive industrial development policy will not come easily to the United States." I believe H.R. 6099 provides the mechanism to forge that cooperation and I hope my colleagues will consider this legislation.

In the meantime, I commend Mr. Magaziner's words of wisdom to my colleagues' attention and, for those who wish to devote some further study to this area, I urge you to read Mr. Magaziner's superb new book on this subject, "Minding America's Business," which he has just published with Mr. Robert Reich of the Harvard Business School. Mr. Magaziner's Op-Ed article follows:

[From the New York Times, May 25, 1982]

"TRICKLE DOWN" AND AWAY

(By Ira C. Magaziner)

PROVIDENCE, R.I.—President Reagan has justified the inequities of his economic recovery program by claiming that they are necessary for the creation of wealth. But his proposals rest on faulty assumptions about how wealth is created.

The program assumes that more funds made available to a private sector that is unencumbered by Government regulation will result in greater productivity, output and competitiveness for industry. It is this assumption that must be called into question.

The program releases almost $500 billion in tax dollars, primarily to wealthy individuals and companies. Despite the enormous size of this sum, these funds are unlikely to result in greater competitiveness for industry. Well over half of the funds flowing to individuals will never be invested at all. The average American saves only 5 percent of his or her income.

A large proportion of the invested funds will go into nonproductive uses—speculation in land, art, gold or rearragement of assets, and to the legal, accounting and financial professions, which earn handsome incomes from engineering these investments.

If recent history is any example, even a large proportion of those funds that do flow to productive industry will not be used in ways that ensure long-term competitiveness. Not enough funds will go into research and developement, into projects that fundamentally improve production or product technology, and into high-risk, longer-payback projects. Little will go to retrain the workforce for needed high-skilled jobs and to ease the burden of regions and worker affected by necessary industrial restructuring.

Insufficient funds will be spent on assisting small- and medium-sized firms to export and on encouraging larger firms to be more aggressive in overseas marketing. Not enough money will be used to modernize traditional industries such as the auto and steel industries, which cannot be neglected because of their crucial role as stimulants to other parts of the economy. There will be no inducements to ensure that our most successful export industries—those making electrical and mechanical machinery—will be able to develop new competitive products.

Because of the kinds of incentives provided by our business system, many manufacturers will find it more attractive to invest their added funds in warehouses and distribution systems for importing Japanese goods than to invest in manufacturing facilities to compete against these goods. Others will find it useful to make incremental investments to reduce costs marginally instead of taking more fundamental steps. Many will find it attractive to chase cheap labor and use their tax refunds to set up plants abroad rather than to put modern facilities in the United States. Still others will become cash managers, using their funds to earn returns on trading and money-lending rather than on manufacturing investments. While these uses of tax-cut dollars may maximize the short-term cash flow of investing companies, they do little to enhance the long-term competitiveness of the economy.

Meanwhile, our more successful trading partners in Japan, West Germany and France are engaged in joint industry-government projects to improve their positions in advanced manufacturing industries and to pioneer new ones. Targeted programs to ensure sufficient funds for large-scale projects initiated by industry and involving research and development and high risk are under way, as are major innovations in industrial processes. These countries are also committed to joint industry-government-union industrial policies to ease necessary industrial dislocations through labor retraining programs and through regional policies that provide substantial incentives for industry to assist workers and communities.

These countries have created bodies to spur industrial development. They have realized that constructive industrial-development policies are a far less wasteful and surer means of stimulating long-term productive growth than the Reagan "trickle-down" approach. The lesson they have learned is similar to one we should have learned from our social and military ventures of the 1960's: Desired goals cannot be reached by indiscriminately increasing funds available.

The business-labor government cooperation required to develop and carry out a constructive industrial-development policy will not come easily to the United States. But the pros and cons of such policy alternatives are not even being discussed. After all of today's controversies about deficits, interest rates and the duration of the recession are thrashed out, we will still need to confront the fundamental shortcoming of Mr. Reagan's program—its failure to provide an active, realistic proposal for industrial development.●

CAPITAL BUDGETING

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● **Mr. CLINGER.** Mr. Speaker, a recent article in the Richmond Times Dispatch reports on a House Wednesday Group study which calls on Congress to adopt a capital budget for infrastructure.

In the past two decades, the Federal investment in our infrastructure has declined precipitously. As a result, our infrastructure has deteriorated seriously. I believe Congress should address this problem by separating capital investment from operating costs in the budget.

In the near future, I will introduce legislation to implement this change in the budget process, which the following article describes:

[From the Richmond Times Dispatch, May 23, 1982]

GROUP URGING SEPARATE U.S. CAPITAL, OPERATING BUDGETS

(By Bill Miller)

WASHINGTON.—In the middle of last week's haranguing over the budget, a group of House Republicans that included one Virginia member issued a report saying the country is going about budgeting all wrong.

Although the report produced hardly a ripple, it could conceivably help contribute to changing the country's basic budget structure.

The report, submitted by the so-called Wednesday Group, said the country must separate its capital and operating budgets if it is ever to take control of its unwieldy capital expenditures. The report said the country's expenditures for such things as public works have no direction or coherence, and that millions of dollars are thus wasted.

While federal budgets seem remote from people, they affect where and how the country spends its money, which affects the national economy as well as determining what governmental goods and services are available. Last week's study said that if something is not done, the country will go into an intense period of rebuilding its roads, bridges, water and sewage systems without proper planning and budget controls.

The organization that sponsored the study is a by-invitation organization of 34 Republicans, created to promote discussion of various public issues. It hired Dr. Pat Choate, senior analyst for TRW Inc., to study the capital expenditures budget problem.

ADDITIONAL AMMUNITION

Wednesday Group members plan to use the study as additional ammunition in a fledgling drive to legislate the country into separating its capital and operating budgets.

Wednesday Group Chairman William F. Clinger, R-Pa., who issued the report along Virginia's G. William Whitehurst and 14 others, plans to introduce legislation next week to require separate budgets. Last year, he organized a Capitol Hill campaign involving letters being written to President Reagan urging him to separate the budgets. Clinger got a diverse group ranging from House Speaker Thomas P. O'Neill Jr. to Rep. Jack Kemp to write Reagan, but has not received any commitments from the president.

Whitehurst, of Virginia's 2nd District, wrote a newsletter several years ago about the looming problem of loosely budgeting capital expenditures. Last week, he described his role in the Wednesday Group study as that of someone who saw a good idea and tried to help it along. He does not plan, however, to take a lead in trying to bring separate budgets into being. Rep. M. Caldwell Butler, R-6th, is also a Wednesday Group member but did not co-sponsor the study. An aide said he had not had time to study it.

Whitehurst said he backed the study because he agrees that the country must get a handle on its capital expenditures. "Five minutes to twelve"

"A lot of things we do in America, we do at five minutes to twelve. Things have got to get so bad that we have to do something before we'll do anything. That's what has happened with the budget," Whitehurst said.

This [study] is the opening gun, saying that we have to address it. I don't expect it to go out and change things, but it will generate debate. We'll shake people up, and at least get them to reconfirm their views.

"If you can move things a little around here, you've accomplished a lot," Whitehurst said.

The report said the country must rebuild "its public infrastructure," which includes a wide array of public work projects. Rebuilding "promises to be the single most expensive government challenge in the 1980s and 1990s," the report said.

The first step should be to develop a national capital budget so that the expenditures for building the nation's roads, sewers, bridges, water treatment plants and other public works can be separated from paying the administration, buying weapons and subsidizing the poor, the study said.

"America's basic public facilities are wearing out faster than they can be repaired and replaced," the report said. "Measured in constant dollars, America's investment in public capital declined by 30 percent from 1965 to 1980.

"Eight thousand miles of the interstate highway system and 13 percent of its bridges are now beyond their engineered life and must be rebuilt. Two thousand miles of this system deteriorate and require reconstruction each year.

"One-half of the nation's communities have waste water treatment systems that are operating at full capacity and cannot support further economic expansion.

"The federal government provides one-half of the nation's public works funds, yet does this without taking an inventory of the nation's public facilities and without assessing the conditions of those facilities," the report said.

In discussing the state of the country's coal ports, the study said many of the same things Govs. John N. Dalton and Charles S. Robb have told Congress several times in connection with Hampton Roads. Coal ports cannot handle the larger colliers and must be dredged.

If projections for continued increases in coal exporting are correct, "governments will need to spend about $1 billion per year for 10 years to build three or four coal piers and to step up dredging operations," the study said.

Separation of operating and capital budgets would give a clearer view of the capital expenditure situation, the report said. That would allow national leaders to decide where the country's capital expenditures should be made, and would allow them to have more complete information about what is needed when they must make decisions, it said.

Separating capital and operating budgets also would resolve what has become the most wasteful aspect of the budgetary process—unnecessary delay.

According to the report, by the time a project is approved, funds are appropriated and construction actually begins, costs have increased significantly, largely because of inflation. At current inflationary levels, more than $1 billion in construction buying power is lost each month because of unnecessary delay.

The report said creating a separate capital budget would not be as hard as the administration believes. The Office of Management and Budget could do it by differentiating between the two types of expenditures.

In time, Congress should compel the administration to differentiate between capital and operating authorizations, outlays, deficits, surpluses and revenues and break them down by category, agency and program, the study concluded.●

WILL OUR AMIABLE NERO FIDDLE WHILE WASHINGTON BURNS?

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● **Mr. BOLLING.** Mr. Speaker, Henry Fairlie said something important in his column in the Outlook section of the Washington Post on Sunday, May 23, 1982. So did the reproduction of the signed Daumier which illustrated the piece. It will be a tragedy if the powerful and the affluent of our society do not awake and face the realities of this spring of 1982.

The column follows:

[From the Washington Post, May 23, 1982]

WILL OUR AMIABLE NERO FIDDLE WHILE WASHINGTON BURNS?

(By Henry Fairlie)

A house burned down last weekend, and 10 members of one family died. On the television news a young black who had jumped from a second-floor window was tearless. He was tearless from shock as he began to recite in a flat voice: "Three sisters . . . I lost three sisters . . . two uncles . . . five cousins . . ." Or was it the other way round? one had really ceased to count the terrible catalogue he gave.

The electricity had been cut off in the house the day before. An unpaid bill—something like $800. The fire had probably, it seemed, been caused by a candle. The neighbors gave vent to their outrage. It was in Baltimore; it was Preakness day. I did not copy down the exact words of one neighbor but remember them well enough: "When you think what the state of Maryland will take in today alone at Pimlico . . ."

The anger was strong: "$7 million today at Pimlico alone—and they can't arrange a loan for one poor family." A woman cries in savage desperation: "You try . . . You try your best . . . Every day you go on trying—and then something like this happens . . ." It was not fanciful to hear in these voices the anger of the people on the streets of Paris in 1789—and Marie Antoinette's legendary answer: "Let them eat cake."

Give them Pimlico. A friend who had come for a drink before dinner said, almost under his breath: "It could take only one fire like that—in Baltimore, in Washington, in Newark, wherever—and we could have a very long hot summer. One unpaid bill—the electricity cut off—and this city could be in flame." Over his voice, I heard the woman: "You try . . . You try your best . . ."

Is that not all that another woman said, some years ago, when she refused to go to the back of a bus? Rosa Parks did not publish a manifesto. She appealed to no bill of rights. She said: "I'm tired." She might as well have said: "You try . . . Every day you go on trying . . ." And when the day of reckoning comes, will we not hear Nero fiddling? Our own amiable Nero—fiddling while Washington burns.

If the tinder is dry, a candle may start a fire and burn a city. What tinder could be more dry than the latest figures on black unemployment? Almost 19 percent of all blacks are unemployed, compared with some 9 percent of the whole population. But before the next figures, one's mind goes almost blank. Of all teenagers in the labor force, 23 percent are unemployed; of black teenagers, 48 percent are unemployed.

"The truth is probably even worse," and economist said to me the other day. For one must remember whom the Labor Department is counting. It is counting the black teenagers who are either working or looking for work. It is not counting the teenagers who have given up looking for work in the conventional labor market. "If you could count those," said the economist, "the figures would be much worse."

He scarcely has to make the point. We have only to use our eyes and ears in this city to realize that statistics are always only the beginning of a story:

Not all of those who are unemployed are destitute.

Not all of them are subsisting on welfare, or at least not only on welfare.

Not all of them maintain themselves by crime.

Many of them are earning money by working, but not by work they find in the official labor market.

One knows enough white, middle-class men and women, especially the young, in one's own circle of acquaintances who are working, even quite hard, even fairly regularly, but not at jobs in the official labor market.

They would prefer jobs in the official labor market. (Most of them.) They are not doing what they are doing just for the fast buck or to evade taxes. They would prefer a good job with its security and the promise of a career suited to their abilities and the standard of life which the commercials offer them. But in the absence of such jobs, they create, almost by word of mouth, their own labor market.

It is going on all around us, among our own children and the children of our friends not only in America, but in Britain and France, in Germany and the Netherlands; in these prosperous, post-industrial, post-modern, post-capitalist, post-socialist, post-whatever Western societies of ours. A ghastly reflection of it is even on trial just now in Washington for attempted murder.

How much more must it be going on where we, the whites, can only peer over the fence and stare; in all the streets where, in sheer self-defense, a community, shut out from society, creates its own laws—and its own labor market. It is not that the black unemployed are poor—although many of them tragically and increasingly are—which should make us tremble for our society. It is that they are leaving us.

Here are our leaders—these people who have the nerve to call themselves conservative—and they do not care a button that their policies do not conserve society. One can point one's finger north, east, south and west and say to them: "There you have created an unofficial labor market, and where you create an unoffical labor market, you create a community with its own laws which stands outside your society."

A white journalist has the right to say to a fashionable, conservative, black publicist, Thomas Sowell: "You are traducing the truth. You are not telling it like it is, because, among other things, you are forgetting how many whites, how many quite privileged whites, are creating their own labor markets and therefore their own laws, outside our societies as they lumber to their self-destruction."

To their 1789.

Anyone who has read even a smattering of the vast literature—memoirs, diaries, letters—about the state of France before the Revolution of 1789 knows—and knows with horror—that it was the true conservatives who quivered to the first tremors of the earthquake. It wasn't the liberals; it wasn't the intellectuals; it wasn't Voltarie; it wasn't Rousseau. It was the true conservatives who said: "The ground is shaking."

The ground is shaking now in our so precious, so striving, so few and once so brave democracies. The ground is shaking because we are losing our own people to their own labor market and their own laws. It used to be that we could speak of "ghettos," of people "beyond the Pale," or just "the other side of the tracks." But when the ghetto has become the city—then the ground begins to shake.

When our society increasingly becomes a number of self-administering communities—their own labor markets, their own laws, their own strong moralities—we can kiss goodbye to peace even at our hearths. The trouble with that 48 percent of unemployed black teenagers is that it takes only the smallest imaginative sympathy to realize that the figure is little different on our side of the tracks.

We have the advantages. We cover it up. We fund our psychiatrists. We bring back three-piece suits to pretend that there are still three-piece jobs. In every home, the bill is unpaid, the electricity is cut off, and the candle spills. "You try . . . You try your best . . . Every day you go on trying . . ." And then "something like this happens."

Is there one of us who does not feel on the wrong slope of a volcano at the wrong moment? Why are we so fascinated by disaster? After all, it is not a big deal when a volcano blows its top and takes 61 lives. The tremors are in society, they are in ourselves. And read all of history. Where do the revolutions come from? If there are no jobs, there are no laws. There are only unofficial jobs, and so unofficial laws.

It needs to be said that, after knocking about life for more than 50 years in many of its surprising corners, some simple facts emerge:

Most people, although there are some exceptions, do not like, or even wish, to be criminal.

Most people do not like even to be illegal.

Most people like work.

Most people want to work even more than they want sex.

Most people like to work legally.

For one thing, it is easier. It was all said by Bob Dylan, in one of his great rebukes to those who took his early music as an excuse for license instead of a challenge to liberty: "If you choose to live outside the law, you must obey the law more stringently than anyone." You dare not be caught speeding—or even jaywalking—because the smallest inquiry could open up your lawlessness.

Most people do not live without laws. The danger to any society is when communities within it create their own laws. The source of that always—in ancient Rome, France in 1789 or present-day America—is lack of legitimate work.

Honest jobs: That's law. There is no other.●

REALISM AND ARMS CONTROL

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● **Mr. DOWNEY.** Mr. Speaker, one of the best capsule analyses I have ever read on the subject of nuclear war and nuclear arms control was published in the Baltimore Sun of May 17, 1982, by former Vice President Mondale.

In this article, which I will insert at the conclusion of my remarks, he lays out, with startling lucidity and firm grasp of both fact and concept, the defects in currently fashionable strategic thought. He then sets out a completely workable framework for solutions.

These days when we have a President who thinks submarine-launched ballistic missiles can be recalled, and who regards arms control as a device for scoring propaganda points, it is tantalizing to contemplate how much better we can do—and will do, if the good judgment of the American people continues to grow as it has over the past few months.

[From the Baltimore Sun, May 17, 1982]

REALISM AND ARMS CONTROL

(By Walter Mondale)

CHICAGO.—If our nation doesn't lead the world toward arms control, it will not be done. That requires, above all else, the deep commitment of our President to serious arms control. Every single President since Hiroshima has joined the bipartisan tradition to control the deployment and testing and spread of these awful weapons—until this one.

It is true that the President finally came forward with an arms reduction proposal. It is unfortunate that it took 16 months for this to happen, that because of this delay we haven't created the climate of cooperation so helpful to successful arms talks. The truth is that the President's speech is the first encouraging sign on arms control against a very discouraging background.

For 20 years this President has fought every agreement we proposed and signed to control nuclear weapons. He opposed the Test Ban Treaty, SALT I, SALT II. In 1980 he said non-proliferation "is none of our business." And 16 months into his term, this administration has yet to hold one serious session of strategic negotiations with the Soviets. They've taken the limits off the exportation of weaponsgrade material. They announced the production of the neutron bomb. We have talk from the highest levels of our government about winning a nuclear war, fighting a limited nuclear war and firing nuclear warning shots.

Underlying these startling statements are several arguments that must be answered. One is that the United States is behind; two, we should win an arms race; three, the Russians don't deserve arms control, and four, nuclear weapons are not all that dangerous.

First, the president recently said that in strategic forces we were inferior to the Soviet Union. I not only participated in practically every arms control and weapons judgment made over the last 16 years, but for four years I contributed to every basic decision of the National Security Council, saw all the secrets, all the estimates of the Soviet forces. And it is just not true that this country is inferior in nuclear strength to the Soviet Union.

Second, it is said that we would win an arms race. If we only build more, we could be safer. When I was in the Senate, a few of us tried to stop the development of the Multiple Independent Reentry Vehicles, on the grounds that it would bring a new level of escalation of the arms race, make arms control more difficult and force the Russians to respond in kind. The argument on the other side was that the Russians would take years to catch up with us and would go broke trying to do so. We lost. The U.S. built MIRVs. And within five years so did the Russians, and all of our defense problems became more expensive. The vulnerability of our land-based systems was greatly increased.

Anyone who believes that the Soviets won't do just about anything to match our increase, that they will voluntarily cease competing and concede nuclear superiority to us believes what has never been—and I don't think ever will be.

Third, we are told the Russians don't deserve arms controls because they misbehaved. We should punish them by withholding this favor. But the fact is that arms control isn't a favor to the Russians. It is preeminently something we do for ourselves. It's in our security interest.

That was why every one of the Joint Chiefs of Staff endorsed SALT II. They thought it enhanced our security. Every head of every intelligence agency said we need this agreement.

Finally, there even seems to be an argument that war isn't so bad after all. We are told that such a war is winnable, it can be limited, we can protect ourselves, and we can recover. That attitude chills me to the bone. In the six years of World War II, some 40 million people were killed. In all-out nuclear war that many, twice as many, three times as many—nobody knows—could be killed in an instant.

With all this at stake, it is astonishing that every single arms negotiation is stalled today. The only way to rejuvenate this petrified forest is for the president of the United States to initiate serious negotiations . . . .

As the debate [over arms controls] proceeds, 30 years of experience has taught us that there are several principles or criteria that must be met for arms negotiations to succeed:

Does the proposal lead to an outcome which will enhance the national security of both sides? No proposal can work which does not in equal fashion lower the threat that each side faces.

Does the proposal focus on counterforce weapons? As the weapons that threaten the weapons of the other side, these are the most destabilizing nuclear arms, and they should be the first targets of reduction.

Does the proposal aim for significant reductions in nuclear weapons? For arms control to be successful, there must be hope that negotiations lead to a genuine, sizable reduction in destructive power

Does the proposal lead to an outcome which can be effectively verified?

Above all, does the proposed agreement strengthen America's security?

And there is an additional principle: Do we have a comprehensive security strategy, not to put on the negotiating table but to use ourselves for planning both our defense needs and our approach to arms negotiations?

The military challenge we face today is not composed of just one element but of several. The forces we contend with are not made up of strategic or tactical or conventional, but all three. If instead of proceeding on a piecemeal basis, we looked at the whole picture, and discussed it with our allies, and negotiated with it in mind we'd have more leverage, more flexibility, more negotiating room and more opportunity to emphasize our military strengths.

These are the basic principles of negotiating meaningful reductions in nuclear arms. Though it's too early to tell, the president's proposal apparently meets some of them but not others. His proposal must be measured by the standard that it enhances the national security of both sides. If our proposal simply concentrates on reducing the things the Soviets have that worry us—and not the things we have that worry them—the proposal is unrealistic. . . .

There is so much to do. One speech is not nearly enough. Presidential leadership is desperately needed. . . .

(This article is adapted from a speech the former vice president gave last week to the Chicago Council on Foreign Relations.)●

A MILLION MISSING MUZHIKS

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● **Mr. ASPIN.** Mr. Speaker, the Central Intelligence Agency has discovered a million more Soviet military personnel since 1978. The CIA's estimate in 1978 was 4.8 million; now it is 5.8 million. But the larger estimate represents no increase in Soviet numerical strength and no increase in the CIA's estimate of what it refers to as the national security force. Manpower in the combat services is still estimated at 4.3 million. Instead, the entire increase represents a better appreciation of the large numbers of troops assigned to civilian functions. The estimate of construction troops, railroad troops, civil defense forces and internal security forces has increased from half a million to 1½ million—all without the Soviets adding a single man.

This change in the estimate of Soviet numerical strength is reminiscent of the 1976 increase in the estimate of Soviet defense spending. After the CIA raised its estimate of the share of GNP going to defense from 6 to 8 percent to 11-13 percent many public figures saw this as confirmation of their fears that Soviet strength had increased sharply. Commentators on the political right saw the change as confirmation of their charges that the Soviet threat was much greater than previously believed.

In fact, the increase implied none of the conclusions the Soviet threat brigade drew from it. The Soviets were not doing anything different from what they had done the year before; the CIA simply realized that the Soviets were startlingly inefficient and were getting less kill for the kopek than previously believed. Far from being a model of efficiency as the old estimates had implied, the Soviet military sector was even more inefficient and wasteful than the civilian sector.

The same holds true for the new increase in the estimate of military manpower. The Soviets have the same military capability as before; they just use more men in nonmilitary functions to get the same work done.

MISSIONS AND MANPOWER IN THE SOVIET AND U.S. ARMED FORCES

Under the old estimate, the total strength of the Soviet Armed Forces (4.8 million) outnumbered the 2.1 million men in the U.S. military by 2.3 to 1; now with the new estimate of Soviet troops at 5.8 million, the Pentagon will doubtless announce that we are outnumbered 2.3 to 1. In fact, all such comparisons are misleading because of the different ways the two countries use military manpower.

Under the All-Volunteer Force, the U.S. Armed Forces have begun learning to economize on uniformed manpower; nonmilitary jobs have been handed over to civilians. The Soviets still have conscription and pay their recruits 3.80 rubles, about $6 a month. They can afford to be profligate with manpower while the U.S. Military cannot.

The principal reason comparisons cannot be drawn between the gross totals on either side is that the Soviets use their conscript manpower much less efficiently than our Armed Forces use expensive volunteers. A secondary reason is that the Soviets must assign large numbers of troops to missions that our military does not perform, as shown in table 1.

In The the Soviet Union, construction troops build civilian apartment buildings, as well as military facilities. The railroad troops lay track. Today they are building the Baikal-Amur Mainline (BAM). Together this labor pool numbers 950,000 of the 5.8 million estimate. In the United States, civilian contractors do all this work. We have only 845 personnel in the Army Corps of Engineers who carry out public works.

TABLE 1.—COMPARABLE OPPOSING FORCES, UNITED STATES AND SOVIET NUMBERS OF UNIFORMED PERSONNEL

Soviet Union	Number	United States	Number
Total	5,800,000		2,142,402
Noncombatant			
Construction and railroad troops	950,000	Corps of Engineers	845
Civil defense	100,000	Civil Defense	9
Internal security	450,000		
Combatant	4,300,000		2,141,548
Political officers	70,000	Chaplains	3,290
Border guards	200,000		
Coastal rocket artillery	10,000		
Draft boards	40,000	Selective Service System	19
Excess strategic offense	401,000		
Excess strategic defense	552,000		
Excess military airlift	63,000		
Excess support	190,000		
Otherwise occupied			
China border	495,000	East Asia and Pacific	125,201
Czechoslovakia	70,000		
Poland	30,000		
Cadets	260,000	Cadets	13,064
Comparable opposing forces	2,019,000		1,999,434

Sources: U.S. Air Force, "Soviet Aerospace Almanac"; Harriet Fast Scott and Christina Shelton, "A Preliminary Net Assessment of the Manpower Involved in the U.S.-U.S.S.R. Civil Defence Programs," GE TEMPO, 1976.

The Soviets assign 100,000 military personnel to civil defense. Most of these are officers assigned to every hamlet and rural county in the U.S.S.R; some are civil defense troops whose principal mission is clearing roads after a nuclear strike. They also are assigned to fight American paratroop landings inside the U.S.S.R. As long as we continue rejecting the possibility of doing that, these troops will not enter combat. Our civil defense has nine active-duty officers on loan from the Pentagon.

The Soviets also assign 450,000 men to internal security—principally guarding the concentration camps. The U.S. Armed Forces fortunately have no counterpart.

The Soviet Armed Forces include up to 70,000 political officers, who make sure the troops read Lenin before going into combat. Prof. Richard Gabriel examined the effectiveness of political indoctrination in a survey he conducted among former Soviet military servicemen now living in the United States. Three-quarters of the respondents said the political indoctrination was ineffective in motivating the troops. The U.S. Armed Forces are prohibited from conducting political indoctrination, but we do have military chaplains who are not present in the Soviet totals—3,290 of them.

The Soviets have about 200,000 border guards, whom the CIA counts as combatants. The border guards belong to the KGB, not to the Ministry of Defense, and in war they would probably do what secret police troops did in World War II: man machine guns set up behind Soviet lines to make sure the troops go forward instead of backward. The U.S. Border Patrol belongs to the Department of Justice and its personnel are civilians.

The Soviet Navy includes 10,000 troops assigned to coastal rocket artillery. Today the U.S. war plan is to keep our ships away from Soviet coasts for fear of naval aviation, which can launch its missiles at much greater distance from Soviet shores than the short-range missiles operated by these 10,000 troops. The U.S. Armed Forces packed in their coastal artillery long ago.

Soviet draft boards are staffed by professional officers, estimated to number 40,000. Our Selective Service System is largely civilian. The current director and a handful of his aides are military. By law, all draft board members are civilian.

The Soviets often use many more troops to maintain the same or smaller capabilities than the United States. Soviet strategic offensive forces are roughly equal in capability to their United States counterparts. But the Soviets use 472,000 men to operate these forces, while we use only 71,000 in the Strategic Air Command and the Fleet Ballistic Missile Force.

Both sides have air defenses, even though neither side can shoot down the other's bombers. The U.S. Air Force estimates that more than 75 percent of our B-52's would penetrate Soviet air defenses to reach their targets. If the B-52's struck after SLBM's had knocked out the Soviet air defense radars, essentially all of them would get through. Our Air Force recognized this logic and now assigns only 8,000 active duty personnel to air defense—some reservists who do not count in our active total are also assigned to this mission. The Soviet network of 10,000 radars, thousands of missiles and about 2,500 interceptors requires 560,000 men.

The Soviets also assign 100,000 men to operate their military airlift, which can move smaller loads to shorter distances than the U.S. Military Airlift Command, with only 37,000 active duty personnel.

When the Soviets assigned a civilian as minister of defense in 1976, they gave him a uniform and a rank. By law, the U.S. Secretary of Defense must be a civilian. The counterpart to Undersecretary of Defense Richard DeLauer is Col. Gen. V. M. Shabanov, also a civilian in uniform. The U.S. military's research and development is done primarily by civilians; the Soviets call their researchers officers.

Unlike the Pentagon, the Soviet Defense Ministry's professional jobs at headquarters level are filled entirely by officers. The Pentagon is not exactly efficient; it requires 60,000 military personnel at headquarters level in the Washington area. But the Soviets need 250,000 to do approximately comparable work.

The Soviets station 47 of their 180 ground forces divisions on the China frontier—450,000 men. The forces opposite China also include 1,200 of the tactical air force's 4,700 aircraft: 45,000 men. The Soviets might move some of these troops to the west in case of war with NATO. But they could not risk moving all of them, and in any case the vast bulk are stationed near the Pacific Ocean, at the far end of a single railroad 5,000 miles long. The United States has 125,201 military personnel assigned to the Pacific, most of whom are in highly mobile air and naval units that could swing to the Atlantic in the event of war. The Soviets also use 30,000 men to occupy Poland and 70,000 to occupy Czechoslovakia. The official plan is for these men to augment the offensive against Western Europe. In practice, they would surely be needed to keep supply lines across these countries from being disrupted by partisans—and 100,000 men might be far from enough.

The Soviet officer corps numbers nearly a million men who serve careers of about 25 years; 40,000 new lieutenants a year are needed to keep the officer corps up to strength. They are commissioned from a network of over 140 officer schools, which have curriculums averaging slightly more than 4 years. Thus, the Soviet totals include 160,000 cadets. The U.S. total includes 13,061 cadets.

The net is around 2 million men on each side. One could quibble about some of the details of who should be counted and who should not. Maybe the naval coast artillery should be counted in on the Soviet side, and maybe more of their troops in the Far East would join a fight in the west than the number of ours who would swing to the Atlantic. No matter how the numbers are figured, however, while the Soviets logically outnumber us some, it is nothing like 2.3 to 1—let alone the 2.8 to 1 that the new CIA estimate may seem to imply.

WHAT HAPPENED TO THE CIA ESTIMATE?

Because the CIA estimates of manpower in each component are classified, the increases in the strength of the noncombat portion of the estimate can only be approximated from unclassified information (table 2). The total estimate for construction and railroad troops, civil defense, and internal security appears to have grown from 520,000 to 1,500,000. Construction and railroad troops increased almost 600,000, civil defense about 80,000, and internal security troops increased 320,000.

TABLE 2.—INCREASE IN ESTIMATED NONCOMBAT TROOPS OF THE SOVIET ARMED FORCES

	1978	1982
Total noncombat	520,000	1,500,000
Construction and railroad troops	370,000	950,000
Civil defense	20,000	100,000
Internal security	130,000	450,000

Sources: U.S. Air Force, GE TEMPO, own estimates.

An estimate of the strength of the construction and railroad troops can be made from information developed by the RAND Corp. RAND learned that 80 percent of the conscripts serving in the combat arms are of Slavic origin, while 90 percent of conscripts in the labor units are non-Slavs. It is known that the combat arms require about 1.5 million conscripts a year: 750,000 of the eligibles for conscription are non-Slavic minorities, and 90 percent of the eligibles are drafted. Thus the bulk of the construction and railroad troops are made up of 390,000 non-Slavic conscripts who serve 2 years each, and the total labor units number about 950,000 (table 3).

TABLE 3.—MANPOWER IN RAILROAD AND CONSTRUCTION TROOPS OF THE SOVIET ARMED FORCES

	Number
Non-Slavic conscripts, 1st yr	390,000
Non-Slavic conscripts, 2d yr	390,000
Slavic conscripts, 10 percent of total conscripts (criminals, mentally or physically deficient, political unreliables)	87,000
10 percent officers and career NCO's	87,000
Total	944,000

The civil defense troops are estimated to number 100,000. If the estimate of all noncombat forces is 1.5 million, then the internal security troops must number 850,000.

OUTLOOK: FEWER TROOPS OR LOWER QUALITY

To maintain a force of 5.8 million men, the Soviets must conscript about 2 million men a year. In 1978, when the number of Soviet youths reaching the draft age of 18 exceeded 2.6 million, the large draft call was not that much of a strain. This year, the 18-year-old males in the U.S.S.R. number 2.3 million, and the Soviets must call up just under 90 percent of them. Under the Soviet draft system, students at universities receive educational deferments. But only 10 to 12 percent of Soviet 18-year-olds study at universities, and many of them must serve in the military as enlisted men after graduation—others become reserve officers.

In 1982, the Soviets are likely to reach their conscription goals—just barely. In the next 5 years, however, the number of 18-year-old males will decline to a low of 2,011,000 in 1987 (table 4). This decline in the number of draft eligibles presents the Soviets with some hard choices if they want to maintain the size of their armed forces.

TABLE 4.—DRAFT ELIGIBLE MALES IN THE U.S.S.R., 1978-87

	Thousands
1978	2,648
1979	2,639
1980	2,543
1981	2,433
1982	2,309
1983	2,173
1984	2,106
1985	2,065
1986	2,019
1987	2,011

Source: U.S. Bureau of the Census.

Even if the Soviets are able to continue drafting nearly 90 percent of the available 18 year olds, the number of conscripts drafted each year will drop from 2 million to 1.8 million. With each conscript serving 2 years—except about 200,000 in the Navy who serve 3 years, the total number of conscripts on active duty will drop by 400,000 men.

That is not even the worst news from the Soviet point of view. At the same time as the number of draft eligibles drops 25 percent, the proportion of non-Slavic youths in the draft pool will increase from 31.4 percent in 1977 to 37.5 percent in 1985. Thus the number of Slavic conscripts, whom the Soviet leaders prefer for combat assignments, will decline even more dramatically than the total number of conscripts; from 1.6 million to 1.2 million annually. Thus 800,000 fewer Slavic conscripts will be on duty.

In order to keep the size of their combat force constant at 4.3 million, the Soviets could transfer many personnel from their noncombat units. But the Soviets assign so many Central Asians to the construction troops precisely because they do not trust these conscripts. "Officially they say there is peace and friendship among all the nationalities of the Soviet Union. But everyone knows this is just a lie," a former Soviet officer said in a recent interview. "The Soviet Government and the Armed Forces command do not trust (ethnic minorities) much, so if worse comes to worst and war breaks out, all the minorities could serve in rear units but not in the front lines."

Another drawback is that personnel assigned to construction and railroad battalions are less educated than the troops in the combat services. Many non-Slavic conscripts speak broken Russian at best. The Soviet high command has used the labor units as a dumping ground for Slavic conscripts who are not wanted in the combat services because of physical or mental deficiencies, criminal records, or political unreliability.

Thus the Soviets face a tradeoff between a decline in numbers or a decline in quality. And the tradeoff is sharp: If the Soviets make no adjustments, their combat forces will fall from 4.3 million today to 3.6 million in 1987. Then they would have fewer fighting men opposing our comparable forces.

One Soviet option is to try to recruit more career personnel. But the life of the Soviet enlisted man is so harsh that very few are willing to reenlist. In order to make up the enlisted shortfall the Soviets would need approximately to triple the size of their career enlisted force—not a likely prospect.

Another Soviet option is to extend the conscription term from 2 years to 2½ years. This is a possible option. However, after being compelled to accept a reduction from 3 to 2 years in 1967, the officer corps discovered that serious disciplinary violations decreased 18 percent. Soviet Army life is so harsh that youths would strongly object to an extension of the draft term. Moreover, because of wasteful work practices, the Soviet Union faces a labor shortage. The civilian authorities are more likely to cut the army back than to increase its allocation from the already short supply of labor. Neither the military nor civilian authorities are likely to favor extending the conscript term.

CONCLUSION

The CIA's search for Soviet troops has turned up another million of them. The estimate of total Soviet strength has increased from 4.8 million to 5.8 million men. But the significance of the estimate has not changed:

First, the Soviet Armed Forces did not grow. The CIA merely realized that it had failed to count a million men who had been present all along. All the new men are in noncombat roles.

Second, the relationship between opposing United States and Soviet forces has stayed the same. When the Soviets' inefficient use of manpower and assignment to missions the U.S. military does not perform are taken into account, both sides still have about 2 million men facing each other across potential battlefields.

Third, in the mid-1980's, the Soviets face a serious challenge trying to keep their force up to strength. The source of this challenge is the decline in the number of draft eligibles and the even steeper decline in the number of Slavic youths. Soviet manpower will drop in numbers or quality or both.●

SENATE—*Wednesday, May 26, 1982*

(*Legislative day of Tuesday, May 25, 1982*)

The Senate met at 8:45 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, LL.D., D.D., offered the following prayer:

The eternal God is our dwelling place, and underneath are the everlasting arms.—Deuteronomy 33: 27.

He who dwells in the shelter of the most High will abide in the shadow of the Almighty. I will say to the Lord, "my refuge and my fortress, my God, in whom I trust."—Psalm 91: 1-2.

We thank Thee, Heavenly Father, for this wisdom from Israel. We are at home when we are with Thee; we are lost without Thee. We were made for Thee. Our souls languish for Thee. Forgive our preoccupation which deprives us of our resource in Thee. We are less than we ought to be when we neglect Thee.

"Thou hast made us for Thyself, O God, and restless are our hearts until they repose in Thee." (St. Augustine). Draw us to Thyself, dear Lord, for the sake of our humanness, our effectiveness in our tasks, our associates and families. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

THE JOURNAL

Mr. STEVENS. Mr. President, I ask unanimous consent that the Journal of the proceedings to date be approved.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SENATE SCHEDULE

Mr. STEVENS Mr. President, it is my understanding that at 9:30 a.m. we will begin consideration of S. 2332, Calendar No. 557, the Energy Policy and Conservation Act, called the IEA bill, under a time agreement, pursuant to which all first-degree amendments—except one by Mr. DOMENICI, which is limited to 2 hours—will be limited to 30 minutes; second-degree amendments to be limited to 20 minutes. There will be 1 hour on the bill, equally divided. If votes are ordered on the Domenici amendment or on final passage, they will occur at 3 p.m.

Debate on H.R. 5922, the urgent supplemental, will begin at the conclusion of the consideration of S. 2332.

Mr. President, is my understanding correct?

The PRESIDENT pro tempore. The acting majority leader is correct.

Mr. STEVENS. I thank the Chair.

URGENT SUPPLEMENTAL APPROPRIATIONS

Mr. STEVENS. Mr. President, I find it extremely unfortunate that we are unable to pull out of the urgent supplemental bill those items which are truly emergency in nature.

We had a series of discussions concerning the items that must be funded by the middle of June at the latest, including $28.4 million to the CAB for moneys owed by the United States to some 40 airlines and $2.4 billion to EPA for waste water construction grants. In the Northern States, if the latter moneys are not available by the second week of June, it means construction ceases and, for all intents and purposes, is gone for those States on those water construction projects, which are already authorized and should be funded.

There are some $8 million for the ICC, which I understand could lead to a great problem for the Kansas City Terminal Line if the payments are not made by the first week of June.

In addition, there are funds for the Bureau of Government Financial Operations to enable them to pay the people to issue the checks for a series of entitlement recipients, including social security, veterans, railroad retirees, and citizens who are entitled to income tax refunds.

There have been negotiations in an effort to pull the truly emergency items out of this bill, items that have been requested by the President, approved by the House of Representatives and approved by the Senate committee. I believe there will be no objection here in the Chamber concerning those items which should have been pulled out and sent to the House of Representatives for their transmittal to the President. We must complete, and, the leadership has indicated, we will complete consideration of an urgent supplemental appropriations bill to prevent problems developing with regard to the people affected in these emergency areas I have indicated.

I am hopeful that opponents of this concept will reconsider their refusal to go along with this idea. Reluctance was not in this body; it was in the other body. But, in my opinion, those emergency items should not be caught up in the web of disagreement between the two Houses.

Mr. President, I ask unanimous consent that the time remaining for both leaders be reserved until the close of the morning business period for their use if they so desire.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant secretary proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. STEVENS). Without objection, it is so ordered.

RECOGNITION OF SENATOR THURMOND

The PRESIDING OFFICER. Under the previous order the Senator from South Carolina (Mr. THURMOND) is recognized under a special order for not to exceed 15 minutes.

S. 2572—THE VIOLENT CRIME AND DRUG ENFORCEMENT IMPROVEMENT ACT OF 1982

Mr. THURMOND. Mr. President, today, I am introducing, along with the distinguished ranking minority member of the Committee on the Judiciary, Mr. BIDEN, and a number of other cosponsors, legislation directed at the problems of violent crime, especially drug trafficking.

This legislation is a comprehensive attack on the crime problem, consisting of a number of measures that have already been approved by the Committee on the Judiciary or have been the subject of hearings in the Judiciary Committee. Several titles in the bill are now separate bills awaiting action on the calendar.

The statistics and magnitude of the violent crime problem cannot be ignored. According to the Federal Bureau of Investigation crime statistics, there is a murder every 23 minutes in the United States, a woman is raped every 6 minutes, there is a robbery every 58 seconds, and a burglary takes place every 8 seconds.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

The Drug Enforcement Administration has reported that during 1981, emergency room reports of heroin/morphine abuse increased by 26 percent. Heroin purity has increased from 3.8 percent in 1980 to 4.3 percent in 1981. Dangerous drugs continue to flow into the United States. According to the Drug Enforcement Administration in the submission of its fiscal year 1983 budget request to Congress:

> Narcotics trafficking frequently involves violent crime; invariably breeds violence; it unquestionably causes acute misery and, in many instances, death. It also generates huge profits that can be used to avoid detection and finance further organized crime enterprises.

On that last point, let me also mention that in 1981 DEA seized cash and property valued at $161 million from violators. These seizures were accomplished by utilizing criminal forfeiture proceedings and increased use of civil forfeiture statutes. But that is just the tip of the iceberg. The illegal profits from drug trafficking count in the billions of dollars. As long as this magnitude of profit is inherent in this activity, there will be those criminals who will continue to traffic in dangerous drugs. We must take the incentive away, and several titles in this legislation are directed specifically at achieving that goal.

Our bail laws are not equipped to deal with offenders who have unlimited resources. This is particularly true of drug traffickers who can put up large amounts of cash and be out on the streets within hours. Judges are hampered by their inability to take into account the danger to the community that may result in the pretrial release of certain violent offenders. This legislation seeks to change the bail laws in a manner that will give judges and magistrates the authority to detain an individual if release would pose a danger to the community.

There are numerous other changes in the Federal law made by this comprehensive measure which will improve the ability of the Government to attack the violent crime problem. As I have indicated, many of the titles proposed in this legislation are the subject of separate legislation. The time has come, however, to move forward with a package of amendments and proposed legislation that can be enacted in this Congress.

Mr. President, in recent days on this Senate floor, a number of my colleagues have risen to express their hope that anticrime legislation can be passed this year. Those same Senators have proposed legislation, which on many points, is similar to the bill I am introducing today. I welcome the opportunity to move the debate forward to a point where Senate action can be finally reached in this Congress.

It is my intention to introduce this bill and ask that it be held at the desk. To that end, the measure has received the support of both Democrats and Republicans on the Committee on the Judiciary, and I expect, as well, that it will receive bipartisan support in the Senate as a whole. It has the backing of the Reagan administration and the Republican leadership of the Senate. In that regard, I want to commend the able majority leader (Mr. BAKER) for his help in putting together this comprehensive anticrime measure.

Mr. President, I want to commend also Senator BIDEN for his support and cooperation in getting this crime package together in a bipartisan way. He has been most helpful in making sure that any comprehensive bill be one that would not only receive support from Republicans, but also from many of our colleagues on the other side of the aisle.

Senator KENNEDY should also be recognized for his work on two bills in this legislation—sentencing and bail reform. He has spent years as a member of the Senate Committee on the Judiciary working toward a new sentencing scheme and more recently, on changes in our bail laws. Without his assistance and hard work, I doubt whether we could move on this legislation in such a bipartisan manner.

Mr. President, the time for talking tough about crime has passed. It is time to act. This legislation contains a number of good, solid law enforcement proposals which can be enacted in this Congress. I fully expect that there will be debate and votes on some of the more controversial anticrime measures that are not contained in this package, like capital punishment and habeas corpus reform. I do believe the Senate should be allowed to work its will on these matters, but if we cannot go forward with a crime bill because these issues are too controversial, then perhaps we may have to take them up separately. In any event, we should act on this legislation, up or down, in this 2d session of the 97th Congress.

Mr. President, I ask unanimous consent that a copy of the bill and a summary of its major provisions be printed at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[The text of S. 2572 and a summary of its major provisions appear at end of proceedings.]

The PRESIDING OFFICER. Without objection, the bill will be received and held at the desk.

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Assistant Secretary proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I ask for immediate consideration of the bill held at the desk.

The PRESIDING OFFICER. Is there objection?

Mr. CHILES. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. THURMOND. Mr. President, I ask for the first reading of the bill.

The PRESIDING OFFICER. The bill will be read by title for the first time.

The legislative clerk read as follows:

> A bill (S. 2572) to strengthen law enforcement in the areas of violent crime and drug trafficking, and for other purposes.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I understand now the bill will go to the calendar; is that correct? Mr. President, I now ask that the bill be read a second time.

The PRESIDING OFFICER. Is there objection to the second reading? The Chair hears none, and the bill will be read the second time.

The legislative clerk read as follows:

> A bill (S. 2572) to strengthen law enforcement in the areas of violent crime and drug trafficking, and for other purposes.

Mr. CHILES. Mr. President, I object to further consideration of the bill.

The PRESIDING OFFICER. The bill will be placed on the calendar.

Mr. THURMOND. I understand the bill now goes to the calendar?

The PRESIDING OFFICER. It is on the calendar; that is correct.

Mr. BAKER. Mr. President, I want to take this opportunity to commend the distinguished chairman of the Senate Judiciary Committee, Senator THURMOND, and the distingushed ranking member of that committee, Senator BIDEN, for cosponsoring the Violent Crime and Drug Enforcement Improvements Act of 1982. I would also like to thank those other Senators who have contributed to this bill and are today adding their support.

This bipartisan proposal is vital to our Nation's internal security interests, and represents a wide-ranging effort to deal with the burgeoning drug-related crime problem which has permeated virtually all sectors of our society. I am also pleased to note that this bill has received endorsements from President Reagan and the Justice Department.

A cursory analysis of the bill illustrates its far-reaching provisions: One of the most important dimensions of the bill is the Bail Reform Act, which provides courts with detention authority over defendants who pose a threat to the community while awaiting trial. The bill also expands the courts' authority in setting bail conditions before and after a conviction. These and other changes contained in this new Bail Act will provide substantial relief to our communities from problems caused by defendants who continue to deal in drugs and commit other crimes while free on bail.

A second important provision of this bill is the concern it expresses for the victims of crime and witnesses to a crime. Victims will be systematically given an opportunity to present their views to the court prior to the imposition of a sentence, and courts and law enforcement agencies will be supported in their attempts to deal with those who hinder, harm, or in any way intimidate witnesses in a criminal case.

The bill also increases penalties for violations of this country's Controlled Substances Acts. Penalties for trafficking in synthetic drugs, such as LSD, PCP, and other dangerous nonnarcotics, are brought into line with the penalties for dealing in narcotics such as heroin and opiates.

In addition, Senator THURMOND's and Senator BIDEN's proposal calls for complete revamping of the sentencing and parole procedures that are currently in effect. A sentencing commission will replace the present parole commission and will be charged with guiding the courts in their responsibilities. This will promote more uniform sentencing nationwide and help insure that the purposes of the sentencing provisions are achieved.

Even with these and the many other law enforcement tools available today, no significant progress can be made in combating crime unless we first do something to provide additional jail space for those convicted. A national problem calls for a national response, and the State of Florida is perhaps the best example to underscore the seriousness of this situation.

Jails in south Florida are so overcrowded that most of them are currently under court orders to limit population growth. An obvious consequence of this action is that courts will often sentence defendants to probation or light prison sentences rather than impose a stiffer sentence of confinement. Even defendants convicted of third degree felonies are given sentences of probation instead of incarceration. Likewise, the courts have to consider the space problem when setting bail, and, consequently, many defendants are being released on low bonds in order to avoid overcrowding the jails.

In order to assist in alleviating the crisis facing our prisons, I strongly support the proposed amendment to the Federal Property and Administrative Services Act of 1949 to allow the Federal Government to transfer surplus Federal property to State and local governments for use as correctional facilities. Thus, properties such as surplus military facilities could be utilized as jail institutions without creating unnecessary burdens upon Federal and State budgets. Florida alone stands to gain 23 additional sites for its corrections department, and this proposal is one of the most efficient means of dealing with the problem of overcrowded jails. Unless we attack this issue now, all other efforts to enhance law enforcement in the future will be numbered.

Another key element of this bill permits the transfer of forfeited property directly to State and local law enforcement agencies which assist in enforcing Federal laws. This aid to local law enforcement agencies is imperative. In Miami alone, there are over 600 pending Federal forfeiture cases involving many seized automobiles, airplanes, boats and other items such as radio equipment, and so forth. Federal/State cooperation will be greatly enhanced when Federal authorities are able to deliver many of these conveyances and accessory equipment directly to the local agencies with which they work in fighting crime.

The provisions I have outlined and the others contained in this bill will aid significantly our efforts in combating the serious problems of drug-related crime facing the Nation today. These proposals have already been the subject of many debates and committee hearings, and I am pleased that the full Senate will have the opportunity to act upon the Violent Crime and Drug Enforcement Improvements Act of 1982.

Mr. CHILES addressed the Chair.

The PRESIDING OFFICER. If the Senator will permit, under the previous order the Senator from Delaware is to be recognized for not to exceed 15 minutes, following which there will be a period for the transaction of routine morning business not to extend beyond 9:30.

Mr. CHILES. Mr. President, I ask unanimous consent that the Senator from Florida be permitted to speak during the time that he and Senator NUNN will be recognized, and that the Senator from Delaware not lose his 15 minutes but they be placed back of our time.

Mr. THURMOND. Mr. President, I will be glad to yield to the Senator. I have 5 minutes left.

The PRESIDING OFFICER. Without objection, the time remaining to the Senator from South Carolina will be transferred to the Senator from Florida and the Senator from Florida will be permitted to speak as though in morning business.

Mr. CHILES. Mr. President, for the last week Senator NUNN and I have come to the floor of the Senate every day to speak out on crime, and on the need for the Senate to act on crime fighting legislation this session. We introduced a bill, the Crime Control Act of 1982, that contains a package of proposals designed to fight crime and drug trafficking. Yesterday, we were able to get that bill placed on the calendar. We plan to continue to speak out every day on the need for the Senate to take prompt action this session and move on a package of anticrime bills.

Over the last week, and in the days ahead, we have tried to underscore our concern over the crime problem by offering examples of crime from all over the country. By using these examples, we hope to make our message more personalized. We hope to remind our colleagues and the public that crime is more than just a bundle of statistics. It is something that deeply affects any person who has the misfortune of being a victim of a crime. It also adds to the sense of fear and distrust in our communities. Some of the stories we have told and will tell are grim. But crime is grim, and we need to remind ourselves that every day that we delay in action on anticrime proposals is another day that we let down the American public.

Today, however, I would like to speak about some good news. Today, I am joining with Senators THURMOND, BIDEN, and others in introducing a new package of crime fightings proposals. I am encouraged, because I believe that the proposals themselves, if enacted, would be highly effective in fighting crime and stopping drug trafficking. I will have more to say about the specific proposals later. I am more encouraged, however, by the fact that the introduction of these proposals has to be seen as a positive signal, a signal that the Senate indeed is serious about trying to do something about crime. In that sense, I believe the Senate has heard the voices that have been raised in concern about the crime situation, the voices from across the country and the voices here in the Senate. As one of those who has raised his voice in concern, I am particularly pleased to see this bill being introduced and, Mr. President, to see that the bill has now been referred to the calendar. Furthermore, I will do whatever I can to make sure that it comes to the floor as soon as possible, so that the Senate can act on crime fighting proposals.

Mr. President, this bill contains a number of proposals that are urgently needed in the fight against crime. It contains proposals that I have long advocated as crucial to turning the tide against the criminal and which I myself proposed last week, S. 2543. It contains bail reform provisions which will help stop today's revolving door situation, in which criminals who are arrested are able to get out on bail, no matter now dangerous they are or how likely they are to commit more crimes. It specifies that a person who has been arrested for drug trafficking is to be considered a "danger to the communi-

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ty" for purposes of bail determinations.

In like manner, this bill contains sentencing reform provisions, including increases in penalties for those convicted of smuggling large amounts of marihuana. Furthermore, this bill also contains many of the provisions of the mob violence title of S. 2543, such as the establishment of Federal jurisdiction over murder-for-hire cases.

This bill contains other provisions which were not included in S. 2543, by Senator NUNN and myself, but which I believe are vital tools in the fight against crime, and are provisions which I already support. They include asset forfeiture provisions, and amendments that will make it easier for the Federal Government to transfer surplus property to State and local governments for use as correctional facilities. It also includes much-needed reforms of the insanity defense, and provisions that will help assist the victims of crime. All of these reforms are contained in other bills which I have cosponsored, and all of them will help us fight crime.

There is one area covered in S. 2543 which is not addressed in the bill introduced today, and that is the reform of our habeas corpus laws. I believe that bringing more finality to our State court criminal convictions is absolutely necessary in any criminal justice reform package. I would hope that we will be able to consider habeas corpus reform provisions as part of any crime reform proposal, and would plan to bring this matter to the attention of my colleagues.

Mr. President, nevertheless, I am greatly encouraged by the introduction of this bill today by Senator THURMOND and Senator BIDEN. It offers hope to those of us who are worried that the Senate may not act on crime reform proposals this Congress. But those of us who are determined to have the Senate act on crime proposals this year must not stop in our efforts. This is an encouraging sign, but we still have not passed a crime package. Every day we do not act, we draw closer and closer to adjournment. By my reckoning, there are as few as 62 days left in this Congress, and the Senate still has many other matters to consider. I remain concerned that crime fighting proposals still could be lost in the shuffle. I have spoken out about my concerns over the last week, and I plan to continue to speak out every day on crime until we pass a crime bill. Speaking for both Senator NUNN and myself, I invite those of my colleagues who share our concerns to join us in speaking out, to make sure that the Senate acts on crime. By doing so, we help the Senate to realize that the American public remains deeply concerned about crime and that we in the Senate have a responsibility to respond to those concerns and to pass a crime package. Today, we have some good news for those who are concerned about crime. But crime will not stop just because we introduce a bill. We have to follow through and get a crime bill before the Senate, and through to the House, and to the President's desk. I stand ready to do whatever I can to get a crime bill enacted this session, and I certainly will continue to speak out on crime until the Senate acts.

Mr. THURMOND. Mr. President, I ask unanimous consent that the able and distinguished senior Senator from Alaska (Mr. STEVENS) be added as a cosponsor of this bill.

The PRESIDING OFFICER (Mr. ANDREWS). Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I believe we are holding the bill at the desk. If any other Senators wish to join as cosponsors, we will be very pleased to have them.

Mr. NUNN. Mr. President, it is gratifying for me to cosponsor the bipartisan anticrime legislation which Senator THURMOND is introducing today, together with several other Senators on both sides of the aisle.

I have spoken in this Chamber many times over the past several years in support of many of the provisions contained in this bill.

Last week, Senator CHILES and I rose to introduce the Crime Control Act of 1982, which focuses on many of the problem areas addressed in this bill which we have before us this morning. In introducing our bill last week, Senator CHILES and I asked the Senate to take cognizance of the very important priority which the problem of crime in this country deserves. We also asked the Senate to keep in mind a resolution passed 9 months ago, which was introduced by Senator HEFLIN, in which this body declared its intention to address the crime problem as one of its major priorities. This morning, I am delighted with the efforts of Senator THURMOND and Senator BIDEN, and others, in directing congressional attention to these issues.

As former chairman and current ranking minority member of the Permanent Subcommittee on Investigations, I have been deeply involved for years in extensive hearings which have pointed out time and again the need for legislative action to improve the efficiency and effectiveness of Federal law enforcement efforts.

As long ago as 1979, our subcommittee began to focus congressional attention on the astounding scope of the illicit narcotic industry in this Nation. We pointed out in 1979 that the retail value of drugs in this Nation stood somewhere between $45 and $64 billion. Again, last year we conducted additional hearings on international narcotics trafficking, and I have already pointed out to the Senate that this same traffic has risen to a dollar value of between $65 and $89 billion. We have repeatedly urged reform of our Federal law enforcement efforts in an attempt to seriously tackle that problem. Only as recently as yesterday, I stood before this body to introduce a compromise tax disclosure proposal, together with Senators GRASSLEY, CHILES, DOLE, and others, designated S. 2565, which attempts to encourage IRS assistance and cooperation in criminal law enforcement efforts.

In introducing the Crime Control Act of 1982, Senator CHILES and I presented proposals designed to remedy some of the major abuses of our present systems of bail and sentencing in drug and violent crime cases. The provisions of that bill have already been introduced in other legislation by Senator CHILES and myself during this Congress. I note that titles I, III, and V of the bill which is being introduced today contain many of the principles which we have stressed and consistently supported in the past.

Other titles of this bill, such as those devoted to witness protection, the protection of Federal officials, and criminal forfeiture have also been the subject of many of our hearings. During those hearings, the need for this type of legislation has been amply demonstrated time and time again.

In our hearings in 1980 on organized crime and the use of violence, we exposed the need for a Federal murder-for-hire statute as well as legislative action relating to the use of explosives and crimes of violence in aid of racketeering. Some of these areas were, in fact, addressed in my Organized Crime Control Act of 1981. I note that these same topics are similarly treated in the package legislation being introduced this morning. It is to the credit of the drafters of this legislation that they have recognized the merit in legislative proposals dealing with the crime problems introduced in the past by many Senators on both sides of the aisle, regardless of party lines.

In sum, I am pleased to endorse and cosponsor the introduction of this bill this morning. I view its provisions as an indication that the Senate recognizes the critical need to take strong bipartisan action to alleviate the law enforcement problems which have greatly concerned myself and many of our colleagues for so long.

I want to say to Senator THURMOND that I congratulate him for his leadership in this area. I believe he has identified one of the top priorities facing our Nation. I pledge to him and his committee my enthusiastic support. We have record after record that will document in analytical and anecdotal form the tremendous need for this type of legislation. I do say to Senator THURMOND that I would hope he would keep us informed. We will certainly do all we can to try to make this a priority of the Senate and try to continue the very strong bipartisan support it now enjoys.

Mr. CHILES. Mr. President, if the Senator will yield, I want to join with him in his remarks in that regard. We are both cosponsors of the Thurmond bill. I think that it certainly will be a tremendous help in my State and a tremendous help in the country. I want to associate myself this morning with being of any assistance I possibly can be to the distinguished chairman of the Committee on the Judiciary, the Senator from South Carolina (Mr. THURMOND) in trying to move this package.

Mr. THURMOND. Mr. President, let me express my deep appreciation to the able Senator from Florida (Mr. CHILES) and the able Senator from Georgia (Mr. NUNN) for joining on this bill. They have previously shown a great interest in anticrime measures. They have introduced legislation. We are very pleased to have them as cosponsors of this bill.

Mr. President, I ask unanimous consent that the able Senator from Georgia (Mr. MATTINGLY) be added as a cosponsor of this bill, and the able senior Senator from Virginia (Mr. HARRY F. BYRD, JR.) be added as a cosponsor, also.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

RECOGNITION OF SENATOR BIDEN

Mr. BIDEN. Mr. President, I understand that the leader has 10 minutes time and I ask unanimous consent that that be transferred to me at this point.

The **PRESIDING OFFICER.** Is there objection? Without objection, it is so ordered.

The Senator from Delaware is recognized.

Mr. BIDEN. Mr. President, I apologize for not being here at 9 o'clock, when the distinguished Senator from South Carolina (Mr. THURMOND) introduced what I consider to be a significant and bipartisan crime package. The Thurmond-Biden crime package, which has been introduced today with the cosponsorship of a significant number of Democrats and Republicans, is, I believe, one of the most significant pieces of anticrime legislation that has been introduced in the almost 10 years that I have been in this body.

Before I speak to the details of that package, Mr. President, I wish to thank the distinguished Senator from South Carolina, who has been a real gentleman, not only in working on this bipartisan crime package, but he has been someone with whom, as ranking member on the Judiciary Committee, I have been able to work on every occasion, whether it is the voting rights bill, crime legislation—whatever it happens to be, the Senator from South Carolina has been completely cooperative.

It was not long ago, after the revision of the Criminal Code was taken down, as my friend from Idaho (Mr. McCLURE) will recall, that Senator THURMOND and I had a discussion about the reasonableness of his and my getting together to see whether or not we could put together a truly bipartisan package on what is, I think, the most vexing problem facing the American people today. That is the serious, serious growth of violent crime in America.

Although the Senator from South Carolina had introduced similar legislation in the past and the Senator from Delaware, on behalf of all the Democrats, had introduced legislation encompassing some of these points, we thought it important that we have a piece of legislation that not only was able to get the attention initially of our colleagues and the American people, but, more importantly, something that would actually pass, and pass this session, pass this year, become law.

To that end, both the Senator from South Carolina and I engaged in the process of barter, if you will, and compromise, and came up with a package that we sincerely hope and believe the vast majority of our colleagues on both sides of the aisle can accept.

I think the introduction of this bill represents a consensus on the congressional agenda on crime for this year. It has had bipartisan support and leadership cooperation, and the bill will be considered and is likely to pass the U.S. Senate. Because much of this package is based upon what has gone before, as approved last summer in our caucus, and which is now being processed in the House, the package, I believe, is also likely to pass the House. To the great credit of the Senator from South Carolina, the President of the United States has indicated that if this legislation were to pass, he would, in fact, sign it.

As a matter of fact, Mr. President, it is my understanding and that of the Senator from South Carolina that it has the support of the President of the United States.

The fact that such politically divergent Members of the Senate as JOE BIDEN and STROM THURMOND can agree on a bill is an indication that crime control has become and should always have been a bipartisan issue. There has been public outrage about escalating crime figures, especially drug-related robberies and burglaries in the big cities and public discouragement with the apparent paralysis of government at all levels to deal with the problem. The paralysis in government is caused and has been caused in the past by political demagoguery and posturing, and turf wars between law enforcement agencies at all levels.

Much of the package that the Senator from South Carolina and I introduced today is designed to deal with those logjams.

Mr. President, there is a great deal to say about this legislation. Let me emphasize two aspects of it. The first question that we have to ask ourselves if we are to be effective is what reasonable can the Federal Government do about violent crime? Since over 90 percent of all the violent crime in America is committed within the jurisdiction of local police agencies beyond the reach of Federal authorities, beyond the reach of Federal law, what can the Federal Government do?

We concluded, the Senator from South Carolina and I, what it should not do. It should not promise to do things it is incapable of doing. This is not going to eradicate crime in our time; it is not going to turn the tide in such a way that, overnight, we shall have safe streets; it is not going to see to it that the Federal Government solves all our problems. It will, in fact, do several very important things.

The improvement of chronic coordination problems within the Federal law enforcement establishment and among Federal and State and local agencies is, in fact, something that will have to be addressed more thoroughly in later legislation. I, for one, believe that we should establish a Cabinet level post. Creating a mechanism for the Federal Government to foster new ideas for fighting crime through the establishment of targeted programs of financial assistance to States and local agencies to try innovative ideas and establishing a federally sponsored national center for criminal justice, research, and training is something we have to follow up. What we have been able to do is deal with certain aspects of street crime.

This package enhances the Federal role in several very important areas: Bail, sentencing, forfeiture, and other organized crime control proposals, which will help facilitate investigation and prosecution of organized crime figures.

Also, in the area of bail and sentencing, these proposals in particular will serve as models for State and local jurisdictions. The surplus Federal properties proposal will relieve local prisons of their overcrowded conditions.

The Federal Government can provide four functions as I said. They can, one, help cope with the causes of street crime beyond the control of State and local governments, that is, drugs and unemployment; two, it can deal with drugs by dealing with organized crime; three, it can serve as a model for State and local legislatures in developing new crime control procedures; four, by providing money to States and local agencies for innovative programs and serving as a nation-

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al center for criminal justice, research, and training, it can provide needed direction for State and local governments.

We do not solve all of those problems in this package. What the Senator from South Carolina and I believe very fervently is that we do something and we do it now, that we no longer wait around for each of us to have our own ideal package.

This will make a dent. It does not violate the basic civil liberties of Americans. It is a reasonable and measured approach to the problem. I believe once our colleagues have an opportunity to look at it in detail, look at the various aspects of the proposal, they will see some fairly stark departures. For example, we allow, under certain circumstances, a judge to hold a defendant without bail if he is, in fact, considered a danger to the community under certain pretrial, procedural hearings whereby that measure of danger is measured and the civil liberties of the person are protected but nonetheless are far reaching. Sentencing proposals are the same way.

As I said, Mr. President, there is much more to say about it. I assure my colleagues in the Senate that the Senator from South Carolina and I plan on you all hearing a lot more about it, because we believe, once you do, Senators will concur with us in the view that it can and should be done now.

Once again, I thank—and I mean it sincerely—my colleague and chairman of the full committee for his cooperation and the true bipartisan spirit within which he has approached what is not a partisan problem. It is a vexing problem facing all Americans.

I yield the floor.

The **PRESIDING OFFICER**. The Senator from South Carolina.

Mr. **THURMOND**. Mr. President, as I stated in my opening statement, I commend the able Senator from Delaware, the ranking member on the Judiciary Committee. He has worked hard on this package. He has rendered the country, I think, a great service and it is, indeed, a pleasure for me to work with him on this important matter which means so much to the Nation. Crime must be curbed, and we feel that this package, although it does not include some other measures that I would like to see enacted, will be very helpful. We feel we have a fine chance to pass it in the Senate and then through the House.

Mr. President, I ask unanimous consent that the able and distinguished Senator from North Dakota, Mr. ANDREWS, be added as a cosponsor to this bill.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **THURMOND**. Mr. President, I ask unanimous consent that any Senators wishing to make statements on the bill that was introduced today be able to make those statements at any time during the day and that they be placed in the colloquy as if they were made during this particular morning hour.

The **PRESIDING OFFICER**. Is there objection? Hearing none, the unanimous-consent request is agreed to.

Mr. **HATCH**. Mr. President, I am extremely pleased to be able to cosponsor the Violent Crime and Drug Enforcement Improvements Act of 1982. It has been a privilege to have worked with Senator THURMOND, Senator BIDEN, and Senator LAXALT in developing this legislation. In addition, there are a large number of Senators on both sides of the aisle who have been instrumental in the development of individual provisions of this measure.

The provisions in this omnibus legislation are taken from several primary sources: From provisions of S. 1630, the Criminal Code Reform Act; from provisions of other legislative proposals that have been considered by the committee during this Congress or in recent Congresses; and from the recommendations of the Violent Crime Commission.

With this measure being placed directly on the Senate Calendar, I am looking forward to considering it in the near future. There is no legislation that I can recall that promises to do as much to curb the growth of violent crime in this country as the proposed measure. While I recognize the inherent limitations upon Federal criminal jurisdiction, I am confident that the Violent Crime and Drug Enforcement Improvements Act will serve not only to improve Federal law enforcement efforts, but to provide encouragement to State and local authorities in the development of similar efforts.

While this measure standing on its own represents a major step toward enhancing Federal law enforcement efforts, there are a number of additional criminal law provisions that may be considered during floor debate, and which I would enthusiastically support—including the restoration of capital punishment, abolition or reform of the exclusionary rule, and reform of habeus corpus procedures.

Mr. President, there is no more important legislative effort than the immediate one in attempting to restore the respect of the American people for the Nation's criminal justice system. The time is long overdue that this body undertake the kinds of substantial reforms proposed in this legislation. I congratulate every Member of this body who has contributed to this measure, and those who have chosen to cosponsor it.

Mr. **HOLLINGS**. Mr. President, I rise to lend my support to the crime package introduced here today. I urge quick action on it and swift passage.

There is no need, Mr. President, for me to go into a lengthy description of what this proposal contains. That has been very well done by my colleagues that have spoken in its behalf.

Crime, in particular violent crime, is a problem of significant proportions that cries out for a meaningful response. In the anticrime package we introduce here today I believe that we make an important step in that direction. Crime is a problem that undermines the freedom of our society and robs each of us, not just those who would happen to be victims, of cherished liberty. Actual crime is a significant problem, but the fear of crime is so pervasive among the citizens of the Nation, particularly the older citizens, that we are increasingly seeing a general breakdown of the fabric of our society.

With the apparent demise of the criminal code reform bill for this Congress, Mr. President, it is necessary for us to go forward with a stripped down version that embodies some of the most important ideas we have for fighting the rise in crime. This bipartisan effort meets that test.

While there are some restrictions on the constitutionally permitted range and scope of the Federal Government's role in combating crime, the situation our citizens face demands a response. The changes we advocate today are in the laws defining crime and criminal procedures. In my opinion, they will have a beneficial impact on the problem.

Earlier, in this Congress, Mr. President, I joined with several colleagues in sponsoring Senate Resolution 141. This resolution, in part, called for the Senate to go on record and establish the combating of crime and violent crime in particular as a national priority. The legislation introduced today goes a very long way toward meeting the goal my colleagues and I outlined. And, many of the provisions contained in the legislation introduced today were part of the anticrime package that several of my colleagues and I cosponsored last year. I, for one, Mr. President, am encouraged by this responsive action and urge strong support for the action taken today. The people of this Nation are concerned, and rightly so, about the high rise of crime. While this package today will certainly have its limits as a solution to the problem that all of us know too well, it will be a significant statement about our resolve to get something effective in place to meet that problem.

Finally, Mr. President, as we propose these changes, it is also important that we keep an eye on the capacity of our law enforcement officials to respond. I have spelled out this problem before Mr. President. Simply stated, the budgetary constraints placed upon our law enforcement agencies by this administration seriously restricts their capacity to act effectively and forcefully against crime. We cannot have it both ways. We can put the laws on the books that are designed to give our law enforcement officials the tools to do the job, at the same time we must maintain and increase our cadre of law enforcement experts if we are going to have the beneficial impact on the rising rate of crime we all seek. The President spoke not too long ago of the thin blue line that protects us. My concern is over his thinning of the thin blue line. But, Mr. President, that is a matter we can address at a later time.

The effort underway here today is important. It deserves broad support and quick passage.

Mr. HEFLIN. Mr. President, today I am pleased to join in cosponsoring a legislative package designed to strike a blow against the epidemic of violent crime that is sweeping the United States.

This legislation is being introduced by two of the most respected Members of this great body—my distinguished colleagues from South Carolina and Delaware, Senator STROM THURMOND and Senator JOSEPH BIDEN. A great deal of work has been done by these two Senators and their staffs in assembling this legislation, and I heartily commend them.

It was only 2 weeks ago, on May 12, that I stood in this Chamber to discuss the delay in the Hinckley trial and the serious domestic problem of crime. That was certainly not the first time I have stressed to this forum the urgency of finding a solution to this most serious problem; nor, I am afraid, will it be the last, for I have dedicated a good portion of my time and effort here in the Senate to making the fight against crime a top legislative priority.

We all know of the need for action against crime. We have all heard the statistics and the horror stories. We have all heard of, and read about, and even talked to people from every State and walk of life who live behind locked doors and barred windows out of fear for their physical safety.

Two weeks ago I pointed out that we can no longer afford to attach the concern of petty partisan politics to a problem as threatening as crime. Again, I stress that we should not be worried about which Senator or which party gets the credit for doing something about crime. We should only be worried about getting something done.

During my last talk on crime, I called for an approach to this problem that could be successful, that could reach across partisan lines to form a bispartisan consensus.

While I am pleased to cosponsor this bill, I will freely admit there are certain specific areas with which I might disagree. All in all, however, I am pleased with the concept of this legislation, and I am even more pleased with the efforts that have been put into it. I am hopeful this legislation can serve as the starting point for the bipartisan consensus against violent crime which I called for 2 weeks ago.

I might say that this bill that has been introduced really though only directs its attention to 4 percent of the crime in America, since the laws of the United States deal with the Federal judicial system and the Federal law enforcement agencies. The State and local law enforcement account for 96 percent of the crime. The State courts have tried before them 96 percent of the cases of crime. And we have to approach the issue of crime with some form of assistance to State and local government in fighting crime.

I point out that this a valid and a good step. It is a bipartisan effort, and I support it. But I think that we cannot close our eyes to the areas that are not addressed by these bills.

It is, of course, through such efforts as this that we can make a starting point and we can rid America of the problem of violent crime, putting the criminals behind bars and innocent people on the streets again.

Thank you very much, Mr. President.

Mr. BAUCUS. Mr. President, I welcome this opportunity to cosponsor S. 2572 and to join in the bipartisan effort to enact legislation to reform and improve our criminal justice system. I have long believed that revisions in our criminal laws and criminal procedures are both necessary and appropriate.

This bill is a complex one, with numerous provisions dealing with a variety of topics. By my cosponsorship, I give my wholehearted support to the broad outlines of the bill and to many of its particulars. However, there may be certain sections or provisions with which I do not fully agree and which I may seek to amend on the floor.

I commend my distinguished colleagues from South Carolina and Delaware for their cooperative efforts on this bill, and I look forward to working with them in the coming weeks on the vital issues incorporated in the legislative proposal.

Mr. GRASSLEY. Mr. President, I am supporting what I view as a realistic first step in reforming our Federal criminal laws.

All of us perceive the public's growing sense of frustration at the inability of Government to deal with the growth of crime in our society. Yet, a tacit premise underlying the most basic concept of democracy is that a free society presupposes an orderly community. Substantive law that is thoughtfully and rationally conceived must be in place in order to carry out the public's mandate of law and order. I believe that the chairman of the Senate Judiciary Committee, Senator STROM THURMOND has created a package of legislative proposals that will restore that confidence of the American people in our abilities to cope with crime.

Two of the titles of the Violent Crime and Drug Enforcement Act of 1982, are drawn from bills which I introduced in the past year.

Title VIII is drawn from S. 1422, a bill which would allow States to acquire Federal surplus lands at no cost for the construction or modernization of correctional facilities. Between 1978 and 1981, the number of State prisoners increased from 268,189 to 329,122, according to the Bureau of Justice statistics. Thus, State systems have had to accommodate an increase of 60,000 beds. The problem of overcrowding goes beyond corrections. Potentially it leads to a circumvention of the overall public and criminal justice system's intent to deal with the violent offender in a manner consistent with the gravity of the offense. Probation is meted out instead of incarceration simply because the judges are aware that there is currently no prison space available for the offenders in prison.

It is no secret that States are currently faced with the question of how to eliminate overcrowding in prisons so as to fashion programs that rise to constitutionally acceptable levels of legality and humanity. Society cannot permit crime to go unpunished for want of prison space and for the present, prison is the only sanction available for violent crime. A revolutionary breakthrough in the range of available rehabilitative sanctions is not on the horizon.

Among title IX's "miscellaneous criminal justice improvements" is a provision the would extend Federal jurisdiction to the robbery of a controlled substance from a pharmacy. This provision is drawn from S. 1025. That bill would have the identical effect of providing greater deterrents to the rash of robberies, assaults and senseless murders that have plagued this country in the last decade. At present, the terrorism of an entire class of health care professionals—retail pharmacists—continues unabated.

Since 1973, when drug abuse legislation was first introduced, armed robberies to obtain federally controlled drugs from pharmacies have increased by 150 percent—far in excess of the national robbery rate—including an increase of 33 percent for 1979, the most recent year for which statistics are available. Monetary gain from sale of the stolen drugs is only one of the elements of the terrorism caused by pharmacy robbery. One in five robberies results in death or some injury to victims. Congress has responded to the havoc created by this terrorism with six House bills and two Senate bills introduced in this session alone. I commend Senator THURMOND for including this provision in his package. I urge all of my colleagues to support this important first step in reforming our criminal Federal laws.

ORDER TO HOLD PRINTING S. 2572 UNTIL FRIDAY

Mr. THURMOND. Mr. President, I ask unanimous consent that the Chair direct the Senate printing clerk to withhold printing of Calendar Number 599, S. 2572, a bill placed on the calendar earlier today, until 6 p.m. on Friday, May 28, 1982, and that the names of the Senators who cosponsor the bill on or before that time be added to the bill when printed as if original cosponsors.

The **PRESIDING OFFICER.** Is there objection?

Mr. ARMSTRONG. Mr. President, reserving the right to object, and I do not intend to object, so far as I know—I thank the Senator. I have no objection. I have no objection to the unanimous-consent request.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The **PRESIDING OFFICER.** Under the previous order, there will now be a period for the transaction of routine morning business not to extend past 9:30 a.m. during which Senators may speak for 1 minute each.

U.S. RESOLUTION ON 1979 ARMS PACT

Mr. BIDEN. Mr. President, former Senator Muskie and former Secretary of State Muskie called for a U.S. resolution vowing to abide by the 1979 arms pact.

Mr. President, I plan on attempting to do that in the Foreign Relations Committee markup this week.

I ask unanimous consent that the article by Charles Mohr dealing with Mr. Muskie's position be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MUSKIE CALLS FOR A U.S. RESOLUTION VOWING TO ABIDE BY 1979 ARMS PACT

(By Charles Mohr)

WASHINGTON, May 24.—Former Secretary of State Edmund S. Muskie has suggested that Congresss pass, and President Reagan sign, a joint resolution by which the United States would promise to abide by the unratified strategic arms limitation treaty of 1979 so long as the Soviet Union does.

Mr. Muskie, who served as a Democratic Senator from Maine before becoming Secretary of State in 1980, made the suggestion in a commencement address at Marquette University in Milwaukee on Saturday.

He described his proposal as a "compromise" meant to bridge the period between the present to what Mr. Muskie called "the laudable goal of major reductions" that President Reagan proposed on May 9 at Eureka College in Illinois. Mr. Muskie said President Reagan's proposal for strategic arms reduction talks were so far-reaching that they would require "many years to negotiate."

AVOIDING THE REQUIRED MAJORITY

The former Secretary of State indicated that, while he favored ratification of the 1979 treaty, he recognized formidable obstacles to that course of action, including the Administration's own political opposition to formally embracing a treaty that Mr. Reagan had opposed in 1979.

A joint resolution of Congress, Mr. Muskie argued, would avoid the necessity of obtaining a two-thirds majority in the Senate, the constitutional majority required for the Senate to pass a resolution of consent to ratification of a treaty. The actual act of ratification is done by the President, after the Senate has consented.

In his speech urging nuclear arms reduction talks, President Reagan asked for a one-third reduction in strategic nuclear warheads to equal levels of 5,000 warheads on each side. Mr Reagan also suggested that only half of that number be permitted to be mounted on land-based intercontinental ballistic missiles. In later phases of negotiations, the President urged, the two nations could seek to limit the so-called throw weight, or ability to move explosive material, guidance systems and other material, by a rocket.

Mr. Muskie said he believed there was a way to realize the President's initial goals "in the span of a three-year negotiation, rather than a negotiation stretching over many years," by reducing within the limits and sublimits of the 1979 treaty.

Mr. Muskie said the present situation in which the Administration has made a "casual" statement of intent to abide by the unratified treaty would be less safe than the "formal statement" embodied in a joint resolution of Congress.

He said he believed that his proposal would "command broad bipartisan support in Congress and the country" and would be supported by every former President, Secretary of State, Secretary of Defense, national security adviser and member of the Joint Chiefs of Staff.

CONCLUSION OF MORNING BUSINESS

The **PRESIDING OFFICER.** Under the previous order, 9:30 a.m. having arrived, morning business is over.

ENERGY EMERGENCY PREPAREDNESS

The **PRESIDING OFFICER.** Under the previous order, we will now proceed to the consideration of calendar item No. 557, which the clerk will report.

The legislative clerk read as follows:

Calendar Order No. 557, S. 2332, a bill to extend the expiration date of section 252 of the Energy Policy and Conservation Act.

The Senate proceeded to consider the bill which had been reported from the Committee on Energy and Natural Resources with an amendment to strike out all after the enacting clause, and insert the following:

EXTENSION OF CERTAIN INTERNATIONAL ENERGY PROGRAM AUTHORITIES

SECTION 1. Subsection (j) of section 252 of the Energy Policy and Conservation Act (42 U.S.C. 6272(j)) is amended by striking out "June 1, 1982" and inserting in lieu thereof "August 1, 1983".

ENERGY EMERGENCY PREPAREDNESS

SEC. 2. (a) Title II of the Energy Policy and Conservation Act, relating to standby energy authorities, is amended by adding at the end thereof the following new part:

"PART C—ENERGY EMERGENCY PREPAREDNESS

"CONGRESSIONAL FINDINGS, POLICY, AND PURPOSES

"SEC. 271. (a) FINDINGS.—The Congress finds that—

"(1) a shortage of petroleum products caused by reductions in imports of petroleum products may occur at any time;

"(2) such a shortage may be sufficiently large to cause severe economic dislocations and hardships, or constitute a serious threat to public health, safety, and welfare; and

"(3) in the event of such a shortage, reliance on free market pricing and allocation of available petroleum product supplies may not be adequate to mitigate the adverse impacts of the shortage.

"(b) POLICY.—The Congress hereby declares that it shall be the policy of the United States that a Federal comprehensive energy emergency response procedure shall be available for implementation by the President, pursuant to his authorities under existing law other than this part, as a supplement to reliance on the free market to mitigate the adverse impacts of a shortage of petroleum products on public health, safety, and welfare.

"(c) PURPOSE.—The purpose of this part is to provide for the preparation of a comprehensive energy emergency response procedure to be available for use by the President under authorities contained in existing law other than this part.

"STATUS REPORT

"SEC. 272. (a)(1) The President shall submit to the Congress no later than November 15, 1982—

"(A) a memorandum of law, subject to subsection (b), describing the nature and extent of the authorities under existing law available to the President for his use in reponding to a substantial reduction in the amount of petroleum products available to the United States; and

"(B) an accompanying report, subject to subsection (b), on the status and schedules for completion of a comprehensive energy emergency response procedure by which the President would implement the authorities described under paragraph (1).

"(2) The memorandum of law required by subparagraph (1)(A) shall be reviewed and approved by the Attorney General prior to its submission to the Congress.

"(b) The memorandum of law and the accompanying report submitted to the Congress pursuant to subsection (a) shall—

"(1) include, but not be limited to, the following subjects—

"(A) activities of the United States in support of the International Energy Program and the December 10, 1981, International Energy Agency agreement entitled 'Decision on Preparation for Future Supply disruptions' including, but not limited to—

"(i) the National Emergency Sharing Organization,

"(ii) emergency sharing systems; and

"(iii) the supply right project;

"(B) activities of the United States pursuant to its energy emergency preparedness obligations to the North Atlantic Treaty Organization;

"(C) development and use of the Strategic Petroleum Reserve;

"(D) Government incentives to encourage private petroleum product stocks;

"(E) reactivation of the Executive Manpower Reserves including the—

"(i) Emergency Electric Power Reserve;

"(ii) Emergency Petroleum and Gas Reserve; and

"(iii) Emergency Solid Fuels Reserve;

"(F) energy emergency response management in coordination with State and local governments; and

"(G) emergency public information activities; and

"(2) distinguish among—

"(A) situations involving limited or general war, international tensions that threaten national security, and other Presidentially declared emergencies;

"(B) events resulting in activation of the International Energy Program; and

"(C) events or situations less severe than those described in subparagraphs (A) and (B).

"COMPREHENSIVE ENERGY EMERGENCY RESPONSE PROCEDURE

"Sec. 273. (a) The President is authorized and directed to submit to the Congress no later than December 31, 1982, a comprehensive energy emergency response procedure, subject to subsection (b), which the President would implement, in whole or in part, pursuant to his authorities under existing law other than this part, in responding to a substantial reduction in the amount of petroleum products available to the United States.

"(b) The comprehensive energy emergency response procedure shall—

"(1) specify a procedure for determining appropriate governmental actions in response to international and domestic energy shortages;

"(2) describe alternative actions available for implementation by the President; and

"(3) recommend any additional satutory authority necessary for the president to carry out the purposes of this part.

"(c) Nothing in this part, or in the comprehensive energy emergency response procedure submitted pursuant to subsection (b), shall limit the authority of the President under existing law to respond to a reduction in the amount of petroleum products available to the United States.".

(b) The table of contents for the Energy Policy and Conservation Act is amended by adding after the item relating to section 255 the following new items:

"Part C—Energy Emergency Preparedness

"Sec. 271. Congressional findings, policy, and purposes.

"Sec. 272. Status report.

"Sec. 273. Comprehensive energy emergency response procedure.".

STRATEGIC PETROLEUM RESERVE DRAWDOWN PLAN

Sec. 3. On or before September 30, 1982, the President shall transmit to the Congress a drawdown plan for the Strategic Petroleum Reserve consistent with the requirements of section 154 of the Energy Policy and Conservation Act. Congressional review of such drawdown plan shall be in accordance with the provisions of section 159 of the Energy Policy and Conservation Act: *Provided*, That the existing approved drawdown plan shall remain effective until a new drawdown plan is approved pursuant to section 159 of the Energy Policy and Conservation Act.

STRATEGIC PETROLEUM RESERVE AMENDMENTS

Sec. 4. (a) Section 160(c) of the Energy Policy and Conservation Act (42 U.S.C. 6240(c)) is amended to read as follows:

"(c)(1) The President shall, subject to the availability of funding pursuant to section 167(b)(2) of the Energy Policy and Conservation Act, as amended by section 1034(c)(1) of the Omnibus Reconciliation Act of 1981 (Public Law 97-35), immediately undertake, and thereafter continue, petroleum products acquisition, transportation, and injection activities at a level sufficient to assure that petroleum products in permanent or interim storage facilities in the Strategic Petroleum Reserve will be increased at an average annual rate of at least 300,000 barrels per day until the quantity of petroleum products stored within the Strategic Petroleum Reserve is at least 500,000,000 barrels.

"(2) After the Strategic Petroleum Reserve reaches a level of 500,000,000 barrels, the President shall seek to continue petroleum products acquisition, transportation, and injection activities at a level sufficient to assure that petroleum products in permanent or interim storage facilities in the Strategic Petroleum Reserve will be increased at an average annual rate of at least 300,000 barrels per day until the quantity of petroleum products stored within the Strategic Petroleum Reserve is at least 750,000,000 barrels.".

(b) The effective date of subsection (a) shall be July 1, 1982.

(c) Section 159(f) of the Energy Policy and Conservation Act (42 U.S.C. 6240(f)) is amended by deleting the word "and" at the end of paragraph (3), by inserting a "; " in lieu of the ";" at the end of paragraph (4), and by inserting new paragraph (5) as follows:

"(5) the storage of petroleum products in interim storage facilities.".

(d) Section 167 of the Energy Policy and Conservation Act (42 U.S.C. 6247) is amended by adding at the end thereof the following:

"(e) Not to exceed 10 per centum of the total amounts obligated from the account in any fiscal year may be used to meet expenses related to interim facilities for the storage of petroleum products for the Strategic Petroleum Reserve.

"(f) Nothing in this part shall require an amendment to the Strategic Petroleum Reserve Plan prior to the storage of petroleum products in interim storage facilities.

"(g) No action related to the storage of petroleum products in existing facilities for interim storage in the Strategic Petroleum Reserve shall be deemed to be 'a major Federal action significantly affecting the quality of the human environment' within the meaning of that term as it is used in section 102(2)(C) of the National Environmental Policy Act of 1969.

"(h) Petroleum products stored in interim storage facilities pursuant to section 160(c)(1) shall be considered to be in storage in the Strategic Petroleum Reserve.".

IMPACT STUDY

Sec. 5. (a) The President shall analyze the impact on the domestic economy and on consumers in the United States of reliance on market allocation and pricing during a severe oil supply shortage. Such analysis shall—

(1) examine the equity and efficiency of such reliance.

(2) distinguish between the impacts of such reliance on various categories of business (including small business and agriculture) and on households of different income levels.

(3) specify the nature and administration of monetary and fiscal policies that would be followed including emergency tax cuts, emergency block grants, and emergency supplements to income maintenance programs, and

(4) describe the likely impact on the distribution of petroleum products of State and local laws and regulations (including emergency authorities) affecting the price or allocation of petroleum.

Projections must be made of the effect of the disruption of the price of motor gasoline, home heating oil and diesel fuel, and on Federal tax revenues, Federal royalty receipts, and State and local tax revenues.

(b) Within one year after the date of the enactment of this section, the President shall submit a full and detailed report to the Congress containing the analysis required by subsection (a), including a detailed, step-by-step description of the procedures by which the policies specified in subsection (a)(3) would be accomplished in an emergency, along with such recommendations as the President deems appropriate.

CONTINUATION OF PETROLEUM PRODUCT INFORMATION COLLECTION

Sec. 6. (a) Part A of title V of the Energy Policy and Conservation Act (42 U.S.C. 6381 et seq.) is amended by adding at the end thereof the following new section:

"PETROLEUM PRODUCT INFORMATION

"Sec. 507. The President or his delegate shall, pursuant to authority otherwise available to the President or his delegate under any other provision of law, collect information on the pricing, supply, and distribution of petroleun products at the wholesale and retail levels, on a State-by-State basis. Such information shall be substantially of the same type as was collected during September 1981 by the Energy Information Administration in connection with the Emergency Petroleum Allocation Act of 1973.".

(b) The table of contents for the Energy Policy and Conservation Act is amended by adding after the item relating to section 506 the following new item:

"Sec. 507. Petroleum product information.".

ENERGY EMERGENCY PREPAREDNESS

Mr. McCLURE. Mr. President, the Senate has just completed a major debate on the Federal budget. That debate centered on the condition of our economy and what we in the Congress should do to re-shape this Nation's business, social, and political priorities to meet the crisis in our economy and to meet the worldwide challenges that threaten the United States not only economically but militarily.

Concern for the health of our economy has been our primary concern—and rightly so—for the last 2 years. But in the process we seem to have pushed back our concern about whether or not we need an energy policy for the United States—and wrongly so. The need for a sound energy policy is particularly critical in the area of energy emergency preparedness. But effective planning for energy emergencies is particularly difficult in a country which believes, as I believe, that major decisions should not be made by Government, but by individuals, and in a country which believes that the major programs are going to be those that mobilize the private sector, not those that mobilize Government.

Nevertheless, having said that, we need to recognize that the role for Government is still there and that we need to rationalize and focus that role for the good of the Nation as a whole; for the good of all the people who live here; and for the benefit of the individual energy consumer as well as the energy entrepeneur.

But, we have a great difficulty today in defining that role because almost every policy choice we must make involves competing groups or values. Every solution we raise seems to find more critics, but there is a moral dimension to meeting the needs of the American people, and there is a moral dimension if we fail to meet those same needs.

Many people have forgotten, in the current euphoria over increased energy supplies and diminishing prices, that we live in a world in which those conditions are fragile indeed. They have forgotten that the oil price increases over the last 9 years occurred during periods of artificial shortages. They have forgotten that in 1978 when the Shah of Iran fell we lost less than 10 percent of the free world's oil but the price of oil doubled overnight. And they have lost sight of the fact that price increases that originated during periods of shortage were sustained by OPEC after the shortages abated.

The extent to which future oil shortages will produce price increases will depend on a vast array of variables at the time of the shortage, such as available domestic and world inventories and production surge capacities, and elasticities of demand. According to the Department of Energy the price of oil if there were to be a worldwide shortage of 1 million barrels per day in the current world energy and economic context (assuming a current price of $34) might rise to be within the range of $39 to $40 per barrel. If the shortage were 3 million barrels per day the price of oil might rise to be in the range of $42 to $43 per barrel up to $50 to $55 per barrel depending on the assumptions.

As Robert D. Hormats, the Assistant Secretary of State for Economic and Business Affairs, testified before the Committee on Energy and Natural Resources on May 6, 1982:

> The long-term threat of serious harm to the economies of the United States and its allies from a world oil supply interruption has not abated. Despite a drop in prices, the threat of a disruption is a real one which we can ignore only at our peril.

Because of the historical link between energy shortages and increased petroleum prices, the Committee on Energy and Natural Resources has maintained its deep interest and serious concern about the energy emergency preparedness of the United States. That interest and concern dates to the early 1970's, to the OPEC embargo of 1973, and to what turned out to be the beginning of a series of energy emergencies, including the natural gas shortage in the winter of 1976-77, the coal strike in the winter of 1977-78, the impact of the Iranian revolution on the world oil markets in 1978 and 1979, and the Iran-Iraq war in the fall of 1980. Each of those experiences served to further sensitize the members of the committee to the need for prior preparation of a quick and predictable response to any potential energy emergency facing the United States, a capability which, in the judgment of the committee, does not now exist.

Much additional work needs to be done before we can conclude that our Nation is, in fact, prepared to cope with an energy supply emergency, despite initiatives being undertaken by the Department of Energy.

The committee reached this conclusion after a comprehensive review of our Nation's energy emergency preparedness beginning early last year. After the veto of S. 1503, the Standby Petroleum Allocation Act of 1982, was sustained, the committee turned its attention to an inquiry into the status of our Nation's energy emergency preparedness. Such an inquiry by the committee was particularly appropriate because the United States is now dependent on the market place for the allocation and pricing of petroleum in the event of a serious shortage, and, as the President noted in his veto message, the United States is now dependent on the general powers that can be used by the President to protect national security, meet our treaty obligations, and assure essential public health and safety functions.

The committee undertook the inquiry in a constructive spirit and with the full cooperation of the administration. On behalf of the Committee I wish to express our appreciation for the administration's cooperation in this review. At the same time, the committee sought to satisfy its serious concerns about the adequacy of our energy emergency preparedness program.

On the international front, the committee sought to obtain a thorough understanding of our obligations under the international energy program, in both crisis and subcrisis situations.

On the domestic front, the committee undertook an indepth review of the statement of Assistant Secretary Vaughan on March 31 in his testimony before the Interior Appropriations Subcommittee. That statement, and materials subsequently supplied to the Committee on energy and Natural Resource, described a series of new initiatives now underway to deal with the domestic and international aspects of energy emergency preparedness; these initiatives are reviewed in the appendix to the committee's report on this bill. The principal new initiatives, which I will review, include:

Coordination of Federal Energy emergency policies with the 50 States in the absence of statutory pre-emption;

Reliance on reactivation of the Executive Manpower Reserve under the Defense Production Act;

Use of the Defense Production Act for other than defense related activities;

Development of alternative drawdown approaches for the strategic petroleum reserve;

Establishment of a national emergency—oil—sharing organization to support IEA activities;

Analysis of import quotas and tariffs that can be implemented to reduce or eliminate IEA allocation obligations; and

Development of a National Oil Board to support our NATO commitment.

These proposals were closely examined by the committee on their individual merits, and most importantly, as an integral part of our overall emergency preparedness planning for both domestic and international emergencies. Several of these initiatives may be very promising, and they should be further explored in a joint effort by the Congress and the administration. However, other initiatives suggested by the administration, such as revenue recycling, have been previously considered by the committee and the Senate and were rejected overwhelmingly.

Concurrent with the committee's review of our international and domestic energy emergency preparedness programs, the GAO was conducting its review of the documents furnished to the committee by the DOE. Their review indicates that the Department is taking some concrete steps toward better-defined contingency plans and procedures. According to the GAO, in testimony before the committee, most of DOE's emergency preparedness initiatives are very preliminary and the scope of DOE's effort in actual plan development—as distinct from doing studies and defining options—extends only to several narrow fronts. Basically, the DOE's approach rests on two fundamental foundations:

The strategic petroleum reserve (SPR), and

The reactivation of the executive manpower reserves.

The GAO concluded that of these two, the SPR is quite advanced while the use of the executive manpower reserves for managing energy disruptions related to national defense emergencies has not reached the concrete proposal stage. The GAO observed considerable confusion within the DOE and the administration over whether authority exists to activate the reserves in such a crisis and what they could accomplish once they were activated. The GAO observed that the rest of DOE's effort at this point, is directed at gathering data, doing studies and defining options, not the actual development of contingency plans.

The conclusion of the General Accounting Office was that "in the final analysis, it may well be that DOE's approach to contingency planning for everything except military situations is still little more than the SPR." Thus the GAO repeated its conclusion of last September that:

> The inadequate state of the Nation's emergency preparedness * * * is a serious problem requiring immediate attention. We believe the Federal Government should take prompt and concerted action to counter this serious potential threat to national security.

The GAO saw no reason to change that assessment today.

Mr. President, the committee's review supports this conclusion by the General Accounting Office. Precisely for this reason the committee recommends enactment of S. 2332. The measure before us, S. 2332, will assure that the United States develops a quick and predictable capability to respond to energy emergencies on domestic as well as international fronts.

In summary, S. 2332, would:

First, establish as the policy of the United States that a Federal comprehensive energy emergency response procedure shall be available for implementation by the President as a supplement to reliance on the free market to mitigate the adverse impacts of a shortage of crude oil or petroleum products on public health, safety, and welfare. Such a response procedure would rely on the President's authority under otherwise existing law. S. 2332 does not authorize any new regulatory authority. Moreover since it does not authorize petroleum price and allocation controls, it does not contain provisions comparable to those in S. 1503, which was vetoed by the President. By comparison S. 2332 would support current administrative initiatives which rely on free market allocation and pricing in the event of shortages in crude oil and petroleum product imports.

Second, S. 2332 would provide a two step procedure, as I will discuss, for the preparation of a comprehensive energy emergency response procedure under the authorities available to the President under otherwise existing law.

Third, S. 2332 would extend the expiration date of the antitrust defense under section 252 of the Energy Policy and Conservation Act until August 1, 1983.

Fourth, S. 2332 would require the President to acquire crude oil and petroleum products for the strategic petroleum reserve at an annual average rate of at least 300,000 barrels per day until the quantity stored in the reserve is at least 500 million barrels.

Fifth, S. 2332 would provide for an analysis of the impact on the domestic economy and on consumers in the United States of reliance on market allocation and pricing during a severe petroleum supply shortage.

Sixth, S. 2332 would require the collection, under other provisions of law, on a State-by-State basis of information regarding the wholesale and retail prices, supplies, and distribution of crude oil and petroleum products.

COMPREHENSIVE RESPONSE PROCEDURE

The measure (S. 2332) requires the President to submit to the Congress (no later than December 31, 1982) a comprehensive energy emergency response procedure which the President (pursuant to his authorities under otherwise existing law) would implement, in whole or in part, in responding to a substantial reduction in the amount of crude oil and petroleum products available to the United States.

The comprehensive energy emergency response procedure must, first, specify a procedure for determining appropriate governmental actions in response to international and domestic energy shortages; second, describe alternative actions available for implementation by the President; and third, recommend any additional statutory authority necessary for the President to carry out the purposes of this part.

The comprehensive response procedure must distinguish among three categories of shortages: First, situations involving limited or general war, international tensions that threaten national security, and other Presidentially declared emergencies; second, events resulting in activation of the international energy program; and third, events or situations less severe in nature than the aforementioned.

Each of these three categories reflect different degrees in severity of potential energy supply shortages. The first category emphasizes situations where the national security is directly involved and the President may need to supplement the free market in order to meet defense needs, for example, through his use of existing authorities in the Defense Production Act and, in particular, the proposed "Executive Manpower Reserve" by the Department of Energy.

The second category emphasizes situations where supplementary actions may be required by the President in order to meet international obligations under the international energy program. While it is clear that the authorities of section 251 of the Energy Policy and Conservation Act (EPCA) are available to the President in the event of activation of the 7-percent trigger, the options available to the President under existing national law in the event of a "sub-crisis" shortage are not fully defined. The response procedure required by S. 2332 would indicate the options being considered by the administration under existing national law.

The third category emphasizes less severe situations than those involving national defense or the international energy program.

The emphasis of the response procedure would be to identify the options or policies that the administration would consider, how decisions will be made, who will make them, and the general policy considerations that will be taken into account in selecting a particular procedure or course of action. By comparison, it is not envisioned that the response procedure must describe the actual policies and substantive decisions that would be employed in any of a variety of shortage conditions.

STATUS REPORT

Prior to his submission of a comprehensive energy emergency response procedure to the Congress, S. 2332 would require the President to submit to the Congress by November 15 of this year, a status report on the energy emergency planning that is now being conducted by the Department of Energy. The report would consist of two parts: A memorandum of law approved by the Attorney General, and a description of the administration's progress in completing a comprehensive emergency response procedure to be used in the event of a serious shortage of petroleum supplies.

The status report on progress in completing a comprehensive energy emergency response procedure is to be based on currently ongoing activities within the administration and, in particular, within the Department of Energy; however, much of this work is at a very early stage of development. Moreover, considerable progress is required before we can conclude that our Nation is, in fact, prepared for an energy supply emergency. S. 2332 will assure that sufficient progress is made so that the United States can adequately cope with an energy supply shortage should it occur.

MEMORANDUM OF LAW

The memorandum of law would describe the nature and extent of the authorities under existing law available for use by the Federal Government during an energy emergency. This legal analysis is essential if the Congress is to understand the limits of the options available to the Government in responding to a petroleum supply shortage. At the moment, the Government does not have a definitive analysis of its authority to take certain actions in the event of a shortage. Furthermore, there is disagreement over the meaning of certain statutory provisions relied upon by the administration for portions of its emergency planning, for example, the proposed use of the Defense Production Act in situations which do not involve national defense.

Mr. President, last year, the Cabinet Council on Natural Resources and Environment considered the need for some form of new legislation to replace the Emergency Petroleum Allocation Act, which expired on September 30, 1981. In a memorandum for the President, the Cabinet Council noted that the Justice Department had conducted a legal analysis and had concluded that without additional legislation, there will not be sufficient authority to duplicate the comprehensive price controls and allocation authority available under the EPAA. The Cabinet Council observed that there is debate as to whether remaining authorities could provide the best response to any future crisis. The Cabinet Council also acknowledged that existing authorities might not allow Government control of petroleum supplies if that were needed to prevent catastrophic consequences for certain users.

Mr. President, as a matter of prudent planning and commonsense, we need to know, with a reasonable degree of certainty, whether existing authorities are adequate, or not, to permit the Federal Government to take those actions that it finds necessary for responding adequately to a severe shortage.

When the Committee on Energy and Natural Resources held hearings last year on the Standby Petroleum Allocation Act, it received and reviewed a number of memoranda supplied by the administration analyzing the legal basis for various Government responses to a supply interruption. But those memoranda demonstrated that the scope of the various authorities is not clear. Thus, the ability of the Federal Government to take certain actions under particular circumstances is also unclear. For example, the Defense Production Act of 1950 permits Federal allocation of oil supplies for national defense purposes should that become necessary during a major disruption. When would a shortage be severe enough to trigger the authority under the act? Mr. President, no one seems to know. Yet, the proposed use of the Defense Production Act is a major feature of the Department of Energy's contingency plan.

Both the Congress and the administration need to know the practical limits of each statutory provision that grants authority for Federal action during an energy emergency. We must obtain that information to insure that the Federal Government's plan for dealing with an energy shortage will be reliable and effective, if implemented. The alternative, of course, is having to deal with the delays and uncertainties created by court actions brought during an emergency to clarify the limits of Federal authority.

It is for these reasons, Mr. President, that the committee included in S. 2332 the requirement that a memorandum of law be prepared. Such an analysis would become a valuable component of our Nation's emergency preparedness planning.

INCLUSION OF IEA ISSUES AND NATO ACTIVITIES

S. 2332 would also require that the status report include a description and analysis of the activities of the United States pursuant to the International Energy Program. Included in the analysis would be the following four subjects specifically identified in the bill: The IEA decision of December 10, 1981, the National Emergency Sharing Organization, emergency sharing systems, and the supply right project.

The IEA's December 10, 1981 decision authorizes an IEA response to a so-called subcrisis situation, which is a disruption in oil supplies smaller than the 7-percent shortfall necessary to activate the IEA emergency-sharing system. The December 10 decision commits the IEA countries to consider what action, if any, is necessary to supplement market forces during a subcrisis situation. Actions specifically envisioned by the decision include:

Discouragement of abnormal spot market purchases or other undesirable purchases;

Lowered consumption;

Short-term fuel switching;

High levels of indigenous production;

Stocks and stock policies, through Government consultation with oil companies; and

Informal efforts to minimize and contain the effects of supply imbalances.

When the international energy program was created in 1974, the participating countries agreed that oil sharing would occur only in the event of a severe oil supply disruption. Now, if a smaller shortage should occur, the December 10 decision permits IEA countries to consider possible response measures that would supplement market forces. The Congress must have the opportunity to judge whether the December 10 decision enables the IEA to compel the United States to participate in a subcrisis response. The report required by S. 2332 would assist the Congress in making that determination. The report would also provide information bearing on several important questions. For example, under U.S. law, what limits would apply to actions by the President and U.S. oil companies in responding to a subcrisis situation? The administration contends that in such circumstances, response activities by U.S. oil companies would have no antitrust protection, and the President would have no statutory authority to order the allocation of oil, either internationally or domestically. What, then, are the benefits of the December 10 agreement. What other options would be legally permissible? We need to know, Mr. President. That is why S. 2332 specifically requires that the IEA subcrisis issue be included in the status report. The Congress must be fully informed about the extent of any U.S. commitment to respond to a subcrisis disruption of oil supplies.

As previously noted, the bill would require that three other specific subjects be included in the IEA portion of the report. Each subject is currently being analyzed by the Department of Energy and is part of DOE's emergency preparedness program.

The first subject, the National Emergency Sharing Organization (NESO), is the organization within the Federal Government that will coordinate with the IEA if the emergency sharing system is activated. DOE is developing a NESO management plan that will identify NESO responsibilities and establish operating procedures. The second subject is emergency-sharing systems. These systems are the oil-sharing procedures and related contingency plans that would be used by the United States to meet any allocation obligation resulting from activation of the IEA's emergency-sharing system. The final subject, the supply right project, is a DOE survey of options, such as import quotas or tariffs, that the U.S. Government can implement to reduce or eliminate the likelihood that an allocation obligation would be incurred when the IEA emergency-sharing system is triggered. These projects have important implications for U.S. participation in the International Energy program. Accordingly, it is appropriate that the status of each project be described in the IEA portion of the report to be filed on November 15.

Another emergency preparedness program currently under development by DOE is derived from the U.S. obligation under the North Atlantic Treaty to respond to various conditions adversely affecting NATO members. The United States is obligated to participate in the distribution of oil supplies among NATO members during a severe supply shortage, whether or not the shortage occurs during wartime. Therefore, S. 2332 provides that the November 15 status report shall include an analysis of this NATO obligation. The Congress should be formally advised of how the administration intends to implement this obligation, and how it will be coordinated with our IEA obligations.

USE OF THE STRATEGIC PETROLEUM RESERVE

In addition, S. 2332 would require the status report to include a description and analysis of the development and use of the strategic petroleum reserve. The reserve is an essential element of this country's efforts to provide protection against the consequences of an international oil supply interruption. Moreover, reliance on the strategic petroleum reserve is a principal feature of the administration's energy emergency program.

The Assistant Secretary of State for Economic and Business Affairs, Robert D. Hormats, cogently stated, in testimony before the Committee on Energy and Natural Resources, on March 25, 1982:

> The U.S. Government attaches great importance to the IEA oil stockpiling requirement. Even with the best of intentions and the most elaborate of international sharing systems, we and our allies will not be able to support one another or take steps to maintain order in the international oil market if we are caught without adequate reserves in a major supply interruption, and price increases and other forms of demand inhibition have to bear the entire burden of restoring balance between oil demand and supply.

Mr. President, the Department of Energy is currently preparing a distribution management manual for the strategic petroleum reserve. The manual will describe the functions, roles, responsibilities, and procedures which would be followed to implement a SPR drawdown. Such a drawdown would be in accordance with the applicable congressionally approved SPR distribution plan. The SPR manual also will identify logistical, legal, and managerial requirements.

In addition, the Department of Energy is preparing to undertake a review of alternative drawdown approaches for the use of SPR oil in a potential crisis. While this effort is still in the formulative stages, it is clear that the effects of alternative approaches to SPR drawdown will vary widely. Precisely for this reason, the proposed use of the strategic petroleum reserve need to be addressed by the comprehensive energy emergency response procedure.

STRATEGIC PETROLEUM RESERVE DRAWDOWN PLAN

Because of the integral relationship between the comprehensive response procedure and the SPR drawdown plan, section 3 of S. 2332 would require the President, by September 30 of this year, to prepare a new drawdown plan for the strategic petroleum reserve. The plan must be consistent with the provisions of the Energy Policy and Conservation Act, which is the basic legislative authorization for the SPR. The new plan also would be subject to the congressional review procedures described in EPCA.

Mr. President, this provision is based on amendment No. 1352, which was authored by Senator **Durenberger**.

Subsequently, I will discuss the matter of strategic petroleum reserve fill rates.

PRIVATE STOCKS

On the domestic front, the status report and the memorandum of law must address Government incentives to encourage private petroleum product stocks. The use of private stocks can serve as a major defense against the adverse economic consequences of an energy supply shortage. As Assistant Secretary Hormats testified:

> We must not allow short-term market developments to lull us into a false sense of security about supplies. We are becoming concerned that oil companies may be drawing their oil stocks down too far. The better case scenarios may look more realistic to us today than the worse case ones, but we cannot neglect the latter in our emergency preparedness planning. It takes a long time to construct and fill a strategic petroleum reserve.

Unfortunately, as was observed by several witnesses, private stocks are now 110 million barrels lower than last March. If this trend continues, and the factors underlying it show no sign of abating, by September private stocks will be at levels similar to those during the Iranian shortfall of 1979. As the GAO observed—

> While the private stocks have fallen by 100 million barrels between last November and April, the SPR added only about 20 million barrels during the same period.

When asked what incentives now exist to encourage private petroleum stockpiles the Department of Energy responded to the committee that—

> This question is currently the subject of a DOE contractor study, due to be completed August 31, 1982.

The DOE then added:

> There is no existing statutory authority to control privately owned stocks. Of course, the principal protection of law resides in the U.S. Constitution prohibitions against the taking of property without due process of law and adequate compensation.

Because private stocks are so important to our energy emergency preparedness the DOE effort needs to focus on—

short term means to slow or stop the current drawdown of private stocks;

long term policies to encourage private stock building; and

policies to encourage drawdown of industry stocks during disruptions.

EXECUTIVE MANPOWER RESERVES

A major feature of the administration's program is reactivation of the executive manpower reserve under the Defense Production Act. Therefore the bill (S. 2332) requires the status report and the memorandum of law must examine the proposed use of the emergency electric power reserve; the emergency petroleum and gas reserve; and the emergency solid fuels reserve. The objective of DOE is that private industry expertise be brought to bear in the national interest during energy emergencies. There are, however, legal and practical constraints which must be taken account of in any Government industry collaborative effort.

According to the GAO there are four basic issues that have to be resolved: First, can the reserves be activated in an energy crisis which was not declared to be a national emergency under the Defense Production Act? The Federal Emergency Management Agency—which has overall responsibility for executive manpower reserves Governmentwide—has taken the view that the reserves can only be mobilized in a defense-related national emergency. If this view prevails, DOE would not be able to activate the reserves for the most likely kinds of energy emergencies. Second is there a problem of conflict of interest? Third, is there a problem regarding antitrust policy? Fourth, there is the overall question of what the reserves would do if the previous three problems were solved and they were mobilized.

Mr. President, such potential constraints are recognized by the Department of Energy which responded as follows to a question for the record on the need for additional statutory authority in order to utilize the executive manpower reserve to deal with energy supply emergencies:

> While there has not been a final judgment on this issue, it appears that effective use of the reserves by DOE would be assisted by new or amended legislation dealing with the subjects of conflict of interest, antitrust and, perhaps, advisory committees. Specific proposals dealing with the Defense Production Act, the Department of Energy Organization Act, and the U.S. criminal code, among others, are being examined by DOE with the Federal Emergency Management Agency (FEMA) and the Emergency Mobilization Preparedness Board (EMPB).

This review is, however, not expected to be completed until September 1982. For these reasons, the status report and the memorandum of law must address this subject.

STATE COORDINATION AND PUBLIC INFORMATION ACTIVITIES

The memorandum of law and accompanying report must also describe the extent to which the Federal Government's energy emergency planning will be coordinated with State and local governments. Unless effective coordination occurs during an emergency, the prospects for successful operation of a Federal emergency plan are seriously reduced. This conclusion follows from a simple fact: when the EPAA expired last September, Federal law no longer preempted those State laws that would conflict with Federal emergency preparedness programs if a petroleum supply shortage occurred. With the veto of S. 1503, that remains the case today.

The administration contends that if State actions impede interstate commerce during an energy shortage, the Department of Justice will prevent or remove such restrictions. How intrusive must State laws be before they will be challenged by the Justice Department? If the States are to be granted broad latitude, then the legal analysis should indicate that fact. On the other hand, if certain State actions, such as allocation of petroleum, are to be prohibited or strictly limited, then the result would be a new form of Federal preemption, and both the Congress and the States should be provided adequate notice.

In light of the administration's primary reliance on market allocation and pricing in the event of a shortage, it is particularly important that the report address the preemption question. The report should analyze the probability that State and local laws will seriously inhibit operation of the free market during shortage conditions. It is not sufficient merely to anticipate, as DOE currently does, that the States will voluntarily refrain from interfering with market allocation during an energy crisis.

The final subject designated for inclusion in the status report is emergency public information activities. DOE intends to develop both an interim and final emergency public information plan. According to DOE, the final plan will include procedures to be followed to provide timely, accurate, and consistent information to the public about the extent and impact of an energy emergency. DOE intends to recommend actions to be taken by the public and the State and local governments in coping with an energy shortage. DOE also plans to educate the public about Federal Government policies and procedures for dealing with an oil supply interruption.

The Congress must know who within the Federal Government will decide how much the public should be told about an impending shortage. The Congress also must be well-informed about the Federal Government's basic public information philosophy. The administration may adopt the policy of providing the public with early information to demonstrate that a shortage is not as severe as it may be perceived, thus preventing panic buying and hoarding. However, the Government also may attempt to withhold information until its accuracy can be verified, to maintain the Government's credibility during a crisis situation. For these reasons, and because public information activities are an important part of emergency preparedness planning, S. 2332 would specifically require that the November 15 status report include a description of those activities.

STRATEGIC PETROLEUM RESERVE FILL RATE

Mr. President, when the President vetoed S. 1503, the Standby Petroleum Allocation Act of 1982, one of his principal justifications was that

> The supplies in the strategic petroleum reserve and significant production in the national petroleum reserve also ensure that petroleum for truly essential needs will be available.

The President then went on to state that

> The current world oil situation, with declining prices and ample supplies, provides the best opportunity for future preparedness. This is why the Administration continues to add to the strategic petroleum reserve as fast as permanent storage becomes available. By the end of this year we will have nearly tripled the size of the Reserve in two years.

Mr. President, the filling of the strategic petroleum reserve is of the highest priority.

Last year, as part of the Omnibus Reconciliation Act of 1981, the Congress negotiated with the administration as national policy that the President would seek a strategic petroleum reserve average annual fill rate of 300,000 barrels or oil per day until 750 million barrels are in storage. That agreement implied an accompanying facilities acquisition program that would support the timely availability of storage capacity to accommodate such a fill rate.

Subsequent to that agreement, Mr. President, the Senate Energy and Natural Resources Committee held extensive oversight hearings on the strategic petroleum reserve which included a very careful look at the size and the value of the SPR.

The General Accounting Office testified before the Committee that

> The SPR is vital to the Nation's efforts to increase the oil available for emergency use and to protect itself against oil supply disruptions.
>
> Although much progress has been made during the last 17 months to fill the reserves, DOE is now approaching the limits of its available underground storage capacity and will find it increasingly difficult to achieve a fill rate consistent with existing Congressional goals.

Though the size of the reserve has doubled since the administration took office just 1 year ago, the committee found that in January 1982 the DOE decided to delay purchasing additional oil for the SPR until the third quarter of fiscal year 1982 because of permanent storage capacity limitation. This delay in oil purchases comes at a time when there is a surplus of oil on the world market at relatively favorable prices.

Current SPR capacity expansion plans are tied to the creating of new permanent storage caverns. Because of this self-imposed constraint base upon the availability of permanent storage capacity DOE is limited to entering into contracts for oil to be taken under costlier longer term contracts.

These SPR storage capacity constraints are now preventing the Government from enjoying the soft prices of the spot market.

DOE's current plans call for the creation and filling of 750 million barrels of storage capacity by the end of fiscal year 1989.

According to Assistant Energy Secretary William A. Vaughan, the Department of Energy currently has suspended oil purchases until later this year. According to testimony before the Committee on Energy and Natural Resources, the estimated annual average fill rate for fiscal year 1982 will be 186,000 barrels a day, dropping from 338,391 barrels per day in the first quarter of the year down to 90,000 per day during the second half of 1982.

Revised DOE SPR plans call for between 277 to 280 million barrels of oil to be in SPR storage by September 30, 1982.

Consideration is now being given to interim storage. Nevertheless the Department of Energy has contracted for nearly all the currently planned deliveries for fiscal year 1982, although the average annual fill rate will be only 186,000 barrels per day.

When procurement is resumed later this year, the oil purchases will be for deliveries during fiscal year 1983.

The annual average fill rate for fiscal year 1983 was projected in February 1982 to be 209,000 barrels per day; revised estimates now are 175,000 to 180,000 barrels per day. By the end of fiscal year 1983 DOE's plans call for 343 million barrels of storage.

Under the reduced fill rates proposed by the administration, we will not reach 500 million barrels of storage until 1986. Under currently proposed petroleum acquisition schedules the highest average annual fill rate will be achieved in fiscal year 1986 at 225,000 barrels per day.

Section 4 of S. 2332 would amend the Energy Policy and Conservation Act to require the President, subject to available appropriations, "to fill" the strategic petroleum reserve at a rate of 300,000 barrels per day, beginning July 1, 1982, and to maintain such rate until 500 million barrels are in storage.

If S. 2332 is enacted and the 300,000 barrel per day fill rate is adopted the SPR will reach the 500 million barrel capacity 1 year earlier than current DOE plans or in the third quarter of 1985.

However, DOE has indicated that if a 300,000 barrel per day fill rate is mandated on July 1, 1982, that the SPR permanent facilities as currently planned will be unable to handle the increased oil fill rate. Accordingly, the DOE will have to turn to SPR interim storage, using a combination of commercial underground storage, above ground steel tank storage, and floating tanker storage, to accommodate the 300,000 barrel fill rate.

The Senate Energy and Natural Resources Committee has received testimony that there exists for use by the SPR interim storage 20 to 30 million barrels of underground storage capacity, 10 million barrels of steel tank crude storage capacity, and in excess of 500 million barrels of surplus tanker capacity available for SPR interim storage at a cost range of $1 to $4 per barrel per year. A subsequent review by the General Accounting Office estimates the cost to be $1.20 to $3.65 per barrel per year.

DOE has estimated that to meet the higher fill rate would require 16 million barrels of interim storage capacity costing $48 million for fiscal year 1982, 60 million barrels costing $180 million for fiscal year 1983, 83 million barrels costing $249 million for fiscal year 1984, and 63 million barrels of interim storage costing $189 million for fiscal year 1985.

The Congressional Budget Office in its May 18, 1982, staff working paper entitled "Accelerating Oil Acquisition for the Strategic Petroleum Reserve" found that a 300,000 barrels per day would shift off-budget obligations and outlays now projected for later years. S. 2332 would require a $3 billion increase in fiscal year 1983 and fiscal year 1984 budgets to meet the 300,000 barrels per day fill rate with a corresponding $3 billion decrease in fiscal year 1985 and fiscal year 1986 budgets.

Estimates for the use of interim storage to support the accelerated fill rate in S. 2332 range from a maximum of 69 million barrels in 1984 by the General Accounting Office, to 70 million barrels in 1984 by the Congressional Budget Office, to 83 million barrels in 1984 by the Department of Energy.

The CBO budget estimate for S. 2332 found that the added costs of interim storage associated with earlier oil purchases are entirely offset by the savings realized from lower oil prices. However, this finding did not include any additional on-budget expenditures from interest on the public debt due to the forward shifting of outlays.

What is important is that current world oil markets are soft. In such a soft oil market, it may be possible to realize substantial savings on 1983 oil purchases. According to Petroleum Intelligence Weekly's World Oil Price Index, in March 1982 spot market prices for Middle East light crudes and African light crudes were running about $5 below average official prices—$29 versus $33.85 per barrel and $31.50 versus $36.65, respectively. If oil were bought for temporary storage at such substantial price advantages, oil prices would have to rise even less to offset the added costs of temporary storage. Thus, if 43 million barrels of oil were purchased in fiscal year 1983 at a $4 price advantage, the price of oil would only have to rise $46 in 1986 which would offset a $1.20 per barrel per year storage cost.

By comparision, the 1979 Iranian oil supply interruption saw the average OPEC official crude oil direct sales price increase by $10.63 per barrel between the fourth quarter of 1978 and the fourth quarter of 1979. By the end of 1980, it was up an additional $9 per barrel. Concerning possible future shortfalls, the Energy Information Administration recently estimated that a substantial OPEC oil supply disruption in 1983—on the order of 6 million barrels per day—could result in a $75 per barrel price.

Even though there may be some costs involved in adopting a 300,000 barrels fill rate by using temporary storage—both the Congressional Budget Office and the General Accounting Office observed the use of such storage buys additional protection at an earlier time, satisfying a basic goal of the SPR program.

In recognition that achievement of a fill rate of 300,000 barrels per day in fiscal years 1982, 1983, and 1984 will require the use of interim storage, S. 2332 provides that not to exceed 10 percent of the funds obligated from the off-budget SPR petroleum account may be used to meet expenses associated with the interim storage facilities.

In its paper the Congressional Budget Office outlined the dramatic impact of an oil supply interruption of 2.5 million barrels per day—a loss of more than 4 percent in gross national product, an increase in unemployment by almost 2 percent, and a rise in price levels by an additional 7 percent the first year.

Finally CBO found that:

> The Congress, realizing that future oil market conditions are not predictable, established the SPR in order not to leave the U.S. economy vulnerable to oil supply interruptions. An opportunity exists now to take advantage of slack oil market conditions to achieve the legislated goal of acquiring 300,000 barrels per day . . . . . Leasing temporary storage facilities or ships could provide an effective way to acquire oil quickly and proceed with the existing DOE plans. Such a policy would involve additional costs, but would provide additional protection sooner. The likely costs of implementing these options are, however, less than the costs introduced by alternative oil price assumptions.

Similarly, the General Accounting Office concluded in its May 21, 1982, letter report to Senator BRADLEY:

> Numerous studies have shown that emergency oil reserves can pay for themselves many times over in the event of an oil supply disruption. A larger SPR achieved sooner will increase the reserve's deterrent and insurance value during the next 3 years. Our analysis shows that if the price paid for SPR oil (including transportation) were to increase to $46 to $49 per barrel in fiscal years 1985 and 1986—from an estimated $37 to $39 per barrel in 1983 and 1984—the savings from buying the oil earlier would offset the costs of temporary storage at $1.20 per barrel annually—compared to DOE's current SPR plan. If storage costs as much as $3.65 per barrel, an increase in the price of SPR oil to $52 to $56 per barrel in 1985 to 1986 would offset temporary storage costs. Therefore, apart from any disruption during the next several years, accelerated SPR purchases could lead to a net economic benefit depending upon the future price of oil.

With oil imports likely to remain above 5 million barrels per day throughout this decade we must move quickly during this period of reduced prices to insure our energy security.

The strategic petroleum reserve presently contains 254 million barrels of crude oil with maximum drawdown capability of 1.7 million barrels per day—or 149 days replacement supply at less than one-third current imports. When the SPR contains 500 million barrels there will be 294 days supply under current drawdown constraints—or twice our current capabilities for replacement of oil imports.

Only when the SPR is large enough that we can simultaneously protect our own security and provide a mechanism to meet our obligations under the international energy program will the SPR be an effective energy emergency vehicle. S. 2332 would assure that the SPR can achieve that dual objective at the earliest practicable date—late 1983 to early 1984.

IMPACT STUDY

Section 5 of S. 2332 requires the President to submit to the Congress a report analyzing the impact on consumers of reliance on market allocation and pricing during a severe petroleum supply shortage. The report must address the likely impact of State and local allocation and pricing laws on the distribution of petroleum in a disruption and projections of certain petroleum prices and Government revenues during a disruption.

COLLECTION OF PETROLEUM PRODUCT INFORMATION

Section 6 of S. 2332 amends part A of title V of the Energy Policy and Conservation Act (42 U.S.C. 6381 et seq.). S. 2332 requires the President, or his delegate, to continue the collection under existing law of information on the pricing, supply, and distribution of petroleum products at the wholesale and retail levels, on a State-by-State basis.

Mr. President, I should add at this point that the antitrust exemption in this bill, which is the primary reason for the timing of this, is required for IEA participation by U.S. oil companies, expires at the end of this month. Therefore, there is some urgency in the passage of this measure.

The Senator from South Carolina, the chairman of the Judiciary Committee, the committee that has primary jurisdiction over antitrust matters, has informed me that the Judiciary Committee has no objection to the extension of this antitrust exemption.

Mr. JACKSON. Mr. President, on March 20, President Reagan vetoed S. 1503, the Standby Petroleum Allocation Act, amid assurances that he has sufficient authority in existing law to respond to an energy emergency. We also heard assurances from his subordinates that the administration is ready to implement those authorities should an energy supply emergency arise.

Since the veto of S. 1503, the Committee on Energy and Natural Resources has carefully examined this administration's contingency planning for an energy supply disruption. This review has taken place in several hearings and in numerous staff briefings with administration personnel. After these briefings, the committee staff issued a joint majority-minority memorandum which found that "* * * it is clear that the administration does not have in place a contingency plan to cope with a nonmilitary energy supply disruption." The conclusions which the committee reached are spelled out in its report on S. 2332.

Mr. President, let us be very blunt about what the Committee on Energy and Natural Resources found. The truth is, the only response this administration has to an energy supply disruption is to drawdown the strategic petroleum reserve. All other options are in the work planning stage and if you read the report, you will find that this situation will not change substantially in the near future.

The General Accounting Office reviewed the DOE contingency planning, such as it is, and told our committee:

> * * * in the final analysis, it may well be that DOE's approach to contingency planning for everything except military situations is still little more than the SPR.

The GAO repeated its conclusion of last September:

> The inadequate state of the Nation's emergency preparedness * * * is a serious problem requiring immediate attention. We believe the Federal Government should take prompt and concerted action to counter this serious potential threat to national security.

Mr. President, S. 2332 will insure that this energy security gap is bridged. It requires the President to submit to the Congress a memorandum of law on what authorities he has to address an energy supply disruption. Moreover, it will require the President to devise emergency contingency response procedures to implement the authorities he has under existing law. Finally, and most important, S. 2332 would require the President to fill the strategic petroleum reserve at an average rate of 300,000 barrels per day.

Currently the SPR has 250 million barrels in storage, only one-third the amount that this administration and the prior one consider to be sufficient to protect the Nation.

This month the administration submitted to the Congress a report entitled, "Report to the President and the Congress on the Size of the Strategic Petroleum Reserve." In that report, which was submitted pursuant to Public Law 97-35, the administration recommends continuation of plans to build an SPR of 750 million barrels. They proposed no change in the SPR plan which calls for an SPR of 1 billion barrels.

In the discussions with the DOE, the committee learned that a drawdown of the SPR could physically commence within 8 hours. Unfortunately, this administration admitted to us that it has no policy plan for how that SPR oil would be distributed in a drawdown.

It is bad enough that our energy security now rests on a one-legged stool—the SPR—but the SPR is nowhere near large enough nor do we have ready a policy to guide its drawdown.

The administration's fiscal year 1983 budget represents a major slowdown in the SPR program. They requested 44 percent less in funding for oil procurement in fiscal year 1983 than in fiscal year 1982. On top of that they requested a rescission of funding for SPR facilities such that completion of the program will be delayed from 1989 until 1990.

The administration's excuse for this slowdown was that we are running out of permanent storage capacity. To me, this argument is akin to halting the production of bombers for lack of hangar space.

S. 2332 provides the authority for the leasing or other acquisition of private storage capacity for use as interim storage. The administration has not opposed the adoption of this authority. There is no longer any excuse for limiting the purchase of oil for the SPR for lack of storage space, if S. 2332 is enacted.

The real issue before the Senate is how fast the SPR should be filled. The Senator from New Mexico, Mr. DOMENICI, has indicated his intention to reduce the mandated fill rate in S. 2332 from 300,000 barrels per day down to approximately 200,000 barrels per day. I suppose he will tell us that we can save some money if we delay filling the SPR.

I would remind my colleagues that one can always save money by delaying the purchase of adequate insurance. The question is what are we going to tell the American people when the next oil supply disruption occurs? Moreover, it should be obvious, if oil prices surge, even in the absence of an emergency shortage, buying the oil earlier while a relative glut exists will turn out to be a bargain for the Treasury.

Mr. President, this is a particularly appropriate time for a vote on this issue. While we debate how fast to build up the Government's oil stockpile, private stockpiles are plummeting to dangerously low levels. I am told that from the end of the third quarter of 1981 to the end of the first quarter of 1982 the world's oil stockpiles dropped by 700 million barrels. Preliminary estimates are that world stocks have dropped another 200 million barrels since then.

PETROLEUM STOCKS

Mr. President, when President Reagan vetoed S. 1503, the Standby Petroleum Allocation Act, he asserted that:

> The bill could be counterproductive to our preparedness efforts. In the event of a supply interruption, the best protection will be stockpiling and plans for switching to less costly ways to achieve our goals. This bill would discourage self-protective measures, because it tells the public that those measures will be nullified by government allocations and controls or that such measures are unnecessary because the government will guarantee them low-priced energy in the event of any disruption.

I encourage the President to examine the pace at which self-protective measures are being implemented by the private sector in the absence of S. 1503:

> World inventories of petroleum products have fallen by approximately 700 million barrels since the closing months of 1981:
>
> Domestic stocks of gasoline are approaching the minimum operating inventory as estimated by the Department of Energy and the American Petroleum Institute:
>
> Domestic stocks of residual fuel oil (which is used for electricity generation and industrial purposes) and distillate fuel oil (which is used to heat homes, power tractors and operate our rail and trucking systems) are below API and DOE estimated minimum operating levels.

The GAO told our committee that in the United States private stocks dropped by 100 million barrels between last November and April of this year. If these trends continue, by September private stocks will be at levels similar to those during the Iranian shortfall of 1979. The GAO witness went on to say:

> Or, in other words, while we are all very proud of what has happened in the large filling of the SPR, we are in a dangerous situation of having a net reduction in stocks as a country, even despite the SPR.

This dramatic drop in petroleum stockpiles is occurring at a time when petroleum analysts would normally expect the oil industry to accumulate inventories. However, it is evident that interest rates, price expectations and short-term demand forecasts have far more influence on oil industry policy decisions than the existence or nonexistence of standby Federal allocation authority such as would have been provided by S. 1503.

Private firms are interested in short-term profits first, last, and always. The national interest is not their responsibility. Therefore, it is naive to the extreme to expect that the sum of individual decisions by the hundreds of companies making up the oil industry will lead to a responsible policy in the interest of the Nation as a whole. This is what the private stockpile data are telling us.

In fact Ted Eck, chief economist at Standard Oil of Indiana, told the Committee on Energy and Natural Resources that his company has never tried to anticipate national shortages of petroleum in their own private stockbuilding efforts. "But we really don't maintain in industry a national catastrophe storage. We just don't have that * * *."

Of course, stocks are not the sole determinant of the petroleum supply-demand balance. The availability of spare refining capacity, access to crude oil and the trend in petroleum product demand are also important. We have substantial excess refining capacity now. Crude oil remains available, at least relative to our experience of the past decade.

However, crude spot prices are increasing, and Saudi Arabia and the Organization of Petroleum Exporting Countries retain the key decisionmaking role in crude oil availability. Obviously, OPEC is interested to see that the current spot price trend continues and begins to affect contract prices.

Overall petroleum demand is generally expected to increase during the rest of the year. According to the auto companies larger cars are back in favor, and at least one oil company is now offering free glassware to motorists who fill up at the company's stations.

The last disruptions in oil supplies have had very different effects on oil prices. The Iran-Iraq war broke out at a time when private stocks were high, demand was declining, and the economy was in doldrums. Price increases were quite moderate. On the other hand, when the Iranian revolution shut down Iranian oil exports, world inventories were very low. Demand was increasing and the economic recession we currently are in had not begun.

Today's conditions lend themselves to disturbing comparison to the conditions which prevailed in 1978-79 when a disruption in the world oil market led to panic buying to restore inventories and a doubling of the price from $15 to over $30 per barrel. This administration would do well to recall the effects of the 1978-79 oil price increase both in its impact on the health of the economy and in its impact on the political fortunes of a President and his party.

Mr. President, I ask unanimous consent to have printed in the RECORD a table containing domestic petroleum inventory data.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

U S PRIVATE SECTOR PETROLEUM INVENTORIES

[Million of barrels]

	Current level	Estimated operating minimum	Percent change from 1981
Crude oil	362	290	11
Motor gasoline	216	210	19
Distillate fuel oil	107	125	36
Residual fuel oil	56	60	26
Total stocks (excluding SPR)	1,112	1,060	14

Source: Department of Energy Weekly Petroleum Status Report

● Mr. BRADLEY. Mr. President, I rise in strong support of S. 2332. I wish to compliment the chairman of the Energy Committee and the ranking minority member, the Senator from Washington (Mr. JACKSON) for recognizing the urgent need for this legislation. Preparation for energy emergencies is the most neglected and the most pressing aspect of energy policy today. Unfortunately, Mr. President, the administration does not share this recognition. That the administration does not fully support each section of this bill is clear evidence that it does not understand or appreciate the true nature of the energy problem. Most careful observers have realized that the real energy problem is a function of the instability in the world's largest oil-producing area, the Persian Gulf. Because so much of the industrialized world's oil is vulnerable to disruption, we and our allies are vulnerable to severe economic damage. Over time, this vulnerability will gradually decline as OPEC's share of the world oil supply diminishes. But in the meantime, the Western world will remain vulnerable to supply disruptions. This is the real energy problem and the administration apparently does not recognize it as such.

The rational way to deal with this vulnerability is to insure ourselves against economic damage. We urgently need this insurance, and we need it earlier rather than later; we have the means and facilities to obtain this insurance; but the administration is resisting the acquisition of this insurance. This failure borders on irresponsibility.

The insurance, of course, is the strategic petroleum reserve. If Mideastern oil supplies are disrupted, the oil in our SPR together with the oil reserves of our allies will provide a buffer against the kinds of oil shocks we experienced in 1973, 1979, and 1980.

The administration does not fully understand the importance of the SPR. They apparently view it as a typical Government program that can be deferred or delayed without affecting its usefulness. But the SPR program is not merely an exercise in filling salt domes with oil; it is an insurance policy against a threat whose worst potential damage is now and over the next several years. We are not indifferent about when the SPR is filled; it must be done sooner rather than later. And it just so happens that current market conditions make this a particularly good time to do it.

What does the bill do for the SPR? It would require the President to acquire oil for the SPR at an annual average rate of at least 300,000 barrels per day until the quantity stored in the reserve is at least 500 million barrels. It basically requires the President to take advantage of the current low oil prices and to overcome the temporary shortage of storage capacity.

Why is this provision necessary? It is necessary because the administration is using a temporary technical constraint as an excuse to slow down the rate of purchase. This slowdown will be dramatic. The first quarter of fiscal 1982 saw a fill rate of 338,000 barrels per day. In the second quarter the fill rate will drop to 230,000 barrels per day. In the third and fourth quarters, the rate of fill will plummet to only 90,000 barrels per day. This is like reducing the coverage of an insurance policy during the period of greatest vulnerability to damage. We cannot permit this to occur.

The value of high stocks as a defense against the economic damage of oil supply disruptions is indisputable. History makes this point conclusively. Recall that the fall of 1978 was characterized by an unusually long Indian summer. As a consequence of the longer driving season and the long period between 1975 and 1978 when real oil prices dropped, oil companies inventories were especally low. Then the Shah was ousted, the oil field workers struck, and Iranian oil production fell by about 4 million barrels per day. While Saudi Arabia and others quickly increased its production in early 1979, the perception of crisis was created. Oil companies scrambled to replace their inventories. Oil sellers and traders, uncertain of future supplies, held onto what oil they had, forcing prices up dramatically. Then in the spring of 1979 Saudi Arabia unexpectedly reduced its announced production levels, further unsettling world oil markets. Our SPR was not large enough to have any effect on world markets, and it was not used. Prices went from $12 to $28 per barrel.

Compare that experience with the oil market during the Iran-Iraq war in the fall of 1980. The size of the gross supply loss from the world market was similar to the loss during the Iranian revolution, about 4 million barrels per day. But by this time, oil inventories had been built up to record levels. As a consequence, when the Iran-Iraq war broke out, the panic that accompanied

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the Iranian revolution did not occur. Spot prices fluctuated for several weeks but then settled down when it became clear that oil inventories—and additional production from Saudi Arabia—would be able to meet world oil demand. The value of oil inventories as a price-restraining tool was very clear.

Today, Mr. President, we are approaching the low-stock position of late 1978. Indeed, today's oil market is eerily similar to the pre-Iranian revolution period. Today oil companies are reducing their inventories as a part of a rational economic response to very high interest rates. Demand is down and oil prices are fairly stable, showing no immediate prospects for going up. Total stocks of crude oil and petroleum products are at their lowest level in years, 1.1 billion barrels, well below average for this time of year. As private inventories are drawn down, Mr. President, we must build public stocks. We must aggressively buy SPR oil.

The administration agrees that we should fill the salt domes. And that they have done. However, they think that now that the domes are temporarily full, we should slow our oil purchases while more salt dome capacity is slowly constructed. This is not good enough.

Oil prices will never be lower than they are today. By aggressively purchasing oil now, we could save money over the next several years. But, the administration responds, we do not have any place to put it. This, Mr. President, is nonsense. Oil tanks, oil tankers, and private salt domes are available at bargain rates. Very large crude carriers (VLCC's) are in such excess supply that many are being sold for salvage value—during the past 2 years 36 VLCC's were scrapped. Floating storage is the cheapest form of oil storage next to salt domes. There is no lack of storage space.

Even if the SPR were not such a valuable tool for mitigation the economic damage of an oil supply disruption as the administration seems to think, it still makes sense to buy oil rapidly now. The CBO estimate of the budgetary effect of the interim storage shows an additional $3.1 billion in outlays for fiscal years 1983 and 1984 with a savings of $3.1 billion in fiscal years 1985 and 1986. In addition, a GAO study done at my request shows that very reasonable assumptions about oil prices over the next several years leads to the conclusion that the limited program of interim storage needed to fill the reserve at 300,000 barrels per day would more than pay for itself. I ask unanimous consent to have printed in the RECORD the letter dated May 21, 1982, from J. Dexter Peach of the GAO.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. GENERAL ACCOUNTING OFFICE,
Washington, D.C., May 21, 1982.

Subject: Feasibility and Cost of Interim Storage for the Strategic Petroleum Reserve (GAO/EMD-82-95).

Hon. BILL BRADLEY,
U.S. Senate.

DEAR SENATOR BRADLEY: As part of our ongoing study of options for building, holding, and using private oil stocks, requested by your letter of July 31, 1981, your office has asked for information concerning the feasibility and cost of interim storage for the Strategic Petroleum Reserve (SPR) managed by the Department of Energy (DOE). Since our review of private storage options is not yet complete, the data and analysis set out here are preliminary; however, we anticipate that our calculations and findings will be subject only to minor revisions. This report also builds on information and analysis presented in a recent letter report to the Chairman of the House Subcommittee on Fossil and Synthetic Fuels, Committee on Energy and Commerce.[1]

In the interest of timely release of this report, Senator Bradley requested that GAO not seek agency comments.

Our calculations indicate that an SPR fill rate of 300 thousand barrels per day (MBD) beginning in FY 1983 and continuing until the SPR contains 500 million barrels (MMB) will require interim storage during FY 1983-1985. The peak 1-year requirement will be approximately 69 MMB in FY 1984. Our inquiries at DOE and among industry sources also suggest that temporary storage in the form of steel tanks and/or tankers will probably be available at costs ranging from about $1.20 to $3.65 per barrel per year. We estimate, therefore, that an interim storage program to meet the goals mentioned above, given DOE's estimates of future oil prices, would cost from about $0.7 billion to $1.1 billion over 4 years. These estimates include storage costs and incremental debt financing of both storage and accelerated oil purchases. In comparison to the present DOE plan, an interim storage program would result in budget addition in fiscal years 1983 and 1984 and reductions in fiscal years 1985 and 1986.

Numerous studies have shown that emergency oil reserves can pay for themselves many times over in the event of an oil supply disruption. A larger SPR achieved sooner will increase the reserve's deterrent and insurance value during the next 3 years. Our analysis shows that if the price paid for SPR oil (including transportation) were to increase to $46-49 per barrel in fiscal years 1985 and 1986—from an estimated $37-39 per barrel in 1983 and 1984—the savings from buying the oil earlier would offset the cost of temporary storage at $1.20 per barrel annually—compared to DOE's current SPR plan. If storage costs as much as $3.65 per barrel, an increase in the price of SPR oil to $52-56 per barrel in 1985-1986 would offset temporary storage costs. Therefore, apart from any disruption during the next several years, accelerated SPR purchases could lead to a net economic benefit depending upon the future price of oil.

THE NEED FOR TEMPORARY STORAGE

Section 4 of S. 2332[2] requires the President, subject to the availability of funding, to fill the SPR at an average annual rate of at least 300 MBD beginning July 1, 1982, to maintain this rate until 500 MMB are in storage. Since development of permanent salt dome storage facilities does not permit such a high fill rate, the proposal raises several questions:

How much temporary storage is needed to permit a fill rate of 300 MBD?

Is sufficient temporary storage space available and in what form?

What would be the additional cost of such storage?

What changes in the price of oil could offset the added cost of temporary storage?

This report addresses these questions. To identify how much temporary storage is needed we used information presented in the recently issued GAO report cited above. Concerning the availability and costs of temporary storage, we examined pertinent studies prepared by industry and the Department of Energy, considered recent testimony by experts on the subject, and spoke with numerous officials in the Federal Government and industry. Our method for estimating the costs of a temporary storage program and what changes in the price of oil would offset that cost is discussed in detail below, along with the results.

Enclosure 1 shows (1) the SPR fill schedule based on a fill rate of 300 MBD until a 500 MMB SPR is achieved, (2) the current fill schedule as permanent storage space becomes available, and (3) the resulting gap between available permanent storage and SPR fill at the 300 MBD rate. We assure that practical considerations associated with initiating a temporary storage program would delay implementation of the 300 MBD rate for several months. Because of this and to simplify storage and financial calculations, we assume that the accelerated storage rate begins in fiscal year 1983. Therefore, interim storage will be needed from fiscal years 1983 through 1985, with a peak 1-year requirement of 69 MMB in 1984. Actual capacity requirements for each year could vary depending on exactly when oil deliveries are made and when SPR permanent storage becomes available for absorbing the temporarily stored oil.

IS ADEQUATE SPACE AVAILABLE FOR TEMPORARY STORAGE NEEDS?

Steel tanks and tankers are the two principal means available for interim storage. Together they should provide sufficient capacity for the amounts of oil required. Each may present problems which are discussed below.

The need for segregated storage

If SPR oil is to be stored temporarily in private storage, the stocks should, in our judgment, be placed in segregated facilities. Such stocks require careful, periodic monitoring—to show whether the proper quantities and qualities of oil are maintained. If SPR stocks were integrated with industry's normal operating stocks, they would be extremely difficult and costly to monitor. Furthermore, integrating private and public stocks could enable companies to reduce their normal operating stocks by making use of the Government's oil. This could offset much of the value of an accelerated SPR stock buildup.

Availability of steel tankage

It is difficult to tell at any point in time exactly how much tank space might be available for temporary oil storage. The U.S. petroleum industry is complex, consisting of hundreds of companies involved in producing, importing, gathering, refining, and transporting oil. Oil storage occurs at each of these points. Consequently, a firm figure on how much space could be made available for temporary storage would require a detailed current survey.

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[1] "Leasing Storage Capacity for the Strategic Petroleum Reserve," EMD 82 62, Mar. 12, 1982.

[2] A bill to amend the Energy Policy and Conservation Act to extend certain energy programs and for other purposes.

The National Petroleum Council (NPC) periodically makes the most comprehensive surveys of storage capacity and inventory in the Nation's primary petroleum distribution system.[3] The most recent one, reported on storage activities for 1978. At that time NPC concluded no significant amount of underutilized storage capacity existed. In April 1981, the NPC reviewed the findings of its 1979 analysis with regard to crude oil storage capacity.

This review confirmed the previous analysis.

Recent experience, however, suggests that the NPC's conculsion may have been overly conservative. As a result of the 1979 Iranian oil supply shortfall, primary oil stocks in the United States (excluding SPR oil) rose to a peak of 1357 MMB in August 1980—177 MMB more than in August 1978.[4] This demonstrated the industry's capability to hold considerably more stock than the 1978 NPC figures indicated. Since stocks have been declining during the past year, some of this capacity could be available for interim storage. Primary stocks in March 1982 were down 100 MMB from the March 1981 level.

In 1981 Exxon conducted a study of U.S. and world primary oil inventories, with subsequent analysis of the U.S. petroleum inventories were about normal and that the U.S. system did not have excess storage capacity. The officials said that 50 MMB of existing crude oil inventories might be available for strategic purposes. However, they cautioned that very little of this could be segregated since it was scattered in many locations, integrated with working stocks, and moving through the storage system (i.e., not in the same place over time).

Several other studies have estimated the space that might be available for additional oil stor[illegible] A DOE October 1981 draft report [illegible]tions for accelerating strategic oil sto[illegible]ng found that no more than a few m[illegible] barrels of existing excess tank storage capacity could be segregated from the tanks used for private operating inventories. However, the report said that if industry reduced its inventories to historical levels, 40 to 50 MMB of segregated tankage (apparently for crude oil alone) could be available. The DOE conclusions were based on a study by Science Applications, Inc.

In February 1982 the Aerospace Corporation provided DOE with a draft report analyzing U.S. private sector petroleum storage capacity. Using DOE Energy Information Administration (EIA) data for 1976 to 1981, the study estimated potentially available capacity at major refineries, bulk terminals, and pipelines. The 60 largest U.S. refineries, 62 largest pipeline and bulk terminals holding crude oil, and the 36 largest petroleum product bulk terminals were examined. The study identified potential spare capacity of about 109 million barrels, 26 MMB for crude oil and 83 MMB for refined products. These results, however, must be interpreted with caution. Because of limitations in the original data, Aerospace could not fully quantify results on a company-by-company and site-by-site basis.

On February 10, 1982, DOE issued a request for proposals (RFP) for short-term storage of DOE crude oil. It asked interested companies with available storage capacity to indicate whether they would be willing to lease capacity and how much they would lease to DOE for periods up to 6 months. In addition, the RFP invited companies to make proposals for storage up to 1 year. Respondents indicated that as much as 65 MMB of domestic tankage might be available for leasing. Moreover, the companies offered 32 MMB of tankage and 19 MMB of underground storage in foreign locations. These potentials add up to 116 MMB—considerably more than the peak interim storage requirement of 69 MMB. In addition, DOE received proposals offering up to 99 MMB of storage in foreign flag tankers. The total offers for all forms and locations of storage were 215 MMB.

These figures represent a maximum potential, as the solicitation was only for a basic ordering agreement. Of 30 companies that responded, all but one submitted bids that took exception to one or more of the clauses in the solicitation. These differences would have to be negotiated and compromises reached before storage could be obtained. According to a DOE official, while the response was surprisingly favorable, actual storage secured might be only 30 percent of the maximum potential. Finally, and most important, these offers are for periods too short for using temporary storage for the program examined here. As Enclosure 1 indicates, temporary storage would be required for about three years for 21 MMB, two years for another 13 MMB, and two years for 35 MMB. A critical question, then, is to what extent do the results of the response to DOE's solicitation reflect available storage capacity for longer periods of time? The DOE official we spoke with felt that less storage would be offered for the longer term because companies would not want to give up long term flexibility.

Other indications, however, show that considerable tank capacity for periods up to several years may be available. For example, in March 1982 a representative of the Independent Fuel Terminal Operators Association testified before the House Subcommittee on Fossil and Synthetic Fuels that their members could make 12 MMB of long term storage available, much of it for crude oil. In a subsequent discussion with GAO, an official of the Association said this tankage could be segregated. He also estimated that 20-30 MMB of excess tank capacity probably exists at bulk terminals and refineries in the Northeast alone.

To summarize, it is not clear exactly what amount of segregated steel tankage could be made available for temporary SPR storage, what kind of storage (i.e., crude versus various product types), and for how long. Some sources suggest that little capacity could be had. However, other sources, as well as analysis of data on storage over the past several years, indicate that substantial capacity might be available. If the location is restricted to the United States, a possible range is anywhere from 10-25 MMB to 100 MMB or more. Allowing storage in tanks in foreign countries could significantly increase this figure.

What is needed to resolve this ambiguity is a formal U.S. Government request for interim storage proposals that would specify the minimum acceptable quantity offers, type (crude versus product, quality factors), time periods, location requirements, and so forth. In our opinion, such a solicitation should also explore whether some capacity might be made available if the Government were prepared to purchase surplus oil inventories currently being stored by particular companies. In other words, it should ask whether oil for the SPR could be purchased in tanks that could then be leased to the Government. This procedure might free up additional tank space that otherwise would not be available.

Availability of tankers.

If the Government is prepared to consider storing SPR oil in surplus ocean-going tankers, enough capacity can probably be secured in this form alone to meet all temporary storage requirements. As discussed shortly, however, tanker storage raises several problems that would have to be solved.

Because of the decline in oil demand, the market for very large crude carriers (VLCC's)[5] is depressed and is expected to continue declining well into the future. In fact, by 1990, only one-half of the 750 vessel VLCC fleet is expected to be employable. Some of the surplus is being absorbed by slow steaming, making multiple stops, and spending longer time in port; the remainder is sitting idle or going for scrap. In 1980, 26 VLCC's went for scrap; in September 1981, 10 VLCC's were scrapped and 67 entered inactive files. The scrapped tankers alone had a capacity to hold roughly 108 MMB of oil.

According to the Maritime Administration, in November 1981, 164 ships over 100,000 deadweight tons (dwts) were inactive worldwide. This total equates to nearly 300 MMB of excess storage capacity as shown in table 1.

Table 1.—Inactive Tankers Over 100,000 Deadweight tons (Dwts) November 1981

Number of Dwts (in thousands)	Number of ships	Total Dwts (in thousands)	Barrels[1] (in thousands)
100-124	10	1,125	8,713
125-174	13	1,185	13,250
175-224	24	5,203	37,982
225-299	91	27,990	167,827
300 +	26	9,917	72,394
Total	164	41,050	299,666

[1] GAO calculation. Assumes 7.3 barrels per dwt.

According to the Transportation Institute, if one includes capacity absorbed in slow steaming, over 80 million deadweight tons (over 600 MMB) are available in the large crude carrier categories most suited for storage capacity.

The Coast Guard has found that as ships age, safety and pollution hazards increase. However, most of the 164 generally inactive ships are relatively young. Only three were built before 1967; 42 were built in 1967-71; 108 in 1972-76; and 11 in 1977 and later. Officials with whom we spoke in both Government and industry believe many of these ships would meet U.S. environmental standards.

Temporary oil storage in tankers is common in industry, although not for the length of time that would be needed for SPR temporary storage. Nearly one-half of the 164 ships referred to above have been used for short-term storage. As of September 1981, about 227 MMB of oil were being stored in tankers worldwide: about 82 MMB were in the Gulf of Mexico and the Caribbean. In addition, the Japanese Government has been storing about 60-70 MMB of emergency reserves in tankers for time period comparable to those necessary for temporary storage of SPR oil.

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[3] National Petroleum Council, "Petroleum Storage and Transportation Capacities, Inventory and Storage," Vol. II, December 1979.

[4] The figures included primary product stocks held at refineries, in pipelines, and at major bulk terminals, and crude stocks haid at refineries, in pipelines, and in lease tanks. Tanks account for most storage. The NPC figures for 1978 show steel tankage accounted for 75 percent or more of total storage space.

Exxon Corp. "World Oil Inventories." (August 1981).

[5] Tankers of 175,000 deadweight tons or greater.

Tanker storage is subject to ownership, environmental, and safety problems. Nearly all the surplus ships available for leasing are foreign flag. The average size of U.S. flag tankers, 50,000 dwt, is about half of that of the world tanker fleet as a whole. If the Government were to store substantial quantities of SPR oil on foreign flag ships, U.S. labor unions might argue that some or all of the ships should carry American crews. U.S. crews, however, are more expensive, a factor which could affect the costs of leasing tankers. Other drawbacks for tanker storage are the risks of environmental pollution and sabotage. Nevertheless, in spite of these risks private industry stores and transports large volumes of oil on tankers every day.

The risk of damage should there be an environmental accident or some other incident would be lessened if the tankers were anchored in favorable locations. For example, anchoring in the Gulf of Mexico would put the tankers in U.S. waters; the Gulf has relatively mild weather most of the year; and the major U.S. oil distribution system is centered there. Large tankers would have to anchor far from shore, but the oil could be landed through the Louisiana Offshore Oil Port (LOOP) system. Perhaps more serious are Gulf environmental hazards such as hurricanes and the many oil and gas pipelines and oil rigs which would have to be avoided. Nevertheless, most officials suggested that the Gulf could accommodate tanker storage even in hurricane season; if the engines were operating, tankers could be moved quickly when necessary. Alternatively, the Caribbean also may be suitable. It currently accommodates tankers of 280,000 dwts carrying Alaskan oil.

A question exists as to whether storage of oil in tankers would require environmental impact studies. Coast Guard officials with whom we spoke said that a large-scale tanker storage program would require a 2-month environmental assessment and a 1-year preparation of a programmatic environmental impact statement. S. 2332 would eliminate the need for such actions. It states that "no action related to the storage of petroleum products in existing facilities for interim storage in the Strategic Petroleum Reserve shall be deemed to be a 'major Federal action significantly affecting the quality of the human environment' within the meaning of that term as it is used in section 102(2)(C) of the National Environment Policy Act of 1969."

WHAT WOULD BE THE ADDED COST OF INTERIM STORAGE?

The costs of a temporary storage program are the cost of leasing the storage space, including financing, and the cost of financing the oil purchased during the life of the program. The cost of oil itself is not considered an added cost, since the oil would eventually be purchased under the regular program. If oil prices rise between the time it is purchased for the interim program and the time it would have been purchased for permanent storage, some or all of the additional costs of the storage program would be offset.

Leasing rates for storage vary widely by location, length of contract, volume of oil, and product type. For example, a DOE draft report of October 1981 reported estimates for leasing steel tanks ranging from $1.20 per barrel per year, to a high of $3.96. For tankers, it reported estimates ranging between $1.46 to $3.28 per barrel per year. The report noted that the existence of distinct geographical markets for storage capacity results in leasing costs that vary by region and are highly volatile. The report concluded that the price of leasing storage facilities to the Federal Government would be in the $2.50 to $3.50 per barrel range. Two months later, however, some DOE officials said that they believed DOE could lease between 10-30 MMB of steel tank capacity at about $1.80 per barrel per year. In early March 1982, a representative of the Independent Fuel Terminal Operators Association cited a figure of $2 per barrel per year as a rate at which menbers of the Association would be willing to lease steel tank storage space.

Recently, several lower estimates for leasing tanker storage have been publicized. On March 25, 1982, the President of the Petroleum Industry Research Foundation told the Senate Energy and Minerals Resources Subcommittee that large tankers can be leased at a cost of $1.20-$1.80 per barrel per year. On April 26, 1982, the DOE Assistant Secretary for Environmental Protection, Safety, and Emergency Preparedness provided the same figures to the House Interior Appropriations Subcommittee. A few days earlier, the Chief Economist for Standard Oil Company (Indiana) told the Senate Energy and National Resources Committee that tanker storage could be secured for $1.00 per barrel annually. In a subsequent discussion with GAO, he estimated that up to 100 MMB of tanker storage could be available at that rate.

The wide variation in estimated leasing rates requires a prudent approach in assessing the added costs of interim storage for SPR oil. As enclosure I showed, the proposed interim storage program will require storing from 34-69 MMB over a few years. Even if there is more than adequate surplus storage capacity to handle such needs, a decision by the Federal Government to lease such an amount could exert upward pressure on storage price. Until the Federal Government requests and receives bids on specific storage capacity proposals, the actual price for which storage can be had will be uncertain. If the capacity surplus is really as large as some have suggested, the competition of companies to lease space will hopefully keep rates down. We believe that a request for bids on both tankers and steel tanks could help secure low rates because of the large surplus of tankers.

For this report, we used estimates ranging from $1.20 per barrel per year to $3.65 to illustrate the possible costs of temporarily storing SPR oil. Using these figures, enclosure II shows the costs to the Government of a temporary storage program.

We assumed that leasing rates would remain constant over the 1982-84 period. This seems reasonable considering that most forecasts assume flat demand over the next several years. To calculate the costs of financing both storage and the cost of purchasing the oil we used Data Resources, Inc.'s, (DRI) forecasts of Treasury security interest rates for 1982-83 (12.5 percent). We assumed that FY 1983 oil prices are set in the first quarter of FY 1983 and that FY 1984 prices are set in the first quarter of FY 1984. For the cost of oil purchased for temporary storage, we used prices for SPR oil provided in the administration's FY 1983 budget (i.e., approximately $37.00 in 1983, and $39.00 in 1984). These figures include transportation costs.[6] To estimate net benefits of buying the oil earlier, we used the budget's forecast of oil prices in fiscal years 1985 and 1986 ($41 and $43 respectively) to calculate what the same amount of oil would cost then.

Enclosure II shows that the estimated total costs to the Government of a temporary storage program range between $690 million and $1.14 billion. The lower figure assumes storage can be secured for $1.20 per barrel annually; the higher figure assumes storage costs $3.65 per barrel per year. The table also shows separate figures for storage and debt financing costs. The costs for storage facilities range between $181-551 million. Charges for borrowing the money to finance the storage over the 3 years range between $39-118 million. The largest added expense is the cost of debt to purchase the oil for temporary storage—estimated at $773 million.

Enclosure III shows what the oil itself would cost the Government, if it were purchased in 1983 and 1984 at prices ranging between $37.00-$39.00. This amount, however, must be offset by what the oil would cost if purchased later as part of the regularly scheduled SPR program, since the oil would eventually be purchased anyway. Consequently, figures for the cost of oil in 1985 and 1986 are expressed as negative. The fact that the cost of oil figure in the total column on the right hand side of the table is also negative shows that there are net savings of about $300 million by buying the oil sooner. These estimated savings substantially offset the other estimated costs of the temporary storage program.

WHAT OIL PRICE INCREASES WOULD OFFSET THE COSTS OF TEMPORARY STORAGE?

As indicated in the above discussion, if oil prices increase quickly, the increased value of oil bought earlier for temporary storage would help offset the costs of temporary storage—making the action a good financial investment.

How much would oil prices have to rise to break even on the added cost of temporary storage? While other assumptions are possible, we confine our discussion to the estimates of costs previously discussed—i.e., leased storage costing between $1.20 and $3.65 per barrel per year. In all cases we cite price changes needed to offset the full costs of the program above DOE's current SPR plan: storage charges, financing the storage and oil, and the net cost of the oil.

Enclosure III shows that the price of oil would have to reach about $46 in 1985 and

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[6] Transportation costs vary, of course, depending upon where the oil is bought, shipped to, volume, and so forth. Companies which bid on contracts to deliver oil to the SPR program frequently state an overall price without breaking out transportation charges. According to a DOE official, recent typical rates for shipping crude to the U.S. Gulf of Mexico on foreign flag vessels from the North Sea, North Africa, West Africa, and Persian Gulf, ranged between $.90-1.20 per barrel. Oil shipped from Mexico to the Gulf cost about $.35-.40 per barrel. The Cargo Preference Act, which requires that 50 percent of SPR oil be shipped in U.S. flag vessels, can increase transportation costs by 2-3 times or more. In its FY 1983 budget the administration calculated that the Cargo Preference Act would increase the average price of oil purchased for the SPR by about $1.00 per barrel.

$49 in 1986 to fully offset the added costs of temporary storage—at storage facility costs of $1.20 per barrel per year. This means that the price of oil must increase about $10 per barrel between fiscal years 1983-84 and 1985-86. If the cost of leasing storage facilities were $3.65 per barrel annually, the price of oil would have to increase to $52-56 per barrel by 1985-86 to break even. This would represent an increase of about $17 per barrel.

Our analysis assumes, as is shown in enclosure III, that oil bought for temporary storage costs from $37.00 per barrel in 1983 to $39.00 in 1984 (including transportation charges). However, in a soft oil market, such as has been witnessed recently, it may be possible to realize substantial savings on 1983 oil purchases. During much of the past year spot market oil prices for key OPEC crude oils have been selling at substantially lower prices compared to official sales prices. Discounts reached peak levels in March 1982. For example, according to *Petroleum Intelligence Weekly's* World Oil Price Index, in March 1982 spot market prices for Middle East light crudes and African light crudes were running about $5 below average official prices ($29.00 versus $33.85 per barrel and $31.50 versus $36.65, respectively).[7] If oil bought for temporary storage could be secured at a substantial price advantage, oil prices would have to rise even less to offset the added costs of temporary storage. Thus, if the world oil market remains soft during fiscal year 1983, and the 34 MMB of oil purchased in that year were obtained at a $4 price advantage, the price of oil would only have to rise to $46 in 1986 (instead of $49) in the $1.20 case.

The critical question, of course, is what future oil prices will be. This is impossible to predict with any degree of certainty. Since the Arab oil embargo of 1973-74 efforts by numerous forecasters, including offices within the U.S. Government, to estimate future oil prices have frequently been very wide of the mark. However, to provide some perspective on how high prices would have to rise to offset the estimated costs of temporaty storage, enclosure III provides figures on three alternative price forecasts recently made by DRI.[8] DRI's baseline forecast shows that oil prices for 1985 and 1986 would come close to those needed to offset the estimated costs of temporary storage. DRI's high price alternative shows prices in 1985 and 1986 that exceed the break-even prices both for the $1.20 case (by far) and $3.65 case.[9] If a price advantage of $4 per barrel were secured in 1983, the program would more than pay for itself under DRI's baseline forecast for the $3.65 per barrel storage case.

According to DRI, the high price forecast would require some non-trivial supply disruption in the Middle East. It does not, however, envision a major Middle East disruption, for in this case prices would be considerably higher.

The DRI low price forecast reflects higher long-term price elasticities for energy and higher production of oil than the base case. DRI assigned a subjective probability of 10 percent to this case. Of course, such low prices would not offset the costs of temporary SPR oil storage.

THE BENEFITS OF TEMPORARY STORAGE OF SPR OIL

Thus far, our report has concentrated on the added financial costs of temporary SPR oil storage. To place this analysis in proper perspective, it must be remembered that the purpose of the Strategic Petroleum Reserve is to provide broad economic and national security benefits to the Nation—not to make money speculating in crude. These benefits are realized in two ways. First, a substantial SPR may help to deter oil embargoes that could be targeted against the United States and other major oil importing countries. Second, in the event that an oil supply interruption occurs, for whatever reason, drawdown of emergency oil reserves can significantly reduce the adverse economic and other consequences that accompany a loss of oil. Among the economic effects of an interruption are reduced GNP, and increased inflation and unemployment. At some point these economic impacts become serious enough to threaten important political and national security interests of the Nation as well.

Of course, if there were a substantial international oil supply disruption after oil was put in temporary storage, the resulting increased oil prices would much more than offset the added temporary storage costs. For example, the 1979 Iranian oil supply interruption saw the average OPEC official crude oil direct sales price increase by $10.63 between the fourth quarter of 1978 and the fourth quarter of 1979. By the end of 1980, it was up an additional $9.00. Concerning possible future shortfalls, the EIA recently estimated that a substantial OPEC oil supply disruption in 1983—on the order of 6 MMBD—could result in a $75 per barrel price.[10]

Numerous studies have shown that emergency oil reserves can pay for themselves many times over in the event of an oil supply disruption. A larger SPR achieved sooner will increase the Reserve's deterrent and insurance value during the next 3 years. Congress needs to consider these benefits in deciding whether to fund the added costs of temporary storage.

I hope this information will be of use to you and other members of the Senate Energy Committee and the Congress in your deliberations on these important energy and national security issues. As arranged with your office, we plan to distribute the report at this time to other interested parties. We are continuing to work on the study of private stocks based on your initial request and will keep in touch with your staff as our work progresses.

Sincerely yours,

J. DEXTER PEACH,
Director.

ENCLOSURE I.—TEMPORARY STORAGE NEEDED TO FILL THE SPR AT A RATE OF 300 MBD UNTIL THE SPR REACHES 500 MMB

[Barrels in millions[1]]

	Fiscal year							
	1983	1984	1985	1986	1987	1988	1989	1990
Total SPR storage needed at 300 MBD[2] fill rate until 500 MMB[3] SPR is achieved	[4] 377	486	[5] 504					
Planned availability of permanent storage (fiscal year 1983 budget)	343	417	456	538	598	623	670	750
Temporary storage needed to meet 300 MBD fill rate	34	69	[5] 48					
Transfer of temporarily stored oil into SPR permanent facilities			[6] 21	48				

[1] Numbers rounded off to nearest whole number.

[2] MBD—thousand barrels per day.

[3] MMB—million barrels.

[4] At the end of fiscal year 1982 the SPR is scheduled to contain 267 MMB of oil. A fill rate of 300 MBD equals 109.5 MMB per year.

[5] It is necessary to store 504 MMB in 1985 instead of 500 for the following reasons. Available permanent storage in 1985 is 456 MMB, which means only 44 MMB of temporary storage are needed to reach 500 MMB. However in 1984, 69 MMB is temporarily stored. To reduce that to 44 MMB, 25 MMB of permanent storage must be used. As explained in footnote 6, only 21 MMB are available for receiving oil from temporary storage. Therefore an additional 4 MMB of oil must be temporarily stored in 1985.

[6] Under a 5-year contract with PEMEX, Mexico's state oil company, about 18 MMB of oil is to be delivered for permanent storage in 1985 (50 MBD). In 1985, 39 MMB of new permanent storage for the SPR is to become available. Assuming that the 18 MMB of oil from PEMEX is deposited in the SPR in fiscal year 1985, only 21 MMB of oil in temporary storage can be put into permanent storage that year.

ENCLOSURE II.—ESTIMATED GOVERNMENT EXPENDITURES FOR TEMPORARY STORAGE OF SPPR OIL[1]

[In millions of dollars]

Temporary storage costs	Fiscal year				
	1983	1984	1985	1986	Total
Cost of storage facilities at $1.20-3.65 per barrel per year	41-124	83-252	58-175		181-551
Costs for debt financing of storage facility costs	5-16	16-49	18-54		39-118

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[7] "Spot Crude Market Dives Despite Formal Saudi Output Cut," *Petroleum Intelligence Weekly*, Mar. 15, 1982, pp. 5-6. "Spot Market Slumps Below $30 A Barrel PIW Index Shows," *Petroleum Intelligence Weekly*, Feb. 22, 1982, pp. 3-4. "Key OPEC Crude Oil Price Trends at a Glance," *Petroleum Intelligence Weekly*, May 10, 1982, p. 8.

[8] "U.S. Oil Outlook," Data Resources, Inc., *Energy Review*, Spring 1982, pp. 61-83.

[9] Assuming that purchase prices for SPR oil for temporary storage are as shown in enclosure III.

[10] U.S. Department of Energy, "1981 Annual Report to the Congress," February 1982, Vol. 3 (DOE/EIA-0173(81)/3), pp. 5-12.

ENCLOSURE II.—ESTIMATED GOVERNMENT EXPENDITURES FOR TEMPORARY STORAGE OF SPPR OIL [1]—Continued

[In millions of dollars]

Temporary storage costs	Fiscal year 1983	1984	1985	1986	Total
Cost of debt financing of oil purchase	157	348	268		773
Subtotal	203 297	446 648	343 497		993 1,442
Cost of oil [2]	1,258	1,365	(861)	(2,064)	(302)
Net expenditure	1,461 1,555	1,811 2,013	(518) (364)	(2,064)	691 1,140

[1] Calculations based on figures reported in enclosure I. Does not include costs for any additional program or administrative expenses that the SPR Program might incur. Assumes that 34 MMB of oil is purchased in the first quarter of fiscal year 1983, that 21 MMB of that is temporarily stored for 2 years and the other 13 MMB for 3 years. The table assumes that 35 MMB of oil purchased in fiscal year 1984 is temporarily stored for 2 years.

[2] Assumes prices for SPR oil are as contained in the administration's fiscal year 1983 budget, but are rounded off to nearest dollar (i.e., $37 per barrel in 1983, $39 in 1984, $41 in 1985, and $43 in 1986). The negative amounts in 1985 and 1986 show the outlays which would not have to be made in the regular SPR program since the oil was bought in 1983 and 1984.

ENCLOSURE III.—OIL PRICE CHANGES NEEDED TO BREAK EVEN ON THE COSTS OF TEMPORARY STORAGE

[Dollars per barrel]

Fiscal year	Oil selling price needed in 1985-86 to break even if storage leasing costs are—		Assumed price for SPR oil purchases [1] per barrel	Three recent alternative oil price forecasts by Data Resources, Inc. [2]		
	$1.20 per barrel per year	$3.65 per barrel per year		High	Baseline	Low
1983			$37	$41	$36	$29
1984			39	47	39	29
1985	$46	$52	41	53	44	30
1986	49	56	43	60	50	32

[1] These assumed prices are from the administration's fiscal year 1983 budget. The prices include transportation costs, and a differential to reflect the added costs of SPR compliance with the Cargo Preference Act. Figures are rounded to the nearest dollar.

[2] Import prices to the United States. Data Resources, Inc., "Energy Review," Spring 1982, pp. 61-84, and DRI Energy Service Simulation.●

● Mr. **BRADLEY**. Mr. President, the point is that the faster we fill the SPR, the less vulnerable we are to oil supply disruptions. Our economic security is enhanced. The value of the SPR for our defense needs during a crisis is clear; hence, rapid SPR fill enhances national security. Finally, even from a purely financial standpoint, a program of interim storage to allow a 300,000 barrel per day fill rate will likely more than pay for itself as oil prices rise over time. The case for the higher fill rate is strong.

Mr. President, the SPR is the Nation's most valuable weapon to respond to oil supply disruptions; this weapon can be enhanced by coordinating its use with the oil reserves of our allies in the IEA. Some have criticized the IEA as an international bureaucracy with all the problems of some domestic bureaucracies. I myself have called for a critical reevaluation of the IEA's oil allocation procedures. But we must not throw out the baby with the bath water. Of the three areas of IEA emergency action—oil allocation, demand restraint, and stockpile policy—by far the most important and the most valuable is stockpile policy. The benefit derived from a U.S. drawdown of its SPR during a supply disruption can be nullified if our IEA allies are simultaneously building up their reserves. This is why the coordination of stockpile strategy and action is so important. If for no other reason, the IEA ought to be maintained and supported. Passage of S. 2332 is a strong signal of that support.

There are other provisions of S. 2332 that have merit. Under the bill the administration must put together a contingency plan for dealing with oil supply disruptions. In my view, such a plan should call for: First, the rapid recycling to the economy of the increase in windfall profit tax revenues resulting from the oil supply disruptions, and second, the immediate and automatic auction of a small portion of the SPR at the outset of an oil supply disruption. These measures are outlined in my proposed legislation, S. 1354, the Emergency Preparedness Act, cosponsored by Senators **PERCY**, **CANNON**, and **WEICKER**. During a supply disruption, no price controls or Government allocations would be imposed—domestically or internationally. Instead, the U.S. Government would allow market forces to allocate oil supplies and set prices in this country. As oil prices rose, the revenues from the existing windfall profit tax would increase dramatically—even with no increase in the existing tax. These revenues would be rapidly recycled to the economy through any of a variety of mechanisms now being studied by the administration. For example, the Treasury could send emergency assistance checks to individuals and State Governors. These checks would enable individuals to maintain essential consumption—home heating and transportation to work, for example—even while oil prices were rising. State Governors would be able to maintain essential public services such as police, fire, and health service; and they would be able to assist important activities in their particular States—family farming, for example. Alternatively, the administration might choose to recycle the windfall profit tax revenues by lowering withholding rates on the personal income tax or the payroll tax. This could be augmented by additional social security, SSI, and other income maintenance program payments.

In addition, the immediate auction of a portion of the SPR would calm jittery refiners by assuring them continued access to crude oil. This would dampen tendencies to panic and to make wild purchases on the spot market. If the emergency subsided, the recycling and SPR sales would be terminated; if the emergency continued or intensified, these programs would be continued.

On the international level, decisions to draw down oil reserves would be made cooperatively at the IEA. Supply problems among nations arising from the higher price of oil should be dealt with through international financial and lending institutions, not through international oil allocations.

So, Mr. President, S. 2332 would make a major contribution to our emergency preparedness—the most important and most neglected aspect of U.S. energy policy. It would accelerate the fill of the SPR, enabling DOE to take advantage of today's low oil prices and surfeit of storage capacity. It would require the administration to think carefully about emergency procedures, hopefully including revenue recycling and SPR auction. And it would signal the American people and the world that the United States is finally getting serious about preparations for oil supply disruptions.●

Mr. JACKSON. Mr. President, I yield the floor.

Mr. McCLURE. Mr. President, I ask unanimous consent that the committee amendment in the nature of a substitute be agreed to and that the bill as thus amended be regarded as original text for the purpose of further amendment.

The PRESIDING OFFICER (Mr. ARMSTRONG). Without objection, it is so ordered.

The PRESIDING OFFICER. Who yields time?

Mr. JOHNSON. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. JOHNSTON. Mr. President, today the Senate will consider S. 2332, a bill to extent the expiration date of section 252 of the Energy Policy and Conservation Act and for other purposes.

Extension of section 252 of EPCA is important. This section provides an antitrust defense to oil companies involved in certain programs of the International Energy Agency. Without this defense the companies would not—indeed, could not—cooperate in any meaningful way with the IEA, and the agency would cease to function. This would leave the major petroleum consuming nations of the world without any mechanism whatsoever to act in concert during an oil supply disruption to minimize the adverse effects of such a disruption.

Failure to support the IEA would provide the Organization of Petroleum Exporting Countries with real evidence of our own lack of resolve with regard to emergency preparedness. This unfortunate signal could arrive during a period in which the OPEC cartel is under severe internal pressure. We should let this pressure work to weaken the cartel. We should do nothing to offer the cartel relief.

So we should extend the period of availability of the antitrust defense under section 252 of EPCA. To fail to extend section 252 would be unwise in any event and especially unwise at this particular time.

As important as the IEA antitrust defense is, I believe that the rest of the bill we are considering today is even more important. As everyone knows, the President vetoed S. 1503, the Standby Petroleum Allocation Act, and that veto was sustained. S. 1503 would have established a comprehensive program of standby petroleum allocation authorities to mitigate the effects of a severe petroleum supply disruption. The President could have implemented the authorities of S. 1503 at his discretion, provided Congress did not disapprove.

That approach has now been rejected. The bill before the Senate today recognizes this, and takes the next step toward evolving a new policy for dealing with an oil supply cutoff. Because of our continuing vulnerability to such a cutoff, it is simply essential that we have some policy in place. S. 2332 is an action-forcing mechanism to achieve this result.

In his veto message the President asserted.

> Today I have ample powers to take the steps necessary to protect national security, meet our treaty obligations and assure essential public health and safety functions. The supplies in the Strategic Petroleum Reserve and significant production in the National Petroleum Reserve also ensure that petroleum for truly essential needs will be available.

S. 2332 requires the President to describe in a "memorandum of law" the nature of extent of the authorities to which the President was referring in this veto message and to report to Congress on how these authorities will be implemented.

The bill also requires the President to submit a drawdown plan for the strategic petroleum reserve so Congress will have an opportunity to review the administration's plans "to insure that petroleum for truly essential needs will be available."

In these respects, S. 2332 only requires the President to describe in more detail—for Congress and the public—how he will do what he has said he intends to do to respond to a severe petroleum supply shortage. I do not believe there should be any objection on the administration's part to this requirement of the bill.

There is a provision of S. 2332 which, unfortunately, the administration is opposing. Section 4 of the bill amends existing law to establish a mandatory fill rate for the strategic petroleum reserve of 300,000 barrels per day. Section 4 further provides other changes in law which are necessary to effectuate this higher fill rate. Among the actions needed is the adoption of a policy of leasing or otherwise providing for storage facilities, including unused oil tankers, to provide short-term capacity to receive oil pending the completion of construction of permanent salt dome storage facilities of sufficient capacity.

There is no doubt that private oil storage facilities are available for lease at bargain-basement rates. Testimony presented to the Committee on Energy and Natural Resources demonstrated that well over 100 million barrels of private storage capacity could be readily acquired for lease, a significant amount of it at rates as low as $1 per barrel per year.

The world oil market has been in surplus for several months, and prices have been declining. There may never be a better time to buy oil for the SPR. In fact, world oil prices are currently stablizing as a result of a completion of a nearly unprecedented drawdown in privately held inventories of crude oil and refined petroleum products throughout the major oil consuming nations. This drawdown in private inventories dramatically illustrates the necessity of a rapid fill for the SPR.

The Reagan administration has collaborated with Congress to achieve an impressive increase in the level of oil in the SPR. Since the administration entered office the SPR fill level has increased from about 100 million barrels to over 250 million barrels. We are grateful for this, and the administration is proud of it, as they frequently remind us. However, it is time to stop congratulating ourselves for what we have done in the past and look to what we need to do in the future.

We need to accelerate the fill of the SPR. Over a period of 18 months at some considerable cost and effort, the United States has in fact increased the level of fill in the SPR by about 150 million barrels. However, in the past 6 to 8 months privately held inventories in the major consuming countries have plunged by about 700 to 900 million barrels. In the United States, primary oil industry stocks of crude oil are falling rapidly, gasoline stocks are approaching the minimum operating level as estimated by the Department of Energy, and stocks of distillate and residual fuel oil are below this level. High interest rates, declining product prices and weak demand are obvious factors in this trend. But, whatever the reasons are, the reality of this decimation of private inventories cannot be ignored by any responsible policymaker.

A disruption in world oil supplies, if it occurred now or in the near future, would have a substantial impact on world oil prices. And this price impact could significantly postpone the economic recovery we all hope for.

Therefore, we simply cannot afford to relax our efforts to build up the level of oil stored in the SPR. Yet this is precisely what the administration has proposed—a drop in the SPR fill rate from about 300,000 barrels per day in fiscal year 1981 to about 200,000 barrels per day in fiscal year 1983.

S. 2332 is a message which says that this administration policy is a mistake, and a serious one.

The Reagan administration has accorded national security the top priority in its proposed budgets for the next several years. Although many would argue with the details and the precise magnitudes of our national defense needs, there is, I believe, a bipartisan consensus behind the notion that our national security cannot be shortchanged.

It is in this spirit that the Committee on Energy and Natural Resources is insisting on a rapid fill of the strategic petroleum reserve. The SPR is a national security program. It can only be seen in this context.

Reducing the rate of SPR fill is inconsistent with everything else we are trying to do to enhance national security, shortsighted in the extreme and profoundly foolish. We must not squander the opportunity we now have to accelerate the SPR fill rate and significantly bolster our national defense against petroleum blackmail. The SPR is our best weapon in this defense. The Reagan administration agrees, and Congress agrees.

So let us get on with it. Enactment of S. 2332 is the way to accomplish that.

Mr. President, in simple terms, this bill does four things.

First, it requires the administration to come up with a new strategic petroleum reserve drawdown plan.

Frankly, I think a drawdown plan is something that should have been confected by Congress. I think our committee should have held hearings on it and come up with very important and vitally important directions as to how we draw the SPR down and under what circumstances we draw it down.

But we have been unable to do that and so, therefore, this bill would require that the administration come up with a new and amended plan.

There is discussion about the precise date on which that plan would have to be reported and we are certainly flexible on the question of the date, whether it is before or after the election, but the plan should be reported.

Second, the bill extends the International Energy Agency exemption from antitrust arrangements. In the event of an emergency the IEA must provide for what amounts to international allocation.

We are urged by the administration and indeed we on the committee on both sides of the aisle believe it is vitally important to have this power in the event of a cutoff.

I must say that we are slightly amused that the administration finds it vitally important to allocate petroleum on an international basis but finds it repugnant to do so on a national basis in the event of emergency. Nevertheless, the administration is correct in asking for the extention of the authority on an international basis and we join with the administration in requesting that this be done.

Third, the bill requires that the administration report on their contingency plans.

The Senate will recall that at the time we passed this legislation we pointed out that we needed emergency authority in the event of a situation like a blockade of the Straits of Hormuz; in the event of a disruption of international oil supplies, we needed a contingency plan, and we provided for that in the bill which was vetoed.

However, we were assured on a number of ocassions that the administration had contingency plans.

Secretary Edwards said: "We have contingency plans in place."

He said that on March 21.

The President in vetoing said in his veto message:

> Today I have ample powers to take the steps necessary to protect national security, meet our treaty obligations and assure essential public health and safety functions.

So the administration has said a number of times that they have this power and all we are saying is that we want them to report in a memorandum of law to us what those powers are and to describe what those contingency plans are.

I hope that we will find that they are just as the Administration has described; that is, full and adequate powers to deal with an impending emergency.

By reporting that to us we will have the ability to judge the sufficiency of their plan.

Finally, the bill imposes the requirement that the strategic petroleum reserve be filled at the rate of 300,000 barrels a day.

Mr. President, for those of us who have been around here since the 1973 war, who were here when the strategic petroleum reserve was conceived and passed into law, and who have followed the progress of the attempt to denude this bill of the requirement for the 300,000 barrels a day, it is deja vu. That is to say, we have had a constant fight over this matter.

Mr. President, we have had for all these years attempts not to fill the SPR because it is never the right time.

I am reminded of the fights over raising congressional pay. It is never the right time. Either we have a period of inflation or we have a period as we do now of deflation, with other problems in the economy. It is never the right time. It is never going to be the right time to raise congressional pay.

I hate to confound these two issues because at least with the public there is no sympathy at all for congressional pay. There may be some sympathy for that issue on the floor of the Senate. But there is never the right time as far as the administration is concerned to fill the strategic petroleum reserve. When Jimmy Carter was President he did not want to offend Saudi Arabia. He said if you offend Saudi Arabia, they are great friends, and they will quit producing oil. Besides, he said, "We are filling private reserves."

Well, we went ahead and filled the SPRO, and the Saudi Arabians were not offended. I think indeed they would have been offended if we had failed to act in our own national interest.

Mr. President, there is never going to be a better time than right now to fill the SPRO. So those provisions of the bill should remain intact. The bill should be passed.

Mr. WARNER. Mr. President, I support Chairman McCLURE and the Energy Committee in its ongoing effort to address the Nation's preparedness for an oil emergency. The distinguished Senator from Idaho and our committee have had a longstanding commitment to energy preparedness and this legislation is yet another symbol of our intent to make good on the pledge.

This bill extends U.S. support to the international energy program for another year, until August 1983. The IEP is strongly supported by our Western allies and remains our best vehicle for coping with energy emergencies and disruptions which could arise from unfriendly actions abroad.

For several decades, the United States has realized that its national security is bound to that of our allies. And in the recent past, it has become apparent that our economic welfare is tied also to the well-being of our friends, and thus, the availability of oil from them in times of crisis. It is for these purposes—energy and economic security—that the IEP exists, and it should continue.

Mr. President, like it or not, we live in an interdependent world. Every country, including the United States, is affected by the actions of other governments. For instance, our monetary and trade policies have an enormous impact on our Western allies. And the reverse is equally true. We cannot remain strong, militarily or economically, without active assistance and cooperation from our allies. The IEP is an integral part of that cooperation.

At the heart of this legislation is the strategic petroleum reserve, which in my mind is a stockpile that will permit us to fulfill our promises overseas. With passage of the Omnibus Budget Reconciliation Act of 1981, the Congress reaffirmed its interest in seeing DOE fill the SPR as rapidly as possible. Congress saw fit to appropriate some $3.7 billion of off-budget funds in fiscal year 1982 for crude oil acquisition. These funds were expended in order to fill the reserve at an annual rate of 330,000 barrels per day during the last calendar year.

Since year end, however, the SPR fill rate has dropped considerably and by the end of fiscal 1982 the country will still be a long way from its 750-million-barrel goal and substantially short of the 500-million-barrel requirement in this legislation.

During deliberations in committee, we determined that DOE should take full advantage of a softness in world oil prices in order to continue this buildup despite the lack of permanent storage. There is ample interim storage available for the SPR, presently totaling some 200 million barrels. By mandating a 300,000 barrel per day fill rate until there are 500 million barrels in the SPR, we can signal DOE to get on with the immediate job of acquiring crude oil and interim storage facilities.

Mr. President, a 500-million-barrel SPR, which can be reached in 1984 with this legislation, is a sizable commitment to national security and will let our friends and foes alike know that the United States is truly serious about our domestic energy and economic security. Without doubt, these are the cornerstone elements of a sound national defense.

I am sure that all of my colleagues understand and appreciate the substantial resources which are devoted by this Nation for defense of the Persian Gulf, from which we receive half of our total crude oil imports. To back away from a 300,000-barrel fill rate for the SPR will only increase the chances that unfriendly powers will invite us to use our defense capabilities in the Persian Gulf.

The SPR is a strategic instrument for avoiding war. It lessens our dependence on one of the most unstable regions in the world. With a full SPR, our economy will not come to a halt in the event of a prolonged supply disruption. We will be less subject to economic and political blackmail from the more extremist nations in our foreign policy dealings.

The SPR represents our ability to deliver on our military and economic commitments to allies in time of international emergency. In case of an oil supply disruption, we will have sufficient stocks of oil available not only for our needs, but also to share with our allies. This strengthens our alliances and, because of the interdependent nature of the world, our own domestic economy as well.

In short, the SPR is the best insurance policy we have. It helps to protect our economy in the event of a supply disruption. It reduces our vulnerability to the most radical nations in an unstable part of the world. And it helps us keep our military and economic commitments with our allies. How can we ever measure the cost of all of that?

We have proven our ability to reach the 300,000 barrel per day fill rate and it is up to us to now demonstrate that the country can sustain this objective. For the Senate to do anything else would create the perception that our national security is for sale, and that we are prepared to retreat from promoting a sound energy policy throughout the free world, a strong industrial base at home, and peace in the Middle East. I urge Senators to support Senator McClure on this issue and to adopt the bill as reported by the Energy Committee.

Mr. President, I ask unanimous consent to have printed in the Record a memorandum in connection with this matter.

There being no objection, the memorandum was ordered to be printed in the Record, as follows:

MEMORANDUM: ECONOMIC ARGUMENTS SUPPORTING S. 2332

S. 2332, as amended, would require the President to acquire petroleum for the Strategic Petroleum Reserve ("Reserve") at an average annual rate of at least 300,000 barrels per day until the quantity stored in the Reserve is at least 500 million barrels. This requirement is to take effect July 1, 1982. Since permanent storage capacity would not be sufficient to meet this new fill rate, the bill also permits interim storage of oil as necessary to ensure the 300,000 target.

Opponents of the 300,000 barrel figure, including the Administration and Senator Pete Domenici, maintain that it would cost an additional $3.6 billion in budget authority for fiscal year 1983 and 1984 over and above an already budgeted $5.8 billion for those two years.

It is important to point out that the Energy Committee's recommended budget authority for fiscal year 1983 is no higher for the Reserve than what was approved for fiscal year 1982. There is a small increase sought on budget for construction of new storage facilities as part of the master SPR plan, but the Committee is seeking no increase for SPR oil acquisition activities. This legislation is therefore totally consistent with the Senate and House Budget Resolutions, both of which envision a freeze on discretionary spending accounts for the next three years. Continuing funding at last year's level would allow the government to take advantage of the glut on the oil market that everyone agrees will not last much longer.

More importantly, however, what is omitted by opponents of this legislation is a discussion of the savings that accelerated purchases would entail for the future years (1985-86) of the SPR program. And if the Administration is indeed committed to completing the 750 million barrel SPR, as it says it is, this is the only honest way to look at the total budget impact of S. 2332.

How much are we talking about in the way of savings?

The Congressional Budget Office (CBO) has estimated that $2.9 billion in additional outlays for fiscal years 1983 and 1984 for oil acquisition would be necessary to reach the 300,000 mandate. CBO estimates that those costs would be more than balanced by savings from accelerated purchases of $3.3 billion in fiscal years 1985 and 1986.

The CBO estimate assumed a per barrel average price of $35.46 in fiscal year 1983. Each drop of $1.00 below that figure would save an additional $30 million. Additional savings here are quite possible, especially when you consider that the average price of oil per barrel in the first quarter of 1982 was $32.52, according to the Department of Commerce.[1]

The CBO has also estimated total interim storage costs of $400 million for the years through 1985, after which permanent storage capacity is expected to be sufficient to cover SPR requirements.[2]

Thus, over the full cycle of the SPR program, which is what we really should be talking about, the net additional program cost to the taxpayer is zero and that includes the full costs of interim storage.

And there is the possibility of real savings in the event of sharp price increases in the future.

In his testimony before the Committee on May 6, William Vaughan, Assistant Secretary for Environmental Protection, Safety and Emergency Preparedness of the Department of Energy, agreed that the buyers' market in oil is temporary:

"I haven't heard many people talking about expecting the price to stay down more than a couple of years at the outside . . . [and] there are some who think it will go a little lower."

And what did he think would be the budget impact of accelerated oil purchases? "My expectation is that we would save some money."

The Committee's recommendations are realistic in that they recognize the tight budgetary conditions now prevailing. No additional expenditures beyond the level approved in fiscal year 1982 are requested for 1983. Just holding the line at 1982 levels will be sufficient to meet the 300,000 annual rate, pay for the interim storage program, and still realize substantial savings for the out years of 1985 and 1986.

● Mr. **DURENBERGER**. Mr. President, once again, the Senate is considering legislation to establish a national policy for petroleum disruptions. Having been to the floor so many times in recent weeks on this question, I am beginning to see these debates as a regular part of my monthly schedule.

Today, I will, once again, urge my colleagues to adopt legislation reported by the Energy Committee that would assure preparedness in the event of future petroleum disruptions. Many of the arguments in my statement have been made before, in relation to authorizations for the strategic petroleum reserve or in the debate on S. 1503, the Standby Petroleum Allocation Act.

There is one new development, however, which I would call to the attention of my colleagues. And that is the current situation in regard to primary crude oil and petroleum product stocks.

When the President vetoed S. 1503, he indicated that he was doing so because he felt that it would discourage emergency preparedness by the private marketplace. Even though the authority in S. 1503 was completely discretionary—and even though it was clear that this President had no intention of using that authority—various administration officials argued that the mere existence of the authorities contained in S. 1503 would lead some in the marketplace into the false belief that the Government would bail them out in case of a disruption.

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[1] $1 billion will purchase 28 million additional barrels of oil at $35.46 per barrel. A decrease of each $1.00 on the price for 28 million barrels will save the government approximately $30 million.

[2] This assures an average cost of $2.74 per barrel (total of 147 million barrels), 8¢ higher than the turnkey operation for 20 million barrels proposed by the Coastal Corporation of Houston, Tex.

It was argued that this false sense of security would discourage private stockpiling and would thus actually be harmful to our desires for more adequate preparedness.

When the Senate debated the President's veto message on S. 1503, I took some time to point out that our experience with private stocks did not offer much comfort to those who want this Nation to be well prepared for future shortfalls. In fact, I tired to argue that the incentives of the marketplace work in precisely the opposite direction. These incentives discourage private stockpiling during periods of stable or declining prices and encourage hoarding when prices rise as the result of a disruption.

We had this experience in 1978 and 1979. During that summer just before the Iranian revolution, private stocks fell to extraordinary low levels and we were unprepared for the events of that fall and the following spring. When Iran's production was interrupted by the revolution, prices rose rapidly. This small and short-term disruption was made more severe because some portion of the crude that was available was used to rebuild inventories. That inventories increased while consumers were standing in gas lines should surprise no one. That is the law of the marketplace: Decrease inventories when prices are falling, increase inventories when prices are rising.

Mr. President, I call attention to these events because I fear that we are in another period when we are seeing the same forces at work with the same deterimental effect to the Nation's security. Since the veto of S. 1503, the Nation's primary stocks of crude oil and petroleum products have not increased to reflect marketplace preparedness. Rather, they have declined drastically and are continuing to drop.

Imports are down. Refineries are operating at 64 percent of capacity. Product inventories are declining at the rate of 1 to 2 percent per week. According to the Department of Energy, gasoline and distillate stocks have reached points near or below the minimum for efficient operation of our petroleum supply system. Is this the kind of preparation that we desire? Are these the forces that we should rely upon to protect our economy and our Nation's security over the long term?

I do not blame the marketplace for the current state of our crude oil and petroleum inventories. They are dangerously low and headed in the wrong direction, if one views them from the perspective of the public's interest. But they result from perfectly understandable actions taken by business operation in an uncontrolled marketplace. That is to say, Mr. President, something which I tried to say in the debate on S. 1503. The public's interest and the interests of the producers and refiners operating in the oil marketplace are not compatible when it comes to preparing for an oil disruption. It is simply wrong-headed to argue that the energy marketplace is our best defense against oil emergencies. Today, right now, the marketplace is working to leave us unprepared for future disruptions. That is why we must continue to come to the floor and debate these issues until we finally have an effective and coherent national energy policy. It is important that we do so because we do not yet have such a policy. By all accounts, the current policy is not adequate.

Mr. President, last fall the General Accounting Office released a very disturbing report. After months of investigation, the GAO found:

> The United States is little better prepared for a disruption of oil imports than it was for the 1973 Arab oil embargo. The executive branch must bear primary responsibility for our vulnerability. The Executive has never given energy emergency preparedness the priority and attention it deserves and the Department of Energy (DOE) especially has never mounted an adequate contingency planning effort.
>
> The inadequate state of the Nation's emergency preparedness 8 years after the 1973 embargo is a serious problem requiring immediate attention. We believe the Federal Government should take prompt and concerted action to counter this serious potential threat to national security. There are numerous steps which can be taken in the immediate future to significantly improve the Nation's ability to cope with oil supply disruptions. If maximum efforts are made, results could be in place within a year. We also believe that within 3 to 4 years dramatic progress could be made in preparing ourselves for disruptions.

Mr. President, we would not even consider depositing funds in a bank account if we did not know how and when we could withdraw them. The SPR reserves are our money in the bank. We have incurred great expense to fill salt domes in the South with millions of barrels of oil. Why have we refused to determine how and when those reserves will be drawndown? Commonsense tells us that we must insure our investment by planning how we will distribute them when they are needed.

We have all sorts of contingency plans to meet a range of crises that we as a Nation might face some day in the future.

Our armed services have detailed plans for meeting enemy attacks by land, sea, and air. We have worked closely with our NATO allies to draw up specific plans to meet an invasion by the Warsaw Pact. We have calculated where those incursions are most likely to occur, in what numbers, with what types of equipment, and for how long. NATO has evaluated its joint capabilities to deter such an attack. These important details cannot be left to fate. Although some may find fault with our current plans, at least we have some notion of how we propose to respond and can continually review and refine those proposals.

Our Nation's civil defense programs are based on the same logic. Police, fire, and hospital personnel have drawn up detailed plans for responding to crises causes by hurricanes, tornadoes, and floods. Each community knows how it will meet the needs of its residents during such a disaster.

These are just two examples of why this Nation has determined that it must know how it will respond to an emergency. The same logic that compels us to plan for our national security and civil defense compels us to plan how we will keep this country functioning during a sudden and unpredicted reduction in the availability of our petroleum supplies. The amount, rate, and timing of the distribution of the SPR supplies must be geared to those who will need the oil the most.

Mr. President, I am not alone in believing that these are compelling reasons for requiring a drawdown plan for the SPR. The General Accounting Office (GAO) conducted a lengthy study of the SPR and drew several conclusions. In their judgment, the United States must do six things to insure that we will be able to deal with another energy crisis: increase the oil available for emergency use via industry stocks, the SPR, and surge oil production; replace the crude oil and product allocation authority which expired in September 1981 with authority for an improved emergency distribution system; explore ways to counter disruptions, such as emergency taxes with rebates; overhaul our demand restraint plans; assess our natural gas supplies, deliverability, and switching capability; and develop a more effective international energy emergency preparedness program.

The GAO conducted an extensive investigation of our Nation's emergency allocation plans and published their results in September 1981. In their analysis, they used an estimated shortfall of 3 million barrels per day. Although 3 million barrels per day is a more severe shortfall than we have experienced to date, it is not as serious a reduction as could conceivably occur, given the present state of affairs in the Middle East. The GAO concluded:

> The United States would be lucky to offset one-third of the shortfall with programs now in hand. Even more depressing is the fact that several of the estimates which account for the modest offsets are optimistic.

This is not good news for the Congress or for the American people. The only ones who would be pleased by such a conclusion are those who would some day want to hold America hostage to petroleum blackmail.

The GAO investigators asked the same question that motivated me to propose my amendment on a drawdown plan for the SPR. What must be done to insure allocation of existing SPR reserves? Their conclusion was a terse, one line reply: "The Federal Government must get serious about planning for oil supply disruptions."

The problems of the SPR are compounded because the Department of Energy's SPR plans do not specify precisely the kind of information we would need to have available during a supply disruption; that is, the amount, rate, and timing of the drawdown, and the method of distribution. This information is critical if we are to make the best use of our limited SPR reserves.

Moreover, we must coordinate the distribution of SPR supplies with the emergency allocation plans of the International Energy Agency (IEA). As the GAO noted:

> The United States has not effectively integrated its domestic contingency planning and programs with its IEA commitment. IEA emergency programs require each country to be capable of restraining demand by 10 percent and to maintain emergency reserves equivalent to 90 days of net oil imports. The United States has done neither. Consequently, in a major oil supply disruption that affects all IEA nations, one of two things is likely. Either we do not fully honor our obligations to other IEA countries, which would damage our broad economic, political, and national security relationships, or we honor our commitments, sustaining a greater supply shortfall than we would if properly prepared—with all the adverse economic consequences that the latter implies.

Mr. President, the GAO report is exhaustive and conclusive. We are not prepared to meet an unexpected disruption in oil supplies. It is imperative that we develop workable plans as soon as possible. If the executive branch will not do so voluntarily, then the Congress must do so legislatively. It is essential that the Congress exert its influence in determining this Nation's energy policy.

The amendment I introduced, and which has been incorporated into the bill now before the Senate, requires that the President draft a drawndown plan for the SPR before December 1, 1982. It would require the President and the Department of Energy to critically review existing stocks and refining capacity and determine how these supplies would be distributed throughout the country. This is a formidable task. It will not be easy to do now, when we face no shortfall. One can only imagine the confusion that would exist if such contingency plans had to be drawn up in the midst of a crisis. With private domestic stocks of petroleum falling rapidly in the last 6 months, this task becomes increasingly more imperative. We will not be able to rely on the marketplace to distribute existing private stocks if these stocks are being systematically drawn down.

It is therefore imperative that the petroleum supplies held in the strategic petroleum reserve be made available in a timely and efficient manner. Only forethought and planning can accomplish such a distribution. The evidence I have already cited makes it increasingly clear that we are not prepared for another disruption. It is time to make those difficult choices about the SPR and present a plan to the Congress now while we have the time and resources to plan. The drawn down plan will be a first step in insuring that our Nation and our economy will be able to function during a serious petroleum disruption.

I thank the distinguished chairman of the Senate Energy Committee for his leadership, cooperation, and assistance in seeing that the committee accepted my amendment. Through his persistence, he has insured that this issue continues to receive the attention that it deserves. It has not been easy for either of us to oppose a President of our own party, whom we respect and admire. But it is essential that the Congress exert its influence in determining this Nation's energy policy.●

The **PRESIDING OFFICER**. Who yields time?

Mr. McCLURE. Mr. President, I yield myself such time as I may consume.

UP AMENDMENT NO. 1001

(Purpose: Committee Technical Amendment)

Mr. McCLURE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER**. The clerk will report.

The bill clerk read as follows:

> The Senator from Idaho (Mr. McClure) proposes an unprinted amendment numbered 1001.

Mr. McCLURE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The amendment is as follows:

> On page 6, line 23, after "shall" begins a new paragraph and insert "(1)" and on line 25 insert before the first period a semicolon, the word "or", and the following new paragraph:
>
> "(2) grant any authority to the President to respond to a reduction in the amount of petroleum products available to the United States which is not otherwise available to him under existing law".

Mr. McCLURE. Mr. President, this amendment has been cleared on both sides of the aisle. The amendment would clarify one aspect of the reporting requirements in section 2 of the bill.

The amendment makes clear that section 2 grants to the President no new authority to take any action during an energy emergency. Although section 2 contains certain requirements regarding the content of the interim report and the final emergency preparedness response procedure, such requirements cannot be construed to provide the President with any additional authority.

The authority to implement the programs described in the response procedure must be derived from existing law, not from the statutory requirement that such actions be included in the response procedure.

I know of no objection to the amendment.

The **PRESIDING OFFICER**. Is there objection to the amendment?

Mr. McCLURE. Has the amendment been agreed to?

The **PRESIDING OFFICER**. The Chair advises the Senator the amendment may not be agreed to until all time is yielded back.

Mr. McCLURE. Mr. President, I am prepared to yield back all time on the amendment.

Mr. JOHNSTON. I yield back my time.

The **PRESIDING OFFICER**. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Idaho.

The amendment (UP No. 1001) was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to., m

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1002

(Purpose: Clarifying Amendments to Section 251 and 252 of the Energy Policy and Conservation Act)

Mr. McCLURE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER**. The clerk will report.

The bill clerk read as follows:

> The Senator from Idaho (Mr. McCLURE) for himself and Mr. Durenberger proposes an unprinted amendment numbered 1002.

Mr. McCLURE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The amendment is as follows:

> On page 2, line 3, redesignate "Section 1" as "Section 1. (a) Extension.—" and add the following new subsection after line 6:
>
> "(b) Limitations.—(1) Section 251 of the Energy Policy and Conservation Act is amended by adding a new subsection as follows:
>
> "(e) No rule under this section may be put into effect or remain in effect unless—

BEST [illegible] AVAILABLE

"'(1) an international energy supply emergency, as defined in the first sentence of section 252(1), is in effect; and

"'(2) the measures provided for under Chapters III and IV of the international energy program have been put into effect or remain in effect pursuant to such chapters.'.".

"(2) Section 252 of the Energy Policy and Conservation Act is amended by adding a new subsection as follows:

"'(m) The authority granted by this section shall apply only to the development or carrying out of voluntary agreements and plans of action pursuant to Chapters III, IV, and V of the international energy program.'".

Mr. McCLURE. Mr. President, when the international energy program, the "IEP," was established in November 1974, the 16 countries participating in the program were acting in the aftermath of an oil embargo. The purpose of the IEP was to provide a mechanism for the sharing of reduced oil imports among the participating nations during a severe oil supply disruption. A severe disruption was specifically defined as a reduction equal to at least 7 percent of average daily consumption in any participating country. Since this definition is contained in the original agreement creating the IEP, there is no question that international oil allocation pursuant to the IEP was intended to occur only in the event of a true crisis—a severe disruption in supplies.

The statutory authority for U.S. participation in the IEP is found in sections 251 and 252 of the Energy Policy and Conservation Act and is expressly confined to the original 1974 agreement. Section 251 authorizes the President to require U.S. oil companies to take whatever action he deems necessary if the IEP oil sharing system is activated and the United States is called upon to participate. Section 252 authorizes U.S. oil companies to participate in the various IEP programs and activities, and it also provides a limited defense against any antitrust suits that may be brought against U.S. oil companies participating in the IEP.

Mr. President, 7½ years after the signing of the IEP agreement, we are confronted with what may amount to a major modification of the intent behind the agreement. During 1981, the International Energy Agency considered the question of how member countries might best respond to so-called "subcrisis situations," that is, those disruptions in oil supplies that fall short of the 7-percent trigger necessary to activate the oil sharing system of the IEP. The IEA's review was completed on December 10 of last year, when the Governing Board of the IEA reached a decision that committed member countries, in the event of a subcrisis supply disruption, to meet promptly and decide what action, if any, they should take.

The U.S. delegation welcomed the decision, but it noted in a clarifying statement that the agreement does not commit IEA countries in advance as to the specific actions which they might take in such circumstances, and any actions taken must be consistent with national law and the IEP agreement.

Mr. President, if this country, in responding to a subcrisis disruption, will take only those actions that are consistent with U.S. law, then an obvious question arises: What U.S. laws apply to subcrisis situations? I referred a moment ago to sections 251 and 252 of the Energy Policy and Conservation Act. Those provisions do not apply to subcrisis situations.

Last week, the Departments of State, Justice and Energy, in response to questions from the Committee on Energy and Natural Resources, provided the following joint opinion on the irrelevance of sections 251 and 252 to subcrisis situations.

> The December 10, 1981 decision by the IEA Governing Board has no independent legal significance in authorizing activities pursuant to supply shortfalls below the seven percent level currently specified in the IEP. Any authorization for either governmental or company action in such situations must be found in existing legal authority. Sections 251 and 252 of EPCA only provide authority for carrying out certain provisions of the IEP as originally signed.
>
> The absence of any independent legal authority authorizing governmental of company actions to supplement market forces in a subcrisis situation means the United States Government cannot direct companies to take action in a subcrisis situation. Thus, Section 251 provides no authority to order specific company actions nor can Section 252 be invoked to provide an antitrust defense for any new activities not within the allocation and information provisions of the IEP.

The amendment I am offering does nothing more than expressly confirm in statutory language the administration's interpretation of the scope of U.S. law, as it applies to oil allocation under the IEP. Some may ask, why is this amendment necessary if there is no ambiguity about the scope of sections 251 and 252? The answer to that question is this: There appears to be a consensus within this administration on the meaning of the law, but this may not be the case with future administrations or within the IEA Governing Board.

Article 22 of the IEP agreement provides that:

> The Governing Board may at any time decide by unanimity to activate any appropriate emergency measures not provided for in this agreement, if the situation so requires.

The argument has been made that article 22 confers authority on the IEA Governing Board to trigger an allocation system during a subcrisis situation, and that the section 252 antitrust defense would then be applicable to U.S. oil company participation in the allocation program. This argument is incorrect, section 252 would not apply in that situation.

By amending sections 251 and 252 as I have proposed, we would hopefully avoid misinterpretations of those provisions by future administrations here in the United States, by other IEA countries, or by the IEA itself. We would thus insure that the authority conferred by sections 251 and 252 will apply only to crisis situations—those involving at least a 7-percent shortfall—in accordance with the intent of the Congress.

Mr. President, this amendment is a clarifying amendment to sections 251 and 252. It has been cleared on both sides of the aisle, and I know of no objection to the amendment.

Mr. JOHNSTON. Mr. President, there are two issues addressed by this amendment. The first question is: Does the President have any authority to take actions pursuant to section 251 of EPCA in the absence of an international energy supply emergency and activation of the international oil allocation system?

The second question is: Does the antitrust defense granted by section 252 of EPCA extend to any activity other than those specifically provided for in the agreement on an international energy program?

The amendment makes it clear the answer to both of these questions is a simple "No."

The amendment does not change the result that would be reached under existing law. However, it is useful because it provides a simple statutory answer to questions that have been asked about the existing law and that have been difficult to answer without an extensive knowledge of the history of EPCA and our involvement in the international energy program.

I know of no opposition to this amendment.

Mr. McCLURE. Mr. President, I yield back the remainder of my time on the amendment.

The **PRESIDING OFFICER**. Does the Senator from Louisiana yield back all of his time?

Mr. JOHNSTON. I yield back all of my time.

The **PRESIDING OFFICER**. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Idaho.

The amendment (UP No. 1002) was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1003

Mr. McCLURE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The clerk will report.

The bill clerk read as follows:

The Senator from Idaho (Mr. McClure) proposes an unprinted amendment numbered 1003.

Mr. McCLURE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

On page 11 strike lines 14 through 17 and insert:

"Such information shall be of the types necessary to achieve the purposes of this part and to ascertain in the event of a shortage of petroleum products the effects of such shortage on public health, safety, and welfare."

Mr. McCLURE. Mr. President, this amendment would strike lines 14 through 17 on page 11 of the bill. Section 6 of the bill would require the collection of information that would be vital during a severe petroleum shortage.

If such a shortage should occur, the information would enable the Government to determine the dimensions of the shortage, how serious it is, which States and areas of the country are the most affected, and the nature of the adverse impacts.

Most importantly, the information would enable us to monitor the operation of the free market and to determine whether free market allocation and pricing are actually working.

The information would also enable us to judge whether any particular actions by individual States are unduly interfering with the operation of the free market, and we could also better judge the effectiveness of particular actions by the Federal Government in response to a supply interruption.

It is for these reasons Mr. President, that section 6 should be retained in the bill. While this amendment strikes lines 14 through 17 it substitutes for those lines the following language:

Such information shall be of the types necessary to achieve the purposes of this part and to ascertain in the event of a shortage of petroleum products the effects of such shortage on public health, safety and welfare.

Mr. President, again this amendment has been cleared on both sides of the aisle, and I know of no objection to the amendment.

Mr. JOHNSTON. Mr. President, I have no objection, and I yield back the remainder of my time.

Mr. McCLURE. I yield back the remainder of my time.

The **PRESIDING OFFICER.** All time having been yielded back, the question is on agreeing to the amendment of the Senator from Idaho.

The amendment (UP No. 1003) was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The **PRESIDING OFFICER.** Who yields time?

Mr. McCLURE. Mr. President, I suggest the absence of a quorum with the time to be equally charged.

The **PRESIDING OFFICER.** The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

UP AMENDMENT NO. 1004

(Purpose: To require an average annual fill rate of 208,000 barrels per day for the Strategic Petroleum Reserve)

Mr. DOMENICI. Mr. President, I send to the desk an unprinted amendment on behalf of myself, Senator Hatfield, and Senator Nickles, and I ask for its immediate consideration.

The **PRESIDING OFFICER.** The clerk will report.

The bill clerk read as follows:

The Senator from New Mexico (Mr. Domenici), for himself, Mr. Hatfield, and Mr. Nickles, proposes an unprinted amendment numbered 1004.

Mr. DOMENICI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

On page 7 line 19, strike all through line 16 on page 8, and insert in lieu thereof, the following:

"(c)(1) The President shall immediately undertake, and thereafter continue, petroleum products acquisition, transportation, and injection activities at a level sufficient to assure that petroleum product in permanent or interim storage facilities in the Strategic Petroleum Reserve will be increased at an average annual rate of at least 208,000 barrels per day during fiscal year 1983.

"(2) The President shall seek to continue petroleum product acquisition, transportation, and injection activities at a level sufficient to assure that petroleum products in permanent or interim storage facilities in the Strategic Petroleum Reserve will be increased at an average annual rate of at least 300,000 barrels per day until the quantity of petroleum products stored within the Strategic Petroleum Reserve is at least 750,000,000 barrels.".

Mr. DOMENICI. Mr. President, a parliamentary inquiry.

The **PRESIDING OFFICER.** The Senator will state it.

Mr. DOMENICI. Is this the amendment now where we have 2 hours, 1 hour on each side?

The **PRESIDING OFFICER.** The Senator is correct.

Mr. DOMENICI. I might say to the distinguished manager of the bill and the ranking minority member it is not the intention of the Senator from New Mexico to use the full hour, and I know of no one who wants to come down and speak, so I would be prepared perhaps to cut that in half, but let us proceed. I am telling the Senator that information in advance and I hope we will not have to use all of the time.

Mr. President, to open this debate, I want to read a paragraph from a letter from the President of the United States sent to me on May 24 of this year regarding this amendment.

In that letter, the President said:

I understand that the Senate has under consideration a proposal that would increase very substantially the amount spent for the Strategic Petroleum Reserve in fiscal year 1983 and fiscal year 1984. Although my administration has placed a very high priority on getting oil into the SPR, I do not believe that we can justify borrowing an additional $3.6 billion over the next 2 fiscal years to support an accelerated fill program using high-cost temporary storage.

Mr. President, I ask unanimous consent that the entire letter dated May 24 be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

THE WHITE HOUSE,
Washington, D.C., May 24, 1982.

Hon. Pete V. Domenici,
U.S. Senate,
Washington, D.C.

Dear Pete: Last Friday, with your leadership, the Senate adopted a budget resolution for the next three years that will help keep our Nation on the path to economic recovery.

But the real challenge lies ahead of us. We must work closely to maintain budget discipline as the Congress enacts spending legislation governing the coming years.

I understand that the Senate has under consideration a proposal that would increase very substantially the amount spent for the Strategic Petroleum Reserve in fiscal year 1983 and fiscal year 1984. Although my Administration has placed a very high priority on getting oil into the SPR, I do not believe that we can justify borrowing an additional $3.6 billion over the next two fiscal years to support an accelerated fill program using high-cost temporary storage.

I want you to know that I strongly support the amendment to S. 2322 that you and Mark Hatfield plan to offer. The Domenici-Hatfield amendment protects the basic goals of the SPR program while maintaining fiscal discipline.

Sincerely,

Ron.

Mr. DOMENICI. Mr. President, on yesterday, I was joined by my distinguished friend and the chairman of the Senate Appropriations Committee, Senator Hatfield, and the distinguished junior Senator from Oklahoma in a letter that we sent to our colleagues about this amendment. I ask unanimous consent that the "Dear Colleague" letter signed by the distinguished chairman of the Appropriations Committee, Senator **Nickles** and myself, be printed in the **Record**.

There being no objection, the letter was ordered to be printed in the **Record**, as follows:

U.S. Senate,
Committee on Energy
and Natural Resources,
Washington, D.C., May 25, 1982.

Dear Colleague: The Senate will soon consider S. 2332, the Energy Emergency Preparedness Act. As reported from the Committee on Energy and Natural Resources, the bill would amend several provisions of existing law and one of these changes is significant enough that we believe it deserves your attention. This change would increase Treasury borrowing by $3.6 billion over the next two fiscal years (with an increase in attendant on-budget expenditure for interest on the public debt by at least $850 million between 1983 and 1987). We will be proposing an amendment at the time S. 2332 is considered by the Senate to return to the formulation in existing law and to authorize a minimum fill rate of approximately 200,000 barrels per day for fiscal year 1983.

The Strategic Petroleum Reserve (SPR) is a vital element in our emergency planning for the circumstance where crude oil supplies imported to the United States might be cut off. The average fill rate has been over 300,000 barrels per day and by the end of 1982 we will have the capacity to replace all the Arab OPEC oil presently being imported to the United States for up to 200 days. The fill rate has been so high that now new capacity needs to be built in order to accommodate further capacity. As such, the Administration has requested funds to achieve a fill rate of approximately 200,000 barrels per day during fiscal year 1983.

The Committee on Energy and Natural Resources has reported a bill, S. 2332, the Energy Emergency Preparedness Act, which would mandate a fill rate of 300,000 barrels per day. This fill rate results in the increased Treasury borrowing of $3.6 billion over the next two fiscal years (with the attendant on-budget expenditure for interest on the public debt of at least $850 million). This level of fill rate would also necessitate the use of temporary storage (e.g. above ground steel tanks or surplus ocean-going tankers) which would cost between $690 million and $1.4 billion according to the General Accounting Office. Existing law requires that the President "seek" to fill the SPR at 300,000 barrels per day. The reported bill, S. 2332, would mandate that he fill the Strategic Petroleum Reserve at that rate. Our amendment would return to the formulation in existing law and authorize a minimum fill rate of approximately 200,000 barrels per day for fiscal year 1983. The budget effect is shown in the table below.

PROJECTED SPR BUDGET

[Dollar amounts in billions]

	Domenici-Hatfield (administration budget)	Energy Committee (S. 2332)	Added deficit borrowing
Fiscal year 1983	$3.1	$4.4	+$1.3
1984	2.7	5.0	+2.3
Total	5.8	9.4	+3.6

Recently, we received correspondence from President Reagan on this issue. He wrote:

"I understand that the Senate has under consideration a proposal that would increase very substantially the amount spend for the Strategic Petroleum Reserve in fiscal year 1983 and fiscal year 1984. Although my Administration has placed a very high priority on getting oil into the SPR, I do not believe that we can justify borrowing an additional $3.6 billion over the next two fiscal years to support an accelerated fill program using high-cost temporary storage."

We believe our amendment provides a balance between our efforts to fill the SPR and those aimed at a speedy economic recovery. We ask for your support during the consideration of S. 2332.

Sincerely,

Mark O. Hatfield,
Pete V. Domenici,
Don Nickles.

Mr. **DOMENICI**. Mr. President, I want to discuss from this letter for a moment what I see to be the crux of this issue. That letter contains, on the bottom of the first page, a summary of the issue.

Fiscal year 1983, the Energy Committee bill before us mandates—and I would stress the word "mandates"—the expenditure of $4.4 billion because it mandates at least 300,000 barrels a day in SPR.

Mr. President, for fiscal year 1984, this bill before us, again, mandates $5 billion for SPR. The amendment that I have pending, that I am joined in by the distinguished chairman of the Appropriations Committee, says that the President does not have to, is not mandated to, fill it at 300,000 barrels a day. He could do that, I guess, if he wants to and if the appropriators appropriate the money. But it says that he shall continue to fill it at 208,000 barrels a day, leaving the flexibility with the President between those numbers.

Let me say for the Senate that we had a budget resolution that we debated here for about a week. We had solemn amendments that we took up dealing with $300 or $400 million that if you heard Senators argue you would think it was the end of the world for some major education programs if we did not add $300 million. And we had amendments saying, "If you do not add $500 million to the $24 billion veterans function, we are in big trouble."

Now let us not be misled We have put SPR off budget, but we will borrow $3.6 billion additional dollars and the President will have no latitude and the appropriators will have to do this—$3.6 billion over the next 2 years to put 300,000 barrels a day of oil in the strategic reserve.

Mr. President, if this President and this administration had not done justice to SPR, if they had not taken the challenge and begun to truly buy oil and fill SPR, there would be reason to say, "You are not doing very well. We are going to mandate 300,000 barrels a day although you are at 208,000. Although there will not be enough storage at 300,000 and you will have to build a whole lot of temporary storage around the country, we are just telling you you are going to do that."

And I ask: to what end? Filling it at the 208,000-barrel-a-day level by the end of the 2-year authorization will give us 200 days' supply, as far as Middle East cartel oil. And, Mr. President, it will probably all be accommodated in the permanent-type facilities that we have finally learned how to manage.

I am not striking that portion of the bill that would permit the administration to build temporary storage if they see fit and to put some of this oil in temporary facilities. Perhaps that would be a good part of planning. Neither am I arguing with the planning process that the distinguished junior Senator from Louisiana spoke so eloquently about on a drawdown plan. I hope the President will sign this bill with that kind of language in it. I think we need that for our country, when we have that many millions of barrels of oil in the ground for a disaster—that is, a serious cutoff—we ought to have a drawdown plan; even if it is not perfect, we ought to know how it works.

But that is not the issue here. The issue here is whether or not we want to give this President—this President who has done a fantastic job of filing SPR. He went into office with Saudis and others saying, "You can not do it." He took over from a President who refused to do it because it might offend the Middle East oil barons and he has been filling it at a maximum amount. And he says, "I will keep on doing that, but we do not need to mandate 300,000 and I will do my best and 208,000 may be what I put in that reserve."

Incidentally, while this is all off budget, what is on budget will be the new facilities we will have to build. What is on budget is the interest we are going to have to pay on this, and that is only $700 million-plus as I understand it. And that is not provided, the new construction that will have to take place, because we cannot fit 300,000 in these permanent facilities. The money for that is not in the budget. I assume the appropriators can find it somewhere. But we certainly did not assume it.

Now, in a nutshell, I believe the Energy Committee is right, after having lost the battle with the President on his veto of the previous bill with reference to planning and allocation in the event of a crisis, I believe they are right in this bill in directing that some serious planning take place with reference to the strategic reserve.

Mr. McCLURE. Will the Senator yield for one question? I am a little puzzled and would like to know where he got the figure of $700 million, unless he is assuming that the administration does not ever intend to build the additional storage facilities.

Mr. DOMENICI. The fill rate would necessitate the use of temporary storage above ground which would cost between $690 million and $1.14 billion, according to GAO.

Mr. McCLURE. According to GAO. When was that figure derived? The reason I ask that question is because, very obviously, if you buy above-ground storage now you do not have to buy the below-ground storage later and, second nobody really knows what the actual cost will be because no one has asked to solicit any bids.

Mr. DOMENICI. The distinguished Senator form New Jersey, Senator BRADLEY, requested it and on May 21 he received it.

Mr. McCLURE. On the above ground storage cost?

Mr. DOMENICI. The feasibility and the cost of interim storage in the petroleum reserve.

Mr. McCLURE. Then the Senator is assuming that the above-ground storage costs are not a substitute for below-ground storage cost, that there is no trade off?

Mr. DOMENICI. No, I am not assuming that. I am just stating these facts. I do not think that is a terribly important part of my argument.

Mr. McCLURE. $700 million is a fairly important part of the argument. I will not take the Senator's time now to belabor that subject, except that the figure is a little startling. I must assume that is the net additional cost and that it assumes no substitution or trade off at all.

Mr. DOMENICI. Let me try to answer it. I do not mean to talk as if it is not important. I will get the Senator an answer shortly.

Let me reveiw again why I think it is so important. The issue the Senator raises I can try to handle shortly and will.

The sum and substance of this argument, however, is that there is absolutely no justification for mandating this President to fill, at 300,000 barrels a day which could cost $3.6 billion in extra borrowed money, when 208,000 barrels, which is what we say in our amendment, is what he is ordered to do and will give us a 200-day supply. It will be accommodated in the present facilities. It will not require, in these very difficult economic times, large expenditures for new temporary facilities to store, especially when this President is saying "Do not mandate me. I will do 208,000. Let me merge this 300,000 into our total economic thinking. After all, we are having to borrow billions of dollars to pay on the national debt. Can you not give me a little latitude if I see fit to save $3.6 billion and still have a whopping reserve compared to what I inherited, compared to what the previous administration had done, and, actually, compared with anything that most of us thought would really occur?"

Basically, it is an economic issue. There will be arguments that it is in out national defense. There will be arguments that it will be cheaper now than later. Mr. President, if you have to go through this whole budget, you will hear that on everything. The military needs more now rather than later and it is cheaper now rather than later. Even that budget cut, the defense budget cut being just over $20 billion, with those thinking that every bit of that was needed in the national interest, that we should not take any risks, but the economy is the big risk; $3.9 billion that we can save in borrowed money is important. If the President can do that in the next few years along with other savings, with the budgetary policies we are making and taking, we might have a chance to recover from this recession and the doldrums we are in.

In fact, I do not think we should have mandated 300,000, when you look at the performance of the President. I just do not think it was necessary.

Mr. WARNER. Will the Senator yield for a question?

Mr. DOMENICI. Yes.

Mr. WARNER. Would the Senator state what the years are that this sum is spread over?

Mr. DOMENICI. 1983 and 1984.

Mr. WARNER. Is the impact of your judgment on 1983 and 1984?

Mr. DOMENICI. Yes; 1983 is $1.3 billion added deficit borrowing; 1984 is $2.3 billion added deficit borrowing. That is between the mandated bill and the Domenici-Hatfield amendment if the President filled at 208, which is his bottom-line, discretionary amount.

Mr. WARNER. I thank the Senator.

Mr. HATFIELD. Will the Senator yield?

Mr. DOMENICI. I yield.

Mr. HATFIELD. I want to say I have been a strong supporter of the strategic petroleum reserve from the very beginning and I have supported every effort made by our committee to fill that reserve. Some may think it is sort of a reversal of a position to join with the Senator from New Mexico at this point in time. Let me just say, however, that I am deeply concerned about the budgetary impact and I must speak as chairman of the Appropriations Committee, especially in light of yesterday's debate on the urgent supplemental. It is very obvious that we have to try to maintain some flexibility in the whole Appropriations Committee and in what we are committing ourselves to.

I am really supporting this at this time, not because in any way do I denigrate the importance of the strategic petroleum reserve—I think it is vital to our national interest—but I do think we have to have some fiscal flexibility on this. To mandate this spending level at this time, with so many decisions that we are making early on, we are going to have some very serious impacts upon our ability to appropriate down the road.

We are now facing an urgent supplemental that will probably be put over until after the recess. Some possibilities we have talked about are having urgent-urgent supplemental; we have the straight supplemental coming in; we have the 1983 appropriations hearings that are being completed. All I am saying is that I am supporting this at this time in order to maintain some degree of fiscal flexibility as we face the months ahead.

Mr. DOMENICI. I thank the Senator. I think that is exactly the issue.

Mr. HATFIELD. Mr. President, as a longtime supporter of the strategic petroleum reserve program, it may seem unusual to some of my colleagues for me to speak out so strongly on the amendment which is now before the Senate.

My interests, Mr. President, and my concerns, are quite simple. Filling the strategic petroleum reserve is perhaps the most fundamental element of our national energy policy. However, the budgetary impact is so substantial—$3.6 billion a year—that it is imperative we maintain some fiscal flexibilty to modify the fill rate, if, in fact, adverse budgetary impacts do emerge.

Presently as drafted, section 4 of S. 2332 requires a minimum fill rate of at least 300,000 barrels per day, a rate which would be retained until the SPR contains 500 million barrels.

Already current law requires a minimum fill rate of 100,000 barrels per day and the President has responded with an average fill rate of 302,000 barrels per day this past year. By the end of this year, the SPR will contain enough crude oil to withstand a 200-day long cutoff of all Arab OPEC oil Because of this outstanding accomplishment, the administration has proposed a substantial but slightly less ambitious fill rate of 208,000 barrels per day for fiscal year 1983.

Mr. President, in the interest of both our national energy security and our national economic security, the amendment proposed by my colleague from New Mexico and myself is the wiser course of action at this time.

BEST ABLE

First, it does not lock the Congress into paying for an expensive program which may have adverse economic impacts. Second, it maintains a substantial fill rate of 208,000 barrels per day for fiscal year 1983. And finally, Mr. President, it does give us the flexibility to increase the fill to 300,000 barrels per day or higher when the exact economic ramifications can be discerned.

Mr. President, as yesterday's debate on the supplemental appropriations might indicate, many decisions are yet to be made with regard to the budget for both fiscal year 1982 and fiscal year 1983. The situation in the Appropriations Committee, I must report, is highly dependent on the decisions we make early on with regard to Federal spending like the strategic petroleum reserve.

Adoption of our amendment will indeed retain the SPR as a high budgetary priority and at the same time not blind us to other equally important economic considerations.

Mr. DOMENICI. Mr. President, I just want to answer Senator McCLURE.

As the Senator knows, I am not saying that the GAO reports are anything other than that.

The GAO report assumes that $700 million is a net additional cost. The oil stored in this kind of temporary space would eventually have to be transferred to permanent storage space or else the space would incur permanent costs, leasing costs, or otherwise. I understand that.

If you put it in the temporary and left the space in the permanent, you are making the permanent facility last longer. I think maybe that was one of the Senator's questions. That seems very logical and I have no reason to believe that is not true. It seems to me that is exactly what would happen.

Mr. JOHNSTON. Will the Senator yield for a question?

Mr. DOMENICI. Let me finish one thought and I will yield.

I tried to ask myself, why would the Energy Committee seek to change the language which they prepared? It was good language and eloquently done. That was in the Reconciliation Act.

We are changing it here materially. I asked myself, has the President failed to fill the reserve. I say to my good friend Senator WARNER, who I assume might vote with me, I have to answer that, "No." Has he failed? No, he has not. In just the 16 months, he has acquired more SPR oil than in the 4 years before—in 16 months. In 1979, we had oil to replace only 30 days of Arab OPEC imports. At the end of 1982, we will have 200 days of Arab OPEC imports. Granted, that importation is going down, too. I am not trying to finagel up the figures. We are importing less so to get the 200 days is easier.

I asked myself, under my amendment, is the minimum of 208,000 barrels per day inadequate? I had to answer, "No." It fills permanent storage as fast as it is constructed, and it avoids—although I have not striken the authority—costly, less secure schemes for temporary storage.

Then I had to ask myself, are the 300,000 barrels mandatory? That is the big change in this amendment. We did not even mandate him to do what he did. We mandated nothing in the previous legislation. We said to seek 300,000 barrels. He did beautifully and now we say, "That is not good enough. We mandate you to do 300,000 barrels."

Are the 300,000 barrels excessive? I answered, "No, we are only concerned about SPR and the security we get from SPR." In that case, if that was all we had to worry about and if it was the highest risk item in the agenda, building back our military, cutting the budget and reducing taxes so that the economy will go again, then we ought to fill at 500,000 barrels.

That was the only thing around.

So, if we are not worried about budget effects, I have given the numbers. If we are worried about them, we shall borrow $3.6 billion less if we fill at 208,000 than the mandated 300,000.

I yield at this point.

Mr. WARNER. Mr. President, will the Senator yield for clarification?

Mr. DOMENICI. Indeed, Mr. President.

Mr. WARNER. Again, I want to come back to the 2 fiscal years. In my recollection, it is $1.3 billion for 1983 and the balance for 1984.

Mr. DOMENICI. I am not sure if that is correct.

Mr. WARNER. I believe the Senator stated it the first time for $1.3 billion.

Mr. DOMENICI. $1.3 billion and $2.3 billion respectively, 1983 and 1984.

Mr. WARNER. For those of our colleagues who are trying to make their decisions now as we are debating this on the floor, it seems we ought basically to summarize what I see as the issue—namely, the $1.3 billion for fiscal 1983. The Senator from New Mexico is correct that he and the distinguished chairman of the Appropriations Committee (Mr. HATFIELD) are instructed to keep down the budget this year. So we balance against that the national security consequences of this additional fill to the SPR.

Mr. President, the problem that I foresee and the one that compels me to join the distinguished chairman of the committee (Mr. McCLURE) and the ranking member (Mr. JACKSON) is, if we were to have another loss of oil supply from the Middle East, that would have an extraordinary impact on this already fragile economy that we have—an economy that the President and others are trying to strengthen at this time. The improbability of that is a difficult equation to weigh. It seems to me we need the assurance against such a crisis descending on an economy which, at this time, I think is very fragile.

Mr. McCLURE. Mr. President, I yield myself such time as I may consume. I shall be very brief. The Senator from Washington is due at the Intelligence Committee, and I do not want to delay his departure. There are just two or three things I want to say while they are still fresh in everybody's mind, based upon what the Senator from New Mexico has said.

First, the Senator from New Mexico has not read the bill. I regret to say that. If he had, he would not have made the statement he has made repeatedly, that this bill has budgetary impact.

If we look at lines 19 and 20 on page 7 of the bill, Mr. President, the very beginning of the language that he strikes, it says, "subject to the availability of funding." So it is subject to the appropriations process, the availability of money that they have on hand. So, to indicate that, somehow, because it is offbudget, it is beyond the reach of the appropriations process is simply not true. To indicate that because we mandate the fill, it becomes an inflexible thing is incorrect. The Senator from Oregon, the chairman of the Appropriations Committee, (Mr. HATFIELD), came in to indicate that we are having a terrible appropriations difficulty to balance those requirements with the appropriations process. This bill makes the fill rate subject to the availability of funds, however.

Certainly, there is carryover money, Mr. President. We shall get into that later. The thing that I believe we must keep in mind is that this bill mandates a fill rate, but subject to the availability of funding.

The second thing that I think is important for us to get on the record right now, right on the heels of the Senator's statement, is that the GAO report to which the Senator makes reference, indicates a number of things, some of which I shall get back to later. But in the very next sentence following the one to which he has made reference about the expenditures of $700 million, it says that these estimates "include storage costs and incremental debt financing of both storage and accelerated oil purchases."

In the next sentence, it says, "In comparison to the present DOE plan, an interim storage program would result in budget additions in fiscal years 1983 and 1984 and reductions in fiscal years 1985 and 1986." The issue is just the time that is spent, not the amount that is spent. I shall get into the exact figures about the amounts that will be spent later.

Finally, Mr. President, there is one thing that needs to be corrected in the statement of the distinguished Senator from New Mexico. There has been much said about mirrors used in the budgetary process. These are not smoked mirrors the Senator is using. They are oiled mirrors, but they are mirrors, nonetheless.

He talks about our having 200 days of reserves. That is a false figure. It is a misleading figure. It is a figure that must be put in proper perspective. We do not have 200 days' supply in the reserve, Mr. President. You could get that figure only by measuring U.S. imports from Arab countries as the only basis for that figure.

That is not what the strategic petroleum reserve provides us insurance against, because oil is a fungible commodity. If oil supplies to Japan and Europe are subtracted from the market, the other supplies that we would ordinarily get are not longer available to us. The impact is on the total world market, not just on the United States.

So there is nothing like 200 days' supply. We are importing about 5 million barrels a day and we have somewhat in excess of 200 million barrels of crude in the reserve, with a maximum drawdown capability of 1.7 million barrels per day. So we do not have a reserve with the capacity that the Senator has made reference to.

Mr. President, I yield 5 minutes to the distinguished Senator from Washington, the ranking minority member of the committee (Mr. JACKSON).

Mr. JACKSON. Mr. President, I regret to disagree with my good friend from New Mexico, the distinguished chairman of the Committee on the Budget (Mr. DOMENICI). I should like, in this discussion this morning, to follow up on the comments of the distinguished Senator from Virginia (Mr. WARNER).

I do think that the effort that we are making here in connection with this pending bill should be cast in the light of a very dangerous international situation. Mr. President, if one looked on the front page of the paper this morning, one had an opportunity to note with interest the fall of the vital port city of Khuninshahr in Iran on the vital Shatt-al-Arab waterway. Khuninshahr, formerly known as Khorramshahr, is the big oil port, Mr. President.

As we deal with this amendment, my word of caution is this: The danger of an oil cutoff is greater now than it has been since 1979, the time of the fall of the Shah of Iran. Mr. President, let me explain why.

One must remember that the Persian Gulf States, in the war between Iraq and Iran, sided with Iraq. The Iranians have not lost sight of that fact, Mr. President. The facts are that the Gulf States—and I am referring to Kuwait, the United Arab Emirates, and Saudi Arabia—assisted the Iraqi forces. So we have, Mr. President, a division in the Arab world at the moment, which is very unique and unusual. You see Qadhafi of Libya and you see Mr. Assad of Syria lining up with Iran, pushing against Iraq at this moment. On the other side are Jordan, Egypt, and, as I mentioned, the Persian Gulf States.

Mr. President, let us be realistic. If one noted the comments at the OPEC meeting last week in Quito, Ecuador, the Minister of Energy and Mines of Venezuela Humberto Berti Calderon, said that one could expect another supply interruption and sudden price increase within the next 2 years.

Mr. President, this is the issue. We need to build up SPR just as fast as possible, at a time when the world petroleum stocks are declining very rapidly, including our own inventory. I think that the confluence of that decline in inventories, together with the need for a strategic petroleum reserve buildup as fast as possible, make a rapid fill rate for the SPR absolutely vital to our national security interests.

Remember this: Our dependence on oil from the Persian Gulf is now 28.5 percent of our petroleum imports, exactly almost to the point as existed in 1973.

Mr. President, do not be surprised if you wake up one morning and find that the Iranians have moved against the oil facilities in Kuwait, United Arab Emirates, and Saudi Arabia. This is a holy war, Mr. President.

May I have a couple of minutes?

Mr. McCLURE. Mr. President, I yield the Senator 2 additional minutes.

Mr. JACKSON. Bear in mind that in the oilfields of Saudi Arabia, there are almost 300,000 Shiites. This is a war between the Shiites and the Sunnis. Lest you forget, the dominant religious group in Iran are the Shiites. The dominant religious group in Iraq are Shiites, but they are governed by Sunnis.

I hope Senators are not confused.

Mr. President, this is on one level a holy religious war in which the religious fanatics out of Iran, in my judgment, are going to make some kind of an irrational move. And let us understand that. I say irrational because we know what has happened in the past.

I say to my colleagues that one must remember that an abortive coup, allegedly undertaken by the Iranians, was attempted in Bahrain, and almost succeeded.

We must clearly understand that there is an element of irrationality in all of this.

Finally, I make the point that the Russians have now decided to side with the Iranians. Heretofore, they were providing support to both Iraq and to Iran, but is clear now that they would like nothing better than chaos in the Persian Gulf.

Mr. President, I guess what concerns me is that it would be the wrong signal at this time to cut back on the scheduled allotment of oil into the strategic petroleum reserve.

This administration has done a good job in speeding up the introduction of additional oil into SPR, the strategic petroleum reserve, much better than the previous administration. I think it would be highly destabilizing now, at a time when inventories are being drawn down rapidly, when the situation in the Persian Gulf is at a point of great danger, great instability, not to take advantage of the opportunity to add to the reserve.

I thank my distinguished colleague from Idaho.

Mr. McCLURE. Mr. President, I yield myself such time as I may need.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. McCLURE. I thank the Chair.

Mr. President, I thank the Senator from Washington for his remarks and for his support of the committee position.

I also am happy that the Senator from New Mexico indicated that this is an economic argument. I will get back into the question of the economics of buying oil and storing oil and building facilities in the narrow sense, but I wanted to make one comment about the economics of this situation before yielding to the Senator from Louisiana. Remember, in 1978 we had a slight oil surplus, a slight softening of the prices of oil and availability of oil at $17 a barrel.

The Shah of Iran fell from power, and the world lost about 10 percent of the free world production of oil supplies. That converted us from a marginal surplus to a marginal shortage.

The cost of oil doubled overnight.

It is not just the kind of scenario that is painted in terms of a total security threat to the United States or loss of security to the United States or our allies. There is also an economic threat. A marginal shortage, not a total shortage, could again result in a further price escalation of oil at a time that our economy is so fragile and already reeling under the impact of earlier energy cost increases.

Before you discount that possibility, let us stop for just a moment and look at what Americans paid for imported oil since that event in 1978-79—somewhere between $100 and $130 billion in additional costs for oil. We are buying less for a higher price. That is in addition to what it has cost consumers for other supplies of oil which they have paid to domestic producers in that period of time. The total bill to the American consumer is at least $200 billion from 1979 to the time we are standing here today—$200 billion because of a marginal shortage.

In the face of that kind of economic leverage, it seems to me unwise to put all of our hopes in the fact that that kind an event will not occur. For that reason, again, I hope that this amendment will not be agreed to.

Mr. WARNER. Will the Senator yield for a question?

Mr. McCLURE. I will be happy to yield to the Senator from Virginia for a question.

Mr. WARNER. Again, I return to my earlier point that the Senator has just alluded to, and that is, recognizing that the last impact was 1979-80, quite frankly, our economy was stronger then than it is today. This impact would fall in the 1982 timeframe, and in my humble judgment it would be a severe blow to the already increased fragility of our economy. The long-term damage is just incalculable.

Mr. McCLURE. I thank the Senator for his statement. I also thank him for the continued support he has given with respect to the role that strategic materials also play in the security of the United States and how important that role is from an economic standpoint as well as in terms of military security.

Mr. WARNER. We should also recognize the contribution of the distinguished Senator from Washington, who very succinctly characterized the world situation today which bears on the insurance policy we are creating here.

Mr. DOMENICI. Mr. President, will the Senator yield? I should like to ask the chairman a question.

Mr. McCLURE. I yield.

Mr. DOMENICI. Did the Senator see the GAO report before today?

Mr. McCLURE. Yes.

Mr. DOMENICI. I just want to make this comment. With reference to the notion that oil is rather reasonably priced now and we should buy it at a maximum rate because that would save money, I refer to the GAO study, on page 11. I surely do not want to predict oil prices, but it indicates there that oil prices would have to increase by as much as $52 to $56 a barrel by 1985-86.

Mr. McCLURE. Let me correct that. Not an increase of that amount—but an increase to that amount.

Mr. DOMENICI. Up to $52 to $56 by 1985-86, to offset the increased costs for interim storage alone, and this does not even take into account the interest payments.

Mr. McCLURE. The Senator is certainly aware that some oil experts have predicted that in the event of a supply disruption, oil prices could reach $75 a barrel.

Mr. DOMENICI. I understand.

I ask the Senator this question: He commented about the world shortage versus my statement of 200 days of supply of OPEC and Middle East imported oil, and he talked about Japan's shortage, of which I am fully aware—I have been at many hearings with respect to the world shortage—but we never intended that our SPR be used for Japan, did we?

Mr. McCLURE. I will respond to the Senator by stating that we did not indicate that our SPR be used for Japan. But, certainly, when the Senator was talking about a 200-day supply, he was looking only at the amount of Arab oil which is imported into the United States, assuming that oil from all other sources would be available to the United States in the event of supply interruption.

Mr. DOMENICI. I was not deceptive. I said it was only that.

Mr. McCLURE. But that is a misleading figure. It is almost totally irrelevant. It may be an accurate figure measured against that standard, but it means nothing.

Mr. DOMENICI. It means oil, that we could reduce the barrels. It means a total curtailment, not just 50 percent.

Mr. McCLURE. I refer the Senator to the GAO report. He used the figure of storage costs being offset only if SPR oil rose to the point of $52 to $56 a barrel in 1985-1986. That is based upon storage costing as much as $3.65 per barrel however. The preceding sentence gives a different figure.

Mr. DOMENICI. Yes.

Mr. McCLURE. The preceding sentence says that if storage costs $1.20 per barrel, the costs for that interim storage would be fully offset if oil prices were to increase to $46 to $49 a barrel.

Mr. DOMENICI. Do we know which is the most likely?

Mr. McCLURE. No, we do not know which is the most likely. I do not, and the Senator does not.

I might indicate that DOE projections or predictions with respect to the cost of interim storage are at the lower figure, not the higher figure, so at least I have DOE's estimate on my side.

Mr. President, I yield 5 minutes to the Senator from Louisiana.

Mr. JOHNSTON. I thank the distinguished chairman.

Mr. President, I should like to ask my friend from New Mexico a couple of questions.

Does the Senator from New Mexico say that we should not use interim storage at all, or, under his plan, does he envision using interim storage?

Mr. DOMENICI. I have not prohibited it in the amendment.

Mr. JOHNSTON. What does the Senator envision?

Mr. DOMENICI. I am not expert enough to pass judgment on that. I know that we are not going to need as much interim storage and as much interim storage costs if the ultimate decision is 208,000 as if it is 300,000.

Mr. JOHNSTON. The reason I ask the question is that the Senator has spoken of interim storage as if it is insecure, a description with which I would take issue. But if we take that assumption and you are not going to use it, I tell the Senator that the capacity for filling and the permanent rate in the third and fourth quarters of this year is only 90,000 barrels a day, and the average until 1990 is only 168,000 barrels a day.

So if you take the view that you are not going to use interim storage, then you have a fill rate the remainder of the fiscal year at 90,000 barrels a day, and you cannot reach, under any stretch of the imagination, what the Senator says is the President's goal of 208,000 barrels a day for fiscal year 1983.

Therefore, would not the Senator say that the question is not whether we should use interim storage but how much we should use?

Mr. DOMENICI. I think the question, as I see it, is to use as little as possible.

If I left the impression that we were not going to use any or that it was dangerous, I am speaking only relative to what I understand to be the more secure, permanent storage and presently, because most of the expenditures have been made and things have been taken out, the better managed approach, and what we have now versus the speculation on the other. We will have some interim storage.

Mr. JOHNSTON. I believe the Senator is aware of the testimony before the committee that there is plenty of storage available at $1-per-barrel-per-year. I think the figure used by GAO was $4-per-barrel-per-year, which would create a lot of expenses, which we do not think will come about. The Senator is aware of that wide divergence of opinion.

Mr. DOMENICI. Yes. I also am aware that the administration has various estimates, depending on where you are going to put the oil.

I counter with a question to the Senator from Louisiana, as an appropriator: If the answer of the Senator to the Senate is that it is all subject to appropriations, so why are we worried about 300,000 versus 208,000, why does the Senator not go with the 208,000, since you can do 300,000, since that is the minimum?

If the 300 does not mean anything, why did you mandate it? Why did you tell this President, who is doing very well, "You must," and then come to the floor and say it does not mean anything? Why do we not use 208,000 which he thinks is a good number, and then put 300,000 in the appropriation?

Mr. JOHNSTON. I think it should be 300 and should be completely mandated, so that the President cannot get out of it, and I will tell the Senator why.

Every year, no matter who is President, we come up and try to get the SPR filled, and there is always a way out.

I had an amendent last year with 300,000 barrels a day, and it did not have an escape clause. We got to the conference committee, and the House said, "They are going to fill it at 300,000 barrels a day, but do not make them do it." So they offered the escape language "the President shall seek to fill."

Lo and behold, this President slipped out again, and I guess he will slip out of this one as well. But I think we should go on record as saying that it should be done, because it should be done, and I will tell the Senator why.

We have put 154 million barrels in SPR in the last 18 months, but in the last 4 to 5 months, private stocks are down almost that much—128 million barrels. In other words, what it took 18 months to add to SPR, domestic United States stocks of crude oil are down almost that much.

People are fiddling while Rome is burning, when it comes to energy, because they are acting as though we have an oil glut. I hear some of the private forecasters——

The **PRESIDING OFFICER.** The time yielded to the Senator has expired.

Mr. **McCLURE.** Mr. President, I yield 3 additional minutes to the Senator.

Mr. **JOHNSTON.** I thank the Senator.

I hear some of the private forecasters say the price of oil is coming down to $10 to $15 a barrel. They must be smoking something.

Mr. President, I tell you, if you look at what is happening in the international oil markets, the period from October to March, stocks are down internationally about 700 million barrels; from March to the present they are probably down another 200 million barrels. That is almost 1 billion barrels down in the private stocks of oil.

Why are they down? It is because the price was low, interest was high, the cost of keeping the oil was high, and it was perceived to be an oil glut, but that has been sold off and when we look at it on a chart, and I should bring over the chart from my office, it shows that the supply of crude oil is just taking a nosedive. At the same time it shows that supplies of crude oil are taking a nosedive in the private stocks, the international situation is heating up.

Mr. President, I think what was said in Forbes Magazine on March 15 of this year is very apropos. They said this:

> So the U.S.—and the world, for that matter—has become more vulnerable rather than less. We are all more dependent on the Middle East than we used to be and can no longer count on the international oil companies to allocate supply as efficiently as they did during the 1973-74 embargo.

Mr. President, any way you look at the situation it is an unholy mess. Far from fading away, the energy problem is as threatening as ever. Long-term supplies are limited, and the control of most of the world's crude reserves remains concentrated in a few Middle Eastern countries, and the damage the oil price increases have done to the world economy is still unrepaired.

So, Mr. President, the threat from an oil shortage is unremitting, unrelenting, undiminished. It is still with us.

The only thing that is different this year from last year is world oil supplies are down more than the SPR is up, and we listen to that same siren song that we heard under Jimmy Carter and now are hearing under Ronald Reagan, and that is "Do not worry about the SPR, we will fill it, we will do what is right, we will try to find the money, if it is convenient." We know what is going to happen. It is not in the interest of the President sitting there to look down the road and the long-term interest. It is his perceived interest at least and it always is to look at today and "How many dollars do I have to spend today?"

Mr. President, we have to think of the long-term interests because the distinguished chairman and I have been there when the last shortages occurred.

The **PRESIDING OFFICER.** The time yielded to the Senator has expired.

Mr. **McCLURE.** Mr. President, I yield 2 minutes to the Senator from Pennsylvania (Mr. HEINZ).

The **PRESIDING OFFICER.** The Senator from Pennsylvania is recognized.

Mr. **HEINZ.** Mr. President, I support S. 2332. This bill addresses the critical issue affecting this Nation's energy vulnerability; the strategic petroleum reserve.

Under the administration's current projections for SPR fill rates, the SPR will not contain 500 million barrels until 1986.

This bill provides the needed acceleration in fill rate to 300,000 barrels per day.

The 500 million barrels would be achieved by 1984.

This Nation will achieve a 500 million barrel reserve a full 2 years earlier than present plans call for and afford this Nation 2 full years of protection from events in the Middle East which could well sever our oil supply.

By accelerating the SPR fill rate, this Nation also will take advantage of current favorable oil prices.

The American taxpayer will save more than $400,000,000.

This bill also recognizes the need to utilize above-ground storage facilities.

The immediate use of interim storage in newly constructed steel tanks and other facilities will enhance our ability to fill the strategic petroleum reserve, quickly and economically.

The construction of new steel tanks may best meet the needs of a flexible distribution system: Steel tanks are cost effective, steel tanks provide easy access for immediate dispersal. Steel tanks are the best method for providing needed oil to all parts of the country in an emergency.

And unlike the unknown percentage of recovery from salt domes, steel tanks allow 100 percent recovery every time. Moreover in-ground storage in salt domes is limited to a few drawdowns.

The viability of steel tanks is not affected by the number of drawdowns. This loss factor and drawdown limitations have not been considered in the DOE storage cost analysis.

An Army Corps of Engineers comparative cost analysis considered the costs of both oil and facilities and found the above-ground approach to be approximately 3 percent less costly than in-ground storage.

In this specific instance, the corps found that the total cost of facilities and oil for in-ground storage to be $51.14 per barrel in constant 1981 dollars and $49.61 for steel tanks.

Finally Mr. President, the macroeconomic benefits of constructing new steel tanks is compelling. The impact on the steel industry, our steel workers and our economy would be significant. The creation of 140 millon barrels or above ground steel tank storage capacity would create a total of 7,320 man-years of work.

The IEA emergency system provides an insurance policy for the American people against economic harm that we know can result from an interruption of oil imports.

Under the terms of this bill, the United States has the guarantee of its IEA partners that in a major oil crisis, the United States will not absorb a greater proportion of an oil supply disruption than other IEA members.

Mr. President the provisions of S. 2332 place the Nation on a sound footing with respect to our energy preparedness.

Our national security and economic survival depend on the vigorous implementation of the provisions of S. 2332.

Mr. President, I think the choice before the Senate is relatively simple. It is whether or not we want to take advantage of favorable oil prices on the spot market order to prepare for the adverse set of economic and political circumstances which emerge as a result of the volatile political situation in the Middle East.

Surely, we have not forgotten the economic strains placed on this Nation by oil supply interruptions over which we had no control.

The answer to this Senator's mind is very clearly that the Energy Committee was correct in mandating a 300,000-barrel-a-day fill rate for the strategic petroleum reserve.

I understand all the arguments being made about how we should not buy inexpensive oil currently available. What I do not understand is why we should buy more expensive oil a year or two from now.

All the other arguments notwithstanding, we have a chance to do something for the national security of this country today and in the months ahead. The longer we wait the more we risk the national security of this country.

Therefore, I strongly oppose the amendment of my good friend from New Mexico. He is doing what I know he feels he has to do, which is to protect the budget process. He would like to see us not spend additional money, even off-budget money this year. I understand and respect his views. However, in this instance, budgetary considerations are not as important as the energy security of this Nation. An accelerated SPR fill ROTE of 300,000 barrels per day is an important step toward assuring that security.

Mr. President, the Senator from New Mexico is a very able advocate for his point of view, but, notwithstanding that, the reason that SPR is off budget, the reason we handle it this way is so that it does not get mixed up in the budgetary confusion that we still have this week here in Congress. We handled it this way so we can do what is right for the country, and what is right for the country is to fill at a higher rate with cheaper oil under conditions of surety and certainty. These are conditions we have today.

In a year I do not think anyone should be fooled. We are not going to have those conditions. We are going to have higher oil prices and, Lord help us, we do not know what else in terms of destruction we might have.

So I hope that the Senate will reject the amendment of my good friend from New Mexico.

(Mr. JEPSEN assumed the Chair.)

Mr. DOMENICI. Mr. President, I yield myself 10 minutes.

Mr. President, first I wish to say to my good friend from Louisiana that I really think it is unfair to categorize this President as being disinterested in SPR. Whatever the words he used I think it assumed that he was saying like other Presidents—and I think he must mean predominantly President Carter—this President has kind of put SPR on a back burner.

I do not think the facts indicate that. He may predict that he will put it on a back burner 2 years from now, and I think that is just speculation.

But actually his record is tremendous on what he has done to this point with reference to SPR.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. DOMENICI. I am delighted to yield.

Mr. JOHNSTON. Mr. President, last year, that is fiscal year 1982, we appropriated enough funds to fill the reserve at 300,000 barrels a day, but the administration projects a fill rate of only 186,000 barrels a day in fiscal year 1982, a little more than half the rate assumed in what we appropriated.

So that is all I mean, that he has not done what Congress has wanted him to do. It was just a little more than half as much.

Mr. DOMENICI. Mr. President, I think the Senator will agree that there were some real problems with storage space and capacity during that period.

But be that as it may, let us look at what he has accomplished and his intention now and what he is asking us for is by no means an indication that he is lacking in concern. He is merely asking Congress to put a minimum of 208,000 instead of 300,000, no small amount, a pretty healthy amount. He is saying in these very difficult times let us not commit an additional $3.6 billion that we have to borrow.

Mr. JOHNSTON. Mr. President, will the Senator yield for one additional question? I hate to interrupt him. This is just for one additional question.

Mr. DOMENICI. I yield.

Mr. JOHNSTON. The Senator's amendment relates only to a minimum rate of 208,000 for fiscal year 1983. What does he propose for the other years involved?

Mr. DOMENICI. It uses the old language of seeking rather than mandating to fill at 300,000, but no mandate, and there was no mandate in the previous law that got him up to 208,000. It was seek to, and that is what we want to return to.

I just want to add two or three points, and I think we have from my standpoint exhausted this issue and we can wait until this afternoon to vote.

I wish the distinguished Senator from Virginia and the distinguished Senator from Washington were here because they spoke of the military strategic significance of 300,000 instead of the minimum 208,000 of the Senator from New Mexico.

I have done the best I could, I say to my good chairman of the Energy Committee, and I wish to be careful in this statement. If we feel that 300,000 instead of 208,000 my staff tells me we will add 16 to 20 days to the available supply that we would have in SPR using as days the same definition that I used before. That is over 3 years I am talking about, that is 1983 to 1986. That is the same definition of imports, total unavailability of imports from Arab cartel countries to the United States.

That means we are going through this exercise with Senators like Senator WARNER saying it is so important strategically, and we think we are dealing with the difference between 200 and 220 days of available emergency supply.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. DOMENICI. I would be pleased to yield. I said I am trying to use the numbers as accurately as I can, and maybe they are inaccurate.

Mr. McCLURE. You shifted ground on us. You are using a different base. You say 100 million barrels; 100 million barrels divided by 1.6 million barrels per day is more than 51 days. It is about, if my mathematics is not exactly adequate, about 60 days.

Mr. DOMENICI. 92,000 barrels a day times 365 times 3.

Mr. McCLURE. Divided by 1.6. You said divided by 6.

Mr. DOMENICI. 6 million barrels a day.

Mr. McCLURE. Well, you see, that is different from what you used before. The figure of 6 million barrels a day does not give you the 200-day reserve you were talking about earlier. You got that by dividing it by 1.6.

Mr. DOMENICI. Well, I am saying now—OK.

Mr. McCLURE. OK.

Mr. DOMENICI. I am saying if we had all 6 million no longer available we will be adding 16 to 20 days of that kind of diminution by all this effort.

Mr. McCLURE. All right. Will the Senator then divide our current supply by the same 6 million barrels a day and tell us how many days' reserve we have? Forty days?

Mr. DOMENICI. Slightly over 40.

Mr. McCLURE. Not the 200 the Senator was talking about earlier.

Mr. DOMENICI. That is correct.

Mr. McCLURE. It is 40 on that basis.

Mr. DOMENICI. It is 40 on that basis.

Mr. McCLURE. I thank the Senator.

Mr. DOMENICI. On the basis of a total interruption if we got none of it, it is 16 to 20 days we are adding, and I think it is not very probable that we will get a total reduction of 6 million.

Are we really talking about anything here or not? I will leave it up to the Senate. If you do what I ask you to do our distinguished Appropriations Committee can appropriate each year an amount offbudget and the onbudget requisites for 300,000 barrels a day if they like it. They can, and there is no doubt about it, and it will be in a very large appropriation bill, and it probably will not be vetoed for just that figure.

On the other hand, if you think that mandating 300,000, as the committee asks, is apt to have that Appropriations Committee appropriate enough for the full 300,000, even if the President does not think we need it, because it has the added strength that obviously the Senate voted in 300,000, then vote for them not for me.

I believe it will leave the Appropriations Committee with much more of a real discretionary act if you do what the President asks, and put a minimum of 208,000, and what I asked for in my amendment, and I think you are more apt to take into consideration that at appropriation time the impact of $3.6 billion added borrowing at the kind of interest rates we are having to pay, our National Government's debt service. That is the issue.

If I thought we were really more seriously at risk under one approach than the other I guarantee you I would be for the committee. I just do not believe it. I believe the risks we face in this country are not merely from a supply interruption but also from high interest rates, from enormous debt service, from high taxes, from huge deficits. I mean from overextending ourselves, and I think all of those deserve some attention.

My minimum of 208,000 barrels is not ignoring the SPR. I mean that is a very high rate. This President, who is committed strongly to it, thinks it is adequate. The overall GAO study tenor would indicate that even on economic grounds you are not going to save money by filling now because it is relatively cheap, when you take into consideration what it is going to cost for additional interim supply, the debt service at high interest rates on the additional money. It is really not a savings issue. It is which do you want to take a bit of a risk on. I think 208,000 is not much of a risk considering the economic situation and the record of this President.

Mr. DOLE. Mr. President, will the Senator from New Mexico yield?

Mr. DOMENICI. I would be pleased to yield.

Mr. DOLE. I just say as one who has been trying to push the previous administration when they suspended this altogether, I want to ask the Senator from New Mexico a question. I can understand why we had to mandate the President to do something. It is the understanding of this Senator that since President Reagan has done a fairly good job in carrying out what many of us in this body could not accomplish in the last administration, why is it necessary to mandate this President? What has he done to indicate that he cannot be trusted to take care of the SPR? That is the point I do not understand.

Mr. DOMENICI. I am delighted to answer the Senator's question. I can speak only for myself.

I see absolutely no reason to do it. I believe if 300,000 is what the Appropriations Committee wants to pay for it they have the flexibility to put it in. But there is no prejudging by a vote of this body 300,000 is needed. I do not think the chairman of the committee thinks this President has not been doing his job on this. He can speak for himself, but I think it is obvious that the Senator from Louisiana thinks that there has not been anyone in the executive branch, including this President, who does not need mandating on this issue. I think he has said that in response to a similar question of mine to him and, therefore, he is firm that this is not supposed to be something flexible. He would make it as mandatory as possible. I think I am paraphrasing, but he is here and he can speak for himself.

Mr. McCLURE. Mr. President, did the Senator from Kansas want some additional time to speak?

Mr. DOLE. I would like a few minutes because I would like to address the same question to the Senator from Idaho and the Senator from Louisiana. As one who has been trying to mandate and get the SPR in operation, it is my view that this President has done a pretty good job. Maybe I missed something along the way.

Mr. McCLURE. Mr. President, the Senator from Kansas and the Senator from New Mexico know there is no one in this body who has a higher regard for this President than does the Senator from Idaho.

The Senator is correct, as the Senator from New Mexico is correct, that this administration has done a dramatically better job than the preceding administration in filling the reserve. But I think it is fair to point out that under the budgetary stringency of today, OMB is pushing very hard to get this program reduced—not the President, OMB. We had Secretary Edwards, Secretary Regan, and Director Stockman before our committee last year saying they would fill at a rate of 300,000 barrels a day. They gave us that commitment.

They have not done it. As a matter of fact, they are purchasing no oil today in spite of the so-called oil glut and a softening of prices. They are taking delivery of oil they contracted for in the past; they have purchased only 8 million barrels of oil in the last 2 months. They have no plans to purchase any oil between now and October 1.

They have indicated that they intend to reduce the oil purchases for next year and, as a matter of fact, they have enough carryover of money that we already have appropriated to buy all but 7 million barrels a day of the planned purchases for next year.

So while I give the President full credit for recognizing the problem and doing what ought to be done, I say that he is under pressure from OMB to reduce the expenditures, and that pressure is beginning to have its effect.

I think it is also important for us to note that in spite of the increased devotion to this necessity that has been evidenced by this administration, they have already taken steps to stretch out the construction of storage facilities, so that we will not achieve our goal of 750 million barrels in storage by the end of the period originally established. That schedule will be stretched out by at least 1 year.

I would indicate to my friend from New Mexico that if we want to talk about dollars and the economics of this thing, that stretchout itself will cost us $600 million.

If we talk about 1983 and our vision is constrained to the outlays in 1983 and their budget impact in 1983 and 1984, we ignore the expenditures that would not occur in 1985 and 1986. So they have maximized the emphasis on short-term expenses in order to be critical of the mandate, while they have taken steps to stretch out the program which many of us, including the Senator from Idaho, think is an unwise policy choice.

The Senator from Kansas asks a very good question, and I want to give as much credit to the President as I can. But I think I have to be honest in saying that there are limitations. If we really had the commitment we ought to have, we should be out there purchasing as much oil as we could get under contract right now.

The Senator from Kansas knows that one of the indicators of oil price is the spot market. The spot market in the last several months has been below contract price, indicating the softness of supply. The spot market is now at or slightly above contract price, which indicates that that has turned around.

It seems to me that if we had been doing what we should have been doing, we would have been contracting for supplies at the most favorable time in the market rather than allowing the market to turn and prices to increase and then be faced with buying in the future at higher prices, let alone the $600 million increase in the cost of the program between now and 1987 and 1988 because of the delay in the construction of the Big Hills project.

Mr. JOHNSTON. Does the Senator wish me to reply to that question, as well?

Mr. DOLE. Yes. I appreciate the reply from the Senator from Idaho. The Senator from Kansas had, maybe, a different interest. I am not on the Energy Committee, but I have stood here with the Senator from Louisiana and the Senator from New Jersey, Senator BRADLEY, and the Senator from Washington, Senator JACKSON, in previous times trying to get the last administration to do something after they discontinued it altogether in 1979. Now we come along with an administration that is representative and the Senator understands has been doing a pretty good job and now we want to mandate this President.

Mr. JOHNSTON. If the Senator will yield, I joined with the Senator back before when he said we ought to have a 300,000 barrel-a-day fill rate and wanted to mandate that fill rate for President Carter. And I said Carter needs mandating because he is not doing what he ought to do. So let me make clear that it is not a partisan issue.

But if the Senator wants to know if Ronald Reagan has lived up to his expectation of 300,000 barrels a day, the answer is no. In 1982, by the time we finish this year, the estimated fill rate should be 186,000 barrels per day, even though we have appropriated funds sufficient for a rate of 300,000 barrels a day.

Now, it is true that they have had, from time to time, shortages of space. But it is also true that he has authority to acquire the temporary storage.

So the point is this: You can praise Reagan or you can criticize Reagan, but the fact remains that he has filled it at only a little more than half the rate at which we have appropriated, and it is fair to say, it is clear to say, that he will not make the 300,000 barrel-a-day target that the Senator from Kansas first suggested in his amendment unless we mandate it. It is a policy decision, and we ought to stick to that policy.

Mr. DOLE. Could I ask the Senator from New Mexico an additional question? He has in his amendment the figure of 208,000. Is that a mandate?

Mr. DOMENICI. That is the minimum.

Mr. DOLE. Does that mean you can go higher?

Mr. DOMENICI. Yes, indeed.

Mr. DOLE. Over 300,000?

Mr. DOMENICI. Yes, indeed. In fact, I wanted to say to the Senator in regard to the comment of whether the President has done very well and whether 208,000 barrels is a good number. I would like to compare it with the 74,000 barrel average under the previous President and 208,000 minimum at this time.

Mr. JOHNSTON. That is a whole lot better than under Jimmy Carter.

Mr. McCLURE. Will the Senator yield?

Mr. DOMENICI. I am pleased to yield to the Senator.

Mr. McCLURE. I think the point the Senator from Louisiana is trying to make and the Senator from Idaho is trying to make is that this is not a mandate to Jimmy Carter or Ronald Reagan. It is a statement of policy to the United States. It is not a policy decision in which we say that Jimmy Carter is bad, we have to mandate him; Ronald Reagan is good, we do not have to mandate him.

This is a statement of policy to the United States that we ought to be filling at a rate of 300,000 barrels a day. When the Senator voted for 300,000 barrels a day, as I did, I assumed that that was the correct amount. I still believe so.

Now, the Senator knows and I know that if we do not have this in here, this President is not going to fill at 300,000 barrels a day. He has the authority to, but he will not do it.

Mr. DOLE. Will he fill 208,000 barrels?

Mr. McCLURE. If the amendment of the Senator from New Mexico is adopted, he would have to fill at 208,000 barrels a day. If the amendment of the Senator from New Mexico is not adopted, he would have to fill at 300,000 barrels a day.

Mr. DOMENICI. But only if you appropriate money.

Mr. McCLURE. Subject to appropriations, the Senator is correct.

Mr. DOLE. What has the House done on this? They provide 300,000?

Mr. DOMENICI. I think the Senator is correct. The House committee, not the House.

Mr. McCLURE. Let me make one correction. Under our mandate, it would be 300,000 barrels a day until we reach 500 million barrels in storage. Under the amendment of the Senator from New Mexico it would be 208,000 barrels a day through 1983, period.

Mr. JOHNSTON. During 1983.

Mr. McCLURE. During 1983, period.

Mr. DOMENICI. Does the Senator desire some additional time?

Mr. DOLE. I think there are a number of us who feel strongly that we ought to do what we need to do in this area. I have a letter here signed by the President. He may not have drafted it—I do not know whether he dictated it—but he signed it. And he indicates some budgetary problems.

I agree with the Senator from Washington, maybe there are other overriding areas that we should address.

But this is off budget. If we keep putting enough off budget, we will have a balanced budget. We thought about doing that with social security, putting it off budget. That would have solved the problem, and maybe put defense off budget, and we would have a budget surplus.

I think the chairman of the committee has a real problem here, not just being chairman of the Budget Committee, but having to satisfy all of us that want to do certain things to the budget.

Mr. President, I support the amendment of the Senator from New Mexico. The Senator from Kansas has long supported rapid filling of the strategic petroleum reserve as a vital national security measure, but despite my support for the committee's objectives, given the realities of our current budget situation, I support the Domenici amendment.

If these were good economic times, we could mandate a fill rate of 300,000 barrels per day. But unfortunately these are shaky times economically and we cannot afford an additional $3.6 billion during fiscal 1983 and 1984, even for this most valuable program.

Furthermore, Mr. President, the committee position will require the utilization of a new program of private interim storage for SPR oil. There is a risk in rushing into such a program on a large scale. The amendment before the Senate will require some interim storage, but on a smaller scale and will allow for a gradual phasing-in of interim storage. The existing unresolved allegations of fraud regarding substitution of inferior crude oil in SPRO and security questions involved with above ground temporary storage should be addressed before rushing into a program of temporary storage.

It has been argued that twice over the past 3 years the Congress directed the President to seek to fill the SPRO at no less than 300,000 barrels per day and that adoption of the Domenici amendment will reflect a retreat from our commitment to SPRO. The Senator from Kansas disagrees. It is important to recall, that Congress enacted the current mandatory 100,000 barrel-per-day fill rate and the 300,000-barrel target during the past administration which in May of 1979 had suspended SPR oil acquisition. The Reagan administration is a different story.

Over the past 15 months, oil stored in the reserve has increased by over 130 percent. The SPRO now contains 150 days of protection from an oil supply disruption. Still inadequate, but more than double the protection that existed in January of 1981. Last year's fill rate of the strategic petroleum reserve averaged 292,000 barrels per day, and during the first quarter of fiscal 1982 the fill rate was 338,000 barrels per day.

Mr. President, my point is that this administration will fill the strategic petroleum reserve as rapidly as is fiscally responsible. Congress need not hold a club over their heads demanding that the reserve be filled. But, Mr. President, we must act in these times in an economically responsible manner.

It seems to me, if, in fact, the minimum of the Senator from New Mexico is 208,000 and you could go up to 300,000—and we are going to meet again. This is not the last meeting Congress is going to have on this matter. I assume if there were some problems we could act, if, in fact, the administration does relax and if, in fact, the OMB does try to circumvent the intent of the President, because I know of nobody in this body who has stronger support for the President than the Senator from Idaho. I do not mean to leave that inference at all.

It seems to me the Senator from New Mexico has a fair proposal.

Mr. DOMENICI. I thank the Senator.

Mr. President, parliamentary inquiry. How much time remains on the amendment per side?

The PRESIDING OFFICER. The Senator from New Mexico has 23 minutes remaining and the Senator from Idaho has 19 minutes remaining.

Mr. DOMENICI. Mr. President, I yield myself 5 minutes. I say to the distinguished chairman of the committee, as far as I know that is all the time that we have that has been requested and I would be prepared, unless the Senator needs me to answer some additional questions, to yield back after that.

Mr. WARNER. Will the Senator yield for a question?

Mr. DOMENICI. Of course.

Mr. WARNER. Mr. President, I wish to further refine this $1.3 billion on the 1983 impact, because I think a number of our colleagues are focusing on that and balancing against the argument presented by the distinguished Senator from Washington and myself which relate to the international situation and the impact on the economy.

Back to the $1.3 billion, has the distinguished Senator from New Mexico factored in the cost for interim storage which occurs both under the McClure position and the Domenici position? It seems to me that that $1.3 billion has to be reduced to reflect interim storage costs which occur on both propositions.

Mr. DOMENICI. Well, the question, then, is: Is that really an additional amount or would part of it be spent in either instance?

Mr. WARNER. In either case.

Mr. DOMENICI. I would have to ask. I am using OMB figures as to what the additional amount of oil mandated would cost. So let me just inquire.

Mr. WARNER. Before the Senator replies, could I bring to the Senator's attention the letter from the Secretary of Energy to each of the Members of the Senate?

Mr. President, I ask unanimous consent that the letter from Secretary Edwards be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF ENERGY,
Washington, D.C., May 25, 1982.

DEAR SENATOR: On May 13, the Senate Energy Committee reported out a bill (S. 2332) requiring a fill rate of 300,000 barrels per day for the Strategic Petroleum Reserve (SPR). The House Energy Committee adopted a similar amendment calling for a more reasonable fill rate of 200,000 barrels per day.

When the bill comes to the floor tomorrow, Senator Domenici will offer an amendment to fill the SPR at an annual rate of 200,000 barrels per day. We think this amendment is a much more responsible approach. We just can't afford to expend the additional $3 billion plus called for by the Senate bill in these times of budget crises.

The President's FY 83 budget is based on the existing program policy of acquiring oil and filling permanent underground storage facilities to capacity. Even increasing the SPR fill rate to a mandatory level of 200,000 barrels per day as required by Senator Domenici's amendment would require additional near term outlays in terms of oil acquisition funding and additional funds to rent interim storage. However, vast amounts of interim storage would be required to sustain the 300,000 barrel per day fill rate called for in S. 2332.

In the past 15 months this Administration, with the assistance of the Congress, has increased the oil stored in the Reserve by over 130 percent to where it is now over one-third full. The SPR now contains over 254 million barrels of crude oil which is equivalent to 150 days of protection based on imports from Arab-OPEC countries. The President's FY 83 amd FY 84 budgets will increase this to 190 and 203 days of protection, respectively.

I urge you to support Senator Domenici's amendment when it comes before you tomorrow.

With best wishes,
Sincerely,
JAMES B. EDWARDS.

Mr. WARNER. Mr. President, the third paragraph states:

> Even increasing the SPR fill rate to a mandatory level of 200,000 barrels per day as required by Senator Domenici's amendment would require additional near term outlays in terms of oil acquisition funding and additional funds to rent interim storage.

Mr. DOMENICI. Yes, that is correct. My answer was going to be that that $1.3 billion is for the oil increment. We are going to have to have those expenditures that the Senator just referred to even if we do not add the additional oil. That expenditure is not included in the $1.3 billion.

Mr. WARNER. $1.3 billion is dealt with in the two propositions before the Senate and the interim storage is a side figure.

Mr. DOMENICI. That is correct.

Mr. WARNER. I thank the Senator.

Mr. DOMENICI. Mr. President, I do not relish coming down here on an energy bill and having to offer an amendment. I serve on the Energy Committee. I have great respect for both Senator MCCLURE, the chairman, and the ranking minority member. I have worked on many legislative proposals with both of them.

If the President of the United States and we as policymakers did not have a budget for the year 1982 that is $108 billion in deficit, and if we were not going to have a budget in 1983 that is going to be between $105 billion and $115 billion, and in 1984 between $70 billion and $90 billion in deficit, and interest rates at the highest nominal rate in history, that is, interest rate versus inflation, and if we were not burdened with literally hundreds of programs that people insist are critical, vital, important, and must be done, and a defense budget that we are all certain is as important as SPR, or more so, and all the other kinds of pressures to make policy decisions, each item of which is of desperate importance in the eyes of those who look at the singularly—if we did not have that kind of problem that I just described, there is no doubt about it, I would be for mandating 300,000 barrels, and if I could see they could use 400,000, I would be for that.

However, we do have literally scores of accounts in this Government from the defense budget on down that the President must analyze as critical, many important, absolutely necessary, programs of that type.

So while my good friend, the chairman of the committee, looks at oil and spot prices for oil, oil prices right now, and we ought to be out there buying, I do not disagree with him from the standpoint of a good market trader looking at only that aspect of America's problems.

But, Mr. President, the problems are bigger than that, many more problems of that type, and, literally, this issue is a simple one.

Do we want to let this President, the appropriators, decide how much more than 208,000 barrels can we afford, taking all the other things we need into consideration, and the risks? If you want to mandate at 300,000, the number is about $3.6 billion in additional borrowing that will have to occur.

That is not my number. It is the OMB's number. It may have some of the qualities that the distinguished chairman has indicated, but, basically, it is a pretty big chunk of borrowing.

We have from CBO that it will add $850 million to the interest account, the interest on the debt account. Only $850 million, they said.

That interest account is now $123 billion. That is what we pay in interest on our debt, so I guess some could argue that $850 million does not make much difference, almost $1 billion. But that is what we are talking about here.

I do not think we are sending any big messages to the cartel either way. I think we all ought to know what is going on in the Middle East, but I do not think 300,000 versus 200,000 barrels in this body is sending one message or another. We are going to buy a lot of oil in 1983 and 1984 for SPR. That is one message we are sending.

Regardless of what they are saying, we are saying to the people in the Middle East that we want to fill SPR. The issue centers around the $3.6 billion to be borrowed.

I just do not think we ought to put this in a mandatory form, and I urge the Congress to give the Senate some discretion by adopting the Domenici-Hatfield amendment.

Mr. McCLURE. Mr. President, I do not intend to go into all of the arguments again, but I do want to recap for just a moment.

Mr. President, as I understand the amendment it would amend S. 2332 to reduce the required strategic petroleum reserve fill rate for fiscal year 1983 from 300,000 barrels per day down to approximately 200,000 barrels per day. In addition, under the proposed amendment there would be no required fill rate in later fiscal years.

The effect of this change would be to delay filling the SPR, to retreat from the 300,000 barrel per day target in existing law, and to suggest to our allies that we are relaxing our national stockbuilding efforts.

When the Congress in 1980 enacted the Energy Security Act (Public Law 96-294), it stated, "The strategic petroleum reserve should be regarded as a national security asset of paramount importance." That statement is as true today as it was 2 years ago.

The strategic petroleum reserve is the United States principal line of defense against the adverse economic and social consequence of an interruption in oil imports. Moreover, as the General Accounting Office concluded in testimony on May 6, before the Committee on Energy and Natural Resources:

> In the final analysis, it may well be that DOE's approach to contingency planning for everthing except military situations is still little more than the SPR.

Filling of the strategic petroleum reserve thus must be of the highest priority.

Only when the SPR is large enough that we can simultaneously protect our own security and provide a mechanism to meet our obligations under the international energy program will the SPR be an effective energy emergency vehicle. S. 2332 would assure that the SPR can achieve that dual objective at the earliest practicable date.

S. 2332 directs the President, subject to appropriations, to fill the SPR at an annual average rate of 300,000 barrels per day until 500 million barrels are in storage.

Last year the administration supported a fill rate of 300,000 barrels per day as part of the Omnibus Reconciliation Act of 1981. At the time the Congress negotiated with the administration that the national policy would be that the President would seek a strategic petroleum reserve average annual fill rate of 300,000 barrels of oil per day until 750 million barrels are in storage. That agreement implied an accompanying facilities acquisition program that would support the timely availability of storage capacity to accommodate such a fill rate.

The rationale was that the crude oil in the strategic petroleum reserve is an asset in the same sense as gold in Fort Knox. On that basis, the administration supported the taking of SPR oil purchases off budget. That premise is as valid today as it was last year.

Mr. President, a fill rate of 300,000 barrels per day can be achieved by funding SPR off budget oil procurement in fiscal year 1983 at the same level as in fiscal year 1982. The Committee on Energy and Natural Resources recommended so in its March 8 report to the Senate budget committee. In other words, S. 2332 supports continuation of current policy.

The issue before us is when is the oil to be purchased, not if it is to be purchased. Even under the amendment this oil for the SPR is going to be purchased anyway in later years.

The anticipated amendment and the administration's fiscal year 1983 budget request for SPR oil procurement represent a 44-percent cut from the current policy. The justification that is offered is that for budgetary reasons, our Nation cannot afford a 300,000 barrel per day fill rate.

The Congressional Budget Office has found that substantial savings can be achieved by purchasing the oil now when the market is soft. Savings in oil acquisition costs by CBO's calculations would amount to $400 million assuming annual storage costs of $3 per barrel. While there would be additional interest costs on the national debt, these costs also could be offset by the higher oil prices that would occur during a shortage. For example, following the Iranian oil supply interruption average OPEC crude oil direct sales prices rose $10.63 per barrel between the fourth quarter of 1978 and the fourth quarter of 1979; and by the end of 1980, the price was up an additional $9 per barrel.

The General Accounting Office, in its letter of May 21, 1982, estimates the oil selling prices needed in 1985 are between $46 and $52 per barrel in order to break even on the costs of interim storage. These prices are comparable to recent oil price forecasts by Data Resources. The GAO thus concluded that apart from any disruption during the next several years, accelerated SPR purchases could lead to a net economic benefit depending upon the future price of oil.

But more importantly what we are buying is added national security and economic protection. The national security benefits cannot be overstated. The economic benefits also cannot be overstated.

The United States imports about one-third of its crude oil and refined petroleum products. With oil imports likely to remain above 5 million barrels per day throughout this decade we should move quickly during this period of reduced prices to insure our energy and economic security. The Congressional Budget Office outlined in its paper the dramatic impact of an oil supply interruption of 2.5 million barrels per day to the United States for 1 year; such a shortage, which is comparable to the 1973 embargo, could be expected to cause a loss of more than 4 percent in the gross national product, increase unemployment by an additional 2 percent in the first year, and raise the price level by an additional 1 percent the first year. Conversely the availability of a 1-billion-barrel SPR, as authorized by the Congress, could offset this entire shortfall.

Therefore let us support purchase of the oil now and benefit from the added protection.

Future oil supply disruptions are virtually inevitable given the instabilities present in the Middle East. The Congress should not withdraw its full support for this vital national security program, in the absence of effective alternative options for responding to an oil supply disruption.

Mr. President, the Senator from New Mexico indicates that this is a matter of judgment, and indeed it is. My judgment differs from his as to the urgency of this program and the wisdom of deferring the purchase.

This body and the other body have, for the last 1½ or 2 years, been seeking a way in which we can enhance the security of this country by having a supply of oil and other energy programs that will meet the critical needs of this country in peacetime or in war, and will thus reduce our vulnerability to the distortion of our economy or the distortion of our foreign policy.

We have had a number of stirring debates. We passed standby allocation authority, which the President vetoed. Although a majority of this body voted in favor of overriding the President's veto, there was not a sufficient majority to succeed in overriding that veto. But a majority, nevertheless, said we needed to have emergency energy plans in place.

Mr. President, all of the testimony that we have had before our committee indicates that virtually all we have in place to meet our emergencies, if they should occur, is whatever oil there is in SPR. We have nothing else. In spite of our efforts to erect all kinds of programs, to delegate all kinds of authority, we have been unsuccessful in doing anything except putting oil into the strategic petroleum reserve.

The Senator from New Mexico says the difference between 200,000 and 300,000 barrels per day is only 20 days over the next 3 years. But, Mr. President, that is a 50-percent increase over what it would otherwise be. If 20 days is not critical, then why is 40 days critical? That is only 20 days difference. Twenty days is not much, but it may mean the difference between having an adequate supply and not having an adequate supply. It may mean the difference between being able to blunt the price pressure that otherwise might occur in the event of panic and might add up to tens of billions of dollars of additional cost to the people of this country.

As I indicated earlier, and as the Senator from Virginia underscored, the shock on our economy, as fragile as it is now, from any such massive increase in oil prices might subvert all of the good efforts of this body and of this President with respect to economic recovery.

The world cannot and this country cannot afford to take the risk, Mr. President, of that kind of price shock to an economy as fragile as the one we are dealing with today. We might be, indeed, very pennywise and pound-foolish as we talk about trying to save a little money in 1983 and 1984 at the potential expense of tens of billions of dollars to the economy.

Beyond that, Mr. President, I ask unanimous consent to have printed in the RECORD a table that is in response to three questions that were asked of the Department of Energy. One was to provide us their estimates of cost over the period from 1983 through 1990 under the President's budgetary proposal and under our proposal.

The second one is the President's fill rate proposal plus the acquisition of interim storage that is necessary. The table would indicate that the second option is only $82 million more than the President's proposal over the period of time from now to 1990. The proposal that we have is 300,000 barrels per day up to 500 million barrels of storage and then to complete the storage of 750 million barrels, with the addition of construction of the Big Hills storage facility on its original schedule. Over time, that option instead of costing more money in direct budgetary impact, costs less—not more, less.

These are DOE figures. It costs $548 million less than the President's current budget expenditures at 208,000 barrels per day.

The question is, what is the trade off of economic impact in the short term against the economic savings in the longer term plus the additional security of having done what we are suggesting to do here?

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Question. Please provide, based on the fiscal year 1983 SPR congressional budget submission, a funding profile of the 750 MMB system with completion in 1990 and applicable oil fill levels, end of year.

Answer. The following tables are provided to show the total estimated cost of the current 750 MMB system as proposed in the President's fiscal year 1983 budget plus applicable oil fill levels, end of year.

	Fiscal years 1983	1984	1985	1986	1987	TEC 750 MMB
Oil						
B/A	$2,074	$1,936	$2,441	$3,300	$2,198	
O	2,775	2,297	2,196	3,546	2,818	
Other						
B/A	242	633	235	212	165	
O	302	375	410	304	192	
Total						
B/A	2,316	2,569	2,676	3,512	2,363	33,435
O	3,077	2,672	2,606	3,850	3,010	

SPR OIL FILL LEVELS

[Cumulative fill, MMB, end of fiscal year]

	1982	1983	1984	1985	1986	1987	1988	1989	1990
1983 budget baseline									
Capability	267	343	417	456	538	598	623	670	750
Oil fill	267	343	400	456	538	598	623	670	750
Difference			17						

Question. Please provide, based on the fiscal year 1983 SPR congressional budget submission, a funding profile of t[illegible] 750 MMB system but accelerate the pr[illegible]m configuration by acquiring interim s[illegible]age facilities, increase the fill rate to 300,000 BPD until 500 MMB are in storage, and applicable oil fill levels, end of year.

Answer. The following tables are provided to show the additional oil acquisition and transportation and storage facilities development cost associated with acquiring interim storage facilities over the fiscal year 1983 President's budget.

	Fiscal years 1983	1984	1985	1986	1987	TEC
Oil	4,676	2,015	817	1,808	2,003	
Do	5,230	3,438	998	835	2,597	
Interim storage fees	228	150	192	65		
Do	131	204	192	108		
Other	242	633	235	204	161	
Do	302	375	410	305	189	
Total	5,146	2,798	1,244	2,077	2,164	[1] 33,517
Do	5,663	4,017	1,600	1,248	2,786	

[1] $82 million more than budget estimate.

SPR OIL FILL LEVELS

[Cumulative fill, MMB, end of fiscal year]

	1982	1983	1984	1985	1986	1987	1988	1989	1990
1983 budget baseline acceleration									
Capability	267	343	417	456	538	598	623	670	750
Oil fill	309	418	500	519	538	598	623	670	750
Difference	+42	+75	+83	+63	0	0	0	0	0
Fourth quarter average dollars	36 55	37 39	39 47	41 77	44 14	46 60	49 51	53 19	57 13

Question. Please provide, based on the fiscal year 1983 SPR congressional budget submission, the funding profile for the 750 MMB system including the accelerated program configuration and also what additional funding would be needed if the proposed fiscal year 1983 deferral of $53 million is overturned and the program is completed in 1989. Include the applicable oil fill levels, end of year.

Answer. The following tables are provided to show the additional costs associated with acquiring interim storage facilities and rejecting the proposed fiscal year 1982 deferral of $53 million over the fiscal year 1983 President's budget.

	Fiscal year 1983	1984	1985	1986	1987	TEC
Oil						
B/A	4,676	2,015	817	1,808	2,003	
O	5,230	3,438	998	835	2,597	
Interim storage fees						
B/A	228	150	192	65		
O	131	204	192	108		
Other						
B/A	242	633	235	204	161	
O	302	375	410	305	189	
Subtotal						
B/A	5,146	2,798	1,244	2,077	2,164	33,517
O	5,663	4,017	1,600	1,248	2,786	
Big hill additional						
B/A	[1] +380	300	3	28	+1,420	630
O	+150	70	3	28	+500	
Grand total						
B/A	5,526	2,498	1,241	2,049	3,584	[2] 32,887
O	5,813	3,947	1,597	1,220	3,286	

[1] Assumes rejection of the fiscal year 1982 deferral of $53 million at an early date, plus an increases in fiscal year 1983 B/A as noted.

[2] $548 million less than budget estimate.

SPR OIL FILL LEVELS

[Cumulative Fill, MMB, end of fiscal Year]

	1982	1983	1984	1985	1986	1987	1988	1989	1990
1983 budget baseline accelerated									
Capability	267	343	417	456	538	610	670	750	750
Oil fill	309	418	500	519	538	610	670	750	750
Difference	+42	+75	+83	+63					

Note (630 580 (oil savings) + 50 (facilities savings inflation))

Mr. McCLURE. Mr. President, it is my sincere hope that the Senate will not adopt the amendment of the distinguished Senator from New Mexico. I hope the amendment will be rejected.

Mr. President, I call attention to a portion of the report which we filed on this legislation. I refer to page 16 because there, it refers to the conclusion of the General Accounting Office with respect to our contingency plans in the event of an emergency. As is accurately stated there, the General Accounting Office conclusion was that "In the final analysis, it may well be that DOE's approach to contingency planning for everything except military situations is still little more than the SPR."

If that is all we have, Mr. President—and that is the evidence, that that is all we have—we can scarcely afford to reduce our determination to enhance that security at the lowest possible cost at the earliest possible date.

One final note. I mentioned it before but I want to underscore it now. The Senator from New Mexico talks about the budgetary impact in 1983 and 1984. He is accurately quoting the figures which have been furnished to him by the administration. Those figures are the worst-case scenario. They are the maximum cost in 1983 and 1984. The actual costs, even under our proposal, could well be less in 1983 and 1984 because they might well be put forward into subsequent years—into 1984 and 1985—and the early-years cost thus might well be less than those stated figures.

Finally, Mr. President, it seems to me that this is not a time for us to gamble with the security of this country, let alone with the economy or with the dollars that are involved. I hope the amendment is defeated.

● Mr. **NICKLES**. Mr. President, I am a cosponsor of Senator DOMENICI's amendment and urge its adoption. I have strong reservations about this entire measure. I question the U.S. involvement and commitments under IEA. I also question the need for the various reports and studies which this bill would burden the administration to compile and submit. However, what is most offensive to me in this bill is its provisions to require a mandatory fill rate of the strategic petroleum reserve at 300,000 barrels per day.

I have outlined my objections to this requirement in the joint minority views filed with Senator DOMENICI in the committee report. I shall not repeat them now. I only want to emphasize to my colleagues that a vote for our amendment is not a vote against SPR.

The administration is committed to filling SPR at both a fiscally prudent rate and at a practical level—to the degree permanent storage is made available. The administration's commitment is demonstrated by the fact that, by the end of fiscal year 1982, SPR will contain 277 million barrels of oil, a 150-percent increase since the administration took office. We should allow the administration to continue to pursue its wise and responsible course.

An untried crash program of interim storage and added deficit borrowing of $3.16 billion would be the result if the bill passes unamended. I encourage my colleagues to support our amendment and resist placing an unnecessary and unfeasible mandatory minimum fill rate upon an administration which has proven its commitment to filling the strategic petroleum reserve.

I am not convinced that this legislation is warranted; however, if my colleagues feel that passage of this bill is desirable, I urge adoption of this amendment to make the measure more palatable.●

Mr. **KENNEDY**. Mr. President, the United States today is dangerously vulnerable to an energy emergency. With the expiration of the Emergency Petroleum Allocation Act last year, and the President's veto of the Standby Petroleum Act this year, the Nation lacks any coherent mechanism to respond to a disruption in petroleum supplies. There is a broad consensus that emergency planning is necessary to assure our national security, protect the health and well-being of our citizens, and cushion our economy from the shock of an interruption of our energy supplies. Yet the administration appears content to leave to chance our response to an emergency. This is a gamble which recent history demonstrates we can ill afford.

The legislation before us is a modest but important first step in preparing the United States to meet the challenge of an energy emergency. The bill clearly states our commitment to developing adequate, comprehensive procedures to mitigate the effects of a shortage of petroleum on public health, safety, and welfare. It requires the President to develop and transmit to Congress a drawdown plan for the strategic petroleum reserve, which will help stabilize prices and supply in the event that serious shortages develop. It mandates an adequate fill rate of 300,000 barrels a day for SPR, and provides for interim storage of crude oil and petroleum products so that the mandated fill rate can be accommodated and the United States can take advantage of the temporary decline in oil prices.

I am particularly pleased that the committee's bill accepted an amendment by Senator MATSUNAGA, which permits storage of petroleum products as well as crude oil. As my colleagues know, Massachusetts and other New England States remain heavily dependent on imported oil despite heroic conservation efforts by our citizens in the last few years. Including products as well as crude in the reserve will allow prompt response to shortages in heating oil and other needs that would seriously affect the health of our citizens and the well-being of our economy.

Mr. President, nearly a year ago, one released a GAO report which reported an "almost total lack of emergency (energy) preparedness" in the United States. Unfortunately, the administration has failed to heed this critical warning. The time has come for Congress to take matters into its own hands. I urge my colleagues to support adoption of S. 2332, and reject the Domenici amendment.

● Mr. **PERCY**. Mr. President, I must state my opposition to the amendment by the Senator from New Mexico. The strategic petroleum reserve is a crucial element of our national defense. More importantly, the United States' continuing vulnerability to an oil cutoff makes it an element of our national defense likely to be tested someday. The Middle East is still an unstable place. The Middle East is still the source of most of the industrialized world's oil. Considering these truths about the world in the 1980's, we would be derelict in our fundamental responsibility to provide for the common defense and security if we cut back on our efforts to fill the SPR.

In general, I have strongly supported the administration's efforts to improve our energy security. I voted to uphold the President's veto of the Standby Petroleum Allocation Act—a well-intentioned but unworkable plan supported by many Members of the Senate. I also think that this administration is giving energy security the priority it deserves. But the heart of their energy security planning is the SPR. Officials at DOE and OMB acknowledge this very openly. This is why I have difficulty understanding why they now are turning to the SPR as a place to save money this year.

This slack oil market of today will not last—and even if it did, just one revolution, regional war, or major terrorist incident could send oil prices skyrocketing again. I cannot fathom how we could vote a massive increase in our defense budget in this Chamber one week and then turn around and consider saving money by chopping by a third the rate at which we build our best energy defense. A full SPR—a goal which will still take years to achieve—is the one defense expenditure that could make the difference between having to use all those new weapons and riding out a crisis with the security of assured oil supplies. Furthermore, a full SPR would show to any nation or group that still sees energy as this Nation's Achilles heel that there would be little political or economic advantage in precipitating an oil crisis.

Cutting back on the rate at which we fill the SPR is false economy to an extreme. I admit that we may find it more glamorous to build aircraft carriers, tanks, and missiles, but if there is one measure we can take to build up the security of this country, it is stockpiling oil. This fact is not lost on our constituents either. They have long memories, stretching back to 1979 and 1973 when prices shot up and gas lines spread around this Nation. I found from one questionnaire I sent to Illinois that 95 percent of the respondents strongly supported continuing to fill the SPR. If another energy crisis comes—a likely if not certain event over the next decade—I do not want to have to answer to my constituents that we cut back on our energy security defenses to save a few dollars when times were rough.

While I feel that it is not in our direct national interest to cut back on filling the SPR, I think we should also consider what this loss of resolve in building our energy defenses would look like to the other oil consuming nations of the world. The industrialized world is all in the same boat when it comes to oil. Since 1973, a major task of U.S. diplomacy has been to forge better cooperation between oil consumers. The International Energy Agency, its emergency sharing system and consultative mechanisms represents the fruits of these efforts. How will it look to our allies if we are cutting back on our efforts to defend ourselves against an oil shortage? Not very good, I can assure you. Cutting back on our energy security efforts by slowing the filling of the SPR would seriously undermine our leadership of the oil importing nations.

I urge my colleagues to reject this amendment to slow the filling of the SPR. Even in these days of economic austerity, it just does not make sense to economize on this vital element of our national security.●

● Mr. LEVIN. Mr. President, I want to join my colleagues from the Energy Committee in their effort to protect our goal of increasing energy independence by opposing any lowering of the fill rate for the strategic petroleum reserve. I hope that a majority of the Senate will join us in rejecting a proposal that would weaken our country's efforts here and ultimately weaken our defense.

Just last week, the Senate defeated several amendments to the defense authorization, arguing that we cannot economize to the detriment of our defense. Whatever one believes about the efficacy of specific weapons projects, I do not see how anyone can question the importance of the strategic petroleum reserve. We will need fuel to fight a war and we need a secure source of fuel if we are to have a better chance of avoiding war. The factories that produce the weapons and the goods required to maintain our vast economic system cannot run without adequate fuel supplies.

Recently, the Center for Strategic and International Studies at Georgetown University released a report entitled "The Critical Link: Energy and National Security in the 1980's." This report terms the Government's "failure to take the energy crisis seriously a prescription for disaster later in the decade." I could not agree more.

Unfortunately, the benefits of SPR will only be known when we are in the midst of another oil embargo. And because it takes years to fill, it is an easy target for budget cutting. Those of us supporting the 300,000 barrel/day fill rate are trying to stockpile for the winter, while others cheerfully tell us not to worry because it is still spring. But the oil glut will end and a long cold winter will come. Despite the inevitability of energy shortages in the future, each year proposals are made to delaying filling SPR because the price of crude is too high or the international situation is too uncertain or we cannot afford it. And the only way to prove that they are wrong is to allow a slowdown of the fill rate and wait for a crisis.

We have heard throughout this debate that the cost of this program is too high. The opposite is more likely. Delaying filling the SPR would risk even higher energy costs when we finally buy the oil at a future date. More important, we should compare the cost of SPR with other programs in the defense sector of the budget.

Mr. President, it is important that we keep in perspective our Persian Gulf strategy as we discuss the strategic petroleum reserve. We have made a commitment to field a Rapid Deployment Force which could have the capability to protect our interests in the petroleum supply from the Middle East area. We will be spending billions of dollars to staff, train, and supply this force over the next several years. While this force may help in restarting the shipment of oil, it cannot guarantee that oil shipments will not be interrupted. The strategic petroleum reserve directly addresses the problem of interrupted oil supplies: it provides a readily available supply of oil to the United States if we need it. The SPR complements and enhances the concept of the Rapid Deployment Force. An adequately filled reserve gives the United States more options and time to deal with possible oil disruptions. It puts us less at the mercy of those who would wish to interrupt our oil supply.

We should fill the reserve faster—not slower—for the sake of our own economy. It puts energy cash in our hands and is a weapon against inflationary increases. It is also a way of assuring that our foriegn policy will be independent and free of excessive oil pressures.●

Mr. DOMENICI. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. McCLURE. Mr. President, I am prepared to yield back the remainder of my time on the amendment.

Mr. DOMENICI. I yield back the remainder of my time.

The PRESIDING OFFICER. The Chair will state that under the instruction of the previous order, a vote will occur on the Domenici amendment at 3 o'clock this afternoon, May 26, 1982. The amendment will remain set aside until that time.

UP AMENDMENT 1005

Mr. McCLURE. Mr. President, I send an amendment to the desk and ask for its immediate consideration

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Idaho (Mr. McCLURE), for himself and Mr. DURENBERGER, proposes an unprinted amendment numbered 1005.

On page 7, line 5, strike "September 30," and insert in lieu thereof "December 1,".

Mr. McCLURE. Mr. President, this changes the date for the President to transmit to Congress a drawdown plan for the SPR. The date stated in the bill is September 30, 1982. This amendment would change that date to December 1, 1982.

I know of no objection to the amendment. This is at the request of the administration. I hope the amendment will be agreed to.

Mr. JOHNSTON. Mr. President, frankly, I do not know why this matter should be a political matter that has to be put off until after the election. But I have no objection; therefore, I shall not object.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. McCLURE. I yield back my time, Mr. President.

Mr. JOHNSTON. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 1005) was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

● Mr. STAFFORD. I want to ask my colleague from Idaho about the authority provided by S. 2332. It is my understanding that the bill authorizes the use of up to 10 percent of the revenues appropriated for SPR oil acquisition to defray expenses associated with interim storage of crude oil and refined petroleum products.

Mr. McCLURE. Yes; that is true. Under existing law SPR storage can be placed in refinery-dependent areas and import-dependent markets such as the east coast and Hawaii. Under S. 2332, oil acquisition funds could be used to implement such a regional reserve, as interim storage.

Mr. STAFFORD. As you know, the east coast consumes more than one-third of the Nation's oil. One million, seven hundred thousand barrels a day of refining capacity is located there, and the region is 85 percent dependent upon imported oil. In contrast, the gulf coast and Nation as a whole are only 39 percent dependent. We are concerned that the SPR is not at present designed to deal effectively with the problems of the east coast, the Northeast and New England in particular. We remain vulnerable to an embargo or shortage. If a shortage were to occur, we would be hit first and hit hardest.

In light of these problems, the Governors of the six New England States strongly support the establishment of a regional reserve.

Mr. McCLURE. It is a commendable idea. In March our Subcommittee on Energy and Mineral Resources received testimony from witnesses, including a noted petroleum economist, favoring the establishment of an interim fuel oil reserve on the east coast. They explained that such a reserve was necessary because during a shortage gulf coast refineries would find it very difficult to produce sufficient quantities of fuel oil to replace imported supplies. Thus, S. 2332 would provide additional revenues for such a reserve which under the circumstances certainly seems advisable.

Mr. STAFFORD. I thank the Senator.●

Mr. MATSUNAGA. Mr. President, I rise in support of S. 2332, the Energy Emergency Preparedness Act, and particularly to reinforce consideration of an option that has been part of the public law since 1975.

Section 157 of the Energy Policy and Conservation Act (ECPA) requires the strategic petroleum reserve (SPR) to provide a regional petroleum reserve (RPR) in, or readily accessible to, any region in which product imports equal or exceed 20 percent. On a number of occasions, the east coast has specifically been identified for regional product storage. I believe that an RPR of products for the east coast is well justified and should be given every sympathetic attention.

However, Mr. President, I wish to point out a statistic of startling if not frightening, moment. Hawaii imports 92 percent of the energy consumed, all petroleum, and primarily from the OPEC cartel. If it can be argued that the east coast deserves a regional petroleum reserve, then the justification for Hawaii is certainly most compelling.

Next month, representatives from the Department of Energy, Department of Defense, the private sector and the State of Hawaii will meet to discuss the nature of energy emergency readiness in the Pacific Basin. I am hopeful that the participants will very seriously consider the merits of a regional petroleum reserve of products in the Pacific Basin, for the security of our Nation and the fragile economy of my home State are in danger of being compromised by the uncertain status of the present mechanism to respond to a serious oil crisis in the Pacific.

Mr. President, both S. 2332 and previously enacted legislation provide flexibility for a regional petroleum reserve of products. It is my hope that the facts pertaining to this important alternative will convince the appropriate decisionmakers of the critical need to plan for and utilize this option.

I urge a favorable vote for S. 2332.

Mr. TOWER. Mr. President, I rise to support my colleague, Senator McCLURE, and the Energy Committee in the continuing work or addressing the necessity for this country to be prepared in the event of an energy emergency. As a matter of national security, it is imperative that this country be adequately prepared to meet an energy supply shortfall. Therefore, I back efforts to increase the fill rate of the strategic petroleum reserve; particularly at this time, when the current soft world oil market offers lower prices for oil. Although temporary storage might be required, if the fill rate were increased, alternate temporary storage is available and feasible and should be leased by DOE until new permanent space is completed.

Focusing on the national defense aspects of the argument, the following points must be considered. Despite the buildup of U.S. conventional forces and the advent of the rapid deployment joint task force, the Soviets are still vitally interested in securing a military position in the Persian Gulf and Indian Ocean area. They are also pursuing deliberate efforts to antagonize pro-Western governments in the area while reinforcing their ties with countries such as India and Ethiopia. The explosive political situation in that part of the world could lead to a military confrontation similar to the Iran-Iraq dispute, or outright intervention by the Soviets on the order of an Afghanistan incursion. Falling world oil prices, the isolation of the Iran-Iraq dispute, and stability between Egypt and Israel has led some to become complacent about the situation in the Middle East. I believe the apparent calm in the region tends to disguise underlying and potentially critical political, economic, and military conditions.

Congress commitment to expand U.S. defense capabilities might be undermined if the United States remains vulnerable to another oil supply interruption. Such consequences, if they were to occur, might cripple our industrial base—which is already suffering in this recession. Now is the time to let our allies know that we mean business about a rapid buildup in our oil stockpile and that we will take whatever steps are necessary to protect our oil supply and economic interests as well. We will give the Soviet Union and our allies ample reason to believe that we intend to ignore our economic security if we do not continue filling the strategic petroleum reserve at a rate commensurate with our true capabilities. We should act decisively now to protect our interests and make certain that our true intentions are understood.

Since the start of 1981, world crude prices have been dropping steadily and the Department of Energy has been, for some time, taking advantage of the situation. Purchases on the spot market doubled the size of the reserve during the calendar year. These trends are continuing in the world market and should continue into the near future unless a supply interruption is created by external forces. It makes good economic sense for the DOE to purchase as much oil as possible for the strategic petroleum reserve before the price trend again rises. This action would reult in a strategic benefit at less cost to the taxpayer.

I, therefore, support an increased fill rate for the SPR, and continue to endorse the International Energy Program.

Mr. McCLURE. Mr. President, I have no further requests for time on the bill. I am prepared to yield back the remainder of my time on the bill.

Mr. JOHNSTON. I yield back the remainder of my time on the bill, Mr. President.

Mr. McCLURE. Mr. President, I ask for the yeas and nays on passage of the bill.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. McCLURE. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLURE. If I understand correctly, the vote on the DOMENICI amendment will occur at 3 o'clock, to be followed immediately, without intervening motion or debate, by a rollcall on passage of the bill. Am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLURE. If I remember correctly, that second rollcall will be a 10-minute rollcall.

The PRESIDING OFFICER. The Senator is correct.

QUORUM CALL

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. ARMSTRONG. Mr. President, reserving the right to object, I am in the process, I say to the distinguished manager of the bill, of reviewing an amendment which I understand may shortly be called up, which has only just come into my possession. It is a lengthy amendment. I am moving as quickly as I can. I wonder if the chairman would be disposed to withhold temporarily.

Mr. HATFIELD. I am really not, but I ask what time factor the Senator is talking about?

Mr. ARMSTRONG. I think I will be ready to proceed within a very few minutes.

Mr. HATFIELD. I would be very happy to withhold.

Mr. ARMSTRONG. I thank my friend from Oregon.

The PRESIDING OFFICER (Mr. SCHMITT). The clerk will resume the call of the roll.

The legislative clerk resumed the call of the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

URGENT SUPPLEMENTAL APPROPRIATIONS, 1982

The PRESIDING OFFICER. The Senate will resume consideration of the pending business which the clerk will state.

The legislative clerk read as follows:

A bill (H.R. 5922) making urgent supplemental appropriations for the fiscal year ending September 30, 1982, and for other purposes.

The Senate resumed consideration of the bill.

Mr. HATFIELD. Mr. President, what is the pending amendment or what is the pending business?

The PRESIDING OFFICER. The pending question is the third committee amendment to the supplemental appropriations bill.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that the following members of my staff be granted the privileges of the floor during the balance of this day: Bill Billmire, Howard Propst, Lee Stillwell, Debbie Buettner, Bob Potts, and Brian Waidmann.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 1006

(Subsequently numbered amendment No. 1642.)

(Purpose: Substitute for Committee Amendment No. 3)

Mr. HATFIELD. Mr. President, I have sent an amendment to the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Oregon (Mr. HATFIELD) proposes an unprinted amendment numbered 1006. In lieu of the matter proposed to be stricken by the third committee amendment (i.e., strike material on page 4, lines 1 through 5) insert the following:

Mr. HATFIELD. Mr. President, I ask unanimous consent that the further reading of the amendment be dispensed with.

Mr. ARMSTRONG. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Colorado reserves the right to object.

Mr. ARMSTRONG. Mr. President, I reserve the right to object. I understand it would be in order that if I were to object the entire amendment, some 25 to 30 pages, could be read and that would be my right to insist that it be read at this point; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. ARMSTRONG. Mr. President, I do not object, but I just wanted to make a point that I am grateful to the Senator from Oregon for his indulgence a few moments ago to give him a chance to understand what is before us, and he has not in any way sought to play games with the Senator nor do I seek to do so. We have serious business before us.

I would resort to such tactics only in extremes where I have no other option.

Since the Senator has treated me with courtesy, I do not object, and I thank him for the courtesy. That does not mean I am in favor of the amendment. I say that so Senators will understand.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

DEPARTMENTAL MANAGEMENT

OFFICE OF THE INSPECTOR GENERAL

(TRANSFER OF FUNDS)

From amounts appropriated for fiscal year 1982 for payments to States for Medicaid Fraud Control Units, there is transferred to the Office of Inspector General, Department of Health and Human Services, for necessary expenses, $13,941,000.

DEPARTMENT OF EDUCATION

STUDENT LOAN INSURANCE

For an additional amount under title IV, part B of the Higher Education Act, $1,300,000,000, to remain available until expended.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $6,550,000.

RELATED AGENCIES

ACTION

OPERATING EXPENSES, DOMESTIC PROGRAMS

For an additional amount for "Operating expenses, domestic programs," under the provisions of the Domestic Volunteer Service Act of 1973, as amended (Public Law 93-113, as amended, 42 U.S.C. section 4951 et seq.), $2,000,000.

CORPORATION FOR PUBLIC BROADCASTING

PUBLIC BROADCASTING FUND

For an additional amount for payment to the Corporation for Public Broadcasting, as authorized by the Communications Act of 1934 as amended, an amount which shall be available within limitations specified by said Act, for the fiscal year 1984, $24,400,000: *Provided*, That no funds made available to the Corporation for Public Broadcasting by this Act shall be used to pay for receptions, parties, and similar forms of entertainment for Government officials or employees: *Provided further*, That none of the funds contained in this paragraph shall be available or used to aid or support any program or activity excluding from participation in, denying the benefits of, or discriminating against any person on the basis of race, color, national origin, religion, or sex.

PRESIDENT'S COMMISSION FOR THE STUDY OF ETHICAL PROBLEMS IN MEDICINE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $309,000.

CHAPTER II

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

(RESCISSION)

(INCLUDING TRANSFER OF FUNDS)

Of the amount of authority provided under this heading in the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1982 and prior Appropriation Acts, $225,071,321 of contract authority and $5,985,124,165 of budget authority is rescinded: *Provided*, That the budget authority specified in the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1982 for public housing construction other than low income housing for Indian families is reduced by $2,345,400,000: *Provided further*, That $500,000,000 of budget authority provided in that Act shall be made available for obligation after September 30, 1982, for modernization of existing low-income housing projects (section 14 of the United States Housing Act of 1937, as amended) of which $89,321,727 shall be for the modernization of 5,093 vacant uninhabitable public housing units, pursuant to section 14 of the United States Housing Act of 1937, as amended, other than section 14(f) of such Act, $19,260,000 of contract authority provided in that Act shall be made available for obligation after September 30, 1982, for low-income housing for Indian families, and $39,300,000 in contract authority provided in that Act shall be made available for obligation after September 30, 1982, for housing assistance payments pursuant to section 8 of the United States Housing Act of 1937 for projects authorized under section 202 of the Housing Act of 1959: *Provided further*, That $254,400,000 of budget authority provided in the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1982 under the heading "Annual Contributions for Assisting Housing", shall be transferred to the heading "Payments for Operation of Low-Income Housing Projects" and merged with the amounts available therein for payment to public housing agencies for operating subsidies; and appropriations for payments to public housing agencies for operating subsidies for low-income housing projects as authorized by section 9 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g), are increased to the extent budget authority is transferred; and the budget authority transferred under this section in addition to that provided in the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1982 shall be made available for the foregoing purposes; and payments to public housing agencies from funds made available under the heading "Payments for Operation of Low-Income Housing Projects" shall be made pro rata solely in accordance with the Performance Funding System (as set forth in 24 C.F.R. part 890, as of February 8, 1982); and any part of these payments to public housing agencies which has not been obligated before the thirtieth calendar day following the enactment of this Act shall be deemed obligated on such thirtieth day notwithstanding the provisions of section 200(a) of title 31, United States Code: *Provided further*, That of the amount available after the foregoing rescission $152,715,200 of contract authority and $3,700,000,000 of budget authority shall be for projects under section 8, United States Housing Act of 1937, as amended, the rents for which are approved pursuant to the note governing financing adjustments (46 Fed. Reg. 51903, October 23, 1981) except that the Secretary shall include in the determination of the fair market rental a factor reflecting actual increased costs, and except that the Agreement to Enter into a Housing Assistance Payments Contract shall not be required to include a provision requiring that construction must be in progress prior to October 1, 1982: *Provided further*, That with respect to newly constructed and substantially rehabilitated projects under section 8, United States Housing Act of 1937, as amended, during 1982, the Secretary shall not impose a percentage or other arbitrary limitation on the cost and rent increases resulting from increased construction cost in exercising the authority to approve cost and rent increases set forth in section 8(l) of such Act: *Provided further*, That any balances of authorities made available prior to enactment of the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1982 which are, or become, available for obligation in fiscal year 1982, shall be added to and merged with the authority approved in the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1982 which remains after the above rescission, and such merged amounts shall be made subject only to terms and conditions of law applicable to authorizations, becoming available in fiscal year 1982: *And provided further*, That none of the merged amounts available for obligation in 1982 shall be subject to the provisions of section 5(c)(2) and (3) and the fourth sentence of section 5(c)(1) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437c), and section 213(d) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 1439).

RENT SUPPLEMENT

(RESCISSION)

The limitation otherwise applicable to the maximum payments that may be required in any fiscal year by all contracts entered into under section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s), further reduced in fiscal year 1982 by not more than $3,340,000 in uncommitted balances of authorizations provided for this purpose in Appropriation Acts.

HOUSING PRODUCTION ASSISTANCE PAYMENTS

For mortgage interest assistance payments, $1,000,000,000, to remain available until expended. Such amount shall be made available under the terms and conditions of the following paragraphs:

(a) For the purpose of assisting middle and lower income families in acquiring a home, a manufactured home, or membership in a cooperative association operating a housing project or in substantially rehabilitating a home or a unit in a cooperative housing project, the Secretary of Housing and Urban Development, hereafter referred to as the Secretary, is authorized through the Government National Mortgage Association, to make and to contract to make periodic interest reduction payments on behalf of such families. Such assistance shall be accomplished through payments to mortgagees and lenders or their transferees holding mortgages and loans meeting the requirements of this section.

(b) The Secretary may not enter into any contract to make emergency home mortgage interest reduction payments under this heading during any month unless the Federal Home Loan Bank Board's home mortgage interest rate index for conventional home mortgage loans closed, based on the moving average for the most recent two-month period, exceeds 12.5 per centum per annum.

(c) To be eligible for emergency interest reduction payments under this section, the first mortgage or loan secured by the property, manufactured home, or shares in a cooperative must meet the requirements of or be insured under section (g).

(d) Assistance payments under this section may be made over a period of not to exceed five years with respect to any mortgage.

(e) The amount of all emergency interest reduction payments made under this section shall constitute a second lien on the property or shares with respect to which the payments are made and shall be repayable—

(1) when the property is sold;

(2) when the property ceases to be the prinicipal residence of the mortgagor or borrower;

(3) upon any other disposition of the property specified in regulations of the Secretary; or

(4) upon the refinancing of the first mortgage or loan on the property or shares,

except that the amount repaid may not exceed 60 per centum of the homeowner's net equity, as determined by the Secretary.

(f) The amount of the emergency mortgage interest reduction payments with respect to any mortgage or loan shall be an amount not exceeding the lesser of—

(1) the difference between the amount of the monthly payment for principal and interest which the mortgagor or borrower is obligated to pay under the mortgage or loan, and the monthly payment for principal and interest which the mortgagor or borrower would be obligated to pay if the mortgage or loan were to bear interest at the rate of 11 per centum per annum; and

(2) the difference between the amount of the monthly payment for principal and interest which the mortgagor or borrower is obligated to pay under the mortgage or loan, and the monthly payment for principal and interest which the mortgagor or borrower would be obligated to pay if the mortgage or loan were to bear interest at a rate four percentage points less than the rate specified in the mortgage or loan.

(g) Notwithstanding any other provision of law, the Secretary may assist or may insure a mortgage or loan which shall—

(1) be executed by a mortgagor or borrower whose total family income did not exceed $30,000 during the year preceding the application for the mortgage or loan and who intends to occupy the property as a principal residence, except that the limitation contained in this paragraph may be increased to not to exceed $37,000 where necessary for families to qualify for increased principal amounts established by the Secretary pursuant to paragraph (2);

(2) have a principal obligation not to exceed $67,500, except that the Secretary may establish increased principal amounts of not to exceed 115 per centum of such amount in any area which has been determined to have high prevailing housing sales prices pursuant to section 203(b)(2) of the National Housing Act, but in calculating the amount of the interest reduction payments pursuant to subsection (f), the Secretary shall disregard any part of the monthly payment on that part of the mortgage or loan which exceeds $67,500;

(3) involve a one- to four-family dwelling the construction, substantial rehabilitation, or manufacture of which commenced on or after the date of enactment of this section heading and was substantially completed by January 1, 1983;

(4) provide for complete amortization over a period of not to exceed thirty years, but provide that (A) the mortgage or loan payment shall be adjusted for the second, third, fourth, fifth, and sixth years of the mortgage or loan by increasing the payment required during each such year by 0.75 per centum of the original principal obligation, and (B) the amount of the increase will be applied to reduce the principal obligation;

(5) provide, after the sixth year, for equal monthly payments in the same amount as the amount required in the sixth year, but only for the period necessary to pay off the remaining principal obligation;

(6) have been accompanied by disclosures of the scheduled adjustments in the monthly payment and of the requirements of section (e);

(7) be originated by a mortgagee or lender who is responsible and able to service the mortgage or loan properly;

(8) in the case of a manufactured home loan, comply with the regulations issued under section 501(c) of the Depository Institutions Deregulation and Monetary Control Act of 1980; and

(9) bear interest and contain such other terms and conditions as the Secretary may prescribe.

(h) The Secretary shall allocate the amount available to carry out this program among the States on the basis of a formula so that—

(1) one-third of such amount is allocated on the basis of the ratio of the population of each State to the population of all States;

(2) one-third of such amount is allocated on the basis of the percentage decline in one- to four-family housing starts, measured from 1978 to 1981, of each State relative to the percentage decline for all States; and

(3) one-third of such amount is allocated on the basis of the ratio of each State's number of unemployed persons for the most recent three-month period for which data are available prior to the allocation to the number of unemployed persons for all States for such three-month period.

(i) Any mortgage insured or assisted under this heading shall be eligible for purchase by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(j)(1) The Secretary shall assure that the amounts allocated pursuant to subsection (h) are made available in a manner which maximizes participation by eligible lenders and borrowers.

(2) The Secretary shall maximize timely utilization of authority under this section by limiting the time within which a firm commitment may be issued to ninety days after the commitment (other than a firm commitment) is made.

(3) Notwithstanding any other provision of law, the Secretary shall issue final regu-

lations, make allocations, and begin to issue commitments pursuant to this heading not later than thirty days after the enactment to carry out this section of this bill.

(k) There are authorized to be appropriated to carry out the provisions of this heading not to exceed $5,120,000,000: *Provided*, That the $1,000,000,000 appropriated under this heading shall remain available for commitment until November 1, 1982.

INDEPENDENT AGENCIES

Environmental Protection Agency

CONSTRUCTION GRANTS

For necessary expenses to carry out title II of the Federal Water Pollution Control Act, as amended, other than sections 201(m)(1), 205(k), 206, 208, and 209, $2,400,000,000, including grants for biological treatment facilities to repair or replace small community systems suffering structural failure outside the warranty period, where determined to be necessary, to remain available until expended: Provided, That of such amount, $3,965,426 in additional funds (the amount which was withheld from the State of Kansas by reason of an accounting error by the Federal Government) shall be made available to the State of Kansas.

HAZARDOUS SUBSTANCE RESPONSE TRUST FUND

Of the funds appropriated under this head in the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1982, $5,000,000 shall be made available to the Department of Health and Human Services, upon enactment, and up to an additional $2,000,000 may be made available by the Administrator to the Department for the performance of specific activities in accordance with section 111(c)(4) of Public Law 96-510, the Comprehensive Environmental Response, Compansation, and Liability Act of 1980. Management of all funds made available to the Department shall be consistent with the responsibilities of the trustee of the fund, as outlined in section 223(b) of the Act.

National Aeronautics and Space Administration

RESEARCH AND DEVELOPMENT

Notwithstanding any other provision of this or any other Act, of the funds appropriated under the heading, "National Aeronautics and Space Administration, Research and development" in Public Law 97-101, not less than the amounts hereinafter set forth shall be made available for the purposes specified: $31,200,000 for expendable launch vehicles; $323,500,000 for physics and astronomy (including $40,000,000 for Shuttle-Spacelab payloads); $205,000,000 for planetary exploration (including $1,500,000 for the midlevel facility in Hawaii); $39,500,000 for life sciences; $328,200,000 for space applications (including $2,300,000 for the search and rescue program, $5,000,000 for technology transfer, $6,000,000 for upper atmospheric research satallite experiments, $16,200,000 for Shuttle-Spacelab payloads, and $12,400,000 for a 30/20 gigahertz test satellite, the latter amount to be combined with $3,000,000 appropriated in Public Law 96-526 for solar electric propulsion); $8,000,000 for technology utilization; $264,800,000 for aeronautical research and technology; $111,000,000 for space research and technology; and $402,100,000 for tracking and data acquisition: *Provided*, That of the funds available for the Space Shuttle, including space flight operations, not less than $80,000,000 shall be made available for design development and procurement of liquid hydrogen-liquid oxygen upper stages for use in launching the Galileo and Solar Polar Spacecraft in 1986: *Provided further*, That no funds may be obligated for other upper stages, including kick stages, for the Galileo and Solar Polar spacecraft after the enactment of this Act except for work performed prior to the effective date of this Act, together with liability from termination: *Provided further*, That no funds appropriated in this or any other Act may be obligated for a Solar Maximum repair/retrieval mission until the Secretary of the Air Force enters into an agreement with the Administrator to reimburse the National Aeronautics and Space Administration 50 per centum of the costs of such mission (exclusive of the costs attributable solely to equipment for the Solar Maximum spacecraft and to equipment capable of reuse): *Provided further*, That upon request by the Administrator of the National Aeronautics and Space Administration and approval by the Committees on Appropriations not to exceed $50,000,000 from the unobligated balances of funds appropriated under the heading "National Aeronautics and Space Administration, Construction of facilities" or "National Aeronautics and Space Administration, Research and program management" in Public Law 97-101 and Public Law 96-526 shall be available for the Space Shuttle, including space flight operations: *Provided further*, That the Administrator makes sufficient funds available to assure that a second Space Shuttle launch pad at the Kennedy Space Center, Florida, is operational by January 1, 1986.

ADMINISTRATIVE PROVISION

Limitations in section 501(40) of title V of the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1982, are amended as follows: The limitations on the Department of Housing and Urban Development's Office of the Assistant Secretary for Legislation and Congressional Relations are increased from 26 full-time permanent positions and 27 staff years to 31 full-time permanent positions and 33.5 staff years, the limitation on the National Aeronautics and Space Administration's Office of the Comptroller is increased from 150 full-time permanent positions to 161 full-time permanent positions, the limitation on the National Aeronautics and Space Administration's Office of External Relations is increased from 120 full-time permanent positions to 125 full-time permanent positions, excluding those positions allocated for Technology Utilization activities, and the limitation on the Veterans Administration's Office of Planning and Program Evaluation is increased from $1,500,000 to $2,300,000.

CHAPTER III

Coast Guard

OPERATING EXPENSES

For an additional amount for "Operating expenses", $48,000,000, to remain available until expended.

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

(DISAPPROVAL OF DEFERRAL)

The Congress disapproves the deferral of $216,520,000 as reported by the Comptroller General in his message of March 25, 1982.

Federal Highway Administration

FEDERAL-AID HIGHWAY PROGRAM

Section 3(a) of the Federal-aid Highway Act of 1981 is amended by striking the period at the end of the first sentence and by inserting the following: "plus, (a) an additional amount not to exceed $53,000,000 in obligation authority which the Secretary shall allocate to the States in order to increase such total obligation limitation, so that the reduction of any State's final obligation limitation is held to 15 per centum of the tentative limitation issued by the Secretary on October 1, 1981; and (b) an additional amount not to exceed $19,000,000 in obligation authority to carry out section 310(d)(3) of Public Law 97-102."

NATIONAL SCENIC AND RECREATIONAL HIGHWAY

(LIQUIDATION OF CONTRACT AUTHORIZATION)

Any amounts previously authorized to be derived from the Highway Trust Fund for the payment of obligations in carrying out the provisions of 23 U.S.C. 148 are to be transferred to and administered under the appropriation "Federal-aid highways".

RELATED AGENCIES

Civil Aeronautics Board

PAYMENTS TO AIR CARRIERS

For an additional amount for "Payments to air carriers", $28,400,000 to remain available until expended: *Provided*, That $8,242,000 shall be used to liquidate obligations incurred during September, 1981, to provide for subsidy payments under 49 U.S.C. 1376 and 1389: *Provided further*, Notwithstanding any other provision of law any funds appropriated for "Payments to air carriers" in this or any other Act which are not obligated by September 30, 1982, shall be available for obligations only for section 419 (49 U.S.C. 1389) subsidies, except for adjustments to section 406 (49 U.S.C. 1376) payments for service provided prior to September 30, 1982.

Interstate Commerce Commission

PAYMENTS FOR DIRECTED RAIL SERVICE

For an additional amount for "Payments for directed rail service", $8,000,000, to remain available until expended.

Section 120 of the Rock Island Railroad Transition and Employee Assistance Act is amended—

(1) in subsection (a)—

(A) by striking out "the Rock Island Railroad" the first place it appears and inserting in lieu thereof "any railroad subject to section 77 of the Bankruptcy Act, or subchapter IV of chapter 11 of title 11, United States Code, which has ceased to provide passenger commuter service over any line of the railroad";

(B) by striking out "2-year" and inserting in lieu thereof "3-year"; and

(C) by striking out "Rock Island Railroad" each place it appears (other than the first time it appears) and inserting in lieu thereof "railroad"; and

(2) in subsection (b), by striking out "the Rock Island Railroad" and inserting in lieu thereof "any railroad".

CHAPTER IV

DEPARTMENT OF THE TREASURY

Bureau of Government Financial Operations

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $81,604,000.

Bureau of Alcohol, Tobacco and Firearms

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $23,825,000: *Provided*, That no funds made available by this Act or Public Law 97-161 may be used to accomplish or implement any proposed reorganization of the Bureau of Alcohol, Tobacco and Firearms or the transfer of the Bureau's functions, missions, or activities to other agencies within the Department of the Treasury in the fiscal year ending on September 30, 1982: *Provided further*, That no reorganization or the Bureau of Alcohol, Tobacco and Firearms or the transfer of the Bureau's functions, or activities to other agencies within the Department of the Treasury subsequent to September 30, 1982, shall be accomplished or implemented without the specific, express approval of both House and Senate Committees on Appropriations.

United States Customs Service

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $14,865,000, of which $8,000,000 shall be used for salaries, expenses, equipment, and other related expenses for Operation Exodus.

United States Secret Service

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $2,700,000, of which $1,100,000 for repairs, alterations, expansion, minor construction, and other related facility renovations at the Beltsville, Maryland, Secret Service Training Center shall remain available until expended, and $1,600,000 for the costs of construction and installation of a White House Complex Security System shall remain available until expended: *Provided*, That the United States Secret Service Training Facility in Beltsville, Maryland, shall hereafter be known and designated as the "James J. Rowley Secret Service Training Center". Any reference to such training facility in any law, regulation, document, record, or other paper of the United States shall be deemed a reference to it as the James J. Rowley Secret Service Training Center.

U.S. POSTAL SERVICE

Payment to the Postal Service Fund

For an additional amount for payment to the Postal Service fund for revenue forgone on free and reduced rates of mail, pursuant to 39 U.S.C. 2401(c), $60,000,000: *Provided*, That notwithstanding any other provision of law, the Postal Service shall promptly revise the adjustment to preferred rates made pursuant to section 108 of Public Law 97-92 so that, while mail under former section 4452 (b) and (c) of title 39, United States Code, continues not to benefit from the 16-year phasing schedule established pursuant to section 3626 of such title, all other mail covered by such schedule shall benefit from step 13 on such schedule through September 30, 1982. This provision shall be implemented on June 20, 1982.

Effective October 1, 1982, section 1723 of the Omnibus Reconciliation Act, Public Law 97-35, is amended by striking out "(a)" before "Notwithstanding" in subsection (a) and by striking out subsection (b).

INDEPENDENT AGENCIES

General Services Administration

NATIONAL ARCHIVES AND RECORDS SERVICE

OPERATING EXPENSES

For an additional amount for "Operating expenses", $9,900,000, of which $2,000,000 for allocations and grants for historical publications and records shall remain available until expended.

OFFICE OF INSPECTION GENERAL

For an additional amount for "Office of Inspector General", $500,000.

FEDERAL BUILDINGS FUND

Notwithstanding the provision immediately following the repairs and improvements line item projects under the heading "General Services Administration, Federal buildings fund, Limitations on availability of revenue" in H.R. 4121 as passed by the House and in H.R. 4121 as reported by the Senate on September 22, 1981, funds presently available for repairs and alterations nonprospectus projects shall be used to initiate the design and related work required to begin the repairs and alterations of the U.S. Court of Appeals building, Atlanta, Georgia.

ADMINISTRATIVE PROVISION

Notwithstanding any other provision of law, the administrator shall immediately identify and make available Federal excess or surplus lands in any State or States equal in value to the lands described in section 505(a) of the Act of November 10, 1978 (92 Stat. 3467), to carry out the exchange mandated by Public Law 96-514.

Merit Systems Protection Board

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $4,006,000.

Office of Special Counsel

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $238,000.

U.S. Tax Court

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $1,530,000.

CHAPTER V

DEPARTMENT OF COMMERCE

General Administration

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $3,171,000.

Economic Development Administration

SALARIES AND EXPENSES

(TRANSFER OF FUNDS)

For an additional amount for "Salaries and expenses", $3,500,000 to be derived by transfer from the Economic Development Revolving Fund.

National Oceanic and Atmospheric Administration

OPERATIONS, RESEARCH, AND FACILITIES

For an additional amount for "Operations, research, and facilities", $2,000,000, to remain available until expended.

RELATED AGENCIES

Federal Trade Commission

SALARIES AND EXPENSES

None of the funds appropriated under this or any other Act for fiscal year 1982 may be used to reduce the number of regional offices below ten.

International Communication Agency

SALARIES AND EXPENSES

(TRANSFER OF FUNDS)

For an additional amount for "Salaries and expenses", $2,100,000, to be derived by transfer from "Acquisition and construction of radio facilities".

ACQUISITION AND CONSTRUCTION OF RADIO FACILITIES

Appropriations made available under this heading for fiscal year 1982 may be used for lease of real property for periods of up to twenty-five years in Africa, Asia, the Caribbean area, and Europe.

CHAPTER VI

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

FOOD STAMP PROGRAM

For an additional amount for the "Food Stamp Program", $1,006,616,000.

CHAPTER VII

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

Corps of Engineers—Civil

FLOOD CONTROL AND COASTAL EMERGENCIES

For an additional amount for "Flood Control and Coastal Emergencies", $40,000,000, to remain available until expended: Provided, That $18,000,000 of the funds provided shall be for flood control measures and features on the Cowlitz and Toutle Rivers in the State of Washington.

TITLE II

GENERAL PROVISIONS

SEC. 201. Any institution of higher education specifically cited in the conference report on the Education Amendments of 1980 (report numbered 96-1337) as a unique institution which the conference committee for that legislation intended to be recognized as a developing institution eligible to apply for funds under title III of the Higher Education Act of 1965, shall be treated as an eligible institution for such purpose for fiscal year 1982, notwithstanding section 322(a)(2)(A) of such Act.

SEC. 202. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 203. Notwithstanding any other provision of law, none of the funds provided for International Organizations and Programs In Public Law 97-121, the Foreign Assistance and Related Programs Appropriation Act for Fiscal Year 1982, shall be available for the United States proportionate share for any programs for the Palestine Liberation Organization, the South West Africa Peoples Organization, or Cuba.

SEC. 204. No funds appropriated or otherwise made available for fiscal year 1982 shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, or order under the Federal Mine Safety and Health Act of 1977 on any State or political subdivision thereof. Notwithstanding section 101(a)(3) of Public Law 97-92 or any similar or comparable provision of any other law, during fiscal year 1982 the Mine Safety and Health Administration shall have the same enforcement authorities vested in such Administration on September 30, 1981.

SEC. 205. Notwithstanding any other provision of law, no funds may be paid out of the Treasury of the United States or out of any fund of a Government corporation to any private individual or corporation in satisfaction of any assurance agreement or payment guarantee or other form of loan guarantee entered into by any agency or corporation of the United States Government with respect to loans made and credits extended to the Polish People's Republic, unless the Polish People's Republic has been declared to be in default of its debt to such individual or corporation or unless the President certifies to the Congress that such payment is in the national security interests of the United States.

SEC. 206. Notwithstanding any other provision of law, the amounts appropriated for fiscal year 1982 under Public Law 97-51 (as amended by Public Law 97-85) and Public Law 97-92 (as amended by Public Law 97-161) for purposes of section 340 of the Public Health Service Act shall be available for funding grants and contracts under such section in areas that are not urbanized areas and in urbanized areas.

Sec. 207. Section 134 of Public Law 97-92 is amended by inserting before the period a comma and "of which $7,500,000 shall be available for grants under section 121 of such Act to university affiliated facilities and satellite centers who received grants under such section in fiscal year 1981: *Provided*, That the total amount of grants made to each university affiliated facility or satellite center under such section in fiscal year 1982 shall be equal to an amount which is not less than the amount which bears the same ratio to the total amount of grants received by all such facilities and centers in fiscal year 1982 as the amount received by such facility or center in fiscal year 1981 bore to the total amount of grants provided under such section to all such facilities and centers in fiscal year 1981: *Provided further*, That each facility receiving a grant under such section for fiscal year 1982 shall comply with the standards established by the Secretary under section 122 of such Act".

Sec. 208. Notwithstanding any other provision of this Act, any other Act, or section 413D of the Higher Education Act of 1965, the Secretary shall apportion the sums appropriated pursuant to section 413A(b) of the Higher Education Act of 1965 for the fiscal year 1982 among the States so that each State's apportionment bears the same ratio to the total amount appropriated as that State's apportionment in the fiscal year 1981 bears to the total amount appropriated pursuant to section 413A(b) for that fiscal year: *Provided*, That the Secretary shall allocate sums to institutions in each State notwithstanding section 413D(b)(1)(B)(ii)(I) of the Higher Education Act of 1965.

Sec. 209. Notwithstanding any other provision of this Act, any other Act, or section 442 of the Higher Education Act of 1965, the Secretary shall allot the sums appropriated pursuant to section 441 of the Higher Education Act of 1965 for the fiscal year 1982 among Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the States (including the District of Columbia and the Commonwealth of Puerto Rico) so that the allotment of Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and each State (including the District of Columbia and the Commonwealth of Puerto Rico) bears the same ratio to the amount appropriated as the allotment of Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and each State (including the District of Columbia and the Commonwealth of Puerto Rico) for the fiscal year 1981 bears to the total amount appropriated pursuant to section 441 for that fiscal year: *Provided*, That the Secretary shall allocate sums to institutions in each jurisdiction notwithstanding the second sentence of section 446(a) of the Higher Education Act of 1965.

Sec. 210. The Secretary of Education and the Director of the National Institute of Education shall not terminate any long-term special institutional agreement (or any other grant agreement or contract which incorporates by reference such long-term special institutional agreement) which—

(1) was entered into under section 405(f) of the General Education Provisions Act, relating to laboratories and centers, and

(2) is in effect on the date of enactment of this Act,

prior to the original completion date established by such long-term special institutional agreement (or any other grant agreement or contract which incorporates by reference such long-term special institutional agreement).

Sec. 211. (a) The Secretary of Agriculture shall initiate construction on not less than fifteen new projects under the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.) during fiscal year 1982.

(b) Any project proposed for construction pursuant to the Act referred to in subsection (a) and submitted to the Director of the Office of Management and Budget for review shall be deemed to be approved by the Director unless disapproved by him within ninety days after submission.

Sec. 212. (a) Subsection (a) of section 112 of the Act of December 15, 1981 (95 Stat. 1194), is amended by inserting after "in connection with a qualified issue" the following: ", except to the extent such funds are used in connection with the consideration or granting of an exemption from the application of such revenue ruling or regulation under proposed income tax regulation section 1.103-7(b)(6)(ii) or any similar statute or regulation".

(b) Subsection (d) of section 112 of the Act of December 15, 1981 (95 Stat. 1196), is amended to read as follows:

"(d) It is the sense of the Congress that after August 23, 1981, the Secretary of the Treasury or his delegate, in all cases, should enforce any revenue ruling or regulation described in paragraph (1) or (2) of subsection (a) in a manner consistent with the provisions of this section. Nothing in the preceding sentence shall prevent the Secretary of the Treasury or his delegate from granting or considering an exemption from the application of such a revenue ruling or regulation under proposed income tax regulation section 1.103-7(b)(6)(ii) or any similar statute or regulation.".

Sec. 213. Nothwithstanding any other provision of law, up to $50,000 of the funds appropriated under International Military Education and Training in Public Law 97-121 shall be available for Brazil.

Sec. 214. Nothwithstanding any provision of this or any other Act, none of the funds appropriated for the Department of Labor, Mine Safety and Health Administration, shall be used to classify a mine in the potash industry as gassy based upon air samples containing concentrations of methane gas, unless such classification standard has been adopted through formal rulemaking on or after November 5, 1981.

Sec. 215. None of the funds provided in this or any other Act shall be used to implement an apportionment and staffing plan to specifically phase out the Public Health Service Commissioned Corps.

Sec. 216. The Department of Agriculture, U.S. Forest Service, within available funds, shall expend not less than $1,000,000 for research on the cyclocrane concept of a lighter-then-air heavy lift vehicle for use in logging operations.

Sec. 217. Paragraph (4) of section 280(f) of the Internal Revenue Code of 1954 (relating to coordination with section 162(a)(2)) is amended to read as follows:

"(4) Coordination with section 162(a)(2).—Nothing in this section shall be construed to disallow any deduction allowable under section 162(a)(2) (or any deduction which meets the test of section 162(a)(2) but is allowable under another provision of this title) by reason of the taxpayer's being away from home in the pursuit of a trade or business (other than the trade or business of renting dwelling units).".

(b) The amendment made by this Act shall apply to taxable years beginning after December 31, 1982.

Sec. 218. No provision or language contained in this Act which follows this section shall have any effect or force of law.

Mr. **HATFIELD**. Mr. President, I first of all thank the Senator from Colorado for his kind remarks, and as I have said to the Senator, even though we may disagree on this particular issue that he raises before the Senate, certainly no Senator's rights are being circumscribed or in anyway reduced or diminished by this procedure.

Let me explain briefly the purpose of the amendment: As the Senate recalls, yesterday the Senate deleted a modification of the pending bill made by myself on behalf of the Appropriations Committee. That modification in a sense deleted 34 parts or 34 sections of the bill which would be considered singly sometime before we take final action on this bill.

Mr. President, then we had, I believe, approximately 17 committee amendments that were retained in the bill, and after all of the action of yesterday had reached only 3 of those amendments, and that was the amendment that I have just now amended by way of a substitute.

It appeared to me that we were looking at a very, very long trail of legislative actions as we would take up these amendments one at a time, each subjected to extended discussion or debate upon the preference or the selection or determination of any single Senator and that we would have 34 amendments in addition to those 16 or 17 that we would have to take up singly again to try to get them restored on the bill.

This action now is merely to consolidate all of those amendments into one vehicle in noway diminishing any right of any Senator to offer a perfecting amendment as he would have had that right before this amendment had been offered.

Mr. **PROXMIRE**. Mr. President, will the Senator yield on that point?

Mr. **HATFIELD**. I yield.

Mr. **PROXMIRE**. Would a Senator be free to delete any of these amendments? Would that be in order?

Mr. **HATFIELD**. Senators would be free to modify in anyway the present amendment that I have just offered by either deletion or increasing or diminishing or whatever.

Mr. **PROXMIRE**. So it would follow the usual procedure where the committee amendments are put in and unanimous consent is asked from the

Senate that that not in any way inhibit the right of any Senator to offer an amendment which would take out 1 of the 34 amendments that was put in.

For instance, the Senator from Illinois has an amendment he would be offering. He would be free to take that out.

Mr. HATFIELD. Exactly. That would not require unanimous consent because we are not, in effect, closing chapters as we might under normal procedure of taking up committee amendments and when that section or title is finished we have traditionally closed that chapter which means if a Senator wants to raise an amendment to that chapter that has been closed he would have to find and seek unanimous consent. We are much more flexible in this situation because we are dealing with a substitute amendment that is general. So any Senator can raise a perfecting amendment at any point.

Mr. DIXON. Mr. President, will the distinguished Senator from Oregon yield for a further question?

Mr. HATFIELD. I yield.

Mr. DIXON. It was the intention of the Senator from Illinois to simply, rather than offering an amendment, disagree with and oppose the adoption of the committee language in the Senate which deleted the $76.8 million for the work incentive program. That avenue will still be open to me, I take it, as distinguished from the offering of a substitute amendment or perfecting amendment?

Mr. HATFIELD. Let me suggest that I answer the Senator's question—I think I have the answer—but it is more important for the Parliamentarian to tell us the answer, and I therefore wish to propound a question to the Chair and through the Chair to the Parliamentarian.

Mr. President, a parliamentary inquiry.

The **PRESIDING OFFICER.** The Senator will state it.

Mr. HATFIELD. Under the present pending business; namely, the substitute amendment or the amendment that I have just offered as a substitute, any Senator is privileged to offer a perfecting amendment restoring funds, or deleting funds, or any of the action that has been taken by the committee that is incorporated in that amendment; is that correct?

The **PRESIDING OFFICER.** The Senator is correct.

The Chair will add only that that amendment would be an amendment in the second degree and not amendable.

Mr. DIXON. I do not know, I say to the distinguished chairman of the Appropriations Committee, that that fully answers my question in that it had been the intention of the Senator from Illinois to not offer an amendment but rather to oppose the adoption of the committee amendment by the Senate Appropriations Committee which deleted the House language in the House additional appropriations.

Mr. HATFIELD. But even under such circumstances I believe the Senator would have to offer a vehicle by either striking or restoring such as by the committee.

Mr. PROXMIRE. It seems to me the usual procedure as I understand is the manager would ask that the amendment be treated as original text for purposes of amendment.

Mr. DIXON. That is correct.

Mr. PROXMIRE. That, it seems to me, would solve the problem of the Senator from Illinois and the problem I frankly have with one of the amendments I was concerned with in the committee.

Is that correct?

Mr. HATFIELD. Mr. President, I ask the Parliamentarian again if I may pose the question to the Chair. I wish to make that inquiry on behalf of Senators who have just spoken as to that kind of action or the form that action would now take in trying to in effect oppose the action of the committee amendment which was in the original text which deleted funds for the WIN program, to be specific.

The **PRESIDING OFFICER.** If the Senator will withhold just for a moment, the Chair will attempt to clarify the situation for the Senator from Oregon and others.

The current situation is that the amendment offered, currently pending, is an amendment in the form of a substitute for the language proposed to be stricken by the pending third committee amendment. As such it is amendable in the second degree with deletions, additions, modifications, but all in the second degree.

Mr. HATFIELD. That is correct.

The **PRESIDING OFFICER.** I remind Senators that in that situation with the pending cloture motion those amendments would be in order if introduced prior to 1 hour before the cloture vote.

If the Senator asks unanimous consent that upon the adoption of the pending amendment offered by the Senator from Oregon it be treated as original text for the purpose of further amendment, it would take a unanimous-consent request. But then any amendments would be in the first degree. At the present time, pending the cloture vote, that would not be in order, in the event that that cloture is invoked at the appropriate time.

Mr. HATFIELD. Mr. President, just for the purpose of informing the Senate, I do not intend to make that kind of unanimous-consent request, and as of this moment I would object to any unanimous-consent request for the same purpose. I feel we have preserved the rights of all Senators to offer amendments to this amendment, but I would like to continue to keep them in the second degree.

The **PRESIDING OFFICER.** The Senator is correct. The privilege currently denied to Senators would be the offering of a second degree amendment to an amendment offered to the amendment proposed by the Senator from Oregon. That amendment would then be in the third degree and not be appropriate, the amendment would not be amendable.

Mr. PROXMIRE. Mr. President, if the Senator will yield, the problem is if the amendment offered by the Senator from Oregon is amended in any way, say the tax on Members—and that is one I have an interest in—say that is amended, than no further amendment would be in order, is that correct?

Mr. HATFIELD. That is——

Mr. PROXMIRE. Once it is buttoned up, once anybody puts in an amendment.

Mr. HATFIELD. If the Senator should offer an amendment that would be an amendment in the second degree, and that would preclude another amendment being offered to it.

Mr. ROBERT C. BYRD. At that point.

Mr. HATFIELD. At that point.

Mr. PROXMIRE. If that amendment, however, is adopted, then would that section of the amendment of the Senator from Oregon be amendable later?

Mr. ROBERT C. BYRD. Senators could come in at a later point in the bill.

Mr. PROXMIRE. But if it is another matter.

Mr. ROBERT C. BYRD. If it is broad enough to include that plus something else, he can do it.

Mr. ARMSTRONG addressed the Chair.

The **PRESIDING OFFICER.** The Senator from Oregon has the floor.

Mr. HATFIELD. Mr. President, I have no further questions, and I would yield the floor at this time if anyone else wishes to make a parliamentary inquiry.

Mr. HARRY F. BYRD, JR. Mr. President, before yielding the floor, will the Senator from Oregon yield for a question?

Mr. HATFIELD. Yes.

Mr. HARRY F. BYRD, JR. As I understand it, at this point the amendments are not being considered en bloc.

Mr. HATFIELD. No.

Mr. HARRY F. BYRD, JR. My purpose in asking the question is if any unanimous-consent request is made to consider amendments en bloc, on behalf of the Senator from Virginia would the Senator object to including en bloc the amendment on page 44, lines 19 and 20? We discussed this yesterday.

Mr. HATFIELD. What is the purpose of the Senator's motion? I am not quite sure I understand. It is the balanced budget amendment; is it not?

Mr. HARRY F. BYRD, JR. That is correct, the balanced budget which I would like to have handled separately and not handled en bloc.

Mr. HATFIELD. Let me tell the Senator what we have done. They repealed it and we have restored it in the Senate.

Mr. HARRY F. BYRD, JR. Correct. Your committee and you have done exactly what the Senator from Virginia wants done.

Mr. HATFIELD. Good.

Mr. HARRY F. BYRD, JR. But I want to have that handled separately and not en bloc, that amendment.

Mr. HATFIELD. Well, let me put that to the Chair. I much prefer not to rule on parliamentary procedure at this point.

Mr. HARRY F. BYRD, JR. I would be glad to put it to the Chair.

Clearly, does not the Senator from Virginia have the right to object to any unanimous-consent request which asks that amendments be considered en bloc?

The **PRESIDING OFFICER.** The Senator is correct.

Mr. HARRY F. BYRD, JR. All right. That is what I was trying to establish. I would ask either the manager of the bill on the majority side or the manager of the bill on the minority side if they would protect the Senator from Virginia if the Senator from Virginia happened to not be on the floor?

Mr. HATFIELD. I can only respond to the Senator by saying that my amendment has, in effect, incorporated all the committee amendments en bloc. I am not going to use that term technically "en bloc," but what we have done is consolidated all the committee amendments in this substitute. Therefore, if this substitute is adopted it incorporates the balanced budget amendment action of the Senate committee which the Senator supports. I do not know at which point we would consider this en bloc. That is what puzzles me because we are already in effect in a consolidated form, which is what en bloc does.

Mr. HARRY F. BYRD, JR. Is that something over and above this piece of legislation, which is H.R. 5922, as reported from the committee?

Mr. HATFIELD. No. It is a committee amendment because we restored the language that the House struck and that became a separate committee amendment.

The amendment I have just offered incorporates all the actions of the Senate committee, as they took them in the committee, in this one amendment.

Mr. HARRY F. BYRD, JR. You have offered an amendment.

Mr. HATFIELD. I have offered an amendment in the form of a substitute to include all of the committee action and to restore to the bill what we deleted yesterday by a modification.

Mr. HARRY F. BYRD, JR. What is the status of———

Mr. HATFIELD. The status is Senate action taken in the committee to restore the balanced budget.

Mr. HARRY F. BYRD, JR. I know that. That is not the point I am making. What is the status of the Senator's new amendment?

Mr. HATFIELD. It is now open for perfecting amendments by any Member of the Senate in the second degree.

Mr. HARRY F. BYRD, JR. You mean your amendment has superseded the entire bill?

Mr. HATFIELD. It is now in the form of a substitute; yes, sir.

Mr. HARRY F. BYRD, JR. Mr. President, a parliamentary inquiry.

The **PRESIDING OFFICER.** The Senator will state his inquiry.

Mr. HARRY F. BYRD, JR. Does that preclude a Member of the Senate from asking for a vote on particular amendments?

The **PRESIDING OFFICER.** The amendment of the Senator from Oregon is an amendment to language proposed to be stricken by the third committee amendment. The remaining committee amendments are not affected by the adoption of the amendment offered by the Senator from Oregon, however modified. The question would recur on the fourth committee amendment and any subsequent committee amendments.

Mr. HARRY F. BYRD, JR. If I may put another parliamentary inquiry, if the Chair would address himself to page 44 of the bill, the amendment on lines 19 and 20, Is the Senator from Virginia precluded from having that amendment considered separately from the other amendments?

The **PRESIDING OFFICER.** The Senator is not precluded, provided the amendment by the Senator from Oregon is disposed of, and any committee amendments, committee amendment 4 on, are disposed of.

Mr. ARMSTRONG. Mr. President, may I direct a parliamentary inquiry to the Chair?

The **PRESIDING OFFICER.** The Senator from Virginia has the floor.

Mr. HARRY F. BYRD, JR. I would be glad to yield to the Senator from Colorado.

Mr. ARMSTRONG. I do this only to be sure there is no misunderstanding of the issue the Senator from Virginia is raising. When the Chair states it is possible for the Senator from Virginia to have separate action on the amendment on page 44, lines 19 and 20, the Chair has responded that that would be true if the pending substitute amendment were disposed of. It appears, however, if the substitute were adopted, that separate action would not be possible. Perhaps I misunderstood. Separate action would be possible only if, in fact, the substitute were laid aside, defeated, or disposed of in that manner; am I incorrect in that respect?

The **PRESIDING OFFICER.** Addressing the question of the Senator from Colorado, the amendment currently pending offered by the Senator from Oregon only affects the third committee amendment. Any subsequent committee amendments will be in order once this amendment is disposed of.

Mr. ARMSTRONG. May I inquire of the Chair, is the language in the bill appearing on lines 19 and 20 on page 44 incorporated in the substitute amendment? It is my understanding it was.

The **PRESIDING OFFICER.** If the Senator will withhold for a moment, we will determine it.

If the Chair could address the question posed by the Senator from Colorado, the committee amendment appearing on page 44 of the bill strikes out House language and inserts committee language. The amendment by the Senator from Oregon is silent on the question of striking and merely inserts or poses the committee language.

Mr. HARRY F. BYRD, JR. Mr. President, another parliamentary inquiry.

The **PRESIDING OFFICER.** The Senator from Virginia will state his inquiry.

Mr. HARRY F. BYRD, JR. If the Chair would refer to the original bill, lines 19 and 20, those the committee strikes from the House language. It does not, so far as I am aware, insert.

The **PRESIDING OFFICER.** The Senator is correct. The committee amendment addressed by the Senator from Virginia, page 44, lines 19 and 20, strikes the House language.

Mr. HARRY F. BYRD, JR. That is correct.

The **PRESIDING OFFICER.** I would add then, for further clarification, that the amendment offered by the Senator from Oregon as an amendment to the third committee amendment does not do that. It merely inserts section 205.

Mr. HARRY F. BYRD, JR. So, then, if I may address another parliamentary inquiry, is the Senator from Virginia correct in assuming that the committee amendment on page 44, lines 19 and 20, is not affected by the amendment just offered by the Senator from Oregon and that that amendment then can be voted on separately at some subsequent date?

The **PRESIDING OFFICER.** The Senator is correct.

Mr. HATFIELD. Will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. HATFIELD. I think it ought to be clarified one step further that if the committee amendment that I have just offered in the form of a substitute, or the amendment I have offered in the form of a substitute, is adopted, and even though that retains the committee amendments not acted upon because we are really, in effect, amending the third committee amendment, then it would be a redundancy that would confront the Senate and I could then withdraw those amendments on behalf of the committee, those remaining and unacted upon committee amendments. Is that not correct?

The **PRESIDING OFFICER.** The Chair is informed that the Senator from Oregon does have the right, if authorized by the committee, to withdraw those amendments if no action has occurred on those committee amendments.

Mr. HATFIELD. Following the adoption of the amendment that just now has been offered as a substitute.

The **PRESIDING OFFICER.** Following the disposal of the amendment offered by the Senator from Oregon.

Mr. HATFIELD. But if this amendment now pending as a substitute, if it is acted upon in an affirmative way, it includes, in effect, the amendment of the Senator from Virginia or his resolution which was adopted as an amendment by the committee on a balanced budget.

The **PRESIDING OFFICER.** The Chair can only rely on the chairman's representation of that.

Mr. HATFIELD. We are talking about page 44 of the amendment.

The **PRESIDING OFFICER.** If the Senator would refer to the amendment by section number.

Mr. HATFIELD. Yes; let us do it that way. Lines 19 and 20, on page 44. I will rephrase my question. If the amendment just now offered in the form of a substitute, which incorporates, in effect, the substitute of the rest of the bill and the deletions made yesterday, if that is adopted, that includes lines 19 and 20 as now shown on page 44 of the bill, that substitute amendment?

The **PRESIDING OFFICER.** The amendment offered by the Senator from Oregon as a substitute for the third committee amendment does not include lines 19 and 20. That amendment is silent on those lines.

Mr. HATFIELD. Let us get to the reality, rather than the technicality, shall we? I will pose another question: By omitting this language, we have the same effect as the committee took in deleting the House language in omitting it in the substitute amendment just offered. We have the same end result, do we not?

The **PRESIDING OFFICER.** The effect is the same, except for the technicality. The technicality still exists, however, that at some point in the normal sequence, the regular committee amendment, including the striking of the lines of section 205, would be pending.

Mr. HATFIELD. They would be pending but they would be at that point a redundancy of what has already occurred in the actual reality of it, all by adoption of the substitute amendment.

The **PRESIDING OFFICER.** The Senator from Oregon can so state. As the Chair has stated, he would, at the direction of the committee, be able to withdraw the amendment.

Mr. HARRY F. BYRD, JR. Mr. President, I think I have the floor.

The **PRESIDING OFFICER.** The Senator from Virginia.

Mr. HARRY F. BYRD, JR. The Chair has ruled one way and then ruled a different way, as I understand it.

The **PRESIDING OFFICER.** I would hope not.

Mr. HARRY F. BYRD, JR. I would hope not also, but I am not certain.

Now does the Senator from Virginia, or does he not, have the right, assuming the substitute offered by the Senator from Oregon is approved, does the Senator from Virginia have the right to have handled separately the amendment on page 44, lines 19 and 20, which strikes section 205?

The **PRESIDING OFFICER.** The Senator does, so long as that amendment is not withdrawn from consideration.

Mr. HARRY F. BYRD, JR. So the proposal, then, offered by the Senator from Oregon eliminates a right which the Senator from Virginia now has?

The **PRESIDING OFFICER.** The Chair has not heard that the Senator from Oregon has proposed to withdraw the amendment of concern to the Senator from Virginia. In the normal course of events, without such withdrawal, the Senator's right would be to consider that amendment.

Mr. HARRY F. BYRD, JR. In other words, it gives to the Senator from Oregon the right to make a determination which at the present time the Senator from Virginia has.

The **PRESIDING OFFICER.** The chairman of the Appropriations Committee does have the authority, if given to him by the full committee, to withdraw the amendment of interest to the Senator from Virginia.

Mr. HATFIELD. If I can clarify this, I will not ask for a withdrawal of that amendment which the Senator is very much interested in, if that will allay any fear he has or some concern about some right being diminished. I will be happy to assure the Senator at this point that I will not in any way attempt to withdraw that amendment if this amendment in the form of a substitute is adopted. If the Senator from Virginia wishes to proceed to that particular amendment, I might ask for withdrawal of all others except that, or whatever Senator may have a keen feeling about an amendment which has not been acted upon in the substitute. I will be very happy to give that assurance to the Senator from Virginia at this point.

Mr. HARRY F. BYRD, JR. I appreciate the attitude of the Senator from Oregon. That solves the problem.

Mr. DIXON. Will the distinguished manager of the bill yield for a further question?

Mr. HATFIELD. I yield.

Mr. DIXON. The Senator from Oregon has offered a substitute amendment, as I understand it, with reference to committee amendment 3, lines 1 through 5 on page 4, dealing with work incentives. Would this be correct: the substitute amendment offered by the distinguished Senator from Oregon contains the language presently involved on page 4, lines 1 through 5, the deletion of that language?

Mr. HATFIELD. I would say to the Senator from Illinois what we have done, in effect, is the bottom line we have deleted. In the substitute, we have omitted those lines entirely.

Mr. DIXON. The Senator has omitted those lines entirely.

Mr. HATFIELD. So the Senator, in order to address that issue, would have to offer a perfecting amendment to restore not the committee action but to restore funding for that program.

Mr. DIXON. So, in effect, what the Senator from Oregon has done is to take out that money, as the committee had done, where, if the substitute amendment were not to be adopted, it would have been incumbent upon the distinguished manager at the appropriate time to make a motion to adopt the committee amendment. Is that correct?

Mr. HATFIELD. That is correct.

Mr. DIXON. Thus placing the Senator from Illinois in the position of being forced to offer an amendment rather than opposing the motion of the distinguished manager of the bill.

Mr. HATFIELD. The Senator is correct.

Would the Senator rather oppose the committee than to offer or initiate an amendment? I think I might make an observation that I think the Senator's position is strengthened rather than having to offer an amendment to oppose the committee, which is sometimes more difficult than if the Senator is raising an amendment on his own, unrelated, in a sense, to the pending amendment which ignores this subject.

Mr. DIXON. That is a judgment question, but at least I am clarified on the mechanics of the thing. I thank the distinguished manager.

Mr. PROXMIRE. Mr. President, a parliamentary inquiry.

The **PRESIDING OFFICER**. The Senator will state it.

Mr. **PROXMIRE**. My staff disagrees with me on this. I had a ruling earlier that if the amendment offered by the Senator from Oregon is accepted it would still be amendable, that perfecting amendments would be in order. The staff says they do not think that is correct. I would like to have a ruling by the Chair to make sure that it would be amendable.

The **PRESIDING OFFICER** (Mr. GORTON). Second-degree amendments to the amendment of the Senator from Oregon are in order prior to the adoption.

Mr. **PROXMIRE**. Prior to the adoption. I take it that the Senator is not offering his amendment to be acted upon right away. He is expecting amendments to his amendment. Is that right?

Mr. **HATFIELD**. That is correct.

Mr. **HARRY F. BYRD, JR.** A parliamentary inquiry, Mr. President.

The **PRESIDING OFFICER**. The Senator will state it.

Mr. **HARRY F. BYRD, JR.** As a followup query on the parliamentary inquiry put by the Senator from Wisconsin, at what point may an amendment be presented to the substitute which is now pending?

The **PRESIDING OFFICER**. That would be in order at the present time.

Mr. **HARRY F. BYRD, JR.** Another parliamentary inquiry, Mr. President. Does not the pending amendment have to be disposed of first before other amendments can be considered?

Mr. **HATFIELD**. No; it is just the opposite.

The **PRESIDING OFFICER**. Amendments in the second degree to the amendment proposed by the Senator from Oregon are in order now, at the present time.

Mr. **HARRY F. BYRD, JR.** Is it correct that the pending amendment is the third committee amendment?

The **PRESIDING OFFICER**. The present business before the Senate is the amendment proposed by the Senator from Oregon as a substitute for language proposed to be stricken by the third committee amendment.

Mr. **HARRY F. BYRD, JR.** Then any amendment presented to the substitute amendment does not necessarily have to deal with the third committee amendment. Is that correct?

The **PRESIDING OFFICER**. The full text of the substitute amendment proposed by the Senator from Oregon is subject to amendment.

Mr. **HARRY F. BYRD, JR.** The full text would be subject to amendment.

A further parliamentary inquiry. An amendment at the end of the bill would be in order, I assume, which would be different from what is already in the bill.

The **PRESIDING OFFICER**. Amendments to the substitute proposal by the Senator from Oregon would be in order now. An amendment at the end of the bill itself, outside of the substitute amendment, would not be in order at the present time.

Mr. **HARRY F. BYRD, JR.** But an amendment to the substitute would be in order at the end of the substitute.

The **PRESIDING OFFICER**. The Senator is correct.

Mr. **HARRY F. BYRD, JR.** Perfecting amendments to the language to be stricken would also be in order. Perfecting amendments to this amendment would be in order and would be voted on before the substitute.

The **PRESIDING OFFICER**. The minority leader is correct.

Who seeks recognition?

Mr. **ARMSTRONG** addressed the Chair.

The **PRESIDING OFFICER**. The Senator from Colorado.

Mr. **ARMSTRONG**. Mr. President, I was waiting expectantly thinking that the Senator from Virginia was about to offer an amendment. If he does, I would like to have a chance to speak on it because I feel deeply about the matter that I thought might be the subject of an amendment presented by the distinguished senior Senator from Virginia. If he offers it now, I will be glad to follow behind him, and if he chooses to offer it at a later time, I will be glad to speak on it then. Is it the intention of the Senator to offer it at this time?

Mr. **HARRY F. BYRD, JR.** The Senator from Virginia would like to offer an amendment at this time. However, I would, I would like to wait just a little bit longer for other speakers to arrive before actually presenting the amendment.

The **PRESIDING OFFICER**. Who seeks recognition?

Mr. **HARRY F. BYRD, JR.** Mr. President, I was going to suggest the absence of a quorum——

Mr. **ARMSTRONG**. Mr. President, while other speakers are coming to the floor to discuss the amendment of the Senator from Virginia, I would like to discuss briefly a few aspects of the task before us.

First of all, I want to discuss the parliamentary maneuvering that is going on, the tactic of offering the substitute amendment as has been done by the Senator from Oregon and the points of order which I sought to raise yesterday in attempting to prevent the consideration and possible adoption of certain amendments.

Some people, I think might jump to the conclusion that it was in some way unsporting or narrowminded or in bad form for me to propound such points of order or for the Senator from Oregon to come up with a slightly unorthodox amendment to get around any such points of order that I might have otherwise raised.

I just want to state for the record that not only do I not think it is bad form, but that is exactly why the rules exist.

Mr. President, the majority does not need to have the protection and the safeguards of rules. The reason we have rules is precisely to permit the opportunity for 1 Member or 2 Members or any minority number of Members, up to 49, to have a chance to delay the proceedings long enough for other Members to have a chance to consider wisely and well what is going on. In the long run, of course, the majority can always work its will on any pending piece of legislation.

Whether we are talking about the rules of the Senate or the Bill of Rights, Mr. President, the opportunity to delay, the opportunity for even one person in this great country of ours to have something he can hide behind while the storm rages and the majority has a chance to cool off, reflect, and think things over and decide on a wise course of action is very worthwhile and very important.

While some may think I am criticizing the Senator from Oregon for coming forth with this really quite unusual proposal by which he, perhaps, preempts my attempt to make points of order against the bill, or at least some of the points of order which I may have otherwise made, far from criticizing him, I compliment him; I congratulate him.

Perhaps this is as good a time as any to make an observation about the leadership which he has shown on this matter and which he has shown on so many occasions before the Senate. In fact, Mr. President, as I was reflecting upon the charm of the distinguished chairman of the Appropriations Committee, I could not help remembering what Walter Lippmann said, that

> Leaders are the custodians of a nation's ideals, of the beliefs it cherishes, of its permanent hopes, of the faith which makes a nation out of a mere aggregation on individuals.

Lippmann was right, Mr. President. The Senator from Oregon (Mr. HATFIELD) is such a man. I congratulate him for his perspicacity in gaining tactical advantage by offering the substitute amendment in this way.

Mr. President, that does not change the fact that the substitute amendment contains about three dozen items of legislation which, in the normal course, would not be eligible for consideration on this bill. Nor does it change the fact that at least some of the legislation propounded by this bill is very bad legislation, in my judgment. It just suggests that the Senator from Oregon is a good general and he is attempting to do his job, just as the Senator from Colorado is attempting to do his job. When it is all over, I expect the friendship between the Senator from Oregon and myself will be, if anything, closer, warmer, and more significant than it already is.

Mr. President, I want to try to put in some overall context the central issue. There are many peripheral issues. There are so many issues hanging off like nobs and ornaments on this bill that we could spend a lifetime talking about it. Before it is over, it may seem like it, but I can say the Senator from Colorado does not plan to speak at any great length on this matter. I do think we ought to focus, first and foremost, on the main issue. That is the housing provision of this bill, Mr. President, about which I spoke briefly yesterday and about which I should like to speak at some greater length today.

Before I try to put in overall perspective the total housing program of the United States, I just want to call the attention of the Members to an article which appeared in Time magazine under date of May 31, 1982. It came to my attention this morning. It addresses the issue which supposedly underlies the justification for the mortgage interest subsidy proposal which I object to, which the President of the United States objects to, and which, I trust, before we are finished with the consideration of this matter, a majority of Senators will object to.

Mr. President, the article, which I shall presently send to the desk and ask to have printed in the CONGRESSIONAL RECORD, is under the headline of "House-Raising on the Hill."

> Preserving the American dream of owning a home is a laudable idea, but not the way Congress has decided to go about it. True, the Commerce Department announced last week that construction on new homes in April dropped to an annual adjusted rate of 881,000, a slump of 6.4 percent from March. True, housing starts during the first three months of 1982 were the lowest for any first quarter since World War II. And true, a poll conducted this year by Market Opinion Research showed that many Americans would once again be able to afford homes if mortgage rates, now hovering at a prohibitive 17 percent, fell below 12 percent. But in an attempt to salvage the housing industry, both the House and the Senate are voting to spend money the Government does not have for a program whose impact is questionable. Said Republican Representative Dick Cheney of Wyoming: "The bill is a turkey."

Mr. President, is the Senate in order?

The **PRESIDING OFFICER**. The Senate will be in order so the Senator from Colorado may be appropriately heard.

The Senator from Colorado may proceed.

Mr. **ARMSTRONG**. I thank the Chair.

Mr. President, I continue to quote from Time of May 31:

> Two weeks ago, the Democratic-controlled House voted 349 to 55 for a $1 billion bill that would pay home buyers up to six percentage points of mortgage interest rates on new houses. The bill would cover mortgages of up to $90,000; the maximum yearly income if eligible buyers would range from $19,000 to $55,000 depending on the region. The Senate Appropriations Committee last week approved its own bill authorizing $1 billion a year in subsidies for five years. This version would pay as much as 4 percent of mortgages up to $77,600 for eligible buyers earning a maximum of $35,000. Someone signing a 25-year mortgage for $65,000 at 15½ percent interest, for example, could receive as much as $12,754 in federal aid over five years; the buyer would be required to pay back the money only if the house were sold at a profit. The full Senate is virtually certain to pass its bill this week, with the differences expected to be hammered out in conference within the next month.

Mr. President, before I read the concluding and, I believe, decisive paragraphs of this essay from Time, I want to ask Senators to reflect upon the last sentence I have read. That is:

> The full Senate is virtually certain to pass its bill this week, with the differences to be hammered out in conference within the next month.

I just want to point out I am quoting Time. I am not expressing my own belief, which is, in fact, that the Senate will not pass a bill containing such legislation or, if we do so, that it will be quickly vetoed and the veto sustained.

Let me quote the last two paragraphs:

> Republican Richard Lugar of Indiana, sponsor of the Senate bill, insists that it will produce 400,000 new housing starts and provide 700,000 jobs. Most experts, however, predict that the measure will create, at best, a few thousand more homes. Even the National Association of Realtors, which would benefit from the bill, doubts that the program would work. Said Jack Carlson, chief economist for the trade group: "Getting down the deficit is the only solution."
>
> White House advisers are concerned that the housing subsidy could lead to a flood of relief bills for other ailing industries, such as autos and steel. Though President Reagan would like to veto the measure, he may sign it anyway. He has rejected only three bills so far, and he may not be anxious to mortgage his own reputation if it appears his veto might be overturned.

That, then, is really the issue which is pending before the Senate, whether or not there are enough Senators who are willing to oppose this legislation, to consider the other merits and oppose it so we can either defeat it for passage in the supplemental appropriations bill or perhaps sustain a veto if it comes to that.

Now, Mr. President, to the longer-range historical perspective. It has been said, truly, I believe, that those who are unwilling to learn from the mistakes of the past are doomed to repeat them. Unless the Senate is prepared not only to repeat but, indeed, to amplify the colossal faux pas of the past, we must delete from the urgent supplemental the new spending and authorization for housing subsidies contained in this bill. In a moment, I should like to ask my colleagues to seriously evaluate the more than $250 billion which the Federal Government has committed to subsidized housing since 1937 and to join me in trying to consider which programs have been successful and which have not and the reasons therefor: in short, to try to learn from past mistakes before we make any new ones.

I believe a brief review will convince many Senators that the program proposed in this bill is very likely to repeat and worsen mistakes we have already made and which plague Federal housing policies. But before surveying the minefields through which we have come and those which are ahead, I want to point out specific concerns about the other aspects of this bill.

Before I do so, however, Mr. President, I see on the floor and standing the Senator from Illinois (Mr. DIXON). Is he seeking that I yield to him at this point? If so, I shall be happy to do so, because my remarks will be fairly lengthy and I do not mean to detain the Senator.

Mr. **DIXON**. The Senator from Colorado is very kind. If he would yield at this time, it would be my pleasure to proceed on what I am told will be unprinted amendment No. 1007 to the substitute amendment offered by the distinguished manager of the bill. The Senator's kindness in yielding is greatly appreciated.

Mr. **ARMSTRONG**. Mr. President, I should be very happy to yield to the distinguished Senator from Illinois.

My remarks, which go on through several notebooks, need not be completed at this time. It is my hope that I will have a chance to discuss at some length the section 8 program, the 235 program, the 236 program, and the HUD housing program, disasters one and all, each of which was proposed with a thought that somehow it would reform what had preceded it, each of which has proven to be a financial disaster, none of which has accomplished its intended purpose of providing housing for the needy, all of which are still on the books and costing us money every day, and all of which argue against the adoption of the new program which is carelessly included in the urgent supplemental.

There is time enough, however, for that at the right moment. I yield the floor and will let the Senator from Illinois continue with his amendment.

The **PRESIDING OFFICER**. The Senator from Illinois.

Mr. **DIXON**. Thank you very much.

Mr. **LUGAR**. Mr. President, parliamentary inquiry.

The **PRESIDING OFFICER**. The Senator from Indiana is recognized for a parliamentary inquiry.

Mr. **LUGAR**. The point that I raise is: Is it permissible for the Senator from Colorado to yield for purposes of the Senator from Illinois offering an amendment without the Senator from Colorado yielding the floor?

The **PRESIDING OFFICER**. The Senator from Colorado was treated as having yielded the floor, and the Chair recognized the Senator from Illinois.

Mr. **LUGAR**. I thank the Chair.

Mr. **DIXON**. I thank the Chair.

UP AMENDMENT NO. 1007

(Purpose: To provide funds for work incentives)

Mr. **DIXON**. Mr. President, I thank the distinguished Senator from Colorado for giving me this opportunity to offer at this time what I understand will be unprinted amendment No. 1007.

I ask that the reading of that amendment be waived, Mr. President, and I will be glad to fully explain it.

The **PRESIDING OFFICER**. Will the Senator withhold?

The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Illinois (Mr. Dixon), for himself, Mr. Specter, Mr. Leahy, Mr. Ford, Mr. Pell, Mr. Metzenbaum, Mr. Mitchell, Mr. Huddleston, Mr. Burdick, Mr Kennedy, Mr. Dodd, Mr. Heinz, Mr. Weicker, Mr. Mathias, Mr. Cranston, Mr. Long, Mr. Glenn, Mr. Moynihan, Mr. Bentsen, Mr. Sarbanes, Mr. Hart, Mr. Jackson, and Mr. Riegle proposes an unprinted amendment numbered 1007.

The **PRESIDING OFFICER**. The Senator from Illinois.

Mr. **DIXON**. I thank the Chair.

The **PRESIDING OFFICER**. Does the Senator wish to ask unanimous consent that the reading of the amendment be dispensed with?

Mr. **DIXON**. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The amendment is as follows:

On page 1, before line 6 of unprinted amendment No. 1006, insert the following:

ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT SERVICES WORK INCENTIVES

For an additional amount for "work incentives", $76,842,000.

The **PRESIDING OFFICER**. The Senator from Illinois.

Mr. **DIXON**. Mr. President, the amendment that I am offering to the substitute amendment by the distinguished manager of this bill is sponsored by 22 Members of the Senate, including my distinguished colleague from Pennsylvania, Senator Specter.

This amendment in effect would restore the language that is contained on page 4 of the bill as it came to us from the House appropriating an additional amount for the work incentive program of $76,842,000.

Mr. President and Members of the Senate, this supplemental is urgently needed to insure the continuation of this very cost-effective program for fiscal year 1982.

I assert that the WIN program is entirely consistent with the administration's often stated goal of reducing welfare costs by placing people in nonsubsidized, private sector jobs.

The administration has frequently gone on record as favoring a strong work requirement for welfare recipients who are able to work.

It supports the concept of reducing public support payments and services by having welfare recipients work in private-sector jobs. The administration favors the continuance of programs with favorable cost-benefit ratios and advocates greater autonomy for States in the administration of public programs. It has also stated that services should be provided to those who are most needy. WIN meets these objectives. It is, therefore, inconsistent for the administration to favor abolition or functional dissolution of such a program by inadequate funding when it meets the very goals the administration ostensibly supports.

The WIN program was authorized by the 1968 amendments to title IV of the Social Security Act. It provides employment, training, and social services to help welfare recipients move from dependence to self-support. In fiscal year 1980, WIN outlays were $395 million. In the same period, State welfare agencies reported grant reductions of $632 million on an annualized basis, as a result of job placements of WIN registrants. In other words, there was a 2-to-1 yield in this program.

WIN serves a diverse population which differs significantly from the general labor force. Seventy-five percent of WIN participants are female. More than half are minorities. Only 43 percent are high school graduates. In contrast, females made up only 40 percent of the U.S. labor force in 1980. Minorities comprised only 10 percent of the total labor force and 75 percent of working people had completed high school.

In fiscal year 1981, in Illinois, 15,000 job placements were made by WIN at an annualized savings of $40 million in AFDC payments. They were placed at an average wage of $4.28 per hour, and, assuming they worked a full year, a total of $106 million was added in taxable income at a cost of $13.1 million.

Nationally, the WIN program placed 310,000 people in jobs at a cost of $365 million in fiscal year 1981. This resulted in an annualized reduction of $760 million in AFDC payments and generated approximately $2,293,356,612 in taxable income. The program is obviously not only paying for itself but is adding to the tax base and contributing significantly to the self-esteem of those who are not supporting themselves rather than being supported.

Let me cite a few examples of actual cases from the files of the Illinois WIN program.

The first is that of a 37-year-old woman who had not worked in several years. She has four children, spoke limited English, was 100 pounds overweight and had a drinking problem. She was involved in WIN support services such as counseling and a course in English as a second language. In 6 months, she lost 80 pounds, stopped drinking and was placed as an optician trainee in a Chicago firm. She worked there for 3 years, and is now going into the optical business for herself.

A second example is that of a 30-year-old woman who has two children. She had been on AFDC for 5 years, receiving a grant of approximately $250 a month. This woman received training through the WIN program to become an electronics technician. She started working in July 1980, at a salary of $13,500. She is now earning $20,500, and is no longer receiving welfare benefits.

Both of these women were placed with private businesses and proved their abilities once given the chance. There are many other success stories that could be cited about people who have benefited from the services they received from the WIN program during its 14 years of existence.

During the past few months, the WIN program has been the subject of questions to Secretary Richard Schweiker and several representatives of the Department of Labor. All agree that the program has been successful. What we are trying to accomplish is the continuation of this program at an effective level for this fiscal year, until effective planning can be done for next year.

The WIN program has been included for funding in 1983, at this year's level in the first concurrent budget resolution. This is contrary to the administration's wishes to abolish the program, but indicates considerable Senate support for WIN.

Without these additional funds, the program will be reduced to a level that is inadequate to effectively serve the welfare recipients it is mandated to help and who are required by law to register with the program. Over 1 million people registered with WIN in 1981. Where will they go, Mr. President, in order to comply with Federal mandates to register, should offices close nationwide due to inadequate funds?

It can certainly be anticipated that should the program close entirely, welfare rolls will grow, and what may have been considered a cost-saving solution would instead mean that our inaction would cost a great deal more in increased welfare grants to people who want to work rather than accept AFDC.

With unemployment at record high levels, it is only responsible to maintain programs that have a successful record of putting people back on the payrolls and taking them off the welfare rolls.

We should not cut the budget indiscriminately or shortsightedly. While reducing unnecessary expenses, we need to keep programs that work. WIN is clearly one of those programs.

The WIN program and the supplemental appropriation to keep it at its high level of achievement have been endorsed by many groups and professional organizations. They include:

American Federation of State, County, and Municipal Employees.

Interstate Conference of Employment Security Agencies.

American Public Welfare Association.

League of Women Voters of the United States.

Child Welfare League.

Family Service Association of America.

Service Employees International Union.

International Association of Personnel in Employment Security.

The U.S. Conference of Mayors.

National Association of Counties.

The National Governors' Association.

National Association of Social Workers.

I regret that the Senate Appropriations Committee did not see fit to include this urgently needed supplemental, which was approved by the House, in its bill. I urge support of the full Senate in the efforts by me and 22 other Members of the Senate to see that these necessary funds are retained in H.R. 5922.

Mr. SPECTER. Mr. President, I support the amendment offered by the distinguished Senator from Illinois (Mr. Dixon) for the restoration of $76.8 million necessary to continue the work incentive program at an effective level.

I join the distinguished Senator from Illinois in his expression of regret that the Appropriations Committee did not include this funding as it is present in the House bill. I had proposed it in the Appropriations Committee, and I join Senator Dixon in the effort to have it restored by action of the full Senate here today.

During the past several months, many States have been forced to drastically reduce personnel and services in order to operate within the tight constraints of current funding levels. My home State of Pennsylvania has laid off 180 of the 360 employment security workers responsible for registering welfare recipients and helping them find nonsubsidized employment in the private sector. This layoff is not only costly, but shortsighted as well.

WIN has been a cost-effective program which placed 310,000 able-bodied welfare recipients in jobs last year, at a cost of $365 million. Each person that remains employed translates into a savings of more than $2 in AFDC payments for every dollar spent on WIN.

WIN does not create make-work. Rather, the job service places registrants in positions where they have the best opportunity to find permanent employment. These participants are also provided counseling, as well as guidance once they are placed in a position. WIN works; 81 percent retain their jobs and continue without the benefit of Government subsidy.

WIN destroys the myth of the lazy welfare recipient. Most welfare mothers would prefer to care for their children without depending on the handout of the Federal Government. They would like to be true providers for their families. WIN gives these mothers the means to obtain gainful and long-lasting employment.

The staggering unemployment currently plaguing our Nation has made it increasingly difficult for a single, unskilled woman to find a job which allows her to care for her children and earn a living. WIN counselors give the support and direction to those participants who choose to enter the tough competition in today's job market.

WIN takes people off the welfare rolls and puts them on payrolls.

Mr. President, almost 800,000 people who applied to WIN were denied the chance to participate last year. These people wanted to become self-sufficient but could not. This nonparticipation resulted not from a lack of will or desire, but from a lack of funds for WIN. Now is the time to renew, not remove, our support for this important jobs program.

As I travel through the Commonwealth of Pennsylvania, it is appalling and discouraging to see the high level of unemployment there. It is a problem which is mirrored in every one of the other 49 States, although, fortunately for most of the others, not as bad as in the State of Pennsylvania.

The WIN program would be a significant step forward. In the Federal context, it is a relatively small sum of money. The passage of this program would not only be significant in terms of providing the funds for a very wider program, but also, I suggest, would be highly significant as a signal to a large group of Americans that the Senate and Congress really care about unemployment and that the Senate and Congress really tried to do something about it, at a place where it can be most effective and, in this situation, comparatively speaking, for a relatively small sum of money.

The House saw the necessity to continue this worthwhile program and approved the $76.8 million in the House passed bill.

I hope my colleagues will provide the majority vote necessary to restore this program and join the House of Representatives, so that it will be clearly put back on the books.

Mr. SCHMITT. Mr. President, this amendment, like 15 or more about which we know related to the labor, health, human services, and education section of the pending amendment offered by the distinguished Senator from Oregon (Mr. Hatfield), has many good points going for it. Unfortunately, so do all the others.

When we look at the total of these small amounts of money that my distinguished colleagues wish to add, we already know of $313 million worth of amendments, and it can be larger, depending on the actual cost of several of the other amendments we have not yet either costed out or identified.

This is an amendment that will be in conference, under the current parliamentary situation. The House added $76.8 million for the WIN program over and above the continuing resolution level of $245.8 million. It was this add-on that the Appropriations Committee has deleted.

The current funding level for this program is based on the recommendation of the Senate Appropriations Committee in the regular bill. The Senate has already made that decision for fiscal year 1982, and it would be inconsistent—not unthinkable, but inconsistent—to reverse the field now, particularly with less than 5 months remaining in the fiscal year and with a great deal of action already taken by the WIN agencies as a consequence of the decisions made in the continuing resolution.

My colleagues also should be aware that the President's budget for fiscal 1983 proposes consolidation of the work incentive program into the human resources block grant; and until this legislative issue is settled, it would be my recommendation to the Senate to continue funding at the continuing resolution level or, at the very least, allow us to deal with this issue as one of several in conference.

● **Mr. DODD.** Mr. President, I strongly support inclusion of $76 million, as approved by the House of Representatives, for the work incentive (WIN) program. The WIN program provides employment training for welfare recipients and places those welfare recipients in private-sector jobs.

WIN fulfills industry's need for trained personnel; it helps those willing and able to work escape from the welfare trap and it is cost effective, actually saving millions of dollars a year.

And yet with this committee amendment, the WIN program will end this spring. If that happens, thousands of its welfare clients, who could be working, will still be on welfare next spring.

Businesses across the country with a need for workers skilled in their trade, will have fewer trained personnel available, and the Federal Government will be spending money on welfare needlessly, frivilously, and tragically.

The WIN program saves money. It was a false economy to cut it. It is foolishness to destroy it.

In fiscal year 1981, WIN cost $365 million. It placed 310,000 welfare recipients in jobs—saving $760 million in AFDC payments alone. Why destroy a program that saves more than twice what it costs?

Yet, we cut WIN 33 percent this year. WIN offices around the country are closing, denying access to employment training and to jobs to millions of needy people who want to work.

I have cosponsored the Dixon resolution to support WIN and its clients. I shall vote in favor of the supplemental appropriation for WIN.●

● **Mr. METZENBAUM.** Mr. President, the WIN program is intended to register welfare recipients for work and assist them in finding nonsubsidized, private-sector jobs.

Last year, at the request of the administration, the appropriation for this program was greatly reduced. When it became apparent that the cut was crippling the program's ability to perform its function, the House added funds to the urgent supplemental. The Senate Appropriation Committee deleted these same funds, however.

There is a sad illogic to this reduction in funding. Here is a program that is actually putting welfare recipients to work—not at demeaning, make-work tasks with no compensation but their welfare checks—but at real private-sector jobs paying decent wages. Yet the President wants to eliminate this program. It makes no sense to me and I hope it makes no sense to you.

The WIN program is cost effective. At a cost of $365 million in 1981, it saved $760 million in AFDC payments that would otherwise have been paid out and it generated well over $2 billion in taxable income.

The money we are asking to restore is a small amount, $76.8 million, and is a small price to pay for the continuation of this successful program.

With unemployment at 12½ percent we must balance the budget responsibly, not indiscriminately.●

● **Mr. LEAHY.** Mr. President, I would like to add my support for this amendment to restore $76.8 million to the work incentive program (WIN). This amendment would fund WIN at a level of $321 million, which is the level requested by the President in his revised September budget. This level would still be $44 million below the fiscal 1981 budget.

The arguments in support of restoring this funding are clear. States are required by Federal mandate to register AFDC recipients for work. WIN is the only proven program that does this. WIN is not a subsidized, make-work jobs program. It puts AFDC recipients to work in nonsubsidized jobs, turning them into taxpayers instead of recipients of taxpayers' dollars.

WIN's track record should speak for itself. In my State of Vermont, every dollar that is invested in WIN generates $7.25 in wages, wages that are subject to State and Federal taxes. Nationwide, $5.89 in wages are generated for every $1 invested in WIN.

The fact that WIN is the only program that we have fulfills this work requirement for welfare recipients is a strong argument. However, an even stronger argument in favor of WIN is that it is one of those rare Federal programs that has been proven to be cost-effective. Figures compiled by the Department of Labor show that for every dollar invested in WIN, AFDC benefits are reduced on an annualized basis by over $2. This means that the $365 million invested in WIN in 1981 reduced AFDC payments by approximately $750 million. This does not even include associated savings in food stamp payments or medicaid expenditures, which were estimated to be reduced by $450 million.

In Vermont, cost-benefit statistics are even higher. For every dollar spent on WIN, AFDC payments have been reduced by $2.98, saving my State over $7 million in welfare payments. Clearly WIN is one of those rare Federal programs that actually saves the Government money. A reduction in WIN funding is sure to mean higher payments for welfare in the long run.

Mr. President, when the Senate considered an emergency supplemental last February, we saw fit to provide additional funds for the Employment Services Offices. We decided at that time that these funds were necessary because of rising unemployment and the need to assist people in finding jobs.

The same argument holds true today for the WIN program. WIN helps welfare recipients get off the welfare rolls, and into nonsubsidized, taxpaying jobs.

Mr. President, I think that the facts speak for themselves in favor of continuing the WIN program. This is the only cost-effective program that puts welfare recipients back to work and reduces Federal expenditures in the long run. Without the WIN program we will simply end up paying higher welfare cost. I urge adoption of this amendment.●

Mr. BENTSEN. Mr. President, I am pleased to join my colleagues Senators DIXON and SPECTER in cosponsoring an amendment to restore $76.8 million in funding to the work incentive program (WIN). Funding for WIN, which administers the work requirement and provides employment and training for welfare recipients, was reduced by more than 30 percent from its 1981 appropriation level of $365 million. That reduction has severely impacted the program's effectiveness in registering public assistance recipients for work and helping them to find nonsubsidized private sector jobs.

In Texas, where $5.51 in wage was generated for every WIN dollar expended in 1981, funding cuts have forced the termination of one-third of the program's employees. Mr. President, at a time when we are facing severe and prolonged unemployment nationwide, it is indeed unfortunate that employment services for those often hardest to place—welfare recipients—have been diminished. WIN is a program that works. It is cost effective. In 1981, WIN placed 310,000 recipients of aid to families with dependent children in jobs at a program cost of $365 million. The result was an annualized reduction of $760 million in AFDC payments, and an estimated savings of $450 million to the taxpayers in the form of reduced food stamp and medicaid benefits. In addition, those placed in jobs through WIN generated $2.3 billion in taxable income.

In my judgment, it is imperative that we as Members of Congress do all we can to encourage those now receiving public assistance to become active, productive members of the Nation's work force. I encourage my colleagues to join me in support of the WIN program.

Mr. HEINZ. Mr. President, I rise as a cosponsor of the amendment offered by my distinguished colleague from Illinois to restore $76.8 million to the work incentive, or WIN program.

Mr. President, in my judgment, it would be absolutely foolish to abolish this cost-effective program, especially at this time with unemployment at a postwar high and welfare rolls swelling. I would like to outline briefly my reasons for supporting the WIN program.

First, Mr. President, nothing is more important to family stability than jobs. Nothing is more important to self-esteem than jobs.

Most AFDC recipients want to work—prefer work to welfare.

The vast majority of AFDC recipients are single mothers and children. For the most part, these are young women with little or no training, and scarce personal resources to even look for a job.

In the past, we have maintained a national commitment for the training and placement assistance of our disadvantage citizens. We cannot abandon that commitment now.

The work incentive program is the only program we have that helps welfare recipients move from welfare rolls into the work world. WIN provides vital employment counseling and training services, plus child care and other supportive services to help welfare recipients in their job research.

Second, the **WIN** program does not cost the Government money—it saves money. A Department of Labor study indicates that for every $1 invested in **WIN**, the Government saves almost $2 in reduced welfare benefits. In my home State of Pennsylvania, $5.18 is generated in nonsubsidized wages for every **WIN** dollar spent.

Mr. President, there are phenomenal social and human costs of joblessness, as well as costs to the Federal budget. Each percentage point rise in unemployment costs the Federal Treasury $25 to $35 billion in increased payments for welfare, food stamps, and other programs and in decreased tax revenue.

Third, the administration proposed in their fiscal year 1983 budget to mandate the States to adopt workfare programs, rather than the current optional status of these programs.

But at the same time, the administration proposed to eliminate the work incentive (**WIN**) program—the only program we currently have to provide job training and placement for **AFDC** recipients.

Obviously, we cannot preach self-reliance and promote dependency. Not only do these proposals send conflicting messages to welfare recipients, but they also place an extraordinary burden on the States.

The **WIN** program has been 90 percent federally funded. The administration's proposal would, in essence, terminate that program, while simultaneously mandating the States to establish—and pay for—their own job program.

Finally, Mr. President, I am aware that **WIN** has its share of critics who cite weaknesses in the program. It is the view of this Senator that if the program has weaknesses, the solution should not be abolition of the entire program. The solution is to corrrect the problems—strengthen the program—make it work better.

Until we find, or design something better, we cannot afford to terminate the only present source of job counseling, training, placement, and support services for **AFDC** recipients to work their way out of poverty.

It is my hope that this amendment will pass. It recognizes our Nation's vast human potential—it recognizes our Nation's greatest national resource, its people.

● Mr. LEVIN. Mr. President, 2 years ago, I requested the General Accounting Office to conduct a comprehensive study on the work incentive (**WIN**) program. The **GAO** recently completed a draft of the initial assessment of the program. The preliminary findings show that improvement in design, in participant selection, and performance standards are badly needed so that the **WIN** program can better achieve its goals.

I have spoken with one of the principal sponsor's of this amendment to place funds back into the **WIN** program and have been assured that he will work to achieve needed changes in the **WIN** program. The task **WIN** was designed to accomplish is a very difficult one indeed, particularly in today's tight job market and declining economy. But the need for programs of this type could never be greater than it is now.

We all share a commitment to help **AFDC** recipients find and keep jobs so that they can achieve self-sufficiency. I favor making this program meet this urgent need, not dismantling or weakening it simply because of the need for improvements. These supplemental funds would allow the program to survive while changes are made in its design and administration. It is with that in mind that I vote for this amendment to restore funds to the **WIN** program.●

ADDITIONAL FUNDING FOR THE WORK INCENTIVE PROGRAM

Mr. **ROBERT C. BYRD**. Mr. President, Senators Dixon and Specter have brought an important matter before the Senate today in the form of their amendment to the supplemental appropriations bill adding $76.8 million for the work incentive program.

The work incentive, or **WIN** program provides funding to States to pay some of the costs of training, job counseling, and job search assistance for adult members of families that receive aid to families with dependent children, or **AFDC**. This program has been notably successful in moving welfare mothers and fathers into regular, long-term, private-sector employment, where they can become self-sufficient, contributing members to our society.

This is far better, Mr. President, than their remaining on welfare. It also is better for them, and less expensive for taxpayers, than putting them into subsidized employment, such as "workfare" or public service employment.

This program works because it gives the kind of concentrated attention and assistance these people need for improving their abilities to find, obtain, and hold jobs. As a result, every dollar spent on **WIN** has produced a doubly beneficial result: it reduces welfare payments by a ratio of almost $2 saved for each **WIN** dollar spent, and it moves welfare recipients into private sector jobs where they become wage earners and taxpayers.

In my own State of West Virginia, the benefit ratio is even more impressive than the national figures: West Virginia welfare officials estimate that $2.96 in welfare payments is saved for each **WIN** dollar expended, and that each **WIN** dollar yields nonsubsidized, tax-paying, private-sector wages of $8.30.

Now, however, because of the reductions in funding for the **WIN** program resulting from broad reductions in funding for the 1982 continuing resolution, the effectiveness of this program is being threatened. State after State is laying off **WIN** program workers and turning away **AFDC** recipients from the **WIN** program.

The amendment before this body today will help to halt these harmful effects if it is passed. It provides $76.8 million in additional funding for the **WIN** program, resulting in total funding of $321 million for the current fiscal year. This is the amount requested by President Reagan in September. Although it still is far less than the $365 million provided for the program in fiscal year 1981, the $321 million should allow the most important **WIN** program efforts to continue, and will prevent damaging further reductions in the program.

Mr. President, it may be more important during recessionary periods than at any other time to assist those who have become dependent on public aid to return to self-sufficiency. It is undoubtedly in the best interests of those who otherwise would be dependent. Surely it also is in the best interests of taxpayers.

I commend the Senators for offering their amendment, and I urge its adoption.

The **PRESIDING OFFICER**. Who seeks recognition?

The Senator from Illinois.

Mr. **DIXON**. Mr. President, I ask for the yeas and nays.

The **PRESIDING OFFICER**. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The **PRESIDING OFFICER**. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Illinois.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. **STEVENS**. I announce that the Senator from California (Mr. Hayakawa), the Senator from Illinois (Mr. Percy), and the Senator from Texas (Mr. Tower) are necessarily absent.

I further announce that, if present and voting, the Senator from Illinois (Mr. Percy) would vote "yea."

Mr. **CRANSTON**. I announce that the Senator from Nevada (Mr. Cannon), the Senator from Montana (Mr. Melcher), and the Senator from Massachusetts (Mr. Tsongas) are necessarily absent.

I further announce that, if present and voting, the Senator from Montana (Mr. Melcher) would vote "yea."

The **PRESIDING OFFICER**. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 46, nays 48, as follows:

[Rollcall Vote No. 154 Leg.]

YEAS—46

Baucus
Bentsen
Biden
Boren
Bradley
Bumpers
Burdick
Byrd, Robert C.
Chafee
Chiles
Cohen
Cranston
D'Amato
DeConcini
Dodd
Durenberger
Eagleton
Exon
Ford
Glenn
Hart
Heinz
Hollings
Huddleston
Inouye
Jackson
Johnston
Kennedy
Leahy
Levin
Long
Mathias
Matsunaga
Metzenbaum
Mitchell
Moynihan
Nunn
Pell
Pryor
Randolph
Riegle
Sarbanes
Sasser
Specter
Stafford
Weicker

NAYS—48

Abdnor
Andrews
Armstrong
Baker
Boschwitz
Brady
Byrd,
  Harry F., Jr.
Cochran
Danforth
Denton
Dixon
Dole
Domenici
East
Garn
Goldwater
Gorton
Grassley
Hatch
Hatfield
Hawkins
Heflin
Helms
Humphrey
Jepsen
Kassebaum
Kasten
Laxalt
Lugar
Mattingly
McClure
Murkowski
Nickles
Packwood
Pressler
Proxmire
Quayle
Roth
Rudman
Schmitt
Simpson
Stennis
Stevens
Symms
Thurmond
Wallop
Warner
Zorinsky

NOT VOTING—6

Cannon
Hayakawa
Melcher
Percy
Tower
Tsongas

So Mr. DIXON's amendment (UP No. 1007) was rejected.

Mr. **DIXON**. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. **McCLURE**. Parliamentary inquiry, Mr. President.

The **PRESIDING OFFICER**. The Senator will state it.

Mr. **McCLURE**. Mr. President, under the previous unanimous-consent agreement, what is the pending business?

ENERGY EMERGENCY PREPAREDNESS

The **PRESIDING OFFICER**. Under the previous unanimous-consent agreement, the question is on amendment No. 1004 to S. 2332, the amendment proposed by the Senator from New Mexico (Mr. DOMENICI). The yeas and nays have been ordered.

Mr. **McCLURE**. Mr. President, I ask unanimous consent that it may be in order to offer an amendment by the Senator from New York (Mr. D'AMATO) to the IEA bill which was inadvertently overlooked before. I think it has support on both sides of the aisle. There would be no debate, no time consumed.

Several Senators addressed the Chair.

Mr. **METZENBAUM**. Reserving the right to object.

The **PRESIDING OFFICER**. The majority leader is recognized.

Mr. **BAKER**. Mr. President, the distinguished manager of the bill and the minority manager have both discussed this with the leadership on this side. There is no objection to the request, as far as I am concerned.

Mr. **JACKSON**. Mr. President, there is no objection on this side. As I understand it, the D'Amato amendment is merely a study of the regional reserves. I hope that it will be approved unanimously.

The **PRESIDING OFFICER**. Is there objection? Without objection, it is so ordered.

UP AMENDMENT NO. 1008

(Purpose: To provide for an analysis of regional strategic petroleum reserve)

Mr. **D'AMATO**. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER**. The clerk will report.

Mr. **DIXON**. Mr. President, I would like to be heard on my motion to reconsider the vote by which my amendment was rejected.

The **PRESIDING OFFICER**. The motion to reconsider will be heard when we recur on that bill from the IEA bill after the unanimous-consent request has been completed.

Mr. **BAKER**. Mr. President, a parliamentary inquiry.

The **PRESIDING OFFICER**. The majority leader will state it.

Mr. **BAKER**. Is the amendment that was sent to the desk by the distinguished Senator from New York an amendment to the IEA bill?

The **PRESIDING OFFICER**. It is.

The clerk will report.

The legislative clerk read as follows:

The Senator from New York (Mr. D'AMATO), for himself, Mr. MURKOWSKI, and Mrs. HAWKINS, proposes an unprinted amendment numbered 1008.

Mr. **RANDOLPH**. Mr. President, the Senate is not in order. I feel kindly toward everyone in this body, but, Mr. President, this Senate is not in order.

The **PRESIDING OFFICER**. The point of the Senator from West Virginia is well taken. The Senate will be in order.

The Senator from New York.

Mr. **D'AMATO**. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The amendment is as follows:

On page 11 between lines 7 and 8, insert the following:

"STUDY OF REGIONAL STRATEGIC PETROLEUM RESERVES

"SEC. 7. The President or his delegate is authorized and directed to submit to the Congress no later than December 31, 1982, a comprehensive study of the need for establishing a Regional Petroleum Reserve pursuant to section 157 of the Energy Policy and Conservation Act. Such study shall examine the economic benefits and costs of such a Reserve at various potential locations."

Mr. **D'AMATO**. Mr. President, the consideration of S. 2332 provides an opportunity for the Senate to focus on an issue which I believe has received much too little attention in recent years: The feasibility of developing regional strategic petroleum reserves to supplement existing authorized SPR locations in Louisiana and Texas.

Over the past few months, energy prices have decreased throughout the country as a result of the glut of oil on the world market. This decline gave Americans the false hope and security that perhaps the dictatorial rule of OPEC in setting oil prices had abruptly ended. However, the harmony achieved by OPEC members at their recent meeting in Ecuador can only spell trouble in the form of stabilized production and increased prices. The impact of the OPEC meeting can be seen at service station gasoline pumps all across America. More importantly the ability of OPEC to effectively dry up the world oil glut indicates the continued vulnerability of our country to events outside its borders. The United States which only a century ago maintained a manifest destiny, no longer has sole control of its energy destiny. Certainly, the strategic petroleum reserve is our insurance policy against future cutoffs of imported oil and should continue to be filled to authorized levels.

Let there be no mistake though, even with the filling of the SPR, America remains vulnerable. As Robert D. Hormats, the Assistant Secretary of State for Economic and Business Affairs, testified before the Senate Energy Committee on May 6, 1982:

> The long-term threat of serious harm to the economies of the United States and its allies from a world oil supply interruption has not abated. Despite a drop in prices, the threat of a disruption is a real one which we can ignore only at our peril.

The General Accounting Office supports the warning of Mr. Hormats. In a September 29, 1981 report to Congress, GAO concluded: "With the exception of the recent buildup of the strategic petroleum product demands during the preceeding 24 months. DOE Region II, of which New York is a member, is more dependent upon imported refined petroleum products than any other region in the country, and satisfies the criteria in section 157 of EPCA.

Nevertheless, DOE maintains that the SPR provides for meeting the needs of the Northeast region through crude oil storage in the gulf coast area because of its accessibility, to the existing petroleum distribution system. As a result, according to Secretary Edwards, DOE contemplates no change in its existing plans. I remain unconvinced, however, of the capability of this distribution system to meet the needs of the Northeast and other regions of the country in a period of severe disruption.

In a December 31, 1981, report on the SPR, GAO recognized this problem and reached the following conclusion: "Depending on decisions or the final size of the reserve, the fill rate, and funding levels, DOE may need to alter its current capacity expansion plans. To assist the Congress in its deliberations over appropriate SPR levels, we believe DOE should more fully assess the costs and benefits of alternatives to its current expansion plans."

Mr. President, I contend that the time is ripe for such an important undertaking, one which would explore the advantages and disadvantages of establishing regional SPR's to supplement those that already exist. With today's uncertainties, I believe, we will be better off having additional national security insurance in the event of a serious oil supply disruption. As long as the premiums are reasonable, we must purchase all the insurance which we possibly can.

We must determine what locations are available as regional SPR's and their accessibility to major population areas which are heavily dependent upon imported crude oil. We must determine whether there exists sufficient excess storage capacity to be used as reserve locations, to be leased, purchased, or constructed. Given increased conservation, high interest rates, and reduced energy demand, it seems to me that it is more likely that such capacity exists. We must determine whether our supply and distribution system is adequate to meet the needs of all the regions of the country, from New York to Hawaii. Such an assessment should not be limited simply to these factors.

Mr. President, I believe we can no longer delay a determination of these issues. The evidence of our vulnerability unfortunately remains all too compelling. Should it be deemed necessary to proceed with regional reserves, and I think it will be, we must do so in an atmosphere of stable prices and adequate supply, an atmosphere that currently exists.

Mr. President, the amendment which I am offering directs the President or his delegate to submit to the Congress a comprehensive study of the need for establishing a regional petroleum reserve. I anticipate that this study will address the factors which I have raised here today.

I would like to thank the distinguished chairman of the Energy Committee and the ranking member for agreeing to accept this amendment. Their action shows the understanding which they have for particular problems faced by the Northeast in the event of a serious oil supply disruption.

Mr. President, I ask unanimous consent that the following correspondence between the Governor of New York and the Secretary of Energy be printed in the RECORD. I am concerned that the response of the Secretary does not indicate a recognition or willingness to meet the needs of the Northeast.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF ENERGY,
Washington, D.C., March 4, 1982.

Hon. HUGH L. CAREY,
Governor of New York,
Albany, N.Y.

DEAR GOVERNOR CAREY: This is in response to your letter of January 29, 1982, regarding the development schedule of the Strategic Petroleum Reserve (SPR) and the potential for oil storage located in the Northeast.

The Strategic Petroleum Reserve program is actually ahead of the development schedule existing when President Reagan took office, and we project remaining on or ahead of that schedule for the next several years. The decline in oil fill rates from FY 1981 to FY 1982 is attributable to the record high fill rates of the past year. By accelerating oil fill in FY 1981 by 30 million barrels over the schedule established by the prior Administration, we have approached more rapidly the physical storage capacity limitations of the SPR system and are thus unable to continue to fill at these high fill rates. These capacity constraints result from a series of budget and policy actions taken several years ago, and are not attributable to current implementation problems.

With respect to your comments regarding the vulnerability of the Northeast region to interruptions in oil supplies, our analysis confirms that while the Northeast imports more than 20 percent of regional consumption of residual oil, this is essentially the same situation as in the middle of the past decade. The Strategic Petroleum Reserve plan which took effect in February 1977, after congressional review, provides for meeting the needs of the Northeast region through crude oil storage in the gulf coast area because of its accessibility to the existing petroleum distribution system. A change to this provision is not contemplated at the present time.

Thank you for your interest in the Strategic Petroleum Reserve program. Please do not hesitate to call on us if you find you need additional information.

Sincerely,

JAMES B. EDWARDS.

STATE OF NEW YORK,
EXECUTIVE DEPARTMENT,
Albany, January 29, 1982.

Hon. JAMES B. EDWARDS,
Washington, D.C.

DEAR MR. SECRETARY: The Strategic Petroleum Reserve (SPR) was established in the Energy Policy and Conservation Act of 1975 (EPCA) as an essential ingredient of our nation's plans to achieve greater energy independence. The successful establishment of the SPR will serve to reduce the potency of the use of oil as a weapon and might even prove to be a worthy deterrent to future oil embargoes.

It has come to my attention that the government is behind schedule in preparing oil storage sites for SPR crude oil purchases. The General Accounting Office issued its most recent report on the SPR on December 31, 1981 and revealed that the current fill rate cannot be sustained because of inadequate storage capacity. The report recommends that alternatives to building new underground storage facilities, including such options as leasing existing excess storage capacities, be explored. The substantial and costly delays in ongoing construction will force a reduction in the average daily fill rate from the current 292,000 barrels per day to 189,000 barrels per day. This would represent an unfortunate curtailment of over 35 percent from the current fill rate. At a time when petroleum prices are low and supplies abundant, it is most unfortunate that we would be forced to limit our purchases because of limited storage capacities.

As you know, New York State, and the Northeast region as a whole, are particularly vulnerable to any meaningful disruption in imported oil supplies. Nearly 70 of the total national daily consumption of imported refined residual oil is consumed by New York City and the surrounding twenty-six counties. This region's overwhelming dependence on imported oil necessitates a greater reliance upon a secure and accessible SPR than is the case in other regions of the nation. Congress recognized this regional dependence by establishing Section 157 of EPCA which requires that a Regional Petroleum Reserve (RPR) be established in, or readily accessible to, any DOE region in which product imports equal or exceed 20 percent of refined product demands during the preceding twenty-four months. DOE Region II, of which New York State is a member, is more dependent upon imported refined petroleum products than any other region, and satisfies the criteria in Section 157 of EPCA.

My understanding is that there are instances of geologically suitable salt dome mine cities as well as additional storage tank capacities in the Northeast that might provide appropriate storage capacities.

In view of recent developments regarding construction problems at SPR sites, and with acknowledgement that there currently exists available excess storage capacity in the region, I urge you to expeditiously review the possibilities for a Regional Petroleum Reserve in the Northeast.

Sincerely,

HUGH L. CAREY.

Mr. D'AMATO I would ask unanimous consent that excerpts of the 1978 amendment to the strategic petroleum reserve plan be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF ENERGY,
Washington, D.C., March 28, 1978.

Hon. WALTER F. MONDALE,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: This is to transmit Energy Action No. DOE-001 to the Congress. This is an amendment to the Strategic Petroleum Reserve (SPR) Plan. The Amendment, entitled "Expansion of the Strategic Petroleum Reserve," is to expand the size of the SPR to one billion barrels in accordance with the President's recommendation, and to provide 20 million barrels of product storage for the import-dependent East Coast. The Report also provides additional information regarding the SPR Distribution Plan which was submitted as a part of the SPR Plan.

This amendment furthers the President's National Energy Plan recommendation, and represents a major initiative in providing the United States with protection against the consequences of a severe petroleum interruption. The additional insurance provided is particularly necessary in the light of ever-increasing oil dependence by the United States on insecure foreign imports. The Amendment describes the measures recommended and the activities necessary for implementation. The benefits and costs of the actions are estimated, as are the economic and environmental impacts of the modifications to the program.

The Amendment was prepared and is transmitted in accordance with Section 154, 159, and 551 of the Energy Policy and Conservation Act (EPCA) of 1975 (43 USC 6234, 6239, and 6421). It amends Chapters II and V of the SPR Plan. The explanation of the need for the Amendment as required by section 159(d) is set forth in Chapter I of the Amendment. The remaining chapters contain, to the maximum extent practicable, the assessments, estimates, evaluations, and other information required by Section 159(d).

SPR Plan amendments become effective and may be implemented if neither House of Congress disapproves (or both Houses approve) such amendments in accordance with the procedures specified in Section 551. Consequently, in accordance with Section 551, if no action is taken by Congress on this Amendment within 15 days of continuous session, this Amendment to the SPR Plan shall become effective and the amended SPR Plan may be implemented as provided in Section 159(f).

Sincerely,

James R. Schlesinger,
Secretary.

Enclosure.

Chapter III—East Coast Product Storage

CONCLUSION

An SPR product storage component of 20 MMB of residual fuel oil or a refined product substitute is planned to protect the U.S. East Coast DOE Regions 1 through 4. As concluded in the SPR Plan, the storage of crude oil in large centralized facilities would provide readily accessible reserves for Regions 1 through 4 if industry maintains normal safety stocks and if U.S. and non-U.S. Caribbean refineries can be utilized effectively to produce residual oil to replace lost imports. However, there are some uncertainties regarding those factors. A severe winter could reduce industry safety stocks, or there may be delays in utilizing available refinery capacity to increase residual oil production. Because the SPR is an insurance program against interruption risks, it is desirable to buy some protection against these uncertainties, if such insurance can be purchased at approximately the same cost as crude oil storage in the Gulf Coast.

The Department of Energy plans, therefore, to store 20 million barrels of residual oil (or an acceptable substitute such as Number 4 fuel oil), to be readily available to East Coast residual users in the event of a serious interruption of petroleum products. It is planned that such petroleum product would be stored in low cost underground storage facilities, costing approximately the same as salt dome storage in the Gulf Coast area. Potential sites for such low cost storage have been identified along the East Coast of Canada, as well as in the Gulf Coast. Studies will be continued to try to identify any storage facilities along the East Coast of the United States that could be used for storage of some of the product at a cost approximately the same as Gulf Coast salt domes. To date, suitable low cost sites have not been identified along the East Coast of the United States.

The estimate of the usefulness of this product storage is based on projected demand, likely residual fuel import levels, and the nature of potential interruptions. The analysis included assumptions for domestic and foreign refinery capacity, projected inventory levels, and estimates of the potential time delays inherent in the replacement of lost product imports with product refined from centrally stored SPR crude oil.

Mr. D'AMATO. The amendment states that a SPR product storage component of 20 million barrels of residual fuel oil or a refined product substitute is planned to protect the U.S. east coast DOE regions 1 through 4. It is my expectation that the amendment adopted today will spur the Department to act in fulfillment of the east coast product storage amendment.

Again, I would like to thank the senior Senator from Idaho for his assistance in making this amendment possible.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York (Mr. D'Amato).

The amendment (UP No. 1008) was agreed to.

UP AMENDMENT NO. 1004

The PRESIDING OFFICER. The question recurs on amendment No. 1004 by the Senator from New Mexico (Mr. Domenici). The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from California (Mr. Hayakawa), the Senator from Illinois (Mr. Percy), and the Senator from Texas (Mr. Tower) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. Cannon) and the Senator from Montana (Mr. Melcher) are necessarily absent.

The PRESIDING OFFICER (Mr. Mattingly). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 44, nay 51, as follows:

[Rollcall Vote No. 155 Leg.]

YEAS—44

Abdnor
Armstrong
Baker
Boren
Boschwitz
Brady
Byrd,
Harry F., Jr.
Chafee
Chiles
Cochran
D'Amato
DeConcini
Denton
Dole
Domenici
East
Exon
Garn
Gorton
Grassley
Hatch
Hatfield
Hawkins
Heflin
Helms
Humphrey
Jepsen
Kassebaum
Kasten
Laxalt
Lugar
Mattingly
Murkowski
Nickles
Nunn
Packwood
Proxmire
Quayle
Roth
Schmitt
Simpson
Stevens
Thurmond
Wallop

NAYS—51

Andrews
Baucus
Bentsen
Biden
Bradley
Bumpers
Burdick
Byrd, Robert C.
Cohen
Cranston
Danforth
Dixon
Dodd
Durenberger
Eagleton
Ford
Glenn
Goldwater
Hart
Heinz
Hollings
Huddleston
Inouye
Jackson
Johnston
Kennedy
Leahy
Levin
Long
Mathias
Matsunaga
McClure
Metzenbaum
Mitchell
Moynihan
Pell
Pressler
Pryor
Randolph
Riegle
Rudman
Sarbanes
Sasser
Specter
Stafford
Stennis
Symms
Tsongas
Warner
Weicker
Zorinsky

NOT VOTING—5

Cannon
Hayakawa
Melcher
Percy
Tower

So Mr. Domenici's amendment (UP No. 1004) was rejected.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered. The clerk will call the roll. This will be a 10-minute vote.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from California (Mr. Hayakawa), the Senator from Illinois (Mr. Percy), and the Senator from Texas (Mr. Tower) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. Cannon), and the Senator from Montana (Mr. Melcher) are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada (Mr. Cannon) and the Senator from Montana (Mr. Melcher) would each vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced-yeas 88, nays 7—as follows:

[Rollcall Vote No. 156 Leg.]

YEAS—88

Abdnor
Andrews
Armstrong
Baker
Baucus
Bentsen
Biden
Boren
Boschwitz
Bradley
Brady
Bumpers
Burdick
Byrd, Robert C.
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
Exon
Ford
Garn
Glenn
Goldwater
Gorton
Grassley
Hart
Hatch
Hatfield
Heflin
Heinz
Hollings
Huddleston
Humphrey
Inouye
Jackson
Jepsen
Johnston
Kassebaum
Kasten
Kennedy
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McClure
Metzenbaum
Mitchell
Moynihan
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor

Quayle
Randolph
Riegle
Rudman
Sarbanes
Sasser
Schmitt
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Tsongas
Wallop
Warner
Weicker
Zorinsky

NAYS—7

Byrd,
  Harry F., Jr.
East
Hawkins
Helms
Murkowski
Nickles
Roth

NOT VOTING—5

Cannon
Hayakawa
Melcher
Percy
Tower

So the bill (S. 2332), as amended, was passed, as follows:

S. 2332

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

EXTENSION OF CERTAIN INTERNATIONAL ENERGY PROGRAM AUTHORITIES

SECTION 1. (a) EXTENSION.—Subsection (j) of section 252 of the Energy Policy and Conservation Act (42 U.S.C. 6272(j)) is amended by striking out "June 1, 1982" and inserting in lieu thereof "August 1, 1983".

(b) LIMITATIONS.—(1) Section 251 of the Energy Policy and Conservation Act is amended by adding a new subsection as follows:

"(e) No rule under this section may be put into effect or remain in effect unless—

"(1) an international energy supply emergency, as defined in the first sentence of section 252(1), is in effect; and

"(2) the measures provided for under chapters III and IV of the International Energy Program have been put into effect or remain in effect pursuant to such chapters.".

(2) Section 252 of the Energy Policy and Conservation Act is amended by adding a new subsection as follows:

"(m) The authority granted by this section shall apply only to the development or carrying out of voluntary agreements and plans of action pursuant to chapters III, IV, and V of the International Energy Program.".

ENERGY EMERGENCY PREPAREDNESS

SEC. 2. (a) Title II of the Energy Policy and Conservation Act, relating to standby energy authorities, is amended by adding at the end thereof the following new part:

"PART C—ENERGY EMERGENCY PREPAREDNESS

"CONGRESSIONAL FINDINGS, POLICY, AND PURPOSES

"SEC. 271. (a) FINDINGS.—The Congress finds that—

"(1) a shortage of petroleum products caused by reductions in imports of petroleum products may occur at any time;

"(2) such a shortage may be sufficiently large to cause severe economic dislocations and hardships, or constitute a serious threat to public health, safety, and welfare; and

"(3) in the event of such a shortage, reliance on free market pricing and allocation of available petroleum product supplies may not be adequate to mitigate the adverse impacts of the shortage.

"(b) POLICY.—The Congress hereby declares that it shall be the policy of the United States that a Federal comprehensive energy emergency response procedure shall be available for implementation by the President, pursuant to his authorities under existing law other than this part, as a supplement to reliance on the free market to mitigate the adverse impacts of a shortage of petroleum products on public health, safety, and welfare.

"(c) PURPOSE.—The purpose of this part is to provide for the preparation of a comprehensive energy emergency response procedure to be available for use by the President under authorities contained in existing law other than this part.

"STATUS REPORT

"SEC. 272. (a)(1) The President shall submit to the Congress no later than November 15, 1982—

"(A) a memorandum of law, subject to subsection (b), describing the nature and extent of the authorities under existing law available to the President for his use in responding to a substantial reduction in the amount of petroleum products available to the United States; and

"(B) an accompanying report, subject to subsection (b), on the status and schedules for completion of a comprehensive energy emergency response procedure by which the President would implement the authorities described under paragraph (1).

"(2) The memorandum of law required by subparagraph (1)(A) shall be reviewed and approved by the Attorney General prior to its submission to the Congress.

"(b) The memorandum of law and the accompanying report submitted to the Congress pursuant to subsection (a) shall—

"(1) include, but not be limited to, the following subjects—

"(A) activities of the United States in support of the International Energy Program and the December 10, 1981, International Energy Agency agreement entitled 'Decision on Preparation for Future Supply disruptions' including, but not limited to—

"(i) the National Emergency Sharing Organization,

"(ii) emergency sharing systems; and

"(iii) the supply right project;

"(B) activities of the United States pursuant to its energy emergency preparedness obligations to the North Atlantic Treaty Organization;

"(C) development and use of the Strategic Petroleum Reserve;

"(D) Government incentives to encourage private petroleum product stocks;

"(E) reactivation of the Executive Manpower Reserves including the—

"(i) Emergency Electric Power Reserve;

"(ii) Emergency Petroleum and Gas Reserve; and

"(iii) Emergency Solid Fuels Reserve;

"(F) energy emergency response management in coordination with State and local governments; and

"(G) emergency public information activities; and

"(2) distinguish among—

"(A) situations involving limited or general war, international tensions that threaten national security, and other Presidentially declared emergencies;

"(B) events resulting in activation of the International Energy Program; and

"(C) events or situations less severe than those described in subparagraphs (A) and (B).

"COMPREHENSIVE ENERGY EMERGENCY RESPONSE PROCEDURE

"SEC. 273. (a) The President is authorized and directed to submit to the Congress no later than December 31, 1982, a comprehensive energy emergency response procedure, subject to subsection (b), which the President would implement, in whole or in part, pursuant to his authorities under existing law other than this part, in responding to a substantial reduction in the amount of petroleum products available to the United States.

"(b) The comprehensive energy emergency response procedure shall—

"(1) specify a procedure for determining appropriate governmental actions in response to international and domestic energy shortages;

"(2) describe alternative actions available for implementation by the President; and

"(3) recommend any additional statutory authority necessary for the President to carry out the purposes of this part.

"(c) Nothing in this part, or in the comprehensive energy emergency response procedure submitted pursuant to subsection (b), shall—

"(1) limit the authority of the President under existing law to respond to a reduction in the amount of petroleum products available to the United States; or

"(2) grant any authority to the President to respond to a reduction in the amount of petroleum products available to the United States which is not otherwise available to him under existing law.".

(b) The table of contents for the Energy Policy and Conservation Act is amended by adding after the item relating to section 255 the following new items:

"PART C—ENERGY EMERGENCY PREPAREDNESS

"Sec. 271. Congressional findings, policy, and purposes.
"Sec. 272. Status report.
"Sec. 273. Comprehensive energy emergency response procedure.".

STRATEGIC PETROLEUM RESERVE DRAWDOWN PLAN

SEC. 3. On or before December 1, 1982, the President shall transmit to the Congress a drawdown plan for the Strategic Petroleum Reserve consistent with the requirements of section 154 of the Energy Policy and Conservation Act. Congressional review of such drawdown plan shall be in accordance with the provisions of section 159 of the Energy Policy and Conservation Act: *Provided*, That the existing approved drawdown plan shall remain effective until a new drawdown plan is approved pursuant to section 159 of the Energy Policy and Conservation Act.

STRATEGIC PETROLEUM RESERVE AMENDMENTS

SEC. 4. (a) Section 160(c) of the Energy Policy and Conservation Act (42 U.S.C. 6240(c)) is amended to read as follows:

"(c)(1) The President shall, subject to the availability of funding pursuant to section 167(b)(2) of the Energy Policy and Conservation Act, as amended by section 1034(a)(1) of the Omnibus Reconciliation Act of 1981 (Public Law 97-35), immediately undertake, and thereafter continue, petroleum products acquisition, transportation, and injection activities at a level sufficient to assure that petroleum products in permanent or interim storage facilities in the Strategic Petroleum Reserve will be increased at an average annual rate of at least 300,000 barrels per day until the quantity of petroleum products stored within the Strategic Petroleum Reserve is at least 500,000,000 barrels.

"(2) After the Strategic Petroleum Reserve reaches a level of 500,000,000 barrels, the President shall seek to continue petroleum products acquisition, transportation, and injection activities at a level sufficient to assure that petroleum products in permanent or interim storage facilities in the Strategic Petroleum Reserve will be increased at an average annual rate of at least 300,000 barrels per day until the quantity of petroleum products stored within the Strategic Petroleum Reserve is at least 750,000,000 barrels.".

(b) The effective date of subsection (a) shall be July 1, 1982.

(c) Section 159(f) of the Energy Policy and Conservation Act (42 U.S.C. 6240(f)) is amended by deleting the word "and" at the end of paragraph (3), by inserting a ";" in lieu of the "." at the end of paragraph (4), and by inserting a new paragraph (5) as follows:

"(5) the storage of petroleum products in interim storage facilities.".

(d) Section 167 of the Energy Policy and Conservation Act (42 U.S.C. 6247) is amended by adding at the end thereof the following:

"(e) Not to exceed 10 per centum of the total amounts obligated from the account in any fiscal year may be used to meet expenses related to interim facilities for the storage of petroleum products for the Strategic Petroleum Reserve.

"(f) Nothing in this part shall require an amendment to the Strategic Petroleum Reserve Plan prior to the storage of petroleum products in interim storage facilities.

"(g) No action related to the storage of petroleum products in existing facilities for interim storage in the Strategic Petroleum Reserve shall be deemed to be 'a major Federal action significantly affecting the quality of the human environment' within the meaning of that term as it is used in section 102(2)(C) of the National Environmental Policy act of 1969.

"(h) Petroleum products stored in interim storage facilities pursuant to section 160(c)(1) shall be considered to be in storage in the Strategic Petroleum Reserve.".

IMPACT STUDY

Sec. 5. (a) The President shall analyze the impact on the domestic economy and on consumers in the United States of reliance on market allocation and pricing during a severe oil supply shortage. Such analysis shall—

(1) examine the equity and efficiency of such reliance,

(2) distinguish between the impacts of such reliance on various categories of business (including small business and agriculture) and on households of different income levels,

(3) specify the nature and administration of monetary and fiscal policies that would be followed including emergency tax cuts, emergency block grants, and emergency supplements to income maintenance programs, and

(4) describe the likely impact on the distribution of petroleum products of State and local laws and regulations (including emergency authorities) affecting the price or allocation of petroleum.

Projections must be made of the effect of the disruption on the price of motor gasoline, home heating oil and diesel fuel, and on Federal tax revenues, Federal royalty receipts, and State and local tax revenues.

(b) Within one year after the date of the enactment of this section, the President shall submit a full and detailed report to the Congress containing the analysis required by subsection (a), including a detailed, step-by-step description of the procedures by which the policies specified in subsection (a)(3) would be accomplished in an emergency, along with such recommendations as the President deems appropriate.

CONTINUATION OF PETROLEUM PRODUCT INFORMATION COLLECTION

Sec. 6. (a) Part A of title V of the Energy Policy and Conservation Act (42 U.S.C. 6381 et seq.) is amended by adding at the end thereof the following new section:

"PETROLEUM PRODUCT INFORMATION

"Sec. 507. The President or his delegate shall, pursuant to authority otherwise available to the President or his delegate under any other provision of law, collect information on the pricing, supply, and distribution of petroleum products at the wholesale and retail levels, on a State-by-State basis. Such information shall be of the types necessary to achieve the purposes of this part and to ascertain in the event of a shortage of petroleum products the effects of such shortage on public health, safety, and welfare."

(b) The table of contents for the Energy Policy and Conservation Act is amended by adding after the item relating to section 506 the following new item:

"Sec. 507. Petroleum product information.".

STUDY OF REGIONAL STRATEGIC PETROLEUM RESERVES

Sec. 7. The President or his delegate is authorized and directed to submit to the Congress no later than December 31, 1982, a comprehensive study of the need for establishing a Regional Petroleum Reserve pursuant to section 157 of the Energy Policy and Conservation Act. Such study shall examine the economic benefits and costs of such a Reserve at various potential locations.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. JEPSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLURE. Mr. President, I ask unanimous consent that the bill as passed be printed.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

URGENT SUPPLEMENTAL APPROPRIATIONS, 1982

The Senate continued with the consideration of the bill (H.R. 5922).

The **PRESIDING OFFICER.** The Senator from Illinois.

MOTION TO RECONSIDER VOTE ON UP AMENDMENT NO. 1007

Mr. DIXON. Mr. President, if I may be heard on my motion to reconsider the vote by which the last amendment was not adopted, I think this distinguished body knows how close that vote was.

Mr. SCHMITT. Mr. President, may we have order so the Senator from Illinois can be heard?

Mr. DIXON. The distinguished senior colleague from my State, who supported me in this effort, was unavoidably involved elsewhere and could not be with us on the important rollcall. It has been brought to my attention that at least one other Member who would have supported that amendment was absent from the floor.

I suggest that there are the votes here to accommodate the request of this Senator and others who are interested in retaining these House funds in this bill.

May I briefly make these two points which I think are very, very important. The first is this: This amount of money is in the current budget, both as to authority and as to outlays.

The second point, as my friend from Pennsylvania has pointed out, as his senior colleague pointed out in another speech inserted into the Record, and as others in many of the States of this Union know, is that this program is about to deteriorate in all of the major States of this country which have depended so much upon it, and it embodies the best of what this administration has said it believes in—to take people off welfare and to put them into private-sector jobs where, instead of being tax users, they become taxpayers.

This program, as my colleague has pointed out, returns two bucks for every dollar we spend. It is a good program. It is a program that makes business sense. If you took it to the Round Table in this country, they would say, "This is an investment we want America to make."

So I say to my colleagues who may have had a moment of indecision—I heard talk in the well, and there were some here in a moment of indecision on this vote—that I appeal to them to reexamine their conscience about an investment of funds, not a waste of funds, to take people off welfare and make them working people who pay taxes to support the expense of running this Government.

I am delighted that my colleague and friend, the senior Senator from New York, has some statistics he wants to make available to me in connection with the point I want to make, and I am delighted to yield to him for those statistics.

Mr. MOYNIHAN. Mr. President, I thank the distinguished Senator from Illinois.

I can say to the Senator that each Member will probably know the precise case for his or her State, but there is one overall statistic about the 1980's that has become available within the week which should shock us as a body and repel us from any thought of dismantling the WIN program.

In 17 States of the Union, there were more poor children in 1980 than there were in 1970.

In the State of Illinois, the number of poor children grew by 15.6 percent, which is about average. In the State of New York, my State, it grew 22.4 percent. In the State of Nevada, it grew 36.8 percent.

There are more dependent children in this country in 17 of our largest States than there were 10 years ago.

The WIN program is directed to the parents of dependent children who now either live on welfare or find work or find a mix of both, which we have been learning to do.

We recognize that it had to be done. We are only beginning to know the dimension of the problems that are dealt with. But at the very moment when the Department of Education, for the purposes of title I allocations, says there are more poor children than ever, should we be cutting out the funds that enable their parents to find work? It seems to me to be waste.

I make one point to the Senator from Illinois. It seems to me not only waste to keep these parents on welfare, but also I suggest that it is abuse of the children who are left equally dependent.

If we care about waste and abuse, here is an opportunity to show that we care about the people involved.

Mr. SCHMITT. Mr. President, there are a lot of statistics, and I have no doubt that in some areas, because of local unemployment, there are some increased problems, as described by the distinguished Senator from New York.

However, I also know that there are studies by our own General Accounting Office that indicate that the welfare savings from this program are not nearly as high as have been previously reported. Instead of $632 million, GAO estimates that welfare savings were more like $84 million in fiscal 1980.

In interviewing WIN participants, GAO found that 72 percent of them gave little or no credit to WIN for their success in finding a job.

We can argue statistics all day, and it is not this Senator's place to do that. I think there can be effective vocational training programs and programs that meet the objectives of WIN. I do not believe we have found them yet, and that is one of the things being considered by the authorizing committee of the Senate even today.

The real question is this: Is this body going to be responsible with respect to a supplemental appropriations bill? Is it going to live with the decisions the Senate has already made? Is it going to live with the normal legislative process to consider these matters? Or is it going to begin, with this vote, to add $76.8 million, and then with subsequent votes to add $5 million or $10 million to restore a 4-percent cut in the continuing resolution for various educational institutions, to put in $126 million for summer youth jobs, to put in $77 million for supplemental opportunity grants, and on and on? You name it. That is the list of amendments I am looking at, and that is only a partial list.

We already have a bill that the President has indicated he is going to veto—at least, indicated very strongly that he is going to veto—and I do not see much point in this exercise. We have a normal appropriations process that we are going through. If the Senate wishes to work its will on these programs, it can. But to look at a total of $300 million to $500 million of addons, of which this is the first, is just flying in the face of good sense, whatever the value of this program may be.

I know that the motivations of my distinguished colleagues are good ones. I am sympathetic to some of the examples of what the WIN program has been able to do. But, as I said, the statistics may be argued either way.

The more critical point is this: Are we going to be as responsible, now that we are playing with real money, as we were when we played with play money last week? Apparently, so far, from the votes that have been cast, the answer to that question is "No."

I hope the Senate will agree to table the motion to reconsider

Mr. SPECTER. Mr. President, I am somewhat perplexed about the use of the word "irresponsible" as it applies to the opposing argument on the $76 million for the WIN program.

This is a program of very modest proportions, in relative terms; and I suggest that it is a very important program as a symbol to millions of people in this country that Congress and the Senate are concerned about the unemployment problem, especially as it relates to those who are leaving welfare.

This body passed a reasonable budget last week. I was among the majority who voted in favor of that budget, which had very serious consequences for the specific group that the WIN program is designed to help.

I voted for the budget last week because it was a vote that I conceived to be in the national interest, to cut the deficit and move our economy ahead. It is not necessary to link this proposal of $76 million to the laundry list totaling $300 million, $400 million, or $500 million.

This body has the discernment not to start a domino effect by voting for a program which is a good program. This would be a signal to people in dire straits in this country that this body can differentiate a good program from programs which are not as necessary.

Mr. SCHMITT. Mr. President, will the Senator yield for a question?

Mr. SPECTER. No, but I will finish in a moment.

There are many good programs we must vote against, unfortunately and painfully, in the interest of reducing the budget deficit, but this is one which I submit we certainly should be for.

I yield the floor, and I will be delighted to respond to the question.

Mr. SCHMITT. Mr. President, I wonder whether the distinguished Senator from Pennsylvania is indicating to this Senator that if we agreed to some number here, he would then assist me in opposing the amendments that apparently are going to be offered.

How about $126 million for summer youth jobs? Will the Senator assist me in defeating that amendment as an add-on to this bill?

Mr. SPECTER. I most probably will vote in opposition, but I will not make my decision until I hear all of the arguments in the Chamber. I am not prepared to make tradeoffs here at this moment until I have considered carefully all the matters to come up.

But I voted with the distinguished Senator from New Mexico last week on the budget proposal, and I stood for the overwhelming majority of the votes which were very painful for the Senator from the Commonwealth of Pennsylvania.

I think each of these has to be addressed individually but the Senator from New Mexico knows that when the chips are down I have been with him the majority of the time even at great cost to my own State as a vote in the national interest or what I conceive to be in the national interest.

Mr. SCHMITT. The definition the Senator makes "when the chips are down" may vary on occasion, and I appreciate those occasions when we agree.

My problem is, giving the Senator's response as being his feelings, I do not know about others, and he says there is no domino effect, and this may be the best program on this list and it has some arguments for it. It has some arguments against it also. But we all in fact are staring in the face of $300 million to $500 million of known addons to the supplemental bill. And it does not seem to this Senator that we are consistent, that when we have to deal with real money that is in an appropriations bill we cannot hold the line as we did most of the time with play money on a budget bill.

All I am arguing is that, if we are going to be consistent about balancing this budget in the shortest number of years possible in order to get interest rates down and to hold inflation down, then we have to be consistent on these bills as well as on the interesting exercise that we went through last week.

I make one more offer to the distinguished Senator from Illinois, if I could have his attention. By the way, I think votes have shifted our way as well as his. The usual practice in conference is to split the difference with the House of Representatives. If we should split the difference at this point and add $38.4 million I cannot guarantee what is going to happen in conference but I would say that is about as far as I think this committee would go.

Mr. DIXON. Is my distinguished friend, the chairman of the subcommittee, suggesting to me that here in the Senate he would acquiesce in an amendment to reduce by 50 percent of the amount of the amendment the Senator from Illinois has offered?

Mr. SCHMITT. I can only speak for the Senator from New Mexico, but that is an offer that I would consider, because that is more than likely where we would end up in conference. I also warn the Senator that I would do everything in my power in conference not to go any higher than that.

Mr. DIXON. The Senator would understand that this Senator would hope others on this side might do otherwise.

Mr. SCHMITT. If the Senator will not support me and the committee in that number, then I guess we better go ahead and have a vote on the Senator's motion to reconsider.

Mr. DIXON. I just want to say to my good friend if we could agree in this place to reduce this to approximately half of the amount indicated by the Senator from Illinois—it is inadequate—but I would be willing to consider this on the grounds that the issue is still in doubt, in the hope that I could do better in the conference. But if my friend and colleague is saying to do that and then ask that your side stand firm in the conference I have not made any kind of an accommodation that is meaningful, and my daddy said never make deals like that.

Mr. SCHMITT. I just tell the Senator that this compromise would be far more palatable if the Senator who has sponsored the amendment is willing to live with that number and help the committee hold that number. Who knows in conference, if the Senator does not prevail on his motion to reconsider, and I would say that is in some doubt, then I do not know where we will end up. It depends on what issues the House of Representatives feels strongly about and what issues we end up feeling strongly about, and the Senator from Illinois may get no increase in the WIN program.

Mr. DIXON. May I say to my distinguished friend I have no quarrel with anything he has said about what the outcome might be, but I say this, to my distinguished friend, that I know the vote is sufficiently in doubt here in this place and that the accommodation would be in the interest of both sides if we left it at that without regard to what might happen later in another place. This Senator would be willing to entertain that accommodation.

I have always felt that accommodation was a very significant feature of legislation, but if the Senator is saying that I give my word as well to entreat those on my side of the leadership to instruct our people that in conference we would support the figure of the Senate, I could not do that, because it would not be in the interests of the folks that I am supporting in connection with this amendment.

Mr. SCHMITT. The Senator carries no obligation to conference with the Senate as a whole? I hope he would begin to consider that there is an obligation that is imposed on all of us. Whatever we might feel about a particular measure, when we go to conference we are in conference to support the Senate position and the Senate position may be at odds with our personal position.

The Senator from Illinois is not on the Appropriations Committee but nevertheless when we go to conference we go there as the Senate conferees, and we obviously represent the Senate's position, whatever that might be.

So if we go to conference, if the Senator from Illinois happens to lose on his motion to reconsider, we will go to conference without the House number, and we will seek to prevail on that position.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator from New Mexico yield for a question?

Mr. SCHMITT. I am happy to yield for a question.

Mr. HARRY F. BYRD, JR. Is the Senator from Virginia correct that the additional funds approved by the House of Representatives would go to pay for the salaries of 2,200 additional State staff? That is the purpose of the appropriation, as I understand the figure added by the House. The committee report on page 9 indicates that.

Mr. SCHMITT. To my understanding an estimated 2,200 State staff would be added if the full amount were appropriated.

Mr. HARRY F. BYRD, JR. What we are doing is we are voting more money to add more personnel

Mr. SCHMITT. We would be adding staff that for the most part have already been laid off from the WIN program.

Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I ask unanimous consent that it may be in order for me to proceed to another matter temporarily.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ENERGY POLICY AND CONSERVATION ACT

Mr. McCLURE. Mr. President, I send a bill to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** the bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 2575) to extend the expiration date of section 252 of the Energy Policy and Conservation Act.

The **PRESIDING OFFICER.** Is there objection to the present consideration of the bill?

Mr. JOHNSTON. Mr. President, I did not know this was to be a unanimous-consent request to take up the bill. Is this the temporary extension of the IEA?

Mr. McCLURE. The Senator is correct.

Mr. JOHNSTON. Has unanimous consent been granted for that or is it still pending?

The **PRESIDING OFFICER.** It is under consideration.

Is there objection?

Mr. JOHNSTON. Mr. President, reserving the right to object, this is the same matter on which we have granted extensions before. The last was 60 days?

Mr. McCLURE. Yes.

Mr. JOHNSTON. And it seems to me that the House of Representatives should get its house in order and it should be the one to pass the bill, and it seems to me for us to go and grant another 30-day extension without them making some kind of overwhelming case I think would be premature.

Mr. President, unless my colleague from Idaho can tell me to the contrary, I would like to reserve the right to object, and probably will object.

Mr. McCLURE. Mr. President, this bill would grant a 30-day extension to the antitrust exemption that is in the International Energy Agency legislation at the present time. That extension was granted in the bill just passed. But this bill just passed has a number of other provisions in it in addition to the antitrust exemption. The House has similar legislation, not identical legislation, to the bill just passed. They have a sequential referral in which it is now embedded in the second committee in the other body. It is going to take them a little while to get it out of that committee so that we can consider it, and they have to go to the Rules Committee, and it is unlikely that they can do that until sometime next week. Probably the week following they will be able to get it to the floor for any consideration at all, and probably the week after that before we can go to conference with them on the measure just passed.

During the period of time from the end of May there is no antitrust exemption for the participation of U.S. oil companies in the exchange of information through the International Energy Agency.

If the political-military situation in the Middle East gets worse, as it might well while we are on recess over Memorial Day, we can find ourselves out of session here during a period of time when there could be a crisis in the petroleum supply and the need for that consultation.

The purpose of the bill which I send to the desk would simply be to give us some coverage for that period of time that is necessary for the House to act and for the Senate to act in conference with the House on the other legislation.

However, it will not be my intention to push this issue today if there is objection. But I would want Members to be on notice that they are considering it, and if indeed it is not acted on at this time, I hope we might be able to renew action on it before the Senate recesses for the Memorial Day recess.

Several Senators addressed the Chair.

The **PRESIDING OFFICER**. The Senator from New Jersey.

Mr. **BRADLEY**. Mr. President, does the Senator from Idaho state that the simple IEA renewal is a clean renewal? Does he envision it for any fill rate of the strategic petroleum reserve?

Mr. **McCLURE**. It is a simple extension of the antitrust exemption for 30 days, and nothing else at all.

Mr. **BRADLEY**. At the end of 30 days we would have achieved a conferenceable bill with the House of Representatives or we would be without any membership in the IEA, is that correct?

Mr. **McCLURE**. We would have membership in the IEA but the U.S. petroleum companies could not participate in the exchange of information to the IEA.

Mr. President, I think I perceived objection on the part of the Senator from Louisiana, and I withdraw the bill.

The **PRESIDING OFFICER**. The bill cannot be withdrawn. The request can be withdrawn. The bill cannot be withdrawn.

Mr. **McCLURE**. The request for immediate consideration is withdrawn.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The bill will be appropriately referred.

URGENT SUPPLEMENTAL APPROPRIATIONS, 1982

The Senate continued with the consideration of the bill.

Mr. **SCHMITT**. Mr. President, what is the pending business?

The **PRESIDING OFFICER**. The question recurs on the motion to reconsider.

Mr. **SCHMITT**. Mr. President, I will in a moment propose a solution to the problem, and if the distinguished Senator from Illinois will give me his attention, I suggest we agree by voice vote to the motion to reconsider, agree by unanimous consent, if we can get it, to modify the figures in the Senator's amendment to read $38.4 million, and then again pass it be voice vote.

The **PRESIDING OFFICER** (Mr. COHEN). The Senator from Illinois.

Mr. **DIXON**. May I have a moment, please? Will the Senator from New Mexico state that again, please? I had an interruption.

Mr. **SCHMITT**. The Senator from New Mexico is proposing to the Senator from Illinois that we agree on the motion to reconsider and then by unanimous consent agree to modify the figure $76 million to be $38.4 million.

Mr. **DIXON**. That is satisfactory.

The **PRESIDING OFFICER**. Is there objection?

Mr. **MOYNIHAN**. Mr. President, before we proceed, I ask unanimous consent to include at this point in the RECORD the new census data on children in poverty 1970-80. I think the Senate will find it of value, and we will see what is at issue.

I would like to thank the Senator from New Mexico for his consideration of a matter of great consequence to many States.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

ANALYSIS OF CHILDREN IN POVERTY (5 to 17 Yrs.)

[1970-80 U.S. Census data]

	1980 census		1970 census		Count change col 1-3	Percent change (col 1-3)
	5 to 17 Yrs	Percent of total	5 to 17 Yrs	Percent of total		
United States	7,200,810	100	7,700,368	100	499,558	6.48
Alabama	186,310	2.59	272,146	3.53	85,836	31.54
Alaska	8,772	.12	12,393	.16	3,621	29.29
Arizona	81,861	1.14	84,014	1.09	2,153	2.56
Arkansas	109,938	1.53	155,135	2.01	45,938	29.13
California	647,776	9.00	595,765	7.74	+52,011	+8.73
Colorado	65,153	.90	71,254	.93	6,101	8.56
Connecticut	70,071	.97	55,083	.72	+14,988	+27.20
Delaware	17,548	.24	17,372	.23	+176	+1.01
District of Columbia	27,664	.38	37,193	.48	9,529	25.62
Florida	297,972	4.14	299,575	3.89	1,603	0.53
Georgia	250,580	3.48	293,871	3.82	43,291	14.73
Hawaii	21,861	.30	19,465	.25	+2,396	+12.31
Idaho	28,310	.39	23,716	.31	+4,594	+19.37
Illinois	349,368	4.85	302,311	3.93	+47,057	+15.56
Indiana	130,734	1.82	123,484	1.60	+7,250	+5.87
Iowa	53,627	.74	72,000	.94	18,373	25.51
Kansas	46,039	.64	64,621	.84	18,582	28.76
Kentucky	178,717	2.48	208,462	2.71	29,745	14.26
Louisiana	230,264	3.20	308,850	4.01	78,586	-25.44
Maine	35,334	.49	36,308	.47	974	-2.68
Maryland	104,138	1.45	116,951	1.52	12,813	10.96
Massachusetts	146,580	2.04	116,900	1.52	+29,680	+25.39
Michigan	263,508	3.66	220,485	2.86	+43,023	+19.51
Minnesota	82,170	1.14	98,936	1.28	16,766	-16.95
Mississippi	187,272	2.60	261,679	3.40	74,407	-28.43
Missouri	143,504	1.99	172,955	2.25	29,451	-17.03
Montana	21,279	.30	24,998	.32	3,719	-14.88
Nebraska	34,761	.48	45,952	.60	11,191	-24.35
Nevada	14,896	.21	10,890	.14	+4,006	+36.79
New Hampshire	16,292	.23	14,286	.19	+2,006	+14.04
New Jersey	205,060	2.85	155,690	2.02	+49,370	+31.71
New Mexico	63,923	.89	80,559	1.05	16,636	20.65
New York	643,618	8.94	526,402	6.84	+117,216	+22.27
North Carolina	217,323	3.02	312,545	4.06	95,222	30.47
North Dakota	19,474	.27	27,354	.36	7,880	-28.81
Ohio	291,308	4.05	273,542	3.55	+17,766	+6.49
Oklahoma	89,820	1.25	122,548	1.59	32,728	26.71
Oregon	55,928	.78	53,953	.70	+1,975	+3.56
Pennsylvania	323,736	4.50	304,815	3.96	+18,921	+6.21
Rhode Island	23,595	.33	24,482	.32	887	-3.62
South Carolina	135,780	1.89	206,985	2.69	71,205	34.40
South Dakota	27,186	.38	33,815	.44	6,629	-19.60
Tennessee	207,216	2.88	245,157	3.18	-37,941	15.48

ANALYSIS OF CHILDREN IN POVERTY (5 to 17 Yrs.)—Continued

[1970-80 U.S. Census data]

	1980 census		1970 census		Count change col. 1-3	Percent change (col. 1-3)
	5 to 17 Yrs	Percent of total	5 to 17 Yrs	Percent of total		
Texas	578,486	8.03	636,776	8.27	58,290	9.15
Utah	33,830	.47	30,796	.40	-3,034	-9.85
Vermont	12,866	.18	13,062	.17	196	1.50
Virginia	149,525	2.08	214,357	2.78	64,832	30.24
Washington	90,130	1.25	80,172	1.04	-9,958	-12.42
West Virginia	71,480	.99	106,359	1.38	34,879	32.79
Wisconsin	101,326	1.41	103,895	1.35	2,569	2.47
Wyoming	6,901	.10	10,054	.13	3,153	31.36

Source: U.S. Department of Commerce, Bureau of Census, "Provisional Estimates of Social, Economic and Housing Characteristics, 1980" (PHC80-S1-1), pp. 36-41.

Mr. SCHMITT. Mr. President, I ask unanimous consent and I would suggest that the vote on the motion to reconsider be on a voice vote.

The PRESIDING OFFICER. Is there objection?

Mr. LONG. Mr. President, I would like to make a statement in support of the position of the Senator from Illinois with regard to the WIN program.

Mr. President, the Senate should reject the committee amendment to cut the funding for the work incentive (WIN) program. WIN really is not a separate program at all. WIN is an important part of the AFDC welfare program. It is, in fact, the only part of the welfare program that attempts to get people off of welfare and into jobs.

Without WIN, there is no AFDC work requirement. If we cut the WIN budget, as was unfortunately done in the continuing resolution, we are sending a very clear message. The message is this:

> You don't have to work. You don't even have to think about work. You can just apply for welfare and not worry, because Congress eliminated the funds for carrying out that part of the law which says that welfare recipients must register for and accept employment.

The Appropriations Committee recommends this cut in funding on the basis of a GAO study. This study has not yet seen the light of day but it apparently indicates that the program is not as effective as has been claimed. It may be that its effectiveness could be improved. If so, I am willing to see changes made in it. But I am not willing to accept the proposition that it is not worth spending money to put welfare recipients to work.

All welfare work programs are opposed by those who say: "It is not worth the effort. These people on welfare just cannot work anyway." The same kind of argument was used for years to fend off the child support program. Opponents said that the program would never collect enough to make it worthwhile. In fact, collections have exceeded costs in every year since enactment.

In the sixties, the costs of the welfare programs, particularly AFDC, were running wild. Congress reacted in a number of ways, one of which was the enactment of the WIN program. This program requires that every AFDC applicant be considered for employability. Those in certain categories are exempted from further participation because the law does not expect them to be employed. But all other adult recipients are required to register with WIN. They have to participate in WIN activities and accept employment if offered.

If there is a problem, it is not that we have put too much funding into the program. It is that we have put too little funds into that program. We have always put up whatever funds are necessary to meet the welfare benefit costs, but we have only put a very small amount into WIN—not nearly enough to work with all those who are employable.

Five years ago, in 1977, WIN was funded at a level of $365 million. In 1981, the program was still being funded at $365 million. In real terms, after adjustment for inflation, the effective funding level was one-third lower in 1981 than it was in 1977. Then, in the 1982 continuing resolution, the program's funding was cut by another $120 million.

It seems to me that there could scarcely be a better example of "pennywise and pound foolish." Everyone complains about welfare costs. Are we now to respond by cutting a program which is aimed solely and directly at keeping welfare costs down? The Labor Department's official estimates have shown that program over the years has reduced welfare costs by about twice as much as was spent on WIN. And there are also substantial savings in medicaid and food stamp costs.

But even the Labor Department figures do not take into account the real savings of WIN. Having a program that tells welfare applicants they are expected to work is a vital element in any strategy to keep the costs of welfare within reasonable bounds. If we cripple the WIN program, as the current funding levels do, there is reason to fear a return to the sixties when welfare caseloads grew more than threefold within a single decade.

The House bill restores some of the funding for this program—$76 million. This does not even bring the program back to the absolute dollar level it had from 1977 to 1981. But it will allow the program to continue operating. It will restore some degree of credibility to the provisions which Congress has incorporated in the AFDC law to indicate that employable individuals should look for their support to work rather than welfare. I hope the Senate will reject the proposed elimination of this funding for WIN.

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider. All in favor say "aye." Those opposed, "nay." The "ayes" appear to have it. The "ayes" have it, and the motion is agreed to.

The question now recurs on agreeing to the amendment of the Senator from Illinois.

Mr. SCHMITT. Mr. President, I ask unanimous consent that the amendment of the Senator from Illinois be modified so that instead of $76 million, the amount is $38.4 million.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendment is so modified.

Mr. SCHMITT. I am told that a number of Senators would like a rollcall vote on this revised number.

The PRESIDING OFFICER. The yeas and nays have been ordered. The question is on agreeing to the amendment, as modified, of the Senator from Illinois. The clerk will call the roll.

Mr. STEVENS. I announce that the Senator from California (Mr. HAYAKAWA), the Senator from Illinois (Mr. PERCY), and the Senator from Texas (Mr. TOWER) are necessarily absent.

I further announce that, if present and voting, the Senator from Illinois (Mr. PERCY) would vote "yea."

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON), and the Senator from Montana (Mr. MELCHER) are necessarily absent.

I further announce that, if present and voting, the Senator from Montana (Mr. MELCHER) would vote "yea."

BEST

The **PRESIDING OFFICER**. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 76, nays 19, as follows:

[Rollcall Vote No. 157 Leg.]

YEAS—76

Abdnor
Andrews
Baker
Baucus
Bentsen
Biden
Boren
Boschwitz
Bradley
Brady
Bumpers
Burdick
Byrd, Robert C.
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
DeConcini
Denton
Dixon
Dodd
Domenici
Durenberger
Eagleton
Exon
Ford
Garn
Glenn
Gorton
Hart
Hatch
Hatfield
Hawkins
Heflin
Heinz
Hollings
Huddleston
Inouye
Jackson
Johnston
Kassebaum
Kasten
Kennedy
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Metzenbaum
Mitchell
Moynihan
Murkowski
Nunn
Packwood
Pell
Pressler
Pryor
Quayle
Randolph
Riegle
Rudman
Sarbanes
Sasser
Schmitt
Simpson
Specter
Stafford
Stennis
Stevens
Thurmond
Tsongas
Warner
Weicker

NAYS—19

Armstrong
Byrd,
  Harry F., Jr.
Danforth
Dole
East
Goldwater
Grassley
Helms
Humphrey
Jepsen
Laxalt
Mattingly
McClure
Nickles
Proxmire
Roth
Symms
Wallop
Zorinsky

NOT VOTING—5

Cannon
Hayakawa
Melcher
Percy
Tower

So Mr. **DIXON**'s amendment (UP No. 1007), as modified, was agreed to.

Mr. **DIXON**. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. **PROXMIRE**. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1009 TO UP AMENDMENT NO. 1006

(Subsequently numbered amendment No. 1643.)

(Purpose: To provide for interest reduction payments)

Mr. **LUGAR**. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER**. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Indiana (Mr. LUGAR) proposes an unprinted amendment numbered 1009.

Mr. **LUGAR**. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered. The amendment is as follows:

UP AMENDMENT 1009

In the unprinted amendment numbered 1006 beginning with page 10, line 5, strike all through page 16, line 8, and insert in lieu thereof the following:

The amount made available under the above paragraph shall be for payments of contracts authorized under the terms and conditions of the following paragraphs: *Provided*, That the aggregate amount of which over the duration of such contracts shall not exceed $5,120,000,000:

(a) For the purpose of assisting middle and lower income families in acquiring a home, a manufactured home, or membership in a cooperative association operating a housing project or in substantially rehabilitating a home or a unit in a cooperative housing project, the Secretary of Housing and Urban Development, hereafter referred to as the Secretary, is authorized through the Government National Mortgage Association, to make and to contract to make periodic interest reduction payments on behalf of such families. Such assistance shall be accomplished through payments to mortgagees and lenders or their transferees holding mortgages and loans meeting the requirements of this heading.

(b) The Secretary may not enter into any contract to make emergency home mortgage interest reduction payments under this heading during any month unless the Federal Home Loan Bank Board's home mortgage interest rate index for conventional home mortgage loans closed, based on the moving average for the most recent two-month period, exceeds 12.5 per centum per annum.

(c) To be eligible for emergency interest reduction payments under this heading, the first mortgage or loan secured by the property, manufactured home, or shares in a cooperative must meet the requirements of or be insured under section (g).

(d) Assistance payments under this heading may be made over a period of not to exceed five years with respect to any mortgage.

(e) The amount of all emergency interest reduction payments made under this heading shall constitute a second lien on the property or shares with respect to which the payments are made and shall be repayable—

(1) when the property is sold;

(2) when the property ceases to be the principal residence of the mortgagor or borrower;

(3) upon any other disposition of the property specified in regulations of the Secretary; or

(4) upon the refinancing of the first mortgage or loan on the property or shares,

except that the amount repaid may not exceed 60 per centum of the homeowner's net equity, as determined by the Secretary.

(f) The amount of the emergency mortgage interest reduction payments with respect to any mortgage or loan shall be an amount not exceeding the lesser of—

(1) the difference between the amount of the monthly payment for principal and interest which the mortgagor or borrower is obligated to pay under the mortgage or loan, and the monthly payment for principal and interest which the mortgagor or borrower would be obligated to pay if the mortgage or loan were to bear interest at the rate of 11 per centum per annum; and

(2) the difference between the amount of the monthly payment for principal and interest which the mortgagor or borrower is obligated to pay under the mortgage or loan, and the monthly payment for principal and interest which the mortgagor or borrower would be obligated to pay if the mortgage or loan were to bear interest at a rate four percentage points less than the rate specified in the mortgage or loan.

(g) Notwithstanding any other provision of law, the Secretary may assist or may insure a mortgage or loan which shall—

(1) be executed by a mortgagor or borrower whose total family income did not exceed $30,000 during the year preceding the application for the mortgage or loan and who intends to occupy the property as a principal residence, except that the limitation contained in this paragraph may be increased to not to exceed $37,000 where necessary for mortgagors and borrowers to qualify for increased principal amounts established by the Secretary pursuant to paragraph (2);

(2) have a principal obligation not to exceed $67,500, except that the Secretary may establish increased principal amounts of not to exceed 115 per centum of such amount in any area which has been determined to have high prevailing housing sales prices pursuant to section 203(b)(2) of the National Housing Act, but in calculating the amount of the interest reduction payments pursuant to subsection (f), the Secretary shall disregard any part of the monthly payment on that part of the mortgage or loan which exceeds $67,500;

(3) involve a one- to four-family dwelling the construction, substantial rehabilitation, or manufacture of which commenced on or after the date of enactment of this section heading and was substantially completed by January 1, 1983;

(4) provide for complete amortization over a period of not to exceed thirty years, but provide that (A) the mortgage or loan payment shall be adjusted for the second, third, fourth, fifth, and sixth years of the mortgage or loan by increasing the payment required during each such year by 0.75 per centum of the original principal obligation, and (B) the amount of the increase will be applied to reduce the principal obligation;

(5) provide, after the sixth year, for equal monthly payments in the same amount as the amount required in the sixth year, but only for the period necessary to pay off the remaining principal obligation;

(6) have been accompanied by disclosures of the scheduled adjustments in the monthly payment and of the requirements of section (e);

(7) be originated by a mortgage or lender who is responsible and able to service the mortgage or loan properly;

(8) in the case of a manufactured home loan, comply with the regulations issued under section 501(c) of the Depository Institutions Deregulation and Monetary Control Act of 1980; and

(9) bear interest and contain such other terms and conditions as the Secretary may prescribe.

(h) The Secretary shall allocate the amount available to carry out this program among the States on the basis of a formula so that—

(1) one-third of such amount is allocated on the basis of the ratio of the population of each State to the population of all States;

(2) one-third of such amount is allocated on the basis of the percentage decline in one- to four-family housing starts, measure from 1978 to 1981, of each State relative to the percentage decline for all States, and

(3) one-third of such amount is allocated on the basis of the ratio of each State's number of unemployed persons for the most recent three-month period for which data are available prior to the allocation to the number of unemployed persons for all States for such three-month period.

(i) Any mortgage insured or assisted under this heading shall be eligible for purchase by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(j)(1) The Secretary shall assure that the amounts allocated pursuant to subsection (h) are made available in a manner which maximizes participation by eligible lenders and borrowers.

(2) The Secretary shall maximize timely utilization of authority under this heading by limiting the time within which a firm commitment may be issued to ninety days after the commitment (other than a firm commitment) is made.

(3) Notwithstanding any othr provision of law, the Secretary shall issue final regulations, make allocations, and begin to issue commitments pursuant to this heading not later than thirty days after the enactment to carry out this section of this bill.

(k) There are authorized to be appropriated to carry out the provisions of this heading not to exceed $5,120,000,000: *Provided*, That the funds provided under this heading shall remain available for commitment until November 1, 1982.

Mr. LUGAR. Mr. President, the amendment I have offered to the chairman's substitute to H.R. 5922, the urgent supplemental appropriation bill, provides $5.12 billion in authorizations for the housing stimulus bill, which is a part of this package. One billion dollars in appropriations and $1 billion in commitment authority are already in the bill. By limiting the legislation to $1 billion in commitment authority, the effect of the legislation now before us would be to assist only 80,000 units as opposed to the 400,000 contemplated in S. 2226, which was the housing stimulus bill reported out of the Committee on Banking—in fact, the bill which has been made a part of the urgent supplemental appropriations bill.

The amendment which I have offered retains the $5.12 billion in budget authority and the $1 billion in appropriations for 1982, but provides commitment authority of $5.12 billion for 1982. This change would allow the Secretary to make commitments to provide assistance to the full 400,000 new homes authorized in the housing assistance bill. This change is consistent with the first budget resolution which we passed last week, which provided for $5.12 billion in budget authority for 1982 in the stimulus bill.

Specifically, Mr. President, the budget bill we passed last week provided for $900 million in outlays for 1983, $1.025 billion in outlays for 1984, and $1.025 billion in outlays for 1985. The budget authority and the outlay authority are consistent with the full funding of the Lugar bill. Thus, amending the appropriations bill will not change the budget resolution or the deficit contemplated in the first budget resolution.

Mr. President, the procedure we are following is consistent with past practice in housing appropriation bills. In the section 8 programs and other similar programs, Congress authorizes the full amount necesssary to make multiyear commitments to build houses, then appropriates the amount needed to honor those commitments on a year-to-year basis. If H.R. 5922 is not modified, Mr. President, the Secretary of HUD will be authorized to make commitments on only 80,000 new homes and the 80,000 start level would bring about legislation of relatively little stimulus value. There will be approximately 80,000 new starts in the country this year if no stimulus bill is passed.

Even if there were no substitution, an increase in new starts of 10 percent—that is the 80,000—would have only a moderate impact on employment. The most optimistic assumption would be 120,000 to 180,000 new jobs. On the other hand, 400,000 new starts will result in approximately 700,000 new jobs.

Mr. President, this is as concise a summary of the amendment that I have offered that I can make, but I want to put this in the context of the debate that we were having on housing stimulus legislation in general.

Let me say at the outset that the bill which we have produced with regard to housing stimulus is, first, primarily a jobs bill, a bill to bring people back to work—300,000 in building houses, 400,000 people who would produce goods and services, appliances, major portions of that housing. This is, front and center, the objective of the housing stimulus bill—jobs in this country.

Mr. President, a comment has been made in criticism of this concept along several lines, and I want to respond briefly to a few of those comments because they are clearly well-intentioned and consistent in many ways with my own thinking.

First, I respond to the comment made that the housing stimulus legislation is so-called budget-busting legislation. By definition, the housing stimulus legislation which we are considering and the amendment which I have now offered are a part of the budget we have passed. We are not breaking that budget; we are confirming in this legislation action taken by the Senate last week. That budget, very simply, provides 3 years of housing stimulus—approximately $1 billion in each of the 3 years, consistent with the thought that there will be stimulus of $1 billion in each of 5 years if, in fact, those who purchase the houses keep their mortgages that period of time.

Let me illustrate, Mr. President, what this bill is all about and how money gets into the hands of Americans and how it is repaid. In this particular year—and I draw the attention of Senators to the fact that this housing must be built in this year, calendar 1982—not the hereafter, not down the trail; in 1982. As a matter of fact, mortgage commitments must be made by the first of November of this year. We are talking about this building season of 1982. The houses must be substantially completed by December 31 of this year, this building season.

The bill contemplates that as much as $1 billion of stimulus might occur in this year. It would occur in this way, Mr. President: A family with an income of $30,000 or less—$37,000 in some high-cost areas, as the bill provides, but a maximum of $37,000 anywhere in America—such a family could approach a bank or a savings and loan institution and seek FHA financing, which currently can be obtained at 15.5 percent, or seek conventional mortgages, with payments for 30 years, and seek, under legislation we are now considering, a 4-percent interest markdown, to a 11.5-percent rate, for as much as 5 years. If the mortgage were a $50,000 mortgage, the amount of subsidy in that first year would be approximately $2,000 for that family. If the mortgage moved up toward $65,000 or $66,000, my understanding is that the stimulus would offer a subsidy of about $2,500 to that family, that $2,500 being the 4-percent markdown from 15.5 percent of FHA to the 11.5 percent under the bill.

How do we get 40,000 starts, Mr. President? We get that by dividing $1 billion by $2,500. That is, if we have an average mortgage of somewhere about $65,000, we are going to have as many as 400,000 new homeowners obtaining these mortgages.

If, in fact, the average is $50,000 per mortgage, as many as 500,000 could be accommodated.

In short, we shall provide an opportunity, we believe, for between 400,000 and 500,000 American families of moderate or modest income. Mind you, Mr. President, the families must have income of less than $37,000 to qualify.

The **PRESIDING OFFICER.** If the Senator will suspend, the Chair is having difficulty hearing the Senator from Indiana. Those who wish to carry on a conversation will please retire to the cloakroom.

The Senator may proceed.

Mr. LUGAR. Mr. President, I make this point because a criticism has been leveled against the bill that it will, in fact, not bring about net new starts of 400,000. In fact, material has been circulated that far fewer than that would be created, net new. In fact, it is alleged that there would be substitutions of housing that would actually have been built in any event. Mr. President, there is no way in those sections of this country presently for a family with an income of $30,000 or less to buy a new home. There is no substitution involved there. As a matter of fact, most of the charts and tables indicate that roughly 10 percent of Americans, the 10 percent in the highest income brackets, are still in the market for new housing. That means 90 percent of the rest of us are

BEST

not. A $30,000 income family in this Nation in right in the middle of the middle class. We are talking about those families to whom new homeownership is open.

The question has been asked, Mr. President, how do we know that there are 400,000 such families in America prepared to buy houses this year.

We know because the National Forest Products Association conducted a poll through Market Opinion Research, and Robert Teeder of that firm has reported the results which show graphically a table of various interest rates.

Mr. President, as we near 12-percent mortgage rates in this country, extraordinary numbers of people are prepared to buy houses. When we get to 11.5, not only are there 400,000, there are several million prepared to buy houses in this particular building season. The plan is feasible.

In short, there are customers for the 400,000 starts. We need to make sure there is money for the 400,000 starts.

My amendment makes certain that bankers who would make these loans know that there is a commitment, a contract commitment to do this for the 5-year period of time. So that in fact those mortgages can be made, the 30-year mortgages I remarked on, for up to 5 years in time.

How would the average homeowner get such a mortgage? He or she would go to a savings and loan, a bank, a lending institution, in every local community in this country. There is money by formula for each State. Within 30 days after the President signed the bill, the Secretary of HUD would have to send out regulations, which are boilerplate in this case, and money could be dispensed to those lending institutions that wish to cooperate.

The reason we are in an urgent situation, the reason this is an emergency situation is because we are now in the building season. We are talking about this building season, not a long-range housing plan for America. It is this building season of 1982. The clock is ticking away.

We are talking about urgency because we are concerned, those of us who advocate this legislation, about unemployment. I hope all Senators are able to grasp what this is about. We are asserting, Mr. President, that this particular route offers the one way in which the Congress can be effective in the employment of individuals who are currently unemployed in this country and to do so in a timely way while the rest of the economic scene sorts itself out, while leading indicators become more promising. We believe that this is the most direct way because this type of stimulus is clearly not available in the steel mills, in the auto factories, in agricultural implements, in specific assistance with regard to employment of farmers. These are all areas mentioned as distress areas. The Senator from Indiana is aware of all of them as severely distressed in the State that I represent.

What I am asserting is that through the home construction, new-start avenue, we have an opportunity to find in place now persons in America who are trained, who are in each of our localities, who do not need further education or movement or some type of reorganization, ready to take up their tools, to become employed, to pay taxes, and to move into the mainstream at a time in which unemployment statistics in this country are unacceptably high. There are many predictions that they may in fact go higher.

There are, I am certain, many avenues that Senators have suggested with regard to the unemployment problem. I believe, without exception, every Senator is concerned about the reduction of unemployment, concerned about the human costs involved in this predicament.

Mr. President, I want to make one further assertion which is a good bit bolder and more speculative but, nevertheless, very important to this debate.

Again and again assertions have been made that the President of the United States, Ronald Reagan, is very likely to veto the appropriations bill that we are now considering. In fact, suggestions are made in the press almost daily that the housing stimulus component is an especially attractive candidate for veto. Again and again the assertion has been made that the inclusion of the housing stimulus portion of the appropriation bill dooms the entire exercise and throws into jeopardy many other worthy portions of the legislation.

Mr. President, let me simply assert this. I think it is critical to what we have to say today. I believe the President of the United States cares about unemployment. I believe the President of the United States cares about those who are unemployed and hope they might get back on the job, that he is as diligent in his search, as broad in his compassionate interest, as any individual in this country. I believe the President of the United States needs a plan, needs at least a vehicle, as to how any significant change in that unemployment might occur during this time in which his entire program is under scrutiny, and in which his entire program, in my judgment, will turn the country around but in a cyclical fashion and with some gaps of time.

I suggest, Mr. President, that the President of the United States has not made a judgment on the housing stimulus legislation. I would very much like the opportunity to make a personal plea to him to consider carefully the alternatives.

Let me be parochial for just a moment about this situation.

In my State of Indiana, the adjusted unemployment statistics for the previous month are now 12.5 percent. The raw data have been well over 13 percent for some time. Anderson, Ind., and Kokomo, Ind., have regularly been in the top 5 and always in the top 10 in locations of unemployment in our country.

In my State there is no way that I can see that we are going to change the tide of unemployment without the passage of this housing stimulus legislation.

As a matter of fact, I assert that is true for all of the neighboring States that surround us—in Ohio, Illinois, Michigan, and Wisconsin—in one State after another in the upper Midwest. It is now also true in the State of Alabama, for example. It is true in the States of Oregon and Washington, for various reasons. We have a crisis of confidence on the part of persons who are severely unemployed and a great number facing termination in addition.

We have, furthermore, what some seriously consider almost a grid lock of fiscal and monetary policy coming together in collision, so that the possibilities for changes in interest rates are not promising.

I am one who believes that the prime rate of interest might come down 2 percentage points in the next 3 or 4 months of time. It is conceivable that long-term rates might come down a point of interest in that period of time. But I must say that I find it inconceivable that mortgage rates will come down 4 percent in this building year. As a matter of fact, I have not yet found an economist who will assert seriously that mortgage rates will come down 4 percent if you put 1982 and 1983 back to back.

In short, we are in for a very tough decision. Homebuilding is not going to come back in 1982, or with very little likelihood in 1983 either, without this legislation and without the 5-year commitment which is made in the amendment that I have offered today.

There may be Senators who will say, "That is tough luck; the right to succeed is the right to fail."

There are even persons, not in this body, who assert that homebuilding has been pampered; that we have thrown a disproportionate amount of our resources in this country in that general direction and that it is time for a total bath in the whole industry; that it is too bad, as a matter of fact, if 114,000 homebuilders take chapter 11; that by and large, resources will be equitably spread somewhere else.

Mr. President, anybody who believes economic recovery is going to come in this country with a debacle in homebuilding, it seems to me, has misanalyzed history and clearly is not with the current predicament we face.

We are talking about an emergency. There could not be a more appropriate point of an emergency appropriation piece of legislation. This is the emergency. Everything else pales beside it.

We are talking about whether there is a rational plan by this Congress, at this time, to bring people back to work this year. Yes or no.

Some will still speculate: "By golly, you ought to see the interest rates come down, and that will spark a little something here or there."

Mr. President, I am a small businessman and a farmer, in addition to being a Senator. I simply assert, from the standpoint of the small manufacturing firm in which I am involved and some of the other small manufacturing firms of which I have knowledge, that this is a period of inventory reduction. The reason interest rates remain high is that small firms are borrowing—not for more inventory, not for expansion, but to stay alive.

What an ironic situation. The latest bank statistics have this rather hideous correlation: That borrowing is up, inventory is down. Why? What are firms borrowing for? Not for the expansion of jobs. Not for expansion of inventory. They are borrowing to pay the interest on loans they already have. They are borrowing to stay alive.

It is in this context that I offer a carefully crafted stimulus amendment—carefully crafted because it is not a bailout. It is not a budget buster, because we passed a budget. It is hardly a bailout if we ask people to repay the money that is involved in the subsidy. Indeed, the bill calls for recapture, repayment. It means that if you are a family that receives $2,000 in subsidy and you get into a house you could not possibly have gotten into otherwise, you must pay that money as you resell that house or refinance it.

Mr. President, we believe that within 5 years, long-term rates, mortgage rates, at some point in that 5-year period, will come down. We believe that to be the case.

Opponents of this proposal have a very tough row to hoe if they are asserting that those rates are never going to come down.

My point simply is that I believe that the economic program we have adopted in Congress has validity; but I say, in addition, that we will have to have this stimulus presently if we are going to have homebuilding and if we are going to have employment. We will have to short circuit the interest situation.

We have to throw a stick of dynamite into the logjam of recession. We are going to recapture the money.

Furthermore, with 700,000 people employed, we are going to get $2.5 billion of new revenue, income taxes paid by these persons who regain their jobs this year, as well as from the firms which employ them.

I believe the amendment has a lot going for it. I believe it will be persuasive to Congress. I believe we have many roads still to cross with regard to working with our compatriots on the House side. We have a long way to go in trying to visit with the President and with his staff. But that is our obligation, if we are serious about changing the unemployment course this year, and in my judgment, we must be.

Mr. President, I add this one final thought to this initial statement: We have tried, in crafting this bill, to be responsive to the thought that money that goes out comes back; that this, in fact, must stimulate income on the revenue side; that this must have a ripple effect that will be health for our economy; that it must be consistent with the budget we have passed, with the general economic climate of the programs we have adopted. I believe it satisfies all these conditions.

It is not—I stress—a confrontation with the President of the United States or his staff or with other Senators. I present, in all humility, a thought that I believe is well crafted, to bring, in a humane way, employment in this year, with fiscal consequences which will be helpful on the supply side.

Mr. President, I know that other Senators are eager to comment on this matter, and I will be pleased to yield the floor.

Mr. PROXMIRE. Mr. President, will the Senator yield for a question?

Mr. LUGAR. I am happy to yield to the Senator from Wisconsin.

Mr. PROXMIRE. First, I commend the distinguished Senator from Indiana. As he knows, I had a heavy heart on this, and I voted for it with some reluctance. I think the Senator from Colorado has made some very strong points against it.

However, I just do not see any alternative if we are going to do anything for the housing industry. We cannot just hunker down and accept an absolute disaster. The Senator from Indiana has come up with what I believe is a very, very sensible response.

The homebuilding industry is the most credit sensitive, interest rate sensitive industry in the country, by far. It is also one of the biggest employers.

Is it not true that last year they had about a million housing starts, and this year the starts are less than a million, and in that process they have lost about 2 million jobs a year because of their low level of operation?

Mr. LUGAR. The Senator is correct.

Mr. PROXMIRE. Is it not true that even if you have a highly competent, thoroughly responsible builder who is very intelligent and hard working and has done everything he can do, he often cannot make it, with interest rates as high as they are?

Mr. LUGAR. That is true.

Mr. PROXMIRE. I ask the Senator if it is also not true that our committee voted 14 to 1 in favor of this proposal.

Mr. LUGAR. The vote was 15 to 0, with one Senator abstaining.

Mr. PROXMIRE. And that committee consists of Senators known in this body for their fiscal conservatism and their regard for holding down spending and doing their best to have a sensible fiscal policy. That is the Committee on Banking, Housing, and Urban Affairs. JAKE GARN is chairman of that committee, and he is certainly a fiscally responsible Senator. JOHN TOWER, JOHN HEINZ, RICHARD LUGAR, ALFONSE D'AMATO, JOHN CHAFEE, HARRISON SCHMITT, NICHOLAS BRADY. On the Democratic side, too, I think we have Senators who have been very careful about spending.

There was only one Senator who, as I understand it, at one time voted against the bill, and that was the distinguished Senator from Colorado. He voted by proxy. I have great respect and admiration for him, but even Senator ARMSTRONG can be wrong occasionally.

I also point out that in the House, a similar bill, with exactly the same principle, passed by a vote of something like 6 to 1. Is that correct?

Mr. LUGAR. That is correct.

Mr. PROXMIRE. With a substantial majority of Republicans voting for it.

Mr. LUGAR. That is true.

Mr. PROXMIRE. Is it not also true, as the Senator pointed out, that this has a payback provision which will require those who benefit when the house is sold to pay back to the Federal Government the subsidy they received?

Mr. LUGAR. That is correct. Assuming that the houses are sold or refinanced, the equity built up on these accounts is paid back.

Mr. PROXMIRE. Is it not also true that even if the Senator's estimates of the housing starts are correct and we have only half as many as he estimates, but the cost is the same, the taxes paid by the people who will work and the firms that will do the work will more than compensate for the cost of this legislation?

Mr. LUGAR. That is quite true.

If, in fact, 400,000 starts occur, we estimate $2.5 billion of new revenue in this fiscal year, quite apart from new State taxes and local taxes which will come into those communities throughout our Nation which are sorely pressed.

Mr. PROXMIRE. So the arithmetic is that the cost would be $1 billion and the revenues could be $2.5 billion; and even if they are half that, they would be more than the cost of the bill. So

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far as the effect on the deficit is concerned, it would have a positive effect, in all likelihood.

Mr. LUGAR. It would have a very positive effect.

(Mr. **COCHRAN** assumed the Chair.)

Mr. STENNIS addressed the Chair.

Mr. PROXMIRE. Let me just make one more point, and I apologize to my friend from Mississippi, and that is that if any part of this measure is urgent, this is it. It must be acted on within the next week or two.

The Senator has made an excellent point. This is the building season. If we delay this into July or August, we might as well forget it as far as this year is concerned.

Furthermore, it is urgent because so many excellent, hard-working, conscientious homebuilders are just at the verge of bankruptcy. This is the only kind of action that I can see that will save them.

Mr. LUGAR. I thank the Senator for his probing questions.

I wish to yield to the Senator from Washington.

Mr. JACKSON. Mr. President, I should like to be recognized separately. Maybe the Senator would like to yield to the Senator from Mississippi.

Mr. STENNIS. I thank the Senator from Washington.

Mr. President, if the Senator will yield to me, I highly commend him for the work he has done in this field and I thoroughly enjoyed listening to every word of his speech, his presentation, his patience, and the way he has dealt with this problem.

Mr. President, I voted for the budget resolution the other night. I followed this problem all the way through the crisis of high interest rates and then the climbing in unemployment, and I come from timber country and building country, but it is not for the timber people or even the contractors and their employees alone, that I am thinking.

I have said all the time that if we had to resort to some kind of a special program I thought housing was by far the most effective one and that is the way I would favor going if we had to resort to what I call a kind of an outside-the-playing-grounds method of trying to restore a balance to the economy.

So I am totally satisfied in voting for this provision, and I may be willing to go further. But I think we have no way out of doing something on the affirmative side.

We have tried, we have waited, and without trying to assess blame, these interest rates continue to be prohibitive, the unemployment is mounting to the detriment of the Federal Treasury, and I think we better strike in this direction now and do it quickly. That building season is closing down.

I thank the Senator for yielding.

Mr. RIEGLE. Mr. President, will the Senator from Indiana yield to the Senator from Michigan?

Mr. LUGAR. I am happy to yield to the Senator from Michigan.

Mr. RIEGLE. I thank the Senator for yielding.

I first say to the Senator from Indiana that I very much appreciate the lead he has taken on this issue, and I must say that on the Banking Committee we worked very hard on a bipartisan basis to develop this legislation, and it comes forward today to the floor with bipartisan support. I join as a cosponsor. There are a number on this side of the aisle who do, and we do so. I think the flavor and the manner and the bipartisan support this enjoys indicates that it is a genuine response to an emergency national problem.

As others have said, there is a critical matter of timing here. We have to move now if we are going to be able to capture what remains of this building season and, unless we act at this time, further weeks and months will pass and we will miss the opportunity to get this assistance, this stimulus into the economy and to begin to get both the construction industry and the construction workers participating again and working and, as pointed out by the Senator from Wisconsin and others, paying taxes again because they will be working.

This proposal, in fact, reduces the Federal deficits. It does so by allowing the private sector to go back to work. This is not a public works program. That complaint cannot be made and lodged against it. This is an effort to enable the private sector to begin to move again and to begin to bring us out of this recession.

At a later point, after the Senator's amendment is dealt with, in the proceeding I will offer an amendment to it which would have the effect of addressing the problem of those current homeowners who are in default on their home mortgages because of extended unemployment, and I will offer an amendment that will not only offer assistance to that group of homeowners who are threatened with the loss of their homes but in conjunction with the Lugar amendment will actually reduce the impact on the deficits over a period of time.

But I rise now to give strong support to this amendment. It is a bipartisan amendment. I think it is critical that we act upon it and I hope the Senate will ovewhelmingly vote in support of it today.

I thank the Senator for yielding.

Mr. JACKSON. Mr. President, does the Senator from Indiana yield the floor?

Mr. LUGAR. I am happy to yield to the Senator from Washington.

The **PRESIDING OFFICER.** The inquiry, I think, was whether or not the Senator from Indiana is willing to yield the floor.

Mr. LUGAR. Yes, I am happy to yield the floor.

The **PRESIDING OFFICER.** The Senator from Washington

Mr. JACKSON. Mr. President, I rise in support of the Lugar amendment.

I commend the distinguished senior Senator from Indiana for his leadership in this matter. As the Senator from Michigan has pointed out, this is a bipartisan amendment. I have joined, as have a number on our side of the aisle, as a cosponsor in support of this amendment.

Mr. President, I am old fashioned enough to still believe in demand side of economics, and the way to get this country moving again is to get people back to work. New jobs—more people working—would do more toward ending this economic recession and more toward reducing the Federal deficit than anything else.

If we could cut unemployment in half, it would completely wipe out the Federal debt projected for next year by providing over $130 billion in new Federal revenue. Each 1-percent increase in unemployment adds $30 billion to the deficit—even with massive cuts in spending. The budget cannot be cut fast enough to compensate for increased unemployment. Jobs—more people working—are the key to a healthy economy.

People. are hurting and hurting bad. In my own State of Washington the news is grim. Unemployment in the building and construction trades is as high as 50 percent and averaging more than 20 percent. At least seven counties in the State of Washington have a general unemployment rate above 20 percent. More than half the real estate licensees are out of operation. Out of the 170 sawmills in Washington State 102 are closed or have curtailed operations. Some of the small logging towns are becoming virtual ghost towns.

How much more grim economic news must the Nation endure before there is action to spark recovery? Already the President's advisers are projecting a nationwide unemployment rate in excess of 10 percent. Bankruptcies have more than doubled. The automobile, airlines, and thrift industries are crippled. And what is to come later this year?

"There is not much fuel for a recovery," the Washington Post screamed in a banner headline across the top of the Sunday's business section.

Today we have before us some "fuel" and a chance to bring some life back to homebuilding, the second largest industry in the United States and the one that has always lead the economy out of past recessions.

In this amendment we propose to spark housing as a way to bring about the general economic recovery.

The Emergency Mortgage Interest Reduction Payments Act, the housing bill, will spur construction of some 400,000 new homes by subsidizing mortgage interest rates. It will put 750,000 Americans back to work, generating over $21 billion in new Federal revenue. Time is running out. We must act before the economy slips into further recession.

Four months ago Senator ROBERT C. BYRD asked me to chair the Senate Democratic housing task force. We spent weeks studying the problems facing the economy, with special attention on housing. We consulted with all the interests and experts. Our proposal was broader and more comprehensive than the one before us today and it included help to reduce the existing inventory of new unsold homes. It also urged downpayment assistance to 100,000 families, default assistance to 100,000 homeowners and family farmers who are in danger of losing their homes and farms, and a reduction in the amount cut from new public housing programs.

Frankly, I believe our approach was better. But to avoid delay, as the distinguished Senator from Indiana warned, and to pass a bill we hope the President will sign, I am joining with many of my Democratic colleagues in supporting this bipartisan compromise housing program.

But timing is critical. If the program is to be successful, it must begin this summer. Some of the measures in our original proposal may come later. One of them, however, should be included in this bill, and that is the proposal to resume about 100,000 homeowners and family farmers who are facing default on their mortgages. Mortgage default is one of the cruelest realities of economic recession and high unemployment. Families who have staked their life savings on a home downpayment are in danger of losing their homes and their investments.

The measure would cost about $500 million. All of it, as in the case of the mortgage subsidy, would be paid back to the Government, and is a modest effort.

We have waited long enough for economic recovery to come about on its own. There is an economic emergency today. Ten million Americans are out of work. The time for these emergency actions is now, before any more delays, before more unnecessary hardships, before the economy declines any further, and while the effort has the greatest chance to succeed.

Mr. President, I yield the floor.

The **PRESIDING OFFICER**. Who yields time?

Mr. **HUMPHREY** addressed the Chair.

The **PRESIDING OFFICER**. The Senator from New Hampshire.

Mr. **HUMPHREY**. Mr. President, a week or 10 days ago the Senator from New Hampshire, as were his colleagues, I suppose, was paid a visit by a delegation of homebuilders from back in my State, and they made a plea for my support of the Lugar proposal.

After hearing them out, I told them very frankly that while I sympathized with their plight and while I regarded them as among the most worthy businessmen and, frankly, among my most important supporters in a personal and political sense, that nevertheless I could not support the Lugar proposal, could not accede to their request, much as it pained me.

Their reaction, Mr. President, was surprising. They said, "Senator Humphrey, that is precisely what we expected you to say."

I rather imagine the homebuilders and their organization have been greatly surprised at the easy success they have so far enjoyed in promoting this cause. This is special interest legislation, Mr. President, however noble the intent. This is special interest legislation promoted by the homebuilders who are well-organized and highly effective.

A year ago they persuaded us to help them with something called all-savers certificates. I am one Senator who will admit I wish I had not voted for that bill last year. If I had it to do over again, I would not.

But the point is that these special interest groups come to Washington, and depending upon how well-organized they are and how powerful, they are often very, very successful, particularly in election years. Every other year, I am sure they notice their efforts are much more fruitful than in the off year. Of course, this is an on year, and it is no random occurrence, it is no coincidence, that the money proposed under this bill has to be obligated by November, the month in which an important election will occur. We want all of these loans obligated. We want everybody out there to get their part before the November elections. This is special-interest legislation, Mr. President.

The point has been made, and it is valid, that if we are going to do this for the homebuilders, there is no logical reason except, or course, that we cannot afford it, why we should not do this as well for the automobile industry, for farmers, for small business in general, for many, many groups who are suffering in this recession, and suffering from the high interest rates which induced the recession in the first place.

The proponents argue that somehow the housing industry among these groups which are suffering is special, that somehow it is particularly leveraged such that a bailout is warranted—and I know the Senator from Indiana does not like the use of that word since in a strict sense it is not a bailout because the money will be paid back—but that is beside the point. It is still special-interest legislation, it still will give special benefits to a special minority of Americans at the expense of the general interest, at the expense of all of the other Americans who will not be able to qualify for this very good deal.

The automobile industry, it seems to me, is just as leveraged, if that argument is going to be made. There are plenty of automobile workers out of work who are trained, who need no further training, who are on-site, who are in Detroit and in Kenosha, who can be called back if we provided a subsidy for automobile loans. The effect of that would spread out across the country, would ripple in very much the same way. In my State, I have a company called Davidson Rubber which makes bumpers and other parts for automobiles, and their business would be stimulated by subsidies for automobile loans.

Of course, the same argument can be made over and over again for virtually every industry. The only difference is the homebuilders were smart enough to get here first, and powerful enough and well organized enough to have succeeded, to have succeeded, I am sure, far beyond their expectations, and they must be just amazed at how well this is going.

Mr. President, for those who can qualify for a subsidized mortgage, this proposal is a very good deal indeed. It is, as the Senator from Arizona no doubt will say, a hell of a good deal. It is one fantastic deal. Imagine in this day and age a 4-percent subsidy on a mortgage. That is one incredible, once-in-a-lifetime, deal, a very good deal for those who can qualify. But for those who cannot, the rest of us, the vast majority of Americans, it is a terrible deal. It is a poor deal, it is a lousy deal. For the homebuilders who will indirectly but greatly benefit from this proposal if it succeeds, it is a very good deal. But for automobile dealers, for farmers, for small businessmen and businesswomen of every kind, it is a perfectly rotten deal because they will not qualify.

Yet, through taxes and borrowing and sustained interest rates they will pay. Everything, every penny that we authorize and appropriate, is paid for in some way by the citizens of this country. There is no free lunch. We all know that. Yet somehow we seem to ignore it almost on a constant basis. There is no free lunch. Where will the money come from that will be used to subsidize these loans? Well, it is not going to come from the tooth fairy.

And we already know from the budget resolution that it is not going to come from taxes. It is going to be borrowed. And in borrowing this money, as is always the case, no matter how noble the purpose for which the money is borrowed, the Federal Government to some extent is going to crowd out the private sector. And that is where the tragedy begins, because some worthy borrowers will be excluded as the Federal Government bellies up to the credit bar and pushes them aside. Some worthy borrowers will be excluded. And in many cases, it is precisely the borrowers who are the owners or the managers of the thriving small businesses which are the real sources of jobs in this country.

It is not the General Motors Corp. or the Du Ponts that are providing the new jobs. It is these small companies who cannot today borrow money at any kind of sensible rate because we, in our ultimate wisdom, in our insistence upon allocating capital and allocating resources, have shoved them aside.

We are wiser than the marketplace. We are going to decide who gets credit and who gets it at what rate of interest. We are going to decide what the goals of the country are and what our priorities are, not the marketplace, as was always the case in the history of this country.

And that is why we have such a mess today, because we are such busybodies we cannot leave things alone, we cannot let the marketplace work. We think we have infinitely superior wisdom than the millions of American people making decisions based on their own self-interest. That is why we are in so much trouble today.

Mortgage subsidies—I detest the word "subsidy." There is something wrong with subsidies in the economic sense, in the ethical sense, in a moral sense. Where do subsidies come from? They do not come from the tooth fairy. They do not come off of trees. They come from people. The Government taxes citizen A and turns it over to citizen B as a subsidy. The Government borrows money in the private sector crowding out worthy borrowers and turns over that borrowed money to some favored group or individuals who happen to have more pull than the rest.

It is redistribution of wealth. It is governmental allocation of resources. It is all of the things which are the hallmark of socialism and which inevitably lead to economic chaos and decline, such as we are experiencing today, and ultimately, ruin, which will be our lot if we do not someday wake up to the fact that while our intentions might be noble and compassionate, what we are doing in fact is wrecking the economy, wreaking havoc, causing hardship, and destroying opportunity.

In describing how the subsidies will be allocated, we have heard about State formulas and we have heard about regulations. Surely we must all sense an experience, a sense of deja vu, all of the trappings of a big Federal Government program involving bureaucrats and all kinds of inefficiency. This ought to be a warning to us when we hear talk of State formulas and regulations and increased government activity.

Mr. President, we are all concerned about high interest rates. We are all concerned about the recession. We are all concerned about increasing unemployment. We all want lower interest rates. We all want prosperity. We all want to create jobs. There is no argument about any of that. The question is how we get from here to there. And despite all of the lessons learned the hard way, despite all of the hardship and the heartbreak engendered by government interference in the marketplace, by allocation of resources, by subsidies, by redistribution of wealth, we are prepared once again to embark down that path.

Needless to say, Mr. President, I think we are making a mistake; that what we are going to be doing, in fact, is making things worse. We are going to help a few people, to be sure, but for the rest we are going to make things worse. It will be harder for them to borrow and more expensive for them to borrow. And there is more to this than just an economic penalty. There is a spiritual penalty as well. Why are Americans dispirited today? Because, among other reasons, they cannot feel safe in the property of their labor.

When we talk about redistribution of wealth, it sounds like we are dealing with mansions and yachts and executive airplanes and things of that kind. That is not it at all. The most important and valuable property an American citizen has is the property of his labor. And it is one of the fundamental purposes of this Government, under our Constitution, to protect property, the most important property of which is the property of one's labor.

When we have a Congress of Senators and Representatives who feel they know better than the American people and who insist on micromanaging the American economy by allocating resources, by providing subsidies, the American people can no longer feel secure in the property of their labor, because it is taxed away from them to be given to another more-favored citizen, in direct violation of the Constitution; or it is taxed away in another sense through borrowing and deprivation of opportunity; or it is taxed away in yet another sense when we have an easy monetary policy, an accommodating monetary policy. It is taxed away from them in inflation, the most deceitful kind of tax to which a government can resort and one to which this Government resorts year after after after year out of necessity by virtue of what we in this Chamber do, we 100 Senators, and what our colleagues in the House Chamber do, 435 voting Members. It is taxed away by us.

The problems of America, the economic problems, the spiritual problems, emanate from this building, are created by men and women who sit under that magnificent dome which is symbolic of all that is great in this country. It is surely one of the greatest ironies of our time.

I know the intentions of those who proposed this bill are noble. I know they are good intentions. I know these are well-intentioned people. But I suggest to my colleagues that the road to hell is not the only road paved by good intentions; so is the road to socialism, to economic decline and disaster. And that is the road that we are traveling today. You cannot avoid seeing that if you stand back from the trees and look at the forest.

We are headed for disaster precisely because of what we, not the American people do—although, to be sure, to the extent they elect representatives who espouse this point of view, they are responsible for their own mess. Someone once said, "You get the kind of Government you deserve." And that is certainly so.

The problems we have today emanate from this building and from this body, the Congress of the United States, and will continue to emanate and compound as long as we insist on micromanaging the economy, as long as we insist on giving special deals to special interest groups at the expense of the general interests, in violation of the Constitution and the principles of our Government.

So while I do not question the motives or the good intent of my colleagues who are supporting this provision, I am utterly convinced that they are mistaken. They are going to make the situation worse. They are going to levy a new tax on the general interest, on those citizens who will not benefit from this special-interest legislation. It will be a great disservice to our country and only reinforce once again the proclivity of Congress to make matters worse.

The Senator from Wisconsin pointed out earlier that this proposal enjoys bipartisan support, among conservatives and liberals alike, citing that fact, I suppose, as further augmentation of the arguments made by the proponents.

Well, we all make mistakes, Mr. President, from time to time. Nobody is perfect. But the fact that this provision regarding mortgage interest subsidies is supported by both sides of the aisle, by conservatives and liberals alike, does not make it any better. We all know it is an election year. We all know that human nature being what it is, we more often than not see illogical behavior in dealing with our country's problems.

If we truly want to restore health to the economy and bring down interest rates, if we truly want to create jobs and opportunities, then what we should be doing is reducing spending. Sure, it will be painful in the short term. Helpful medicine usually is.

We should be reducing spending, not doing what this provision does, increasing it by $1 billion at the outset and $5 billion as we go along. We should be reducing spending.

This mortgage interest subsidy will increase spending. To the extent that these subsidies absorb resources out of the economy, and subsidies must do that, money will have to be paid to provide these 4-percent subsidies—that is money, dollar for dollar, of which other citizens will be deprived. So it is a wash. It is a wash in an economic sense, but it is a great tragedy in that it just continues old, bankrupt, disproven ways of conducting our Government.

Mr. ARMSTRONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, I have been listening with admiration to the observations of the Senator from New Hampshire. Were his remarks already not to be printed in the CONGRESSIONAL RECORD I should ask for a transcript of them and have them placed in the CONGRESSIONAL RECORD because what he has said represents such a perceptive and thoughtful appraisal of the situation, and he has stated it with such precision, clarity, courage, and perspicacity, that I wish everyone in New Hampshire could have been here to hear his remarks and, for that matter, I wish everyone in Colorado could have been here to follow his remarks.

I want to say to my colleague from New Hampshire that I am grateful for his insight, for the fact that he is willing to provide leadership on an issue which is thorny, a difficult issue, an issue which is hard to oppose—it is a popular idea—and the fact that he is willing to come forward in what I judge presently to be a small but rapidly growing group of Senators. It is just a great compliment to him. I am honored to be associated with him in this effort.

I do think, as a matter of fact, Mr. President, that the number of Senators who are skeptical of this legislation is growing rapidly as a result, I think, of just thinking about the question, of reading the editorial comments which are beginning to appear in newspapers around the country, hearing from homebuilders, realtors, businessmen, and others. I think the tide of public opinion is turning, and as this issue is discussed over the next several days, or perhaps however long it is going to be discussed, I believe a majority of Senators will feel as I do, that it will be a serious mistake to enact a mortgage interest subsidy provision such as this.

Mr. President, I want to compliment Mr. LUGAR, of Indiana. The circumstances of our life are such here that we exchange sort of stylized and ritualized expressions of friendship at the drop of a hat. Every Senator is referred to as "my dear friend," as "the distinguished and able Senator." When everybody is distinguished and able and everyone is a good friend, we debase the language to the point where when you run into somebody for whom you have profound admiration, there are not any new words to express that. I wish I had some new words to say because there are very few people, not only in this Chamber but on this planet, for whom I have the deep respect which I have for DICK LUGAR.

At a time when many people are full of hot air, he is full of wisdom. At a time when the public is suspicious of those in public life, he is a pillar of rectitude and integrity. He is already one of a handful of people in this town, in this Nation, who are movers and shakers, who will make important things happen. It is my belief that if he chooses to continue to inhabit this Chamber for years to come and is not summoned to duty elsewhere, history will record that he is one of the greatest men ever to serve in the U.S. Senate. I say this just to let it be on the public record that I oppose the amendment which he offers with the utmost reluctance because of his sponsorship.

I am not ambivalent about its contents. I think it is a mistaken amendment for the reasons that the Senator from New Hampshire has already expressed so well. I do so without any enthusiasm because in ordinary circumstances I would also wish to support my friend from Indiana.

Mr. President, I am not going to speak at any length. It is my understanding that in a few minutes the majority leader will take the floor and offer a tabling motion. I hope Senators will be disposed to vote for the tabling motion. My expectation is that perhaps substantially less than a majority will elect to do so. Yesterday, I think there were only two or three who had the feeling they would like to postpone, defer, or in some other way escape this nettle. But I would suspect there will be more than two or three. I would suspect there will be well less than a majority and probably well less than one-third to sustain a veto. But the trend is clear.

People who study this issue are more and more skeptical of the idea that we should start a new housing program for exactly the same reasons that have been pointed out this afternoon.

But, I say to Senators who are on the floor or who are listening to this discussion on their squawk box, please understand that the tabling motion goes not just to the mortgage interest subsidy question, which is in the underlying amendment offered by the Senator from Oregon (Mr. HATFIELD). The question is tabling whether or not you want to increase what the Appropriations Committee suggested of $1 billion and raise that to $5 billion.

I would appeal to you, even those who may not yet be persuaded, that this is not really a very good idea, that perhaps you could vote to table an increase of $1 billion to $5 billion just on financial grounds.

Well, I oppose the whole program and I make no bones about it, but it seems to me that to raise it at this stage of the game to $5 billion is far from wise and it is well justified to vote to table.

Nonetheless, Mr. President, if, as I suspect will happen, we are unsuccessful in achieving the tabling of this amendment, it will still be the pending business and we shall continue to discuss it.

With that in mind, Mr. President, let me take just a moment to make two more acknowledgements which will sort of be the preface for the debate which I assume will follow the failure of the tabling motion.

The first is this: Homebuilders are the salt of the Earth. Those homebuilders are the greatest Americans there are. I consider myself to be a free enterpriser. In real life, I am a businessman. I am the owner, partner, stockholder, and senior partner in a number of small businesses. The people I feel the greatest kinship with are small businessmen, particularly people who are in businesses like homebuilding, where they do not have a big home office staff. They operate out of their hip pockets in a lot of cases, just as I did in my business when I was active in it. They are great. The contribution they make to the productivity and well-being of this country is tremendous.

I just want to emphasize that if I thought we could put together a program like this that is really going to be good for homebuilders, I would be leading the charge for it. I do not think that, for exactly the reasons that my friend from New Hampshire stated so well, and for exactly the same reason that so many homebuilders are skeptical about this, even though it is endorsed—in a rather lukewarm fashion, I might say—by the National Association of Home Builders. In fact, one association of homebuilders adopted a resolution not too long ago which stated in part the following recommendation that:

> The National Association of Home Builders devote its full and complete efforts, lobbying and otherwise, to the objectives of achieving a balanced federal budget.
>
> That, in furtherance of that primary and overriding objective, that NAHB . . . adopt a policy of requesting no government subsidies or other deficit increasing special legislation for the industry.

Mr. President, I think we ought to realize that the homebuilders of the Nation are by no means unanimous in backing this proposal. Many many individuals and at least some official organizations are gravely skeptical of it, as are the realtors, who are quoted today in an issue of Time magazine which I have caused to be passed among the Members. The leadership of the realtors expressed very clearly this point when he said, quoting now Jack Carlson, chief economist for the National Association of Realtors, "Getting the deficit down is the only solution." He points out that he doubts this program would work.

The other argument I want to make before yielding the floor so the majority leader can make his motion is about homeownership. There is not anything, hardly anything, that we have to do with in this Chamber that is as important as homeownership. I know we deal with national defense, health, education, and these are all tremendously important. I guess in a sense, they are in a different universe of discourse than homeownership. Yet right at the heart of what makes this a great country is the idea of individual citizens owning the place they live in. It is wonderful, it is great, it is, if not the whole American dream, a big piece of it. So if I thought we could really foster homeownership in this country by voting for a program like this, I would be severely tempted to do so.

But honestly, folks, we are talking about helping a very small number of people at very great cost to the national economy and a disadvantage to other homeowners and would-be homeowners. While I am for homeowners and for homebuilders, I just cannot support this amendment.

Mr. DOLE. Will the Senator yield for a question?

Mr. ARMSTRONG. I am happy to yield to the Senator from Kansas.

Mr. DOLE. If the motion to table fails, there will be further debate of this issue; is that right?

Mr. ARMSTRONG. Mr. President, I just say to the Senator from Kansas, though I have been here a few days, listening and debating, I have yet to get around to a brilliant speech my staff has written for me and which I have hope yet to have the opportunity in due course to deliver and I think there are others who wish to discuss this matter if the tabling motion should perchance not succeed.

Mr. DOLE. Mr. President, I just hope I have some opportunity to discuss this. For what may be different reasons, I have reached the same conclusions as the Senator from Colorado. I do not now want to take the time to discuss them. If the majority leader wishes to make a tabling motion, I shall yield for that.

The PRESIDING OFFICER. Does the Senator from Colorado yield the floor?

Mr. ARMSTRONG. I am prepared to yield the floor, Mr. President. I was looking to see if the Senator from Arizona is here. If he wishes to comment on this, I shall be happy to yield the floor to him.

Mr. GOLDWATER. I should like to, Mr. President.

Will the Senator yield to me?

Mr. ARMSTRONG. Yes; I yield the floor, Mr. President.

Mr. GOLDWATER. Mr. President, I have listened with a great deal of interest to this debate this afternoon—interest because it brings back my memory of experiences I had back in the early 1930's and late 1920's, when the United States was put into a depression by a world depression, which started in Austria in 1928 by Austria's doing precisely the same things we are doing now. I can remember the warnings that went to Austria about their deficit spending, their constantly going into debt. They were told that a depression could start. And sure enough, their currency failed and the world went into a depression.

I remember it, Mr. President, because I started to work about 1929. I remember working through that depression. I remember about 1933 or 1934, a Scottish gentleman by the name of Lord Keynes came to this country and convinced President Roosevelt that deficit spending was a mighty good thing, that he could get this country out of the depression by engaging in deficit spending.

Mr. President, I have to remind my colleagues that Mr. Roosevelt was elected on one of the most conservative platforms I have known in my life. He started out that way. He believed in balanced budgets. He believed in the free enterprise system.

The free enterprise system was in trouble. Well, we started in this country all kinds of ideas for spending money. We had the money then, so it was not exactly deficit. But the money did not do us any good.

After 10 years of trying to get this country out of depression, we still had 17 million or 19 million people unemployed. Then came World War II. World War II got the United States out of that Great Depression. We can look back on our economic history for the past years, during 40 of which we have been engaged in fantastically dangerous high deficit spending. We were in war and spending for war between about 1939 until about the end of that 10-year period. Then we went into war in Korea, followed by Vietnam.

The Keynesian theories, Mr. President, believe it or not, work pretty well during wartime. But they do not work worth a hoot—I was going to say something else, but I did not—in peacetime. We have been demonstrating that and demonstrating that until the point should have been made to every American economist and every American businessman and every American politician, that spending money we do not have is just not going to hack the job.

Here we are, Mr President, looking at a building industry that is in bad shape. It is one of the biggest industries in my State. We are one of the fastest growing States in the Union. We need new building. But new buildings are not being built, and we know why—because of the high interest rates.

Mr. President, the point I would like to try to make is that spending this $5 billion is not going to accomplish what we would like to accomplish. It will put this country further into deficit spending. It will increase interest rates.

I told my builders—some are for this measure, some are not—that in my opinion, the end result will be that we shall spend the billion dollars a year for 5 years and then we shall watch interest rates not go back up to 16 or 17 percent, but probably go over 20 percent. This is why, Mr. President, we are in a deficit problem. We are in the problem of interest rates because we have been spending money that we do not have.

I have never been a believer in Lord Keynes' teachings. He made some very interesting economic points. He convinced many of our top economists that he was right and they, in turn, instructed at some of our better known universities, and they have turned out probably the worst batch of economists ever turned loose on this world.

I have always regretted the day that Lord Keynes came to this country. He was a nice chap, an interesting talker, an interesting writer. But I think he would have done better staying home than coming over here and destroying the free enterprise system. That is just about what he has done and what we are adding to.

There is nobody in this Chamber who would rather help the building industry than I, but I cannot see this doing it. What I can see, though, is the minute we say, "Well, we will do this for the building industry," we have the airline industry in real bad shape in this country. We saw an airline go under just a week or so ago. We are going to see others go under because they are out of money. Our idea of deregulating them, which I worked for and voted for, has not worked because in that business too much competition for passengers to certain points just will not work. In the automobile business in this country, we have already bailed out Chrysler. I cannot recall, whether they have paid us back. I do not think they have. We bailed Lockheed out. I voted against both of those for the same reason that I am going to vote against the Lugar proposal. I do not believe it is the business of this Congress to vote bailout money for any segment of our economy. If we are going to do that, we might be better off taking that money and bailing out the people who have been put out of work in this country by our foolishness in this Congress over the last 40 years.

I think we have gone far enough. I know what it is going to take. It is going to take this body saying no to a lot of spending that we have been doing that has put us in trouble. I do not know whether we are going to be able to come out of it, to tell you the truth. I have a strong feeling that we could say we are in a welfare state.

I remind my colleagues that never in the history of the world has any country that engaged in a welfare state ever pulled out of it. I remind my colleagues, too, that every welfare state has produced a dictator. We are seeing the impossibility of going back on the welfare programs that we have started. I do not think we want to. On the other hand, I do not know what we are going to do about them. That is where the money goes. We could stop all defense spending and it would not solve our problem; we would still have it, and it is still growing. This is just another example of an effort to try and turn the tide with Federal money. I never thought a Republican would suggest it, but all people are entitled to their ideas. I just want to speak as a man experienced in this many, many years ago. It did not work then, it has not worked since, and it will not work now.

I thank my friend from Colorado for yielding. I yield the floor.

The **PRESIDING OFFICER**. The Senator from Oregon.

Mr. **PACKWOOD**. Mr. President, I rise in support of the amendment of the Senator from Indiana. I do this for a very specific reason. The argument was made earlier that this is special interest legislation, and, Mr. President, indeed it is. I am not ashamed to say so. It is special interest on behalf of anybody and everybody who would like to own a home in this country and cannot. I do not understand why some in my party, or perhaps a majority of Senators would have misgivings about this particular amendment. The argument has been made that this legislation will open the door to a variety of bail-out bills. Because we choose to help the homeowner does not mean that we are going to bail out the auto industry, the steel industry, or the airline industry, or any other industry. This country and this party, the Republican Party, has been premised for a long time on the assumption that the United States was better served by homeownership than not. Some may recall the first campaign slogan of the Republican Party in 1956—"Free soil, free men, free women."

Free soil. We gave away land. Imagine that, the Republican Party giving away land to encourage people to settle it and own it because we thought if we had a good solid middle class owning land, it would strengthen the country. Indeed, it will.

If you want to build in this country a good, safe, conservative constituency, nothing does that better than a person that has to paint the fence, mow the lawn, and fix the roof every weekend. Nothing will make people more cautious about local property taxes, let alone Federal income taxes, than if they own a home. It has long been the policy of this Government, Republican and Democratic administrations alike, to encourage homeownership. We subsidize it now but we call it a mortgage interest deduction. It is so engrained in our tax code that we do not even realize it is a subsidy. It is a special interest subsidy designed to encourage people to own homes. It is nothing to be ashamed of. The difficulty is that right now it is not enough. It is not working to the extent that it should be.

I know you can argue in favor of this amendment on the basis of jobs. You can also argue bailing out steel or bailing out cement or bailing out airlines on the basis of jobs, and I will leave to others whether or not this particular inducement, this particular subsidy, produces jobs. I think it does. I know in Oregon, in the timber industry, it will produce jobs. But for the moment, put aside the jobs argument. Will it encourage homeownership? You bet it will. Will homeownership better this country? You bet it will. Will the building of homes make this a more solid country? You bet it will.

So let us not talk about whether we are moving into a bailout or a subsidy for the first time in the housing industry. It has been the policy of this country for years and years to encourage homeownership by subsidy. There is no reason why we should not now continue this policy. There are thousands of Oregonians who will benefit from this amendment, because it will put them back to work.

I hope that many in this body, and most in my party, will remember that one of the foundations of the Republican Party, was Government giveaway, if you want to call it that, of land. We are not talking about giving away anything now. We are talking about giving an inducement, a front-end subsidy, so that people, who could not otherwise buy homes, can buy homes. When they sell their home and retire, or when they sell and move into a bigger house or an apartment, or for whatever reason they sell, we are going to get our money back. There is not a more solid investment in America, not a more solid investment in jobs, than the amendment that is put forth by the Senator from Indiana. I am proud to rise in support of it.

Mr. **ROBERT C. BYRD**. Mr. President, I rise in support of the housing amendment proposed by the Senator from Indiana, Mr. LUGAR. This amendment is substantially similar to one developed by the Democratic Task Force on Housing, which I had the pleasure to appoint. Both measures would go far to relieve the pressure which keeps the lid on housing sales.

Since the Congress began debating housing stimulus programs, the housing industry has substantially deteriorated. Last month, housing starts dropped 6.4 percent to an annual rate of just 881,000 units. This is totally out of focus with the increasing demand for housing as millions of young couples yearn for their chance to fulfill the great American dream of homeownership.

Unfortunately, Mr. President, an impenetrable barrier stands between them and their fondest dream—high interest rates. Just last week, the average mortgage rate rose another 4 basis points to 16.67 percent. We have not seen the end of high interest rates in this market, and those interest rates are the most effective barrier to homeownership I can imagine.

It is true that the housing stimulus program is not an answer to the housing problem in America. That answer will only come when the Federal deficits are greatly reduced and the Federal Reserve Board begins to follow a more sensible, and moderate monetary policy.

We cannot wait another year for lower rates and more housing starts. The housing industry, as we all know, is the backbone of the American economy. Its influence spreads out to touch nearly a quarter of our entire economy, and this stimulus program will bring in more money from increased tax revenues than it costs us in mortgage reductions.

Furthermore, homeowners will be required to pay back their loans when they dispose of their property. This is not a bailout, Mr. President, this is an investment in the American economy. This is an investment in the construction, lumber, and manufacturing industries. Most of all this is an investment in making the American dream come true for many young couples. I hope all Senators will support this amendment.

● Mr. **BAUCUS**. Mr. President, after some initial reservations, I will support passage of the Emergency Mortgage Interest Reduction Payments Act of 1982. I had hoped that we could do more in response to the serious depression in the Nation's housing and forest products industries. But I see that the administration has not wanted to permit the level of stimulus in this bill. For now, this appears to be all we can reasonably adopt.

As drafted, the measure will provide an interest subsidy that will encourage the construction of some 400,000 new homes. That will provide some 700,000 jobs nationwide.

Mr. President, prompt passage and, I would stress, speedy implementation of the bill are crucial. The forest products and housing industries have led us out of recessions in the past and they can do it again if we put in place the appropriate incentives.

I know how devastating the effects of a housing and forest products collapse can be. In my own State of Montana, unemployment in a number of counties is pushing the 40-percent level. That statistic is staggering; but it hides a thousand tales of personal tragedy and broken futures.

In Libby, up in the northwest corner of the State, the unemployment level has topped 37 percent. Across the Pacific Northwest, this story is being repeated. Communities that have, in the past, suffered the vagaries of unconscionable interest rates and slumped home building are getting an especially severe dose this time. We can afford to wait no longer on this bill.

But let us not just adopt the measure and hope the problem disappears. We need to consider emergency aid to the unemployed who are facing foreclosure on the homes in which they have invested for much of their adult lives. That is why I support the amendment proposed by the Senator from Michigan. In addition, we must develop programs that respond more quickly to unfavorable conditions in the forest products and housing markets. Simply put, it should not take 3 years and more for Congress and the President to respond. We must seek new solutions that will prevent our forest products and homebuilding workers from continuing to ride this economic roller coaster. We should end this habit of waiting around until the situation is desperate.

I urge my colleagues to support the measure and I hope the administration will drop its veto threat and thereby stop standing with its back to the light on this important issue. But once that is over, we need to look for longer term solutions.●

● Mr. **LEVIN**. Mr. President, I support the amendment offered by the Senator from Indiana to provide urgently needed assistance to the homebuilding industry of this country, to the millions of workers who are employed by it and related industries, and to the hundreds of thousands of potential home buyers who are currently shut out of the market by 16 percent mortgage interest rates.

This is a nationwide problem, but it is being particularly felt in my State of Michigan. In 1978, there were 40,811 housing starts in Michigan. By 1981, this had fallen off to 11,393. I have talked with many home builders who have indicated to me that they are on the brink of disaster. They are interested in long-term economic programs, but they have reached the point that unless they receive some assistance soon, they will not make it to the long run. It is important to remember that whenever we hear new reports that things are worse for the housing industry this year than they were last year, that last year was a terrible year for housing.

So things have to change, and this legislation is a step in that direction. And it is a step we must take now because now is the building season. Again, this is particularly important to my State of Michigan where the prime homebuilding season is probably one of the shortest in the country. We cannot afford to wait for the administration's economic plans to make the world anew sometime in the fall, especially when its predictions for economic growth, unemployment, and interest rates have been so far off the mark since it came into office. Now is when the construction can begin and when this legislation must be passed. It is of no use to throw an anchor to a drowned man.

I think my colleagues should keep this in mind when they vote on the Lugar amendment, and I urge the President to keep this in mind when he is asked to sign the legislation when it comes to his desk. The President likes to model himself after Franklin Roosevelt. I hope in this instance he does so, because it is clear what Roosevelt would have done when presented with an urgent need and unemployed Americans.●

Mr. **CRANSTON**. Mr. President, America needs jobs. Over 10 million Americans that we know of are out of work. Sadly, that's 9.4 percent of our labor force. The President's economic recovery program is sending this Nation into a downward spiraling recession and possibly into the very throes of a depression.

The United States today is experiencing the deepest recession and most pervasive economic crisis since the Great Depression. Since January of 1981, real GNP, as measured in 1972 dollars, has decreased 2.3 percent and the GNP growth rate has declined by 12.9 percent. Domestic auto sales have plummeted by almost $1.6 billion on an annual rate and an average 474 businesses are failing per week.

The housing market, the most sensitive of barometers signalling the economic climate of our economy, has been ravaged by Reaganomics.

Supply side economics and the Reagan-supported monetary policy of the Federal Reserve Board are combining to produce interest rates that have brought the housing construction industry to its knees. Since January of 1981, housing starts have dropped about 45 percent. Unemployment in the construction and lumber industries is over 18 percent. What does this percentage actually mean in human terms? It means that 928,000 people in the construction trades are unemployed, and another 200,000 skilled craftsman could lose their jobs over the next several months if action isn't taken. It is time for Congress to invoke an antirecession jobs bill. For that reason, I am pleased to be a cosponsor of the amendment offered by my good friend from Indiana, the distinguished chairman of the Subcommittee on Housing and Urban Affairs. If enacted, this amendment would create up to 700,000 jobs and subsidize the construction of around 410,000 new homes at a cost of $5.12 billion over a 5-year period.

The language pertaining to stimulating housing production contained in the pending Appropriations Committee amendment would only be sufficient to finance the construction of 80,000 new units of housing. The economic stimulus provided under this language is much smaller than the Banking Committee's plan. It would only create an additional 120,000 to 180,000 new jobs as opposed to the 700,000 in the plan endorsed by the Banking Committee.

In short, it is not worth spending the $1 billion on a housing stimulus program, as the Appropriations Committee would, because the economic effect would be minimal. I intend to support, and urge the full Senate to support, an amendment offered by Senator RIEGLE, myself and others to make this stimulus program fairer and more cost effective.

Our amendment would add to the housing stimulus program a temporary loan program of $500 million in budget authority to help 75,000 homeowners facing foreclosure on their homes. It would also provide as an option, rather than a requirement, the "graduated equity mortgage" or "GEM" feature of the stimulus program.

Lastly, the amendment would reduce overall outlays under this program while providing enough funds to accommodate the default assistance program and still save $1.8 billion over the term of the interest buy down, according to CBO projections. This would be accomplished by requiring people not choosing the GEM to pay at least 25 percent of income toward their mortgages. As incomes rise, a larger monthly payment would be made by the recipient of the subsidy and the amount of the subsidy would decline.

This is a significant amendment. It addresses the burgeoning mortgage default and foreclosure problems while being more fiscally responsible than the Banking Committee's recommendation. I wholeheartedly recommend that the Senate adopt our amendment.

The Federal Government would be doing more than putting a large segment of the housing industry back to work. The strong ripple effect of the program endorsed by the Banking Committee will be felt throughout the economy by those depressed industries which depend on housing production for their existence. It is estimated that the total economic impact of the housing stimulis program will be between $40 and $55 billion, and produce about $2.5 billion in additional income taxes in just the first year alone. Moreover, we cannot forget the fact that the subsidy will be payed back upon the sale or refinancing of the homes. When one considers the total effect of this bill on the economy and the Treasury, the Federal Government will be well compensated in economic activity and revenues for its actions.

Let us also not forget another fundamental reason why we are moving this legislation through Congress. It is related to our Nation's 50-year-old commitment to providing decent and affordable housing for every American. A stable supply of housing production is vitally important to containing the inflationary spiral of housing costs. The fall off in production over the last 3 years has put us further behind this goal. We need 1.8 million units a year of affordable housing to keep pace with the maturing post World War II generation. Yet housing starts for 1982 could finish as the worst post-war production year.

Housing starts last year were half of the 2 million start levels of 1977 and 1978. In my State of California, the figures are even more startling. In 1977, California built 260,000 units of single and multifamily housing. Since then, the number of starts has dropped precipitously to 99,300, only 34 percent of the 1977 level. Meanwhile, the demand for housing in California continues to grow and prices stay very high.

We need 300,000 new units per year to keep up the supply, but since 1977 our production is about 800,000 units less than the demand. Unemployment in the construction industry in my State is equally as grim, with more than 20 percent of the work force now idle.

I realize the housing stimulus program will not in and of itself provide for a complete recovery in the housing industry or the general economy. However, it will keep many builders from going bankrupt and relieve some of the pent-up housing demand. Before that industry can fully recover, interest rates must come down. With that goal in mind, I have introduced S. 2526, the Low Interest Rate Act, which strengthens the power of the President to authorize the Federal Reserve Board to control interest rates and bring monetary policy back on a sound track. This legislation will make available the investment capital we desperately need in order to revive the economy.

The administration's reaction to this Nation's economic funk is not exemplary. During a period of increasing unemployment as productivity declines, the administration has slashed unemployment compensation, virtually abolished trade adjustment assistance, fired 350,000 CETA workers, wiped out job training and closed down many unemployment offices while cutting the staff of these offices by some two-thirds.

America needs a jobs program and the housing stimulus program can be that program. I urge that the Senate adopt the Banking Committee's amendment.

Mr. **ROBERT C. BYRD**. Mr. President, I ask unanimous consent that Mr. Riegle and I be added as cosponsors of the Lugar amendment.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

(The name of the Senator from West Virginia (Mr. Randolph) was added as a cosponsor of the amendment.)

Mr. **BAKER** addressed the Chair.

The **PRESIDING OFFICER**. The majority leader.

Mr. **BAKER**. Mr. President, once again I wish to say that I am——

Mr. **HUMPHREY**. Will the majority leader yield? Is it the intent of the majority leader to offer a tabling motion at this point?

Mr. **BAKER** [continuing]. In a moment it is my intention.

Mr. **HUMPHREY**. If the Senator will forbear for a moment, I would like to comment.

Mr. **BAKER**. I would be happy to.

The **PRESIDING OFFICER**. The Senator from New Hampshire.

Mr. **HUMPHREY**. Mr. President, I will be brief because my colleagues have been very generous in listening to my remarks a few moments ago, but I want to address the notion that this housing subsidy will, to use the words of my friend and colleague from Oregon, "benefit everybody who would like a home." It will not at all. It will benefit a small, select, special group who can qualify. The rest those millions who want to own a home, will not benefit from this bill. Indeed, it will inure to their disadvantage because, in addition to paying their rent, they are going to have to pay a portion of their taxes to provide this subsidy or they are going to be denied opportunity because they cannot borrow money which the Federal Government is borrowing to provide these subsidies. It will not affect everybody who would like to buy a home. It will affect a tiny, special interest group, those who happen to qualify, and at the same time, indirectly but very substantially, benefit a particular industry to the disadvantage of all American industries.

I thank the Chair.

Mr. **BAKER**. Mr. President, I rise once more to say that, once again, I find myself sympathetic to the arguments made in favor of a housing bill. Indeed, as I have said on the floor and to many of my colleagues previously, were this amendment to be offered at a different time, on a different vehicle, and after the adoption of a budget resolution by the Congress of the United States which outlines how much we can spend and how much we are going to borrow and how much we must pay out for other programs, I might support it. Indeed, I would be very tempted to support it, but I cannot do it here. I cannot do it on this supplemental appropriations bill. I cannot do it in advance of the time when Congress has fully decided the shape and form and size of the Federal budget.

Therefore, with great deference and respect to my friend from Indiana, and my apologies to him for doing so, I move to table the Lugar amendment No. 1009, and I ask for the yeas and nays.

The **PRESIDING OFFICER** (Mr. Rudman). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The **PRESIDING OFFICER**. The question is on agreeing to the motion to table the amendment of the Senator from Indiana. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. **STEVENS**. I announce that the Senator from New Jersey (Mr. Brady), the Senator from California (Mr. Hayakawa), the Senator from Illinois (Mr. Percy), and the Senator from Texas (Mr. Tower), are necessarily absent.

Mr. **CRANSTON**. I announce that the Senator from Nevada (Mr. Cannon), the Senator from Montana (Mr. Melcher), and the Senator from Connecticut (Mr. Dodd), are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada Mr. Cannon and the Senator from Montana Mr. Melcher would each vote "nay."

The **PRESIDING OFFICER**. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 23, nays 70, as follows:

[Rollcall Vote No. 158 Leg.]

YEAS—23

Armstrong
Baker
Byrd,
  Harry F., Jr.
Cohen
Denton
Dole
Domenici
East
Goldwater
Hart
Humphrey
Johnston
Kassebaum
Mattingly
McClure
Murkowski
Nickles
Roth
Simpson
Specter
Symms
Wallop
Warner

NAYS—70

Abdnor
Andrews
Baucus
Bentsen
Biden
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd, Robert C.
Chafee
Chiles
Cochran
Cranston
D'Amato
Danforth
DeConcini
Dixon
Durenberger
Eagleton
Exon
Ford
Garn
Glenn
Gorton
Grassley
Hatch
Hatfield
Hawkins
Heflin
Heinz
Helms
Hollings
Huddleston
Inouye
Jackson
Jepsen
Kasten
Kennedy
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Metzenbaum
Mitchell
Moynihan
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Randolph
Riegle
Rudman
Sarbanes
Sasser
Schmitt
Stafford
Stennis
Stevens
Thurmond
Tsongas
Weicker
Zorinsky

NOT VOTING—7

Brady
Cannon
Dodd
Hayakawa
Melcher
Percy
Tower

So the motion to table Mr. LUGAR's amendment (UP No. 1009) was rejected.

Mr. **BAKER**. Mr. President, could we have order in the Senate?

The **PRESIDING OFFICER**. The Senate will be in order. Senators will please retire from the well. The Senate is still not in order. Will Senators please retire to the cloakroom if they wish to carry on conversations?

Mr. **BAKER**. Mr. President, I have an announcement to make if Senators will give me their attention for a moment.

Mr. President, could I inquire, first, whether or not the principals involved in the debate on the Lugar amendment intend to continue that debate this evening?

Mr. **ARMSTRONG**. Mr. President, if the majority leader will yield, I think a number of us are eager to discuss this matter further. On the other hand, I know of no particular reason why it has to go on at great length this evening, and I will defer to the wishes of the majority leader, for my part. If we stay, I will continue with the debate. On the other hand, dinner is at 7 in my house, and I can resume this later.

Mr. **BAKER**. Mr. President, the question is, Is there any way to keep the Senator from Colorado from talking on this amendment?

Mr. **ARMSTRONG**. Yes, there is a way if we were to recess until some hour tomorrow morning.

Mr. **BAKER**. I was afraid that would be the answer.

Mr. President, given the size of the vote on this tabling motion, it is clear to me that the Senate is not disposed at this moment to have a final determination of the Lugar amendment. It is also clear from the exchange I have had with the Senator from Colorado, and with other Senators, I may say who are also opposed to this amendment, that their desire to debate the matter is far from ended.

I think there is no useful purpose to be served by asking the Senate to remain late this evening, and in view of those statements I wish to announce that there will be no more rollcall votes tonight.

ORDERED FOR RECESS UNTIL 9 A.M. TOMORROW

Mr. President, I ask unanimous consent that when the Senate completes its business tonight it stand in recess until the hour of 9 a.m. tomorrow.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **BAKER**. Mr. Presidnet, I would remind Senators——

Mr. **ROBERT C. BYRD**. Mr. President, may we have order in the Senate so that the majority leader may be heard?

The **PRESIDING OFFICER**. The Senate is not in order.

Mr. **BAKER**. I will remind Senators that under rule XXII and in obedience to the motion filed under that rule there will be a vote on cloture against the bill tomorrow 1 hour after we reconvene. I have no idea how that cloture vote will finally come out, whether it will pass or fail.

But let me reiterate, Mr. President, it is the intention of the leadership to complete this measure, and it may require us to be very late tomorrow night, to be in session on Friday and, perhaps, thereafter, and I urge all Senators to consider that this is a major responsibility of the Senate. We must deal with this matter. I was reluctant to file a cloture motion in the first instance, but I felt I had no other alternative.

Mr. President, I urge Senators to reconsider whether they will offer their amendments, the length of their statements that will be made, and to consider very carefully whether they are prepared to vote in favor of a cloture motion to end debate on this measure 1 hour after we reconvene the Senate on tomorrow.

Mr. President, I am prepared now to yield the floor. It will be my expectation that debate might continue for another 30 minutes or so, and that the Senate would go out at or shortly before 7 o'clock.

Several Senators addressed the Chair.

The **PRESIDING OFFICER**. The Senator from Colorado.

Mr. **BAKER**. I yield to the Senator from Colorado.

Mr. **ARMSTRONG**. I thank the majority leader. I will keep the body for only a moment because I want to express my profound satisfaction that on the first recorded vote on this issue 23 Senators voted to table it.

We have come a long way in 24 hours. When we began this yesterday it appeared to me there were no more than three, perhaps four, Senators who were prepared to vote against this very attractive proposition.

I would point out to the majority leader that it does appear we are very close to having enough votes right now to sustain a veto if, in fact, it comes to that. But I am convinced that given another day or two it is very likely that a majority of Senators will feel, as I have come to feel, that this is a measure that we would be better off to defer and at least consider under another title and another occasion.

But I just want to thank the 23 who expressed that point of view tonight. It will be my hope in the event we have another vote on it that there might be others who would join us, and I expect that will be the case.

Mr. **PROXMIRE** addressed the Chair.

Mr. **BAKER**. Mr. President, let me ask this: If there is further debate on this measure tonight I am prepared to yield the floor for that purpose. But I see a number of Senators who, I anticipate, have speeches more appropriate in morning business, and, at this time, is it desirable that we have a period for the transaction of routine morning business? I yield first to the Senator from Idaho.

Mr. **SYMMS**. I would like to make a couple of comments about this vote, and then I would be happy to yield.

Mr. **BAKER**. I yield to the Senator from Idaho.

The **PRESIDING OFFICER**. The Senate will be in order.

The Senator from Idaho.

Mr. **SYMMS**. I might just inquire of the majority leader whether the majority leader has the floor or do I have the floor?

Mr. **BAKER**. Mr. President, I yield the floor.

Mr. **SYMMS**. Mr. President, I want to compliment the Senator from Colorado for his efforts in the last 24 hours in convincing some of the Members of the Senate to oppose this amendment.

I will save most of my remarks for tomorrow when we resume debate on this bill, but I would like to relate a story at this time.

Last week I received a phone call from a gentleman in Idaho whose name is Mr. Ralph Sneed. Mr. Sneed is a businessman in the Boise Valley, but he also runs the Center for Market Alternatives, which is a tax-free foundation, dedicated to the principles of limited government and the free market.

In talking to me about this housing bill, Mr. Sneed said, although he normally stays somewhat aloof from politics, that this country is like a drug addict; we are trapped like someone who is on heroin, and that "now the proposition has come before you, to give them one more fix."

He said:

> My recommendation to you is to get on the floor of the distinguished, august body of the U.S. Senate and say you have joined the ranks; that we have been on the tax-to-spend-borrow-print money, habit for so long, that you just want one more shot, one more fix.

Mr. President, he said:

> You should go along with them and vote for the last fix, and after that we will be all right because we will cure it. We cured it with Chrysler, we cured it with New York City, and now we are going to cure the problem by just fixing one little part of our economy.

I thought he made a rather astute argument. It had such an impression on me that I voted in the opposite direction. It is so hard to get off the habit of a drug addict. It is so hard for drug addicts to get off the habit because they always think they just need one more little shot in the arm, and then they will be well.

Today, Senator **Armstrong**, Senator **Humphrey**, Senator **Goldwater**, and others made excellent arguments in support of a position which I believe is in the best interest of the housing industry. What we need is an overall package that will guide this country to lower interest rates so there will not be credit allocations selectively picking out certain people to get the credit.

One of my staff suggested to me that if this bill passes that I should perhaps lower her pay so that she would qualify for a subsidized interest rate loan.

She said:

> You know, for the amount of money you pay me over the breaking point in this bill, it won't make any difference to me after taxes. You could lower my wages because then I could get a subsidized interest rate loan and buy a home.

I do hope that all Members of the Senate will carefully look at this issue in terms of the direction that the country is trying to head.

We have had a positive trend downward in interest rates from 21 percent early in the year to 16 percent now. I believe that, in the best interest of the housing industry and those people who want homes, we should not reverse that positive trend by beginning the process of bailing out industries.

I wish all Members of the Senate had the opportunity to hear Senator **Goldwater** speak about this earlier. He explained what happened in the 1930's and what will probably happen now. It will be the wrong signal at the wrong time, Mr. President.

I do hope, with due respect to my good friend from Indiana, Senator **Lugar**, that this will be stricken from the bill. As a representative from a forest products' State, a State whose economy is dependent on the health of the homebuilding industry, I firmly believe that this measure would be very detrimental, if implemented.

We are headed in the right direction, but it is essential that we keep the faith, remain committed to economic freedom, and stay on course.

I yield the floor.

Mr. **BAKER** addressed the Chair.

The **PRESIDING OFFICER**. The majority leader.

Mr. **BAKER**. Does the Senator from California rise to speak on this measure?

Mr. **CRANSTON**. Yes.

Mr. **BAKER**. I yield to the Senator.

EMERGENCY LOW INTEREST RATE ACT OF 1982

Mr. **CRANSTON**. Mr. President, at the appropriate time, I will offer an amendment to the amendment of the distinguished chairman which would enact the Emergency Low Interest Rate Act of 1982.

The amendment I will offer has the support of the National Council for Low Interest Rates who have called this proposal the single most important measure the Senate can adopt to bring down interest rates and restore the Nation's economic health.

The proposal is supported by the Consumer Federation of America, the U.S. League of Savings and Loan Associations, the National Housing Conference, the United Auto Workers, the Brotherhood of Carpenters and Joiners, the National Rural Electric Cooperative Association, the American Public Power Association and the International Union of Operating Engineers.

It is supported by the AFL-CIO. Ray Denison, legislative director of the AFL-CIO, has written, that the authority contained in the proposal provides the President with a powerful tool to bring down interest rates and restore economic recovery.

The National Farmers Union endorses the amendment and says, "urgent measures must be taken now to force down interest rates and we urge you to push ahead at the first legislative opportunity."

All of these organizations share in having many, many members hurt badly by ruinously high interest rates.

Farmers for the first time in our history paid more interest last year than they earned in net income. Not even during the Great Depression did farmers suffer so grievously because of interest rates.

Put starkly and simply, farmers today carry $10 in debt for every dollar of net income.

Not even the debt-load of the Federal Government, which exceeds $1 trillion, is as proportionately heavy as the debt load carried by farmers today.

Interest costs are forcing us deeper and deeper into a prolonged recession.

Interest charges for corporate borrowing this year will exceed $400 billion. That compares with $261 billion corporations paid in interest costs in 1979, according to IRS.

Now are corporations to be expected to lead the economic recovery through capital spending when many businesses are laboring under an extremely heavy and very expensive debt load? The disappointing answer can be seen in the steadily declining numbers for actual capital spending and planned capital spending by business.

Utility customers will see rates going up this year, not to pay for higher energy costs, but to pay for record-high utility borrowing costs. Customers of TVA, for instance, face the prospect of paying for $1 billion in interest charges incurred by the utility.

The papers today report a half-point moderation in the prime rate from 16½ to 16 percent. Treasury bills have declined modestly. This is the good news; the bad news is that the declines are due to a drop off in borrowing as more and more businesses, farmers, home builders, yes, and consumers, drop out of the race to stay afloat.

Bankruptcies are up;

Shutdowns are increasing. Layoffs are increasing, largely due to a bad recession caused by high-interest rates.

The Treasury, despite the slight reduction in the T-bill rate, still is paying a very high real interest rate. Treasury's interest costs add dramatically to the deficits we in Congress have struggled bitterly to reduce. The welfare and defense of our Nation are being sacrificed to pay for high-interest costs. Last year interest paid by the Government was about $115 billion, this year it is estimated to be $132 billion—the fastest growing category in the budget.

The attack on interest rates will require across-the-board action.

One of the myths perpetuated in Washington is that the President cannot affect the Fed's policies directly.

That is not so.

The President of the United States is authorized by statute to issue an Executive order authorizing the Federal Reserve Board to take a wide range of general and specific actions to get interest rates down.

He has the power to do this under the Credit Control Act.

That statute however will expire on June 30 this year.

The Credit Control Act of 1969 is a much-misunderstood and unfairly maligned statute. The act is a two-edged sword. It can hurt a clumsy user; but, properly wielded it is a powerful weapon against the crushing burden of high interest.

When properly understood and, when readjusted, as I intend to propose in my amendment, the new act becomes not a credit control act but an act authorizing the President to seek immensely desirable changes in the Fed's monetary policy by authorizing the Fed to use all of its vast powers in ways which can and will bring down interest rates and make more capital available for productive investment.

But if we do not act to reauthorize the powers contained in Public Law 91-151 we will have lost the opportunity to act to bring down interest rates while the economy still has sufficient life in it to ignite a sustained and healthy recovery. If we delay, not only will the Nation lose the power of the President to induce action by the Fed to lower rates, but the economy may lose its capacity to recover soon under any plan.

The amendment I propose will extend the Credit Control Act until December 31, 1985.

The amendment removes the restriction on the statute which limits utilization of the powers of the act for the purpose of "controlling inflation generated by the extension of credit in an excessive volume." This will change the emphasis of the act away from controlling credit toward the desirable objective of lowering interest rates and making capital available for productive investment.

President Reagan today might not wish to use the powers he has under the Credit Control Act. I think he should, but I can understand his desire in that regard.

But if the economy continues to slump and interest rates remain high, blocking any chance of recovery, he might change his mind—cement has cracked from his feet before and it might yet again.

But if he waits until after June 30 to decide that he must act, it will be too late, because his powers will have expired on midnight that date.

The power of the President to act to force the Fed to reduce interest rates should not be allowed to lapse.

That is why the impressive coalition supporting this amendment has called it "the singlemost important measure the Senate can adopt to bring down interest rates and restore the Nation's economic health."

Presidential power over interest rates should not be abandoned at a time when unemployment has reached 9.4 percent and is expected to climb above 10 percent within the next few months; business failures are up 57 percent over last year; plant utilization is below 72 percent; America's farmers are paying out more in interest than their net income; interest payments are the fastest growing item in the Federal budget; the economy remains stagnant from lack of productive investment and the prime rate currently is 16 percent.

The President right now could, if he wanted to, officially ask the Fed, through an executive order, to set a low interest rate target and to increase gradually the growth of the money supply so as to hit that target.

That is what the President could, and should, do to bring down interest rates and make capital more available. In fact, the Credit Control Act, when used that way, should more properly be called the Capital Availability Act.

The Federal Reserve because it is so highly insulated from the political process presumably will not, on its own initiative, and perhaps should not, exercise its powers selectively to attack high interest rates and to make capital available to specific sectors of the economy.

The Federal Reserve, as a practical matter and also as a "political" matter in the highest sense of that word in our democratic system, requires some form of political directive in order to act in ways which will responsibly bring interest rates down without rekindling inflation.

My amendment extends and expands the authority of the President to give the Fed the political mandate it requires in order to act to change monetary policy.

The President is going to need those powers and the Senate will be greatly remiss in our obligations if we do not renew the tools at his disposal for bringing down interest rates.

There are some very practical applications of those powers which could have immediate results.

The amendment specifically authorizes the Fed to deny or limit credit for unproductive corporate takeovers.

Not all corporate mergers are unproductive. Many are economically necessary to save jobs and the investments and savings of thousands upon thousands of individuals.

But there are unproductive takeovers, part of the corporate takeover game in which companies with loose cash go raiding other perfectly healthy, soundly managed companies, for reasons that have little or nothing to do with mutually strengthening two enterprises through joining forces. The result often is an expensive waste of money and management time that occurs during such a senseless, nonproductive exercise.

During 1981 over $80 billion was spent on corporate takeovers. Some $34 billion in loans from banks were made to finance takeovers and $70 billion in lines of credit tied up other resources which could have been more productively used by other companies, businesses, farmers, and builders.

The corporate takeover game is not increasing economic productivity.

Our economy cannot afford to have billions spent on corporate takeovers that do not add to productivity when what we need is investment in plant construction and equipment modernization.

The Fed's blunderbuss approach of across-the-board tight money, high interest rates and massive, widespread recession as the way to control inflation costs the economy $200 billion in lost production for each point we reduce inflation. This is adding up to a trillion-dollar cure.

Farming, housing, heavy industry and small business cannot afford to pay current interest rates. A great many of those businesses and enterprises are going broke. But despite the major recessions occurring in large sectors of the economy which in turn have dragged down the entire economy, the Fed keeps up the pressure.

We need a more selective process of attacking inflation.

The selective range of actions open to the Fed under the provisions of the Credit Control Act as amended by my proposal would enable the Fed to ease up on those sectors of the economy already flattened out by high interest rates. Meanwhile the amendment allows the Fed to keep up pressure against inflationary corporate takeovers and other nonproductive purposes.

President Reagan, again and again, comes back to high interest rates as the reason why the economy is not making the recovery he had hoped for.

The President can act under the Credit Control Act to get interest rates down.

President Carter did not use the Credit Control Act as wisely as he could have when he invoked its powers.

But he got interest rates down—fast. Housing starts went up fast.

When he stopped using the act interest rates went up—fast.

The economy dropped into a recession.

The act can be wielded carefully, however.

It is not necessary that the Fed drop rates like a rock to the bottom of a lake. It can be done in stages, smoothly, geared into the real growth of the economy as it picks up in response to the monetary policy changes which the President can spell out in his Executive order to the Fed—as he is authorized to do by the Credit Control Act.

The President of the United States can accomplish a great deal without ever actually invoking all of his constitutional and statutory powers. But those powers invested in his office must be there to be believable when he confronts the Chairman of the Board of Governors of the Federal Reserve. The "Big Stick" Teddy Roosevelt talked of does not have to be used to be effective, but it had better be in the President's arsenal. Presidents can bluff whether they would use the "big stick" of their powers but they cannot bluff on the question of whether they actually have the power.

That is why the Senate would be conferring a great boon upon President Reagan if we extended his powers under the Credit Control Act as provided in my amendment.

I urge my colleagues on both sides of the aisle to consider this point thoroughly.

We should extend the Credit Control Act until 1985 and we should modify the act as I have proposed in my amendment.

I urge my colleagues on both sides of the aisle to consider this point thoroughly. We should extend the Credit Control Act until 1985, and we should modify the act as I have proposed in my amendment.

AMENDMENT NO. 1660

I now send the amendment to the desk and ask for its immediate consideration.

Mr. BAKER. Mr. President, reserving the right to object, did I understand the Senator asked for its immediate consideration?

Mr. CRANSTON. Yes, but I understand we will not act on it now. I just wanted to get it entered as an amendment.

Mr. BAKER. Is there not an amendment pending before the Senate, Mr. President?

The PRESIDING OFFICER. The Lugar amendment is the pending amendment.

Mr. CRANSTON. Then I will just submit it.

The PRESIDING OFFICER. The amendment will be received.

OAVP PROGRAMS IN ACTION

● **Mr. EAGLETON.** Mr. President, the urgent supplemental appropriations bill before us contains $2 million for salaries and expenses of the ACTION agency, bringing the total account for program support to $26,636,000 for fiscal year 1982.

I would like to discuss with the Senator from New Mexico, the chairman of the Labor-HHS-Education Appropriations Subcommittee, the impact of this supplemental appropriation on the program support account, as well as the other activities under the agency, specifically the Older American Volunteer programs.

Mr. President, I ask that a table showing ACTION's various proposals for funding the Older American Volunteer programs and the Program Support account appear in the RECORD at this point. The figures in the chart were prepared by ACTION and presented to the House Appropriations Committee.

The table follows:

FISCAL YEAR 1982 ACTION BUDGET FOR OLDER AMERICAN VOLUNTEER PROGRAMS AND PROGRAM SUPPORT

	Fiscal year 1982 at continuing resolution levels	ACTION 1st proposal to comply with continuing resolution	ACTION 2d proposal to comply with continuing resolution
Older American volunteer programs	$85,344,000	$87,776,000	$81,516,000
RSVP	(26,608,000)	(27,360,000)	(25,409,000)
Foster Grandparents	(46,464,000)	(48,400,000)	(44,370,000)
Senior Companions	(12,272,000)	(12,106,000)	(11,728,000)
Program Support	24,636,000	28,784,000	28,784,000

Mr. EAGLETON. I am concerned that the figures which we continue to get from ACTION show a funding level of $28,784,000 for program support, while the latest proposal substantially reduces Older Americans volunteer programs funding. These figures show that ACTION proposes to cut the OAVP programs in fiscal year 1982 by twice the 4-percent reduction rate provided for in the continuing resolution, thus violating the continuing resolution restriction which makes a 4-percent cut across the board but permits only up to a 6-percent reduction for individual programs if congressional approval is given. At the same time, ACTION is proposing to increase its budget for agency administration by $4.148 million more than would be allowed if the 4-percent formula reduction were applied.

In its justification for the $2 million supplemental request which we have included in this bill, ACTION bases a substantial part of its argument for the additional sum for program support on its commitment to maintaining funding for the Older American volunteer programs. My support for the additional administrative funding was predicated upon the assumption that its inclusion would assure that the Older Americans volunteer programs would not be reduced beyond the 4-percent reduction formula contained in the continuing resolution.

I wonder if I could get some assurance from the chairman of the subcommittee, Senator SCHMITT, that inclusion of this $2 million for program support will insure that the OAVP programs will not be reduced by more than 4 percent?

Mr. SCHMITT. I share the concern raised by the Senator from Missouri with respect to ACTION's proposal to reduce OAVP programs, and assure him that it is my intent, and the intent of the Appropriations Committee, that ACTION spend the full $85,344,000 provided for OAVP programs under the continuing resolution.

If ACTION intends to reduce funding below the 4-percent reduction provided by the resolution, the agency will have to submit a reprograming request. I can further assure the Senator from Missouri that it is not my desire to allow funds from Older American Volunteer programs to be used to increase the program support activity. ACTION can request a reprograming beyond the 4 percent, but it is up to the committee to make the final decision.

● **Mr. HEINZ.** Mr. President, I support the committee amendment which would restore funding for community health centers to the fiscal year 1982 level of $284 million.

The $36 million supplemental appropriation for community health centers will insure continuation of vital health care services for 570,000 individuals. Without this money, these individuals will be left without access to basic medical services and essential preventive health care.

As a result of last year's budget reductions, 186 of the 872 community health centers in our country have closed their doors. We simply cannot afford to lose any more of these vital providers.

Community health centers have proven to be effective and efficient providers of quality health care to millions of Americans—most of whom have no other available source of care.

Many individuals served by the centers are medically and economically indigent, lacking public or private insurance coverage. These, in many instances, are the working poor. Others served by the centers are medicare and medicaid recipients who are refused care by other private providers, often because of low payment rates or discriminatory practices.

Health centers are located in areas where there is a shortage of personal health services. In many rural communities, the centers are the only available health care providers within miles.

Despite these difficult circumstances, community health centers have performed remarkably well.

They have improved the provision of preventive services such as immunizations and pap smears.

They have provided continuous high quality health care to their patients, thereby improving health status.

And they have reduced the incidence of illness and rate of hospitalization—sometimes by as much as 50 percent for comparable populations. Therefore, health centers have been able to provide care at a cost considerably less than other modes of delivery—which have saved tax dollars.

In effect, the health centers serve to insure their local communities against the cost of care for the uninsured. Even if other providers were available to serve these people, the cost of their care would have to be met through increased State or local taxes.

A recent government contracted study demonstrated that for every $1

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spent on community health centers, $1.61 was saved on medicaid.

Finally, I note that primary care centers serve some 6 million persons, which amounts to only about 10 percent of the population in all medically-underserved areas.

We cannot afford to cut these services further. It is essential that community health centers continue to provide vital services to those who depend on them for care.●

● **Mr. HEINZ.** Mr. President, I fully support the committee amendment to H.R. 5922 to restore funding for the maternal and child health block grant to the fiscal year 1982 authorized level of $373 million. It is the view of this Senator that the $24.4 million supplemental appropriation is urgently needed for the health of our Nation's children.

In my view, this is a matter of national priorities. In a country where we are willing to spend $215 billion on defense, an additional $24.4 million for the health of poor women and children can stand little criticism.

The Federal Government has maintained a strong commitment to insuring that poor mothers and children living in severely medically underserved areas or without a means of purchasing health services nevertheless have access to quality health care. We have carried out this commitment through a variety of important programs, including community health centers, the supplemental food program for women, infants, and children, and medicaid.

But title V of the Social Security Act, the maternal and child health and crippled children's program, has been the dominant legislative expression of this country's commitment to health care for the maternal and child population.

Last year, we consolidated a number of other vital children's health programs with title V into a maternal and child health block grant. In addition to insuring access to maternal and child health services for low-income persons, this block grant provides preventive services to reduce infant mortality and to prevent childhood diseases; it provides rehabilitation services for blind and disabled children receiving supplemental security income; it provides medical, surgical, and corrective services for diagnosis, hospitalization and care of children who are crippled or have conditions leading to crippling; it funds hemophilia treatment centers and genetic disease counseling and screening projects; and it provides research and training to advance maternal and child health.

In a country where 1 out of every 81 infants and 1 out of every 47 nonwhite infants dies each year, these are vital services.

In a country where at least 16 percent of our children live in poverty, and 51 percent of children in families with a woman head live in poverty, these are vital services.

In a country where one in five babies are born to mothers under the age of 19, over one-half of whom are unmarried, these are vital services.

Almost 17 million low-income women and children receive services under the maternal and child health block grant. It is my understanding that many of the clinics in counties across the country which provide these services are closing, or on the verge of closing, if additional funding is not available.

We simply cannot allow this to happen. To do so would be shortsighted, and would jeopardize the future health of our Nation.

Last week, as part of the fiscal year 1983 budget resolution, the Senate expressed its support for full funding of the maternal and child health block grant. It would be inconsistent with that action if we did not act now to add $24.4 million to the urgent supplemental appropriations for this vital program.●

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, if there is no other Senator seeking recognition to speak on the bill or the pending question, I ask unanimous consent that there now be a brief period for the transaction of routine morning business to extend not past the hour of 7 o'clock, during which Senators may speak for not more than 5 minutes each.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

THE CALENDAR

Mr. BAKER. Mr. President, there is one item on the calendar today that I would call to the attention of the minority leader. I refer to Calendar Order No. 458, S. 1422. I will inquire of the minority leader if he is prepared at this time to consider this item by unanimous consent.

Mr. ROBERT C. BYRD. Yes, Mr. President, we are prepared to move on that item.

Mr. BAKER. I thank the minority leader.

CRIMINAL JUSTICE FACILITIES

Mr. BAKER. Mr. President, I ask the Chair to lay before the Senate Calendar Order 458, S. 1422.

The **PRESIDING OFFICER.** The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1422) to authorize the donations of surplus property to any State for the construction and modernization of criminal justice facilities.

The **PRESIDING OFFICER.** Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Governmental Affairs with an amendment to strike all after the enacting clause, and insert the following:

That section 203 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 484), is further amended by adding at the end thereof the following new subsection.

"(p)(1) Under such regulations as he may prescribe, the Administrator is authorized in his discretion to transfer or convey to the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, the Commonwealth of the Northern Mariana Islands, or any political subdivision or instrumentality thereof, surplus property determined by the Attorney General to be required for correctional facility use by the authorized transferee or grantee under an appropriate program or project for the care or rehabilitation of criminal offenders as approved by the Attorney General. Transfers or conveyance under this authority shall be made by the Administrator without monetary consideration to the United States.

"(2) The deed of conveyance of any surplus real property disposed of under the provisions of this subsection—

"(A) shall provide that all such property shall be used and maintained for the purpose for which it was conveyed in perpetuity, and that in the event the property ceases to be used or maintained for that purpose, all or any portion of the property shall, in its then existing condition, at the option of the United States, revert to the United States; and

"(B) may contain such additional terms, reservations, restrictions, and conditions as may be determined by the Administrator to be necessary to safeguard the interests of the United States.

"(3) With respect to surplus real property conveyed pursuant to this subsection, the Administrator is authorized and directed—

"(A) to determine and enforce compliance with the terms, conditions, reservations, and restrictions contained in any instrument by which such transfer was made;

"(B) to reform, correct, or amend any such instrument by the execution of a corrective reformative or amendatory instrument where necessary to correct such instrument or to conform such transfer to the requirements of applicable law; and

"(C) to (i) grant release from any of the terms, conditions, reservations, and restrictions contained in, and (ii) convey, quitclaim, or release to the transferee or other eligible user any right or interest reserved to the United States by any instrument by which such transfer was made, if he determines that the property so transferred no longer serves the purpose for which it was transferred, or that such release, conveyance, or quitclaim deed will not prevent accomplishment of the purpose for which such property was so transferred: *Provided*, That any such release, conveyance, or quitclaim deed may be granted on, or made subject to, such terms and conditions as he or she shall deem necessary to protect or advance the interests of the United States.".

SEC. 2. The first sentence of subsection (o) of section 203 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 484(o)), is further amended by revising the sentence of such subsection to read as follows:

"(o) The Administrator with respect to personal property donated under subsection (j) of this section and with respect to personal or real property transferred or conveyanced under subsection (p) of this section, and the head of each executive agency disposing of real property under subsection (k) of this section, shall submit during the calendar quarter following the close of each fiscal year a report to the Senate (or to the Secretary of the Senate if the Senate is not in session) and to the House of Representatives (or to the Clerk of the House if the House is not in session) showing the acquisition cost of all personal property so donated and of all real property so disposed of during the preceding fiscal year.".

UP AMENDMENT NO. 1010

Mr. ROBERT C. BYRD. Mr. President, I send to the desk an amendment on behalf of Mr. GLENN and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated. The legislative clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD), on behalf of Mr. GLENN, proposes an unprinted amendment numbered 1010.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

UP AMENDMENT NO. 1010

On page 4, line 23, after the period insert the following: "If the Attorney General determines that any surplus property transferred or conveyed pursuant to an agreement entered into between March 1, 1982, and the enactment of this subsection was suitable for transfer or conveyance under this subsection, the Administrator shall reimburse the transferee for any monetary consideration paid to the United States for such transfer or conveyance.

● Mr. GLENN. Mr. President, the purpose of this amendment is quite simple. The State of Ohio, which is under a Federal court order to provide more and improved correctional facilities for inmates under its charge, has entered into an agreement with the General Services Administration to purchase a surplus Federal Reformatory Reservation at Chillicothe, Ohio, for about $8.5 million. It has put down an earnest sum amounting to one-tenth of the purchase price and closing is now scheduled later this summer.

In a good-faith effort to comply with the court order it faces, Ohio is in jeopardy of spending that money unnecessarily. My amendment simply provides that, if the sale goes through, Ohio could be reimbursed for the purchase of this prison facility, subject to the Attorney General's determination that the property was suitable for inclusion in the program proposed to be established by S. 1422. That would require that the State of Ohio be willing to conform its deed to the provisions set out in S. 1422.

Ohio cannot delay its correctional facility program. The legislature has given its approval and a bond issue will soon be let to provide financing for the project at Chillicothe. So Ohio has moved ahead. It has done so in a logical manner by proposing to acquire the surplus Federal facility which it has operated under lease since 1966 with consideration including a lease payment of $214,950 per year plus property maintenance and improvements equal to $234,720 per year. About 1,200 prisoners are now housed at Chillicothe. The reservation consists of 1,361.80 acres of land with 120 buildings and other improvements. The present compound contains 72 acres of land and 54 buildings, nearly all of them 40 to 50 years old. There is room for expansion as well as for continued operation of additional land as part of the statewide penal farm system that produces food for Ohio correctional facilities. The sale now pending also involves an adjacent 9.27 acres of unimproved land that is now part of the Veterans' Administration Hospital reservation.●

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 1010) was agreed to.

● Mr. GRASSLEY. Mr. President, I have introduced S. 1422, the bill presently under consideration, with the aim of lessening the burden that States currently face as the crime rate spirals upward. This bill, which embodies one of the recommendations of the President's Task Force on Violent Crime, amends the Federal Property and Administrative Services Act of 1949. Specifically, this bill would authorize the Administrator of the General Services Administration, upon the recommendation of the Attorney General, to donate surplus Federal property after the State had submitted its drawings and specifications for criminal justice facilities. This would, of course, include the extension or improvement of an existing facility. Joining me in support of this bill are Senators COCHRAN, DANFORTH, DOMENICI, DURENBERGER, GLENN, GORTON, HAWKINS, HAYAKAWA, HOLLINGS, JACKSON, MOYNIHAN, SCHMITT, and THURMOND. Representatives LEO ZEFERETTI and JACK BROOKS introduced a bill with an identical purpose, H.R. 4450, which currently has 54 cosponsors.

It has been argued that this additional exception will deplete Federal property resources. That may be true; nevertheless, it is critically needed.

Between 1978 and 1981, the number of State prisoners increased from 268,189 to 329,122, according to the Bureau of Justice statistics. Thus, State systems have over the past few years had to accommodate an increase of 60,000 beds. The problem of overcrowding goes beyond corrections. Potentially, it leads to a circumvention of the overall public and criminal justice system's intent to deal with the violent offender in a manner consistent with the gravity of the offense. Probation is meted out instead of incarceration simply because our judges are aware that there is currently no prison space available for the offenders in prison.

Furthermore, as a result of the Supreme Court's ruling in the case of Rhodes against Chapman, two inmates may be housed in a single cell. In the interest of humanity, this bill would make correctional institutions more conducive to rehabilitation instead of creating prisoner warehouses.

Under the provisions of my bill, I believe that a more streamlined process will minimize response times between the Federal, State, and local governments, utilize existing real property expertise in GSA as well as the correctional expertise in the Department of Justice, and minimize compliance restrictions on State and local governments.

It is no secret that States are currently faced with the question of how to eliminate overcrowding in prisons so as to fashion programs that rise to constitutionally acceptable levels of legality and humanity. Society cannot permit crime to go unpunished for want of prison space, and for the present, prison is the only sanction available for violent crime. A revolutionary breakthrough in the range of available rehabilitative sanctions is not on the horizon.

Mr. President, I urge all of my Senate colleagues to support this legislation.●

●Mr. GORTON. Mr. President, I wish to state my support for the passage of S. 1422, a bill to authorize the donation of surplus property to any State for the construction and modernization of criminal justice facilities. I also thank the sponsor and other cosponsors of this legislation for their efforts in forming S. 1422 into its current form and for moving it through the Senate legislative process.

As it is clearly stated in the report of the Senate Committee on Governmental Affairs, "Prison overcrowding is a problem rapidly reaching crisis proportions" in the United States. To be sure, the State of Washington, which I represent, has suffered from prison overcrowding in recent years. Facilities which were built many years ago are in present use when they should long ago have been replaced or modernized. Prison construction has not kept pace with the growth in prison populations. And yet, the States, Washington included, are in a worse situation than they have been in previous years with regard to the ability to locate the capital to build new prisons.

It is for this reason that this bill is so important. If, as allowed by this bill, the Federal Government can make vacated Federal prisons available for State ownership and use at no cost to the State, prison overcrowding in the State's prison system can be reduced and previous Federal facilities can have a continued functional life and value.

The passage of this bill will be of definite and direct assistance to the State of Washington. It will allow the transfer of the Federal property at McNeil Island to the State of Washington without consideration. This action will allow the State to make capital improvements in the facilities there which will greatly expand the State's capacity to house persons within its criminal justice system.

I anticipate that this legislation will allow the transfer of the entirety of McNeil Island, together with the lesser islands Pitt and Gertrude, to the State of Washington to use in the manner which the Federal Government has used the island up to this date. Under section 203(p)(2)(A) of the Federal Property and Administrative Services Act of 1949 as amended, which will be created under section 1 of this bill, the Administrator of the General Services Administration will be empowered to cause reversion of the transferred property if the property is not used and maintained for the purpose for which it was conveyed in perpetuity. I understand that in the case of McNeil Island, use and maintenance of the transferred island by the State in the same manner as the previous Federal use and maintenance of the island would be consistent with the purpose for which the island was conveyed. This issue is important because portions of the McNeil Island property are in natural condition and unused in a conventional sense. Nevertheless, their presence as part of the correctional facility is important because of the increased security and isolation which they provide to the correctional facility. It would be incorrect to determine that they should ever revert to the Federal Government because they were not actively used, when their continued inactive use is consistent both with the purposes of a correctional facility and with the previous Federal Government use of the facility as a correctional facility.

To insure that my understanding of the McNeil Island case is correct, I would have liked to offer a minor amendment as follows: On page 5, line 3, after the word "perpetuity," add the words "or, in the case of property which has been previously used by the Federal Government as a criminal justice facility, used and maintained in a manner consistent with the Federal Government's use prior to its conveyance".

It is not my intention now however to do so at this time because I feel the language in the bill adequately states my understanding of the McNeil Island case.

I thank the sponsor (Mr. GRASSLEY), and the other cosponsors, Senators COCHRAN, DOMENICI, MOYNIHAN, JACKSON, DANFORTH, SCHMITT, HOLLINGS, DURENBERGER, HAWKINS, HAYAKAWA, and GLENN, for their leadership with respect to this bill. I also thank Senator STEVENS and his committee for their favorable action on this bill. I ask the unanimous support of this legislation by all other Members.●

● **Mr. SCHMITT.** Mr. President, I join with my colleagues in supporting S. 1422, a bill which would authorize the Federal Government to donate surplus property to States and localities for the purpose of building or rehabilitating correctional facilities. In addition, I commend the Senator from Iowa (Mr. GRASSLEY) for his diligence in guiding this important bill through the Judiciary Committee and onto the floor for the Senate's consideration.

Mr. President, there is no more essential component in our criminal justice system than prisons. Prisons form the foundation upon which everything else must stand for, if inadequate, must fall. Criminals or potential criminals in our society must believe that if they commit a crime, they will be caught, convicted, and sent to a prison with other criminals convicted of similar offenses to serve a sentence commensurate with the crime committed. If any of these elements is missing, the criminal justice system will not work.

I have long advocated mandatory sentences for convicted criminals because I believe that our present system of justice does not deter criminals. To the contrary, most of them believe that crime is worth the risk. How can they feel otherwise, when a first-time offender, convicted of trafficking in tons of marihuana and kilograms of heroin, can expect to receive a prison sentence of 3 to 5 years, and be eligible for parole after serving a year to a year and and a half? I am still hopeful that the Senate will consider legislation this session that would impose mandatory sentences on criminals for certain crimes and will look into the issue of how the prison system should be changed to insure that dangerous criminals are not housed with offenders who have not been convicted of violent crimes.

Although the Federal Government has not yet strengthened its criminal laws, many States have already instituted stiff prison sentences for serious crimes. This has resulted in a sharp increase in the number of prisoners nationwide. During the first half of 1981, the prison population grew by more than 20,000 inmates. Almost 19,000 of the increase was in addition to the State's prison population.

To cope with this influx, State officials have had to resort to housing prisoners in tents, prefabricated buildings, and have used double bunking, early release and other methods. Some State institutions now house about twice their capacity. Such severe overcrowding is obviously cause for alarm.

New Mexicans know only too well the results of overcrowding. Just 2 years ago, gangs of convicts seized the New Mexico State Penitentiary and for 36 hours, terrorized prison guards and their fellow prisoners, and left a mark on the State that will not be erased any time soon. The horror of what happened in Sante Fe that day in February could be repeated at any time, anywhere in the United States. Overcrowding has been blamed as the major reason for the uprising, but clearly inadequate categorization of prisoners was a contributing factor. The solution to the problem of overcrowding is simple: Build more and better prisons.

But prisons cost money—lots of money. More than $10 billion would be needed just to accommodate the current inmate population in a reasonably, uncrowded situation. The taxpayers of New Mexico and this Nation are going to have to recognize that, if they want an adequate criminal justice system, they must be willing to support building new prison facilities. Unfortunately, the building of prisons takes time, and I believe that the immediacy of the need is such that we cannot afford to wait.

This bill, S. 1422, puts the Federal Government in a position to offer important assistance to State and local governments now. The bill would make it easy for surplus property, such as abandoned military bases, to be donated to States and localities for use as correctional facilities. In New Mexico, I am told, there are five pieces of property designated as surplus which could be converted and used to house prisoners. This bill would help defray the costs associated with building prisons, and I believe, would help to reduce the level of overcrowding. Mr. President, I strongly support this bill, and urge my colleagues to vote in favor of its passage.●

● **Mr. CHILES.** Mr. President, I am delighted to join as a cosponsor of S. 1422, the bill to authorize the donation of surplus Federal property to States for criminal justice facilities. Given the present shortage of space confronting most of our State and local correctional facilities, this bill is especially important, because it gives State and local governments a way to respond to this overcrowding situation.

The bill sets up a system in which the Justice Department and the General Services Administration, working together, identify tracts of surplus Federal property which would be suitable for use as correctional facilities by State and local government. The bill also enables property so identified to be transferred to State and local correctional departments, with a minimal of redtape. The result would be a system in which the Federal Government is actively assisting State and local governments in coping with crime problems. This form of assistance is long overdue, and I commend Senator **Grassley** for coming forward with this proposal, and for working so hard to get it passed.

In Florida, the overcrowding situation is acute. Dade County jails are presently holding almost 500 more persons than they are designed to hold. The major reason for this overcrowding is the presence of criminals who came over during the Mariel boatlift, and who since have been arrested on State or local charges.

Dade County is under orders from a Federal court to reduce the overcrowding, even though that overcrowding is due to persons—the Mariel criminals—who are the responsibility of the Federal Government.

I see this bill as a way to get help to Dade County; in fact, I had considered offering an amendment to the bill that would give State and local correctional departments even easier access to needed Federal property, so that the situation in Dade County could be solved promptly. I did not offer that amendment, Mr. President, and will not offer it, because the Justice Department has given me assurances that it will move quickly on an administrative level to take responsibility for as many of the Mariel criminals as it can. Last week, I met with Associate Attorney General Rudolph Giuliani and other Justice Department officials. They assured me that the Justice Department, in fact, was in the process of locating space in Federal correctional facilities in Florida, so that it would be able to take responsibility for Mariel criminals who are being held in State or local facilities pending trial on State charges. By making this commitment, the Justice Department will help alleviate the overcrowding that presently exists, and assure the people of Dade County that the Federal Government acknowledges its responsibility for the criminals who came over in the Mariel boatlift.

Mr. President, I thank Senator **Grassley** for his invaluable assistance in working with me and the Justice Department to arrive at this understanding. More importantly, I commend him for his untiring efforts to get this important piece of legislation enacted into law. I certainly plan to help in whatever way I can to make sure that S. 1422 in fact becomes law.●

Mr. STEVENS. Mr. President, Senator **Grassley**'s bill, S. 1422, provides for donations of surplus Federal property to States for correctional purposes. This bill addresses a need for prison space that has reached crisis proportions, as many of us are aware, most States are presently under court order to provide more facilities for a rapidly expanding prison population, as well as replace outmoded and deteriorated institutions. The administration, the Attorney General's Task Force on Violent Crime, and the Department of Justice have all applauded Senator **Grassley** for his efforts in attempting to solve this pressing problem. I commend Senator Grassley for introducing this important and timely legislation.

I submit the following letter from Representative **Clarence Brown** to be printed in the **Record**.

The letter referred to follows:

House of Representatives,
Washington, D.C., May 26, 1982.

Hon. Ted Stevens,
Chairman, Subcommittee on Civil Service, Post Office and General Services, Washington, D.C.

Dear Ted: I am writing in reference to a possible amendment to S. 1422, the bill offered by Senator Grassley authorizing the donation of surplus federal property to state and local governments if such property is to be used for correctional purposes. Senator Glenn and I are seeking to amend this legislation by essentially making it retroactive to a specified date earlier this year.

The State of Ohio is now in the final stages of purchasing from the federal government the Chillicothe Correctional Institution and adjacent property from the federal government at a total cost of $8.5 million. Due to federal court-orders closing two existing correctional facilities in Ohio, the state was in the position of having to immediately purchase this property and begin construction. Unlike other states, Ohio could not wait for the enactment of the program contained in Senator Grassley's bill even though it met every other qualification.

To remedy this, the amendment Senator Glenn and I are suggesting would protect Ohio by refunding them the money they paid for the property should the bill be enacted. The Chairman and Ranking Minority Member of the House authorizing subcommittee have agreed to such an amendment, and it would be of tremendous assistance if the Senate could include such a provision in their bill. Any aid you may be able to provide Senator Glenn on this matter will be greatly appreciated.

Very truly yours,
Clarence J. Brown.

The **PRESIDING OFFICER**. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute was agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

The **PRESIDING OFFICER**. The bill having been read the third time, the question is, Shall it pass?

The bill, S. 1422, as amended, was passed as follows:

S. 1422

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 203 of the Federal Property and Administrative Services Act of 1949 as amended (40 U.S.C. 484), is further amended by adding at the end thereof the following new subsection:

"(p)(1) Under such regulations as he may prescribe, the Administrator is authorized in his discretion to transfer or convey to the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, the Commonwealth of the Northern Mariana Islands, or any political subdivision or instrumentality thereof, surplus property determined by the Attorney General to be required for correctional facility use by the authorized transferee or grantee under an appropriate program or project for the care or rehabilitation of criminal offenders as approved by the Attorney General. Transfers or conveyance under this authority shall be made by the Administrator without monetary consideration to the United States. If the Attorney General determines that any surplus property transferred or conveyed pursuant to an agreement entered into between March 1, 1982, and the enactment of this subsection was suitable for transfer or conveyance under this subsection, the Administrator shall reimburse the transferee for any monetary consideration paid to the United States for such transfer or conveyance.

"(2) The deed of conveyance of any surplus real property disposed of under the provisions of this subsection—

"(A) shall provide that such property shall be used and maintained for the purpose for which it was conveyed in perpetuity, and that in the event the property ceases to be used or maintained for that purpose, all or any portion of the property shall, in its then existing condition, at the option of the United States, revert to the United States; and

"(B) may contain such additional terms, reservations, restrictions, and conditions as may be determined by the Administrator to be necessary to safeguard the interests of the United States.

"(3) With respect to surplus real property conveyed pursuant to this subsection, the Administrator is authorized and directed—

"(A) to determine and enforce compliance with the terms, conditions reservations, and restrictions contained in any instrument by which such transfer was made;

"(B) to reform, correct, or amend any such instrument by the execution of a corrective reformative or amendatory instrument where necessary to correct such instrument or to conform such transfer to the requirements of applicable law; and

"(C) to (i) grant releases from any of the terms, conditions, reservations, and restrictions contained in, and (ii) convey, quitclaim, or release to the transferee or other eligible user any right or interest reserved to the United States by any instrument by which such transfer was made, if he determines that the property so transferred no longer serves the purpose for which it was tranferred, or that such release, conveyance, or quitclaim deed will not prevent accomplishment of the purpose for which such property was so transferred: *Providea*. That any such release, conveyance, or quitclaim deed may be granted on, or made subject to, such terms and conditions as he or she shall deem necessary to protect or advance the interests of the United States."

SEC. 2. The first sentence of subsection (o) of section 203 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 484(o)), is further amended by revising the first sentence of such subsection to read as follows:

"(o) The Administrative with respect to personal property donated under subsection (j) of this section and with respect to personal or real property transferred or conveyanced under subsection (p) of this section, and the head of each executive agency disposing of real property under subsection (k) of this section, shall submit during the calendar quarter following the close of each fiscal year a report to the Senate (or to the Secretary of the Senate if the Senate is not in session) and to the House or Representatives (or to the Clerk of the House if the House is not in session) showing the acquisition cost of all personal property so donated and of all real property so disposed of during the preceding fiscal year."

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE CALENDAR

Mr. BAKER. Mr. President, I have a series of items that appear on today's Calendar of Business, beginning on page 20, to which I should like to invite the attention of the minority leader for possible consideration by unanimous consent. I refer to Calendar Orders Nos. 561, 565, 566, and, on page 24, 591, 592, 593, and 594.

Mr. ROBERT C. BYRD. Mr. President, there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. SGT. ANNE M. FISHER

The bill (S. 836) for the relief of S. Sgt. Anne M. Fisher was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 836

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Staff Sergeant Anne M. Fisher (Social Security Number 550-76-1260), United States Army Reserve, of Jackson, Michigan, the sum of $7,310.10, in full satisfaction of all claims of the said Staff Sergeant Anne M. Fisher against the United States for reimbursement of civilian medical care expenses incurred by her in 1978 and 1979 while she was serving on active military duty as an Army recruiter.

SEC. 2. No part of any amount appropriate by this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, any contract to the contrary notwithstanding. A violation of this section is a misdemeanor punishable by a fine in an amount not exceeding $1,000.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ADVERTISING REIMBURSEMENT

The bill (H.R. 1231) for the relief of the Washington Post, the Washington Star, the Dispatch (Lexington, N.C.), the Brooklyn Times, Equity Advertising Agency, Inc., the Seattle Post-Intelligencer, and the News Tribune was considered, ordered to a third reading read the third time, and passed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MRS. FRIEDA SIMONSON

The bill (H.R. 1608) for the relief of Mrs. Frieda Simonson, was considered, ordered to a third reading, read the third time, and passed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL NAVAJO CODE TALKERS DAY

The joint resolution (S.J. Res. 133) to authorize and request the President to designate August 14, 1982, as "National Navajo Code Talkers Day," was considered, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 133

Whereas the Navajo Code Talkers, a group of United States Marines, devised a communication code, based on the Navajo language, for combat use during World War II;

Whereas the development and use of this code, which was never deciphered by Japanese cryptologists, played a crucial role in the successful resolution of the war effort in the Pacific; and

Whereas this select group of Navajo Marines has never received national recognition for its unique and invaluable contribution to our military intelligence during that conflict: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating August 14, 1982, as "National Navajo Code Talkers Day", and calling upon all government agencies and people of the United States to observe the day with appropriate programs, ceremonies, and activities.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL SAFETY IN THE WORKPLACE WEEK

The joint resolution (S.J. Res. 162) to authorize and request the President to designate the week of June 20, 1982, through June 27, 1982, as "National Safety in the Workplace Week" was considered, read the third time, and passed. The preamble was agreed to.

The joint resolution, and preamble, are as follows:

S.J. RES. 162

Whereas the National Safety Council statistics indicate that workplace accidents accounted for thirteen thousand employee deaths and two million, two hundred thousand employee injuries during 1980;

Whereas the cost of occupational accidents amounted to over $30,000,000,000 during 1980;

Whereas the American Society of Safety Engineers has promoted occupational safety in all industries for seventy years; and

Whereas the American Society of Safety Engineers has grown since its birth in 1911 into the largest private sector organization in the country, with a current membership of eighteen thousand safety professionals from virtually every major corporation in the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the week of June 20, 1982, through June 27, 1982, as "National Safety in the Workplace Week", commemorating the seventieth anniversary of the American Society of Safety Engineers and the efforts of the organization to promote safety for the American worker, and calling upon all government agencies and the people of the United States to observe the week with appropriate programs, ceremonies, and activities.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the joint resolution was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL FAMILY WEEK

The joint resolution (S.J. Res. 190) to authorize and request the President to designate "National Family Week" was considered, read the third time, and passed, as follows:

S.J. Res. 190

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled. That the President is hereby authorized and requested to issue a proclamation designating the week of November 21 through 27, 1982, as "National Family Week", and inviting the Governors of the several States, the chief officials of local governments, and the people of the United States to observe such week with appropriate ceremonies and activities.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the joint resolution was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NEW WORLD FESTIVAL OF THE ARTS

The resolution (S. Res. 387) to acclaim the New World Festival of the Arts, to be held throughout Greater Miami and Dade County, Fla., June 4, 1982, through June 26, 1982, as a major cultural and artistic event was considered and agreed to.

The preamble was agreed to.

The resolution, and the preamble, are as follows:

S. Res. 387

Whereas the New World Festival of the Arts is an unparalleled cultural celebration, an assembly of major artists in the visual and performing arts brought together to display their works;

Whereas the New World Festival of the Arts represents a unique concept in artistic entertainment, a full month of scheduled major works, organized and located in one urban center;

Whereas the New World Festival of the Arts is the "premiere of premieres", introducing twenty-seven world premieres: thirteen in music, seven in dance, four in drama, and one in opera, musical theatre, and art;

Whereas the New World Festival of the Arts is an international festival of the Americas, highlighting the works of artists from Central America and South America, as well as from the United States;

Whereas the New World Festival of the Arts is indicative of the vitality of cultural life in the United States; and

Whereas the Senate is interested in promoting the cultural vitality of the country, and the artistic exchange among the countries of the Americas: Now, therefore, be it

Resolved, That the Senate congratulates the people and leaders of Greater Miami and Dade County, Florida, for their efforts, and acclaims the New World Festival of the Arts as a major cultural and artistic event.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ARMENIAN GENOCIDE

Mr. PROXMIRE. Mr. President, the Washington Post recently published an article entitled "Near East Feud Rages in America," which chronicles the recent history of Armenian terrorism. The personal side of these tragic incidents is sometimes covered in Armenian and Turkish newspapers, but the Washington Post asserts that the terror campaign has escaped general notice in this country. To remedy this, the Post reporter brings the story to us from the perspective of two UCLA professors who have a longstanding dispute over the facts in the Armenian massacre of 1915.

Prof. Stanford Shaw has written a book arguing that the estimates of more than 1 million Armenians massacred are grossly inflated and that a scrutiny of Turkish records revealed no evidence of a planned policy of genocide. Richard Hovannisian, another UCLA historian, condemns Shaw for what he calls unsupported statements that Armenian assaults on Turks set off the killings and for overlooking earlier official Turkish assaults on Armenian minorities. The college community is experiencing its own version of the Armenian-Turkish conflict, and unfortunately, it has not remained academic. Professor Shaw has become another victim of persecution, and had to drop his course and go into hiding.

The present Armenian terror campaign began with a double murder in Santa Barbara in 1973 and now totals at least 117 violent incidents worldwide. This includes the recent assassination of honorary Turkish consul Orhan R. Gunduz in the Boston area. These deplorable acts stem from frustration over the continuous Turkish denial of the 1915 massacre and the failure to realize the dream of an Armenian homeland.

It is clear that most of the estimated 600,000 persons of Armenian descent in the United States oppose the violence, although many say they sympathize with it motives. Professor Hovannisian, mentioned earlier, said that decades of unsuccessful appeals to national governments and international bodies taught Armenians that "the success or failure of a cause has little to do with what they consider to be the concepts of political morality and justice."

Mr. President, it is extremely disheartening that Armenians feel this way about political morality in our international system. It is sad, but true, that by refusing to ratify the Genocide Convention the United States is only contributing to that perception.

By adopting the Genocide Treaty we would be sending a clear signal to Armenians and to the rest of the world that genocide must be declared a crime under international law. We would be saying that we view international law as the proper method for preventing this unspeakable crime and for punishing its perpetrators.

Mr. President, we must act now and immediately rartify the Genocide Convention.

COULD WE AS A NATION SURVIVE A NUCLEAR WAR?

Mr. PROXMIRE. Mr. President, right now we are all conscious of the tragedy of the war between Great Britain and Argentina over the Falkland Islands. Commonsense should persuade either or both sides to stop this senseless violence and killing, but it goes on and it will continue to go on for weeks, maybe for months. It will stop after thousands more of the best young men of Britain and Argentina die. That will happen after one side finds it cannot continue to fight with any expectation of inflicting serious damage on the other side. But even then it will take a long time, at mammoth cost, and thousands of lives to turn it off.

But how do we stop a nuclear war, especially a nuclear war between the United States and the Soviet Union? As long as either side has 50 or 100 nuclear warheads it can inflict appalling damage on the other side. And we have not 50 or 100, not 500 or 1,000, but 25,000, and the administration has proposed we build 15,000 or 20,000 more. The Soviet Union already has 30,000 and they also schedule a further buildup of thousands more.

What does this mean? It means that, difficult as it is to stop the British-Argentine war, it will be almost impossible to end a nuclear war between the two great superpowers once it starts. And here is why: Just suppose we started by using a very limited nuclear weapon—the neutron bomb—designed to avoid any serious damage to civilians or civilian property, but to zero in on Russian soldiers and tanks and thereby to stop a Russian tank attack which otherwise might sweep through Europe to the channel. What kind of reaction would the Russians adopt? Would they simply stop? Give up? Retreat? Of course, such a rational decision is not impossible, but it would hardly be likely. They would argue loudly and vehemently that the United States had started it, that we had used nuclear weapons against them.

So they very probably would retaliate with tactical nuclear weapons against NATO forces in Western Europe. How would NATO respond to this kind of nuclear attack on their homeland? Both France and Britain are nuclear powers—France already has 1,000 nuclear warheads and the means of delivering them. Britain has 1,500. Would they stand by or would they retaliate on the Soviet troops—the reserves in European Russia? With their countries' survival at stake, with their territory already suffering nuclear devastation, they might very well respond in kind on the Soviet Union. And then the Soviet Union would very possibly strike with all its force at NATO's great nuclear ace in the hole, the United States nuclear deterrent.

Suddenly, without warning, they might very well strike as devastating a blow as they could muster, designed to take out our nuclear deterrent—a surgical strike. Just as we argued that our neutron bomb deliberately avoided killing civilians, the Russians would argue that their surgical strike was aimed primarily at our Minuteman silos, our submarine pens, our SAC bases. A careful expert analysis that I have put in the record over the last few days estimates that such a Russian attack would kill between 10 and 20 million Americans, leave millions more dying, and profoundly disrupt our economy. It also concludes that this country would still have plenty of nuclear power and the means of delivering it left after such an attack so we could inflict a devastating counterblow on the Soviet Union in retaliation.

Would we? Maybe not. A President might reason that such a retaliation would result in further devastating nuclear destruction on the United States, and all we would do would be to make both countries vast graveyards.

On the other hand, the President would also survey the terrible damage the Russians had inflicted on our beloved country, the millions of dead and dying Americans, and he might—indeed he probably would—retaliate. And then so would the Russians, and again we would retaliate. And on and on.

Mr. President, with 25,000 nuclear warheads and growing every day on our side and with 30,000 nuclear warheads and growing every day on their side, this exchange could go on until each nuclear power leveled every significant city in both countries into steaming radioactive ruins.

When would it end? Sometime after much, maybe all, of our civilization were destroyed. Conceivably, this colossal eruption of radioactivity could destroy the benign layer of ozone that protects this planet from the radioactive rays of the Sun and makes human and animal life possible. In that event, the nuclear war would end with the end of mankind as a species. No child would ever laugh again. No baby would ever be born again. No bird would sing. On this good, sweet Earth there would be nothing but silence and death. Forever.

Of course, such a fate is not certain. And, yes, we can stop it. But we must—above all—realize that the time to stop it is before it starts. We must do everything—everything—within our power to negotiate a nuclear arms limitation and reduction agreement, now. If we succeed, we literally save the world. If we fail, we fail forever.

THE AGRICULTURE CRISIS

Mr. BOREN. Mr. President, the crisis facing American agriculture has become severe. An article in today's Wall Street Journal has documented the problems we are facing. With delinquency rates drastically high for the Farmers Home Administration, more and more farmers are on the brink of being foreclosed. Since October 1 the Farmers Home Administration has begun the foreclosure process on 4,600 farmers. In the entire year of 1980 there were only 133 foreclosures. This alone indicates the desperate situation of our agricultural economy. If we do not take immediate action we can expect the situation to become even worse.

Because of the large number of foreclosures and liquidations, we have seen the value of farmland decline for the first time in 28 years. If we allow the value to decline further we can expect the equity to decline in other sectors of our economy also.

We have one option available that will prevent massive foreclosures and liquidations. We must require the Farmers Home Administration to not foreclose on farmers and we must require that borrowers' payments be deferred until they can get back on their feet. This would reduce the amount of farmland being offered for sale by farmers who are desperate for cash and would help stabilize the declining value of real estate.

Several months ago I introduced S. 2149 which would require the Secretary of Agriculture to provide for deferrals of payments and to forego foreclosures for those borrowers unable to meet their debt obligations because of circumstances beyond their control and who can show that they will be able to repay their loans after the deferral period expires. I said then, Mr. President, that my bill was compassionate as well as prudent. I still believe this to be the case.

As each day goes by we see more and more articles documenting the depressed state of American agriculture. If something is not done immediately, we can expect a disaster.

So that my colleagues can see the article in today's Wall Street Journal, I ask that it be printed at the conclusion of my statement. I urge my colleagues to take the time to read the article and I hope they will all join me in trying to divert the total collapse in American agriculture.

The article follows:

[From The Wall Street Journal, May 26, 1982]

Wave of Farm Foreclosures Feared As Big Debt, Low Income Take Toll

(By Jeffrey H. Birnbaum)

Six years ago, Michael Krage left bustling Minneapolis for the good life on the farm. He didn't find it.

Drowning in debt from overexpansion, the 36-year-old Minnesotan has decided to unload. During a recent day-long auction, Mr. Krage, his wife and their three children watched helplessly as neighbors bought nearly everything on their 160-acre, Dakota, Minn., dairy farm, including an old plow acquired two years before at another farm sale.

"I felt disgusted and completely out of control" says Mr. Krage. "We were just doing our best to come out of it alive."

Mr. Krage's plight is being repeated with numbing frequency throughout the nation's farm belt. High debt and low income are forcing many farmers to abandon their livelihood. A flood of foreclosures is expected late this year or early next.

"The farm economy isn't on the brink," says Donald E. Wilkinson, governor of the Farm Credit Administration in Washington. "But if farm income doesn't improve, there will be some days of reckoning by early next year."

LATE PAYMENTS RISE

Signs of those days already are evident. At the end of the first quarter, 30 percent of 262,000 farmer-borrowers were in arrears to the Farmers Home Administration, historically the last-resort lender. Because some of these farmers have more than one loan, 33.6 percent of the total loans were in arrears. In dollar terms, late payments tainted only 14.4 percent of the $23 billion in loans outstanding, because a large portion of those troubled loans are with smaller farmers. But that still represents an increase in dollar terms of 71 percent from the year before. Since Oct. 1, the start of the fiscal year, 4,600 farmers have been told they are being foreclosed.

Delinquencies also are rising at nongovernment lenders. A survey by the Farm Credit Administration of 24 of the farmer-owned banks it regulates, shows that 3.9 percent of their short-term loans were in arrears in this year's first quarter, compared with 2.4 percent a year earlier. In addition, 45 percent of the dollar volume of loans coming due in February, the peak lending month, was extended or rescheduled compared with 40.6 percent the year before. "This is still in the safe range," Mr. Wilkinson says, "but it's the trend we're watching closely."

The trend seems to be moving in only one direction—toward accelerating debt problems. Of the 361 banks surveyed in January and February by the American Bankers Association, 85 percent said they had delinquent farm accounts. If, as is expected, farm income declines this year for the third consecutive year, the bankers' trade group predicts that more than 10 percent of the farm borrowers in nearly half of those banks will fall behind in their payments. That would mean, the association adds, foreclosures will increase substantially.

PRICE SUPPORTS HELP

"Without the immediate infusion of additional farm credit at affordable rates, thousands of family-sized farms will be liquidated," the National Farmers Union predicts. Leaning toward hyperbole, it foresees in a recent report "the most serious cashflow crisis in modern agricultural history."

So far, foreclosures haven't reached crisis proportions. National figures aren't available, but Mr. Wilkinson says foreclosures have struck a tiny fraction of U.S. farmers, only about half of whom carry any debt. Federal price-support programs put billions of dollars into farmers' pockets, he explains, forestalling a cash squeeze for many.

Overall, farm sector finances are considered conservative and sound. The ratio of assets to debts is stronger in agriculture than in many other industries, says Dennis Steadman, a farm economist for Chase Econometrics, a Bala Cynwyd, Pa., consulting firm. This is largely because farmland prices have soared along with debt during the rapid farm expansions in the 1970s. But farmland prices declined by 1 percent for the 14 months ending April 1, the first decline recorded since 1954. Analysts say this might presage significant deterioration in the farm economy's balance sheet.

HOT POLITICAL TOPIC

Debt is more burdensome in some parts of the country where income has been weak for extended periods. Droughts have hit parts of the South and the upper Midwest for the past few years. Most hog farmers and cattle ranchers are just beginning to make money after a long stretch of low income caused by depressed meat prices.

The specter of rising foreclosures makes farm credit a hot political topic. The House Agriculture Committee has approved a bill that would defer loan payments to the Farmers Home Administration if the farmer can't raise cash for reasons beyond his control. The Senate Agriculture Committee has approved legislation that would exceed Reagan administration requests for farm operating loans by nearly $100 million a year. And members of Congress with rural constituencies continue to agitate for the administration to release emergency loan funds.

The agency contends that extra farm aid isn't needed. On its own, it has deferred payments for 2,600 borrowers for a year, and has subordinated its own loans to bank debt for 15,800 others. Agriculture Secretary John Block believes that the best cure for farm ills is President Reagan's program to revive the economy.

MANY REFUSE TO QUIT

Such an attitude does little to quell the foreboding on the farm. Earlier this month, the Agriculture Council of America, a farm promotion group, sponsored a toll-free calling to Capitol Hill, to express rural anger. Of the 4,000 callers, 14 percent said they didn't expect to survive in farming and ranching and 32 percent said this is the worst year ever.

But many farmers, such as Bill Bullard of Prairie, S.D., refuse to quit. After two consecutive years of drought and egg-sized hail, the 24-year-old Mr. Bullard has yet to earn a penny from his toil. Last December, the Farmers Home Administration told him to sell his cattle and machinery, and to offer his land for sale to repay $400,000 in debts. But Mr. Bullard is appealing. He contends the agency didn't give him a fair shake, and he has thus far forestalled default.

"We're living on next to nothing and they could come in tomorrow and foreclose on me," Mr. Bullard says. "But I'm not going to go without a fight."

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF THE CORPORATION FOR PUBLIC BROADCASTING—MESSAGE FROM THE PRESIDENT—PM 140

The **PRESIDING OFFICER** laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation.

To the Congress of the United States:

In accordance with the Communications Act of 1934, as amended, (47 U.S.C. 391(i)), I transmit herewith the Annual Report of the Corporation for Public Broadcasting for Fiscal Year 1981.

RONALD REAGAN.

THE WHITE HOUSE, *May 26, 1982.*

THIRTEENTH REPORT OF THE U.S. SINAI SUPPORT MISSION—MESSAGE FROM THE PRESIDENT—PM 141

The **PRESIDING OFFICER** laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations.

To the Congress of the United States:

I am pleased to transmit herewith the Thirteenth Report of the United States Sinai Support Mission. It covers the Mission's activities during the six-month period ending April 26, 1982. This report is provided in accordance with Section 4 of Public Law 94-110 of October 13, 1975.

This is the final report on the Mission's peacekeeping operations, which ended on April 25, 1982, when Israel completed its withdrawal from the Sinai and Egyptian sovereignty was re-established in accordance with the 1979 Peace Treaty. At that time the Sinai Field Mission, the Support Mission's overseas arm, relinquished its treaty verification responsibilities to the new Multinational Force and Observers. Established by the August 3, 1981, Protocol to the Peace Treaty, the Multinational Force is now supervising implementation of the Treaty security arrangements.

The Congress appropriated $5 million for the conclusion of the Sinai Support Mission's activities in Fiscal Year 1982. By careful financial and technical planning to minimize its phase-out costs, the Mission expects to complete its activities at this minimal funding level. No funds are being requested for Fiscal Year 1983.

The Field Mission's base camp in the Sinai is expected to be closed by June 1982 and the fixed assets turned over to the Government of Egypt at that time as authorized in Section 6 of the Special International Security Assistance Act of 1979 (PL 96-35). The movable assets are being made available to the United States Embassies in Egypt and Israel and to the Multinational Force and Observers on a non-reimbursable basis under authorities contained in the Federal Property and Administrative Services Act of 1949, as amended (40 USC 511 *et seq*). In accordance with Executive Order 12357 of April 6, 1982, the Sinai Support Mission will conclude its activities no later than September 30, 1982, at which time the Department of State will assume responsibility for any residual actions necessary to complete activities initiated by the Mission.

The Congress and the American people can take pride in the successful completion of this unique peacekeeping initiative that combined Government and private sector talents to carry out on very short notice a sensitive and complex series of missions in an isolated and distant environment. In meeting these challenges, the men and women of the Sinai Support and Field Missions have made a major contribution to our continuing efforts to bring a just and lasting peace to the troubled Middle East.

RONALD REAGAN.

THE WHITE HOUSE, *May 26, 1982.*

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he had approved and signed the following bills and joint resolutions:

On May 11, 1982:

S. 2373. An act to change the name of the landing strip at White Sands Missile Range in the State of New Mexico, to "White Sands Space Harbor."

On May 17, 1982:

S. 2244. An act to give effect to the protocol Amending the Convention for the Preservation of the Halibut Fishery of the Northern Pacific Ocean and Bering Sea, signed at Washington, March 29, 1979.

On May 21, 1982:

S. 1131. An act to require the Federal Government to pay interest on overdue payments, and for other purposes.

On May 24, 1982:

S. 146. An act to authorize the Secretary of the Interior to assist in the preservation of historic Camden in the State of South Carolina, and for other purposes.

S. 691. An act to amend titles 18 and 17 of the United States Code to Strengthen the laws against record, tape, and film piracy and counterfeiting, and for other purposes.

S.J. Res. 145. Joint Resolution authorizing and requesting the President to proclaim "National Orchestra Week."

S.J. Res. 170. Joint Resolution to designate the week of November 7, 1982, through November 14, 1982, as "National Hospice Week."

MESSAGE FROM THE HOUSE

ENROLLED BILL SIGNED

At 9:44 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 4769. An act to recognize the organization known as the American Council of Learned Societies.

The enrolled bill was subsequently signed by the President pro tempore (Mr. Thurmond).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHAFEE, from the Committee on Environment and Public Works, with amendments and an amendment to the title:

S. 2309: A bill to amend the Endangered Species Act of 1973, to authorize funds for fiscal year 1983, and for other purposes (Rept. No. 97-418).

By Mr. CHAFEE, from the Committee on Environment and Public Works, with amendments:

S. 1018: A bill to protect and conserve fish and wildlife resources, and for other purposes (Rept. No. 97-419).

By Mr. WALLOP, from the Committee on Energy and Natural Resources, with amendments:

S. 1409: A bill to authorize the Secretary of the Interior to construct, operate, and maintain modifications of the existing Buffalo Bill Dam and Reservoir, Shoshone project, Pick-Sloan Missouri Basin program, Wyoming, and for other purposes (Rept. No. 97-420).

By Mr. SYMMS, from the Committee on Environment and Public Works, without amendment:

S. 2574: An original bill to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes (Rept. No. 97-421).

By Mr. HELMS, from the Committee on Agriculture, Nutrition, and Forestry, with an amendment in the nature of a substitute and an amendment to the title:

S. 2314. A bill to amend the Consolidated Farm and Rural Development Act (Rept. No. 97-422).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with amendments:

S. 625. A bill to revise the boundary of Voyageurs National Park in the State of Minnesota, and for other purposes (Rept. No. 97-423).

S. 1540. A bill to revise the boundaries of the Saratoga National Historical Park in the State of New York, and for other purposes (Rept. No. 97-424).

S. 1777. A bill relating to the establishment of a permanent boundary for that portion of the Acadia National Park as lies within the town of Isle au Haut, Maine (Rept. No. 97-425).

By Mr. CHAFEE, from the Committee on Environment and Public Works, with amendments:

H.R. 1486. A bill to establish the Protection Island National Wildlife Refuge, Jefferson County, State of Washington (Rept. No. 97-426).

By Mr. GORTON, from the Committee on Environment and Public Works, without amendment:

S. 2576. An original bill to extend the Safe Drinking Water Act, as amended, for 1 year (Rept. No. 97-427).

S. 2577. An original bill to authorize appropriations for environmental research, development, and demonstrations for the fiscal year 1983, and for other purposes (Rept. No. 97-428).

By Mr. BAKER (for Mr. Percy), from the Committee on Foreign Relations, without amendment:

S. 2581: An original bill to authorize additional appropriations for the fiscal year 1983 for the operations of the International Communication Agency, and for other purposes (Rept. No. 97-429).

By Mr. BAKER (for Mr. Percy), from the Committee on Foreign Relations, with an amendment in the nature of a substitute:

H.R. 3467: A bill to authorize appropriations under the Arms Control and Disarmament Act, and for other purposes (Rept. No. 97-430).

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment:

S. 2582: An original bill to amend the act to establish a Permanent Committee for the Oliver Wendell Holmes Devise, and for other purposes (Rept. No. 97-431).

By Mr. MATHIAS, from the Committee on Rules and Administration, with an amendment:

S. 2390: A bill to amend the act of October 15, 1966 (80 Stat. 953; 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said act (Rept. No. 97-432).

By Mr. MATHIAS, from the Committee on Rules and Administration, with amendments:

S. 2102: A bill to authorize the Smithsonian Institution to construct a building for the Museum of African Art and a center for Eastern art together with structures for related educational activities in the area south of the original Smithsonian Institution building adjacent to Independence Avenue at 10th Street S.W., in the city of Washington (Rept. No. 97-433).

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment:

S.J. Res. 194: A joint resolution to provide for the appointment of Nancy Hanks as a citizen regent of the Board of Regents of the Smithsonian Institution (Rept. No. 97-434).

S. Res. 342: A resolution authorizing the printing of "Background Information on the Committee on Foreign Relations, United States Senate" (5th revised edition), as a Senate document (Rept. No. 97-435).

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment:

S. Res. 401: An original resolution to increase the limitation on expenditures by the Committee on Appropriations for the procurement of consultants and the training of professional staff (Rept. No. 97-436).

S. Res. 402: On original resolution authorizing the printing of the committee print entitled "NATO Today: The Alliance in Evolution" as a Senate document (Rept. No. 97-437).

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment:

H.R. 6132: A bill to amend section 5590 of the Revised Statutes to provide for adjusting the rate of interest paid on funds of the Smithsonian Institution deposited with the Treasury of the United States as a permanent loan (Rept. No. 97-438).

H.R. 6256: A bill to authorize appropriations for the Federal Election Commission for fiscal year 1983 (Rept. No. 97-439).

By Mr. SYMMS, from the Committee on Environment and Public Works, without amendment:

S. Res. 399: An original resolution waiving section 303(a) of the Congressional Budget Act of 1974 for consideration of S. 2574; referred to the Committee on the Budget.

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment:

S. Res. 403: An original resolution to pay a gratuity to Christine T. Benza.

S. Res. 404: An original resolution to pay a gratuity to Owen J. Donley.

S. Res. 405: An original resolution to pay a gratuity to Marilyn T. Kelly.

By Mr. BAKER (for Mr. Percy), from the Committee on Foreign Relations, without amendment and with a preamble:

S. Con. Res. 98: A concurrent resolution expressing the sense of the Congress on the occasion of Thailand's bicentennial.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PERCY, from the Committee on Foreign Relations: Gregory J. Newell, of Virginia, to be an Assistant Secretary of State.

(The above nomination was reported from the Committee on Foreign Relations with the recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs:

James G. Stearns, of Nevada, to be a Director of the Securities Investor Protection Corporation for a term expiring December 31, 1982 (with minority views) (Exec. Rept. No. 97-54).

Mr. GARN. Mr. President, today the Banking Committee is filing its report on the nomination of Mr. James G. Stearns to be a director of SIPC with the recommendation that the nomination be confirmed.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. THURMOND (for himself, Mr. Biden, Mr. Baker, Mr. Laxalt, Mr. Hatch, Mr. Chiles, Mr. DeConcini, Mr. Dole, Mrs. Hawkins, Mr. Nunn, Mr. Pell, Mr. Simpson, Mr. Zorinsky, Mr. Stevens, Mr. Mattingly, Mr. Harry F. Byrd Jr., Mr. Andrews, Mr. Sasser, Mr. Grassley, Mr. Heflin, Mr. Nickles, Mr. Hollings, Mr. Baucus, Mr. Bumpers, Mr. Schmitt, Mr. Heinz, Mr. Domenici, Mr. Symms, Mr. Rudman, Mr. Goldwater, and Mr. D'Amato):

S. 2572. A bill to strengthen law enforcement in the areas of violent crime and drug trafficking, and for other purposes; read twice and placed on the calender.

By Mr. MATTINGLY (for himself and Mr. Nunn):

S. 2573. A bill to provide for the striking of a medal commemorating the two hundred and fiftieth anniversary of the founding of the State of Georgia; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SYMMS, from the Committee on Environment and Public Works:

S. 2574. An original bill to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes; placed on the calendar.

By Mr. McCLURE:

S. 2575. A bill to extend the expiration date of section 252 of the Energy Policy and Conservation Act; to the Committee on Energy and Natural Resources.

By Mr. GORTON; from the Committee on Environmental and Public Works:

S. 2576. An original bill to extend the Safe Drinking Water Act, as amended, for one year; placed on the calender.

By Mr. GORTON, from the Committee on Environment and Public Works:

S. 2577. An original bill to authorize appropriations for environmental research, development, and demonstrations for the fiscal year 1983, and for other purposes; from the Committee on Environment and Public Works; placed on the calendar.

By Mr. GRASSLEY:

S. 2578. A bill to provide for the issuance of a stamp to commemorate the late Glenn Miller, the acclaimed Big Band leader of the 1930's and 1940's; to the Committee on Governmental Affairs.

By Mr. JEPSEN:

S. 2579. A bill to direct the Secretary of the Army, acting through the Chief of Engineers, to carry out a waters resources development project on, and along, a certain segment of the Des Moines River, Iowa; to the Committee on Environment and Public Works.

By Mr. MATHIAS:

S. 2580. A bill to establish the Christopher Columbus Quincentenary Jubilee Commission; to the Committee on the Judiciary.

By Mr. BAKER, (for Mr. Percy) from the Committee on Foreign Relations:

S. 2581. An original bill to authorize additional appropriations for the fiscal year 1983 for the operations of the International Communication Agency and for other purposes; placed on the calendar.

By Mr. MATHIAS, from the Committee on Rules and Administration:

S. 2582. An original bill to amend the Act to establish a Permanent Committee for the Oliver Wendell Holmes Devise, and for other purposes; placed on the calendar.

By Mr. ZORINSKY, (for himself and Mr. Andrews):

S. 2583. A bill to amend the Agricultural Act of 1949 to provide emergency relief for farmers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. RIEGLE, (for himself, Mr. Levin and Mr. Moynihan):

S. 2584. A bill to amend the Social Security Act to adjust the formula for determining the Federal percentage with respect to benefits paid by a State plan approved under part A of title IV, to adjust the formula for determining the Federal percentage with respect to benefits paid by a State plan approved under title XIX, and for other purposes; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr SYMMS, from the Committee on Environment and Public Works:

S. Res. 399. An original resolution waiving section 303 (a) of the Congressional Budget Act of 1974 for consideration of S. 2574; to the Committee on the Budget.

By Mr. STEVENS:

S. Res. 400. A resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1912; to the Committee on the Budget, by unanimous consent.

By Mr. MATHIAS, from the Committee on Rules and Administration:

S. Res. 401. An original resolution to increase the limitation on expenditures by the Committee on Appropriations for the procurement of consultants and the training of professional staff; from the Committee on Rules and; placed on the calendar.

S. Res. 402. An original resolution authorizing the printing of the committee print entitled "NATO Today: The Alliance in Evolution" as a Senate document; placed on the calendar.

S. Res. 403. An original resolution to pay a gratuity to Christine T. Benza; placed on the calendar.

S. Res. 404. An original resolution to pay a gratuity to Owen J. Doniey; placed on the calendar.

S Res. 405. An original resolution to pay a gratuity to Marilyn T. Kelly; placed on the calendar.

By Mr. HEINZ (for himself, Mr. Randolph, Mr. Glenn, Mr. Moynihan, Mr. D'Amato, Mr. Levin, Mr. Sarbanes, Mr. Quayle, Mr. Mathias, Mr. Durenberger, Mr. Ford, Mr. Robert C. Byrd, Mr. Dixon, Mr. Heflin, Mr. Thurmond, Mr. Metzenbaum, Mr. Specter, Mr. Garn, Mr. Lugar, Mr. Riegle, Mr. Hollings, Mr. Denton, Mr. Huddleston, Mr. Boschwitz, Mr. Tower, and Mr. Hatch):

S. Con. Res. 100. A concurrent resolution expressing the sense of the Congress that pending steel unfair trade practice cases be vigorously pursued and promptly concluded; to the Committee on Finance.

By Mr. DENTON (for himself, Mr. Helms, Mr. Nickles, Mr. East, Mr. Hatch, and Mr. Humphrey):

S. Con. Res. 101. A concurrent resolution to provide that a handicapped child's right to life should not be abridged or denied on account of age, health, defect, or condition of dependency; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. THURMOND (for himself, Mr. Biden, Mr. Baker, Mr. Laxalt, Mr. Hatch, Mr. Chiles, Mr. DeConcini, Mr. Dole, Mrs. Hawkins, Mr. Nunn, Mr. Pell, Mr. Simpson, Mr. Zorinsky, Mr. Stevens, Mr. Mattingly, Mr. Harry F. Byrd, Jr., Mr. Andrews, Mr. Sasser, Mr. Grassley, Mr. Heflin, Mr. Hollings, Mr. Nickles, Mr. Baucus, Mr. Bumpers, Mr. Schmitt, Mr. Heinz, Mr. Domenici, Mr. Symms, Mr. Rudman, Mr. Goldwater, and Mr. D'Amato):

S. 2572. A bill to strengthen law enforcement in the areas of violent crime and drug trafficking, and for other purposes; read twice and placed on the calendar.

(Remarks on this legislation appear earlier in today's Record.)

By Mr. MATTINGLY (for himself and Mr. Nunn):

S. 2573. A bill to provide for the striking of a medal commemorating the 250th anniversary of the founding of the State of Georgia; to the Committee on Banking, Housing, and Urban Affairs.

STRIKING OF MEDAL TO COMMEMORATE THE FOUNDING OF GEORGIA

Mr. MATTINGLY. Mr. President, it is with great pride that I rise today to introduce a bill which calls for the recognition, in 1983, of the 250th anniversary of my home State of Georgia. The bill, which I present for myself and my distinguished colleague and fellow Georgian, Senator Nunn, would provide for the striking of an official, national medal to commemorate the occasion.

Since February 12, 1733, when Gen. James Oglethorpe led 130 settlers to Yamacraw Bluff above the Savannah River and the expanse of land which would later become known as Georgia, the State has played a vital role in the making of our great Nation. Georgia, geographically the largest State east of the Mississippi, boasts a unique heritage. King George II, Oglethorpe, and other English leaders originally envisioned Georgia as a land different from the other colonies. They looked to Georgia, a land coveted by Spain and France, as a buffer to protect the frontier of South Carolina, and as a hope to provide relief from the serious unemployment problem plaguing England. It was to be the land of opportunity, where unfortunate Englishmen, many confined to debtors' prison, could earn a comfortable subsistance and could set up trading posts for the mother country. The new colony became as well a refuge for Protestants fleeing religious persecution. Those principles on which the colony was founded—vision, hope, freedom, courage, fortitude, and conviction—have been and are driving forces in the State's development.

Throughout the State's 250-year history, the people of Georgia have exemplified those qualities which represent the true spirit of America. As colonists from the original 13, Georgians went forth in the Revolution to fight against British tyranny and to forge a union that was the beginning of this Nation. Georgia was, in fact, the fourth State to ratify the Constitution.

The descendants of those who left England to pursue freedom and who died to preserve it, would, less than 150 years later, lead their fellow citizens to secede from a Union whose ideals they could no longer embrace. This grave decision, considered as serious by such statesmen as U.S. Senator Alexander Stephens, who became the Vice President of the Confederate States, was born of conviction and carried out in the name of freedom and States' rights. Its consequences were devastating. By the end of the War Between the States, thousands of young Georgians lay dead and the land ravaged. In a broad pathway from Atlanta to Savannah, cities, towns, farms and countryside were in ruins. It was a dark period in the history of Georgia. But out of the destruction came the challenge of reconstruction.

From the ashes, courageous citizens forged new cities, new farms, and new sources of commerce. Just as importantly, they brought forth new concepts of liberty, freedom, human rights, and dignity. Education, they realized, was essential. Throughout Georgia, the home of the first chartered State university, new institutions were established, helping lead the Nation in opening the doors of higher education to women and blacks.

The contributions of the men and women from Georgia have enriched the lives of all Americans. They are, of course, too great in number to mention them all. There were statesmen, many of whom sat in this Chamber, orators, writers, businessmen, scientists, educators, clergymen, Pulitzer and Nobel Prize winners—men like Eli Whitney, whose invention of the cotton gin revolutionized the textile industry and brought wealth and growth to Georgia and the entire southeast by revitalizing the depressed post-Civil War economy; or Dr. Crawford W. Long, whose discovery of anesthesia in surgery changed the course of modern medicine; or women like Juliette Gordon Low, whose unselfish volunteer efforts with young women in Savannah resulted in the founding of the Girl Scouts of America; or Dr. Martin Luther King, Jr., who led the civil rights movement of the 1960's and was awarded the Nobel Prize for Peace; or former Georgia Gov. Jimmy Carter, the 39th President of the United States.

In 1983, from the hills of Habersham, to valleys of Hall, to the marshes of Glynn that Sidney Lanier, Georgia's famous Poet Laureate, wrote so eloquently about, my fellow Georgians will commemorate the 250th year of our great history. But Georgia's history belongs not only to her native sons and daughters. A Confederate soldier named Carlyle McKinley, who must have been looking out over beaches like those near my home on the Golden Isles stated:

Here care ebbs out with every tide
And peace comes in upon the flood;
The heart looks out on life clear-eyed,
And finds it good.

It is indeed good. From a small plot of land where Tomochichi, chief of the Yamacraws, signed a treaty with Oglethorpe and where the settlers opened a colonial trading post, the State of Georgia, and her capital, Atlanta, have emerged as a progressive commercial center for the South and the Nation.

Georgia remains a land of opportunity. Rural and urban, the State of Georgia offers the best. I invite you to join me and other Georgians in celebrating it by lending your support to my bill to provide for the striking of a commemorative coin.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2573

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in commemoration of the two hundred and fiftieth anniversary of the founding of the State of Georgia, which will be celebrated in 1983, the Secretary of the Treasury is authorized and directed to strike and furnish to the Semiquincentenary Commission of the State of Georgia such quantities of suitable commemorative medals as may be desired by the Commission. The medals shall be of such size, design, and material, and bear such inscriptions and devices, as may be determined by the Commission and approved by the Secretary of the Treasury; and shall be held and considered to be national medals within the meaning of section 3551 of the Revised Statutes (31 U.S.C. 368).

(b) Except for such quantities, if any, of gold and silver medals as may be approved by the Secretary of the Treasury, the medals shall be struck in quantities of not less than two thousand, and shall be delivered at such times as may be required by the Commission. No such medals shall be struck after December 31, 1983.

(c) The Secretary of the Treasury shall cause such medals to be struck and furnished to the Commission at not less than the estimated cost of manufacture, including labor, matierials, dies, use of machinery, and overhead expenses. Security satisfactory to the Secretary shall be furnished to indemnify the United States for full payment of such cost.

Mr. NUNN. Mr. President, I express my appreciation to Senator MATTINGLY for the bill he has introduced this morning. I wish to express to him my appreciation and, I am sure, the appreciation of all the constituents in Georgia we represent together for his presentation of the history of Georgia and the leadership Georgia has given to this Nation. I shall do everything possible to see that that legislation passes. I think it was an excellent presentation by Senator MATTINGLY.

By Mr. McCLURE:

S. 2575. A bill to extend the expiration date of section 252 of the Energy Policy and Conservation Act; to the Committee on Energy and National Resources.

(Remarks on this legislation appear earlier in today's RECORD.)

By Mr. GRASSLEY:

S. 2578. A bill to provide for the issuance of a stamp to commemorate the late Glenn Miller, the acclaimed Big Band Leader of the 1930's and 1940's; to the Committee on Governmental Affairs.

COMMEMORATIVE STAMP FOR GLENN MILLER

● Mr. GRASSLEY. Mr. President, I rise to introduce at this time a bill to authorize a postage stamp commemorating the life and works of Glenn Miller, one of the best known and widely acclaimed "Big Band" leaders of the 1930's and 1940's. According to this legislation, a commemorative stamp would be issued March 1, 1984, the 80th anniversary of his birth in Clarinda, Iowa. For over 30 years, those of us in Iowa have been celebrating the birth of our native son and his contributions to American music. The Glenn Miller Birthplace Society has been working tirelessly for a number of years to promote the idea of a commemorative stamp for Glenn Miller. Thousands of petitions have been sent to the Postmaster General from admirers from almost every State and several foreign countries. With the assistance of the Congress, I feel that we can pay tribute to this great band leader and musician in a fitting way.

Glenn Miller organized his orchestra in 1937, and 3 years later, it became one of the top musical organizations in the country as a result of a series of hit recordings. His "Moonlight Serenade" caught the public's fancy in 1939 and quickly became his trademark song. I doubt there are many of my colleagues in this Chamber whose imaginations were not captured by the Miller band's renditions of "Sunrise Serenade," "Little Brown Jug," and "In the Mood." Creating the unique "reed section voicing" technique, Miller produced a musical trademark and innovative style which was all his own.

With the outbreak of World War II, Miller left his professional band at the height of its glory to join the U.S. Air Force, where he promptly organized the famous Glenn Miller Army Air Force Band to entertain and boost the morale of U.S. servicemen. It was on December 15, 1944, that Miller disappeared on a military flight from England to France.

The musical legacy he left behind has touched the hearts of young and old throughout the years. I urge my colleagues to join me in support of this tribute to a great musician and American.

Mr. President, I ask unanimous consent to have the text of the bill printed in the RECORD:

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2578

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Postal Service shall issue, during calendar year 1984, a commemorative postage stamp to honor the life and contributions to American music of Glenn Miller.

SEC. 2. The stamp shall be issued in the denomination applicable to first-class mail up to one ounce in weight and shall bear a design that the United States Postal Service, after consultation with the directors of the Glenn Miller Birthplace Society, considers appropriate.

SEC. 3. The stamp shall be issued and placed on sale on March 1, 1984, the eightieth anniversary of Glenn Miller's birth in Clarinda, Iowa.●

By Mr. JEPSEN:

S. 2579. A bill to direct the Secretary of the Army, acting through the Chief of Engineers, to carry out a water resources development project on, and along, a certain segment of the Des Moines River, Iowa; to the Committee on Environment and Public Works.

DES MOINES RECREATIONAL RIVER AND GREENBELT AREA

● Mr. JEPSEN. Mr. President, today I am introducing a bill to create the Des Moines Recreational River and Greenbelt area, encompassing an area of approximately 35,000 acres, stretching almost 169 miles along the Des Moines River from Fort Dodge in the north to just below Lake Red Rock in the south. Existing Federal lands and projects along the river will be joined into one. However, it is important to note that no land will be condemned in this bill. Any further acquisition will be done on a totally voluntary basis. Contributions of land from local governments and individuals will also be accepted.

The bill provides for an advisory committee which will make recommendations concerning the Greenbelt area. Members of the committee will be appointed by the State and the counties and cities affected by the legislation. The Corps of Engineers will manage the area in conjunction with the State of Iowa.

Iowa is bountifully blessed with rich and highly productive farmland. It is no small task to provide food, not only for our Nation, but to also export to the world. With so much of our land used in the production of food, it is difficult to find and set aside land and resources for recreational purposes. The Des Moines River Greenbelt area will provide much needed and unique recreational facilities for all Iowans. Trails will be built for the use of hikers, horseback riders, bicyclists, bird-watchers, and other outdoor enthusiasts. This would be in addition to fishing and other water-related recreational uses. Young and old alike will be able to enjoy nature at its finest.

Besides uses for humankind, under proper management the Greenbelt will provide an ideal wildlife habitat. It will be an area where trees, wild flowers, and other indigenous vegetation can grow for future generations to enjoy. Plantings will be encouraged on the private level and provided for on Federal lands. Hunting will be subject to management or limitation by the Secretary of the Army and the State of Iowa.

The Des Moines River Greenbelt will provide a unique opportunity for people in a State which has no national park or similar facility. Only Connecticut has less public land set aside for the use of its people.

It will also provide an example for other recreationally deprived areas of our country to study and to follow.

I have talked briefly about the recreational aspects of this project. However, there is an additional benefit to our citizens, one that will have a significant and long lasting effect, especially for the young. That benefit will be a meaningful environmental education for all who come to enjoy the greenbelt. Schoolchildren will be able to enjoy and learn from nature walks. The greenbelt will provide excellent opportunities for families to enjoy and learn about nature together. There is no better classroom than the real thing with real experiences.

Along with recreational and educational benefits, another very important feature is the conservation aspect of the greenbelt. The wise use and preservation of the land and water in the corridor will provide an environmental enhancement to be enjoyed by our children and our children's children and generations to come.

In summary, the Des Moines Recreational River and greenbelt will serve multiple purposes. It will help provide recreational facilities and opportunities for Iowans and will, more importantly, provide an outdoor classroom and wildlife habitat for future generations to enjoy our natural resources.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2579

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) the Secretary of the Army (hereafter in this Act referred to as the "Secretary"), acting through the Chief of Engineers, shall, after consultation with an advisory committee described in paragraph (2), carry out a water resources project for the development, operation, and maintenance of a recreation and greenbelt area on, and along the Des Moines River, Iowa, between the point at which the Des Moines River is intersected by United States Highway 20 to the point downstream at which relocated United States Highway 92 intersects the Des Moines River. Subject to subsections (b) and (c) of this section, such project shall include, but not be limited to—

(A) the construction, operation, and maintenance of recreational facilities and streambank stabilization structures;

(B) the operation and maintenance of all structures constructed before the date of enactment of this Act (other than any such structure operated and maintained by any person under a permit or agreement with the Secretary) within the area described in the Des Moines Recreational River and Greenbelt Map and on file with the Committee on Environment and Public Works of the Senate;

(C) such tree plantings, trails, vegetation, wildlife protection and development, and other activities as will enhance the natural environment for recreational purposes; and

(D) the prohibition of limitation by the Secretrary of the killing, wounding, or capturing at any time of any wild bird or animal in such areas as may be directed by the Secretary.

The Secretary is empowered to enforce clause (D) of the preceding sentence and any rule or regulation promulgated pursuant thereto. The Secretary may delegate such enforcement authority to such Federal, State, and local agencies as the Secretary deems appropriate to accomplish the purposes of this section.

(2) The advisory committee referred to in paragraph (1) is a committee constituted of individuals appointed by the governor of Iowa, by the board of supervisors of affected counties in Iowa, by the Mayor of the City of Des Moines, and by the mayor of each incorporated municipality within whose boundaries a portion of such recreation area lies, and of three officers or employees of the Corps of Engineers designated by the Secretary.

(b) The construction and maintenance of structures and plant and husbandry activities referred to in subsection (a) of this section shall be conditioned upon the ownership by the United States of the land or interests therein necessary for such purposes.

(c) In carrying out the project described in subsection (a) of this section, the Secretary may acquire by purchase, donation, exchange, or otherwise such land and interest therein as the Secretary determines are necessary to carry out such project. If the Secretary purchases any land or interest therein from any State or local agency, he shall not pay more than the original cost paid by such State or local agency for such land or interest therein. No land or interest therein may be acquired by the United States to carry out such project without the consent of the owner and nothing herein shall constitute an additional restriction by an owner upon the use of any land or any interest therein which is not owned by the United States.

(d) Notwithstanding any other provision of law, the Federal share of the project to be carried out pursuant to this section shall be 100 per centum of the cost of the project.

(e) There are authorized to be appropriated to carry out this section $6,000,000.●

By Mr. MATHIAS:

S. 2580. A bill to establish the Christopher Columbus Quincentenary Jubilee Commission; to the Committee on the Judiciary.

CHRISTOPHER COLUMBUS QUINCENTENARY JUBILEE ACT

● Mr. MATHIAS. Mr. President, I shall today introduce a bill to establish the Christopher Columbus Quincentenary Jubilee Commission. The Commission's mandate will be to plan for a celebration marking the 500th anniversary of the voyages of discovery of Christopher Columbus. Although the anniversary is 10 years away, experience has taught that a decade is barely enough time to plan such an event—the birthday of the New World.

October 12, 1992, will mark the 500th anniversary of the day land was sighted in the predawn hours by one of the ships sailing on Columbus' maiden voyage to find a westward passage to the Orient. Instead of the Orient, however, Columbus reached a new world—what he called "the Other World." He did not realize his feat, nor did he live to understand the enormous contribution he made to the expansion of European civilization, and to the creation of a new one.

It is appropriate that we honor Columbus the man, as well as his achievement. A pious and learned man from the great Italian city of Genoa, he did justice to his birthplace's reputation for producing some of the greatest pilots and sailors of the day. Genoa was a center of nautical science in Columbus' day and prepared him well for the role he played in history.

Essential to Columbus' genius was his ability to absorb the records of the past and give vitality to them in the present. Columbus was propelled and guided by history and he repaid the past by launching the future. The breadth of his knowledge is reflected by what he wrote in 1501.

> Whithersoever men have sailed to this day, thither have I also sailed. I have held traffik and converse with the wise and prudent, churchmen and laymen, Latins and Greeks, Jews and Moors . . . During this time I have seen and made it my study to see, all writings cosmography, histories, chronicles, philosophy, and other arts, so that the hand of the Lord plainly opened my understanding to see that it was possible to sail from hence to the Indies, and set on fire my will for the execution thereof.

Clearly, what Columbus undertook and accomplished, was no mere accident. He had an indomitable will to achieve the impossible in spite of tremendous opposition and unimaginable odds. His belief in himself and his mission was enough to enlist the support of an enlightened Queen Isabella of Spain, and that in turn was enough to change the course of history.

Columbus' voyages of discovery, taken as a whole, might very well be the greatest event in the history of the secular world. Let the mind search back through the centuries of human endeavor to find another single deed that has had such far-reaching historical significance. What momentous battles or inventions can compare with the discovery of a new world?

Columbus paved the path for the greatest migration of peoples this world has ever known. He opened the door on a new era which allowed for the steady march of civil and religious liberty. It does not obscure his achievement that other Europeans may have reached our shores years or even centuries earlier than Columbus, for it was Columbus alone who broke the rigid barriers of time and thought to allow the Old World to meet the New. Just as he led the way to new places, he opened the mind to new vistas, to new hopes, to new challenges.

Though Columbus died without realizing the full historical significance of his voyages, he did have a hint of what he had wrought. The Journal he kept of his third voyage, on which he first spotted the mainland, has this entry:

> I believe that this is a very great continent, until today unknown . . . And if this be a continent, it is a marvelous thing, and will be so among all the wise . . .

These are the words of a prophet; the truth of these words is now indisputable. And like so many other prophets, Columbus died discredited and alone. Perhaps Baltimore's Ogden Nash best summed up the ironies of Columbus' career with these lines:

So Columbus said, somebody show me the sunset and somebody did and he set sail for it.
And he discovered America and they put him in jail for it,
And the fetters gave him welts,
And they named America after somebody else.

The memory of Columbus and his achievement must not suffer the same fate in 1992. It is incumbent upon us, the ultimate beneficiaries of his vision, courage, and travail, to honor the quincentenary of his first landing in the Americas. In 1792, the 300th anniversary of his landing, Baltimore was the only city in the country in which a monument was erected in his honor. By 1882, many other cities had followed suit. In fact, the World's Columbian Exposition in Chicago in 1892 attracted over 25 million people.

And so for this, the 500th anniversary, we seek to establish a Commission to plan, encourage, coordinate and conduct local, national, and international observances and activities.

The 31-member Commission I propose in this bill will be responsible for preparing comprehensive programs for commemoration of the quincentenary of the voyages Columbus embarked on in 1492. Books, films, lectures, exhibits, ceremonies, and all manner of celebrations are to be planned and coordinated by the Commission. Columbus' travels are well documented, and there is much to learn from him about the human spirit and the quest to discover new frontiers.

The Commission would be authorized to work in conjunction with State, local, and foreign governments, public agencies, and private organizations to plan the 1992 celebration, and would terminate no later than April 30, 1993. In particular, we must begin now to consult and work with our friends and neighbors in other nations of the Western Hemisphere who share with us the Columbian legacy, and whose heritage of culture, scholarship, and creative art can contribute so much to the value and pleasure of the event. Such common interests will, in the process underscore the common heritage of the Western Hemisphere. Early invitations should, of course, be issued to Italy and Spain who will each surely wish a special role in our observance as they plan their own. Mr. President, I ask unanimous consent that the bill be printed in the Record.

Our commemoration of the discovery in 1492 of the "Other World" must do justice to Columbus the man and to his courageous voyage. Who among us today would leave family and familiar surroundings to embark on a voyage through uncharted waters in search of a shorter way to the other side of the world? The distinguished astronaut-Senators from Ohio and New Mexico John Glenn and Harrison Schmitt have traveled through unchartered space, and perhaps come closest to knowing the thrill of adventure Christopher Columbus must have had.

We are pioneers on other fronts now, and it is right that we remember those who helped bring us this far.

In the words of the late Prof. Herbert B. Adams of the Johns Hopkins University in 1892, "Christopher Columbus, the son of Italy, the heir of all the ages, he did this great and manly deed; he discovered a world. He did it; for that reason we honor him."

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2580

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled. That this Act may be cited as the "Christopher Columbus Quincentenary Jubilee Act".

DECLARATION OF POLICY

SEC. 2. As this Nation approaches the quincentennial of the voyages of discovery of Christopher Columbus, it is the policy of the Congress to celebrate and commemorate this anniversary through local, national, and international observances and activities planned, encouraged, coordinated, and conducted by a national commission representative of appropriate public and private authorities and organizations.

ESTABLISHMENT; COMPOSITION

SEC. 3. (a) There is established a commission to be known as the Christopher Columbus Quincentenary Jubilee Commission (hereinafter referred to as the "Commission") to plan, encourage, coordinate, and conduct the commemoration of the voyages of discovery of Christopher Columbus.

(b) The Commission shall be composed of thirty-one members, as follows:

(1) Four Members of the Senate shall be appointed by the President of the Senate.

(2) Four Members of the House of Representatives shall be appointed by the Speaker of the House of Representatives.

(3) Eighteen members who are not otherwise employees or officers of the United States shall be appointed by the President, no more than nine of whom may be identified with any one political party, and who are broadly representative of the people of the United States.

(4) The Secretary of State.

(5) The Secretary of the Interior.

(6) The Librarian of Congress.

(7) The Secretary of the Smithsonian Institution.

(8) The Chairman of the Federal Council on the Arts and Humanities.

(c) The Secretary of the Interior shall call the first meeting, for the purpose of electing a Chairman and Vice Chairman from among the members of the Commission described in clause (3) of subsection (b). The Commission may appoint honorary members, and may establish an Advisory Council to assist the Commission in its work.

(d) Appointments provided for in this section, with the exception of honorary members, shall be made within ninety days after the date of the enactment of this Act. Vacancies shall be filled in the same manner in which the original appointments were made.

DUTIES

SEC. 4. (a) It shall be the duty of the commisison to prepare a comprehensive program for commemorating the quincentennial of the voyages of discovery of Christopher Columbus, and to plan, encourage, coordinate, and conduct observances and activities commemorating events which took place primarily in 1492.

(b) The Commission may convene a national assembly not later than one year after the date of enactment of this Act. The national assembly shall consider and make recommendations to the Commission for the most fitting and appropriate activities to commemorate the quincentennial. The Commission may invite the chief executives of each of the several States and territories of the United States to appoint representatives to the national assembly. Appropriate Federal departments and agencies, State and local public bodies, learned societies, and historical, patriotic, philanthropic, civic, professional, and related organizations may also be invited to appoint representatives. The Commission shall establish procedures for the conduct of the national assembly.

(c) Not later than two years after the date of the enactment of this Act, the Commission shall submit to Congress a comprehensive report incorporating its recommendations for the commemoration of the quincentennial of the voyages of discovery of Christopher Columbus. The report required by this subsection shall include—

(1) recommendations for appropriate activities for the commemoration, including—

(A) the production, publication, and distribution of books, pamphlets, films, and other educational materials focusing on the history, culture, and political thought of the lands Christopher Columbus traveled from and to during the voyages of discovery,

(B) bibliographical and documentary projects and publications,

(C) conferences, convocations, lectures, seminars, and other similar programs,

(D) the development of libraries, museums, and exhibits, including mobile exhibits,

(E) ceremonies and celebrations commemorating specific events,

(F) programs focusing on the international significance of the voyages of discovery of Christopher Columbus, and

(G) the issuance of commemorative coins, medals, and stamps;

(2) recommendations for the allocation of financial and administrative responsibility among the public agencies and private organizations recommended for participation by the Commission; and

(3) recommendations for such legislation and administrative actions as the Commission deems necessary to carry out the commemoration of the voyages of discovery.

The President shall transmit the Commission's report to the Congress together with such comments and additional recommendations for legislation and administrative actions as the President deems appropriate.

(d) The Commission shall prepare and submit to the Congress an annual report of the activities of the Commission, including an accounting of funds received and expended.

(e) In preparing its plans, and programs, the Commission shall consider any related plans and programs developed by State and local, and foreign governments, and private groups.

(f) The Commission may designate special committees and invite representatives from such public agencies and private organizations to assist the Commission in carrying out this section as the Commission deems appropriate.

ADDITIONAL FUNCTIONS

SEC. 5. In carrying out the purposes of this Act, the Commission is authorized to provide for—

(1) the preparation, distribution, dissemination, exhibition, and sale of historical, commemorative, and informational materials and objects which will contribute to public awareness of, and interest in, the quincentennial;

(2) competitions, commissions, and awards for historical, scholarly, artistic, literary, musical, and other works, programs, and projects relating to the quincentennial; and

(3) a quincentennial calendar or register of programs and projects, and in other ways provide a central clearinghouse for information and coordination regarding dates, events, places, documents, artifacts, and personalities of quincentennial historical and commemorative significance.

COORDINATION OF EFFORTS

SEC. 6. (a) In carrying out the purposes of this Act, the Commission is authorized and directed to consult, cooperate with, and seek advice and assistance from appropriate Federal departments and agencies, State and local public bodies, foreign governments, learned societies, and historical, patriotic, philanthropic, civic, professional, and related organizations. Such Federal departments and agencies are authorized and requested to cooperate with the Commission in planning, encouraging, coordinating, and conducting appropriate commemorative activities.

(b) The Secretary of State shall undertake a study of appropriate cooperative actions which might be taken with foreign governments to preserve and develop historic sites related to the voyages of discovery of Christopher Columbus, at such time and in such manner as will insure that fitting observances and exhibits may be held at each such site during the commemoration. In particular, the Secretary shall consult with the governments of the nations of the Western Hemisphere which share the Columbian heritage and with the governments of Italy and Spain with respect to joint participation in events in the United States and in such nations. The Secretary shall submit the results of the study to the Commission, together with his recommendations, affording the Commission an opportunity to review the study, and to incorporate such of its findings and recommendations as the Commission may deem appropriate in the report required by section 3(d).

(c) The Chairman of the Federal Council on the Arts and Humanities, the Chairman of the National Endowment for the Arts, and the Chairman of the National Endowment for the Humanities are authorized and directed to cooperate with the Commission, especially in the encouragement and coordination of scholarly works and presentations focusing on the history, culture, and political thought of the period surrounding the voyages of discovery.

(d) The Librarian of Congress, the Secretary of the Smithsonian Institution, and the Archivist of the United States are authorized and directed to cooperate with the Commission, especially in the development and display of exhibits and collections, and in the development and distribution of bibliographies, catalogs, and other materials relevant to the period.

DONATIONS

SEC. 7. (a) The Commission is authorized to accept donations of money, property, or personal services.

(b) All books, manuscripts, miscellaneous printed matter, memorabilia, relics, and other materials relating to the period and donated to the Commission may be deposited for preservation in national, State, or local libraries or museums or be otherwise disposed of by the Commission after consultation with the Librarian of Congress, the Secretary of the Smithsonian Institution, the Archivist of the United States, and the Administrator of General Services, as the case may be.

ADMINISTRATION

SEC. 8. (a)(1) The Chairman, with the advice of the Commission, shall appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, a Director who will be compensated at level IV of the Executive Schedule established under section 5315 of such title and a Deputy Director who will be compensated at level V of the Executive Schedule established under section 5316 of such title. Such officers shall serve at the pleasure of the Chairman.

(2) The Commission shall delegate such powers and duties to the Director as may be necessary for the efficient operation and management of the Commission.

(b) Subject to such rules and regulations as may be adopted by the Commission, the Commission is authorized to—

(1) appoint and fix the compensation of such additional personnel as it deems advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at such rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title;

(2) appoint such advisory committees as it deems necessary;

(3) procure services as authorized by section 3109 of title 5, United States Code;

(4) procure supplies, services, and property; make contracts; expend in furtherance of this Act funds appropriated, donated, or received in pursuance of contracts hereunder;

(5) enter into agreements with the General Services Administration for procurement of necessary financial and administrative services, for which payment shall be made by reimbursement from funds of the Commission in such amounts as may be agreed upon by the Chairman and the Administrator of the General Services Administration; and

(6) exercise such authority necessary to carry out efficiently and in the public interest the provisions of this Act.

COMPENSATION

SEC. 9. The members of the Commission shall serve without compensation. All members of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

PENALTY

SEC. 10. Any person who, except as authorized under rules and regulations issued by the Commission, knowingly manufactures, reproduces, or uses any logos, symbols, or marks originated under authority of and certified by the Commission for use in connection with the commemoration of the quincentennial, or any facsimile thereof, or in such a manner as suggests any such logos, symbols, or marks, shall be fined not more than $250, or imprisoned not more than six months, or both. This section shall only apply in the case of such logos, symbols, and marks for which the Commission has published in the Federal Register a notification of certification.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 11. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act. Sums appropriated under this section shall remain available until September 30, 1992.

TERMINATION

SEC. 12. (a) A final report shall be made to the Congress no later than April 30, 1993, upon which date the Commission shall terminate.

(b) Any property acquired by the Commission remaining upon its termination may be used by the Secretary of the Interior for purposes of the National Park Service, or may be disposed of in accordance with the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.).●

By Mr. ZORINSKY (for himself and Mr. ANDREWS):

S. 2583. A bill to amend the Agricultural Act of 1949 to provide emergency relief for farmers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FARM CRISIS ACT OF 1982

● Mr. ZORINSKY. Mr. President, I am today joining the efforts initiated by a group of House Members to provide relief to hard-pressed farmers. I am introducing a bill known in the House as the Farm Crisis Act of 1982.

In the Senate Agriculture Committee, we have tried to send a signal to the administration concerning the need to act within existing farm statutes. Our message has fallen on deaf ears. In fact, Mr. President, as early as last year, I tried to amend the Senate farm bill to raise by a modest amount price supports for wheat, feed grains, cotton, and milk. Throughout the writing of the 1981 farm bill, we labored under the threat of a Presidential veto. If the administration would only use the authority it already has, here is what could happen—as called for in Senate Resolution 346:

First. A monetary policy to reduce the rate of interest farmers must pay to obtain credit for necessary production items. In nominating persons for positions on the Federal Reserve Board that will become open in 1982, the President will insure that agricultural interests are provided fair representation on the Board.

Second. A voluntary paid land diversion program in 1982 for producers of wheat, feed grains, and rice.

Third. Increased price support loan rates for 1982 crops of wheat, feed grains, upland cotton, and rice.

Fourth. The implementation of an aggressive agricultural export development program.

Fifth. Providing loan guarantees to finance the construction of facilities to produce fuel alcohol from grain.

Sixth. Permitting FmHA farm borrowers to defer making payments on the loans.

Seventh. Declaring a moratorium on FmHA farm foreclosures.

Eighth. Permitting FmHA farm borrowers to reamortize or reschedule their loans.

Ninth. The immediate nationwide implementation of the FmHA economic emergency loan program.

The importance of Senate Resolution 346 if it had survived in its original form, is that all of the actions called for are authorized under existing farm statutes. And if acted on would have measurably contributed to, first, returning profitability to farming; second, stopping equity loss; third, strengthening the overall economy through farmers regaining purchasing power; and fourth, insuring the future of a family farm system of agriculture.

Unfortunately, the provisions of Senate Resolution 346 were weakened in the Committee. For example, price support and supply management provisions were delayed until 1983. Our farm families need help now, not next year. That help will not materialize unless Congress acts.

I am encouraged by what appears to be a changing mood of House Members from urban districts and Senate Members from predominantly urban States. If agriculture can be made profitable, economic conditions of related small businesses and factories will also improve. Our farm problem is a national problem.

All the statistics point to the parallels between 1982 and the Depression years. As in the 1930's, when farm parity plummeted, parity has dropped more than 30 points to 58 percent and is getting worse. As in the 1930's when real farm income plummeted to $7 billion, farm income has declined 39 percent in the last 2 years while an additional 25-percent decline is forecast in 1982 to a nearly identical level when measured in 1967 dollars. While 30 years ago, farm debt was only $12 billion, it is now expected to surpass $200 billion in 1982.

The challenge to the Congress is to act responsibly in the face of depression-level economic conditions in agriculture and the inaction of the administration to deal aggressively in trying to improve the agricultural economic situation.

Current policy is not adequate to meet the challenge of this major and ever worsening farm crisis.

Mr. President, I ask unanimous consent that the summary of the bill and the text of the bill, which follows, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2583

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; TABLE OF CONTENTS

SECTION 1. (a) This Act may be cited as the "Emergency Farm Relief Act of 1982".

(b) The table of contents for this Act is as follows:

TABLE OF CONTENTS

Sec. 1. Short title; table of contents.

TITLE I—LOAN RATES FOR THE 1982 CROPS

Sec. 101. Wheat.
Sec. 102. Feed grains.
Sec. 103. Cotton.
Sec. 104. Rice.

TITLE II—CROPLAND CONSERVATION AND ACREAGE LIMITATION PROGRAMS FOR 1983 THROUGH 1985 CROPS

Subtitle A—Cropland Conservation Program

Sec. 201. Cropland Conservation Program.

Subtitle B—Acreage Limitation Program

Sec. 211. Wheat.
Sec. 212. Feed grains.
Sec. 213. Upland cotton.

Subtitle C—Miscellaneous

Sec. 221. Conforming amendments.
Sec. 222. Application.

TITLE III—FARM STORAGE FACILITY LOAN PROGRAM

Sec. 301. Farm storage facility loan program.

TITLE IV—BARTER OF AGRICULTURAL COMMODITIES FOR STRATEGIC AND CRITICAL MATERIALS AND PETROLEUM PRODUCTS

Sec. 401. Barter of agricultural commodities for strategic and critical materials and petroleum products.
Sec. 402. Report.

TITLE V—EMERGENCY AGRICULTURAL CREDIT

Sec. 501. Emergency agricultural credit.

TITLE VI—AGRICULTURAL EXPORTS

Sec. 601. Agricultural export credit revolving fund.
Sec. 602. Grain sales to Union of Soviet Socialist Republics.

TITLE VII—WHITE HOUSE CONFERENCE ON AGRICULTURE

Sec. 701. White House Conference on Agriculture.

TITLE I—LOAN RATES FOR THE 1982 CROPS

WHEAT

SEC. 101. Effective for the 1982 crop of wheat, section 107B(a) of the Agricultural Act of 1949 (7 U.S.C. 1445b-1(a)) is amended—

(1) by striking out "$3.55 per bushel" and inserting in lieu thereof "$4.00 per bushel"; and

(2) by striking out ": *Provided*," and all that follows through "bushel".

FEED GRAINS

SEC. 102. Effective for the 1982 crops of feed grains, section 105B(a)(1) of the Agricultural Act of 1949 (7 U.S.C. 144d(a)(1)) is amended—

(1) by striking out "$2.55 per bushel" and inserting in lieu thereof "$2.90 per bushel"; and

(2) by striking out ": *Provided*," and all that follows through "bushel."

COTTON

SEC. 103. Effective for the 1982 crop of upland cotton, the second sentence of section 103(g)(1) of the Agricultural Act of 1949 (7 U.S.C. 1444(g)(1)) is amended by striking out "55 cents per pound" and inserting in lieu thereof "61 cents per pound".

RICE

SEC. 104. Effective for the 1982 crop of rice, section 101(i)(1) of the Agricultural Act of 1949 (7 U.S.C. 1441(i)(1)) is amended—

(1) by inserting before the period at the end of the first sentence a colon and the following: "*Provided*, That in no event shall such loan level be less than $8.90 per hundredweight"; and

(2) in the second sentence, by striking out "$8.00 per hundredweight" and inserting in lieu thereof "$8.90 per hundredweight".

TITLE II—CROPLAND CONSERVATION AND ACREAGE LIMITATION PROGRAMS FOR 1983 THROUGH 1985 CROPS

Subtitle A—Cropland Conservation Program

SEC. 201. Effective only for the 1982 through 1985 crops, Title I of the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) is amended by inserting after section 107B the following new section:

CROPLAND CONSERVATION PROGRAM

SEC. 107C. Notwithstanding any other provision of law—

"(a)(1) the Secretary shall proclaim a national cropland conservation program for each of the 1983, 1984, and 1985 crops for wheat, feed grains, upland cotton, and rice.

"(2) Under the program proclaimed under paragraph (1), a producer of a commodity covered by the program who participates in the program—

"(A) may not produce the commodity on more than—

"(i) 85 per centum of the portion of the producer's land normally planted to the commodity, as determined by the Secretary and as adjusted as deemed necessary by the Secretary to be fair and reasonable among producers; or

"(ii) such greater per centum of the portion of the producer's land normally planted to the commodity than the per centum prescribed in clause (i) as the Secretary may establish with respect to the commodity after taking into consideration the estimated quantity and quality of the stocks of the commodity in the United States that would be available for the period covered by the program to assure the maintenance of adequate but not excessive stocks in the United States, to provide a continuous and stable supply of the commodity needed in the United States and in foreign countries, and for purposes of national security; and

"(B) shall devote the balance of the acreage on the portion of the producer's land normally planted to the commodity to such conservation uses as the Secretary may by regulation prescribe. The regulations issued by the Secretary with respect to acreage required to be devoted to conservation uses shall assure protection of such acreage from weeds and wind and water erosion. The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage to be devoted to sweet sorghum, hay and grazing or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, or other commodity, if the Secretary determines that such production is needed to provide an adequate supply of such commodities, is not likely to increase the cost of the price support program, and will not affect farm income adversely. In determining the amount of land to be devoted to conservation uses with respect to land that has been farmed under summer fallow practices, as defined by the Secretary, the Secretary shall consider the effects of soil erosion and such other factors as the Secretary considers appropriate. Any land devoted to conservation use may be used for wildlife food plots or wildlife habitat in conformity with standards established by the Secretary in consultation with wildlife agencies. The Secretary may pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentence. The Secretary may provide for an additional payment on such acreage in an amount determined by the Secretary to be appropriate in relation to the benefit to the general public if the producer agrees to permit, without other compensation, access to all or such portion of the farm, as the Secretary may prescribe, by the general public, for hunting, trapping, fishing, and hiking, subject to applicable State and Federal regulations.

"(b)(1) The Secretary shall proclaim the program required by subsection (a) no later than June 1 of the calendar year preceding the calendar year in which the commodities covered by the program are harvested.

"(2) No later than July 1 following the proclamation of the program, the Secretary shall conduct a referendum, by secret ballot, among producers who will produce and harvest commodities covered by the program proclaimed under subsection (a), to determine whether the producers are in favor of or opposed to the program. The Secretary shall announce the results of the referendum within thirty days after the date on which it is held.

"(c) If more than 45 per centum of the producers voting in the referendum held under subsection (b) disapprove the program proclaimed under subsection (a), the Secretary shall announce that the program will not be in effect with respect to commodities covered by the program.

"(d)(1) If producers voting in the referendum held under subsection (b) approve the program proclaimed under subsection (a)—

"(A) the level of loans and purchases for commodities covered by the program shall be not less than—

"(i) $4.00 per bushel for wheat;

"(ii) $2.90 per bushel for feed grains;

"(iii) 61 cents per pound for upland cotton; and

"(iv) $8.90 per hundredweight for rice; and

"(B) a producer who does not comply with subsection (a)(2) may not be eligible, during the calendar year in which the commodity is harvested and during the two immediately succeeding calendar years, for loans, purchases, payments, or other benefits under this Act or the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.).

"(2) The Secretary may provide by regulation for exceptions to paragraph (1) for a producer who is able to establish to the satisfaction of the Secretary that the producer unintentionally or unknowingly did not comply with subsection (a)(2).

"(3) An operator of a farm desiring to participate in the program conducted under this section shall execute an agreement with the Secretary providing for such participation not later than such date as the Secretary may prescribe. The Secretary may, by mutual agreement with the producers on the farm, terminate or modify any such agreement if the Secretary determines such action necessary because of an emergency created by drought or other disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

"(e) The Secretary shall issue such regulations as may be necessary to carry out this section.".

Subtitle B—Acreage Limitation Program

WHEAT

SEC. 211. (a) Section 107B(c)(3) of the Agricultural Act of 1949 (7 U.S.C. 1445b-1(c)(3)) is amended by striking out "subsection (e)(2)" each place it appears and inserting in lieu thereof "subsection (e)(1)(B)".

(b) Section 107B(e) of the Agricultural Act of 1949 (7 U.S.C. 1445b-1(e)) is amended—

(1) in paragraph (1)—

(A) by inserting "(A)" after the paragraph designation;

(B) in the first sentence, by striking out "the Secretary may" and all that follows through the end thereof and inserting in lieu thereof the following: "if producers disapprove a national cropland conservation program proclaimed for a crop of commodities under section 107C and the Secretary determines that the carryover of wheat at the beginning of the marketing year which begins in the calendar year of the disapproval exceeds 5 per centum of the quantity of wheat consumed worldwide during the one-year period preceding the marketing year, then the Secretary shall establish an acreage limitation program for each of the 1983 through 1985 crops of wheat

(C) in the second sentence, by striking out "or set-aside program";

(2) in paragraph (2)—

(A) in the first sentence—

(i) by striking out "paragraph (1) of this subsection" and inserting in lieu thereof "subparagraph (A)"; and

(ii) by inserting "of not less than 15 per centum" after "reduction";

(B) in the third sentence, by striking out "paragraph" and inserting in lieu thereof 'subparagraph";

(C) in the sixth sentence—

(i) by striking out "(A)" and inserting in lieu thereof "(i)"; and

(ii) by striking out "(B)" and inserting in lieu thereof "(ii)";

(D) in the eighth sentence, by striking out "paragraph (1) of this subsection" and inserting in lieu thereof "subparagraph (A)";

(E) by adding at the end thereof the following new sentence: "If an acreage limitation program is announced, the Secretary shall make available loans and purchases for such crop under subsection (a) at a level which is equal to 105 per centum of the level which would have been established for the crop under such subsection but for the operation of this sentence."; and

(F) by redesignating such paragraph as subparagraph (B);

(3) by striking out paragraph (3) and inserting in lieu thereof the following new subparagraph:

"(C) If an acreage limitation program is announced under subparagraph (A) for a crop of wheat, a producer may enter into an agreement with the Secretary under which—

"(i) the producer shall agree to withdraw from production (in addition to the acreage withdrawn from production under subparagraph (B)) and devote to conservation uses, in accordance with regulations issued by the Secretary, 15 per centum of the applicable acreage base established under subparagraph (B); and

"(ii) the Secretary shall agree to make available (in lieu of amounts made available under the last sentence of subparagraph (B)) loans and purchases to the producer for the crop under subsection (a) at a level which is equal to 115 per centum of the level that would have been established for the crop under subsection (a) (without regard to the last sentence of subparagraph (B)) but for the operation of this subparagraph.";

(4) in paragraph (4)—

(A) in the first sentence, by striking out "paragraphs (2) and (3) of this subsection" and inserting in lieu thereof "subparagraphs (B) and (C)";

(B) in the second sentence, by striking out ", hay and grazing";

(C) by inserting after the second sentence the following: "The Secretary shall permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage to be devoted to hay and grazing.";

(D) in the last sentence, by striking out "or set-aside"; and

(E) by redesignating such paragraph as subparagraph (D);

(5) in paragraph (5)—

(A) in the first sentence, by striking out "or set-aside"; and

(B) by redesignating such paragraph as paragraph (2);

(6) in paragraph (6)—

(A) in the first sentence, by striking out ", set-aside acreage,"; and

(B) by redesignating such paragraph as paragraph (3); and

(7) by redesignating paragraph (7) as paragraph (4).

(c) Section 107B(K) of such Act (7 U.S.C. 1445b-1(k)) is amended by striking out "subsection (e)(2)" and all that follows through the end thereof and inserting in lieu thereof "subsection (e)(1)(A).".

FEED GRAINS

SEC. 212. (a) Section 105B(c)(3) of the Agricultural Act of 1949 (7 U.S.C. 1444d(c)(3)) is amended by striking out "subsection (e)(2)" each place it appears and inserting in lieu thereof "subsection (e)(1)(B)".

(b) Section 105B(e) of such Act (7 U.S.C. 1444d(e)) is amended—

(1) in paragraph (1)—

(A) by inserting "(A)" after the paragraph designation;

(B) in the first sentence, by striking out "the Secretary may" and all that follows through the end thereof and inserting in lieu thereof the following: "if producers disapprove a national cropland conservation program proclaimed for a crop of commodities under section 107C and the Secretary determines that the carryover of feed grains at the beginning of the marketing year which begins in the calendar year of the disapproval exceeds 18 per centum of the quantity of feed grains utilized domestically and for export by the United States during the one-year period preceding the marketing year, then the Secretary shall establish an acreage limitation program for each of the 1983 through 1985 crops of feed grains.";

(C) in the second sentence by striking out "or set-aside program";

(2) in paragraph (2)—

(A) in the first sentence—

(i) by striking out "paragraph (1) of this subsection" and inserting in lieu thereof "subparagraph (A)"; and

(ii) by inserting "of not less than 15 per centum" after "reduction";

(B) in the third sentence, by striking out "paragraph" and inserting in lieu thereof "subparagraph";

(C) in the fourth sentence, by striking out "paragraph" and inserting in lieu thereof "subparagraph";

(D) in the seventh sentence—

(i) by striking out "(A)" and inserting in lieu thereof "(i)"; and

(ii) by striking out "(B)" and inserting in lieu thereof "(ii)";

(E) in the ninth sentence, by striking out "paragraph (1) of this subsection" and inserting in lieu thereof "subparagraph (A)";

(F) by adding at the end thereof the following new sentence: "If an acreage limitation program is announced, the Secretary shall make available loans and purchases for such crop under subsection (a) at a level which is equal to 105 per centum of the level which would have been established for the crop under such subsection but for the operation of this sentence."; and

(G) by redesignating such paragraph as subparagraph (B);

(3) by striking out paragraph (3) and inserting in lieu thereof the following new subparagraph:

"(C) If an acreage limitation program is announced under subparagraph (A) for a crop of feed grains, a producer may enter into an agreement with the Secretary under which—

"(i) the producer shall agree to withdraw from production (in addition to the acreage withdrawn from production under subparagraph (B)) and devote to conservation uses, in accordance with regulations issued by the Secretary, 10 per centum of the applicable acreage base established under subparagraph (B); and

"(ii) the Secretary shall agree to make available (in lieu of amounts made available under the last sentence of subparagraph (B)) loans and purchases to the producer for the crop under subsection (a) at a level which is equal to 110 per centum of the level that would have been established for the crop under subsection (a) (without regard to the last sentence of subparagraph (B)) but for the operation of this subparagraph.";

(4) in paragraph (4)—

(A) by striking out "paragraphs (2) and (3) of this subsection" and inserting in lieu thereof "subparagraphs (B) and (C)"; and

(B) by redesignating such paragraph as subparagraph (D);

(5) in paragraph (5)—

(A) in the first sentence, by striking out "or set-aside"; and

(B) by redesignating such paragraph as paragraph (2),

(6) in paragraph (6)—

(A) in the first sentence, by striking out ", set-aside acreage,"; and

(B) by redesignating such paragraph as paragraph (3); and

(7) by redesignating paragraph (7) as paragraph (4).

(c) Section 105B(k) of such Act (7 U.S.C. 1444d(k)) is amended by striking out "subsection (e)(2)" and all that follows through the end thereof and inserting in lieu thereof "subsection (e)(1)(A).".

UPLAND COTTON

SEC. 213. Section 103(g)(9)(A) of the Agricultural Act of 1949 (7 U.S.C. 1444(g)(9)(A)) is amended—

(1) by inserting "(i)" after the subparagraph designation;

(2) in the first sentence, by striking out "the Secretary may" and all that follows through the end thereof and inserting in lieu thereof the following: "if producers disapprove a national cropland conservation program proclaimed for a crop of commodities under section 107C and the Secretary determines that the carryover of upland cotton at the beginning of the marketing year which begins in the calendar year of the disapproval exceeds 4,200,000 bales, then the Secretary shall establish an acreage limitation program for each of the 1983 through 1985 crops.";

(3) in the second sentence, by inserting "of not less than 15 per centum" after "reduction";

(4) in the fourth sentence, by striking out "subparagraph" and inserting in lieu thereof "clause";

(5) in the seventh sentence—

(A) by striking out "(i)" and inserting in lieu thereof "(I)"; and

(B) by striking out "(ii)" and inserting in lieu thereof "(II)"

(6) in the tenth sentence, by striking out "paragraph" and inserting in lieu thereof "subparagraph";

(7) in the last sentence, by striking out "paragraph" and inserting in lieu thereof "subparagraph";

(8) by adding at the end thereof the following new sentence: "If an acreage limitation program is announced, the Secretary shall make available loans and purchases for such crop under paragraph (1) at a level which is equal to 110 per centum of the level which would have been established for the crop under such paragraph but for the operation of this sentence."; and

(9) by adding at the end thereof the following new clause:

"(ii) If an acreage limitation program is announced under clause (i) for a crop of upland cotton, a producer may enter into an agreement with the Secretary under which—

"(I) the producer shall agree to withdraw from production (in addition to the acreage withdrawn from production under clause (i)) and devote to conservation uses, in accordance with regulations issued by the Secretary, 10 per centum of the applicable acreage base established under clause (i); and

"(II) the Secretary shall agree to make available (in lieu of amounts made available under the last sentence of clause (i)) loans to such producers for the crop under paragraph (1) at a level which is equal to 120 per centum of the level that would have been established for the crop under paragraph (1) (without regard to the last sentence of clause (i)) but for the operation of this clause.".

Subtitle C—Miscellaneous

CONFORMING AMENDMENTS

SEC. 221. (a) Section 1101(4) of the Agriculture and Food Act of 1981 (7 U.S.C. 1308(4)) is amended by striking out "a set-aside or" and inserting in lieu thereof "an".

(b) Section 113 of the Agricultural Act of 1949 (7 U.S.C. 1445h) is repealed.

(c) Section 1001 of the Food and Agriculture Act of 1977 (7 U.S.C. 1309) is repealed.

APPLICATION

SEC. 222. The amendments made by this title shall not apply to the 1982 crops of wheat, feed grains, and upland cotton.

TITLE III—FARM STORAGE FACILITY LOAN PROGRAM

SEC. 301. The second sentence of section 4(h) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(h)) is amended by inserting before the period the following: ": *And provided further*, That the Corporation shall guarantee loans made by legally organized lending institutions to grain growers for the construction or purchase of facilities for the storage of grain harvested by the growers, except that no more than 90 per centum of the amount of principal and interest of any loan may be guaranteed and no more than $250,000,000 of principal and interest may be guaranteed in the aggregate in any fiscal year".

TITLE IV—BARTER OF AGRICULTURAL COMMODITIES FOR STRATEGIC AND CRITICAL MATERIALS AND PETROLEUM PRODUCTS

BARTER OF AGRICULTURAL COMMODITIES FOR STRATEGIC AND CRITICAL MATERIALS AND PETROLEUM PRODUCTS

SEC. 401. Section 4(h) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(h)) is amended.

(1) in the forth sentence—

(A) by striking out "is authorized," and inserting in lieu thereof "shall, to the maximum extent practicable, in consultation with the Secretary of State, and", and

(B) by striking out "to",

(2) in the seventh sentence by striking out "Secretary of the Treasury" and inserting in lieu thereof "Adminstrator of General Services", and

(3) by inserting after the seventh sentence the following new sentences: "If the volume of petroleum products stored in the Strategic Petroleum Reserve is less than the level prescribed under section 154 of the Energy Policy and Conservation Act (42 U.S.C. 6234), the Corporation shall, to the maximum extent practicable, with the approval of the Secretary of Agriculture, and in consultation with the Secretary of Energy and the Secretary of State, accept petroleum products produced abroad in exchange for agricultural commodities acquired by the Corporation and shall transfer the petroleum products, without reimbursement, to the Secretary of Energy to be placed in the Reserve. In effecting exchanges under the preceding sentence, normal commercial trade channels shall be untilized insofar as practicable.".

REPORT

SEC. 402. No later than ninety days after the date of the enactment of this Act, the Secretary of Agriculture shall submit to the Congress a report which contains a description of the status of programs being carried out under section 4(h) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(h)) and other provisions of law which relate to the barter or exchange of commodities owned by the Commodity Credit Corporation for materials and products produced in foreign countries.

TITLE V—EMERGENCY AGRICULTURAL CREDIT

SEC. 501. (a) The first sentence of section 202 of the Emergency Agricultural Credit Adjustment Act of 1978 (7 U.S.C. prec. 1961 note) is amended by striking out "may" and inserting in lieu thereof "shall".

(b)(1) Section 207(b) of such Act (7 U.S.C. prec. 1961 note) is amended—

(A) by striking out "$400,000" and inserting in lieu thereof "$200,000", and

(B) by striking out "$650,000" each place it appears and inserting in lieu thereof "$450,000".

(2) The amendments made by paragraph (1) shall not apply to a loan insured or guaranteed before the date of the enactment of this Act.

(c) Section 211 of such Act (7 U.S.C. prec. 1961 note) is amended by striking out "September 30, 1982" and inserting in lieu thereof "September 30, 1983".

TITLE VI—AGRICULTURAL EXPORTS

AGRICULTURAL EXPORT CREDIT REVOLVING FUND

SEC. 601. It is the sense of the Congress that for fiscal year 1983 not less than $1,000,000,000 should be made available to the Agricultural Export Credit Revolving Fund established under section 4(d) of the Food for Peace Act of 1966 (7 U.S.C. 1707a(d)).

GRAIN SALES TO UNION OF SOVIET SOCIALIST REPUBLICS

SEC. 602. It is the sense of the Congress that, as soon as practicable after the date of the enactment of this Act, the Secretary of Agriculture should take action to initiate negotiations with the Government of the Union of Soviet Socialist Republics to conclude a multiyear agreement under which such Government would purchase grain produced in the United States.

TITLE VII—WHITE HOUSE CONFERENCE ON AGRICULTURE

SEC. 701. (a) It is the sense of the Congress that the President should—

(1) convene a White House Conference on Agriculture, no later than one year after the date of the enactment of this Act, to study current problems in the agricultural sector of the economy and to develop recommendations for legislation and administrative action regarding short-term and long-term solutions to such problems; and

(2) appoint members of the White House Conference on Agriculture from among—

(A) heads of organizations comprised of producers of agricultural commodities,

(B) representatives of the banking industry,

(C) representatives of businesses which provide services or produce goods, used by producers of agricultural commodities,

(D) heads of organizations representing the interests of consumers, and

(E) producers of agricultural commodities.

(b) If the President convenes a White House Conference on Agriculture pursuant to subsection (a), the Conference shall submit a report to the President and to the Congress, not later than one year after the members of the Conference are first appointed, containing recommendations developed under such subsection.

PROVISIONS OF THE ACT

The Farm Crisis Act of 1982 offers these specific provisions to deal reasonably, and within the bounds of prudent Federal spending constraints, with the problems posed by today's depressed agricultural economy:

First, producers of feed grains, wheat, cotton, and rice who have already signed up to participate in the existing 1982 reduced acreage program would be eligible for an increase in the price support loan for 1982 crops to $4 per bushel for wheat, $290 per bushel for corn (with other feed grains supported in relation to the feed value equivalent to corn), $0.61 per pound for cotton, and $8.90 per hundredweight for rice. Because of the additional incentives to sign up in reduced acreage programs, opportunity for signup would be extended through the end of the certification period. The additional incentive for participation will result in more producers complying with acreage reductions than would under the existing price support levels in the 1981 farm bill. And because of the late date in the 1982 season, the signup would be open until the end of the certification period.

This would lessen demands on the Federal budget, since it is cheaper to avoid producing additional units of commodities that are already in surplus supply, rather than making outlays—price supports, storage, or otherwise—after the commodities have been produced.

In addition, the effect of reduced supplies would stimulate prices in the marketplace, thus reducing exposure to deficiency payments which amounted to nearly $2 billion for the 1981 production of wheat, barley, milo, cotton, and rice.

This legislation is designed to reduce the production of all of these crops for the 4 years of the 1981 farm bill, as well as corn which had no deficiency payments for 1981 production because the price support loan and target prices were at the same level. Haying and grazing would also be available to those farmers who have already planted.

Second, a nationwide referendum would be held in July on whether farmers will lay aside 15 percent of their cropland for conservation purposes. Not included in the referendum would be crop acres under marketing order or allotment. An affirmative vote by 55 percent of the farmers participating would be required for approval. If the referendum passed, loan rates would increase to $4 for wheat, $2.90 for feed grains, $0.61 for cotton, and $8.90 for rice. Failure to comply, if the referendum is approved, would mean denial of access to farm programs for 3 years.

Third, if the referendum should be defeated, the Secretary of Agriculture would be required to establish a voluntary set-aside program when carryover reached certain levels:

For wheat, if domestic carryover grew to more than 5 percent of world wheat utilization, a minimum 15-percent acreage set-aside program would be implemented, and farmers would receive a 5-percent loan rate increase. Farmers would also have the option to set aside an additional 15 percent of the previous year's plantings in return for a 15-percent increase in the wheat loan. The set-aside acreage could be devoted to haying and grazing.

For feed grains, if domestic carryover grew to more than 18 percent of total domestic and export use, a minimum 15-percent set-aside program would be implemented, and farmers would receive a 5-percent loan rate increase. Farmers would have the option to set-aside an additional 10 percent of the previous year's plantings in return for a 10-percent increase in the loan rate.

For cotton, it total domestic carryover stocks of upland cotton at the end of the marketing year exceeded 4.2 million bales, the Secretary of Agriculture would provide for a minimum 15 percent set-aside, and farmers would receive an increase of 10 percent in loan rates. Farmers would have the option to set aside 25 percent of acreage, in which case the loan rate would be increased by 20 percent.

Fourth. It would be expressed as the sense of Congress that $1 billion should be made available for the Agricultural Credit Revolving Fund, and expressed also as the sense of Congress that the administration should take immediate action to begin negotiations with the Government of the U.S.S.R. for a multiyear trade agreement.

Fifth. The Government would guarantee up to $250 million in loans for construction of on-farm storage facilities. This would make storage available for 500-600 million bushels of grain.

Sixth. Use of the economic emergency loan program would be mandated, retaining the current $600 million cap. The program would be extended until September 30, 1983, and the cap on loan size would be lowered from $400,000 to $200,000.

Seventh. The President would be directed to call a White House Conference on Agriculture to provide a forum for in-depth and long-range examination of agriculture's problems, solutions, and future potential.

Eighth. The Secretary of Agriculture would be directed to survey and expedite bartering of U.S. Government-owned agricultural commodities for strategic materials.

COST

The Congressional Budget Office, when examining a similar measure introduced in the House of Representatives, estimated that because of the amount of land taken out of production, deficiency payments and storage costs will decrease and less grain will be redeemed, thereby saving hundreds of millions of dollars over 4 years. This is a saving over the current law.●

By Mr. RIEGLE (for himself, Mr. LEVIN, and Mr. MOYNIHAN):

S. 2584. A bill to amend the Social Security Act to adjust the formula for determining the Federal percentage with respect to benefits paid by a State plan approved under part A of title IV, to adjust the formula for determining the Federal percentage with respect to benefits paid by a State plan approved under title XIX, and for other purposes; to the Committee on Finance.

REVISIONS TO THE AFDC AND MEDICAID DISTRIBUTION FORMULAS TO THE STATES

● Mr. RIEGLE. Mr. President, today I am introducing legislation that represents one part of a comprehensive program I have designed to reorient Federal fiscal priorities to meet the economic conditions we face in our country today. This bill, which I am introducing for myself, the Senator from is designed to revise the Federal matching formulas to the States which are used in the aid to families with dependent children (AFDC) program and the medicaid program.

Under current law, States have an option of using one of two formulas for the AFDC program. States may use the regular AFDC formula for determining the Federal Government's share toward the funding of this program, or States can adopt the funding formula used in the medicaid program for determining the level of Federal matching funds for the AFDC program. Only two States currently use the regular AFDC formula while the remaining 48 use the same formula—the medicaid formula—for both the AFDC and medicaid programs.

The bill which I am introducing today removes the option that States now have to select the funding formula which provides the highest Federal contribution to that State and replaces current law with a single formula tied to a carefully designed measure of a State's ability to provide locally generated funds. This new measure of a State's fiscal capacity replaces the rather crude index of per capita income which is used in the current law formulas. In addition, the new formula I am introducing today includes the number of AFDC and medicaid recipients that each State must serve in determining the level of Federal funding that each State will receive. This factor is totally neglected in current law.

Mr. President, the idea of providing variable matching rates to States in relation to that State's fiscal capacity—that is a State's ability to raise and generate revenues—is not new. The formulas in current law—which date back to 1958 for AFDC and to 1965 for medicaid—both have measures for the fiscal strength of States and provide higher Federal funding for States with lower fiscal capacity. Taking into consideration of a State's fiscal capacity for determining the level of the Federal Government's allocation for federally mandated programs is not limited to the AFDC and medicaid programs. There are at least 27 other Federal programs that use a per capita income element as an allocation factor. These programs range from the national school lunch program, vocational education programs, vocational rehabilitation programs, to State and local revenue sharing.

Mr. President, a major difficulty with the current formulas is not the consideration of a State's fiscal strength as part of the process for determining the Federal Government's obligation to that State. The problem with the current formulas—and this is an issue that has been under discussion for years—is that the measure used for determining fiscal capacity in current law is seriously flawed. Under the current formula, a State's fiscal capacity is simply measured by comparing the State's average per capita income to the national average per capita income. In the States that use the current medicaid formula, if a State's per capita income is higher than the national average, that State will receive a lower Federal matching rate with a statutory minimum of 50 percent. With States that have a lower per capita income than the national average, those States will be eligible for a Federal matching rate up to the statutory maximum of 83 percent. In addition, in the current medicaid per capita income formula, the measure of fiscal capacity is magnified and distorted through the use of a squaring mechanism which results in disproportionately rewarding States on the lower end of the per capita income scale.

While the inadequacy of the use of per capita income as a measure of fiscal capacity has been discussed for years, two new studies have recently been published which in addition to cataloging the difficulties of the per capital measure pose possible alternatives. One study, published in March 1982 by the Congressional Research Service (CRS) entitled "Analysis of Federal-State Cost Sharing in the Aid to Families with Dependent Children Program," outlines many of the difficulties involved in the use of the per capita measure as proxy for fiscal capacity and provides us with four alternative distribution formulas for the AFDC program. In another study, also published in March of this year by the Advisory Commission on Intergovernmental Relations (ACIR) entitled "Tax Capacity of the Fifty States: Methodology and Estimates," the whole objective of measuring fiscal capacity is closely examined and a new, far more sophisticated measure—the Representative Tax System (RTS)—which has been under development for many years, is presented. Unlike the per capita income measure, the RTS is a comprehensive measure of a State's tax base and therefore provides us with a clearer picture of a State's fiscal health than is possible from simply looking at personal income.

Mr. President, this is not the proper forum for discussing in any detail the technical issues resulting from the use of the per capita income measure. I do however strongly recommend that my colleagues and their staffs examine both of these recent reports on this complex matter. When considering the tremendous amount of Federal dollars that are distributed to the States utilizing the per capita income measure, it behooves us to carefully consider the implications of continuing to use such a measure especially during these fiscally lean times.

Mr. President, the bill I am introducing today utilizes the recommendations and insights from both of these studies. As I have already mentioned, my new bill repeals the current law formulas for both the AFDC and medicaid programs. In lieu of the current distribution formulas, my bill would provide a single matching formula for both programs taking into consideration both a State's fiscal capacity as well as the number of individuals requiring services within these programs within each State. However, rather than using the per capita income squared formula as a measure for fiscal capacity, my bill utilizes the measure designed by ACIR, the Representative Tax System (RTS).

Even though the bill I am introducing today only deals with the AFDC and medicaid programs, it is my intention to carefully examine the other 27 programs that use the per capita income measure and to examine the possibility of proposing changes in those programs at some future date.

In conclusion Mr. President, it is my hope that this new bill I am introducing today will spark an interest among the Members of Congress helping to focus their attention on this important matter.

I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2584

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (a) of section 403 of the Social Security Act is amended—

(1) by striking out ", beginning with the quarter commencing October 1, 1958", and

(2) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) in the case of any State other than Puerto Rico, the virgin Islands, and Guam, an amount equal to the Federal family assistance percentage of the total amounts expended during such quarter as aid to families with dependent children under the State plan; and".

(b) Section 406 of such Act is amended by adding at the end thereof the following new subsection:

"(h)(1)(A) Except as provided in subparagraph (B), the term 'Federal family assistance percentage' shall mean 100 per centum less the State percentage.

"(B) The Federal family assistance percentage shall in no case be less than 50 per centum or more than 83 per centum.

"(2) The term 'State percentage' shall mean that percentage which bears the same ratio to 45 per centum as the per recipient tax capacity of a State for the most recently completed calendar year bears to the per recipient national tax capacity for such calendar year.

"(3) The term 'per recipient tax capacity of a State' shall mean the amount obtained by dividing the aggregate tax capacity of a State for a calendar year by the average monthly number, for such calendar year, of recipients of aid to families with dependent children residing in such State and receiving aid under a State plan established by such State and approved by the Secretary pursuant to section 402.

"(4) The term 'per recipient national tax capacity' shall mean the amount obtained by dividing the sum of the aggregate tax capacities of all States (except Puerto Rico, the Virgin Islands, and Guam) for a calendar year by the average monthly number, for such calendar year, of recipients of aid to families with dependent children residing in such States and receiving aid under a State plan approved by the Secretary pursuant to section 402.

"(5) The term 'aggregate tax capacity' shall mean the sum of the tax capacities of a State and its political subdivisions for a calendar year.

"(6) The term 'tax capacity' shall mean the amount derived by multiplying the representative tax rate with respect to a revenue source for a calendar year by the tax base of a State and its political subdivisions with respect to such revenue source for such calendar year.

"(7) The term 'representative tax rate' shall mean the percentage derived by dividing the total revenues collected by all States (except Puerto Rico, the Virgin Islands, and Guam) and their political subdivisions with respect to a revenue source for a calendar year by the sum of the tax bases of such States and their political subdivisions with respect to such revenue source for such calendar year.

"(8) The term 'revenue source' shall mean the following taxes (as further defined by the Secretary after consultation with the Advisory Commission on Intergovernmental Relations and the Bureau of Economic Analysis of the Department of Commerce):

"(A) General sales or gross receipts taxes.

"(B) Selective service and gross receipts taxes.

"(C) License taxes.

"(D) Individual income taxes.

"(E) Corporation income taxes.

"(F) Property taxes.

"(G) Death and gift taxes.

"(H) Severance taxes.

"(9) The term 'tax base', with respect to a revenue source, shall have the meaning given to such term by the Secretary (after consultation with the Advisory Commission on Intergovernmental Relations and the Bureau of Economic Analysis of the Department of Commerce).".

(c) Section 1101 (a)(8) of such Act is amended by adding at the end thereof the following new subparagraph:

"(E) This paragraph shall not apply to the Federal family assistance percentage computed under part A of title IV or the Federal medical assistance percentage computed under title XIX.".

(d) Section 1118 of such Act is amended—

(1) by striking out "403 (a),", and

(2) by striking out "and part A of title IV.".

(e) Subsection (b) of section 1905 of the Social Security Act is amended to read as follows:

"(b)(1)(A) Except as otherwise provided in this paragraph, the term 'Federal medical assistance percentage' for any State shall mean 100 per centum less the State percentage.

"(B) The Federal medical assistance percentage shall in no case be less than 50 per centum or more than 83 per centum.

"(C) The Federal medical assistance percentage for Puerto Rico, the Virgin Islands, Guam, and the Northern Mariana Islands shall be 50 per centum.

"(D) The Federal medical assistance percentage shall be 100 per centum with respect to amounts expended as medical assistance for services which are received through an Indian Health Service facility whether operated by the Indian Health Service or by an Indian tribe or tribal organization (as defined in section 4 of the Indian Health Care Improvement Act.)

"(2) The term 'State percentage' shall mean that percentage which bears the same ratio to 45 per centum as the per recipient tax capacity of a State for the most recently completed calendar year bears to the per recipient national tax capacity for such calendar year.

"(3) The term 'per recipient tax capacity of a State' shall mean the amount obtained by dividing the aggregate tax capacity of a State for a calendar year by the average monthly number, for such calendar year, of individuals residing within such State with respect to whom medical assistance is paid under a State plan established by such State and approved by the Secretary pursuant to section 1902.

"(4) The term 'per recipient national tax capacity' shall mean the amount obtained by dividing the sum of the aggregate tax capacities of all States (except Puerto Rico, the Virgin Islands, Guam, and the Northern Mariana Islands) for a calendar year by the average monthly number, for such calendar year, of individuals residing in such States with respect to whom medical assistance is paid under a State plan approved by the Secretary pursuant to section 1902.

"(5) The term 'aggregate tax capacity' shall mean the sum of the tax capacities of a State and its political subdivisions for a calendar year

"(6) The term 'tax capacity' shall mean the amount derived by multiplying the representative tax rate with respect to a revenue source for a calendar year by the tax base of a State and its political subdivisions with respect to such revenue source for such calendar year.

"(7) The term 'representative tax rate' shall mean the percentage derived by dividing the total revenues collected by all States (except Puerto Rico, the Virgin Islands, Guam, and the Northern Mariana Islands) and their political subdivisions with respect to a revenue source for a calendar year by the sum of the tax bases of such States and their political subdivisions with respect to such revenue source for such calendar year.

"(8) The term 'revenue source' shall mean the following taxes (as further defined by the Secretary after consultation with the Advisory Commission on Intergovernmental Relations and the Bureau of Economic Analysis of the Department of Commerce):

"(A) General sales or gross receipts taxes.

"(B) Selective service and gross receipts taxes.

"(C) License taxes.

"(D) Individual income taxes.

"(E) Corporation income taxes.

"(F) Property taxes.

"(G) Death and gift taxes.

"(H) Severance taxes.

"(9) The term 'tax base', with respect to a revenue source, shall have the meaning given to such term by the Secretary (after consultation with the Advisory Commission on Intergovernmental Relations and the Bureau of Economic Analysis of the Department of Commerce).".

(c) The amendments made by this Act shall apply to quarters beginning after the date of enactment of this Act.●

ADDITIONAL COSPONSORS

S. 349

At the request of Mr. Hart, the Senator from Maine (Mr. Mitchell) was added as a cosponsor of S. 349, a bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes.

S. 1698

At the request of Mr. Denton, the Senator from Rhode Island (Mr. Pell) was added as a cosponsor of S. 1698, a bill to amend the Immigration and Nationality Act to provide preferential treatment in the admission of certain children of U.S. Armed Forces personnel.

S. 1947

At the request of Mr. Weicker, the Senator from Kentucky (Mr. Huddleston) was added as a cosponsor of S. 1947, a bill to improve small business access to Federal procurement information.

S. 1958

At the request of Mr. Dole, the Senator from Delaware (Mr. Roth) was added as a cosponsor of S. 1958, a bill to amend title XVIII of the Social Security Act to provide for coverage of hospice care under the medicare program.

S. 1984

At the request of Mr. McClure, the Senator from Wyoming (Mr. Simpson) was added as a cosponsor of S. 1984, a bill to amend the Federal Trade Commission Act to protect the legislative and regulatory authority of the State legislatures, and for other purposes.

S. 2048

At the request of Mr. Crantson, the Senator from Arkansas (Mr. Pryor) was added as a cosponsor of S. 2048, a bill to amend title 38, United States Code, to restore eligibility for burial benefits in the case of certain veterans of war whose bodies are not claimed, and for other purposes.

S. 2385

At the request of Mr. Simpson, the Senator from Vermont (Mr. Stafford), the Senator from Wisconsin (Mr. Kasten), the Senator from Alaska (Mr. Murkowski), the Senator from Pennsylvania (Mr. Specter), the Senator from Maine (Mr. Cohen), the Senator from California (Mr. Cranston), the Senator from West Virginia (Mr. Randolph), the Senator from Hawaii (Mr. Matsunaga), the Senator from Arizona (Mr. DeConcini), the Senator from Maine (Mr. Mitchell), the Senator from North Dakota (Mr. Burdick), and the Senator from South Carolina (Mr. Thurmond) were added as cosponsors of S. 2385, a bill to amend subchapter IV of chapter 73 of title 38, United States Code, to modify the VA health professionals scholarship program, and for other purposes.

S. 2462

At the request of Mr. Pressler, the Senator from Minnesota (Mr. Durenberger) was added as a cosponsor of S. 2462, a bill to provide appropriations for an agricultural export credit revolving fund.

S. 2543

At the request of Mr. Nunn, the Senator from Georgia (Mr. Mattingly) was added as a cosponsor of S. 2543, a bill to improve the effectiveness and efficiency of Federal law enforcement efforts.

S. 2556

At the request of Mr. Danforth, the Senator from Delaware (Mr. Roth) was added as a cosponsor of S. 2556, a bill to require that furniture and decorative accessories for use in offices of certain officers of the Government be procured by the Administrator of General Services, and for other purposes.

S. 2572

At the request of Mr. Thurmond, the Senator from Alabama (Mr. Heflin), the Senator from Oklahoma (Mr. Nickles), the Senator from South Carolina (Mr. Hollings), and the Senator from Iowa (Mr. Grassley) were added as cosponsors of S. 2572, a bill to strengthen law enforcement in the areas of violent crime and drug trafficking, and for other purposes.

S.J. RES. 162

At the request of Mr. Roth, the Senator from North Carolina (Mr. Helms) was added as a cosponsor of Senate Joint Resolution 162, a joint resolution to authorize and request the President to designate the week of June 20, 1982, through June 27, 1982, as "National Safety in the Workplace Week."

SENATE JOINT RESOLUTION 177

At the request of Mr. Warner, the Senator from New Mexico (Mr. Schmitt), and the Senator from New Mexico (Mr. Domenici) were added as cosponsors of Senate Joint Resolution 177, a joint resolution to express the sense of the Congress that the United States and the Soviet Union should engage in substantial, equitable, and verifiable reductions of their nuclear weapons in a manner which would contribute to peace and stability.

SENATE RESOLUTION 363

At the request of Mr. Sasser, the Senator from Montana (Mr. Melcher), and the Senator from Kentucky (Mr. Ford) were added as cosponsors of Senate Resolution 363, a resolution expressing the sense of the Senate with respect to Federal funding for fossil fuel programs.

SENATE RESOLUTION 369

At the request of Mr. Mitchell, the Senator from North Dakota (Mr. Andrews) was added as a cosponsor of

Senate Resolution 369, a resolution opposing the imposition of import fees on the importation of any crude oil or refined petroleum products.

SENATE RESOLUTION 393

At the request of Mr. Pressler, the Senator from Montana (Mr. Baucus) was added as a cosponsor of Senate Resolution 393, a resolution expressing the sense of the Senate that the Secretary of Agriculture should promptly call for a section 22 study on honey imports.

SENATE CONCURRENT RESOLUTION 100—CONCURRENT RESOLUTION RELATING TO STEEL UNFAIR TRADE PRACTICE CASES

Mr. HEINZ (for himself, Mr. Randolph, Mr. Glenn, Mr. Moynihan, Mr. D'Amato, Mr. Levin, Mr. Sarbanes, Mr. Quayle, Mr. Mathias, Mr. Durenberger, Mr. Ford, Mr. Robert C. Byrd, Mr. Dixon, Mr. Heflin, Mr. Thurmond, Mr. Metzenbaum, Mr. Specter, Mr. Garn, Mr. Lugar, Mr. Riegle, Mr. Hollings, Mr. Denton, Mr. Huddleston, Mr. Boschwitz, Mr. Tower, and Mr. Hatch) submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. Con. Res. 100

Whereas the steel industry of the United States is critical to the national defense and to the maintenance of a strong industrial economy, which employs millions of workers and sustains the Nation's prosperity;

Whereas between 1971 and the present there have been three distinct episodes of dramatic surges in importation of apparently dumped and subsidized steel mill products, episodes which contributed to the destruction of 118,000 steelmaking jobs, to the shrinking of production by 20 percent, and to aborted capital investment planned to modernize the steel industry;

Whereas the 1981-1982 episode, which is the most serious, has resulted in 100,000 layoffs and 31,000 workers on short workweeks and threatens to abort $7,000,000,000 in planned capital investment; and

Whereas the past failure of the United States Government to vigorously enforce the trade laws has contributed to the decline of the steel industry, and the failure of the Government to so enforce the trade laws in this most serious crisis in the steel industry would endanger critical planned investment and modernization, which in turn would threaten the economy and the national defense of the United States: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That is the sense of the Congress that—

(1) the President should exercise the authority granted to him by the Congress to direct the appropriate agencies to vigorously pursue and promptly conclude the countervailing duty and antidumping duty investigations being conducted under title VII of the Tariff Act of 1930, and the investigation being conducted under chapter 1 of title III of the Trade Act of 1974, concerning foreign trade practices involving carbon steel mill products and specialty steel mill products; and

(2) the Congress, if necessary, should promptly consider appropriate legislation to strengthen the trade laws of the United States.

Mr. HEINZ. Mr. President, I am today offering a concurrent resolution, together with 25 cosponsors—13 Democrats and an equal number of Republicans—expressing the sense of Congress that the pending steel unfair trade practice cases be pursued vigorously and promptly concluded.

I offer this resolution to bring to the Senate's attention in the clearest terms possible the seriousness and immediacy of the crisis facing the American steel industry and the need for prompt remedial action. Let me begin by making a few comments on each of the introductory clauses in the resolution.

First, whereas the steel industry of the United States is critical to the national defense and to the maintenance of a strong industrial economy, which employs millions of workers and sustains the Nation's prosperity.

On this point, Mr. President, there should be no disagreement. The steel industry is the most basic industry we have. It provides the backbone for construction, automobiles, machinery, and 100 other sectors. A continuing, modern, efficient, productive capacity is essential both to our economic health and our long-term national security.

Second, whereas between 1971 and the present there have been three distinct episodes of dramatic surges in importation of apparently dumped and subsidized steel mill products, episodes which contributed to the destruction of 118,000 steelmaking jobs, to the shrinking of production by 20 percent, and to aborted capital investment planned to modernize the steel industry.

Out of deference to the pendency of the investigations, the resolution refers to the "apparently" dumped and subsidized imports. There is no doubt in my mind, Mr. President, and I do not think there is much doubt in anyone else's mind, including the Europeans', that the dumping and subsidizing are facts. As our U.S Trade Representative, Bill Brock, said the other day at the National Press Club, this is an area where we have internationally agreed upon rules—rules the Europeans have agreed to obey. Yet, the Europeans have chosen to ignore those rules in order to preserve jobs in an inefficient industry there, at the cost of jobs here. Along with Ambassador Brock I have some sympathy for the problems of the European steel industry. Having postponed essential modernization and productivity decisions for a number of years, they are now in worse shape than we are and struggling to catch up. The European Community's rationalization plan provides some hope of progress in that direction—if the EC has the political strength to adhere to it. Deadlines for eliminating subsidies have already slipped, and it is obvious in recent months that there has been little or no effort to get control of shipments to the United States, even in the face of the pending trade complaints.

In the face of these problems, however, the solutions of rationalization and modernization, reduction of excess, inefficient capacity, are clear. What is unclear is whether the political will exists to implement the solution. But the important consideration from our standpoint must be, whether the political will is there or not, we cannot permit the European industry—a less efficient industry—to survive at the expense of ours.

Third, whereas the 1981-82 episode, which is the most serious, has resulted in 100,000 layoffs and 31,000 workers on short workweeks and threatens to abort $7,000,000,000 in planned capital investment.

These tragic numbers reveal the true extent of the crisis and what the European actions have cost us. Industry capacity utilization is heading toward 50 percent, and in some cases has already fallen below that figure.

As serious as the present injury may seem, however, it pales in comparison to its implications for the future of the domestic industry. The industry must modernize its aging plants if it is to remain a viable force in our economy. It has announced over $6 billion in capital spending plans over the last year. This represents a very real and very meaningful commitment to the future of basic steel on the part of our domestic industry. Recent company announcements have made it very clear, however, that the pace—and indeed the implementation—of those plans are jeopardized by the record levels of steel imports experienced in recent quarters. It is clear that the industry cannot maintain the status quo—it must move in one of two directions. Either it will modernize or it will shrink. If the modernization programs announced by the industry are curtailed as a result of our inability to deal effectively with unfairly traded imports, the result will be permanent loss of thousands of jobs in the industry. In effect, the practice of exporting unemployment on the part of our trading partners will be permanently condoned. This is a result we cannot permit. But it is one we invite if U.S. trade laws are perceived as a paper tiger. It is not an exaggeration to suggest that the future of the domestic steel industry rests on the effective enforcement of our trade laws.

Fourth, whereas the past failure of the U.S. Government to vigorously enforce the trade laws has contributed to the decline of the steel industry, and the failure of the Government to so en-

BEST [illegible]

force the trade laws in this most serious crisis in the steel industry would endanger critical planned investment and modernization, which in turn would threaten the economy and the national defense of the United States.

I recall, Mr. President, back in 1977, two steel crises ago, a major meeting at the White House on steel convened by then-President Carter. At the meeting he said that he had just learned that our Government was not fully enforcing our trade laws, and he expressed his determination to do something about that. Later on, someone apparently told him what that would mean in terms of reducing European imports to this country and of the troubles that would cause with the Europeans—as it certainly has at present—and he decided to try a more modest path—the Trigger Price Mechansim, which over the long term did not succeed in getting a handle on imports, and, at the time of its abolition, was being widely circumvented by many foreign producers.

The current administration, in my judgment, is to be commended for the forthright manner in which it has proceeded with the pending cases and for its apparent determination to see them through to their conclusion. One of the things that has frequently bothered a number of us on the Finance Committee from time to time is what we perceive as tactical negotiating weaknesses on the part of our negotiators. Simply put, we get inpatient; we get nervous; and we settle for less than we should. Thus far that has not happened in steel under the Reagan administration. It is the purpose of this resolution to reinforce that commitment on the part of the administration and to express the sense of the Congress that we act aggressively to maintain both domestic law as well as the international rules of fair trade that have been agreed upon in the GATT.

The magnitude of these violations of the rules can be seen in the breadth of coverage of the cases that have been filed. The product categories covered by the petitions account for almost 70 percent of 1981 domestic mill shipments. The countries covered by the petitions account for 90 percent of U.S. imports of all steel mill products in 1981. Those countries include: Belgium, France, West Germany, Italy, Luxembourg, the Netherlands, Great Britain, Brazil, Canada, Romania, South Africa, Spain, Austria, Sweden, Japan, Argentina, and Venezuela.

From the standpoint of import penetration, the products covered in the cases from the countries named accounted for over 50 percent of those specific products in 1981.

As the resolution points out, Mr. President, these figures do not mean simply loss of sales for a year or two. In many cases, they mean long-term loss of market share and loss of earnings vitally needed for modernization programs. Without that investment we cannot restore the industry to full competitiveness.

People sometimes complain, Mr. President, that the industry is diversifying away from steel. The answer to that is that it should be no surprise—you can make more money elsewhere, and you cannot expect companies to pour funds into enterprises facing unfair foreign competition, expensive environmental requirements, and, until recently, tax laws that discouraged new investment. Ironically, diversification over the long term has meant more investment available to the steel sector, but the way to deal with diversification is not to prohibit it, but to create economic and legal conditions that allow the industry to prosper.

First and foremost among those is bringing to an end the unfair trade practices I have been discussing. This would create what David Roderick, the chief executive officer of United States Steel, calls the level playing field, a trading environment in which all producers play by the same rules, where the free market truly prevails, and where sales and earnings are based on productivity and comparative advantage rather than on Government subsidies.

What is particularly irritating in this context is the casual use of the term "protectionism" to describe the industry's insistence on equity and justice. What this resolution, and the pending unfair trade practices cases are talking about is not protectionism but an effort to restore free market conditions to the steel industry. What does the term "free market" mean? It does not mean only that the United States lets in all products without restrictions and without regard for the consequences. It means that we support the theory of comparative advantage and that we want to see steel sales based on that principle and not on artificial advantages like Government subsidies which distort the free market and reward the inefficient.

That is the real question, Mr. President: Whether we are going to continue to tolerate conditions which reward the inefficient and penalize American workers in the process.

This resolution stands squarely behind the idea that we should use our trade laws as they were intended to be used—to restore free market conditions, and to uphold the international rules that most countries have accepted.

The final clause of the resolution carries that though one step further. It states that the Congress, if necessary, "should promptly consider appropriate legislation to strengthen" our trades laws. I want to make clear in that regard, Mr. President, that while our trade laws appear to be operating normally and statutory deadlines have thus far been met, I do have a growing concern about the ability of those laws to deal with this problem in the short term. While I am confident that the ultimate outcome of the various cases will be findings of subsidy and dumping and the imposition of substantial duties on European imports, that future result does not effectively deal with the import crisis now. It appears from the import data over the past few months that European producers, anticipating findings adverse to them, are trying to get as much steel into the United States as they can before our laws shut the door. As a result imports are running far ahead of last year, and the industry is suffering the severe injury I detailed earlier.

To remedy this problem I wrote two weeks ago to Secretary of Commerce Baldrige urging him to declare "critical circumstances" in these cases, a determination which would permit the retroactive suspension of liquidation and assessment of duties should the findings of subsidy and dumping be affirmative. Although no penalty would be applied to the importers prior to such affirmative findings, the declaration now that critical circumstances exist would send a clear signal to the European producers that we are taking this matter very seriously and intend to impose duties on them at the earliest point permitted by our law and international agreements.

The Secretary's response, both public and private, indicated his willingness to make such a finding should the facts warrant it—and I am confident they do—but suggested he would not do so until the same time that the preliminary determination is made. In the subsidy cases that is June 10. In the dumping cases I expect it to be around August 9.

Mr. President, that position is consistent with the Department's regulations but clearly inconsistent with the law, which states that the Secretary shall act on such a request promptly after it is made. In the steel cases it was made at the time the petitions were filed—in most cases last January. Surely by the middle of May it should be possible to determine whether the criteria for a critical circumstance determination—massive imports over a relatively short period and export subsidies—are present. Similarly, it should be possible at this point to make the same judgment with respect to the criteria for critical circumstances in the dumping cases.

This is an issue on which the Secretary and I will have more discussion, along with the Commissioner of Customs, who also has authority to suspend liquidation at his discretion. In my judgment this is a case where such discretion should be exercised.

If we cannot solve this problem through such discussions, then the Congress may have to do it legislatively. The concurrent resolution we are considering today does not speak directly to that point, but I mention it to make clear that the resolution's concluding point about trade law amendments is not an empty phrase. There may well be areas where the law is not providing the needed relief, and those are areas which Congress should examine—through the normal committee process. This resolution signals congressional intent to do that.

Mr. President, I hope this resolution will be taken up promptly by the Committee on Finance, promptly reported, and promptly acted upon. It is a timely resolution. I think it signifies our determination that our unfair trade laws should work and work effectively, consistent with our responsibilities under GATT. I urge my colleagues to support the resolution at the appropriate time.

Mr. RANDOLPH. Mr. President, many times in this Chamber I have taken the opportunity to discuss the deepening crisis in our domestic steel industry. I join with my colleagues who are outstanding leaders in the Senate Steel Caucus, Senator JOHN HEINZ and Senator JOHN GLENN, and the many other Senators who associate themselves in offering a concurrent resolution expressing our strong and deeply held belief that prompt and vigorous enforcement of our trade laws and the expeditious processing of the pending steel trade cases should be a priority of the administration and the Congress. Our resolution calls for the President to vigorously pursue and promptly conclude the steel trade investigations involving steel imports of carbon steel mill products and specialty steel mill products. Further, the resolution states that the Congress should consider legislation to strengthen, if necessary, the trade laws of the United States.

I am a strong believer in fair trade and I have been actively involved in the development of policies which will revitalize our domestic steel industry. We must not stand by and watch as this basic industry is destroyed by imports, and as thousands of workers in the domestic industry lose their jobs. Let us look at this issue in human terms. During the week ending May 8, 1982, there were 94,000 wage rate workers on layoff in the steel industry, and there were more than 25,000 workers on short work weeks. We cannot continue to allow unfairly priced steel imports to force our workers into the unemployment lines.

In our State of West Virginia, unemployment is 11.3 percent for March. Our single largest steel employer, Weirton Steel in Weirton, W. Va., employs 8,900 workers, cut back from 12,000. We know that National Steel Corp., which owns Weirton Steel, has announced its intention to sell the plant to the employees. I have been working diligently with the Weirton community and with my West Virginia colleagues and the Governor and others to assist in this effort. We have other cutbacks in steel and in coal and aluminum and basic industries in West Virginia. In steel we have a number of trade cases pending. I believe the Congress must go on record in support of vigorous enforcement of our trade laws. Our economic health depends on a strong, productive, industrial base. The steel industry is a critical component of that base. I urge the Senate to approve the resolution and send a message that this Nation expects fair trade in the international marketplace and vigorous enforcement of our trade laws.

I commend the work of my West Virginia colleague in the House of Representatives, BOB MOLLOHAN. A few weeks ago, he addressed a meeting of district 23 of the United Steelworkers of America. His remarks concerning the domestic steel industry and the economic problems besetting our Nation are insightful, and stimulating. I recommend Mr. MOLLOHAN's words to the Members of the Senate for study and consideration. I ask to insert Representative MOLLOHAN's remarks in the RECORD following my comments.

The remarks follow:

REMARKS OF HON. ROBERT H. MOLLOHAN, FIRST DISTRICT, WEST VIRGINIA

I don't need to tell this group that we have serious economic problems in this country. We are seeing a shakeout of industry up and down the Ohio Valley. You of all people know that unemployment and slack industrial capacity are indicators that our industrial base is in trouble.

The latest figures I have seen show 25 percent of steelworkers are either laid off or on a short workweek. That is 116,000 of you. Only 52 percent of our steel industry capacity is in use even as imports maintain a 20-percent market share. And we have all seen the announcement of first quarter losses.

None of this is new. What began several years ago in Youngstown has now arrived in Wheeling. And we have never really recovered from the sharp decline in steel production that we had in 1980.

There has been almost a continuous decline since then in auto and truck production and in home appliances. This devastating recession is now entering its tenth month and it has choked off changes in the steel industry that would have helped.

We thought we had bought some time when the Carter administration reinstated the trigger price mechanism to give us some relief from imports. The Tripartite Advisory Committee then recommended additional measures to:

Increase investment in modernization of steel plants and equipment, foster adoption of the most advanced steelmaking technology, ease the impact of environmental requirements, and provide labor and communities adjustment assistance where the industry shakeouts were particularly severe.

The Congress and the Reagan administration cooperated to liberalize depreciation rules and investment tax credits. The Congressional Steel Caucus pushed hard and won the battle for an extension of environmental compliance deadlines.

But high interest rates and other factors almost immediately began an economic downturn. Sales and production dropped. Unemployment climbed steadily and the recession stopped new investment cold.

Even as the economy worsened, the administration attacked and cut back adjustment assistance, including the additional weeks of unemployment compensation, funds for job training and economic development funds. These cuts were justified as necessary to achieve a balanced budget. Yet the 1982 deficit, this year's budget deficit, will be about $100 billion, the largest in our history.

I think you should know, too, that the Congressional Steel Caucus has asked a half-dozen times for meetings with the President to discuss the magnitude of these problems for our working men and women. And we have yet to get in the Oval Office.

One out of four Congressmen and women is a steel Caucus member. Yet six months have passed since we first requested a meeting with the President. That is incredible to me. Real concern is a lot more than just mentioning Steubenville in a speech.

We are putting together now a concurrent congressional resolution that calls for greater administration attention to our problems, particularly the problems resulting from the importation of foreign steel that is subsidized or dumped in this country.

The executive branch, of course, is working on the petitions filed by seven steel companies against foreign unfair trade practices. But in its desire to be seen as committed to free trade, this administration seems terribly reluctant to take a stand for fair trade.

The congressional resolution will call for the President to expedite the processing of these cases and to recommend, if necessary, changes in the law that would strengthen the process. We need a preliminary finding as soon as possible and a final decision before the year is out.

In the longer term, of course, we need growth in demand for steel to boost production and employment. We may see fewer total workers, but the level of employment will be more stable. And because of new processes and equipment and higher rates of usage in existing plants, we should have lower operating costs and high productivity.

We can only get to the longer term by getting out of this bust period, however. That is why we are working hard to come up with serious and realistic alternatives to the Reagan budget plans. You may have seen that by more than two-to-one the American people want the administration to try something other than more of its cut spending, cut taxes program.

It is not surprising why. The fiscal year 1983 budget proposed by the administration would, according to most recent estimates, give us a 180 billion dollar deficit next year. That is hard to believe, but it results from an economic program founded on unrealistic economic assumptions and on unproven economic theories.

We have seen some relief from double-digit inflation and a miniscule individual income tax cut. But persistently high interest rates and record unemployment have given us lower income, lower production, lower investment, lower growth, lower earnings, and lower savings.

The experts say the big deficits and high interest rates endorsed by the administration guarantee us more of the same. So it is not surprising why we need some changes.

Earlier this year I told the Wheeling Chamber of Commerce that we needed an employment-based strategy in our budget. The Congress finally moved to provide emergency unemployment assistance. We are working on making more comprehensive the extended unemployment compensation program. Plans for a new Federal jobs training program, built on our experience, would focus training on youth and the long-term unemployed.

We simply can't balance the budget on the backs of those least responsible for our troubles. Yet we have more administration proposals to cut education, cut vocational education, cut job training, and cut the social services that provide the unemployed and the working poor with some way of getting minimal shelter, medical care, and food.

These are short-sighted and unrealistic proposals designed to eliminate our longstanding policy of investing in the human capital of this country. We need some social responsibility as well as some fiscal responsibility in our Federal accounts.

I do not buy and I believe the vast majority of my colleagues do not buy the fadish notion that the Federal Government can only stand idly by while people struggle against natural and economic disaster. I don't think this group in the White House understands. The American people look to the Federal Government for leadership and aid in improving the standard and quality of life, for greater equality and justice.

I remain tremendously proud of the social programs and social progress in this country over the last 50 years. This progress has its roots in the efforts of Franklin D. Roosevelt and the tragic decade of the 1930's.

Some of you might remember that former Vice President John Nance Garner decades ago in jest summed up the problems of the United States as "Too much John L. Lewis and too much government spending." Now we have another simply litany: "Too Much Tip O'Neill and too much spending." But regrettably this seems to be the whole basis of White House policy instead of just a joke.

We should recognize these for the quips they are and move forward from here tackling our real problems together as we all were elected to do. I don't take any great pride in the break down in effective government that we are seeing right now. I don't think it was a great idea to shut down the Government for a few hours or try to run it on a continuing resolution.

We were elected to make the political system work not sabotage it with unrealistic and dogmatic economic plans. We have had a year of that and the polls show the vast majority of Americans say they are worse the wear for it. Bankruptcies and despair again plague us.

We need to start with an honest assessment of our problems. You have heard the sliding prediction that recovery will start.

In anticipation of the adoption of the Reagan plan:

When the Reagan plan is adopted;
In the first quarter of 1982;
In the second quarter of 1982;
With the July 1982 tax cut;
In the second half of 1982 and so on.

But recovery will not come until interest rates come down, until we get a handle on the $200 billion deficits facing us, until we can boost employment and truly stimulate investment.

We need a bipartisan approach, yes. But let us understand that the bipartisan approach will have to change significantly the President's budget plan. The President's plan as outlined several months ago is largely irrelevant now except in political importance to the President.

I know that we all will appreciate the continuation of support we have received from labor leaders like yourselves. I know that I personally have enjoyed a close working and social relationship with the steelworkers, especially you in district 23.

I urge you to continue to press your interests and views on whomever is in the Congress or in the White House. The political process works because citizens and groups keep coming back, forcing it to respond in one way or another.

I believe our Government has worked to the benefit of every American, especially in the decades since F.D.R. But I think it can work better. I want all of us—the President, the Congress, you and me—to make it work better.

Mr. SPECTER. Mr. President, I rise in support of the concurrent resolution of the distinguished senior Senator from Pennsylvania (Mr. HEINZ). It is critical to the future of the American steel industry, an industry so vital to our national security, that there be prompt and vigorous enforcement of our trade laws against the illegal dumping of steel on American markets.

The steel industry is now operating at less than 50 percent capacity, even lower than the years of the Great Depression, and unemployment levels in the industry have reached over 100,000 employees. Import penetration has increased dramatically throughout all of 1981 and the beginning of this year. In March of this year, I introduced S. 2167, the Unfair Foreign Competition Act of 1982. This bill will grant American industries broader and direct access to the courts to prevent economic injury in antidumping cases and countervailing duty suits. This legislation will provide more expeditious and effective relief to those companies and industries injured by foreign products being dumped or sold on the American market at less than their fair value. Hearings were held on this legislation before the Judiciary Committee on Monday, May 24.

I recently held hearings in Pittsburgh, Pa., to assess the impact of steel imports and illegal dumping on the economy of western Pennsylvania. In addition, I conducted the citizens forum in Mon Valley. Based on the input I received at these meetings, I can testify that the impact of dumping in foreign government subsidies on the American steel industry has been absolutely devastating and is continuing to worsen. Pete Love, president of National Steel, expressed this best when he stated:

> The steel business in this country is currently suffering through the longest and deepest depression since National Steel was founded in 1929.

Given the continuing and rapid decline of the American steel industry, caused by the illegal dumping of products on our markets, it is absolutely essential that the Department of Commerce and the International Trade Commission immediately and vigorously enforce our fair trade laws. Any further delay will jeopardize the future of the entire industry and our national security.

● **Mr. DENTON.** Mr. President, I join in cosponsoring the concurrent resolution submitted by the distinguished Senators from Pennsylvania and West Virginia to express the sense of the Senate that the administration should vigorously enforce our trade laws and expedite a decision on the current steel-dumping cases.

I have long been an advocate of free trade. I believe that free trade benefits industry and consumers alike by creating competition that compels industry to be efficient and sell its products to consumers at the lowest competitive price. Along with that, however, all producers and their governments have the responsibility to avoid using unfair practices such as dumping or subsidies designed to gain unfair advantage and to destroy the free market system. Current economic data suggests that such unfair trade practices are now affecting our steel industry.

The quantity of steel products imported into the United States has dramatically increased in the past few years. The total import share of the U.S. market, which averaged 15.4 percent for the 1970-80 period as a whole, increased to 16.3 percent in 1980, to 19.1 percent in 1981, and to approximately 20 percent today.

These figures by themselves do not prove that unfair trade practices have been used by foreign producers to increase their market shares. The Department of Commerce and the International Trade Commission have concluded, however, that there is sufficient data to warrant further investigation and consideration of the possible imposition of counterveiling and dumping duties against foreign steel producers who can be shown to violate the rules of free trade.

By 1977, almost one quarter of the non-American free world steel capacity was owned by Governments, and in few nations, other than the United States, was the steel industry independent of some form of government subsidy. As the world demand for steel decreased, government subsidies increased as other nations attempted to preserve the position of their own industry. Subsidies have taken various forms, ranging from free or below market loans to the cancellation of loan obligations.

The pending steel cases are based on allegations that some foreign producers have dumped steel products in the

United States at 5 percent to 60 percent below fair market value. The complaints have received $30 billion in government subsidies during the past 6 years and will receive another $30 billion during the next 4 years. Mr. President, this is not free trade.

Such practices have had a major detrimental effect on the domestic steel industry. Since the beginning of 1981, over 77,000 steelworkers have been laid off. This affects many States. It has a particularly severe effect on my State. Recently, United States Steel announced that it will close one of its largest plants, in Fairfield, Ala. The closing of the Fairfield plant will involve the layoff of 3,200 workers, striking another major blow to the intolerable unemployment in Alabama. Other States have similar problems. The current flood of cheap foreign steel will also have a negative effect on the domestic industry's long-range plans to invest over $6 billion in capital investment.

In January 1982, 7 domestic steel companies filed over 100 antidumping and counterveiling duty cases against steel producers in 11 foreign nations. The Department of Commerce is currently conducting 55 investigations, involving over 90 percent of the imports covered by the petitions.

Recently, I had a lengthy discussion of the steel import issue with Lionel Olmer, Undersecretary of Commerce for International Trade. I am confident that the Department of Commerce will rule in favor of the domestic producers. I am pleased that Secretary Baldrige announced on May 12 that he may impose retroactive duties on foreign steel producers found to have flooded U.S. markets with cheap subsidized steel. A preliminay decision by the Department of Commerce is expected by June 10.

I believe the Secretary's announcement clearly demonstrates that the Reagan administration is committed to enforcing our trade laws. It is unfortunate that the previous administration did not enforce our trade laws as actively, and that the situation has been allowed to deteriorate so badly. Although the United States should continue to strive for free trade with our trading partners, we cannot tolerate foreign government subsidies and dumping of foreign products into our American markets. This resolution will express the need for urgency in resolving this matter.

Mr. President, I ask unanimous consent that two newspaper articles about the steel cases be printed in the Record immediately following my remarks.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Times, May 19, 1982]

What's Happened to Our Steel Industry?

(By Ralph de Toledano)

To read the public prints, the present condition of the American steel industry is a result of greed and bad management. And it is true that the industry was, until President Reagan took office, skipping in competitiveness, losing large chunks of the domestic and world market.

Even though, with an annual production of 118.7 million net tons of steel, the United States remains the largest producer, it is nevertheless steadily falling behind. Three decades ago, the United States was exporting 2 million tons a year more than it imported. But, by 1978, that surplus had changed to a 19-million-ton deficit—that is, from 1.3 million tons of imported steel to almost 20 million tons.

Three decades ago, moreover, the U.S. share of world steel exports was 25 percent, whereas by 1977 it was less than 4 percent. In the early postwar years, the United States was producing almost half of all the world's steel. By 1980, its production had fallen to less than 18 percent of the world total.

Whose fault is this?

To lay all the blame on the American steel industry is not only inaccurate but unfair. Certainly, American steel companies were not as aggressive as they might have been. But, if the finger must be pointed, it will show that the major responsibility lies with the postwar Democratic administrations—for their foreign aid and trade policies—and with the governments of Japan and the European Economic Community.

It is easily forgotten that after World War II the United States poured out multibillions of dollars to rebuild the Japanese and Western European steel industries. Europe and Germany found themselves with the most modern plants in the world, courtesy of the American taxpayer.

Since then, the Japanese have pushed hard to increase their advantage. They have given their steel industry far greater access than the United States to bank capital, foregone strict antitrust policies which have led to cost-efficient productive methods and prevented labor unions from imposing restrictive work rules which cut down on production. With government support, they also have retired unproductive facilities, as the Heritage Foundation notes in its study of world steel industries, "at a rate putting both European and Americans to shame."

On the other hand, the U.S. steel industry has had to cope with Democratic presidents, from F.D.R. to Jimmy Carter, who have considered them the "enemy," heavy taxation, powerful unions which have been allowed to slow or halt modernization, harsh regulation. All of this has helped to erode the $8-a-ton advantage over Japan held by U.S. steel producers to a situation in which the Japanese now have a $90-a-ton advantage.

Foreign steel producers also have been helped by tax policies in Japan and the European Economic Community which favor exports. In addition, EEC countries have given their steel producers subsidies which permit them to reduce prices significantly. These forms of government aid have allowed foreign producers to sell steel in the world market at prices which are sometimes below production costs.

In 1980, U.S. Steel filed anti-dumping suits against producers in the EEC. But the Carter administration, bowing to pressure from Europe, pushed U.S. Steel to drop the suits on a promise that the dumping would cease. How successful Carter's "negotiated settlement" proved to be was apparent when the major U.S. steel producers filed new complaints with the Department of Commerce.

The suit by U.S. producers against the EEC and four other countries alleges dumping and subsidy violations and "unfair trade practices." The suit follows efforts by the Commerce Department to investigate blatant violations by the EEC of trade agreements.

The Reagan administration already has acted to give the U.S. steel industry a chance to save itself and its 600,000 jobs. The heavy hand of regulation which was costing U.S. steel companies billions of dollars has been relaxed. And the Capital Cost Recovery Act will permit the industry to purchase and install the most modern equipment available.

But steel is not the only U.S. industry being damaged by foreign competition. The same unfair trade practices are gutting the auto industry and textiles. They already have destroyed producers of TV and radio sets, who are importing parts and assembling them here.

Perhaps it is too late. Let's hope the administration's efforts will not be too little.

[From the Washington Post, May 13, 1982]

U.S. Warns Illegal Steel Faces Retroactive Duties

(By Jane Seaberry)

Commerce Secretary Malcolm Baldrige, in an unprecedented move expected to further trade tensions with Europe, yesterday said that he will retroactively impose duties on foreign steelmakers found to have flooded U.S. markets with cheap, subsidized steel.

Baldrige, following pressure from the steel industry and Capitol Hill, warned European and other steelmakers that he will invoke an untested section of the Export Administration Act of 1979 allowing him to impose the penalties retroactively. Commerce plans to make preliminary findings next month on 55 steel complaints brought by the nation's largest steelmakers, and Baldrige's decision means those penalties could be imposed on shipments that arrived here as far back as March.

Usually, tariffs are imposed the day a preliminary finding is made.

The action could impose millions of dollars of duties on steelmakers under investigation by Commerce for allegedly violating antidumping and countervailing duty laws. The countries involved are Belgium, West Germany, France, Italy, Luxembourg, the Netherlands, the United Kingdom, Brazil and South Africa. The steel industry complaints allege that steel from those countries hurt the U.S. industry because they were government subsidized or sold here at prices less than the cost of production.

Baldrige's action was taken to penalize any foreign steelmakers who may have rushed shipments of unfairly priced steel here before Commerce could make preliminary antidumping and countervailing duty findings, Commerce said.

'Retroactivity serves notice on importers and foreign suppliers that we will not allow the law to be flouted," Baldrige said.

FEC officials in Washington said they had not been officially notified of Baldrige's action.

The U.S. Industry complaints were filed following high levels of market penetration by foreign steelmakers last year. Steel imports were historically high in January, but have declined in the last three months. Still, steelmakers said foreign producers captured a record 22.8 percent of the U.S. carbon steel market during the first quarter this year.

Rep. John D. Dingell (D-Mich.) wrote Baldrige May 3 asking him to impose the retroactive duties, saying, "This economic warfare by our European allies has devastated steel communities throughout the country and pushed 80,000 steelworkers in unemployment lines."

On June 10, Commerce is scheduled to make preliminary determinations on 28 of the 37 countervailing duty cases pending and decide whether those imports were subsidized by foreign governments. On June 21, Commerce is supposed to decide in the 18 antidumping cases whether imports were sold here at less than their fair value.●

SENATE CONCURRENT RESOLUTION 101—CONCURRENT RESOLUTION RELATING TO THE RIGHT TO LIFE OF HANDICAPPED INFANTS

Mr. DENTON (for himself, Mr. HELMS, Mr. NICKLES, Mr. EAST, Mr. HATCH, and Mr. HUMPHREY) submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. CON. RES. 101

Whereas thousands of children are born each year in the United States with some birth defect, condition of mental retardation, or other handicap;

Whereas these children have the same God-given right to life, liberty, and the pursuit of happiness as all other human beings; and

Whereas the right to life is the most fundamental right of a person: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That a handicapped child's right to life should not be abridged or denied on account of age, health, defect, or condition of dependency.

● Mr. DENTON. Mr. President, along with Senators HELMS, NICKLES, EAST, HATCH, and HUMPHREY, I am today submitting a concurrent resolution affirming that handicapped newborn babies have the same right to life as do all other Americans, and that this right should not be abridged or denied because of age, health, defect or condition of dependency.

Ten years ago, I would have thought such a resolution to be a nice, but superfluous, measure. Yet certain events publicized in the Nation's daily papers, culminating with one in April in Bloomington, Ind., now make the introduction of this resolution a sad but necessary duty.

My resolution has been prompted by the growing incidence of infanticide throughout our Nation. In the past, infanticide was condemned by public opinion and by those in positions of authority. Now we see that, regrettably, a certain ambiguity has clouded the judgment of many. This has happened in part because of the widespread acceptance of abortion on demand and the "planning for the perfect baby" philosophy that has developed along with the abortion movement.

Acceptance of infanticide is partially the result of "death selection" carried out through amniocentesis, which identifies, in preborn babies, diseases for which there is no known cure. These affected babies are often aborted. But recent "advances" in medicine have carried death selection technology to the point where the prestigious New England Journal of Medicine, in its issue on June 18, 1981, reported the successful killing in utero of a "less-desired twin." The article says that one of two male fetuses suffered from Down's syndrome. The treatment, which was termed "aggressive management," consisted of passing a No. 18 spinal needle into the chest and heart of the affected twin and removing half of the fetus' blood. The "untreated" live baby, along with his dead brother, were delivered 23 weeks later. The doctors claimed that their "treatment" eliminated "prolonged" suffering for the child and family.

The logical assumptions that justify killing by abortion are the same as those that justify infanticide and euthanasia. Only the techniques are different. The logical identity is shown graphically by an article that appeared in the October 25, 1973, issue of the New England Journal of Medicine, "Moral and Ethical Dilemmas in the Special-Care Nursery," by Raymond S. Duff, M.D., and A. G. M. Campbell, M.B., F.R.C.P. The article, using the language of the 1973 Supreme Court abortion decisions, addresses the problem of newborn babies who are thought to have "little or no hope of achieving meaningful 'humanhood.'" The authors speak of early death as a "management option." The specific means of "treatment" in such cases is usually "nothing by mouth"—in short, starvation.

Furthermore, they acknowledge that, over a 2-year period, 14 percent of the deaths in the newborn unit were "permitted" to happen because the doctors and the parents had decided that severely handicapped children do not have the prospect of lives worth living. Similarly, babies who are aborted obviously are not considered to have lives "worth living." Accounts of infanticide are no longer limited to the pages of learned medical journals; they now also appear on the pages of our daily newspapers.

With the ground for infanticide "so well prepared" it was inevitable that a "Baby Doe" case would happen somewhere.

On April 9, 1982, in Bloomington, Ind., the decision was made to starve to death a baby boy born with Down's syndrome and a malfunctioning esophagus; he died after 6 days without food.

In sending Baby Doe to his lawful death, all the formal legal procedures were followed. Parental consent was obtained, judicial orders were issued, prescribed medical procedures were followed. At the same time, there were willing and loving couples near at hand in Indiana who wanted to adopt Baby Doe. Tragically, the judges in this case were deaf to the pleas for the life of the innocent child.

Contrast the action in the Baby Doe case with that taken earlier this month by the Maryland Board of Veterinary Examiners. In that case, the board fined a Maryland veterinarian $3,000 and suspended his license 60 days for starving a dog to death. To his credit, the veterinarian at least claims he tried to treat and feed the poor animal. How can we justify a situation in which the life of a human child is accorded less value than that of a dog?

I do not want to judge anyone. I sympathize deeply with parents who have a Down's syndrome baby, and I know that it can be difficult for some. But yet, Baby Doe could have been a crown to other families, Down's syndrome and all. I understand both the problems and the opportunities for love that a retarded or handicapped child can bring, a point made by George Will with strength and poignancy in his column printed in the Washington Post, April 22, 1982, entitled, "The Killing Will Not Stop." I know there are many tragedies in life, but I do not think we should add to them.

I applaud President Reagan for directing Secretary Schweiker to advise hospitals receiving Federal money of their responsibilities to all handicapped Americans.

I urge the Senate quickly to approve this concurrent resolution and to take any other actions necessary to stop this kind of killing.

I ask unanimous consent to include the following material for the benefit of my colleagues as they review the issue:

First, a 1979 speech by Dr. C. Everett Koop, then surgeon in chief at the Children's Hospital in Philadelphia, and now U.S. Surgeon General. His words were prophetic then and now.

Second, a 1973 New England Journal of Medicine article, "Moral and Ethical Dilemmas in the Special-Care Nursery," by Raymond S. Duff, M.D., and A. G. M. Campbell, M.B., F.R.C.P. (Edin).

Third, a 1981 New England Journal of Medicine article, "Selective Birth in Twin Pregnancy With Discordancy for Down's Syndrome," by Thomas D. Kerenyi, M.D., F.A.C.O.G., and Usha Chitkara, M.D., F.A.C.O.G.

Fourth, a May 6, 1982 Washington Post article, "Veterinarian Fined, Suspended for Starvation Death of Dog."

Fifth, a copy of a White House memorandum for the Attorney General and the Secretary of Health and Human Services dealing with the enforcement of Federal laws prohibiting discrimination against the handicapped.

Sixth, a George Will article, "The Killing Will Not Stop," from the April 22, 1982 Washington Post.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE SILENT DOMINO: INFANTICIDE

(By C. Everett Koop, M.D., Sc. D.)

Sometime in the last several years an undergraduate at the University of Pennsylvania set up on their ends 16,000 dominoes on the floor of the gymnasium. He then knocked over the first domino so that it hit the second which hit the third which hit the fourth and eventually without any break in continuity, the first domino caused the subsequent orderly fall of the 16,000 dominoes. This colossal waste of time qualified for inclusion in the ever enlarging volume of the Guinness Book of Records. I see certain aspects of our culture today as being akin to these dominoes. I understand this record was broken in April 1979.

I am going to discuss one domino with you today and mention two others. The first domino fell with a crash and caused more polarization among those concerned with social issues in this country than any other issue since slavery. That first domino was abortion on-demand. The second domino was infanticide and it fell silently because although infanticide is being practiced in this country widely today, it is seldom given that appellation and unless you are privy to what goes on in some newborn nurseries or neonatal intensive care units, there is no way you would be aware of infanticide because unlike abortion it is not talked about. The third domino is falling and that is euthanasia.

Infanticide is extraordinarily important to us who are interested in the sanctity of human life because infanticide could never have come about had it not been for abortion. When I read in the months following the January 22nd decision of the Supreme Court in 1973, various references to Justice Blackmun's majority opinion, my blood really ran cold. You will remember that he considered the Hippocratic Oath which forbids abortion to be irrelevant. You will remember that he spurned whatever morality he might have gleaned from the Judeo-Christian heritage of this country but instead he turned to the pagan religions of Rome, of Greece, and of Persia. Although those countries practiced abortion, it was infanticide and euthanasia which were more important inhumanities in their cultures. When I gave the commencement address at Wheaton College in 1973, I predicted ten things that would happen because of the decision on abortion by the Supreme Court, none of which would be to the benefit of our society or to the liking of thinking men and women. One of these predictions was infanticide.

The second important thing to remember about infanticide is that it is euthanasia in an age group. There are many semantic differences in the English language on both sides of the Atlantic and infanticide is one of them. Infanticide in profile circles in Great Britain means the killing of a born infant by the infant's mother. Infanticide in this country is the killing of a born infant either by a direct act or much more commonly by the withholding of something necessary for the survival of that infant such as anything from extraordinary care to ordinary feedings. Its hidden importance in reference to our concerns in the future is that I am certain that they will come when the euthanasia forces will say, "Why are you concerned about euthanasia? We have had euthanasia of infants for a long time and there has been no outcry. Part of the lack of outcry is because of the lack of knowledge.

The third important thing that I would say by way of introduction concerning infanticide is that it is being practiced by a segment of our population that stood as advocates, etc. Fourth, being ignored by a segment of our population from which we should expect more integrity. Infanticide is homicide. The law makes believe it does not happen.

It is really infanticide and all of its implications that involve me in the prolife movement. I have for more than thirty-three years now devoted the major part of my professional life to the management of children who are born with a congenital defect. Because I was the sixth person in the United States to devote his surgical skills to children alone and because of the position I have occupied at the Children's Hospital of Philadelphia since the very start of my professional career, I have probably had more experience personally with the management of congenital anomalies incompatible with life than anyone else practicing pediatric surgery in this country today. So I know what can be accomplished by way of rehabilitation of the child. I know what can be done with the family of such a child. I know that these children become loved and loving, that they are creative, and that their entrance into a family is frequently looked back upon in subsequent years as an extraordinary positive experience. By way of example let me tell you that before I went to lecture at York University in 1977, I wanted to quote the mother of a patient accurately and I asked her the following question: "What is the most awful thing that ever happened to you in your life?" And she said, "Having our son born with all those defects that required twenty-six operations to correct." And I said, "That was an easy answer and I expected it. But now tell me, what is the best thing that ever happened to you." And she said, "Having our son born with all those defects that required twenty-six operations to correct." I know not only this woman and her husband and the patient, but their siblings and collateral members of their family and a large segment of the community that they have influenced and what this good lady said is absolutely right.

It was the schizophrenia of our society that convinced me that I could not just continue to work with children individually and not speak out against what is happening in our society. When I realized perhaps for the first time that while we struggled with the postoperative care of a premature infant upon whom we had operated, and realized the hours of skilled physician and nursing care as well as the extraordinary technological advances that combined to offer this youngster a chance for survival, in the intensive care unit for infants in our institution, while a hundred yards down the street in an equally fine hospital, perfectly normal babies were being destroyed before birth. The day I realized that, I sat down and wrote The Right to Live, the Right to Die.

I am frequently told by people who have never had the privilege of working with handicapped children who are being rehabilitated into our society after the correction of a congenital defect that such infants should be allowed to die or even encouraged to die because their lives could obviously be nothing but unhappy and miserable. Yet it has been my constant experience that disability and unhappiness do not go hand in hand. Some of the most unhappy children I have known have been completely normal. On the other hand there is a remarkable joy and happiness in the lives of most handicapped children. Some have borne burdens which I would have found difficult to face indeed.

With the affluence of our society, it stands to reason that we are merely at the beginning of what we can do for handicapped people both technically and medically as well as in the pursuit of leisure activity. Who knows what happiness is for another person? What about rewards and satisfactions in life to those who work with and succeed in the rehabilitation of handicapped children? Stronger character, compassion, deeper understanding of another's burdens, creativity and deeper family bonds—I am convinced all result from this so-called social burden of raising a child who is less than perfect. When from the materialistic point of view, life seems to be without meaning, it can from the spiritual point of view be extremely useful. Such a life, for example, might provide a source of courage in the manner in which the stress caused by disease and its treatment is accepted. There is also no doubt that the value placed upon the patient by his associates as one who is respected and honored and loved is a source of inspiration to all who see it and a blessing to many.

I mentioned a moment ago the schizophrenia of being able to provide intensive care for a premature infant while destroying another just like it in the uterus. Another bit of schizophrenia of our society is its attitude toward the handicapped. It is now the law of our land that the handicapped individual must have equal access to all of the opportunities that are available to the nonhandicapped. Having worked with handicapped people all my life, I certainly do not find fault with the intent of that law although I do have some criticisms about how it is worked out in practice.

But while we are cutting curbstones in cities in order that wheelchairs can go up and down without a bump, while we contemplate the cost of changing the New York subway system for handicapped persons to be $2,000,000,000 we are at the same time aiding and abetting a search-and-destroy mission for handicapped children by amniocentesis so that all of the benefits we are purchasing for the handicapped would by logical extension eventually be a total waste of money because there would be few handicapped people to use them.

The first medical effort that I know of in this country to educate the profession on the management of a defective newborn with death as one of the options in treatment was the film, "Who Shall Survive?". This film was produced by the Johns Hopkins Hospital and Medical School and it depicts the manner in which a professor of pediatrics, a professor of pediatric surgery, the professor of psychiatry, the hospital chaplain, the social worker and the parents decided that their mongoloid child with intestinal obstruction had a life not worth living and therefore would not be operated upon in a situation where a simple procedure could have saved the child's life. The method of management chosen was to hang a sign on the foot of the bed that said "Nothing by mouth". Fifteen days later the child had starved to death.

The first medical article along these lines appeared in the prestigious New England Journal of Medicine under the title, "Dilemmas of the Newborn Intensive Care Nursery" and was authored by Professor Raymond Duff and Professor A. G. M. Campbell of Yale University School of Medicine. They acknowledged that over a two-year period 14% of the deaths in that unit were deaths that they permitted to happen because it was their considered judgment after discussion with the family that these children had lives not worth living. Here is one of the statements they make in their paper: "Survivors of these neonatal intensive care units may be healthy and their parents grateful but in some instances continue to suffer from such conditions as chronic pulmonary disease, short bowel syndrome or various manifestations of brain damage. Others are severely handicapped by a myriad of congenital malformations that in previous times have resulted in death." You see, this is where I have spent my life, managing these congenital malformations that in previous times have resulted in death.

Duff and Campbell say this also: "Often too parents' and siblings' rights to relief to seemingly crushing burdens were important considerations in our decision." Here two pediatricians have enunciated a new right and that is that parents or siblings are not to have burdens. Even Duff and Campbell use the adverb "seemingly" in reference to pointless and I am sure that word "crushing" as applied to the burden may not be nearly as crushing as the jolt of the parents in days to come when they realize that they have had a part in deciding that their child will die.

Duff and Campbell talk about these parents having deeper meaning in their lives after this experience. If these same parents were seeking deeper meaning in their lives, might they not better have found it in taking care of the child that had been given to them? If they had, I suspect that the deeper meaning they found by deciding to kill their child would have been deeper still and their effectiveness would have been still more effective and that they would have been examples of courage to others less courageous.

Duff and Campbell talk about meaningful humanhood, a term they take from Engelhart. Anytime that someone starts to talk about your humanhood or mine, or whether you have a rightful life or a wrongful life, remember they are beginning to tamper with a right that is exclusively yours and does not belong to anyone else.

Just as infanticide followed abortion, my concern is about the implications of this infanticide thinking on your future and mine. You see, Duff and Campbell have said that parents are able to understand the implications of such things as dyspnea (that is shortness of breath), oxygen dependence, incontinence, paralysis, contractures, and sexual handicaps. Because a newborn child has the possibility of having any one of these defects, it does not seem to me that that entitles any physician to decide that that child's life is not worth living.

If a child like that is to be killed, how long will it be before adults with those same symptoms and signs might be considered candidates for some type of euthanasia program? You see, there are many people who have shortness of breath. In any audience as large as this there is frequently someone who is oxygen dependent at night, who knows who in this room might be incontinent. I am sure there must be some orthopedic defect or a paralysis or a contracture somewhere and a sexual handicap is not a good death warrant.

Arthur Dyck of Boston has the intriguing title of Professor of Population Ethics at Harvard School of Public Health and is also a member of the Divinity School faculty at Harvard. In this liberal era you would think anyone with the title of Professor of Population Ethics would be allied with the thinking of Duff and Campbell, but no. Arthur Dyck puts it this way: "The moral question for us is not whether the suffering and dying are persons but whether we are the kind of persons who will care for them without doubting their worth." You see, Professor Dyck believes more in the equality of life than he does in the quality of life. I agree with Professor Dyck.

The Duff and Campbell article did two things. It evoked response in rebuttal and it made the subject of what is called the "decision making process" or "selection" possible to be talked and written about.

Would you believe, for example, a headline in Pediatric News that says: "M.D.-Parent Decision Needed to Kill Infant"? Would such a headline have even been thinkable before 1973?

Shortly after Duff and Campbell's article appeared in the New England Journal of Medicine this letter to the editor appeared in the same journal signed by Joan L. Venes, M.D., and Peter R. Huttenlocher, M.D., both of Yale University School of Medicine. They described themselves as some of the "specialists based in the medical center" referred to by Duff and Campbell. This is the final paragraph of their letter: "As consultants to the newborn special care unit, we wish to dissociate ourselves from the opinions expressed by the authors. The growing tendency to seek early death as a management option that the authors referred to has been repeatedly called to the attention of those involved and has caused us deep concern. It is troubling to us to hear young pediatric interns ask first, 'Should we treat?' rather than 'How do we treat?'. We are fearful that this feeling of nihilism may not remain restricted to the newborn special care unit. To suggest that the financial and psychological stresses imposed upon a family with the birth of a handicapped child constitutes sufficient justification for such a therapy of nihilism is untenable and allows us to escape what perhaps after all are the real issues—i.e., the obligation of an affluent society to provide financial support and the opportunity for a gainful life to its less fortunate citizens."

Newsweek, November 12, 1973, reported the Duff and Campbell article in the New England Journal of Medicine under the title: "Shall This Child Die?" and quoted Duff as saying: "The public has got to decide what to do with vegetated individuals who have no human potential. Sondra Diamond's letter was in answer to that particular sentence. Here it is: "I will wager my entire root system and as much fertilizer as it would take to fill Yale University that you have never received a letter from a vegetable before this one. But, much as I resent the term, I must confess that I fit the description of vegetable as defined in the article "Shall This Child Die?" Due to severe brain damage incurred at birth, I am unable to dress myself, toilet myself, or write; my secretary is typing this letter. Many thousands of dollars had to be spent on my rehabilitation and education in order for me to reach my present professional status as a counselling psychologist. My parents were also told, thirty-five years ago, that there was "little or no hope of achieving meaningful humanhood" for their daughter. Have I reached humanhood? Compared with Drs. Duff and Campbell, I believe I have surpassed it! Instead of changing the law to make it legal to weed out us vegetables, let us change the law so that we may receive quality medical care, education and freedom to live as full and productive lives as our potentials allow.

Another apparent freedom that followed the Duff and Campbell article was the Sonoma Conference on Ethical Issues held in 1975. I would like to focus attention on just one aspect of this conference and that is the response of various people to the issue would it ever be right to directly intervene to kill a self-sustaining infant. The Hegelian attitude of the twenty panelists at the Sonoma Conference is a little bloodchilling. The panel was unanimous in answering yes to the following two questions: would it ever be right not to resuscitate an infant at birth and would it ever be right to withdraw life support from a clearly diagnosed poor prognosis infant?

The remaining question, would it ever be right to displace the poor prognosis infant A in order to provide intensive care to the better prognosis infant B, was answered yes by eighteen of the twenty panelists. The panelists incidentally were bioethicists, lawyers, a nurse, a social worker, a sociobiologist, an anthropologist and a philosopher. It is thoroughly incredible that the nonphysicians could see no difference between passive and active euthanasia. Pediatric News in reporting on the conference said the state of medical ethics in this area is not yet settled. In other words, these learned people having no ethics to bring to the issue are willing to write the law.

In all the years I have dealt with emergencies in a busy hospital I have never known of an instance where Baby B was denied care because Baby A was in the way. Or where Baby A was displaced because Baby B was more deserving. The worst situation was to refer a patient seeking our care to another facility.

Pediatric News quizzed several prominent physicians who had not been associated with the Sonoma Conference. Dr. George M. Ryan of Boston's Hospital for Women said this: "I think this action is so in conflict with the concept of the physician as a 'healer' that such a decision should not be thrust upon the medical profession. Clearly the physician can testify as to the physical and medical status of the patient and can even predict some of the elements of the general human potential of the individual, but beyond this point, the physician has no special talent or training not available to the rest of society that might provide him with the capability of making infallible decisions."

"I am not very sanguine about the wisdom of any one group making such decisions."

"I believe that the medical profession, the family, and society at large by its lawmaking power must participate in such decisions on an individual basis. Only in this way can checks and balances be assured to prevent any possible abuse of the power of life and death."

Another of the physicians who was asked his opinion about the Sonoma Conference findings was Dr. R. T. F. Schmidt of Cincinnati, at that time president-elect of the American College of Ob-Gyn. He answered from the point of view of traditional, moral and ethical standards by saying this: "The fact that seventeen of twenty expert panelists believe that some severely defective infants should be killed under certain conditions is deeply disturbing. This position is not only deeply disturbing to our traditional concept of the inherent value of human life, but is potentially shattering to the foundation of Western civilization."

Dr. Schmidt concluded his remarks by saying: "Finally the issue is clouded by questions raised as to what state of perfection or imperfection qualifies a human being as a person. The Supreme Court decision of 1973 has already severely limited this qualification. Under current law the existence of every future member of our society may be terminated (within the uterus) according to the value judgment of one or, at the most, two private individuals. To extend this contingency of private value judgment to the newborn infant in either ethical standard or in the law would be another ominous step backward."

The late great Margaret Mead had this to say in reference to the physician as healer just before she died in 1978. Dr. Mead pointed out that before Hippocrates and the Hippocratic Oath the patient never knew whether the approaching physician was coming in the role of healer or in the role of killer. This was because it was the physician who knew the formula for potions and poisons that could be used to terminate the lives of the elderly members of society who were no longer productive. With abortion-on-demand and infanticide and the gowing push for euthanasia, we have come full circle in 2,500 years. Once again the patient does not know whether the approaching physician is coming in the role of healer or killer.

Concerning the same Sonoma Conference Dr. John A. Robertson of the University of Wisconsin Law School and Medical School spoke what seems to me to be a word of wisdom in bringing this kind of discussion down to earth. He said that "One must decide for whose benefit is the decision to withhold treatment from a child with severe birth defects. Is no life better than one of low quality? The person to ask is an individual who has a disabling birth defect." Let me repeat what he said: "The person to ask is an individual who has a disabling birth defect."

INFANTICIDE: AMERICAN STYLE

Absolutes are gone. An oft repeated lie begins to have the ring of truth and in these decisions about the life of a newborn with a defect start from a very specific set of "givens" that would have been unthinkable seven or eight years ago. For example in "Ethics in Newborn Intensive Care" by Jonsen and Garland, this paragraph appears: "Seen in this way, the defective child is more unwanted than the unplanned child. Can we say that because the child was born alive that the balancing of lives that is permitted in Rowe vs. Wade, mother for child is out of the question? Does not a failure to consider the trade-off condemn the parents as surely as the earlier refusal to consider abortion condemn the mother?"

You see what is being said here? Unplanned children are unwanted.

This is very much like the manner in which the situational ethicist, Joseph Fletcher, leads his audience down the garden path. This is what he said in his 1973 discussion of death with dignity in the American Journal of Nursing: "It is ridiculous to give ethical approval to the positive ending of a subhuman life in utero as we do in therapeutic abortions for reasons of mercy and compassion but refuse to approve of positively ending a subhuman life in extremis. If we are morally obliged to put an end to pregnancy when an aminocentesis reveals a terribly defective fetus, we are equally obliged to put an end to a patient's hopeless misery when a brain scan reveals that a patient with cancer has advanced brain metastases."

You see, Fletcher declares without a discussion that ethical approval has been given to the ending of the lives of babies out of compassion when you and I know that most of the unborn babies are destroyed at the whim of their mothers-to-be. Then Fletcher put that very questionable ethical approval in the form of an obligation and says that because we are obliged to do that we are also morally obliged to put the end to the life of a patient who has cancer with advanced brain metastases. You see, he has declared the child with a congenital defect to be subhuman and then he declares the person at the end of life to be subhuman. To argue otherwise, he says is ridiculous. I might add that Fletcher has chosen a very poor example because a patient can have cancer with advanced brain metastases and not be in any pain at all.

Two Nobel laureates have voiced opinions concerning this subject of infanticide although they did not include that word in their statements. James Watson of DNA double helix fame said: "If a child were not declared alive until three days after birth, then all parents could be allowed the choice only a few are given under the present system. The doctor could allow the child to die if the parents so choose and save a lot of misery and suffering. I believe this view is the only rational, compassionate attitude to have." That was in May 1973.

In January 1978 Francis Crick, also a Nobel laureate, was quoted in the Pacific News Service as saying: ". . . no newborn infant should be declared human until it has passed certain tests regarding its genetic endowment and that if it fails these tests, it forfeits the right to live."

It is worth spending a little time talking about the major problem that our British friends face in reference to infanticide and that has to do with spina bifida. Spina bifida is one of the most common congenital malformations but it is far more common in the British Isles than it is here. It is a defect in the spinal canal accompanied by a protrusion of the spinal cord. In about 90 percent of the cases the sac contains spinal cord and nerves. Frequently when this spina bifida defect occurs there is an associated hydrocephalus or increase of fluid in the chambers of the brain that ordinarily contain spinal fluid. Hydrocephalus untreated produces internal pressure on the brain against the skull and causes deterioration. There are a number of operations to treat spina bifida closing the skin and other structures of the back over the sac and there are even more operations to shunt the excessive amounts of fluid under pressure from the hydrocephalic head either into the chest or to the abdomen, into the urinary tract or directly into the great vessels above the heart.

The public is led to believe that when a child is born with spina bifida you operate upon it and it gets well, or you don't operate and it dies. Therefore, they say operate only on those children who will have good legs, good rectums, good bladders, etc. This is known as the process of selection. They joke about putting the other patients on a low calorie diet which means starving them to death. I can tell you that these babies who are "selected" are put on four times the hypnotic dose and eight times the sedative dose of chloralhydrate. The babies become so flaccid and so sleepy that they are not able to take their feed and then before long they have died of dehydration and starvation.

Now, the lie is that the patients not operated upon do not go on to die. Many of them live on getting more and more deformed all the time and adding to the mother's great distress by having this open lesion on the back draining spinal fluid, etc. Mr. Robert Zachary, a personal friend of mine, became so well known for his compassionate treatment of children with spina bifida and so well known for his excellent surgery in reference to all things associated with spina bifida and its sequelae that patients crossed the usual National Health Service lines in Great Britain to go to him at the Children's Hospital in Sheffield. For years one of his associates was Dr. Lorber who agreed with Zachary and the two were are excellent team for the management of this problem, the rehabilitiation of the children and the families.

Dr. Lorber has now become the chief exponent of infanticide in Great Britain.

Dr. Lorber begins his presentation with the dissertation on the beneficial advances in recent medical history that are allowing many people to live in an integrated society who formerly would have died or suffered severely. He then distinguishes this from the indiscriminate use of medicine which keeps alive many people who have by his definition no hope of becoming independent functioning members of society.

When you read British statistics that 100 percent of the patients not treated by surgery in the first few days of life died, you know that they did not die from natural causes. They were either sedated so they could not drink or eat or they actually were given increasing doses of morphine to prevent the pain which almost all neurologists agree does not exist in these youngsters.

This is another example of society being bamboozled into doing something for itself under the guise of having it done for the welfare of the patient. Listen to Dr. Lorber's explanation: "I show you these children not to horrify you or to make you faint but to make you understand why it is that I prefer the policy of selected treatment rather than creating this immense misery for such an immense number of individuals. We had to restore the balance."

"Those who are severely affected from birth get worse and worse. Humanity demands that such badly affected infants should not be put through such constant severe punishment. Criteria had to be found, preferably on the first day of life which could reliably separate those infants who may die early but even more importantly those who would live but would suffer from severe multisystem handicaps and would be unable to live an independent and dignified existence in spite of the best possible treatment. Such a selection is easily possible."

Then Dr. Lorber sinks to the depths when he quotes from the New Testament (inaccu-

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rately, I might say): "Whatsoever ye have men do to you, do ye also to them."

Here are Lorber's criteria for letting a patient die, starving him to death or giving him increasing doses of sedative or morphine: gross paralysis of the legs, scoliosis (curvature of the spine), grossly enlarged head with maximum circumferences, mongolism, any other gross congenital defect. Again that gross congenital defect of any other nature is what I spent my life satisfactorily correcting to the joy and delight of hundreds upon hundreds of patients and their families.

Hear how Dr. Lorber sets the death sentence: "It is essential that those who are not treated should not live long. It is imperative, therefore, that nontreatment should really be nontreatment, not just no operation. Nothing should be done to prolong life."

On one occasion when Dr. Lorber presented his material at a neurosurgical meeting in 1977, Dr. John Freeman of Johns Hopkins spoke in response to Dr. Lorber where he said:

"I don't know where he gets those slides of all those deformed human beings and indeed if the outcome or anything like what he presents, I would be standing beside him rather than opposite him. Selection takes many forms and I agree with selection, but I select a very small number, not 75 percent. Selection takes many forms. But watch the terms. We are talking about selection for death, not university or college. A perversion, I think, of the term. We both believe strongly in discussing the prognosis with the parents. Yet, Dr. Lorber's parents make diametrically opposite decisions to mine. Dr. Lorber treats 25 percent of the children brought to him; I treat 95 percent. When a severely affected child with spina bifida is born, the question is asked, "Should we do everything possible to maintain that child's life and make it the best life possible or is it best for that child to die? And that is the problem stripped of all the rhetoric."

I cannot help but believe that there is a certain different attitude toward the patient even when they are being approached therapeutically in Sheffield as compared to Baltimore. For example, Dr. Lorber has 20 percent of his patients dying of complications from his shunt and remember he only operates on the most favorable patients. On the other hand, Dr. Freeman at Hopkins has not had a death from a shunt complication in seven years and he operates on 95 percent of the patients he sees.

Seventy-two percent of the survivors in Hopkins are ambulating walking with crutches or braces. Dr. Lorber considers this to be severely handicapped. Eighty percent of the survivors at Hopkins have IQ's over 80; half of Dr. Lorber's do.

Without going into it let me also say that Dr. Lorber quoted incompletely from studies done on the breakdown of marriage in families with spina bifida, loading his arguments to indicate that the worse the handicap, the more frequent the divorce rate. Such is definitely not the case and Dr Freeman refuted him on that as well.

When I was the editor of the Journal of Pediatric Surgery up until the year before last, I controlled the majority of papers written in the English language concerning the surgery of children that were published here or abroad. On one occasion I received for publication from two pediatric surgeons, Dr. Judson Randolph of Washington and Dr. Anthony Shaw of Charlottesville, Virginia, the answers to a survey that they had sent to the 400 members of the Surgical Section of the American Academy of Pediatrics. Two hundred and sixty-seven surgeons completed the questionnaires, a 66.8 percent response.

The first question was, "Do you believe that the life of each and every newborn infant should be saved if it is within our ability to do so?" Believe it or not, 80 percent of those surgeons with my kind of background answered no.

Here are some other readily remembered statistics: 76 percent would acquiesce in the parents' decision to refuse consent for surgery in a newborn with intestinal obstruction if the infant also had Down's syndrome, or mongolism.

An almost unbelievable fact was that 7.9 percent of the respondents said they would acquiesce to the parents' wishes if the child had nothing other than simple intestinal atresia, the operation for which is almost 100 percent successful and life after which is completely normal.

To return to the infant with duodenal obstruction which is fatal but easily correctable and Down's syndrome, the following percentages are significant. Twenty-three percent would move the parents in the direction of not signing an operative permit making the decision to let the baby die the physicians own. Nevertheless if the family wanted surgery in spite of that, the surgeon would perform it (23 percent).

Over half said they would provide the parents of all known facts and make the decision completely the parents'.

Only 16 percent would try to persuade the parents to allow surgery but would not take them to court on refusal.

Three percent would get a court order if the parents refused consent for operation.

The schizophrenic nature of these replies is indicted by the fact that if they acquiesce to the parents' decision to withhold lifesaving surgery 63 percent would have stopped all supportive treatment, 30 percent would give oral feedings which of course would be vomited immediately, but less than half of 1 percent would have terminated the infant's life by an injection of a drug such as morphine.

In reference to this same subject but at an earlier time, Dr. Randolph was quoted in Pediatric News as saying, "Maybe it is right to operate but that's the easiest way out for the surgeon. I believe in God but a God that expects us to use our judgment."

Dr. J. Alex Haller, the surgeon who participated in the film, "Who Shall Survive?", that was released by Johns Hopkins has a quaint way of reasoning. "Should every life be protected and cared for? Advances in amniocentesis and intrauterine diagnosis have brought with them the moral question of interfering with a viable human being while it is in the womb. We ask parents to make the decision at this stage," Dr. Haller said. You see, Dr. Haller recognizes that the question of interference is a moral one but then he also acknowledges that he asks parents to make the decision about whether or not to have a baby.

Dr. Haller continues: "Then the baby is born. Does the responsibility for the decision change hands? Does coming out the uterus make the difference?"

Dr. Haller's reasoning is right thus far. Why couldn't he say, "Does achieving the age of five years make any difference, or ten years, or fifteen years, or twenty-five?" I cannot help but think my logic is at least as good as Dr. Haller's.

I think that the day will come when we realize that we who are prolife lost this battle in the medical schools. Any medical student who has come through medical school since 1973 does not remember a time when the very term "abortionist" had a loathsome connotation. The most active abortionist he probably knows is the professor of obstetrics in the medical school. But you see, when he faces the schizophrenia of an obstetrician taking all the care and concern possible to deliver a premature baby and then carry it down the hall to the loving attention of doctors and nurses in the infant intensive care unit where every technological advance known to science is brought to bear in that baby's future, and then sees the same obstetrician go down the hall and kill a baby of perhaps the same size and weight before it is born he really must be confused. We need young men and women with a committed morality and preferably with a committed religious faith to go to medical school (that is if they can get past the admissions committee) otherwise I see no opportunity for the responsible practice of medicine that physicians of my day were raised to practice.

The AMA News published on April 6th of this year reported on the American Medical Student Association's most recent meeting. This is an organization of medical students 20,000 strong.

If you can believe it, 900 students attended the meetings in March and addressed eighty issues. They called for improvements in prison health, better health benefits for the elderly, cutbacks in the development and export of nuclear power, but they affirmed their support of abortion as a "safe and cost-effective means of birth control." They supported a statutory definition of brain death and endorsed a comprehensive community based, community controlled, publicly financed U.S. Health Service.

They called for reappointment of professors to be only with student approval.

If it were not for the fact that I am rapidly approaching retirement, I suspect the day might come when they could unseat me.

They censored the Citibank of New York because they had investment in South Africa but a resolution calling on their membership to give up their government loans and scholarships because the United States supports South Africa's government died on the house floor.

In the short period of time since I was asked to take part in this program and the present, there has been an extraordinary growth of infanticide and a change in attitudes among those who are in a position to care in the country. Less than a year ago I could stand up at a meeting like this and say that at the Children's Hospital of Philadelphia, we were of one mind about these things and that infanticide was not practiced there. I can say that infanticide is not practiced there as of today but I cannot say that we are of one mind because those of us who care have to fight tooth and nail to maintain the situation as it is and the only reason we can say that we succeed as of today is that we are older and we are in positions of authority.

I cannot believe the things that I hear at the ethics conferences which have been organized by a member of the Department of Pediatrics on a monthly basis during this current school year. Just in the month of April of 1979, one of my junior colleagues and a surgeon who believes as I do in the sanctity of human life, Dr. Moritz Ziegler, presented at an ethical seminar a paper entitled "Sequelae of Prolonged Ventilatory Support of Pediatric Surgical Patients".

What he did was to show that we had certain patients who came into the newborn intensive care unit and did not either go home or die but instead became chronic patients who required ventilatory support for months and on one occasion for almost two years. The cost of caring for these patients was extraordinarily high. Nevertheless, they were human beings, they were alive and the only thing they could not do was breathe for themselves, however, they were physically and mentally up to par; indeed, some of them were bright. Yet when Dr. Ziegler presented this, the overwhelming consensus of our pediatric colleagues was that it was not worth it.

Those who are anti-life in the infanticide movement want you, the public, to believe that they are concerned about the terrible problems that children have because they have physical defects. I would submit to you that they have no appreciation of I.Q.s that are not superior. Many of their decisions are made because people might be dull normal.

Then one other distressing new point of view is that the brighter a defective child is—that is, a child who has a physical defect, the brighter he is, the more he objects to his physical defect and, therefore, even if he is bright and has a physical defect, he should be destroyed shortly after birth so that he does not grow up and recognize how defective he is.

One final word on this withholding treatment from a seriously ill newborn. On Wednesday, April 11th of this year, Boston University School of Medicine and their School of Law along with the Department of Socio-Medical Sciences sponsored a symposium entitled "Withholding Treatment from a Seriously Ill Newborn: the Judicial Process Demonstrated". Of the faculty of eleven, two were medical doctors, one was an assistant professor of pediatrics and came from the Center for Genetic Counseling and Birth Defect Evaluation, the other was the director of a pediatric intensive care unit. Neither of these was from Boston University. I will quote just one paragraph from the advertising brochure: "Based upon the fact pattern below, the faculty will demonstrate to those in attendance the specific court room procedures employed in seeking a judicial determination that the withholding of medical treatment is proper. Additionally, by providing health care professionals with a view of a process with which they are generally unfamiliar and accordingly often distrust, the sponsors hope to further the interprofessional understanding of health care providers and those engaged in the judicial process.

Abortion is a public issue because although it is physicians who perform abortions, it is the public that demands them in large numbers. There is nothing private about the abortion issue even though the right to abortion may be erroneously based upon the woman's right of privacy.

Euthanasia is a public issue because at this time practically no physicians would be willing to practice euthanasia and these same physicians who practice medicine in the realm of trust between patient and physician do not consider the witholding of extraordinary measures to prolong the process of dying as being passive euthanasia as the euthanasia forces would like us to believe that they are. Obviously their desire is to have us accept passive euthanasia because active euthanasia then becomes much more easy to bring about.

But now with the question of infanticide, this is not a public matter. It is not the public, not ever the taxpayer, not even the parents of defective children who are clamoring for infanticide. Infanticide is a matter almost totally in the responsibility of the medical profession and were it not for their encouragement of parents to decide against the worth of the life of their children infanticide almost would not exist.

The medical profession has traditionally made its treatment of patients a reflection of our society's concern for those who are ill or helpless. Indeed it has often acted as an advocate for those who had no one else to stand up for them. Thus it responded in days gone by with love and compassion toward the helpless child. Technical skills have increased rapidly and have produced dilemmas the doctors did not face a decade ago. But this does not give them any new expertise in deciding who shall live and who shall die, especially when so many nonmedical factors must be taken into account in making the decision. The new gadgetry of medical practice and the growing sophistication of technology do not give a doctor any more right than the rest of society to play God. Many in the medical profession are losing this viewpoint. I would insist that if we cannot cure we can care and I would never mean to use the words "care" and "kill" as synonyms.

After the medical profession, the next group if you can call it that that has considered the subject of infanticide the least bit publicly is the church. Dean Jay Philip Wogaman of Wesley Theological Seminary has espoused the cause of the religious coalition for abortion rights by ignoring the right of the developing unborn baby in favor of what he calls "God's loving intention for existing human beings". That loving intention for an existing human being turns out to be supporting the mother-to-be in the murder of her unborn child. Segments of the church are not without an opinion on the subject of infanticide. The task force of the Anglican Church of Canada in 1977 concluded that it was morally right to terminate the lives of newborn infants with severe brain damage. The callousness of the report is evident in its phraseology: "Our sense and emotion lead us to the grave mistake of treating human looking shapes as if they were human, although they lack the least of vestige of human behavior and intellect. In fact the only way to treat such defective infants humanly is not to treat them as human." The eleven people who made that statement had backgrounds in medicine, nursing, law and theology.

Happily, the General Synod of the Anglican Church in Canada did not approve the report but the fact that such a report came forth from an official group of a major denomination says much about the direction taken by certain segments of the church in regard to infanticide.

There is probably no one that I would differ more with than Professor Joseph Fletcher in his view of ethics. I can agree with his logic, however, when he says in the Humanist in the summer of 1974, the following: "To speak of living and dying, therefore . . . encompasses the abortion issue along with the euthanasia issue. They are ethically inseparable."

Don't forget that infanticide is euthanasia of an age group but the keystone to this terrible cheapening of human life lies in the liberalization of abortion in America.

[From the New England Journal of Medicine, Oct. 25, 1973]

Moral and Ethical Dilemmas in the Special-Care Nursery

(Raymond S. Duff, M.D., and A. G. M. Campbell, M.B., F.R.C.P. (Edin.))

Abstract: Of 299 consecutive deaths occurring in a special-care nursery, 43 (14 per cent) were related to withholding treatment. In this group were 15 with multiple anomalies, eight with trisomy, eight with cardiopulmonary disease, seven with meningomyelocele, three with other central-nervous-system disorders, and two with short-bowel syndrome. After careful consideration of each of these 43 infants, parents and physicians in a group decision concluded that prognosis for meaningful life was extremely poor or hopeless, and therefore rejected further treatment. The awesome finality of these decisions, combined with a potential for error in prognosis, made the choice agonizing for families and health professionals. Nevertheless, the issue has to be faced, for not to decide is an arbitrary and potentially devastating decision of default. (N Engl J Med 289:890-894, 1973)

Between 1940 and 1970 there was a 58 per cent decrease in the infant death rate in the United States.[1] This reduction was related in part to the application of new knowledge to the care of infants. Neonatal mortality rates in hospitals having infant intensive-care units have been about ½ those reported in hospitals without such units.[2] There is now evidence that in many conditions of early infancy the long-term morbidity may also be reduced.[3] Survivors of these units may be healthy, and their parents grateful, but some infants continue to suffer from such conditions as chronic cardiopulmonary disease, short-bowel-syndrome or various manifestations of brain damage; others are severely handicapped by a myriad of congenital malformations that in previous times would have resulted in early death. Recently, both lay and professional persons have expressed increasing concern about the quality of life for these severely impaired survivors and their families.[4, 5] Many pediatricians and others are distressed with the long-term results of pressing on and on to save life at all costs and in all circumstances. Eliot Slater[6] stated, "If this is one of the consequences of the sanctity-of-life ethic, perhaps our formulation of the principle should be revised."

The experiences described in this communication document some of the grave moral and ethical dilemmas now faced by physicians and families. They indicate some of the problems in a large special-care nursery where medical technology has prolonged life and where "informed" parents influence the management decisions concerning their infants.

BACKGROUND AND METHODS

The special-care nursery of the Yale-New Haven Hospital not only serves an obstetric service for over 4000 live births annually but also acts as the principal referral center in Connecticut for infants with major problems of the newborn period. From January 1, 1970, through June 30, 1972, 1,615 infants born at the Hospital were admitted, and 556 others were transferred for specialized care from community hospitals. During this interval, the average daily census was 26, with a range of 14 to 37.

For some years the unit has had a liberal policy for parental visiting, with the staff placing particular emphasis on helping parents adjust to and participate in the care of their infants with special problems. By encouraging visiting, attempting to create a relaxed atmosphere within the unit, exploring carefully the special needs of the infants, and familiarizing parents with various aspects of care, it was hoped to remove much of the apprehension—indeed, fear—with which parents at first view an intensive-care nursery.[7] At any time, parents may see and handle their babies. They commonly observe or participate in most routine aspects of care and are often present when some infant is critically ill or moribund. They may attend, as they choose, the death of their own infant. Since an average of two to three deaths occur each week and many infants are critically ill for long periods, it is obvious that the concentrated, intimate social interactions between personnel, infants and parents in an emotionally charged atmosphere often make the work of the staff very difficult and demanding. However, such participation and recognition of parents rights to information about their infant appear to be the chief foundations of "informed consent" for treatment.

Each staff member must know how to cope with many questions and problems brought up by parents, and if he or she cannot help, they must have access to those who can. These requirements can be met only when staff members work closely with each other in all the varied circumstances from simple to complex, from triumph to tragedy. Formal and informal meetings take place regularly to discuss the technical and family aspects of care. As a given problem may require, some or all of several persons (including families, nurses, social workers, physicians, chaplains and others) may convene to exchange information and reach decisions. Thus, staff and parents function more or less as a small community in which a concerted attempt is made to ensure that each member may participate in and know about the major decisions that concern him or her. However, the physician takes appropriate initiative in final decision making, so that the family will not have to bear that heavy burden alone.

For several years, the responsibilities of attending pediatrician have been assumed chiefly by ourselves, who, as a result, have become acquainted intimately with the problems of the infants, the staff, and the parents. Our almost constant availability to staff, private pediatricians and parents has resulted in the raising of more and more ethical questions about various aspects of intensive care for critically ill and congenitally deformed infants. The penetrating questions and challenges, particularly of knowledgeable parents (such as physicians, nurses, or lawyers), brought increasing doubts about the wisdom of many of the decisions that seemed to parents to be predicated chiefly on technical considerations. Some thought their child had a right to die since he could not live well or effectively. Others thought that society should pay the costs of care that may be so destructive to the family economy. Often, too, the parents' or siblings' rights to relief from the seemingly pointless, crushing burdens were important considerations. It seemed right to yield to parent wishes in several cases as physicians have done for generations. As a result, some treatments were withheld or stopped with the knowledge that earlier death and relief from suffering would result. Such options were explored with the less knowledgeable parents to ensure that their consent for treatment of their defective children was truly informed. As Eisenberg[8] pointed out regarding the application of technology, "At long last, we are beginning to ask, not *can* it be done, but *should* it be done?" In lengthy, frank discussions, the anguish of the parents was shared, and attempts were made to support fully the reasoned choices, whether for active treatment and rehabilitation or for an early death.

To determine the extent to which death resulted from withdrawing or with-holding treatment, we examined the hospital records of all children who died from January 1, 1970, through June 30, 1972.

RESULTS

In total, there were 299 deaths; each was classified in one of two categories; deaths in Category 1 resulted from pathologic conditions in spite of the treatment given; 256 (86 percent) were in this category. Of these, 66 percent were the result of respiratory problems or complications associated with extreme prematurity (birth weight under 1000 g). Congenital heart disease and other anomalies accounted for an additional 22 percent (Table 1).

TABLE 1.—PROBLEMS CAUSING DEATH IN CATEGORY 1

Problem	No of deaths	Percentage
Respiratory	108	42.2
Extreme prematurity	60	23.4
Heart disease	42	16.4
Multiple anomalies	14	5.5
Other	32	12.5
Total	256	100.0

Deaths in Category 2 were associated with severe impairment, usually from congenital disorders (Table 2): 43 (14 per cent) were in this group. These deaths or their timing was associated with discontinuance or withdrawal of treatment. The mean duration of life in Category 2 (Table 3) was greater than that in Category 1. This was the result of a mean life of 55 days for eight infants who became chronic cardiopulmonary cripples but for whom prolonged and intensive efforts were made in the hope of eventual recovery. They were infants who were dependent on oxygen, digoxin and diuretics, and most of them had been treated for the idiopathic respiratory-distress syndrome with high oxygen concentrations and positive-pressure ventilation.

TABLE 2.—PROBLEMS ASSOCIATED WITH DEATH IN CATEGORY 2

Problem	No of deaths	Percentage
Multiple anomalies	15	34.9
Trisomy	8	18.6
Cardiopulmonary	8	18.6
Meningomyelocele	7	16.3
Other central nervous system defects	3	7.0
Short-bowel syndrome	2	4.6
Totals	43	100.0

TABLE 3.—SELECTED COMPARISONS OF 256 CASES IN CATEGORY 1 AND 43 IN CATEGORY 2

Attribute	Category 1	Category 2
Mean length of life (days)	4.8	7.5
Standard deviation	8.8	34.3
Range	1-69	1-150
Portion living for <2 days (percent)	50.0	12.0

Some examples of management choices in Category 2 illustrate the problems. An infant with Down's syndrome and intestinal atresia, like the much-publicized one at Johns Hopkins Hospital,[9] was not treated because his parents thought that surgery was wrong for their baby and themselves. He died seven days after birth. Another child had chronic pulmonary disease after positive-pressure ventilation with high oxygen concentrations for treatment of severe idiopathic respiratory-distress syndrome. By five months of age, he still required 40 percent oxygen to survive, and even then, he was chronically dyspneic and cyanotic. He also suffered from cor pulmonale, which was difficult to control with digoxin and diuretics. The nurses, parents and physicians considered it cruel to continue, and yet difficult to stop. All were attached to this child, whose life they had tried so hard to make worthwhile. The family had endured high expenses (the hospital bill exceeding $15,000), and the strains of the illness were believed to be threatening the marriage bonds and to be causing sibling behavioral disturbances. Oxygen supplementation was stopped, and the child died in about three hours. The family settled down and 18 months later had another baby, who was healthy.

We have maintained contact with most families of children in Category 2. Thus far, these families appear to have experienced a normal mourning for their losses. Although some have exhibited doubts that the choices were correct, all appear to be as effective in their lives as they were before this experience. Some claim that their profoundly moving experience has provided a deeper meaning in life, and from this they believe they have become more effective people.

Members of all religious faiths and atheists were participants as parents and as staff in these experiences. There appeared to be no relation between participation and a person's religion. Repeated participation in these troubling events did not appear to reduce the worry of the staff about the awesome nature of the decisions.

DISCUSSION

That decisions are made not to treat severely defective infants may be no surprise to those familiar with special-care facilities. All laymen and professionals familiar with our nursery appeared to set some limits upon their application of treatment to extend life or to investigate a pathologic process. For example, an experienced nurse said about one child, "We lost him several weeks ago. Isn't it time to quit?" In another case, a house officer said to a physician investigating an aspect of a child's disease, "For this child, don't you think it's time to turn off your curiosity so you can turn on your kindness?" Like many others, these children eventually acquired the "right to die."

Arguments among staff members and families for and against such decisions were based on varied notions of the rights and interests of defective infants, their families, professionals and society. They were also related to varying ideas about prognosis. Regarding the infants, some contended that individuals should have a right to die in some circumstances such as anencephaly, hydranencephaly, and some severly deforming and incapacitating conditions. Such very defective individuals were considered to have little or no hope of achieving meaningful "humanhood." [10] For example, they have little or no capacity to love or be loved.

Footnotes and end of article.

They are often cared for in facilities that have been characterized as "hardly more than dying bins,"[11] an assessment with which, in our experience, knowledgeable parents (those who visited chronic-care facilities for placement of their children) agreed. With institutionalized well children, social participation may be essentially nonexistent, and maternal deprivation severe; this is known to have an adverse, usually disastrous, effect upon the child.[12] The situation for the defective child is probably worse, for he is restricted socially both by his need for care and by his defects. To escape "wrongful life,"[13] a fate rated as worse than death, seemed right. In this regard, Lasagna[14] notes, "We may, as a society, scorn the civilizations that slaughtered their infants, but our present treatment of the retarded is in some ways more cruel."

Others considered allowing a child to die wrong for several reasons. The person most involved, the infant, had no voice in the decision. Prognosis was not always exact, and a few children with extensive care might live for months, and occasionally years. Some might survive and function satisfactorily. To a few persons, withholding treatment and accepting death was condemned as criminal.

Families had strong but mixed feelings about management decisions. Living with the handicapped is clearly a family affair, and families of deformed infants thought there were limits to what they could bear or should be expected to bear. Most of them wanted maximal efforts to sustain life and to rehabilitate the handicapped; in such cases, they were supported fully. However, some families, especially those having children with severe defects, feared that they and their other children would become socially enslaved, economically deprived, and permanently stigmatized, all perhaps for a lost cause. Such a state of "chronic sorrow" until death has been described by Olshansky.[15] In some cases, families considered the death of the child right both for the child and for the family. They asked if that choice could be theirs or their doctors.

As Feifel has reported,[16] physicians on the whole are reluctant to deal with the issues. Some, particularly specialists based on the medical center, gave special reasons for this disinclination. There was a feeling that to "give up" was disloyal to the cause of the profession. Since major research, teaching and patient-care efforts were being made, professionals expected to discover, transmit and apply knowledge and skills; patients and families were supposed to cooperate fully even if they were not always grateful. Some physicians recognized that the wishes of families went against their own, but they were resolute. They commonly agreed that if they were the parents of very defective children, with-holding treatment would be most desirable for them. However, they argued that aggressive management was indicated for others. Some believed that allowing death as a management option was euthanasia and must be stopped for fear of setting a "poor ethical example" or for fear of personal prosecution or damage to their clinical departments or to the medical center as a whole. Alexander's report on Nazi Germany[17] was cited in some cases as providing justification for pressing the effort to combat disease. Some persons were concerned about the loss through death of "teaching material." They feared the training of professionals for the care of defective children in the future and the advancing of the state of the art would be compromised. Some parents who became aware of this concern thought their children should not become experimental subjects.

Practicing pediatricians, general practitioners and obstetricians were often familiar with these families and were usually sympathetic with their views. However, since they were more distant from the special-care nursery than the specialists of the medical center, their influence was often minimal. As a result, families received little support from them, and tension in community-medical relations was a recurring problem.

Infants with severe types of meningomyelocele precipitated the most controversial decisions. Several decades ago, those who survived this condition beyond a few weeks usually became hydrocephalic and retarded, in addition to being crippled and deformed. With out modern treatment, they died earlier.[18] Some may have been killed or at least not resuscitated at birth.[19] From the early 1960's, the tendency has been to treat vigorously all infants with meningomyelocele. As advocated by Zachary[20] and Shurtleff,[21] aggressive management of these children became the rule in our unit as in many others. Infants were usually referred quickly. Parents routinely signed permits for operation though rarely had they seen their children's defects or had the nature of various management plans and their respective prognoses clearly explained to them. Some physicians believed that parents were too upset to understand the nature of the problems and the options for care. Since they believed informed consent had no meaning in these circumstances, they either ignored the parents or simply told them that the child needed an operation on the back as the first step in correcting several defects. As a result, parents often felt competely left out while the activities of care proceeded at a brisk pace.

Some physicians experienced in the care of these children and familiar with the impact of such conditions upon families had early reservations about this plan of care.[22] More recently, they were influenced by the pessimistic appraisal of vigorous management schemes in some cases.[5] Meningomyelocele, when treated vigorously, is associated with higher survival rates,[21] but the achievement of satisfactory rehabilitation is at best difficult and usually impossible for almost all who are severely affected. Knowing this, some physicians and some families[23] decide against treatment of the most severely affected. If treatment is not carried out, the child's condition will usually deteriorate from further brain damage, urinary-tract infections and orthopedic difficulties, and death can be expected much earlier. Two thirds may be dead by three months, and over 90 per cent by one year of age. However, the quality of life during that time is poor, and the strains on families are great, but not necessarily greater than with treatment.[24] Thus, both treatment and nontreatment constitute unsatisfactory dilemmas for everyone, especially for the child and his family. When maximum treatment was viewed as unacceptable by families and physicians in our unit, there was a growing tendency to seek early death as a management option, to avoid that cruel choice of gradual, often slow, but progressive deterioration of the child who was required under these circumstances in effect to kill himself. Parents and the staff then asked if his dying needed to be prolonged. If not, what were the most appropriate medical responses?

Is it possible that some physicians and some families may join in a conspiracy to deny the right of a defective child to live or to die? Either could occur. Prolongation of the dying process by resident physicians having a vested interest in their careers has been described by Sudnow.[25] On the other hand, from the fatigue of working long and hard some physicians may give up too soon, assuming that their cause is lost. Families, similarly, may have mixed motives. They may demand death to obtain relief from the high costs and the tensions inherent in suffering, but their sense of guilt in this thought may produce the opposite demand, perhaps in violation of the sick person's rights. Thus, the challenge of deciding what course to take can be most tormenting for the family and the physician. Unquestionably, not facing the issue would appear to be the easier course, at least temporarily; no doubt many patients, families, and physicians decline to join in an effort to solve the problems. They can readily assume that what is being done is right and sufficient and ask no questions. But pretending there is no decision to be made is an arbitrary and potentially devastating decision of default. Since families and patients must live with the problems one way or another in any case, the physician's failure to face the issues may constitute a victimizing abandonment of patients and their families in times of greatest need. As Lasagna[14] pointed out, "There is no place for the physician to hide."

Can families in the shock resulting from the birth of a defective child understand what faces them? Can they give truly "informed consent" for treatment or with-holding treatment? Some of our colleagues answer no to both questions. In our opinion, if families regardless of background are heard sympathetically and at length and are given information and answers to their questions in words they understand, the problems of their children as well as the expected benefits and limits of any proposed care can be understood clearly in practically all instances. Parents are able to understand the implications of such things as chronic dyspnea, oxygen dependency, incontinence, paralysis, contractures, sexual handicaps and mental retardation.

Another problem concerns who decides for a child. It may be acceptable for a person to reject treatment and bring about his own death. But it is quite a different situation when others are doing this for him. We do not know how often families and their physicians will make just decisions for severly handicapped children. Clearly, this issue is central in evaluation of the process of decision making that we have described. But we also ask, if these parties cannot make such decisions justly, who can?

We recognize great variability and often much uncertainty in prognoses and in family capacities to deal with defective newborn infants. We also acknowledge that there are limits of support that society can or will give to assist handicapped persons and their families. Severely deforming conditions that are associated with little or no hope of a functional existence pose painful dilemmas for the laymen and professionals who must decide how to cope with severe handicaps. We believe the burdens of decision making must be borne by families and their professional advisers because they are most familiar with the respective situations. Since families primarily must live with and

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Footnotes and end of article.

are most affected by the decisions, it therefore appears that society and the health professions should provide only general guidelines for decision making. Moreover, since variations between situations are so great, and the situations themselves so complex, it follows that much latitude indecisionmaking should be expected and tolerated. Otherwise, the rules of society or the policies most convenient for medical technologists may become cruel masters of human beings instead of their servants. Regarding any "allocation of death"[26] policy we readily acknowledge that the extreme excesses of Hegelian "rational utility" under dictatorships must be avoided.[17] Perhaps it is less recognized that the uncontrolled application of medical technology may be detrimental to individuals and families. In this regard, our views are similar to those of Waitzkin and Stoekle.[27] Physicians may hold excessive power over decision making by limiting or controlling the information made available to patients or families. It seems appropriate that the profession be held accountable for presenting fully all management options and their expected consequences. Also, the public should be aware that professionals often face conflicts of interest that may result in decisions against individual preferences.

What are the legal implications of actions like those described in this paper? Some persons may argue that the law has been broken, and others would contend otherwise. Perhaps more than anything else, the public and professional silence on a major social taboo and some common practices has been broken further. That seems appropriate, for out of the ensuing dialogue perhaps better choices for patients and families can be made. If working out these dilemmas in ways such as those we suggest is in violation of the law, we believe the law should be changed.

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SELECTIVE BIRTH IN TWIN PREGNANCY WITH DISCORDANCY FOR DOWN'S SYNDROME

(By Thomas D. Kerenyi, M.D., F.A.C.O.G., and Usha Chitkara, M.D., F.A.C.O.G.)

Amniocentesis for genetic evaluation is now a well-established prenatal diagnostic procedure. The discovery of twins at the time of amniocentesis, however, necessitates additional measures, and in the event of detection of discordancy for an abnormality it poses a challenging problem. In 1975, Bang et al. reported the first successful amniocentesis and karyotyping in twins. They also forecast the inevitable dilemma: "One unsolved question is the consequence of finding one abnormal and one normal fetus."[1]

At least five recent articles have described cases in the mid-trimester in which one fetus had a major congenital malformation and the other one was normal. Three reports[2-4] involved discordancy for trisomy 21, one for Hurler's disease,[5] and one for spina bifida with hydrocephalus.[6] Interestingly enough, the management and outcome in all five cases was different. In one of the three trisomy 21 cases, the parents chose to abort both twins.[4] In the other two cases, the parents elected to continue the pregnancy for the sake of the normal twin. Both pregnancies were carried to term; delivery of a normal infant and a macerated stillborn fetus occurred in one case,[3] and delivery of a normal infant and an infant with trisomy 21, both living, in the other.[2] In the case of discordancy for neural-tube defect,[6] although both twins were born alive, the twin with the spina bifida and hydrocephalus died two days after birth.

The most aggressive management of this problem has been reported from Sweden; in that case there was a prenatal diagnosis of Hurler's disease[5] in one twin. At 24 weeks' gestation, intracardiac puncture resulting in cardiac arrest in the affected fetus was successfully performed without a detectable effect on the normal twin, except for premature labor and delivery at 33 weeks' gestation. We are aware of another, unpublished case from Denmark, in which attempted cardiac punctures were followed by abortion of both twins three weeks later.

In this report we describe a case of twin pregnancy with discordancy for trisomy 21, in which an aggressive approach was undertaken for selective termination of the abnormal fetus by intracardiac puncture and exsanguination at 20 weeks' gestation. The normal fetus was subsequently delivered at term.

CASE REPORT

The patient, a 40-year-old nulupara with an 18-month history of infertility, underwent genetic amniocentesis at 17 weeks' gestation for the indication of advanced maternal age. Her medical history was unremarkable except for hypothyroidism, for which she had received dessicated thyroid extract, 3 g daily, since 1960. As ultrasound scan before the procedure revealed a twin pregnancy with biparietal diameters of both fetuses compatible with 17.5 weeks' gestation, two clearly defined amniotic sacs, and one placenta on the posterior uterine wall. Amniotic fluid from each sac obtained separatley for chromosomal studies revealed two male fetuses. Twin A had a normal male karyotype (46,XY), but chromosomal analysis of Twin B indicated trisomy 21 (47,XY + 21).

Presented with the diagnosis of carrying one normal and one affected fetus, the parents were confronted with the difficult task of making one of two decisions: to induce abortion and lose both fetuses, or to continue the pregnancy. The mother desperately wanted to have the normal child but could not face the burden of caring for an abnormal child for the rest of her life. Having been made aware of the case report from Sweden in which selective termination of an abnormal twin had been successfully performed even though the unaffected twin was delivered prematurely, she asked if a similar procedure could be offered to her. If it had been refused, she would have chosen to abort both fetuses. At that point, she was referred to us.

Extensive medical and legal counseling and an explanation of the many risks were provided. These risks included abortion of both fetuses, premature delivery of the surviving fetus, performing the procedure on the wrong twin since markers for sac A or B were lacking, and the development of disseminated intravascular coagulation in the mother as a result of fetal death in utero. After careful consideration, the patient decided to undertake the procedure anyway. In view of the fact that the procedure had never been performed in this country, we decided, out of an abundance of caution, to obtain confirmation from a court of law of the parents' right to consent on behalf of the normal fetus.

RESULTS

At 20 weeks' gestation, the procedure was carried out under real-time ultrasound guidance. Meperidine hydrochloride (50 mg) and diazepam (10 mg) were administered intravenously before the procedure. The position and lie of each twin was first assessed: Twin A (normal) was in an oblique lie with its head over the pubic symphysis on the right and the breech toward the left side. Twin B (thought to be the affected fetus) was in a transverse lie with its head on the left side and its breech on the right; the face and chest were pointing toward the maternal anterior abdominal wall. Biparietal measurements were 5.0 cm in Twin A and 4.9 cm in Twin B. Active fetal movements and fetal heart rates of 140 to 150 beats per minute were noted in both twins. Placental implantation was posterior, and the dividing membrane between the two amniotic sacs was clearly identified. The position of the heart of Twin B was localized, and its distance from the maternal abdominal wall measured.

Under local anesthesia, 40 ml of amniotic fluid was removed from the sac of Twin B with a No. 18 spinal needle. The needle was then advanced into the fetal chest but missed the heart. A second insertion led to cardiac puncture and exsanguination of 25 ml of blood. Immediate analysis for cell size on the Coulter Channelyzer confirmed that the sample was 100 per cent fetal blood. Chromosomal analysis of the blood sample three days later further confirmed it to be from the twin with trisomy 21. After the procedure, movements of the affected fetus and cardiac activity ceased. The heartbeat and movements of the normal Twin A were unaffected during and after the procedure. A repeat ultrasound scan on the next day again confirmed that heart rate and motion were normal in Twin A and absent in Twin B.

The mother's condition remained stable throughout the procedure and afterward. She was given prophylactic antibiotics (ampicillin, 500 mg, and dicloxacillin, 250 mg) every six hours for five days. The rest of the prenatal course was uneventful except for recurring mild uterine irritability, which usually subsided with rest and did not require tocolytic agents. Follow-up biweekly serial sonogram scans indicated appropriate biparietal diameter and fetal growth of Twin A and decreasing fetal head and body size of Twin B. Blood counts, hematocrit, hemoglobin, red cell indexes, platelets, and fibrinogen were stable throughout the pregnancy. Labor started at 40 weeks' gastation, one day after stripping of membranes. Uneventful delivery of a 2980-g living male infant occurred after nine hours of labor. The birth was soon followed by delivery of the placenta and of Twin B in the form of a fetus papyraceus weighing 120 g. The placenta weighed 530 g and was remarkable only in that the area corresponding to Twin B was small, fibrosed, and infarcted.

After delivery, the conditions of the mother and baby were stable, and now, seven months later, they continue to do well.

DISCUSSION

The two almost universally accepted medical indications for therapeutic abortion are the diagnosis of a congenital disease incompatible with life and the diagnosis of a disease leading to a life of prolonged suffering for the child and family. The classic examples are Tay-Sachs disease and Down's syndrome (trisomy 21). Although only 30 per cent of the patients with Down's syndrome currently in mental institutions were born to women 35 years old or older, 54 to 75 percent of the prenatal genetic amniocenteses performed in 1978 were for advanced maternal age.[7,8] The highest frequency of dizygotic twins occurs between the ages of 37 and 40.[9] Therefore, with the increasing use of genetic amniocentesis, one may expect to be faced with the possibility of detecting Down's syndrome in one twin and not the other. This is well illustrated by recent case reports,[2-4] including our own.

What is the appropriate advice for such a patient? Several recent publications[1,3,5,10,11] have discussed the problems of counseling when twins are involved, and the consensus has been that the final decision should be made by the parents. Although we concurred, we also noted that the specific issues that had to be faced when contemplating selective abortion of one twin while preserving the other were not directly addressed in these articles. Therefore, to ensure that counseling was appropriate, we elected to discuss all the technical difficulties inherent in the procedure with the patient and her husband.

After the parents decided to go ahead with the procedure, we were mainly concerned about performing it without inadvertently bringing harm to the normal fetus. We realized that this was more important than the fate of the affected twin, and that acceptance of this procedure in the future would hinge on the outcome for the normal unaffected twin.

There are several specific technical considerations in this type of procedure. First of all, in the absence of a persisting marker differentiating the two fetuses, it may be difficult to identify the fetus with the abnormality three or four weeks after the initial amniocentesis, when the chromosomal analysis is reported. Therefore, it is conceivable that a destructive procedure could be performed on the wrong fetus. Thus, when twins are encountered at amniocentesis for genetic studies, careful mapping out and identification of the separate sacs—e.g., upper versus lower, right versus left—is imperative. Videotape recording of the real-time scanning of both fetuses may be the best way to facilitate subsequent identification. In our case, even though Twin B (with trisomy 21) altered its position, with the head changing from the mother's left side to her right, we were reasonably certain that the relative positions of Twins A and B (with Twin A lower than Twin B) had not changed. The correct selection was not verified on the basis of karyotyping from the fetal blood until three days after the procedure, when fetal demise had already occurred.

The site of the implantation of the placenta is a critical technical consideration.[12] Fortunately, in this case it was on the posterior uterine wall. However, in situations involving anterior placental implantation, necessitating transplacental insertion and manipulation, it may be more difficult to perform the procedure for fear of causing abruptio placentae, especially since more than one attempt may be required before correct intracardiac placement of the needle is achieved and exsanguination is completed.

Another theoretical possibility was that instead of cardiac arrest, a nonfatal injury could follow placement of the needle into the affected fetus. Although injection of toxic substances was considered, we did not use this approach because of the potential risk of entry across the membranes into the contiguous sac and in turn, into the normal fetus. We thought that the safest approach for the normal twin would be an attempt to exsanguinate the affected fetus under real-time ultrasound guidance. The 25 ml of blood aspirated was thought to be equivalent to 40 to 50 percent of the total fetal blood volume at 20 weeks' gestation,[13] and its removal proved to be sufficient.

Some investigators have expressed concern that maternal disseminated intravascular coagulation can result from the death of one twin in utro. We considered this possibility unlikely because of our past experience with continuing normal pregnancies after the death in utero of one of the fetuses in multiple gestations induced by clomiphene citrate or menotropins. Nevertheless, serial fibrinogen levels were obtained in the mother and were in the normal range throughout pregnancy. In monozygous twin pairs, there may also be a small risk of brain damage from disseminated intravascular coagulation in the surviving twin after the death of one in utero.[14] This possibility is unlikely in a dizygous pair since, as a rule, there is no placental vascular anastromosis.

The procedure and the subsequent follow-up scans were videotaped. The plotted cephalometry showed a normal growth pattern in the surviving twin and an almost mirror image-like regression in the affected twin (Fig. 1). It was very gratifying experience in such an endangered pregnancy to follow the normal fetus to full term and through vaginal delivery.

"We are indebted to Dr. Blanche Alter for analysis of the fetal blood sample, to Dr. Robert J. Desnick and Ms. Lynn Godmilow for verification of the chromosome analysis of the trisomy 21 fetus and for genetic counseling, to Mr. Michael MacDonald and Mr. John Bower for their expert advice on the legal considerations in the case, to Ms. Marion Coyle for administrative coordination, and to Ms. Carol Shiroky for her invaluable assistance in the preparation of this manuscript."

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[From the Washington Post, May 6, 1982]

VETERINARIAN FINED, SUSPENDED FOR STARVATION DEATH OF DOG

A Takoma Park veterinarian has been fined $3,000 by the Maryland Board of Veterinary Examiners in the starvation death of a dog boarded at his kennel last year at 6701 New Hampshire Ave.

Dr. Arsenio S. Peralta, 41, who has practiced in the area for seven years, also had his license suspended for 60 days and was placed on probation for six months as a result of a ruling Tuesday.

The incident, which occurred last November, was brought before the board by the Washington Humane Society. The dog, a Doberman pinscher, was left with Peralta a year before it died, according to Brenda Purvis, an officer with the humane society. She said the humane society learned of the incident from two of the veterinarian's employees. "I'm very pleased," Purvis said yesterday. "She [the dog] suffered a great deal."

But Peralta said the dog died because it had pneumonia and worms and refused to eat. "I put him on medication and he didn't respond. What can you do?"

Peralta, who appeared before the board March 25, said he is appealing its action. "I feel the decision was greatly influenced because I am a minority," said the Philippines-trained veterinarian. Peralta said he boarded the dog for a year because its owner had not yet found a home with enough space for the animal. "The owner didn't complain. He even told me he'd testify I did not neglect the dog."

THE WHITE HOUSE,
Washington, April 30, 1982.

Memorandum for the Attorney General and the Secretary of Health and Human Services.

Subject: Enforcement of Federal Laws Prohibiting Discrimination Against the Handicapped.

Following the recent death of a handicapped newborn child in Indiana, many have raised the question whether Federal laws protecting the rights of handicapped citizens are being adequately enforced.

Therefore, I am instructing Secretary Schweiker to notify health care providers of the applicability of section 504 of the Rehabilitation Act of 1973 to the treatment of handicapped patients. That law forbids recipients of Federal funds from withholding from handicapped citizens, simply because they are handicapped, any benefit or service that would ordinarily be provided to persons without handicaps. Regulations under this law specifically prohibit hospitals and other providers of health services receiving Federal assistance from discriminating against the handicapped.

I am also instructing the Attorney General to report to me on the possible application of Federal constitutional and statutory remedies in appropriate circumstances to prevent the withholding from the handicapped of potentially life-saving treatment that would be given as a matter of course to those who are not handicapped.

Our Nation's commitment to equal protection of the law will have little meaning if we deny such protection to those who have not been blessed with the same physical or mental gifts we too often take for granted. I support Federal laws prohibiting discrimination against the handicapped, and remain determined that such laws will be vigorously enforced.

[From the Washington Post, Apr. 22, 1982]

THE KILLING WILL NOT STOP

(By George F. Will)

The baby was born in Bloomington, Ind., the sort of academic community where medical facilities are more apt to be excellent than moral judgments are. Like one of every 700 or so babies, this one had Down's syndrome, a genetic defect involving varying degrees of retardation and, sometimes, serious physical defects.

The baby needed serious but feasible surgery to enable food to reach its stomach. The parents refused the surgery, and presumably refused to yield custody to any of the couples eager to become the baby's guardians. The parents chose to starve their baby to death.

Their lawyer concocted an Orwellian euphemism for this refusal of potentially life-saving treatment—"Treatment to do nothing." It is an old story: language must be mutilated when a perfumed rationalization of an act is incompatible with a straightforward description of the act.

Indiana courts, accommodating the law to the Zeitgeist, refused to order surgery, and thus sanctioned the homicide. Common sense and common usage require use of the word "homicide." The law usually encompasses homicides by negligence. The Indiana killing was worse. It was the result of premeditated, aggressive, tenacious action, in the hospital and in courts.

Such homicides can no longer be considered aberrations, or culturally incongruous. They are part of a social program to serve the convenience of adults by authorizing adults to destroy inconvenient young life. The parents' legal arguments, conducted in private, reportedly emphasized—what else?—"freedom of choice." The freedom to choose to kill inconvenient life is being extended precisely as predicted, beyond fetal life to categories of inconvenient infants, such as Down's syndrome babies. There is no reason—none—to doubt that if the baby had not had Down's syndrome the operation would have been ordered without hesitation, almost certainly, by the parents or, if not by them, by the courts. Therefore the baby was killed because it was retarded. I defy the parents and their medical and legal accomplices to explain why, by the principles affirmed in this case, parents do not have a right to kill by calculated neglect any Down's syndrome child—regardless of any medical need—or any other baby that parents decide would be inconvenient.

Indeed, the parents' lawyer implied as much when, justifying the starvation, he emphasized that even if successful the surgery would not have corrected the retardation. That is, the Down's syndrome was sufficient reason for starving the baby. But the broader message of this case is that being an unwanted baby is a capital offense.

In 1973 the Supreme Court created a virtually unrestrictable right to kill fetuses. Critics of the ruling were alarmed because the court failed to dispatch the burden of saying why the fetus, which unquestionably is alive, is not protectable life. Critics were alarmed also because the court, having incoherently emphasized "viability," offered no intelligible, let alone serious, reason why birth should be the point at which discretionary killing stops. Critics feared what the Indiana homicide demonstrates: the killing will not stop.

The values and passions, as well as the logic of some portions of the "abortion rights" movement, have always pointed beyond abortion, toward something like the Indiana outcome, which affirms a broader right to kill. Some people have used the silly argument that it is impossible to know when life begins. (The serious argument is about when a "person" protectable by law should be said to exist.) So what could be done about the awkward fact that a newborn, even a retarded newborn, is so incontestably alive?

The trick is to argue that the lives of certain kinds of newborns, like the lives of fetuses, are not sufficiently "meaningful"—a word that figured in the 1973 ruling—to merit any protection that inconveniences an adult's freedom of choice.

The Indiana parents consulted with doctors about the "treatment" they chose. But this was not at any point, in any sense, a medical decision. Such homicides in hospitals are common and will become more so now that a state's courts have given them an imprimatur. There should be interesting litigation now that Indiana courts—whether they understand this or not—are going to decide which categories of new-borns (besides Down's syndrome children) can be killed by mandatory neglect.

Hours after the baby died, the parents' lawyer was on the "CBS Morning News" praising his clients' "courage." He said, "The easiest thing would have been to defer. Let somebody else make that decision." Oh? Someone had to deliberate about whether or not to starve the baby? When did it become natural, even necessary, in Indiana for parents to sit around debating whether to love or starve their newborns?

The lawyer said it was a "no-win situation" because there would have been horrific trauma—trauma to the child who would never have enjoyed a—a quality of life of—of any sort, trauma to the family, trauma to society." In this "no-win" situation, the parents won; the county was prevented from ordering surgery, prospective adopters were frustrated; the baby is dead. Furthermore, how is society traumatized whenever a Down's syndrome baby is not killed? It was, I believe, George Orwell who warned that insincerity is the enemy of sensible language.

Someone should counsel the counselor to stop babbling about Down's syndrome children not having "any sort" of quality of life. The task of convincing communities to provide services and human sympathy for the retarded is difficult enough without incoherent lawyers laying down the law about whose life does and whose does not have "meaning."

The Washington Post headlined its report: "The Demise of 'Infant Doe'" (the name used in court). "Demise," indeed. That suggests an event unplanned, even perhaps unexplained. ("The Demise of Abraham Lincoln"?) The Post's story began:

"An Indiana couple, backed by the state's highest court and the family doctor, allowed their severely retarded newborn baby to die last Thursday night. . . ."

But "severely retarded" is a misjudgment (also appearing in The New York Times) that is both a cause and an effect of cases like the one in Indiana. There is no way of knowing, and no reason to believe, that the baby would have been "severely retarded."

A small fraction of Down's syndrome children are severely retarded. The degree of retardation cannot be known at birth. Furthermore, such children are dramatically responsive to infant stimulation and other early interventions. But, like other children, they need to eat.

When a commentator has a direct personal interest in an issue, it behooves him to say so. Some of my best friends are Down's syndrome citizens. (Citizens is what Down's syndrome children are if they avoid being homicide victims in hospitals.)

Jonathan Will 10, fourth-grader and Orioles fan (and the best Wiffle-ball hitter in southern Maryland), has Down's syndrome. He does not "suffer from" (as newspapers are wont to say) Down's syndrome. He suffers from nothing, except anxiety about the Orioles' lousy start.

He is doing nicely, thank you. But he is bound to have quite enough problems dealing with society—receiving rights, let alone empathy. He can do without people like Infant Doe's parents, and courts like Indiana's asserting by their actions the principle that people like him are less than fully human. On the evidence, Down's syndrome citizens have little to learn about being human from the people responsible for the death of Infant Doe.●

● Mr. HATCH. Mr. President, at this time I would like to extend my appreciation to Senator DENTON and cosponsor this concurrent resolution which brings further attention to an issue of great importance. In an unfortunate incident, a child was born with a rare anatomical abnormality in the breathing and swallowing tubes, which prevents oral feeding. Surgery can correct this abnormality. Such surgery would undoubtedly have been performed on the baby born recently in Bloomington, Ind., had that baby not also been born with Down's syndrome, a genetic condition that occurs once in about 700 to 900 live births. Down's syndrome is characterized by varying degrees of mental retardation and certain facial and physical abnormalities. Down's syndrome is usually not fatal, nor even life threatening, but the esophagus abnormality is fatal if not attended to. To correct this abnormality would require major surgery, but in the case of Infant Doe as he was known to the public, his parents refused permission for surgery. After obtaining two medical opinions, their attorney said, "The child could have surgery with an even chance of success, but nothing could be done to treat the retardation. They were also told they could let nature take its course that child could contact pneumonia and die."

The hospital took this case to court in an attempt to protect the baby from death. The court battle ended at the Indiana Supreme Court which declined to review the lower court's ruling and not to intervene with the parent's decision.

What is so disturbing about this instance is that the infant died at the request of his parents and with the approval of the Indiana Supreme Court. Additional details of this issue and specific incidents have been carried in news articles.

As an elected official, I am fully aware that the media can distort facts, and emphasize the emotional aspects of any story deemed newsworthy. I sympathize with the parents of this handicapped child. I disagree strongly with their decisions but I share with them the grief and sadness which they have certainly suffered.

On April 20, in a letter to President Reagan from myself and three of my colleagues, Senators HELMS, HATFIELD, and Congressman HYDE, we asked the President to clarify existing regulations concerning equal protection of our laws to handicapped children. The statutory basis for such action already exists under section 504 of the Rehabilitation Act of 1973, which prohibits any discrimination against the handicapped under programs or activities receiving Federal financial assistance. We asked the President to clarify regulations enforcing such a prohibition and to expressly forbid the denial of any treatment for handicapped infants which could be provided to normal babies in hospitals under similar circumstances. I received a copy of a memorandum from President Reagan to the Attorney General and Secretary Schweiker, asking them to notify health care providers of the applicability of section 504 of the Rehabilitation Act, and the law forbidding recipients of Federal funds from withholding treatment for handicapped citizens simply because they were handicapped. I wish to express my thanks to the President for this very rapid and forceful response to this issue. To further express my concern, I am pleased to support Senator DENTON and my fellow colleagues cosponsoring this Senate resolution expressing the sense of the Congress concerning the right of children with birth defects to life sustaining medical treatment and nutrition.

I ask unanimous consent to have printed in the RECORD the letter requesting the regulation review and the President's memorandum to the Attorney General and Secretary Schweiker and a subsequent article from the Washington Post.

THE WHITE HOUSE,
Washington, April 30, 1982.

Memorandum for the Attorney General and the Secretary of Health and Human Services

Subject: Enforcement of Federal laws prohibiting discrimination against the handicapped

Following the recent death of a handicapped newborn child in Indiana, many have raised the question whether Federal laws protecting the rights of handicapped citizens are being adequately enforced.

Therefore, I am instructing Secretary Schweiker to notify health care providers of the applicability of section 504 of the Rehabilitation Act of 1973 to the treatment of handicapped patients. That law forbids recipients of Federal funds from withholding from handicapped citizens, simply because they are handicapped, any benefit or service that would ordinarily be provided to persons without handicaps. Regulations under this law specifically prohibit hospitals and other providers of health services receiving Federal assistance from discriminating against the handicapped.

I am also instructing the Attorney General to report to me on the possible application of Federal constitutional and statutory remedies in appropriate circumstances to prevent the withholding from the handicapped of potentially life-saving treatment that would be given as a matter of course to those who are not handicapped.

Our Nation's commitment to equal protection of the law will have little meaning if we deny such protection to those who have not been blessed with the same physical or mental gifts we too often take for granted. I support Federal laws prohibiting discrimination against the handicapped, and remain determined that such laws will be vigorously enforced.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., April 20, 1982.

President Ronald Reagan
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: Last week a tragedy, which many believe has quietly become commonplace in the United States, pushed its way into our national conscience via the front page of the Washington Post and other major media. A newborn child afflicted with Down's Syndrome and a digestive tract disorder (which could have been corrected by routine surgery) was, at the insistence of his own parents and with the approval of the Indiana Supreme Court, allowed to die of starvation in the very hospital in which he was born only a week earlier. This selective destruction of handicapped children is morally and ethically repugnant to our very way of life and cannot be tolerated in a society which cherishes the sanctity of human life and the intrinsic worth of each individual. The very idea that a court of law would sanction a parental demand to destroy a child which, for whatever reason, they did not want is an affront to the principles upon which our legal system was built and must be corrected immediately before this, too, becomes somehow acceptable.

This deliberate starvation of an infant is all the more abhorrent while there were other families eager to adopt and love this defenseless handicapped baby.

All of the academic controversies about when a human life begins and when that human life becomes a person pale into insignificance in the fact of this act of eugenic infanticide. We believe the crucial factor here was that this baby was afflicted with Down's Syndrome, and hence his right to life—his Constitutional right to equal protection of the laws—was deemed forfeit. Such a doctrine is totally contrary to the traditional view that every human life has intrinsic worth. This example of the triumph of the Quality of Life Ethic at the expense of the Sanctity of Life Ethic has implications far beyond this case.

We implore you, Mr. President, to act now to insure the equal protection of our laws to handicapped children. The statutory basis for such action already exists under Section 504 of the Rehabilitation Act of 1973 which prohibits any discrimination against the handicapped under programs or activities receiving federal financial assistance. You need only clarify existing regulations enforcing such a prohibition to expressly forbid the denial of any treatment which would be provided to normal babies in hospitals under similar circumstances. Certainly the refusal of nourishment and routine surgery to an infant because of his handicap is an unconscionable violation of the letter and spirit of the law and cannot be allowed to happen to other children like the Bloomington Baby.

In closing, Mr. President, we cannot too strongly stress the importance of prompt action in this matter. Every day can mean the difference of life or death for a newborn Down's Syndrome or other handicapped baby.

Thank you, Mr. President, for your consideration of this request.

Sincerely,

Henry J. Hyde,
Member of Congress.
Jesse Helms,
United States Senator.
Orrin G. Hatch,
United States Senator.
Mark O. Hatfield,
United States Senator.

[From the Washington Post]

Hospitals Warned on Handicapped Babies

(By Cristine Russell and Charles R. Babcock)

The Reagan administration yesterday warned the nation's hospitals that they could lose government funds if they deny food or treatment to newborn infants with birth defects.

The warning from the Health and Human Services Department—considered a novel application of a federal law prohibiting discrimination against the handicapped—followed complaints by "right-to-life" groups and a recent directive from President Reagan.

The department, in a notice to nearly 7,000 hospitals, cited "heightened public concern about the adequacy of medical treatment of newborn infants with birth defects."

HHS Secretary Richard S. Schweiker noted the recent national publicity surrounding the death of a baby born with Down's Syndrome in Bloomington, Ind. The parents of "Baby Doe" asked that food be withheld and refused to authorize treatment to correct a life-threatening defect associated with the disorder, which causes mental retardation.

In addition, an HHS spokesman said that the department this week sent an investigator to Crawford Memorial Hospital in Robinson, Ill., to check a complaint by national and local "right-to-life" groups that surgical treatment is being withheld from a baby born with a serious birth defect known as spinal bifida.

The breadth of yesterday's warning surprised hospitals and medical groups, whose spokesmen expressed concern about potential interference in the practice of medicine and the legality of using laws to protect the handicapped for this purpose.

Groups representing the handicapped welcomed the administration's interest, but said it didn't jibe with Reagan's plans to cut federal financial aid to the handicapped and to weaken the regulations that already protect them.

In its two-page letter to hospitals that receive Medicaid or Medicare funds, HHS' Office for Civil Rights said that the government will apply Section 504 of the Rehabilitation Act of 1973 to cases involving the medical care of infants with birth defects and will consider "termination of federal assistance" to institutions that do not comply.

It said that it is "unlawful" for hospitals to withhold from handicapped infants food or medical or surgical treatment required to correct a life-threatening condition, if the handicap "does not render the treatment or nutritional sustenance medically contraindicated."

The notice also warned that hospitals "should not aid a decision by the infant's parents . . . to withhold treatment or nourishment discriminatorily by allowing the infant to remain in the institution" and said that hospitals will also be held responsible for the conduct of physicians."

Betty Lou Dotson, director of HHS' Office for Civil Rights, acknowledged yesterday that although the rehabilitation law has been on the books since 1973, this apparently is the first time it has been applied to the medical treatment of handicapped children.

"To the best of our knowledge, it has not been used in this manner," she said.

Justice Department spokesman John Wilson said civil rights lawyers there "are researching the law" but have not yet concluded what legal actions can be taken. "We've never been confronted with this before. This is novel."

Michael Bromberg, of the Federation of American Hospitals, questioned the legality of the new HHS effort, saying he had never heard of applying the "504" regulations to "patient care or medical treatment." He said that the breadth of the HHS letter could "force a flood of court cases" because of "tremendous legal conflict between what this notice is trying to do and parental and physician authority."

A statement by the American Hospital Association called the HHS letter a "simplistic solution to complex situations involved in health care delivery" and charged that it could "create an adversarial relationship between hospitals and parents who elect not to have complicated surgery performed on these children."

Paul Marchand, director of governmental affairs for the Association for Retarded Citizens, said yesterday that groups representing the disabled have been meeting regularly to try to develop a practical solution for treating handicapped infants. But he said he viewed the government's action yesterday with some skepticism. "There is irony here and we're trying to use the president's memo as a positive signal they're calling off the dogs on 504."

Marchand noted that the president's action "is the first and only positive action [Reagan has taken] for the disabled since he has set foot in the White House." He cited what he termed "astronomical" budget cuts for programs for the handicapped, and efforts by Justice and the Office and Management and Budget to rewrite the Section 504 regulations.

The extent to which HHS plans to enforce its warning is not yet clear. Dotson said that the letter was intended as a "reminder" to hospitals and that the department will follow up on specific complaints, such as the Illinois case.

Gary Curran, a consultant to the American Life Lobby, emphasized that "notification is not enough to make sure these babies' lives are saved. There is going to have to be thorough surveillance for compliance with these laws and vigorous prosecution if they are violated."

But one outside medical source suggested that the notice to hospitals was apparently regarded within HHS as "more a public relations move than anything else."

In the Illinois case, Carlton King, administrator of Crawford Memorial Hospital, said he couldn't comment on the specifics. But he added, "Every infant is getting maximum care. We would never deny treatment to any patient."●

SENATE RESOLUTION 399—ORIGINAL RESOLUTION REPORTED WAIVING CONGRESSIONAL BUDGET ACT

Mr. SYMMS, from the Committee on Environment and Public Works, reported the following original resolution, which was referred to the Committee on the Budget:

S. Res. 399

Resolved, That section 303(a) of the Congressional Budget Act of 1974 is hereby waived with respect to the consideration of S. 2574, the Federal-aid Highway Act of 1982.

Sec. 2. This waiver is necessary so that multiyear highway legislation may be considered by the Senate. Highway authorizations are contract authority which when enacted creates new spending authority. To consider this multiyear highway bill such a waiver is required by section 303(a).

SENATE RESOLUTION 400—RESOLUTION WAIVING THE BUDGET ACT

Mr. STEVENS submitted the following resolution; which was referred by unanimous consent to the Committee on the Budget:

S. Res. 400

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 1912. Such waiver is necessary because S. 1912 authorizes the enactment of new budget authority which would first become available in fiscal year 1982, and such bill was not reported on or before May 15, 1981, as required by section 402(a) of the Congressional Budget Act of 1974 for such authorizations.

The waiver of section 402(a) is necessary to permit congressional consideration of statutory authority to pay additional premium pay to air traffic controllers and certain other employees of the Federal Aviation Administration.

S. 1912 authorizes the expenditure of funds appropriated for fiscal year 1982 in the Department of Transportation Appropriations Act. The Appropriations Act specifically earmarked $57.8 million for these purposes in fiscal year 1982.

S. 1912 is proposed in response to the crisis resulting from the air traffic controllers strike in August, 1981. Therefore, the legislation could not meet the May 15 budgetary deadline.

Mr. STEVENS. Mr. President, I am submitting a budget waiver resolution for S. 1912, a bill which provides premium pay for air traffic controllers and certain other FAA personnel. S. 1912 authorizes appropriations for fiscal year 1982 and thus must be accompanied by a budget waiver. However. appropriations for the Department of Transportation for fiscal year 1982 specifically earmarked funds for the provisions of this legislation. Hence, this resolution in only intended to assure technical compliance with the Budget Act.

I ask unanimous consent that this budget waiver resolution be referred directly to the Budget Committee without prior referral to the Governmental Affairs Committee.

AMENDMENTS SUBMITTED FOR PRINTING

URGENT SUPPLEMENTAL APPROPRIATION, 1982

AMENDMENT NO. 1499

(Ordered to be printed and to lie on the table.)

Mr. **KENNEDY** submitted an amendment intended to be proposed by him to the bill (H.R. 5922) making urgent supplemental appropriations for the fiscal year ending September 30, 1982.

AMENDMENT NOS. 1500 THROUGH 1504

(Ordered to be printed and to lie on the table.)

Mr. **GARN** submitted five amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1505 AND 1506

(Ordered to be printed and to lie on the table.)

Mr. **KASTEN** submitted two amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1507 AND 1508

(Ordered to be printed and to lie on the table.)

Mr. **EAGLETON** submitted two amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NO. 1509

(Ordered to be printed and to lie on the table.)

Mr. **D'AMATO** (for himself, Mr. WEICKER, Mr. STEVENS, Mr. HUDDLESTON, and Mr. EAGLETON) submitted an amendment intended to be proposed by them to the bill H.R. 5922, supra.

AMENDMENT NOS. 1510 THROUGH 1513

Mr. **ANDREWS** submitted four amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1514 THROUGH 1522

(Ordered to be printed and to lie on the table.)

Mr. **SCHMITT** submitted nine amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1523 AND 1524

(Ordered to be printed and to lie on the table.)

Mr. **EXON** submitted two amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1525 AND 1526

(Ordered to be printed and to lie on the table.)

Mr. **COCHRAN** submitted two amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1527 THROUGH 1529

(Ordered to be printed and to lie on the table.)

Mr. **ABDNOR** submitted three amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1530 THROUGH 1546

(Ordered to be printed and to lie on the table.)

Mr. **HELMS** submitted 17 amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1547 AND 1548

(Ordered to be printed and to lie on the table.)

Mr **MATTINGLY** submitted two amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1549 AND 1550

Mr. **BUMPERS** submitted two amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NO. 1551

(Ordered to be printed and to lie on the table.)

Mr. **SCHMITT** submitted an amendment intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1552 THROUGH 1557

(Ordered to be printed and to lie on the table.)

Mr. **WEICKER** submitted six amendments intended to be proposed to the bill H.R. 5922, supra.

AMENDMENT NOS. 1558 THROUGH 1564

(Ordered to be printed and to lie on the table.)

Mr. **ARMSTRONG** submitted seven amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1565 THROUGH 1568

Mr. **WEICKER** (for himself and Mr. GORTON) submitted four amendments intended to be proposed by them to the bill H.R. 5922, supra.

AMENDMENT NO. 1569

(Ordered to be printed and to lie on the table.)

Mr. **STEVENS** submitted an amendment intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1570 THROUGH 1592

(Ordered to be printed and to lie on the table.)

Mr. **ARMSTRONG** submitted 23 amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NO. 1593

(Ordered to be printed and to lie on the table.)

Mr. **HATFIELD** submitted an amendment intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1594 THROUGH 1597

(Ordered to be printed and to lie on the table.)

Mr. **STEVENS** submitted four amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NO. 1598

(Ordered to be printed and to lie on the table.)

Mr. **MOYNIHAN** submitted an amendment intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1599 AND 1600

(Ordered to be printed and to lie on the table.)

Mr. **SCHMITT** submitted two amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1601 AND 1602

(Ordered to be printed and to lie on the table.)

Mr. **DODD** submitted two amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1603 AND 1608

(Ordered to be printed and to lie on the table.)

Mr. **LUGAR**, at the direction of the Committee on Banking, Housing, and Urban Affairs, submitted six amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1609 AND 1624

(Ordered to be printed and to lie on the table.)

Mr. **HUMPHREY** submitted 16 amendments intended to be proposed by him to the bill H.R 5922, supra.

AMENDMENT NOS. 1625 AND 1636

(Ordered to be printed and to lie on the table.)

Mr. **ARMSTRONG** submitted 12 amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1637 AND 1640

Mr. **HATFIELD** submitted four amendments intended to be proposed by him to the bill H.R. 5922, supra.

DISTRIBUTION AND UTILIZATION OF COAL

AMENDMENT NO. 1641

(Ordered to be printed and referred to the Committee on Energy and Natural Resources.)

Mr. **WALLOP** submitted an amendment intended to be proposed by him to the bill (S. 1844) to facilitate the national distribution and utilization of coal.

RIGHT OF WAY FOR COAL SLURRY PIPELINES

● Mr. **WALLOP**. Mr. President, today I am submitting an amendment to S. 1844, legislation intending to give coal slurry pipelines the right of Federal eminent domain through private lands for pipeline rights-of-way.

For the first time in the 8 years spent debating this issue, we are seriously talking about absolute protection of State water rights. Legislative proposals introduced in the last four Congresses have either never made it out of their respective committees or have been soundly voted down on the floor; primarily, I venture, because none of them proposed to preserve, inviolate, the right of a State to manage and control its water without a hint of Federal infringement or involvement. Not until there is a provision which clearly provides that a State has the unfettered right to literally kill a coal slurry pipeline by withholding or terminating water rights granted under State law, will there be a coal slurry Federal eminent domain law.

The "Preservation of State Water Law" provision in S. 1844, as well as section 10 in the House companion bill H.R. 4030, is substantively similar to protective water language I proposed back in October 3, 1979, as an amendment to the "Priority Energy Project Act of 1979." The intent of this water language is indisputably clear. However, it is imperative that any protective State water language which deals with interstate commerce must be crafted to leave nothing to the imagination of any court in this land. The provision must: First, insure that nothing in the law can be construed or inferred as granting to the United States or its agents a new right to use water; second, insure that the use and appropriation of water for any interstate coal slurry pipeline, not just those that use the right of Federal eminent domain, be made pursuant to the State law of water origin(s); third, insure that if a State exercises conditions on any water permit, up to and including termination, that that exercise will not be prohibited as an unreasonable burden on interstate commerce or be considered a taking without compensation; fourth, insure that Federal intervention into State water law is precluded even by inference and that nothing in the law shall alter in any way any provision of State law or an interstate compact; and fifth, insure that no Federal reserve water right is created by this act, nor can any Federal reserve water be used in any slurry pipeline.

The amendment I am submitting today exemplifies these points by: First, requiring full compliance with State water law before an application for Federal eminent domain can be entertained by the Federal Government; second making it clear that the law of the State to be complied with is the State or States of water origin; third, extending the protections of the State water law provisions to all coal slurry pipelines and not just those that seek Federal eminent domain; and fourth expressly providing, to remove any possible ambiguity, that nothing in the act creates any Federal reserved water rights, and that no pipeline, whether or not it uses Federal eminent domain, has the authority to use federally reserved water in its pipeline.

This amendment, as well as the present water language, raise several legal questions, the primary one being their constitutionality. Presently, scheduled for June 8, 1982, in the Senate Energy and Natural Resources Committee is a hearing intended to address these issues, and it is my hope that this amendment will be analyzed by the several expert witnesses scheduled to testify.

I wish to make it abundantly clear that unless Congress authority to legislate in this fashion is beyond question, I cannot conscionably support any grant of Federal eminent domain authority in degradation of State water rights. When we talk of water in Wyoming, we are speaking of its lifeblood, and it is well known that, "In the fight for survival, a tie or split decision simply will not do."●

URGENT SUPPLEMENTAL APPROPRIATION, 1982

AMENDMENT NO. 1642

(Ordered to be printed.)

Mr. HATFIELD submitted an amendment to the bill (H.R. 5922) making urgent supplemental appropriations for the fiscal year ending September 30, 1982, and for other purposes.

AMENDMENT NO. 1643

(Ordered to be printed.)

Mr. LUGAR (for himself, Mr. Sasser, and Mr. Riegle) proposed an amendment to the amendment No. 1642 proposed by Mr. Hatfield to the bill H.R. 5922, supra.

AMENDMENT NO. 1644

(Ordered to be printed and to lie on the table.)

Mr. KENNEDY submitted an amendment intended to be proposed to amendment No. 1642 proposed by Mr. Hatfield to the bill H.R. 5922, supra.

AMENDMENT NO. 1645

(Ordered to be printed and to lie on the table.)

Mr. GARN (for himself, Mr. Kasten, and Mr. Armstrong) submitted an amendment intended to be proposed by them to amendment No. 1494 to the bill H.R. 5922, supra.

AMENDMENT NOS. 1646 THROUGH 1651

(Ordered to be printed and to lie on the table.)

Mr. MATHIAS submitted six amendments intended to be proposed by him to amendment No. 1494 to H.R. 5922, supra.

AMENDMENT NO. 1652

(Ordered to be printed and to lie on the table.)

Mr. GARN (for himself, Mr. Kasten, and Mr. Armstrong) submitted an amendment intended to be proposed by them to amendment No. 1642 proposed by Mr. Hatfield to the bill H.R. 5922, supra.

AMENDMENT NOS. 1653 AND 1654

(Ordered to be printed and to lie on the table.)

Mr. MATHIAS submitted two amendments intended to be proposed by him to the amendment No. 1642 proposed by Mr. Hatfield to the bill H.R. 5922, supra.

AMENDMENT NO. 1655

(Ordered to be printed and to lie on the table.)

Mr. BUMPERS submitted an amendment intended to be proposed by him to the amendment No. 1642 proposed by Mr. Hatfield to the bill H.R. 5922, supra.

AMENDMENT NOS. 1656 AND 1657

(Ordered to be printed and to lie on the table.)

Mr. SPECTER submitted two amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NO. 1658

(Ordered to be printed and to lie on the table.)

Mr. PROXMIRE (for himself and Mr. Riegle) submitted an amendment intended to be proposed by them to the amendment No. 1642 proposed by Mr. Hatfield to the bill H.R. 5922, supra.

AMENDMENT NO. 1659

(Ordered to be printed and to lie on the table.)

Mr. HUDDLESTON (for himself and Mr. Ford) submitted an amendment intended to be proposed by them to the amendment No. 1642 proposed by Mr. Hatfield to the bill H.R. 5922, supra.

AMENDMENT NO. 1660

(Ordered to be printed and to lie on the table.)

Mr. CRANSTON (for himself, Mr. Riegle, Mr. Boren, Mr. Exon, Mr. Robert C. Byrd, Mr. Moynihan, Mr. Baucus, Mr. Burdick, Mr. Ford, Mr. Huddleston, and Mr. Leahy) submitted an amendment intended to be proposed by them to the amendment No. 1642 proposed by Mr. Hatfield to the bill H.R. 5922, supra.

NOTICES OF HEARINGS

SUBCOMMITTEE ON TAXATION AND DEBT MANAGEMENT

Mr. PACKWOOD. Mr. President, the Subcommittee on Taxation and Debt Management of the Senate Finance Committee will hold a hearing at 10 a.m. on Thursday, May 27, 1982. The subject of the hearing will be the extension of the temporary limit on the public debt.

The debt limit ceiling is currently $1,079.8 billion. On May 21, 1982, the outstanding debt was $1,069.4 billion.

The Treasury Department will recommend that the public debt ceiling be raised from $1,079.8 to $1,275 through fiscal year 1983.

The Honorable Roger Mehle, Assistant Secretary of the Treasury for Domestic Finance will testify on behalf of the administration.

The Treasury Department is also expected to comment on two proposals regarding the debt financing operations of the Federal Government. These proposals involve removing restrictions on the Government's ability to issue long-term debt and authorizing a floating rate system for U.S. savings bonds.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Subcommittee on Energy Research and Development to consider the Department of Energy's uranium enrichment program. This oversight hearing will be held on Monday, June 14, beginning at 2 p.m. in room 5110 of the Dirksen Senate Office Building.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Subcommittee on Energy Research and Development, room 3104, Dirksen Senate Office Building, Washington, D.C. 20510.

For further information regarding this hearing, you may wish to contact Mr. Paul Gilman of the subcommittee staff at 224-4431.

SUBCOMMITTEE ON WATER AND POWER

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Subcommittee on Water and Power to consider S. 2202, a bill to amend the Colorado River Basin Salinity Control Act to authorize certain additional measures to assure accomplishment of the objectives of title II of such act, and for other purposes. The hearing will be held on Tuesday, June 22, beginning at 10 a.m. in room 3110 of the Dirksen Senate Office Building.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Subcommittee on Water and Power, room 3104, Dirksen Senate Office Building, Washington, D.C. 20510.

For further information regarding this hearing you may wish to contact Mr. Russ Brown of the subcommittee staff at 224-2366.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS. Mr. President, I would like to announce that the Committee on Rules and Administration will hold a hearing on June 10, 1982, on three nominations to the Federal Election Commission. The hearings will be held at 10 a.m. in room 301, Russell Senate Office Building.

The three nominees, Joan D. Aikens, Lee Ann Elliott, and Danny Lee McDonald are currently serving on the Commission by virtue of recess appointments made by the President. Mrs Aiken, a native of Pennsylvania, has been nominated to a term expiring April 30, 1983. She has served as a member of the Commission since its inception. Mrs. Elliott, from Chicago, Ill., and Mr. McDonald, who last served with the Oklahoma Corporation Commission, has been nominated for terms expiring April 30, 1987.

Any Member of the Senate or others wishing to testify or to submit a written statement for the hearing record should contact the Committee on Rules and Administration, 305 Russell Senate Office Building, Washington, D.C. 20510.

For further information concerning this hearing, please contact committee staff at 224-3448.

Mr. MATHIAS. Mr. President, I wish to announce that on June 16, 1982, the Committee on Rules and Administration will hold a meeting at 9:30 a.m., in room 301, Russell Senate Office Building. The purpose of the meeting is to consider the nominations of Joan D. Aikens, Lee Ann Elliott, and Danny Lee McDonald to be member of the Federal Election Commission. The committee plans to hold a hearing to receive testimony on these nominations on Wednesday, June 9, 1982.

The committee will also be marking up proposed regulations to implement Senate Resolution 20, to provide television and/or radio coverage of proceedings in the Senate Chamber. The committee heard testimony from Senators concerning their views on regulations and/or rules changes to implement the resolution at a hearing on May 19, 1982. The committee will receive further testimony from other interested parties on Senate Resolution 20 when it holds a hearing on May 25, 1982.

If you wish further information on the FEC nominations, contact Rules Committee staff on extension 43448; for further information on the proposed regulations to implement television and/or radio coverage of Senate proceedings, call staff on extension 40285.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BAKER. Mr. President, I ask unanimous consent that the Environment and Public Works Committee be authorized to hold a markup on S. 2144, a bill to extend and phase out the work of the Appalachian Regional Commission, during the session of the Senate at 2 p.m. on Wednesday, May 26.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INTELLIGENCE

Mr. BAKER. Mr. President, I ask unanimous consent that the Intelligence Committee be authorized to meet during the session of the Senate at 10:30 a.m. on Wednesday, May 26, to hold a closed hearing on Intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the Intelligence Committee be authorized to meet during the session of the Senate at 10:30 a.m. on Thursday, May 27, to hold a nomination hearing to consider the nomination of John McMahon, to be deputy director of the Central Intelligence Agency.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Wednesday, May 26, to consider S. 1889, the U.S. Academy of Peace Act, in addition to S. 2036, the jobs training bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TOXIC SUBSTANCES AND ENVIRONMENTAL OVERSIGHT

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Toxic Substances and Environmental Oversight, of the Committee on Environment and Public Works, be authorized to meet during the session of the Senate at 10 a.m. on Wednesday, May 26, to hold a hearing on the extension of the Safe Drinking Water Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AGRICULTURAL PRODUCTION, MARKETING, AND STABILIZATION OF PRICES

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices, of the Committee on Agriculture, Nutrition, and Forestry, be authorized to meet during the session of the Senate at 9:30 a.m. on Thursday, May 27, to hold a hearing to discuss revisions in the dairy price support program.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INVESTIGATIONS

Mr. BAKER. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations, of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate at 10 a.m. on Thursday, May 27, to continue a hearing on commodity investment fraud schemes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TAX DEDUCTIONS FOR LIVING EXPENSES OF MEMBERS OF CONGRESS

● **Mr. GARN.** Mr. President, on April 8, 1982, the ABC News program "20/20" produced and aired a segment entitled "The Great Capitol Tax Gain," dealing with the issue of tax deductions for living expenses of Members of Congress.

The content of that program, unfortunately, included many inaccuracies and misleading statements about what the Congress did last year in removing the 30-year-old limit on tax deductions for living expenses in the Washington, D.C., area for Members of Congress.

We have, of course, debated that issue at great length here in this Chamber, and I suspect we will have the occasion to do so again. However, I hope that our debate will at least be based on facts, and not on misrepresentation.

Most, if not all of us have had letters and calls from our constituents expressing great concern, and even anger, about the tax deduction issue. As I have said before in this Chamber, I would have been angry too if we had in fact done what the press reported that we did. The "20/20" program is an excellent example of the nature of that reporting. I was amazed, frankly, in reviewing the transcript of that program, at how big the difference was between what the program reported and what actually took place in the Congress—particularly in the Senate. My administrative assistant, Jeff Bingham, was similarly affected. On his own initiative, and on his own time, he prepared a point-by-point response to the "20/20" segment, which outlines clearly and succinctly the weaknesses in that program.

Because we will undoubtedly hear much more on this issue in this Chamber, I wish to share this response with my colleagues. Perhaps it will give us food for thought as we consider this matter.

Mr. President, I ask that a transcript of the "20/20" program, and Mr. Bingham's response to it, be inserted in the RECORD.

The transcript and response follow:

ABC NEWS—20/20

APRIL 8, 1982

HUGH DOWNS: Good evening. I'm Hugh Downs. And this is 20/20.

ANNOUNCER: On the ABC Newsmagazine, 20/20, with Hugh Downs and Barbara Walters, tonight:

TOM FIELD, executive director, Tax Notes: Do you deduct the cost of your meals prepared at home when you prepare your tax return? If the answer to that question is yes, you're in trouble with the Internal Revenue Service—unless you're a Congressman.

ANNOUNCER: Income tax time—for most of us means money going out, but for our Congressmen it means a big refund. A special tax break pushed through unnoticed just for them. How was it done? Tom Jarriel, with a special report on "The Great Capitol Tax Gain."

Walter Matthau—he's done 22 plays and 53 movies: "The Odd Couple," "The Fortune Cookie," and now, "I Ought To Be in Pictures." But he's still his own severest critic. Tonight Barbara Walters talks with "Walter Matthau."

DICK WILDMAN, aerospace empolyee: They ripped everybody off. They ripped off little old ladies that spent their last dime on these things, thinking that was going to be their retirement.

ANNOUNCER: The promise of happiness, a new kind of vacation—time-sharing. For many it works; but for others—hidden costs, high-pressure sales, and nothing in return. It could happen to you. John Stossel, with a report: "Vacation Dream, Vacation Nightmare."

The shroud of Turin—is it the image of Jesus? For 600 years, Christians have debated: Is it a hoax, or an incredible religious relic? For over two and a half years 30 sceptical scientists using space-age techniques have examined the image. For this Easter season we repeat Geraldo Rivera's astonishing report on "The Holy Shroud of Turin."

Two weeks ago in Houston, Texas, people just like you watched 20/20 and told us what they thought. Tonight you'll meet them in "Talk Back to 20/20."

HUGH DOWNS: Up front tonight: at tax time, a tax bonus for the already privileged. Members of Congress are paid nearly $61,000 a year, and in addition there are perks that some say double their salary. And now, perhaps the unkindest "cut" of all—a private tax cut, just for them. And here to tell us about it is Tom Jarreil. Tom?

TOM JARRIEL: Hugh, we're talking, of course, about the U.S. Congress, the members of the House and the Senate who are filling out their 1040 forms with a nifty bonus they awarded themselves in December. How they did it and why they did it in these lean economic times has touched off a ground swell of public anger that's threatening to bring that stately old dome right down around their political ears.

JERRY WILLIAMS, radio show host [on the air]: Some time in December, Ali Baba and the Forty Thieves took off after the taxpayer's money.

JARRIEL [voice-over]: On this Boston call-in radio show, passions are running high because Congress has given itself a tax break.

Mr. WILLIAMS: This is Jerry Williams. You're on the air.

WOMAN CALLER: Jerry Williams?

Mr. WILLIAMS: Yes.

WOMAN CALLER: Yes, I'll make this quick. I have my letter written to my congressman; just have to put it in the mail. And I am so mad I could spit.

Mr. WILLIAMS: Thank you very much.

JARRIEL [voice-over]: What seems to infuriate people is that members of Congress already earn $60,000 a year, putting them in the top one percent of the wage earners.

Representative **BILL CHAPPELL** Jr., (D) Florida: Sixty is in the top one percent—of the earnings in the country? Whew!

JARRIEL (voice-over): They number 535 members, do serious work, put in long days and must travel a lot. So, quite naturally, many consider they're underpaid. (on camera) A presidential commission actually recommended the base pay be hiked nearly $20,000. But in these days of inflation, high unemployment and deficit spending, politically there was not enough support up front for a pay raise. So Congress simply went in the back door. (voice-over) Critics called it "sneaky"—the pickpocket's way; in back-corridor maneuvers, they slipped a pay raise through disguised as a tax break for themselves on the simple contention that they are businessmen living away from home.

(On camera) What Congress voted for adds up to a total of $10.5 million in personal tax deductions for themselves. Under a complicated IRS formula, each lawmaker can deduct $75 per day for each so-called congressional day. Now, they are assured at least 262 of those congressional days. That includes weekends, by the way. So they get to deduct $75 for each of those days, bringing their total tax break to a figure of $19,650 per member.

(Voice-over) For example, Congressman William Ratchford rents his home, so he's eligible for the $19,600 deduction, and it's not even subject to an IRS audit. He and his family live in the suburbs, and he commutes to the office, like businessmen everywhere. But the homes in Washington congressmen and senators live in are now, in effect, hotels or motels which can be written off as on-the-road expenses. Independent tax expert Tom Field says that's special treatment.

TOM FIELD, executive director, Tax Notes: Congressmen, when they're at work in Washington, really are not away from home. It is true that there's a statute that says that congressmen's homes are back there in their districts. But for an ordinary businessman, home is where the work is. And where the work is for a congressman is right here in Washington.

JARRIEL (voice-over): Congressmen who own their own homes in Washington can deduct even more than the $19,600. Like all taxpayers, they can deduct the mortgage interest and the real estate taxes, but now they can gradually write off the entire value of their Washington properties, and with receipts they can bill Uncle Sam for even more. Again, Tom Field.

Mr FIELD: Congressmen are deducting their personal living expenses for their homes, their family, their groceries, their dry cleaning, the depreciation on their house—if they choose to take depreciation on the house, and so on. No businessman can claim any comparable deductions.

JARRIEL: You mentioned groceries. Is it so unusual to deduct groceries?

Mr. FIELD: Well, I think your viewers can probably answer that question for themselves. (to the viewers) Do you deduct the cost of your meals prepared at home when you prepare your tax return? If the answer to that question is yes, you're in trouble with the Internal Revenue Service—unless you're a congressman.

JARRIEL (voice-over): The $19,600 tax break is like a free handout to about 20 campers who spent much of last year sleeping in their office. Like Congressman Jim Jeffords.

Representative **JIM JEFFORDS**, (R) Vermont: I took the sofa bed that I had, took the government couch out and put the sofa bed in, stuffed some things in the closets we have in the little area where the refrigerator was, and put the old hot plate in, and survived all right.

JARRIEL: What will you do with the money, the tax break you earn by, in effect, living on the couch here?

Representative **JEFFORDS:** I will give that money that is, in a sense, is the tax break from that, to a charity.

JARRIEL (voice-over): While Jeffords says he'll give his windfall to charity, his fellow Capitol Hill campers will be able to claim $75 a day for living in the offices they already get for free. Congressman Jeffords let us see his 1040 IRS tax return for 1981. It shows a total income of $71,349.64. On line 23, there it is, his new tax break: $19,650. That chunk, plus other reductions, reduces the congressman's taxable income to $21,141.93. Meaning on line 54 he paid $4,079.08 this year in taxes. Without the congressional break, Jeffords would have owed the federal treasury $12,000. By donating his nearly $8,000 windfall to charity, he'll get a philanthropic opportunity ordinary citizens don't have.

Another congressman willing to show us what the new tax break means to him is Pete McCloskey. That's because one of his political opponents has challenged him on the issue.

Representative PETE MCCLOSKEY Jr., (R) California: I hadn't thought about it at the time, and I said, "Well, I would have opposed it, but I think I ought to take the tax break as part of the law." And the more I tried to argue that case with people—and people would just look at you in disbelief.

JARRIEL [voice-over]: Remember now, MCCLOSKEY won't take the tax break, but on his congressional salary, MCCLOSKEY earned a total of $60,000 last year. With some large personal business losses, his tax bill is only $6,887. Had MCCLOSKEY taken the additional new tax break, he figures he would have paid only $1,000 in tax due on a $60,000 income. As MCCLOSKEY has found, it all adds up to an uncompromising political issue. How did our national politicians paint themselves into such a corner? Well, the leadership did it. The key players were Dan Rostenkowski, chairman of the House Ways and Means Committee; Robert Michel, the GOP House leader, and Tip O'Neill, Democratic leader on the House side. The brain trust on the Senate side: Howard Baker of Tennessee, Robert Dole of Kansas, and Senator Ted Stevens of Alaska. Talk about bad timing, on September 24th, the very day the congressional leaders were maneuvering for their tax break, the President was telling the public to tighten its belt.

President RONALD REAGAN [September 24, 1981]: We must also ensure that taxes due the government are collected, and that a fair share of the burden is borne by all.

JARRIEL [voice-over]: None of the congressional leadership would appear on camera to answer questions about the tax break. It was done in stages. Three times this winter, this leadership rushed new congressional tax goodies through, attached as amendments to noncontroversial bills which were sure to pass. The final touch came December 16th. Senator Dole hooked a tax break amendment onto the popular Black Lung Bill. It could not pass without the tax break also going through, and the Black Lung Bill was certain to pass. It did in the Senate, and was ramrodded through the House before the Dole amendment could even be printed.

Representative DAN ROSTENKOWSKI: Mr. Speaker, I urge the approval of the Senate Amendments to HR5159 to that the bill can be enacted in a timely fashion.

House Speaker pro temp: The question is, will the House suspend the rules and agree to the Senate amendment. Those in favor will vote aye, those opposed will vote no, and members will record their votes by electronic device.

JARRIEL: The immensely popular Black Lung Bill, HR 5159, passed, and along with it the tax break. Only afterward did tax opponents raise their voices—in vain.

House Speaker pro temp: The house will be in order. Members will take their seats.

Representative MARC L. MARKS, (R) Pennsylvania: I and many of my colleagues didn't realize when we were on the floor exactly what we were voting for. We voted for it, however.

Representative PAT SCHROEDER, (D) Colorado: I think the leadership thought they were doing us a favor. I think they thought, we'll give them this little Christmas present, and they can all say "We didn't know what happened."

JARRIEL [voice-over]: Congressman Bill Chappel defends that tax break.

Representative CHAPPELL: And we wanted to attract the very best people to come up here and represent the country in the seat of government in Washington. And so we are down to the choice now, if you don't let them at least have the same opportunities that they would have as ordinary citizens, then we're going to deprive a lot of them of the opportunity of coming.

JARRIEL [voice-over]: Opponents of the issue cite public reaction.

Representative SCHROEDER: People were furious, and I don't blame them. I can't possibly tell them why we're declaring ketchup a vegetable, and yet the Congress needs more tax breaks. Why unemployment is very, very high, and they will get free cheese and we get tax breaks.

JARRIEL [voice-over]: The $19,600 windfall might not have been such a sticky problem for Congress except Melissa Brown, editor of *Tax* Notes, blew the whistle. Newspapers picked up her story. Anger built. Housewives circulated petitions demanding a repeal.

[On camera] The tax break has become the rallying cry for consumer actions groups, like Common Cause, the Congress Watch, the National Taxpayers Union. The IRS received 4,000 angry letters of protest, and they've set public hearings for May 11th on the issue. [voice-over] Our talk show host, Jerry Williams, has the $19,600 question he put to Congresswoman Millicent Fenwick for an answer.

Mr. WILLIAMS: Where can we get a decent and honest count on how many people have—do we have to set up a committee to roll it back?—No.

Representative MILLICENT FENWICK, (R) New Jersey: Send telegrams to Howard Baker, who is the Senate Majority leader, and to the Speaker of the House: "Roll back the increases that you stole from the people."

JARRIEL: And Hugh I'm sure if there are those in our audience who would like to congratulate Congress on their new tax break and tell them they deserve it, they'd like to hear from them, too.

HUGH DOWNS: I'm sure. I have my pen in hand. Thank you, Tom.

RESPONSE TO 20/20 PROGRAM SEGMENT

"THE GREAT CAPITOL TAX GAIN"

(Aired April 8, 1982 by Jeff M. Bingham, Administrative Assistant to Senator Jake Garn)

On April 8, 1982, ABC News program "20/20" produced and aired a segment entitled "The Great Capitol Tax Gain," dealing with the issue of tax deductions for living expenses of members of Congress. The segment calls into serious question whether or not the "20/20" program is misnamed. The term "20/20", after all, is a numerical euphemism for clear, distinct and accurate vision. "The Great Capitol Tax Gain" was clear only in that it was clearly inaccurate. This paper is intended to be a response to that program, identifying the reasons why the "20/20" segment was sloppy journalism, at best, and "yellow" journalism, at worst. A response seems necessary because the program—and numerous other media accounts relating to the same question—have been the source of a great deal of anger and concern expressed by people who saw or heard or read these reports, assumed they were accurate, and took them to be further "evidence" of what I believe to be an unfair and gross stereotype of members of Congress as insensitive, greedy and irresponsible. The stereotype has been allowed to flourish in large part because most members of Congress choose not to respond to stories of this type, preferring not to dignify them with a comment. They know that any response or defense they make most likely will simply be used as another opportunity for the media to restate their earlier stories as "background" to the response, thereby automatically doubling the exposure for the original story. Most members of Congress just don't think it's worth it. I think it is, because I think the institution of the Congress, and the vast majority of its members, deserve better.

Because there were so many inaccuracies and false innuendoes in the story, I will simply wade through them, point by point, as they appear in the transcript of the program.

1. The first point grows out of the first statement in the "teaser" cut of Mr. Tom Field, Executive Director of Tax Notes, where he says:

"Do you deduct the cost of your meals prepared at home when you prepare your tax return? If the answer to that question is yes, you're in trouble with the Internal Revenue Service—unless you're a Congressman."

What's wrong with this statement is as much what it does NOT say as what it does say. That, along with the obvious inflammatory aspect of the inference it draws in making a distinction between ordinary taxpayers and Congressmen.

The first error is Mr. Field's use of the phrase "at home". As a purported tax expert, Mr. Field should know that the "tax home" of any individual is an important distinction in the I.R.S. Code for calculation of taxes. It has been an established fact, since at least 1954—when members of Congress, by statute, were first given an automatic living expense deduction of $3,000—that their residency in the Washington, D.C. area imposed cost burdens on them as a direct consequence of their service, burdens not imposed upon the ordinary taxpayer. The 1952 law clarified the fact that, for tax purposes, the "tax home" of members of Congress is their legal residence in their home state or district. The states of Maryland and Virginia, and the District of Columbia also acknowledge this fact in allowing members of Congress to consider their home state as their state of residence for state income tax purposes, as well as automobile license and tax purposes. By suggesting that members of Congress are "at home" when considering deductions for living expenses—meals, specifically—in the Washington, D.C. area, he is comparing a legal apple with a legal orange, and condemning the apple for not being an orange.

The second problem with his statement is the failure to point out the limits even of his poor analogy. He is referring, of course, to the option that the I.R.S. guidelines, published on January 21, 1982, provide for itemizing the amount of living expense costs that may be taken as a deduction. This option is one of three options, about which more will be said later. Within this particular option, which provides for itemization of living expenses, Mr. Field is suggesting that a member may deduct all of the costs of meals prepared in his or her Washington, D.C. area residence. This is simply not true.

The Senate Finance Committee and the Joint Committee on Taxation issued a summary of the I.R.S. regulations, which states:

"Like all businessmen, Members are only permitted to deduct as a business expense their own living expenses when away from their district, and not the expenses of their families."

Describing more specifically what would be required under an itemization of actual expenses, versus a flat, per diem amount as provided in the other two options, the summary goes on:

". . . an allocation would have to be made for each item of furniture, all groceries, and heating and other utility expenses. Members would also be required to determine what portion of their homes are used by them and what portion is used by their family. The same allocation would have to be made for the family car and for anything else used by the Member and his family."

This distinction also was made clear on the floor of the Senate during debate on the amendment which directed the Secretary of the Treasury to establish rules governing the living expense deductions. Senator Russell Long (D-Louisiana) said, referring to the previously passed language:

"Under this provision a Senator cannot receive the deduction for members of his family. He has to allocate. In other words, if he has a wife and children he has to allocate for the portion that they are presumed to use of the house and he is only entitled to the part for himself. . . . He can only claim the part that applies to him. He cannot deduct the part that applies to his family. . . ." (Congressional Record, December 16, 1981, page 31982).

It is clear that the limitations of this deduction option impose a complex accounting burden on anyone selecting it as the method of calculating tax deductions, and that it is not as simple as "deducting groceries." It also is clear that a Member does not receive a subsidy, through a tax deduction, for his family's living expenses. And again, the only amounts he is able to deduct are for the same sort of expenses that any businessman is able to deduct when away from his "tax home" on business.

2. The second point follows closely on the heels of the first, this time in a statement made by the "Announcer", when he says: "Income tax time—for most of us it means money going out, but for our Congressmen it means a big refund."

This is a gross and negligent generalization which has absolutely no basis in fact, as it is stated. Where is the data supporting it? Just how many Members got a refund for the 1981 tax year as a result of the "new" tax break? I would suggest that any Member who did receive a refund would be one who already had significant tax deductions available as any other citizen under the law. Contrary to the assertion that Members would get a refund, it is not even likely that they could avoid paying taxes. As the Summary quoted earlier states:

"Contrary to press reports, a Member using this rule could not come close to eliminating his Federal tax liability. The $12,750 deduction produced by the rule-of-thumb (in this case, $50.00 a day times 255 congressional days in 1981, which is the Third option) is less than $10,000 over the $3,000 limit in prior law. This deduction would reduce Members' taxes somewhere between $3,000 and $5,000." (Parentheses mine)

Those Senators of whom I am aware, that have described the impact of this deduction on their lives, have paid taxes in the five-figure range; a far cry from the "big refund" described by the announcer. And even if there are exceptions of which I am not aware, the statement of the announcer is unjustified in that he is making a blanket, all-inclusive statement, without caveats such as "many" or "some." He is not just painting with a broad brush, he is slopping it all over everyone.

3. The announcer moved very quickly to the next misrepresentation: "A special tax break pushed through unnoticed just for them."

The operative—and most offensive—word here is "unnoticed." Throughout much of the coverage of this issue, the press has characterized the congressional tax deduction as a sneaky, back-door action, slipped through while no one was watching. This characterization was repeated in the "20/20" segment in several instances other than the announcer's opening:

"Jarriel . . . Congress simply went in the back door. (Voice-over) Critics called it 'sneaky'—the pickpocket's way; in back corridor maneuvers, they slipped a pay raise through disguised as a tax break. . . ."

"Jarriel. . . . three times this winter . . . leadership rushed new congressional tax goodies through, attached as amendments to non-controversial bills which were sure to pass. The final touch came December 16th. Senator Dole hooked a tax break amendment onto the popular Black Lung Bill. It could not pass without the tax break also going through, and the Black Lung Bill was certain to pass. It did in the Senate, and was ramrodded through the House before the Dole amendment could even be printed."

This second statement by Tom Jarriel contains a number of inaccuracies, which I will return to later. It is used here to illustrate the focus of the program on what it calls the "sneaky," "back-corridor" way in which the tax deduction provision was adopted. I should point out here that this critical description of the procedures used in passage of the tax deduction provision may or may not be fairly levelled at the House of Representatives. It is not the business of someone connected with the Senate to explain, defend or justify actions taken by the House of Representatives. The customs and procedures are different between the two bodies. I am only addressing specifically the action of the Senate. Such a distinction also should have been made in the reporting of the "congressional" action on this issue, reflecting the realities of bicameral legislature.

At least as regards the Senate, the sort of characterizations quoted above are simply unwarranted, as the facts clearly demonstrate.

First, there were four recorded, roll-call votes directly related to the tax-deduction issue, on which Members of the Senate had the opportunity to debate and cast their votes on the merits of the issue. Even Mr. Jarriel indirectly and, one suspects, inadvertently, acknowledged this fact in his commentary, saying: ". . . on September 24th, the very day the congressional leaders were maneuvering for their tax break. . . ."

And saying subsequently: "Three times this winter, this leadership rushed new congressional tax goodies through. . . . The final touch came December 16th."

Of course, Mr. Jarriel's characterization of these activities is distorted, and his understanding of what, in fact, took place is minimal, as will be pointed out later. But the point here is that there were several opportunities for Senators to stand up and be counted, through a recorded, roll-call vote, on this question, with the public and the press in the galleries, presumably, if they were listening, in a position to "notice" what was going on. Hardly a "back-corridor maneuver," as Mr. Jarriel described it.

To be more specific, the following chronology of events reflects the congressional, and especially the Senate, action on this issue:

SEPTEMBER 24, 1981

A. During Senate Consideration of H.J. Res. 325, Fiscal Year 1982 Continuing Appropriations, Senator Ted Stevens (R-Alaska) proposed an amendment, No. 420, which removed the $3,000 limit on tax deductions for living expenses of Members of Congress, which had been in effect since 1954. The amendment expressed the "sense of the Congress that the dollar limits on tax deductions for living expenses of Members of Congress while away from home shall be the same as such limits for businessmen and other private citizens." (Congressional Record, September 24, 1981, p. 21897)

B. Senator William Proxmire raised a point of order against the amendment, a clear opportunity to kill the amendment parliamentarily. The Chair sustained the point of order.

C. Senator Stevens appealed the ruling of the Chair. The Chair's ruling on Senator Proxmire's point of order was not sustained, on a recorded roll-call vote of 44 to 54. (Ibid., p. 21913)

D. The Stevens amendment was then adopted on a recorded roll-call vote of 50 to 48, and became a part of H.J. Res. 325. (Ibid.)

SEPTEMBER 25, 1981

The Senate passed H.J. Res. 325, as amended, by recorded vote of 47-44, insisted on its amendments, and requested a conference with the House of Representatives to iron out the differences between their respective versions of the bill.

SEPTEMBER 30, 1981

A. The House of Representatives agreed to the Senate amendment on tax deduction in a separate vote.

B. The Senate once again voted on the amendment in a separate vote on an amendment in disagreement, and adopted the amendment on a recorded vote of 48 to 44. (Congressional Record, September 30, 1981, p. 22579-22580)

OCTOBER 1, 1981

H.J. Res. 325 was signed into law by the President (P.L. 97-51; 95 Stat. 967, Sec. 139)

DECEMBER 16, 1981

A. Senator Robert Dole (R-Kansas) offered an amendment, No. 799, to H.R. 5159, the Black Lung Benefits Revenue Act. This amendment was described as a "perfecting" amendment, and in the course of discussion on the floor its specific purpose was outlined. It was two-fold. First, it was designed to clarify the situation wherein, under another provision of law, the deduction for living expenses, authorized in September, would apply differently to Members of Congress living in the Washington, D.C. area who are unmarried, or whose families are not with them, than it would apply to those who were married and whose families lived with them. The second purpose was to direct the Secretary of the Treasury to issue rules and guidelines to implement the previously passed tax deduction provision. During floor discussion, it was also stated that it was the expectation that the Secretary would develop some "reasonable and fair" provisions for uniform deductions as an option in addition to that of itemizing and allocating expenses between individual and family expenses, with the understanding that no deductions would be allowed without substantiation that would be in excess of amounts that might be claimed through itemization. The amendment was voted on separately and not as an integral part of the Black Lung bill. That is, it could have been defeated and not jeopardized the passage of the main bill in any way. The amendment was adopted on a recorded roll-call vote of 46 to 44. (Congressional Record, December 16, 1981, p. 31976)

B. The Senate passed H.R. 5159, the "Black Lung Benefits Revenue Act," on a recorded vote of 63 to 30.

C. The House agreed to the Senate amendments to H.R. 5159 (Congressional Record, December 16, 1981, p. 31743-31753; See also House Record for H.R. 4961 on December 15, 1981, and H. Report No. 97-404 for other House action in this issue.)

JANUARY 12, 1982

Secretary of Treasury Donald Regan announced rules regarding the implementation of the tax deductions for living expenses of Members of Congress, as directed by the Congress. The guidelines provide for three options, from which a Member may choose one for the purpose of calculating deductions to which he or she is entitled. The regulations were published in the Federal Register on January 21, 1982.

4. Hugh Downs joined the panoply of misrepresentation at his first opportunity, introducing the segment with the following statement:

> ". . . a tax bonus for the already privileged. Members of Congress are paid nearly $61,000 a year, and in addition there are perks that some say double their salary. And now, perhaps the unkindest 'cut' of all—a private tax cut, just for them. . . ."

There are three things I find objectionable in this statement.

First, the characterization of the "already privileged" Members of Congress. This standard, tiresome stereotype of Members of Congress living it up in the lap of luxury, spawned and proliferated by this sort of comment, is a myth, as any objective observer would have to conclude. If they are "privileged," it is because they feel it is a privilege to be elected to represent their fellow citizens in the Congress. They are "privileged" to be entrusted with the responsibility of governing, through the enactment of laws that drive public policy in the country; which is a staggering responsibility in this complex world and massive society with a gigantic federal government affecting the lives of every citizen. The suggestion that a $61,000 salary makes them by definition "privileged", in a pejorative sense—as if it's not something they deserve—represents a failure to understand and acknowledge the job they are called upon to do, or the personal sacrifices, both in terms of time and earning capacity, that they make in order to do that job.

It also fails to account for the relative lack of growth in the size of congressional salaries in the past dozen or so years. By any measure of inflation, the rate of congressional pay has not kept pace with the cost of living. Since 1969, when the congressional salary rate was $42,500, the Consumer Price Index has increased by 131 percent. Other indices show similar increases. Yet, congressional salaries have increased by only 42 percent. The index of hourly earnings has gone up by 126 percent; the federal Civil Service GS average has gone up by 118 percent. Had the 1969 congressional salary level been increased according to the C.P.I., it would be $110,000 today.

One wonders, too, at the hypocritical condemnation of a $61,000 salary as indicative of a "privileged" status by major media figures whose own salaries are probably four or five times that amount or more. Of course, that is an assumption based on not much more than hearsay; we don't know exactly how much they are paid, because they are not required to make annual disclosures of their personal finances, as are Members of Congress. I suspect that would be considered by many journalists to be an unwarranted invasion of their privacy. Yet, they are, individually and collectively, in a position to have a far greater impact on public attitudes, and therefore public policy, than any individual Member of Congres.

My second objection to Mr. Downs' statement concerns another pet stereotype of the media: That "there are perks that some say double their salary." Year after year the media repeats this assertion. And what do they point to as "perks"? A few examples I think will, illustrate the absurdity of their definition of "perks":

A. Free air travel to and from their home state or district

What would they prefer? That Members of Congress stay in Washington all of the time, isolated from the very people they are supposed to represent? It stretches the imagination to believe the press would fail to criticize that situation, if it existed. There is no doubt that the constituents would be critical of it! Do they suggest, then, that such travel to the district or state should be paid out of the Member's own pocket? When journalists go out on a story, who pays? Surely they don't pay for it personally. Is that not then a "perk" for the media, under their application of the principle to the Congress?

B. Free postage, through the congressional franking privilege

(That word "privilege" again!) Members of Congress each receive thousands of letters a year from constituents, expressing views, asking for information, or seeking help. Does the media suggest those letters should go unanswered? What would happen to the notion of a representative form of government? More to the point, what are the people going to say when their representatives don't communicate with them? Don't respond to their pleas for help?

There is no question that there have been abuses of the franking privilege, usually in connection with newsletters. But the rules governing the use of the frank have been modified in the past several years, and any objective study of those rules will lead to the conclusion that the limitations and restrictions make the frank a valuable and legitimate tool for communications between elected officials and the people they are elected to represent. As such, it is a necessary adjunct to the job of a Member of Congress. Furthermore, since it cannot in any way benefit him or her financially, how can it be considered to be a "perk"?

C. Free Telephones, WATS lines, etc.

Many of the same points can be made on this so-called "perk" as were made with regard to air fare and franked mail. It is difficult to believe that anyone would consider an office telephone to be a "perk" that contributes to a "doubling of the salary" of an elected official, or even benefits one personally in any material way. Sure, a WATS line could be used to make personal calls, and almost certainly is. But any congressional office one would care to ask will respond that they have strict and explicit restrictions on the use of WATS lines for personal calls. WATS lines are vital to the effective functioning of an individual physically located hundreds and, in many cases, thousands of miles from the people he or she is supposed to serve, and their use saves the taxpayers literally millions of dollars in toll calls that would otherwise have to be made in the course of conducting official business.

D. Staff Allowances

It simply boggles the mind to see this mentioned repeatedly as a "perk" for a Member of Congress. These are not personal servants of a Member. They don't do the laundry, or cook or clean house. The only way I see that they might be of personal benefit to a Member of Congress is by keeping him or her from going insane or suffering total mental and physical collapse from trying to personally deal with all of the mail, answer all of the phone calls, and research all of the issues confronting the Congress on a day-to-day basis. Staff is nothing more than an extension of the Member's own resources and have but one purpose and that it to assist the Member in doing the job he or she is elected to do. How many employers, one might ask, consider their staff and subordinates to be "perks," as opposed to necessary resources? Some might argue that a staff enhances the Member's political standing. However, knowledgable observers recognize that no amount of staff work can insulate a member from public scrutiny and personal accountability. Beyond that, the staff doesn't help to pay the Member's personal bills.

If the definition of a "perk" is applied to include staff, then we might ask the news commentators about their researchers, writers, editors, technicians and production staff. Aren't they also "perks" in the sense the term is being applied to members of Congress? Or is this one of those situations where we are supposed to accept a double standard?

I could go on. Mr. Downs says that "some say" these "perks" "double the salary" of Members of Congress. Who says it, and how can they justify such ridiculous assertions? Show me the evidence, and document how they have the effect of doubling congressional salaries. Show me, in fact, how they even materially augment their salaries in any real, measurable way. And, to the extent such "perks" as parking, first aid medical treatment, even lunch rooms, restaurants or barbershops are of personal benefit to Members, show me how that is different from many progressive organizations with hundreds of employees which provide similar "amenities and services" to their employees. This does not make Members of Congress "privileged" in a way millions of other individuals in the American work force are not also "privileged".

Finally, on this point, Mr. Downs' description of the "unkindest cut of all—a private tax cut, just for them" also is unfair. It ignores the intent of the sponsors of this legislation, which was to give some relief to Members of Congress who incur added personal expenses as a direct result of their "employment," in a manner similar to that provided to individual businessmen and state legislators for direct personal costs they incur in the course of legitimate business activity. That intent is clearly spelled out in the language enacted in September, which established the expanded tax deduction for Members of Congress:

"Sec. 139(a). It is the sense of the Congress that the dollar limits on tax deductions for living expenses of Members of Congress while away from home shall be the same as such limits for businessmen and other private citizens."

There is no question that the specific terms of providing that relief may differ: after all, the circumstances and burdens are different. The solution has to be tailored to fit the situation. That does not mean that the underlying principle is violated. There are, of course, only 535 Members of Congress. They are, in that sense, a unique assembly of people. Why should we expect a solution to their unique problems not to also be unique, or "just for them", to use Mr. Downs' phrase?

In looking for a benchmark of some sort, against which to compare the congressional tax deduction, the most logical place to look is for a situation where the terms of "employment" are reasonably similar to those of Members of Congress. State legislators provide the best available comparison. As Senator Robert Dole points out, during the debate on his amendment:

"There is precedent for this deduction of certain costs without documentation. We did that in the Economic Recovery Act for State legislators." (Congressional Record, December 16, 1981, p. 31975)

Actually, the precedent is even broader, as the following exchange from that same debate illustrates.

"Mr. Proxmire. Does that not give the Member of Congress an extraordinary advantage compared to the average business taxpayer who has to substantiate everything?

"Mr. Dole. As I understand their rules now, they have arrangements between them for reimbursement between the employer and the employee. So we are not breaking new ground.

"Mr. Proxmire. Is a businessman allowed to make deductions in broad areas without substantiation, subject to audit?

"Mr. DOLE. Yes, without substantiation, where it is either per diem or reimbursement from his employer, the employee has an agreement with the employer and the employee spends the amount specified in the agreement." (Op. Cot. p. 31975)

Mr. Downs' comment, then, is both unfair and inaccurate, and infers that Members of Congress have gone about giving tax relief to themselves, and not to others upon whom similar, though not identical, burdens are imposed. It is a blatant attempt to portray them as greedy and selfish; to cast them as the "bad guys," worthy only of contempt; to, in fact, make all the other allegations and characterizations in the piece all that much more believable to the listening audience.

5. Tom Jarriel then followed Mr. Downs with a simple error of fact. He describes the tax deduction as a: " . . . nifty bonus they awarded themselves in December."

He later makes the comment: " . . . on September 24th, the very day the congressional leaders were maneuvering for their tax break. . . ."

Mr. Jarriel doesn't appear to really understand what the Congress, in fact, did, or when they did it. One wonders, therefore, if he is really in a position to report it fairly and accurately.

As the chronology outlined earlier clearly indicates, it was in September when the tax deduction, and a specific direction to the Secretary of Treasury to formulate guidelines and regulations for the implementation of the tax deduction. This distinction is completely ignored in the overwhelming majority of news items on this issue, and in the "20/20" piece it is confused, at best. Instead, the message one hears is only the description of the "backdoor tactic" of "attaching the tax-cut to the Black Lung Benefits Bill." Contrary to what Mr. Jarriel said, there was no tax-cut passed in December; there was only an amendment passed which clarified the law which had been on the books since October 1st. As for the "Black Lung Connection," I will address that more specifically later.

Mr. Jarriel then finished his opening statement with the following:

"How they did it and why they did it in these lean economic times has touched off a ground swell of public anger that's threatening to bring that stately old dome right down around their political ears."

In the first place, neither the stately old dome, nor the Members' "political ears" (said as if they had some form of grisly infection) are in danger as a result of the "ground swell of public anger". From my own conversations with many of those angry people I find that it is not so much what, how or why the Congress did what they did, as it is the inflammatory, distorted, and misleading press reports which has touched off the "ground swell" of anger. Without exception, my conversations with those who are genuinely concerned and want to understand what the Congress did have resulted in a positive and amicable exchange. I won't pretend that I have convinced every one of them of the correctness of the tax deduction, or its merits, but they have certainly felt better about the means by which it was done, at least in the Senate, and they certainly shared my own puzzlement at why the media have provided such distorted and inflammatory accounts of the congressional action.

6. Mr. Jarriel's next appearance on camera brings with it the following statements:

"What Congress voted for adds up to a total of $10.5 million in personal tax deductions for themselves. Under a complicated I.R.S. formula, each lawmaker can deduct $75 per day for each so-called congressional day. Now, they are assured at least 262 of those congressional days. That includes weekends, by the way. So they get to deduct $75 for each of those day, bringing their total tax break to a figure of $19,650 per member."

There are at least four things wrong with this statement.

First is the figure of $10.5 million dollars in personal tax deductions. It is easy to see where the figure came from. Multiplying the $19,650 figure used in the latter part of the statement, which was arrived at by multiplying $75 times 262 days, times 535, the number of Senators and Congressman, results in a figure of $10,512,750. At least the arithmetic is reasonably correct, when you use round figures. The problem is in the assumption of the baseline figure—the $19,650 amount of individual deductions. That figure is based on assumptions made which may or may not be valid, and which raise the next two points which give me trouble with this statement. I will note those and use them to make my point about the $10.5 million figure.

The second point is the $75 per day figure used as the base for calculating deductions. Mr. Jarriel fails to point out—nor is it pointed out anywhere else in the program—that the $75 per day deduction is only one of three options which, under the IRS guidelines, Members may use to calculate their deductions. In order to best explain this, I will jump ahead to a subsequent statement by Mr. Jarriel which clearly illustrates his failure to understand or unwillingness to explain the nature of the tax deduction process in question here. Of course, he does make reference to "a complicated IRS formula," perhaps in an effort to justify his lack of understanding. It really isn't all that complicated, and since a thorough understanding of it is essential to be able to fairly describe it, I would have thought that responsible journalistic practice would require that some special effort be made to unravel its mysteries. The statement Mr. Jarriel makes is as follows:

"Congressman who own their own homes in Washington can deduct even more than the $19,600. Like all taxpayers, they can deduct the mortgage interest and the real estate taxes, but now they can gradually write of the entire value of their Washington properties, and with receipts they can bill Uncle Sam for even more."

This statement is the clearest possible evidence that no effort was made to understand, much less fairly describe, the actual implementation of the deduction. What Mr. Jarriel has done here is to take the three options provided to Members of Congress—only one of which they are allowed to take—and lump them together as three parts of a single option! To illustrate this, let me describe the "complicated IRS formula". The following is a simplified paraphrase of the I.R.S. regulations:

A. The member may deduct actual living expenses if substantiated by proper records. These deductions would be limited to those expenses which are incurred by the Member alone—not by his or her family; allocations of expenses would have to be made accordingly, or

B. A Member may deduct an amount equal to $75 (the amount authorized for per diem expenses for federal employees on travel to the Washington, D.C. area) multiplied by the number of "congressional days" during the particular tax year. "Congressional days" are defined as the number of days of the year (365) minus any period when the Congress is not in session for five or more days. (The I.R.S. guidelines used as an example a hypothetical year in which the number of "congressional days" was 241. If a Member chooses this option, he or she must give up any deduction for taxes and interest on his or her residence in the Washington, D.C. area, or

C. A Member may deduct an amount equal to $50 times the number of "congressional days" in the year and continue to deduct the interest and taxes on a home in the Washington, D.C. area.

I repeat, this is an "either-or" situation. Only one of these three methods may be used by a Member to calculate expenses deductions, not all of them in unison. The $19,600 figure used in the "20/20" program is based on the $75 per diem option ($75 times 262, the number of congressional days for House Members in 1981, equals $19,650.) A highly significant point is totally ignored in the program: under this option a Member must give up any deduction he or she might otherwise make for the taxes and interest on a home owned in the Washington, D.C. area. That is, as any taxpayer knows, the largest single source of deduction for most taxpayers—yet it is denied to Members if they use the $75 per deim option. This is significant because it means that either a Member who owns a home will take the $50 per diem option instead of the $75 per diem option; or, if he or she takes the $75 option, it will mean the loss of the deduction for mortgage interest and taxes. In either case, the assumption made by Mr. Jarriel is arriving at the $10.5 million figure is invalid. If some Members take the $50 per diem option, then to total deduction for them is one-third less than it would have been at $75 per diem; so that amount would have to be deducted from the $10.5 million. Because a large number of Members own homes in the Washington, D.C. area, it is reasonable to assume a high percentage would choose the $50 per diem option, thereby reducing the $10.5 million figure considerably.

On the other hand, if many Members who own homes were to choose the $75 option, their deduction of $19,650 (if they were House Members) would be offset by whatever the amount they as a group would otherwise deduct in taxes and interest. This would make their individual net deduction, after that offset, worth some amount less than the $19,650. Obviously, that amount, for that group of Members, also would have to be deducted from the $10.5 million total.

Even more fundamental than this is the question of the number of "congressional days" by which the selected per diem rate is multiplied. The "20/20" program uses the figure of 262 days. In fact, Mr. Jarriel actually goes so far as to say "they are assured at least 262 of those congressional days". So he uses the 262 figure as inviolate and bases all his arithmetic on it. It takes no mathematical genius to know if you are trying to come up with a sum which is the result of multiplying two figures you will get a different answer if you change one of the two figures. Multiplying $75 by 262 will give you one number. Multiplying $75 by some other figure will give you another one. If you multiply both products by 535, you will get two different answers, and you will greatly expand the gap between the two. (I am trying to make this as simple as possible for Mr. Jarriel who doesn't like "complicated formulae.") It was true that in 1981 there were 262 "congressional days" for Members of the House of Representatives, as defined by the I.R.S. guidelines. However, the Senate "congressional days," under the Treasury definition, were 256. Not a massive difference, to be sure. The point to be made, however, is that the number of "congressional days" may be—and usually is—different between the House and the Senate, depending on their respective schedules. It also varies from year to year, and in many years has been considerably less than the 262 figure used in the program. Therefore, Mr. Jarriel is wrong to use a single figure and even more wrong to state it as the minimum number of "congressional days" of which Members can be assured.

Getting back to the original statement, it is clear that the $10.5 million figure is wrong. The figure of 262 congressional days is wrong, both as a matter of fact for 100 Senators, and as a generalization as a minimum figure. And, finally, the $19,650 deduction for each member is wrong, since it reflects only what some members of the House might have as a deduction (only those who do not own a home and choose the $75 per diem option), and no members of the Senate. In short, every single figure used by Mr. Jarriel is either wrong or incorrectly used. The result is a gross generalization that distorts the true picture of the deduction.

One other point that Mr. Jarriel fails to take into account is the announced intention of not a few Members of Congress not to exercise any of the options to secure a deduction for living expenses. Remember, all three options have the word "may" in them—not the word "shall".

So much for the first statement of Mr. Jarriel under this point. The second statement (which I jumped ahead in the transcript to point out to underscore his lack of understanding of the deduction) bears on more look in light of what I have said. Here again is what Mr. Jarriel said:

"Congressmen who own their own homes in Washington can deduct even more than the $19,600. Like all taxpayers, they can deduct the mortgage interest and the real estate taxes, but now they can gradually write off the entire value of their Washington properties, and with receipts they can bill Uncle Sam for even more."

This entire statement is wrong. If a Member has taken a $19,600 deduction, to use the figures Mr. Jarriel is using, it means he or she is a House Member and has chosen to use the $75 per diem option. If they are deducting interest and real estate taxes, then they must have chosen the $50 per diem option, which allows them to retain the customary deduction for taxes and interest. If they are writing off any value in their property, and using receipts to get even more deductions, then they could only have chosen the itemizing option, and even then they would have to make the necessary allocations of expenses between themselves and their family, thus making it impossible to write off either expenses or property value in their entirety.

Yet, Mr. Jarriel says this as if they can make all of these deductions at the same time. Someone should remind him that while "and" and "or" are both conjunctions, they mean very different things.

7. Tom Field, Executive Director of Tax Notes, gets back on camera with another comment with which I disagree. He says:

"Congressmen, when they're at work in Washington, really are not away from home. It is true that there's a statute that says that congressmen's homes are back in their districts. But for an ordinary businessman, home is where the work is. And where the work is for a congressman is right here in Washington."

As I have said previously, the circumstances of employment for Members of Congress and businessmen obviously differ. It is ridiculous to suggest that they are identical and to therefore assume that their tax treatment should be identical. As I also said before, however, that does not mean that the same basic concept of tax relief cannot be applied to both, and that is what was intended by the Congress in its adoption of the tax deduction for Members, as I have demonstrated in Item No. 4 above.

Mr. Field not only dismisses that notion, and appears to be able to think only in terms of exactly similar circumstances and exactly similar procedures for determining deductions, he also ignores some obvious facts. He says that "for an ordinary businessman, home is where the work is." That is not the issue here. An ordinary businessman, when he travels, is going where the work is—away from home. And he is allowed to deduct the reasonable expenses incurred when he does that. The same is true for Members of Congress. They are elected from a District or State. They are not even eligible to seek the office if they do not live in that district or state. Once elected, they are not expected to then sever their ties with the district or state—quite the contrary. Their continued service requires that they maintain their connection with the constituents they have been elected to represent. The most fundamental and essential responsibility they have is to move among those constituents and get to know their concerns and problems. They are then sent to Washington by those constituents—their true employers—to represent their interests in the same way a businessman is sent to his travel destination by his employer to represent his interests.

It only has been since just after the Second World War that the Congress has met in Washington for most of the year. Before that, it was unusual if they met in Washington for more than nine months out of the twenty-four months of a Congress. The rest of the time was spent at home, among their constituents. The changing situation, and the resulting necessity for Members to be in Washington for most of the year, created the need for them to own or rent a residence in the Washington, D.C. area, and, if they wanted to see their families, to bring them with them. That was an added economic burden, placed upon them strictly by virtue of their service. This was recognized in 1952 with the adoption of statute which not only acknowledged that their legitimate home is in their state or district, but also allowed them to take a $3,000 deduction for living expenses in the calculation of their federal income taxes. Mr. Field's brusque dismissal of this statute ignores the fact that there was a good and sufficient reason for it then, as there is a good and sufficient reason for a living expense deduction now—but not a deduction based on the financial situation of Members of Congress thirty years ago.

For as long as Members have been forced to maintain a residence in the Washington, D.C. area, it has been recognized that they deserve some relief from the personal costs imposed upon them by that necessity, and that relief has been given by means of a tax deduction. The action taken last year by the Congress was nothing more than an effort to bring that deduction into line with the changed economic situation. It was not a "new tax goody." This point has been totally ignored by most news media accounts, and the "20/20" program is no exception.

I am not suggesting that the simple fact that it has been done for thirty years makes it right; I am simply pointing out that it was done for specific reasons, with a historical background, which can be debated elsewhere on their merits. It was not then, nor is it now, a pernicious attempt to feather the nests of Members of Congress. Instead, it was an effort to lessen the financial pain of buying both "feathers" and a "nest" that Members would not be forced to buy if they were not Members of Congress.

Many will say, on this point, that "they knew the cost before they were elected, and they shouldn't have run if they couldn't afford it." That argument goes directly to the question of what sort of people do we want to have in the Congress? Do we want only those from the economic elite, who can "afford" it? Already, an estimated one-third of all Senators are millionaires, along with at least thirty House members. These people obviously don't need the tax relief, or any help with living expenses—though I would argue, in a purist sense, that they too are deserving of relief from costs they would not otherwise have to incur. But how many more financially independent people will come to the Congress because they are the only ones who can afford it, which will be the case if something is not done for the others of lesser means? Not that millionaires are not fully competent individuals capable of selfless dedication to serving the public, but they are not, by definition, representative of the broad and diverse American electorate.

8. The next point in the program is the comment Mr. Jarriel makes about Members of Congress who live in their offices, and for whom the tax break is, in Mr. Jarriel's words, ". . . like a free handout".

Without questioning the fact of some number of Members living in their offices, I wonder at the fact that "20/20" chose to point out that situation without asking those Members "Why?" What is it that prompted them to live in their offices in the first place? I would lay odds that the answer to that question would be something like this: "I can't afford to do otherwise; it's just too expensive for me to live anywhere else in the Washington area and still keep my home in the district." Rather than being used as an example of how a Member of Congress could get a "free handout" with the tax break, it seems to me that a fair story also would have to use these congressmen as an example of how financially burdensome it is—even on a salary of $61,000 plus—to maintain two residences, and therefore as an example of the justification for a tax deduction for living expenses.

As for the prospects of a "windfall" from the tax deduction for someone living in his or her office, I would have to point out again that Members of Congress are not required to take a tax deduction; they may take one. If these Members don't need it, they probably shouldn't take it. If they take it, it seems to me that they should now be in a position to be able to start looking for someplace to live other than their office. They seem to me to be one of the best arguments for such a tax deduction for living expenses as the Congress has adopted.

9. Mr. Jarriel suggests that the timing of the tax break was particularly bad. He cites President Reagan's statement on September 24, 1981 that:

"We must also ensure that taxes due the government are collected, and that a fair share of the burden is borne by all."

This quote by the President is used, obviously, to suggest that Members of Congress are working against the spirit of the President's comment by adopting a tax deduction for living expenses, or, even worse, that they are "ducking" their liability. I would, instead, use the same comment to underscore the justification for the tax deduction. The President said that "a fair share" of the tax burden should be borne by all. The entire objective of the congressional tax deduction was to resolve an unfair situation, in which Members were bearing a greater burden than they should by virtue of a thirty-year-old limit on the amount they could deduct for living expenses. The President certainly did not mean by his statement that no one should have tax relief—how else could he have proposed one of the largest tax cuts in history? He obviously was talking about applying the tax burden fairly. So was the Congress, in adopting the living expense deductions. The fact that the law affects themselves is taken to mean that it is selfish and greedy. But, under the Constitution, who else is going to do it for them? They make the laws; it is their responsibility, and is a constitutionally unavoidable conflict of interest. They could either ignore the problem, and continue to suffer the consequences, or face up to it, debate it, and act upon it, as they did, in the full light of day.

10. Following the President's comment, Mr. Jarriel says: "None of the congressional leadership would appear on camera to answer questions about the tax break."

The producers of "20/20" invited Senator Jake Garn, of Utah, among others, to appear on the program. Senator Garn is a member of the leadership, as Secretary of the Republican Conference. He indicated that he would be happy to appear, providing he had enough time to explain what, in fact, the tax deduction meant. The "20/20" staff said they would get back in touch. They never did. Apparently, they felt their time was too short to allow anyone an ample opportunity to defend the deduction. Looking at the program as it was aired it is easy to see why. They had a twenty second statement by Congressman Bill Chappell as the ONLY statement in the entire program in defense of the Congress' action.

With only twenty seconds available to them to state their case, why SHOULD any of the congressional leadership appear on camera? Whatever they could say in the brief time allowed would be drowned out by the avalanche of distortions and misrepresentations on the other side. As the sheer length of this response indicates it would take an hour, at least, to reply to the statements and assertions made in the rest of the program in any fair and meaningful way. But that would give the viewers an opportunity to judge for themselves, on the basis of a balanced discussion of the issue, whether or not the deduction was justified. That does not appear to be what "20/20" had in mind.

11. Mr. Jarriel, at this point, makes the statement I referred to earlier, under items number 3 and 5, above, where he describes a connection between the congressional tax break and the Black Lung Benefits Bill. To repeat, he says:

"Senator Dole hooked a tax break amendment onto the popular Black Lung Bill. It could not pass without the tax break also going through, and the Black Lung Bill was certain to pass."

A few moments later he says: "The immensely popular Black Lung Bill, H.R. 5159, passed, and along with it the tax break."

At the risk of repeating some of what has already been said, in describing the chronology of events involving the tax deduction, let me point out the inaccuracy of these statements. I stress this because the "Black Lung Connection" has been raised over and over again by the media as some insidious, dark, and sinister act. This has been one of the most greatly misrepresented and misunderstood aspects of this issue, and a chief source of irritation for the public because of the way it has been portrayed by the media.

Mr. Jarriel says that "Senator Dole hooked a tax break amendment onto the popular Black Lung Bill." That is wrong on two counts. First, it was the Senate, not Senator Dole by himself, which "hooked" an amendment onto the bill, by a separate vote of 46 to 44. Without that vote, the bill would not have been amended to include any reference to tax deductions for living expenses, and the bill would certainly have passed without it, directly contrary to what Mr. Jarriel says. Once that amendment was adopted, then and only then would Mr. Jarriel's statement that the bill ". . . could not pass without (it) . . . " be accurate. The bill was not being held hostage to the Dole amendment, and it is totally inaccurate and irresponsible to suggest otherwise.

Another aspect of this is the frequent implication by the media that attaching an amendment to another bill is a sneaky thing to do. This kind of statement demonstrates a fundamental lack of understanding of the legislative process. Amendments, called "riders," are attached to bills on the floor all of the time. There is no requirement in the Senate, except under cloture situations, and some appropriations measures, for an amendment to be directly related to the main topic of a bill. The amendments stand or fall on their own merits, in separate votes, before they are attached to a bill. If they are adopted as part of a bill, the bill is only a vehicle, on which the amendment "hitches a ride" through the legislative process. It can still be addressed as a separate issue in the other body, if someone wishes to offer an amendment to the bill as it came from the other house, or in a conference committee.

If one is going to criticize the procedure of adding a "rider" to a bill as an inherently inappropriate procedure, it is important to know the pattern, practice and history of its use. It would take too long to outline it all here, but two examples might help:

A. In 1960, Senate Majority Leader Lyndon Johnson used the "rider" technique to bring civil rights legislation to the floor of the Senate. He called up a minor House-passed bill which dealt whith authorizing the Army to make some unused barracks available at Fort Crowder, Missouri, to be used temporarily as a school for the town of Stella, Missouri, whose school had burned down. With the bill pending before the Senate, he then invited Senators to offer civil rights amendments to it. How many of those criticizing the "sneaky" procedure in the Black Lung Bill passage would be critical of Johnson's use of the same procedure in connection with civil rights legislation?

B. In 1979, the Federal Election Commission authorization bill was amended in a surprise move with a "rider" which was, in fact, a complete bill, known as the "Obey-Railsback" Bill. This legislation dealt with limitations on political action committees. Groups like Common Cause, a leading critic of the "Black Lung Connection" on congressional tax deductions, would surely not be critical of the same procedure, when used to promote a bill like "Obey-Railsback", which was a major legislative goal of Common Cause.

Other examples could be given. Surely, those who criticize the "Black Lung Connection" would have to apply the same criticism to these examples, or stand guilty of an obvious and blatant double standard.

The second count on which Mr. Jarriel's statement is wrong is in his characterization of the Dole amendment. He calls it "the tax break." I previously explained in some detail, under item number 5, above, why this characterization is wrong. "The tax break," as Mr. Jarriel calls it, was adopted in September and had nothing to do with the Black Lung Bill. The Dole amendment was a clarification of the tax deduction, and a simple direction to the Secretary of the Treasury to issue guidelines for its implementation. No new benefit was conferred that was not already authorized under the previously passed language.

CONCLUSION

This response has become far more lengthy than anticipated. However, the inaccuracies and distortions presented in the "20/20" program were simply too numerous and too onerous to leave unanswered. In fact, there is no question that a book-length response could easily be made to the larger issues raised in the program The tax treatment of Members' living expenses, their so-called "perks", the procedures used in the legislative process, congressional salaries, even the very nature of the job of a Member of Congress, all are issues raised, directly or indirectly, by the "20/20" program.

Unfortunately, most people simply would not take the time to read such a response, or even discuss these issues in any detail. They prefer to rely on presumably informative news stories and programs like those produced by "20/20" for their information. As long as that is the case, and as long as those news programs continue to be shallow, unfair and inaccurate, as I believe I have shown the "20/20" program on the tax deduction to be, the public will never really understand and appreciate the institutions of their government. They will continue to denigrate and condemn those institutions and the people in them, who are too busy doing their jobs to defend themselves against the constant barrage of yellow journalism and hypocritical hyperbole directed at them. More and more people will decide that public service is not worth the aggravation and personal sacrifice, and more and more citizens will lose respect for and confidence in their institutions of government. Carried to their logical conclusion, the implications of these developments for our democratic society are not only discouraging—they are frightening.

I hope it is not too much to ask that someone at ABC will read this response objectively, recognize the weaknesses of the content of "The Great Capitol Tax Gain," and take steps to ensure that writing and reporting of such poor quality is never again inflicted upon the American people.●

TRIBUTE TO JERI S. LIBNER OF PAULINE, S.C.

● Mr. HOLLINGS. It is with great personal pleasure that I rise today to recognize the achievements of one of my constituents, Mrs. Jeri S. Libner of Pauline, S.C., who will soon be installed as the president of the National Federation of Business and Professional Women's Clubs (BPW).

Mrs. Libner will represent the largest working women's organization in the United States with over 155,000 members in the 3,700 clubs across the Nation. In South Carolina alone, there are 54 clubs with over 1,800 members.

Since its founding in 1919, BPW has placed itself at the forefront of major economic, social, and political issues, affecting women in the American work force. It is an organization that attracts women of every age, religion, race, political persuasion, and socio-economic background. In towns and cities throughout America, BPW members work to develop local programs that can effectively improve the status of working women within their communities. It is from this unique base of local activities that BPW has gained its nationwide recognition as the voice of America's working women.

Mrs. Libner is an outstanding example of this fine organization. She has served on the local level as president of the Spartanburg club and as president of the South Carolina federation. Mrs. Libner was also one of two women appointed by Hon. Richard Riley, Governor of South Carolina, to serve on the Legislative and Constitutional Officers Pay Committee. Her activities in this regard have brought honor to her community as well as to our State and our Nation.

I know my colleagues join me in recognizing the important contribution women make in the business community. I commend Mrs. Libner and the entire BPW membership for their efforts in promoting business opportunities and economic equality for all working women.●

INTERNATIONAL TELECOMMUNICATIONS ISSUES

● Mr. SCHMITT. Mr. President, I should like to submit for inclusion in the RECORD a statement made by Joan Tobin at a recent meeting of the Congressional Leadership Group on International Communications, which I am privileged to cochair along with Representative FASCELL of Florida. Under the auspices of the Georgetown University Center for Strategic and International Studies, Mrs. Tobin summarized the results of the recent meeting of 25 senior Government officials and executives involved in international telecommunications. This recent 4-day conference was sponsored by the Tobin Foundation. This forum allowed frank discussions by world leaders in a nonofficial ambiance. Her statement identifies several important structural issues facing the international community in the eighties, and suggests ways of building mutual interest between the United States and other countries.

The statement follows:

STATEMENT BY JOAN TOBIN

This morning we have heard how individuals from several US governmental entities view the outcome of WARC '79 and its lessons for US participation in upcoming ITU meetings. Speakers from the Senate, OTA, State NTIA and FCC have identified some daunting challenges in telecommunications. In the previous meeting of this group, an even broader range of problems were identified in international broadcasting, newsflow and dataflow.

Now I have the rather more enjoyable task of focusing upon opportunities for international understanding and compromise identified in a recent meeting at Leeds Castle, England, which The Tobin Foundation organized and sponsored. In order to steer the foundation's discussions in the direction we wanted, we made three very conscious decisions in planning the meeting.

First, we resolved to defer the range of obviously important but often discussed issues involving "Free Flow" and "First Amendment" values. Rather than addressing these questions of content, we chose to examine changes in the underlying structure of international telecommunications in the hope of creating conditions for future progress on broader issues.

As points of departure, we selected three issue areas which will receive international regulatory attention in the 1980's and 1990's: orbit/spectrum planning, integrated digital networks, and high definition television. However, the focus was the increasingly important non-technical aspects of these intrinsically technical issues.

The second major decision taken was to assemble a broadbased international group of very senior officials from government, telecommunications, broadcasting and manufacturing and put them in a wholly non-institutional setting. The group was handpicked according to criteria of position, personal vision, and included the UK Minister for Information Technology, Algeria's Director General of Telecommunications, the Chairman of the BBC and the Chairman of Nippon Electric. Among others from countries including Kuwait, Canada, Italy, Kenya, and the U.S. and from the international organizations.

Leeds Castle was chosen not only for its beauty, but for its atmosphere, which I can only liken to a house party in an English private house as described in novels on the 1930's. Our aim was to create a climate wherein participants who are normally in formal situations, would relax and compare notes informally.

To stimulate free and uninhibited discussion, we took a third decision: To record discussions upon what we Washingtonians term a "deep background basis". Detailed notes were taken, but not for attribution. The forthcoming printed report will summarize the group's areas of consensus, divergence and open questioning. Editorial responsibility will reside with The Tobin Foundation. An accompanying video production will allow participants to express those views with which they desire to be publicly associated.

A number of broad initial conclusions, germane to this morning's meeting, can be drawn. First, openness and questioning (Rather than either divergence or consensus) constituted the overriding tone of the Leeds Castle Meeting. This applied not only to the emerging issues surrounding HDTV and Digital Networks but equally to the volatile issues in orbit/spectrum planning. Western participants were willing to concede that the established IFRB registration/coordination process may prove insufficient, that new approaches may be required, and that planning is no longer a forbidden word.

For their part, developing country participants acknowledged the shortcomings for all parties of long-term, rigid, apriori planning. Still, they noted growing congestion in the orbit over Regions 1 and 3. Growing HF frequency requirements, for both broadcasting and rural telecommunications were also noted.

In spite of these pressures, the group felt that accommodation on both HF and satellite issues should be possible. However, Western requirements for technical and operational flexibility must be reconciled with developing country requirements for assured access with affordable technology. To maximize the chances for accommodation, detailed informal exploration of the options was felt to be worthwhile before national positions for upcoming ITU administrative conferences are fixed.

On the longer-term questions surrounding integrated digital networks, there was equally open-ended discussion. Massive investment in digital technology is gradually reshaping national telephone and telex networks into integrated digital networks. Separate networks serving business and government users are growing up alongside the dominant carriers' networks in key countries.

At stake are the future roles of several types of institutions: Dominant carriers, new carriers, information service providers, hardware and software providers. Ultimately, re-evaluation of the boundaries between public and private sectors, and between monopoly and competition seemed to flow inevitably from the convergence of telecommunications and computing technology.

Developing country participants noted these changes largely as observers. In their view, the north/south gap in communications was being enlarged; simpler and sometimes more appropriate technologies were being made obsolete. Still, the importance of advanced digital services to their capital cities and commercial centers was acknowledged. Implementation of new services required by governments, banks, and multi-nationals would require an institution separate from the PTT, perhaps with private ownership. Developing country participants considered these questions less pressing than orbit/spectrum issues. Still, they wondered whether mechanisms and resources would be found for developing countries to represent their interests effectively as digital standards and services evolve.

High-definition television (displaying at least twice the current number of scan lines on a large screen) was expected to be much less controversial, because its growth as a mass medium is generally not anticipated until the 1990's. Nonetheless, the need to avoid multiple incompatible standards (as in today's television) was considered urgent. A single standard would, in the participants' view, offer great economic advantage and stimulus to program exchange.

On the other hand, HDTV provoked unexpected concern from several quarters. Western telecommunications executives saw delivery by broadcasters of broadband digital information to home and office as a possible threat to their own future. Western government representatives expressed hope that no one country would dominate HDTV equipment markets. Developing country spokesmen expressed concern over the massive appetite for orbit/spectrum resources which satellite broadcasting of HDTV might generate. This was one issue several participants had hoped not to have to worry about; but they concluded otherwise.

Clearly, all of the issues covered were highly inter-related, and of interest to all participants from all countries. Faced with rapidly changing technology, markets, and institutions, everyone admitted to being hard-pressed to define institutional and collective interests in a forward-looking and enlightened way.

Participants urged the foundation to distribute its report (to be released this summer) to the highest levels in communications, business, government, and international organizations. They further expressed the belief that periodic sessions of informal dialogue, coupled with dissemination and study of its results, might contribute significantly to better results for all parties to the formal international regulatory proceedings.●

PIPELINE: LARGEST EAST-WEST TRANSACTION

● Mr. ARMSTRONG. Mr. President, Michail Makarenko, a Russian human rights crusader who spent 11 years inside the Gulag Archipelago for speaking out for freedom of expression, had some important and sobering insights to offer about East-West trade in general and the Yamal natural gas pipeline in particular in an interview published in the Washington Times on May 19, 1982. I urge all my colleagues to read carefully what Mr. Makarenko has said, lest we become unwitting accomplices in a gross abuse of human rights.

I submit the interview, entitled "Pipeline: Largest East-West Transaction," for printing at this point in the RECORD.

The article is as follows:

PIPELINE: LARGEST EAST-WEST TRANSACTION

(NOTE.—Next week the Senate subcommittee on international financing and banking will hold hearings on whether the U.S. should endorse Soviet construction, with Western credits and free-world technology, of a 3,200-mile natural gas pipeline from Siberia to Western Europe. The project is expected to cost $10 billion, considered by experts the largest East-West business transaction in history.

(Soviet dissident intellectual Michail Makarenko is expected to be one of several witnesses to appear before the subcommittee, whose chairman is Sen. William Armstrong, R-Col. Until he was exiled in 1977, Makarenko spent a total of 11 years in Soviet labor camps. He heads the Society for the Research of Problems Under Totalitarianism in Munich, West Germany, and is personally close to Nobel Prize-winning Russian-born novelist Alexander Solzhenitsyn.

(The following interview was conducted by Washington Times correspondent Jeffrey St. John and translated from Russian to English by Natalie Latter.)

Q. What kind of labor will the Soviets employ if this proposed natural gas pipeline from Siberia to Western Europe proceeds?

A. Primarily prisoner labor; they will be the ones who will clear the forests, build the roads and the first living quarters for the more skilled specialists who will put the pipeline in place. . . . So, as in the past, it is going to be human bodies that will thaw this unlivable tundra through which the pipeline will be built.

Q. Will this prison labor be political prisoners or ordinary criminals?

A. All prisoners will be put to work on the project. Besides, it is very difficult to separate the two because in many labor camps the prisoners are mixed together.

Today in the Soviet Union you have 2,000 camps and prisons; 150 camps are for women and children under 2 years of age alone. Hundreds of other camps are for children from 11 to 18 years of age, and many of these prisoners in the camps will be working on the pipeline.

Q. What kind of physical conditions will prisoners working on the pipeline encounter?

A. Prisoners will be obliged to work in temperatures in the winter well below freezing. This will be intolerably cold combined with Siberian winds. In the summertime, disease and insect-infested swamps also will be encountered.

Q. This pipeline project is a huge undertaking. In terms of numbers, how many workers will the Soviets require?

A. It will require enormous quantities of forced prison labor. I don't have an accurate estimate, but several years ago a railroad project of similar size was completed. On one section alone, it took an entire division of Internal Affairs Ministry forces to guard 200,000 prisoners. But whatever numbers the Soviets need for the pipeline, they will get them.

Q. We have been told here in the West that millions have perished in Soviet prison camps. You spent 11 years in one of these camps. What are the conditions in the camps that produce this high mortality rate?

A. First, many prisoners die very young. Second they die of untreated diseases brought about by poor diet that leads to malnutrition. Third, there is a high suicide rate. Many die in brawls and fights. Many die because of homosexual rape; that is to say, sexual conditions are such in the camps that people are driven to suicide.

Q. What would be your estimate of how many will die working on this proposed pipeline?

A. I can tell you that the mortality rate will be higher than just simply the normal number of deaths in the concentration camps. Many of these prisoners will be working with new technology, so industrial accidents alone will take a toll. Very little concern is given to industrial safety in the Soviet Union. Weather conditions in Siberia, as I mentioned before, will be another factor. The mortality rate also will be high because of inadequate medical care in many remote areas of this pipeline project.

Q. What are the economic goals of the Soviets in building this hige pipeline project?

A. The main goal is hard currency. Even a small amount gained from a project has the green light and the highest priority in the Soviet Union. The fact is the pipeline will be built entirely with Western credits and technology.

Q. Well, if the West is going to provide the technology, technicians will have to go to the Soviet Union. Will they be working with slave labor?

A. The Western specialists who will go to the Soviet Union to work on the pipeline will not see anything; they are not going to see any slave labor. The Soviet System is so well adjusted to concealing such activities that no matter how many observers, diplomats, specialists and even spies the West sends into the country they will see only what the Soviet Union wants them to see.

Q. You were in one of these labor camps for a total of 11 years and a half. Given your experience, can you tell me what you think will be the experience of those who will work on this pipeline?

A. I think their experience will be worse, although when I was in the camps I served under very difficult circumstances. In fact, old timers who had served in the camps during the era of Stalin said it was easier to serve 25 years at that time than it is to serve five years now. The hardships are greater now because then, at least, we were not thrown into the untamed wilderness as will many of those who will work on the pipeline now.

Q. The mention of Stalin raises the question of how many have died in such labor camps during the history of the Gulag.

A. The most conservative estimate, for just one period of the 1930s to the 1950s is about 52 million to 54 million deaths. This estimate was based on some research done by a Soviet scientist in secret, based on various kinds of information and sources. As soon as he published his findings he was arrested and his reward was a long term in a concentration camp. The estimate cited by Alexander Solzhenitsyn, which I accept, is 66.7 million.

I might add that such hard evidence is ignored by those in the West who want to help the Soviets build this $10 billion pipeline with the help of slave labor. I consider this not only immoral but an intrusion into the internal civil war that is going on in the Soviet Union. By building this pipeline, the West is taking sides and giving direct aid to the oppressors of the Russian people. The Western nations would have been more justified in giving economic support to Nazi Germany because there was no national, cultural and political opposition to the system of the type that continues today in the Soviet Union on a mass scale. At least 100 underground illegal publications have come out opposing the system.

Q. If, as you contend, it will require massive numbers of prisoners from the labor camps to work on this pipeline how will the Soviet Union go about marshaling this massive number?

A. The main body of the labor force will have to be mobilized as an emergency measure. Whenever a project of this magnitude comes up, and since a chronic labor shortage exists in the Soviet Union, the Soviets use dishonest and devious means.

First, they plant stories in the government-controlled media that the problem exists, usually signed by supposedly simple Soviet citizens. Second, the officials hold meetings, including judges of various courts, and make much of how ordinary citizens have brought this pressing problem to their attention. Third, a wave of arrests and prosecutions takes place of people guilty of certain "crimes" who are sentenced to labor camps. It is by this public farce that the Soviets conscript labor but make it appear legal.

Q. Do you know if this same approach is being used to conscript manpower for the proposed pipeline?

A. I have no doubt that this will be done and I am sure that the campaign is already underway and at some stage of development.

Q. If Western countries help the Soviets build this pipeline what risks do we run?

A. The greatest is the immorality of the entire project, since the Soviets will use slave labor. Second, it is dangerous from the point of view of the strategic interests of the United States. The Soviets will be able to engage in gas blackmail once they have made you dependent on supply of the resource. You will be putting yourself in much the same position with natural gas as you have faced with the Arabs over oil. Third, you will give them credits and technology to build the pipeline that will, in turn, allow them to earn hard currency.

Q. To what particular purpose will they put such hard currency?

A. To make war. For military purposes, they will use the hard currency they earn from the project to buy more and more of your technology, particularly computers. They also will use the hard currency to buy grain in order to have meat and bread. This new infusion will help them maintain their hold on the Russian people and the so-called 'liberated' countries like Poland that are unable to produce and feed their own populations. You must be aware of the fact that grain bought from the West always is earmarked for the Soviet armed forces, not the people.

Q. How much damage would the Soviets sustain if the U.S. and Western countries refused to help the Soviets build the pipeline?

A. I think the economic impact would be far-reaching. For a country like the Soviet Union, over $10 billion in credits would be a badly needed transfusion for an economy in a state of stagnation. This project would be an economic life saver, a blood transfusion for a person dying from lack of blood.

Q. You are urging a total technological embargo of the Soviets like the Carter grain embargo. But some have suggested that the grain embargo had no real impact on the Soviets.

A. I will tell you something not even your CIA knows and will probably take five years to find out. When President Carter imposed the grain embargo for the Soviet invasion of Afghanistan, the Central Committee of the Communist Party had developed a plan to liberalize and even abandon the inefficient collective farms to cope with the grain shortage. A plan was developed to spend great sums of money to abandon the collective farms and encourage private enterprise in Soviet agriculture. It also was decided to exempt practically the entire agricultural population from military conscription. But when the Reagan administration lifted the grain embargo the Soviets had no need for implementing the plan.

Q. This leads me to ask you, what would be the impact if the U.S. and Western countries went ahead and helped Russia build the pipeline?

A. It would send a signal to the Russian people that the West had once again sided with their oppressors. It also would be terrible in undercutting the human rights movement in Russia. These very small achievements and accomplishments that have been made would be destroyed. The sacrifices by those like Soviet physicist Andrie Sakorov would be in vain.●

THREATS TO UNITED STATES-CHINESE RELATIONS

● **Mr. BIDEN.** Mr. President, U.S. relations with the People's Republic of China are in danger. A quiet, long-simmering crisis may soon boil over, with serious consequences for American security interests in Asia and around the globe.

The Chinese have given us ample warning signals, so we should not be surprised if our relations reach a crunch point and deteriorate. Throughout 1981 the Chinese told Reagan administration officials and others of their concerns over the nature and direction of U.S. policy. A June 18 commentary by the New China News Agency (NCNA) said explicitly:

> U.S. relations with Taiwan, continued U.S. arms sales to Taiwan in particular, constitute the key link, or rather a stumbling block, in the development of Sino-United States relations.

Last December the State Department announced a U.S plan to sell Taiwan $97 million in military-related spare parts. This prompted an authoritative Chinese press article calling the issue a "severe test" of United States-People's Republic of China relations and warning against additional arms sales to Taiwan.

On January 11, 1982, the administration announced its intention to sell replacement fighter aircraft to Taiwan. The fact that the planes would not be more advanced than the F-5E's did not, however, mollify Beijing. Chinese officials reiterated their position frequently, such as in the March 12 issue of the Far Eastern Economic Review, when Vice Foreign Minister Han Nianlong made a thinly veiled threat to downgrade the Sino-American relationship. Han said:

> In selling arms to Taiwan the Americans are violating the spirit of the (1972) Shanghai communique and the communique for normalisation of United States-China relations in 1979. In so doing, they are infringing (on) China's sovereignty and interfering in China's internal affairs. If the U.S. persists in doing so, they will surely affect the relations between the two countries and (relations) will surely retrogress. This is the key issue in Sino-United States relations. There is no room for manoeuvre, no room for discussion on this.

When formal notification of the arms sale came to Congress in April, the State Department stressed that no weapons were involved; the sale was concluded many months before; and that no new decisions on arms sales were contemplated in the next few months while United States-Peoples' Republic of China talks were underway. The muted Chinese response accepted that explanation but warned against new sales to Taiwan during the continuing United States-Peoples' Republic of China talks. As a commentary in the People's Daily put it on April 16:

> Now the relations between China and the United States are still at a critical juncture and the crisis of a likely retrogression of the relations exists because the question of U.S. selling of arms to Taiwan remains unsettled.

When Vice President Bush visited China in early May, he had what were described as "frank and candid" discussions, as the Chinese made clear that "serious obstacles" remained in Sino-American relations.

Mr. President, this brief chronology of Chinese comments demonstrates their persistence and consistency. They have postponed a rupture in their relations with us, but they seem almost to be expecting and adjusting to that eventuality. Whatever the United States may choose to do, it must be with the unambiguous foreknowledge of the Chinese position and only after a careful weighing of the long consequences for our security.

One does not have to agree with Beijing's policies to appreciate the vehemence and concern with which they are expressed. The PRC is not reacting simply to the fact of U.S. friendship for Taiwan—which the Carter administration and the Congress made clear at the time of normalization—but rather they are responding to the context and conduct of Reagan administration policy.

Candidate Ronald Reagan pledged to restore "official relations" with Taiwan. Many of his closest advisers had links to Taipei. The new administration was thus ideologically predisposed to turn back the clock.

In fact, the cadre of true believers have not prevailed in every policy dispute. The President has not fulfilled his campaign promise. His decision not to sell new FX fighter aircraft was seen as a rebuff to the Taiwan stalwarts. And foreign policy professionals have not been purged, as many Reaganites hoped.

The President surprised many observers by the strong language of his letters to Chinese officials, which were released at the time of the Bush visit. Mr. Reagan tried to limit the damage to Sino-American relations by reiterating previous communiques, by acknowledging the Chinese initiative for a peaceful resolution of the Taiwan question, and by declaring:

> Our policy will continue to be based on the principle that there is but one China. We will not permit the unofficial relations between the American people and the Chinese people on Taiwan to weaken our commitment to this principle.

Nevertheless, the Chinese, who know well the blinding power of ideology, are understandably suspicious of the true intentions of those who now hold power in our executive branch.

The present Chinese leadership also knows, much better than we ever can, how contentious their own policies of cooperation with the United States are within China. If we are not very careful in our handling of Sino-American relations, we may well find ourselves confronting a much different leadership in Beijing which has no vested interest in continuing or expanding our cooperative efforts.

Mr. President, good relations with China are in America's own tangible national security interests. More than 40 Soviet divisions, as well as squadrons of Backfire bombers and SS-20 missiles, are deployed against China. Soviet ground force strength in Asia has nearly quadrupled in the past two decades. If these forces were free to be shifted elsewhere, the potential threat to Western Europe would increase dramatically.

We also benefit from positive cooperation with the PRC on security issues, trade, and other aspects of diplomacy. Our friendly ties reenforce and harmonize with those of our Japanese and other allies.

All these could be jeopardized by a sudden reversal in United States-Chinese relations. If the Reaganite ideologues triumph, either directly or as a result of Chinese reactions to bifurcated U.S. policies, then America's security will suffer.

Mr. President, the Kremlin is aware of our problems and can be expected to exploit them. Last March 24, while visiting the Asian city of Tashkent, Soviet President Brezhnev held out an olive branch to Beijing. He pointedly rejected the notion of "two Chinas" and reasserted PRC sovereignty over Taiwan. He also said:

> We are prepared to come to terms, without any preliminary conditions, on measures acceptable to both sides to improve Soviet-Chinese relations.

While the immediate Chinese response was negative, saying that the PRC would pay more attention to Soviet deeds than words, there has been a spurt of publicized, friendly low-level contacts. And in April, the two countries reportedly signed an agreement doubling their bilateral trade.

it remains to be seen how far each side will go to improve relations. But the stage is set. The threats to United States-Chinese relations are clear. If we fail to preserve and nurture good relations, others stand ready to benefit. And if we fail, historians will likely cite this episode as an example of the triumph of ideology over hard-nosed self-interest.

Mr. President, I submit for the RECORD several recent news articles from the New York Times and Washington Post, plus a commentary by Prof. Allen S. Whitting.

The material follows:

[From the New York Times, May 18, 1982]

(Commentary)

READING TEA LEAVES: CHINA-SOVIET DÉTENTE

(By Allen S. Whiting)

ANN ARBOR, Mich.—For the first time since the Soviet invasion of Afghanistan in 1979, Peking and Moscow appear to be moving toward détente.

Mongolia, the Soviet Union's secure satellite, recently took up boundary matters with China at issue since 1964. In addition, the French Communist Party, faithful follower of the Kremlin, mended fences with its Chinese counterpart. Moreover, Sino-Soviet technical exchanges have become more active, and trade reportedly is to double.

In the 1950's good Chinese-Mongolian relations permitted delimitation and demarcation of the long frontier. But after the Sino-Soviet split in 1960, Mongolia rivaled the Soviet Union in virulent denunciation of Chinese domestic and foreign policy. Moscow reciprocated with a new treaty commitment to Mongolian security, backed by three ground divisions, nuclear missiles and air bases. In 1978, Hua Guofeng, then Prime Minister, demanded withdrawal of all Soviet forces from Mongolia as one condition for better Sino-Soviet relations; recently, however, Chinese statements have not repeated that demand. In April, Peking disclosed that the Sino-Mongolian border-marker commission had met for six weeks. Accusations of illegal movement of markers, and border incidents, had strained relations for nearly 20 years. Negotiations could mark a major change in Sino-Mongolian affairs, affecting Sino-Soviet ties.

The sudden emergence of friendly contacts between the Chinese and French Communist Parties last winter is significant in light of the French party's fidelity in following Moscow's line. An exchange of visits as well as a favorable French Communist Party analysis of post-Mao political developments breaks new ground, presumably with Moscow's blessing.

Direct Peking-Moscow relations are gradually improving. Leonid I. Brezhnev's pointedly conciliatory speech in Tashkent in March in which he said that Moscow had always supported Peking's claim to Taiwan specifically was a bid for better relations. In their annual trade talks, in April, the two countries reportedly agreed to increase 1981 trade by 100 percent. Earlier this spring, Peking sent an economic delegation to study Soviet management techniques. Privately, Soviet officials have expressed surprise about the hospitality given specialists visiting Peking.

These are not the first signs of improved Sino-Soviet relations since Mao Zedong's death in 1976. There were previous moves toward detente in 1977 and 1979, but they ended with the Soviet-Vietnamese military treaty and Soviet invasion of Afghanistan respectively. However, changes in Peking's commentary on the superpowers give more recent events added significance. In December, the main theoretical journal, Red Flag, carried an article that chastised "running dogs of U.S. imperialism" while dismissing the United States as "a paper tiger." Such terminology was routine during the Cultural Revolution but it gradually disappeared after Richard M. Nixon's trip to Peking in 1972. Red Flag's article characterized the Soviet Union as "a paper bear," implying that it posed no serious threat to China's security.

By equating the two superpowers as "hegemonists," China increases its flexibility in moving between them and makes it possible to seek a global united front on behalf of the third world. China's 11 vetoes cast last fall against the re-election of Kurt Waldheim as Secretary General of the United Nations set the stage for Peking's year-end attacks on Washington's handling of the Middle East, Africa and Latin America—the harshest indictment of American policies since normalization of relations in 1978.

China appears to have decided to increase its options by downgrading its relationship with America, improving its relationship with the Soviet Union, and reasserting its role as a third-world country. The Taiwan issue is a contributing but not causal factor. True, the Reagan Administration chose the worst time to announce continuation of coproduction of the F-5E jet in Taiwan, just before the 10th anniversary of the Shanghai Communique. But Peking's shift in treatment of the superpowers and revival of the third-world theme predated the announcement. Similarly, the Sino-Mongolian border meetings and rapprochement between the French and Chinese parties almost certainly resulted from preliminary exchanges long in advance of the visible developments.

Thus, negotiations on arms sales to Taiwan are only part of a larger game. In February, they provoked Deputy Prime Minister Li Xiennien to comment, in an interview, that "the United States is not a friendly country." Before that statement, the mutual probing for Sino-Soviet détente already had accelerated. It can be expected to continue.

[From the New York Times, May 10, 1982]

Bush Leaves China With New Ideas For Resolving Taiwan Arms Dispute

(By Christopher S. Wren)

Peking, May 9.—Vice President Bush left China today with what he called "some specific ideas" for President Reagan on resolving the impasse that has developed over the issue of United States arms sales to Taiwan.

Mr. Bush said that he was going home with a "much clearer perception" of the Chinese position on Taiwan, which dominated two days of what were described as frank exchanges that Mr. Bush had with deputy party chairman Deng Xiaoping, Prime Minister Zhao Ziyang, Foreign Minister Huang Hua and Deputy Prime Minister Wan Li.

But the Vice President refused to say what these ideas entailed or whether any had been proposed by the Chinese.

In formal meetings and more casual conversations, the Chinese leaders pressed Mr. Bush on the arms sale issue, emphasizing that it had created "serious obstacles" to the normal development of Chinese-American relations, which are now at their lowest point since formal diplomatic ties were established on Jan. 1, 1979.

THREE LETTERS RELEASED

"I will take back certain ideas that I gleaned from the Chinese leadership and discuss those with the President," Mr. Bush said at an airport news conference before his departure.

He remarked later that "I may have some specific ideas to suggest to him, and maybe the Chinese side will be talking about specific things that we discussed."

Despite his evident failure to budge the Chinese on their opposition to the arms sales to Taiwan. Mr. Bush told reporters that "frankly, I feel good about the discussions I have had during the past days."

"I feel," he went on, "that some progress has been made and I believe that the recent personal correspondence by the President to the Chinese leaders has done much to help advance the process."

Three letters, which were made public by Mr. Bush's staff today, included one to Mr. Deng from the President giving Mr. Reagan's strongest endorsement yet of the plan for peaceful reunification that Peking proposed to Taiwan amid great fanfare last September.

The proposal, which was announced by Ye Jianying, chairman of China's nominal Parliament, promised that Taiwan could keep its economic and social system and even its armed forces and that its Nationalist leaders could participate in running the mainland Communist regime. This and the offer of talks leading to reunification were promptly rejected by the Taiwan authorities as a trick.

PEACEFUL REUNIFICATION

In his letter of April 5, which suggested that Mr. Bush visit China, Mr. Reagan said:

"We fully recognize the significance of the nine-point proposal of Sept. 30, 1981 and the policy set forth by your Government as early as Jan. 1, 1979."

This latter reference alluded to Peking's assurances after full Chinese-American relations were established that it sought peaceful reunification with Taiwan rather than military liberation.

The acknowledgment of Peking's peace overture, while falling short of full approval, indicated the extent to which the Reagan Administration is concerned that Chinese-American relations not deteriorate further.

It also seemed to undercut the Administration's rationale for planning to sell $60 million worth of military spare parts to Taiwan over China's objections. Peking has maintained that its formal bid for peaceful reunification has eliminated any need for transfers of American arms to Taiwan.

LETTER TO PRIME MINISTER

Two other letters from Mr. Reagan made public today included a letter to Prime Minister Zhao, also on April 5, proposing Mr. Bush's visit and recalling that the President had told Foreign Minister Huang in Washington last November that "we welcome your peace proposal."

The third letter, dated May 3 and hand-carried by Mr. Bush for Hu Yaobang, the party chairman, reiterated Mr. Reagan's commitment to a one-China policy, a point that Mr. Bush stressed throughout his visit here.

Mr. Reagan's letter to Prime Minister Zhao also said that he had told Mr. Huang: "We would expect that in the context of progress toward a peaceful solution, there would naturally be a decrease in the need for arms by Taiwan. Our positions over the past two months have reflected this view."

Consequently, the gradual elimination of United States arms transfers to Taiwan must have come up in the talks that Mr. Bush had with the Chinese leaders, though the Vice President would not discuss the substance of his meetings.

"I'm not going to elaborate on the details of any negotiation," Mr. Bush replied when a reporter asked him to be more specific about the progress that he said he had achieved here.

Instead, he noted that discussions of the military sales issue would continue here at the lower level on which they have been conducted since January, through Ambassador Arthur W. Hummel Jr. Washington has assured Peking that no further military transfers, beyond the present package of aircraft spare parts, will take place to Taiwan while the discussions continue.

"I am carrying back to the President a very clear perception of the Chinese position, a much clearer perception than before we came here," Mr. Bush told reporters. "I happen to believe that this relationship is absolutely fundamental, in terms of our foreign policy objectives, and I believe President Reagan shares that view."

TAIWAN RELATIONS ACT

In this sense, the visit was a success for the Chinese leadership, which can now argue that the Reagan Administration has no excuse for misunderstanding its feelings about Taiwan. China considers Taiwan a province of the mainland and says that the United States accepted this view in normalizing relations.

During his visit, Mr. Bush played down the American commitment to Taiwan under the Taiwan Relations Act, which the Chinese challenge as invalid under international law. In response to a question about how the Chinese-American negotiations might affect the act, Mr. Bush said that "this President is bound to uphold the law of the land and I think everyone understands that fully."

[From the New York Times, Feb. 27, 1982]

Taiwan Arms Issue Damaging U.S.-Chinese Ties

(By Christopher S. Wren)

Peking, February 27.—Ten years ago, when President Richard M. Nixon made his historic visit here, the United States and China endorsed a joint communiqué in Shanghai that stressed their common concerns and glossed over their considerable differences.

A decade later, the relationship is faltering over the issue that was deferred for so long—the status and future of Taiwan. The Reagan Administration's announced plans for selling jet fighter planes and military spare parts to the Nationalist regime on Taiwan has revived Chinese resentment and threatened to unravel the ties woven so far.

The 10th anniversary of the Shanghai Communiqué tomorrow is being virtually ignored here. China's leader, Deng Xiaoping, told an American visitor, K. S. Wu, last weekend that "Sino-U.S. relations are not good" and that China could do without the United States if it had to.

"RELATIONS ARE FACING A CRISIS"

The sour new mood has been reflected by other officials like Deputy Foreign Minister Zhong Xidong, who told some American reporters recently that "it is no exaggeration to say that relations are facing a crisis."

Most diplomats here believe that the Peking leadership will carry out its threat to downgrade relations with Washington if the arms sales to Taiwan go through, possibly by recalling ambassadors or reducing the embassies here and in Washington to their former status of liaison offices

"If the U.S. takes an unacceptable position in regard to Taiwan, they are not going to swallow it," said an experienced non-Western diplomat. "It is a mistake to believe they will not call the American bluff."

Yet while Chinese-American relations are fragile at the core, they look remarkably sturdy around the edges, suggesting that a real rupture could be as costly and even unpalatable for China as for the United States.

TIES WITH MOSCOW UNREPAIRED

For all the Chinese dissatisfaction expressed in the last few months, Peking has shown no inclination to hit back at Washington by repairing its tattered ties with Moscow. "I don't think the Chinese will resort to playing the Russian card," said an Asian diplomat.

Wang Bingnan, who heads China's Friendship Association With Foreign Countries, said several days ago during a trip to Pakistan that China had no plans to improve relations until Moscow gave up its "policy of hegemonism and expansionism."

Instead, China started last spring to move itself away from identification with the United States by cultivating its old links with other developing countries. Peking has reverted to Mao Zedong's theory of three worlds, the first being the "superpowers"—the United States and the Soviet Union—the second, the industrialized Western countries and Japan, and the third, the world's underdeveloped countries, like China, that suffered colonialist exploitation.

The Chinese press again periodically depicts the United States as "hegemonistic" along with the Soviet Union. Last week, at a conference of developing countries in New Delhi, a Chinese Deputy Foreign Minister, Bu Shouzhang, charged that hopes for global negotiations on spreading the world's wealth had been "shattered by the repeated obstructions on the part of the United States."

The swing back toward the third world began well before the blow-up over the Taiwan arms issue early this year. In the view of some diplomats, it was prompted at least in part by disenchantment over the West's economic problems, which limited the technology and capital China was hoping to get.

Peking's apprehensions over Soviet adventurism have caused it to line up with Washington on some major international issues, such as the Soviet military intervention in Afghanistan. Yet China differs sharply with the United States over the Palestinian question in the Middle East, the presence of American troops in South Africa. Last month, the Chinese flatly rejected an American request to join the criticism of the military crackdown in Poland.

"I think the Chinese have remained Chinese," said a Western diplomat. "They haven't changed. The circumstances in the world have changed. The Chinese don't look upon the United States as a model. They say they consider it decadent."

Both Chinese and American diplomats here refuse to discuss the present difficulties over Taiwan, following the stormy visit here in January by John H. Holdridge, the Assistant Secretary of State for East Asian and Pacific Affairs. Mr. Holdridge had said that Confidential talks would continue between the two countries on the issue of arms for Taiwan.

But the United States Ambassador in Peking, Arthur W. Hummel Jr., has observed that there are strengths as well as weaknesses in the overall Chinese-American relationship.

"Ten years of U.S. China relations, and three of full diplomatic relations, have brought very significant accomplishments on both sides as well as some problems and divergencies," he said in a statement. "It is remarkable that several administrations on both sides have been able to find so many ways to bridge, for mutual benefits, the wide disparities in U.S. and Chinese social, political and economic systems.

"I think each side understands the other much better than before, and both would agree that there is substantial balance in the benefits of the relationship, as well as in the costs of not having a good relationship," Mr. Hummel said.

In the last decade, ties between the two countries, which were battelfield enemies in the Korean War, have matured to an extent that few anticipated when the Shaghai Communique was signed. Today, each country has a full-fledged embassy and two consulates on the other's soil. Last month, documents were exchanged permitting an additional three consulates each.

TRADE TOTALS $5.5 BILLION

The United States has become China's third-largest trading partner, after Japan and Hong Kong, with a flow of goods last year totaling $5.5 billion. China has contracted to buy at least six million tons of American grain annually for four years, and last year bought over 8 million tons. About 80 American companies have set up offices in Peking and the Bank of China has opened a branch in New York.

Last year, almost 16,000 visitors' visas were issued to Chinese by United States consular officials here. More than 6,000 Chinese students are enrolled at American universities and technical schools, many with local financial aid. American teachers and students are also among the nearly 1,500 American citizens living and working in China, while up to 80,000 America tourists were estimated to have visited China last year.

Cultural exchanges have moved more slowly, in view of Peking's suspicion of Western values. But the Boston Symphony Orchestra and an exhibition of paintings from the Boston Museum of Fine Arts have been well received here, as was a carefully checked American film series seen last spring by three million Chinese in five cities.

The United States has granted China most-favored-nation trading status, which the Soviet Union never received, and has raised the level of the American technology that the Chinese is allowed to import. Last summer, Secretary of State Alexander M. Haig Jr. announced that the United States was willing to sell China weapons on a case-by-case basis, an offer that the Chinese have not taken up because of the Taiwan issue.

This progress is being jeopardized by the revival of bitter differences over Taiwan, which the United States sidestepped in the Shanghai Communique with the ambiguous acknowledgment that "all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is a part of China."

The argument entails whether Washington, in recognizing Peking as the legal Government in China, has accepted its claim to sovereignty over Taiwan. Since formal ties were established three years ago, the New China News Agency charged last month, "the U.S. Government has failed to honor its commitment."

Peking saw Mr. Reagan's remarks in the 1980 election campaign as advocating a return to Washington's old "two Chinas" policy, and it was not quite mollified by Secretary of State Haig's assurances last summer that things had not changed.

When the Reagan Administration began raising the prospect of selling more aircraft and arms to Taiwan, the New China News Agency first called it "insulting to us beyond limit" and then complained during Mr. Holdridge's visit that not consulting Peking beforehand was "really going too far."

The Peking leadership has switched from "liberation" to "reunification" in stating its policy on Taiwan and it seemed annoyed that a nine-point reunification formula announced last September, which would let the Nationalists on Taiwan retain their political and economic system and their armed forces, drew a belatedly lukewarm endorsement from Secretary Haig.

Some diplomats here note, however, that Mr. Deng's domestic policy of improving living standards relies partly upon technological and capital infusions from the West. They doubt that Mr. Deng could impose more belt-tightening on top of the existing economic retrenchment that Prime Minister Zhao Ziyang has said would last through 1985.

China increased its exports to the United States last year by nearly 80, to $1.9 billion. Moreover, China needs American technology, whether in computers or in new oil extraction equipment, to carry out its modernization drive. Half of the 46 oil companies just invited to bid on China's potential offshore oilfields are American. And a Chinese official recently told a visitor that his country anticipated buying about 13 million tons of grain annually for the next few years.

Some Western military specialists here think that a break with the United States would compel China to increase military spending to reinforce its fronts facing the Soviet Union, Taiwan and even Vietnam.

Last week, Foreign Minister Huang Hua declared that with the establishment of diplomatic ties, Chinese-American friendship was "growing steadily." He said that "sometimes relations between the states may be overcast and the road ahead may be rugged, but the friendship between the peoples is everlasting."

[From the New York Times, Apr. 6, 1982]

Haig Meets With Peking Official To Discuss Arms Sales to Taiwan

(By Bernard Gwertzman)

WASHINGTON, April 5.—In an effort to avoid a deterioration in Chinese-American relations, Secretary of State Alexander M. Haig, Jr., called in the Chinese Ambassador today to urge Peking to accept an American proposal for dealing with the issue of American military sales to Taiwan.

The State Department declined to provide details of the meeting between Mr. Haig and Ambassador Chai Zemin.

Key members of Congress have been told by officials that the Administration would, in the next two weeks, make public its plans to sell Taiwan $60 million in promised American military spare parts, a move that Peking has said would produce a "retrogression" in relations because it is opposed in principle to the sale of any military equipment to Taiwan.

To prevent a setback in relations, officials and Congressional sources said, the United States has proposed to China that the two governments issue a declaration in which Washington would pledge not to provide Taiwan with military equipment beyond the quantity and quality of its current arsenal and which would indicate that, if Taiwan and the mainland reconciled differences, there would be no need for additional sales.

NO RESPONSE FROM PEKING

That American proposal, the result of discussions held in recent months in Peking by Ambassador Arthur W. Hummel, Jr., with Chinese Foreign Ministry officials, has failed to elicit a response from the Chinese leadership, officials said.

The Administration announced in December that it intended to proceed with the spare parts sale to Taiwan but has delayed the formal go ahead pending resolution of the discussions with China. Officials said they would prefer reaching agreement on the new statement before proceeding with the Taiwan spare parts package, but that time is running out.

Mr. Haig's decision to intervene personally in the situation was seen by Congressional sources as signaling the Administration's desire to avoid seeing relations with China take a turn for the worse. Mr. Chai was reported by a member of Congress as having told him that he is returning to China for consultations.

The Peking press has reprinted articles in the West suggesting that if the Taiwan sale goes through the Chinese will recall their Ambassador. It is unclear to the United States whether the Chinese have already decided to symbolize a change in relations by dropping the level of representation.

Ambassador Chai, stopped by reporters on his way out of the State Department, said that the issue of Taiwan arms sales had been raised in the discussions today and that talks would continue, primarily in Peking.

STRATEGIC RELATIONSHIP

State Department officials said that Mr. Haig met with Mr. Chai for a half hour, and then the Ambassador conferred with John H. Holdridge, assistant Secretary of State for East Asian and Pacific Affairs, for another hour and a half. The talks are through interpreters.

The whole affair is regarded very seriously by the Administration, which wants to maintain what it regards as a strategic relationship with China and not see the relations set back by China's objections to the Taiwan sales. Under the Taiwan Relations Act passed in 1979 after Washington and Peking established formal diplomatic relations, the Administration is obliged to meet Taiwan's defense needs.

To meet China's concerns, the Administration decided in January not to sell Taiwan an advanced fighter aircraft but to permit Taiwan to continue to produce F-5E planes. President Reagan was reported by some officials to have been angered at China's refusal to accept the concession as a friendly gesture. Mr. Holdridge, who was sent to Peking in January to discuss the Taiwan situation, was subject to sharp attacks by Chinese officials, Administration officials said.

Officials here state that they do not know why the Chinese are so adamant on the Taiwan sales when they hardly said anything when the Carter Administration provided Taiwan with $600 million in military equipment.

POLITICAL DEBATE IN PEKING

There is speculation that a political debate is going on in Peking and that officials such as Deng Xiaoping, who is regarded as pro-American and pragmatic, have been put on the defensive and are unable to approve any statement in which sales to Taiwan are specifically permitted to go ahead.

Others have said that the Chinese were basically distrustful of the Reagan Administration because of pro-Taiwan statements made by Mr. Reagan prior to election.

Some members of Congress believe that some State Department officials would prefer to avoid a confrontation on the Taiwan spare parts deal by dividing the $60 million package into smaller components. Under law, the Administration must notify Congress publicly of any military sales of more than $50 million, giving Congress a month to block the sale.

If the package was, for instance, divided into two equal increments of $30 million, the deal could go through without publicity and would not force China to take a stand. But the State Department contends that it must send the $60 million package at once because to do otherwise would be to circumvent the spirit of the law.

[From the Washington Post, May 21, 1982]

KREMLIN APPEALS TO CHINA TO BEGIN TALKS ON RELATIONS

(By Dusko Doder)

Moscow, May 20.—The Soviet leadership offered today to negotiate "detente" with China, saying their estrangement only served the interests of the West and expressing the hope that Peking would find a way out of the blind alley in which Soviet-Chinese relations are at the moment.

An authoritative statement published in the Communist Party newspaper Pravda said the time was "ripe" to resume a dialogue that the Soviets are prepared to begin without any preconditions. The statement was signed by Igor Alexandrov, a pseudonym indicating that it was a Kremlin policy statement.

"It is our profound belief that there exists a real possibility for improving Soviet-Chinese relations," Pravda said. "To miss this possibility or to deliberately pass it would mean to act contrary to the interests of the peoples of the two countries."

The article contained the most detailed and open analysis of bilateral differences and coincided with the private visit to Peking by the Kremlin's top China expert, Mikhail Kapitsa. It also came after Soviet President Leonid Brezhnev publicly appealed to the Chinese leaders two months ago for an end of more than two decades of hostility.

Kapitsa, who is the chief of the Foreign Ministry's Asia department, ostensibly is visiting the Soviet ambassador in Peking. Another senior Soviet official who visited the ambassador a few months ago was reported to have conferred with senior Chinese officials. Three Chinese "experts" were recently here visiting the Chinese ambassador in Moscow and also having meetings with high-ranking Soviet officials.

The tone of today's article was conciliatory and without polemical thrusts. It criticized China's "collusion" with the United States in foreign affairs but emphasized that "the imperialists" were benefiting from Sino-Soviet tensions.

"The historical experience of China itself and our present reality convince us that the imperialists have never been, are not and will never become friends of socialism," Pravda said. "They only look for a chance to bleed the socialist states white by dragging them into confrontation, into the arms race."

The statement complained that Soviet overtures so far have been met by a series of "obviously unacceptable preliminary conditions." It said the Chinese were insisting on a reduction of Soviet influence in Mongolia, Indochina and Afghanistan, withdrawal of Soviet troops massed along the Chinese border and territorial concessions in disputed border areas.

Moscow formally proposed to China in September that the two countries revive talks about improving relations or at least reopen low-key border negotiations. The first set of talks, which opened in October 1979, were broken following the Soviet invasion of Afghanistan. The border talks, which have been conducted intermittently for almost a decade, were broken off for the same reason.

Pravda noted today the establishment of "contacts" between Soviet and Chinese institutions and private visits of experts and scientists. There have also been visits by sports teams, with Chinese gymnasts participating at an obscure tournament here and Soviet athletes preparing to take part in an athletic meeting in Peking in June.

Diplomatic analysts here said one could not expect any dramatic surprises in the Soviet-Chinese ties comparable to then-president Nixon's visit to China in 1972. The Sino-Soviet feud has been festering for more than two decades and any rapprochement will probably come at the same "glacial" pace.

Yet it is clear that even a modicum of detente with China—even if tactical and temporary—is eagerly sought by the Soviets in an effort to relieve Western pressure.●

PUBLIC BROADCASTING AND CHILDREN'S TELEVISION

● Mr. SCHMITT. Mr. President, recently the Corporation for Public Broadcasting selected its priorities for the financing of programing by the program fund. Children's and family programing, I am very pleased to report, are now the top priority for the Corporation.

For some time, I have sensed the declining support for public broadcasting among my colleagues. The main reasons for this declining support, I believe, is the growing perception that the Corporation has lost its direction as a necessary public activity. The alternative that public broadcasting promised yesterday is not always evident today.

Public broadcasting cannot and should not compete with commercial broadcasters. The advent of cable television and other new delivery systems have made life particularly difficult for public broadcasting. For the length of my service in the Senate, I have advocated an increased emphasis on quality children's programing. The importance that television now plays in the development of America's children, especially the preschoolers, cannot be overstated. Unfortunately, for the most part, this growing influence has not been positive. Passive television viewing, in contrast to the interactive stimulation of a normal environment, confines a child's mind to the limits of a commercial producer's 19 to 25 square inch imagination, diagonally measured.

As a society, we cannot allow this to happen. As elected representatives, we have a responsibility to the children of America that must be fulfilled. I believe that CPB's new emphasis deserves the support of the full Congress: the $24.5 million addition to the urgent supplemental appropriations bill can help provide the seed money for the kind of interactive children's programing that challenges and expands the minds of America's school children.

I ask that the text of a recent letter from Ed Pfister, the President of CPB, be printed at this point.

The letter follows:

CORPORATION FOR
PUBLIC BROADCASTING,
Washington, D.C., May 20, 1982.

Hon. HARRISON SCHMITT,
Appropriations Committee,
U.S. Senate, Washington, D.C.

DEAR SENATOR SCHMITT: I would like to express my sincere appreciation for your leadership and support of the amendment to the Urgent Supplemental Appropriation Bill, restoring $24.4 million to CPB's fiscal year 1984 appropriation. I know I speak for the entire public broadcasting community when I say that your action was especially heartening at this time.

I particularly want to thank you for your kind remarks during Committee consideration of the amendment commending CPB for its recent Board action in setting children's programming as the first and immediate priority of our Program Fund. The scarcity of new, high quality children's programs both on commercial and public television—in-school and particularly out-of-school and at every age level—led us to the conclusion that, if this need were ever to be met, public broadcasting would have to lead the way.

As you know, public television's early leadership and support of Children's Television Workshop (CTW), producers of "Sesame Street" and other quality, non-violent children's programs, raised the consciousness of Americans about the effects of television on children. However, rerunning the very programs that contributed so much to the awareness of public broadcasting is simply not enough. The judgment of our Board in placing children's programming first among its funding priorities was also given support by the report by the National Coalition on Television Violence, released last week. The director of NCTU, Dr. Thomas Rodecki, stated that "PBS is America's only non-violent network." Last year alone, CPB provided $5.1 million or 22 percent of our programming funds for 29 children/family programs (see attached list).

The impetus of CPB's leadership can help stimulate new initiatives and to provide the seed money for the producing stations. We hope our multi-year commitment to new children's programming—$2 million in 1982 and more in 1983 and 1984—will encourage stations and other major programming funders to lend their resources to this effort. Without restoration of CPB's funding to the full amount authorized of $130 million for fiscal year 1984, completion of this project would be most difficult.

I also want to take this opportunity to report to you on some of our other endeavors which we find most promising for the future.

A creative and promising technological program funded by CPB is the Nebraska ETV Videodisc Design and Production Center, a multiyear which has produced more original interactive videodiscs than any other entity in the world. Learning to use the new medium of computer controlled videodisc was the first priority of the CPB-sponsored research. Nebraska ETV, in coordination with the Great Plains Instructional Library, the Nebraska Higher Education Consortium and the Barkley Center for the Deaf, emerged as the primary center for videodisc and production specialization in instructional and educational material. When reasonably priced videodisc machines become readily available to our educational institutions and individuals, we hope that the pioneering work by CPB will provide quality software which will directly enhance the lives of millions of Americans.

In cable technology, CPB provided financial support to stations KPBS-TV, San Diego, and KUON-TV, Lincoln, Nebraska, who have embarked on experiments with two-way cable. Using the advanced INDAX system, both stations are experimenting with the interactive possibilities of cable television to schools and homes.

To help public radio stations serve the print-handicapped, CPB sponsored development of a low-cost, high-performance SCA radio specially designed for use by the blind. This radio is being field-tested by the American Federation for the Blind under funds provided by the Corporation.

Within our Department of Educational Activities, CPB's commitment to education through public radio and television focuses on instructional programming for all grade levels with support for program production and ancillary materials, broadcast and off-air recording rights, and research and analysis of the use of instructional services.

In November 1980, CPB issued a second solicitation for instructional television (ITV) programming for kindergarten through high school. A panel of educators, ITV directors, and independent producers selected four programs for funding at $1 million from the Corporation, matched by $1.4 million from other funding sources.

The projects, now in production, are "From the Brothers Grimm," for language arts classes from kindergarten through high school; "The Arts Express," arts education for grades one through three; "Up Close and Natural," natural science for grades one through three; and "The Human Community," life and environmental science for junior high school grades. Through CPB, public broadcasting has three-year, unlimited broadcast rights and off-air recording rights for these series.

In addition, CPB supported two other ITV projects, also co-funded by other sources: acquisition of "High Feather," a nutrition series for grades one to six, and a pilot/planning grant for "Reading Rainbow," a reading skills series for first graders, intended for broadcast during the summer.

For public radio, CPB contracted with NPR to establish an educational marketing mechanism for NPR's library of available programming. A programming catalogue, with more than 300 titles, was distributed in January 1981. A second catalogue of over 500 titles was distributed later in 1981. Funds also were provided to the Southern Educational Communications Association for a feasibility study of a children's at-home program service built around children's literature already recorded by commercial publishers. Partial funding was provided by CPB for pilot program development and evaluation.

Off-air record rights for the science series "Cosmos," partially funded by CPB in 1980 to make the series more accessible to educational institutions, was the first time licensing of off-air recording was available to educational institutions. In 1981, CPB funded a study to determine the series' use by educators.

In cooperation with the National Center for Education Statistics, CPB continued to fund data collection and analysis of the uses of television and radio in elementary and secondary schools, colleges and universities.

In sum, we believe we share your interest in developing new ways and means of enhancing educational broadcast and non-broadcast applications of the new technologies for the benefit of our children.

Most certainly, the additional support of the Urgent Supplemental Amendment provided by you and your Committee will provide us with the tools to build on the efforts in the areas outlined above.

We are most grateful for your help in these difficult times. Thank you again for both your concern and your support.

Sincerely,

Edward J. Pfister.

Children/Family Programing

(In fiscal year 1981)

3-2-1 Contact, Children's Television Workshop.

Up and Coming, KQED.

The Righteous Apples, Rainbow Television Workshop.

KIDS, Meta 4 Productions, Inc.

Fairy Tales, WNED.

Violence in the News, Family Communications, Inc.

From Brothers Grimm, Tom Davenport Films.

Move, Look, Listen, Kentucky Educational Television.

Up Close and Natural, New Hampshire Public Television.

The Human Community, WHRO.

Reading Rainbow, Great Plains National ITV.

High Feather, University of the State of New York.

Khan Du, KLRN.

Mundo Real, Great Plains Instructional Television Library.

In Record Time, WSRE.

Raisin Up, WHRO.

Pacific Bridges, PES.

The New Americans, Great Plains Instructional Television Library.

Full Circle, PBS.

I Am, I Can, I Will, Family Communications, Inc.

Hello Somebody, Children's Development Center.

Rainbows End I, D.E.A.F. Media.

The Chicago Circus Parade, WTTW.

The Crisco Kid, South Carolina ETV.

Rainbows End II, D.E.A.F. Media.

(In fiscal year 1982, to date)

Instructional Television Project, Undesignated.

Kathy, WGBH.

Moira—A Vision of Blindness, WGBH.

Making Friends, WGBH.

Steps, Eric Neudel.●

STOPPING THE ARMS RACE

● Mr. ARMSTRONG. Mr. President, the syndicated columnist M. Stanton Evans, writing in the Washington Times, pointed out that one effective means of slowing Soviet participation in a nuclear arms race is for us to stop supplying to the Soviets the wherewithal to build their Armageddon weapons and other vital components of their military machine.

I ask that Mr. Evans' article, entitled "An overlooked prescription for stopping the arms race," which appeared in the Washington Times on May 19, be printed at this point in the Record.

The article follows:

[From the Washington Times, Wed., May 19, 1982]

An Overlooked Prescription for Stopping the Arms Race

(By M. Stanton Evans)

For some peculiar reason, self-professing foes of the strategic arms race almost never talk about the one most certain way of getting it under control—which is for the United States to stop conducting it.

By "it" I mean the whole shebang—the Soviet side of the competition, as well as ours. The evidence now is overwhelming that Moscow's military build up of the past decade has been made possible only by massive infusions of our technology and know-how. The military threat that we are trying to defend ourselves against is largely a matter of our own devising.

If this sounds like wild exaggeration, rest assured that it is fully backed up by official data. For instance, a high-level report from the intelligence community released last month and currently circulating on Capitol Hill, which tells us: "Western military expenditures needed to overcome or defend against the military capabilities derived by the acquisition of Western technology far outweigh the West's earnings from the legal sales to the Soviets of the equipment and technology."

The intelligence document backs up this statement with reams of previously unpublished material concerning specific weapons advances by the Soviets, made possible by U.S. and other Western technology—acquired through legal and illegal means. Among the examples cited:

"The Soviets have been able to improve the accuracy of their long-range missiles through purchase of precision grinding machines, microelectronics, on-board digital computers and other technology from the West.

"The Soviet Navy is serviced by two huge floating drydocks also purchased from the West. These are the only Soviet drydocks capable of servicing the new Kiev class aircraft carrier. (They also service missile-bearing subs.) No Soviet shipyard would have been capable of constructing these huge facilities.

"Soviet aircraft carrier catapult equipment, says the report, has also been acquired from the West. So have Soviet oceanographic survey ships equipped with modern gear that can be used in anti-submarine warfare against the West.

"Soviet AWACS systems, IL 86 and IL-76 cargo planes, Strella missiles and other military items have all to a large degree been 'reverse-engineered' from Western models. Even the silo for the Soviet SS-13 missile appears to have been copied from the silo for the U.S. Minuteman missile.

"The entire Soviet and East European computer system is based on U.S. computers, most notably the IBM 360 and 370 series. Since the early 1970's, says the report, the Eastern block has legally purchased more than 3,000 mini-computers from the West, some of which are now being used for military purposes."

The list of previous such acquisitions goes on and on—and could be amplified from other sources. The point, however, is not simply what has happened in the past, but what is happening now, and will happen in the future. The development of high technology is a dynamic business, and the Soviets are constantly scrambling to avail themselves of new U.S. departures in micro-electronics, computers, sensor technology, signal processing, inertial navigation and the like.

While there is no calling back the technology we have handed over to the Soviets in the past, or the war machine that has been constructed with it, we can impede additional such transfers in the future. We can crack down on further legal technology transfer, tighten up the embargo list with our allies, and prevent the massive diversion of crucial data to the Soviets through our presently sieve-like security system

By such precautions, we can stop building up the war machine that threatens us, and thereby diminish the pressure for further military buildup of our own. Wonder why the nuclear agitators don't suggest it?●

RICHARD SIEGEL ON THE NUCLEAR ARMS RACE

● Mr. METZENBAUM. Mr. President, much has been said and written in recent weeks about the millions of Americans who have endorsed the eminently sensible call for reconsideration by our country and the Soviet Union of the value to the two countries and the world of a continued nuclear arms race.

The nuclear freeze movement, we are told, is "well meaning, but naive."

We are told that the "experts" know best how to handle the issue of strategic arms.

And according to the official who will be our chief negotiator in the next round of strategic arms talks, we must continue to build massive new strategic systems as bargaining chips in the negotiations.

The Soviets of course, will continue to construct their own "bargaining chips". And by the time the two countries get around to serious negotiations, both will once again have added enormously to their respective nuclear arsenals.

Mr. President, the March 25 edition of the Cleveland Press carried an article in which Richard H. Siegel, a Cleveland attorney, laid out in a clear and lucid manner the thought process that led a tough-minded and nonideological citizen "to speak for life rather than death."

I believe that Mr. Siegel's article is worthly of the Senate's attention and I ask that it be printed at this point in the RECORD.

The article follows:

NUCLEAR FREEZE—AN IDEA WHOSE TIME HAS COME

(By Richard H. Siegel)

In order to better gauge the point of view which follows, it would be good to know certain things about me. I am not a kneejerk member of any political party and I have undoubtedly voted for as many Republicans as Democrats.

I have never participated in any phase of the peace movement and I am not a pacifist. On the contrary, my father is a crusty veteran of World War I and World War II and this son was never taught to turn the other cheek.

I have been reasonably successful in my life's work and, like most of my neighbors and office colleagues, my tastes sometimes get the better of my purse.

I should also mention that my professional responsibilities have taken me on occasion to the Soviet Union and Eastern Europe and my memory remains vivid as to the lack of individual freedom and choice which darkens that part of the world.

Now that you know where I am coming from, I must confess that I have reached middle age steeled by a fashionably cynical view of the world and of my very limited role in that world.

Preoccupied with career, family and temporal gratification, I have been most willing to leave issues of war and peace and the looming nuclear holocaust to my college age sons and their peers. After all, I have earned the comfort of my private world and the right to close the door on all that frightening stuff out there.

At least that is how it used to be until a month ago. It was then that my son asked me to read and think about the Congressional Resolution authorized by United States Senators Edward M. Kennedy (Dem., Mass.) and Mark Hatfield (Rep., Ore.) calling for a verifiable and immediate United States-Soviet freeze on the future development of nuclear weapons.

It was not a joyous experience. Much to my surprise, and with more than a little self-consciousness, I found it difficult to resist the sense of urgency which swept over me. The closet of my private world had been much more comfortable.

I have this feeling—perhaps naive—that the Kennedy-Hatfield Resolution is more than a peace movement and more than partisan politics.

There is this gut sense that here is an idea whose time has come with an irresistible force which neither peace movements nor partisan politics can influence in any direction.

Never being one who enjoyed standing out in a crowd, I take courage from knowing that 130 plus congressmen and millions of Americans have already indicated their support for what Senators Kennedy and Hatfield have put down on paper.

They can't all be radical crazies. I see endorsements and support from Rev. Billy Graham, former Defense Secretary Clark Clifford, General James Gavin, Rear Admiral Thomas Davies, Dr. Herbert Scoville, Jr. (former Deputy of the Central Intelligence Agency for Science and Technological Research) and Archbishop James Hickey and courage grows a bit more.

Suddenly I feel rather secure about casually telling people at the office or the club that there may well be something to this nuclear freeze idea and that perhaps there is a choice other than between Red or dead.

As I have read and reread the Kennedy-Hatfield Resolution, its message is brief and to the point:

Now that we and the Soviets possess more than enough nuclear weaponry, delivery systems and technology to kill most of us and poison those who remain, let's call a final "timeout" on both sides so that we may at least talk to each other about possible ways to reduce the heat and find a mutual and verifiable alternative to Armageddon.

As a practical man, I do not believe that Senators Kennedy and Hatfield are asking us to roll back our weapon strength or enter into an irrevocable commitment.

As I read it, they are merely asking this administration to invite the Soviets to join us now in stopping the production of more nuclear weaponry long enough so that the two countries may use a brief moment in history to consider ways to reverse the collision course on which we seem to be headed.

Although my scholarly friends tell me that there is an abundance of historical precedent for what Senators Kennedy and Hatfield have laid before us, I find myself drawn to an easier childhood image of the Lone Ranger who was always right and never naive but who never refused the chance to talk to his foe about a peaceful alternative before resorting to the silver bullet.

I stopped believing in the silver bullet long ago but I must confess that this boyhood hero's willingness to at least explore the possibility of peace before he reached for his gun still sticks in my mind.

Perhaps there is a little of the Lone Ranger in all of us who love this nation and are willing to defend it to the end.

I have come out of my own private closet to speak out for the passage of the Kennedy-Hatfield Resolution not because there are easy answers to these questions and not because I want peace at any price.

Just as I am certain that peace at any price will never bring real peace, so I am certain in my middle age that I am no longer willing to live or die according to political labels, party loyalty or the visions of presidents and premiers whose views of the world do not include the survival of my children or grandchildren. It feels good to have the choice and the right to speak for life rather than death.

Although Senators Kennedy and Hatfield may be praised for having the political courage to say that the time is now and that tomorrow may not arrive, it is no longer enough for me to merely applaud politely from the wings. Something has changed and I guess it is me. I am out of the closet for good.●

GOOD NEWS FROM COOLIDGE HIGH

● **Mr. MATHIAS.** Mr. President, so much of our time here is spent trying to deal with the effects of bad news that I would like to provide a little respite today by bringing Senators some good news. It comes from the District of Columbia public school system.

This year, for the first time, students at Coolidge High School were offered an advanced placement course in English. Next year, they will be offered an AP course in chemistry and possibly others, depending on student interest. This is all part of a larger effort to raise academic standards throughout the school system.

The District of Columbia school system, like many others, has been through some rough times, beset by problems frequently not of its own making. To those of us who remember that this system was once one of the best in the country, it comes as very welcome news that new, higher standards are being set in the District schools and it comes as no surprise that the students are reacting in a positive way.

Last week Mrs. Mathias called my attention to the Washington Post which took note of the Coolidge program on its editorial page and commended all involved in an editorial entitled "Looking Up at Coolidge High." I ask that this editorial which appeared on May 19, be printed at this point in the Record. Mrs. Mathias takes an active part in programs assisting District schools and took special pleasure in the Post comment.

The editorial follows:

Looking Up at Coolidge High

Coolidge High School, at the northern corner of the city of Washington, marked a quiet but significant success this week. For the first time, some of its students took the advanced placement examination in English. This year is the first that Coolidge has offered an advanced placement course—another indication that the city's schools are now moving toward more challenging, and demanding, programs for their best students. Next year, Coolidge will add advanced placement chemistry. Since AP courses are taught at the college level, one incentive is that most colleges give credit for them. Coolidge's principal, James E. Campbell Jr., says that he's prepared to consider AP courses in any subject in which as many as five students sign up.

High schools in Washington, and throughout this area, are now trying to do two difficult things at once. They are trying to increase the range of possibilities for their best students and, meanwhile, raise the standards for all their students. Coolidge is one place where you can see this double purpose at work. While adding the AP courses, Coolidge and all of the city's high schools will tighten sharply the basic requirements for graduation. In science and mathematics, for example, this year's seniors must pass only one course in each to get a diploma. But the youngsters who graduate in 1984 must pass two courses in math, two in science, one in a foreign language and one more than the present four in English.

The AP English course was not easy to fit into Coolidge's curriculum, at a time when the school's enrollment is running higher than expected and the faculty is being cut. But other English teachers agreed to take somewhat larger classes, to accommodate the new course with its 18 students. It's not only for the AP students, incidentally, that the courses are getting more challenging. Susan Gordon, who teaches the AP class, has four other classes of seniors and currently some of them are working on Shakespeare's sonnets. One recent exercise had the students writing sonnets of their own, and several of the more successful results are up on Mrs. Gordon's bulletin board.

Readers of this page hardly need to be reminded that curriculum standards in high schools here, as in much of the country, went sadly slack in the great wave of educational experimentation that began in the late 1960s. Now, at schools like Coolidge, under teachers like Mrs. Gordon, curriculum is moving in another direction. If you worry about things like the country's scientific competence, the quality of its culture and the ability of young Americans to use their native language—and there is plenty to worry about—it's worth knowing that there are high school teachers who share these concerns and are doing something about them.

Mr. President, in "The Republic," Plato wrote that "The direction in which education starts a man will determine his future." This being so, it is a source of great satisfaction to me, as I am sure it will be to all my colleagues, that the District of Columbia public schools are setting higher standards today than they did yesterday and that they are proposing higher standards still for next year and the year after. This can only mean a better future for the students enrolled in the system which is good news for everyone interested in the well-being of the Nation's Capital.●

WESTERN FINANCIAL POLICY TOWARD SOVIET BLOC

● **Mr. LUGAR.** Mr. President, today's Wall Street Journal editorial entitled "Faust, Credit and Versailles" raises one of the most important issues which will be discussed at the upcoming summit meeting at Versailles: Western financial policy toward the Soviet bloc. The American delegation will make the strong point that the West ought not to subsidize the failing Soviet economic system with massive infusions of credit at concessional rates. This is surely a proper case to make.

It is important that the President make clear to West European nations the shortcomings of current credit policies toward the Soviet Union. Current credit policies represent an attempt to maintain with Government subsidies the prospect of relatively full employment in several European industrial sectors which are experiencing great difficulty. The motivation for these policies is understandable. But in the long run they cannot succeed, for the Soviet Union does not possess an economy which offers much hope of success. What results, then, is a credit bidding war in which the Soviet Union is rewarded at the expense of the West.

Mr. President, I ask that the Wall Street Journal editorial mentioned above be printed in the Record.

The editorial follows:

Faust, Credit and Versailles

Doubtless many of the leaders at next week's Versailles economic summit will take the occasion to lecture President Reagan and his team about their economic policies. The tone for the seven-nation summit was set earlier this week by West German central bank president Karl Otto Poehl, who issued a scathing denunciation of Reaganomics and asserted that big U.S. deficits are one of the chief driving forces behind the high world-wide interest rates that are supposedly inhibiting economic recovery.

It's a familiar argument and we have no doubt Mr. Reagan can defend himself. Among other things he can point to West European budgets, most of which are at least as deeply in the red as our own. Moreover, some West European governments show even fewer signs of coming to grips with the problem: West Germany's parliament recently voted a $5.5 billion jobs program to be funded by borrowing, and France's Socialists are dipping heavily into the treasury to bail out their newly nationalized industries.

But the more we ponder the mystery of high interest rates, the more we think Mr. Reagan might do well to ask a few direct questions about West European credit policy itself. Such as, if interest rates are so high and credit presumably is so scarce, why are allies such as West Germany and France continuing to make loans to our enemies at below-market rates?

We're referring mainly to the subsidized credits and guaranteed loans currently being extended to the Soviet Union to build the gas pipeline from Siberia to Western Europe. This $10 billion project (and that's a very conservative cost estimate) is being financed almost entirely by Western European banks under guarantees and subsidies that reduce the interest cost to the Soviets to, in some cases, three or four percentage points below market.

It was just such government intervention in the credit markets that helped fuel the explosion of lending to the East bloc in the 1970s. The theory of detente was that commercial relationships between East and West would lead to a relaxation of Cold War tensions and encourage better behavior on the part of the Communists. The end result, however, was renewed repression in Poland and over $80 billion of East bloc debt to the West, a large part of which will never be repaid, at least in our lifetimes.

That overhang of bad debt—together with such other economic trouble spots as Argentina, Mexico and Zaire—is reason enough for the credit markets to demand a premium. Banks the world over badly need to rebuild their reserves to cushion against possible losses as a result of the 1970s profligacy. One way to do that is to keep interest rates high.

But it must be even more disheartening to the credit markets to see that the West Europeans are continuing business as usual. The $10 billion initial phase of the Yamal pipeline is only the tip of the iceberg in that regard.

If the Soviets could supply the promised gas to the West at the agreed-upon prices, without threat of interruption in case of political crisis, it might be argued that the pipeline isn't such a bad deal for Western Europe. But what earthly reason do the West European governments have for thinking that these conditions will be met? The Soviet Union can't even feed itself, much less produce energy efficiently. The Soviets also have huge reserves of oil, but production is declining. Is there something about the Communist system that will be particularly effective at delivering natural gas? Already observers are predicting that the Soviets will be back in the credit markets for more billions—some say up to $25 billion—to finance cost overruns, add-ons and an internal pipeline system that the Soviets can't build on their own.

The private credit markets know all this, which is why Western European governments are forced to subsidize the pipeline deal in the first place. Without government intervention there would be no pipeline. The Western European governments have struck a Faustian bargain: credit for the Soviets in return for pipeline orders for Western Europe's depressed and inefficient steel mills.

It's not a bargain that will be easy to break, as the case of Poland demonstrates. Everybody knows that Poland is in default, but our European partners—aided and abetted by accommodationist forces in the Reagan administration—carry on as if nothing had happened. True, no new credits have been going to Poland, but it's clear now that it's only a matter of time. The argument is building—see today's "Europe" column by Richard Portes nearby—that the answer to the Polish problem is to bail out the regime and get Polish industry going again. Before the recent riots, Western European banks were talking about deferring even the interest payments on their unpaid loans to Poland.

But the whole point of the Polish collapse is that Communist economies don't work. Throwing good money after bad won't help; indeed, it will only deepen the Faustian dilemma as or bankers and governments pretend that whatever face-saving "reforms" are offered by the Polish junta are truly helpful to the Polish people. We will have made ourselves party to the conspiracy of oppression so that the bankers can get their money back. But of course they won't get their money back—they will just be sucked in deeper and deeper.

So it's little wonder the credit markets aren't responding to the Canute-like commands of Western political leaders. What the markets see is a leadership willing to allocate long-term credit in the most inefficient ways imaginable in the hopes of buying a few short-term votes. And they see an American leadership which, for all its tough talk, isn't willing to do anything about it.

Mr. Reagan should lay aside the advice he's receiving from the temporizers at State and Treasury and force the West to confront this issue squarely at Versailles. If Messrs. Schmidt and Mitterrand try to stonewall, the President should make clear that the U.S. is prepared to call a halt to the tawdry game of pretending default does not exist where it clearly does—among other things by an official declaration that Poland is in default.

Politicians and bankers shudder at such a forthright step but we suspect that the worst pain would be felt by the governments, which would have to make good on the guarantees they have so blithely proffered in recent years. Mr. Schmidt is hardly in a position to take such a threat lightly.

But it need not be regarded as mere political hardball. The simple truth is that if the West does not cut its losses soon, it is going to get in much deeper. And we've already seen it is the debtors, not the creditors, who are exercising the leverage in the East-West relationship. If the leaders at Versailles want to know why interest rates are so high, the answer is simple: The credit markets are betting that the leaders of the West are going to plunge international banking into a deeper mess than the one they've already created.●

SENATOR JACKSON ADDRESSES THE WASHINGTON STATE ENVIRONMENTAL COUNCIL

● Mr. BUMPERS. Mr. President, on Saturday, May 15, Senator Henry M. Jackson, ranking minority member of the Senate Committee on Energy and Natural Resources, addressed the annual meeting of the Washington State Environmental Council on a variety of natural resource-related issues affecting both the Nation and Washington State.

So that my colleagues and members of the public may have the benefit of Senator Jackson's views on these important matters, I ask that his remarks be printed in the Record at this point.

The remarks follow:

Statement of Senator Henry M. Jackson Before the Washington State Environmental Council

It is a pleasure for me to have this opportunity to speak with you today about what I feel are a number of critically important natural resource related issues facing the Congress and the nation. We have traveled many roads together since I came to the Congress some 40 years ago. Some roads have been rockier than others, but through it all I believe we have been able to maintain a professional working relationship—a relationship that I feel has been beneficial to us both and the nation as well.

Since President Reagan's inauguration and the convening of the 97th Congress in January of 1981, several significant—and I must say troubling—issues or trends in the natural resource field have emerged. I would like to share my thoughts with you about a few of these issues.

Soon after taking office, President Reagan and his Cabinet made it clear that the budget was to be the number one priority of the new Administration. Of course, the broad outline of this Reagan initiative—reduced federal spending, a balanced budget, etc.—was certainly predictable. Perhaps what was not so predictable was the manner and the degree to which the budget and the budgetary process would be used to make major changes in policy.

Nowhere has this tactic been more evident than in the area of natural resources. Interior Secretary James Watt set the tone for this initiative when he told a group of national park concessioners in Washington, D.C., on March 9, 1981:

"I do not believe the national park system should run urban parks. I have strong views on that. We will use the budget system to be the excuse to make major policy decisions."

As I will discuss in a moment, the Administration certainly has tried to make good on this promise regarding urban parks. But this drive to use the budget as "an excuse" to make major policy decisions has affected other issue areas as well.

One has only to look at the Administration's FY 1982 and 1983 budget requests for programs under the jurisdiction of the National Park Service, the U.S. Forest Service, and the Bureau of Land Management to get a sense of this problem. In addition to the Urban Parks Program, the Administration has attempted to enforce its new "land acquisition policy" by requesting little or no money for the federal side of the Land and Water Conservation fund and recommending that funding for its "Park Improvement Program" come from the fund—insuring that land acquisition needs will have to compete with maintenance and rehabilitation projects for a limited number of land acquisition dollars.

In the Bureau of Land Management, President Reagan's budget requests have sought increases in energy, mineral, and lands and realty programs while significant reductions have been requested for range, wildlife, and recreation programs. Similarly, with regard to the United States Forest Service, increases have been proposed for the timber sale program, road building and maintenance, fire protection while reductions have been requested for recreation, forest research, and state and private forestry programs.

While the Congress has for the most part tended to resist these budget-related policy changes, the commitment of the Administration to meet its policy goals in this manner is clear. I am deeply concerned about this procedure and think that we should all be aware of the implications for natural resource programs.

In a related development, we have all been puzzled by the Administration's reluctance to request funding for the three major recreation-related grant programs administered by the Department of the Interior—the Land and Water Conservation Fund, the Historic Preservation Fund, and the Urban Park and Recreation Recovery Program.

For those of us who are struggling to come to grips with the meaning of the "new federalism," the Administration's attitude toward these programs is curious. Providing ample recreation opportunities for American citizens has always been viewed as a joint responsibility of federal, state, and local governments as well as private entities. Nowhere is the concept more firmly embedded than in programs such as these.

These programs are, in my view, what federalism is all about. They are administered, to a large extent, by the states themselves. Certainly, there is federal involvement in and a federal financial commitment to these programs, but they are not federal giveaways. The Land and Water Conservation Fund, the Urban Parks Program, and the Historic Preservation Fund are fiscally sound and responsible efforts to help state and local governments meet a legitimate need. Nevertheless, in its two budget submissions to the Congress since taking office, the current administration has recommended no money for any of these state matching grant programs.

While few dispute the need to consider some cuts in these programs in an effort to reduce federal spending, these programs are being eliminated under the Administration's fiscal 1982 and 1983 budgets. Once the infrastructure and personnel needed to run these programs are gone, they will be exceedingly difficult to revive. That is why some of us are so anxious to keep at least some money going into these programs—to keep them alive until some semblence of balance can be restored to our recreation priorities for this nation.

In the meantime, let us hope that this partnership in recreation, begun in earnest in 1965 with the Land and Water Conservation Fund and nurtured over the years through such programs as the Historic Preservation Fund and the Urban Park and Recreation Recovery Program, will be viewed as a model for the "new federalism," not destroyed by it.

In addition to "new federalism," we also hear a great deal about something called "privatization." While it is not clear exactly what this concept embodies, several Administration initiatives bear watching.

S. Res. 231, introduced by Senator Percy of Illinois, would, among other things, direct all federal land-managing agencies to inventory their "assets"—for the purpose of identifying lands suitable for sale.

As drafted, this Resolution would directly affect a variety of federal lands under the jurisdiction of the Secretary of the Interior and the Secretary of Agriculture as well as Federal property administered by the General Services Administration. The inventory provisions, and presumably the subsequent "liquidation program," could affect (1) National Preserves and Recreation Areas administered by the National Park Service; (2) National Conservation and other Special Management Areas such as the California Desert administered by the BLM; (3) National Recreation Areas and other units of the National Forest System; (4) units of the Wild and Scenic Rivers and National System of Trails; and (5) all of the public domain lands administered by the Bureau of Land Management.

While the Administration and those supporting the Resolution have disavowed any intention of disposing of "national treasures," as presently drafted the Resolution contemplates just that. And there is no ambiguity about the proposed fate of BLM and Forest Service lands.

In testimony on S. Res. 231 before the Senate Governmental Affairs Committee, the Office of Management and Budget Director, David Stockman, referred to much of the public domain and national forest system as "residual property" having "potential for higher and better use in private ownership." I can assure you that I and a number of my colleagues in the Senate do not share this view. I know you don't either.

I can only view this Resolution as an attempt to begin reversal of the Congressionally-established policy that most federal lands should be retained in federal public ownership. I see this Resolution as affirmation of this Administration's misguided commitment to the Sagebrush Rebellion; and finally, I view this Resolution as the beginning of a shortsighted and narrow-minded program to sell our public lands for a short term monetary gain that can only bankrupt future generations of Americans who use the public lands for recreation and relaxation.

Only slightly less misguided is the Administration's moritorium on conveyance or discounted sale of surplus property to state and local governments and non-profit entities. With only limited exceptions, the Reagan Administration, through the newly created Federal Property Review Board, has directed the General Services Administration not to assign or convey any federal real property for public discount conveyance.

This policy is clearly contrary to the intent of Congress when we enacted the Recreation and Public Purposes Act and the Federal Lands for Parks and Recreation Act of 1970. This policy fails to recognize the multitude of public and private benefits which accrue to the American citizenry through the existence of quality recreation and park systems provided by state and local as well as federal governments. And finally, this policy fails to recognize that this nation's park and recreation needs cannot be effectively met with money alone. This last factor is especially true today when this Administration is committed to zero funding for the state side of the Land and Water Conservation Fund.

As I indicated earlier, I find both of these initiatives very shortsighted. I hope the Administration will reconsider these matters.

The next topic I should mention is one with which I know you are all very familiar. Secretary Watt's actions with regard to oil and gas leasing have made front page news all over the country. Quite simply, since taking office last year the Reagan Administration and Secretary Watt in particular have created a major controversy where really none existed before. In response to Secretary Watt's dual mandate to the Department of the Interior to reduce the backlog of oil and gas applications and to pursue a more vigorous leasing program in wilderness areas in accordance with Sec. 4(d)(3) of the Wilderness Act, the Bureau of Land Management issued three oil and gas leases covering portions of the Capitan Mountains Wilderness in New Mexico. In the meantime, we learned of recommendations from the Forest Service to the Bureau of Land Management to lease portions of the Washakie Wilderness in Wyoming; the Ventana and Santa Lucia Wilderness areas in California; and Caney Creek Wilderness in Arkansas. Hundreds of applications for oil and gas leases are currently pending in numerous other statutorily designated wilderness areas including our own Alpine Lakes.

The current status of each of these situations is different and complex. What is important, however, is the clear threat that this administration policy poses to this nation's wilderness system. The threat is real and we must all be vigilant if our country's most precious wild lands are to be protected.

Of course, Secretary Watt has responded to this self-generated "leasing crisis." He has established several moratoria on the issuing of leases he doesn't have to issue; he has prodded and cajoled the Congress into acting on something that wasn't a problem until he made it one; and of course he has proposed a legislative solution—the Wilderness Protection Act of 1982.

Introduced in the House by Representative Lujan, this measure would:

Close the Wilderness System to mining and mineral leasing in the short term but would open all such areas after the year 2000 with apparently no protection at all;

Permit the President to open wilderness lands to such development even before 2000 unless Congress passes a law to prevent it;

Apply national release language to lands inventoried during RARE II thus thwarting the state-by-state approach to RARE II that has served us well since 1979;

Establish unrealistic deadlines by which RARE II lands recommended for wilderness and for further study must be considered by the Congress or else be automatically made available for uses other than wilderness; and

Permit the release of BLM wilderness study areas to non-wilderness uses before Congress has a chance to even review them.

It is not clear at this point what action, if any, the Congress will take on this measure. To date, no companion bill has been introduced in the State. I am hopeful that none will be and can assure you that I will oppose any effort to move such a bill through the Senate Committee on Energy and Natural Resources.

In a related development, like many of you I was shocked to learn last month that the Department of the Interior had issued five oil and gas leases on Federal lands in the Mt. Baker-Snoqualmie National Forest that are part of the watershed for the water supply systems of the cities of Seattle and Tacoma. These leases were issued over the objections of the U.S. Forest Service. They were issued despite the fact that the Forest Service and the cities have a cooperative agreement calling for management practices on Federal lands designed to protect watershed values. Since they were issued, the entire Washington state congressional delegation has gone on record in opposition to the leases and they have been rescinded. Congressman Lowry and I have recently introduced legislation withdrawing these lands from mining and mineral leasing.

While the immediate threat to these lands appears resolved, I am deeply concerned at the helter-skelter approach the Department is taking with respect to additional leasing. It appears that there is a policy of leasing whatever land industry asks for, with little or no thought given to the potential impacts of development. Surely, municipal watershed lands should be one of the last places leased. The same can be said for Congressionally-designated units of the National Wilderness Preservation System.

The Department's current program flies in the face of the principles of the Federal Land Policy and Management Act and the National Forest Management Act, both of which I helped to enact in 1976. These laws call for multiple-use decisions on national forest and Bureau of Land Management lands to be made in accordance with land management plans which consider all resource values and are subject to review and comment by state and local governments and the general public.

The Department's actions on the Seattle and Tacoma watershed leases reverses the process to a "lease first and get comments later" approach. The result is predictable—public outrage and opposition. Furthermore, this "act first and think later" approach is bound to stimulate widespread opposition to development, even in circumstances where development would be appropriate.

In the weeks and months to come, we can only hope that the Administration will propose something more constructive with regard to wilderness—something more constructive than trying to resolve these self-induced leasing "crises."

Taken individually, these are all serious problems facing various facets of our country's natural resource base. But taken together, they are symptomatic of an even larger problem. I fear that the bipartisan spirit that has for the most part pervaded natural resource issues since I came to the Congress some 40 years ago has been seriously eroded since January of 1981. While there are always differences of opinion on how best to manage our nation's natural resources—lands, minerals, timber, wildlife, etc., never have the differences between competing interests been sharper and more contentious than they are today.

Former Assistant Secretary of the Interior, Nat Reed, a life-long Republican, observed in an address before the Wildlife Management Institute that:

"[C]ommunication has been strained or severed between the Administration and some major elements of the conservation/environmental community. Name calling and finger pointing have been commonplace. Personal animosities are all too apparent. Reasoned discussion has given away to charge and countercharge."

Unfortunately, I think Nat Reed's assessment is an accurate one. I fear we are entering a new era of natural resource decision-making—an era of combativeness, partisanship, and ideological confrontation. I feel strongly that these tendencies should be resisted. I urge the Administration to resist them, and I urge you to resist them.

It serves no one well for the Secretary of the Interior to go on national television announcing the transmittal to the Congress of a Wilderness Protection Act which, when examined closely, does nothing more than substitute limited short-term "protection" for long-term destruction of the wilderness system. It does not foster good relations between the Executive and Legislative Branches when the Secretary of the Interior repeatedly states that the Congress approved of all his policy and programs when we have specifically rejected a number of proposals and simply refused to act on many more because they are ill conceived and not in the best interests of the nation. Finally, it is to no one's advantage to state as Secretary Watt did recently that the Department of the Interior would not lease certain environmentally sensitive tracts off the California coast for oil and gas development and then to announce an Outer Continental Shelf lease sale that offers the offshore areas completely surrounding everyone of these environmentally sensitive areas.

We must pursue a constructive and bipartisan approach to the stewardship of our public lands—an approach nurtured and fostered by people like Teddy Roosevelt, John Kennedy, Gifford Pinchot, Stewart Udall, Wally Hickel, Rogers Morton, and Cecil Andrus. For while some may choose to remember these men for the political parties they served, others will remember them for the lasting contributions they made to the wise stewardship and protection of our Nation's precious natural resources. For me, the choice is an easy one.

Let me conclude by mentioning some things that I know are of concern to you here in Washington. Our state is blessed with an abundance of clean air, clean water, magnificent forests, mountains, fertile croplands, and a variety of other factors that make our state one of the most "livable" places in the nation. I am becoming increasingly concerned about a variety of actions on the part of this Administration that would subtly yet significantly lower the quality of life in the Pacific Northwest. The Reagan Administration has proposed what I find to be unacceptable legislative or regulatory changes in the Clean Air Act, the Clean Water Act, and the National Forest Management Act. The efforts of this Administration to cripple the effectiveness of the Environmental Protection Agency and the Council on Environmental Quality through the budgetary process are well known to you. I couldn't help but be somewhat amused last month when I read that Secretary Watt had a little bout with air pollution in New York City. Evidently after visiting the City for the day, he felt so miserable because of the poor air quality, according to his Press Secretary, "he couldn't even talk." Nevertheless, Secretary Watt continues to lobby intensively for the Administration's position that current clean air standards are too restrictive and should be relaxed.

We are proud of our lifestyle here in the Pacific Northwest. I can assure you that I will vigorously continue to defend that lifestyle against those in this Administration who would try to change it for the worst.

With regard to RARE II, I made my views known on this matter some time ago. In the Spring of 1981 I went before the National Forest Products Association and told them two major things: (1) that I opposed S. 842—the Helms-Hayakawa National Release bill; and (2) that wilderness ought to be designated by the Congress not in some kind of nation-wide bill with national release language but on a state-by-state basis.

While the nation-wide release bill has not progressed beyond the hearing stage, there is still considerable interest on the part of some to find an opportunity to move this concept through the Senate. My position therefore has been, and continues to be, that absent a House-passed bill and a clear signal from the other members of the delegation regarding what they want in a Washington State RARE II bill, I see little to be gained by giving some members of the Committee and the Senate a chance to resurrect the Helms-Hayakawa bill at the expense of our own State bill.

In the meantime, I have written the Forest Service expressing concern over its plans to consider selling timber in the vicinity of the Cougar Lakes area until we have had a chance to act on a Washington State Wilderness bill. I will continue to monitor this situation closely.

Legislation addressing the lands around Mount St. Helens is progressing well in the Senate. I must say that we—more specifically, I—have come a long way since the Forest Service first presented to me its Draft Environmental Impact Statement in December of 1980. I shared the concern of those who wanted to provide the necessary flexibility to manage the area to protect the safety and health of our people, and I was not convinced that federal legislation was necessary. I know that many of you felt that it was and is necessary. I now share that view, and we are going to get a bill this year.

A number of you have also expressed your view that specific management criteria should be included in any Mount St. Helens bill. I think some of those suggestions have merit and Senator Gorton and I will be including provisions in our draft to address proper management.

Additionally, many of you have urged that we designate the area as a National Volcanic Monument rather than a Volcanic Area. While I think the difference is more one of semantics than anything else, I do believe that the public is probably more comfortable with the "monument" designation. I am going to work for such a designation but will want to ensure at the same time that we do not preclude the entire range of legitimate uses that we all want to see take place in this area.

Finally, there are many ideas about how large the area should be. Senator Gorton and I introduced a bill that included the acreage recommended by the United States Forest Service—approximately 85,000 acres. At the hearings on S. 2133 we have heard from those who wanted more acreage in the area as well as from those who wanted less. I can assure you that the acreage in the final draft we propose to the Committee will be in excess of the amount in the bill as introduced. Areas that you and others indicated were important to protect will be included.

In sum, I think you can see that both Senator Gorton and I have tried to be responsive to your concerns with regard to Mount St. Helens. I truly believe that establishing the Mount St. Helens National Volcanic Monument will dramatically complement the Mount Adams and Goat Rocks Wilderness Areas, Mount Rainier National Park and the entire North Cascades/Alpine Lakes corridor.●

VOTING RIGHTS ACT

● **Mr. EAST.** Mr. President, as the time draws near for us to consider the Judiciary Committee's recommended version of the Voting Rights Act, we would serve our country well to give serious thought to the very profound and long-range social, legal, and political ramifications this legislation holds in store.

Far from providing a mere guarantee of the right to vote for all our citizens, this act might well prove to be a Pandora's box we will later wish had been left unopened. I refer my colleagues to the following article by James J. Kilpatrick in the May 26 Washington Post, which I ask to be printed in the Record.

The article follows:

WHY THE CHEERS ON VOTING RIGHTS?

(By James J. Kilpatrick)

Sen. Robert Dole of Kansas still is receiving plaudits for his "compromise" amendment to the pending extension of the Voting Rights Act. President Reagan too quickly embraced the Dole proposal. Six of 10 Republicans on the Judiciary Committee bought the proposition.

Let me put the matter as bluntly as I can: the Dole "compromise" is no compromise at all. It is folly. In 40 years of covering politics, I cannot recall a more lamentable legislative error. For the first time since the days of Reconstruction, the Dole amendment would institutionalize racist policies at the very core of our public life—and there was this to be said of the edicts of Reconstruction, that they applied only to the defeated southern states and that they lasted for 12 years only. Dole's amendment would apply to every town, city, county and state, and the act would shape or control our elections for the next quarter-century.

Yes, the Voting Rights Act of 1965 was fully justfied. Yes, the act has accomplished great good. And, yes, a reasonable extension of the law's basic provisions would serve the public interest. But the bill already passed by the House—the bill that would be modified cosmetically by the Dole amendment—is not reasonable. It is not fair. The act would perpetuate a demeaning and time-consuming imposition on those states and localities particularly affected by the law; these jurisdictions still would have to apply to the Justice Department, hat in hand, for approval of the slightest change in a precinct polling place—and this would continue no matter how clean their records.

This unfairness—this unrelenting obloquy—is the least of the wrongs in the pending bill. The more profound error lies in the violence this bill would cause to a fundamental concept of our constitutional doctrine, to wit, that the right to vote is an individual right. Until this moment, we have had no inkling of "group" rights or "class" rights in the exercise of our franchise. The goal is that no person, because of his race or color, shall be denied his right to register, to vote or to have his vote fairly counted.

To that goal all of us can willingly subscribe. The pending bill goes ominously much further. For the first time we find language dealing with "minority participation" and with "minority group registration." For the first time, we find that no change may be made that would "dilute" equal access to the electoral process. What means this verb, "dilute"?

The Dole amendment would provide a violation of law "if based on the totality of circumstances, it is shown that the political processes leading to nomination or election in the state or political subdivision are not equally open to participation by members of a class of citizens protected by subsection (a), in that its members have less opportunity than other members of the electorate to participate in the political process and to elect representatives of their choice."

What we are creating by this language is a "protected class of citizens"—that is, black citizens—whose bloc power must not be "diluted." the implicit assumption, and a racist assumption it is, is that black voters are not individual voters; they are group voters or class voters. In the language of politics, such assumptions are familiar; we speak casually of the labor vote, the farm vote, the Catholic vote, the Jewish vote. But we do not undertake by binding law to protect such groups against dilution of their power at the polls.

From the waves of thoughtless support given to this misguided bill, I respectfully dissent.●

SOUTH DAKOTA RAIL AGREEMENT

● **Mr. PRESSLER.** Mr. President, today is an important day for my home State of South Dakota. Today the final agreement will be signed between the Federal Rail Administration and South Dakota, approving section 505 rail assistance moneys for the rehabilitation of the Ortonville, Minn.-Terry, Montana Line. This track, which runs through northern South Dakota, is a crucial transportation mode for coal and agricultural commodities.

As the Ranking Member of the Senate Surface Transportation Subcommittee, I have worked with other members of the congressional delegation, State government officials and private sector representatives to find a solution to the State's rail crisis. I have sponsored legislation to guarantee South Dakota's eligibility for Federal rail assistance. I have worked closely with the Federal Rail Administration to insure quick action on the State's loan applications. After many months of difficult and complicated negotiations in Washington and South Dakota, today we can point to a concrete and substantive accomplishment.

Our great State of South Dakota was settled by men and women who had a vision of the future, a future which promised prosperity and good fortune in return for hard work. South Dakotans have always demonstrated leadership and foresight in planning for a brighter future. In the late 19th century, with this foresight, they expanded a rail transportation system serving farmers, ranchers and small businessmen in our many rural communities. The Upper Great Plains region became a major food source for the rest of the world. Our national rail system, the finest in the world, transported grain and livestock to American cities and international shipping ports.

A hundred years have passed since South Dakota's railroads were built and many changes have occurred. Our economy is complicated and volatile, the American people have moved away from many of our small towns, and American businesses are fighting high interest rates and declining productivity. In the last decades, South Dakota has experienced a drastic loss in rail service, widespread rail abandonment, and an urgent need for track rehabilitation. But, once again, South Dakota proved equal to the challenge. Once again, public officials and private citizens with foresight and leadership worked for a solution.

Today's signing ceremony is the beginning of a new era in South Dakota rail transportation. Today is also a celebration of our State's historic belief that prosperity and good fortune come to those who work hard and plan carefully. All South Dakotans can be proud because today marks the beginning of new and continued economic growth for our State.

Mr. President, a recent article in the South Dakota Wheat Grower explains the critical importance of efficient and dependable rail transportation to our State's farmers. I ask that it be printed in the RECORD immediately following my remarks.

The article is as follows:

BN TAKEOVER OF MILWAUKEE MAIN LINE—HOW WILL IT AFFECT THE WHEAT GROWERS?

(By Dave Aeilts)

On April 18, 1982, the Burlington Northern formally took over rail service on the main line of the bankrupt Milwaukee railroad from Ortonville, Minnesota, to Terry, Montana. How will this development affect S. D. Wheat Growers elevators and their customers along the main line and along Milwaukee branch lines recently purchased by the state?

"First of all," says Grain Division Manager Vince Erz, "it will reopen the gateway to the West Coast on all grain for our elevators at Chamberlain, Tulare, Redfield, Mellette, Roscoe, Bristol, Andover and Aberdeen." Until now, the gateway has been open only to wheat and only to elevators on the main line. It will also establish a gateway to the Gulf for these elevators, says Erz. Previously, only elevators on the Chicago-Northwestern Railroad had a gateway to the Gulf markets.

Resumption of rail service on the Milwaukee main line will also open up the possibility of expanding services at S. D. Wheat Growers elevators which are on rail. These services may include faster handling of grain and larger storage facilities. "It will remove the stigma which would have been placed on these elevators if the Milwaukee had pulled up its track," says Erz.

Another important advantage of the Burlington takeover, according to General Manager Warren Brebner, is the flexibility it will give the Association in finding the best market for the farmer's grain. "If we'd lost our trackage here," he states, "we'd only have been able to go into Minneapolis or Duluth by truck. But now, we're able to take advantage of whichever is best for us."

"It also gives us the opportunity to be competitive on grains like malting barley and durum which normally must move by rail to get a good price for the farmer," Erz explains. Processors of these two commodities have such high priorities on so many grading factors (including color) that almost eliminate the use of trucks as a transportation mode.

A healthy rail system fosters necessary competition between the two transportation systems, which helps keep rates down. "If the Milwaukee would have pulled up their track going south and the main line," states Grain Marketing Manager Keith Hainy, "the cost of moving grain by truck would have gone up dramatically."

Although grain hauled by truck has increased over the last 10 years, S. D. Wheat Growers continues to depend on the railroad for reliable transportation of its grain to market. "The percentage of grain going out of our elevators by rail used to be higher than it is today," Hainy states. "Many factors enter into a decision on whether to use rail or trucks." These factors include car supply, destination and freight rates.

During a recent car shortage, the cooperative had a total of 715 cars on order at one time. In this case, it was necessary to use more trucks in order to get the grain to market. However S. D. Wheat Growers, which handles 15 to 20 million bushels of grain each year, still ships a major portion of that grain by rail. "If we have competative rates in the future," adds Hainy. "We will continue to do so."

Maintaining a healthy rail system in South Dakota has become particularly important since the onset of the energy crisis which has pushed fuel prices up rapidly in recent years. "As the cost of fuels increase," predicts Grebner, "the railroad will be even more valuable to us because of the energy savings it represents." The cost per ton mile of moving freight is considerably greater by truck than by rail.

In welcoming the resumption of services on the Milwaukee main line, Erz suggests a few changes the railroad will need to make in order to bring about increased rail transportation of grain. "The line must be upgraded to permit trains to move down the track at 30-40 m.p.h.," he states. "In addition, some sections of track will have to be beefed up to handle jumbo hopper cars." Elevators along the line have a similar responsibility to increase their storage capacity and install facilities for loading unit trains if they expect to maintain a healthy rail transportation system.

Burlington Northern has recently announced plans for a two-year, $30 million rehabilitation project designed to upgrade the line to haul jumbo railcars at a minimum speed of 40 m.p.h. (Trains on some stretches of track are presently limited to 15 m.p.h.) According to Erz, the rehabilitation plans should result in more grain being shipped by rail. "If the line is upgraded," he states, "we'll have much better turn-around time and this will help the car supply."

The importance of a fast turn-around time is reflected in the lower rates currently being offered by the railroad for unit trains bound for the West Coast. "Because of their fast turn-around," explains Hainy, "unit trains produce good revenue at lower rates." This freight savings is passed on to the farmer in the form of higher prices for his grain.

With the resumption of rail service, the cooperative looks forward optimistically to the future of rail transportation in the state. "Now that the Burlington is operating the line," states Hainy, "we've got more confidence that we'll have rail service 10 years from now and we can proceed with possible renovations at our elevators."

"The Burlington Northern has always been a strong railroad and a believer in agriculture," observes Erz. "They've served North Dakota well in the past in moving their crops and we look forward to a good working relationship with them in the future."●

PROPOSED ARMS SALES

(By request of Mr. Baker, the following statement was ordered to be printed in the Record:)

● Mr. PERCY. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulated that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is immediately available to the full Senate, I ask to have printed in the Record at this point the notification which has been received. The classified annex referred to in the covering letter is available to Senators in the office of the Foreign Relations Committee, room 4229 of the Dirksen Building.

The notification follows:

Defense Security Assistance Agency,
Washington, D.C., May 30, 1982.

In reply refer to: I-01399/82ct.

Hon. Charles H. Percy,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 82-59 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Navy's proposed Letter of Offer to Japan for defense articles and services estimated to cost $50 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

Walter B. Ligon,
Acting Director.

Transmittal No. 82-59

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act

(i) Prospective purchaser: Japan.

(ii) Total estimated value:

	Millions
Major defense equipment [1]	$57
Other	13
Total	50

[1] As defined in Section 47(6) of the Arms Export Control Act.

(iii) Description of articles or services offered: Three Phalanx close-in weapon systems with associated equipment and training and three Harpoon control and launching systems with associated equipment and spare parts.

(iv) Military Department: Navy (LHJ).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid: None.

(vi) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: See Annex under separate cover.

(vii) Section 28 report: Included in report for quarter ending 31 March 1982.

(viii) Date report delivered to Congress: 20 May 1982.

Policy Justification

JAPAN—PHALANX AND HARPOON WEAPON SYSTEMS

The Government of Japan has requested the purchase of three Phalanx close-in weapon systems with associated equipment and training and three Harpoon control and launching systems with associated equipment and spare parts at an estimated cost of $50 million.

Japan is one of the major political and economic powers in East Asia and the Western Pacific and a key partner of the United States in insuring the peace and stability of that region. It is vital to the U.S. national interests to assist Japan in developing and maintaining a strong and ready self-defense capability which will contribute to an acceptable military balance in the area. This sale is consistent with these U.S. objectives and with the 1960 U.S.-Japan Treaty of Mutual Cooperation and Security.

The sale of these systems, which will be installed on three new destroyers to be built in Japan, is in keeping with United States desires that Japan expand its defense role. Japan already employs these or similar systems and will have no difficulty in absorbing these items.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractors will be the McDonnell-Douglas Corp. of St. Louis, Mo. (Harpoon control and launching systems), and the General Dynamics Corp. of Pomona, Calif. (Phalanx close-in weapon systems).

Implementation of this sale will require the assignment of one additional U.S. contractor representative to Japan for 3 months.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

PRELIMINARY NOTIFICATION PROPOSED ARMS SALES

(By request of Mr. Baker, the following statement was ordered to be printed in the Record:)

● Mr. PERCY. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress received advance notification of proposed arms sales under that act in excess of $50 million, or in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the Record in accordance with previous practice.

I wish to inform Members of the Senate that two such notifications have been received.

Interested Senators may inquire as to the details of these preliminary notifications at the office of the Committee on Foreign Relations, room 4229, Dirksen Building.

The notification follows:

Defense Security Assistance Agency,
Washington, D.C., May 20, 1982.

In reply refer to: I-01397/82ct.

Dr. Hans Binnendijk,
Professional Staff Member, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

Dear Dr. Binnendijk: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Northeast Asian country for major defense equipment tentatively estimated to cost in excess of $14 million.

Sincerely,

WALTER B. LIGON,
Acting Director.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., May 24, 1982.
In reply refer to: I-01151/82ct.
Dr. HANS BINNENDIJK,
Professional Staff Member, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR DR. BINNENDIJK: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Middle Eastern country tentatively estimated to cost in excess of $50 million.

Sincerely,

WALTER B. LIGON,
Acting Director.●

ERA

● Mr. HART. Mr. President, the deadline for ratification of the equal rights amendment is just 1 month away. As it draws near, the words of Susan B. Anthony are even more true: "Failure is impossible."

With so many working tirelessly for adoption of the ERA, I am confident we will see ratification next month. But those who are working against ratification should understand that ERA will not die even if the deadline is missed. Our efforts will continue until the constitutional rights of women—51.4 percent of our population—are secure. The ERA will be reintroduced, if necessary. I will cosponsor it and am confident it will be ratified.

Thomas Jefferson wrote in 1816, "I am not an advocate for frequent changes in laws and constitutions, but laws and institutions must go hand in hand with the progress of the human mind . . . [I]nstitutions must advance to keep pace with the times."

The pace of our times is toward a broader conception of rights, not a narrower one; it is toward more equality not less. The majority of Americans favor the equal rights amendment—and the majority's will will be done.

BAIS CHABAD TORAH CENTER

● Mr. LEVIN. Mr. President, on Sunday, June 6, Congregation Bais Chabad of West Bloomfield, Mich., will dedicate its brand new Torah center. This will be the realization of a dream which began 7 years ago. At that time, Rabbi Berel Shemtov, director of Chabad Lubavitch in Michigan, presided over the formation of a new congregation.

Within a year, it was decided to bring in a full-time rabbi and to develop a synagogue which would concentrate on Jewish education. Classes ranging from the study of Bible and Talmud to Jewish customs and cooking were initiated. These classes were open to all age groups. Soon an afternoon Hebrew school was opened.

People came to Bais Chabad out of intellectual curiosity and from all walks of life. Many stayed to become totally involved—and their lifestyles changed dramatically. Others adopted some of the practices of Judaism and today Hebrew and afternoon high school boasts an enrollment of 150.

And so, a year ago, the decision was made to build not only a synagogue, but a Torah center where any member of the Jewish community would be welcomed. On October 1, 1981, ground was broken; the synagogue held its first services in the new building in February of this year and on June 6, the community will gather to celebrate this dedication.

I wish to congratulate those who began the process 7 years ago, those who shared the dream and helped to make it come true and all those in the community who will benefit from the traditional teachings of this center.●

SOCIAL SECURITY

● Mr. GRASSLEY. Mr. President, during the recent debate on social security that took place in the Senate, much was said about the importance of the program to current and future recipients. The result of our consideration was, as usual, to reaffirm our commitment to maintaining the solvency of the system and put off any specific action until later. We even agreed to drop the social security solvency assumption from the budget. Today's Washington Post contains a column by William F. Buckley, Jr., entitled, "Social Security: Worker's Burden." I am going to ask at the conclusion of my remarks that Mr. Buckley's article be included in the RECORD, but first I would like to make a few observations.

During our debates on social security, the distinguished chairman of the Finance Committee, Senator DOLE, has striven conscientiously to remind us that by 1990 there will be three increases in the social security tax rate. The scheduled increases in the tax rate are not the whole story, however, because the taxable earnings base—annual earnings subject to the social security tax—increases automatically each year with average earnings in the economy. The taxable earnings base in 1980 was $25,900; this year it is $32,400. By 1987, the Congressional Budget Office estimates that the taxable earnings base will be $46,500. Between this year and 1990, the maximum annual tax payment will more than double—from $2,171 to $4,705.

Before we become too strident about "cuts" in social security, it would do us all some good to reflect on the burden on workers caused by the social security tax. To be fair to current beneficiaries and future beneficiaries, whose taxes support the system now, we need to face the social security issue head on. As we do that, we need to bear in mind that we have an obligation to those whom we so blithely tax, as well as those who receive benefits.

Mr. President, I ask that the article "Social Security: Worker's Burden" be included in the RECORD at this point.

The article follows:

[From the Washington Post, May 26, 1982]

SOCIAL SECURITY: WORKER'S BURDEN

(By William F. Buckley, Jr.)

Suppose, just to suppose, that we were back in 1970, and we huddled together to talk about Social Security. Suppose then that two options crystallized on how to increase Social Security payments during the ensuing decade, to wit:

(1) Social Security payments should rise at the same rate as real income rises for the working population.

(2) Social Security payments should rise according as inflation diminishes the dollar value of annual payments—without any reference to rises in the income of the working population.

You will have guessed that although (1) above makes economic and moral sense, (2) above was adopted—which, together with attendant confusions of calculation, created the present crisis.

Now here is an interesting juxtaposition. In the interminable talks about the budget, it was recently proposed that Social Security payments over the next three years be reduced by $40 billion. Howls of pain were promptly cranked out. The juxtaposition is that if Social Security retirees had been raised, between 1970 and 1980, at the same level as the working man advanced, the saving in 1981 would amount to exactly that—$40 billion. In other words, at existing levels of payment, because of imprecise calculations made a dozen years ago, the American nonworker is advancing by leaps and bounds compared with the American worker.

Prof. Martin Feldstein of Harvard, in a penetrating article in The Wall Street Journal, calculated that under existing practices, Social Security retirees are accumulating income at a 50 percent greater rate than the American working man. Indeed, here is the most startling figure of all: the median American who retires is receiving checks equal to 78 percent of the highest salary he made while he was working. But that is only the beginning. Since he does not pay tax on those checks, the figure rises to 90 percent of after-tax income of the working man. So that the working man who is spending 40 hours a week at the factory, making mortgage payments on the house and car and educating his children is earning only a very little bit more than the non-working man, unburdened by young children, many living in houses bought and paid for, with no obligations to go to work.

Anything that is paid to those over 65 is paid for by those under 65. It does not matter that those over 65 contributed to Social Security during their working lifetime—because those "contributions" were treated as current revenue and spent by the government. Although one speaks of "trust funds," they are, as we all know, illusory. The so-called "deficit" in the Social Security program is merely the excess paid out over the amount paid in.

So what to do? Feldstein has a proposal that is undramatic but meliorative. Namely to continue to increase Social Security payments by the sum total of that year's inflation—less 2 percent. Do that, until you achieve parity between contributions paid in the contributions paid out. Bearing in mind that real increases in Social Security payments should not exceed real increases in productivity. That program would save $12 billion to $15 billion per year, which once upon a time wasn't peanuts. Better than that is needed, and could be expected, if justice, rather than demagogic cant, governed the political dialogue.●

CANCER RESEARCH

●Mr. **HEFLIN**. Mr. President, as you will recall, the Senate last week adopted an amendment which increased the funding level for the National Cancer Institute. Unfortunately, due to an oversight, no mention was made of the role played by the distinguished senior Senator from Iowa, Senator JEPSEN, in getting this amendment adopted. I would like to point out that had it not been for Senator JEPSEN's efforts, this amendment might never have been approved.

For the benefit of my colleagues who may not have been on the floor that day during consideration of the Heflin-Jepsen amendment, I would like to review the actual changes.

First of all, the amendment increased the budget authority for cancer research by $40,700,000 in fiscal year 1983, $38,200,000 in fiscal year 1984, and $35,700,000 in fiscal year 1985. In addition, outlays for cancer research were increased by $22,000,000 in fiscal year 1983, $36,000,000 in fiscal year 1984, and $37,000,000 in fiscal year 1985. By approving these funding levels, we were allowing moneys for cancer research to be maintained at the current policy levels.

Mr. President, as I mentioned last week, we have seen tremendous advances in cancer research over the past decade. Senator JEPSEN and I are convinced that by maintaining adequate funding for cancer research, we will hasten the day when we will find a cure for this deadly disease.

Again, I thank Senator JEPSEN for his support and I look forward to working with him on future legislation.●

THE CHMIELEWSKI FAMILY

● Mr. **DURENBERGER**. Mr. President, the polka and the schottische have become synonymous with the name Chmielewski in Minnesota. The Chmielewski family has been playing polka music—from Polish weddings to neighborhood dances—for 100 years this month. For the past 10 years, the Chmielewski family has appeared on the syndicated "Chmielewski Funtime" televised polka and dance hour.

With my own heritage rooted in Poland, I am especially proud of the Chmielewski family and their efforts to preserve one of the greatest cultural gifts of the Polish people.

I pay special honor to this family that has brought so much enjoyment to the people of Minnesota by asking that the following article from the Duluth News-Tribune be printed in the CONGRESSIONAL RECORD.

The article follows:

[From the Duluth News-Tribune]

FAMILY POLKA BANK KEEPS TIME FOR 100 YEARS

CARLTON—A century ago down around Sturgeon Lake, spring's coming meant that it was time to move the hay out of the barn and move in a keg of beer, potluck fare and Frank Chmielewski's polka orchestra for a big neighborhood dance.

With fiddles and buttonbox accordions sometimes toted on horse-drawn wagons, Frank and his brothers became popular performers at the rounds of house parties and Polish weddings that lasted days.

It was May 2, 1882, that Frank—a Polish-born fiddler and farmer—led the first official performance of the Chmielewski Orchestra. And through 100 years and three succeeding generations, the polkas, schottisches and waltzes never stopped.

Today, the Chmielewski family orchestra will celebrate that century of music in a 10-hour performance from noon to 10 p.m. at the North Star Ballroom in Carlton.

"Polka music always generates a happy feeling happy theme," said State Sen. Florian Chmielewski. "It's the link that ties people together with the old country back home."

After Frank, his son Tony—Florian's father—kept the family orchestra thriving with his expertise on the fiddle and buttonbox. And it was inevitable that among Tony and Tillie Chmielewski's 15 children some would be musicians.

In the 1950's, Florian joined his brothers Jerry, Leonard, Donnie and Chester on the television stage at the weekly Polish TV Party. From that debut, the syndicated "Chmielewski Funtime" evolved and, in 1972, the polka hour topped the immensely popular "All In the Family" in the Duluth-Superior Nielsen television ratings. "Only 'Maude' was more popular," recalled Florian proudly.

Today a fourth generation of Chmielewskis is keeping the tradition going. There's Florian and Pat Chmielewski's children, Florian Jr., Jeff, Mark and Patty, plus nephew Bart Stolquist on the bandstand these days.

And when two-year-old Tony Chmielewski picks up his drumsticks and tears into some polka lyrics in Polish, the family said they may be looking at the fifth generation of music-makers.

Sunday's century celebration will be filled with many memories for the Chmielewski clan.

Florian's mother Tillie Chmielewski, 84, of Sturgeon Lake, said she's heard it all—every polka, every schottische, every waltz.

"A lot of times on Sunday afternoon, Tony would play the fiddle and we'd all dance around. I don't know how we got all of us in that house," said Tillie. "Sometimes they drove me just about nuts."

But she loved it and so have the multitudes of fans, friends and neighbors who've danced their way through a century of Chmielewski music. The family group performs over 200 shows and dances a year.

If there's a Herbfest, Hostefest, Rutabaga Fest, Sauerkraut Day, Cucumber Day or Sugar Beet Celebration for miles around—even in neighboring states and Canada, there's usually been a Chmielewski Orchestra performance.

"Old-time music is just a crave," said Florian.

One of the most rewarding achievements of the Chmielewski musicians and the family's production company, added Florian, has been the founding of the International Polka Festival, with the fifth such event to be held June 11-13 at the Met Center in Bloomington. Previous years the festival has been held in Pine City, Minn., but, he said, an increase in festival-goers prompted them to move the festival this year to the Met Center.●

THE COST OF EX-IM

● Mr. **HELMS**. Mr. President, as historians tell it, the Export-Import Bank was established after World War II to help finance American exports to a world that was devastated by war and incapable of financing purchases of U.S. goods. It was set up, we know, when capital markets were relatively primitive and there was an arguable need for Government intervention in financing international purchases. Finally, it was set up during a period of internationally fixed exchange rates and the Eximbank had the effect of making the U.S. balance of trade look better, and thus, ameliorate possible pressures on currencies.

Mr. President, not one of the reasons for the Exim's creation exists today. We have modern industrial societies capable of financing purchases of goods. We have sophisticated international capital markets. We have floating exchange rates. And, even if we were to again have a system of stable, fixed exchange rates, subsidizing exports is a mercantilist idea that never had much value in the real world.

The only remaining leg of support for the Eximbank is that other industrial nations subsidize exports, and if the United States is to maintain a share of certain markets, we will have to subsidize exports too.

The argument in support of this practice has been that the cost to the American Government has been small. For some years, this contention has come under increasing fire, and most recently, the Federal Reserve Bank of Minneapolis published an article in its "Quarterly Review" entitled, "Eximbank Lending: A Federal Program That Costs Too Much."

Not only is the Eximbank not free, it costs from between $250 million and $650 million per year.

The cost-benefit analysis of the Bank includes the "opportunity cost" of not using Exim funds for normal productive purposes. This rigorous academic approach is not normally used in critically appraising Federal programs, and far too seldom used in appraising Federal credit programs. It was employed in my recent study of the U.S. foreign aid program, although I acknowledge that the author of the Exim study utilized a far more sophisticated method of calculating the opportunity cost of Exim funds than did my study of foreign aid.

Mr. President, so that our next debate on more money for Exim can have the benefit of this significant study, I ask that the study by Mr. John H. Boyd, senior economist of the research department of the Federal Reserve Bank of Minneapolis be printed in the RECORD along with appropriate charts at the conclusion of my remarks.

The study follows:

EXIMBANK LENDING: A FEDERAL PROGRAM THAT COSTS TOO MUCH *

(John H. Boyd)

Too good to be true may be a tired phrase, but it seems to fit the claims made for a large, relatively obscure federal agency, the Export-Import Bank of the United States (Eximbank).[1] This agency tries to encourage the exporting of U.S. goods and services, primarily by offering loans to foreign importers at rates cheaper than they could get elsewhere. In doing this, Eximbank claims to cost its owners, U.S. taxpayers, nothing, since it does not receive money from Congress and is run instead much like a private firm. In fact, some say, the agency may actually be benefiting taxpayers, since its books usually show a profit.

To economists, despite Eximbank's profit, the fact that the agency offers loans at below-market rates is a sure sign of a subsidy for which someone, usually taxpayers, must pay. An accounting profit merely means Eximbank's recorded income is exceeding its recorded expenses. For an economic profit—that is a real benefit to taxpayers—Eximbank's income must exceed its recorded expenses plus its owners' *opportunity cost*, a payment to taxpayers for investing their funds in this agency rather than somewhere else. Recent data show clearly that, in order to offer loans at below-market rates, Eximbank has been giving taxpayers a below-market return on their investment. The difference between the return they could have been making and Eximbank's return has thus been the agency's hidden cost to taxpayers.

Were Eximbank a private firm rather than a government agency, one must suspect that its owners would have pulled out long ago in favor of a truly profitable enterprise. Just how large the owners' hidden cost is matters for the continuation of a government program, though. If the cost is fairly small, the program may be justified by some greater benefits to society as a whole which the program provides as side effects.

Several studies of Eximbank's lending program have tried to measure its hidden direct cost, or subsidy. Using simple measures of the opportunity cost of taxpayers' funds, they have generally concluded that the subsidy exists and is moderate. These estimates of the subsidy have been small enough for supporters of Eximbank to argue, apparently successfully, that the subsidy is dwarfed by the program's large positive side effects on, for example, export demand and employment. Overall, supporters have said, the benefits to society of Eximbank's lending program far exceed its costs.

My study of Eximbank's lending program points to quite a different conclusion. A formal cost-benefit analysis of the program, it improves on previous studies by using a theoretically defensible measure of the opportunity cost of taxpayers' invested funds to evaluate the benefits they receive from Eximbank lending. Based on the costs and benefits coming directly through Eximbank, my study concludes that during the years studied, 1976-80, Eximbank's lending program was indeed subsidized and much more heavily than previous studies have suggested. According to my estimates, this program's annual costs exceeded its benefits by an average of about $200 million. The subsidy increased substantially over the sample period and by 1980 may have reached as high as $650 million.

Obviously, side effects, or indirect benefits, would have to be significant to overwhelm direct costs of that magnitude. Whether or not they are is highly questionable. Eximbank's indirect benefits are extremely hard to identify, much less measure. Some arguments about side effects benefiting society are flawed, and some can be countered with arguments that the effect is a cost, not a benefit. Given this ambiguity, and my new estimates of the subsidy, it seems inappropriate to count on indirect benefits to justify a costly government program like Eximbank lending.

EXIMBANK'S ENDS AND MEANS

Eximbank's current broad objective has evolved somewhat haphazardly over its nearly 50-year history. When first chartered by executive order in 1934, the bank's objective was to promote trade just between the United States and the Soviet Union. During the worldwide depression before World War II, its objective was expanded to include assisting in domestic U.S. recovery and providing credits which were unobtainable from private sources. During World War II, Eximbank was used strategically, providing export credits to U.S. allies, and immediately after the war, it served as a reconstruction lender to western Europe. In the 1950s, the agency's attention shifted primarily to less-developed nations, particularly those in Latin America, serving as a development bank to the western hemisphere. Finally, in the 1960s, Eximbank changed its emphasis once more, away from developmental projects and toward the explicit promotion of U.S. exports. This last change of focus originally reflected governmental concern over the gradual deterioration in the U.S. trade position. The policy has continued to the present day, and Eximbank is now best described as a general export credit agency of the United States government.[2]

A general rationale for this type of government agency is usually found in the problems inherent in cross-border trade. For example, the buyers and sellers involved in export transactions are often thousands of miles apart and know little about one another. Because of this distance and unfamiliarity, importers may be unwilling to pay in advance of arrival and inspection of the goods, but exporters may be unwilling to extend credit. Without some kind of government intervention to overcome such problems, it is thought, many export transactions would not be made.

Eximbank has designed several programs aimed at making the export of U.S. goods and services less problematic. One program is insurance which Eximbank offers to U.S. exporters. For a premium, the bank will insure against default by the importer/borrower. Moreover, it will insure against forms of risk which are unique to cross-border lending: for example, the possibility that war, revolution, expropriation, or currency inconvertibility may render the importer unable to pay even if it is willing. Since the proceeds of insurance are assignable to banks, the insurance policy stands as excellent collateral for third-party financing and is often used in that way. Insurance is available for short- and intermediate-term credits, of up to five years maturity. The Eximbank insurance program is quite large, with about $6 billion of policies in force as of September 1980 (Export-Import Bank, various dates).

Eximbank's long-term support takes the form of either loans made directly to foreign borrowers or loan guarantees given to private U.S. financial institutions. These two forms of support are often combined in a single package in which Eximbank agrees to be repaid after the private lender. The effect is to create a short-maturity guaranteed loan for the private lender (usually a commercial bank) and a long-maturity loan for the agency.

By far the largest of Eximbank's operations is its direct lending program. As of September 1980, its outstanding direct loans totaled $13.8 billion (Export-Import Bank, various dates). The longest maturity on these loans is normally 12 years, although exceptions may be made under special circumstances. In recent years, the average maturity of new loans has been about 7 years (U.S. President, various dates). Most typically financed by Eximbank are exports of long-lived capital goods, especially aircraft and machinery, goods which are produced by a handful of large U.S. corporations.[3] Interest rates are always fixed for the life of the loan, and Eximbank will commit to a rate up to 180 days in advance of lending without charging a commitment fee.[4]

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[1] In fiscal 1980, Eximbank ranked third among the U.S. government's direct loan programs. The top five had the following loan obligations or commitments: Agricultural Credit and Insurance, $7.5 billion, Rural Housing Insurance Fund, $6.8 billion, Export-Import Bank, $5.5 billion, Agricultural Price Supports, $4.9 billion, Federal Housing Administration, $3.0 billion (U.S. President, various dates).

[2] See Rendell 1976 for an excellent discussion of Eximbank's origins and early history.

[3] In 1980, for example, 27 percent of the bank's loans went to finance Boeing Company exports. Another 40 percent went to Westinghouse, Combustion Engineering, McDonnell Douglas, Western Electric, Lockheed, and General Electric (Reilly 1981, p. 42).

[4] More complete discussions of the loan, guarantee, and insurance programs, their terms and conditions, may be found in Export-Import Bank, undated. A brief but excellent description is provided in Continental Bank, undated.

The subsidy: where it comes from and where it goes

In many ways, Eximbank operates much like a private commercial bank. It borrows in one market and lends in another, it is exposed to risk of default and risk of interest rate fluctuations, and it usually earns an accounting profit. Also like a private corporation, Eximbank is financed partly with debt and partly with equity, the equity being composed of an initial investment (of $1 billion by the U.S. Treasury) and retained earnings (of about $2.2 billion so far).

In other ways, Eximbank is different from a commercial bank, however. It has a highly specialized loan portfolio composed exclusively of export credits, and as discussed above, it has a large insurance program. In addition, Eximbank has special advantages given to it by Congress. It borrows from the Treasury at a risk-free rate of interest, through the Federal Financing Bank, and it pays no taxes. Its equity is held by the government sector and is not required to earn a market rate of return for the agency to stay in business.

These special advantages over commercial banks let Eximbank offer low interest rates on its loans and yet still show a profit in most years. Eximbank's authority to borrow funds at a risk-free rate of interest through the Federal Financing Bank helps it profit; commercial lenders with loan portfolios as risky as Eximbank's must pay a premium over the risk-free rate when they raise funds in private credit markets.[5] Cheap funds aren't enough to let Eximbank profit, though, since on average it charges importers even less than the risk-free rate of interest. In order to show a profit while lending at rates lower than those at which it borrows, Eximbank exploits another of its special advantages. It finances some of its lending with equity instead of credit and pays its equity holders, U.S. taxpayers, less than a market rate of return on their investment. As a result of this equity financing, Eximbank loans out more money than it borrows, and the total amount of interest it earns on its low-priced loans usually exceeds the total amount of interest it pays on its higher-priced debts. The difference between interest earned and interest paid shows up in Eximbank's books as a profit.

As noted earlier, however, this profit actually indicates a loss for U.S. taxpayers. To record the accounting profit, remember, Eximbank pays taxpayers a smaller return on their investment than they could have received elsewhere. (In economic terms, Eximbank does not cover the opportunity cost of using taxpayers' funds.) During 1976-80, for example, the agency's return on equity averaged 4½ percent. Had taxpayers' investment in Eximbank been invested elsewhere, it could have earned much more and so made taxpayers better off. If paid to the Treasury on behalf of taxpayers, the higher earnings could have been passed on to them through lower taxes. If Eximbank had simply been shut down and taxpayers' investment returned to them, they individually could have earned the higher market return on their funds. The difference between Eximbank's earnings and the earnings available in the private marketplace, then, is the amount taxpayers lose as a result of Eximbank's effort to encourage exporting by offering importers cheap loans. It is obviously taxpayers who pay for this subsidy.

Who actually gets the subsidy is not quite so obvious. When subsidized financing is available to buyers of a good, sellers can and will raise their prices. Who captures the subsidy therefore depends on how the quantities of goods demanded and supplied are affected by changes in the good's price, that is, on the shapes of the good's demand and supply curves. These shapes are not easy to determine and can, of course, be considerably different for different types of goods. I will not attempt to define these curves for the various types of exports supported by Eximbank lending. In general, though, it is reasonable to assume that the curves are shaped in a way that causes the subsidy to be shared to some extent between buyers and sellers, in this case, foreign importers and U.S. exporters.

THE COST-BENEFIT FRAMEWORK

The fact that Eximbank's direct lending subsidy exists can be demonstrated and its size estimated using a form of cost-benefit analysis. This procedure is frequently used by economists to appraise the desirability of investing in public projects such as dams, subways, and airports (Boyd and Kwast 1981, Layard 1972). The basic framework is fairly simple, closely akin to the capital budgeting procedure used by private enterprises in reaching their investment decisions.

For a public project, first its costs are identified and estimated, including those incurred directly by the government and any indirect costs which may be borne by individuals and firms in the private sector. Next the project's benefits, both direct and indirect, are identified and estimated. All costs and benefits must be quantified, and this may be especially difficult for indirect costs and benefits—for example, assigning a dollar value to lives saved by a better highway or the recreational value of reservoir. Nevertheless, to be able to compare all costs and benefits, everything must be put in explicit dollar magnitudes.

Since costs or benefits may occur in future periods as well as in the present, and people value dollars available to invest now more than dollars promised later, some way must be adopted to put all these estimates on the same *present value* basis. The rate used to discount costs and benefits must be chosen carefully. It must represent the best rate of return the public's resources could have earned on a comparably risky project (again, the opportunity cost of using these resources). In that way, the costs and benefits of the public sector project, when discounted and compared, will properly indicate where society would benefit most from having its resources invested.

Comparing those discounted values is, naturally, the final step of a cost-benefit analysis. If society's present value of estimated benefits exceeds its present value of estimated costs, the project can be expected to produce net public benefits and, accordingly, should be undertaken. Otherwise, it should be passed up.

My procedure

Eximbank's direct lending program already exists, of course, so what my cost-benefit analysis will actually be doing is determining whether or not it should exist, and if not (as I suspect), how big the cost to taxpayers has been. The procedure I use includes all of the basic steps of the standard procedure, but not quite in the usual order. Since the indirect costs and benefits of Eximbank lending are very hard to identify and measure, I begin by ignoring them and work simply with direct costs and benefits. Once the difference between the direct effects has been estimated, I discuss the most frequently cited indirect effects. Before estimating anything, though, I identify the appropriate way to define, discount, and compare direct costs and benefits. Then, since selecting a discount rate is so important to a proper estimation of costs and benefits, I spend a lot of time doing that carefully. In order to do all the calculations of costs and benefits efficiently, that is, I postpone all their quantifications until after a discount rate has been defined and estimated.

The first task, then, is identification. For Eximbank's lending program, *direct costs* per period, C_t, are the dollar amount of new direct loans the agency grants in year t. These loans can be considered a form of direct government investment, that is, resource-using expenditures like the building of a subway system or a dam. Since the agency's costs are confined to each year, they do not have to be discounted. Its *direct benefits* do, however; in each year they are the future stream of payments Eximbank will be receiving on the year's lending. Thus, in year t, the costs C_t produce the benefit stream $B_t = b_{t+1}, b_{t+2}, \ldots, b_{t+n}$, where b represents payments on both the principal of Eximbank loans and the interest on those loans and n is their maturity in years. Then, using the standard discounting equation, the present value of direct benefits, Γ_t, is

$$(1)\quad \Gamma_t = \sum_{i=1}^{n} [b_{t+i}/(1+m^*_t)^i]$$

where m^*_t is a discount rate (note yet defined).

This equation does not show all that must be considered when computing the present value of Eximbank's benefits, though. In particular, it does not explicitly show how the agency's stream of payments on loans varies over time. Recall that Eximbank often cooperates with private financial firms in making export loans. In such arrangements, it takes long maturities on a particular credit, and the private lender takes the short maturities. Operationally, the borrower pays a constant amount of interest and principal in each year, but principal payments go first to the private lender, until its portion of the loan is paid off, and then to Eximbank. The result is that Eximbank's cash flows exhibit a discrete increase part way through the life of a loan.

This can be written into the equation representing the present value of Eximbank's benefits. To do that, let ω be the delay in payments to Eximbank as a percentage of average loan maturity and m_t be the average rate of interest on Eximbank's new loans. Further, assume its loans are to be repaid semiannually, as is standard for the agency. Then equation (1) becomes

$$(2)\quad \Gamma_t = (C_t/m^*_t)(m_t\{1-[1+(m^*_t/2)]^{-2n}\} + [n(1-\omega)]^{-1}\cdot\{[1+(m^*_t/2)]^{-2n\omega} - [1+(m^*_t/2)]^{-2n}\})$$

which is a more useful definition of the present value of direct benefits.[6] [Derivation of (2) is straightforward, but tedious, and will not be presented.]

Finally, comparing the present value of direct benefits to direct costs, the net present value of benefits, N_t, is defined simply as

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[5] Eximbank loans are indeed risky, and, as explained in the box on the agency's accounting procedures, it has had significant losses due to loan defaults and restructuring.

[6] The rate earned by Eximbank is actually somewhat lower than the effective rate of interest paid by the borrower because of the delay in principal repayments.

$$(3)\quad N_t = \Gamma_t - C_t.$$

If, as I expect, $N_t < 0$, this implies that direct costs exceed direct benefits and that the public is providing a *subsidy* of amount $-N_t$ to Eximbank's lending program.[7]

To compute the present value of Eximbank's benefits, I use a risk-adjusted private market rate, m^*_t, that is, a rate which a competitive private firm would have charged had it made the same loans Eximbank did. It can be shown that this discount rate correctly represents the opportunity cost of the public's resources if private capital markets are perfectly competitive and if the government investment under consideration is in a risk class available to the private sector (Holmstrom 1980, Sandmo 1974). Scores of empirical tests have shown that private U.S. capital markets are extremely efficient and perfectly, or at least nearly perfectly, competitive.[8] Thus, the first condition is approximately met. The particular type of government investment considered here, dollar-denominated export loans, is routinely held by private commercial banks, and these banks issue securities that are publicly traded. Thus, there is reason to believe that Eximbank's investments are in a risk class available to the private sector. It follows that a risk-adjusted private market discount rate is appropriate here.

ESTIMATING THE RISK ADJUSTED DISCOUNT RATE

A formula for a very good proxy

The next task is to actually estimate the risk-adjusted private discount rate, m^*_t. Unfortunately that rate cannot be found directly: meaningful data on the terms of private export loans are almost impossible to obtain. Commercial banks rarely disclose the terms of individual loan contracts. Published data on average loan rates are of little value for this purpose, since the effective cost of a bank loan may depend on commitment fees, compensating balances, collateral requirements, and many other terms not publicly disclosed.

Previous studies of Eximbank's lending subsidy have responded to this data problem by using estimates based on generally undefensible definitions of the discount rate. Since the appropriate rate is not available, some studies have simply selected a rate that is available, like a corporate or government bond rate. Others have tired to get a feel for what the discount rate might be by subjectively examining the credit market during their sample periods. These techniques leave the studies open to criticism and generally of questionable value.

To avoid that result for my study, I try to firmly ground my estimates of the discount rate in economic theory. I circumvent the data problem by taking advantage of a well-known principle from financial economics: in equilibrium, a value-maximizing firm will set the marginal rate of return on its assets equal to the marginal cost of its capital. Thus, an estimate of the latter is also an estimate of the former, at least in equilibrium. The *cost of capital* is the cost of raising funds, either debt or equity, in the securities markets (see the box). While not a simple task, estimating this cost is easier than trying to find meaningful data on loan rates. To estimate the risk-adjusted private discount rate, therefore, I try to estimate what theory suggests should be a very good proxy: the cost of capital which would have confronted Eximbank had it been a private financial intermediary. In that case, it would have had to pay taxes, borrow in corporate debt markets, and earn a market-determined rate of return on equity, so I take all of that into account in my calculations. The idea is to produce estimates of the cost of capital which are comparable to the loan rates that Eximbank would have had to charge (just to break even) had it received no special treatment from the government.

It can be shown that when a private firm is financed partly with debt, L, and partly with equity, E, and seeks to maximize its market value, V, ($V = E + L$) this objective will be achieved by acquiring assets up to the point at which

$$(4)\quad m^* = [r_e(1-K)/(1-\tau)] + r_l K$$

where τ is the firm's tax rate (assumed constant), r_e is the cost of equity capital, r_l is the cost of debt, and $K = L/V$. [For simplicity, I have omitted time subscripts in (4) and will do so hereafter. Condition (4) is derived in the Appendix.] The left-hand side of (4) is the marginal rate of return on the firm's assets, which is, of course, what I want to estimate. In value-maximizing equilibrium, this is set equal to a weighted average of the costs of debt and equity capital. The weights, $K = L/V$ and $1 - K = E/V$, are in market values and must sum to 1. The required rate of return on equity is adjusted by the factor $1/(1-\tau)$, reflecting the fact that returns to equity are taxable at the corporate level.

Estimates of the components of the cost of capital

Although I now have a formula defining the discount rate, actually estimating that rate is still a relatively complicated procedure. It involves estimating all the parameters of equation (4)—r_l, r_e, K, and τ—that is, all the components of the cost of capital that Eximbank would have faced had it been a private firm.

To estimate r_l, I can use some published data on the general cost of borrowing in the market. To estimate r_e, K, and τ, however, I need a sample of commercial banks with operating characteristics as similar as possible to those of Eximbank.[9] As shown in Table 1, the sample banks I have chosen share three important characteristics: they are large, they emphasize corporate as opposed to consumer or mortgage lending, and a substantial proportion of their loans is to foreign corporations or governments. The idea is, had Eximbank been a private bank, it would have been similar to those in the sample. Historical averages of data from the sample banks are therefore used to estimate the values of r_e, K, and τ that would have confronted Eximbank.

TABLE 1.—OPERATING CHARACTERISTICS OF THE SAMPLE BANKS AND THE EXPORT-IMPORT BANK

[December 1980]

	Total assets ($ billion)	Total loans* as a percentage of total assets	Percentages of total loans	
			Commercial and industrial loans	Foreign loans
Citicorp	114.9	66	55	57
Chase Manhattan Corporation	76.2	62	61	57
J.P. Morgan & Company	52.0	51	78e	55
First Chicago Corporation	28.7	59	45	39
First National Boston Corporation	16.0	55	73	39
Export-Import Bank	14.1	98	n.a.	100

*Loans and lease financing.
e—estimated.
n.a.—not available.

Sources: Annual reports of the sample banks and the Export-Import Bank of the United States.

My sample period is the five years 1976-80. I make two different estimates for both the cost of debt, r_l, and the cost of equity, r_e, in each year studied. This lets me estimate a range of values for the discount rate, m^*; that is, it lets me establish its general size, a more reasonable goal than pinpoint accuracy. The superscripts h and l denote high and low values, respectively. In what follows, a caret or hat ($\hat{}$) on a variable denotes an estimated value and a tilde ($\tilde{}$) denotes a random variable.

The tax rate, τ

I estimate Eximbank's tax bracket as the arithmetic average tax rate for the sample banks, $\hat{\tau}$, and for simplicity, assume that marginal and average tax rates are equal. As indicated in Table 2, the average tax rate for this group of banks was quite stable in 1976-80 at about 37 percent.

The cost of debt, r_l

I assume that if Eximbank had been a private firm, it would have borrowed at the long-term corporate bond rate. Since how its debt would have been received by the market is not clear, two different rates are assumed, Moody's Aaa and A, denoted $\hat{r}^l_l$ and $\hat{r}^h_l$, respectively. All five sample banks have term debt outstanding, and all are rated Aaa or Aa. Therefore, the assumption of an A rating for Eximbank is intentionally conservative. Table 2 shows the Aaa and A rates over the sample period along with the average rate of interest on the new debt Eximbank issued. The value of Eximbank's government guarantee was obviously substantial, reducing interest costs by an average of about 50 basis points below the Aaa rate and about 115 basis points below the A rate.

TABLE 2.—ESTIMATES OF THE COST OF CAPITAL AND ITS COMPONENTS

[In percent]

	1976	1977	1978	1979	1980
The tax rate, $\hat{\tau}$	36.5	36.0	38.6	35.7	37.3
The cost of debt					
Moody's corporate bond rates					
A rate, $\hat{r}^h_l$	9.1	8.5	9.1	10.2	12.9
Aaa rate, $\hat{r}^l_l$	8.4	8.0	8.7	9.6	11.9
Average interest rate on Eximbank's new debt	7.9	7.3	8.3	9.4	11.7
The cost of equity					
High (risk premium 6.1), $\hat{r}^h_e$	11.1	11.4	13.2	16.2	17.5
Low (risk premium 2.2), $\hat{r}^l_e$	7.2	7.5	9.4	12.3	13.6

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[7] Noninterest operating costs of Eximbank should, in principle, be included in C_t. This is not done here because I have no basis for allocating overhead expenses between direct lending and the other programs. Noninterest operating costs are relatively small, however, typically amounting to less than 2 percent of total expenses (Export-Import Bank, various dates).

[8] For an excellent review of empirical tests of capital market efficiency, see Dyckman, Downes, and Magee 1975.

[9] The sample firms are actually bank holding companies. Most large commercial banks have the holding company form of organization, and in almost all cases it is holding company shares that are traded in the equity market.

TABLE 2.—ESTIMATES OF THE COST OF CAPITAL AND ITS COMPONENTS—Continued

[In percent]

	1976	1977	1978	1979	1980
The cost of capital					
High	10.0	9.4	10.2	11.5	13.7
Low	8.8	8.5	9.4	10.6	12.5
Average interest rate on Eximbank's new loans	7.8	8.1	8.5	8.3	8.3

Tax liability as a percentage of income before taxes and security gains and losses.

Sources: Annual reports of the sample banks and the Export-Import Bank of the United States; Federal Reserve Bulletin; Value Line; U.S. President, various dates; my equations (4) and (5).

The cost of equity, r_e

One common way to estimate the cost of equity capital for private firms is to use the Capital Asset Pricing Model (CAPM).[10] Under the appropriate assumptions (Litzenberger, Ramaswamy, and Sosin 1980), the CAPM predicts that

(5) $r_e = r_f + \beta[E(r_m) - r_f]$

where

r_e = the cost of equity

r_f = the risk-free rate of interest

$E(r_m)$ = the expected rate of return on the market portfolio of all assets

β = cov (r_e, r_m)/var (r_m)

r_m = the realized rate of return on the market portfolio

r_e = the realized rate of return on a given common stock.

(Here cov = covariance and var = variance. A stock's β, or *beta*, measures the degree to which its returns move with the overall market. An average stock, which moves proportionately with the market, has a beta of 1.)

In (5), the cost of equity capital is equal to the risk-free rate of interest plus a firm-specific risk premium. The firm-specific risk premium is, in turn, the product of a market risk premium, $E(r_m) - r_f$, and the firm's β. In this study, estimates of β for each sample bank are taken from *Value Line*, and the risk-free rate of interest is simply represented by the three-month Treasury bill rate. Estimating $E(r_m)$ is harder, since this is a market expectation and, over considerable periods of time, realized rates of return may be different than expected rates. However, Ibbotson and Sinquefield (1979) found that over a very long period of time (1926-78) the average risk premium on a Standard & Poor's 500 market index was 6.2 percent. My estimates assume that this relationship was maintained, or that $E(r_m) - r_f = .062$. I compute the cost of equity capital for each year, for each of the five sample banks, according to (5). Then for each year I estimate the expected rate of return on Eximbank equity, as the arithmetic average of returns for the sample banks. These are shown in Table 2.

Another common way to estimate the cost of equity capital for private firms is to capitalize an expected stream of future dividends. If, for example, the future expected growth rate in dividends per share is $E(\dot g)$ ad infinitum, and current dividends and current price per share are *D* and *P*, respectively, it can be shown that

(6) $r_e = (D/P) + E(\dot g)$.

In equilibrium, *P* will be set so that r_e just equals the market's required rate of return, given the perceived risk of the stock (see the box on the cost of capital).

D and *P* are easily measured, but $E(\dot g)$ is another expectations variable which cannot be observed directly. As a proxy measure for $E(\dot g)$, I use historical growth rates in dividends per share over the period 1976-80. I assume that investors use historical data to form their expectations and that, as of 1980, they expected past growth trends to continue. For each sample bank, $E(\dot g)$ is estimated in this way, and the bank's dividend/price ratio is computed at the end of 1980. Summing these two provides an estimate of each bank's cost of equity capital as of that date.[11]

Finally, Eximbank's cost of equity is estimated as the arithmetic average of the individual sample banks' cost of equity capital. Defining $(\overline{D/P})_{1980}$ as the sample average dividend/price ratio at yearend 1980 and $E(\bar{\dot g})_{1980}$ as the sample average expected growth in dividends per share at yearend 1980, I can compute the yearend cost of equity:[12]

(7) $(\bar r_e)_{1980} = (\overline{D/P})_{1980} + E(\bar{\dot g})_{1980} = .062 + .074 = .136$.

This estimate of Eximbank's 1980 cost of equity is considerably lower than that obtained using the CAPM (.136 versus .175) and implies an average risk premium of only about .022 instead of .061.[13] The reason for the discrepancy is unclear, since both methods are based on expectations variables which must be proxied. I may have incorrectly estimated the expected growth in dividends, the market risk premium, the banks' betas, or some combination of these. Therefore, in the following computations I use two separate estimates of the cost of equity: a high estimate assuming a risk premium of .061 and a low estimate assuming a risk premium of .022.

The market weight, K

In equation (4), *K* is defined in terms of market values of *L* and *E*; that is, $K = L/(E + L)$. Therefore, I must estimate the market values of debt and equity which would have been observed had Eximbank been a private firm. Published balance sheet data are not good proxies for market data here because Eximbank earned substantially below-market rates of return on both debt and equity. The approach I use is to estimate *L* and *E* by discounting the relevant cash flows from the income statement.

To estimate the market value of equity I discount profits, net of predicted taxes, at the cost of equity capital. Thus, if π = the total profits Eximbank reported and $\hat E$ = the estimated market value of equity, then

(8) $\hat E = \pi(1 - \bar t)/\bar r_e$.

The market value of debt is estimated in a similar way. In this case, however, I invoke the simplifying assumption of a flat term structure, which permits the valuation of Eximbank debt as if it were of infinite maturity. That is, I capitalize interest payments only, ignoring the repayment of principal. Over the sample period the yield curve had a positive slope about as often as a negative one, so the assumption of a horizontal term structure is reasonable, at least on average.[14] Therefore with *I* = the total interest expense Eximbank reported, the market value of Eximbank debt is estimated as

(9) $\hat L = I/\bar r$.

Table 3 shows the estimated market values of debt and equity, as well as the accounting values reported by Eximbank, in each of the sample years, 1976-80. It shows two estimates of each market value, one derived with the high cost of capital, the other with the low.

TABLE 3.—REPORTED ACCOUNTING VALUES AND ESTIMATED MARKET VALUES* OF EXIMBANK CAPITALIZATION

	Total debt, L ($ million)			Total equity, E ($ million)			Total capitalization, V ($ million)			Leverage** (%)		
	Book value	Market value		Book value	Market value		Book value	Market value		Book value	Market value	
		$\hat L^l$	$\hat L^h$		$\hat E^l$	$\hat E^h$		High	Low		High	Low
1976	8,169	6,173	5,698	2,719	1,018	660	10,888	7,191	6,358	75.0	85.8	89.7
1977	8,785	7,792	7,334	2,850	1,172	771	11,635	8,964	8,105	75.5	86.9	90.5
1978	8,709	7,323	7,001	2,954	909	647	11,663	8,232	7,648	74.7	88.9	91.5
1979	8,936	7,026	6,613	3,078	830	630	12,014	7,856	7,243	74.4	89.4	91.3
1980	10,807	7,139	6,586	3,187	506	393	13,994	7,645	6,979	77.2	93.4	94.4

*Two market value estimates are shown.

The high values are calculated using the low discount rate and the low values using the high rate.

**Total debt as a percentage of total assets.

Sources: Export-Import Bank, various dates; my Table 2 and equations (8) and (9).

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[10] See Litzenberger, Ramaswamy, and Sosin 1980 for a discussion of such applications in the public utilities industry.

[11] I have tried several alternative methods to estimate the historical rate of growth in dividends per share. The results are not particularly sensitive to the method used.

[12] Nearby dates have been checked to be sure the dividend/price ratios as of the end of 1980 are not abnormal. They do not appear to be.

[13] Ibbotson and Sinquefield (1979) estimated the market risk premium to be .062. The average risk premium for my sample banks is slightly lower, .061, because the average beta is less than 1.

[14] With publicly available data, the maturity structure of all Eximbank debt outstanding during the samle period cannot be determined. According to the Office of Management and Budget, however, the average maturity of newly issued Eximbank debt has consistently been about 7 years. Invoking the heroic assumption that all debt issues had a 7-year original maturity, the average maturity of outstandings was approximately 3½ years.

I have estimated the market value of Export-Import debt assuming a 3½-year maturity, and these estimates are quite similar to those based on the assumption of an infinite maturity. This reflects the fact that the yield curve is generally quite flat beyond a few years maturity.

As could be expected, given the below-market rates of return, estimated market values are consistently lower than accounting values, reflecting a probable bias in the accounting data. On average, the accounting value of debt exceeds its market value by 28 percent or 37 percent, depending on which estimate is used. Much more striking, the average accounting value of equity exceeds its market value by 333 or 477 percent. The result is that financial leverage (debt as a percentage of equity or assets) is much greater when computed with market values than it is with accounting data. Or, put another way, Eximbank is much more highly levered than one would conclude from examining its balance sheet.[15]

Estimates of m^*

Now I have all the parameter estimates that equation (4) requires to compute the private cost of capital, m^*, which, remember, is my proxy for the market rate private firms would have charged for the loans Eximbank made. My estimates of m^* are in Table 2 where, again, there are high and low estimates for each period. The high estimate, $\dot{m}^{*h}$, assumes the A bond rate and a 6.1 percent risk premium on equity, whereas the low estimate, $\dot{m}^{*l}$, assumes the Aaa bond rate and a 2.2 percent equity risk premium. For comparison, Table 2 also shows the average rate actually earned on new Eximbank loans, m. Notice that, in every year, $m<\dot{m}^{*l}<\dot{m}^{*h}$; the realized rate of return on Eximbank lending was always less than both estimates of the private cost of capital, or the rate private firms would have received. This, of course, suggests that Eximbank was lending at below-market, subsidized rates.

ESTIMATING EXIMBANK'S LENDING SUBSIDY

My estimates

With the hardest part of the job completed, I can now return to the basics of cost-benefit analysis—quantifying costs and benefits, discounting benefits, and comparing costs and benefits in search of Eximbank's lending subsidy.

Except for one item, Table 4 shows all the additional data required for my computations. It shows the total amount of new direct loans Eximbank made in each year, which are the direct costs of its lending, C. It also shows the average rate of interest on those loans when they were first issued, m, and their average maturity, n. These data, remember, determine the direct benefit stream, B, attributable to each year's loans. The item missing from Table 4, needed to compute the present value of direct benefits, is an estimate of ψ, the delay in payments to Eximbank which results from the agency sharing loans with private financial firms. In a detailed study of Eximbank's lending practices in 1979-80, Baron (1981) found that the average delay in principal repayments to the agency was about 40 percent of a loan's term to maturity; that is, on a ten-year loan, for example, Eximbank would begin receiving principal repayments after the fourth year. In computing the present value of benefits according to equation (2), therefore, I assume that $\psi = 40$ percent.

TABLE 4.—ESTIMATES OF THE COSTS, BENEFITS, AND SUBSIDY OF EXIMBANK LENDING

	Costs			Benefits—Present value ($ million)		Subsidy—net present value of benefits ($\Gamma - C$, $ million)		Subsidy rate—Subsidy as a percentage of loans made	
	New loans made ($ million)	Average rate of interest (percent)	Average maturity (years)	High	Low	High	Low		
	C	m	n	$\hat{\Gamma}^l$	$\hat{\Gamma}^h$	$\mathfrak{N}^l$	$\mathfrak{N}^h$	$\mathfrak{N}^l/C$	$\mathfrak{N}^h/C$
1976	2,206	7.8	8	2,148	2,032	−58	−174	2.6	7.9
1977	1,789	8.1	6	1,713	1,658	−76	−131	4.2	7.3
1978	1,260	8.5	7	1,220	1,178	−40	−82	3.2	6.5
1979	1,629	8.3	7	1,483	1,429	−146	−200	9.0	12.3
1980	3,288	8.3	7	2,767	2,653	−521	−653	15.8	19.9

Sources: Export-Import Bank, various dates, U.S. President, various dates, my Table 2 and equations (2) and (3).

Using these data with my estimates of the discount rate, m^*, in equations (2) and (3) results in the net present values of benefits shown in Table 4. Since all of these values are negative, they are actually net costs. That substantiates the suspicion that in 1976-80 Eximbank lending was consistently subsidized by U.S. taxpayers.

The cost to taxpayers does not appear to have been small or stable, especially lately. According to the low and high estimates, the subsidy averaged between $168 million and $248 million per year. It increased substantially during the last two sample years, more than doubling in both 1979 and 1980, and by 1980 it was somewhere between $521 million and $653 million. These increases can be partly explained by increased Eximbank lending during 1979-80, but they were also due to an increased spread between the rates private firms would have charged on Eximbank's loans (the opportunity cost of taxpayers' funds) and the rate Eximbank charged. This increased spread is reflected in the *subsidy rate*, shown in the last two columns of Table 4, which measures the dollar amount of the subsidy as a percentage of the dollar amount of loans made. Even though lending increased considerably in the last two sample years, the subsidy rate did too, and by 1980 it was between 15 and 20 percent. These results clearly reflect a major Eximbank policy shift which began in early 1978. At that time, the agency announced an aggressive policy of supporting U.S. exports by lending more and at lower rates relative to market rates (Burnett 1979, Reilly 1981). Apparently the policy was successful, at least in the sense that it greatly increased the subsidy.[16]

Other studies' estimates

My estimates of Eximbank's lending subsidy improve on previously available estimates. As pointed out earlier, the discount rate I used to compute the subsidy is well-grounded in economic theory, whereas the rates other studies used are not. A comparison of our results shows how misleading ad hoc techniques have been.

To compare results, though, my estimates of Eximbank's lending subsidy must first be translated into the rate spread referred to in the last section. Previous studies have not used my cost-benefit framework and so do not have net present value estimates which can be directly compared to mine. However, they have estimated the difference between the opportunity cost of funds and Eximbank's loan rate, my m^*-m (or at least the components necessary to compute this spread).

Table 5 compares several other studies' estimates of the rate spread to mine. Each of the previous studies used a different measure of the opportunity cost of funds, and again, unlike mine, none of these measures was derived from an explicit theoretical framework. A study by Wallen (which only estimated the subsidy for 1980) used long term government bond rates (U.S. Congress 1980), and one by the Congressional Budget Office (CBO) used the Aaa corporate bond rate (U.S. Congress 1981a). A study by the Office of Management and Budget (OMB) used a judgmental estimate of this cost, an estimate determined by subjective analysis of credit market conditions (U.S. President, various dates).

TABLE 5.—COMPARISON OF RATE SPREAD ESTIMATES OF EXIMBANK'S LENDING SUBSIDY

Rate Spread = | Estimated Discount Rate, m^* | − | Average Interest Rate on Eximbank's New Loans, m |

	Wallen	CBO	OMB†	This Study: $\hat{m}^{*l} - m$	This Study: $\hat{m}^{*h} - m$
1976	n.a.	.01%	2.20%	1.00%	2.20
1977	n.a.	.48	1.90	.40	1.30
1978	n.a.	.35	1.50	.90	1.70
1979	n.a.	1.35	n.a.	2.30	3.20
1980	2.85%	3.50	2.20	4.20	5.40

n.a. = not available.

† In some years, the OMB used a range of opportunity rates, and in those instances to compute a rate spread for this table, I chose the midpoint. The OMB published no subsidy estimates for 1979.

Sources: U.S. Congress 1980, 1981a; U.S. President, various dates; my Table 2.

The comparison shows clearly that, while earlier studies found a subsidy in Eximbank lending too, their ad hoc methods of estimating m^* caused them to greatly underestimate the subsidy, particularly in 1979 and 1980. In other words, the cost to taxpayers of Eximbank's direct lending program has been much greater than estimated before.

INDIRECT EFFECTS OF EXIMBANK LENDING

This, of course, means that justifying Eximbank's lending program is much harder than before. To be worth continuing, the program must be producing large positive side effects which more than offset its large net direct costs to taxpayers. That cannot be clearly demonstrated yet. Several indirect benefits are often attributed to Eximbank lending, but they are very difficult to evaluate. So far, no one has been able to quantify them. (An attempt to do so is beyond the scope of this study.) In fact, no one has yet been able to conclusively argue that the alleged social benefits are truly benefits. Some of the attempts at such arguments are seriously flawed, and some are met by arguments that the effects in question might also be social costs. This leaves us with an ambiguity about the indirect effects of Eximbank lending that is beyond the current ability of standard economic analysis to resolve.

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[15] Eximbank has long maintained that it is better capitalized than the largest private banks (U.S. Congress 1981b, pp. 13-14), and that is true if one compares accounting data. In 1980, for example, the accounting ratio of debt to total assets was an average of .960 for sample banks, compared with .772 for Eximbank. If this ratio is computed with market values, however, Eximbank's advantage shrinks considerably. The 1980 sample bank average was .973, while Eximbank had a value between .934 and .944.

[16] The policy also produced some problems for Eximbank. Reported profits declined by about 50 percent in 1980, and losses are projected for 1981, 1982, and beyond. A recent General Accounting Office study was extremely critical of the bank, questioning the adequacy of its loss reserves and its ability to survive without appropriated funds (U.S. Congress 1981b).

A way to correct market failure in export finance?

Some have argued that Eximbank lending benefits society by maintaining the optimal amount of export financing, an amount which private financial firms would not otherwise supply (Rendell 1976). The reason usually given for this alleged market failure is that most private financial firms do not have sufficient expertise to assess the risk of export loans. As discussed earlier, export loans involve risk not generally encountered in other types of lending, including the risk of government expropriation (*sovereign risk*) and the risk that the foreign borrower will be unable to obtain dollars to repay the loan (*convertibility risk*). Assessing such unusual risks requires unusual efforts from a lender, and most private firms are not prepared to make those efforts. This means, it is argued, that not many private firms are willing or able to lend in the export market (Rendell 1976, U.S. Congress 1981b). Without government intervention, therefore, the supply of export financing would be inadequate.

This argument overlooks the size composition of the U.S. financial intermediary industries, especially commercial banking. While it is true that most private financial firms have no expertise in cross-border lending, large commercial banks such as those in my sample certainly do. They lend in many countries around the world, and, in doing so, routinely assess both sovereign and convertibility risk. Although the number of domestic banks which fit this description is limited (to perhaps 30), they hold about half of the nation's banking assets. Why couldn't these banks provide an adequate amount of export financing?[17]

A case can be made, in fact, that Eximbank lending is costing society by interfering with private market efficiency rather than benefitting us by enhancing it. Private market failure is most often associated with markets which have few borrowers and lenders, infrequent trading, or risks that cannot be diversified. None of these characterizes the world market for dollar-denominated cross-border loans. But Eximbank lending could be reducing the efficiency of this large competitive market by crowding out private financial firms which cannot compete with its officially subsidized terms. The extent of such crowding out is hard to assess since Eximbank has been operating long enough to create its own market niche. Given this argument, and the large existing banks, however, there is no doubt that many of the loans the agency made could have and would have been made by the private sector, though at somewhat higher rates (U.S. Congress 1981b, pp. 26-27).

An offset for the effects of other nation's subsidies?

At least two arguments are made that Eximbank's subsidized export credit benefits U.S. society by offsetting the effects of other nations' export subsidies. Neither of the arguments is persuasive.

One says that matching other nations' subsidies prevents them from distorting the industrial composition of the U.S. economy. Such matching, the argument goes, ensures that the kinds and quantities of the goods being produced here are those which our private market would prefer. The view is set out in a recent study by Cruse and Whitsitt (1981, p. 1).[18] For Eximbank's subsidized loans, their study finds

> . . . an economic rationale and justification in the neutralization of foreign official export credit—not on the grounds of equity to U.S. exports, but on the basis that subsidized Eximbank credits allow the "true" market (instead of foreign governments) to determine the scope and structure of the U.S. industrial base.

Although this argument is viscerally appealing, it is flawed. Say Eximbank were actually benefiting us to some extent by offsetting other nations' financing in an effort to preserve "the scope and structure of the U.S. industrial base." Nevertheless, if that is our objective, Eximbank is a costly way to try to achieve it. Remember, the subsidy in Eximbank lending is almost surely shared with foreign importers, and in this context they are unintended and unnecessary beneficiaries. A more efficient way to try to reach our objective would be to directly subsidize domestic consumption of the appropriate goods.

But that matching other nations' financing actually provides any social benefit of this type is not clear; it may instead interfere with the market and so be a social cost. From a global perspective, all export subsidies are indeed a source of distortion. That is, they increase the production of export goods above the market-determined, presumably efficient level. U.S. subsidies increase the total production of export goods just as subsidies from other nations do. In this global context, Eximbank lending does not offset other nations' distortions; it adds to them.

Yet, some people argue that Eximbank's responses to foreign subsidies benefit U.S. society in another way: by stimulating the demand for U.S. goods and U.S. workers and so maintaining the nation's optimal amount of both exports and employment (Roberts 1980, U.S. Congress 1981b).

The benefit to employment is elusive. Sector-specific government programs such as Eximbank lending may increase labor demand in the industries involved, and this effect may be measured statistically (Bayard and Orr 1980). That does not mean, however, that a nation's aggregate employment has necessarily been favorably affected; employment opportunities can be shifted among industries without increasing total employment. There is, in fact, a continuing debate among economists on the general question of whether government policies like Eximbank lending, which attempt to induce the demand for goods, actually have much, if any, sustained effect on aggegate employment (Lucas and Sargent 1979). This question is beyond the scope of my study. Given the debate, however, the effect of Eximbank lending on aggregate employment in the United States is certainly not clear.

Nor is it clear how much effect subsidized financing has on the long-run demand for U.S. exports. The alleged benefit could easily be a cost. Liberalization of one nation's official credit terms is likely to evoke a policy response by others, and the chain reaction may never end. Some governments have recognized this problem and since 1973 have negotiated to reduce official subsidies to export finance. In 1978 the United States signed the Agreements on Guidelines for Official Supported Export Credits, which put voluntary limits on interests rates and repayment terms. These are generally viewed as ineffective, since signatory nations have frequently violated the guidelines, and attempts to negotiate further restrictions have had only limited success (Aboaf 1981, Pine 1981, U.S. Congress 1981b). Nevertheless, the negotiations themselves represent official recognition that competitive subsidization of export finance may be self-defeating rather than beneficial.

A foreign policy tool?

This logically brings us to still another way Eximbank's lending program is sometimes said to benefit society, namely, as an instrument of official foreign policy (Roberts 1980, U.S. Congress 1981a, b). In particular, the argument goes, Eximbank's lending terms can be strategically manipulated so as to influence the outcome of trade negotiations such as those mentioned above. In recent years, Eximbank has been used as a sort of club to wield over the heads of other major exporters. For example, the government of France has been viewed as particularly uncooperative in bargaining with the United States, and in response Eximbank has offered uniquely favorable terms on some export transactions in which France is the main competitor (Aboaf 1981).

An analysis of the strategic political value of the Eximbank lending program is far beyond the scope and expertise of this study. However, I offer two observations. Over the period I studied, 1976-80, the United States made little detectable progress in achieving its objectives through trade finance negotiations (Aboaf 1981, Pine 1981, U.S. Congress 1981b). So if actual results of negotiations are any measure of Eximbank's strategic value, that value is miniscule, at best. Admittedly, things might have gone even worse had Eximbank not existed. But then again they might have gone better. A recent CBO study (U.S. Congress 1981a, p. x) did analyze Eximbank's strategic role, and it concluded that export loans may be an important foreign policy tool, as the original circumstances of Eximbank's founding attest. But if that is its purpose, then control over loans might better be placed more directly under those responsible for foreign economic and political policies.

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[17] Another reason often given for a failure in the market for export financing is that both sovereign risk and convertibility risk apply to entire countries or even regions of the world and are not easily diversifiable. This makes export lending simply too risky for risk averse private financial firms, it is argued, so that they are unlikely to supply the quantity or form of export finance the market demands. Often cited as evidence of such market failure is the fact that in recent years commercial banks have become virtually unwilling to make long-term fixed-rate export loans. Therefore, it is reasoned, Eximbank must "fill the gap" (U.S. Congress 1981b).

This argument overlooks the fact that export finance is available from a number of private sources, not just banks. For example, dollar-denominated fixed-rate debentures may be sold by foreign importers or U.S. exporters, either in the United States or in the Eurobond market. Private market alternatives are available, at least to firms with sound credit ratings. In this respect, there is little difference between export and domestic finance, since most commercial banks prefer short maturities and or floating rates on all their lending. If this preference is evidence of market failure, therefore, it is a general malaise not confined to export lending.

[18] Although Cruse and Whitsitt are economists at Eximbank, they stress that their study is a "Person Paper" which does not necessarily reflect the official positions of the agency.

CONCLUSION

Half a billion dollars or more is quite a sum for taxpayers to pay each year for such tenuous indirect benefits. That's about how much Eximbank lending has been subsidized lately, according to my cost-benefit analysis. It is the most theoretically defensible study of the program done so far, and it estimates the subsidy to be large and growing rapidly. Previous studies of this program appear to have underestimated its subsidy—and my study may have too, considering Eximbank's unorthodox accounting methods (see the box). Even without taking that into account, however, Eximbank's lending program appears to be a program which society would be better off without.

EXIMBANK'S QUESTIONABLE ACCOUNTING PROCEDURES

The actual subsidy in Eximbank lending is probably greater than my estimates indicate because my estimates are based on income data reported by the bank. For two reasons, Eximbank's reported profits are overstated by some unknown amount.

First, unlike private banks, Eximbank is not obliged to follow generally accepted accounting principles, and it doesn't. It is not required to make realistic provisions for loan losses or write off bad loans in a timely way. In fact, according to a General Accounting Office study of Eximbank (U.S. Congress 1981b, p. 14).

No loans were written off in fiscal years 1979 and 1980, and only $8 million in loans has been charged off against income since 1934. For example, no determinations of uncollectibility have been made for delinquent loans of $26.4 million made in 1946 to the then recognized government of China and $36.3 million made to Cuba before 1961 when a prior government existed.

Second, Eximbank's interest income is probably overstated. Inevitably, some loans made by any lender have a sort of questionable status. That is, they are delinquent, and yet there remains a reasonable chance that they will ultimately be collected. Private banks typically put such loans on a *nonaccrual basis*, which means that interest on these loans can be shown as income, but only as it is actually collected. Eximbank does not follow this procedure. Its reported interest income includes accrued interest which has not been collected yet—and may never be. In recent years, this type of interest has become a sizable component of Eximbank's reported income. In 1978, accured interest on delinquent loans accounted for 7.9 percent of the bank's reported net income. In 1979, this share virtually doubled to 15.7 percent, and then in 1980 it ballooned up to 84.5 percent. (See U.S. Congress 1981b, p. 17.)

PROGRAM

Mr. BAKER. Mr. President, tomorrow the Senate will convene at 9 o'clock, under the conditions of rule XXII governing cloture motions. A vote thereunder will occur at 10 o'clock unless a different hour is arranged by unanimous consent. It is expected that the Senate will continue debate on the pending business, which is the urgent supplemental appropriations bill and amendments thereto, throughout the course of the day. It is anticipated that the Senate will be asked to remain in late tomorrow, perhaps very late, in an effort to finish this bill. If the bill is not finished on Thursday, the Senate will be asked to be in session on Friday.

RECESS UNTIL 9 A.M. TOMORROW

Mr. BAKER. Mr. President, if there is no other Senator seeking recognition, I move, in accordance with the order previously entered, that the Senate stand in recess until 9 a.m., tomorrow morning.

The motion was agreed to and, at 6:51 p.m., the Senate recessed until tomorrow, Thursday, May 27, 1982, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate May 26, 1982:

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

The following-named persons to be Members of the General Advisory Committee of the U.S. Arms Control and Disarmament Agency:

William Robert Graham, of California, vice McGeorge Bundy, resigned.

Colin Spencer Grey, of New York, vice Bert Thomas Combs, resigned.

Roland F. Herbst, of California, vice Lawrence Owen Cooper, Sr., resigned.

Francis P. Hoeber, of Virginia, vice Paul Mead Doty, resigned.

Charles Burton Marshall, of Virginia, vice Harry Arthur Huge, resigned.

Jaime Oaxaca, of California, vice Joseph Lane Kirkland, resigned.

Shirley N. Pettis, of California, vice Arthur B. Krim, resigned.

John P. Roche, of Massachusetts, vice Wolfgang Kurt Hermann Panofsky, resigned.

Donald Rumsfeld, of Illinois, vice Harold Melvin Agnew, resigned.

Harriet Fast Scott, of Virginia, vice Jane Cahill Pfeiffer, resigned.

Laurence Hirsch Silberman, of California, vice Brent Scowcroft, resigned.

Elmo Russell Zumwalt, Jr., of Virginia vice George M. Seignious II, resigned.

COMMISSION ON CIVIL RIGHTS

The following-named persons to be Members of the Commission of Civil Rights:

Robert A. Destro, of Wisconsin, vice Murray Saltzman.

Constantine Nicholas Dombalis, of Virginia, vice Mary Frances Berry.

Guadalupe Quintanilla, of Texas, vice Blandina Cardenas Ramirez.

INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

Allie C. Felder, Jr., of the District of Columbia, to be a Member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1984, reappointment.

IN THE AIR FORCE

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. John T. Chain, Jr., 161-28-5418FR, U.S. Air Force.

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of chapters 34, 831, and 837, title 10, United States Code:

To be major general

Brig. Gen. Rudolph D. Bartholomew, 383-22-9659FG, Air National Guard of the United States.

Brig. Gen. LeRoy R. Bartman, 370-26-5862FG, Air National Guard of the United States.

Brig. Gen. William J. Davis, 318-26-0165FG, Air National Guard of the United States.

Brig. Gen. Charles K. Evers, 410-38-8299FG, Air National Guard of the United States.

Brig. Gen. John L. France, 497-34-0479FG, Air National Guard of the United States.

Brig. Gen. Arthur U. Ishimoto, 576-05-9823FG, Air National Guard of the United States.

Brig. Gen. Leslie E. Whitehead, 416-20-4200FG, Air National Guard of the United States.

To be brigadier general

Col. Lester D. Abston, 572-36-1631FG, Air National Guard of the United States.

Col. Ralph E. Bradford, Jr., 247-48-9026FG, Air National Guard of the United States.

Col. Alfred B. Cole, 415-24-7175FG, Air National Guard of the United States.

Col. Claude F. Heath, 227-26-1249FG, Air National Guard of the United States.

Col. Harold W. Rudolph, 370-28-3727FG, Air National Guard of the United States.

Col. Milton H. Towne, 539-22-1029FG, Air National Guard of the United States.

IN THE ARMY

The following officer for appointment as a Reserve Commissioned officer in the Adjutant General's Corps, Army National Guard of the United States, Reserve of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3392:

To be major general

Brig. Gen. Robert F. Ensslin, Jr., 579-30-4428, Army National Guard of the United States.

[The text of S. 2572 and a summary of its major provisions as referred to on page 11817 follows:]

S. 2572

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Violent Crime and Drug Enforcement Improvements Act of 1982".

TITLE I—BAIL REFORM

SEC. 101. This title may be cited as the "Bail Reform Act of 1982".

SEC. 102. (a) Sections 3141 through 3151 of title 18, United States Code, are repealed and the following sections are inserted in lieu thereof:

"§ 3141. Release and detention authority generally

"(a) Pending Trial.—A judicial officer who is authorized to order the arrest of a person pursuant to section 3041 of this title shall order that an arrested person who is brought before him be released or detained, pending judicial proceedings, pursuant to the provisions of this chapter.

"(b) Pending Sentence or Appeal.—A judicial officer of a court of original jurisdiction over an offense, or a judicial officer of a Federal appellate court, shall order that, pending imposition or execution of sentence, or pending appeal of conviction or sentence, a person be released or detained pursuant to the provisions of this chapter.

"§ 3142. Release or detention of a defendant pending trial

"(a) In General.—Upon the appearance before a judicial officer of a person charged with an offense, the judicial officer shall issue an order that, pending trial, the person be—

"(1) released on his personal recognizance or upon execution of an unsecured appearance bond, pursuant to the provisions of subsection (b);

"(2) released on a condition or combination of conditions pursuant to the provisions of subsection (c);

"(3) temporarily detained to permit revocation of conditional release pursuant to the provisions of subsection (d); or

"(4) detained pursuant to the provisions of subsection (e).

"(b) Release on Personal Recognizance or Unsecured Appearance Bond.—The judicial officer shall order the pretrial release of the person on his personal recognizance, or upon execution of an unsecured appearance bond in an amount specified by the court, subject to the condition that the person not commit a Federal, State, or local crime during the period of his release, unless the judicial officer determines that such release will not reasonably assure the appearance of the person as required or will endanger the safety of any other person or the community.

"(c) Release on Conditions.—If the judicial officer determines that the release described in subsection (b) will not reasonably assure the appearance of the person as required or will endanger the safety of any other person or the community, he shall order the pretrial release of the person—

"(1) subject to the condition that the person not commit a Federal, State, or local crime during the period of release; and

"(2) subject to the least restrictive further condition, or combination of conditions, that he determines will reasonably assure the appearance of the person as required and the safety of any other person and the community, which may include the condition that the person—

"(A) remain in the custody of a designated person, who agrees to supervise him and to report any violation of a release condition to the court, if the designated person is able reasonably to assure the judicial officer that the person will appear as required and will not pose a danger to the safety of any other person or the community;

"(B) maintain employment, or, if unemployed, actively seek employment;

"(C) maintain or commence an educational program;

"(D) abide by specified restrictions on his personal associations, place of abode, or travel;

"(E) avoid all contact with an alleged victim of the crime and with a potential witness who may testify concerning the offense;

"(F) report on a regular basis to a designated law enforcement agency, pretrial services agency, or other agency;

"(G) comply with a specified curfew;

"(H) refrain from possessing a firearm, destructive device, or other dangerous weapon;

"(I) refrain from excessive use of alcohol, or any use of a narcotic drug or other controlled substance, as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802), without a prescription by a licensed medical practitioner;

"(J) undergo available medical or psychiatric treatment, including treatment for drug or alcohol dependency, and remain in a specified institution if required for that purpose;

"(K) execute an agreement to forfeit upon failing to appear as required, such designated property, including money, as is reasonably necessary to assure the appearance of the person as required, and post with the court such indicia of ownership of the property or such percentage of the money as the judicial officer may specify;

"(L) execute a bail bond with solvent sureties in such amount as is reasonably necessary to assure the appearance of the person as required;

"(M) return to custody for specified hours following release for employment, schooling, or other limited purposes; and

"(N) satisfy any other condition that is reasonably necessary to assure the appearance of the person as required and to assure the safety of any other person and the community.

The judicial officer may not impose a financial condition that results in the pretrial detention of the person. The judicial officer may at any time amend his order to impose additional or different conditions of release.

"(d) Temporary Detention To Permit Revocation Of Conditional Release.—If the judicial officer determines that—

"(1) the person is, and was at the time the offense was committed, on—

"(A) release pending trial for a felony under Federal, State, or local law;

"(B) release pending imposition or execution of sentence, appeal of sentence or conviction, or completion of sentence, for any offense under Federal, State, or local law; or

"(C) probation or parole for any offense under Federal, State, or local law; and

"(2) the person may flee or pose a danger to any other person or the community;

he shall order the detention of the person, for a period of not more than ten days, and direct the attorney for the Government to notify the appropriate court, probation, or parole official. If the official fails or declines to take the person into custody during that period, the person shall be treated in accordance with the other provisions of this section.

"(e) Detention.—If, after a hearing pursuant to the provisions of subsection (f), the judicial officer finds that no condition or combination of conditions will reasonably assure the appearance of the person as required and the safety of any other person and the community, he shall order the detention of the person prior to trial. In a case described in (f)(1), a rebuttable presumption arises that no condition or combination of conditions will reasonably assure the safety of any other person and the community if the judge finds that—

"(1) the person has been convicted of a Federal offense that is described in subsection (f)(1), or of a State or local offense that would have been an offense described in subsection (f)(1) if a circumstance giving rise to Federal jurisdiction had existed;

"(2) the offense described in paragraph (1) was committed while the person was on release pending trial for a Federal, State, or local offense; and

"(3) a period of not more than five years has elapsed since the date of conviction, or the release of the person from imprisonment, for the offense described in paragraph (1), whichever is later.

Subject to rebuttal by the person, it shall be presumed that no condition or combination of conditions will reasonably assure the appearance of the person as required and the safety of the community if the judicial officer finds that there is probable cause to believe that the person committed an offense for which a maximum term of imprisonment of ten years or more is prescribed in the Controlled Substances Act (21 U.S.C. 801 et seq.), the Controlled Import and Export Act (21 U.S.C. 951 et seq.), section 1 of the Act of September 15, 1980 (21 U.S.C. 955a), or an offense under 18 U.S.C. 924(c).

"(f) Detention Hearing.—The judicial officer, upon motion of the attorney for the government or upon the judge's own motion, shall hold a hearing to determine whether any condition or combination of conditions set forth in subsection (c) will reasonably assure the appearance of the person as required and the safety of any other person and the community in a case that involves—

"(1) a crime of violence;

"(2) an offense for which the maximum sentence is life imprisonment or death;

"(3) an offense for which a maximum term of imprisonment of ten years or more is prescribed in the Controlled Substances Act (21 U.S.C. 801 et seq.), the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.), or section 1 of the Act of September 15, 1980 (21 U.S.C. 955a);

"(4) a serious risk that the person will flee;

"(5) a serious risk that the person will obstruct or attempt to obstruct justice, or threaten, injure, or intimidate, or attempt to threaten, injure, or intimidate, a prospective witness or juror, or

"(6) any felony committed after the person had been convicted of two or more prior offenses described in paragraphs (1) through (3), or two or more State or local offenses that would have been offenses described in paragraphs (1) through (3) if a circumstance giving rise to Federal jurisdiction had existed.

The hearing shall be held immediately upon the person's first appearance before the judicial officer unless that person, or the attorney for the Government, seeks a continuance. Except for good cause, a continuance on motion of the person may not exceed five days, and a continuance on motion of the attorney for the Government may not exceed three days. During a continuance, the person shall be detained, and the judicial officer, on motion of the attorney for the Government or on his own motion, may order that, while in custody, a person who appears to be a narcotics addict receive a medical examination to determine whether he is an addict. At the hearing, the person has the right to be represented by counsel, and, if he is financially unable to obtain adequate representation, to have counsel appointed for him. The person shall be afforded an opportunity to testify, to present witnesses on his own behalf, to cross-examine witnesses who appear at the hearing, and to present information by proffer or otherwise. The rules concerning admissibility of evidence in criminal trials do not apply to the presentation and consideration of information at the hearing. The facts the judicial officer uses to support a finding pursuant to (e) that no condition or combination of conditions will reasonably assure the safety of any other person and the community shall be supported by clear and convincing evidence. The person may be detained pending completion of the hearing.

"(g) FACTORS TO BE CONSIDERED.—The judicial officer shall, in determining whether there are conditions of release that will reasonably assure the appearance of the person as required and the safety of any other person and the community, take into account the available information concerning—

"(1) the nature and circumstances of the offense charged, including whether the offense is a crime of violence or involves a narcotic drug;

"(2) the weight of the evidence against the person;

"(3) the history and characteristics of the person, including—

"(A) his character, physical and mental condition, family ties, employment, financial resources, length of residence in the community, community ties, past conduct, history relating to drug or alcohol abuse, criminal history, and record concerning appearance at court proceedings; and

"(B) whether, at the time of the current offense or arrest, he was on probation, on parole, or on other release pending trial, sentencing, appeal, or completion of sentence for an offense under Federal, State, or local law; and

"(4) the nature and seriousness of the danger to any person or the community that would be posed by the person's release. In considering the conditions of release described in subsection (c)(2)(K) or (c)(2)(L), the judicial officer may upon his own motion, or shall upon the motion of the Government, conduct an inquiry into the source of the property to be designated for potential forfeiture or offered as collateral to secure a bond, and shall decline to accept the designation, or the use as collateral, of property that, because of its source, will not reasonably assure the appearance of the person as required.

"(h) CONTENTS OF RELEASE ORDER.—In a release order issued pursuant to the provisions of subsection (b) or (c), the judicial officer shall—

"(1) include a written statement that sets forth all the conditions to which the release is subject, in a manner sufficiently clear and specific to serve as a guide for the person's conduct; and

"(2) advise the person of—

"(A) the penalties for violating a condition of release, including the penalties for committing an offense while on pretrial release;

"(B) the consequences of violating a condition of release, including the immediate issuance of a warrant for the person's arrest; and

"(C) the provisions of sections 1503 of this title (relating to intimidation of witnesses, jurors, and officers of the court) and 1510 (relating to obstruction of criminal investigation).

"(i) CONTENTS OF DETENTION ORDER.—In a detention order issued pursuant to the provisions of subsection (e), the judge shall—

"(1) include written findings of fact and a written statement of the reasons for the detention;

"(2) direct that the person be committed to the custody of the Attorney General for confinement in a corrections facility separate, to the extent practicable, from persons awaiting or serving sentences or being held in custody pending appeal;

"(3) direct that the person be afforded reasonable opportunity for private consultation with his counsel; and

"(4) direct that, on order of a court of the United States or on request of an attorney for the Government, the person in charge of the corrections facility in which the person is confined deliver the person to a United States marshal for the purpose of an appearance in connection with a court proceeding.

The judicial officer may, by subsequent order, permit the temporary release of the person, in the custody of a United States marshal or another appropriate person, to the extent that the judicial officer determines such release to be necessary for preparation of the person's defense or for another compelling reason.

"§ 3143. Release or detention of a defendant pending sentence or appeal

"(a) RELEASE OR DETENTION PENDING SENTENCE.—The judicial officer shall order that a person who has been found guilty of an offense and who is waiting imposition or execution of sentence, be detained, unless the judicial officer finds by clear and convincing evidence that the person is not likely to flee or pose a danger to the safety of any other person or the community if released pursuant to section 3142 (b) or (c). If the judicial officer makes such a finding, he shall order the release of the person in accordance with the provisions of section 3142 (b) or (c).

"(b) RELEASE OR DETENTION PENDING APPEAL BY THE DEFENDANT.—The judicial officer shall order that a person who has been found guilty of an offense and sentenced to a term of imprisonment, and who has filed an appeal or a petition for a writ of certiorari, be detained, unless the judicial officer finds—

"(1) by clear and convincing evidence that the person is not likely to flee or pose a danger to the safety of any other person or the community if released pursuant to section 3142 (b) or (c); and

"(2) that the appeal is not for purpose of delay and raises a substantial question of law or fact likely to result in reversal or an order for a new trial.

If the judicial officer makes such findings, he shall order the release of the person in accordance with the provisions of section 3142 (b) or (c).

"(c) RELEASE OR DETENTION PENDING APPEAL BY THE GOVERNMENT.—The judicial officer shall treat a defendant in a case in which an appeal has been taken by the United States pursuant to the provisions of section 3731 of this title, in accordance with the provisions of section 3142, unless the defendant is otherwise subject to a release or detention order.

"§ 3144. Release or detention of a material witness

"If it appears from an affidavit filed by a party that the testimony of a person is material in a criminal proceeding, and if it is shown that it may become impracticable to secure the presence of the person by subpena, a judicial officer may order the arrest of the person and treat the person in accordance with the provisions of section 3142. No material witness may be detained because of inability to comply with any condition of release if the testimony of such witness can adequately be secured by deposition, and if further detention is not necessary to prevent a failure of justice. Release of a material witness may be delayed for a reasonable period of time until the deposition of the witness can be taken pursuant to the Federal Rules of Criminal Procedure.

"§ 3145. Review and appeal of a release or detention order

"(a) REVIEW OF A RELEASE ORDER.—If a person is ordered released by a magistrate, or by a person other than a judge of a court having original jurisdiction over the offense and other than a Federal appellate court—

"(1) the attorney for the Government may file, with the court having original jurisdiction over the offense, a motion for revocation of the order or amendment of the conditions of release; and

"(2) the person may file, with the court having original jurisdiction over the offense, a motion for amendment of the conditions of release.

The motion shall be determined promptly.

"(b) REVIEW OF A DETENTION ORDER.—If a person is ordered detained by a magistrate, or by a person other than a judge of a court having original jurisdiction over the offense and other than a Federal appellate court, the person may file, with the court having original jurisdiction over the offense, a motion for revocation or amendment of the order. The motion shall be determined promptly.

"(c) APPEAL FROM A RELEASE OR DETENTION ORDER.—An appeal from a release or detention order, or from a decision denying revocation or amendment of such an order, is governed by the provisions of section 1291 of title 28 and section 3731 of this title. The appeal shall be determined promptly.

"§ 3146. Penalty for failure to appear

"(a) OFFENSE.—A person commits an offense if, after having been released pursuant to this chapter—

"(1) he knowingly fails to appear before a court as required by the conditions of his release; or

"(2) he knowingly fails to surrender for service of sentence pursuant to a court order.

"(b) GRADING.—If the person was released—

"(1) in connection with a charge of, or while awaiting sentence, surrender for service of sentence, or appeal or certiorari after conviction, for—

"(A) an offense punishable by death, life imprisonment, or imprisonment for a term of fifteen years or more, he shall be fined not more than $25,000 or imprisoned for not more than ten years, or both;

"(B) an offense punishable by imprisonment for a term of five or more years, but less than fifteen years, he shall be fined not more than $10,000 or imprisoned for not more than five years, or both;

"(C) any other felony, he shall be fined not more than $5,000 or imprisoned not more than two years, or both; or

"(D) a misdemeanor, he shall be fined not more than $2,000 or imprisoned more than one year, or both; or

"(2) for appearance as a material witness, he shall be fined no more than $1,000 or imprisoned for not more one year, or both.

A term of imprisonment imposed pursuant to this section shall be consecutive to the sentence of imprisonment for any other offense.

"(c) AFFIRMATIVE DEFENSE.—It is an affirmative defense to a prosecution under this section that uncontrollable circumstances prevented the person from appearing or surrendering, and that the person did not contribute to the creation of such circumstances in reckless disregard of the requirement that he appear or surrender, and that the defendant appear or surrendered as soon as such circumstances ceased to exist.

"(d) **Declaration of Forfeiture.**—If a person fails to appear before a court as required, and the person executed an appearance bond pursuant to section 3142(b) or is subject to the release condition set forth in section 3142(c)(2)(K), or (c)(2)(L), the judicial officer may, regardless of whether the person has been charged with an offense under this section, declare any property designated pursuant to that section to be forfeited to the United States.

"§ 3147. Penalty for an offense committed while on release

"A person convicted of an offense committed while released pursuant to this chapter shall be sentenced, in addition to the sentence prescribed for the offense to—

"(1) a term of imprisonment of not less than two years and not more than ten years if the offense is a felony; or

"(2) a term of imprisonment of not less than ninety days and not more than one year if the offense is a misdemeanor.

A term of imprisonment imposed pursuant to this section shall be consecutive to any other sentence of imprisonment.

"§ 3148. Sanctions for violation of a release condition

"(a) **Available Sanctions.**—A person who has been released pursuant to the provisions of section 3142, and who has violated a condition of his release, is subject to a revocation of release, an order of detention, and a prosecution for contempt of court.

"(b) **Revocation of Release.**—The attorney for the Government may initiate a proceeding for revocation of an order of release by filing a motion with the district court. A judicial officer may issue a warrant for the arrest of a person charged with violating a condition of release, and the person shall be brought before a judicial officer in the district in which his arrest was ordered for a proceeding in accordance with this section. The judicial officer shall enter an order of revocation and detention if, after a hearing, the judicial officer—

"(1) finds that there is—

"(A) probable cause to believe that the person has committed a Federal, State, or local crime while on release; or

"(B) clear and convincing evidence that the person has violated any other condition of his release; and

"(2) finds that—

"(A) based on the factors set forth in section 3142(g), there is no condition or combination of conditions of release that will assure that the person will not flee or pose a danger to the safety of any other person or the community; or

"(B) the person is unlikely to abide by any condition or combination of conditions of release.

If there is probable cause to believe that, while on release, the person committed a Federal, State, or local felony, a rebuttable presumption arises that no condition or combination of conditions will assure that the person will not pose a danger to the safety of any other person or the community. If the judicial officer finds that there are conditions of release that will assure that the person will not flee or pose a danger to the safety of any other person or the community, and that the person will abide by such conditions, he shall treat the person in accordance with the provisions of section 3142 and may amend the conditions of release accordingly.

"(c) **Prosecution for Contempt.**—The judge may commence a prosecution for contempt, pursuant to the provisions of section 401, if the person has violated a condition of his release.

"§ 3149. Surrender of an offender by a surety

"A person charged with an offense, who is released upon the execution of an appearance bond with a surety, may be arrested by the surety, and if so arrested, shall be delivered promptly to a United States marshal and brought before a judicial officer. The judicial officer shall determine in accordance with the provisions of section 3148(b) whether to revoke the release of the person, and may absolve the surety of responsibility to pay all or part of the bond in accordance with the provisions of rule 46 of the Federal Rules of Criminal Procedure. The person so committed shall be held in official detention until released pursuant to this chapter or another provision of law.

§ 3150. Applicability to a case removed from a State court

"The provisions of this chapter apply to a criminal case removed to a Federal court from a State court.".

(b) Section 3154 of title 18, United States Code, is amended—

(1) in subsection (1), by striking out "and recommend appropriate release conditions for each such person" and inserting in lieu thereof "and, where appropriate, include a recommendation as to whether each such person should be released or detained and, if release is recommended, recommend appropriate conditions of release"; and

(2) in subsection (2), by striking out "section 3146(e) or section 3147" and inserting in lieu thereof "section 3145".

(c) Section 3156(a) of title 18, United States Code, is amended—

(1) by striking out "3146" and inserting in lieu thereof "3141";

(2) in paragraph (1)—

(A) by striking out "bail or otherwise" and inserting in lieu thereof "detain or"; and

(B) by deleting "and" at the end thereof;

(3) in paragraph (2), by striking out the period at the end and inserting in lieu thereof "; and";

(4) by adding after paragraph (2) the following new paragraphs:

"(3) The term 'felony' means an offense punishable by a maximum term of imprisonment of more than one year; and

"(4) The term 'crime of violence' means—

"(A) an offense that has as an element of the offense the use, attempted use, or threatened use of physical force against the person or property of another; or

"(B) any other offense that is a felony and that, by its nature, involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense."; and

(5) in subsection (b)(1), by striking out "bail or otherwise" and inserting in lieu thereof "detain or".

(d) The item relating to chapter 207 in the analysis of part II of title 18, United States Code, is amended to read as follows:

"207. Release and detention pending judicial proceedings .... 3141".

(e)(1) The caption of chapter 207 is amended to read as follows:

"CHAPTER 207—RELEASE AND DETENTION PENDING JUDICIAL PROCEEDINGS".

(2) The section analysis for chapter 207 is amended by striking out the items relating to section 3141 through 3151 and inserting in lieu thereof the following:

"3141. Release and detention authority generally.
"3142. Release or detention of a defendant pending trial.
"3143. Release or detention of a defendant pending sentence or appeal.
"3144. Release or detention of a material witness.
"3145. Review and appeal of a release or detention order.
"3146. Penalty for failure to appear.
"3147. Penalty for an offense committed while on release.
"3148. Sanctions for violation of a release condition.
"3149. Surrender of an offender by a surety.
"3150. Applicability to a case removed from a State court."

Sec. 103. Chapter 203 of title 18, United States Code, is amended as follows:

(a) The last sentence of section 3041 is amended by striking out "determining to hold the prisoner for trial" and inserting in lieu thereof "determining, pursuant to the provisions of section 3142 of this title, whether to detain or conditionally release the prisoner prior to trial".

(b) The second paragraph of section 3042 is amended by striking out "imprisoned or admitted to bail" and inserting in lieu thereof "detained or conditionally released pursuant to section 3142 of this title".

(c) Section 3043 is repealed.

(d) The following new section is added after section 3061:

"§ 3062. General arrest authority for violation of release conditions

"A law enforcement officer, who is authorized to arrest for an offense committed in his presence, may arrest a person who is released pursuant to chapter 207 if the officer has reasonable grounds to believe that the person is violating, in his presence, a condition imposed on the person pursuant to section 3142(c)(2)(D), (c)(2)(E), (c)(2)(H), (c)(2)(I), or (c)(2)(M), or, if the violation involves a failure to remain in a specified institution as required, a condition imposed pursuant to section 3142(c)(2)(J).".

(e) The section analysis is amended—

(1) by amending the item relating to section 3043 to read as follows:

"3043. Repealed."; and

(2) by adding the following new item after the item relating to section 3061:

"3062. General arrest authority for violation of release conditions.".

Sec. 104. Section 3731 of title 18, United States Code, is amended by adding after the second paragraph the following new paragraph:

"An appeal by the United States shall be to a court of appeals from a decision or order, entered by a district court of the United States, granting the release of a person charged with or convicted of an offense, or denying a motion for revocation of, or modification of the conditions of, a decision or order granting release.".

Sec. 105. The second paragraph of section 3772 of title 18, United States Code, is amended by striking out "bail" and inserting in lieu thereof "release pending appeal"

Sec. 106. Section 4282 of title 18, United States Code, is amended—

(a) by striking out "and not admitted to bail" and substituting "and detained pursuant to chapter 207"; and

(b) by striking out "and unable to make bail".

Sec. 107. Section 636 of title 28, United States Code, is amended by striking out "impose conditions of release under section 3146 of title 18" and inserting in lieu thereof "issue orders pursuant to section 3142 of title 18 concerning release or detention of persons pending trial".

Sec. 108. The Federal Rules of Criminal Procedure are amended as follows:

(a) Rule 5(c) is amended by striking out "shall admit the defendant to bail" and inserting in lieu thereof "shall detain or conditionally release the defendant".

(b) The second sentence of rule 15(a) is amended by striking out "committed for failure to give bail to appear to testify at a trial or hearing" and inserting in lieu thereof "detained pursuant to 18 U.S.C. § 3144".

(c) Rule 40(f) is amended to read as follows:

"(f) Release or Detention. If a person was previously detained or conditionally released, pursuant to chapter 207 of title 18, United States Code, in another district where a warrant, information or indictment issued, the Federal magistrate shall take into account the decision previously made and the reasons set forth therefor, if any, but will not be bound by that decision. If the Federal magistrate amends the release or detention decision or alters the conditions of release, he shall set forth the reasons for his action in writing.".

(d) Rule 46 is amended—

(1) in subdivision (a), by striking out "3146, 3148, or 3149" and inserting in lieu thereof "3142 and 3144";

(2) in subdivision (c), by striking out "3148" and inserting in lieu thereof "3143";

(3) by amending subdivision (e)(2) to read as follows:

"(2) Setting Aside.—The court may direct that a forfeiture be set aside in whole or in part, upon such conditions as the court may impose, if a person released upon execution of an appearance bond with a surety is subsequently surrendered by the surety into custody or if it otherwise appears that justice does not require the forfeiture."; and

(4) by adding the following new subdivision at the end thereof:

"(h) Forfeiture of Property.—Nothing in this rule or in chapter 207 of title 18, United States Code, shall prevent the court from disposing of any charge by entering an order directing forfeiture of property pursuant to 18 U.S.C. § 3142(c)(2)(K) if the value of the property is an amount that would be an appropriate sentence after conviction of the offense charged and if such forfeiture is authorized by statute or regulation.".

(e) Rule 54(b)(3) is amended by striking out "18 U.S.C. § 3043, and".

Sec. 109. Rule 9(c) of the Federal Rules of Appellate Procedure is amended by striking out "3148" and inserting in lieu thereof "3143", and following the word "community", inserting "and that the appeal is not for purpose of delay and raises a substantial question of law or fact likely to result in reversal or in an order for a new trial".

TITLE II—WITNESS-VICTIM PROTECTION

Sec. 201. This title may be cited as the "Witness Victim Protection Act of 1982".

PART A—VICTIM IMPACT STATEMENT

Sec. 202. Rule 32(c)(2) of the Federal Rules of Criminal Procedure, as amended by section 505 of title V of this Act, is amended by adding at the end thereof the following new sentence: "The report shall also contain verified information, stated in a nonargumentative style, assessing the financial, social, psychological, and medical impact upon any person who was the victim of the offense committed by the defendant.".

PART B—PROTECTION OF VICTIMS AND WITNESSES FROM INTIMIDATION

Sec. 203. (a) Chapter 73 of title 18, United States Code, is amended by adding at the end thereof the following new sections:

"§ 1512. Tampering with a witness, victim, or an informant

"(a) Offense.—Whoever—

"(1) uses force, threat, intimidation, or deception with intent to—

"(A) influence the testimony of another person in an official proceeding; or

"(B) cause or induce another person to—

"(i) withhold testimony, or withhold a record, document, or other object, from an official proceeding;

"(ii) evade legal process summoning him to appear as a witness, or to produce a record, document, or other object, in an official proceeding; or

"(iii) absent himself from an official proceeding to which he has been summoned by legal process; or

"(C) hinder, delay, or prevent the communication to a law enforcement officer of information relating to an offense or a possible offense;

"(2) with intent to annoy, harm, or injure another person, hinders, delays, prevents, or dissuades—

"(A) a witness or a victim from attending or testifying in an official proceeding; or

"(B) a witness, victim, or a person acting on behalf of a victim, from—

"(i) making a report of an offense or a possible offense to a judge, a law enforcement officer, or probation officer, or an officer of a correctional facility;

"(ii) causing a criminal prosecution, or a parole or probation revocation proceeding, to be sought or instituted or assisting in such prosecution or proceeding; or

"(iii) arresting, or causing or seeking the arrest of, a person in connection with an offense; or

"(3) does any other act with intent to influence improperly, or to obstruct or impair, the—

"(A) administration of justice;

"(B) administration of a law under which an official proceeding is being or may be conducted; or

"(C) exercise of a legislative power of inquiry;

shall be punished as provided in subsection (b).

"(b) Punishment.—Whoever is guilty of an offense set forth in subsection (a)(1) shall be fined not more than $25,000, or imprisoned not more than six years, or both. Whoever is guilty of an offense set forth in subsection (a)(2) or (a)(3) shall be fined not more than $5,000 or imprisoned not more than one year, or both.

"(c) Definitions.—As used in this section and section 1513—

"(1) 'official proceeding' means a proceeding or inquiry, including an investigative proceeding or inquiry convened or instituted pursuant to lawful authority, or a portion of such a proceeding or inquiry, that is or may be heard or conducted by—

"(A) a federal government branch or agency; or

"(B) a federal public servant who is authorized to take oaths, including a judge or magistrate, a chairman or a member of Congress authorized by a legislative committee or subcommittee, a bankruptcy judge, an administrative law judge, a hearing examiner, and a notary;

"(2) 'victim' means an individual against whom an offense has been or is being committed; and

"(3) 'witness' means an individual—

"(A) having knowledge of the existence or nonexistence of facts relating to an offense;

"(B) whose declaration under oath is received in evidence for any purpose;

"(C) who has reported an offense to a judge, a law enforcement officer, or probation officer, or an officer of a correctional facility;

"(D) who has been served with a subpena, including a grand jury subpena, issued under the authority of a court of the United States; or

"(E) who a reasonable person would believe to be an individual described in this paragraph;

"(d) Affirmative Defense.—It is an affirmative defense to a prosecution under subsection (a)(1)(A) that the conduct engaged in to threaten or to intimidate consisted solely of lawful conduct and that the defendant's sole intention was to compel or induce the other person to testify truthfully. If the defendant raises such affirmative defense at trial, the defendant has the burden of proving the defense by a preponderance of the evidence.

"(e) Defenses Precluded.—It is not a defense to a prosecution under this section that—

"(1) an official proceeding was not pending or about to be instituted; or

"(2) the testimony, or the record, document, or other object, would have been legally privileged or would have been inadmissible in evidence.

"(f) Jurisdiction.—There is federal jurisdiction over an offense described in this section if—

"(1) the official proceeding, offense, or prosecution is or would be a Federal official proceeding, offense, or prosecution;

"(2) the officer is a Federal public servant and the information or report relates to a Federal offense or a possible Federal offense;

"(3) the administration of justice, administration of a law, or exercise of a legislative power of inquiry relates to a Federal Government function; or

"(4) the United States mail or a facility in interstate or foreign commerce is used in the planning, promotion, management, execution, consummation, or concealment of the offense, or in the distribution of the proceeds of the offense.

"§ 1513. Retaliating against a witness or an informant

"(a) Offense.—Whoever—

"(1) engages in conduct by which he causes bodily injury to another person or damages the property of another person because of—

"(A) the attendance of a witness or party at an official proceeding, or any testimony given, or any record, document, or other object produced, by a witness in an official proceeding; or

"(B) any information relating to an offense or a possible offense given by a person to a law enforcement officer; or

"(2) unlawfully subjects a Federal public servant to economic loss or injury to his business or profession because of any matter described in subparagraph (A) or (B) of paragraph (1);

shall be punished as provided in subsection (b).

"(b) PUNISHMENT.—Whoever is guilty of an offense set forth in subsection (a)(1) shall be fined not more than $10,000 or imprisoned not more than three years, or both. Whoever is guilty of an offense in any other case under this section shall be fined not more than $5,000 or imprisoned for not more than one year, or both.

"(c) JURISDICTION.—There is Federal jurisdiction over an offense described in this section if—

"(1) the official proceeding is a Federal official proceeding;

"(2) the law enforcement officer is a Federal public servant and the information relates to a Federal offense or a possible Federal offense;

"(3) the United States mail or a facility in interstate or foreign commerce is used in the planning, promotion, management, execution, consummation, or concealment of the offense, or in the distribution of the proceeds of the offense; or

"(4) movement of a person across a State or United States boundary occurs in the planning, promotion, management, execution, consummation, or concealment of the offense, or in the distribution of the proceeds of the offense.".

(b) The analysis for chapter 73 of title 18, United States Code, is amended by adding at the end thereof the following new items:

"1512. Tampering with a witness, victim, or an informant.
"1513. Retaliating against a witness or an informant.".

SEC. 204. (a) Title 18 of the United States Code is amended by adding after chapter 223 the following new chapter:

"CHAPTER 224—PROTECTION OF WITNESSES

"Sec.
"3521. Witness relocation and protection.
"3522. Reimbursement of expenses.
"3523. Civil action to restrain witness or victim intimidation.
"3524. Definition for chapter.

"§ 3521. Witness relocation and protection

"(a) RELOCATION.—The Attorney General may provide for the relocation or protection of a government witness or a potential government witness in an official proceeding if the Attorney General determines that an offense described in section 1512 or 1513, or a State or local offense that is similar in nature or that involves a crime of violence directed at a witness, is likely to be committed. The Attorney General may also provide for the relocation or protection of the immediate family of, or a person otherwise closely associated with, such witness or potential witness if the family or person may also be endangered.

"(b) RELATED PROTECTIVE MEASURES.—In connection with the relocation or protection of a witness, a potential witness, or an immediate family member or close associate of a witness or potential witness, the Attorney General may take any action he determines to be necessary to protect such person from bodily injury, and otherwise to assure his health, safety, and welfare, for as long as, in the judgment of the Attorney General, such danger exists. The Attorney General may—

"(1) provide suitable official documents to enable a person relocated to establish a new identity;

"(2) provide housing for the person relocated or protected;

"(3) provide for the transportation of household furniture and other personal property to the new residence of the person relocated;

"(4) provide a tax free subsistence payment, in a sum established in regulations issued by the Attorney General, for such times as the Attorney General determines to be warranted;

"(5) assist the person relocated in obtaining employment; and

"(6) refuse to disclose the identity or location of the person relocated or protected, or any other matter concerning the person or the program after weighing the danger such a disclosure would pose to the person, the detriment it would cause to the general effectiveness of the program, and the benefit it would afford to the public or to the person seeking the disclosure.

"(c) CIVIL ACTION AGAINST A RELOCATED PERSON.—Notwithstanding the provisions of subsection (b)(6), if a person relocated under this section is named as a defendant in a civil cause of action, arising prior to the person's relocation, for damages resulting from bodily injury, property damage, or injury to business, process in the civil proceeding may be served upon the Attorney General. The Attorney General shall make reasonable efforts to serve a copy of the process upon the person relocated at his last known address. If a judgment in such an action is entered against the person relocated, the Attorney General shall determine whether the person has made reasonable efforts to comply with the provisions of that judgment. The Attorney General shall take affirmative steps to urge the person relocated to comply with any judgment rendered. If the Attorney General determines that the person has not made reasonable efforts to comply with the provisions of the judgment, he may, in his discretion, after weighing the danger to the person relocated, disclose the identity and location of that person to the plaintiff entitled to recovery pursuant to the judgment. Any such disclosure shall be made upon the express condition that further disclosure by the plaintiff of such identity or location may be made only if essential to the plaintiff's efforts to recover under the judgment, and only to such additional persons as is necessary to effect the recovery. Any such disclosure or nondisclosure by the Attorney General shall not subject the government to liability in any action based upon the consequences thereof.

"§ 3522. Reimbursement of expenses

"The provision of transportation, housing, subsistence, or other assistance to a person under section 3521 may be conditioned by the Attorney General upon reimbursement of expenses in whole or in part to the United States by a State or local government.

"§ 3523. Civil action to restrain witness or victim intimidation

"(a) INITIATION OF ACTION.—The Attorney General may initiate a civil proceeding to prevent and restrain an offense involving a witness or a victim under section 1512. Upon a finding, which may be based upon hearsay or the representation of the attorney for the government or the counsel for the defendant, that an offense under section 1512 involving a witness or a victim has occurred or is reasonably likely to occur, the court may order that a defendant, a witness, or other person connected with the case, or an individual in the courtroom—

"(1) refrain from engaging in conduct in violation of section 1512;

"(2) maintain a prescribed distance from a specified victim or witness; and

"(3) refrain from communicating with a specified victim or witness except under such conditions as the court may impose.

"(b) JURISDICTION.—A district court of the United States in which a proceeding is initiated under this section has jurisdiction to hear and determine the matter so presented, and to prevent and restrain an offense referred to in subsection (a). In a proceeding initiated under this section, the court shall proceed as soon as practicable to a hearing and determination.

"§ 3524. Definition for chapter

"As used in this subchapter 'government' includes the federal government and a State or local government.".

(b) The table of chapters for part II of title 18, United States Code, is amended by adding after the item for chapter 223 the following new item:

"224. Protection of witnesses.............. 3521".

(c) Title V of the Organized Crime Control Act of 1970 (84 Stat. 933) is repealed.

PART C—FEDERAL ACCOUNTABILITY FOR ESCAPE OR RELEASE OF A FEDERAL PRISONER

SEC. 205. Section 1346(b) of title 28 of the United States Code is amended by inserting "(1)" immediately after "(b)" and by adding at the end thereof the following:

"(2)(A) Subject to the provisions of chapter 171 of this title and subparagraph (B) of this paragraph, the district courts, together with the United States District Court of the Virgin Islands, shall have exclusive jurisdiction of any civil action on a claim against the United States for damages, accruing on and after the date of enactment of this paragraph, for injury or loss of property, or personal injury or death directly caused by any dangerous offender charged with or convicted of a Federal offense who is released from, or who escapes from, lawful custody of an employee of, or any person acting as the lawful agent of, the United States as a result of the gross negligence of such employee or person.

"(B) For the purposes of this paragraph—

"(i) 'gross negligence' includes the failure to warn reasonably foreseeable victims that the person charged with or convicted of the offense was released or has escaped, or the violation of a statute, regulation, or court order which results in such release or escape; and

"(ii) 'dangerous offender' means a person charged with or convicted of a crime involving the use, attempted use, or threatened use of violence against the person or property of another."

PART D—ATTORNEY GENERAL REPORT

SEC. 206. Within six months after the date of enactment of this title, the Attorney General shall report to the Congress concerning any laws necessary to ensure that all victims of crime are justly compensated in those cases in which restitution is not possible. The Attorney General shall consider funding methods such as imposing additional fines on all individuals convicted of Federal crimes.

TITLE III—CONTROLLED SUBSTANCES PENALTIES

SEC. 301. This title may be cited as the "Controlled Substances Penalties Amendments Act of 1982".

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SEC. 302. Subsection (b) of section 401 of the Controlled Substances Act (21 U.S.C. 841(b)) is amended—

(1) in paragraph (1), by—

(A) redesignating subparagraphs (A) and (B) as subparagraphs (B) and (C) respectively, and inserting after "(1)" a new subparagraph to read as follows:

"(A) In the case of a violation of subsection (a) of this section involving—

"(i) 100 grams or more of a controlled substance in schedule I or II which is a mixture or substance containing a detectable amount of narcotic drug other than a narcotic drug consisting of—

"(a) coca leaves;

"(b) a compound, manufacture, salt, derivative, or preparation of coca leaves; or

"(c) a substance chemically identical thereto;

"(ii) a kilogram or more of any other controlled substance in schedule I or II which is a narcotic drug;

"(iii) 500 grams or more of phencyclidine (PCP); or

"(iv) 5 grams or more of lysergic acid diethylamide (LSD);

such person shall be sentenced to a term of imprisonment of not more than 20 years, a fine of not more than $250,000, or both. If any person commits such a violation after one or more prior convictions of him for an offense punishable under this paragraph, or for a felony under any other provision of this title or title III or other law of a State, the United States, or a foreign country relating to narcotic drugs, marihuana, or depressant or stimulant substances, have become final, such person shall be sentenced to a term of imprisonment of not more than 40 years, a fine of not more than $500,000, or both";

(B) in subparagraph (B), as redesignated above, by—

(i) striking out "which is a narcotic drug" in the first sentence and inserting in lieu thereof "except as provided in subparagraphs (A) and (C),"

(ii) striking out "$25,000" and "$50,000" and inserting in lieu thereof "$125,000" and "$250,000", respectively; and

(iii) striking out "of the United States" in the second sentence and inserting in lieu thereof "of a State, the United States, or a foreign country"; and

(C) in subparagraph (C), as redesignated above, by—

(i) striking out "a controlled substance in schedule I or II which is not a narcotic drug" and ", (5), and (6)" and inserting in lieu thereof "less than 50 kilograms of marihuana, 10 kilograms of hashish, or one kilogram of hashish oil" and "and (5)", respectively;

(ii) striking out "$15,000" and "$30,000" and inserting in lieu thereof "$50,000" and "$100,000", respectively; and

(iii) striking out "of the United States" in the second sentence and inserting in lieu thereof "of a state, the United States, or a foreign country";

(2) in paragraph (2), by—

(A) striking out "$10,000" and "$20,000" and inserting in lieu thereof "$25,000" and "$50,000", respectively; and

(B) striking out "of the United States" and inserting in lieu thereof "of a state, the United States, or a foreign country";

(3) in paragraph (3), by—

(A) striking out "$5,000" and "$10,000" and inserting in lieu thereof "$10,000" and "$20,000", respectively; and

(B) striking out "of the United States" and inserting in lieu thereof "of a state, the United States, or a foreign country";

(4) in paragraph (4), by striking out "(1)(B)" and inserting in lieu thereof "(1)(C)";

(5) by striking out paragraphs (5) and (6).

SEC. 303. Subsection (b) of section 1010 of the Controlled Substances Import and Export Act (21 U.S.C. 960(b)) is amended—

(1) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively, and inserting after "(b)" a new paragraph to read as follows:

"(1) In the case of a violation under subsection (a) of this section involving—

"(A) 100 grams or more of a mixture or substance containing a detectable amount of a narcotic drug in schedule I or II other than a narcotic drug consisting of—

"(i) cocoa leaves;

"(ii) a compound, manufacture, salt, derivative, or preparation of cocoa leaves; or

"(iii) a substance chemically identical thereto;

"(B) a kilogram or more of any other narcotic drug in schedule I or II;

"(C) 500 grams or more of phencyclidine (PCP);

"(D) 5 grams or more of lysergic acid diethylamide (LSD); the person committing such violation shall be imprisoned for not more than twenty years, or fined not more than $250,000, or both.";

(2) in paragraph (2), as redesignated above, by—

(A) striking out "narcotic drug in schedule I or II, the person committing such violation shall" and inserting in lieu thereof "controlled substance in schedule I or II, the person committing such violation shall, except as provided in paragraphs (1) and (3),"; and

(B) striking out "$25,000" and inserting in lieu thereof "$125,000";

(3) in paragraph (3), as redesignated above, by—

(A) striking out "a controlled substance other than a narcotic drug in schedule I or II, the person committing such violation shall" and inserting in lieu thereof "less than 50 kilograms of marihuana, less than 10 kilograms of hashish, less than one kilogram of hashish oil, or any quantity of a controlled substance in schedule III, IV, or V, the person committing such violation shall, except as provided in paragraph (4)"; and

(B) striking out "$15,000" and substituting "$50,000".

SEC. 304. Section 1012 of the Controlled Substances Import and Export Act (21 U.S.C. 962) is amended by striking out "the United States" in subsection (b) and inserting in lieu thereof "a State, the United States, or a foreign country".

TITLE IV—PROTECTION OF FEDERAL OFFICIALS

SEC. 401. (a) Subsection (a) of section 351 of title 18 of the United States Code is amended to read as follows:

"(a) Whoever kills any individual who is a Member of Congress or a Member-of-Congrss-elect, a member of the executive branch of the government who is the head of a department listed in section 101 of title 5 or the second ranking official in such department, the Director or Deputy Director of Central Intelligence, or a Justice of the United States, as defined in section 451 of title 28, or a person nominated to be a Justice of the United States, during the pendency of such nomination, shall be punished as provided by sections 1111 and 1112 of this title.".

(b) The section heading for section 351 of title 18, United States Code, is amended to read as follows:

"§ 351. Congressional, Cabinet, and Supreme Court assassination, kidnaping, and assault; penalties".

(c) In the table of sections of chapter 18 of title 18, United States Code, amend the item relating to section 351 to read as follows:

"351. Congressional, Cabinet, and Supreme Court assassination, kidnaping, and assault; penalties.".

(d) The chapter analysis of chapter 18 of title 18, United States Code, is amended to read as follows:

"CHAPTER 18—CONGRESSIONAL, CABINET, AND SUPREME COURT ASSASSINATION, KIDNAPING, AND ASSAULT".

(e) The table of contents to "Part I—Crimes" of title 18, United States Code, is amended by striking out the chapter reference to chapter 18 and inserting in lieu thereof the following:

"18. Congressional, Cabinet, and Supreme Court assassination, kidnaping, and assault .... 351".

(f) Subsection (1)(c) of section 2516 of title 18, United States Code, is amended by striking out the parenthetical phrase following "or section 351" and inserting in lieu thereof the following: "(violations with respect to congressional, Cabinet, or Supreme Court assassinations, kidnaping, and assault)".

SEC. 402. (a) Subsection (a) of section 1751 of title 18, United States Code, is amended to read as follows:

"(a) Whoever kills (1) any individual who is the President of the United States, the President-elect, the Vice President, or, if there is no Vice President, the officer next in the order of succession to the Office of the President of the United States, the Vice President-elect, or any person who is acting as President under the Constitution and laws of the United States, or (2) any person employed in the Executive Office of the President or in the Office of the Vice President authorized to receive an annual rate of pay equal to that which applies for positions at level II of the Executive Schedule, shall be punished as provided by sections 1111 and 1112 of this title.".

(b) Subsection (e) of section 1751 of title 18, United States Code, is amended to read as follows:

"(e) Whoever assaults any person designated in subsection (a)(1) shall be fined not more than $10,000, or imprisoned not more than ten years, or both. Whoever assaults any person designated in subsection (a)(2) shall be fined not more than $5,000, or imprisoned not more than one year, or both; and if personal injury results, shall be fined not more than $10,000, or imprisoned not more than ten years, or both.".

(c) Subsection (g) of section 1751 of title 18, United States Code, is amended by deleting "this section" and inserting in lieu thereof "subsection (a)(1)".

(d) The section heading for section 1751 of title 18, United States Code, is amended to read as follows:

"§ 1751. Presidential and Presidential staff assassination, kidnaping, and assault; penalties".

(e) In the table of sections of chapter 84 of title 18, United States Code, the item relating to section 1751 is amended to read as follows:

"1751. Presidential and Presidential staff assassination, kidnaping, and assault; penalties.".

(f) The caption of chapter 84 of title 18, United States Code, is amended to read as follows:

"CHAPTER 84—PRESIDENTIAL AND PRESIDENTIAL STAFF ASSASSINATION, KIDNAPING, AND ASSAULT".

(g) The table of contents to "Part I—Crimes" of title 18, United States Code, is amended by striking out the item relating to chapter 84 and inserting in lieu thereof the following:

"84. Presidential and Presidential staff assassination, kidnaping, and assault .... 1751".

(h) Subsection (1)(c) of section 2516 of title 18, United States Code, is amended by striking out the parenthetical phrase following "section 1751" and inserting in lieu thereof "(Presidential and Presidential staff assassination, kidnaping, and assault; penalties)".

TITLE V—SENTENCING REFORM

Sec. 501. This title may be cited as the "Sentencing Reform Act of 1982.

Sec. 502. (a) Title 18 of the United States Code is amended by—

(1) redesignating sections 3577, 3578, 3611, 3612, 3615, 3617, 3618, 3619, 3620, and 3656 as sections 3661, 3662, 3663, 3664, 3665, 3666, 3667, 3668, 3669, and 3670 of a new chapter 232 of title 18 of the United States Code, respectively;

(2) repealing chapters 227, 229, and 231 and substituting the following new chapters:

"CHAPTER 227—SENTENCES

"Subchapter
"A. General Provisions 3551
"B. Probation 3561
"C. Fines 3571
"D. Imprisonment 3581

"Subchapter A—General Provisions

"Sec.
"3551. Authorized Sentences.
"3552. Presentence Reports.
"3553. Imposition of a Sentence.
"3554. Order of Criminal Forfeiture.
"3555. Order of Notice to Victims.
"3556. Order of Restitution.
"3557. Review of a Sentence.
"3558. Implementation of a Sentence.
"3559. Sentencing Classification of Offense.

"§ 3551. Authorized Sentences

"(a) In General.—Except as otherwise specifically provided, a defendant who has been found guilty of an offense described in any Federal statute, other than an Act of Congress applicable exclusively in the District of Columbia or the Uniform Code of Military Justice, shall be sentenced in accordance with the provisions of this chapter so as to achieve the purposes set forth in subparagraphs (A) through (D) of section 3553(a)(2) to the extent that they are applicable in light of all the circumstances of the case.

"(b) Individuals.—An individual found guilty of an offense shall be sentenced, in accordance with the provisions of section 3553, to—

"(1) a term of probation as authorized by subchapter B;

"(2) a fine as authorized by subchapter C; or

"(3) a term of imprisonment is authorized by subchapter D.

A sentence to pay a fine may be imposed in addition to any other sentence. A sanction authorized by section 3554, 3555, or 3556 may be imposed in addition to the sentence required by this subsection.

"(c) Organizations.—An organization found guilty of an offense shall be sentenced, in accordance with the provisions of section 3553, to—

"(1) a term of probation as authorized by subchapter B; or

"(2) a fine as authorized by subchapter C.

A sentence to pay a fine may be imposed in addition to a sentence to probation. A sanction authorized by section 3554, 3555, or 3556 may be imposed in addition to the sentence required by this subsection.

§ 3552. Presentence Reports

"(a) Presentence Investigation and Report by Probation Officer.—A United States probation officer shall, pursuant to the provisions of Rule 32(c) of the Federal Rules of Criminal Procedure, make a presentence investigation of a defendant, and shall, before the imposition of sentence, report the results of the investigation to the court.

"(b) Presentence Study and Report by Bureau of Prisons. If the court, before or after its receipt of a report specified in subsection (a) or (c), desires more information than is otherwise available to it as a basis for determining the sentence to be imposed on a defendant found guilty of a felony, it may order that the defendant, for the purpose of a study, be committed to the custody of the Bureau of Prisons for a period of not more than sixty days. The order shall specify the additional information that the court needs before determining the sentence to be imposed. Such an order shall be treated for administrative purposes as a provisional sentence of imprisonment for the maximum term authorized by section 3581(b) for the offense committed. The Bureau shall conduct a complete study of the defendant during such period, inquiring into such matters as are specified by the court and any other matters that it believes are pertinent to the factors set forth in section 3553(a). The period of commitment may, in the discretion of the court, be extended for an additional period of not more than sixty days. By the expiration of the period of commitment, or by the expiration of any extension granted by the court, the Bureau shall return the defendant to the court for final sentencing, shall provide the court with a written report of the pertinent results of the study, and shall make to the court whatever recommendations the Bureau believes will be helpful to a proper resolution of the case. The report shall include recommendations of the Bureau concerning the guidelines and policy statements, promulgated by the Sentencing Commission pursuant to 28 U.S.C. 994(a), that it believes are applicable to the defendant's case. After receiving the report and the recommendations, the court shall proceed finally to sentence the defendant in accordance with the sentencing alternatives and procedures available under this chapter.

"(c) Presentence Examination and Report by Psychiatric or Psychological Examiners.—If the court, before or after its receipt of a report specified in subsection (a) or (b) desires more information than is otherwise available to it as a basis for determining the mental condition of the defendant, it may order that the defendant undergo a psychiatric or psychological examination and that the court be provided with a written report of the results of the examination pursuant to the provisions of section 4247.

"(d) Disclosure of Presentence Reports.—The court shall assure that a report filed pursuant to this section is disclosed to the defendant, the counsel for the defendant, and the attorney for the government in a timely manner, pursuant to the provisions of Rule 32(c) of the Federal Rules of Criminal Procedure.

"§ 3553. Imposition of a Sentence

"(a) Factors To Be Considered in Imposing a Sentence.—The court, in determining the particular sentence to be imposed, shall consider—

"(1) the nature and circumstances of the offense and the history and characteristics of the defendant;

"(2) the need for the sentence imposed—

"(A) to reflect the seriousness of the offense, to promote respect for law, and to provide just punishment for the offense;

"(B) to afford adequate deterrence to criminal conduct;

"(C) to protect the public from further crimes of the defendant; and

"(D) to provide the defendant with needed educational or vocational training, medical care, or other correctional treatment in the most effective manner;

"(3) the kinds of sentences available;

"(4) the kinds of sentence and the sentencing range established for the applicable category of offense committed by the applicable category of defendant as set forth in the guidelines that are issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(1) and that are in effect on the date the defendant is sentenced;

"(5) any pertinent policy statement issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(2) that is in effect on the date the defendant is sentenced; and

"(6) the need to avoid unwarranted sentence disparities among defendants with similar records who have been found guilty of similar conduct.

"(b) Application of Guidelines in Imposing a Sentence.—The court shall impose a sentence of the kind, and within the range, referred to in subsection (a)(4) unless the court finds that an aggravating or mitigating circumstance exists that was not adequately taken into consideration by the Sentencing Commission in formulating the guidelines and that should result in a sentence different from that described.

"(c) Statement of Reasons for Imposing a Sentence.—The court, at the time of sentencing, shall state in open court the reasons for its imposition of the particular sentence, and, if the sentence—

"(1) is of the kind, and within the range, described in subsection (a)(4), the reason for imposing a sentence at a particular point within the range; or

"(2) is not of the kind, or is outside the range, described in subsection (a)(4), the specific reason for the imposition of a sentence different from that described.

If the sentence does not include an order of restitution, the court shall include in the statement the reason therefor. The clerk of the court shall provide a transcription of the court's statement of reasons to the Probation System, and, if the sentence includes a term of imprisonment, to the Bureau of Prisons.

"(d) Presentence Procedure for an Order of Notice or Restitution.—Prior to imposing an order of notice pursuant to section 3555, or an order of restitution pursuant to section 3556, the court shall give notice to the defendant and the government that it is considering imposing such an order. Upon motion of the defendant or the government, or on its own motion, the court shall—

"(1) permit the defendant and the government to submit affidavits and written memoranda addressing matters relevant to the imposition of such an order;

"(2) afford counsel an opportunity in open court to address orally the appropriateness of the imposition of such an order; and

"(3) include in its statement of reasons pursuant to subsection (c) specific reasons underlying its determinations regarding the nature of such an order.

Upon motion of the defendant or the government, or on its own motion, the court may in its discretion employ any additional procedures that it concludes will not unduly complicate or prolong the sentencing process.

"§ 3554. Order of Criminal Forfeiture

The court, in imposing a sentence on a defendant who has been found guilty of an offense described in section 1962 of this title or in title II or III of the Comprehensive Drug Abuse Prevention and Control Act of 1970 shall order, in addition to the sentence that is imposed pursuant to the provisions of section 3551, that the defendant forfeit property to the United States in accordance with the provisions of section 1963 of this title or section 413 of the Comprehensive Drug Abuse and Control Act of 1970.

"§ 3555. Order of Notice to Victims

"The court, in imposing a sentence on a defendant who has been found guilty of an offense involving fraud or other intentionally deceptive practices, may order, in addition to the sentence that is imposed pursuant to the provisions of section 3551, that the defendant give reasonable notice and explanation of the conviction, in such form as the court may approve, to the victims of the offense. The notice may be ordered to be given by mail, by advertising in designated areas or through designated media, or by other appropriate means. In determining whether to require the defendant to give such notice, the court shall consider the factors set forth in section 3553(a) to the extent that they are applicable and shall consider the cost involved in giving the notice as it relates to the loss caused by the offense, and shall not require the defendant to bear the costs of notice in excess of $20,000.

"§ 3556. Order of Restitution

"(a) ORDER.—The court, in imposing a sentence on a defendant who has been found guilty of an offense described in this title, may order, in addition to the sentence that is imposed pursuant to the provisions of section 3551, that the defendant—

"(1) in the case of an offense causing bodily injury or death, make restitution to the victim of the offense, or the estate of the victim, in an amount that does not exceed the expenses necessarily incurred by the victim for medical services and, if applicable, the expenses for the funeral and burial of the victim; or

"(2) in the case of an offense in the course of which the defendant unlawfully obtained, damaged, or destroyed the property of another—

"(A) restore the property to the victim of the offense; or

"(B) make restitution to the victim of the offense in an amount that does not exceed the value of the property; and

"(3) make such other restitution as the court finds appropriate. The court shall limit the order of restitution to the amount of expenses or value that the court determines can be ascertained, or to the property that the court determines can be identified, without unduly complicating or prolonging the sentencing process. The provisions of sections 3572, 3573, 3612, and 3613 apply to an order to make restitution.

"(b) RELATIONSHIP TO CIVIL PROCEEDINGS.—The court shall not order restitution as to any victim who is bound by a judgment entered in, or a settlement of, a civil proceeding involving the same injury, obtaining, damage, or destruction. Any amount paid to a person pursuant to an order of restitution shall be set off against an amount otherwise recoverable by such person in any civil proceeding. The fact that restitution was ordered or paid shall not be admissible in evidence in the trial of any civil proceeding.

"§ 3557. Review of a Sentence

"The review of a sentence imposed pursuant to section 3551 is governed by the provisions of sections 3742.

"§ 3558. Implementation of a Sentence

"The implementation of a sentence imposed pursuant to section 3551 is governed by the provisions of chapter 229.

"§ 3559. Sentencing Classification of Offenses

"(a) CLASSIFICATION.—An offense that is not specifically classified by a letter grade in the section defining it, is classified—

"(1) if the maximum term of imprisonment authorized is—

"(A) life imprisonment, or if the maximum penalty is death, as a Class A felony;

"(B) twenty years or more, as a Class B felony;

"(C) less than twenty years but ten or more years, as a Class C felony;

"(D) less than ten years but five or more years, as a Class D felony;

"(E) less than five years but more than one year, as a Class E felony;

"(F) one year or less but more than six months, as a Class A misdemeanor;

"(G) six months or less but more than thirty days, as a Class B misdemeanor;

"(H) thirty days or less but more than five days, as a Class C misdemeanor; or

"(I) five days or less, or if no imprisonment is authorized, as an infraction.

"(b) EFFECT OF CLASSIFICATION.—An offense classified under subsection (a) carries all the incidents assigned to the applicable letter designation except that the maximum fine that may be imposed is the fine authorized by the statute describing the offense, or by this title, whichever is the greater.

"Subchapter B—Probation

"Sec.
"3561. Sentence of Probation.
"3562. Imposition of a Sentence of Probation.
"3563. Conditions of Probation.
"3564. Running of a Term of Probation.
"3565. Revocation of Probation.
"3566. Implementation of a Sentence of Probation.

"§ 3561. Sentence of Probation

"(a) IN GENERAL.—A defendant who has been found guilty of an offense may be sentenced to a term of probation unless—

"(1) the offense is a Class A felony;

"(2) the offense is an offense for which probation has been expressly precluded; or

"(3) the defendant is sentenced at the same time to a term of imprisonment for the same or a different offense.

"(b) AUTHORIZED TERMS.—The authorized terms of probation are—

"(1) for a felony, not less than one nor more than five years;

"(2) for a misdemeanor, not more than two years; and

"(3) for an infraction, not more than one year.

"§ 3562. Imposition of a Sentence of Probation

"(a) FACTORS TO BE CONSIDERED IN IMPOSING A TERM OF PROBATION.—The court, in determining whether to impose a term of probation, and, if a term of probation is to be imposed, in determining the length of the term and the conditions of probation, shall consider the factors set forth in section 3553(a) to the extent that they are applicable.

"(b) EFFECT OF FINALITY OF JUDGMENT Notwithstanding the fact that a sentence of probation can subsequently be—

"(1) modified or revoked pursuant to the provisions of section 3564 or 3565;

"(2) corrected pursuant to the provisions of rule 35 and section 3742; or

"(3) appealed and modified, if outside the guideline range, pursuant to the provisions of section 3742;

a judgment of conviction that includes such a sentence constitutes a final judgment for all other purposes.

"§ 3563. Conditions of Probation

"(a) MANDATORY CONDITIONS.—The court shall provide, as an explicit condition of a sentence of probation—

"(1) for a felony, a misdemeanor, or an infraction, that the defendant not commit another federal, State, or local crime during the term of probation; and

"(2) for a felony, that the defendant also abide by at least one condition set forth in subsection (b)(2), (b)(3) or (b)(13).

"(b) DISCRETIONARY CONDITIONS.—The court may provide, as further conditions of a sentence of probation, to the extent that such conditions are reasonably related to the factors set forth in section 3553 (a)(1) and (a)(2) and to the extent that such conditions involve only such deprivations of liberty or property as are reasonably necessary for the purposes indicated in section 3553(a)(2), that the defendant—

"(1) support his dependents and meet other family responsibilities;

"(2) pay a fine imposed pursuant to the provisions of subchapter C;

"(3) make restitution to a victim of the offense pursuant to the provisions of section 3556;

"(4) give to the victims of the offense the notice ordered pursuant to the provisions of section 3555;

"(5) work conscientiously at suitable employment or pursue conscientiously a course of study or vocational training that will equip him for suitable employment;

"(6) refrain, in the case of an individual, from engaging in a specified occupation, business, or profession bearing a reasonably direct relationship to the conduct constituting the offense, or engage in such a specified occupation, business, or profession only to a stated degree or under stated circumstances;

"(7) refrain from frequenting specified kinds of places or from associating unnecessarily with specified persons;

"(8) refrain from excessive use of alcohol, or any use of a narcotic drug or other controlled substance, as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802), without a prescription by a licensed medical practitioner;

"(9) refrain from possessing a firearm, destructive device, or other dangerous weapon;

"(10) undergo available medical, psychiatric, or psychological treatment, including treatment for drug or alcohol dependency, as specified by the court, and remain in a specified institution if required for that purpose;

"(11) remain in the custody of the Bureau of Prisons during nights, weekends, or other intervals of time, totaling no more than the lesser of one year or the term of imprisonment authorized for the offense in section 3581(b), during the first year of the term of probation;

"(12) reside at, or participate in the program of, a community correction facility for all or part of the term of probation;

"(13) work in community service as directed by the court;

"(14) reside in a specified place or area, or refrain from residing in a specified place or area;

"(15) remain within the jurisdiction of the court, unless granted permission to leave by the court or a probation officer;

"(16) report to a probation officer as directed by the court or the probation officer;

"(17) permit a probation officer to visit him at his home or elsewhere as specified by the court;

"(18) answer inquiries by a probation officer and notify the probation officer promptly of any change in address or employment;

"(19) notify the probation officer promptly if arrested or questioned by a law enforcement officer; or

"(20) satisfy such other conditions as the court may impose.

"(c) Modification of Conditions.—The court may, after a hearing, modify, reduce, or enlarge the conditions of a sentence of probation at any time prior to the expiration or termination of the term of probation, pursuant to the provisions applicable to the initial setting of the conditions of probation.

"(d) Written Statement of Conditions.—The court shall direct that the probation officer provide the defendant with a written statement that sets forth all the conditions to which the sentence is subject, and that is sufficiently clear and specific to serve as a guide for the defendant's conduct and for such supervision as is required.

"§ 3564. Running of a Term of Probation

"(a) Commencement.—A term of probation commences on the day that the sentence of probation is imposed, unless otherwise ordered by the court.

"(b) Concurrence With Other Sentences.—Multiple terms of probation, whether imposed at the same time or at different times, run concurrently with each other. A term of probation runs concurrently with any federal, State, or local term of probation, or supervised release, or parole for another offense to which the defendant is subject or becomes subject during the term of probation, except that it does not run during any period in which the defendant is imprisoned, other than during limited intervals as a condition of probation or supervised release, in connection with a conviction for a federal, State, or local crime.

"(c) Early Termination.—The court, after considering the factors set forth in section 3553(a) to the extent that they are applicable, may terminate a term of probation previously ordered and discharge the defendant at any time in the case of a misdemeanor or an infraction or at any time after the expiration of one year of probation in the case of a felony, if it is satisfied that such action is warranted by the conduct of the defendant and the interest of justice.

"(d) Extension.—The court may, after a hearing, extend a term of probation, if less than the maximum authorized term was previously imposed, at any time prior to the expiration or termination of the term of probation, pursuant to the provisions applicable to the initial setting of the term of probation.

"(e) Subject to Revocation.—A sentence of probation remains conditional and subject to revocation until its expiration or termination.

"§ 3565. Revocation of Probation

"(a) Continuation or Revocation.—If the defendant violates a condition of probation at any time prior to the expiration or termination of the term of probation, the court may, after a hearing pursuant to Rule 32.1 of the Federal Rules of Criminal Procedure, and after considering the factors set forth in section 3553(a) to the extent that they are applicable—

"(1) continue him on probation, with or without extending the term or modifying or enlarging the conditions; or

"(2) revoke the sentence of probation and impose any other sentence that was available under subchapter A at the time of the initial sentencing.

"(b) Delayed Revocation.—The power of the court to revoke a sentence of probation for violation of a condition of probation, and to impose another sentence, extends beyond the expiration of the term of probation for any period reasonably necessary for the adjudication of matters arising before its expiration if, prior to its expiration, a warrant or summons has been issued on the basis of an allegation of such a violation.

"§ 3566. Implementation of a Sentence of Probation

"The implementation of a sentence of probation is governed by the provisions of subchapter A of chapter 229.

"Subchapter C—Fines

"Sec.
"3571. Sentence of Fine.
"3572. Imposition of a Sentence of Fine.
"3573. Modification or Remission of Fine.
"3574. Implementation of a Sentence of Fine.

"§ 3571. Sentence of Fine

"(a) In General.—A defendant who has been found guilty of an offense may be sentenced to pay a fine.

"(b) Authorized Fines.—Except as otherwise provided, the authorized fines are—

"(1) if the defendant is an individual—

"(A) for a felony, or for a misdemeanor resulting in the loss of human life, not more than $250,000;

"(B) for any other misdemeanor, not more than $25,000; and

"(C) for an infraction, not more than $1,000; and

"(2) if the defendant is an organization—

"(A) for a felony, or for a misdemeanor resulting in the loss of human life, not more than $1,000,000;

"(B) for any other misdemeanor, not more than $100,000; and

"(C) for an infraction, not more than $10,000.

"§ 3572. Imposition of a Sentence of Fine

"(a) Factors To Be Considered in Imposing Fine.—The court, in determining whether to impose a fine, and, if a fine is to be imposed, in determining the amount of the fine, the time for payment, and the method of payment, shall consider—

"(1) the factors set forth in section 3553(a), to the extent they are applicable, including, with regard to the characteristics of the defendant under section 3553(a), the ability of the defendant to pay the fine in view of the defendant's income, earning capacity, and financial resources and, if the defendant is an organization, the size of the organization;

"(2) the nature of the burden that payment of the fine will impose on the defendant, and on any person who is financially dependent upon the defendant;

"(3) any restitution or reparation made by the defendant to the victim of the offense, and any obligation imposed upon the defendant to make such restitution or reparation to the victim of the offense;

"(4) if the defendant is an organization, any measure taken by the organization to discipline its employees or agents responsible for the offense or to insure against a recurrence of such an offense; and

"(5) any other pertinent equitable consideration.

"(b) Limit on Aggregate of Multiple Fines.—Except as otherwise expressly provided, the aggregate of fines that a court may impose on a defendant at the same time for different offenses that arise from a common scheme or plan, and that do not cause separable or distinguishable kinds of harm or damage, is twice the amount imposable for the most serious offense.

"(c) Effect of Finality of Judgment.—Notwithstanding the fact that a sentence to pay a fine can subsequently be—

"(1) modified or remitted pursuant to the provisions of section 3573;

"(2) corrected pursuant to the provisions of rule 35 and section 3742; or

"(3) appealed and modified, if outside the guideline range, pursuant to the provisions of section 3742;

a judgment of conviction that includes such a sentence constitutes a final judgment for all other purposes.

"(d) Time and Method of Payment.—At the time a defendant is sentenced to pay a fine, the court may provide for the payment to be made within a specified period of time or in specified installments. If no such provision is made a part of the sentence, payment is due immediately.

"(e) Alternative Sentence Precluded.—At the time a defendant is sentenced to pay a fine, the court may not impose an alternative sentence to be served in the event that the fine is not paid.

"(f) Individual Responsibility for Payment.—If a fine is imposed on an organization, it is the duty of each individual authorized to make disbursement of the assets of the organization to pay the fine from assets of the organization. If a fine is imposed on an agent or shareholder of an organization, the fine shall not be paid, directly or indirectly, out of the assets of the organization, unless the court finds that such payment is expressly permissible under applicable State law.

"§ 3573. Modification or Remission of Fine

"(a) Petition for Modification or Remission.—A defendant who has been sentenced to pay a fine, and who—

"(1) has paid part but not all thereof, and concerning whom the circumstances no longer exist that warranted the imposition of the fine in the amount imposed or payment by the time or method specified, may petition the court for—

"(A) an extension of the time for payment;

"(B) a modification in the method of payment; or

"(C) a remission of all or part of the unpaid portion; or

"(2) has thereafter voluntarily made restitution or reparation to the victim of the offense, may petition the court for a remission of the unpaid portion of the fine in an amount not exceeding the amount of such restitution or reparation.

"(b) ORDER OF MODIFICATION OR REMISSION.—If, after the filing of a petition as provided in subsection (a), the court finds that the circumstances warrant relief, the court may enter an appropriate order.

"§ 3574. Implementation of a Sentence of Fine

"The implementation of a sentence to pay a fine is governed by the provisions of subchapter B of chapter 229.

"SUBCHAPTER D—IMPRISONMENT

"Sec.
"3581. Sentence of Imprisonment.
"3582. Imposition of a Sentence of Imprisonment.
"3583. Inclusion of a Term of Supervised Release After Imprisonment.
"3584. Multiple Sentences of Imprisonment.
"3585. Calculation of a Term of Imprisonment.
"3586. Implementation of a Sentence of Imprisonment.

"§ 3581. Sentence of Imprisonment

"(a) IN GENERAL.—A defendant who has been found guilty of an offense may be sentenced to a term of imprisonment.

"(b) AUTHORIZED TERMS.—The authorized terms of imprisonment are—

"(1) for a Class A felony, the duration of the defendant's life or any period of time;

"(2) for a Class B felony, not more than twenty-five years;

"(3) for a Class C felony, not more than twelve years;

"(4) for a Class D felony, not more than six years;

"(5) for a Class E felony, not more than three years;

"(6) for a Class A misdemeanor, not more than one year;

"(7) for a Class B misdemeanor, not more than six months;

"(8) for a Class C misdemeanor, not more than thirty days; and

"(9) for an infraction, not more than five days.

"§ 3582. Imposition of a Sentence of Imprisonment

"(a) FACTORS TO BE CONSIDERED IN IMPOSING A TERM OF IMPRISONMENT.—The court, in determining whether to impose a term of imprisonment, and, if a term of imprisonment is to be imposed, in determining the length of the term, shall consider the factors set forth in section 3553(a) to the extent that they are applicable, recognizing that imprisonment is not an appropriate means of promoting correction and rehabilitation. In determining whether to make a recommendation concerning the type of prison facility appropriate for the defendant, the court shall consider any pertinent policy statements issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(2).

"(b) EFFECT OF FINALITY OF JUDGMENT.—Notwithstanding the fact that a sentence to imprisonment can subsequently be—

"(1) modified pursuant to the provisions of subsection (c);

"(2) corrected pursuant to the provisions of rule 35 and section 3742; or

"(3) appealed and modified, if outside the guideline range, pursuant to the provisions of section 3742;

a judgment of conviction that includes such a sentence constitutes a final judgment for all other purposes.

"(c) MODIFICATION OF AN IMPOSED TERM OF IMPRISONMENT.—The court may not modify a term of imprisonment once it has been imposed except that—

"(1) in any case—

"(A) the court, upon motion of the Director of the Bureau of Prisons, may reduce the term of imprisonment, after considering the factors set forth in section 3553(a) to the extent that they are applicable, if it finds that extraordinary and compelling reasons warrant such a reduction and that such a reduction is consistent with applicable policy statements issued by the Sentencing Commission; and

"(B) the court may modify an imposed term of imprisonment to the extent otherwise expressly permitted by statute or by Rule 35 of the Federal Rules of Criminal Procedure;

"(2) in the case of a defendant who has been sentenced to a term of imprisonment in excess of six years, the court, upon motion of the defendant or the Director of the Bureau of Prisons, may reduce the term of imprisonment, after considering the factors set forth in section 3553(a) to the extent that they are applicable, if it finds that extraordinary and compelling reasons require such a reduction and that such a reduction is consistent with applicable policy statements issued by the Sentencing Commission; but the court may consider only two such motions with respect to a particular defendant, one, after the defendant has served at least six years of his sentence, and a second, after the defendant has served at least the maximum term of imprisonment specified in the applicable guideline issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(1); and

"(3) in the case of a defendant who has been sentenced to a term of imprisonment based on a sentencing range that has subsequently been lowered by the Sentencing Commission pursuant to 28 U.S.C. 994(n), upon motion of the defendant or the Director of Bureau of Prisons, or on its own motion, the court may reduce the term of imprisonment, after considering the factors set forth in section 3553(a) to the extent that they are applicable, if such a reduction is consistent with applicable policy statements issued by the Sentencing Commission.

"(d) INCLUSION OF AN ORDER TO LIMIT CRIMINAL ASSOCIATION OF ORGANIZED CRIME AND DRUG OFFENDERS.—The court, in imposing a sentence to a term of imprisonment upon a defendant convicted of a felony set forth in chapter 95 (Racketeering) or 96 (Racketeer Influenced and Corrupt Organizations) of this title or in the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 801 et seq.), or at any time thereafter upon motion by the Director of the Bureau of Prisons or a United States attorney, may include as a part of the sentence an order that requires that the defendant not associate or communicate with a specified person, other than his attorney, upon a showing of probable cause to believe that association or communication with such person is for the purpose of enabling the defendant to control, manage, direct, finance, or otherwise participate in an illegal enterprise.

"§ 3583. Inclusion of a Term of Supervised Release After Imprisonment

"(a) IN GENERAL.—The court, in imposing a sentence to a term of imprisonment for a felony or a misdemeanor, may include as a part of the sentence a requirement that the defendant be placed on a term of supervised release after imprisonment.

"(b) AUTHORIZED TERMS OF SUPERVISED RELEASE.—The authorized terms of supervised release are—

"(1) for a Class A or Class B felony, not more than three years;

"(2) for a Class C or Class D felony, not more than two years; and

"(3) for a Class E felony, or for a misdemeanor, not more than one year.

"(c) FACTORS TO BE CONSIDERED IN INCLUDING A TERM OF SUPERVISED RELEASE.—The court, in determining whether to include a term of supervised release, and, if a term of supervised release is to be included, in determining the length of the term and the conditions of supervised release, shall consider the factors set forth in section 3553(a)(1), (a)(2)(B), (a)(2)(D), (a)(4), (a)(5), and (a)(6).

"(d) CONDITIONS OF SUPERVISED RELEASE.—The court shall order, as an explicit condition of supervised release, that the defendant not commit another federal, State, or local crime during the term of supervision. The court may order, as a further condition of supervised release, to the extent that such condition—

"(1) is reasonably related to the factors set forth in section 3553(a)(1), (a)(2)(B), and (a)(2)(D);

"(2) involves no greater deprivation of liberty than is reasonably necessary for the purposes set forth in section 3553(a)(2)(B) and (a)(2)(D); and

"(3) is consistent with any pertinent policy statements issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a);

any condition set forth as a discretionary condition of probation in section 3563(b)(1) through (b)(10) and (b)(12) through (b)(19), and any other condition it considers to be appropriate. If an alien defendant is subject to deportation, the court may provide, as a condition of supervised release, that he be deported and remain outside the United States, and may order that he be delivered to a duly authorized immigration official for such deportation.

"(e) MODIFICATION OF TERM OR CONDITIONS.—The court may, after considering the factors set forth in section 3553(a)(1), (a)(2)(B), (a)(2)(D), (a)(4), (a)(5), and (a)(6)—

"(1) terminate a term of supervised release previously ordered and discharge the person released at any time after the expiration of one year of supervised release, if it is satisfied that such action is warranted by the conduct of the person released and the interest of justice; or

"(2) after a hearing, extend a term of supervised release if less than the maximum authorized term was previously imposed, and may modify, reduce, or enlarge the conditions of supervised release, at any time prior to the expiration or termination of the term of supervised release, pursuant to the provisions applicable to the initial setting of the term and conditions of post-release supervision.

"(f) WRITTEN STATEMENT OF CONDITIONS.—The court shall direct that the probation officer provide the defendant with a written statement that sets forth all the conditions to which the term of supervised release is subject, and that is sufficiently clear and specific to serve as a guide for the defendant's conduct and for such supervision as is required.

"§ 3584. Multiple Sentences of Imprisonment

"(a) IMPOSITION OF CONCURRENT OR CONSECUTIVE TERMS.—If multiple terms of imprisonment are imposed on a defendant at the same time, or if a term of imprisonment is imposed on a defendant who is already subject to an undischarged term of imprisonment, the terms may run concurrently or consecutively, except that the terms may not run consecutively for an attempt and for another offense that was the sole objective of the attempt. Multiple terms of imprisonment imposed at the same time run concurrently unless the court orders or the statute mandates that the terms are to run consecutively. Multiple terms of imprisonment imposed at different times run consecutively unless the court orders that the terms are to run concurrently.

"(b) Factors To Be Considered in Imposing Concurrent or Consecutive Terms.—The court, in determining whether the terms imposed are to be ordered to run concurrently or consecutively, shall consider, as to each offense for which a term of imprisonment is being imposed, the factors set forth in section 3553(a).

"(c) Treatment of Multiple Sentences as an Aggregate.—Multiple terms of imprisonment ordered to run consecutively shall be treated for administrative purposes as a single, aggregate term of imprisonment.

"§ 3585. Calculation of a Term of Imprisonment

"(a) Commencement of Sentence.—A sentence to a term of imprisonment commences on the date the defendant is received in custody awaiting transportation to, or arrives voluntarily to commence service of sentence at, the official detention facility at which the sentence is to be served.

"(b) Credit for Prior Custody.—A defendant shall be given credit toward the service of a term of imprisonment for any time he has spent in official detention prior to the date the sentence commences—

"(1) as a result of the offense for which the sentence was imposed; or

"(2) as a result of any other charge for which the defendant was arrested after the commission of the offense for which the sentence was imposed;

that has not been credited against another sentence.

"§ 3586. Implementation of a Sentence of Imprisonment

"The implementation of a sentence of imprisonment is governed by the provisions of subchapter C of chapter 229 and, if the sentence includes a term of supervised release, by the provisions of subchapter A of chapter 229.

"CHAPTER 229—POST-SENTENCE ADMINISTRATION

"Subchapter
"A. Probation 3601
"B. Fines.. 3611
"C. Imprisonment 3621

"Subchapter A—Probation

"Sec.
"3601. Supervision of Probation.
"3602. Appointment of Probation Officers.
"3603. Duties of Probation Officers.
"3604. Transportation of a Probationer.
"3605. Transfer of Jurisdiction Over a Probationer.
"3606. Arrest and Return of a Probationer.
"3607. Special Probation and Expungement Procedures for Drug Possessor.

"§ 3601. Supervision of Probation

"A person who has been sentenced to probation pursuant to the provisions of subchapter B of chapter 227, or placed on probation pursuant to the provisions of chapter 403, or placed on supervised release pursuant to the provisions of section 3583, shall, during the term imposed, be supervised by a probation officer to the degree warranted by the conditions specified by the sentencing court.

"§ 3602 Appointment of Probation Officers

"(a) Appointment.—A district court of the United States shall appoint qualified persons to serve, with or without compensation, as probation officers within the jurisdiction and under the direction of the court making the appointment. The court may, for cause, remove a probation officer appointed to serve with compensation, and may, in its discretion, remove a probation officer appointed to serve without compensation.

"(b) Record of Appointment.—The order of appointment shall be entered on the records of the court, a copy of the order shall be delivered to the officer appointed, and a copy shall be sent to the Director of the Administrative Office of the United States Courts.

"(c) Chief Probation Officer.—If the court appoints more than one probation officer, one may be designated by the court as chief probation officer and shall direct the work of all probation officers serving in the judicial district.

"§ 3603. Duties of Probation Officers

"A probation officer shall—

"(a) instruct a probationer or a person on supervised release, who is under his supervision as to the conditions specified by the sentencing court, and provide him with a written statement clearly setting forth all such conditions;

"(b) keep informed, to the degree required by the conditions specified by the sentencing court, as to the conduct and condition of a probationer or a person on supervised release, who is under his supervision, and report his conduct and condition to the sentencing court;

"(c) use all suitable methods, not inconsistent with the conditions specified by the court, to aid a probationer or a person on supervised release who is under his supervision, and to bring about improvements in his conduct and condition;

"(d) be responsible for the supervision of any probationer or a person on supervised release who is known to be within the judicial district;

"(e) keep a record of his work, and make such reports to the Director of the Administrative Office of the United States Courts as the Director may require;

"(f) upon request of the Attorney General or his designee, supervise and furnish information about a person within the custody of the Attorney General while on work release, furlough, or other authorized release from his regular place of confinement, or while in prerelease custody pursuant to the provisions of section 3624(c); and

"(g) perform any other duty that the court may designate.

"§ 3604. Transportation of a Probationer

"A court, after imposing a sentence of probation, may direct a United States marshal to furnish the probationer with—

"(a) transportation to the place to which he is required to proceed as a condition of his probation; and

"(b) money, not to exceed such amount as the Attorney General may prescribe, for subsistence expenses while traveling to his destination.

"§ 3605. Transfer of Jurisdiction Over a Probationer

"A court, after imposing a sentence, may transfer jurisdiction over a probationer or person on supervised release to the district court for any other district to which the person is required to proceed as a condition of his probation or release, or is permitted to proceed, with the concurrence of such court. A later transfer of jurisdiction may be made in the same manner. A court to which jurisdiction is transferred under this section is authorized to exercise all powers over the probationer or releasee that are permitted by this subchapter or subchapter B or D of chapter 227.

"§ 3606. Arrest and Return of a Probationer

"If there is probable cause to believe that a probationer or a person on supervised release has violated a condition of his probation or release, he may be arrested, and, upon arrest, shall be taken without unnecessary delay before the court having jurisdiction over him.

"§ 3607. Special Probation and Expungement Procedures for Drug Possessors

"(a) Pre-Judgment Probation.—If a person found guilty of an offense described in section 404 of the Controlled Substances Act (21 U.S.C. 844)—

"(1) has not, prior to the commission of such offense, been convicted of violating a federal or State law relating to controlled substances; and

"(2) has not previously been the subject of a disposition under this subsection;

the court may, with the consent of such person, place him on probation for a term of not more than one year without entering a judgment of conviction. At any time before the expiration of the term of probation, if the person has not violated a condition of his probation, the court may, without entering a judgment of conviction, dismiss the proceedings against the person and discharge him from probation. At the expiration of the term of probation, if the person has not violated a condition of his probation the court shall, without entering a judgment of conviction, dismiss the proceedings against the person and discharge him from probation. If the person violates a condition of his probation, the court shall proceed in accordance with the provisions of section 3565.

"(b) Record of Disposition.—A nonpublic record of a disposition under subsection (a), or a conviction that is the subject of an expungement order under subsection (c), shall be retained by the Department of Justice solely for the purpose of use by the courts in determining in any subsequent proceeding whether a person qualifies for the disposition provided in subsection (a) or the expungement provided in subsection (c). A disposition under subsection (a), or a conviction that is the subject of an expungement order under subsection (c), shall not be considered a conviction for the purpose of a disqualification or a disability imposed by law upon conviction of a crime, or for any other purpose.

"(c) Expungement of Record of Disposition.—If the case against a person found guilty of an offense under section 404 of the Controlled Substances Act (21 U.S.C. 844) is the subject of a disposition under subsection (a), and the person was less than twenty-one years old at the time of the offense, the court shall enter an expungement order upon the application of such person. The expungement order shall direct that there be expunged from all official records, except the nonpublic records referred to in subsection (b), all references to his arrest for the offense, the institution of criminal proceedings against him, and the results thereof. The effect of the order shall be to restore such person, in the contemplation of the law, to the status he occupied before such arrest or institution of criminal proceedings. A person concerning whom such an order has been entered shall not be held thereafter under any provision of law to be guilty of perjury, false swearing, or making a false statement by reason of his failure to recite or acknowledge such arrests or institution of criminal proceedings, or the results thereof, in response to an inquiry made of him for any purpose.

"Subchapter B—Fines

"Sec.
"3611. Payment of a Fine.
"3612. Collection of an Unpaid Fine.
"3613. Lien Provisions for Satisfaction of an Unpaid Fine.

"§ 3611. Payment of a Fine

"A person who has been sentenced to pay a fine pursuant to the provisions of subchapter C of chapter 227 shall pay the fine immediately, or by the time and method specified by the sentencing court, to the clerk of the court. The clerk shall forward the payment to the United States Treasury.

"§ 3612. Collection of an Unpaid Fine

"(a) Certification of Imposition.—If a fine is imposed, the sentencing court shall promptly certify to the Attorney General—

"(1) the name of the person fined;

"(2) his last known address;

"(3) the docket number of the case;

"(4) the amount of the fine imposed;

"(5) the time and method of payment specified by the court;

"(6) the nature of any modification or remission of the fine; and

"(7) the amount of the fine that is due and unpaid.

The court shall thereafter promptly certify to the Attorney General the amount of any subsequent payment that the court may receive with respect to, and the nature of any subsequent remission or modification of, a fine concerning which certification has previously been issued.

"(b) Responsibility for Collection.—The Attorney General shall be responsible for collection of an unpaid fine concerning which a certification has been issued as provided in subsection (a). An order of restitution, pursuant to section 3556, does not create any right of action against the United States by the person to whom restitution is ordered to be paid.

"§ 3613. Lien Provisions for Satisfaction of an Unpaid Fine

"(a) Lien.—A fine imposed pursuant to the provisions of subchapter C of chapter 227 is a lien in favor of the United States upon all property belonging to the person fined. The lien arises at the time of the entry of the judgment and continues until the liability is satisfied, remitted, or set aside, or until it becomes unenforceable pursuant to the provisions of subsection (b).

"(b) Expiration of Lien.—A lien becomes unenforceable and liability to pay a fine expires—

"(1) twenty years after the entry of the judgment; or

"(2) upon the death of the individual fined.

The period set forth in paragraph (1) may be extended, prior to its expiration, by a written agreement between the person fined and the Attorney General. The running of the period set forth in paragraph (1) is suspended during any interval for which the running of the period of limitations for collection of a tax would be suspended pursuant to section 6503(b), 6503(c), 6503(f), or 7508(a)(1)(I) of the Internal Revenue Code of 1954 (26 U.S.C. 6503(b), 6503(c), 6503(g), or 7508(a)(1)(I)), or section 513 of the Act of October 17, 1940, 54 Stat. 1190.

"(c) Application of Other Lien Provisions.—The provisions of sections 6323, other than 6323(f)(4), 6331 through 6343, 6901, 7402, 7403, 7405, 7423 through 7426, 7505(a), 7506, 7508, 7602 through 7605, 7622, 7701, and 7805 of the Internal Revenue Code of 1954 (26 U.S.C. 6323, 6331 through 6343, 6901, 7402, 7403, 7405, 7423 through 7426, 7505(a), 7506, 7508, 7602 through 7605, 7609, 7610, 7622, 7701, and 7805) and of section 513 of the Act of October 17, 1940, 54 Stat. 1190, apply to a fine and to the lien imposed by subsection (a) as if the liability of the person fined were for an internal revenue tax assessment, except to the extent that the application of such statutes is modified by regulations issued by the Attorney General to accord with differences in the nature of the liabilities. For the purposes of this subsection, references in the preceding sections of the Internal Revenue Code of 1954 to 'the Secretary' shall be construed to mean 'the Attorney General,' and references in those sections to 'tax' shall be construed to mean 'fine.'

"(d) Effect of Notice of Lien.—A notice of the lien imposed by subsection (a) shall be considered a notice of lien for taxes payable to the United States for the purposes of any State or local law providing for the filing of a notice of a tax lien. The registration, recording, docketing, or indexing, in accordance with 28 U.S.C. 1962, of the judgment under which a fine is imposed shall be considered for all purposes as the filing prescribed by section 6323(f)(1)(A) of the Internal Revenue Code of 1954 (26 U.S.C. 6323(f)(1)(A)) and by subsection (c).

"Subchapter C—Imprisonment

"Sec.
"3821. Imprisonment of a Convicted Person.
"3822. Temporary Release of a Prisoner.
"3823. Transfer of a Prisoner to State Authority.
"3824. Release of a Prisoner.
"3825. Inapplicability of the Administrative Procedure Act.

"3621. Imprisonment of a Convicted Person.

"(a) Commitment to Custody of Bureau of Prisons.—A person who has been sentenced to a term of imprisonment pursuant to the provisions of subchapter D of chapter 227 shall be committed to the custody of the Bureau of Prisons until the expiration of the term imposed, or until earlier released for satisfactory behavior pursuant to the provisions of section 3624.

"(b) Place of Imprisonment.—The Bureau of Prisons shall designate the place of the prisoner's imprisonment. The Bureau may designate any available penal or correctional facility that meets minimum standards of health and habitability established by the Bureau, whether maintained by the federal government or otherwise and whether within or without the judicial district in which the person was convicted, that the Bureau determines to be appropriate and suitable, considering—

"(1) the resources of the facility contemplated;

"(2) the nature and circumstances of the offense;

"(3) the history and characteristics of the prisoner;

"(4) any statement by the court that imposed the sentence—

"(A) concerning the purposes for which the sentence to imprisonment was determined to be warranted; or

"(B) recommending a type of penal or correctional facility as appropriate; and

"(5) any pertinent policy statement issued by the Sentencing Commission pursuant to section 994(a)(2) of title 28.

The Bureau may at any time, having regard for the same matters, direct the transfer of a prisoner from one penal or correctional facility to another.

"(c) Delivery of Order of Commitment.—When a prisoner, pursuant to a court order, is placed in the custody of a person in charge of a penal or correctional facility, a copy of the order shall be delivered to such person as evidence of this authority to hold the prisoner, and the original order, with the return endorsed thereon, shall be returned to the court that issued it.

"(d) Delivery of Prisoner for Court Appearances.—The Bureau of Prisons shall, without charge, bring a prisoner into court or return him to a prison facility on order of a court of the United States or on written request of an attorney for the government.

"§ 3622. Temporary Release of a Prisoner

"The Bureau of Prisons may release a prisoner from the place of his imprisonment for a limited period, if such release appears to be consistent with the purposes for which the sentence was imposed and any pertinent policy statement issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(2), if such release otherwise appears to be consistent with the public interest and if there is reasonable cause to believe that the prisoner will honor the trust to be imposed in him, by authorizing him, under prescribed conditions, to—

"(a) visit a designated place for a period not to exceed thirty days, and then return to the same or another facility, for the purpose of—

"(1) visiting a relative who is dying;

"(2) attending a funeral of a relative;

"(3) obtaining medical treatment not otherwise available;

"(4) contacting a prospective employer;

"(5) establishing or reestablishing family or community ties; or

"(6) engaging in any other significant activity consistent with the public interest;

"(b) participate in a training or educational program in the community while continuing in official detention at the prison facility; or

"(c) work at paid employment in the community while continuing in official detention at the penal or correctional facility if—

"(1) the rates of pay and other conditions of employment will not be less than those paid or provided for work of a similar nature in the community; and

"(2) the prisoner agrees to pay to the Bureau such costs incident to his official detention as the Bureau finds appropriate and reasonable under all the circumstances, such costs to be collected by the Bureau and deposited in the Treasury to the credit of the appropriation available for such costs at the time such collections are made.

"§ 3623. Transfer of a Prisoner to State Authority

"The Director of the Bureau of Prisons shall order that a prisoner who has been charged in an indictment or information with, or convicted of, a State felony, be transferred to an official detention facility within such State prior to his release from a federal prison facility if—

"(1) the transfer has been requested by the Governor or other executive authority of the State;

"(2) the State has presented to the Director a certified copy of the indictment, information, or judgment of conviction; and

"(3) the Director finds that the transfer would be in the public interest.

If more than one request is presented with respect to a prisoner, the Director shall determine which request should receive preference. The expenses of such transfer shall be borne by the State requesting the transfer.

"§ 3624. Release of a Prisoner

"(a) DATE OF RELEASE.—A prisoner shall be released by the Bureau of Prisons on the date of the expiration of his term of imprisonment, less any time credited toward the service of his sentence as provided in subsection (b). If the date for a prisoner's release falls on a Saturday, a Sunday, or a legal holiday at the place of confinement, the prisoner may be released by the Bureau on the last preceding weekday.

"(b) CREDIT TOWARD SERVICE OF SENTENCE FOR SATISFACTORY BEHAVIOR.—A prisoner who is serving a term of imprisonment of more than one year, other than a term of imprisonment for the duration of his life, shall receive credit toward the service of his sentence, beyond the time served, of thirty-six days at the end of each year of his term of imprisonment, beginning after the first year of the term, unless the Bureau of Prisons determines that, during that year, he has not satisfactorily complied with such institutional disciplinary regulations as have been approved by the Attorney General and issued to the prisoner. If the Bureau determines that, during that year, the prisoner has not satisfactorily complied with such institutional regulations, he shall receive no such credit toward service of his sentence or shall receive such lesser credit as the Bureau determines to be appropriate. The Bureau's determination shall be made within fifteen days after the end of each year of the sentence. Such credit toward service of sentence vests at the time that it is received. Credit that has vested may not later be withdrawn, and credit that has not been earned may not later be granted.

"(c) PRE-RELEASE CUSTODY.—The Bureau of Prisons shall, to the extent practicable, assure that a prisoner serving a term of imprisonment spends a reasonable part, not to exceed six months, of the last ten percent of the term to be served under conditions that will afford the prisoner a reasonable opportunity to adjust to and prepare for his reentry into the community. The United States Probation System shall, to the extent practicable, offer assistance to a prisoner during such pre-release custody.

"(d) ALLOTMENT OF CLOTHING, FUNDS, AND TRANSPORTATION.—Upon the release of a prisoner on the expiration of his term of imprisonment, the Bureau of Prisons shall furnish him with—

"(1) suitable clothing;

"(2) an amount of money, not more than $500, determined by the Director to be consistent with the needs of the offender and the public interest, unless the Director determines that the financial position of the offender is such that no sum should be furnished; and

"(3) transportation to the place of his conviction, to his bona fide residence within the United States, or to such other place within the United States as may be authorized by the Director.

"(e) SUPERVISION AFTER RELEASE.—A prisoner whose sentence includes a term of supervised release after imprisonment shall be released by the Bureau of Prisons to the supervision of a probation officer who shall, during the term imposed, supervise the person released to the degree warranted by the conditions specified by the sentencing court. The term of supervised release commences on the day the person is released from imprisonment. The term runs concurrently with any federal, State, or local term of probation or supervised release or parole for another offense to which the person is subject or becomes subject during the term of supervised release, except that it does not run during any period in which the person is imprisoned, other than during limited intervals as a condition of probation or supervised release, in connection with a conviction for a federal, State, or local crime.

"§ 3625. Inapplicability of the Administrative Procedure Act

"The provisions of sections 554 and 555 and 701 through 706 of title 5, United States Code, do not apply to the making of any determination, decision, or order under this subchapter."; and

(3) adding the following new sections at the end of chapter 232:

"§ 3671. Transfer of forfeited property for law enforcement purposes

"The Attorney General shall also establish procedures under which a federal government agency may transfer to a State or local law enforcement agency, for law enforcement purposes, personal property in its possession, other than money, that—

"(a) has been forfeited to the United States pursuant to any statute that provides for forfeiture of property used, intended for use, or possessed, in connection with a federal offense; and

"(b) is not needed by a federal law enforcement agency.

If any property cannot be disposed of, the rights to such property shall not revert to the defendant.

"§ 3672. Definitions for sentencing provisions

"As used in chapters 227 and 229—

"(a) 'found guilty' includes acceptance by a court of a plea of guilty or nolo contendere;

"(b) 'commission of an offense' includes the attempted commission of an offense, the consummation of an offense, and any immediate flight after the commission of an offense; and

"(c) 'law enforcement officer' means a public servant authorized by law or by a government agency to engage in or supervise the prevention, detection, investigation, or prosecution of an offense."; and

(4) adding the following caption and sectional analysis at the beginning of new chapter 232:

"CHAPTER 232—MISCELLANEOUS SENTENCING PROVISIONS

"Sec.
"3661. Use of information for sentencing.
"3662. Conviction records.
"3663. Firearms possessed by convicted felons.
"3664. Bribe moneys.
"3665. Liquors and related property; definitions.
"3666. Remission or mitigation of forfeitures under liquor laws; possession pending trial.
"3667. Conveyance carrying liquor.
"3668. Disposition of conveyances seized for violation of the Indian liquor laws.
"3669. Vessels carrying explosives and steerage passengers.
"3670. Duties of Director of Administrative Office of the United States Courts.
"3671. Transfer of forfeited property for law enforcement purposes.
"3672. Definitions for Sentencing Provisions.".

(b) The chapter analysis of Part II of title 18, United States Code, is amended by striking out the items relating to chapters 227, 229, and 231, and inserting in lieu thereof the following:

"227. Sentences 3551
"229. Post-Sentence Administration .. 3601
"231. Repealed ....
"232. Miscellaneous Sentencing Provisions .... 3661".

SEC. 503. (a) Chapter 235 of title 18, United States Code, is amended by adding the following new section at the end thereof:

"§ 3742. Review of a Sentence

"(a) APPEAL BY A DEFENDANT.—A defendant may file a notice of appeal in the district court for review of an otherwise final sentence if the sentence—

"(1) was imposed in violation of law;

"(2) was imposed as a result of an incorrect application of the sentencing guidelines issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a); or

"(3) was imposed for a felony or a Class A misdemeanor and is greater than—

"(A) the sentence specified in the applicable sentencing guideline issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(1), to the extent that the sentence includes a greater fine or term of imprisonment or term of supervised release than the maximum established in the guideline, or includes a more limiting condition of probation or supervised release under section 3563 (b)(6) or (b)(11) than the maximum established in the guideline; and

"(B) the sentence, if any, specified in a plea agreement under Rule 11 (e)(1)(B) or (e)(1)(C) of the Federal Rules of Criminal Procedure.

"(b) APPEAL BY THE GOVERNMENT.—The government may file a notice of appeal in the district court for review of an otherwise final sentence if the sentence—

"(1) was imposed in violation of law;

"(2) was imposed as a result of an incorrect application of the sentencing guidelines issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a); or

"(3) was imposed for a felony or a Class A misdemeanor and is less than—

"(A) the sentence specified in the applicable sentencing guideline issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(1), to the extent that the sentence includes a lesser fine or term of imprisonment or term of supervised release than the minimum established in the guideline, or includes a less limiting condition of probation or supervised release under section 3563 (b)(6) or (b)(11) than the minimum established in the guideline; and

"(B) the sentence, if any, specified in a plea agreement under Rule 11(e)(1)(B) or (e)(1)(C) of the Federal Rules of Criminal Procedure;

and the Attorney General or the Solicitor General personally approves the filing of the notice of appeal.

"(c) RECORD ON REVIEW.—If a notice of appeal is filed in the district court pursuant to subsection (a) or (b), the clerk shall certify to the court of appeals—

"(1) that portion of the record in the case that is designated as pertinent by either of the parties;

"(2) the presentence report; and

"(3) the information submitted during the sentencing proceeding.

"(d) Consideration.—Upon review of the record, the court of appeals shall determine whether the sentence—

"(1) was imposed in violation of law;

"(2) was imposed as a result of an incorrect application of the sentencing guidelines; or

"(3) is outside the range of the applicable sentencing guideline, and is unreasonable, having regard for—

"(A) the factors to be considered in imposing a sentence, as set forth in chapter 227 of this title; and

"(B) the reasons for the imposition of the particular sentence, as stated by the district court pursuant to the provisions of section 3553(c).

The court of appeals shall give due regard to the opportunity of the district court to judge the credibility of the witnesses, and shall accept the findings of fact of the district court unless they are clearly erroneous.

"(c) Decision and Disposition.—If the court of appeals determines that the sentence—

"(1) was imposed in violation of law or imposed as a result of an incorrect application of the sentencing guidelines, it shall—

"(A) remand the case for further sentencing proceedings; or

"(B) correct the sentence;

"(2) is outside the range of the applicable sentencing guideline and is unreasonable, it shall state specific reasons for its conclusions and—

"(A) if it determines that the sentence is too high and the appeal has been filed under subsection (a), it shall set aside the sentence and—

"(i) remand the case for imposition of a lesser sentence;

"(ii) remand the case for further sentencing proceedings; or

"(iii) impose a lesser sentence;

"(B) if it determines that the sentence is too low and the appeal has been filed under subsection (b), it shall set aside the sentence and—

"(i) remand the case for imposition of a greater sentence;

"(ii) remand the case for further sentencing proceedings; or

"(iii) impose a greater sentence; or

"(3) was not imposed in violation of law or imposed as a result of an incorrect application of the sentencing guidelines, and is not unreasonable, it shall affirm the sentence.".

(b) The sectional analysis of chapter 235 of title 18, United States Code, is amended by adding the following new item after the item relating to section 3741:

"3742. Review of a sentence.".

Sec. 504. Chapter 403 of title 18, United States Code, is amended as follows:

(a) Section 5037 is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by striking out subsections (a) and (b) and inserting the following new subsections in lieu thereof:

"(a) If the court finds a juvenile to be a juvenile delinquent, the court shall hold a disposition hearing concerning the appropriate disposition no later than twenty court days after the juvenile delinquency hearing unless the court has ordered further study pursuant to subsection (e). After the disposition hearing, and after considering any pertinent policy statements promulgated by the Sentencing Commission pursuant to 28 U.S.C. 994, the court may suspend the findings of juvenile delinquency, enter an order of restitution pursuant to section 3556, place him on probation, or commit him to official detention. With respect to release or detention pending an appeal or a petition for a writ of certiorari after disposition, the court shall proceed pursuant to the provisions of chapter 207.

"(b) The term for which probation may be ordered for a juvenile found to be a juvenile delinquent may not extend—

"(1) in the case of a juvenile who is less than seventeen years old, beyond the lesser of—

"(A) the date when the juvenile becomes twenty-one years old; or

"(B) the maximum term that would be authorized by section 3561(b) if the juvenile had been tried and convicted as an adult;

"(2) in the case of a juvenile who is between seventeen and twenty-one years old, beyond the lesser of—

"(A) three years; or

"(B) the maximum term that would be authorized by section 3561(b) if the juvenile had been tried and convicted as an adult.

The provisions dealing with probation set forth in sections 3563, 3564, and 3565 are applicable to an order placing a juvenile on probation.

"(c) The term for which official detention may be ordered for a juvenile found to be a juvenile delinquent may not extend—

"(1) in the case of a juvenile who is less than seventeen years old, beyond the lesser of—

"(A) the date when the juvenile becomes twenty-one years old; or

"(B) the maximum term of imprisonment that would be authorized by section 3581(b) if the juvenile had been tried and convicted as an adult; or

"(2) in the case of a juvenile who is between seventeen and twenty-one years old—

"(A) who is convicted as an adult would be convicted of a Class A, B, or C felony, beyond five years; or

"(B) in any other case beyond the lesser of—

"(i) three years; or

"(ii) the maximum term of imprisonment that would be authorized by section 3581(b) if the juvenile had been tried and convicted as an adult.".

(b) Section 5041 is repealed.

(c) Section 5042 is amended by—

(1) striking out "parole or" each place it appears in the caption and text; and

(2) striking out "parolee or"

(d) The sectional analysis is amended by striking out the items relating to sections 5041 and 5042 and inserting in lieu thereof the following:

"5041. Repealed.
"5042. Revocation of probation.".

Sec. 505. The Federal Rules of Criminal Procedure are amended as follows:

(a) Rule 32 is amended—

(1) by deleting subdivision (a)(1) and inserting in lieu thereof the following:

"(1) Imposition of sentence. Sentence shall be imposed without unnecessary delay, but the court may, upon a motion that is jointly filed by the defendant and by the attorney for the government and that asserts a factor important to the sentencing determination is not capable of being resolved at that time, postpone the imposition of sentence for a reasonable time until the factor is capable of being resolved. Prior to the sentencing hearing, the court shall provide the counsel for the defendant and the attorney for the government with notice of the probation officer's determination, pursuant to the provisions of subdivision (c)(2)(B), of the sentencing classifications and sentencing guideline range believed to be applicable to the case. At the sentencing hearing, the court shall afford the counsel for the defendant and the attorney for the government an opportunity to comment upon the probation officer's determination and on other matters relating to the appropriate sentence. Before imposing sentence, the court shall also afford counsel for the defendant an opportunity to speak on behalf of the defendant and shall address the defendant personally and ask him if he wishes to make a statement in his own behalf and to present any information in mitigation of the sentence. The attorney for the government shall have an equivalent opportunity to speak to the court. Upon a motion that is jointly filed by the defendant and by the attorney for the government, the court may hear in camera such a statement by the defendant, counsel for the defendant, or the attorney for the government.";

(2) by adding after the words "right to appeal" in the first sentence of subdivision (a)(2) the words "from the conviction, of his right, if any, to obtain review of the sentence,";

(3) by deleting "right of appeal" in the second sentence of subdivision (a)(2) and inserting in lieu thereof "right to appeal or right to obtain review";

(4) by amending the first sentence of subdivision (c)(1) to read as follows:

"A probation officer shall make a presentence investigation and report to the court before the imposition of sentence unless the court finds that there is in the record information sufficient to enable the meaningful exercise of sentencing authority pursuant to 18 U.S.C. 3553, and the court explains this finding on the record.";

"(5) by amending subdivision (c)(2) to read as follows:

"(2) Report.—The report of the presentence investigation shall contain—

"(A) information about the history and characteristics of the defendant, including his prior criminal record, if any, his financial condition, and any circumstances affecting his behavior that may be helpful in imposing sentence or in the correctional treatment of the defendant;

"(B) the classification of the offense and of the defendant under the categories established by the Sentencing Commission pursuant to section 994(a) of title 28, that the probation officer believes to be applicable to the defendant's case; the kinds of sentence and the sentencing range suggested for such a category of offense committed by such a category of defendant as set forth in the guidelines issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(1); and an explanation by the probation officer of any factors that may indicate that a sentence of a different kind or of a different length than one within the applicable guideline would be more appropriate under all the circumstances;

"(C) any pertinent policy statement issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(2);

"(D) verified information stated in a nonargumentative style containing as assessment of the financial, social, psychological, and medical impact upon, and cost to, any individual against whom the offense has been committed; and

"(E) such other information as may be required by the court.";

(6) in subdivision (c)(3)(A), by deleting "exclusive of any recommendations as to sentence" and inserting in lieu thereof ", including the information required by subdivision (c)(2) but not including any final recommendation as to sentence,";

(7) by deleting "or the Youth Correction Division of the Board of Parole pursuant to 18 U.S.C. 4208(b), 4252, 5010(e)" in subdivision (c)(3)(B) and inserting in lieu thereof "pursuant to 18 U.S.C. 3552(b)"; and

(8) by deleting "or imposition of sentence is suspended;" in subdivision (d) and inserting in lieu thereof a comma.

(b) Rule 35 is amended to read as follows:

"Rule 35.—Correction of Sentence

"(a) Correction of a Sentence on Remand.—The court shall correct a sentence that is determined on appeal under 18 U.S.C. 3742 to have been imposed in violation of law, to have been imposed as a result of an incorrect application of the sentencing guidelines, or to be unreasonable, upon remand of the case to the court—

"(1) for imposition of a sentence in accord with the findings of the court of appeals; or

"(2) for further sentencing proceedings if, after such proceedings, the court determines that the original sentence was incorrect.

"(b) Correction of Sentence for Changed Circumstances.—The court, on motion of the government, may within one year after the imposition of sentence, lower a sentence to reflect a defendant's subsequent, substantial assistance in the investigation or prosecution of another person who has committed an offense, to the extent that such assistance is a factor in applicable guidelines or policy statements issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a).".

(c) Rule 38 is amended—

(1) by amending the caption to read: "Stay of Execution" and deleting "(a) Stay of Execution.";

(2) by deleting subdivisions (b) and (c);

(3) by redesignating subdivisions (a)(1) through (a)(4) as subdivisions (a) through (d), respectively;

(4) in subdivision (a), by adding "from the conviction or sentence" after "is taken";

(5) in the first sentence of subdivision (b), by adding "from the conviction or sentence" after "is taken";

(6) by deleting "or a fine and costs" in the first sentence of subdivision (c);

(7) by deleting "and costs" in the second sentence of subdivision (c),

(8) by amending subdivision (d) to read as follows:

"(d) Probation.—A sentence of probation may be stayed if an appeal from the conviction or sentence is taken. If the sentence is stayed, the court shall fix the terms of the stay."; and

(9) by adding new subdivisions (e) and (f) as follows:

"(e) Criminal Forfeiture, Notice to Victims, and Restitution.—A sanction imposed as part of the sentence pursuant to 18 U.S.C. 3554, 3555, or 3556 may, if an appeal of the conviction or sentence is taken, be stayed by the district court or by the court of appeals upon such terms as the court finds appropriate. The court may issue such orders as may be reasonably necessary to ensure compliance with the sanction upon disposition of the appeal, including the entering of a restraining order or an injunction, or requiring a deposit in whole or in part of the monetary amount involved into the registry of the district court or execution of a performance bond.

(f) Disabilities.—A civil or employment disability arising under a federal statute by reason of the defendant's conviction or sentence, may, if an appeal is taken, be stayed by the district court or by the court of appeals upon such terms as the court finds appropriate. The court may enter a restraining order or an injunction, or take any other action that may be reasonably necessary to protect the interest represented by the disability pending disposition of the appeal.".

(d) Rule 40 is amended by deleting "3653" in subdivision (d)(1) and inserting in lieu thereof "3605".

(e) Rule 54 is amended—

(1) by amending the definition of "Petty offense" in subdivision (c) to read as follows: "'Petty offense' means a class B or C misdemeanor or an infraction."; and

(2) by adding a new definition as follows: "'Grade' includes the issue whether, for the purposes of section 3571 (Sentence of Fine), a misdemeanor resulted in the loss of human life.".

(f) The Table of Rules that precedes Rule 1 is amended as follows:

(1) The item relating to Rule 35 is amended by deleting the words "or Reduction";

(2) The item relating to Rule 38 is amended to read as follows:

"38. Stay of Execution.
"(a) Death.
"(b) Imprisonment.
"(c) Fine.
"(d) Probation.
"(e) Criminal Forfeiture, Notice to Victims, and Restitution.
"(f) Disabilities.".

Sec. 506. The Rules of Procedure for the Trial of Misdemeanors Before United States Magistrates are amended as follows:

(a) Rule 1 is amended by deleting "(including petty offenses)".

(b) Rule 9 is amended by deleting "as defined in title 18, U.S.C., § 1(3)".

(c) A new Rule 12 is added at the end thereof to read as follows:

"Rule 12.—Definitions

"As used in these rules—

"(1) 'minor offense' means a misdemeanor or an infraction;

"(2) 'petty offense' means a Class B or C misdemeanor or an infraction.".

(d) The Table of Rules that precedes Rule 1 is amended by adding at the end thereof the following new item:

"12. Definitions".

Sec. 507. (a) Title 28 of the United States Code is amended by adding the following new chapter after chapter 57:

"CHAPTER 58—UNITED STATES SENTENCING COMMISSION

"Sec.
"991. United States Sentencing Commission; Establishment and Purpose.
"992. Terms of Office; Compensation.
"993. Powers and Duties of Chairman.
"994. Duties of the Commission.
"995. Powers of the Commission.
"996. Director and Staff.
"997. Annual Report.
"998. Definitions.

"§ 991. United States Sentencing Commission; Establishment and Purpose

"(a) There is established as an independent commission in the judicial branch a United States Sentencing Commission which shall consist of seven voting members and one non-voting member. The President, after consultation with the Judicial Conference of the United States, shall appoint, by and with the advice and consent of the Senate, four members of the United States Sentencing Commission, one of whom shall be appointed, by and with the advice and consent of the Senate, as the chairman. Not more than three of the members of the United States Sentencing Commission appointed by the President shall be members of the same political party. The Judicial Conference shall submit to the President, to the Committee on the Judiciary of the Senate, and to the Committee of the Judiciary of the House of Representatives, a list of at least ten judges of the United States whom the Conference considers best qualified to serve on the Commission. The President shall designate three of the judges from the list of recommended judges submitted by the Conference to serve on the Commission. Prior to consulting with, or submitting a list to, the President, the Judicial Conference shall obtain and give consideration to the recommendations of the district judge members of the Judicial Councils of the federal judicial circuits. The Attorney General, or his designee, shall be an ex officio, non-voting member of the Commission. The Chairman and members of the Commission shall be subject to removal from the Commission by the President only for neglect of duty or malfeasance in office or for other good cause shown. The Commission shall have both judicial and non-judicial members and shall, to the extent practicable, have a membership representing a variety of backgrounds and reflecting participation and interest in the criminal justice process, including one federal prosecutor and one attorney who regularly represents defendants in federal criminal cases.

"(b) The purposes of the United States Sentencing Commission are to—

"(1) establish sentencing policies and practices for the federal criminal justice system that—

"(A) assure the meeting of the purposes of sentencing as set forth in section 3553(a)(2) of title 18, United States Code;

"(B) provide certainty and fairness in meeting the purposes of sentencing, avoiding unwarranted sentencing disparities among defendants with similar records who have been found guilty of similar criminal conduct while maintaining sufficient flexibility to permit individualized sentences when warranted by mitigating or aggravating factors not taken into account in the establishment of general sentencing practices;

"(C) reflect, to the extent practicable, advancement in knowledge of human behavior as it relates to the criminal justice process; and

"(2) develop means of measuring the degree to which the sentencing, penal, and correctional practices are effective in meeting the purposes of sentencing as set forth in section 3553(a)(2) of title 18, United States Code.

"§ 992. Terms of Office; Compensation

"(a) The voting members of the United States Sentencing Commission shall be designated or appointed for six-year terms, except that the initial terms of the first members of the Commission shall be staggered so that—

"(1) one member designated by the President from the list of recommended judges submitted by the Judicial Conference and the chairman serve terms of six years;

"(2) one member designated by the President from the list of recommended judges submitted by the Judicial Conference and two members appointed by the President serve terms of four years; and

"(3) one member designated by the President from the list of recommended judges submitted by the Judicial Conference and one member appointed by the President serve terms of two years.

"(b) No voting member may serve more than two full terms. A voting member designated or appointed to fill a vacancy that occurs before the expiration of the term for which his predecessor was designated or appointed shall be designated or appointed only for the remainder of such term.

"(c) Each voting member of the Commission shall be compensated during the term of office as a member of the Commission at the rate at which judges of the United States courts of appeals are compensated. A federal judge may serve as a member of the Commission without resigning his appointment as a federal judge.

"§ 993. Powers and Duties of Chairman

"The Chairman shall—

"(a) call and preside at meetings of the Commission; and

"(b) direct—

"(1) the preparation of requests for appropriations for the Commission; and

"(2) the use of funds made available to the Commission.

"§ 994. Duties of the Commission

"(a) The Commission, by affirmative vote of at least four members of the Commission, and pursuant to its rules and regulations and consistent with all pertinent provisions of this title and title 18, United States Code, shall promulgate and distribute to all courts of the United States and to the United States Probation System—

"(1) guidelines, as described in this section, for use of a sentencing court in determining the sentence to be imposed in a criminal case, including—

"(A) a determination whether to impose a sentence to probation, a fine, or a term of imprisonment;

"(B) a determination as to the appropriate amount of a fine or the appropriate length of a term of probation or a term of imprisonment;

"(C) a determination whether a sentence to a term of imprisonment should include a requirement that the defendant be placed on a term of supervised release after imprisonment, and, if so, the appropriate length of such a term; and

"(D) a determination whether multiple sentences to terms of imprisonment should be ordered to run concurrently or consecutively;

"(2) general policy statements regarding application of the guidelines or any other aspect of sentencing or sentence implementation that in the view of the Commission would further the purposes set forth in section 3553(a)(2) of title 18 United States Code, including the appropriate use of—

"(A) the sanctions set forth in sections 3554, 3555, and 3556 of title 18;

"(B) the conditions of probation and supervised release set forth in sections 3563(b) and 3583(d) of title 18;

"(C) the sentence modification provisions set forth in sections 3563(c), 3573, and 3582(c) of title 18;

"(D) the authority granted under Rule 11(e)(2) of the Federal Rules of Criminal Procedure to accept or reject a plea agreement entered into pursuant to Rule 11(e)(1); and

"(E) the temporary release provisions set forth in section 3622 of title 18, and the prerelease custody provisions set forth in section 3624(c) of title 18; and

"(3) guidelines or general policy statements regarding appropriate use of the probation revocation provisions set forth in section 3565 of title 18, and the provisions for modification of the term or conditions of probation or supervised release set forth in sections 3563(c), 3564(d), and 3583(e) of title 18.

"(b) The Commission, in the guidelines promulgated pursuant to subsection (a)(1), shall, for each category of offense involving each category of defendant, establish a sentencing range that is consistent with all pertinent provisions of title 18, United States Code. If a sentence specified by the guidelines includes a term of imprisonment, the maximum of the range established for such a term shall not exceed the minimum of that range by more than 25 percent.

"(c) The Commission, in establishing categories of offenses for use in the guidelines and policy statements governing the imposition of sentences of probation, a fine, or imprisonment, governing the imposition of other authorized sanctions, governing the size of a fine or the length of a term of probation, imprisonment, or supervised release, and governing the conditions of probation, supervised release, or imprisonment, shall consider whether the following matters, among others, have any relevance to the nature, extent, place of service, or other incidents of an appropriate sentence, and shall take them into account only to the extent that they do have relevance—

"(1) the grade of the offense;

"(2) the circumstances under which the offense was committed which mitigate or aggravate the seriousness of the offense;

"(3) the nature and degree of the harm caused by the offense, including whether it involved property, irreplaceable property, a person, a number of persons, or a breach of public trust;

"(4) the community view of the gravity of the offense;

"(5) the public concern generated by the offense;

"(6) the deterrent effect a particular sentence may have on the commission of the offense by others; and

"(7) the current incidence of the offense in the community and in the nation as a whole.

"(d) The Commission in establishing categories of defendants for use in the guidelines and policy statements governing the imposition of sentences of probation, a fine, or imprisonment, governing the imposition of other authorized sanctions, governing the size of a fine or the length of a term of probation, imprisonment, or supervised release, and governing the conditions of probation, supervised release, or imprisonment, shall consider whether the following matters, among others, with respect to a defendant, have any relevance to the nature, extent, place of service, or other incidents of an appropriate sentence, and shall take them into account only to the extent that they do have relevance—

"(1) age;

"(2) education;

"(3) vocational skills.

"(4) mental and emotional condition to the extent that such condition mitigates the defendant's culpability or to the extent that such condition is otherwise plainly relevant;

"(5) physical condition, including drug dependence;

"(6) previous employment record;

"(7) family ties and responsibilities;

"(8) community ties;

"(9) role in the offense;

"(10) criminal history; and

"(11) degree of dependence upon criminal activity for a livelihood.

The Commission shall assure that the guidelines and policy statements are entirely neutral as to the race, sex, national origin, creed, and socioeconomic status of offenders.

"(e) The Commission shall assure that the guidelines and policy statements, in recommending a term of imprisonment or length of a term of imprisonment, reflect the general inappropriateness of considering the education, vocational skills, employment record, family ties and responsibilities, and community ties of the defendant.

"(f) The Commission, in promulgating guidelines pursuant to subsection (a)(1), shall promote the purposes set forth in section 991(b)(1), with particular attention to the requirements of subsection 991(b)(1)(B) for providing certainty and fairness in sentencing and reducing unwarranted sentence disparities.

"(g) The Commission, in promulgating guidelines pursuant to subsection (a)(1) to meet the purposes of sentencing as set forth in section 3553(a)(2) of title 18, United States Code, shall take into account the nature and capacity of the penal, correctional, and other facilities and services available, and shall make appropriate recommendations to the Congress concerning such facilities and services.

"(h) The Commission shall assure that the guidelines will specify a sentence to a substantial term of imprisonment for categories of defendants in which the defendant—

"(1) has a history of two or more prior federal, State, or local felony convictions for offenses committed on different occasions;

"(2) committed the offense as part of a pattern of criminal conduct from which he derived a substantial portion of his income;

"(3) committed the offense in furtherance of a conspiracy with three or more persons engaging in a pattern of racketeering activity in which the defendant participated in a managerial or supervisory capacity;

"(4) committed a crime of violence that constitutes a felony while on release pending trial, sentence, or appeal from a federal, State, or local felony for which he was ultimately convicted; or

"(5) committed a felony that is set forth in section 401 or 1010 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 841 and 960), and that involved trafficking in a substantial quantity of a controlled substance.

"(g) The Commission shall insure that the guidelines reflect the general appropriateness of imposing a sentence other than imprisonment in cases in which the defendant is a first offender who has not been convicted of a crime of violence or an otherwise serious offense, and the general appropriateness of imposing a term of imprisonment on a person convicted of a crime of violence that results in serious bodily injury.

"(h) The Commission shall insure that the guidelines reflect the inappropriateness of imposing a sentence to a term of imprisonment for the purpose of rehabilitating the defendant or providing the defendant with needed educational or vocational training, medical care, or other correctional treatment.

"(i) The Commission shall insure that the guidelines promulgated pursuant to subsection (a)(1) reflect—

"(1) the appropriateness of imposing an incremental penalty for each offense in a case in which a defendant is convicted of—

"(A) multiple offenses committed in the same course of conduct that result in the exercise of ancillary jurisdiction over one or more of the offenses; and

"(B) multiple offenses committed at different times, including those cases in which the subsequent offense is a violation of section 3146 (Penalty for failure to appear) or is committed while the person is released pursuant to the provisions of section 3147 (Penalty for an offense committed while on release) of title 18; and

"(2) the general inappropriateness of imposing consecutive terms of imprisonment for an offense of conspiring to commit an offense or soliciting commission of an offense and for an offense that was the sole object of the conspiracy or solicitation.

"(j) The Commission, as a starting point in its development of the initial sets of guidelines for particular categories of cases, shall review the average sentences imposed in such categories of cases prior to the creation of the Commission, and in cases involving sentences to terms of imprisonment, the length of such terms actually served, but the Commission shall not be bound by such average sentences, and shall independently develop a sentencing range that is consistent with the purposes of sentencing described in section 3553(a)(2) of title 18, United States Code.

"(k) The Commission periodically shall review and revise, in consideration of comments and data coming to its attention, the guidelines promulgated pursuant to the provisions of this section. In fulfilling its duties and in exercising its powers, the Commission shall consult with authorities on, and individual and institutional representatives of, various aspects of the federal criminal justice system. The United States Probation System, the Bureau of Prisons, the Judicial Conference of the United States, the Criminal Division of the United States Department of Justice, and a representative of the Federal Public Defenders shall submit to the Commission any observations, comments, or questions pertinent to the work of the Commission whenever it believes such communication would be useful, and shall, at least annually, submit to the Commission a written report commenting on the operation of the Commission's guidelines, suggesting changes in the guidelines that appear to be warranted, and otherwise assessing the Commission's work.

"(l) The Commission, at or after the beginning of a regular session of Congress but not later than the first day of May, shall report to the Congress any amendments of the guidelines promulgated pursuant to subsection (a)(1), and a report of the reasons therefor, and the amended guidelines shall take effect one hundred and eighty days after the Commission reports them, except to the extent the effective date is enlarged or the guidelines are disapproved or modified by Act of Congress.

"(m) The Commission and the Bureau of Prisons shall submit to Congress an analysis and recommendations concerning maximum utilization of resources to deal effectively with the federal prison population. Such report shall be based upon consideration of a variety of alternatives, including—

"(1) modernization of existing facilities;

"(2) inmate classification and periodic review of such classification for use in placing inmates in the least restrictive facility necessary to ensure adequate security; and

"(3) use of existing federal facilities, such as those currently within military jurisdiction.

"(n) The Commission shall evaluate the impact of the sentencing guidelines on prosecutorial discretion, plea bargaining, disparities in sentencing, and the use of incarceration, and shall, by affirmative vote of a majority of the voting members of the Commission, issue a report of its findings to all appropriate courts, the Department of Justice, and the Congress.

"(o) The Commission, within three years of the date of enactment of the Sentencing Reform Act of 1982, and thereafter whenever it finds it advisable, shall recommend to the Congress that it raise or lower the grades, or otherwise modify the maximum penalties, of those offenses for which such an adjustment appears appropriate.

"(p) The Commission shall give due consideration to any petition filed by a defendant requesting modification of the guidelines utilized in the sentencing of such defendant, on the basis of changed circumstances unrelated to the defendant, including changes in—

"(1) the community view of the gravity of the offense;

"(2) the public concern generated by the offense; and

"(3) the deterrent effect particular sentences may have on the commission of the offense by others.

Within 180 days of the filing of such petition the Commission shall provide written notice to the defendant whether or not it has approved the petition. If the petition is disapproved the written notice shall contain the reasons for such disapproval. The Commission shall submit to the Congress at least annually an analysis of such written notices.

"(q) The Commission, in promulgating general policy statements regarding the sentencing modification provisions in section 3582(c)(2) of title 18, shall describe what should be considered extraordinary and compelling reasons for sentence reduction, including the criteria to be applied and a list of specific examples. Rehabilitation of the defendant alone shall not be considered an extraordinary and compelling reason.

"(r) If the Commission reduces the term of imprisonment recommended in the guidelines applicable to a particular offense or category of offenses, it shall specify by what amount the sentences of prisoners serving terms of imprisonment that are outside the applicable guideline ranges for the offense may be reduced in order to carry out the purpose of the reduction.

"(s) The Commission shall ensure that the general policy statements promulgated pursuant to subsection (a)(2) include a policy limiting consecutive terms of imprisonment for an offense involving a violation of a general prohibition and for an offense involving a violation of a specific prohibition encompassed within the general prohibition.

"(t) The appropriate judge or officer shall submit to the Commission in connection with each sentence imposed a written report of the sentence, the offense for which it is imposed, the age, race, and sex of the offender, information regarding factors made relevant by the guidelines, and such other information as the Commission finds appropriate. The Commission shall submit to Congress at least annually an analysis of these reports and any recommendation for legislation that the Commission concludes is warranted by that analysis.

"(u) The provisions of section 553 of title 5, relating to publication in the Federal Register and public hearing procedure, shall apply to the promulgation of guidelines pursuant to this section.

"§ 995. Powers of the Commission

"(a) The Commission, by vote of a majority of the members present and voting, shall have the power to—

"(1) establish general policies and promulgate such rules and regulations for the Commission as are necessary to carry out the purposes of this chapter;

"(2) appoint and fix the salary and duties of the Staff Director of the Sentencing Commission, who shall serve at the discretion of the Commission and who shall be compensated at a rate not to exceed the highest rate now or hereafter prescribed for grade 18 of the General Schedule pay rates (5 U.S.C. 5332);

"(3) deny, revise, or ratify any request for regular, supplemental, or deficiency appropriations prior to any submission of such request to the Office of Management and Budget by the Chairman;

"([illegible]) procure for the Commission temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code;

"(5) utilize, with their consent, the services, equipment, personnel, information, and facilities of other federal, State, local, and private agencies and instrumentalities with or without reimbursement therefor;

"(6) without regard to section 3648 of the Revised Statutes of the United States (31 U.S.C. 529), enter into and perform such contracts, leases, cooperative agreements, and other transactions as may be necessary in the conduct of the functions of the Commission, with any public agency, or with any person, firm, association, corporation, educational institution, or nonprofit organization;

"(7) accept voluntary and uncompensated services, notwithstanding the provisions of section 3679 of the Revised Statutes of the United States (31 U.S.C. 655(b));

"(8) request such information, data, and reports from any federal agency or judicial officer as the Commission may from time to time require and as may be produced consistent with other law;

"(9) monitor the performance of probation officers with regard to sentencing recommendations, including application of the Sentencing Commission guidelines and policy statements;

"(10) issue instructions to probation officers concerning the application of Commission guidelines and policy statements;

"(11) arrange with the head of any other federal agency for the performance by such agency of any function of the Commission, with or without reimbursement;

"(12) establish a research and development program within the Commission for the purpose of—

"(A) serving as a clearinghouse and information center for the collection, preparation, and dissemination of information on federal sentencing practices;

"(B) assisting and serving in a consulting capacity to federal courts, departments, and agencies in the development, maintenance, and coordination of sound sentencing practices;

"(13) collect systematically the data obtained from studies, research, and the empirical experience of public and private agencies concerning the sentencing process;

"(14) publish data concerning the sentencing process;

"(15) collect systematically and disseminate information concerning sentences actually imposed, and the relationship of such sentences to the factors set forth in section 3553(a) of title 18, United States Code;

"(16) collect systematically and disseminate information regarding effectiveness of sentences imposed;

"(17) devise and conduct, in various geographical locations, seminars and workshops providing continuing studies for persons engaged in the sentencing field;

"(18) devise and conduct periodic training programs of instruction in sentencing techniques for judicial and probation personnel and other persons connected with the sentencing process;

"(19) study the feasibility of developing guidelines for the disposition of juvenile delinquents;

"(20) make recommendations to Congress concerning modification or enactment of statutes relating to sentencing, penal, and correctional matters that the Commission finds to be necessary and advisable to carry out an effective, humane, and rational sentencing policy;

"(21) hold hearings and call witnesses that might assist the Commission in the exercise of its powers or duties; and

"(22) perform such other functions as are required to permit federal courts to meet their responsibilities under section 3553(a) of title 18, United States Code, and to permit others involved in the federal criminal justice system to meet their related responsibilities.

"(b) The Commission shall have such other powers and duties and shall perform such other functions as may be necessary to carry out the purposes of this chapter, and may delegate to any member or designated person such powers as may be appropriate other than the power to establish general policy statements and guidelines pursuant to section 994(a) (1) and (2), the issuance of general policies and promulgation of rules and regulations pursuant to subsection (a)(1) of this section, and the decisions as to the factors to be considered in establishment of categories of offenses and offenders pursuant to section 994(b). The Commission shall coordinate its activities under subsections (a)(9), (a)(10), (a)(11), (a)(12), (a)(13), (a)(14), (a)(15), (a)(16), (a)(17), and (a)(18), to the extent practicable, with any related activities of the Administrative Office of the United States Courts and the Federal Judicial Center for the purpose of avoiding unnecessary duplication.

"(c) Upon the request of the Commission, each federal agency is authorized and directed to make its services, equipment, personnel, facilities, and information available to the greatest practicable extent to the Commission in the execution of its functions.

"(d) A simple majority of the membership then serving shall constitute a quorum for the conduct of business. Other than for the promulgation of guidelines and policy statements pursuant to section 994, the Commission may exercise its powers and fulfill its duties by the vote of a simple majority of the members present.

"(e) Except as otherwise provided by law, the Commission shall maintain and make available for public inspection a record of the final vote of each member of any action taken by it.

"§ 996. Director and Staff

"(a) The Staff Director shall supervise the activities of persons employed by the Commission and perform other duties assigned to him by the Commission.

"(b) The Staff Director shall, subject to the approval of the Commission, appoint such officers and employees as are necessary in the execution of the functions of the Commission. The officers and employees of the Commission shall be exempt from the provisions of part III of title 5, United States Code, except the following chapters: 81 (Compensation for Work Injuries), 83 (Retirement), 85 (Unemployment Compensation), 87 (Life Insurance), 89 (Health Insurance), and 91 (Conflicts of Interest).

"§ 997. Annual Report

"The Commission shall report annually to the Judicial Conference of the United States, the Congress, and the President of the United States on the activities of the Commission.

"§ 998. Definitions

"As used in this chapter—

"(a) 'Commission' means the United States Sentencing Commission;

"(b) 'Commissioner' means a member of the United States Sentencing Commission;

"(c) 'guidelines' means the guidelines promulgated by the Commission pursuant to section 994(a) of this title; and

"(d) 'rules and regulations' means rules and regulations promulgated by the Commission pursuant to section 995 of this title.".

The chapter analysis of part III of title 28, United States Code, is amended by adding after the item relating to chapter 57 the following new item:

"58. United States Sentencing Commission .... 991".

REPEALERS

Sec. 508 (a) The following provisions of title 18, United States Code, are repealed:

(1) section 1;
(2) chapter 309;
(3) chapter 311;
(4) chapter 314;
(5) sections 4281, 4283, and 4284; and
(6) chapter 402.

(b) The item relating to section 1 in the sectional analysis of chapter 1 of title 18, United States Code, is amended to read: "1. Repealed.".

(c) The chapter analysis of Part III of title 18, United States Code, is amended by amending the items relating to—

(1) chapters 309 and 311 to read as follows:

"309. Repealed ....
"311. Repealed .... ";

and

(2) chapter 314 to read as follows:

"314. Repealed .... ".

(d) The sectional analysis of chapter 315 of title 18, United States Code, is amended by amending the items relating to—

(1) section 4281 to read: "4281. Repealed."; and

(2) sections 4283 and 4284 to read as follows:

"4283. Repealed.
"4284. Repealed.".

(e) The item relating to chapter 402 in the chapter analysis of Part IV of title 18, United States Code, is amended to read as follows:

"402. Repealed .... ".

Sec. 509. (a) Sections 404(b) and 409 of the Controlled Substances Act (21 U.S.C. 844(b) and 849) are repealed.

(b) Section 404(a) of the Controlled Substances Act (21 U.S.C. 844(a)) is amended by deleting the designation "(a)" at the beginning of the subsection.

TECHNICAL AND CONFORMING AMENDMENTS

Sec. 510. The Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended as follows:

(a) The second sentence of section 212(a)(9) (8 U.S.C. 1182(a)(9)) is amended to read: "An alien who would be excludable because of the conviction of an offense for which the sentence actually imposed did not exceed a term of imprisonment in excess of six months, or who would be excludable as one who admits the commission of an offense for which a sentence not to exceed one year's imprisonment might have been imposed on him, may be granted a visa and admitted to the United States if otherwise admissible: *Provided*, That the alien has committed only one such offense, or admits the commission of acts which constitute the essential elements of only one such offense.".

(b) Section 242(h) (8 U.S.C. 1252(h)) is amended by adding "supervised release," after "parole,".

Sec. 511. Section 4 of the Act of September 28, 1962 (16 U.S.C. 460k-3) is amended by deleting "petty offense (18 U.S.C. 1)" and substituting "misdemeanor".

Sec. 512. Section 9 of the Act of October 8, 1964 (16 U.S.C. 460n-8) is amended—

(a) in the first paragraph, by deleting "commissioner" each place it appears and substituting "magistrate"; and

(b) in the second paragraph, by amending the first sentence to read: "The functions of the magistrate shall include the trial and sentencing of persons charged with the commission of misdemeanors and infractions as defined in section 3581 of title 18, United States Code."

Sec. 513. Title 18 of the United States Code is amended as follows:

(a) Section 924(a) is amended by deleting ", and shall become eligible for parole as the Board of Parole shall determine".

(b) Section 1161 is amended by deleting "3618" and inserting in lieu thereof "3667".

(c) Section 1761(a) is amended by adding ", supervised release," after "parole".

(d) Section 1963 is amended—

(1) in subsection (a), by deleting "(1) any interest he has acquired" and all through the end of the subsection and substituting "the property described in section 3554 in accord with the provisions of that section."; and

(2) by repealing subsections (b) and (c).

(e) Section 3006A is amended—

(1) in subsections (a)(1) and (b), by deleting "misdemeanor (other than a petty offense as defined in section 1 of this title)" each place it appears and substituting "Class A misdemeanor", and

(2) in subsections [illegible] and (g), deleting "subject to revocation of parole," each place it appears.

(f) Section 3143, as amended by this Act, is amended—

(1) in subsection (a), by adding "other than a person for whom the applicable guideline promulgated pursuant to 28 U.S.C. 994 does not recommend a term of imprisonment," after "sentence,"; and

(2) in subsection (c), by adding the following at the end thereof: "The judge shall treat a defendant in a case in which an appeal has been taken by the United States pursuant to the provisions of section 3742 in accordance with the provisions of—

"(1) subsection (a) if the person has been sentenced to a term of imprisonment; or

"(2) section 3142 if the person has not been sentenced to a term of imprisonment.".

(g) Section 3147, as amended by this Act, is amended—

(1) in paragraph (1), by deleting "not less than two years and"; and

(2) in paragraph (2), by deleting "not less than ninety days and".

(h) Section 3156(a)(2) is amended by deleting "petty offense as defined in section 1(3) of this title" and substituting "Class B or C misdemeanor or an infraction".

(i) Section 3172(2) is amended by deleting "petty offense as defined in section 1(3) of this title" and substituting "Class B or C misdemeanor or an infraction".

(j) Section 3401 is amended—

(1) by repealing subsection (g); and

(2) in subsection (h), by deleting "petty offense case" and substituting "Class B or C misdemeanor case, or infraction case.".

(k) Section 3668 (formerly section 3619) is amended by deleting "3617" and "3618" and substituting "3666" and "3667", respectively.

(l) Section 4004 is amended by deleting "record clerks, and parole officers" and substituting "and record clerks".

(m) Chapter 306 is amended as follows:

(1) Section 4101 is amended—

(A) in subsection (f), by adding ", including a term of supervised release pursuant to section 3583" after "supervision"; and

(B) in subsection (g), by deleting "to a penalty of imprisonment the execution of which is suspended and" and substituting "under which", and by deleting "the suspended" and substituting "a".

(2) Section 4105(c) is amended—

(A) in paragraph (i), by deleting "for good time" the second place it appears and substituting "toward service of sentence for satisfactory behavior";

(B) in paragraphs (1) and (2), by deleting "section 4161" and substituting "section 3624(b)";

(C) in paragraph (1), by deleting "section 4164" and substituting "section 3624(a)"

(D) by repealing paragraph (3); and

(E) by amending paragraph (4) to read as follows:

"(4) Credit toward service of sentence may be withheld as provided in section 3624(b) of this title.".

(3) Section 4106 is amended—

(A) in subsection (a), by deleting "Parole Commission" and substituting "Probation System";

(B) by amending subsection (b) to read as follows:

"(b) An offender transferred to the United States to serve a sentence of imprisonment shall be released pursuant to section 3624(a) of this title after serving the period of time specified in the applicable sentencing guideline promulgated pursuant to 28 U.S.C. 994(a)(1). He shall be released to serve a term of supervised release for any term specified in the applicable guideline. The provisions of section 3742 of this title apply to a sentence under this subsection, and the United States court of appeals for the district in which the offender is imprisoned or under supervision after transfer to the United States has jurisdiction to review the sentence as though it had been imposed by the United States district court."; and

(C) by repealing subsection (c).

(4) Section 4108(a) is amended by adding ", including any term of imprisonment or term of supervised release specified in the applicable sentencing guideline promulgated pursuant to 28 U.S.C. 994(a)(1)," after "consequences thereof".

(n) Section 4321 is amended by deleting "parole or".

(o) Section 4351(b) is amended by deleting "Parole Board" and substituting "Sentencing Commission".

(p) Section 5002 is amended by deleting "Board of Parole, the Chairman of the Youth Division," and substituting "United States Sentencing Commission,".

SEC. The Controlled Substances Act (21 U.S.C. 801 et seq.) is amended as follows:

(a) Section 401 (21 U.S.C. 841) is amended—

(1) in subsection (b)(1)(A), by deleting the last sentence;

(2) in subsection (b)(1)(B), by deleting the last sentence;

(3) in subsection (b)(2), by deleting the last sentence;

(4) in subsection (b)(4), by deleting "subsections (a) and (b) of", and by adding "and section 3607 of title 18, United States Code" after "404";

(5) in subsection (b)(5), by deleting the last sentence; and

(6) by repealing subsection (c).

(b) Section 405 (21 U.S.C. 845) is amended—

(1) in subsection (a), by deleting "(1)" the second place it appears, and by deleting ", and (2) at least twice any special parole term authorized by section 401(b), for a first offense involving the same controlled substance and schedule"; and

(2) in subsection (b), by deleting "(1)" the second place it appears, and by deleting ", and (2) at least three times any special parole term authorized by section 401(b), for a second or subsequent offense involving the same controlled substance and schedule".

(c) Section 405A, as added by title IX of this Act, is amended—

(1) in subsection (a)—

(A) by deleting "(1)"; and

(B) by deleting "and (2) at least twice any special parole term authorized by section 401(b) for a first offense involving the same controlled substance and schedule";

(2) in subsection (b)—

(A) by deleting "(1)" and "not less than three years and"; and

(B) by deleting "and (2) at least three times any special term authorized by section 401(b) for a second or subsequent offense involving the same controlled substance and schedule"; and

(3) by deleting subsection (c).

(d) Section 408(c) (21 U.S.C. 848(c)) is amended by deleting "and section 4202 of title 18 of the United States Code".

SEC. 515. The Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.) is amended as follows:

(a) Section 1010 (21 U.S.C. 960) is amended—

(1) in subsection (b)(1), by deleting the last sentence;

(2) in subsection (b)(2), by deleting the last sentence; and

(b) Section 1012(a) (21 U.S.C. 962(a)) is amended by deleting the last sentence.

SEC. 516. Section 114(b) of title 23, United States Code, is amended by adding ", supervised release," after "parole".

SEC. 517. Section 5871 of the Internal Revenue Code of 1954 (26 U.S.C. 5871) is amended by deleting ", and shall become eligible for parole as the Board of Parole shall determine".

SEC. 518. Title 28 of the United States Code is amended as follows:

(a) Section 509 is amended—

(1) in paragraph (3), by deleting "; and" and substituting a period; and

(2) by repealing paragraph (4).

(b) Section 591(a) is amended by deleting "petty offense" and substituting "Class B or C misdemeanor or an infraction".

(c) Section 2901 is amended—

(1) in subsection (e), by deleting "section" and substituting "section 3581"; and

(2) in subsection (g)(3),

by adding ", supervised release," after "parole", and by adding "supervised release," after "parole,".

SEC. 519. Section 504(a) of the Labor Management Reporting and Disclosure Act of 1959 (29 U.S.C. 504(a)) and section 411(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1111(a)) are amended—

(a) by deleting "Board of Parole of the United States Department of Justice" and substituting "if the offense is a Federal offense, the sentencing judge or, if the offense is a State or local offense, on motion of the attorney for the government, the district court of the United States for the district in which the offense was committed";

(b) by adding ", pursuant to sentencing guidelines and policy statements issued pursuant to 28 U.S.C. 994(a),";

(c) by deleting "Board" and "Board's" and substituting "court" and "court's", respectively; and

(d) by deleting "an administrative" and substituting "a".

SEC. 520. Section 411(c)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1111(c)(3)) is amended by adding "or supervised release" after "parole".

SEC. 521. Section 454(b) of the Comprehensive Employment and Training Act of 1973, as added by section 2 of the Act of October 27, 1978 (29 U.S.C. 927(b)), is amended by deleting "or parole" the first place it appears and substituting ", parole, or supervised release".

SEC. 522. The Public Health Service Act (42 U.S.C. et seq.) is amended as follows:

(a) Section 341(a) (42 U.S.C. 257(a)) is amended by deleting "or convicted of offenses against the United States and sentenced to treatment" and "addicts who are committed to the custody of the Attorney General pursuant to provisions of the Federal Youth Corrections Act (chapter 402 of title 18 of the United States Code),".

(b) Section 343(d) (42 U.S.C. 259(d)) is amended by adding "or supervised release" after "parole".

SEC. 523. Section 11507 of title 49, United States Code, is amended by adding ", supervised release," after "parole".

SEC. 524. Section 10(b)(7) of the Military Selective Service Act (50 U.S.C. App. 460(b)(7)) is amended by deleting "parole" and substituting "release".

EFFECTIVE DATE

SEC. 525. (a)(1) This title shall take effect on the first day of the first calendar month beginning twenty-four months after the date of enactment, except that—

(A) the repeal of chapter 402 of title 18, United States Code, shall take effect on the date of enactment; and

(B)(i) chapter 58 of title 28, United States Code, shall take effect on the date of enactment of this Act or October 1, 1982, whichever occurs later, and the United States Sentencing Commission shall submit the initial sentencing guidelines promulgated pursuant to section 994(a)(1) of title 28 to the Congress within eighteen months of the effective date of the chapter; and

(ii) the sentencing guidelines promulgated pursuant to section 994(a)(1), and the provisions of sections 3581, 3583 and 3624 of title

18, United States Code, shall not go into effect until the day after—

(a) the United States Sentencing Commission has submitted the initial set of sentencing guidelines to the Congress pursuant to subparagraph (B)(i), along with a report stating the reasons for the Commission's recommendations;

(b) the General Accounting Office has undertaken a study of the guidelines, and their potential impact in comparison with the operation of the existing sentencing and parole release system, and has, within three months of the submission of the guidelines, reported to the Congress the results of its study; and

(c) the Congress has had six months after the date described in subclause (a) in which to examine the guidelines and consider the reports.

(2) For the purposes of section 992(a) of title 28, the terms of the first members of the United States Sentencing Commission shall not begin to run until the sentencing guidelines go into effect pursuant to paragraph (1)(B)(ii).

"(b)(1) The following provisions of law in effect on the day before the effective date of this Act shall remain in effect for five years after the effective date as to an individual convicted of an offense or adjudicated to be a juvenile delinquent before the effective date and as to a term of imprisonment during the period described in subsection (a)(1)(B):

(A) Chapter 311 of title 18, United States Code.

(B) Chapter 309 of title 18, United States Code.

(C) Sections 4254 through 4255 of title 18, United States Code.

(D) Sections 5041 and 5042 of title 18, United States Code.

(E) Sections 5017 through 5020 of title 18, United States Code, as to a sentence imposed before the date of enactment.

(F) The maximum term of imprisonment in effect on the effective date for an offense committed before the effective date.

(G) Any other law relating to a violation of a condition of release or to arrest authority with regard to a person who violates a condition of release.

(2) Notwithstanding the provisions of section 4202 of title 18, United States Code, as in effect on the day before the effective date of this Act, the term of office of a Commissioner who is in office on the effective date is extended to the end of the five-year period after the effective date of this Act.

(3) The United States Parole Commission shall set a release date, for an individual who will be in its jurisdiction the day before the expiration of five years after the effective date of this Act, that is the earliest date that applies to the prisoner under the applicable parole guideline. A release date set pursuant to this paragraph shall be set early enough to permit consideration of an appeal of the release date, in accordance with Parole Commission procedures, before the expiration of five years following the effective date of this Act.

(4) Notwithstanding the other provisions of this subsection, all laws in effect on the day before the effective date of this Act pertaining to an individual who is—

(A) released pursuant to a provision listed in paragraph (1); and

(B)(i) subject to supervision on the day before the expiration of the five-year period following the effective date of this Act; or

(ii) released on a date set pursuant to paragraph (3);

including laws pertaining to terms and conditions of release, revocation of release, provision of counsel, and payment of transportation costs, shall remain in effect as to that individual until the expiration of his sentence, except that the district court shall determine, in accord with the Federal Rules of Criminal Procedure, whether release should be revoked or the conditions of release amended for violation of a condition of release.

(5) Notwithstanding the provisions of section 991 of title 28, United States Code, and sections 4351 and 5002 of title 18, United States Code, the Chairman of the United States Parole Commission or his designee shall be a member of the National Institute of Corrections, and the Chairman of the United States Parole Commission shall be a member of the Advisory Corrections Council and a non-voting member of the United States Sentencing Commission ex officio, until the expiration of the five-year period following the effective date of this Act. Notwithstanding the provisions of section 4251 of title 18, during that five-year period the National Institute of Corrections shall have seventeen members, including seven ex officio members. Notwithstanding the provisions of section 991 of title 28, during the five-year period the United States Sentencing Commission shall consist of nine members, including two ex officio, non-voting members.

TITLE VI—CRIMINAL FORFEITURE

SEC. 601. This title may be cited as the "Comprehensive Criminal Forfeiture Act of 1982".

PART A

SEC. 602. Section 1963 of title 18, United States Code, is amended to read as follows:

"§ 1963. Criminal penalties

"(a) Whoever violates any provision of section 1962 of this chapter—

"(1) shall be fined not more than $25,000 or imprisoned for not more than twenty years, or both; and

"(2) shall forfeit to the United States any property, irrespective of any provision of State law—

"(A) constituting, or derived from, any interest in or contribution to an enterprise he has acquired, maintained, established, operated, controlled, conducted, or participated in the conduct of, in violation of section 1962 of this chapter;

"(B) constituting a means by which he has exerted influence or control over any enterprise he has acquired, maintained, established, operated, controlled, conducted, or participated in the acquisition, maintenance, establishment, operation, conduct or control of, in violation of section 1962 of this chapter; and

"(C) constituting, or derived from, any proceeds which he obtained, directly or indirectly, from racketeering activity or unlawful debt collection in violation of section 1962 of this chapter.

The court, in imposing sentence on such person, shall order, in addition to any other sentence imposed pursuant to this section, that he forfeit to the United States all property described in paragraph (2).

"(b) Property subject to criminal forfeiture under this section includes—

"(1) real property, including things growing on, affixed to, and found in land; and

"(2) tangible and intangible personal property, including rights, privileges, interests, claims, and securities including, but not limited to—

"(A) any position, office, appointment, tenure, commission, or employment contract of any kind which the incumbent acquired or maintained in violation of section 1962 of this chapter, through which the incumbent conducted, or participated in or facilitated the conduct of, the affairs of an enterprise in violation of section 1962 of this chapter, or which afforded the incumbent a source of influence or control over the affairs of an enterprise which was exercised in violation of section 1962 of this chapter;

"(B) any compensation, right or benefit derived from a position, office, appointment, tenure, commission, or employment contract described in subparagraph (A) which the incumbent obtained, directly or indirectly, through a pattern of racketeering activity or unlawful debt collection in violation of section 1962 of this chapter, or which accrued to the incumbent during the period that he controlled, influenced, conducted, or participated in or facilitated the conduct of, the affairs of the enterprise in violation of section 1962 of this chapter; and

"(C) any amount payable or paid under any contract for goods or services which was awarded or performed through a pattern of racketeering activity or unlawful debt collection.

"(c) All right, title, and interest in property described in subsection (a)(2) vests in the United States upon the commission of the act giving rise to forfeiture under this section. Any such property that is held in the name of, or possessed by, a person other than the defendant may be the subject of a special verdict of forfeiture and thereafter shall be ordered forfeited to the United States: *Provided*, That the Attorney General shall not direct disposition of any such property if, in a proceeding under subsection (h), the person establishes to the Attorney General by evidence contained in a petition, or the Attorney General otherwise has reason to know, that—

"(1) the person was a bona fide purchaser of the property for value; and

"(2) the person was reasonably without cause to believe that the property was of the type described in subsection (a)(2).

"(d) If any of the property described in subsection (a)(2)—

"(1) cannot be located,

"(2) has been transferred to, sold to, or deposited with, a third party,

"(3) has been placed beyond the jurisdiction of the court,

"(4) has been substantially diminished in value by any act or omission of the defendant, or

"(5) has been commingled with other property which cannot be divided without difficulty,

the court shall order the forfeiture of any other property of the defendant up to the value of any property described in paragraphs (1) through (5).

"(e)(1) Upon application of the United States, the court may, after a hearing with respect to which any adverse parties have been given reasonable notice and opportunity to participate, enter a restraining order or injunction, require the execution of a satisfactory performance bond, or take any other action to preserve the availability of property described in subsection (a)(2) for forfeiture under this section—

"(A) upon the filing of an indictment or information charging a violation of section 1962 of this chapter and alleging that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section; or

"(B) prior to the filing of such an indictment or information, if the court determines—

"(i) that there is probable cause to believe that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section and that the property is in the possession or control of the party against whom the order is to be entered, and

"(ii) that the party against whom the order is to be entered has failed to demonstrate that the entry of the requested order would result in substantial and irreparable harm or injury to him that outweighs the need to preserve the availability of the property through the entry of the requested order:

Provided, however, That an order entered pursuant to subparagraph (B) shall be effective for not more than ninety days, unless extended by the court for good cause shown or unless an indictment or information described in subparagraph (A) has been filed.

"(2) Upon application of the United States, a temporary restraining order to preserve the availability of property described in subsection (a)(2) for forfeiture under this section may be granted without notice to the adverse party or his attorney if:

"(A) an indictment or information described in paragraph (1)(A) has been filed or if the court determines that there is probable cause to believe that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section and that the property is in the possession or control of the party against whom the order is to be entered; and

"(B) the court determines that the nature of the property is such that it can be concealed, disposed of, or placed beyond the jurisdiction of the court before the adverse party may be heard in opposition.

A temporary order granted without notice to the adverse party shall expire within such time, not to exceed ten days, as the court fixes, unless extended for good cause shown or unless the party against whom it is entered consents to an extension for a longer period. If a temporary restraining order is granted without notice to the adverse party, a hearing concerning the entry of an order under paragraph (1) shall be held at the earliest possible time and prior to the expiration of the temporary order.

"(f) Upon conviction of a person under this section, the court shall enter a judgment of forfeiture of the property to the United States and shall also authorize the Attorney General to seize all property ordered forfeited upon such terms and conditions as the court shall deem proper. Following the entry of an order declaring the property forfeited, the court may, upon application of the United States, enter such appropriate restraining orders or injunctions, require the execution of satisfactory performance bonds, appoint receivers, conservators, appraisers, accountants, or trustees, or take any other action to protect the interest of the United States in the property ordered forfeited. Any income accruing to or derived from an enterprise, or an interest in an enterprise, ordered forfeited under this section may be used to offset ordinary and necessary expenses to the enterprise which are required by law, or which are necessary to protect the interests of the United States or third parties.

"(g) Following the seizure of property ordered forfeited under this section, the Attorney General shall direct the disposition of the property by sale or any other commercially feasible means, making due provision for the rights of any innocent persons. Any property right or interest not exercisable by, or transferable for value to, the United States shall expire and shall not revert to the defendant, nor shall the defendant or any person acting in concert with him or on his behalf be eligible to purchase forfeited property at any sale held by the United States. Upon application of a person, other than the defendant or a person acting in concert with him or on his behalf, the court may restrain or stay the sale or disposition of the property pending the conclusion of any appeal of the criminal case giving rise to the forfeiture, if the applicant demonstrates that proceeding with the sale or disposition of the property will result in irreparable injury, harm or loss to him. The proceeds of any sale or other disposition of property forfeited under this section and any moneys forfeited shall be used to pay all proper expenses for the forfeiture and the sale, including expenses of seizure, maintenance and custody of the property pending its disposition, advertising and court costs. The Attorney General shall forward to the Treasurer of the United States for deposit in the general fund of the United States Treasury any amounts of such proceeds or moneys remaining after the payment of such expenses.

"(h) With respect to property ordered forfeited under this section, the Attorney General is authorized to—

"(1) grant petitions for mitigation, or remission of forfeiture, restore forfeited property to victims of a violation of this chapter, or take any other action to protect the rights of innocent persons which is in the interest of justice and which is not inconsistent with the provisions of this chapter;

"(2) compromise claims arising under this chapter;

"(3) award compensation to persons providing information resulting in a forfeiture under this section;

"(4) direct the disposition by the United States of all property ordered forfeited under this section by public sale or any other commercially feasible means, making due provision for the rights of innocent persons; and

"(5) take appropriate measures necessary to safeguard and maintain property ordered forfeited under this section pending its disposition.

A person who has filed a petition for remission or mitigation of forfeiture under this subsection, and who is dissatisfied with the Attorney General's decision regarding his petition, may obtain review of the Attorney General's decision in the the district court in which the order of forfeiture was entered. The court shall set aside the decision of the Attorney General if it finds, based on the record of the petition proceedings, that the decision is arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

"(i) The Attorney General shall within one hundred and eighty days of the enactment of this Act promulgate regulations with respect to—

"(1) making reasonable efforts to provide notice to persons who may have an interest in property ordered forfeited under this section;

"(2) granting petitions for remission or mitigation of forfeiture;

"(3) the restitution of property to victims of an offense petitioning for remission or mitigation of forfeiture under this chapter;

"(4) the disposition by the United States of forfeited property by public sale or other commercially feasible means;

"(5) the maintenance and safekeeping of any property forfeited under this section pending its disposition; and

"(6) the compromise of claims arising under this chapter.

Pending the promulgation of such regulations, all provisions of law relating to the disposition of property, or the proceeds from the sale thereof, or the remission or mitigation of forfeitures for violation of the customs laws, and the compromise of claims and the award of compensation to informers in respect of such forfeitures shall apply to forfeitures incurred, or alleged to have been incurred, under the provisions of this section, insofar as applicable and not inconsistent with the provisions hereof. Such duties as are imposed upon the collector of customs or any other person with respect to the disposition of property under the customs law shall be performed under this chapter by the Attorney General.

"(j) Except as provided in this section, no party claiming an interest in property subject to forfeiture under this section may—

"(1) intervene in a trial or appeal of a criminal case involving the forfeiture of such property under this section; or

"(2) commence an action at law or equity against the United States concerning the validity of his alleged interest in the property, prior to or during the trial or appeal of the criminal case, or during the period in which any petition for remission or mitigation of forfeiture is pending before the Attorney General.

"(k) The district courts of the United States shall have jurisdiction to enter orders as provided in this section without regard to the location of any property which may be subject to forfeiture under this section or which has been ordered forfeited under this section.

"(l) In order to facilitate the identification or location of property declared forfeited and to facilitate the disposition of petitions for remission or mitigation of forfeiture, after the entry of an order declaring property forfeited to the United States the court may, upon application of the United States, order that the testimony of any witness relating to the property forfeited be taken by deposition and that any designated book, paper, document, record, recording, or other material not privileged be produced at the same time and place, in the same manner as provided for the taking of depositions under rule 15 of the Federal Rules of Criminal Procedure.".

PART B

SEC. 603. Part D of title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970 is amended by adding at the end thereof the following new section:

"CRIMINAL FORFEITURES

"Property Subject to Criminal Forfeiture

"SEC. 413. (a) Any person convicted of a violation of this title or title III punishable by imprisonment for more than one year shall forfeit to the United States, irrespective of any provision of State law—

"(1) any property constituting, or derived from, any proceeds he obtained, directly or indirectly as the result of such violation;

"(2) any of this property used, or intended to be used, in any manner or part, to commit, or to facilitate the commission of such violation; and

"(3) in the case of a person convicted of engaging in a continuing criminal enterprise in violation of section 408 of this title (21 U.S.C. 848), he shall forfeit, in addition to any property described in paragraphs (1) or (2), any of his interest in, claims against, and property or contractual rights affording a source of control over, the continuing criminal enterprise.

The court, in imposing sentence on such person, shall order, in addition to any other sentence imposed pursuant to this title or title III, that he forfeit to the United States all property described in this subsection.

"Meaning of Term 'Property'

"(b) Property subject to criminal forfeiture under this section includes—

"(1) real property, including things growing on, affixed to, and found in land; and

"(2) tangible and intangible personal property, including rights, privileges, interests, claims and securities.

"Third Party Transfers

"(c) All right, title, and interest in property described in subsection (a) vests in the United States upon the commission of the act giving rise to forfeiture under this section. Any such property that is held in the name of, or possessed by, a person other than the defendant may be the subject of a special verdict of forfeiture and thereafter shall be ordered forfeited to the United States: *Provided*, That the Attorney General shall not direct disposition of any such property if, in a proceeding under subsection (i), the person establishes to the Attorney General by evidence contained in a petition for remission or mitigation of forfeiture, or the Attorney General otherwise has reason to know, that—

"(1) the person was a bona fide purchaser of the property for value; and

"(2) the person was reasonably without cause to believe that the property was of the type described in subsection (a).

"Substitute Assets

"(d) If any of the property described in subsection (a)—

"(1) cannot be located,

"(2) has been transferred to, sold to, or deposited with a third party,

"(3) has been placed beyond the jurisdiction of the court,

"(4) has been substantially diminished in value by any act or omission of the defendant, or

"(5) has been commingled with other property which cannot be divided without difficulty,

the court shall order the forfeiture of any other property of the defendant up to the value of any property described in paragraphs (1) through (5).

"Protective Orders

"(e)(1) Upon application of the United States, the court may, after a hearing with respect to which any adverse parties have been given reasonable notice and opportunity to participate, enter a restraining order or injunction, require the execution of a satisfactory performance bond, or take any other action to preserve the availability of property described in subsection (a) for forfeiture under this section—

"(A) upon the filing of an indictment or information charging a violation of this title or title III for which criminal forfeiture may be ordered under this section and alleging that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section; or

"(B) prior to the filing of such an indictment or information, if the court determines—

"(i) that there is probable cause to believe that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section and that the property is in the possession or control of the party against whom the order is to be entered, and

"(ii) that the party against whom the order is to be entered has failed to demonstrate that the entry of the requested order would result in substantial and irreparable harm or injury to him that outweighs the need to preserve the availability of the property through the entry of the requested order:

Provided, however, That an order entered pursuant to subparagraph (B) shall be effective for not more than ninety days, unless extended by the court for good cause shown or unless an indictment or information described in subparagraph (A) has been filed.

"(2) Upon application of the United States, a temporary restraining order to preserve the availability of property described in subsection (a) for forfeiture under this section may be granted without notice to the adverse party or his attorney if—

"(A) an indictment or information described in paragraph (1)(A) has been filed or if the court determines that there is probable cause to believe that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section and that the property is in the possession or control of the party against whom the order is to be entered; and

"(B) the court determines that the nature of the property is such that it can be concealed, disposed of, or placed beyond the jurisdiction of the court before the adverse party may be heard in opposition.

A temporary order granted without notice to the adverse party shall expire within such time, not to exceed ten days, as the court fixes, unless extended for good cause shown or unless the party against whom it is entered consents to an extension for a longer period. If a temporary restraining order is granted without notice to the adverse party, a hearing concerning the entry of an order under paragraph (1) shall be held at the earliest possible time and prior to the expiration of the temporary order.

"Warrant of Seizure

"(f) The Government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant. If the court determines that there is probable cause to believe that the property to be seized would, in the event of conviction, be subject to forfeiture and that an order under subsection (f) may not be sufficient to assure the availability of the property for forfeiture, the court shall issue a warrant authorizing the seizure of such property.

"Execution

"(g) Upon entry of an order of forfeiture under this section, the court shall authorize the Attorney General to seize all property ordered forfeited upon such terms and conditions as the court shall deem proper. Following entry of an order declaring the property forfeited, the court may, upon application of the United States, enter such appropriate restraining orders or injunctions, require the execution of satisfactory performance bonds, appoint receivers, conservators, appraisers, accountants, or trustees, or take any other action to protect the interest of the United States in the property ordered forfeited. Any income accruing to or derived from property ordered forfeited under this section may be used to offset ordinary and necessary expenses to the property which are required by law, or which are necessary to protect the interests of the United States or third parties.

"DISPOSITION OF PROPERTY

"(h) Following the seizure of property ordered forfeited under this section, the Attorney General shall direct the disposition of the property by sale or any other commercially feasible means, making due provision for the rights of any innocent persons. Any property right or interest not exercisable by, or transferable for value to, the United States shall expire and shall not revert to the defendant, nor shall the defendant or any person acting in concert with him or on his behalf be eligible to purchase forfeited property at any sale held by the United States. Upon application of a person, other than the defendant or a person acting in concert with him or on his behalf, the court may restrain or stay the sale or disposition of the property pending the conclusion of any appeal of the criminal case giving rise to the forfeiture, if the applicant demonstrates that proceeding with the sale or disposition of the property will result in irreparable injury, harm, or loss to him.

"AUTHORITY OF THE ATTORNEY GENERAL

"(i) With respect to property ordered forfeited under this section, the Attorney General is authorized to—

"(1) grant petitions for mitigation or remission of forfeiture, restore forfeited property to victims of a violation of this chapter, or take any other action to protect the rights of innocent persons which is in the interest of justice and which is not inconsistent with the provisions of this chapter;

"(2) compromise claims arising under this chapter;

"(3) award compensation to persons providing information resulting in a forfeiture under this section;

"(4) direct the disposition by the United States, in accordance with the provisions of section 511(e) of this title (21 U.S.C. 881(e)), of all property ordered forfeited under this section by public sale or any other commercially feasible means, making due provision for the rights of innocent persons; and

"(5) take appropriate measures necessary to safeguard and maintain property ordered forfeited under this section pending its disposition.

A person who has filed a petition for remission or mitigation of forfeiture under this subsection, and who is dissatisfied with the Attorney General's decision regarding his petition, may obtain review of the Attorney General's decision in the district court in which the order of forfeiture was entered. The court shall set aside the decision of the Attorney General if it finds, based on the record of the petition proceedings, that the decision is arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

"APPLICABILITY OF CIVIL FORFEITURE PROVISIONS

"(j) Except to the extent that they are inconsistent with the provisions of this section, the provisions of section 511(d) of this title (21 U.S.C. 881(d)) shall apply to a criminal forfeiture under this section.

"Bar on Intervention; Exhaustion of Administrative Remedies

"(k) Except as provided in this section, no party claiming an interest in property subject to forfeiture under this section may—

"(1) intervene in a trial or appeal of a criminal case involving the forfeiture of such property under this section; or

"(2) commence an action at law or equity against the United States concerning the validity of his alleged interest in the property, prior to or during the trial or appeal of the criminal case, or during the period in which any petition for remission or mitigation of forfeiture is pending before the Attorney General.

"Jurisdiction to Enter Orders

"(l) The district courts of the United States shall have jurisdiction to enter orders as provided in this section without regard to the location of any property which may be subject to forfeiture under this section or which has been ordered forfeited under this section.

"Depositions

"(m) In order to facilitate the identification and location of property declared forfeited and to facilitate the disposition of petitions for remission or mitigation of forfeiture, after the entry of an order declaring property forfeited to the United States the court may, upon application of the United States, order that the testimony of any witness relating to the property forfeited be taken by deposition and that any designated book, paper, document, record, recording, or other material not privileged be produced at the same time and place, in the same manner as provided for the taking of depositions under rule 15 of the Federal Rules of Criminal Procedure.".

Sec. 604. Section 304 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 824) is amended by adding at the end of subsection (f) the following sentence: "All right, title, and interest in such controlled substances shall vest in the United States upon a revocation order becoming final.".

Sec. 605. Section 408 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 848) is amended—

(a) in subsection (a)—

(1) by striking out "(1)";

(2) by striking our "paragraph (2)" each time it appears, and inserting in lieu thereof "section 413 of this title"; and

(3) by striking out paragraph (2); and

(b) by striking out subsection (d).

Sec. 606. Section 511 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 881) is amended—

(a) in subsection (a) by inserting at the end thereof the following new subsection:

"(7) All real property, including any appurtenances to or improvements on such property, which is used, or intended to be used, in any manner or part, to commit, or to facilitate the commission of, a violation of this title punishable by more than one year's imprisonment, except that no property shall be forfeited under this paragraph, to the extent of an interest of an owner, by reason of any act or omission established by that owner to have been committed or omitted without the knowledge or consent of that owner.";

(b) in subsection (b)—

(1) by inserting "civil or criminal" after "Any property subject to"; and

(2) by striking out in paragraph (4) "has been used or is intended to be used in violation of" and inserting in lieu thereof "is subject to civil or criminal forfeiture under";

(c) in subsection (c)—

(1) by inserting in the second sentence "any of" after "Whenever property is seized under"; and

(2) by inserting in paragraph (3) ", if practicable," after "remove it";

(d) in subsection (d) by inserting "any of" after "alleged to have been incurred, under";

(e) in subsection (e)—

(1) by inserting "civilly or criminally" in the first sentence after "Whenever property is"; and

(2) by striking out in paragraph (3) "remove it for disposition" and inserting in lieu thereof "and dispose of it"; and

(f) by inserting at the end thereof the following new subsections:

"(h) All right, title, and interest in property described in subsection (a) shall vest in the United States upon commission of the act giving rise to forfeiture under this section.

"(i) Pending, or upon, the filing of an indictment or information charging a violation of this title or title III for which criminal forfeiture may be ordered under section 413 of this title, and alleging that property would, in the event of conviction, be subject to criminal forfeiture, any civil forfeiture proceeding concerning such property commenced under this section shall, for good cause shown, be stayed pending disposition of the criminal case.".

Sec. 607. Part A of title III of the Comprehensive Drug Abuse Prevention and Control Act of 1970 is amended by adding at the end thereof the following new section:

"CRIMINAL FORFEITURES

"**Sec. 1017.** Section 413 of title II, relating to criminal forfeitures, shall apply in every respect to a violation of this title punishable by imprisonment for more than one year.".

Sec. 608. The table of contents of the Comprehensive Drug Abuse Prevention and Control Act of 1970 is amended—

(a) by adding immediately after

"Sec. 412. Applicability of treaties and other international agreements."

the following new item:

"Sec. 413. Criminal forfeitures."; and

(b) by adding immediately after

"Sec. 1016. Authority of Secretary of the Treasury."

the following new item:

"Sec. 1017. Criminal forfeitures.".

Part C

Sec. 609. (a) Without regard to the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484), the Drug Enforcement Administration is authorized to set aside 25 per centum of the net amount of money realized from the forfeiture of assets seized by it under any provision of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 801 et seq.) to be available for obligation and expenditure only for the purpose of paying awards of compensation with respect to such forfeitures as described in subsection (b). The amounts credited under this section shall be made available during the fiscal year in which moneys are realized, except for those proceeds realized from seizures occurring prior to September 30, 1984, which may remain available for the purpose of making awards related to forfeitures arising from such seizures. The remaining 75 per centum of the net amount of money realized from such forfeitures shall be paid to the miscellaneous receipts of the Treasury and any unobligated balances remaining at the end of each fiscal year of the 25 per centum set aside shall be paid into the miscellaneous receipts of the Treasury.

(b) From the amounts set aside under subsection (a), the Drug Enforcement Administration is authorized to pay, totally within its discretion, awards to any entity not an agency or instrumentality of the United States, or to any person not an officer or employee of the United States or of any State or local government, that provides information or assistance which leads to a forfeiture referred to in subsection (a). Such awards can be made in any amount up to 25 per centum of the net amount realized from the forfeiture, or $50,000, whichever is lesser, in any case, except that no award shall be made based on the value of the contraband.

(c) The authority provided by this section shall expire on September 30, 1984: *And provided further*, That the Attorney General shall conduct detailed financial audits, semiannually, of the expenditure of funds from this account.

TITLE VII—OFFENDERS WITH MENTAL DISEASE OR DEFECT

Sec. 701. (a) Chapter 313 of title 18, United States Code, is amended to read as follows:

"CHAPTER 313—OFFENDERS WITH MENTAL DISEASE OR DEFECT

"Sec.
"4241. Determination of Mental Competency to Stand Trial.
"4242. Determination of the Existence of Insanity at the Time of the Offense.
"4243. Hospitalization of a Person Acquitted by Reason of Insanity.
"4244. Hospitalization of a Convicted Person Suffering from Mental Disease or Defect.
"4245. Hospitalization of an Imprisoned Person Suffering from Mental Disease or Defect.
"4246. Hospitalization of a Person Due for Release but Suffering from Mental Disease or Defect.
"4247. General Provisions for Chapter

"§ 4241. Determination of Mental Competency to Stand Trial

"(a) **Motion To Determine Competency of Defendant.**—At any time after the commencement of a prosecution for an offense and prior to the sentencing of the defendant, the defendant or the attorney for the government may file a motion for a hearing to determine the mental competency of the defendant. The court shall grant the motion, or shall order such a hearing on its own motion, if there is reasonable cause to believe that the defendant may presently be suffering from a mental disease or defect rendering him mentally incompetent to the extent that he is unable to understand the nature and consequences of the proceedings against him or to assist in his defense.

"(b) **Psychiatric or Psychological Examination and Report.**—Prior to the date of the hearing, the court may order that a psychiatric or psychological examination of the defendant be conducted, and that a psychiatric or psychological report be filed with the court, pursuant to the provisions of section 4247 (b) and (c).

"(c) **Hearing.**—The hearing shall be conducted pursuant to the provisions of section 4247(d).

"(d) **Determination and Disposition**.—If, after the hearing, the court finds by a preponderance of the evidence that the defendant is presently suffering from a mental disease or defect rendering him mentally incompetent to the extent that he is unable to understand the nature and consequences of the proceedings against him or to assist properly in his defense, the court shall commit the defendant to the custody of the Attorney General. The Attorney General shall hospitalize the defendant for treatment in a suitable facility—

"(1) for such a reasonable period of time, not to exceed four months, as is necessary to determine whether there is a substantial probability that in the foreseeable future he will attain the capacity to permit the trial to proceed; and

"(2) for an additional reasonable period of time until—

"(A) his mental condition is so improved that trial may proceed, if the court finds that there is a substantial probability that within such additional period of time he will attain the capacity to permit the trial to proceed; or

"(B) the pending charges against him are disposed of according to law;

whichever is earlier.

If, at the end of the time period specified, it is determined that the defendant's mental condition has not so improved as to permit the trial to proceed, the defendant is subject to the provisions of section 4246.

"(e) **Discharge**.—When the director of the facility in which a defendant is hospitalized pursuant to subsection (d) determines that the defendant has recovered to such an extent that he is able to understand the nature and consequences of the proceedings against him and to assist properly in his defense, he shall promptly file a certificate to that effect with the clerk of the court that ordered the commitment. The clerk shall send a copy of the certificate to the defendant's counsel and to the attorney for the government. The court shall hold a hearing, conducted pursuant to the provisions of section 4247(d), to determine the competency of the defendant. If, after the hearing, the court finds by a preponderance of the evidence that the defendant has recovered to such an extent that he is able to understand the nature and consequences of the proceedings against him and to assist properly in his defense, the court shall order his immediate discharge from the facility in which he is hospitalized and shall set the date for trial. Upon discharge, the defendant is subject to the provisions of chapter 207.

"(f) **Admissibility of Finding of Competency**.—A finding by the court that the defendant is mentally competent to stand trial shall not prejudice the defendant in raising the issue of his insanity as a defense to the offense charged, and shall not be admissible as evidence in a trial for the offense charged.

"§ 4242. Determination of the Existence of Insanity at the Time of the Offense

"(a) **Insanity Defense**.—It is a defense to a prosecution under any Federal statute that the defendant, as a result of mental disease or defect, lacked the state of mind required as an element of the offense charged. Mental disease or defect does not otherwise constitute a defense.

"(b) **Motion for Pretrial Psychiatric or Psychological Examination**.—Upon the filing of a notice, as provided in Rule 12.2 of the Federal Rules of Criminal Procedure, that the defendant intends to rely on the defense set forth in subsection (a), the court, upon motion of the attorney for the government, may order that a psychiatric or psychological examination of the defendant be conducted, and that a psychiatric or psychological report be filed with the court, pursuant to the provisions of section 4247 (b) and (c).

"(c) **Special Verdict**.—If the issue of insanity is raised by notice as provided in Rule 12.2 of the Federal Rules of Criminal Procedure on motion of the defendant or of the attorney for the government, or on the court's own motion, the jury shall be instructed to find, or, in the event of a nonjury trial, the court shall find, the defendant—

"(1) guilty;

"(2) not guilty; or

"(3) not guilty only by reason of insanity.

"§ 4243. Hospitalization of a Person Acquitted by Reason of Insanity

"(a) **Determination of Present Mental Condition of Acquitted Person**.—If a person is found not guilty only by reason of insanity at the time of the offense charged, he shall be committed to a suitable facility until such time as he is eligible for release pursuant to subsection (d).

"(b) **Psychiatric or Psychological Examination and Report**.—Prior to the date of the hearing, pursuant to subsection (c), the court shall order that a psychiatric or psychological examination of the defendant be conducted, and that a psychiatric or psychological report be filed with the court, pursuant to the provisions of section 4247 (b) and (c).

"(c) **Hearing**.—A hearing shall be conducted pursuant to the provisions of section 4247(d) and shall take place not later than forty days following the special verdict.

"(d) **Determination and Disposition**.—If, after the hearing, the court finds by clear and convincing evidence that the acquitted person is presently suffering from a mental disease or defect as a result of which his release would create a substantial risk of bodily injury to another person or serious damage to property of another, the court shall commit the person to the custody of the Attorney General. The Attorney General shall release the person to the appropriate official of the State in which the person is domiciled or was tried if such State will assume responsibility for his custody, care, and treatment. The Attorney General shall make all reasonable efforts to cause such a State to assume such responsibility. If, notwithstanding such efforts, neither such State will assume such responsibility, the Attorney General shall hospitalize the person for treatment in a suitable facility until—

"(1) such a State will assume such responsibility; or

"(2) the person's mental condition is such that his release, or his conditional release under a prescribed regimen of medical, psychiatric, or psychological care or treatment, would not create a substantial risk of bodily injury to another person or serious damage to property of another;

whichever is earlier. The Attorney General shall continue periodically to exert all reasonable efforts to cause such a State to assume such responsibility for the person's custody, care, and treatment.

"(e) **Discharge**.—When the director of the facility in which an acquitted person is hospitalized pursuant to subsection (d) determines that the person has recovered from his mental disease or defect to such an extent that his release, or his conditional release under a prescribed regimen of medical, psychiatric, or psychological care or treatment, would no longer create a substantial risk of bodily injury to another person or serious damage to property of another, he shall promptly file a certificate to that effect with the clerk of the court that ordered the commitment. The clerk shall send a copy of the certificate to the person's counsel and to the attorney for the government. The court shall order the discharge of the acquitted person or, on the motion of the attorney for the government or on its own motion, shall hold a hearing, conducted pursuant to the provisions of section 4247(d), to determine whether he should be released. If, after the hearing, the court finds by a preponderance of the evidence that the person has recovered from his mental disease or defect to such an extent that—

"(1) his release would no longer create a substantial risk of bodily injury to another person or serious damage to property of another, the court shall order that he be immediately discharged; or

"(2) his conditional release under a prescribed regimen of medical, psychiatric, or psychological care or treatment would no longer create a substantial risk of bodily injury to another person or serious damage to property of another, the court shall—

"(A) order that he be conditionally discharged under a prescribed regimen of medical, psychiatric, or psychological care or treatment that has been prepared for him, that has been certified to the court as appropriate by the director of the facility in which he is committed, and that has been found by the court to be appropriate; and

"(B) order, as an explicit condition of release, that he comply with the prescribed regimen of medical, psychiatric, or psychological care or treatment.

The court at any time may, after a hearing employing the same criteria, modify or eliminate the regimen of medical, psychiatric, or psychological care or treatment.

"(f) **Revocation of Conditional Discharge**.—The director of a medical facility responsible for administering a regimen imposed on an acquitted person conditionally discharged under subsection (e) shall notify the Attorney General and the court having jurisdiction over the person of any failure of the person to comply with the regimen. Upon such notice, or upon other probable cause to believe that the person has failed to comply with the prescribed regimen of medical, psychiatric, or psychological care or treatment, the person may be arrested, and, upon arrest, shall be taken without unnecessary delay before the court having jurisdiction over him. The court shall, after a hearing, determine whether the person should be remanded to a suitable facility on the ground that, in light of his failure to comply with the prescribed regimen of medical, psychiatric, or psychological care or treatment, his continued release would create a substantial risk of bodily injury to another person or serious damage to property of another.

"§ 4244. Hospitalization of a Convicted Person Suffering From Mental Disease or Defect

"(a) **Motion To Determine Present Mental Condition of Convicted Defendant**.—A defendant found guilty of an offense, or the attorney for the government, may, within ten days after the defendant is found guilty, and prior to the time the defendant is sentenced, file a motion for a hearing on the present mental condition of the defendant if the motion is supported by substantial information indicating that the defendant may presently be suffering from a mental disease or defect for the treatment of which he is in need of custody for care or treatment in a suitable facility. The court shall grant the motion, or at any time prior to the sentencing of the defendant shall order such a hearing on its own motion, if it is of the opinion that there is reasonable cause to believe that the defendant may presently be suffering from a mental disease or defect for the treatment of which he is in need of custody for care or treatment in a suitable facility.

"(b) **Psychiatric or Psychological Examination and Report.**—Prior to the date of the hearing, the court may order that a psychiatric or psychological examination of the defendant be conducted, and that a psychiatric or psychological report be filed with the court, pursuant to the provisions of section 4247 (b) and (c). In addition to the information required to be included in the psychiatric or psychological report pursuant to the provisions of section 4247(c), if the report includes an opinion by the examiners that the defendant is presently suffering from a mental disease or defect but that it is not such as to require his custody for care or treatment in a suitable facility, the report shall also include an opinion by the examiner concerning the sentencing alternatives available under chapter 227 of this title that could best accord the defendant the kind of treatment he does need.

"(c) **Hearing.**—The hearing shall be conducted pursuant to the provisions of section 4247(d).

"(d) **Determination and Disposition.**—If, after the hearing, the court finds by a preponderance of the evidence that the defendant is presently suffering from a mental disease or defect and that he should, in lieu of being sentenced to imprisonment, be committed to a suitable facility for care or treatment, the court shall commit the defendant to the custody of the Attorney General. The Attorney General shall hospitalize the defendant for care or treatment in a suitable facility. Such a commitment shall be treated for administrative purposes as a provisional sentence of imprisonment for the maximum term authorized by section 3581(b) for the offense committed.

"(e) **Discharge.**—When the director of the facility in which the defendant is hospitalized pursuant to subsection (d) determines that the defendant has recovered from his mental disease or defect to such an extent that he is no longer in need of custody for care or treatment in such a facility, he shall promptly file a certificate to that effect with the clerk of the court that ordered the commitment. The clerk shall send a copy of the certificate to the defendant's counsel and to the attorney for the government. If, at the time of the filing of the certificate, the provisional sentence imposed pursuant to subsection (d) has not expired, the court shall proceed finally to sentence the defendant in accordance with the sentencing alternatives and procedures available under chapter 227.

"§ 4245. Hospitalization of an Imprisoned Person Suffering From Mental Disease or Defect

"(a) **Motion To Determine Present Mental Condition of Imprisoned Defendant.**—If a defendant serving a sentence of imprisonment objects either in writing or through his attorney to being transferred to a suitable facility for care or treatment, an attorney for the government, at the request of the director of the facility in which the defendant is imprisoned, may file a motion with the court for the district in which the facility is located for a hearing on the present mental condition of the defendant. The court shall grant the motion if there is reasonable cause to believe that the defendant may presently be suffering from a mental disease or defect for the treatment of which he is in need of custody for care or treatment in a suitable facility. A motion filed under this subsection shall stay the release of the defendant pending completion of procedures contained in this section.

"(b) **Psychiatric or Psychological Examination and Report.**—Prior to the date of the hearing, the court may order that a psychiatric or psychological examination of the defendant be conducted, and that a psychiatric or psychological report be filed with the court, pursuant to the provisions of section 4247 (b) and (c).

"(c) **Hearing.**—The hearing shall be conducted pursuant to the provisions of section 4247(d).

"(d) **Determination and Disposition.**—If, after the hearing, the court finds by a preponderance of the evidence that the defendant is presently suffering from a mental disease or defect for the treatment of which he is in need of custody for care or treatment in a suitable facility, the court shall commit the defendant to the custody of the Attorney General. The Attorney General shall hospitalize the defendant for treatment in a suitable facility until he is no longer in need of such custody for care or treatment or until the expiration of his sentence of imprisonment, whichever occurs earlier.

"(e) **Discharge.**—When the director of the facility in which the defendant is hospitalized pursuant to subsection (d) determines that the defendant has recovered from his mental disease or defect to such an extent that he is no longer in need of custody for care or treatment in such a facility, he shall promptly file a certificate to that effect with the clerk of the court that ordered the commitment. The clerk shall send a copy of the certificate to the defendant's counsel and to the attorney for the government. If, at the time of the filing of the certificate, the term of imprisonment imposed upon the defendant has not expired, the court shall order that the defendant be reimprisoned until the date of his release pursuant to section 3624.

"§ 4246. Hospitalization of a Person Due for Release but Suffering From Mental Disease or Defect

"(a) **Institution of Proceeding.**—If the director of a facility in which a person is hospitalized certifies that a person whose sentence is about to expire, or who has been committed to the custody of the Attorney General pursuant to section 4241(d), or against whom all criminal charges have been dismissed solely for reasons related to the mental condition of the person, is presently suffering from a mental disease or defect as a result of which his release would create a substantial risk of bodily injury to another person or serious damage to property of another, and that suitable arrangements for State custody and care of the person are not available, he shall transmit the certificate to the clerk of the court for the district in which the person is confined. The clerk shall send a copy of the certificate to the person, and to the attorney for the government, and, if the person was committed pursuant to section 4241(d), to the clerk of the court that ordered the commitment. The court shall order a hearing to determine whether the person is presently suffering from a mental disease or defect as a result of which his release would create a substantial risk of bodily injury to another person or serious damage to property of another. A certificate filed under this subsection shall stay the release of the person pending completion of procedures contained in this section.

"(b) **Psychiatric or Psychological Examination and Report.**—Prior to the date of the hearing, the court may order that a psychiatric or psychological examination of the defendant be conducted, and that a psychiatric or psychological report be filed with the court, pursuant to the provisions of section 4247 (b) and (c).

"(c) **Hearing.**—The hearing shall be conducted pursuant to the provisions of section 4247(d).

"(d) **Determination and Disposition.**—If, after the hearing, the court finds by clear and convincing evidence that the person is presently suffering from a mental disease or defect as a result of which his release would create a substantial risk of bodily injury to another person or serious damage to property of another, the court shall commit the person to the custody of the Attorney General. The Attorney General shall release the person to the appropriate official of the State in which the person is domiciled or was tried if such State will assume responsibility for his custody, care, and treatment. The Attorney General shall make all reasonable efforts to cause such a State to assume such responsibility. If, notwithstanding such efforts, neither such State will assume such responsibility, the Attorney General shall hospitalize the person for treatment in a suitable facility, until—

"(1) such a State will assume such responsibility; or

"(2) the person's mental condition is such that his release, or his conditional release under a prescribed regimen of medical, psychiatric, or psychological care or treatment would not create a substantial risk of bodily injury to another person or serious damage to property of another;

whichever is earlier. The Attorney General shall continue periodically to exert all reasonable efforts to cause such a State to assume such responsibility for the person's custody, care, and treatment.

"(e) **Discharge.**—When the director of the facility in which a person is hospitalized pursuant to subsection (d) determines that the person has recovered from his mental disease or defect to such an extent that his release would no longer create a substantial risk of bodily injury to another person or serious damage to property of another, he shall promptly file a certificate to that effect with the clerk of the court that ordered the commitment. The clerk shall send a copy of the certificate to the person's counsel and to the attorney for the government. The court shall order the discharge of the person or, on the motion of the attorney for the government or on its own motion, shall hold a hearing, conducted pursuant to the provisions of section 4247(d), to determine whether he should be released. If, after the hearing, the court finds by a preponderance of the evidence that the person has recovered from his mental disease or defect to such an extent that—

"(1) his release would no longer create a substantial risk of bodily injury to another person or serious damage to property of another, the court shall order that he be immediately discharged; or

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"(2) his conditional release under a prescribed regimen of medical, psychiatric, or psychological care or treatment would no longer create a substantial risk of bodily injury to another person or serious damage to property of another, the court shall—

"(A) order that he be conditionally discharged under a prescribed regimen of medical, psychiatric, or psychological care or treatment that has been prepared for him, that has been certified to the court as appropriate by the director of the facility in which he is committed, and that has been found by the court to be appropriate; and

"(B) order, as an explicit condition of release, that he comply with the prescribed regimen of medical, psychiatric, or psychological care or treatment.

The court at any time may, after a hearing employing the same criteria, modify or eliminate the regimen of medical, psychiatric, or psychological care or treatment.

"(f) Revocation of Conditional Discharge.—The director of a medical facility responsible for administering a regimen imposed on a person conditionally discharged under subsection (e) shall notify the Attorney General and the court having jurisdiction over the person of any failure of the person to comply with the regimen. Upon such notice, or upon other probable cause to believe that the person has failed to comply with the prescribed regimen of medical, psychiatric, or psychological care or treatment, the person may be arrested, and, upon arrest, shall be taken without unnecessary delay before the court having jurisdiction over him. The court shall, after a hearing, determine whether the person should be remanded to a suitable facility on the ground that, in light of his failure to comply with the prescribed regimen of medical, psychiatric, or psychological care or treatment, his continued release would create a substantial risk of bodily injury to another person or serious damage to property of another.

"(g) Release to State of Certain Other Persons.—If the director of a facility in which a person is hospitalized pursuant to this subchapter certifies to the Attorney General that a person, against whom all charges have been dismissed for reasons not related to the mental condition of the person, is presently suffering from a mental disease or defect as a result of which his release would create a substantial risk of bodily injury to another person or serious damage to property of another, the Attorney General shall release the person to the appropriate official of the State in which the person is domiciled or was tried for the purpose of institution of State proceedings for civil commitment. If neither such State will assume such responsibility, the Attorney General shall release the person upon receipt of notice from the State that it will not assume such responsibility, but not later than 10 days after certification by the director of the facility.

"§ 4247. General Provisions for Chapter

"(a) Definitions.—As used in this chapter—

"(1) 'rehabilitation program' includes—

"(A) basic educational training that will assist the individual in understanding the society to which he will return and that will assist him in understanding the magnitude of his offense and its impact on society;

"(B) vocational training that will assist the individual in contributing to, and in participating in, the society to which he will return;

"(C) drug, alcohol, and other treatment programs that will assist the individual in overcoming his psychological or physical dependence; and

"(D) organized physical sports and recreation programs; and

"(2) 'suitable facility' means a facility that is suitable to provide care or treatment given the nature of the offense and the characteristics of the defendant.

"(b) Psychiatric or Psychological Examination.—A psychiatric or psychological examination ordered pursuant to this chapter or section 3552(c) shall be conducted by a licensed or certified psychiatrist or clinical psychologist, or, if the court finds it appropriate, by more than one such examiner. Each examiner shall be—

"(1) designated by the court if the examination is ordered under section 3552(c), 4241, 4242, 4243, or 4244; or

"(2) designated by the court, and upon the request of the defendant, an additional examiner may be selected by the defendant, if the examination is ordered under section 4245 or 4246.

For the purposes of an examination pursuant to an order under section 4241, 4244, or 4245, the court may commit the person to be examined for a reasonable period, but not to exceed thirty days, and under section 4242, 4243, or 4246, for a reasonable period, but not to exceed forty-five days, to the custody of the Attorney General for placement in a suitable facility. Unless impracticable, the psychiatric or psychological examination shall be conducted in the suitable facility closest to the court. The Director of the facility may apply for a reasonable extension, but not to exceed fifteen days under section 4241, 4244, or 4245, and not to exceed thirty days under section 4242, 4243, or 4246, upon a showing of good cause that the additional time is necessary to observe and evaluate the defendant.

"(c) Psychiatric or Psychological Reports.—A psychiatric or psychological report ordered pursuant to this chapter shall be prepared by the examiner designated to conduct the psychiatric or psychological examination, shall be filed with the court with copies provided to the counsel for the person examined and to the attorney for the government, and shall include—

"(1) the person's history and present symptoms;

"(2) a description of the psychiatric, psychological, and medical tests that were employed and their results;

"(3) the examiner's findings; and

"(4) the examiner's opinions as to diagnosis, prognosis, and—

"(A) if the examination is ordered under section 4241, whether the person is suffering from a mental disease or defect rendering him metally incompetent to the extent that he is unable to understand the nature and consequences of the proceedings against him or to assist properly in his defense;

"(B) if the examination is ordered under section 4242, whether the person was insane at the time of the offense charged;

"(C) if the examination is ordered under section 4243 or 4246, whether the person is suffering from a mental disease or defect as a result of which his release would create a substantial risk of bodily injury to another person or serious damage to property of another;

"(D) if the examination is ordered under section 4244 or 4245, whether the person is suffering from a mental disease or defect as a result of which he is in need of custody for care or treatment in a suitable facility; or

"(E) if the examination is ordered under section 3552(c), any recommendation the examiner may have as to application to the defendant of sentencing guidelines and policy statements relating to the mental condition of the defendant and as to how that mental condition should affect the sentence.

"(d) Hearing.—At a hearing ordered pursuant to this chapter the person whose mental condition is the subject of the hearing shall be represented by counsel and, if he is financially unable to obtain adequate representation, counsel shall be appointed for him pursuant to section 3006A. The person shall be afforded an opportunity to testify, to present evidence, to subpoena witnesses on his behalf, and to confront and cross-examine witnesses who appear at the hearing.

"(e) Periodic Report and Information Requirements.—(1) The director of the facility in which a person is hospitalized pursuant to—

"(A) section 4241 shall prepare semiannual reports; or

"(B) sections 4243, 4344, 4345, or 4246 shall prepare annual reports; concerning the mental condition of the person and containing recommendations concerning the need for his continued hospitalization. The reports shall be submitted to the court that ordered the person's commitment to the facility and copies of the reports shall be submitted to such other persons as the court may direct.

"(2) The director of the facility in which a person is hospitalized pursuant to sections 4241, 4243, 4244, 4245, or 4246 shall inform such person of any rehabilitation programs that are available for persons hospitalized in that facility.

"(f) Videotape Record.—Upon written request of defense counsel, the court may order a videotape record made of the defendant's testimony or interview upon which the periodic report is based pursuant to subsection (e). Such videotape record shall be submitted to the court along with the periodic report.

"(g) Admissibility of a Defendant's Statement at Trial.—A statement made by the defendant during the course of a psychiatric or psychological examination pursuant to sections 4241 or 4242 is not admissible as evidence against the accused on the issue of guilt or punishment in any criminal proceeding, unless the defendant waived his privilege against self incrimination, but is admissible on the issue whether the defendant suffers from a mental disease or defect.

"(h) Habeas Corpus Unimpaired.—Nothing contained in sections 4243 or 4246 precludes a person who is committed under either of such sections from establishing by writ of hebeas corpus the illegality of his detention.

"(i) Discharge.—Regardless of whether the director of the facility in which a person is hospitalized has filed a certificate pursuant to the provisions of subsection (e) of sections 4241, 4243, 4244, 4245, or 4246, counsel for the person or his legal guardian may, at any time during such person's hospitalization, file with the court that ordered the commitment a motion for a hearing to determine whether the person should be discharged from such facility, but no such motion may be filed within one hundred and eighty days of a court determination that the person should continue to be hospitalized. A copy of the motion shall be sent to the director of the facility in which the person is hospitalized and to the attorney for the government.

"(j) AUTHORITY AND RESPONSIBILITY OF THE ATTORNEY GENERAL.—The Attorney General—

"(A) may contract with a State, a locality, or a private agency for the confinement, hospitalization, care, or treatment of, or the provision of services to, a person committed to his custody pursuant to this chapter;

"(B) may apply for the civil commitment, pursuant to State law, of a person committed to his custody pursuant to section 4243 or 4246;

"(C) shall, before placing a person in a facility pursuant to the provisions of section 4241, 4243, 4244, 4245, or 4246, consider the suitability of the facility's rehabilitation programs in meeting the needs of the person; and

"(D) shall consult with the Secretary of the Department of Health and Human Services in the general implementation of the provisions of this chapter and in the establishment of standards for facilities used in the implementation of this chapter.

"(k) This chapter does not apply to a prosecution under an Act of Congress applicable exclusively to the District of Columbia or the Uniform Code of Military Justice.".

(b) The item relating to chapter 313 in the chapter analysis of Part III of title 18, United States Code, is amended to read as follows:

"313. Offenders with mental disease or defect.".

Sec. 702. Rule 12.2 of the Federal Rules of Criminal Procedure is amended—

(a) by deleting "crime" in subdivision (a) and inserting in lieu thereof "offense";

(b) by deleting "mental state" in subdivision (b) and inserting in lieu thereof "state of mind";

(c) by deleting "by a psychiatrist designated for this purpose in the order of the court" in subdivision (c) and inserting in lieu thereof "pursuant to 18 U.S.C. 4242; and

(d) by deleting "mental state" in subdivision (d) and inserting in lieu thereof "state of mind".

Sec. 703. Section 3006A of title 18, United States Code, is amended—

(a) in subsection (a), by deleting "or, (4)" and substituting "(4) whose mental condition is the subject of a hearing pursuant to chapter 313 of this title, or (5)"; and

(b) in subsection (g), by deleting "or section 4245 of title 18".

TITLE VIII—SURPLUS FEDERAL PROPERTY AMENDMENTS

Sec. 801. Section 203 of the Federal Property and Administrative Services Act of 1949 as amended (40 U.S.C. 484), is further amended by adding at the end thereof the following new subsection:

"(p)(1) Under such regulations as he may prescribe, the Administrator is authorized in his discretion to transfer or convey to the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, the Commonwealth of the Northern Mariana Islands, or any political subdivision or instrumentality thereof, surplus property determined by the Attorney General to be required for correctional facility use by the authorized transferee or grantee under an appropriate program or project for the care or rehabilitation of criminal offenders as approved by the Attorney General. Transfers or conveyance under this authority shall be made by the Administrator without monetary consideration to the United States.

"(2) The deed of conveyance of any surplus real property disposed of under the provisions of this subsection—

"(A) shall provide that all such property shall be used and maintained for the purpose for which it was conveyed in perpetuity, and that in the event the property ceases to be used or maintained for that purpose, all or any portion of the property shall, in its then existing condition, at the option of the United States, revert to the United States; and

"(B) may contain such additional terms, reservations, restrictions, and conditions as may be determined by the Administrator to be necessary to safeguard the interests of the United States.

"(3) With respect to surplus real property conveyed pursuant to this subsection, the Administrator is authorized and directed—

"(A) to determine and enforce compliance with the terms, conditions, reservations, and restrictions contained in any instrument by which such transfer was made;

"(B) to reform, correct, or amend any such instrument by the execution of a corrective reformative or amendatory instrument where necessary to correct such instrument or to conform such transfer to the requirements of applicable law; and

"(C) to (i) grant releases from any of the terms, conditions, reservations, and restrictions contained in, and (ii) convey, quitclaim, or release to the transferee or other eligible user any right or interest reserved to the United States by any instrument by which such transfer was made, if he determines that the property so transferred no longer serves the purpose for which it was transferred, or that such release, conveyance, or quitclaim deed will not prevent accomplishment of the purpose for which such property was so transferred: *Provided*, That any such release, conveyance, or quitclaim deed may be granted on, or made subject to, such terms and conditions as he or she shall deem necessary to protect or advance the interests of the United States.".

Sec. 802. The first sentence of subsection (o) of section 203 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 484(o)), is further amended by revising the first sentence of such subsection to read as follows:

"(o) The Administrator with respect to personal property donated under subsection (j) of this section and with respect to personal or real property transferred or conveyanced under subsection (p) of this section, and the head of each executive agency disposing of real property under subsection (k) of this section, shall submit during the calendar quarter following the close of each fiscal year a report to the Senate (or to the Secretary of the Senate if the Senate is not in session) and to the House of Representatives (or to the Clerk of the House if the House is not in session) showing the acquisition cost of all personal property so donated and of all real property so disposed of during the preceding fiscal year.".

TITLE IX—MISCELLANEOUS CRIMINAL JUSTICE IMPROVEMENTS

PART A

Sec. 901. (a) Chapter 95 of title 18, United States Code, is amended by adding new sections 1952A and 1952B, following section 1952, as follows:

"§ 1952A. Use of interstate commerce facilities in the commission of murder-for-hire

"(a) Whoever travels in or causes another (including the intended victim) to travel in interstate or foreign commerce, or uses or causes another (including the intended victim) to use the mail or any facility in interstate or foreign commerce, with intent that a murder be committed in violation of the laws of any State or the United States as consideration for the receipt of anything of pecuniary value or for a promise to pay anything of pecuniary value, shall be fined not more than $10,000 or imprisoned for not more than five years, or both; and if personal injury results, shall be fined not more than $20,000 and imprisoned for not more than twenty years, or both; and if death results, shall be subject to imprisonment for any term of years or by life imprisonment, or shall be fined not more than $50,000, or both.

"(b) As used in this section—

"(1) 'anything of pecuniary value' means anything of value in the form of money, a negotiable instrument, a commercial interest, or anything else the primary significance of which is economic advantage; and

"(2) 'facility of interstate commerce' includes means of transportation and communication.".

"§1952B. Violent crimes in aid of racketeering activity

"(a) Whoever, as consideration for the receipt of or as consideration for a promise or agreement to pay anything of pecuniary value from an enterprise engaged in racketeering activity, or for the purpose of gaining entrance to or maintaining or increasing position in an enterprise engaged in racketeering activity, murders, kidnaps, maims, assaults with a dangerous weapon, commits assault resulting in serious bodily injury upon, or threatens to commit a crime of violence against any individual in violation of the laws of any State or the United States, or attempts or conspires so to do, shall be punished—

"(1) for murder or kidnapping, by imprisonment for any term of years or for life or a fine of not more than $50,000, or both;

"(2) for maiming, by imprisonment for not more than thirty years or a fine of not more than $30,000, or both;

"(3) for assault with a dangerous weapon or assault resulting in serious bodily injury, by imprisonment for not more than twenty years or a fine of not more than $20,000, or both;

"(4) for threatening to commit a crime of violence, by imprisonment for not more than five years or a fine of not more than $5,000, or both;

"(5) for attempting or conspiring to commit murder, by imprisonment for not more than ten years or a fine of not more than $10,000, or both; and

"(6) for attempting or conspiring to commit a crime involving maiming, assault with a dangerous weapon, or assault resulting in serious bodily injury, by imprisonment for not more than three years or a fine of not more than $3,000, or both.

"(b) As used in this section—

"(1) 'racketeering activity' has the meaning set forth in section 1961 of this title; and

"(2) 'enterprise' includes any partnership, corporation, association, or other legal entity, and any union or group of individuals associated in fact although not a legal entity, which is engaged in, or the activities of which affect, interstate or foreign commerce.".

(b) The analysis at the beginning of the chapter is amended by adding after the item relating to section 1952 the following:

"1952A. Use of interstate commerce facilities in the commission of murder-for-hire.
"1952B. Violent crimes in aid of racketeering activity.".

PART B

SEC. 902. The Tariff Act of 1930 (19 U.S.C. 1202 et seq.) is amended as follows:

(a) Section 607 (19 U.S.C. 1607) is amended by—

(1) striking out "$10,000" in the caption and in the first place it appears in the text and inserting in lieu thereof "$100,000"; and

(2) striking out the last sentence and inserting in lieu thereof the following: "For purposes of this section and section 610 of this Act, merchandise the importation of which is prohibited shall be held not to exceed $100,000 in value. For purposes of section 612 of this Act, merchandise the importation of which is prohibited shall be held not to exceed $10,000.".

(b) Section 608 (19 U.S.C. 1608) is amended by adding "or of ten percent of the appraised value of the articles so claimed, whichever is greater" after "of $250".

(c) Section 610 (19 U.S.C. 1610) is amended by striking out "$10,000" each place it appears in the caption and text and inserting in lieu thereof "$100,000".

PART C

SEC. 903. Section 844 of title 18 of the United States Code is amended as follows:

(1) In subsection (f), following the words "by means of an explosive", insert "or fire".

(2) In subsection (i), following the words "by means of an explosive" insert "or fire".

PART D

SEC. 904. Section 2510 of title 18 of the United States Code is amended—

(1) in paragraph (10), by striking out "and" at the end thereof;

(2) in paragraph (11), by striking out the period at the end thereof and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end thereof the following:

"(12) 'surreptitious entry' means a physical entry upon a private place or premises to install, repair, reposition, replace, or remove any electronic, mechanical, or other device, and includes both covert entry and entry effected by means of a ruse or subterfuge.".

SEC. 905. Section 2518(1) of that title is amended—

(1) in paragraph (e), by striking out "and" at the end thereof;

(2) in paragraph (f), by striking out the period at the end thereof and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end thereof the following:

"(g) a statement whether surreptitious entries are required to carry out the order.".

SEC. 906. Section 2518(4) of that title is amended—

(1) in paragraph (d), by striking out the "and" at the end thereof;

(2) in paragraph (e), by striking out the period at the end thereof and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end thereof the following:

"(f) whether surreptitious entries are authorized or approved to carry out the order, and, if such entries are authorized or approved, the identity of the agency authorized to make the surreptitious entries.".

SEC. 907. Section 2518(7) of that title is amended—

(1) by amending paragraph (a) to read as follows:

"(a) an emergency situation exists that involves—

"(i) immediate danger of death or serious physical injury to any person,

"(ii) conspiratorial activities threatening the national security interest, or

"(iii) conspiratorial activities characteristic of organized crime,

that requires a wire or oral communication to be intercepted before an order authorizing such interception can, with due diligence, be obtained, and"; and

(2) by inserting a comma and "and may make any surreptitious entry required to effect such interception," immediately before "if an application for an order".

SEC. 908. Section 2519(1) of that title is amended—

(1) by inserting immediately after paragraph (e) the following:

"(f) the fact that surreptitious entries to carry out the order were authorized or approved;"; and

(2) by redesignating paragraphs (f) and (g) as paragraphs (g) and (h), respectively.

SEC. 909. Section 2519(2) of that title is amended in paragraph (a) by striking out "(g)" and by inserting in lieu thereof "(h)".

PART E

SEC. 910. Section 5031 of title 18 of the United States Code is amended by striking the word "eighteenth" both places it appears and inserting in lieu thereof the word "seventeenth".

SEC. 911. Section 5032 of title 18 of the United States Code is amended—

(1) by striking out the word "or" preceding "(2)" in the first paragraph;

(2) by striking the period at the end of the first paragraph and inserting in lieu thereof ", or (3) that the offense charged is a felony and that there is a substantial federal interest in the case or the offense to warrant the exercise of federal jurisdiction."; and

(3) in the fourth paragraph, by striking "punishable by a maximum penalty of ten years imprisonment or more, life imprisonment or death," and insert in lieu thereof "that is a crime of violence or an offense described in sections 841, 952(a), 955, or 959 of title 21,"; and in the same paragraph, strike out "sixteen" and "sixteenth" and insert in lieu thereof "fourteen" and "fourteenth", respectively.

SEC. 912. Section 5038 of title 18 of the United States Code is amended by striking subsection (d) and inserting in lieu thereof the following:

"(d) Unless a juvenile who is taken into custody is prosecuted as an adult neither the name nor picture of any juvenile shall be made public by any medium of public information in connection with a juvenile delinquency proceeding.".

PART F

SEC. 913. Section 1201 of title 18 of the United States Code is amended—

(1) in subsection (a)(3), by deleting "or" at the end thereof;

(2) in subsection (a)(4), by deleting the comma at the end thereof and substituting "; or"; and

(3) by adding after subsection (a)(4) a new subsection (a)(5) to read as follows:

"(5) the person is among those officers and employees designated in section 1114 of this title and any such act against the person is done while the person is engaged in, or on account of, the performance of his official duties,".

PART G

SEC. 914. Chapter 7 of title 18 of the United States Code is amended by adding a new section at the end thereof to read as follows:

"§ 115. Influencing, impeding, or retaliating against a federal official by threatening or injuring a family member

"(a) Whoever assaults, kidnaps, or murders, or attempts to kidnap or murder, or threatens to assault, kidnap or murder a member of the immediate family of a United States official, United States judge, or federal law enforcement officer, with intent to impede, intimidate, interfere with, or retaliate against such official, judge or law enforcement officer while he is engaged in or on account of the performance of his official duties, shall be punished as provided in subsection (b).

"(b)(1) An assault in violation of this section shall be punished as provided in section 111 of this title;

"(2) a kidnapping or attempted kidnapping in violation of this section shall be punished as provided in section 1201 of this title;

"(3) a murder or attempted murder in violation of this section shall be punished as provided in sections 1111 and 1113 of this title;

"(4) a threat made in violation of this title shall be punished by a fine of not more than $5,000 or imprisonment for a term of not more than five years, or both, except that imprisonment for a threatened assault shall not exceed three years.

"(c) As used in this section, the term—

"(1) 'federal law enforcement officer' means any officer, agent, or employee of the United States authorized by law or by a government agency to engage in or supervise the prevention, detection, investigation, or prosecution of any violation of federal criminal law;

"(2) 'immediate family member' of an individual means—

"(A) his spouse, parent, brother or sister, child, or person to whom he stands in loco parentis; or

"(B) any other person living in his household and related to him by blood or marriage;

"(3) 'United States judge' means any judicial officer of the United States, and includes a justice of the Supreme Court and a United States magistrate; and

"(4) 'United States official' means the President, President-elect, Vice President, Vice President-elect, a member of Congress, a member-elect of Congress, a member of the executive branch who is the head of a department listed in 5 U.S.C. 101, or the Director of Central Intelligence.".

PART H

SEC. 915. Section 31 of title 18 of the United States Code is amended in the definition of "motor vehicle" by striking out "or passengers and property;" and inserting in lieu thereof "passengers and property, or property or cargo;".

PART I

SEC. 916. (a) Section 207(a) of the Currency and Foreign Transactions Reporting Act (31 U.S.C. 1056(a)) is amended by striking out "a civil penalty not exceeding $1,000" and inserting in lieu thereof "a civil penalty not exceeding $10,000".

(b) Section 209 of such Act (31 U.S.C. 1058) is amended by striking out "$1,000, or imprisonment not more than one year, or both" and inserting in lieu thereof "$50,000, or imprisonment not more than five years, or both".

(c) Section 231(a) of such Act (31 U.S.C. 1101(a)) is amended—

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(1) by inserting ", or attempts to transport or cause to be transported," after "transports or causes to be transported" in paragraph (1); and

(2) by striking out "in an amount exceeding $5,000" and inserting in lieu thereof "in an amount exceeding $10,000".

"(d) Section 235 of such Act (31 U.S.C. 1105) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting the following new subsection after subsection (a):

"(b) A customs officer may stop and search, without a search warrant, a vehicle, vessel, aircraft, or other conveyance, envelope or other container, or person entering or departing from the United States with respect to which or whom the officer has reasonable cause to believe there is a monetary instrument being transported in violation of section 231.".

"(e)(1) Chapter 1 of such Act is amended by adding the following new section at the end thereof:

"§ 214. Rewards for Informants

"(a) The Secretary may pay a reward to an individual who provides original information which leads to a recovery of a criminal fine, civil penalty, or forfeiture, which exceeds $50,000, for a violation of this title.

"(b) The Secretary shall determine the amount of a reward under this section. The Secretary may not award more than 25 per centum of the net amount of the fine, penalty, or forfeiture collected or $250,000, whichever is less.

"(c) An officer or employee of the United States, a State, or a local government who provides information described in subsection (a) in the performance of official duties is not eligible for a reward under this section.

"(d) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.".

(2) The table of contents of such chapter is amended by adding the following new item after the item relating to section 213:

"214. Rewards for informants.".

SEC. 917. Section 1961(1) of title 18, United States Code, is amended—

(1) by striking out "or" after "(relating to embezzlement from union funds),"; and

(2) by inserting before the semicolon at the end thereof the following: ", or (E) any act which is indictable under the Currency and Foreign Transactions Reporting Act".

PART J

SEC. 918. (a) Chapter 103 of title 18 of the United States Code is amended by adding at the end thereof a new section as follows:

"§ 2118. Robbery of a Pharmacy

"(a) Whoever takes property from a pharmacy or a person registered with the Drug Enforcement Administration under section 302 of the Controlled Substances Act (21 U.S.C. 822) by force or violence, or by intimidation, shall be imprisoned for not more than ten years, or fined not more than $5,000, or both.

"(b) For purposes of this section, the term 'property' means a controlled substance, consisting of a narcotic, amphetamine, or barbiturate that is listed in Schedules I through IV established by section 202 of the Controlled Substances Act (21 U.S.C. 812).".

(b) The analysis for chapter 103 of title 18 of the United States Code is amended by adding at the end thereof the following:

"2118. Robbery of a pharmacy.".

PART K

SEC. 919. (a) Chapter 19 of title 18 of the United States Code is amended by adding at the end thereof the following new section:

"§ 373. Solicitation to Commit Crime of Violence

"(a) OFFENSE.—Whoever, with intent that another person engage in conduct constituting a federal crime of violence, and under circumstances strongly corroborative of that intent, solicits, commands, induces, or otherwise endeavors to persuade such other person to engage in such conduct, shall be imprisoned not more than one-half the maximum term of imprisonment or fined not more than one-half the maximum fine prescribed for the punishment of the crime solicited, or both; or if the crime solicited is punishable by death, shall be imprisoned for not more than twenty years.

"(b) AFFIRMATIVE DEFENSE.—It is an affirmative defense to a prosecution under this section that, under circumstances manifesting a voluntary and complete renunciation of his criminal intent, the defendant prevented the commission of the crime solicited. A renunciation is not 'voluntary and complete' if it is motivated in whole or in part by a decision to postpone the commission of the crime until another time or to substitute another victim or another but similar objective. If the defendant raises the affirmative defense at trial, the defendant has the burden of proving the defense by a preponderance of the evidence

"(c) DEFENSE PRECLUDED.—It is not a defense to a prosecution under this section that the person solicited could not be convicted of the crime because he lacked the state of mind required for the commission of the crime, because he was incompetent or irresponsible, or because he is immune from prosecution or otherwise not subject to prosecution.".

(b) Chapter 1 of title 18 of the United States Code is amended by adding at the end thereof a new section as follows:

"§ 16. Crime of Violence Defined

"Except as otherwise expressly provided, as used in this title 'crime of violence' means—

"(1) an offense that has an element of the offense the use, attempted use, or threatened use of physical force against the person or property of another; or

"(2) any other offense that is a felony and that, by its nature, involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense.".

PART L

SEC. 920. Section 1111 of title 18 of the United States Code is amended by adding after the word "arson" the words "escape, murder, kidnapping, treason, espionage, sabotage,".

PART M

SEC. 921(a). Whereas the problem of drug abuse continues to worsen in most parts of the world;

Whereas the number of drug abusers has risen and abuse has spread geographically;

Whereas the number, variety, and potency of illicitly used narcotics, drugs, and pyschotropic substances have increased;

Whereas illicit production has expanded and trafficking flourishes; and

Whereas a declaration by the United Nations of an International Year Against Drug Abuse would serve as a catalyst for interest and action at all international levels involving families, communities, neighborhoods, schools, religious institutions, and public, private, and voluntary associations: Now, therefore, be it

Resolved, That it is the sense of the Congress that the President is urged to promote a declaration by the United Nations of an International Year Against Drug Abuse.

(b) The Secretary of the Senate shall transmit copies of this resolution to the President.

PART N

SEC. 922(a) Part D of the Controlled Substances Act is amended by adding after section 405 the following new section:

"DISTRIBUTION IN OR NEAR SCHOOLS

"SEC. 405A. (a) Any person who violates section 401(a)(1) by distributing a controlled substance in or on, or within one thousand feet of, the real property comprising a public or private elementary or secondary school is (except as provided in subsection (b)) punishable (1) by a term of imprisonment, or fine, or both up to twice that authorized by section 841(b) of this title and (2) at least twice any special parole term authorized by section 401(b) for a first offense involving the same controlled substance and schedule.

"(b) Any person who violates section 401(a)(1) by distributing a controlled substance in or on, or within one thousand feet of, the real property comprising a public or private elementary or secondary school after a prior conviction or convictions under subsection (a) have become final is punishable (1) by a term of imprisonment of not less than three years and not more than twenty years and (2) at least three times any special term authorized by section 401(b) for a second or subsequent offense involving the same controlled substance and schedule.

"(c) In the case of any sentence imposed under subsection (b) imposition or execution of such sentence shall not be suspended and probation shall not be granted. An individual convicted under subsection (b) shall not be eligible for parole under section 4202 of title 18 of the United States Code until the individual has served the minimum sentence required by such subsection."

(b) Section 401(b) of such Act (21 U.S.C. 841(b)) is amended by inserting "or 405A" after "405".

(c) Section 401(c) of such Act is amended by inserting "or 405A" after "405" each place it occurs.

(d) Section 405 of such Act (21 U.S.C. 845) is amended by striking out "Any" in subsections (a) and (b) and inserting in lieu thereof "Except as provided in section 405A, any".

PART O

SEC. 923. Notwithstanding any other provision of this Act, all contracts entered into pursuant to the authority granted in this Act shall be effective for any fiscal year only to such an extent or in such amounts as are provided in appropriation Acts.

VIOLENT CRIME AND DRUG ENFORCEMENT IMPROVEMENTS ACT OF 1982

TITLE I—BAIL REFORM

This title of the bill contains provisions essentially the same as S. 1554 (pending on the Senate calendar; Senate Report 97-317). It amends the Bail Reform Act of 1966 to, among other things, (1) permit danger to the community to be considered in determining whether to release a defendant pending trial, or, if release is appropriate, in determining conditions for release; (2) tighten significantly the criteria for post-conviction release pending sentencing and appeal; (3) provide procedure for revocation of release and contempt of court prosecution for committing a crime while on release; (4) provide consecutive sentences for crimes committed on pretrial release; and (5) increase the penalties for bail jumping. It also includes a presumption that a particular individual is a danger to the community if he committed a serious drug trafficking offense or used a firearm in a violent crime.

There are safeguards to ensure that due process rights of individuals are protected. A hearing before a judicial officer is required. The defendant has a right to counsel, to present information and witnesses, to be given written findings or statement of conditions, and to testify in his own behalf.

TITLE II—WITNESS-VICTIM PROTECTION

This title is substantially the same as S. 2420 introduced earlier this Congress by Senators Heinz, Laxalt, and 39 of their colleagues. It would require a presentence report to include a "victim impact statement" to advise the judge on this important factor in sentencing the defendant. It would make it a crime, punishable by imprisonment for 6 years or $25,000, or both, to hinder, harm, annoy, or injure any victim or witness who is involved in the criminal justice process. It also makes it a crime to retaliate against a witness or victim after the completion of the criminal justice process.

The Attorney General is given additional authority to relocate and protect witnesses, to reimburse witnesses for expenses, and to institute a civil action to restrain a person from intimidating a victim or witness. Finally, there is a provision that would permit a civil cause of action by a victim against the United States for personal injury or property loss caused by a dangerous person at large in the community due to the gross negligence of an employee or agent of the United States.

TITLE III—COMPREHENSIVE DRUG PENALTIES AMENDMENTS

This title is drawn from a number of bills that have already been introduced in the Senate, as well as from comments by the Department of Justice. It has at least four significant features: (1) it increases substantially the fine levels for drug trafficking; (2) it increases significantly the penalties for trafficking in large amounts of the most dangerous drugs; (3) it increases the penalties for offenses involving the most dangerous non-narcotic drugs, such as LSD, PCP, and the amphetamines, to bring them into line with the penalties for offenses involving narcotics, such as heroin and the opiates; and (4) it cures certain inconsistencies between the Control Substances Act and the Controlled Substances Import and Export Act and permits State and foreign felony drug convictions to be considered under the enhanced sentencing provisions for repeat drug offenders.

TITLE IV—PROTECTION OF FEDERAL OFFICIALS

This title is identical to S. 907 (Senate Report 97-320) as it passed the Senate. It amends sections 351 and 1751 of title 18, United States Code, to make it a Federal crime to kill, kidnap, or assault certain senior White House officials, a member of the cabinet and his next in command, and a Justice of the Supreme Court.

TITLE V—SENTENCING REFORM

This title incorporates the basic and widely-supported sentencing provisions of the criminal code bill (See Senate Report 97-307) which made fundamental changes in the sentencing system of current law.

The major features include for the first time setting forth the purposes of sentencing and changing the sentencing system to a determinate system, with no parole and limited good time credits. A seven-member sentencing commission would be responsible, subject to review by Congress, for promulgating sentencing guidelines for the courts to use in determining an appropriate sentence. The court must explain the basis for sentences outside the guidelines. The defendant may appeal a sentence more lenient, than the applicable guideline. So-called "safety net" provisions are included to provide, after service of a specified portion of the sentence, an opportunity for review and modification of a long sentence in unusual circumstances.

TITLE VI—CRIMINAL FORFEITURE

This title is substantially identical to the Administration proposal in S. 2320, designed to strengthen the current criminal forfeiture provisions relating to racketeering and drug trafficking offenses. This title would, among other things, (1) make it clear that proceeds of racketeering activity are forfeitable and defines with greater specificity other types of property currently forfeitable property, or its equivalent value, notwithstanding efforts to conceal, transfer, or remove the forfeitable property; (3) provide judicial power to issue appropriate preindictment protective orders; (4) provide for orderly consideration and disposition of third-party claims; (5) extend criminal forfeiture to all serious drug trafficking offenses by enacting provisions parallel to RICO for felony drug violations; and (6) establish a pilot program to set aside 25 percent of the funds realized through forfeiture under the drug laws for awards relating to obtaining information and assistance to facilitate forfeiture.

TITLE VII—INSANITY DEFENSE AND MENTAL COMPETENCY AMENDMENTS

This title contains the non-controversial modernized procedural provisions in subchapter B of chapter 36 of the criminal code bill (See Senate Report 97-307) impacting on mentally ill persons in the Federal criminal justice system. One feature of this part of the title closes a loophole in current law by providing a Federal commitment procedure for a dangerous Federal defendant found not guilty by reason of insanity if no State will commit him.

One aspect of this title patterned on S. 1558, but not included in the criminal code bill, would replace the current Federal insanity defense with a narrower defense applicable only to those individuals who were so mentally ill that they could not form the mental state required for the crime.

TITLE VII—SURPLUS FEDERAL PROPERTY AMENDMENTS

This title is identical to S. 1422 (Senate Report 97-322), pending on the Senate calendar. It provides authority for the Administrator of the General Services Administration to convey to State and local governments surplus Federal property determined by the Attorney General to be required for use as an authorized correctional facility. The transfer would be without reimbursement to the Federal government. The government would be able to determine conditions for the conveyance and retain a reversionary interest if it can be shown that it is in the interest of the United States to do so.

TITLE IX—MISCELLANEOUS CRIMINAL JUSTICE IMPROVEMENTS

This title is made up of a number of important, but relatively minor, amendments to improve the ability of the Federal government to deal more effectively with violent crime and drug offenses. It includes:

Murder for hire based on Travel Act jurisdiction;

Crimes of violence in aid of racketeering activity;

Expand explosives offenses to cover arson;

Administrative forfeiture procedures for property valued at less than $100,000;

Permit emergency electronic surveillance in life endangering situations;

Strengthen federal juvenile justice provisions;

Extend kidnapping jurisdiction to protect federal officials listed in 18 U.S.C. 1114 if connected with performance of official duties;

Protection of the immediate families of certain federal officials from acts of violence perpetrated to coerce action by or retaliate against such official;

Expand the offenses relating to destruction of interstate motor vehicles to include cargo carrying vehicles;

Amendments to the currency and foreign transactions reporting act to enhance the anti-drug trafficking provisions;

Robbery of a pharmacy of a controlled substance;

Make it a crime to solicit the commission of a federal crime of violence;

Expand the list of dangerous crimes applicable to felony-murder to include escape, murder, kidnapping, treason, espionage, and sabotage;

Increase the penalties for distributing controlled substances in or on, or within 1,000 feet of, an elementary or secondary school;

Congressional resolution to promote United Nations International Year against Drug Abuse.

Mr. THURMOND. I also ask unanimous consent that a section-by-section analysis of the bill be printed following the text of the bill.

There being no objection, the section-by-section analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS—S. 2572, THE VIOLENT CRIME AND DRUG ENFORCEMENT IMPROVEMENTS ACT

TITLE I—BAIL REFORM

I. Introduction

Title I of the bill substantially revises the Bail Reform Act of 1966 (18 U.S.C. 3146 et seq.) and is based, with only minor modifications, on S. 1554 as reported by the Judiciary Committee (S. Rept. No. 97-317, 97th Cong., 2d Sess. (1982)). The purpose of this title is to address such problems as the need to consider community safety in setting nonfinancial conditions of release, the need to expand the list of statutory release conditions, the need to permit the pretrial detention of defendants as to whom no conditions of release will assume their appearance at trial or assure the safety of the community or of other persons, the need for a more appropriate basis for deciding on post-conviction release, the need to permit temporary detention of persons who are arrested while on a form of conditional release, and the need to provide procedures for revocation of release for violation of a condition of release.

Clearly, the most fundamental part of this title is its provision for pretrial detention based on defendant dangerousness. The Judiciary Committee's Report on S. 1554 (S. Rept. No. 97-317, supra) contains an extensive discussion of the pretrial detention issue and should be referred to for a fuller discussion of this matter. Briefly, in determining that federal bail laws must be amended to give the courts the authority to deny release to the minority of defendants who are so dangerous that no form of conditional release would be sufficient to reasonably assure the safety of the community or other persons, the Committee reached the following conclusions. First, as a general matter, considerations of defendant dangerousness should be placed on an equal footing with currently permitted considerations of risk of flight. Second, the commission of crimes by those released on bail is a serious problem that can and should be addressed in federal law. Third, judges can, with an acceptable degree of accuracy, identify that minority of defendants who pose such a danger to others that no form of conditional release is appropriate. Fourth, pretrial detention based on dangerousness is not unconstitutional if appropriately limited in application and if available only in the framework of reasonable procedural safeguards. Fifth, it is likely that a substantial number of dangerous federal defendants are now detained pending trial through the use of high money bond, and this practice, to the extent that it exists, may be effectively replaced by a carefully drawn pretrial detention statute that would not only permit the courts to address the issue of defendant dangerousness squarely and honestly, but would also be fairer to defendants than the use of money bond to achieve detention of particularly dangerous defendants.

While the pretrial detention provision and certain other aspects of this title represent a departure from the Bail Reform Act of 1966, many of the improvements worked by that Act have been retained.

II. Section-by-section analysis

Set out below is a brief section-by-section analysis of title I. The section-by-section analysis in the Judiciary Committee's report on S. 1554 should be consulted for a more in-depth description of these provisions.

Section 101

Section 101 provides that this title may be cited as the "Bail Reform Act of 1982."

Section 102

Section 102 repeals current sections 3141 through 3151 of title 18, United States Code, and inserts in their place new sections 3141 through 3150. Each of these new sections is analyzed below:

Section 3141. Release and Detention Authority Generally

This section, like current 18 U.S.C. 3141, specifies which judicial officers have the authority to order the release or detention of persons pending trial (subsection (a)) or pending sentence or appeal (subsection (b)). The authority set out in current law has, with only two minor modifications, been carried forward.

Section 3142. Release or Detention of a Defendant Pending Trial

This section makes several substantive changes in the basic provisions of the Bail Reform Act of 1966. That Act adopted the concept that in non-capital cases a person is to be ordered released under the minimum conditions reasonably required to assure his presence at trial. Danger to the community and the protection of society are not to be considered in making release decisions under current law.

Considerable criticism has been leveled at the Bail Reform Act for its failure to recognize the problem of crimes committed by those on pretrial release. (S. Rept. No. 97-317, supra, at 36-37.) The constraints of the Bail Reform Act prevent the courts from imposing conditions of release geared toward assuring community safety, or from denying release to those defendants who pose an especially severe risk to others. It is intolerable that the law denies judges the tools to make honest and appropriate decisions regarding the release of such defendants. To address this problem, section 3142 departs from current law in two significant ways. First, it permits an assessment of a defendant's dangerousness in setting any conditions of release, a concept that has been widely supported. (See S. Rept. No. 97-317, supra, at 37.) Second, as noted above, the courts are given the authority, in limited circumstances, to deny release to defendants as to whom even the most stringent form of conditional release would be insufficient to reasonably assure community safety. (The need for pretrail detention is discussed at length in the report on S. 1554, S. Rept. No. 97-314, supra; see especially pp. 38-42.) The core pretrial detention provisions of section 3142 are set out in subsections (e) and (f). These and the other subsections of section 3142 are discussed in detail below:

Subsection (a) provides that when a person charged with an offense is brought before a judicial officer, the judicial officer is to pursue one of four alternative courses of action set out in subsections (b) through (e).

Subsection (b) requires the judicial officer to release the person on his personal recognizance or upon execution of an unsecured appearance bond unless he determines that such release (1) will not reasonably assure the appearance of the person or (2) will endanger the safety of any other person or the community. As in current law, this is the favored form of release. However, unlike current law, this provision permits a consideration of defendant dangerousness. If released pursuant to this provision, the defendant is subject to the mandatory condition that he not commit another offense while on release. Those released pursuant to the conditions enumerated in subsection (c) are subject to the same mandatory condition.

Subsection (c) provides that if the judicial officer determines that release on personal recognizance or on an unsecured appearance bond will not give the necessary assurances, he is to release the person pursuant to the least restrictive condition or combination of conditions that will give the required assurances concerning appearance and community safety. Except for financial conditions of release, which may be imposed only to assure the defendant's appearance, any of the discretionary conditions of release set out in subsection (c)(2) may be imposed to assure either appearance or community safety. These discretionary conditions carry forward those now listed in 18 U.S.C. 3146, and incorporate nine more.

The final sentence of section 3142(c) retains the current authority set forth in 18 U.S.C. 3146(e) for the court to amend the release order at any time.

Subsection (d) permits the judge to detain a defendant for a period of up to ten days if the person was arrested while already on a form of conditional release, such as bail, probation, or parole. The purpose of this provision is to allow the government time to notify the original releasing authorities so that they may take whatever action may be appropriate in light of the defendant's arrest. This provision is based largely on a similar provision in the D.C. Code. (See S. Rept. No. 97-317, supra, at 47-48, for further discussion of this provision.)

Subsections (e) and (f) set forth the findings and procedures that are required for an order of detention. The standard for an order of detention is contained in subsection (e), which provides that the judicial officer is to order the person detained if, after a hearing pursuant to subsection (f), he determines that no condition or combination of conditions of release will reasonably assure the appearance of the defendant as required and the safety of any other person and the community. The facts on which the finding of dangerousness is based must, under subsection (f), be supported by clear and convincing evidence. Thus, this subsection not only codifies existing authority to detain persons who are serious flight risks or who threaten witnesses or jurors, but also creates new authority to detain persons who pose especially serious dangers to community safety.

Generally, subsection (e) does not specify the kinds of information that will support the findings necessary to deny release. However, it does specify two sets of circumstances which, if established, create a rebuttable presumption that no form of conditional release will be adequate. The first is where the defendant has a history of having committed a serious offense while on release. The second is where the defendant is charged (and an appropriate probable cause determination is made) with either one of the most serious drug trafficking offenses or the use of a firearm in the commission of a felony (18 U.S.C. 924(c)). Further discussion of these rebuttable presumptions is set out in S. Rept. No. 97-317, supra, at 49-50.

Subsection (f) describes, in paragraphs (1) through (6), the circumstances under which a detention hearing may be held. Under paragraphs (1) through (3), a detention hearing may be held if the defendant is charged with (1) a crime of violence; (2) an offense punishable by death or life imprisonment; or (3) a major drug trafficking offense. These offenses are essentially the same categories of offense for which a pretrial detention hearing may be held under the D.C. Code.

Subsections (f)(4), (f)(5), and (f)(6) describe the other cases in which a pretrial detention hearing may be held. The first two types of cases, those involving either a serious risk that the defendant will flee or that he will obstruct justice or threaten or injure witnesses or jurors, reflect the scope of current case law authority permitting denial of release. The third type of case is that in which a defendant charged with a serious offense has a substantial history of committing dangerous offenses.

It should be noted that S. 1554, as reported, required a pretrial detention hearing in the circumstances described in subsections (f)(1), (f)(2), and (f)(3). The advisability of this requirement, even when the government and court agreed that detention was unnecessary, which might result in the unnecessary expenditure of strained judicial and prosecutive resources, has been questioned, and thus is deleted in this title.

The procedural requirements for the pretrial detention hearing are set forth in section 3142(f) and track those of the analogous provision of the D.C. Code. For a further discussion of this and other aspects of subsection (f), see S. Rept. No. 97-317, supra, at 50-53.

Subsection (g) enumerates the factors that are to be considered by the court in determining whether there are conditions of release that will reasonably assure the appearance of the person as required and the safety of other persons and the community. Most of these factors are drawn from current law. Subsection (g) also contains a new provision making clear the authority of the courts to conduct a hearing into the source of property used to post bond. Experience has shown that where money bond is financed through the proceeds of crime it is generally ineffective in assuring the defendant's appearance. This provision makes clear the authority of the courts to inquire into the source of property used to post bond (now called Nebbia hearings) and to decline to accept the bond if they are not satisfied as to its source.

For a further discussion of subsection (g) see S. Rept. No. 97-317, supra, pp. 53-55.

Subsection (h) provides that in issuing an order of release under subsection (b) or (c), the judicial officer is to include a written statement setting forth all the conditions of release. He is also required to advise the person of the penalties for a violation of a condition of release. A similar provision exists in current law. See 18 U.S.C. 3146(c).

Subsection (i) requires that an order of detention include written findings of fact and a written statement of the reasons for the detention. The court's order must also direct that the person be confined in a facility separate from convicted offenders, if practicable, and permit the person a reasonable opportunity for private consultation with counsel while confined.

Section 3143. Release or Detention of a Defendant Pending Sentence or Appeal

This section makes several revisions in that portion of current 18 U.S.C. 3148 which concerns post-conviction release. The basic distinction between the existing provision and section 3143 is one of presumption. Under current 18 U.S.C. 3148, the judicial officer is instructed to treat a person who has already been convicted according to the release standards of 18 U.S.C. 3146 that apply to a person who has not been convicted, unless he has reason to believe that no one or more conditions of release will reasonably assure that the person will not flee or pose a danger to any other person or to the community.

The current presumption favoring post-conviction release should be eliminated. Once guilt of a crime has been established, there is no reason to favor release pending imposition of sentence or appeal. The conviction, by which the defendant's guilt of a crime has been established beyond a reasonable doubt, is presumably correct in law. Also, release of a criminal defendant into the community after conviction may undermine the deterrent effect of the criminal law, especially in those situations where an appeal of the conviction may drag on for many months or even years.

Section 3143 separately treats release pending sentence, release pending appeal by the defendant, and release pending appeal by the government. As to release pending sentence, subsection (a) provides that a person convicted shall be held in official detention unless the judicial officer finds by clear and convincing evidence that the person is not likely to flee or to pose a danger to the safety of any other person or the community. Subsection (a) covers those awaiting the execution of sentence as well as its imposition.

Subsection (b) deals with release after sentence of a defendant who has filed an appeal or a petition for a writ of certiorari. Such person is also to be detained unless the judicial officer finds by clear and convincing evidence that the defendant is not likely to flee or pose a danger to the safety of any other person or the community. In addition, the court must affirmatively find that the appeal is not taken for the purpose of delay and that it raises a substantial question of law or fact likely to result in reversal or an order for a new trial. Under the current 18 U.S.C. 3148, release can be denied if it appears that the appeal is frivolous or taken for delay. Subsection (b) is based on the release pending appeal provision of the D.C. Code (section 23-1325).

Subsection (c) concerns release pending appeal by the government from an order of dismissal of an indictment or information or suppression of evidence pursuant to 18 U.S.C. 3731. As both of these kinds of appeals contemplate a situation in which the defendant has not been convicted, the defendant is to be treated under section 3142, the general provision governing release or detention pending trial. Subsection (c) is a new provision derived from 18 U.S.C. 3731.

For further discussion of this provision see S. Rept. No. 97-317, *supra*, at 56-57.

Section 3144. Release or Detention of a Material Witness

This section carries forward, with two changes current 18 U.S.C. 3149, which concerns the release of a material witness.

The first change in current law is that section 3144 would permit the judicial officer to order the detention of the witness if there were no conditions of release that would assure his appearance. A witness could not be detained for inability to comply with a condition of release if his testimony could be adequately secured by deposition and if detention is not required to prevent a failure of justice. Currently, 18 U.S.C. 3149 ambiguously requires the conditional release of the witness in the same manner as for a defendant awaiting trial, yet the language of the statute recognizes that certain witnesses will be detained because of an inability to meet the conditions of release imposed by the judicial officer.

The other change is to grant the judicial officer not only the authority to set release conditions for a detained material witness, or, in an appropriate case, to order his detention pending his appearance at the criminal proceeding, but also to authorize the arrest of the witness in the first instance. It is anomalous that current law authorizes release conditions but at the same time does not authorize the initial arrest.

For further discussion of this provision see S. Rept. No. 97-317, *supra*, at 58.

Section 3145. Review and Appeal of a Release or Detention Order

Section 3145 sets forth the provisions for the review and appeal of release and detention orders. Subsections (a) and (b) provide for the review of release and detention orders by the court having original jurisdiction over the offense in situations in which the order is initially entered by a magistrate, or other court not having original jurisdiction over the offense (other than a federal appellate court).

Subsection (c) grants both the defendant and the government a right to appeal release or detention orders, or decisions denying the revocation or amendment of such orders.

Although based in part on current 18 U.S.C. 3147, section 3145 makes two substantive changes in present law. First, section 3145 permits review of all release and detention orders. Second, it permits the government to appeal release decisions. For further discussion of this provision see S. Rept. No. 97-317, supra, at 59-60.

Section 3146. Penalty for Failure to Appear

Section 3146 basically continues the current law offense of bail jumping (18 U.S.C. 3150), although the maximum penalty has been increased to more nearly parallel that of the underlying offense with which the defendant was charged. This increased penalty provision is designed to eliminate the temptation to a defendant to go into hiding until the government's case for a serious felony grows stale or until a witness becomes unavailable—often a problem with the passage of time in narcotics offenses—and then to surface at a later date with criminal liability limited to the less serious bail jumping offense. Subsection (a) provides that a person commits an offense if, after having been released pursuant to the provisions of chapter 207 of title 18 as amended by the bill: (1) he knowingly fails to appear before a court as required by the conditions of his release; or (2) he knowingly fails to surrender for service of sentence pursuant to a court order.

Subsection (c) provides that it is an affirmative defense that "uncontrollable circumstances prevented the defendant from appearing or surrendering, that the defendant did not contribute to the creation of such circumstances in reckless disregard of the requirement that he appear or surrender, and that the defendant appeared or surrendered as soon as such circumstances ceased to exist."

Subsection (d) of section 3146 simply emphasizes that, in addition to the penalties of fine and imprisonment provided for bail jumping, the court may also order the person to forfeit any bond or other property he has pledged to secure his release if he has failed to appear.

Section 3147. Penalty for an Offense Committed While on Release

Section 3147 is designed to deter those who would pose a risk to community safety by committing another offense when released under the provisions of this bill and to punish those who indeed are convicted of another offense. Accordingly, this section prescribes a penalty in addition to any sentence ordered for an offense committed while on release. This additonal penalty is a term of imprisonment of at least two years and not more than ten years if the offense committed while on release is a felony. If the offense committed while on release is a misdemeanor, this additional penalty is at least 90 days and not more than one year.

Section 3148. Sanctions for Violations of a Release Condition

Section 3148 provides in subsection (a) for two distinct sanctions that are applicable for persons released pursuant to section 3142 who violate a condition of their release—revocation of release and an order of detention, and a prosecution for contempt of court.

Subsection (b) sets out the procedure for revocation of release. Specific provisions for revocation of release are new to federal bail law, although a similar provision exists in the District of Columbia Code. Generally, an order of revocation and detention will issue at this hearing if the court finds, first, that there is either probable cause to believe that the person has committed a federal, State, or local crime while on release, which is a violation of a mandatory condition imposed on all released persons, or clear and convincing evidence that the person has violated any other condition of his release; and, second, that either no condition or combination of conditions can be set that will assure that the person will not flee or pose a danger to the safety of any other person or the community, or that no condition or combination of conditions will assure that the person will abide by reasonable conditions.

Since the establishment of probable cause to believe that the defendant has committed a serious crime while on release constitutes compelling evidence that the defendant poses a danger to the community, once such probable cause is established it is appropriate that the burden rest on the defendant to come forward with evidence indicating that this conclusion is not warranted in his case. Therefore, section 3148(b) provides that if there is probable cause to believe that the person has committed a federal, State, or local felony while on release, a rebuttable presumption arises that no condition or combination of conditions will assure that the person will not pose a danger to the safety of any other person or the community.

Subsection (c) emphasizes that the court may impose contempt sanctions if the person has violated a condition of his release. This carries forward the provisions of existing 18 U.S.C. 3151.

Section 3149. Surrender of an Offender by a Surety

Except for minor word changes, this provision is identical to current 18 U.S.C. 3142. The section provides that, If a person is released on an appearance bond with a surety, such person may be arrested by his surety and delivered to a United States Marshal and brought before the court. The person so returned will be retained in custody until released.

Section 3150. Applicability to a Case Removed from a State Court.

This section specifies that the release provisions of chapter 207 of title 18, United States Code, as amended by this title, are to apply to a case removed to a federal court from a State court.

Section 103 contains two technical amendments to 18 U.S.C. 3041 and 3042; deletes section 3043 (security for peace and good behavior), a provision litle used and unnecessary in light of this title's grant of authority to consider dangerousness in release decisions; and creates new section 3062.

Section 3062 grants to a law enforcement officer who is authorized to make arrests for offenses committed in his presence the authority to arrest a person released under this Act if the officer has reasonable grounds to believe the person is violating certain release conditions in his presence. Since a violation of a release condition constitutes contempt, it is likely that officers have such authority currently. However, this provision will assure that law enforcement officers with arrest authority for offenses committed in their presence are made especially aware of the importance of arresting a person on release who is subject to one of the conditions that is aimed primarily at preventing further crimes by the defendant and assuring against harm to victims and witnesses.

Section 104 amends 18 U.S.C. 3731 to permit, in accordance with new 18 U.S.C. 3146(c), the government to appeal release decisions.

Section 105 sets out a conforming amendment to 18 U.S.C. 3772.

Section 106 sets out a conforming amendment to 18 U.S.C. 4282.

Section 107 sets out a conforming amendment to 28 U.S.C 636.

Section 108 sets out what are, for the most part, technical or conforming amendments to the Federal Rules of Criminal Procedure. The amendment to Rule 46(e)(2) adds language emphasizing that a surety's surrender of a bail jumper into custody may be an appropriate basis for setting aside forfeiture of all or part of the bond. New Rule 46(h) makes it clear that, when authorized by statute or regulation, minor charges may be disposed of by ordering the forfeiture of collateral. This procedure is currently used to dispose of minor offenses, such as traffic violations, and permits those charged with such offenses to forego appearing at an official proceeding if they so wish. See Rule 4(a) of the Rules of Procedure for the trial of misdemeanors before United States Magistrates.

Section 109 amends Rule 9(c) of the Federal Rules of Appellate Procedure to provide that a convicted person seeking release pending appeal is to bear the burden of proof both with respect to the issues of his appearance and considerations of community safety and with respect to the merit of his appeal.

TITLE II—WITNESS VICTIM PROTECTION

1. Introduction

Title II of the bill is substantially the same as S. 2420, introduced earlier this Congress by Senators Heinz and Laxalt and 39 of their colleagues. It represents a legislative response to the serious law enforcement and social problems generated by the intimidation of victims and witnesses. The purpose of this title is to enhance the role of victims and witnesses in our criminal justice system. Too often, they have been the system's forgotten persons.

2. Section-by-section analysis of title II

Section 202 amends Rule 32(c)(2) of the Federal Rules of Criminal Procedure to require that presentence reports include a "Victim Impact Statement". Today, because so many cases are disposed of by plea rather than trial, the sentencing judge has no opportunity to hear from the victim concerning the crime and its consequences. Under this section, the judge would be informed of the impact of defendant's crime on the victim, and could take that consideration into account in fashioning an appropriate sentence. This procedure in currently being used in the Baltimore Federal courts with success.

Section 203 deals with the problem of victim-witness intimidation. The American Bar Association, after extensive research and hearings, drafted a model victim-witness intimidation package. This, in turn, has been re-drafted in the form of two Federal criminal statutes, similar to provisions included in the Criminal Code Reform Act. Two offenses are created: First, proposed 18 U.S.C. 1512 applies to offenses against witnesses, victims, or informants that occur before the witness testifies or the informant communicates with law enforcement officers. Second, proposed 18 U.S.C. 1513 applies to retaliation against witnesses or informants for their testimony or report to law enforcement. See, S. Rept. No. 97-307, pages 349-358.

Proposed section 3521 of title 18 concerns witness relocation and protection. Under current law, the Attorney General is only authorized to relocate and protect witnesses in narcotics and other organized crime cases. This section gives the Attorney General the discretion to order whatever degree of protection he deems necessary, regardless of the underlying offense. Often, extraordinary measures such as change of identity and relocation are not only unnecessary, but actually encourage the potential witnesses to forego testifying simply because the resulting disruption would be so great.

Proposed section 3522 permits the Attorney General to condition the provision of assistance on complete or partial reimbursement to the United States of the expenses incurred by the United States.

Proposed 18 U.S.C. 3523 is new to Federal law and would permit the Attorney General to initiate a civil proceeding to obtain a court order prohibiting intimidation or harassment of a witness or a victim. This provision allows the court to order the defendant, or any other person before the court, to maintain a prescribed distance from a specified witness or victim and not to communicate with him. Violation of the court's order could result in revocation of the defendant's pretrial release or the invocation of the contempt powers of the court. See, S. Rept. No. 97-307, pages 1265-1266.

Finally, there is a new provision, Part C of Title II, similar to a bill introduced in the last Congress by Senator Laxalt, which would provide a cause of action and, hence, a legal remedy, to those citizens who are victimized by those who are prematurely released from Federal custody through the gross negligence of government employees. Today, the government pleads sovereign immunity. This doctrine ignores a citizen's implied right to be free of the consequences of the outrageous conduct of government officials. Under this section, for example, the Parole Commission or the Bureau of Prisons, not their members in their individual capacities, would be civilly liable. It is expected that these agencies and departments will, therefore, be less inclined to release prematurely those criminals with a history of violent crime.

TITLE III—CONTROLLED SUBSTANCES PENALTIES

I. Introduction

The purpose of Title III of the bill is to provide a more rational penalty structure for the major drug trafficking offenses punishable under the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 801 et seq.). Trafficking in illicit drugs is one of the most serious crime problems facing the country, yet the present penalties for major drug offenses are often inconsistent or inadequate. This title primarily focuses on three major problems with current drug penalties.

First, with the exception of offenses involving marihuana (see 21 U.S.C. 841(b)(6)), the severity of current drug penalties is determined exclusively by the nature of the controlled substance involved. While it is appropriate that the relative dangerousness of a particular drug should have a bearing on the penalty for its importation of distribution, another important factor is the amount of the drug involved. Without the inclusion of this factor, penalties for traffickers in especially large quantities of extremely dangerous drugs are often inadequate. Thus, under current law, the penalty for trafficking in 500 grams of heroin is the same as that provided for an offense involving 10 grams. The drug penalties schedule of the criminal code reform bill reported by the Senate this year (S. Rep. No. 97-307), addressed this problem by punishing as a Class B felony (up to twenty-five years' imprisonment) offenses involving trafficking in large amounts of opiates and other extremely dangerous drugs. Based on this approach, this title amends 21 U.S.C. 841 and 960 to provide for more severe penalties than are currently available for such major trafficking offenses.

The second problem area addressed by this title is the current fine levels for major drug offenses. Drug trafficking is enormously profitable. Yet current fine levels are, in relation to the illicit profits generated, woefully inadequate. It is not uncommon for a major drug transaction to produce profits in the hundreds of thousands of dollars. However, with the exception of the most recently enacted penalty for distribution of large amounts of marihuana (21 U.S.C. 841(b)(6)), the maximum fine that may be imposed is $25,000. This title provides more realistic fine levels that can serve as appropriate punishments for and deterrents to, these tremendously lucrative crimes.

A third problem addressed by this title is the disparate sentencing for offenses involving Schedule I and II substances, which depends on whether the controlled substance involved in the offense is a narcotic or non-narcotic drug. Offenses involving Schedule I and II narcotic drugs (opiates and cocaine) are punishable by a maximum of 15 years' imprisonment and a $25,000 fine, but in the case of all other Schedule I and II substances, the maximum penalty is only 5 years' imprisonment and a $15,000 fine. The same penalty is applicable is the case of a violation involving a Schedule III substance. This penalty structure is at odds with the fact that non-narcotic Schedule I and II controlled substances include such extremely dangerous drugs as PCP, LSD., methamphetamines, and methaqualone, and federal prosecutions involving these drugs typically involve huge amounts of illicit income and sophisticated organizations. Removing the distinction, for the purposes of sentencing, between narcotic, as opposed to non-narcotic, controlled substances in Schedules I and II was proposed in S. 1951 in this Congress, and this concept is included in this title.

II. Section-by-section analysis

Section 301 provides that this title may be cited as the "Controlled Substances Penalties Amendments Act of 1982."

Section 302 amends 21 U.S.C. 841(b), the provision which sets out the penalties for the most serious domestic drug trafficking offenses. Each of the paragraphs of this section is discussed below.

Paragraph (1) revises section 841(b)(1), which describes the penalties for offenses involving controlled substances in Schedules I, II and III. Although marihuana is a Schedule I controlled substance, trafficking in amounts over 1,000 lbs. is currently governed by 21 U.S.C. 841 (b)(6), and distribution of small amounts for no remuneration is treated as mere possession under 21 U.S.C. 841(b)(4). Currently, offenses involving narcotic Schedule I and II substances (narcotic Schedule I and II controlled substances are opiates and cocaine; see 21 U.S.C. 802(16)) are governed by section 841(b)(1)(A), while offenses involving non-narcotic Schedule I and II substances and all Schedule III substances are governed by section 841(b)(1)(B). This part of the amendment would redesignate these subparagraphs as subparagraphs (B) and (C) and create a new subparagraph (A) under section 841(b)(1) that would provide, for offenses involving large amounts of particularly dangerous drugs, higher penalties than those now provided under section 841.

Under this new section 841(b)(1)(A), an offense involving (i) 100 grams or more of an opiate; (ii) a kilogram or more of cocaine (a more complex manner of defining opiates and cocaine is necessary in the amendment because of the way in which such substances are defined elsewhere in title 21); (iii) 500 grams or more of PCP; or (iv) 5 grams or more of LSD, would be punishable by a maximum of 20 years' imprisonment, and a fine of $250,000. Consistent with the current structure of section 841, these maximum penalties would be doubled where the defendant had a prior felony drug conviction. The amendment's description of the prior offense which may trigger the more severe penalty does, however, differ from the description used in current law. In current law, this enhanced sentencing is available only in the case of a prior federal felony drug conviction. The amendment would permit prior State and foreign felony drug convictions to be used for this purpose as well. The prior conviction language of current provisions of section 841 and of section 962 (relating to importation and exportation offenses) has been amended in a similar manner to include State and foreign, as well as federal, felony drug convictions.

All other offenses involving a Schedule I or II substance, except those involving less than 50 kilograms of marihuana, 10 kilograms of hashish, or one kilogram of hashish oil, are to be punished under section 841(b)(1)(B). Thus, the current distinction, for purposes of punishment, between Schedule I and II substances which are narcotic drugs and those which are not, has been abandoned. The maximum 15-year term of imprisonment, currently applicable to offenses involving narcotic Schedule I and II substances is retained. However, the current maximum fine level of $25,000 has been raised to $125,000. By virtue of current section 841(b)(6), offenses involving large amounts of marihuana are already punishable at this 15 years/$125,000 fine level. Similary, offenses involving Schedule III substances and lesser amounts of marihuana, hashish, and hashish oil, governed in the amendment by section 302(1)(C), are punishable at the current level of 5 years' imprisonment, but the maximum fine has been raised from $15,000 to $50,000. See supra. Marihuana is currently treated in the same manner as a Schedule III controlled substance when the amount involved is less than 1,000 lbs. Thus, this formula is generally consistent with current law.

Paragraph (2) amends section 841(b)(2) to raise the fine level for a violation involving a Schedule IV substance from $10,000 to $25,000. Also included is the amendment noted above in relation to new section 841(b)(1)(A) which would treat State and foreign, as well as federal, felony drug convictions as prior convictions for the purpose of existing enhanced sentencing provisions.

Paragraph (3) amends section 841(b)(3) to raise the fine level for a violation involving a Schedule V substance from $5,000 to $10,000.

Paragraph (4) is a technical amendment reflecting the redesignation of current section 841(b)(1)(B) as section 841(b)(1)(C).

Paragraph (5) deletes paragraphs (5) and (6) or 841(b). Current paragraph (5) provides special penalties for violations involving PCP. Since PCP has not been designated as a Schedule II substance, this special provision is no longer necessary. Current paragraph (6) provides for heightened penalties for trafficking in large amounts of marihuana. Since these amendments provide that such offenses would be punishable under section 841(b)(1)(B) by a maximum penalty of 15 years' imprisonment and a $125,000 fine, this special provision is no longer necessary.

Section 303 amends 21 U.S.C. 960(b), which sets out the penalties for the major drug importation and exportation offenses, in a manner consistent with the amendments to 21 U.S.C. 841(b) discussed above. Each of the paragraphs of this section is discussed below:

Paragraph (1) creates a new section 960(b)(1) which provides for heightened penalties for importation offenses involving large amounts of extemely of extremely dangerous drugs. This section is analogous to the new section 841(b)(1)(A) added by paragraph (1) of section 302 of the amendment.

Paragraph (2), as was done with respect to section 841(b)(1) in section 302 of the amendment, consolidates the treatment of offenses involving all Schedules I an II substances except lesser amounts of marihuana and hashish. The current 15-year level of imprisonment is retained, but the fine is elevated from $25,000 to $125,000, as was done with respect to the analogous offense under section 841(b)(1).

Paragraph (3) amends current section 960(b)(2) (redesignated as section 960(b)(3) in the amendment) which now governs offenses involving all controlled substances other than Schedule I and II narcotic drugs. As amended, this section would continue to govern violations involving lesser amounts of marihuana and hashish, and all Schedule III, IV and V substances, would retain the current five-year maximum terms of imprisonment, and would raise the current fine of $15,000 to $50,000. Unlike 21 U.S.C. 841(b), 21 U.S.C. 960 does not provide separate penalties for offenses involved Schedule IV and V substances.

Section 304 amends 21 U.S.C. 962 to permit prior State and foreign, as well as federal, felony drug convictions to be considered for the purpose of this section's enhanced sentencing for repeat drug offenders. As noted above, various provisions of 21 U.S.C. 841(b) were amended in a similar manner.

TITLE IV—PROTECTION OF FEDERAL OFFICIALS

I. Introduction

Title IV would close a gap in the present law whereby, with few exceptions, it is not a federal offense to kill, assault, or kidnap a Cabinet officer or senior Presidential or Vice Presidential staff member such as the White House Chief of Staff or Press Secretary. Such an offense would today normally have to be prosecuted under State law with an attendant wide variation in standards of proof and sentences that could be given. In addition, this title would assert federal jurisdiction over violent crimes committed against Supreme Court Justices and the second in command to cabinet level positions. It is extremely doubtful whether Supreme Court Justices are presently afforded this protection. This title is identical to S. 907, which was favorably reported by the Committee on the Judiciary on March 10 1982 (S. Rept. No. 97-320), and passed the Senate on May 5, 1982.

Section 401, amends section 351(a) of title 18 of the United States Code to make it a

Federal crime to kill a Cabinet officer, defined as "a member of the Executive Branch of the governmemt who is the head of a department listed in 5 U.S.C. 101", the second ranking official in each such department, or a Supreme Court Justice or nominee. This protection of federal law in presently accorded by section 351 to Members of Congress and Members-of-Congress-elect.

Since present subsections (b), (c), (d), and (e) refer to the kidnapping, attempted killing or kidnapping, conspiracy to kill or kidnap, and assaults upon persons named in subsection (a), the effect of this section would be to create federal jurisdication over these offenses as well when directed at a Supreme Court Justice or nominee, a Cabinet officer, or his principal deputy. The penalities would presently extend to life imprisonment for the murder, kidnapping, attempted murder or kidnapping, or conspiracy to murder or kidnap such a person. The penalty for an assault on such a person would be fine of not more than $5,000 or imprisonment for up to one year or both, but if personal injury results the penalty for assault could extend to a $10,000 fine and imprisonment for up to ten years, or both.

Subsection (F) contains a conforming amendment to 18 U.S.C. 2516, which specifies the offenses for which the Attorney General may authorize an application for a warrant to intercept oral or wire communications.

Section 402 amends section 1751 of title 18 to extend to the most senior officials in the Executive Office of the President and in the Office of the Vice President the same protection presently given to the President and Vice President with respect to murder, manslaughter, kidnaping, and an attempt or conspiracy to commit these crimes. For any of these offenses the penalty could extend to life imprisonment under current law. The officials so protected are persons employed in the Executive Office of the President or in the Office of the Vice President authorized to receive pay at the rate which applies for positions at level II of the Executive Schedule.

Subsection (b) amends subsection 1751(e), dealing with the penalty for assualt. The penalty for assault on the President, President-elect, Vice President, Vice President-elect or person next in line to the Presidency, if there is no Vice President, will continue to be up to 10 years' imprisonment and a $10,000 fine. However, the penalty for assaulting one of the Presidential or Vice Presidential aides, added to section 1751(a) by this bill, would be 10 years' imprisonment and a $10,000 fine, or both, only if personal injury results. In other cases, the maximum penalty for an assault on one of the Presidential or Vice Presidential aides would be a $5,000 fine and imprisonment for 1 year, or both. This makes the penalty for assault on a Presidential aide consistent with that for an assault on a Cabinet officer or Supreme Court Justice under section 351.

Subsection (c) amends subsection (g) of section 1751, which provides that the Attorney General in his discretion is authorized to pay up to $100,000 for information and services concerning a violation of the section. Subsection (c) would preclude the application of subsection (g) of section 1751 to those individuals added by the proposed amendment to S. 907.

Subsection (g) contains a conforming amendment to 17 U.S.C. 2516.

TITLE V—SENTENCING REFORM

I. Introduction

Sentencing, the culmination of the criminal trial process, is the act by which the justice system gives formal expression to the seriousness, or lack of seriousness, with which the defendant's criminal conduct is viewed. Ideally it should express society's moral standards as applicable to the behavior of the defendant in an individual case, and as necessary to deter future criminal conduct by others.

Over the past decade, a consensus has developed among persons of different political views that the current federal sentencing system is riddled with serious shortcomings. More recently, there has also developed a substantial agreement, although not a unanimous one, as to a practical approach by which the shortcomings might be remedied. The following discussion outlines the perceived shortcomings and the new approach taken in title V of the bill, which is derived from the sentencing provisions of the Criminal Code Reform Act of this Congress. See S. Rept. No. 97-307.

II. Sentencing under Current Law and Practice

A. The Sentencing Process

Sentencing today is left to the discretion of federal judges who are trained in the law but who have no special competence in ascertaining the values of society and applying them to sentencing in individual criminal cases. In employing their discretion, the judges are left to their own devices and philosophies. Congress has provided no general statutory guidance as to the purposes to be achieved by the sentencing process, has set forth no sentencing philosophy (other than occasional hints at rehabilitation), and has given no direction concerning factors to be considered in determining an appropriate sentence. The only real legislative guidance is that provided by the maximum sentences specified in the penal statutes—and these only indicate the Congressional view of the appropriate sentence for the most serious offense under the provision. In imposing sentences, judges are not required to state any rationale, and few do.

B. Sentencing Options

While the current statutes provide sentencing alternatives of probation, fines, and imprisonment, each is encumbered.

1. Probation

Probation is treated as a suspension of the imposition or execution of a sentence rather than as a sentence itself, and partly for that reason there is little incentive to impose conditions or probation that might make it a more effective punitive or remedial sanction. It tends to be viewed as a vehicle for rehabilitation only.

2. Fines

The maximum fine levels carried by penal offenses vary inexplicably. They usually also reflect penalty levels of previous centuries, and today are much too low to be considered a realistic measure of the gravity of most offenses. Even when fines are imposed, statutory processes for collection rely too heavily on cumbersome state procedures to assure collection.

3. Imprisonment

Imprisonment under current laws is a two-step process. First, the sentencing judge sets the outside limit of the period of time that he believes appropriate for the defendant to spend in prison. Second, the parole authorities decide what portion of the imposed term the defendant actually should serve. The practice is based upon a 19th Century rehabilitative theory that has proved to be faulty.

a. The theory: The theory underlying current imprisonment practices is that criminality is a disease to be cured through rehabilitative programs in a prison setting. The purpose of a sentence to imprisonment is to rehabilitate. At the time of sentencing, however, no one knows how long a defendant's rehabilitation will take. Therefore, a defendant should be sentenced to a considerably more lengthy term than is probably necessary in order to ensure that he will remain imprisoned long enough to be rehabilitated. Later, the parole authorities will examine the defendant's behavior in prison, and, when they find that he has become rehabilitated, will then release him before the expiration of his imposed term.

b. Problems with the theory: There are two principal problems with the theory.

First, many sentences to imprisonment are not designed to rehabilitate, but to deter, incapacitate, or punish. Sentences imposed for these purposes do not require any review of the defendant's prison behavior by parole authorities in order to set the proper length of the term. Such sentences logically should be set by the court for a definite term, and should not be subject to later variation.

Second, the theory is unsoundly predicated even for sentences designed to rehabilitate. Behavioral scientists have recently concluded that there exists no satisfactory means of inducing rehabilitation on a regular basis. More importantly, they have also concluded that no one can tell from a prisoner's behavior whether he has become rehabilitated. Consequently, the basic reason for an indeterminate sentence that may be adjusted by parole authorities—for the existence of parole boards—has disappeared.

C. Adaptation of the System to the Demise of the Theory: The federal Parole Commission today acknowledges that it cannot tell from a prisoner's behavior when he has become rehabilitated. It therefore no longer even attempts to accord its practice with the original theory. Instead, with few exceptions, it releases prisoners at the times specified by the Commission's self-developed guidelines—guidelines that are based upon factors known at the time of sentencing. Since the Commission's release determinations need no longer await an opportunity to observe the prisoner's conduct in confinement, there is no reason why the Commission cannot inform a prisoner of his proposed release date at about the time of his incarceration—and this in fact is just what the Commission now does.

The imprisonment process today, therefore, involves two branches of government—acting at approximately the same time and basing their determinations on essentially the same information—solemnly announcing quite different sentences to be served by the same defendant. The result is not just an awkward adaptation of practice to an anachronistic theory; it leaves the judges attempting to adjust their sentences so as to overcome what they perceive as inappropriately harsh or lenient consequences of the parole process, and leaves the parole authorities regularly ignoring the actual sentences meted out by judges.

C. Review of Sentences

There is no mechanism today for securing review of sentences that appear either unusually harsh or unusually lenient.

D. Consequences of the Current System

As might be expected, numerous studies have documented considerable disparity in sentences meted out by federal judges to similarly situated defendants who have committed like offenses. Various attempts to reduce such disparity have been ineffective. The perception of this disparity tends to encourage defendants to engage in continual relitigation of the issue of their guilt. It also, in combination with the artificial process by which judges impose lengthy sentences and parole authorities grant early release a short time thereafter, serves to leave the public jaded about the efficacy of the whole criminal justice system, and to rob the system of whatever potential deterrrent effect it might otherwise be capable of producing.

III. Sentencing Under Title V

Title V of the bill completely revises current law as to the purposes of sentencing, the process by which the judge determines the appropriate sentence in a particular case, and review of sentence to assure its legality and reasonableness.

A. Legislatively Prescribed Purposes

The bill gives legislative recognition for the first time to the appropriate purposes of sentencing. The stated purposes specifically include assurance of just punishment, deterrence of criminal conduct by others, and protection of the public, and lessen the previously implied emphasis on rehabilitation. (Proposed 18 U.S.C. 3553(a)(2).)

B. The Sentencing Process

Judges are directed to sentence with the above purposes in mind, pursuant to guidelines established by a Sentencing Commission.

1. The sentencing commission

The Sentencing Commission is to be an independent agency in the judicial branch consisting of four members appointed by the President; three members designated by the President from a list submitted by the Judicial Conference; and, as an ex-officio, non-voting member, the Attorney General. The Commission is directed to draft guidelines for use by federal judges, taking into consideration all offender and offense characteristics that appear relevant to the specified purposes of sentencing. For each federal offense, the guidelines will be expected to specify a variety of appropriate sentencing ranges, depending upon different combinations of offender and offense characteristics. Development of the guidelines is subject to the public hearing process of the Administrative Procedure Act. The initial guidelines, and all subsequent modifications, are to be transmitted by the Commission to the Congress for review and possible modification. If the Congress does not act to change the Commission's proposed guidelines within the specified time period, they would go into effect without change. (Proposed chapter 58 of title 28, United States Code.)

In a few areas (involving, e.g., recidivists, organized crime offenders, first offenders) the bill provides general legislative guidance to the Commission as to the kind of sentence and degree of severity that would seem to be appropriate for inclusion in the guidelines. These provisions are intended to accord some direction to the Commission without so circumscribing its consideration of occasional countervailing factors as to prove unduly rigid. The provisions are limited to subject areas that otherwise would be considered likely candidates for legislatively directed mandatory sentences to imprisonment, or legislatively directed presumptions in favor of probation.

2. The guidelines

For each federal offense, the guidelines will specify a variety of appropriate sentencing ranges—encompassing imprisonment, fines, and probation—depending upon the particular history and characteristics of the defendant in the case and the particular circumstances under which the offense is committed. Each offense, therefore, may have a dozen or so sentencing ranges specified, only one of which will fit a given case. (Proposed 28 U.S.C. 994(a).)

3. Judicial application of the guidelines

After a sentencing hearing, a judge will determine the particular guideline range that is applicable to the offender and the offense. He will then be expected to sentence within the narrow range specified. The judge may, however, sentence above or below the specified guideline range in unusual circumstances, but must give specific reasons for such a sentence.

C. Sentencing Options

1. Probation

Probation is cast by title V as a penalty in itself, rather than as a deferred penalty. A judge is required to impose as a condition of probation in a felony case a condition that the defendant pay a fine or make restitution to the victim or that he engage in community service. The judge is required, for every crime, to impose a prohibition against the defendant's committing another crime during the probationary period. A variety of potentially useful discretionary conditions of probation (including undertaking vocational training or undergoing medical or psychiatric treatment) are set forth by the bill for the consideration of the Sentencing Commission and the judges. (Proposed subchapter B of chapter 227 of title 18.)

2. Fines

The maximum fine levels under title V are dramatically increased. The maximums specified for felonies are up to a quarter of a million dollars for an individual defendant, and up to half a million dollars for an organizational defendant, although the actual amount imposed is to be predicated upon the defendant's ability to pay as well as upon the gravity of the offense and related considerations. (Proposed subchapter C of chapter 227 of title 18.) Lien procedures, like those in the tax laws, are provided to assure an effective means of collecting imposed fines. (Proposed subchapter B of chapter 229 of title 18.)

3. Imprisonment

The bill makes a major change in sentences to imprisonment. It moves to a determinate system abolishing early release on parole and providing for the first time that the sentence announced by the sentencing judge will be for almost all cases the sentence actually served by the defendant (except for a potential 10 percent credit for "good time"). Such sentences will not need to involve the artificially lengthy terms that are imposed today in the expectation that they will be shortened later by parole authorities. Although early release on parole is abolished, in a case in which a judge believes that a defendant should be supervised for a period after the expiration of his term of imprisonment, he may order a term of post-release supervision. (Proposed subchapter D of chapter 227 of title 18.)

Terms of imprisonment ordinarily will not be subject to later adjustment. However, an exception is made in the case of an unusually long term of imprisonment. A defendant serving a term of imprisonment longer than five years will be entitled after five years to petition the sentencing judge for reexamination of the sentence, and the judge will be empowered to reduce the sentence upon a finding of the existence of extraordinary and compelling reasons and a finding of compatibility of such a reduction with Sentencing Commission standards. (Proposed 18 U.S.C. 3582(c).) A defendant sentenced to an unusually long sentence that is above the applicable guideline will be able to obtain a second review, for which the same standards will apply, after he has served the maximum time specified in the applicable guideline.

4. Collateral sentencing orders

In addition to the penalties traditionally applicable, a court is empowered by the bill to order a convicted defendant found guilty of an offense causing bodily injury, or property damage or loss, to make direct restitution to the victim of the offense, even if a term of imprisonment is also imposed. (Proposed 18 U.S.C. 3556.) This is not possible under current law. A court is further empowered to order a defendant convicted of fraud (a situation in which an appropriate amount of restitution might be difficult ot ascertain in an ordinary sentencing hearing) to give notice of the conviction to the victims of the offense (who may not be known to anyone other than the defendant) in order to facilitate their bringing of whatever private recovery actions might prove to be appropriate. (Proposed 18 U.S.C. 3555.)

D. Review process

The bill contains an appellate process to review sentence propriety in questionable cases. By incorporating the appeal procedures into the general structure of the guideline sentencing system, the bill assures that the extremes of sentencing that most deserve review may be called to the attention of an appellate court, without overburdening the court with a flood of challenges to sentences well within the bounds of what would generally be considered reasonable under all of the circumstances. The defendant is permittted to appeal a term of imprisonment, a restrictive condition of probation, or a fine, that falls above the range specified in the applicable guideline, and to appeal a restitution order or a notice order. Recognizing that sentence disparity reaches in two directions, the bill also permits the government, on behalf of the public, to seek review of a sentence that falls below the applicable guideline range in a case in which the Attorney General approves the filing of such an appeal. In both situations, the question on appeal is whether the sentence imposed is, under the circumstances, "clearly unreasonable." (Proposed 18 U.S.C. 3742.)

IV. Section-by-section analysis of title V

Section 501 of the bill specifies that title V may be cited as the "Sentencing Reform Act of 1982".

Section 502(a)(1) redesignates a number of sentencing provisions in current law with new section numbers in order to preserve them.

Section 502(a)(2) repeals current chapters 227, 229, and 231 of title 18, United States Code, and replaces them with totally new sentencing provisions. New chapter 227 of title 18 describes in some detail the kinds of sentences available, and new chapter 229 of title 18 describes the means of implementing those sentences.

Chapter 227—Sentences

Subchapter A (General provisions) of proposed chapter 227 of title 18

Subchapter A contains general provisions relating to the types of sentences that can be imposed on individuals and on organizations, and to the considerations that should go into the determination of an appropriate sentence. Section 3551 lists the types of sentences that may be imposed upon a defendant who has been found guilty of an offense. Section 3552 contains the requirements for pre-sentence investigations and reports. Section 3553 lists the factors to be considered by a sentencing judge in imposing sentence, and sets forth the requirement that the judge state reasons for a particular sentence. Sections 3554 through 3556 describe the collateral sentences of an order of criminal forfeiture, an order of notice to victims of a fraudulent offense, and an order of restitution. Sections 3557 and 3558 refer to other provisions of title 18 relating to appellate review and implementation of sentences. Section 3559 classifies all federal offenses according to the grading system set forth in section 3581.

Section 3551. Authorized Sentences, outlines the authorized sentences for defendants found guilty of federal offenses, other than offenses described in an Act of Congress applicable exclusively in the District of Columbia or the Uniform Code of Military Justice. It requires that each federal offender be sentenced in accord with the provisions of chapter 227 of title 18 in order to achieve the general purposes of sentencing set out in section 3553(a)(2). Subsection (b) of section 3551 specifies that an individual offender must either be placed on probation, fined, or imprisoned as provided in the subchapters governing the imposition of such sentences. It requires the imposition of at least one of these sentences. It further states that a fine may be imposed in addition to any other sentence, as may any of the other sanctions authorized by section 3554, 3555, and 3556. Subsection (c) requires that an organization that is convicted of a federal offense be sentenced to a term of probation or to pay a fine, or both. At least one of these sentences must be imposed. In addition, an organization may, in an appropriate case, be made subject to an order of criminal forfeiture, an order of notice to victims, or an order of restitution.

Section 3552 Presentence Reports, requires the preparation of a presentence report by a probation officer in accord with the provisions of Rule 32(c) of the Federal Rules of Criminal Procedure. Subsection (b) of section 3552 carries forward the provisions 18 U.S.C. 4205(c), which provides that, if the court desires more information concerning a convicted defendant, either before or after receiving the presentence report and any report concerning the defendant's mental condition, it may assign the offender to the custody of the Bureau of Prisons for a period of study and preparation of a report concerning matters appropriate to the sentencing decision. The bill amends current law by reducing the maximum period for the study from six months to 120 days in order to advance the time for final sentencing while still allowing an adequate period for study. The bill also amends current law to specifically require that the court order for a study specify the information sought by the court. Subsection (c) adds a new provision to the law that specifically permits the court to order a presentence examination by a psychiatric or psychological examiner concerning the current mental condition of the defendant. The examination would be conducted pursuant to section 4247, and the court would be provided with a written report by the examiner. See S. Rept. No. 97-307, pages 982-987.

Section 3553 Imposition of a Sentence, sets out the facters that judges be required to consider in selecting the type of sentence to be imposed in a particular case, and the length or amount of such sentence. Subsection (a)(1) directs the judge to consider "the nature and circumstances of the offense and the history and characteristics of the defendant". Subsection (a)(2) requires that the judge consider the need for the sentence imposed to carry out the four purposes of sentencing: the need for the sentence imposed to reflect the seriousness of the offense, to promote respect for law, and to provide just punishment for the offense; to afford adequate deterrence to criminal conduct; to protect the public from furhter crimes of the offender; and to provide the defendant with needed educational or vocational training, medical care, or other correctional treatment in the most effective manner. (See S. Rept. No. 97-307, pages 987-989). Subsection (a)(3) requires the judge to consider the kinds of sentences available. Subsection (a)(4) and (a)(5) require that the sentencing judge consider the kinds of sentence and the sentencing range applicable to the category of offense committed by the category of offender under sentencing guidelines issued pursuant to 28 U.S.C. 994(a), as that provision is enacted by section 507 of this bill. Subsection (a)(6) requires the judge to consider "the need to need to avoid unwarranted disparities among defendants with similar records who have been found guilty of similar conduct".

Subsection (b) requires the sentencing judge to impose a sentence consistent with the sentencing guidelines unless he finds that there is an aggravating or mitigating circumstance present in the case that was not adequately considered in the formulation of the sentencing guidelines and that the circumstance should result in a different sentence. The provision is designed to achieve the goal of avoiding unwarranted disparity—sentences that are not justified by differences among offenses or offenders. At the same time, the provision provides the flexibility necessary to assure adequate consideration of circumstances that might justify a sentence outside the guidelines.

Subsection (c) contains a new requirement that the court, at the time of sentencing, state the reasons for the imposition of the sentence in each case. It also requires that, if the sentence is within the guidelines, the court state the reason for imposing sentence at a particular point within the range, and that, if the sentence is of a different kind or outside the range set out in the sentencing guidelines, the court state the specific reason that the sentence imposed differs from the guidelines. This statement would essentially indicate why the court felt that the guidelines did not adequately take into account all the pertinent circumstances of the case at hand. If the sentencing court felt the case was an entirely typical one for the applicable guideline category, it would have no adequate justification for deviating from the recommended range. See S. Rept. 97-307, page 991. The statement of reasons for a sentence outside the guidelines would assist the appellate court, in a case in which the defendant or the government appealed the sentence pursuant to section 3742, to evaluate whether the sentence was "clearly unreasonable" or not. The statement of reasons would also inform the defendant and the public of the reasons for the sentence, and aid probation and prison officials in fashioning an appropriate program for a defendant.

Subsection (d) requires that the court give prior notice to the defendant and the government that it is considering imposing an order of notice under section 3555 or an order of restitution under section 3556 as part of the sentence. The purpose of the notice is to enable the parties to prepare adequately for the sentencing hearing. The subsection also requires that the court, upon motion of the defendant or the government or on its own motion, permit the parties to submit affidavits and written memoranda concerning matters relevant to the imposition of an order of notice or restitution (e.g., identification of individual, or classes of, victims, evaluation issues, and defenses that a defendant could assert in a civil action with respect to any victim); afford counsel an opportunity to address in open court the issue of the appropriateness of such an order; and include in its statement of reasons for the sentence specific reasons for imposing the order. See S. Rept. 97-307, pages 992 and 993.

Section 3554. Order of Criminal Forfeiture, specifies that the court, in imposing a sentence on a defendant who has been found guilty of an offense described in section 1962 of title 18, relating to racketeering activity, or an offense described in title II or III of the Comprehensive Drug Abuse Prevention and Control Act of 1970, relating to drug trafficking, order, in addition to the sentence that is imposed pursuant to the provisions of section 3551, that the defendant forfeit property to the United States in accord with the provisions of section 1963 of title 18 or section 413 of the Comprehensive Drug Abuse and Control Act of 1970, as those provisions are amended by title VI of this bill.

Section 3555. Order of Notice to Victims, is a new provision that allows a court to require a defendant who has been found guilty of an offense involving fraud or other intentionally deceptive practices to give notice and explanation of the conviction to the victims of the offense. the provision should facilitate any private actions that may be warranted for recovery of losses from the offense. Without such a provision, many victims of major fraud schemes may not become aware of the fraud (for example, that the mining stock they purchased is counterfeit) until it is too late to seek legal redress, or may not be able to ascertain the perpetrator's current whereabouts (for example, a "fly-by-night" roofing operation). The provision should also serve to alert fraud victims to the advisability of other action on their part (for example, news of the worthlessness of a phony "cancer cure" may prompt a victim to visit a doctor in time for proper medical attention). In order to avoid the possibility of the offender's making only token efforts of giving notice, the court is empowered to designate the advertising areas and media in which notice is to be given. The judge is required, in determining whether to require notice, to consider not only the factors set forth in section 3553(a), but also the cost of giving notice as it relates to the loss caused by the offense. In addition, the bill limits to $20,000 the amount that the court may require the defendant to pay for such notice. These provisions are intended to assure that the order of notice requires only such publication as is reasonable under the circumstances of the case. See S. Rept. No. 97-3207, pages 996-999.

Section 3556. Order of Restitution, permits the court, for the first time, to order payment of restitution in addition to any other sentence imposed pursuant to section 3551. Under subsection (a), in a case causing bodily injury or death, the court may order restitution in an amount that does not exceed the expenses necessarily incurred by the victim for medical expenses or by his estate for funeral and burial expenses. In a case involving unlawful obtaining, damaging, or destruction of property, the order of restitution could require that the defendant restore the property to the victim, or make restitution to the victim in an amount that does not exceed the value of the property. The provision is drafted to assure that the restitution determination will not unduly complicate the sentencing proceedings. Subsection (b) specifies that restitution should not be ordered in any situation where the victim is bound by a civil judgment relating to the same injury or damage. It also provides that any amount paid to a person under an order of restitution should be set off against any civil damages.

Section 3557. Review of a Sentence, provides that the review of a sentence imposed pursuant to section 3551 is governed by the provisions of section 3742, which are enacted by section 503(a) of the bill.

Section 3558. Implementation of a Sentence, provides that the implementation of a sentence imposed pursuant to section 3551 is governed by the provisions of chapter 229 of title 18, which are enacted by section 502(a) of this bill.

Section 3559. Sentencing Classification of Offenses. Subsection (a) of section 3559 creates a grading scheme for offenses described in sections that specify a maximum sentence rather than a letter grade for the offense. The purpose of the provision is to indicate more clearly how the sentencing provisions of subchapters B, C, and D of this chapter apply to offenses with particular maximum sentences today. The provisions also serve to eliminate some of the unevenness existing in current law in the maximum terms of imprisonment. Under subsection (a)(1), if the maximum term of imprisonment authorized for the offense is life imprisonment, or if the maximum penalty is death, the offense becomes a Class A felony. Under subsection (a)(1)(B), if a term of years of twenty years or more is specified as the maximum sentence, the offense becomes a Class B felony. Under subsection (a)(1)(C), if the maximum specified in current law is less than twenty years but ten or more years, the offense becomes a Class C felony. Under subsection (a)(1)(D), if the maximum specified in current law is less than ten years but five or more years, the offense becomes a Class D felony. Under subsection (a)(1)(E), if the maximum specified in current law is less than five years but three or more years, the offense is a Class E Felony. For the misdemeanor level offenses, if current law provides a sentence that is equal to the sentence specified in section 3581 for the grade of offense, or is less than that amount but more than the maximum specified for the next lower grade, the offense is designated as an offense of the grade equal to or just above that specified in current law.

Subsection (b) provides that current law offenses classified by operation of subsection (a) carry all the incidents assigned to the applicable letter designation, unless the maximum fine in current law is higher, in which case the higher fine level applies.

Subchapter B (probation) of chapter 227 of title 18

This subchapter governs the imposition, conditions, and possible revocation of the sentence to a term of probation. In keeping with modern criminal justice philosophy, probation is described as a form of sentence rather than, as in current law, a suspension of the imposition or execution of sentence.

Section 3561. Sentence of Probation, authorizes the imposition of a sentence to a term of probation in all cases, unless the case involves a Class A felony or an offense for which probation has been expressly precluded, or the defendant is sentenced at the same time to a term of imprisonment for the same or a different offense. The section also specifies that the maximum term of probation for a felony is five years, and the minimum is one year. The maximum term of probation for a misdemeanor is two years, and for an infraction is one year, with no minimum term specified for these offenses.

Section 3562. Imposition of a Sentence of Probation, sets forth the criteria to be considered by the court in determining whether to impose a sentence of probation and in determining the length of the term and the conditions of probation. It also makes clear that, despite the susceptibility of a term of probation to modification, revocation, or appeal, a judgment of criminal conviction that includes such a sentence constitutes a final judgment for all other purposes. Subsection (a) requires that the judge, in determining whether to impose a sentence to a term of probation upon an organization or an individual, and in setting the terms and conditions of any sentence to probation that is imposed, consider the factors set forth in section 3553(a) to the extent that they are applicable. These include the history and characteristics of the offender and the nature of the offense, the four purposes of sentencing set forth in section 3553(a)(2), and the sentencing guidelines and policies of the Sentencing Commission created under proposed 28 U.S.C. 994. Subsection (b) codifies current judicial decisions that hold that judgments imposing probation are final judgments for all purposes, particularly for purposes of appeal, even though the sentence is subject to compliance with specified conditions, is revocable for non-compliance with those conditions, and is subject to modification, extension, or early termination in certain situations. See S. Rept. No. 97-307, pages 1007-1010.

Section 3563. Conditions of Probation, specifies that the court is required to provide, as a condition of probation for any federal offense, that the defendant not commit another federal, State, or local crime during the term of probation, and to provide as a condition of probation for a defendant convicted of a felony that the defendant pay a fine or restitution or engage in community service.

Subsection (b) sets out optional conditions which may be imposed, the last of which makes clear that the enumeration is suggested only, and is not intended as a limitation on the court's authority to consider and impose other appropriate conditions. The subsection indicates that the discretionary conditions on probationary freedom must be reasonably related to the nature and circumstances of the offense, the history and characteristics of the offender, and the four purposes of sentences. If a condition involves a deprivation of property or liberty, the condition must be reasonably necessary to carry out the purposes of sentencing set forth in section 3553(a)(2). In addition, under subsection (a), the policy statements and sentencing guidelines promulgated by the Sentencing Commission should be considered in determining the conditions of probation. Most of the conditions set forth in section 3563(b) have been used and sanctioned in appropriate cases under the current statute. Among the discretionary conditions are conditions that the defendant pay a fine in accord with subchapter (c), make restitution to a victim of the offense pursuant to section 3556, give notice to the victims of the offense pursuant to section 3555, remain in the custody of the Bureau of Prisons during nights, weekends, or other intervals of time, or participate in community service as directed by the court. For a detailed discussion of these and the other discretionary conditions of probation, see Senate Report 97-307, pages 1011-1015.

Subsection (c) permits the court to modify, reduce, or enlarge the conditions of a sentence of probation at any time before its expiration, and requires that the court hold a hearing before making such a modification.

Subsection (d) requries that the probation officer provide the defendant with a written statement of the conditions to which he is subject, and requres that statement to be sufficiently clear and specific to serve as a guide to the defendant's conduct and for such supervision as is required.

Section 3564. Running of a Term of Probation, governs the commencement of a term of probation; the effect of other sentences upon the running of the term; and the court's power to terminate or extend a term of probation.

Subsection (a) provides that the term of probation commences on the day the sentence of probation is imposed, unless otherwise ordered by the court.

Subsection (b) provides that multiple terms of probation are to run concurrently, regardless of when or for what offenses or by what jurisdiction they are imposed, and that a term of probation is to run concurrently with a term of supervised release; consequently, unlike the situation under current law, consecutive terms of probation may not be imposed. Of course, if a defendant is sentenced to terms of probation for offenses of varying seriousness, the maximum term of probation would be measured according to the term for the most serious offense. This subsection also makes it clear that probation does not run during any period during which the defendant is imprisoned in connection with a conviction for any other offense, except, of course, during limited periods of confinement as a condition of probation or supervised release.

Subsection (c) authorizes the court, after considering the factors set forth in section 3553(a), to terminate a term of probation and to discharge the defendant prior to its expiration at any time in the case of a misdemeanor or an infraction or at any time after one year in the case of a felony, if the conduct of the defendant and the interest of justice warrant such action. See S. Rept. No. 97-307, page 1018.

Subsection (d) authorizes the court, after a hearing and pursuant to the provisions applicable to the initial setting of the term of probation, to extend the term of probation, unless the maximum term was previously imposed, at any time prior to its expiration or termination.

Subsection (e) provides that a term of probation remains subject to revocation during it continuance.

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Section 3565, Revocation of Probation, provides that probation may be revoked if the defendant violates a condition of probation, and specifies the period during which such revocation may take place.

Subsection (a) provides that if the defendant violates a condition of probation, the court may, after a hearing pursuant to Rule 32.1 of the Federal Rules of Criminal Procedure, either continue the defendant on the sentence of probation, subject to such modification to the term or conditions of probation as it deems appropriate, or may revoke probation and impose any other sentence that could have been imposed at the time of the initial sentencing.

Subsection (b) provides that revocation of probation and imposition of another sentence may occur after the term of probation has expired if a violation of the condition occurred prior to its expiration, if the adjudication occurs within a reasonable period of time, and if a warrant or summons on the basis of an allegation of such a violation was issued prior to the expiration of the term of probation.

Section 3566, Implementation of a Sentence of Probation, which has no counterpart in current law, directs attention to the fact that provisions governing the implementation of probation are contained in subchapter A of chapter 229.

Subchapter C (Fines) of Chapter 227 of Title 18

This subchapter sets the maximum monetary fines that may be imposed for the various levels of criminal offenses, specifies the criteria to be considered before imposition of fines, and provides for the subsequent modification or remission of fines previously imposed.

Fines generally have been an inappropriately underused penalty in American criminal law, even though there are many instances in which a fine in a measured amount could constitute a highly effective means of achieving one or more of the goals of the criminal justice system. Part of the reason for the under-utilization of fines as a criminal sanction is the fact that the levels of fines under current law, with rare exceptions, are so low that the courts are not able to use them effectively as a sentencing option. These statutory limits are largely the product of an earlier era when the average wage-earner achieved a yearly income considerably lower than that of today, and when inflation had not yet reduced the value of currency to its present level. See S. Rept. No. 97-307, pages 1021-1029.

Section 3571, Sentence of Fine, establishes the general statutory authority for the imposition of a fine as a penal sanction. The maximum amount of the fine that may be imposed in a particular case depends on whether the offense is classified as a felony, a misdemeanor, or an infraction; whether the offender is an individual or an organization; and, in the case of a misdemeanor, whether the offense resulted in loss of human life.

Subsection (a) authorizes the use of fines in criminal sentencing. There are no offenses for which a fine may not be imposed. Payment of a fine may also be made a discretionary condition of probation for any offense, or a mandatory condition of probation for a convicted felon. See proposed section 3562.

Subsection (b) establishes the maximum limits of fines for felonies, misdemeanors, and infractions. Under the provisions of proposed 18 U.S.C. 3559, the fine levels specified in subsection (b) apply to existing offenses unless current law specifies a higher maximum fine. The maximum fines specified in subsection (b) for an individual defendant are $250,000 for a felony or for a misdemeanor resulting in the loss of human life, $25,000 for any other misdemeanor, and $1,000 for an infraction. The maximum fine levels set forth in the subsection for organizations are higher than those for individuals, following the New York model, in order to take cognizance of the fact that a sum of money that is sufficient to penalize or deter an individual may not necessarily be sufficient to penalize or deter an organization, both because the organization is likely to have more money available to it and because the sentence for an organization obviously cannot include a term of imprisonment. For an organization, subsection (b) provides a maximum fine for a felony, or for a misdemeanor that results in loss of human life of $500,000; for any other misdemeanor a maximum fine of $100,000; and for an infraction, not more than $10,000. See S. Rept. No. 97-307, pages 1022-1025.

Section 3572, Imposition of a Sentence of Fine, sets out factors that the court must consider in imposing a fine, specifies the degree to which the sentence to pay a fine is final, places a limit on the aggregation of multiple fines, provides that the court may specify the time and method of the payment of the fine, precludes the imposition at the time a sentence is imposed of an alternative sentence to be served if an imposed fine is not paid, provides notice that agents of an organization who are authorized to disperse its assets are individually responsible for payment from the funds of the organization, and provides that a fine imposed on an agent or shareholder of an organization may not be paid from the assets of the organization, unless expressly permitted under applicable State law.

Subsection (a) specifies the factors to be considered by the court in determining whether to impose a fine, and in determining its amount and the means of payment. In addition to the factors set forth in section 3553(a), the court is required to consider the ability of the defendant to pay the fine, the nature of the burden the payment of the fine will impose on the defendant and on any person dependent on him, any restitution or reparation made by the defendant to the victim of the offense, and, if the defendant is an organization, any measure taken by the organization to discipline the persons responsible for the offense or ensure against the recurrence of the offense.

Subsection (b) provides that the aggregate of fines that may be imposed on a defendant at the same time for offenses that arise from a common scheme or plan and that do not cause separable or distinguishable kinds of harm or damage, is twice the amount imposable for the most serious offense. The provision was included to avoid the possibility that for some offenses, particularly regulatory offenses, an ongoing pattern of conduct might constitute numerous minor offenses that did not warrant a maximum fine equal to the aggregate fine for all of the minor offenses.

Subsection (c) makes clear that, even though a fine imposed by the sentencing judge may be modified or remitted, or corrected or appealed pursuant to section 3742, the judgment of conviction that includes a fine is final for all other purposes.

Subsection (d) permits the court to authorize payment of a fine within a specified period of time or in installments. This provision gives necessary flexibility to the fine provisions by permitting the imposition of a relatively high fine on a defendant who can pay it over a period of time if that is a preferable sentence to imprisonment.

Subsection (e) prohibits the imposition at the time the sentence to pay a fine is imposed of an alternative sentence to be served if the fine is not paid. If the defendant fails to pay his fine, the court may determine the appropriate remedy after the non-payment occurs. See S. Rept. 97-307, page 1027.

Subsection (f) makes clear that, if an organization is fined, it is the duty of each of the organization's employees or agents who is authorized to make disbursements of the assets of the organization to pay the fine from those assets. The subsection also bars payment of a fine imposed on an agent or shareholder of an organization from assets of the organization, unless State law expressly permits such payments.

Section 3573, Modification or Remission of Fine, permits modification or remission of a fine if there have been changes in the financial condition of a defendant. Since section 3572 specifies that ability to pay is relevant to the amount of the fine, a modification or remission of the fine should be available when that ability lessens. The section permits the courts to adjust the fine of a well-intentioned defendant in order to avoid creating unjustifiable improverishment. However, an unexcused failure to pay a fine may still be prosecuted as any other criminal contempt.

Section 3574, Implementation of a Sentence of fine, states that the provisions concerning implementation of a sentence to pay a fine are contained in subchapter B of chapter 229.

Subchapter D Imprisonment, of chapter 227 of title 18

Subchapter D sets forth the basic considerations governing the imposition of sentences of imprisonment. It creates the frame of reference used to determine the applicability of sentence provisions to offenses throughout the United States Code. It deals specifically with the terms of imprisonment and supervised release authorized for the various grades of offenses, criteria for imposing such sentences, collateral aspects of sentences of imprisonment, operation of multiple sentences, and calculation of terms of imprisonment.

Section 3581, Sentence of Imprisonment, provides that a defendant convicted of an offense may be sentenced to a term of imprisonment. It also creates nine classes of offenses, five felony classes with authorized terms of imprisonment ranging from life imprisonment to three years, three misdemeanor classes with maximum terms ranging from one year to 30 days, and an infraction category that carries a maximum of five days' imprisonment. See S. Rept. 97-307, pages 1034-1036.

Section 3582

Imposition of a Sentence of Imprisonment, specifies for the first time in the federal criminal law the factors that a court must consider in imposing a sentence of imprisonment. These include the nature and circumstances of the offense and the history and characteristics of the defendant; the need for the sentence imposed to provide just punishment, a deterrent effect, incapacitation, and an opportunity for rehabilitation; and the guidelines and policy statements of the Sentencing Commission that apply to the case. Subsection (a) also specifies that, in light of current knowledge, the judge should recognize, in determining whether to impose a term of imprisonment, "that imprisonment is not an appropriate means of promoting correction and rehabilitation". This statement is designed to discourage the employment of a term of imprisonment on the grounds that the prison has a program that might be of benefit to the prisoner. This does not mean, of course, that, if a defendant is to be sentenced to imprisonment for other purposes, the availability of rehabilitative programs should not be an appropriate consideration, for example, in recommending a particular facility.

Subsection (b) makes clear that a judgment of conviction is final even though it includes a sentence that may be modified pursuant to the provisions of section 3742.

Subsection (c) provides that a court may not modify a sentence of imprisonment unless one of three conditions warrant the use of a "safety valve" for modification of the sentence.

The first "safety valve" permits the modification of the sentence in the unusual case in which the defendant's circumstances are so changed, such as by terminal illness, that it would be inequitable to continue the confinement of the prisoner. In such a case, the Director of the Bureau of Prisons could petition the court for a reduction in the sentence, and the court could grant a reduction if it found that the reduction was justified by "extraordinary and compelling reasons" and was consistent with applicable policy statements issued by the Sentencing Commission.

The second "safety valve" permits a defendant with an unusually long sentence—one that is over six years in length—to file a motion with the court after he has served six years of that term, for reduction of the term of imprisonment. The Director of the Bureau of Prisons may also file such a motion for the prisoner. The court may grant the motion if, after considering the factors set forth in section 3553(a), it finds that extraordinary and compelling reasons require such a reduction and that a reduction is consistent with applicable policy statements issued by the Sentencing Commission. An additional review of the sentence may be sought by a defendant with an unusually long prison term who is sentenced above the maximum applicable sentencing guideline. Such a defendant may seek a second review of his sentence after he has served the maximum applicable guideline sentence, and the same review standards apply as apply to the first review.

The third "safety valve" permits the reduction of the sentence of a defendant who was sentenced to a term of imprisonment under sentencing guidelines that were later reduced by the Sentencing Commission, if such a reduction is appropriate considering the factors set forth in section 3553(a) and if it is consistent with applicable policy statements issued by the Sentencing Commission. It is expected that the Sentencing Commission would, whenever it revised its sentencing guidelines as to a particular offense, indicate its views as to the appropriate situations in which a sentence should be reduced for persons previously sentenced under earlier guidelines.

Subsection (d) permits the court to include in the sentence of a drug trafficker or racketeer an order that the defendant not associate or communicate with a specified person, other than his attorney, if there has been a showing of probable cause to believe that such association or communication would be for the purpose of enabling the defendant to control, manage, direct, finance, or otherwise participate in an illegal enterprise. The provision is designed to prohibit a manager of a criminal enterprise from continuing to manage that enterprise while he serves his term of imprisonment.

Section 3583. Inclusion of a Term of Supervised Release After Imprisonment, is a new section that permits the court, in imposing a term of imprisonment for a felony or a misdemeanor, to impose as part of the sentence a requirement that the defendant be placed on a term of supervised release after imprisonment. Unlike current parole law, the question whether the defendant will be supervised following his term of imprisonment is dependent on whether the judge concludes that the defendant needs supervision, rather than on the question whether a particular amount of the term of imprisonment happens to remain. The term of supervised release would be a separate part of a defendant's sentence, rather than being the end of the term of imprisonment.

Subsection (b) specifies the authorized terms of supervised release, with the terms ranging from a term of not more than one year for a defendant sentenced for a Class E felony or for a misdemeanor, to a term of not more than three years for a defendant released after serving a term of imprisonment for a Class A or B felony. The length of the term of supervised release will be dependent on the needs of the defendant for supervision rather than, as in current law, on the almost sheer accident of the amount of the defendant's term of imprisonment that remains before he is due to be released.

Subsection (c) describes the factors that the judge is required to consider in determining whether to include a term of supervised release as a part of the defendant's sentence, and if a term of supervised release is included, the length of that term. The judge is required to consider the history and characteristics of the defendant, the nature and circumstances of his offense, the need for the sentence to protect the public from further crimes of the defendant and to provide the defendant with needed educational or vocational training, medical care, or other correctional treatment in the most effective manner, the applicable sentencing quidelines and policy statements, and the need to avoid unwarrented sentencing disparity.

Subsection (b) describes the conditions that the judge may impose on the term of supervised release. The court is required to order, as a condition of supervised release, that the defendant not commit another crime during the period of supervision. It may also order any of the conditions set forth as conditions of probation in section 3563 (b)(1) through (b)(10) and (b)(12) through (b)(19), and any other condition it considers appropriate, if the condition is reasonably related to the history and characteristics of the offender and the nature and circumstances of the offense, the need for the sentence to protect the public from further crimes of the defendant, and the need to provide the defendant with needed educational or vocational training, medical care, or other correctional treatment. The condition also may not involve a greater deprivation of liberty than is necessary to protect the public and to provide needed rehabilitation or corrections programs, and must be consistent with any pertinent policy statement issued by the Sentencing Commission For a further discussion of the available conditions of supervised release, see S. Rept. 97-307, pages 1010-1016.

Subsection (e) permits the court, after considering the same factors considered in the original imposition of a term of supervised release, to terminate a term of supervised release previously ordered at any time after one year or, after a hearing, to extend the term of supervised release (if less than the maximum term authorized was originally imposed) or to modify, reduce, or enlarge the conditions of release.

Subsection (f) requires the court to direct the probation officer to provide the defendant with a clear and specific statement of the conditions of supervised release.

Section 3584. Multiple Sentences of Imprisonment, provides the rules for determining the length of the term of imprisonment for a person convicted of more than one offense. It specifies the factors to be considered in determining whether to impose concurrent or consecutive sentences, and provides that consecutive sentences shall be treated for administrative purposes as a single aggregate of imprisonmment.

Section 358. Calculation of a Term of Imprisonment. This section provides the method of calculating the beginning of a term of imprisonment and contains provisions for crediting an offender for time served in prior custody. Under subsection (a), the sentence commences on the date that the defendant is received into custody awaiting transportation to, or arrives voluntarily to commence service of sentence at, the official detention facility at which the sentence is to be served. Subsection (b) provides credit towards the service of an imprisonment term for any time the defendant has been in official custody prior to the date the sentence was imposed if the custody was a result of the same offense for which the sentence was imposed or was a result of a separate charge for which the defendant was arrested after commission of the current offense. No credit would be given if such time had already been credited toward the service of another sentence.

Section 3585. Implementation of a Sentence of Imprisonment, provides a cross-reference to the provisions concerning implementation of a sentence of imprisonment contained in subchapter C of chapter 229, and, if the sentence includes a term of supervised release, by the provisions of subchapter A of chapter 229.

Chapter 229—Post-Sentence Administration

Chapter 229 consists of three subchapters which cover the administration of the various types of sentences imposed under subchapters B, C, and D of chapter 227. Subchapter A of chapter 229 provides for the appointment of probation officers and sets forth their duties. In addition, it provides for special probation and record expungement procedures for drug possession offenses. Subchapter B covers the payment and collection of fines which may be imposed under chapter 227. Subchapter C sets forth the procedures governing those persons sentenced to a prison term.

Subchapter A, Probation, of chapter 229 of title 18

This subchapter contains the provisions for implementation of a sentence to probation pursuant to subchapter B of chapter 227, the placement of juvenile delinquents on probation, and the placement of an individual on supervised release pursuant to section 3583. The subchapter, for the most part, carries forward current law concerning the appointment of probation officers by the court and the powers and duties of probation officers.

Section 3601. Supervision of Probation, requires that a person sentenced to a term of probation under subchapter B of chapter 227, placed on probation pursuant to the provisions of chapter 403, or placed on supervised release pursuant to the provisions of section 3583, be supervised by a probation officer to the degree warranted by the condition specified by the sentencing court.

Section 3602. Appointment of Probation Officers, is largely derived from current 18 U.S.C. 3654. Subsection (a) requires each district court of the United States to appoint suitable and qualified persons to serve with or without compensation as probation officers under the direction of the court. Those appointed with compensation are removable by the court for cause, rather than removable at the discretion of the court. The change was made upon the recommendation of the Probation Committee of the Judicial Conference. Voluntary probation officers serving without compensation remain subject to removal at the discretion of the court. The requirement that probation officers be "qualified" as well as "suitable" is added to the law in order to emphasize that probation officers who will be supervising innovative conditions of probation permitted under the probation subchapter should be qualified by their training or background to be probation officers. There may even be circumstances where a probation officer should be a "specialist" who might be made available, as the need arose, to any one of several courts. For example, such a probation officer might be needed if a union or brokerage house, rather than a street criminal, were under supervision.

Section 3603. Duties of Probation Officers, carries forward the provisons of current 18 U.S.C. 3655 relating to the duties of probation officers with respect to supervision of probation and the keeping of records and making of reports, and modifies the provisions to refer to persons released on supervised release following a term of imprisonment pursuant to section 3583. The section includes a number of specific requirements not in current law, including the requirements that the probation officer be responsible for supervision of any probationer or person under supervised release known to be within the judicial district (in order to clarify supervisory authority over probationers and persons on supervised release transferred into his district or temporarily present in the district), and that, when requested, the probation officer supervise and furnish information about persons on work release, furlough, or other authorized release or in pre-release custody pursuant to section 3624(c).

Section 3604. Transportation of a Probationer, carries forward the provisions of current 18 U.S.C. 4283 permitting a court to order a United States marshal to furnish to a person placed on probation, transportation to the place where he is required to go as a condition of probation. The provision also removes the dollar limitation on the amount of subsistence expenses that may be paid for a probationer while travelling to his destination, substituting a provision that permits the Attorney General to prescribe reasonable subsistence payments.

Section 3605. Transfer of Jurisdiction Over a Probationer, relating to transfer of jurisdiction over a probationer or person on supervised release from one court to another, is derived from current 18 U.S.C. 3653. Both current law and section 3605 require the concurrence of the court receiving jurisdiction over a probationer to the transfer of jurisdiction. Section 3605 expands current law to cover persons on supervised release and provides that the transfer of a probationer or a person on supervised release to another district may be made either as a condition of probation or supervised release or with the permission of the court, unlike current law which provides for transfer of a probationer only "from the district in which he is being supervised". The section would also permit a court to which jurisdiction over a probationer or a person on supervised release was transferred to exercise all the powers over the probationer or releasee that are permitted by this subchapter or subchapter B of chapter 227. This differs from current law, which requires the consent of the sentencing court to a change in the period of probation. See S. Rept. 97-307, pages 1233 and 1234.

Section 3606. Arrest and Return of a Probationer, continues the provisions of current 18 U.S.C. 3653 which authorize the arrest and return of a probationer to the court having jurisdiction over him when there has been a violation of the condition of probation, and expands the provisions to refer to persons on supervised release pursuant to section 3583. See S. Rept. 97-307, page 1234.

Section 3607. Special Probation and Expungement Procedures for Drug Possessers, carries forward the provisions of 21 U.S.C. 844(b) relating to special probation without entry of judgment for first offenders found guilty of violating a drug possession statute if there has been no previous conviction of an offense under a federal or State law relating to controlled substances. The section also permits, as does current law, expungement of records of persons placed on probation under the section if they were under the age of 21 at the time of the offense and did not violate a condition of probation.

Subchapter B, Fines, of chapter 229 of title 18

This subchapter is designed to increase the efficiency with which the government collects fines assessed against criminal defendants. Present law, 18 U.S.C. 3565, provides that a judgment to pay a criminal fine "may be enforced by execution against the property of the defendant in like manner of judgments in civil cases". Thus, the federal government is greatly confined by State law and must litigate in order to collect a fine from an uncooperative defendant. These relatively cumbersome procedures have resulted in collection by the United States in recent years of only 60 to 70 percent of the amount of fines imposed. This subchapter attempts to remedy this situation by treating criminal fine judgments like tax liens for collection purposes, thereby making available to the Attorney General summary collection procedures similar to those used by the Internal Revenue Service. Foremost among these is the power to administratively levy against the property of the defendant, which precludes disposition of the property to avoid payment and permits realization of amount of the fine without litigation.

The collection procedures of the subchapter are also made applicable to execution of orders to pay restitution pursuant to section 3556.

Section 3611. Payment of a Fine, provides for the payment of a fine imposed under subchapter C of chapter 227 to the clerk for the sentencing court to be forwarded to the United States treasury. The section requires either immediate payment or payment by the time and method specified by the sentencing court.

Section 3612. Collection of an Unpaid Fine, requires the sentencing court, whenever a fine is imposed, to provide the Attorney General with certain certified information. The Attorney General is then responsible for collecting the fine if it is not paid at the time required. See S. Rept. 97-307, page 1236.

Section 3613. Lien Provisions for Satisfaction of an Unpaid Fine, establishes the procedure by which the Attorney General is to make collection of unpaid funds. This section significantly improves current practices by providing a federal collection procedure independent of State laws that is patterned on the collection procedures utilized by the Internal Revenue Service.

Subsection (a) eliminates the clerical procedures necessary to create judgment liens, by providing that the fine is a lien in favor of the United States upon all property belonging to the person fined. The lien arises at the time of the entry of judgment and continues until the liability has been satisfied or set aside, or until it becomes unenforceable pursuant to subsection (b). See S. Rept. 97-307, page 1238.

Subsection (b) changes current law by imposing a 20-year statute of limitations on the collection of a criminal fine. Under existing law, the government's right to seek execution of a criminal sentence, including a fine, is not subject to any time limit. Thus, a criminal fine may be satisfied only through payment in full, death of the debtor, or presidential pardon. The limitation period established by subsection (b) will permit the closing of files by United States attorneys for cases which are so old the collection of fines is unlikely. The period for collection may be extended by a written agreement entered into by the defendant and the Attorney General prior to expiration of the period, as is permitted in similar provisions in the tax area. Subsection (b) also provides that the running of the 20-year statute of limitations is to be suspended "during any interval for which the running of the period of the limitation for collection of a tax would be suspended" pursuant to several provisions of the tax laws.

Subsection (c) provides that certain sections of the Internal Revenue Code of 1954, as amended, apply to a fine and to the lien imposed under subsection (a) as if the liability of the person fined were for an internal revenue tax assessment, except to the extent that the application of such statutes is modified by regulations issued by the Attorney General to accord with differences in the nature of the liabilities. See S. Rept. 97-307, pages 1239-1242, for a description of those provisions.

Subsection (d) provides that a notice of a lien imposed under subsection (a) is to be considered a notice of a lien for taxes payable to the United States for the purpose of any State or local law providing for the filing of the notice of a tax lien.

Subchapter C, Imprisonment, of chapter 229 of title 18

Subchapter C contains the provisions for implementation of a sentence of imprisonment imposed under subchapter D of chapter 227. The subchapter generally follows existing law, except that custody of federal prisoners is placed in the Bureau of Prisons directly rather than in the Attorney General, thus giving the Bureau of Prisons direct authority to determine matters, such as the place of confinement of a prisoner, which are presently determined by the Attorney General. The subchapter also substantially revises the method by which the release date of an imprisoned person is determined.

Section 3621. Imprisonment of a Convicted Prisoner, is derived from existing law.

Subsection (a) is derived from 18 U.S.C. 4082(a), except that the new provision places custody of federal prisoners directly in the Bureau of Prisons rather than in the Attorney General. See S. Rept. 97-307, page 1243.

Subsection (b) follows existing law in providing that the authority to designate the place of confinement for federal prisoners rests in the Bureau of Prisons. The designated penal or correctional facility need not be in the judicial district in which the prisoner was convicted and need not be maintained by the federal government. Subsection (b) adds a new requirement that a facility meet minimum standards of health and habitability established by the Bureau of Prisons.

Section 3622. Temporary Release of the Prisoner, is derived from current 18 U.S.C. 4032(c), and permits temporary release of a prisoner by the Bureau of Prisons for specified reasons. The only criterion for such release in current law is that there by "reasonable cause to believe . . . [the prisoner] will honor his trust." Under section 3622, the release would also have to appear to be consistent with the purposes for which the sentence was imposed, with any pertinent policy statements of the Sentencing Commission. This places emphasis on factors important to the overall correctional program for the defendant, rather than limiting the factors to be considered to the probability of the prisoner's return to the facility at the appropriate time. In addition to the current law list of purposes for which a prisoner may be released, such as attending a funeral or working at paid employment or participating in a training program in the community on a voluntary basis, subsection (b) includes a new provision permitting temporary release to participate in an educational program, to make it clear that release may be for such things as pursuing a course of study in college as well as for vocational training.

Subsection (c), relating to employment, modifies current law (18 U.S.C. 4082(c)(2)) by dropping the requirement that local unions be consulted, and a provision barring work release where other workers might be displaced. This will give the Bureau of Prisons more flexibility than provided in current law in developing work programs in appropriate cases. Subsection (c) carries forward the provisions of current law that require that work in the community must be at the same rate and under the same conditions as for similar employment in the community involved. Subsection (c)(2) amends current law to require that, rather than permit, a prisoner pay costs incident to his detention as a condition of work release. See S. Rept. 97-307, page 1245.

Section 3623. Transfer of a Prisoner to State Authority, delineates the circumstances under which the Director of the Bureau of Prisons must order the transfer of a federal prisoner to a State facility prior to his release from the federal facility. Like current 18 U.S.C. 4085, section 3623 provides that the Director of the Bureau of Prisons must order that a prisoner be transferred to an official detention facility within a State prior to the prisoner's release from the federal prison if certain requirements are satisfied. First, the prisoner must have been charged in an indictment or in an information with a felony or have been convicted of a felony in that State. Second, the transfer must have been requested by the governor or other executive authority of the State. Next, the State must send to the Director, usually along with the request, a certified copy of the indictment, information, or judgment of conviction. Finally, the Director must find that the transfer would be in the public interest. Finally, the section provides that the costs of transferring a prisoner to a State authority will be borne by the State requesting the transfer. See S. Rept. 97-307, pages 1245-1246.

Section 3624. Release of a Prisoner, in subsection (a), describes the method by which the release date of a prisoner is determined. It replaces a confusing array of statutes and administrative procedures now governing the determination of the date of release of a prisoner. Perhaps the most confusing aspect of the current law provisions is the fact that, for a regular adult prisoner whose term of imprisonment exceeds one year, there are two mechanisms for determining the release date, each of which requires recordkeeping and constant evaluation of prisoner eligibility for release. The prisoner is ultimately released on the earlier of the two release dates that results from the parallel determinations. First, current 18 U.S.C. 4163 requires that a prisoner who has not been released earlier, for example, on parole, must be released at the expiration of his sentence less credit for good conduct. For a prisoner whose term of imprisonment exceeds one year in length, at the same time that the Bureau of Prisons is keeping records on good time allowances, the United States Parole Commission is periodically evaluating whether the prisoner should be released on parole. (Other release date statutes apply to prisoners who are serving less than one year in prison.) See S. Rept. 97-307, page 1247. Subsection (a) replaces the multiplicity of release dates statutes with a single provision that describes the mechanism for setting release dates. It provides that a prisoner is to be released at the expiration of his term of imprisonment less any credit toward the service of his sentence for satisfactory prison behavior accumulated pursuant to subsection (b). Thus, as discussed in the introduction to this title of the bill, every sentence to a term of imprisonment will represent the actual time to be served less good time. There will be no artificially high sentences to allow for the operation of the parole system, which has no role as to prisoners sentenced under the revised statutes.

A prisoner may be subject on release to a term of supervised release pursuant to section 3583 if his term of imprisonment exceeded one year in length.

Subsection (b) of Section 3624 contains the provisions concerning the earning of credit toward early release for satisfactory prison behavior. It applies only to persons who are sentenced to terms of imprisonment longer than one year, except those sentenced to life imprisonment. The provision also substantially simplifies the computation of credit toward early release over the computation required under current law. See S. Rept. 97-307, page 1249.

Subsection (c) is new. It provides that, to the extent practicable, the last ten percent of the term of imprisonment, not in excess of six months, should be spent in circumstances that afford the prisoner a reasonable opportunity to adjust to and prepare for reentry into the community. The Bureau of Prisons would have a substantial amount of discretion in determining what opportunity for reentry needs to be made available in each particular case. The probation system is required, to the extent practicable, to offer assistance to prisoners at this pre-release stage.

Subsection (d), relating to the allotment of clothing, transportation, and funds to a prisoner at the expiration of his term of imprisonment, amends current law to increase to $500 the amount of money furnished to a prisoner, and to omit provisions for loans to prisoners. The loan provisions in existing law have not proved successful, having caused greater administrative costs and difficulties than the amount of money involved justifies. The Director of the Bureau of Prisons is to determine the amount of money to be given to each prisoner, and a new provision is added to require that the determination be made in accord with the public interest and the need of the prisoner.

As in current law, the prisoner must be furnished transportation to one of three places: (1) the place of conviction; (2) his bona fide residence within the United States; or (3) any other place designated by the Director of the Bureau of Prisons.

Subsection (2) provides that a prisoner whose sentence includes a term of supervised release shall be released to the supervision of the probation officer. It also specifies that the term of supervised release begins on the date of release and runs concurrently with any other term of supervised release, probation, or parole unless the person is in prison other than for a brief period as a condition of probation or supervised release.

Section 3625. Inapplicability of the Administrative Procedure Act, makes clear that certain of the provisions of the Administrative Procedure Act do not apply to any determination, decision, or order of the Bureau of Prisons. This result is in accord with recent case law, and will assure that the Bureau of Prisons is able to make decisions concerning the appropriate facility, corrections program, and disciplinary measures for a particular prisoner without constant second-guessing. The provision, of course, would not eliminate constitutional challenges by prisoners under the appropriate provisions of law. The phrase "determination, decision, or order" in the provision is intended to mean adjudication of specific cases as opposed to general rulemaking.

Section 502(a)(3) adds two new sections at the end of chapter 232 of title 18, United States Code. The first section, new section 3671, requires the Attorney General to establish procedures under which a federal government agency may transfer personal property that is useful for law enforcement purposes to a State or local law enforcement agency if the property was forfeited to the United States pursuant to a statute that provides for forfeiture of property used, intended for use, or possessed, in connection with the federal offense, and the property is not needed by a federal law enforcement agency.

New section 3672 of title 18 contains definitions of the terms "found guilty", "commission of an offense", and "law enforcement officer", for use in the sentencing provisions contained in chapters 227 and 229 of title 18, United States Code.

Section 502(a)(4) of the bill enacts the caption and section analysis for new chapter 232 of title 18, United States Code, the chapter that was created by section 501(a)(1).

Section 502(b) amends the chapter analysis of Part II of title 18.

Section 503(a) adds to chapter 235 of title 18 a new section 3742, which relates to appellate review of sentencing. The section describes the circumstances in which a defendant or the government can appeal a sentence in the federal criminal justice system.

Under subsection (a), the defendant can file a notice of appeal in the district court for review of an otherwise final sentence if the sentence was imposed in violation of law, was imposed as a result of an incorrect application of the guidelines, or, if it was imposed for a felony or a Class A misdemeanor, was greater than the sentence specified in the guidelines and not consistent with a plea agreement and was unreasonable. Similarly, under subsection (b), the government may appeal a sentence that was imposed in violation of law, was imposed as a result of an incorrect application of the sentencing guidelines, or was imposed for a felony or a class A misdemeanor and is less than the applicable guidelines and not consistent with a plea agreement. Before the government may appeal a sentence, the Attorney General or the Solicitor General must personally approve the filing of a notice of appeal. For a discussion of the constitutionality of government appeal of sentence, see S. Rept. 97-307, pages 1226-27.

It should be noted that, under current law, there is specific authority in Rule 35 of the Federal Rules of Criminal Procedure for the trial judge to correct an illegal sentence. In order to be sure that all sentencing issues can be raised in a single proceeding, a proceeding which goes beyond the appellate review of sentencing provided in current law, the bill combines review of issues relating to illegality of sentences with all other issues relating to sentencing. Thus, if the trial judge were to discover that he had made an error in a sentence that made it illegal, he could notify the counsel for the defendant and the counsel for the government in order to permit them to raise that issue as part of any sentencing appeal they might file.

Subsection (c) of section 3742 indicates the record on which the appeal is based.

Subsection (d) requires the court of appeals to determine upon review of the record whether the sentence was imposed in violation of law, imposed as a result of incorrect application of the sentencing guidelines, or, if it is outside the range of the applicable guideline, is unreasonable. Under subsection (e), if the court of appeals determines that the sentence was imposed in violation of law or imposed as a result of an incorrect application of the sentencing guidelines, it is required to remand the case for further sentencing proceedings or to correct the sentence. If the court determines that the sentence is outside the range of the applicable sentencing guidelines and is unreasonable, it is required to state specific reasons for its conclusions and to remand the case or correct the sentence. If the sentence was appealed by the defendant and is too high, the court may remand the case for further sentencing proceedings or for imposition of a lower sentence, or impose a lesser sentence itself. If the sentence was appealed by the government and is too low, the court may remand the case for further sentencing proceedings or for imposition of a higher sentence, or impose a higher sentence itself. If none of these is found by the court of appeals, the court, of course, would affirm the sentence.

Section 503(f) makes a technical correction in the sectional analysis of chapter 235.

Section 504 amends chapter 403 of title 18, United States Code, relating to juvenile delinquency.

Section 504(a) of the bill amends 5037 of title 18, United States Code, by replacing current subsections (a) and (b), relating to disposition after a finding of juvenile delinquency, with the disposition provisions from S. 1630. See S. Rept. 97-307, pages 1184-1189.

Under subsection (a) of amended section 5037, if the court finds that a juvenile is a juvenile delinquent, the court is required to hold a disposition hearing which must be held, as under current law, the disposition hearing must be held within 20 court days after the juvenile delinquency hearing. After the disposition hearing, the court may suspend the finding of juvenile delinquency, enter an order of restitution pursuant to section 3556, place the juvenile on probation, or commit him to official detention. The provisions of chapter 207 of title 18 are specifically made applicable to the decision whether to release or detain the juvenile pending an appeal or a petition for a writ of certiorari after the disposition.

Subsection (b) sets forth the probation terms for juveniles. If the juvenile is less than 17 years old, the probation term may not extend beyond the date when the juvenile becomes twenty-one or the maximum term that would be authorized under the adult probation statute if the juvenile had been tried and convicted as an adult. If the juvenile is between the ages of 17 and 21, the probation may not extend beyond three years or the maximum that would be authorized for an adult.

Subsection (c) provides the maximum periods for official detention of a juvenile found to be a juvenile delinquent. It parallels the 1974 Act provision set forth in current law for juveniles under 18 at the time of the proceeding. However, for juveniles between the age of 17 and 21 at the time of the proceeding, the bill specifies that the term of official detention for a Class A, B, or C felony is a maximum of five years and for any other offense the maximum term is the lesser of three years or the maximum sentence applicable to an adult offender.

Section 504(b) repeals section 5041 of title 18, United States Code, in light of the abolition of the parole system in federal law.

Section 504(c) amends section 5042 of title 18 by striking out references to parole and parolees.

Section 504(d) amends the sectional analysis to accord with the other amendments made by section 504.

Section 505 of the bill contains a number of amendments to the Federal Rules of Criminal Procedure that are necessitated by the amendments of the sentencing provisions of title 18, United States Code.

Section 505(a) amends Rule 32 in several respects. First, it amends subdivision (a)(1) of the Rule to require that, before the sentencing hearing, the court make available to counsel for the defendant and the attorney for the government notice of the probation officer's determination, pursuant to the revised provisions of subdivision (c)(2)(B), as to the sentencing classification and sentencing guidelines range believed to be applicable to the case. The sentencing hearing will then focus on any questions that arise as to the accuracy of the probation officer's determination on those questions. In addition, the subdivision is amended to permit the postponement of imposition of sentence for a reasonable time, upon a motion jointly filed by the defendant and by the attorney for the government that asserts that a factor important to the determination is not capable of being resolved at that time. The purpose of this amendment is to permit the sentencing determination to be delayed somewhat if, for example, a factor in the sentencing gudielines is the cooperation of the defendant with the government in prosecution of another person, and delay is necessary to assure that such cooperation actually occurs.

Subdivision (c)(1) is amended to require that a probation officer make a presentence investigation and report before imposition of sentence unless the court finds that there is in the record information sufficient to enable the meaningful exercise of sentencing authority pursuant to 18 U.S.C. 3553. This change is necessitated by the fact that it is essential that the judge have all the information he needs in order to accurately apply the sentencing guidelines.

Subdivision (c)(2) of Rule 32 is amended to spell out in some detail the information that should be included in the presentence report in order to assure the accurate application of the guidelines. This amendment assures that the information relating to the requirements of the sentencing guidelines system is contained in the presentence report. See S. Rept. 97-307, pages 1303-1304.

Section 505(b) amends Rule 35 of the Federal Rules of Criminal Procedure to accord with the provisions of proposed section 3742 of title 18, United States Code, concerning appellate review of sentence. New subdivision (a) of the rule requires the court to correct a sentence that is determined on appeal under 18 U.S.C. 3742 to have been imposed as a result of an incorrect application of the guidelines, or to be unreasonable. New subdivision (b) permits the court, on motion of the government, to lower a senence within one year after its imposition to reflect a defendant's subsequent, substantial assistance in the investigation or prosecution of another person who has committeed an offense, to the extent that such assistance is a factor recognized in applicable guidelines or policy statements issued by the Sentencing Commission.

Section 505(c) amends Rule 38 of the Federal Rules of Criminal Procedure to make technical changes in the rule necessitated by the enactment of provisions for appellate review of sentences. See S. Rept. 97-307, page 1306.

Section 505(c) also adds two new subdivisions to Rule 38. New subdivision (e) relates to the stay of an order of criminal forfeiture, notice to victims, or restitution, if an appeal of the conviction or sentence is taken.

New subdivision (f) of Rule 38 provides for the stay of a civil or employment disability that arises under a federal statute by reason of the defendant's conviction or sentence if an appeal is taken from the conviction or sentence.

Section 505(d) makes a correction in a cross-reference in Rule 40 of the Federal Rules of Criminal Procedure.

Section 505(e) amends Rule 54 to re-define the term "petty offense" in subdivision (c) to refer to the class structure of offenses created in proposed section 3583 of title 18, and to add a definition of the word "grade" that specifies that the word grade includes the issue whether, for the purposes of section 3571, relating to the sentence or fine, a misdemeanor resulted in the loss of human life.

Section 505(f) amends the table of rules of the Federal Rules of Criminal Procedure to accord with the other amendments to the rules.

Section 506 contains a number of technical amendments to the Rules of Procedure for the Trial of Misdemeanors Before United States Magistrates to take into account the fact that title V amends title 18 of the United States Code to impose a grading structure on federal offenses.

Section 507 adds in subsection (a) a new chapter 58 to title 28 of the United States Code. That chapter creates the United States Sentencing Commission and outlines its functions.

Chapter 58 of Title 28.—United States Sentencing Commission

Section 991—United States Sentencing Commission; establishment and purpose

Proposed section 991 of title 28, United States Code, creates the United States Sentencing Commission and spells out its purposes. The Commission is established as an independent commission in the judicial branch consisting of seven voting members, four of whom are appointed by the President by and with the advice and consent of the Senate, and three of whom are appointed by the President from among a list of at least ten judges submitted to him by the Judicial Conference. The Attorney General, or his designee, is an ex officio non-voting member of the Commission.

Under subsection (b) the purposes of the Sentencing Commission are to establish sentencing policies and practices for the federal criminal justice system that assure the meeting of the purposes of sentencing, provide certainty and fairness in meeting those purposes, avoid unwarranted sentencing disparity among defendants with similar records who have been found guilty of similar criminal conduct, and reflect, to the extent practicable, advancement in knowledge of human behavior as it relates to the criminal justice process. In addition, subsection (b) requires the Commission to develop means of measuring the degree to which sentencing, penal, and correctional practices are effective in meeting the purposes of sentencing. See S. Rept. 97-3907, pages 1327-1330.

Section 992.—Terms of office; compensation

Proposed Section 992 of title 28, United States Code, sets up, in subsection (a), a staggered system of appointments for the Chairman and voting members of the Commission such that, once in operation, the Commission membership will be replaced or reappointed over a period of six years—at least two members, or one member and the Chairman, every two years. Subsection (b) of proposed section 992 provides that a voting member may serve no more than two full terms and that a member appointed to serve an unexpired term shall serve only the remainder of the term. Subsection (c) of proposed section 992 sets the compensation of voting members at the rate of court of appeals judges. A federal judge is specifically authorized to be designated, or appointed, as a member of the Commission without having to resign his appointment as a federal judge. The salary for a federal judge on the Commission would be that of a court of appeals judge only so long as he was on the Commission. See S. Rept. 97-307, page 1331.

Section 993.—Powers and duties of chairman

Proposed section 993 of title 28 provides that the Chairman, who is appointed as such by the President, with the advice and consent of the Senate, is to call and preside at meetings, and to direct the preparation of appropriations requests and the use of funds made available to the Commission.

Section 994.—Duties of the Commission

Proposed section 994 of title 28 spells out the duties of the Sentencing Commission.

Subsection (a) requires the Sentencing Commission to promulgate sentencing guidelines and policy statements to be used by the sentencing judge in determining the appropriate sentence in a particular case. The sentencing guidelines and policy statements are to be promulgated pursuant to the rules and regulations of the Sentencing Commission and to be consistent with all pertinent provisions of titles 18 and 28. Guidelines and policy statements must be adopted by an affirmative vote of at least four members of the Commission.

Under subsection (a)(1)(A), the guidelines are required to provide guidance for the judge in determining whether to sentence a convicted defendant to a sentence to probation, to pay a fine, or to term of imprisonment. See S. Rept. 97-307, pages 1331-1333.

Subsection (a)(1)(B) requires that the sentencing guidelines recommend an appropriate amount of fine or appropriate length of a term of probation or imprisonment. In recommending an appropriate fine, the Commission could, of course, provide a formula or a set of principles for determining an appropriate fine relative to the damage caused, the gain to the defendant, or the ability of the defendant to pay, consistent with the flexibility possible because of the high maximum fines set forth in chapter 227 of title 18, rather than specifying a dollar amount of fine.

Subsection (a)(1)(C) requires that the sentencing guidelines recommend whether a category of defendant convicted of a particular offense who was sentenced to a term of imprisonment should be required to serve a term of supervised release, and if so, what length of term is appropriate.

Finally, subsection (a)(1)(D) requires that the sentencing guidelines include recommendations as to whether sentences to terms of imprisonment should be ordered to run concurrently or consecutively.

Under subsection (a)(2), the Commission is required to issue general policy statements concerning application of the guidelines and other aspects of sentencing and sentence implementation that would further the ability of the federal criminal justice system to achieve the purposes of sentencing. Policy statements are required to address the questions of the appropriate use of the sanctions of order of criminal forfeiture, order of restitution, and order of notice to victims; conditions of probation and supervised release; sentence modification provisions for fines, probation, and imprisonment; authority under Rule 11(e) of the Federal Rules of Criminal Procedure to accept or reject a plea agreement; and temporary release under section 3622 of title 18 and pre-release custody under section 3624(c) of title 18. These policy statements could also address, for example, such questions as the appropriateness of sentences outside the guidelines where there exists a particular aggravating or mitigating factor which did not exist sufficiently frequently to be incorporated in the guidelines themselves. The policy statements might also address such issues as the kind of recommendations a judge might make pursuant to section 3582(a) of title 18 to the Bureau of Prisons as to an appropriate prison facility for a defendant committed to its custody. One important function of the policy statements might be to alert federal district judges to existing disparities which have not adequately been cured by the guidelines, while offering recommendations as to how these situations should be treated in the future. An additional area in which the Sentencing Commission might wish to issue general policy statements concerns the imposition of sentence upon organizations convicted of criminal offenses. See S. Rept. 97-307, page 1334.

Under subsection (a)(3) of section 994, the Sentencing Commission is required to issue either guidelines or policy statements concerning the appropriate use of probation revocation under section 3565 of title 18 and use of the provisions for modification of the term or conditions of probation or supervised release set forth in sections 3563(c), 3564(d), and 3583(e) of title 18.

Under subsection (b) of section 994, the Commission is to devise categories based on characteristics of the offense and categories based on characteristics of the offender. For each combination of a category of offense and a category of offender, a sentence or sentencing range is to be recommended that is consistent with all pertinent provisions of title 13 of the United States Code. This subsection contemplates a detailed set of sentencing guidelines, to be used as indicated in subsection (a) and in chapter 227 of title 18, as amended by this bill, that are designed to achieve the purposes of sentencing set forth in title 18. The subsection further requires that, if the guidelines recommend a term of imprisonment for a particular combination of offense and offender characteristics, the maximum of the sentencing range recommended may not exceed the minimum of that range by more than 25 percent. See S. Rept. 97-307, page 1336.

Subsection (c) of section 994 lists a number of offense characteristics which the Sentencing Commission is required to examine for the purpose of determining whether and to what extent they are pertinent to the establishment of categories of offenses for use in the sentencing guidelines and in policy statements dealing with the nature, extent, location, or other incidents of an appropriate sentence. The Commission is required to determine whether and to what extent each factor might be pertinent to the question as to the kind of sentence that should be imposed; the size of the fine or the length of a term of probation, imprisonment, or supervised release; and the conditions of probation, supervised release, or imprisonment. The Sentencing Commission may conclude, with respect to any of the listed factors, that, for example, the factor should not play a role at all in sentencing for a particluar purpose. The Sentencing Commission is also required under subsection (c) to determine whether other factors not specifically listed are relevant to the sentencing decision. For a detailed discussion of the various factors the Commission is required to consider, see S. Rept. 97-307, pages 1337-1339.

Subsection (d) contains a list of a number of offender characteristics that the Sentencing Commission is required to examine in order to determine whether and to what extent they are pertinent to the establishment of categories of offenders for use in the sentencing guidelines and in policy statements concerning the nature, extent, location, or other incidents of an appropriate sentence. The subsection parallels subsection (c) in its description of the issues that the Commission is required to examine. It also contains a specific provision that "the Commission shall assure that the guidelines and policy statements are entirely neutral as to race, sex, national origin, creed, and socioeconomic status of offenders."

Subsection (d)(1) specifies that the Commission should consider what effect the age of the defendant should have on the sentencing decision. The factor derives in part from the fact that under the Youth Corrections Act and the young adult offender provisions in current law, the youth of an offender frequently plays a role in the sentencing decision. This role may, depending upon the way in which the current law provisions are applied, result in a more harsh or less harsh sentence than a regular adult offender would receive for the same offense committed under similar circumstances. The provision of subsection (d)(1) is intended to require that consideration of youth in determining the appropriate sentence be employed in a more rational and consistent way than it is today. Accordingly, the bill repeals the Youth Corrections Act and the young adult offender sentencing provisions and requires the Sentencing Commission to consider, in promulgating the sentencing guidelines and policy statements, what effect age—including youth, adulthood, and old age—should have on the nature, extent, location, and other incidents of an appropriate sentence. For a discussion of the other factors listed in subsection (d), see S. Rept. 97-307, pages 1340-1342.

Subsection (e) specifically requires that the Sentencing Commission ensure that the sentencing guidelines and policy statements reflect the "general inappropriateness" of considering education, vocational skills, employment record, family ties and responsibilities, and community ties of the defendant in recommending a term of imprisonment or the length of a term of imprisonment. See S. Rept. 97-307, page 1342.

Subsections (f) through (l) contain a number of provisions giving general guidance to the Sentencing Commission concerning the considerations that the Congress believes to be appropriate in establishing the sentencing guidelines. Subsection (f) emphasizes the importance of providing certainty and fairness in sentencing and reducing unwarranted sentencing disparities. Subsection (g) requires the Commission to take into account the nature and capacity of the penal, correctional, and other facilities and services available to the federal criminal justice system. Subsection (h) requires that the Commission guidlines specify a sentence to a substantial term of imprisonment for serious repeat offenders, career criminals, and drug traffickers. Subsection (i) indicates that the guidelines should reflect the general appropriateness of not imposing a sentence of imprisonment in cases in which a defendant is a first offender who has not been convicted of a crime of violence or an otherwise serious offense, and, conversely, that the guidelines reflect the general appropriateness of imposing a sentence of imprisonment in a case involving a crime of violence that results in serious bodily injury. The words "general appropriateness" are intended to make clear that there may be exceptions to this general statement, and that it is intended only to provide general guidance to the Sentencing Commission. Subsection (j) requires that the guidelines reflect the inappropriateness of imposing a sentence to a term of imprisonment for the purpose of rehabilitating the defendant or providing the defendant with needed educational and vocational training, medical care, or other correctional treatment. Subsection (k) is designed to ensure that the guidelines reflect the appropriateness of imposing incrememtal penalties for multiple offenses, and the general inappropriateness of imposing consecutive terms for a conspiracy or solicitation and for the offense that was the sole object of the conspiracy or solicitation. Subsection (l) requires the Commission to review the average sentences imposed in categories of cases under current practice, including the average term of imprisonment, but makes clear that the Commission is not bound by these averages.

Subsection (m) requires the Commission to continually update its guidelines and to consult with a variety of interested institutions and groups. This revision and refinement of the guidelines will represent the bulk of the Commission's work once the initial guidelines and policy statements are promulgated. The provision mandates that the Commission constantly monitor the implementation of the guidelines in order to determine whether sentencing disparity is effectively being dealt with. In a very real way, the subsection complements the appellate review sections by providing effective oversight as to how well the guidelines are working. The oversight would not involve any role for the Commission in second-guessing individual judicial sentencing actions either at the trial or appellate level. Rather, it would involve an examination of the overall operation of the guideline system to determine whether the guidelines are being effectively implemented and to revise them if for some reason they fail to achieve their purposes.

Subsection (n) requires that proposed amendments to the guidelines be reported, along with the report of the reasons for the recommended amendments, to the Congress at or after the beginning of a session of Congress but no later than the first of May. It provides that the amendments will take effect 180 days after the Commission reports them, except to the extent that the effective date is enlarged or the guidelines are disapproved or modified by Act of Congress. The provision is modeled after section 3771 of title 18, United States Code, relating to amendments to the Federal Rules of Criminal Procedure.

Subsection (o) requires the Sentencing Commission and the Bureau of Prisons to conduct a thorough analysis of the optimum utilization of resources to deal with the federal prison population, and to report to the Congress on the results of that study.

Subsection (p) requires the Sentencing Commission to evaluate the impact of the sentencing guidelines on prosecutorial discretion, plea bargaining, sentencing disparity, and the use of incarceration.

Subsection (q) requires the Commission to make recommendations to the Congress concerning raising or lowering of grades for offenses, or otherwise modifying the maximum penalties for offenses. This provision is especially important in light of the fact that the sentencing provisions are now contained in an amendment to title 18 that does not revise the definitions of offenses and regrade them according to their relative seriousness. Thus, it is probable that the Commission will find in promulgating its guidelines that the maximum sentences for some offenses do not adequately reflect the relative seriousness of those offenses, with some maximum sentences being too high relative to those for similar offenses while others are too low. It is expected that the Commission will promulgate its guidelines according to what it believes the sentences should be for a given combination of offense and offender characteristics, and if such recommendation necessitates an amendment of the statutory maximum sentence for a particular offense, that the Commission will recommend such a change in the law.

Subsection (r) requires the Sentencing Commission to give "due consideration" to a request by a defendant for modification of the sentencing guidelines applied to his case. The Commission is required to respond, to state reasons for any declination to make modifications, and to keep the Congress informed of such actions on an annual basis.

Subsection (s) requires the Commission to describe the "extraordinary and compelling reasons" that would justify a reduction of a particularly long sentence pursuant to section 3582(c)(2) of title 18. The subsection specifically states, consistent with the rejection of the rehabilitation theory as the basis for determining the length of a term of imprisonment, that "rehabilitation of the defendant alone shall not be considered an extraordinary and compelling reason" for reducing the sentence.

Subsection (t) requires the Sentencing Commission, in reducing sentence for a particular category of offense, to specify by what amount the sentence of a prisoner sentenced outside the guidelines might be reduced if the person was sentenced before the reduction. This specification would then be used by the court in assessing a prisoner's petition pursuant to section 3582(c)(3).

Subsection (u) provides that the policy statements issued by the Sentencing Commission shall include a policy limiting consecutive terms for an offense involving violation of a general prohibition and an offense involving a specific prohibition contained within the general prohibition. The policy is intended to apply to those offenses which in effect are "lesser included offenses" in relation to other, more serious ones, but which for merely technical reasons do not quite come within the definition of a lesser included offense.

Subsection (v) provides that the appropriate judge or officier will supply the Sentencing Commission in each case with a written report of the sentence containing detailed information as to the various factors relevant to the sentence and other information found appropriate by the Commission. This provision is necessary for the Sentencing Commission to be able to monitor the effectiveness of various sentencing policies and practices. The Commission is required to submit at least annually to the Congress an analysis of the reports submitted to it under these provisions and any recommendations for legislation that the analysis indicates is warranted.

Subsection (w) makes provisions of 5 U.S.C. 553, the provisions of the Administrative Procedure Act that relate to rulemaking, applicable to the promulgation of guidelines pursuant to section 994. This is an exemption to the rule that the Administrative Procedure Act is not generally applicable to the judicial branch and also to the rule that the Federal Register is not generally used by that branch for publication required under the Act.

Section 995—Powers of the Commission

Section 995 describes the powers of the Sentencing Commission. Subsection (a) enumerates 21 specific powers of the Commission that may be exercised by majority vote of the members present and voting, and provides, in paragraph (22), that the Commission may perform such other functions as are required to permit federal courts to meet their sentencing responsibilities under section 3553(a) of title 18, and to permit others involved in the federal criminal justice system to meet their related responsibilities.

The first eight paragraphs of subsection (a) contain general administrative powers necessary to carry out the functions of the Commission. See S. Rept. 97-307, pages 1348 through 1349.

In addition, section 995 gives the Commission a number of powers relating specifically to its role in monitoring the effectiveness of the sentencing practices and policies in the federal criminal justice system.

Under subsection (a)(9), the Sentencing Commission has authority to monitor the performance of probation officers with respect to sentencing recommendations, including those relating to application of guidelines and policy statements. Under subsection (a)(10), the Commission is authorized to issue instructions to probation officers concerning the application of guidelines and policy statements of the Commission. See S. Rept. 97-307, page 1349.

A number of additional provisions provide for extensive research and data collection and dissemination authority in the sentencing area. These functions are essential to the ability of the Sentencing Commission to carry out two of its purposes: the development of a means of measuring the degree to which various sentencing, penal and correctional practices are effective in meeting the purposes of sentencing, and the establishment (and refinement) of sentencing guidelines and policy statements that reflect, to the extent practicable, advancement in knowledge of human behavior as it relates to the criminal justice process.

Subsection (b) of section 995 is a broad statement as to powers and duties similar to section 995(a)(22), and includes specific authority to delegate powers other than promulgation of general policy statements and guidelines for sentencing pursuant to section 994(a), other than the issuance of general policies and promulgation of rules and regulations pursuant to section 995(a)(1), and other than the decision as to the factors to be considered in establishment of categories of offenders and offenses pursuant to section 994(b). It also contains language that requires the Commission to coordinate certain of its activities, to the extent practicable, with any related activities of the Administrative Office of the United States Courts and the Federal Judicial Center in order to avoid unnecessary duplication.

Subsection (c) requires federal agencies to make services, equipment, personnel, facilities, and information available to the greatest practicable extent upon request of the Commission in the execution of its functions.

Subsection (d) provides that a simple majority of the membership then serving shall constitute a quorum for the conduct of business. Except for the promulgation of sentencing guidelines or policy statements, the Commission may exercise its powers and fulfill its duties by the vote of a simple majority of the members present.

Subsection (e) requires the Commission, except where otherwise provided by law, to make available for public inspection a record of the final vote of each member on any actions taken.

Section 996.—Director and staff

Section 996 of title 28 describes the authority of the staff director to supervise the activities of the Commission employees and perform other duties assigned by the Commission, and to appoint such officers or employees as are necessary in the execution of the functions of the Commission, subject to the approval of the Commission. It is intended that the Commission staff consist of persons with a wide variety of backgrounds pertinent to conducting criminal justice research and making recommendations as to sentencing policy.

The officers and employees of the Commission are, under subsection (b), exempted from most civil service provisions in title 5, United States Code, except for the benefits provided in chapters 81 through 89.

Section 997.—Annual report

Section 997 of title 28 requires the Commission to report annually to the Judicial Conference, the Congress, and the President on the activities of the Commission.

Section 998.—Definitions

Section 998 of title 28 contains definitions necessary to the understanding of chapter 58 of title 28.

Repealers

Section 508(a) of the bill repeals a number of provisions of title 18 of the United States Code.

Section 1 of title 18, which defines felonies, misdemeanors, and petty offenses, is deleted as covered in the sentencing provisions of chapter 227.

Chapter 309, relating to good time allowances and release dates, is repealed as covered by the release provisions of section 3624 of title 18, as enacted by this bill.

Chapter 311, relating to parole, is repealed as replaced by the new sentencing provisions.

Chapter 314, relating to sentencing of narcotic addicts, is repealed consistent with the decision to repeal specialized sentencing provisions, and replace them with provisions for sentencing guidelines that permit consideration of all combinations of offense and offender characteristics in a systematic manner.

Sections 4281, 4283, and 4284, relating to discharge and release payments, are deleted as covered by provisions of chapter 229.

Chapter 402, the Federal Youth Corrections Act, is repealed as covered by the sentencing guidelines provisions, particularly 28 U.S.C. 994(d)(1).

Sections 508 (b) through (e) contain technical amendments to various analyses contained in title 18 to reflect the repeal of these sections and chapters.

Section 509(a) repeals sections 404(b) and 409 of the Controlled Substances Act (21 U.S.C. 844(b) and 849), the specialized sentencing provisions for special dangerous drug offenders. These special dangerous offender provisions are more adequately covered in the sentencing guidelines provisions that require the guidelines to reflect a substantial term of imprisonment for drug traffickers.

Technical and conforming amendments

Section 510(a) amends section 212(a)(9) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(9)) to reflect the deletion of the concept of petty offense.

Section 510(b) amends section 242(h) of the Immigration and Nationality Act (8 U.S.C. 1252(h)) to add a reference to a term of supervised release after a reference to a parole term.

Section 511 amends section 4 of the Act of September 28, 1962 (16 U.S.C. 460k-3) to replace a reference to petty offenses with a reference to misdemeanors.

Section 512 amends section 9 of the Act of October 8, 1964, to reflect the authority of the United States magistrate to try and sentence persons charged with the commission of misdemeanors and infractions, as defined in section 3581 of title 18.

Section 513(a) amends section 924(a) of title 18 to delete a reference to parole, since parole is abolished.

Section 513(b) amends to section 1161 of title 18 to update a cross-reference.

Section 513(c) amends section 1761(a) of title 18 to make an exception to the restriction on transportation or importation of prison-made goods applicable to a person on supervised release as well as to one on parole.

Section 513(d) amends section 1963 of title 18 in order to reflect the enactment in title VI of this bill of substantial amendments to the criminal forfeiture provisions.

Section 513(e) amends section 3006A of title 18 to reflect the new grading scheme in the sentencing provisions and to delete references to revocation of parole, since parole is abolished by this bill.

Section 513(f) of the bill amends section 3143 of title 18, as amended by this Act, to preclude the detention pending sentencing of a person for whom the applicable sentencing guideline promulgated pursuant to 28 U.S.C. 994 does not recommend a term of imprisonent, and to reflect the enactment of section 3742, relating to government appeal of sentence.

Section 513(g) amends section 3147 of title 18, as amended by this act, to delete minimum sentence language that is not needed in light of the sentencing guideline provisions enacted by title V of the bill.

Subsections (h), (i), and (j) of section 513 amend sections 3156(b)(2), 3172(2), and 3401(h), to reflect the new grading scheme set forth in section 3581 of title 18.

Section 3401 is also amended by repealing subsection (g), which relates to magistrate sentencing in youth offender cases, since the youth offender provisions in current law have been repealed.

Section 513(k) of the bill amends cross-references in section 3668 (formerly section 3619) of title 18.

Section 513(l) of the bill deletes a reference to parole officers in section 4004.

Section 513(m) of the bill amends chapter 306 of title 18, relating to transfer of offenders to and from foreign countries, in several respects. First, it amends subsection (f) of section 4101 to include a term of supervised release in the definition of parole. Second, it amends subsection (g) of section 4101 to conform the description of probation to the provisions of subchapter B of chapter 227. Third, it amends section 4105(c) to bring a reference in paragraph (1) into conformity with the revised provisions relating to credit towards service of sentence for satisfactory behavior contained in section 3624, to conform cross-references in paragraphs (1) and (2), to delete paragraph (3) because of the new provisions relating to good time set forth in section 3624, and to amend paragraph (4) to delete references to forfeiture of good time as inconsistent with the provisions of section 3624. Section 4106 is amended to place offenders on parole in a foreign country who are transferred to the United States under supervision by the probation system rather than the Parole Commission, which is abolished by title V of the bill, and to provide that an offender transferred to serve a term of imprisonment shall be released in accord with the provisions of section 3624(a) of title 18 after serving the period of time specified in the applicable sentencing guidelines (rather than the Parole Commission's setting the release date). If the guidelines recommend a term of supervised release for such an offender, the offender will be placed on such a term. Sentence review procedures of section 3742 are made applicable to a sentence under the subsection, and the United States court of appeals for the district in which the offender is imprisoned or under supervision after transfer to the United States has jurisdiction to review the sentence as though it had been imposed by the district court. Section 4106(c) is repealed, since it relates to parole release and parole has been abolished. Section 4108(c) is amended to require that, when an offender's consent to transfer to the United States is verified, the offender be informed of the applicable guideline sentence for this offense.

Section 513(n) of the bill amends section 4321 of title 18 to delete a reference to parole.

Section 513(o) of the bill amends section 4351(b) to make the Chairman of the Sentencing Commission a member of the National Institute of Corrections Advisory Board in place of the Chairman of the Parole Commission.

Section 513(p) of the bill amends section 5002 of title 18 make the Chairman of the Sentencing Commission a member of the Advisory Corrections Council, and to delete references to the Parole Commission.

Section 514 amends section 401(b)(1)(A), (b)(1)(B), (b)(2), (b)(5), and (c) of the Controlled Substances Act to delete references to a special parole term for various drug trafficking offenses. Sections 404 and 405A, as added by title IX of the bill, are amended similarly. Section 408(c) is amended to delete a reference to parole.

Section 515 deletes references in the Controlled Substances Import and Export Act to special parole terms.

Section 516 amends section 114(b) of title 23, United States Code, to add a reference to a term of supervised release.

Section 517 amends section 5871 of the Internal Revenue Code of 1954 to delete a reference to eligibility for parole.

Section 518 amends section 509 of title 28 to delete a reference to the Parole Commission and amends section 591 of title 28 to conform to the grading of misdemeanors and infractions.

Section 518(c) amends section 2901 of title 28 to add a reference to a term of supervised release and to conform a cross-reference to chapter 227.

Section 519 of the bill amends section 504(a) of the Labor Management Reporting and Disclosure Act of 1959, which forbids, with certain exceptions, a current or former member of the Communist party or a person convicted of one of a list of specific offenses from holding office in a labor organization, to specify that the sentencing judge, rather than the Parole Commission, should decide whether a person convicted of a federal offense can hold union office. If the offense is a State or local offense, a judge of the United States district court for the district in which the offense was committed may, under the amendment, make the decision upon motion of the Department of Justice. Section 504(a) is also amended to specify that decisions under the section are to be made pursuant to sentencing guidelines and policy statements promulgated pursuant to 28 U.S.C. 994(a), as enacted by this title of the bill. Section 504(a) is further conformed to the bill by deleting a reference to administrative proceedings before the Board of Parole so as to conform with changes made in a reference to the sentencing court. Similar amendments are made by section 519 of the bill to section 411(a) of the Employee Retirement Income Security Act of 1974. In addition, section 411(c)(3) is amended to add a reference to a term of supervised release after a reference to parole.

Section 521 amends section 454(b) of the Comprehensive Employment and Training Act of 1973 to add a reference to a term of supervised release after a reference to parole.

Section 522(a) amends section 341(a) of the Public Health Service Act to delete references to hospitalization of drug addicts convicted of an offense and sentenced under the Narcotic Addict Rehabilitation Act of 1966 or the Federal Youth Corrections Act. Both those provisions are repealed by this bill in favor of permitting sentencing guidelines to recommend appropriate sentences for all combinations of offense and offender characteristics.

Section 522 amends section 343(d) of the Public Health Service Act to add a reference to a term of supervised release after the reference to parole.

Section 523 of the bill amends section 11507 of title 49, United States Code, to add a reference to a term of supervised release after the reference to parole.

Section 524 amends section 10(b)(7) of the Military Selective Service Act (50 USC App. 460(b)(7)) to substitute a reference to "release" for a reference to "parole".

Section 525.—Effective date

Section 525 of the bill is the effective date provision for title V of the bill. Subsection (a)(1)(A) makes the repeal of chapter 402 of title 18, United States Code, effective on the date of enactment. Subsection (a)(1)(B) makes the provisions of chapter 58, of title 28, United States Code, relating to the creation and responsibilities of the United States Sentencing Commission, effective on the date of enactment. It also specifies that the Sentencing Commission shall submit the initial sentencing guidelines promulgated pursuant to 28 U.S.C. 994(a)(1) to the Congress within 18 months of the date of enactment. The sentencing guidelines, and the provisions of sections 3581, 3583, and 3624 of title 18, United States Code, do not go into effect until after the Sentencing Commission has submitted the initial set of guidelines, the General Accounting Office has had three months to study them and report to Congress, and the Congress has had six months from the date of submission of the guidelines by the Sentencing Commission to examine them and consider comments. All other provisions of title V go into effect on the first day of the first calendar month beginning twenty-four months after the date of enactment.

Section 525(a)(2) provides that, for purposes of determining when the terms of office of the first members of the Sentencing Commission expire, their terms are deemed to begin to run when the sentencing guidelines first go into effect.

Section 525(b) specifies that certain provisions of current law relating to sentencing will continue to apply to individuals convicted of an offense or adjudicated to be a juvenile delinquent before the effective date and as to a term of imprisonment imposed during the period described in subsection (a)(1)(B) (relating to the effective date of the initial set of sentencing guidelines). This will assure that the length of a term of imprisonment, and the parole and good time statutes, will remain in effect as to any prisoner sentenced before the sentencing guidelines and the provisions of proposed 18 U.S.C. 3553 and 3624 go into effect. All other aspects of the sentencing provisions will go into effect 24 months after the date of enactment.

Most of those individuals incarcerated under the old system will be released during the five-year period. As to those individuals who have not been released at that time, the Parole Commission must set a release date prior to the expiration of the five years that is the earliest date that applies to the prisoner under the applicable parole guidelines. (It is intended that, in setting release dates under this provision, the Parole Commission give the prisoner the benefit of an applicable new sentencing guideline if it is lower than the minimum parole guideline.)

Subsection (b) also assures that, while the Parole Commission remains in existence, the Chairman of the Parole Commission or his designee will remain a member of the National Institute of Corrections, and the Chairman will remain a member of the Advisory Corrections Council ex officio and be an ex officio member of the Sentencing Commission.

TITLE VI—CRIMINAL FORFEITURE

I. Introduction

Title VI of the bill is designed to enhance the use of forfeiture, and in particular the sanction of criminal forfeiture, as a law enforcement tool in combatting two of the most serious crime problems facing the country: racketeering and drug trafficking.

There are presently two types of forfeiture statutes in federal law. The first provides for civil forfeiture, a civil in rem action, brought directly against property which is unlawful or contraband, or which has been used for an unlawful purpose. The majority of drug-related property, including drug profits, must be forfeited civilly under 21 U.S.C. 881. While this civil forfeiture statute has been an extremely useful tool in the effort to combat drug trafficking, a significant drawback is the requirement that a separate civil suit be filed in each district in which forfeitable property is located. Where the property to be forfeited is the property of a person charged with a drug violation, and that violation constitutes the basis for forfeiture, a more efficient way of achieving forfeiture would be to employ the second type of forfeiture statute, a criminal forfeiture statute.

Criminal forfeiture is relatively new to federal law, although it has its origins in ancient English common law. It is an in personam proceeding against a defendant in a criminal case, and is imposed as a sanction against the defendant upon his conviction. Criminal forfeiture is now available under two statutes: the Racketeer Influenced and Corrupt Organizations statute (18 U.S.C. 1960 et seq., hereinafter referred to as RICO) and the Continuing Criminal Enterprise statute (21 U.S.C. 848, hereinafter referred to as CCE), which punishes those who conduct drug trafficking organizations.

In the last decade, there has been an increasing awareness of the extremely lucrative nature of drug trafficking and of the illicit economy which it generates and through which it is sustained, and thus, of the importance of effective tools for attacking the economic aspects of such crime. A similar awareness with respect to racketeering led to the enactment of the RICO and CCE statutes more than ten years ago.

Both civil and criminal forfeiture hold significant promise as important law enforcement tools in separating racketeers and drug traffickers from their ill-gotten profits and the economic power bases through which they operate. However, because of limitations of and ambiguities in present forfeiture statutes, the law enforcement potential of forfeiture in these areas has not been fully realized. Title VI is designed to address these problems and is based with only minor modifications on S. 2320, the forfeiture bill prepared by the Administration which was the subject of a hearing before the Judiciary Committee's Subcommittee on Security and Terrorism on April 23, 1982.

This title is divided into three parts. The first, designated Part A, sets forth an amended version of 18 U.S.C. 1963, the provision of current law governing the penalties, including criminal forfeiture, for violations of the RICO offenses described in 18 U.S.C. 1962. The most significant of the proposed changes in the current RICO forfeiture provisions are in two areas. First, language is included to make it clear that property which constitutes, or is derived from, the proceeds of racketeering activity punishable under 18 U.S.C. 1962 is subject to an order of criminal forfeiture. Although the Department of Justice has taken the position that such proceeds are already subject to forfeiture under 18 U.S.C. 1963, several courts have rejected this position. Other of the more significant amendments to section 1963 are designed to address the problem of defendants defeating forfeiture actions by removing, concealing, or transferring forfeitable assets prior to conviction. These amendments include a provision expanding to the pre-indictment stage courts' authority to enter restraining orders, a provision setting out clear authority voiding such transfers in the context of criminal forfeiture actions, and a provision permitting the court to order the defendant to forfeit substitute assets when the property originally subject to forfeiture is no longer available at the time of conviction.

The second part of this title makes several amendments to the Comprehensive Drug Abuse Prevention and Control Act of 1970. The most significant of the amendments in Part B is the creation in section 603 of a new criminal forfeiture statute that would be applicable in all cases involving major criminal violations of the Act. This new statute would provide for the criminal forfeiture of the proceeds of drug offenses as well as other property used in the commission of such offenses, and would reduce the need to pursue parallel criminal prosecutions and civil forfeiture actions. This forfeiture statute would also include several of the improvements proposed with respect to the RICO criminal forfeiture statute in part A of this title. Part B would also amend the civil forfeiture provisions of the narcotics laws (21 U.S.C. 881) to allow, in certain new circumstances, the forfeiture of real property, and to require the stay of civil forfeiture proceedings pending disposition of a criminal case in those instances where the criminal prosecution and forfeiture action cannot, or should not, be consolidated.

The final part of this title would establish, for a two-year period, a program under which twenty-five percent of the proceeds of forfeitures under the Comprehensive Drug Abuse Prevention and Control Act would be set aside to be used exclusively for the payment of awards to compensate those who have provided information or other assistance that has resulted in forfeiture under the Act.

II. Section-by-Section Analysis

Section 601 provides that this title may be cited as the "Comprehensive Criminal Forfeiture Act of 1982."

PART A

Section 602 amends 18 U.S.C. 1963, the provision which sets out the penalties for a violation of the RICO statute (18 U.S.C. 1962). The current penalties of fine and imprisonment are retained, but the provisions relating to criminal forfeiture have been amended and expanded. Each of the subsections of 18 U.S.C. 1963, as it would be amended by section 802, is discussed below:

18 U.S.C. 1963(a)

Section 1963(a) sets out the penalties for a violation of 18 U.S.C. 1962. Paragraph (1) carries forward the current fine and imprisonment levels. Paragraph (2) describes the property of the defendant that is subject to an order of criminal forfeiture. The substantive change worked by paragraph (2) is that it will specifically provide for the forfeiture of the profits generated by racketeering activity that serves as the basis for a RICO prosecution. Several courts have held that such profits are not currently forfeitable under RICO, and this limiting interpretation has significantly diminished the utility of the statute's criminal forfeiture sanction. The criminal forfeiture provisions of the criminal code reform bill also provided for the forfeiture of proceeds. See S. Rept. 97-307, page 948.

18 U.S.C. 1963(b)

The title's amended 18 U.S.C. 1963(b) emphasizes that property subject to civil forfeiture may be either real property or tangible or intangible personal property, and underscores an intent, consistent with current law (see, *e.g.*, *United States* v. *Rubin*, 559 F.2d 975 (5th Cir. 1977)), that the concept of "property" as used in section 1963 is to be broadly construed.

18 U.S.C. 1963(c)

Subsection (c) of section 1963, as amended, is a codification of the "taint" theory long recognized in forfeiture cases. Under this theory, forfeiture relates back to the time of the illegal acts which give rise to the forfeiture. From that time forward, the property is tainted and remains subject to forfeiture regardless of any subsequent disposition. Absent such a principle, a defendant could avoid forfeiture simply by transferring his property prior to conviction. This subsection makes it clear, however, that in the case of a transfer to a bona fide purchaser for value, the Attorney General may not proceed with disposition of the property. Such persons may obtain a return of their property by filing a petition for remission or mitigation of forfeiture.

18 U.S.C. 1963(d)

This provision is new to the law. It provides that where property found to be subject to forfeiture has been removed, concealed, transferred, or substantially depleted, the court may order that the defendant forfeit substitute assets. This section addresses one of the most serious impediments to significant forfeitures. Presently, a defendant may avoid the impact of forfeiture simply by transferring his assets to another, placing them beyond the jurisdiction of the court, or taking other actions to render such property unavailable at the time of conviction. Section 1963(d) addresses this problem. The criminal forfeiture provision of the Criminal Code Reform bill also included a substitute assets provision. See S. Rept. No. 97-307, page 948-949.

18 U.S.C. 1963(e)

This part of section 602 expands the current authority of the courts to enter restraining or protective orders with respect to property that may be subject to forfeiture. The current restraining order authority, set out at 18 U.S.C. 1963, is limited to the post-indictment period. However, defendants often become aware, prior to indictment, of a criminal investigation and will move to conceal or alienate their forfeitable assets at that time. To address this problem, section 1963(e) describes certain circumstances under which the government may obtain a pre-indictment restraining order. This section also articulates the circumstances in which an ex parte restraining order may be issued. Such an order is limited to a term of ten days, and may be issued only when it appears that the giving of notice will result in the transfer or removal of the property before an order could be issued.

18 U.S.C. 1963(f)

Proposed 18 U.S.C. 1963(f) governs matters arising during the period from the entry of the order of forfeiture until the time that the Attorney General directs disposition of the property. For the most part, these provisions are drawn from current law and practice, and have been formulated to provide necessary flexibility.

18 U.S.C. 1963(g)

Subsection (g) concerns matters regarding the disposition of property, and is drawn largely from current law. A new aspect of this provision is that it specifically authorizes the court to stay disposition of the forfeited property pending an appeal of the criminal case if a third party claiming an interest in the property demonstrates that such disposition will result in irreparable injury, harm, or loss to him. Once the property has been disposed of, the proceeds are to be used to pay the expenses of the forfeiture and sale, including costs arising from the seizure, maintenance, and custody of the property. The remaining amounts are to be deposited in the general fund of the Treasury.

18 U.S.C. 1963(h)

Subsection (h) sets forth several aspects of the authority of the Attorney General with respect to property that has been ordered forfeited. This authority is in essence carried forward from existing law, although in a more straightforward manner. This provision also improves on current law in that it articulates a standard for judicial review of the Attorney General's decision with respect to a petition for remission or mitigation of forfeiture, the mechanism whereby innocent third parties may obtain relief from a forefeiture of property in which they may have a legitimate interest.

18 U.S.C. 1963(i)

Under current 18 U.S.C. 1963(c), the procedures for most post-seizure matters are governed by the customs laws. In some respects, however, these customs laws provisions have been inadequate in addressing some of the complex issues that arise in RICO cases, where forfeited property may include complex interests in ongoing businesses. Subsection (i) therefore requires the issuance of regulations to govern certain post-seizure matters which may be drafted to address some of the unique problems arising in RICO forfeiture cases.

18 U.S.C. 1963(j)

This provision codifies the currently recognized limitations on the commencement of legal actions by third parties claiming an interest in property subject to forfeiture. See *United States* v. *Mandel*, 505 F. Supp. 189 (D. Md. 1981).

18 U.S.C. 1963(k)

This provision emphasizes the current jurisdiction of the court to enter orders under Part A without regard to the location of the property—a principle which distinguishes criminal forfeiture actions from *in rem* civil forfeiture actions.

18 U.S.C. 1963(l)

Subsection (l) of section 1963, as amended by this title, authorizes the court to order the taking of depositions to facilitate the identification and location of property that has been ordered forfeited and to facilitate the disposition of petitions for remission or mitigation of forfeiture. The taking of such depositions will provide for a more orderly and fair consideration of these matters and will permit the development of a more complete record.

Part B

This part sets out various amendments to the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 801 et seq.).

Section 603 creates a new generally applicable criminal forfeiture statute for all felony violations of Titles II and III of the Comprehensive Drug Abuse Prevention and Control Act. This statute is, in virtually all respects, identical to the RICO criminal forfeiture statute as amended by section 602 of this title, and will appear as a new section 413 of the Act, which is divided into the following subsections.

Section 413(a) provides for the sanction of criminal forfeiture upon a defendant's conviction for a felony drug offense. Property which is subject to criminal forfeiture under this provision includes the proceeds of the drug violation (now subject to civil forfeiture under 21 U.S.C. 881(a)(6)), property used or intended to be used to commit the violation (such property is largely subject to civil forfeiture under current 21 U.S.C. 881), and the property already subject to criminal forfeiture under the Continuing Criminal Enterprise statute (21 U.S.C. 848).

Section 413(b), like the analogous provision of 18 U.S.C. 1963, as amended by section 802, emphasizes that the term "property", as used in section 413(a), is to be broadly construed.

Section 413(c)—see analysis of section 802 above that refers to new 18 U.S.C. 1963(c).

Section 413(d) see analysis of section 602 above that refers to the analogous substitute assets provision of new 18 U.S.C. 1963(d).

Section 413(e) provides for a permissive presumption that property of a defendant is subject to forfeiture if the government establishes that the defendant acquired the property at or within a reasonably related time after the commission of the offense and that he had no apparent legal sources of income to explain his acquisition of the property. This provision is much like the "net worth" method of proof commonly used in tax cases. Framed as a permissive and rebuttable inference rather than a mandatory presumption, this provision would appear to fully meet constitutional requirements. See *Ulster County Court* v. *Ulster*, 442 U.S. 140 (1979).

Section 413(f) see analysis of section 602 above that refers to the analogous protective order provision of new 18 U.S.C. 1963(e).

Section 413(g) recognizes that in drug cases forfeitable assets frequently take the form of cash, precious metals and gems, and other property that is easily moved or concealed. With respect to such property, a restraining or protective order may not be sufficient to assure the availability of the property for forfeiture. Therefore, this section provides for the issuance of a warrant of seizure if the government demonstrates that a protective or restraining order will not be sufficient.

Section 413(h) see analysis of section 602 above that refers to the analogous provision of new 18 U.S.C. 1963(f), governing certain matters arising in the period between the entry of the order of forfeiture and the disposition of the property.

Section 413(i) see analysis of section 602 above that refers to the analogous provision of new 18 U.S.C. 1963(g), which governs matters concerning the disposition of property ordered forfeited.

Section 413(j) see analysis of section 602 above that refers to the analogous provision of new 18 U.S.C. 1963(h), enumerating the authorities of the Attorney General.

Section 413(k) retains the current application of the customs laws to certain matters arising under forfeitures effected under title 21, United States Code. See 21 U.S.C. 881(d).

Section 413(l) see analysis of section 602 above that refers to new 18 U.S.C. 1963(j).

Section 413(m) see analysis of section 602 above that refers to new 18 U.S.C. 1963(k).

Section 413(n) see analysis of section 602 above that refers to new 18 U.S.C. 1963(l).

Section 604 incorporates in 21 U.S.C. 824(f) (relating to the forfeiture of controlled substances held by a dispenser or manufacturer whose registration has been revoked) the "taint" theory discussed above under sections 602 and 603.

Section 605 deletes the separate criminal forefeiture provisions of the Continuing Criminal Enterprise statute (21 U.S.C. 848). Criminal forfeiture arising out of a violation of this statute will be governed by the new criminal forfeiture statute set out in section 603 of this title.

Section 606 amends certain provisions of 21 U.S.C. 881, which provides for the civil forfeiture of a variety of drug related property, and which also governs certain procedural matters both in civil forfeitures and in criminal forfeitures under the CCE statute.

The first amendment would add to the list of property subject to civil forfeiture real property which is used in a felony violation of title 21. An "innocent owner" exception like that now included in other provisions of section 881(a) is included.

The amendments to subsections (b), (c), (d), and (e) of section 881 are essentially technical and conforming amendments. In addition, two new subsections are added to 21 U.S.C. 881. The first codifies that "taint" theory now clearly applicable in civil forfeiture actions. The second provides for a stay of civil forfeiture proceedings where a criminal action including criminal forfeiture of the same property is commenced.

Section 607 adds a new section at the end of Title III of the Comprehensive Drug Abuse Prevention and Control Act to make it clear that the new criminal forfeiture statute applies in cases of felony violations involving the import or export of controlled substances.

Section 608 is a conforming amendment to the table of contents of the Comprehensive Drug Abuse Prevention and Control Act.

Part C

Section 609 establishes, for a two-year trial period, a program under which twenty-five percent of the amounts realized from civil and criminal forfeitures under title 21, United States Code, are to be available to pay for discretionary rewards for information or other assistance that leads to such forfeitures. The amount of such rewards is limited to the lesser of $50,000 or twenty-five percent of the amount realized in a forfeiture case. During the two-year period, detailed audits of the expenditure of these funds are to be made semi-annually.

TITLE VII—OFFENDERS WITH MENTAL DISEASE OR DEFECT

I. Introduction

Title VII of the bill amends various provisions of title 18, United States Code, and of the Federal Rules of Criminal Procedure, relating to the procedure to be followed in Federal courts with respect to offenders who are or have been suffering from a mental disease or defect. Among the matters provided for by these amendments are the determination of mental competency to stand trial, the determination of the existence of insanity at the time of the offense, the limit the scope of a separate insanity defense, and the post-trial hospitalization of defendants suffering from a mental disease or defect.

II. Section-by-section analysis of title VII

Section 701 of the bill provides a comprehensive amendment of current chapter 313 of title 18, United States Code. Proposed section 4241 deals with the determination of mental competency to stand trial. Section 4242 relates to the determination of the existence of insanity at the time of an offense, and limits the separate insanity defense to a "mens rea" test of criminal responsibility. Section 4243 provides for the hospitalization of a person acquitted by reason of insanity. Section 4244 deals with the hospitalization of a convicted person who is suffering from a mental disease or defect. Section 4245 covers the hospitalization of an imprisoned person who suffers from a mental disease or defect. Section 4246 deals with the situation of such a person who is scheduled to be released. Section 4247 contains general provisions for chapter 313.

Section 4241. Determination of Mental Competency to Stand Trial, contains five subsections which deal exclusively with the determination of the mental competency of the defendant to stand trial or to enter a plea. Subsection (a) permits either the defendant or the government to move for a hearing to determine the defendant's mental competency, and requires the court to order a hearing if there is reasonable cause to believe that a mental disease or defect renders the defendant unable to understand the proceedings or to assist in his defense. Subsection (b) permits the court to order a psychiatric or psychological examination of the defendant prior to the hearing. Subsection (c) requires that the hearing be conducted pursuant to the provisions of section 4247 (i.e., the defendant shall be represented by counsel, afforded an opportunity to testify, etc.). Subsection (d) provides that a defendant found by a preponderance of the evidence to be mentally incompetent shall be hospitalized for treatment in a suitable facility for a reasonable period of time to determine whether there is a substantial probability that he will attain the capacity to permit the trial to proceed. If the defendant appears unlikely to improve sufficiently, he is to be treated in accordance with the provisions of section 4246. Subsection (e) provides for the discharge from the hospital of a defendant who has recovered sufficiently to stand trial. Subsection (f) specifies that a court finding of competency to stand trial shall not prejudice the defendant in raising the issue of his insanity as a defense to the crime charged, and shall not be admissible as evidence at trial. See S. Rept. No. 97-307, pages 1191-1197.

Section 4244. Determination of the Existence of Insanity at the Time of the Offense, specifies the extent to which a defendant's mental disease or defect constitutes a defense to prosecution, provides for an examination of a defendant who intends to rely on such a defense, and sets forth the types of verdict to be rendered in such cases.

Subsection (a) states that it is not a defense to prosecution under any federal statute that the defendant, as a result of mental disease or defect, lacked the state of mind required as an element of the offense charged, and specifies that mental disease or defect does not otherwise constitute a defense. By limiting the separate, judicially-developed, insanity defense, this statutory approach to the issue of the criminal responsibility of a person suffering from a mental disease or defect focuses on two critical questions: did the defendant act with the state of mind required for the offense charged and, if he did so act but was suffering from a mental disease or defect, should he be imprisoned, hospitalized, or otherwise treated. See S. Rept. No. 97-307, pages 95-108. See also, remarks of Senator Hatch upon introduction of S. 818, Cong. Rec. pages 5524-5543, March 26, 1981.

Subsection (b) provides for the psychiatric or psychological examination of a defendant who files a notice of intent to rely on the defense set forth in subsection (a). Subsection (c) specifies that in a case involving such a defense the trier of fact is to return a verdict of guilty, not guilty, or not guilty only by reason of insanity.

Section 4243. Hospitalization of a Person Acquitted by Reason of Insanity, sets out the procedure to be followed when a person is found not guilty solely by reason of insanity at the time of the offense. Subsection (a) requires that such a person be committed to a suitable facility until he is eligible for release pursuant to subsection (d). Subsection (b) requires that the person undergo a psychiatric or psychological study, while subsection (c) mandates a hearing on his present mental condition within forty days following the verdict. Subsection (d) provides that if, after the hearing, the person is found by clear and convincing evidence to be then suffering from a mental disease or defect as a result of which his release would create a substantial risk of bodily injury to another person or serious damage to property of another, he shall be committed to the custody of the Attorney General for treatment, preferably in a state facility. Subsection (e) provides for the absolute or conditional release of such a person pursuant to a medical certification and a court finding that such release will no longer create a substantial risk to the person or property of others. Subsection (f) permits revocation of a conditional release order if such a risk is created anew by the person's failure to comply with the conditions of release. See S. Rept. No. 97-307, pages 1200-1203. See also, remarks of Senator Hatch upon introduction of S. 1558, Cong. Rec. pages 19172-19175, July 31, 1981.

Section 4244. Hospitalization of a Convicted Person Suffering From Mental Disease or Defect, sets forth procedures new to Federal law, to be followed when there is reasonable cause to believe that a recently convicted defendant may be suffering from a mental disease or defect and in need of care or treatment in a suitable facility. Subsection (a) permits the court, shortly after a guilty verdict and before sentencing, on motion of the defendant or the government or on its own motion, to order a hearing on the defendant's present mental condition if there is reasonable cause to believe he is suffering from a mental disease or defect for the treatment of which he is in need of custody for care or treatment in suitable facility. Under subsection (b), the court may order psychiatric or psychological examination of the defendant. If, after a hearing provided for by subsection (c), the court determines by a preponderance of the evidence pursuant to subsection (d) that the standard set forth in subsection (a) has been met, the defendant is to be committed to the custody of the Attorney General for hospitalization in a suitable facility, in lieu of being imprisoned. Subsection (e) permits the discharge and final sentencing of a hospitalized defendant when the director of the facility certifies that he is no longer in need of custody for care and treatment. See S. Rept. 97-307, pages 1204-1206.

Section 4245. Hospitalization of an Imprisoned Person Suffering from Mental Disease or Defect, deals with the hospitalization of an imprisoned person who is suffering from a mental disease or defect for which he is in need of custody for care or treatment, if the person objects to being hospitalized. Unlike current federal law, subsection (a) provides that, when a defendant who is imprisoned objects to being transferred to a suitable facility for care and treatment of a mental disease or defect, the court shall, on the government's motion, order a hearing on the defendant's present mental condition if there is reasonable cause to believe that the defendant may be suffering from a mental disease or defect for the treatment of which he is in need of custody or care for treatment in a suitable facility. Subsections (b) and (c), respectively, provide for the psychiatric or psychological examination of the defendant, and for the conduct of the hearing. Subsection (d) provides that a defendant who is found to be suffering from a mental disease or defect and in need of custody for care and treatment shall be hospitalized in a suitable facility until he is no longer in need of such care or treatment, or until his prison sentence expires. Subsection (e) provides for the defendant's discharge from the hospital and return to prison upon the certification of the director of the facility that he is no longer in need of custody for care and treatment. See S. Rept. No 97-307, pages 1206-1208.

Section 4246. Hospitalization of a Person Due for Release but Suffering From Mental Disease or Defect, covers those circumstances where State authorities will not institute civil commitment proceedings against a hospitalized defendant whose federal sentence is about to expire, who is mentally incompetent to stand trial, or against whom all criminal charges have been dropped solely for reasons related to his mental condition, and who is presently mentally ill. Subsection (a) requires the court to order a hearing if the director of the facility in which the person is hospitalized certifies that he is presently suffering from a mental disease or defect as a result of which his release would create a substantial risk of bodily injury to another person or serious damage to property of another, and that suitable arrangements for State custody and care of the person are not available. Subsections (b) and (c), respectively, provide for the psychiatric or psychological examination of the person and for the conduct of the hearing. Subsection (d) provides that if the facts certified are found by the court by a preponderance of the evidence, the person is to be committed to the custody of the Attorney General for treatment, preferably in a State facility. Subsection (e) provides for the absolute or conditional release of such a person pursuant to a medical certification and a court finding that such release will no longer create a substantial risk to the person or property of others. Section (f) permits revocation of a conditional release order if such a risk is created anew by the person's failure to comply with the conditions of release. Subsection (g) deals with mentally ill persons who have been hospitalized and against whom all charges have been dismissed for reasons not related to their mental condition. If the director of the hospital certifies that the release of such a person would create a substantial risk of bodily injury to another person or serious damage to property of another, the Attorney General is required to release the person to appropriate State officials for the institution of State civil commitment proceedings. If the appropriate State will not assume responsibility, and so informs the Attorney General, the person must be released. See S. Rept. No. 97-307, pages 1209-1212.

Section 4247. General Provisions for Chapter, contains a definition of terms used in chapter 313, as well as other provisions generally applicable to sections 4241-4246. Subsection (a) defines the terms "rehabilitation program" and "suitable facility". Subsections (b) and (c), respectively, set forth requirements for court ordered psychiatric or psychological examinations and reports. Subsection (d) enumerates the rights a person has at a hearing to determine his mental condition. Subsection (e) pertains to reports by mental facilities, and contains a requirement that a hospitalized person be informed of the availability of rehabilitation programs. Subsection (f) permits the court to order and examine a videotape record of a defendant's testimony or interview which forms a basis of a periodic report of his mental condition. Subsection (g) concerns the admissibility in evidence of statements made by a defendant during the course of a psychiatric or psychological examination. Subsections (h) and (i), respectively, preserve the availability of the writ of habeas corpus, and permit a hospitalized person to move for a hearing to determine whether he should be released. Subsection (j) sets forth the authority and responsibility of the Attorney General under chapter 313. Subsection (k) provides that chapter 313 does not apply to a prosecution under an Act of Congress applicable exclusively to the District of Columbia or the Uniform Code of Military Justice. See S. Rept. No. 97-307, pages 1212-1213.

Section 702 of the bill amends Rule 12.2 of the Federal Rules of Criminal Procedure to conform with chapter 313 of title 18 as amended by section 701.

Section 703 of the bill amends section 3006A of title 18, United States Code, to conform with chapter 313 of title 18 as amended by section 701.

TITLE VIII—SURPLUS FEDERAL PROPERTY AMENDMENTS

I. Introduction

Title VIII of the bill is designed to make it easier for the federal government to transfer to the State and local governments surplus federal property for use by the transferee for the care or rehabilitation of criminal offenders. It is identical to S. 1422 as reported by the Committee on Governmental Affairs presently pending on the Senate Calendar (See S. Rept. No. 97-322). The provisions are also in accord with Recommendation 56 of the Attorney General's Task Force on Violent Crime, which cited the transfer of surplus property for this purpose as a "significant opportunity for Federal involvement in easing State and local correctional facility overcrowding." Attorney General's Task Force on Violent Crime, Final Report, p. 79 (1981).

II. Section-by-section analysis

Section 801 of the bill amends section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484) to permit the Administrator of the General Services Administration to transfer or convey to a State, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, or any political subdivision or instrumentality thereof, surplus property determined by the Attorney General to be required for a correctional facility by the transferee or grantee. Because of the knowledge of the Bureau of Prisons as to the appropriateness of particular facilities for particular corrections programs, the Attorney General rather than the Administrator of GSA would approve the transfer. The transfers under the provision would be made without charge to the State of local government receiving the property. If the property ceases to be used for the authorized purpose, it will revert, at the option of the United States, to the United States.

Section 802 of the bill further amends section 203 of the Federal Property and Administrative Services Act of 1949 to require that the head of the transferring agency under the amendment made by section 801 submit an annual report to the Congress showing the acquisition cost of personal property donated and of real property disposed of during the preceding fiscal year.

TITLE IX—MISCELLANEOUS CRIMINAL JUSTICE IMPROVEMENTS

I. Introduction

Title IX of the bill incorporates a number of additional improvements in the criminal justice system, including the creation of new offenses, the expansion of existing offenses, and the revision of procedural provisions of federal law.

II. Section-by-Section Analysis

Part A—Contract Murder

Section 901 would add two new sections, 1952A and 1952B, to title 18 of the United States Code to proscribe contract murders. Although designed primarily for use in cases of murder-for-hire carried out at the orders of organized crime figures, section 1952A would also reach other such calculated murders. Section 1952A follows the format of 18 U.S.C. 1952, interstate travel in aid of racketeering. Section 1952 presently covers murder if the perpetrator traveled in interstate commerce to commit the murder, or used a facility of interstate commerce to commit it, and the crime was in furtherance of an unlawful activity involving offenses relating to gambling, untaxed liquor, narcotics, prostitution, extortion, bribery, or arson.

Section 1952A would reach the travel in interstate or foreign commerce or the use of the mails or a facility in interstate or foreign commerce (such as a telephone if used for an interstate call) with the intent that a murder be committed in violation of State or Federal law. The murder must be planned or carried out as consideration for the receipt of something of pecuniary value or a promise or agreement to pay something of pecuniary value. Both the person who ordered the murder and the "hit-man" would be covered. If the victim is killed the punishment can extend to life imprisonment and a $50,000 fine but lesser punishments are provided if the planned murder did not take place or the attempt resulted only in an injury to the victim.

Section 1952B is designed to deal with contract murders and other violent crimes by organized crime figures which do not involve interstate travel or other interstate facilities or are committed not for money but rather as a part of membership in a criminal organization. This section proscribes murder, kidnaping, maiming, serious assaults and threats of violence committed as consideration for payment or a promise to pay anything of pecuniary value from an "enterprise" engaged in "racketeering activity." "Racketeering activity" is defined as set forth in the RICO statute, section 1961, and "enterprise" is defined as an organization, group or entity whose activities affect interstate commerce. The proposed section also covers murders, kidnapings, maimings, serious assaults and threats of violence committed as a means of gaining entrance into or improving one's status in an enterprise engaged in racketeering activity. Attempts and conspiracy to commit these offenses are also covered. The person who ordered the offenses set forth in the section could also be punished as an aider and abettor under 18 U.S.C. 2.

While section 1952B proscribes murder, kidnaping, maiming, assault with a dangerous weapon, and assault resulting in serious bodily injury in violation of Federal or State law, it is intended to apply to these crimes in a generic sense, whether or not a particular State has chosen those precise terms for such crimes. For example, section 120.10 of the Penal Code of New York provides that a person is guilty of assault in the first degree when "(1) with intent to cause serious physical injury to another person, he causes such injury of such person or to a third person by means of a deadly weapon or a dangerous instrument; or (2) with intent to disfigure another person seriously and permanently, or destroy, amputate, or disable permanently a member or organ of his body, he causes such injury to such or to a third person . . ." A person who committed such an offense in New York would violate the proposed new section if his actions were for payment of anything of pecuniary value from an organization engaged in racketeering activity or for advancement in such an organization.

Part B—Administrative Forfeiture Amendment

Section 902 amends the Tariff Act of 1930 (19 U.S.C. 1202 et seq.), which governs not only seizures and forfeitures under the customs laws, but also those under the narcotics laws (see 21 U.S.C. 881(d)), to address the increasing problem of unmanageable backlogs of civil forfeiture actions in areas such as South Florida. The Tariff Act currently provides for mechanism of administrative forfeiture as a means of quickly disposing of uncontested forfeitures. However, this mechanism is currently of little utility since it may be invoked only when the value of the seized property does not exceed $10,000, a dollar amount unchanged since the enactment of the Tariff Act. Presently, much of the property seized as the result of violations of the customs and narcotics laws has a value in excess of $10,000, and thus, even though the forfeiture of the property is uncontested, the property may be forfeited only after a judicial proceeding, a proceeding which, because of the backlog of civil cases in the federal courts, may not take place until more than a year after the property has been seized. Pending such judical proceedings, the United States must bear the expense of storing and maintaining the property. Furthermore, much of this property consists of "wasting" assets whose value will decline substantially during the delay.

To address these problems, section 902 amends 19 U.S.C. 1607 and 1610, to permit the adiministrative rather than judicial forfeiture of personal property valued at less than $100,000, where such forfeiture is uncontested. In light of this increase, section 902 also amends 19 U.S.C. 1608 to increase the amount of a bond that is to be filed if a party wishes to contest a forfeiture of such property in a judicial proceeding from the current level of $250 to the greater of $250 or ten percent of the appraised value of the property.

Part C—Arson

Section 903 amends two subsections of section 844 of title 18, United States Code and is designed to resolve a problem that has impeded the use of that section in major arson cases. Section 844 deals with the criminal misuse of explosives. Section 844(i) presently proscribes the destruction of property used in or affecting interstate or foreign commerce by means of an explosive. Section 844(f) prohibits the destruction by means of an explosive of property of the federal government or of an organization receiving federal financial assistance.

Section 844(i) has been sucessfully used as a basis for prosecution in some arson cases where gasoline or another flammable liquid has been employed. An ignited mixture of air and gasoline vapor has been held to be an "explosive" within the definition applicable to 844(f) and 844(i). See, e.g., *United States* v. *Agrillo-Ladlad* and *United States* v. *Fleming*, Nos. 80-2822 and 80-2826 (7th Cir., Apr. 14, 1982) and cases therein cited. But the Ninth Circuit has refused to apply section 844(i) in this type of case. *United States* v. *Gere*, 662 F. 2d 1291 (9th Cir. 1981). Moreover, demonstrating that a particular "torching" of a building was carried out by means of such an explosive is often difficult and time consuming. Section 903 would overcome these problems by amending 18 U.S.C. 844(i) to cover damage to property used in or affecting commerce by means of fire as well as by an explosive, and by amending 18 U.S.C. 844(f) to cover destruction of federal property by fire or explosive.

Part D—Electronic Surveillance Amendments

Part D is identical to S. 1640, as passed by the Senate on March 25, 1982, and amends Title III of the Omnibus Crime Control and Safe Streets Act of 1968 (18 U.S.C. 2510 et seq.), the provision of current law which governs electronic surveillance, to achieve two district purposes: first, to estabish uniform procedures for the use of surreptitious entries to install court-authorized electronic eavesdropping devices and second, to provide for emergency interceptions of wire or oral communications in life-endangering situations. See Senate Report 97-319, 97th Cong., 2d Sess. (1982) for an extensive discussion of the need for these provisions.

surreptitious entry

In *United States* v. *Dalia*, 441 U.S. 238 (1979), the Supreme Court held that neither the Fourth Amendment nor Title III required specific court authorization of a surreptitious entry necessary to install an interception device to effect a court ordered interception of communications. Nonetheless, the Court stated that the "preferable approach" would be for Government agents to make explicit to the court their expectation that an entry would be needed to carry out the surveillance, and noted with approval a Department of Justice policy, still in effect, which requires not only that an application for a Title III order indicate whether a surreptitious entry is expected, but also that specific authorization of such an entry be included in the court's order. The provisions of Part D essentially incorporate this long-standing policy of the Department of Justice.

life-endangering exception

Generally, Title III requires prior court authorization of an interception of communications. However, 18 U.S.C. 2518(7) permits an emergency interception without such prior authorization under two types of emergency situations when there is not time to obtain a court order: those involving either "conspiratorial activities threatening the national security" or "conspiratorial activities characteristic of organized crime." The absence of similar specific authority to intercept communications in emergency situations in which there is an imminent threat to human life has been of grave concern to law enforcement authorities. Part D would amend 18 U.S.C. 2518(7) to provide such authority.

As noted in the Senate Report on S. 1640, a spokesman for the Department of Justice testified about past and future situations in which the need for such emergency authority was and would be necessary:

"Situations have arisen and may arise in which terrorists or felons, while holding hostages, use an available telephone to arrange with associates a strategy to force action on their demands or a plan of escape. Similarly, there may be situations in which plans for an imminent murder are learned, but the location or identity of the victim is unknown or law enforcement authorities are otherwise unable to take measures to assure his safety. In such situations, the interception of communications may be necessary to protect the lives of the hostages or victims, yet time for obtaining a court order may not be available.

S. Rept. No. 97-319, p. 7. The FBI also provided a number of case studies illustrating the need for the emergency life-in-danger amendment which are set out at note 37 of the Report.

Section 904 amends 18 U.S.C. 2510 to include a definition of the term "surreptious entry." Surreptitious entry is defined to mean a "physical entry upon a private place or premises to install, repair, reposition, replace, or remove" an eavesdropping device, and includes both covert entries and entries effected by ruse or subterfuge.

Section 905 amends 18 U.S.C. 2518(1) to require that an application for an order authorizing the interception of communications specify whether a surreptitious entry will be required to carry out the order, and would thus alert the issuing judge to the fact that a surreptitious entry was anticipated.

Section 906 amends 18 U.S.C. 2518(4) to require that the court's order authorizing an interception state whether a surreptitious entry is authorized to effect the order and identify the agency authorized to make the entry.

Section 907 amends 18 U.S.C. 2518(7) to add to the bases for an interception of communications without a prior court order (currently limited to emergency situations involving conspiratorial activities threatening the national security or conspiratorial activities characteristic of organized crime) emergency situations involving an "immediate danger of death or serious physical injury to any person." As under the existing emergency interception provision, an interception based on such life-endangering circumstances would be permitted only if the grounds for obtaining a court ordered interception exist and an application for such an order is made within forty-eight hours. This amendment is in accord with the established principle that the existence of exigent circumstances requiring immediate action is justification for conducting a warrantless search. There is no reason why the same principle should not also apply in the area of interception of communications, particularly in view of the narrowly drawn basis for emergency authorization set forth in this amendment. Certainly, an immediate threat of danger to human life is an equally, if not a more compelling justification for emergency interception than the current statutory basis set out in 18 U.S.C. 2518(7).

This section also makes it clear that an emergency interception authorized under 18 U.S.C. 2518(7) may include a surreptitious entry.

Section 908 amends section 2519 of title 18, United States Code, currently provides that certain information concerning Title III interceptions be reported to the Administrative Office of the U.S. Courts. The amendment adds the requirement that information regarding surreptitious entries be included in these reports.

Section 909 merely corrects the paragraph references in section 2519(2) of title 18, United States Code, to reflect the addition of a new section 2519(1).

Part E—Juvenile Delinquency

Part E makes several amendments to the juvenile delinquency chapter of title 18, United States Code.

Section 910 lowers from eighteen to seventeen the age at which an act that would be considered a crime if committed by an adult is instead considered to be an act of juvenile deliquency.

Section 911 amends section 5032 of title 18 to provide that the provision relating to deferral of juvenile prosecutions to State authority does not apply to an offense that is a felony if there is a substantial federal interest in the case or the offense that warrants the exercise of federal jurisdiction. This amendment to current law was recommended by the Attorney General's Task Force on Violent Crime. That Task Force Report indicates, at page 83, that it believes that the federal government "should have the opportunity to prosecute those individuals, be they adults or juveniles, who violate federal law".

Section 911 also amends section 5032 to permit adult prosecution of anyone over fourteen who is charged with a crime of violence or an offense described in section 841, 952(a), 955, or 959 of title 21, United States Code, relating to drug trafficking. Under current law, a person may be charged as an adult only if he is over 16 and is charged with an offense punishable by ten years or more in prison, life imprisonment, or death.

Section 912 amends section 5038 of title 18 of the United States Code to permit a juvenile who is prosecuted as an adult. Under current law, the name and picture of a juvenile may not be released even if the courts have found that prosecuting him as an adult is in the interests of justice. The amendment is consistent with a recommendation of the Attorney General's Task Force.

Part F—Kidnaping of Federal Officers

Section 913 amends the kidnaping statute, 18 U.S.C. 1201, to cover the abduction of a federal officer listed in 18 U.S.C. 1114 if the crime is committed while the victim is engaged in his official duties or on account of his official duties. Presently only murder and assault on these persons are federal offenses and kidnaping would not be covered unless the victim happened to be transported in interstate commerce or the offense was committed in an area of special federal jurisdiction. The amendment also complements the amendments contained in Part G, which proscribes the murder, assault, or kidnaping of family members of federal law enforcement officers and high level federal officials if the offense is committed to impede or retaliate against the federal officer or employee because of his official duties.

Part G—Protection of Families of Federal Officials

Section 914 adds a new section 115 to title 18, United States Code, to make it a federal offense to commit or threaten to commit a murder, kidnaping or assault upon a close relative of a federal judge, federal law enforcement officer, or certain high-level federal officials if the purpose of the attack is to impede, interfere with, intimidate, or retaliate against the federal employee on account of his official duties. Since it would be an element of the new offense that the act was done because of the official duties of the employee, the section represents no real expansion of federal jurisdiction. The scope of the offense is linked to acts done with a purpose to obstruct or retaliate against federal officials because of their job-related responsibilities—acts for which a State or local jurisdiction might lack the necessary degree of interest to vindicate the crime and for which federal jurisdiction is thus appropriate.

The subjects of the new offense are family members—spouse, parent, brother, sister, and other relatives of the official who actually live in his household—of those government employees and officers most likely to be subjected to attacks by terrorists or other criminals in an attempt to interfere with vital functions of the government and the administration of justice, namely law enforcement officers, the President, Vice President, Members of Congress, Cabinet officers and federal judges including Supreme Court Justices. In part, this section complements Title IV of the bill, which protects Supreme Court Justices and Cabinet officers themselves by making attacks on their persons federal crimes.

Part H—Destruction of Motor Vehicles

Section 916 amends the definition of "motor vehicle" in 18 U.S.C. 31, the section that defines the term as it is applied in 18 U.S.C. 33 which proscribes the destruction of motor vehicles or the disabling of a driver of a motor vehicle. Presently "motor vehicle" means any device used for commercial purposes on the highways for the transportation of passengers or passengers and property. It does not include vehicles used to transport only cargo. Another statute which does cover the actual or attempted destruction of cargo moving in interstate commerce, 15 U.S.C. 1281, is restricted to the destruction of the cargo itself. Thus, there is no federal coverage of a sniper who shoots at a cargo truck since the truck carries only cargo which usually is not destroyed. The amendment would close this gap by expanding the definition of "motor vehicle" to include a device used for carrying "passengers and property, or property or cargo."

Part I—Reporting of Currency Transactions

Part I would amend various sections of chapter 21 of title 31 of the United States Code to strengthen the ability of law enforcement authorities to stem the illicit flow of currency involved in narcotics trafficking and money laundering schemes often associated with organized crime. The chapter presently provides for the filing of reports relating to certain large-scale domestic currency transactions, and to the importation or exportation of monetary instruments—generally cash or the equivalent—in large amounts.

Section 916(a) raises the civil penalty authorized in section 1056 of title 31 for a willful violation of the chapter by a financial institution or a participating officer or employee from $1,000 to $10,000.

Section 916(b) raises the criminal penalty for a willful violation of the chapter from its present misdemeanor level to a felony with an authorized punishment of five years' imprisonment and a $50,000 fine, or both.

Section 916(c) would amend section 1101, which presently requires a report to be filed by a person who transports monetary instruments of $5,000 or more into or out of the United States. First, it would raise the reporting requirement to those transporting $10,000 in recognition of the fact that legitimate tourists today occasionally carry more than $5,000. Second, it would add a reporting requirement for those who attempt to transport the larger amount. Presently there is no attempt provision. As a result, court decisions have held that as to transporting currency out of the country the statute is not violated until the person has actually departed the United States. At that point federal arrest authority is generally lacking.

Section 916(d) would amend section 1105 by allowing a customs officer to make a warrantless search of a vessel, vehicle, airplane or person entering or departing from the United States if he has resonable cause to believe the conveyance or person is transporting monetary instruments in violation of the reporting requirements of section 1101. Warrantless border searches of persons and conveyances entering the United States have long been judicially sanctioned. This subsection extends this type of search to outgoing traffic. The only court which has squarely considered this question concluded that the similarity of incoming and outgoing border searches compelled a holding that a warrantless search on less than probable cause was proper. *United States* v. *Stanley*, 545 F.2d 661 (9th Cir. 1976), cert. denied, 436 U.S. 917 (1978).

Section 916(e) would authorize rewards for persons who provide information which leads to a fine, civil penalty, or a substantial forfeiture for a violation of the currency reporting laws.

Section 917 would add currency reporting violations to the definitions of "racketeering activity" listed at 18 U.S.C. 1961 (1), thereby making title 31 crimes predicate offenses for a RICO prosecution.

Part J—Pharmacy Robbery

Section 918 adds a new section 2118 to title 18, United States Code, to proscribe the taking of certain narcotics, amphetamines or barbiturates from a pharmacy or from a registered manufacturer, distributor, or dispenser of controlled substances by force, violence, or intimidation. See S. Rept. No. 97-307, pages 674-675.

Part K—Solicitation To Commit a Crime of Violence

Section 919 adds a new section 373 to title 18 of the United States Code, to proscribe the offense of solicitation to commit a crime of violence. This section is of principal utility in a situation where a person makes a serious effort to induce another to engage in activity constituting a crime of violence but is unsuccessful in doing so. The solicitor is clearly a dangerous person and his act merits criminal sanctions. Yet at present there is no federal law that prohibits solicitation generally, although solicitation offenses are common in modern state criminal codes and a solicitation offense was included in S. 1630, the proposed federal criminal code reform bill. See S. Rept. No. 97-307, pages 179-186.

Only solicitation to commit a crime of violence is here covered. "Crime of violence" is defined, in a new section 16 to be added to title 18, as a crime that has as an element the use or attempted use of physical force against another's person or property, or any felony that involves a substantial risk that physical force will be so used. Thus, although the new offense rests primarily on words of instigation to crime, what is involved is legitimately proscribable criminal activity, not advocacy of ideas which is protected by the First Amendment right of free speech.

Part L—Felony-Murder

Section 920 amends the felony-murder portion of the federal murder statute, 18 U.S.C. 1111. Presently premeditated murder is murder in the first degree. Under common law, a murder committed during a common law felony was held to be committed with a sufficient degree of malice to warrant punishments as first degree murder, but section 1111 only applies the felony murder doctrine to killings committed during an actual or attempted arson, rape, burglary, or robbery. The amendment would expand the list of underlying offenses by adding escape, murder—for example if the defendant acts in the heat of passion in an attempt to kill A but instead kills B—kidnaping, treason, espionage, and sabotage since these crimes also pose as great, if not more, danger to human life, as the four presently listed.

Part M—International Year Against Drug Abuse

Section 921(a) states that it is the sense of the Congress that the President is urged to promote a declaration by the United Nations of an International Year Against Drug Abuse. The statement of the sense of the Congress follows congressional findings that the problems of drug abuse continue to worsen in most parts of the world, that the number of drug abusers has risen and abuse has spread geographically, that the types and quantities of drugs abused has expanded, and that a declaration by the United Nations as an International Year Against Drug Abuse would be a catalyst for international action against the problem.

Section 921(b) requires that the Secretary of the Senate transmit copies of the resolution to the President.

Part N—Distribution of Drugs Near Schools

Section 922 enacts a new section 405A of the Controlled Substances Act that provides in subsection (a) that, if a person is convicted of distributing a controlled substance in or on, or within one thousand feet of, a school or its premises, he will be punishable by imprisonment or a fine that is twice that provided in section 401(b) and by a special parole term that is twice that authorized for a first offense involving the same controlled substance and schedule.

Subsection (b) of section 405A provides that, if the offense is a second offense, the person is punishable by a term of imprisonment of not less than three years and not more than twenty years and at least three times the special parole term authorized for a second or subsequent offense under section 401(b).

Subsection (c) of section 405A makes the sentence under subsection (b) mandatory and makes the offender ineligible for parole until he has served the minimum specified sentence.

Subsections (b), (c), and (d) of section 922 of the bill contain conforming amendments.

Part O

Section 923 contains a provision to ensure that the bill conforms to the Budget Act requirements.

HOUSE OF REPRESENTATIVES—*Wednesday, May 26, 1982*

The House met at 10 a.m.

The Reverend Paul Durham, Radnor Baptist Church, Nashville, Tenn., offered the following prayer:

We thank Thee, our Father in Heaven, for this sacred moment when our hearts may be united in prayer Let us remember that Thou hast given us every good thing.

We pray, O Lord, that Thou wilt take from us the selfishness that is unwilling to bear the burdens of others while expecting that they shall help with ours. Make us so dissatisfied with our professions and our deeds, our fine words and our shabby thoughts, our friendly faces and our cold hearts, that we shall pray this morning for a new spirit and new attitudes. Then shall our prayers mean something, not alone to ourselves, but peace and justice to our Nation. In the name of Jesus Christ our Lord. Amen.

THE JOURNAL

The **SPEAKER**. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. **WALKER**. Mr Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Chair's approval of the Journal.

The **SPEAKER**. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. **WALKER**. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 353, nays 36, answered "present" 2, not voting 41, as follows:

[Roll No. 105]

YEAS—353

Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews
Annunzio
Anthony
Archer
Aspin
Atkinson
AuCoin
Badham
Bailey (MO)
Bailey (PA)
Barnard
Beard
Bedell
Beilenson
Benedict
Benjamin
Bennett
Bereuter
Bethune
Bevill
Biaggi
Blanchard
Bliley
Boggs
Boland
Boner
Bonior
Bouquard
Bowen
Breaux
Brinkley
Brodhead
Brooks
Broomfield
Brown (OH)
Broyhill
Burgener
Burton, Phillip
Byron
Campbell
Carman
Carney
Chappell
Chappie
Cheney
Clausen
Clinger
Coats
Coelho
Coleman
Collins (IL)
Collins (TX)
Conable
Conte
Conyers
Corcoran
Courter
Coyne, James
Coyne, William
Craig
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daschle
Daub
Davis
de la Garza
Deckard
DeNardis
Derrick
Dicks
Dingell
Donnelly
Dorgan
Dougherty
Dowdy
Downey
Duncan
Dunn
Dwyer
Dyson
Early
Eckart
Edgar
Edwards (CA)
Edwards (OK)
Emery
English
Erdahl
Ertel
Evans (DE)
Evans (GA)
Evans (IN)
Fary
Fascell
Fazio
Ferraro
Fiedler
Findley
Fish
Fithian
Flippo
Florio
Foglietta
Foley
Ford (TN)
Fowler
Frank
Frenzel
Frost
Fuqua
Garcia
Gaydos
Gephardt
Gibbons
Gilman
Gingrich
Ginn
Glickman
Gonzalez
Gore
Gradison
Gramm
Green
Grisham
Guarini
Gunderson
Hagedorn
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hatcher
Hawkins
Hertel
Hightower
Hillis
Hollenbeck
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jeffords
Jeffries
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kindness
Kogovsek
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
Lee
Lehman
Leland
Lent
Levitas
Lewis
Livingston
Loeffler
Long (LA)
Long (MD)
Lott
Lowry (WA)
Lujan
Lundine
Lungren
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Matsui
Mattox
Mavroules
Mazzoli
McClory
McCollum
McCurdy
McDade
McDonald
McEwen
McHugh
Mica
Michel
Mikulski
Miller (CA)
Mineta
Minish
Mitchell (NY)
Moakley
Moffett
Molinari
Mollohan
Montgomery
Moore
Moorhead
Morrison
Mottl
Murtha
Myers
Natcher
Neal
Nelligan
Nelson
Nowak
O'Brien
Oakar
Oberstar
Oxley
Panetta
Parris
Pashayan
Patman
Patterson
Paul
Pease
Pepper
Perkins
Petri
Peyser
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Railsback
Rangel
Ratchford
Regula
Reuss
Richmond
Rinaldo
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Rodino
Roe
Rogers
Rose
Rosenthal
Rostenkowski
Roth
Roukema
Rousselot
Roybal
Rudd
Russo
Santini
Sawyer
Scheuer
Schulze
Schumer
Seiberling
Sensenbrenner
Shamansky
Shannon
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Simon
Skeen
Skelton
Smith (AL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (PA)
Snowe
Snyder
Solarz
Spence
St Germain
Stangeland
Stark
Staton
Stenholm
Stokes
Stratton
Studds
Stump
Swift
Synar
Tauke
Tauzin
Taylor
Thomas
Traxler
Trible
Udall
Vander Jagt
Vento
Volkmer
Wampler
Watkins
Weaver
Weber (MN)
Weber (OH)
Weiss
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wirth
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yatron
Young (FL)
Young (MO)
Zablocki
Zeferetti

NAYS—36

Barnes
Brown (CO)
Butler
Clay
Coughlin
Derwinski
Dickinson
Dornan
Dreier
Emerson
Evans (IA)
Fields
Forsythe
Gejdenson
Goodling
Gregg
Harkin
Hartnett
Hendon
Hiler
Holt
Jacobs
Johnston
Kramer
LeBoutillier
Luken
Miller (OH)
Murphy
Roemer
Sabo
Schroeder
Smith (OR)
Solomon
Walker
Washington
Yates

ANSWERED "PRESENT"—2

McGrath
Ottinger

NOT VOTING—41

Applegate
Bafalis
Bingham
Bolling
Bonker
Brown (CA)
Burton, John
Chisholm
Crockett
Dellums
Dixon
Dymally
Edwards (AL)
Erlenborn
Fenwick
Ford (MI)
Fountain
Goldwater
Gray
Heckler
Hefner
Heftel
Holland
Lowery (CA)
Markey
Marks
McCloskey
McKinney
Mitchell (MD)
Napier
Nichols
Obey
Rahall
Rhodes
Savage
Schneider
Stanton
Walgren
Waxman
White
Young (AK)

☐ 1015

So the Journal was approved.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Saunders, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On May 17, 1982:

H.R. 1624. An act for the relief of Theresa Macam Alcalen;

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.
● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

H.R. 1681. An act for the relief of Andre Bartholo Eubanks;

H.R. 1796. An act for the relief of Jacobo Cosio-Franco;

H.R. 1977. An act for the relief of Maria Gloria (Joy) C. Villa; and

H.R. 3478. An act for the relief of Mrs. Haruko Kubota Smith.

On May 21, 1982:

H.J. Res. 412. Joint resolution to authorize and request the President to designate May 20, 1982, as "Amelia Earhart Day."

On May 24, 1982:

H.R. 2863. An act to authorize the Secretary of Agriculture to sell the portion of the Tahoe National Forest known as Blyth Arena;

H.R. 6038. An act to amend section 235 of the National Housing Act; and

H.J. Res. 361. Joint resolution to grant official recognition to the international ballet competition.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed a bill of the following title in which the concurrence of the House is requested:

S. 2398. An act to provide for increased participation by the United States in the African Development Fund.

THE REVEREND PAUL DURHAM

(Mr. **BONER** of Tennessee asked and was given permission to address the House for 1 minute.)

Mr. **BONER** of Tennessee. Mr. Speaker, it is my great pleasure and privilege to welcome to the House today the Reverend Paul Durham of Nashville, Tenn., who has just opened our session with that beautiful and challenging prayer.

Reverend Durham is an outstanding leader in the religious and civic life of Nashville, where he is pastor of one of the city's leading churches, the Radnor Baptist Church. His ministerial service extends beyond his own congregation, however, as he has unselfishly served in numerous leadership positions in the Tennessee State Baptist Convention. Currently he serves as president of the Middle Tennessee Pastor's Conference and is an active leader in the life of Nashville's Baptist Hospital.

In addition to his service to his church, Reverened Durham is widely recognized and honored for his outstanding contributions to his community. He is especially to be commended for his foresight and hard work in his single-handed role in the construction of one of Nashville's largest high rise retirement centers, Radnor Towers.

Mr. Speaker, it is also my pleasure to welcome his wife Nadine. This couple of 29 years are the proud parents of four sons. And yesterday they became the proud grandparents of their second granddaughter.

Let me add that apart from recognizing Reverend Durham's outstanding achievements in his ministry and in his community, I am just proud to call Paul Durham my friend of many years.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION AND SUBCOMMITTEE ON WATER RESOURCES TO SIT TODAY WEDNESDAY, MAY 26, 1982, AND THURSDAY, MAY 27, 1982, DURING PROCEEDINGS UNDER 5-MINUTE RULE

Mr. **FLIPPO**. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation and the Subcommittee on Water Resources may have permission to sit today, May 26, 1982, and Thursday, May 27, 1982, during proceedings under the 5-minute rule.

Mr. Speaker, I might say that this request is supported by the ranking minority member.

The **SPEAKER**. Is there objection to the request of the gentleman from Alabama?

Mr. **CAMPBELL**. Mr. Speaker, reserving the right to object, I could not hear. Has this been cleared with the minority?

Mr. **FLIPPO**. It has.

Mr. **CAMPBELL**. Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER**. Is there objection to the request of the gentleman from Alabama?

There was no objection.

DISAPPROVING FEDERAL TRADE COMMISSION TRADE REGULATION RULE RELATING TO SALE OF USED MOTOR VEHICLES

Mr. **DINGELL**. Mr. Speaker, pursuant to the provisions of section 21(b) of Public Law 96-252, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the Senate concurrent resolution (S. Con. Res. 60) disapproving the Federal Trade Commission trade regulation rule relating to the sale of used motor vehicles; and pending that motion, Mr. Speaker, I move that general debate on the Senate concurrent resolution be limited to not to exceed 2 hours, 1 hour to be controlled by the gentleman from New Jersey (Mr. Florio) and 1 hour to be controlled by the gentleman from New York (Mr. Lee).

Mr. Speaker, I also ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material.

The **SPEAKER**. Is there objection to the request of the gentleman from Michigan?

POINT OF ORDER

Mr. **ROSENTHAL**. Mr. Speaker, I make a point of order against consideration of this concurrent resolution on the ground that it violates subsection 6 of section 715, which in essence requires a 3-day layover of the matter under consideration. The rule says:

> Nor shall it be in order to consider any measure or matter reported by any committee unless copies of such report and reported measure have been available to the Members for at least three calendar days.

There is no report available, Mr. Speaker, to the members of the committee or the Members of the House in this matter under consideration, and therefore it would be in violation of the rules to consider it. I am very much aware, Mr. Speaker, that there is an additional paragraph under the rule which says: "The subparagraph shall not apply to two exceptions."

In other words, there are two exceptions under which the 3-day layover and requirement that a report is necessary can be waived. The first exception is subsection (a) which says:

> Any measure for the declaration of war or the declaration of a national emergency by the Congress.

That is one of the cases when we do not need a report, obviously, when it is a matter of great import.

The second section, subsection (b) says:

> Any decision, determination or action by a government agency which would become or continue to be effective unless disapproved or otherwise invalidated by one or both Houses of Congress.

Now, I am assuming, Mr. Speaker, that the proponents of the resolution under consideration would suggest that the waiver provision of section (b) would apply to the matter under consideration, and they would suggest that the Federal Trade Commission is a Government agency in the common parlance of what is a Government agency. The Federal Trade Commission, which was created in 1914, is an independent agency headed by five Commissioners who are nominated by the President and confirmed by the Senate for 7 years. The point that I make in support of my point of order is that in the House rules the definition of a Government agency has traditionally been that of an executive branch agency, not a quasi-judicial commission, such as the Federal Trade Commission. If this were a rule, for example of the Department of Housing and Urban Development, I would tend to agree with the proponents of the resolution that the 3-day layover would not apply, but under the circumstances, and taking into account that the question of the one House or two-House veto is being very actively considered by both district courts and circuit courts of appeal, I would respectfully suggest that the definition of the Federal Trade Commission as an independent agency is not synonymous with the term used in the rules of the House of Representatives of a Government agency, and that there is a distinction between a Government agency, albeit an executive branch agency, and an independent quasi-judicial commission, such as the Federal Trade Commission.

Because of the fact that it is my belief that the waiver provision under subsection (b) of the rule does not apply, then a point of order lies against consideration of this resolution today.

The SPEAKER. Does the gentleman from New York desire to be heard on the point of order?

Mr. LEE. Mr. Speaker, I rise in opposition to the point of order and wish to be heard.

☐ 1030

Mr. Speaker, under the rules of the House a point of order normally would lie against consideration of a matter reported from any committee until the third calendar day on which the report has been made available. However, based upon a change to rule XI, clause 2(l)(6) made at the beginning of this Congress, this layover requirement does not apply to "any decision, determination, or action by a Government agency which would become * * * effective unless disapproved or otherwise invalidated by one or both Houses of Congress."

Clearly, in my judgment, the Federal Trade Commission is an agency under the language of the rule. I think the gentleman from New York references the term, "agency," in a generic sense.

Mr. Speaker, today is the 90th day or the last day on which the House may veto the Federal Trade Commission rule, and by voting yes on Senate Concurrent Resolution 60, failure to permit consideration of the resolution of disapproval today would be contrary to the clear intent of section 21 of the Federal Trade Commission Improvements Act of 1980, which was enacted as an exercise of the rulemaking power of this body.

I believe that application of the 3-day rule in this situation would fly in the face of rule XI, clause 2(l)(6) made at the beginning of this Congress.

Mr. Speaker, I would also respond to the point that there were 10 copies of the printed resolution at both desks.

The SPEAKER. The Chair will inquire, does the gentleman from Michigan (Mr. DINGELL) desire to be heard on the point of order?

Mr. DINGELL. Mr. Speaker, I would like to be heard also on the point of order.

Mr. Speaker, I would like to read the appropriate part of the rule cited in connection with the point of order.

Mr. Speaker, the language at page 414 under rule XI, clause 2, reads as follows, referring to the requirement that the report shall have been made available for the appointed period of time:

> This subparagraph shall not apply to—

And then following a paragraph headed "(A)," this language—

> (B) any decision, determination, or action by a Government agency which would become or continue to be, effective unless disapproved or otherwise invalidated by one or both Houses of Congress.

Then, reading down through the annotation, Mr. Speaker, at the bottom of page 414, we find these words:

> . . . and the exception from the three-day availability requirement for certain reports from the Committee on Rules must be read in light of the broader authority, contained in cl. 4(b) of this rule, conferred on that committee to call up other reports after one day of availability. The exceptions from the three-day layover requirement provided in the last sentence of this paragraph were expanded in the 97th Congress (H. Res. 5), Jan. 5, 1981, page —

And then a blank, because I gather the precise citation was not available at the time the House Rules and Manual were printed—

> to include resolutions called up pursuant to legislative veto provisions in laws having the effect of approving or invalidating the actions of any government agency—

And then in parentheses these words:

> (and not just agencies of the executive branch).

Now, Mr. Speaker, I would observe that the point of order raised by the gentleman from New York (Mr. ROSENTHAL) appears to be that the Federal Trade Commission is either not an agency of the Federal Government or is not an agency of the executive branch. On that point I am not altogether clear. I am, however, clear that the Federal Trade Commission is an agency of the Federal Government and has so been treated.

It is subject to the jurisdiction of the Congress in connection with legislative vetoes. It is subject to annual authorizations or appropriations. Its officers are appointed by the President pursuant to his constitutional power of appointment. Its powers are limited by the Administrative Procedures Act and are defined thereby. Its authorities are set out in other specific statutes such as the statute relative to its action to come forward with the used car rule, as it did, and a number of other statutes, including civil service rules and regulations and the basic statute on civil service and its powers over a number of other investigative and regulatory acts set forth in its basic statutes.

I, therefore, urge on the Chair that the point of order is without merit.

The SPEAKER. The Chair is ready to rule.

The gentleman from New York (Mr. ROSENTHAL) makes the point of order against the consideration of Senate Concurrent Resolution 60 on the ground that the report accompanying that resolution has not been available for 3 days as required by clause 2(l)(6), rule XI. The report from the Committee on Energy and Commerce was filed yesterday and will be available to Members during the debate, but was not available for 3 days.

Section 21(b)(3)A of the Federal Trade Commission Improvements Act of 1980 provided that:

> When a committee has reported a concurrent resolution, it shall be in order at any time thereafter (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the concurrent resolution. The motion shall be highly privileged in the House of Representatives and shall not be debatable.

Now the Chair has consistently endeavored to interpret such provisions of law in conjunction with clause 2(l)(6) of rule XI, both of which are readopted as rules of the 97th Congress at the beginning of this Congress, so as to require that Members have 3 days to read accompanying reports unless the exception contained in clause 2(l)(6), rule XI, becomes applicable. In this case, the Chair believes that the exception contained in that rule is applicable, and the Chair will read the exception in relevant part:

> This subparagraph shall not apply to . . . (B) any decision, determination or action by a Government agency which would become or continue to be, effective unless disapproved or otherwise invalidated by one or both Houses of Congress. For the purposes of the preceding sentence, a Government agency includes any department, agency, establishment, wholly owned Government corporation, or instrumentality of the Federal Government or the Government of the District of Columbia.

15 U.S.C. 41 establishes the Federal Trade Commission as a "commission." In the opinion of the Chair, the Federal Trade Commission is an instrumentality of the U.S. Government. The President's budget on page 1-v45 lists the Federal Trade Commission as an independent agency. It is agreed that the proposed FTC regulation in question becomes effect at midnight tonight, the expiration of the 90-calendar-day period pursuant to section 21(a)(2) of the act, unless disapproved by adoption of a concurrent resolution of disapproval.

The report accompanying the Legislative Reorganization Act of 1970 which first incorporated the 3-day rule describes the intention of the exception to the rule to apply to "legislative veto procedures".

Thus the Chair rules that the exception from the 3-day rule is applicable in the instant case and the availability of the report on Senate Concurrent Resolution 60 is not a prerequisite for the consideration of the concurrent resolution. The Chair overrules the point of order.

The gentleman from Michigan (Mr. DINGELL) has asked unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter.

Is there objection to the request of the gentleman from Michigan?

There was no objection.

The **SPEAKER**. The gentleman from Michigan (Mr. DINGELL) made the motion that the debate be limited to 2 hours.

Without objection, the motion is agreed to.

Mr. **MOFFETT**. Mr. Speaker I reserve the right to object.

The **SPEAKER**. The gentleman from Connecticut (Mr. MOFFETT) reserves the right to object.

Mr. **MOFFETT**. Mr. Speaker, I do not know how the 2 hours was decided upon. This House does have important work to do, and this Member realizes that. I think we have such important work to do that we should not be fooling around with this rule.

The legislative veto was created—and I think the legislative history will show it—with the intent that special interests not be allowed to come before this body as though it were a candy store trying to undo well-thought-out, well-conceived, simple regulations. That is why the 10 hours was put in the law.

It seems to me that when we did create the legislative veto as a body, we settled on 10 hours for that very reason. Are we saying, with this $66 billion industry, with three out of four Americans buying used cars for primary transportation, that we do not have anything to talk about in 10 hours?

I think this is an action that is not to be taken lightly. I think we should use the entire time, and I cannot imagine why we would say, "Well, we are going to take time out from our important budget matters to shaft consumers for 2 hours."

Mr. Speaker, I would yield to the distinguished chairman for an explanation.

The **SPEAKER**. The Chair will state that the motion to limit debate is not debatable.

Mr. **MOFFETT**. I cannot yield, Mr. Speaker?

The **SPEAKER**. The motion is pending.

Mr. **MOFFETT**. Then, Mr. Speaker, I object.

The **SPEAKER**. The Chair will put the question.

The question is on the motion offered by the gentleman from Michigan (Mr. DINGELL) to limit the debate to 2 hours.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. **MOFFETT**. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 317, nays 92, answered "present" 2, not voting 21, as follows:

[Roll No. 106]

YEAS—317

Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Aspin
Atkinson
AuCoin
Badham
Bailey (MO)
Barnard
Barnes
Beard
Beilenson
Benedict
Benjamin
Bennett
Bethune
Bevill
Blanchard
Bliley
Boggs
Boland
Bolling
Boner
Bonker
Bouquard
Bowen
Breaux
Brinkley
Brodhead
Brooks
Broomfield
Brown (CA)
Brown (CO)
Brown (OH)
Broyhill
Burgener
Butler
Byron
Campbell
Carman
Carney
Chappell
Chappie
Cheney
Clausen
Clinger
Coats
Coelho
Coleman
Collins (TX)
Conable
Corcoran
Courter
Coyne, James
Craig
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daschle
Daub
Davis
de la Garza
Deckard
DeNardis
Derrick
Dickinson
Dicks
Dingell
Donnelly
Dorgan
Dougherty
Dowdy
Dreier
Duncan
Dunn
Dyson
Edwards (AL)
Emerson
English
Erdahl
Erlenborn
Evans (DE)
Evans (GA)
Evans (IA)
Evans (IN)
Fary
Fascell
Fazio
Fiedler
Fields
Findley
Fithian
Flippo
Florio
Foglietta
Ford (MI)
Ford (TN)
Forsythe
Fountain
Fowler
Frenzel
Frost
Fuqua
Gaydos
Gephardt
Ginn
Glickman
Goodling
Gradison
Gramm
Green
Gregg
Grisham
Guarini
Gunderson
Hagedorn
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hefner
Heftel
Hendon
Hertel
Hightower
Hiler
Holland
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jeffords
Jeffries
Jenkins
Johnston
Jones (NC)
Jones (OK)
Jones (TN)
Kazen
Kemp
Kindness
Kogovsek
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
LeBoutillier
Lee
Lehman
Lent
Livingston
Loeffler
Long (MD)
Lott
Lujan
Luken
Lundine
Lungren
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Matsui
Mattox
Mazzoli
McClory
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
Mica
Michel
Mikulski
Mineta
Minish
Mitchell (NY)
Molinari
Mollohan
Montgomery
Moorhead
Morrison
Mottl
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nowak
O'Brien
Oberstar
Obey
Oxley
Panetta
Pashayan
Patman
Patterson
Paul
Pease
Pepper
Perkins
Price
Pritchard
Pursell
Quillen
Railsback
Reuss
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roe
Roemer
Rogers
Rose
Rostenkowski
Roukema
Rousselot
Roybal
Rudd
Russo
Sabo
Santini
Sawyer
Schneider
Schulze
Sensenbrenner
Shamansky
Sharp
Shelby
Shumway
Shuster
Siljander
Simon
Skeen
Skelton
Smith (AL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (OR)
Smith (PA)
Snowe
Snyder
Solomon
Spence
St Germain
Stangeland
Staten
Stenholm
Stratton
Stump
Swift
Synar
Tauke
Tauzin
Taylor
Thomas
Traxler
Trible
Udall
Vander Jagt
Volkmer
Walker
Wampler
Watkins
Weber (MN)
Weber (OH)
White
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wirth
Wolpe
Wortley
Wright
Wylie
Yatron
Young (AK)
Young (MO)
Zablocki
Zeferetti

NAYS—92

Bailey (PA)
Bedell
Biaggi
Bonior
Burton, Phillip
Clay
Collins (IL)
Conte
Conyers
Coughlin
Coyne, William
Crane, Daniel
Crane, Philip
Crockett
Dellums
Derwinski
Dornan
Downey
Dwyer
Dymally
Early
Eckart
Edgar
Edwards (CA)
Edwards (OK)
Emery
Ertel
Ferraro
Fish
Frank
Garcia
Gejdenson
Gibbons
Gilman
Gingrich
Goldwater
Gonzalez
Gore
Gray
Harkin
Heckler
Hollenbeck
Jacobs
Kastenmeier
Kennelly
Kildee
Leland
Levitas
Lewis
Lowry (WA)
Markey
Mavroules
McDonald
Miller (CA)
Miller (OH)
Mitchell (MD)
Moakley
Moffett
Moore
Nelligan
Oakar
Petri
Peyser
Pickle
Porter
Rangel
Ratchford
Regula
Richmond
Rinaldo
Rodino
Rosenthal
Roth
Scheuer
Schroeder
Schumer
Seiberling
Shannon
Shaw
Solarz
Stark
Stokes
Studds
Vento
Washington
Waxman
Weaver
Weiss
Wolf
Wyden
Yates
Young (FL)

ANSWERED "PRESENT"—2

Bereuter
Parris

NOT VOTING—21

Bafalis
Bingham
Burton, John
Chisholm
Dixon
Fenwick
Foley
Hall, Sam
Hawkins
Hillis
Long (LA)
Lowery (CA)
Marks
McKinney
Napier
Ottinger
Rahall
Rhodes
Savage
Stanton
Walgren

☐ 1045

Messrs. **PHILIP M. CRANE, YATES, DANIEL B. CRANE, RODINO**, and **SOLARZ** changed their votes from "yea" to "nay."

Mr. **HAMMERSCHMIDT** changed his vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

The **SPEAKER**. The question is on the motion offered by the gentleman from Michigan (Mr. DINGELL) that the House resolve itself into the Committee of the Whole House.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the Senate concurrent resolution (S. Con. Res. 60) with Mr. BENNETT in the Chair.

The Clerk read the title of the Senate concurrent resolution.

The CHAIRMAN. Without objection, the first reading of the concurrent resolution will be dispensed with.

There was no objection.

The CHAIRMAN. Pursuant to the provisions of section 21(b) of Public Law 96-252, and the order of the House of May 26, 1982, the gentleman from New Jersey (Mr. FLORIO) will be recognized for 1 hour and the gentleman from New York (Mr. LEE) will be recognized for 1 hour.

The Chair recognizes the gentleman from New York (Mr. LEE).

Mr. LEE. Mr. Chairman, I yield such time as he may consume to the gentleman from New York, Mr. LENT.

☐ 1100

Mr. LENT. Mr. Chairman, today we are considering Senate Concurrent Resolution 60, a resolution which disapproves the Federal Trade Commission's used car rule. I rise in support of the veto resolution.

Trade regulation rules issued by the Commission are subject to congressional review for a period of 90 days. If during that period both Houses pass a disapproval resolution, the rule will not become effective.

Recently the other body passed Senate Concurrent Resolution 60 to veto the used car rule. The vote was overwhelming—69 to 27. This resolution is now before us for our consideration.

Let me say at the outset that there is much in this rule with which most of us can agree.

Specifically, I support those provisions of the rule which suggest that the consumer inquire about prepurchase inspections, warn the consumer about oral promises, provide the consumer with information on the nature and extent of the warranties offered on the vehicle, and prohibit affirmative misrepresentations regarding the condition of the car.

I believe that these provisions would more than adequately address the problems in used car sales which have been identified by the Commission during its extensive investigation.

All of these provisions of the rule are straightforward, effective, and relatively simple for dealers to comply with. Generally, these provisions would help the consumer to make a more informed decision when he or she is buying a used car.

Unfortunately, section 21 dictates that this rule must either be accepted or rejected in its entirety. Given that limited choice, I believe that we must reject the rule by adoption of this concurrent resolution, and I am going to explain why.

The disclosure requirement, the so-called defect disclosure requirement of the rule, is both ambiguous and ineffective. Although the provision clearly states that an inspection of the car is not required, many of the 52 listed defects which dealers must disclose are such that accurate disclosure could not be made unless an inspection is conducted.

If the dealer does not inspect the car, he will be conveying information about the car to the consumer which is either incorrect or incomplete or both. That outcome is clearly of no benefit to consumers. It will also expose dealers to litigation for failing to disclose accurate information.

Inasmuch as this rule only applies to dealers, used car sales will shift into the unregulated private market. This will no doubt further aggravate the ailing condition of the auto industry. It will also deny consumers in the private market the protection that the rule affords to consumers in the commercial market. Since private sales already account for more than half of the total market, this will leave more than 50 percent of the consumers unprotected.

Another major flaw of the provision is that it imposes liability on dealers for failure to disclose a defect even though they have no actual knowledge of it, but merely that they should have known it existed. As the rule states, a dealer has knowledge of a defect if he or any of his employees "has obtained facts or information about the condition of a vehicle which would lead a reasonable person under the circumstances to conclude that the car contained 1 or more of the 52 defects" which are listed in section 455.6 of the rule. This is a very broad definition of knowledge which will automatically impute such knowledge to a dealer in most circumstances. I am convinced that this provision will force dealers to conduct costly inspections in order to protect themselves from penalties of up to $10,000 per vehicle.

Finally, I would note that we must act today to veto this rule. Today is the final day on which we can act. Otherwise this used car rule will go into effect.

So I urge my colleagues to vote in favor of Senate Concurrent Resolution 60.

Mr. LEE. Mr. Chairman, will the gentleman yield?

Mr. LENT. I yield to the gentleman from New York.

Mr. LEE. I would like to ask a couple of questions, if I may.

First, if this rule goes into effect, what would be the impact on consumers, in the gentleman's judgment?

Mr. LENT. Well, as I said earlier, I believe that most of the provisions of this rule would benefit consumers. The provisions I am referring to would, first, suggest that the consumer inquire about prepurchase inspections; second, warn the consumer against oral promises; third, provide the consumer with information on the nature and extent of any warranties offered by the dealer on the vehicle; and fourth, prohibit affirmative misrepresesentations regarding the condition of the car.

I believe that these provisions would not impose any significant burden on auto dealers for purposes of compliance. I also think that these provisions would serve to help the consumer make a more informed decision when he or she is buying a used car.

If these provisions were the subject of a separate vote today, I would support them. Unfortunately, we are not afforded that opportunity under the review procedures here. We must either accept or reject the rule in its entirety today. Given that choice, I believe that we must reject the rule because of the defects disclosure provision.

Mr. LEE. If the gentleman will yield for one additional question, would the gentleman expand on the point pertinent to the defects disclosure section by responding on what the impact may be on the consumer as he or she makes his or her decision?

Mr. LENT. Certainly. Because of the ambiguities that are contained in the defects disclosure provision, I am convinced that consumers will in many, many instances be given misinformation instead of correct information about the car's condition. If the dealer does not go ahead and inspect, as the rule states he need not, the dealer will be guessing, at best, as to which of the 52 listed defects may exist in a particular car. Guesswork like that will most likely be incorrect or incomplete or both, and such misinformation will obviously hurt a consumer's ability to make an informed choice before buying a used car.

If the dealer does go ahead and inspect—and the dealers testified at our hearing that in many cases they would be forced to inspect—the dealer will be in a far better position to convey accurate information to the consumer about the car. But that inspection is going to cost both the consumer and the dealer. We received testimony from two dealers associations that compliance with this provision will cost about $150 to $250 per vehicle. With that in mind, we can expect that consumers will have to pay more for a used car and, conversely, sellers of a used car will receive less for their car.

I would also note that this rule only applies to the sales of used cars by dealers, which means that all of the consumers who purchase a used car through the private market will not be afforded any protection whatsoever under this rule.

This will serve to aggravate the condition of an already ailing auto industry because the sale of more used motor vehicles are certainly going to shift from the commercial market to the private market.

Mr. LEE. I thank the gentleman.

Mr. Chairman, at this time I reserve the balance of my time.

Mr. FLORIO. Mr. Chairman, I yield myself such time as I may use.

Mr. Chairman, I rise in opposition to this resolution. The used car rule, as it has been proposed, is necessary, and we should let it take effect. The rule is a very simple but important rule. It requires dealers of used cars to put on each car that they sell a sticker which tells a consumer two things: the warranty terms, if any, that go with the sale, and the known major mechanical defects that the dealer knows about. I do not regard it as a radical proposition that if an engine block is cracked and the dealer knows it, he should be required to inform the buyer. The cost of the sticker is 18 cents. The time required to fill it out is minimal.

There is no burden on the dealer which makes this rule particularly burdensome, except the burden of telling the truth to the used car purchaser. The essence of the rule is the belief that the disclosure of what the dealer knows to the buyer is essential to a free marketplace situation.

The Federal Trade Commission undertook this rulemaking because the Congress directed it to do so. They spent 5 years on this matter and rejected several proposals which were much more burdensome on dealers, rules that would have required inspections, as this one does not. At an earlier stage in the deliberations, one of the dealer groups which is currently opposed to this rule endorsed a proposal that was identical to this particular rule.

The Federal Trade Commission found two predominant problems in the area of used car sales transactions. The first is that consumers are often told orally that warranties are provided when they simply are not. A salesman will tell a customer that the dealer will take care of the problems, or that a car is guaranteed, and then the customer will sign a contract which has in the fine print that the car is being sold "as is," without any warranty. The buyer, as one can appreciate, is later totally out of luck when they go to litigation, because the written word prevails over oral representations.

The second problem is that dealers often misrepresent the condition of a car. Even though a dealer knows that the transmission is bad, he fails to tell the consumer, and the consumer buys the car totally unaware of this problem that the seller knows about.

The proposed rule aids the consumer in these areas by providing disclosure. It does not require the dealer to do anything but disclose the truth about the car and the warranty terms.

First, it requires a written disclosure of the warranty terms on the automobile, and these terms are included in the sales contract. On the window of the car, the terms of the warranty will be disclosed; and the dealer will no longer be able to represent that the car has a 90-day warranty when the contract says that no warranty exists. The sticker will plainly point out what the warranty is.

Second, the rule requires that the dealer reveal in writing any major defects which he knows about. The dealer must list on the sticker any defects that he knows exist. If he knows that the cooling system leaks, he must put that on the sticker. If the cooling system leaks and he is unaware of it, he is under no obligation to inspect the car for major defects.

I want to emphasize that the rule explicitly states that the dealer is not required to inspect the automobile. There is nothing implicit in the rule which would require an inspection. Furthermore, in the written enforcement policy statement of the Federal Trade Commission, which has been published, the following language I think is clear: "No dealer can ever be subjected to enforcement action by the Commission for not inspecting." I do not think there is anything ambiguous about that.

The choice we have today is a very simple one. We can continue to let consumers get ripped off by unscrupulous car dealers, or we can provide these modest disclosure requirements that this rule provides. We can give in to the wishes of some used car dealers who want to continue to deceive customers, or we can require that they disclose the truth about the automobiles they sell.

There is an interesting point that has been made about private car sales not being included under the rule. I assume that those who argue that it should be are proponents for the proposition that regulation for the sake of regulation is desirable. The record is complete that the problem is not in private sales transactions and accordingly, the rule does not address that nonproblem area.

Those supporting this resolution of veto point to problems with the FTC rule that do not exist. I think such nonissues as inspection, which is not called for, forms and reports which are not required, the undue burden of expenses, when we know that it is only 18 cents that is the expenditure requirement here, such nonissues are designed to hide the central issue: Is the House going to stand up to the special interests and provide the consumer in this important field of commerce some relief, or are we going to ignore the legitimate needs of the consumer and the abuses that are currently taking place in the used car marketplace?

□ 1115

Problems with used cars are the No. 1 consumer fraud problem in this Nation. The National Association of Attorneys General, the chief law enforement officers of the States, testified to the prevalence of this problem and have endorsed this rule. They have seen firsthand the problems in used car sales. My own attorney general has just submitted a telegram to all members of my delegation supporting this rule. They believe that the rule is necessary.

Mr. Chairman, in conclusion, I would urge the House to reject this resolution and assist used car consumers of this Nation in our effort to have a fair marketplace.

Mr. MINISH. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I yield to the gentleman from New Jersey.

Mr. MINISH. I thank the gentleman for yielding.

I want to commend the subcommittee chairman for his work in this field.

Mr. PEYSER. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I yield to the gentleman from New York.

Mr. PEYSER. I must say at this point that I would have to be classified at this point as uncommitted as to which way I am going on this issue.

I would like to say at the outset though, I know the gentleman realizes this, while undoubtedly there are used car dealers who have taken advantage of the public, there are also many used car dealers, probably a strong majority, who are doing their best to be reputable and honest in dealing with the public.

The question that I have raised comes in this relationship to what is known as the "Buyers Guide." I am just not clear on this issue. First of all, is the Buyers Guide part of what this regulation is all about? Is it an integral part of the regulation?

Mr. FLORIO. The gentleman is making reference to the back side of the sticker?

Mr. PEYSER. Yes.

Mr. FLORIO. Which provides information to the buyer as to what to inquire about, major systems.

Mr. PEYSER. Well, my question, then, as I understand, on the Buyers Guide, there is a statement that says you can request inspection of the vehicle by a mechanic on or off the premises?

Mr. FLORIO. The gentleman is correct.

Mr. PEYSER. And my question is how does a used car dealer let a car that the purchaser has not purchased go off his premises for, let us say, to have a mechanic of the individual inspect the car?

Mr. FLORIO. Reclaiming my time and answering the question generally and in a very direct way, one can request, if the dealer does not want to let the car go for inspection, obviously he has the ability to say no. This is a disclosure we are talking about. The opportunity that the buyer acquire information. The essence of the rule is disclosure.

Mr. PEYSER. The problem that I see is that it may place dealers in a very difficult position in that in many areas the question of what happens if that person takes a car off the premises and then is in an accident, in other words, the insurance question as to whose liability it is really raises a question.

Mr. FLORIO. If the dealer does not have coverage and desires not to have the car go off the premises, he has the ability to say no.

Mr. PEYSER. I thank the gentleman and believe the regulations have been changed enough to be fair to the public and to the used car dealers.

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I yield to the gentleman from New York.

Mr. WEISS. I thank the gentleman for yielding.

I want to commend the gentleman for cutting through the smokescreen and for standing up for consumers rights against a very concerted special interest effort.

Mr. Chairman, in Senate Concurrent Resolution 60, the House has before it its one opportunity in a long while to benefit consumers. We should not allow this opportunity to pass because of a smokescreen of complications raised by the bill's proponents.

The Federal Trade Commission's used car rule is simple and straightforward. It places little burden on the used car dealer and could have a positive long-term impact on the used car sales industry. At a modest cost, it provides used car buyers, who are multiplying rapidly in the face of skyrocketing new car costs, with important protection.

The rule does not require used car dealers to make costly inspections, it does not require dealers to offer warranties on every car they sell, and it will not provoke reckless litigation against used car dealers.

To quote directly from a recent communique from the Office of the FTC Secretary:

> The rule specifically does not require inspection for any purpose . . . it is not possible to violate the rule by failing to inspect . . . (and) the rule does not require that all defects in used cars be disclosed by the dealers.

The memo further states that the rule requires only that a dealer disclose to the potential buyers any defects that exist which he knows about. Clearly, a dealer must simply affix a sticker to the window of a used car noting major defects and the warranty terms. The total cost of materials would be about 18 cents per car; the labor time expended would be about 10 minutes.

It would seem that if there exists any particular problem with the FTC's used car rule, it is that it does not go far enough to protect consumers. Requirements for the disclosure of information, so that a consumer can make an educated purchasing decision, seems a fair and modest regulation. In the area of used car sales, such a regulation takes on special importance because of the expense involved and the complexity of the product.

Finally, I believe that the FTC rule will help the image of the used car industry which has long been saddled with a poor reputation. In my home State of New York, used car dealers are required to perform presale inspection. While that cost may well be passed on to used car buyers, they have shown a willingness to pay the extra cost. In exchange, they have received inspected products which, in many cases, have already been fixed.

Reputable dealers would surely like those who buy from them to know in advance about any difficulties associated with a certain vehicle. They realize that as long as consumers know that they can get accurate defect information from dealers, they will be more inclined to buy from them, especially if the alternative is to buy from private individuals who are not required to reveal anything about cars they sell.

In 1980, Americans purchased 18 million used cars at a cost of $70 billion. While more recent sales figures are not yet available, used car sales are certainly on the rise. These people deserve the modest protection that the FTC's used car rule attempts to provide.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I would be happy to yield at a later point. I have a great number of requests for time. I would like to give those gentlemen and gentlewomen an opportunity to put their time in and I will be happy to respond to questions.

Mr. LEE. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. COLLINS).

Mr. COLLINS of Texas. Mr. Chairman, today we have an opportunity to join the Senate in clarifying our views on the Federal Trade Commission's used car regulations. We need to pass our House resolution and join with the Senate to veto this FTC ruling.

The automobile industry in America has enough problems without the harassment of the governmental agencies. Many years ago a member of the President's Cabinet made the statement that what was good for General Motors was good for the country. Mr. Wilson could well have said the same thing about Ford, Chrysler, American Motors, or any of the automobile companies. To go further, he could have added something about the steel companies and all the other allied businesses that are concerned with having a prosperous industry.

I understand that 3,000 franchise automobile truck dealers have gone out of business in the past 30 months. This means that over 125,000 dealership employees have lost their jobs. Let us spend more time thinking about jobs for America and how to create jobs and less time on adding burdensome regulations.

Today the automobile industry is in the middle of an economic crisis. I take particular exception to the unfair discrimination which is manifest in this FTC used car ruling. This ruling applies only to automobile dealers. Half of the used cars are sold by individuals and there is no rule applying to them. But if a dealer sells the car, he has this added responsibility.

He is subject to a $10,000 fine on each of 52 different items on which he is supposed to have full knowledge. How could he know all about a used car. I talked to an automobile dealer in Texas this weekend. He has the head of his used car department drive each car for 3 miles as a road test. He gains some information from this test, but he certainly could not make a complete determination of the future mechanical potential of that automobile.

And we see renewed efforts to further regulate the automobile industry. In addition to this ruling on used cars, we have had two other regulatory plans come before our Commerce Committee during the past few weeks. One suggestion is to stamp a number on the different parts on the automobile so as to identify the car in the event it might be stolen. But imagine the problems in stamping cars as they come down the production line.

We also had the proposal that an inspection be made by each State on parts and equipment, and this inspection would be done in addition to the Federal inspection. We have so many regulatory costs now on automobiles that the increased costs are beginning to price automobiles out of the range of the average person.

For 25 years I was in the life insurance business. Our doctors, when they examined applicants would try to determine future longevity. I remember one man that I took a complete EKG to get a full heart chart worked up. The chart was perfect but he dropped dead within 3 months. If we cannot tell what is inside of a person, how can a used car dealer give a complete bill of health on an automobile. All I know about a car is when I walk up and kick the front tire.

To look at the speedometer and see 10,000 miles does not mean much if a high school senior has been driving the car. Another car could have 20,000 miles on it but could have been driven by a kindly old grandmother and be in perfect condition.

The Government has prepared elaborate regulatory explanation. This is a 50-page ruling and all of us who have read Government regulations are more confused when we finish reading them than when we started.

Mr. MINISH. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. I yield to the gentleman from New Jersey.

Mr. MINISH. I thank the gentleman for yielding.

What the chairman of the subcommittee Mr. FLORIO, is trying to do will make it possible for you to know what is wrong with the car without kicking the tire, which tells you nothing. I am sure the gentleman can agree with that statement.

Mr. COLLINS of Texas. I thank the gentleman. I want to tell the gentleman this. This fellow that drove it for 3 miles down the road and then comes back in and is responsible for 52 items, I would remind him of this.

If a car had been driven 10,000 miles and a high school senior had hold of it, that car probably is in pretty bad shape. Another car could have been driven 25,000 miles and had some sweet old lady taking care of it and it would be all right.

How does that used car dealer know who has been driving that car when he gets behind the steering wheel for the first time and why should he be responsible for 52 items, $10,000 an item. They could stick him for half a million dollars in damages because he does not know what is in the car.

When you buy a used car it does not cost you as much as a new one and you ought to go out and examine it yourself.

Mr. FLORIO. Mr. Chairman, I yield 4 minutes to the gentleman from Connecticut (Mr. MOFFETT), a member of the subcommittee.

Mr. MOFFETT. Mr. Chairman, this ought to not be called the used car rule but the used Congress rule. We are a used, manipulated Congress, or House of Representatives, on this particular item. We are being manipulated by a special interest group that initially agreed to a terribly watered-down version of this rule, a special interest group which pumped hundreds of thousands of dollars into Members' campaigns. That is not unusual. All of us receive contributions from one group or another and at one point, perhaps, vote on a bill that affects their interest. But this particular rule has aroused so much controversy that it is probably better for those who have received contributions to either vote for the rule or abstain.

I think the public perception of what is going on here is so serious that we ought not to have that very blatant kind of conflict of interest.

We are sending a terrible message here. We are sending a message that the legislative veto is going to be a knee jerk action by the Congress, that we are going to have knee jerk responses. Any time a special interest group sees the Federal Trade Commission or any other agency promulgating a rule they are going to take action to put pressure on and make contributions and come up here and not even have to suffer 10 hours of embarrassment, only 2 hours now. That is the precedent that we are setting.

This rule, as the gentleman from New Jersey (Mr. FLORIO) has said, only requires that the dealer tell the truth about what is known.

There is no obligation to inspect. There is no obligation to repair.

I have a 1965 Dodge Dart sitting out there and there must be 250 things wrong with it, probably 150 of which you could not determine in advance if you went out to buy that car.

There is nothing requiring that if a dealer were selling that car he disclose something about it that he does not know.

What is required is that there be some disclosure of what is known.

There is a long history associated with this rule, beginning with Moss-Magnuson in 1975 and beginning with the first FTC action in 1976. The FTC rejected at least two staff recommendations that I know of. One they thought was too intrusive on the industry, the staff watered it down, they rejected it again. They have 50,000 pages of hearing record. I wonder how many Members have looked at even half of the 50,000 pages of the record. If you had, you would have found that the vast majority, almost without exception, of State officials, who commented on the rule, said it was important. Various consumer groups and State officials and local officials feel that this is a very weak rule. They are a bit disappointed it is so weak.

I think that we ought to also pay attention to the fact that not all dealers are against this rule.

There is a gentleman from Illinois who runs an Oldsmobile-Cadillac dealership. He had the following to say: "That if the Congress vetoes this rule "it is a disgrace to the retail used car industry."

Many dealers think this can be a positive marketing device, that it will be an advantage to honest people, that it will provide truthful information and can be used in the marketing of used cars.

As the chairman has pointed out, it does not require any great recordkeeping. We have thousands of anecdotes before our subcommittee, actually real life experiences, as to where people have been ripped off by used car dealers. We are talking about two out of every three cars sold at least being a used car, three out of four people using these cars for their primary transportation.

This is not a rule for Walter Annenberg or Justin Dart, it is a rule for the common people, the average people who we represent.

I think we all know that those people are hurting in many ways and now we are going to drive one more nail into the economic coffin.

The CHAIRMAN. The time of the gentleman from Connecticut (Mr. MOFFETT) has expired.

Mr. FLORIO. Mr. Chairman, I yield 1 additional minute to the gentleman from Connecticut.

Mr. MOFFETT. By saying that we are going to take the last semblance of protection away from you when you go to buy a used car.

Let me give my collegues an example of the kind of situation that develops here.

New York City consumer protection investigators went to a dealer in Bayside, N.Y., and the salesman did not report any defects in the car which they were observing. It was proposed for sale. A diagnostic test, however, showed that new lower A-frames had to be installed, that the chassis needed to be welded. Other serious problems were discovered with the power steering pump, the ball joints, wheel bearings, valve cover gaskets and the water pump and ignition and points were operating badly and there were several other minor malfunctions.

A second investigator went to the dealership the same day and was told by a second salesman that there were no problems with the car.

We should reject this resolution and allow the rule to stand. If we do not, the people will have a perfect right to ask, "Would you buy a rejected rule from this Congress?"

Mr. LEE. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. WEBER).

Mr. WEBER of Ohio. Mr. Chairman, I rise to speak in behalf of the American consumer, that is why I oppose the Federal Trade Commission used car rule, and that is why I urge the support of this resolution.

Let me begin by saying that I have not been lobbied by the auto dealers—either individually or as an association. Not even a letter or phone call has come into my office about this debate. Neither have I received a penny from their PAC for my campaign, either in 1980 or in my 1982 campaign. So, I speak free of any of those influences which the so-called proconsumer lobby and sometimes the press like to call attention to.

I have no objection to the first two parts of the FTC rule. Of course it is right to prohibit dealers from affirmatively misrepresenting a car's mechanical condition. Of course there is no objection to requiring a dealer to make clear all details of any warranties, or to make it clear that there is no warranty if that is the case and the sale is "as is."

My objection is to the disclosure of defects rule that would require a statement on a window sticker of known or suspected defects. This is a rule that would add significantly to the costs of purchasing a used car—in fact to the cost of purchasing a new car, if you were trading in your old car.

The new-car purchaser will get less for his trade-in. What an excuse for a dealer to offer less on your trade-in—and with good reason—for this FTC rule reduces the marketability of that car and adds to the dealer's costs.

The used-car purchaser will have to pay more, because the dealer's cost of compliance with this FTC rule will have to be passed on to the purchaser.

Why does this FTC rule raise costs?

First, because it would create a paperwork nightmare for the dealer. The sticker is very important; it cannot be carelessly filled out. Legal liability flows from what is on or is omitted from the sticker.

Second, in addition it is very probable that the dealer would have to inspect many cars, certainly those that appear to have something wrong. Disclosure of the defect causing the condition would require an inspection at considerable costs.

Third, it would increase dealers' costs in lawyer's fees that would result from what I believe would be a flood of lawsuits using the FTC sticker as a new cause of action, a new ground of liability for any purchaser who is dissatisfied, rightly or wrongly—aggrieved legitimately or not—by reason of his or her automobile purchase.

Fourth, the rule would increase taxpayer's costs also entailed by increased expenses of the Federal Trade Commission itself in policing and enforcing the new rule.

What we are talking about is really a change in the method of marketing used cars, because the private sale "by owner" will not be regulated. Used-car dealerships would begin to dry up because to get the best price people would have to sell "by owner," not trade the car in—they would have to sell the car themselves to get a fair price. Is it proconsumer to make a prospective used car purchaser drive from owner to owner, from house to house, in order to buy a used car?

The rule is so costly and burdensome to the consumer, the consumer might well ask, "With friends like the FTC, who needs enemies?"

Most people as consumers would rather take their chances on their own inspections, their own judgment, going to a reputable dealer—and pay a lower price.

The FTC rule will not accomplish the results it seeks, it should be rejected, it goes beyond the intent of Congress; therefore I support the resolution of disapproval.

□ 1130

Mr. ROSENTHAL. Mr. Chairman, will the gentleman yield?

Mr. WEBER of Ohio. I would be happy to yield.

Mr. ROSENTHAL. It is my understanding of the rule that dealers are not required to inspect and they can just put on the sticker that the car is sold as is.

Mr. WEBER of Ohio. That is exactly the point that I wanted the gentleman from Connecticut to answer. Does the definition of known defect require actual knowledge only or does it extend to defects of which the dealer should have had knowledge?

I understand that it extends to defects of which the dealer should have had knowledge and I think it is important to clear that up.

Mr. ROSENTHAL. As I understand, this is handed out by the FTC, the dealer has no obligation to inspect, and we have agreed to that. If a dealer does not know what causes the car to lean, for example, the dealer has no obligation to disclose. Knowledge is defined in the rule as having facts which would lead a reasonable person under the circumstances to conclude that the car contained one or more of the defects listed under the rule.

The fundamental basic agreement we ought to make among us is that the dealer is under no obligation to inspect. If they want to inspect, then they have to go through the process and presumably that gives them a good selling point.

Mr. WEBER of Ohio. Well, sir, apparently the information on that question differs. I seek enlightenment further in this debate also, because my information and my understanding is that if you notice a condition about the vehicle, you are required to disclose the defect and that may very well require the inspection of the vehicle.

Mr. ROSENTHAL. Mr. Chairman, if the gentleman will yield further, if you notice the condition you should be required to disclose it.

Mr. SCHEUER. Mr. Chairman, will the gentleman yield?

Mr. WEBER of Ohio. I will be happy to yield to the gentleman from New York.

Mr. SCHEUER. Mr. Chairman, here is a communication given to our subcommittee by Pat Bailey, a Republican member of the Federal Trade Commission, on exactly this point:

"The rule"—the proposed rule—"does not require dealers to inspect cars offered for sale. We tried to make that fact as clear as the English language permits in section 455.6"——

The CHAIRMAN pro tempore. The time of the gentleman from Ohio has expired.

Mr. LEE. Mr. Chairman, I yield 3 additional minutes to the gentleman from Ohio.

Mr. SCHEUER. Mr. Chairman, will the gentleman yield further?

Mr. WEBER of Ohio. I yield briefly.

Mr. SCHEUER. The used car rule as proposed does not require the dealers to inspect cars offered for sale. I am reading from the testimony presented our subcommittee by Commissioner Pat Bailey, a Republican member of the Federal Trade Commission on exactly the question the gentleman is raising. Commissioner Bailey stated:

> The rule does not require dealers to inspect cars offered for sale. We tried to make that fact as clear as the English language permits in section 455.6 which states, "You are not required to inspect but you are required to disclose on the Buyer's Guide any defects set forth below if known." This standard means that the dealer would only be liable if actual events occur that would have led a reasonable person to conclude that a defect exists. To clarify further the dealer's obligations under the Rule, we included an appendix to the Rule that gives examples of when a dealer would, and would not, be required to disclose a defect. Those examples make clear an inspection is neither directly nor indirectly required. No dealer will ever be subject to an enforcement action for failing to inspect.

Mr. MADIGAN. Mr. Chairman, will the gentleman from Ohio yield to me?

Mr. WEBER of Ohio. I yield to the gentleman from Illinois.

Mr. MADIGAN. As it is impossible to distinguish in some cases as to what exactly a foreign noise in a car would be, for example, going back to the subcommittee action, we were able to establish that it is impossible to distinguish between the noise a bad axle bearing makes and the noise that a bad carrier bearing in a differential housing makes. One is a minor defect and the other is a major defect. One might cost a few dollars and the other will cost quite a few dollars.

Now, if an inspection is not done, how is the dealer honestly supposed to disclose what it is that is wrong with the rear end of the car?

I think that is the point the gentleman from Ohio was trying to make, and which the gentlemen on the other side of the debate continue to avoid.

I thank the gentleman for yielding.

Mr. WEBER of Ohio. Mr. Chairman, I thank the gentleman from Illinois.

Mr. LEE. Mr. Chairman, I reserve the balance of my time.

Mr. FLORIO. Mr. Chairman, I yield 3 minutes to the gentlewoman from Maryland (Ms. MIKULSKI).

Ms. **MIKULSKI.** Mr. Chairman, I rise in opposition to this resolution. I believe that the people of the United States when they buy an automobile should know whether they are getting a car in reasonable condition or whether they are buying a four-wheel drive lemon. I think it is a reasonable expectation and one knows that those reputable dealers do not object to this because of their good faith relationships with their clients that they hope will exist over a period of time, whether it is buyer after buyer.

What we are trying to do is to protect the consumer against fraudulent practices, those dealers named Happy Harry or Smiling Sam, and one of the reasons that they are so happy or smiling is that they open up a used-car lot, sell 15 or 20 cars, gouging the consumer, close down; Happy Harry closes down, skirts around the beltway, opens up as Smiling Sam, laughs even harder because he stuck it to old ladies or young students or people who need cars to have jobs, closes down, runs eight more blocks down past the beltway and opens up as Friendly Fred, and so on and so on.

Well, I am against the Happy Harrys and the Smiling Sams, because the people I represent need to have cars to work and a lot of them cannot buy fancy imports that cost more than the very homes that they are trying to save.

I am talking about that single mother who needs to have a car to drive 20 miles to have a little rinky-dink job in a diner because we do not have displaced homemaker opportunities or CETA opportunities to train her to have a job.

I am talking about that kid that needs a car to go get a job because we have eliminated social security, because they cannot go to college and they are trying to find anything that they can.

I am trying to make sure that those senior citizens who now have to work part time to pay for that extra Blue Cross because we are going to cut back on medicare have a chance to go and have an automobile that is in reasonable condition.

Mr. Chairman, I think what we need to remember is that when we are selling used cars, we ought to stick to kicking the tires and not kicking the consumers.

I urge rejection of the resolution.

Mr. **MOFFETT.** Mr. Chairman, will the gentlewoman yield?

Ms. **MIKULSKI.** I would be happy to yield to the gentleman from Connecticut.

Mr. **MOFFETT.** Mr. Chairman, the gentlewoman has worked hard on this issue, as all of us have on the subcommittee.

Is it not the feeling of the gentlewoman that this lobby got pretty greedy, that they, really, a while ago seemed to agree with a rule that was perhaps even a stronger version of this rule and then they saw the phony Reagan mandate that we were supposed to be really undoing rules like this, which I do not think has anything to do with the Reagan mandate, but it is being held up as "get the Government off our backs."

So now they are saying, "Hey, we don't have to have any regulation. We can get off the hook entirely."

I thank the gentlewoman.

Ms. **MIKULSKI.** I saw some unscrupulous practices, but mostly from the Happy Harrys.

Mr. **LEE.** Mr. Chairman, I yield 5 minutes to the gentleman from Washington (Mr. SWIFT).

Mr. **SWIFT.** Mr. Chairman, there was a very, very conservative right-wing commentator who went about the world giving speeches and one day after one of his speeches a gentleman came up to him and he said:

> I really admire you so much for what you do, your stand for nuclear power, your stand for strong defense, the free enterprise system, the death penalty and your support of that great patriot, J. Edgar Hoover; those are all things I admire you for. And by the way, do you know that the Communists are tunneling under the State of Montana?

The moral of the story is that sometimes you wish certain people did not agree with you. In fact, I do not agree with much of the argument that has been given here today for this resolution and against the rule, even though I myself am for the resolution and against the rule. Let me explain why.

There is lag time around this place. We get positions locked in very early and then we never rethink the issue. Both sides took their positions early on this and as the proposed rule was reduced and diluted and weakened, the sides did not change.

I think both sides should switch. I think a used car dealer, particularly a crooked one, should be for this rule 100 percent, because he is going to get to put a little Federal tag on his car, and if he is really sharp he can explain to the consumer what a wonderful protection this is and what guarantees it provides.

I think the consumer organizations in this country should be calling this rule "a cruel hoax," to use the current cliche in this town, for that is precisely what it is. It is all loophole and no teeth. It provides no protection to the consumer whatever, but gives the impression that it offers the consumer protection.

Now, frankly, what we are dealing with here today is something that is seen as anti-FTC. I have had people say, "Look, you have got to help the FTC out."

I do not think you help your friends by supporting their mistakes. But here is that lag time again. Even if your position here today is to defend the FTC or to denounce the FTC, the fact is that it is too late. You are dealing with a very different FTC today than you were dealing with just a short time ago. Those of you who wanted to see policies change at the FTC, you will see them change, and those of us who have long supported the FTC, believe me, we will have our opportunities to support the FTC under the attacks that will be coming down the road, even from the FTC itself.

What should be done? It seems to me there is a very easy way to resolve this whole problem. The consumer can protect himself in this marketplace if he has time to take that car to somebody who knows about cars and who could advise him.

□ 1145

What we need instead of an elaborate rule is a 2 or 3 day, 200-, 300-mile cooling off period. Most American men will not admit they do not know anything about a car. Most consumers, men and women, in fact, are a little hesitant, particularly facing a good, strong salesman. They are hesitant about saying, "Can I have the car so I can take it down the street and have it checked?" With a 2 or 3 day, 200- or 300-mile cooling-off period, they would be able to take it to a mechanic and he can say, "These 8 things are wrong with it, but at $500 it is a good buy," or he can say, "There is very little wrong with it, but that model car tends to fall apart about 2,000 miles from now, and at that price it is a bad buy."

They can protect themselves without going through this elaborate mechanism that is no rule at all, in my judgment. In my judgment, the pro-used car dealer vote is no. The pro-consumer vote is yes, to reject the rule.

That may appear a bit unusual, if not a unique interpretation, but if you vote on the merits of the rule, not seeing this vote as a vote of confidence for the FTC, I think you will find my logic compelling.

Mr. **LEE.** Mr. Chairman, I reserve the balance of my time.

Mr. **FLORIO.** Mr. Chairman, may I ask how much time I have left?

The **CHAIRMAN.** The Chair will state that the gentleman from New Jersey (Mr. FLORIO) has 42 minutes remaining.

Mr. **FLORIO.** Mr. Chairman, I yield 4 minutes to the gentleman from New York (Mr. SCHEUER), a member of the subcommittee.

Mr. **SCHEUER.** Mr. Chairman, I would agree with much that my colleague on the subcommittee just told us, but I would disagree with his conclusion that this rule, because it is not a major breakthrough for consumer protection, ought to be defeated.

It is true it is almost a pitifully limited rule, an almost tragically modest

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proposal, but on the theory that the perfect is the enemy of the good and the possible, I would support this rule as a very modest minimum step forward.

The gentleman adequately described the very modest dimensions of what it offers in the way of consumer protection. But this also illustrates how well the existence of the legislative veto has served its function.

Let me read a few sentences from the testimony on the floor of the House by our distinguished colleague from Georgia (Mr. LEVITAS) who was a major leader in the thrust toward a legislative veto. He said:

> The reforms included in the authorization bill are not designed to restrict proper conduct. They are intended to prevent bureaucratic excesses. They are intended to make the FTC more compatible to Congress and the public and enhance its credibility.

He talked of the exercise of "unbridled rulemaking authority." The legislative veto "will dramatically reduce the number of ill-conceived regulatory proposals."

He quoted Lee Loevinger, chairman of the FCC, who said:

> The veto will probably not be used often or effectively, but it will have a salutary restraining effect on the Federal Trade Commission.
>
> More than any other single reform, the legislative veto will force the FTC's bureaucrats to think twice before they make a regulatory proposal. The veto will add that element necessary to balance reason with regulatory zeal. The FTC will begin to police itself if it believes any proposals are excessive.

Now, that is exactly what has happened, my colleagues.

In 1977, the original proposed rule weighed about 10 pounds, about 4 inches thick, and what did this rule do? It did not state that the dealer would have to divulge his own knowledge of any important defects. This rule not only said that they would have to inspect 60 different items on the car, it also specified in infinite detail how that inspection should be carried out. That rule required the dealer to discolse the prior use of the car, whether it was a leased car, a rental car, a police car, a taxi. That rule required that the dealer disclose if the car had ever been declared a total loss from flood or collision.

Now, see how well the existence of the legislative veto has worked. From that broad array of real consumer protections, which you might say would be quite a legislative breakthrough for this Congress, they pulled all of that back; they discarded; they trimmed, until the final product was this pitiful little remnant of those protections that, simply stated, the dealer should divulge; first, whether there was a warranty, or if the car was sold "as-is"; second, whether there is any known defects. Given the modest nature of this rule, I am surprised that more dealer groups are not up here lobbying for this rule.

I am not being facetious.

I am truly surprised that more dealers are not speaking up in favor of the rule because this sticker would go a long way toward building consumer confidence in their product.

It is frequently observed that the public holds used-car dealers in low regard.

I can think of no better way to change this situation than for dealers to begin to disclose to the public simple things they know to be wrong with the cars they sell.

The securities industry is a case in point.

Prior to the passage of the Federal Securities Acts in 1933 and 1934, people had lost faith in the market.

Now, with full disclosure of materially relevant information, investors can and do buy securities confidently.

That is precisely what the Commission's rule seeks to accomplish—the disclosure of major defects so that used-car buyers may make their investment with the same sort of confidence that investors in securities now have.

Neither issuers, brokers, nor buyers would today want to be without the rules governing the sale of securities.

Likewise, I believe that used-car dealers would quickly recognize the benefits of this modest disclosure requirement.

Dealers enjoying the increased business that customer confidence brings would think twice before reverting to the present system of caveat emptor.

This scenario is not simply speculation.

The subcommittee heard testimony from a dealer who has voluntarily employed a disclosure form similar to the FTC's for almost 20 years because his customers have reacted favorably to it.

In fact, Mr. John Eagleson, of Olney, Ill., goes so far as to inspect his cars.

He finds that the time it takes him to inspect is a "negligible loss when you consider the kind of information derived and the gratitude of the buyer."

Since the FTC's rule does not even require an inspection, other dealers would certainly find that the time spent on this information disclosure is a small price to pay for long-term customer good will.

Traveling to Washington from Illinois, Mr. Eagleson offered the subcommittee four commonsense observations.

First, he said that the argument that compliance will cost too much really means, "Why spend money to find and record things that we would prefer the buyer did not know about anyway?"

Second, he said the argument that the rule will increase dealer liability simply means, "We're gonna be in a lot of trouble if we give unreliable information and do not keep our promises."

Third, he said the argument that the rule is ambiguous must mean that "the 10 pages of plainly written English are more than we care to comprehend within the next 6 months," and

Fourth, the argument that government regulation is bad for the industry really only means that what is good for the industry is "our enduring unregulated buyer beware policy."

For 20 years that dealer has found that telling his customers about the mechanical condition of the vehicle they are about to invest in builds good long-term relationships.

That is the same experience that securities brokers have had now for nearly 50 years.

I have one final observation.

This administration has never been said to be biased toward consumer protection.

This administration has not made a practice of endorsing burdensome or costly regulations.

With that in mind, it is significant to note that the President's own Consumer Affairs Adviser, Virginia Knauer, endorsed this rule.

In a letter to the subcommittee, she said that:

> * * * the rule is a reasonable, straight forward and uncomplicated approach geared toward alleviating a pervasive problem in the used car industry which directly impacts on all types of consumers, namely, consumer reliance on oral misrepresentations by dealers of the mechanical condition of used cars and warranty coverage.

Mrs. Knauer detailed the rising demand for used cars as well as the sizable investment they represent.

She outlined the benefits the disclosure of warranty coverage and major defects would bring to consumers.

Finally, she said the rule will "maximize the benefits to society in the least costly, least intrusive, and least burdensome manner consistent with the administration's regulatory goals."

I could not agree with Mrs. Knauer more.

I hope my colleagues will take note of Mrs. Knauer's assessment, that they will acknowledge the role this rule would play as a positive marketing device for dealers, and that they will vote against this resolution of disapproval.

Mr. FLORIO. Mr. Chairman, I yield 3 minutes to a member of the full committee, the gentleman from New York (Mr. OTTINGER).

Mr. OTTINGER. Mr. Speaker, I rise in strong opposition to Senate Concurrent Resolution 60, a resolution to veto the Federal Trade Commission's used-car rule. A vote to kill the rule will properly be viewed by the public as a significant setback for the independence of our regulatory agencies, for consumer protection which has been part of our national policy over the last decade, and as a dramatic illustration of the power of special interest lobbies in Congress. The results of killing the FTC determination would be extremely unfortunate.

What my friend from Washington, Representative SWIFT, had to say about this being an inadequate rule I think is quite correct. It is pitifully diluted. However, I think it is better than nothing.

The real sin of this rule is that it invites Congress to overrule an independent agency any time it issues a rule. What this used to be called in State legislatures was a "bell-ringer." You can just hear that bell ringing for all the lobbyists to come in and contribute to congressional coffers so they can get rules they do not like reversed.

I am afraid we will go ahead and overrule the Federal Trade Commission on this used-car rule, and I assure you that every time there is a regulation issued by any regulatory commission, no matter how sound or needed it is, there will be a run on Congress. We will have new opportunities to enrich our campaign coffers, and we will be making just lousy law. We will be seeing to it that the independence of the agencies we have set up is destroyed, and that the matters which are supposed to be decided impartially are instead decided on the basis of who has the most political power.

Clearly this is the wrong way to proceed. We have a sound system of using independent regulatory agencies to decide technical issues. We should not trample that system by opening up this floodgate so that people can continually run to Congress and destroy the independence of the agencies, inviting the ugliest kind of lobbying that can go on in this institution.

The FTC used car rule is a good example of a sound system which provides for determinations on technical issues by independent agencies. The FTC conducted a careful and thorough study of used car marketing practices over a 5-year period from 1976 to 1981 with full hearings including all affected parties. The result of that proceeding was the rule we have before us today. It addresses the two major problems the FTC found in the marketplace: False verbal assurances by dealers that used cars were in sound mechanical shape and misrepresentations of what warranty coverage is offered on the car. The rule, which mandates the posting of a sticker on the car window, simply would require dealers to tell consumers about warranty coverage and whether they know that any of 52 mechanical defects exist in the car. The FTC has estimated that the rule will cost the dealer 18 cents per vehicle to print the window sticker, plus the time it takes to fill the sticker out with information already in the dealers possession.

Opponents of the rule have argued that it would require dealers to inspect their cars at the approximate cost of $150 to $200 per vehicle. This is absolutely false. The final rule issued by the FTC states:

> You are not required to inspect but you are required to disclose on the Buyers Guide any defects set forth below if known. (Section 455.6)

The Commission has also issued an enforcement policy statement for the rule which states:

> No dealer can ever be subject to an enforcement action by the Commission for not inspecting. To remain in complete compliance with this part of the rule, dealers must only disclose information about specific defects in a car's major mechanical systems which they discover in the ordinary course of their business.

Those who urge veto of this rule because it would require inspection of used cars either misunderstand the rule or are willfully choosing to ignore the FTC's clear and unequivocal statements about it.

The fact is that the current rule injects information into the bargaining between buyer and seller, equalizes their positions, and allows them to reach a negotiated exchange in an atmosphere of greater trust and respect. These results would be precisely what the FTC rule seeks to accomplish. It could be of as much benefit to the used car industry as it is to the individual consumer.

I am disappointed that this rule has been so diluted because I believe that a more stringent rule would have more adequately protected the consumer and raised the level of consumer trust in used car transactions, probably resulting in increased business for used car dealers. I believe, however, that the FTC used car rule should be upheld not only on its own merit, but also to uphold the integrity of our independent agencies, and, perhaps most important, to maintain the integrity of this Congress.

Mr. LEE. Mr. Chairman, I yield 7 minutes to the gentleman from New York (Mr. RINALDO).

Mr. RINALDO. Mr. Chairman, it is unfortunate that a rule whose goals many of us in this Chamber, many Members of Congress, support has to be disapproved because of its lack of clarity and preciseness. But this is exactly the situation that we have before us today.

I support the prohibition against a dealer affirmatively misrepresenting the condition of a used car. I support the requirement that the dealer disclose the existence of any warranty coverage and of the terms and conditions of that coverage. I support the proposition that this disclosure be made in a document to be conspicuously displayed on the vehicle.

I further support the inclusion of a suggestion to the purchaser that he inquire whether a prepurchase inspection will be performed by the dealer.

In effect, I support every requirement in the bill, except the inspection requirement, and therefore, I cannot support in good conscience the rule as it is now drafted. While its intent is laudable, it is seriously flawed.

I think the debate has pointed that out already. It contains an element that is blatantly anticonsumer, and definitely not in the best interests of prospective used-car purchasers.

Specifically, I am referring to the conflicting language regarding presale inspections. It is true that one section of the proposed rule mandates an inspection of the car by the dealer, even if one is not requested by the prospective buyer. Yet another section states clearly that dealers are not required to conduct an inspection. As might be expected, there are differing legal opinions as to what is required in the way of an inspection.

I listened with great interest to the debate on this exact point. Speaker after speaker has gotten up and stated that an inspection is required or an inspection is not required. They brought up policy statements. Policy statements do not have the effect of law. They do not have the effect that a rule has.

In its present form, I think anyone here who is going to be completely honest will have to admit that dealers would be uncertain as to their legal obligations, consumers would be unclear as to their rights, and the way this rule is now written, both parties would be disserved.

To be safe from a possible $10,000 fine, most dealers, who are small businessmen, would have their vehicles inspected. I might add parenthetically, for the benefit of the gentleman from Connecticut, that I have read the rule very carefully. You questioned that in front of the full committee. I have not discussed it with any dealers. I have discussed it with mechanics, however. I have discussed it with people who inspect cars. I have discussed it with technicians who know something about automobiles. Dealers are not lawyers, and they would be compelled to have their vehicles inspected whenever they had reason to know of a possible defect but did not know which of the 52 defects listed in the rule was involved.

Now, this is the part of the rule that makes it anticonsumer.

The cost of the inspection would be tacked onto the price of the car and the low- to moderate-income people that I represent in my district, do not buy a used car because they do not want a new car; they buy a used car in most cases because they cannot afford to purchase a new car, and they do not want to spend $800 for a $400 used car. In many cases, the prices of used cars would be increased by several hundred dollars as a result of this rule.

Consumers going into the used-car market looking for economical transportation can ill afford to pay a few hundred dollars extra for an inspection that may or may not be needed and that is not wanted in many instances. The person who wants a car for transportation, maybe a second car just to go a short distance back and forth to work, does not want $300 or $400 tacked on the price of the car. He might recognize that there is a hum in the transmission or a hum in the rear end, and maybe he does not even care about it. Maybe he just wants the cheapest possible vehicle he can buy.

Do you know what else we would do under this rule? We would force people into the private, unregulated market where they would have no protection and would be open to unscrupulous practices.

I favor protecting the American consumer in the marketplace. My record demonstrates that over and over again. I have taken a proconsumer stand on issue after issue, and I favor taking appropriate action against cheats who would attempt to victimize used-car buyers.

I do not think we effectively serve that purpose by supporting a poorly drafted rule that would tend to penalize those we are seeking to protect. If anyone wants to say the rule is not poorly drafted, then why have we been debating it on and on and on, ad infinitum? We have been debating it, because we cannot agree whether or not an inspection is required. If we cannot agree about an inspection, then obviously the dealer should not be saddled with such an ambiguous rule.

This rule as presently written is an anticonsumer rule. This rule as presently written is going to increase the cost of used cars. And I, for one, am not going to vote to place that kind of burden upon the people in my district who need used cars.

As my colleagues are aware, the rule has already been vetoed in the Senate, and in anticipation that it would be rejected by the House, I have written to James Miller, Chairman of the Federal Trade Commission, proposing that the FTC adopt a new rule, with attention to correcting the confusing language regarding inspections.

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I have even gone so far as to have the language drafted so that they cannot mess it up again. I would then be a strong supporter and feel confident that the rule would be adopted by Congress.

In addition, I have also introduced legislation addressing this issue. I have offered the Used Car Fair Dealing Act, which incorporates all of the features of the rule except for the tangled provisions concerning the inspections. This rule is probably going to be defeated, and I hope that those who are for the rule will join me in my letter to Mr. Miller. Let us get a rule up here that makes it expressly clear that no inspections are required and clears up the ambiguous language. For the benefit of those who are wondering what ambiguous language I am talking about, "The rule requires disclosure of any of 52 known defects specified by the FTC."

The CHAIRMAN. The time of the gentleman from New Jersey has again expired.

Mr. LEE. Mr. Chairman, I yield 2 additional minutes to the gentleman from New Jersey.

Mr. RINALDO. I have discussed this item with very knowledgeable attorneys. Knowledge here is defined as having facts or information about the condition of the vehicle, "which would lead a reasonable person under the circumstances to conclude that the car contained one or more of the defects listed" in the rule.

How do you find out what the defects are? You have to inspect the car. If you have a leaky transmission, how do you find out what is causing that transmission to leak? You may have to rip the transmission apart. That can cost hundreds and hundreds of dollars depending on how long it takes to find out what is causing the leak.

Let me conclude with one more example:

If a dealer has a used vehicle that leans to one side when viewed from the front, it is obvious to anyone that a defect exists in the vehicle, but this condition could be caused by a number of different things. It could be caused by any of the following defects included within the 52 listed in the rule, such as frame damage, broken spring, broken shock, wrong tire size, structural part bent or damaged.

The only possible way for the dealer to know which defect is causing the car to lean is to inspect the vehicle, and he must find the precise cause of the defect. He has to list it, and if he does not, he is subjected to a $10,000 fine.

So, I would ask the chairman of the subcommittee, I would ask the people on the other side with whom I normally agree to join me. Let us get Mr. Miller, let us get the FTC to send us a rule that clears up the ambiguity, that clears up the problem, that clears up the conflicting language and takes this rule out of the hands of the attorneys, because, quite frankly, the way it is written it benefits only the lawyers of this country, who are going to make a fortune on a poorly drafted rule.

The CHAIRMAN. The time of the gentleman from New Jersey has again expired.

Mr. LEE. Mr. Chairman, I yield an additional 30 seconds to the gentleman from New Jersey.

Mr. GOLDWATER. Mr. Chairman, will the gentleman yield?

Mr. RINALDO. I yield.

Mr. GOLDWATER. Mr. Chairman, the chairman of the subcommittee made a statement that concerns me about this ambiguity. He said that if a car has a cracked block, the buyer should be told that. Now, that implies to me that that dealer has to inspect in order to know that the engine block has a crack. Are we not by implication saying that you have to have inspection regardless of what the rule says? The intent of these proposed rules may have merit, but any good will be undermined if there is uncertainty as to interpretation. We would be wise not to be misleading or cast doubt on the precise purpose of these requirements. These rules are not without cost and these costs will be passed on to the consumer. If due to litigation and overreaction the costs are greater, the consumer is not helped.

Mr. RINALDO. The gentleman is precisely correct. In fact, in the example I mentioned with the transmission leak, they tell me it could take seven or eight trips to the shop before they could find out what caused the leak.

Mr. LEE. Mr. Chairman, I reserve the balance of my time.

Mr. FLORIO. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. WAXMAN), a member of the committee.

Mr. WILLIAM J. COYNE. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from Pennsylvania.

Mr. WILLIAM J. COYNE. Mr. Chairman, I rise in strong opposition to the proposal to veto the Federal Trade Commission rule on used cars. I also rise to speak on how the high cost of politics corrupts the process.

It is worth noting at the outset that the Federal Trade Commission did not come out of left field with this rule, which is striking in its essential clarity and fairness: dealers must tell prospective buyers about mechanical defects they may be aware of. This rule comes at the urging of Congress, and is the result of several years of investigations and hearings.

This is a reasonable, consumer-oriented rule. The action taken by the FTC is in keeping with the notion that Federal agencies work in the interest of consumers as well as business when they make their rules.

Where does the opposition to this rule originate? Certainly not from used car buyers, nor from State law enforcement officers. As one might expect, the opposition is coming from the autodealers themselves, most vociferously from their industry lobby group, the National Automobile Dealers Association. Their complaints about the rule, which have shifted as the political climate in the country has shifted, should of course be heard, but only when balanced by the arguments of consumers in favor of honesty in used-car dealings.

In the business of congressional lobbying, however, some are clearly more equal than others. It is clear to any observer that the arguments of the autodealers industry have been given greater weight by Congress than those of consumers. The great equalizer is money—especially as it relates to campaign contributions.

Let us consider the monetary role of the National Automobile Dealers Association in helping to decide the issue at hand. As newsman Bill Moyers noted recently in the excellent CBS television series, "Political Action Committees—The Highest Bidders":

> Contributions from the car dealers political action committees increased over 7,000 percent in just six years to over $1 million in the 1980 elections, making it the nation's fourth largest PAC.

A contribution, of course, does not buy a vote. It does nearly guarantee access. In many instances, it assures a hearing that those individuals and causes less well-endowed are denied.

As Bill Moyers noted in his series, "The high cost of politics corrupts the process." If the National Automobile Dealers Association is able to work its will on the Congress, as seems likely, that notion will be reinforced in the minds of a public which grows more distrustful by the day of Congress as an institution.

To counter this mistrust, I think we must act to limit the power of political action committees. We will be considering this prospect on the House Administration Task Force on Elections, a task force on which I am happy to serve. As we hold hearings on campaign financing in coming weeks, I think it would be well worth our time to use the FTC/National Automobile Dealers Association showdown as an example of what we seek to change in our elections system.

Mr. **WAXMAN**. Mr. Chairman, we are here this morning to debate and vote on the first trade regulation sent to us from the Federal Trade Commission since we imposed the legislative veto on the Commission 2 years ago. Because this is the first exercise of the legislative review process, I think it is especially important that we act responsibly and carefully. What we do and say today will send a message to the Commission, and to the public at large, about the Congress desire to protect consumers in this ravaged economy.

I have always been skeptical about legislative veto and the fact that this matter is before us today persuades me that my skepticism is justified. The legislative veto usurps the administrative process by encouraging affected parties, and particularly the affected industry, to bring their cases to us, rather than to allow administrative officials in the agencies, who are, in fact, our delegated agents, to make reasoned judgment.

Today, while we are in the midst of considering the fiscal year 1983 budget, in the throws of a battle whose outcome will affect every pocketbook in this country, we must interrupt debate on these vital national issues to focus on what is, in my view, an incredible side issue—whether the Congress of the United States will sanction the used-car dealers of America to withhold information from potential buyers about operation that they know about.

The representatives of the used-car dealers have argued that they will be forced to inspect cars, thus raising the cost of used cars. But they make their argument in the face of the plain English words included in the regulation, "you are not required to inspect," and the FTC's promise that "no dealer will ever be prosecuted for failing to inspect."

The arguments about the costs of this regulation are equally deceptive. The dealers tell us that regulation will be costly—somewhere between $150 and $300 per car. But I must ask myself why, if the rule is so costly to consumers, it has been endorsed by every major consumer organization, including Consumer Federation of America, Consumers Union, National Consumers' League, Congress Watch, Center for Auto Safety, American Association of Retired Persons, the National Consumer Law Center, the United States Consumers' Association, as well as by the National Association of Attorneys General, Esther Peterson, Virginia Knauer, and Douglas Fraser of the United Autoworkers.

Finally, I note that this regulation is so reasonable that even the used-car industry itself endorsed it when the industry thought the FTC might adopt a regulation mandating inspections.

I urge Congress to endorse, and not reject, this modest regulation. More consumers than ever before are buying used cars. Our job should be to protect the public, and not the special interests of a group with the worst reputation in America for dishonesty and deception.

Mr. **LEE**. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. O'Brien).

Mr. **DeNARDIS**. Mr. Chairman, will the gentleman yield?

Mr. **O'BRIEN**. I yield to the gentleman from Connecticut.

Mr. **DeNARDIS**. Mr. Chairman, I rise to support the Committee on Energy and Commerce's decision to disapprove the Federal Trade Commission's rule relating to the sale of used motor vehicles.

I have approached this legislative matter in what I feel is a correct and responsible manner. I have listened to my constituents, studied the reports and recommendations of the responsible committee, thoroughly reviewed the Senate debate on the matter of May 18, and finally sat through this House debate.

My support for the committee resolution is based fundamentally on my belief in federalism. That the awesome power of the Federal Government should reach down to the transaction of a sale of an auto is repugnant to the concept of levels of government carrying out those responsibilities which are clearly within their jurisdiction and within their competence.

The proposed Federal Trade Commission rule is an attack on the jurisdiction and competence of the legislatures of the States. I served in the Connecticut Legislature for 10 years. I was active, very active in State consumer legislation. I authored legislation there to require written estimates of costs of repairs, to which the consumer had to agree. Connecticut does not need the Federal Trade Commission to tell it how to protect its consumers. The Legislature of Connecticut is elected by its citizens and is perfectly capable of fashioning consumer protection legislation for those citizens.

Either we believe in the concept of federalism or we do not. I believe that my constituents sent me to this Congress to participate in stopping first, and then reversing, the process of National Government centralization. That process, as you know, has been based on the mistaken notion that Washington knows more about State and local problems, and is in a far better position to solve State and local problems. I happen to have great faith in the judgment and commonsense of the Connecticut State Legislature, when it comes to dealing with transactions of a business nature among my State's citizens.

Having here a choice between the Connecticut Legislature and the Federal Trade Commission, I am voting for my State legislature.

In addition to the principle of federalism, I find the proposed rule itself is deficient on technical grounds. Several of my colleagues have outlined those problems in the debate thus far, particularly the defects of the "disclosure of defects" section. I do believe, however, that these difficulties can be perfected at the State level should those jurisdictions choose to enact protections for their usedcar buyers.

Mr. **O'BRIEN**. Mr. Chairman, during this week and several weeks before we have been talking about what things are at the top on our list of priorities.

We have been worried about the budget, worried about interest rates, gravely concerned about unemployment. Sometimes the equities direct us in one direction and sometimes they move us in another.

☐ 1210

What brings me to the well today is the danger inherent in this FTC used-car rule. This is a high priority item. I believe that the idea behind this rule is good, and I think that some way or another we can develop a rule that will be satisfactory. I commend the attention of the Members to one that has been crafted by my friend, the gentleman from Illinois (Mr. MADIGAN). It has great promise, and it may turn out to be one we can live with.

Let me just talk about my area. In the Midwest today in my region, there are 65 Chevrolet dealers who were in business a year ago; they are not in business now. Of the Ford dealerships in my Midwest region, there are 66 Ford dealerships out of business that were in business a year ago. In Will County, my home county, we had 30 new-car dealers last year; we now have 22, and those that are in business now are working their people only 32 hours a week. Their new-car sales have been reduced by one-half; their used-car sales are keeping them barely in business.

We have a 19.1 percent unemployment rate in Will County, Ill., and just recently I have learned that we are going to lose many more jobs because of a Caterpillar cutback that will bring our unemployment rate close to 24 or 25 percent.

I talked to my dealers, and I talked to my people, and I have come down to this conclusion: This is not a good rule. This rule is going to raise prices; it is going to kill off more dealerships; it is going to increase unemployment, and it is going to drive the market for used cars into the private one-on-one area where there are no rules at all. The building industry needs our help, so does the automobile industry. This is no time to cut the used-car business down. It is keeping our dealers alive, and their employees as well.

I think when we talk about a rule that speaks of "known defects" or defects that "should have been known," any of you who has been in a courtroom know or should know that this sort of "reasonable man" test is as broad as this room. You approve the rule here, and you will reduce used-car sales by dealers 50 percent. You are going to further add to the unemployment rate, and wreck what remains of the automobile retail industry. Vote "yes" to veto this bad rule.

Mr. FLORIO. Mr. Chairman, I yield 2 minutes to the gentlewoman from Illinois (Mrs. COLLINS) a member of the full committee.

Mrs. COLLINS of Illinois. Mr. Chairman, I have been sitting here listening to all the debate that has gone on, and I have heard Members say that this is going to raise the price of automobiles. I have heard my dear friend from my own State say that many new car dealerships are going out of business. I have heard people say that we should have inspections, and I have heard others say we should not have inspections. I have heard people say this and that about the FTC rule.

Nowhere have I heard anyone say that used car dealers ought to be responsible for letting the consumer know whats wrong with the cars that they sell.

It seems to me that something is amiss when you do not have any kind of warranty or when you have no notion at all of what you are buying. Somebody said: "The consumer can come along and kick a tire by way of testing the vehicle. If that blows out, you know it is not good." If you buy a used car, you need some kind of warranty, and I think used car dealers ought to be responsible for advising consumers of mechanical defects that they know exist on the vehicles they sell as used car dealers.

As a matter of fact, I think one of the greatest ironies of this whole proceeding is that the regulations and guidelines which were adopted by the Commission were first embraced and advocated by the same industry groups which now urge us to veto the rule.

In 1979 it was the National Independent Automobile Dealers Association which filed comments with the Commission urging it to do just what the FTC finally got around to doing—reject a mandatory inspection rule in favor of a known defect disclosure requirement.

Let me quote what they said. They said:

> Disclosure of significant known defects would assure that consumers, who would possess the same information as the dealers about the car's condition could bargain for a reasonable price, and warranty coverage to reflect the car's known mechanical condition.

I think they were right in 1979; I think they are wrong now. Perhaps sensing a deregulatory mood which they can exploit to avoid even the mildest form of information disclosure, they have retreated from their prior advice to the Commission and are claiming that the very same remedy they pushed back in 1979 would bring disaster to their business in 1982. How, in the face of this inconsistency, can the Congress believe their dire predictions?

In 1981, used-car sales outnumber new-car sales almost 3 to 1. With the average price of a new car pushing $10,000, consumers are turning more and more to the used-car market for their primary transportation needs.

At the Congress direction, the FTC initiated a rulemaking over 5 years ago to see if there were basic problems in the used-car industry which could be addressed through some form of consumer protection regulation. During this intensive investigation, which included hearings in 6 cities, and the compilation of a 50,000 page record, the FTC found widespread oral misrepresentations of the mechanical condition of used cars at the time of sale. In addition the agency found that many used-car dealers either did not disclose what, if any, warranty coverage they offered on their used cars or flat-out misrepresented the scope and nature of that warranty coverage.

To deal with these serious problems, the Commission formulated and considered a variety of remedies. One of which was the mandatory inspection of all used cars prior to sale with a requirement that dealers disclose the results of such inspections to consumers. The Commission ultimately rejected that tough remedy, opting instead for the moderate proposal we have before us today: The simple requirement that dealers tell consumers about any of 52 mechanical defects they know exist in a car. What's wrong with that? Dealers have no obligation to inspect used cars in order to discover these defects; instead the rule says quite clearly—and the Commission has repeated this point numerous times—that dealers are only obligated to disclose defects they discover in the ordinary course of their business.

The modest rule issued by the Commission has attracted the enthusiastic support of the National Association of Attorneys General, the major organization of State law enforcement officials who must cope with thousands of complaints from used-car buyers on a day-to-day basis.

The rule has also been actively supported by all major national consumer organizations. It has been endorsed by Virginia Knauer, consumer adviser to the President, in a letter to Congressman FLORIO last fall. It was also endorsed by Douglas Fraser, head of the UAW, in hearings on other auto industry issues before the Subcommittee on Transportation and Tourism this winter.

The rule has attracted unprecedented media attention provoking literally dozens of favorable editorials across the country. Should we vote to veto it today, we can expect a renewed wave of commentary about the power of business lobbies in the current Congress which will only serve to further diminish the America public's faith in the integrity of our decisionmaking process.

Mr. Speaker, I urge my colleagues to reject Senate Concurrent Resolution 60 and to allow this modest consumer protection initiative to go into effect.

I think it is incumbent upon us to oppose this resolution because it is not a good one, and certainly it is not consumer-oriented or respected.

Mr. FLORIO. Mr. Chairman, may I inquire as to how much time I have remaining?

The CHAIRMAN. The Chair will state that the gentleman from New Jersey (Mr. FLORIO) has 30 minutes remaining.

Mr. FLORIO. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. ROSENTHAL).

Mr. ROSENTHAL. Mr. Chairman, I rise in opposition to this rule.

In all candor, I am quite embarrassed that the House at this time, in our agenda of important matters to consider, is considering this matter. We are spending the entire week on the budget, and I suspect that history will remember us more as "the used-car Congress" than anything else.

I think one of the problems in dealing with this rule is this: I am curious as to how many Members of the House have bought used cars. Have we had the kinds of experience that our constituents have had? How many Members have been in a similar situation as the 18 million or more persons who bought used cars last year?

My own judgment, after having spent a number of years in a modest effort to improve the consumer legislative climate in this country, is that this is probably the most violent anticonsumer action the House has ever considered. In a matter of 2 hours presumably, we are going to destroy a vast amount of work that the Federal Trade Commission has done, aside from the need that I think is very real.

I think we ought to be very much aware of the fact that the Federal Trade Commission had hearings in six cities, that 212 people testified, that there were 1,681 comments on the proposed rule, that the transcript consisted of 8,232 pages, and that the Federal Trade Commission rule is a balanced rule. First they were going to have a mandatory rule, and then they were going to have a voluntary rule, and then they had what I considered to be a very balanced rule.

I think it is very, very wrong, fundamentally, grievously wrong, that in 2 hours we are going to deal with an issue that a responsible Government agency was assigned to deal with and spent some 5 or 6 years working out.

I happen to think that this is probably the worst kind of legislation endeavor that the House could have engaged in. I think on our epitaph for this Congress, the fact that we are the "used car Congress" will be long remembered by many more than those who are here today.

Let me tell the Members about one situation that the gentleman from Connecticut (Mr. MOFFETT) referred to that happened in my own county of Queens in New York City. The New York City Commissioner of Consumer Affairs initiated an investigation into the wisdom of this rule, and as part of that investigation he sent study teams out to inquire into 12 test cases.

In each 1 of the 12 cases, all of which took place in my own community, an investigator posing as a prospective used-car buyer arranged with a salesman to take a car to an electronic diagnostic center. After the inspection, the investigator returned the car to the dealership, the used-car dealer, reporting that he, the investigator, did not want the car. In each case the investigator showed the salesman a copy of the diagnostic test report and reviewed the defects one by one as they were described in the report.

Later on that same day, another another investigator posing as a prospective buyer came back to the same dealership and expressed an interest in the same car that had been evaluated by the electronic diagnostic center. The investigator inquired both generally and specifically—that is, the prospective buyer-investigator—about defects in the car, and in almost every case the salesmen who was selling the car and who knew about the defects minimized or did not say anything about it.

In all 12 cases a substantial number of defects were revealed by the diagnostic tests. Approximate repair costs ranged from $150 to $650 per car and averaged nearly $400 a car. Every single 1 of the 12 vehicles, according to the electronic diagnostic test, was shown to have defects in the braking and fuel systems. Numerous other problems with alinement, lights, ignition, suspension, tires, transmission, lubricating, and cooling systems were discovered.

In 9 of the 12 test cases, the salesman neither revealed that the car had been tested nor described the major defects shown by the diagnostic test. In three of the cases the salesman did admit to one or two obvious defects in the car but claimed that they knew of no other problems with the car, after having seen the diagnostic report. In only two cases in the report were the salesmen frank about the defects in the car, and these cars were in substantially better condition than the other cars in the study. In one case, a different salesman handled the customer in the afternoon than was present in the morning, making it impossible for the Department to be sure that he had knowledge of the diagnostic test results.

The net result of all this is that 18.7 million persons need some help. These cars do not have to be examined if the dealer does not want them to be examined. If he wants to examine them—and that sticker costs 18 cents—if he wants to examine them and sell a quality car and have the consumer have confidence in his dealership, then he examines them and reveals the defects the examination finds, and somehow together, between the dealer and the prospective customer, they resolve the deal.

Mr. Chairman, this is an absolutely absurd resolution, and it should be voted down.

□ 1220

Mr. LEE. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri (Mr. TAYLOR).

Mr. TAYLOR. Mr. Chairman, I come to the well to make some remarks as a former automobile dealer. I know that is looked upon with disdain by some of my attorney friends here but I would simply say that there were 22 attorneys either indicted or found guilty in Watergate and not 1 car dealer that I know of.

I did spend 22 years in the automobile business as a Ford dealer. I am no longer in the automobile business but I think I have some knowledge of what the automobile business is all about and what really goes on down at the forks of the creek in this great industry that provides jobs and opportunities for millions of Americans and serves so well the motoring public of our Nation.

I will not recount what has been said about the ailing automobile industry. We all know we are in trouble. We know that we have thousands of people out of work. We know we have our car dealers closing their doors, with people being laid off, and we know that it is wreaking havoc upon a good segment of our economy.

But I would simply say this, that this is an anticonsumer regulation. I sincerely believe that. Let me say when the average person decides they are going to buy a new car they will get together, momma and daddy will talk it over, and they decide we have 50,000 miles on our car, we probably would be better off to trade that car off and get a new one because there is a chance we are going to have to spend some money on the old car. So they go into the new car dealer and they say to him, "as far as we know this car is all right, it is performing good. But we think it would pay us to buy a new one." That is what generally motivates people to buy new cars, to prevent expensive repairs on their old car.

So the dealer trades with them and they pay him the difference, the used car is a substantial amount of the payment on the new automobile. No doubt, this used car allowance will be much less if this regulation is allowed to stand. Is this good for the consumer?

They go on down the road. The dealer inspects the used car, and they do inspect them in practically every State because State laws require inspections of used automobiles before resale. The dealer repairs any defects revealed by the inspection. He puts the inspection certificate on it, and set it on the lot, not knowing whether anything is wrong with the car or not that was not evident in the prescribed State safety inspection.

Somebody comes in and buys that car. 3 months later the transmission goes out. The used car buyer then comes back and says "You knew that transmission was bad."

That is where the donnybrook starts because they will have to go into litigation to resolve the dispute and it will be costly.

Friends, I am going to say to you today I do not believe we have all the problems with the horror stories that have been pointed out here today in this business.

I was in the car business for 22 years, the new car business. I sold a lot of used cars. I have never in that 22 years had one complaint from one used car buyer that I was not able to resolve.

The dealers that do not resolve legitimate complaints are not there in business anymore.

Let me say this, the best protection in the world that the consumers of this Nation have is the free enterprise system and the free marketplace. In my judgment this strikes at the very heart of that concept.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR. I am happy to yield to the gentleman from New Jersey.

Mr. FLORIO. I want to commend the gentleman for his comment and his experience. But in my opinion he has made the case for this rule.

The gentleman has indicated there is great knowledge on the part of the used-car dealer and all we are saying is he should provide that knowledge he has to the seller. If we are going to talk about the free enterprise system and the marketplace, that presupposes two relatively equal participants in the transaction.

This is disclosure. This causes no new cause of action. This is not going to in any way provide a buyer with a new cause of action to go into the courts.

What we are trying to do is have the Federal Trade Commission spell out that minimal standard that should prevail so that both parties should have access to the same information.

I think the gentleman has made a very valuable contribution but the contribution weighs on the side of having this minimal standard the gentleman makes very clear is already the standard with most dealers, and most of the dealers are good dealers.

We are trying to provide that protection for that small minority of dealers, protection against those people that do not follow the practices the gentleman has followed as a regular course of business.

I thank the gentleman.

Mr. TAYLOR. I would say to my friend from New Jersey, and I do not question his sincerity in what he is trying to do here, but the point that for the dealer to tell what he knows is one thing. But it is what he did not know that turns out to be the problem for the used-car buyer and the developments that will ensue. All of the problems are going to be caused in resolving the litigations that will undoubtedly result as an irate customer comes back and say, "You knew this," and the dealer say, "I did not know it."

Maybe he did not. Probably did not. How is that going to be resolved? By the courts and both consumers and hoards of lawyers at great expense to dealers.

Most dealers, legitimate dealers, offer used-car guarantees. I would certainly support a regulation that would say that the guarantee, if any must be posted on the car, whether it is the 50-50, as most of them are, or whether it is 60-40 or 75-25 or whether it is the monkey guarantee where the dealer says if it changes into a monkey, catch it, it is your monkey, we ought to be able to pass legislation to write regulations that would do that. Without getting into the can of worms this regulation contains, I believe that this regulation that has been promulgated is anticonsumer and antibusiness. I certainly oppose it and support the adoption of this resolution.

Mr. LEE. Mr. Chairman, I reserve the balance of my time.

Mr. FLORIO. Mr. Chairman, I yield 3 minutes to the gentleman from Kansas (Mr. GLICKMAN).

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. GLICKMAN. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Chairman, I rise in support of the Federal Trade Commission's used car rule. Senate Concurrent Resolution 60 would veto the FTC's rule regarding the sale of used motor vehicles. Much concern has been expressed about this rule, but frankly, after thinking this issue through carefully, I find that it is clear in purpose, straightforward in its application, and, most important, fair to consumers.

Here is how the rule would operate: the rule would require dealers to affix a sticker to the window of a used car disclosing all guarantees offered and all major defects known. The FTC rule does not require dealers to offer warranties, nor does it require them to inspect their cars for defects. The rule merely requires that if the dealer knows that certain identified defects exist in a car, he must pass that information on to the consumer.

Dealers have complained that the rule is unfair because it would not be applicable to private sales. An FTC study showed, however, that most consumers were getting a greater amount of accurate information from private sellers than from dealers. I also feel this rule will reduce the number of private sales. When consumers have confidence that they can get accurate warranty and defect information from dealers, they will be more inclined to buy from them.

Supporters of Senate Concurrent Resolution 60 maintain that the proposed rule would result in increased costs to dealers and increased prices to consumers. Dealers are arguing that the actual cost of inspections may be as much as $100 per car and that the additional costs of the rule may add as much as $250 to the price of a used car. The rule, however, specifically states that no inspections are required. Under this rule, dealers would only be required to post a window sticker informing consumers about the existence and extent of warranty coverage for the car and the existence of any mechanical defects in the car's major system. Furthermore, the FTC rule is clear that no dealer can be prosecuted for not inspecting a used car. Assuming, as the FTC has estimated, that the cost of the sticker is about 18 cents, the total cost should not exceed 50 cents per car.

Mr. Chairman, this rule provides consumers with the fair and just protection they deserve. In fact, Senate Concurrent Resolution 60 is the type of rule the National Independent Automobile Dealers Association proposed in February 1979. The NIADA said at that time "that a beneficial balance in consumer and dealer knowledge can be achieved by means of a rule requiring a window sticker which would disclose both significant known defects and defects discovered during any State-required safety inspection. By 'significant known defects,' we mean all defects which the dealer is personally aware of other than comestic or minor defects." The FTC rule requires no more than precisely what NIADA recommended. Under these circumstances, I fail to see how dealerships are going to be hurt financially by the proposed rule. On the contrary, I think they will be helped by increased consumer confidence in their prospective used car purchase.

This rule will make an important change in the buyer-seller relationship. Instead of the time-honored, adage "caveat emptor"—buyer beware—future sales will be on the basis of "buyer be informed." Informed purchase of an item so important as a secondhand car is not too much to ask; in fact, buyers might consider it is a minimum requirement.

I urge my colleagues to support the FTC rule and vote against the resolution of disapproval.

Mr. GLICKMAN. Mr. Chairman, I am reminded of what Senator DIRKSEN once said: "I am a man of principle and my first principle is flexibility."

I originally cosponsored this resolution of disapproval. I was convinced that the regulation required inspection. I was convinced by the proponents of the veto that the regulation required dealer inspections and also created a new Federal cause of action, which I know now are not true. Thus, I was flexible enough to realize that my early support of the resolution of disapproval was incorrect.

The Buyers Guide referred to in the proposed FTC rule itself has specific language which indicates, No. 1, that you can ask the dealer to have the used car inspected by your mechanic on or off the lot. In addition, the Buyers Guide says there may be defects that are unknown to the dealer. Both of these provisions in the Buyers Guide make it abundantly clear that there is no inspection required by the dealer.

Our own State of Kansas has a law which is even more stringent than what this regulation would do. In Kansas, a used car dealer cannot sell cars "as is." That would be allowed under this regulation.

But what started me to rethink my position in this issue was a letter from the Sedgwich County District Attorney's Office which told me that over one-half of all consumer complaints in my area were related to purchases of used cars and, I am also advised, that the largest single area of consumer complaints in the United States related to purchases of used cars.

If that is the case, this issue is a broad national problem. And I am convinced that while the FTC's rule is not perfect, it is a reasonable rule and I think it is one that ought to be approved.

But let me move on to the broader subject, the whole issue of legislative veto. This veto, which I originally sponsored, clearly will have a chilling effect on all regulations, any agency may promulgate pursuant to congressional statute. The legislative veto will make milktoast regulations the only ones that will ever be approved. Any regulation that has any teeth in it at all will be fought by some well-heeled interest group with many campaign contributions, with a strong lobbying army. Clearly, a case study is the issue at hand; the used car rule. Clearly, the used car dealers have contributed great amounts of money to congressional candidates. That is their legal and constitutional right. But just as clearly, the legislative veto will become much more frequently used and successful of such groups, their political action committees, exercise their political clout to veto regulations.

What will always prevail in rulemaking with a legislative veto will be the lowest common denominator, and that really worries me in this process because there ought to be some independence within the regulatory bodies to try to provide what is best for the common good.

My colleague from Washington, Mr. SWIFT said if we vote on the merits of the FTC rule we ought to vote on a stronger used car rule. I would say if my colleagues have a legislative veto on all agency actions there will never be a stronger rule than this one, I will assure them of that.

The only rules that will come back will be much weaker, if we approve anything at all.

There is a lot of rumbling on the floor where people are saying this proposed rule is not a bad rule but "I cannot vote for it because I am committed to the used car dealers." I was committed, too, to my used car dealers earlier on.

But I think that the rule is a good one. It ought to be approved. Most used car dealers are honest, and the rule will help the industry and it will insure that in this very sick economy, when the used car market is probably stronger than the new car market, that people will have the assurance that with the car they are getting, there is some reasonable modicum of disclosure.

That is all the rule requires, and I urge its approval and a "no" vote on the resolution of disapproval.

☐ 1230

Mr. MOFFETT. Mr. Chairman, will the gentleman yield?

Mr. GLICKMAN. I yield to the gentleman from Connecticut.

Mr. MOFFETT. I want to congratulate the gentleman on his remarks. He is doing the right thing. I think we are going to see other Members, as the gentleman from New Jersey (Mr. RINALDO) indicated, trying to cover their tracks by coming up here with some flimsy substitute, and I do not think it is going to wash. I think the gentleman is doing just the right thing, and I congratulate him.

Mr. GLICKMAN. I thank the gentleman.

Mr. FLORIO. Mr. Chairman, I yield 6 minutes to the gentleman from Michigan (Mr. DINGELL), the distinguished chairman of the full committee.

Mr. DINGELL. Mr. Chairman, this is being couched as a great consumer battle and as protection of the consumers against fraud by the used car dealers.

If there is fraud here, it is fraud in the used car rule. If there is fraud here, it is in giving appearances, to the purchaser of the used car, of protection which in fact does not exist. If there is fraud here, it is in having representations made to this body that this is going to help the consumer and improve his prospects of buying a used car which will be satisfactory to his purposes at a price which is fair.

In point of fact, each State—and I am unaware of any that does not have such a law—has a law which deals with the subject matter of the used car rule. Each State's law is stronger and better and is crafted according to the unique needs, as perceived by the legislative bodies of the States, of the citizens of that particular State.

Now, one must ask what is really in the rule. The rule says if the seller of a used car desires, he may give a warranty. If he desires not, he need not.

It is not quite clear what would be the effect of this with regard to State law. Presumably there would be a nice question of conflict as to whether the Federal Trade Commission's rule prevails or whether the State statute prevails.

But the rule also says something else. The dealer may sell "as is," if he chooses. And then it says that if there are major known defects in any of the 52 systems in the automobile known by the dealer, that they must be identified and must be made available in writing for the purchaser. It says that the purchaser has the right to have the car inspected on the lot by a third person or he has the option, if he can work it out, of having that vehicle inspected off the lot. In most instances, that is required or permitted by the State law.

What is wrong with the rule? First of all, it has been so watered down it really does not do very much to protect the consumers. In point of fact, it does rather less than that which is available to the consumer under existing State law.

But then one must ask what is the real defect from the standpoint of the consumer in this proposal? First of all, it has a strong potential of engrafting upon our laws a new provision whereby, although purporting to say that the seller need not inspect, because of his requirement to disclose known defects, the dealer must literally engage in inspection of the automobile to ascertain whether or not in those 52 systems on the car there is a defect.

Now, the practical effect of this is going to be that dealers are simply going to pay less for used cars because they are going to feel that they are going to have to inspect to avoid litigation or lawsuits under this particular provision, because their lawyers are going to tell them, "You better inspect, and you better be prepared to disclose whether or not there is a defect."

And so when a car comes in to a dealer's lot, that dealer is going to be compelled to look at the car and inspect it carefully, to find out whether or not there are defects in those systems, because he, according to the advice he is going to get from his lawyers, he has got to disclose defects in that area.

Now, a used car dealer makes money two ways. He makes money on the purchase price. This is going to beat down the purchase price to the consumer. He makes money also on the sale. That is going to inflate the purchase price to the buyer. The end consequence is that there are going to be a good deal fewer cars sold by reputable dealers who now give warranties, and more sold by the fly-by-nights. And it is going to mean that it will be harder to sell a car to a used car dealer.

Interestingly enough, the consequences are going to be that the person who will really get it in the neck, out of this rule, is going to be the consumer. He is going to get less when he tries to sell. He is going to have a much smaller market of used car dealers. The rule is going to encourage fly-by-nights. It is going to encourage individual sales because prices are going to be lower to the individual who wishes to sell to a used car dealer, and the price to the buyer of a used car from a reputable dealer is going to be higher.

The end result of this rule is going to be that the individual consumer is going to be worse off than before.

This proposal was studied very carefully. It was rejected twice by the Committee on Energy and Commerce, after fair discussion, debate, and lengthy hearings. It has been rejected by the Senate of the United States by an almost overwhelming vote, on the clear grounds that it does not benefit the consumer but, rather, that it imposes excessive burdens upon an industry that right now has what everyone recognizes are real problems.

Mr. LEE. Mr. Chairman, I yield 8 minutes to the gentleman from Illinois (Mr. MADIGAN).

Mr. EMERSON. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from Missouri.

Mr. EMERSON. I thank the gentleman for yielding.

Mr. Chairman, I wish to associate myself with the remarks just made by the gentleman from Michigan.

Mr. Chairman, I rise today in support of Senate Concurrent Resolution 60, which invokes a congressional veto of the Federal Trade Commission's so-called used car regulation.

This resolution represents a milestone in a historic process. It is the first significant test of the new two-House veto procedure for FTC rules. Over the past few years, it has become obvious that there is an urgent need for congressional oversight and reform of the Federal regulatory process. Nowhere in the vast realm of the Federal bureaucracy is the need for congressional scrutiny better illustrated than with respect to the Federal Trade Commission.

Many have suggested that this particular resolution is a result of a massive lobbying campaign by the used car dealers, and that passage of the resolution will subject consumers to the danger of purchasing unsafe motor vehicles.

Mr. Chairman, I am a cosponsor of the House companion measure of the resolution we are considering today, but I cosponsored the resolution before I received even one phone call or letter from a used car dealer in my district. I made my decision based on what I believe is a total defiance of congressional intent by the FTC. Moreover, I strongly believe that should the FTC used car rule be implemented, consumers would be the ultimate losers.

When Congress enacted the Magnuson-Moss Act in 1974, it directed the FTC to initiate a rule in connection with the sale of used motor vehicles. Congress simply intended to require dealers to disclose to a customer that a used car was being sold without a warranty, and if a warranty were given, to disclose the nature, extent, and limitations of the warranty. However, what the FTC has proposed goes far beyond what Congress specified, and would require dealers to be aware of the condition of 52 items on the car. Although the FTC does not require inspections, it would be impossible for an honest dealer to sell a used car without thoroughly inspecting it.

For example, if a dealer has a used vehicle that leans to one side when viewed from the front, it is obvious to anyone that a defect exists in the vehicle, but this condition could be caused by any of the defects included within the 52 listed in the rule or by other things such as a broken spring, damage to the frame, a broken shock, or damage to the vehicle's structure. The only possible way for a dealer to know which defect is causing the car to lean is to inspect the vehicle. He cannot just state that the car leans to one side. He must find the precise cause of the defect and list it. If he does not he is subject to a $10,000 fine.

Neither the Magnuson-Moss Act nor the legislative history authorizes the FTC to promulgate any known defect disclosure rule for dealer sales of used motor vehicles. The clear intent of the law is to require warranty disclosure only. To prove my point, I would like to cite the language from the act:

> The Commission shall initiate within one year after the date of enactment of this Act a rulemaking proceeding dealing with warranties and warranty practices in connection with the sale of used motor vehicles and, to the extent necessary to supplement the protections offered the consumer by this title, shall prescribe rules dealing with such warranties and practices. In prescribing rules under this subsection, the commission may exercise any authority it may have under this title or other law and, in addition, may require disclosure that a used motor vehicle is sold without any warranty and specify the form and content of such disclosure.

Mr. Chairman, this law clearly directs the FTC to implement a rule revealing whether or not a car is being sold with a warranty, and if not, why not.

No one in this Chamber would argue that consumers should not be protected from unscrupulous used car dealers and the obvious danger presented by the sale of a seriously defective car. However, the FTC rule is poorly drafted and represents perhaps the vaguest legal language I have ever seen. It will create a lawyer's paradise and will not solve the problem of consumers. Because the FTC rule does not explicitly require an inspection of a used car by the dealer, a dealer can check that, as far as he knows, all 52 items listed by the FTC are fine. If, perhaps, 2 days after the sale of the car, the buyer discovers that the oil is leaking, the dealer would be completely protected because he could say that he did not know about the defects and was not required to inspect.

In addition, the FTC rule would create enormous paperwork. Every time a used car is sold through a dealer—and, I might add, only about 50 percent of them are sold through dealers—this FTC rule will require at least two or three legal-sized documents added to the used car sale contract.

What will be the end result of all of this? Consumers will end up paying a higher price of a used car, taxpayers will end up with the cost of additional FTC personnel which will be required to enforce the rule, and the problem of the sale of unsafe used vehicles will not be solved.

I am hopeful that the House of Representatives will follow the lead of the Senate, which approved Senate Concurrent Resolution 60 last week.

Mr. MADIGAN. Mr. Chairman, if I may have the attention of the distinguished chairman of the Subcommittee on Transportation and Commerce, I would like to say at the outset that my interest in this has been prompted somewhat by the fact that over a 20-year period of time I operated a business that operated not only fleets of automobiles as taxicabs, but also was engaged in the leasing of cars on both a daily and annual basis, and in that 20-year period of time I have operated something in excess of 1,000 automobiles. I am very interested in how this business of disclosing defects is supposed to work. If I could engage the gentleman from New Jersey in a colloquy, there are a couple of questions that I would like to ask him about the proposed rule.

At the outset I would also like to say to the Members of the House assembled here that I have the greatest respect for the gentleman from New Jersey, the distinguished subcommittee chairman, and I realize that he is defending something here that is not authored by him, and I suspect that if it had been authored by him, some of the criticisms I might voice might not lie well against it.

But at the outset, if I may, I would like to know, with regard to the example of the rear end of the automobile, or the differential that we discussed before, how exactly a dealer is supposed to distinguish between a noise being caused by a bad differential and a noise being caused by a bad axle bearing, and what exactly would he be required to disclose?

Mr. FLORIO. If the gentleman will yield, the gentleman knows as a result of our prior conversations on this very matter, the standard which is accepted by the Federal Trade Commission, particularly in light of its public statement of enforcement proceedings, is the same standards that were adopted by the U.S. Department of Transportation test protocols, and they have been incorporated by reference into the enforcement policy.

The gentleman knows that what it is we are talking about is disclosure of those things that the dealer comes to know in the ordinary course of his business.

In the 5 years of the testimony that we have, mechanics have testified on a number of occasions, and we in our 2 days of hearings had mechanics come forward and testify that they will have no difficulty, in fact, making the determinations as to what is to be disclosed and what is not to be disclosed.

Mr. MADIGAN. A Cadillac dealer in Mr. O'Brien's hometown took into his own garage 2 weeks ago a Buick station wagon with a noise in the rear end. The mechanic said it was an axle bearing, and the service manager said it was a defective differential.

Now, if he were putting that car on his used-car lot, would the gentleman tell me, under this rule, what he would be required to put out there as information to a prospective buyer?

Mr. FLORIO. The mechanic would be required, that is, the dealer, acting through agency principles, would be required to put the known defect, as listed on the protocol, 1 of those 14 major systems. He would be totally absolved from any responsibility if he used his best judgment in putting down on that sticker the fact that there was a question with regard to the particular system that the gentleman is talking about.

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Mr. MADIGAN. If the mechanic says it is an axle bearing and the service manager says it is a bad differential, I will ask the gentleman from New Jersey the question for the third time.

Specifically, what is the dealer required to disclose?

Mr. FLORIO. The dealer is required to disclose information that he has available to him as to whether that major system has a defect. If he has that information from his mechanic under the principles of agency law, it seems to me he would be required to have that information conveyed on the sticker.

Mr. MADIGAN. Would he disclose there is a bad axle bearing or bad differential? Whose word does he take, the mechanic or the service manager?

Mr FLORIO. Which of the two items would be the major mechanical defect, if I could ask the gentleman for a clarification?

Mr. MADIGAN. With regard to whether the mechanic has said that is not a major defect, what the service manager says that would be a major defect, the dealer does not know which thing is wrong.

Mr. FLORIO. It seems to me he would be well advised to indicate that it is a major defect inasmuch as I assume he has some confidence in his employee's judgment.

Mr. MADIGAN. In order to defend himself against what might happen in the future he is really going to have to tear it down and inspect it and find out.

Mr. FLORIO. The answer is, no, he would not and over and above that, this question of defending himself in the future presupposes the fact that he is going to be sued by someone.

This rule has nothing to do with private litigation. The existing law in 49 of the 50 States is the Uniform Commercial Code which spells out what is an appropriate cause of action for civil liability. This rule has nothing to do with causes of action for individuals.

Mr. MADIGAN. In other words, this rule provides nothing to the consumer?

Mr. FLORIO. If the gentleman will yield further, that is not the case. What this provides to the consumer is the certification that there is now a policy that is to be the policy in the normal course of business of disclosing information, it causes no new cause of action, but he has and will have the assurance that he is to be informed as to what warranty, if any, and still if there is no warranty, he will be informed about that, and that is designed to deal with the problem that is most prevalent of a salesman saying that a warranty exists when in fact the fine print says no warranty exists. He is then going to be provided with the same information that the buyer has. That it seems to me is a quantum leap up for the consumer as to what he currently has.

Mr. MADIGAN. With regard to something that the gentleman said earlier, an example used by the FTC goes to the cooling system and leaks in the cooling system.

The gentleman said if there is a leak in the cooling system the dealer would only be required to disclose that there was a leak in the cooling system. But the FTC says that the dealer would be required to disclose whether that was in the radiator, in the water pump, or in the engine block.

Mr. FLORIO. If the gentleman will yield further, I think the gentleman is absolutely incorrect. Inasmuch as that specifically stated in the examples the dealer would satisfy his obligations by merely putting on the sticker, "Leakage in the cooling system."

Mr. MADIGAN. Fine. All new cars with pressurized cooling systems leak when the engine is hot, out of the overflow pipe. So what are you telling the consumer?

Mr. FLORIO. We are not talking about new cars, as the gentleman knows.

Mr. MADIGAN. I mean late model cars, if the gentleman would allow me to reclaim my time.

My 9-year-old car with a pressurized cooling system leaks out of the overflow pipe when the engine is hot. Is that a leak in the cooling system?

Mr. FLORIO. The answer is, under the factual situation the gentleman just described, the answer is no, it is not.

Mr. MADIGAN. Going to another example, it is not a leak in the cooling system and water is running out over the car.

Mr. FLORIO. The gentleman just stated, I thought, that in a situation that there was not a leak in the cooling system, the car was designed to have overflows and that would not be a defect.

Mr. MADIGAN. All right, but is the dealer not going to have to, if he sees that there is coolant under the car, not going to have to have determined where that coolant is coming from?

Mr. FLORIO. The answer is he does not.

Mr. MADIGAN. So he is not giving anything to the consumer that the consumer does not already have?

Mr. FLORIO. That is not the case. What the dealer is required to do is provide information as to the defect, if in fact it was a defect. The gentleman's hypothesis is this is not a defect.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. Madigan) has expired.

Mr. LEE. Mr. Chairman, I yield 3 additional minutes to the gentleman from Illinois (Mr. Madigan).

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from Ohio.

Mr. SEIBERLING. I thank the gentleman for yielding.

I would like to ask the gentleman from New Jersey a question about this resolution or this regulation. I guess I have about as good a consumerism record as anybody in the House, but I must say, after reading this document, that I have some questions I would like to ask the gentleman.

The word "know," in a legal context, is a very tricky word. The certification required by the FTC regulation gets you into questions of when a dealer would be charged with knowledge of a defect.

Let me give an example.

Suppose a customer goes to a dealer and says, "I would like to have my mechanic inspect this car." The dealer says, "OK." The mechanic inspects the car, comes up with a long list of defects in addition to those that the dealer has said he knows of. The customer then gives this list to the dealer and says, "Here are additional defects my mechanic says are in this car. Therefore, I do not want to buy it." He goes out and gets a friend then to go back to the dealer and see if the dealer, who now has been informed of what the mechanic has said, has listed those additional defects, and the dealer has not. Then he brings a suit, charging the dealer with fraudulent misrepresentation.

Is the dealer charged with the knowledge of somebody else? The sticker and the rule do not make that clear. It seems to me it ought to be limited to certifiying to defects the dealer knows on the basis of his own inspection. Even then there are problems, but at least that narrows it down. Otherwise you are just inviting endless litigation over who said what to whom and whether the dealer is charged with somone else's knowledge.

I wonder if the gentleman can clarify that?

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from New Jersey.

Mr. FLORIO. I would be happy to respond in the same way that I responded. This has nothing to do with rights of individuals for litigation.

The Uniform Commercial Code right now has an implied warranty of merchanitability. In fact it does not preclude an "as is sale." The failure to disclose under the law now in 49 States out of 50, failure to disclose a material fact in a transaction constitutes a fraud that is grounds for rescission.

The gentleman's example in no way is impacted by this rule.

Mr. MADIGAN. I am going to have to reclaim my time.

The gentleman from New Jersey has substantial time and I am sure would engage the gentleman from Ohio further in a colloquy on this subject.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from Michigan.

Mr. DINGELL. I thank the gentleman for yielding.

The gentleman from New Jersey, the chairman of the subcommittee, a very able Member of this body, has just made the basic point.

This proposal by the Federal Trade Commission affords no new rights to consumers, but it does impose vast burdens on the industry in terms of potential liability that are going to show up in purchase prices to the consumers and in sales prices to the sellers of used cars who would sell to a regular dealer in used cars, and that is the evil of this proposal. That is why the resolution should be agreed to.

Mr. FLORIO. Mr. Chairman, will the gentleman yield for a response to the point that was made with regard to my comments?

Mr. MADIGAN. If the gentleman will give me 3 minutes of the time he is holding, I will be glad to yield to him.

The **CHAIRMAN.** The time of the gentleman from Michigan (Mr. MADIGAN) has expired.

Mr. FLORIO. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. DOWNEY).

Mr. DOWNEY. Mr. Chairman, I think this proves the golden rule of politics; namely, he with the gold rules. When one juxtaposes the 18.7 million people who bought used cars and tries to compute the amount of money that they may or may not have contributed to Members of Congress, I think we will find that there is an enormous imbalance between who is intervening in this political process and who is not.

Clearly the lesson of this rule change—without impugning anyone's motives—is that the industry that has an action pending before the FTC can marshal enormous sums of money, contribute them selectively and get a different hearing and outcome. That is a fact. That is undeniable. That is happening.

Is there anyone here who will suggest to me that if there were no PAC contributions by the dealers, if this issue were decided solely on the merits, that we would see the same outcome as we see today. Of course not. Because what we have at work here is money influencing political decisions.

It embarrasses me. It should shame this House. I would hope at some point we will be able to get at the root cause of what is wrong with this Congress—money influencing governmental decisions—surely, making the FTC the victim of excessive PAC contributions only hurts the very people we are supposed to be protecting.

Mr. LEE. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. MADIGAN).

Mr. MADIGAN. Mr. Chairman, I want to respond to the gentleman from New York who just spoke by saying to him that I have introduced a bill that I will introduce later in the Commerce Committee as an amendment to the FTC authorization bill that goes far beyond anything that is contemplated in this FTC matter and has been described by some of the gentleman's colleagues on his side of the aisle as being draconian in nature in terms of the requirements that it would put upon used-car dealers.

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I do not think it is draconian, but it does require the examination of used cars, the inspection of used cars and the disclosure of accurate information about the condition of the used cars.

The two gentlemen from New York, Mr. LENT, and Mr. LEE, have joined me in introducing that bill and have joined me in supporting it as an amendment to the FTC authorization, because we think it really does something about the problems that exist with respect to the condition of used cars and the lack of sophistication on the part of used-car buyers. We hope that everybody in the House will have an opportunity to look at that, because it is preferable to what is being discussed here, because what is being discussed here does require the inspection of an automobile if a dealer is really going to protect himself against the potential of a lawsuit.

The gentleman from New Jersey a moment ago with regard to my example of an axle bearing versus a differential bearing, said that the safe thing for the dealer to do was to disclose that the differential in the car was bad, even though the differential in the care may not be bad.

There is example after example after example of that kind of situation that could be offered to this body for its consideration today.

In operating my own fleet of cars and in operating my own garage and having my own mechanics, who had no motive to do anything but try to fix my car right the first time, time and time again my own cars would go back to my own garage, to my own mechanics, four or five times before they would really figure out what was wrong with an automobile, and everyone of you have had that same experience. To expect the dealer to be able to disclose to a buyer what is wrong with a car when his own mechanics in his garage cannot agree what it is that is wrong with the car is I think to expect something very unreasonable.

Mr. LEHMAN. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from Florida.

Mr. LEHMAN. Mr. Chairman, because of a long-time vested interest in our family's automobile business, I will vote present on Senate Concurrent Resolution 60, disapproving the Federal Trade Commission used car rule.

For over 25 years, before I was elected to Congress, I sold 50,000 used cars to the people in south Florida. From these years of automobile experience, I do want my colleagues to know I have serious concerns about the adverse effect of this regulation on the used-car buyer. Good dealers are simply going to change their method of operation and wholesale more and more of their cars to curbstoners and fly-by-night operators.

This will mean that the used-car buyer will have a much smaller and less dependable source from which to be able to buy a used car.

Because the used car remains the basic transportation system of this country we must not by over zealous consumer protection regulations actually diminish the best source of supply for this necessary means of transportation.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. LEE. Mr. Chairman, I yield 1 additional minute to the gentleman from Illinois.

Mr. MADIGAN. Mr. Chairman, specifically what we want to do on this side of the aisle with this whole issue and what we hope the people on the other side of the aisle will help us do is to write into law a provision that would require a dealer to inspect the engine in an automobile and to disclose its condition versus what that condition was when it was new and to inspect the brakes on an automobile and make the same comparison and disclose that information and the battery and the steering components and other things. That is the kind of thing we want to do. We want to give a used-car buyer information that he or she can understand, a comparison between the condition of the car at that time and its original condition when it was sold new. We think that can be done in an intelligent and constructive manner and we urge that the House would take the opportunity at some point in the very near future to support us in that effort.

I thank the gentleman for yielding.

Mr. FLORIO. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. SCHUMER).

Mr. SCHUMER. Mr. Chairman, 1984 has arrived here in this Chamber. We have now heard that this legislation, the resolution of disapproval is proconsumer. Doublespeak is here and I look forward, Mr. Chairman, to the time when the National Auto Dealers Association and all those other proconsumer groups will give the sponsors and supporters of this resolution of disapproval their "Consumer of the Year" award because, of course, they are defending consumers.

Who are we kidding, Mr. Chairman? The Consumers Union, the National Consumer Federation, the groups that have supported consumers all along are vehemently opposed to this resolution of disapproval. Who are we kidding?

Mr. Chairman, 15 years ago the Michigan research people did a survey. They asked the mothers and fathers of America to rank 50 professions in the order that they wanted their sons and daughters to enter those professions. Ranked first, and those were the Sputnik days, was the category nuclear physicists. Ranked second were Supreme Court Justices. Politicians were ranked 49th.

What was ranked 50th? Used-car dealers.

I am happy to say there will be one meritorious and only one meritorious result if this resolution of disapproval passes. We politicians will no longer sink to 50th. We politicians will still be 49th and the used-car dealer will remain 50th.

Mr. LEE. Mr. Chairman, I wonder if I can inquire of the subcommittee chairman, would the gentleman be willing to yield 1 minute to the gentleman from Iowa?

Mr. FLORIO. Mr. Chairman, I am happy to yield 1 minute to the gentleman from Iowa (Mr. LEACH).

Mr. LEACH of Iowa. Mr. Chairman, I rise in opposition to the legislative veto before us today, but before doing so would like to express dismay at the comments of the gentleman from New York (Mr. DOWNEY), who impugns the motives of those who share a different perspective.

In any regard, what we are debating today is much more than the regulation of used-car sales; we are dealing with the ability of our Federal agencies to operate with credibility. If Congress sets a precedent by exercising a legislative veto for the first time on this FTC rule, we most assuredly will be opening the floodgates to every organization regulated by Federal law to lobby for exemption from the law. If that is allowed to happen, who will be left protected—not the public, but those with adequate funds to launch an extensive lobbying campaign. In effect, we risk losing control of national policymaking to special interest groups.

We in Congress were elected to protect the public interest and that is what this regulation is intended to do.

The Congress, in the Magnuson-Moss Act, instructed the FTC to devise a rule which would help standardize the sale of used cars and eliminate deceptive trade practices. Now, through the use of the legislative veto, Congress is being asked to overturn the rule we asked the FTC to formulate. Theoretically, the legislative veto is an appropriate check on the regulatory power of Federal agencies. But Congress should move judiciously in exercising oversight. Care should be taken to insure that arguments against the considered views of administrative experts are overwhelming. This does not appear to be the case in this instance.

Here it is important to note that the Reagan administration which has taken a firm stand to reduce regulation has deemed this issue important enough to formulate the rule under consideration today and to press for its passage.

The irony is that the first significant proconsumer regulation of the Reagan administration is challenged so strongly by those advocating the most ironclad support of administration positions.

As in most tough public policy issues, there are valid arguments on both sides of the issue. Experienced dealers point out that there has been a trend in recent years toward more off-lot sales, and that if this rule accelerates that trend, consumers might in the end become less well protected. They also point out that compliance with the rule will entail additional cost, which in a market economy must be passed on to the consumer.

On the other hand, consumer knowledge of the added protection guaranteed in dealer transactions might give added incentive to purchase from a reputable dealer. This rule might thus prove to be advantageous to reputable dealers while disadvantageous to the less reputable.

In addition, the rule will clarify the ambiguous warranty situation which has long existed in used-car sales. No longer will the buyer be able to claim, whenever convenient, that the seller has made verbal warranties covering a used car. While litigation may increase in situations where a consumer believes a dealer has falsified known defects, it should decrease in implied warranty or "as is" sales transactions. This should protect the dealer from time consuming and expensive warranty litigation. The consumer will also be protected when warranties actually have been made. The proof will be on the sticker.

Finally, it should be stressed that an underlying aspect of this rule is the issue of quality. American consumers have lost faith in American automobiles. In the last 18 months the UAW and automobile companies have made a concerted effort to upgrade quality standards. This rule is part and parcel of this national effort to rejuvenate concern for basic quality. It gives dealers added incentive to be quality conscious at the retail and at the same time added incentive to expect more from the manufacturing companies. If this rule proves to enhance public confidence in automobile purchasing, the ultimate winner is not only likely to be the consumer, but the American automobile industry as a whole. And if this rule succeeds in causing greater concern for automobile safety, it may just save lives—not an unworthy concern for the Congress of the United States.

In final measure, the FTC rule represents a prudent effort to protect consumers from unwittingly purchasing "lemons." The legislative veto to overturn it is itself a legislative lemon which does little to enhance the statute of a Congress already in disrepute.

Mr. LEE. Mr. Chairman, I yield myself the remaining 1 minute.

Mr. Chairman, I think that there are three significant points.

First is the precedent. The precedent here is this: We expect every commission or agency to promulgate rules and regulations that are consistent with the intent of this legislative body. This proposed regulation is not consistent with congressional intent.

Second, Mr. Chairman, under the procedure that was employed by the Commission in the formulation of this rule, many grants were provided to the consumer advocate groups. In fact, $140,000 was made available to such groups to create the body of testimony that has been referred to by some of the speakers before me.

Third, on the proposed rule itself, Mr. Chairman, it has two fatal defects. First, it does not cover all sales for consumers. Therefore, it is anticonsumer for at least 50 percent of the sales in the used-car market.

Fourth, the major defect in this proposed rule is section 455.6. That section is intellectually dishonest. It says that inspections are not required and then delineates in some 50 pages for 52,000 words, tests or procedures that should be used to carry out the inspection. Those tests are contrary to the statement in section 455.6 that no inspections are required.

The Federal Trade Commission resubmitted its trade regulation rule on the sale of used cars at the beginning of this session of Congress pursuant to the congressional veto procedures of the FTC Improvements Act of 1980. Although the disapproval resolution I introduced last session was favorably reported by the Committee on Energy and Commerce, section 21 of the Improvements Act requires resubmission of the rule in the event Congress adjourns sine die prior to the expiration of the 90-day review period and before actions necessary to disapprove the rule are completed. Accordingly, the rule was resubmitted for congressional review and I found it necessary to introduce a new disapproval resolution, House Concurrent Resolution 256, and its companion in the Senate, Senate Concurrent Resolution 60, which is before the House today.

Unfortunately, the Commission has come back with the identical used-car rule. Signals from both Houses were quite clear that there were serious objections to the rule's known defect disclosure requirement. In fact, but for the delay in consideration of House Concurrent Resolution 178 last session, the rule would have been disapproved, and this entire exercise would be unnecessary. Both Senate and House Commerce Committees favorably reported disapproval resolutions on the rule, by votes of 14 to 4 and 27 to 14, respectively.

The House report indicated, quite clearly, its concerns with the defect disclosure provision. Moreover, additional views urged the Commission to modify the rule prior to its resubmission in order to assure congressional approval and to expedite the rule's review. However, despite strong congressional urgings, the rule was resubmitted in its identical form. I find this particularly distressing because of the Commission's apparent desire to stay on a collision course with the Congress with respect to this issue.

Mr. Chairman, we are here today because the Federal Trade Commission just plain fouled up its assignment from this Congress.

They have done well in drafting a regulation which will end the used-car buyer's questions about warranty coverage. That is good. And they have made a fine attempt at putting some real consumer teeth in used-car sales. That, also, is laudable.

But they have also added cost to the price of a used-car and opened a Pandora's box of lawsuits, fines, and outright neglect of used-car problems with their "known defects" section. I insist today that, with the poorly drafted known defects section intact, this regulation must not become law.

In recent years Congress had abdicated a fundamental responsibility of oversight for Federal agencies and the result has been a dramatic proliferation of immeasurable, costly, and often nonsensical rules and regulations affecting every entity in our great Nation. This bureaucratic explosion and impact has caused a feeling of harassment and intrusion for every citizen and business-ag enterprise from Main Street to the farm and factory.

The time is now for Congress to redeem itself and emancipate our citizens from this regulation mania by returning the oversight function to the legislative branch to insure that the policies and intent of the people, as represented by the Congress are prudently pursued and administered within strict policy guidelines.

This FTC-proposed rule is an excellent point to commence and communicate that Congress directs the nonelected agencies to carry out legislative policies or such nonconforming actions will be vetoed by Congress. This proposed rule, relevant to the secondary objective of requiring certification of all known mechanical defects defies the explicit direction of the House Commerce Committee in its report of 1979 pertaining to the Federal Trade Improvements Act, which stated:

> Congress never intended to give the Commission authority under the provisions of Public Law 93-637 or any other provision of law to require inspections of vehicles or to require any motor vehicle or any of its components be warranted.

The overall goal of this proposal which Congress initiated by legislative policy, namely, to minimize fraud, deception, dishonesty, verbal misrepresentation, and deceit is laudable and enthusiastically endorsed for our citizens and consumers.

The primary goal of this proposed rule to implement congressional intent and policy is to disclose the existence of warranty coverage by dealers for the consumer is praiseworthy and needed. This feature is vigorously endorsed by all parties affected by this proposed rule.

In addition there is no objection with the feature to institute an "as is" category as proposed by the rule.

Also the recommendation to permit a prepurchase inspection by the buyer's mechanic or other independent third party either on premises or off premises is endorsed as a positive approach.

However, the proposed rule's secondary goal to mandate the business man or woman to attest to all known defects in their product in 14 major systems, with the stated language in the proposed feature that a thorough inspection is not required is preposterous. For example, how can a business person attest unequivocally to defects in the engine system without an extensive examination. It is impossible to establish the condition of an engine's rings, rods, pistons, camshaft, points, spark plugs, and so forth, without an actual examination, however, this proposal anticipates that a dealer knows of defects.

Such a test, inspection, or review would obviously require dismantling certain areas to prudently evaluate the same. Another example could be the braking system. How can our business person attest to defects without a physical examination of the system. You cannot see worn brake shoes, or metal on metal, brake fluid leakage in the wheel cylinder, faulty brake shoe springs, or solenoid deficiencies without inspecting the same. Again you have to dismantle many features of the brake system to prudently evaluate the same. It is my contention that no responsible dealer can inform you in writing of certain defects in a car's major systems without a thorough physical examination. Contrary to the proposed rule's language on this known defects section, stating "that the dealer does not have to inspect used cars offered for sale to discover defects or for any other reason," it is my judgment that a dealer could not absolutely attest to major defects and certain defects without external and internal examination—inspection of the car's major systems. If a dealer persisted in not inspecting and attesting to defects, he or she had better have a substantial supply of dollars to pay the $10,000 fines to FTC on a regular basis.

Thus, it is predictable that inspection or test evaluations would have to be adopted by any prudent business person. This development would be a costly unintended feature by the proposed rule and these increased costs will naturally be passed on to the consumer.

For example, a dealer who is responsibly attesting to known defects and has adopted a physical inspection procedure might likely do the following:

He or she would tend to undervalue the used car trade-in as a hedge against the unknown costly defects that could surface later in a charge of concealment and then price the vehicle at a normal value as a further hedge to insure ample cash flow to facilitate an inspection system with undoubted increases in litigation. This possible development is obviously anti-consumer and not in harmony with the stated intent to benefit consumers. The result is an undesired price increase by some $150 to $300 for the buyer.

It is my judgment that numerous aspects of section 455.6 in this proposed rule can only cause mass confusion, intentional and nonintentional misinterpretations, nonuniformity, questionable compliance, inconsistent enforcement and beaucoup litigation in all 50 States. I predict this because of the ambiguous nature of terms and intentions which clearly lack explicit definitional characteristics and the absence of administrative compliance guidelines.

It is further predictable by the proposed FTC rule's discrimination against business community sales, there will be an expansion of used cars traded in the casual market. This unregulated market now accounts for some 50 percent of transactions and could easily expand to 60 or 70 percent by implementing this FTC rule. The casual market provides no consumer protection for the buyer as the purchaser accepts the vehicle as is. Further, one can predict with certainty that fertile legal minds will find a legal way to maximize sales in the casual market category.

Finally on predictions, if the known defects section is implemented in the complete rule, it does not take a genius to project a major expansion in the category of "no implied warranty—as is." Such designation will mean the consumer will pay all costs for any repairs needed when you buy the vehicle or after the time sale. The dealer would make no written promises about the car's condition and again no true benefit for the consumer.

In conclusion this proposed FTC rule has several positive features benefiting the business community and the consumer. Further, most of these features in the proposed rule have captured the intent of Congress for implementation of positive protection for the business person and consumer.

However, it is section 455.6 of this proposed rule which is in violation of congressional intent and policy and needs to be removed so as to allow the other significant features of the rule proposal to be adopted and implemented. It is my understanding that the FTC can amend their rule to be in compliance with congressional intent by striking the controversial and confusing section. I wholeheartedly urge the FTC to do this so the conforming positive features can move ahead for the benefit of all parties.

The controversial section 455.6 needs to be returned to the drawing boards. Its inclusion can only mean further decimation to an already crippled automobile-truck industry. An industry which has seen 2,500 agencies close in the past year affecting some 125,000 employees, a market too quickly eroding to foreign competition and now a proposed costly feature to the used-car sector that will only lead to more increased transportation costs for the consumer this rule pretends to protect.

Mr. FLORIO. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. SAVAGE).

Mr. SAVAGE. Mr. Chairman, I rise in opposition to the resolution before us today—because I support the Federal Trade Commission rule to require used car dealers to post on the windshield of any used car he intends to sell, a sticker listing all it major defects known to the dealer. I am aware of the fact that there has been a considerable amount of controversy about this rule which simply requires that a dealer inform a used car buyer, by the use of a windshield sticker, of any major defects known to the dealer and the extent of any warranty coverage or a statement that the car is being sold "as is."

The Magnuson-Moss Warranty Act of 1975 directed the FTC to develop regulations dealing with used car warranties and sales. In compliance, the FTC prepared strong regulations designed to require used car dealers to inspect their merchandise and post the results of those inspections for the use of potential buyers.

The idea of mandatory inspections put the used car dealer lobby groups up in arms, and they were successful in forcing an FTC rewrite.

The result of this rewrite is simply the requirement of a windshield sticker listing major defects known to the dealer. It does not require a dealer inspection. It does not hold the dealer responsible for defects he did not know of at the time of sale, in fact, the sticker states clearly that the buyer must be aware that there might very well be defects in the car, not listed on the sticker.

Do we need this regulation? Look at the statistics.

About four out of five motorists in this country buy used cars as their primary means of transportation. Even though the purchase of an automobile is a major investment, most consumers buy without much knowledge about the car's mechanical condition. This decided lack of expertise puts the buyer in a considerably less powerful—even vulnerable—position when faced with a seasoned auto salesperson trying to sell the car.

This rule would not imply that most used car dealers are unscrupulous—but the fact remains that even the National Automobile Dealers Association, which has lobbied so hard against this proposed rule, does not deny that there are flagrant abuses in the used car marketplace. Their unrealistic reply to consumer complaints is simply "Buy from reputable dealers!"

But, in the real world, it is the low income, less educated consumer who needs this rule the most—and that is the one who most frequents the used-car market, who most frequently must deal with disreputable dealers in order to get easy financing.

Many unscrupulous dealers, knowing this, lure potential low income buyers with "low downpayments," "walk-in" credit, easy payment terms, and little or no credit checks.

The used car rule can help all consumers, but particularly the low-income consumers, by increasing his leverage with used car dealers during negotiations and increasing his ability to bargain for the terms that he wants. That is all that this rule does. It will not, as some dealers have argued, require mandatory dealer inspections. It will not add any costs to the dealers. It is not the "nebulous, ambiguous, unworkable" rule that the auto dealers have argued that it is.

I submit, Mr. Chairman, the only group of people who need to fear this regulation are those used car dealers who habitually and purposefully cheat the car-buying public, a reputable dealer, as most are, have nothing to fear from this.

I urge my colleagues to consider the interests of their constituents—and we all have consumers in our districts who buy used cars—and vote to oppose the resolution.

□ 1300

Mr. O'BRIEN. Mr. Chairman, will the gentleman yield?

Mr. SAVAGE. I yield to the gentleman from Illinois.

Mr. O'BRIEN. Is it not true that as between individuals, one of whom sells and the other of whom buys a car, that this rule does not apply, and is it not equally true if you and I are in the car business, we are not in the business for one sale? We want each buyer to become a regular customer.

Is there not an incentive for the used-car dealer to handle a buyer fairly that does not exist in the one-on-one private transaction?

Mr. SAVAGE. The problem is, it is the consumer that most needs the help. The used-car dealer knows far more about automobiles than the consumer. We need to more and more stand on the side of the Americans who need the most help.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FLORIO. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. I want to congratulate the gentleman for the work he has done on this issue. I think it is altogether appropriate that we interrupt the budget process to discuss this particular issue. I think it is good for the Congress to have to vote on two Edsels in 1 day. I think that history will be hard pressed to decide which was the worst disservice we did to the American public when they come back and try to chronicle the events of this week.

Last year, Americans spent $70 billion on used cars. No other single transaction put the consumer at such a potential competitive disadvantage as the purchase of that vehicle. I think that this bill gives just a modicum of protection to the used-car purchaser. It does not put an onerous burden upon the seller, but it does require him to give a minimum amount of information to the consumer.

In traditional public opinion polls, the only group that polled lower than Congressmen were used-car dealers. My belief is that with the passage of this resolution today, that order will be reversed.

Mr. GARCIA. Mr. Chairman, I rise in strong opposition to Senate Concurrent Resolution 60 which would disapprove the Federal Trade Commission's used-car rule. The FTC regulation requires used-car dealers to post a "Buyers Guide" on all used cars for sale. In essence, this regulation necessitates the dealer to inform the buyer of all the conditions of the sale, all information relating to warranty coverage and any known mechanical defects. This regulation does not require the dealer to inspect the automobile and does not hold the dealer liable for defects not known. A New York City study on the issue of deceptive practices by used-car dealers, revealed that the practices are deplorably common. Consumer complaints in New York and nationwide for 1981 clearly underscores the necessity for the rule. This regulation lessens the risk involved when purchasing a used car. The FTC used-car rule requires honesty on the part of the dealers in their dealings with the buyer. This rule would in turn improve the tarnished image of the fast talking, unscrupulous used-car dealer. Accordingly, Mr. Chairman, I urge my colleagues to vote against Senate Concurrent Resolution 60. A vote against the FTC rule is a vote against fairness and honesty in the marketplace. At this point I include the following:

STATE OF NEW YORK,
STATE CONSUMER PROTECTION BOARD,
New York, N.Y., April 16, 1982.

Hon. ROBERT GARCIA,
House of Representatives,
Washington, D.C.

DEAR BOB: I urge you to oppose H. Con. Res. 254 and 256, which would veto the Federal Trade Commission's used car rule. The resolution's sponsors argue that the rule will raise prices because dealers would be compelled to inspect all the used cars they sell. That argument is unfounded. In fact, all the rule requires is that used car sellers disclose known defects to potential buyers. While not burdening dealers, such disclosure can only assist the growing number of consumers who are purchasing used cars to make more informed decisions. I should point out further that even if the rule operated as opponents argue it does, it would have no increased price effect in New York. The fact is that this state, through its Vehicle and Traffic Law § 301, actually requires dealers to inspect each used car prior to sale.

We believe that the rest of the country should have a part of the protection New York's used car customers receive. More important, we are convinced that the rule will enhance marketplace dealings. Reputable used car sellers clearly would like those who buy from them to know in advance about difficulties associated with the vehicle. Customers, armed with information, act appropriately and then live peacefully with their decisions. Please demonstrate by your vote that Congress is impervious to the misrepresentations of special interests and committed to vindicating their constituents' right to be apprised of what sellers themselves know.

Yours truly,

KAREN S. BURSTEIN,
Executive Director.

CITY OF NEW YORK,
DEPARTMENT OF CONSUMER AFFAIRS,
New York, N.Y., May 18, 1982.

Hon. ROBERT GARCIA,
House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE GARCIA: House Concurrent Resolution 256, which was introduced to override the Federal Trade Commission's rule requiring disclosures regarding warranty coverage and known mechanical defects in used cars, could come up for a vote on the floor of the House at any time. On behalf of the New York City Department of Consumer Affairs, I strongly urge you to oppose the resolution.

During the 1981 debate over this issue, you were sent a copy of our New York City study confirming that deceptive practices on the part of used car dealers are distressingly common. The study consisted of 12 test cases. For each case, a Department investigator posing as a prospective customer expressed interest in a randomly selected automobile, and arranged with the salesperson to take it to an electronic testing center. The investigator then showed the test results to the salesperson, and discussed each defect. Later that same day, another customer/investigator spoke with the same salesperson about the same car. In nine of the twelve cases, the salesperson failed to reveal mechanical defects that the electronic test had revealed, even when asked specifically.

A study of consumer complaints during 1981 supplies fresh evidence that the FTC rule is necessary. The study indicates that mechanical defects, both major and minor, are common in used cars. In 1981, the Department of Consumer Affairs received 426 complaints from consumers who had spent an aggregate sum of $1,297,342 on used cars. Two hundred eighty-five or 66.9 percent of these were complaints regarding mechanical defects. Because most people fail to complain about problems in what they purchase, we can be confident that the actual number of buyers who find mechanical defects in their used cars is staggering. A 1975 study conducted by the Center for Study of Responsive Law found that consumers complain to third parties such as the Department of Consumer Affairs only 1.2 percent of the time. This suggests that our complaints could represent over 23,000 New York City consumers dissatisfied with the mechanical condition of the used cars they purchased in 1981.

The FTC rule would relieve some of the risks associated with buying used cars by discouraging deceptions about known mechanical defects and by making information on warranty coverage readily available. In addition, the rule requires no more than honesty from dealers about defects they are already aware of. It does not require dealers to undertake any additional inspections of the cars they offer for sale, and is therefore neither meddlesome or expensive.

Once again, I urge you to oppose House Concurrent Resolution 256.

Sincerely,

SIMON P. GOURDINE,
Commissioner.

[MAILGRAM]

HON. ROBERT GARCIA,
House of Representatives,
Washington, D.C.:

The National Retired Teachers Association and the American Association of Retired Persons very strongly urge you to vote against House Concurrent Resolution 256 when it comes before the House in the near future. The resolution seeks to veto the Federal Trade Commission's used-car rule.

The Associations oppose this resolution on the basis of the adverse precedent it might create with regard to the forthcoming proposed funeral rule.

The Associations have long supported the rulemaking authority of the FTC. We feel this authority is important to protect the consumer (in particular elderly consumers) from unfair, deceptive, anti-competitive, cost and price promoting practices in the marketplace. Given the fragility of the elderly's position in the marketplace and the impact that high rate inflation is having upon their limited incomes, we feel the presence of the FTC is very badly needed.

The used-car rule, in its present form, is quite simple. It requires used-car salemen to tell consumers anything they may know about the car's mechanical condition, and what warranty coverage, if any, is included. We think this is only fair.

We, therefore, urge you to vote against the resolution when it comes before the House.

Signed,

Peter W. Hughes,
Legislative Counsel, National Retired Teachers Association-American Association of Retired Persons.

● Mr. BROYHILL. Mr. Chairman, I rise in support of Senate Concurrent Resolution 60.

This resolution disapproves the Federal Trade Commission's used-car rule which was submitted to the Congress for review last September.

The history of this rulemaking is a lengthy one in which both the Congress and the Commission have yet to agree.

When the Congress enacted the Magnuson-Moss Warranty Act in 1975, authority was delegated to the Commission therein to promulgate rules which addressed warranty and warranty disclosure matters. Section 109(b) of the act directed the Commission to initiate a "rulemaking proceeding dealing with warranties and warranty practices in connection with the sale of used motor vehicles."

Since that time, the Commission has proposed several trade regulation rules which address the sale of used cars. While the proposed rules have varied in some respects, they have consistently exceeded the directive contained in section 109 of the Magnuson-Moss Warranty Act.

The Congress has responded to these proposals by expressing its concern that the Commission was not complying with congressional intent in this matter. In the 96th Congress, the Commerce Committee specifically urged the Commission "to weigh the legislative history carefully before promulgating a final rule in this area."

Despite these communications, we find ourselves in the unfortunate position of considering another proposed rule which exceeds the directive in section 109.

I would point out that there are several provisions in the rule we are reviewing that do comply with section 109. These are the provisions which suggest that consumers inquire about prepurchase inspections, warn the consumer against oral promises, provide the consumer with information on the nature and extent of warranties offered on the vehicle, and prohibit affirmative misrepresentations regarding the condition of the car.

I believe that these provisions would more than adequately address the problems in used-car sales which have been identified by the Commission in its extensive investigation. And they provide a consumer with very useful information when he or she is deciding on the purchase of a used car.

The defects disclosure provision is another matter. It is clearly contrary to congressional intent embodied in the Magnuson-Moss Warranty Act.

Because of its legalistic ambiguities, it also is unworkable. It will saddle dealers with liabilities that a contingent of lawyers cannot agree on. Finally, the provision will serve to convey misinformation to consumers—contrary to even the Commission's intent.

For these reasons, I urge my colleagues to vote for Senate Concurrent Resolution 60.

Mr. Speaker, I would also like to point out that there is a fair alternative to this FTC rule. I am a cosponsor of a bill introduced by our colleague, Mr. Madigan of Illinois, H.R. 6283. This bill would require the disclosure of certain safety and roadworthiness information about a used motor vehicle at the time of sale. An explanation and copy of the bill follows:

H.R. 6283

A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to promote motor vehicle safety by establishing information disclosure and certification requirements applicable to the sale of certain used motor vehicles

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Used Motor Vehicle Safety Act of 1982".

AMENDMENT TO NATIONAL TRAFFIC AND MOTOR VEHICLE SAFETY ACT OF 1966

Sec. 2. Part A of title I of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1391 et seq.) is amended by adding at the end thereof the following new section:

"INFORMATION DISCLOSURES AND CERTIFICATIONS REGARDING SALE OF USED MOTOR VEHICLES

"Sec. 126. (a) Definitions.—For purposes of this section:

"(1) The term 'buyer' means any person who is not a seller of a used motor vehicle. Such term shall not include any dealer who purchases a used motor vehicle from any other dealer for purposes of resale.

"(2) The term 'motor vehicle' does not include any motor vehicle with a gross vehicle weight rating of 8,500 pounds or more, a curb weight of 6,000 pounds or more or a frontal area of 46 square feet or more.

"(3) The term 'seller' means any dealer and any other person who transfers ownership of used motor vehicle to a buyer.

"(4) The term 'used motor vehicle' means any motor vehicle driven more than the limited use necessary in moving or road testing a new motor vehicle before delivery to a buyer. Such term does not include any motor vehicle which is sold only for scrap or parts, if title documents are surrendered to the State involved and a salvage certificate is issued by such State for such motor vehicle.

"(b) Disclosure or Information.—Each seller of a used motor vehicle shall furnish the buyer, at the time of sale, with a written statement with contains the following information with respect to such used motor vehicle—

"(1) the present tire tread depth for each tire, as compared to the original tire tread depth for each tire;

"(2) the present compression ration for each engine cylinder, as compared to such compression ratio as stated by the manufacturer of such used motor vehicle at the time of its sale as a new motor vehicle;

"(3) the present condition and performance of each battery cell, as compared to the original condition and performance of each battery cell; and

"(4) the present thickness of the brake linings or pads, as compared to the the original thickness of such brake lining or pads.

"(c) Certification of Roadworthiness.—(1) Each seller of a used motor vehicle shall furnish the buyer, at the time of sale, with a written certification that the brake system, headlights, horn, steering system, taillights, and tires of such used motor vehicle are in safe operating condition.

"(2) The certification required in paragraph (1) shall be included as a provision of the contract or other agreement for the sale of a used motor vehicle, or incorporated into such contract or other agreement by reference. The provisions of such certification shall supersede any contrary or inconsistent provision in such contract or other agreement.

"(d) Buyer Remedies.—(1) If a buyer notifies the seller of a used motor vehicle, before the end of the period of 10 business days following the date of the sale of such used motor vehicle, that any component certified by such seller under subsection (c)(1) was not in safe operating condition at the time of such sale, then such seller shall—

"(A) provide for the repair or replacement of such component before the end of the period of 10 business days following such notice; or

"(B) rescind the contract or other agreement under which such used motor vehicle was sold to such buyer.

"(2) If a seller elects to provide for the repair or replacement of a component under paragraph (1)(A), but then fails to repair or replace such component before the end of the period of 10 business days specified in paragraph (1)(A), then the buyer may rescind the contract or other agreement under which the used motor vehicle was sold.

"(3) In the case of any rescission of a contract or other agreement under paragraph (1)(B) or paragraph (2), the seller shall refund the purchase price of the used motor vehicle to the buyer, excluding the cost of any repairs made necessary by any damage sustained by such used motor vehicle during possession by such buyer.

"(e) Waiver of Requirements.—Any buyer purchasing a used motor vehicle may elect to waive the imposition of requirements upon the seller under subsection (b) and subsection (c). Such waiver shall be made in writing and furnished to such seller at the time of sale. Such waiver shall be included as a provision of the contract or other agreement for the sale of a used motor vehicle, or incorporated into such contract or other agreement by reference.

"(f) Penalties and Enforcement.—(1) Any seller who, with intent to defraud, violates any requirement imposed in this section shall be liable to the buyer involved in an amount equal to the sum of—

"(A) three times the amount of actual damages sustained by such buyer or $1,500, whichever is greater; and

"(B) in the case of any successful action to enforce the liability imposed in subparagraph (A), the costs of the action together with reasonable attorney fees incurred by such buyer, as determined by the court.

"(2) If any seller violates any requirement imposed in this section, the chief law enforcement officer of the State in which the violation occurs may bring an action—

"(A) to restrain such violation; or

"(B) to recover amounts for which such seller is liable under paragraph (1) to each buyer on whose behalf such action is brought.

"(3) An action under paragraph (1) or paragraph (2) may be brought in a United States District Court without regard to the amount in controversy, or in any other court of competent jurisdiction, during the two-year period following the date upon which the liability arises.

"(4) The Secretary may exercise the authority established in paragraph (2), in lieu of the chief law enforcement officer of a particular State, if the Secretary determines that such State is not enforcing the requirements of this section in a manner consistent with the purposes of this section.

"(5) The penalties and procedure established in this section for purposes of enforcing the requirements of this section are in lieu of, and not in addition to, any other penalties or enforcement procedures established in this Act.

"(g) EFFECT ON STATE LAW.—It is the intent of the Congress that the provisions of this section shall not be construed to supersede any State laws insofar as such laws currently or hereafter establish requirements relating to the disclosure of information and certifications by sellers of used motor vehicles which are the same as, or more stringent than, the requirements established in this section.".

USED CAR SAFETY

The Used Car Safety Amendment accomplishes the following:

COPE

Applies to commercial and private sales of used cars.

DISCLOSURE PROVISIONS

Requires any seller of a used car to give the buyer a written statement containing the following information:

1. the original and present tire tread depth for each tire;
2. the original and present compression ratio for each engine cylinder;
3. the original and present conditon and performance of each battery cell, and
4. the original and present thickness of the brake linings or pads.

The seller must also certify that the car is "roadworthy" or in a safe operating condition at the time of sale. Roadworthiness encompasses six items: (1) the brake system, (2) the headlights, (3) the horn, (4) the steering system, (5) the taillights, and (6) the tires.

REMEDIES

Incorporates the certification of roadworthiness into the sales contract.

Buyer must notify seller within 10 days of sale that a certified component was not in a safe operating condition at the time of the sale.

Seller must either repair or replace the component within 10 days or rescind the sales contract and refund the buyer's money.

WAIVER

The buyer may waive the disclosure and certification requirements.

PENALTIES AND ENFORCEMENT

May be enforced by the State Attorney General on behalf of the buyer or by the buyer himself.

Damages recoverable: $1,500 or three times actual damages, whichever is greater.

Secretary of DOT may enforce the amendment's requirements if the State is not enforcing them.

EFFECT ON STATE LAW

This amendment does not supersede State laws which are equivalent to or more stringent than the amendment's requirements.

ARGUMENTS IN FAVOR OF THE AMENDMENT

Unlike the Used Car Rule which applies only to commercial sales, this amendment covers both the private and commercial market and will not cause a shift of sales into a private unregulated market, further hurting an already ailing car industry.

Promotes motor vehicle safety by requiring a certification of the safe operating condition of certain components of the car.

Ensures motor vehicle safety by requiring the seller to repair the component or rescind the sale.

Gives the buyer essential purchasing information by requiring disclosure of the present condition of certain safety components (brakes, tires, engine, battery).

Enables the buyer to bargain for the purchase price of a car and purchase it "as is", without the benefit of a certification of its roadworthiness or disclosures on the present condition of components.●

● **Mr. FRENZEL.** Mr. Chairman, this Senate resolution vetoing an FTC rule on sale of used cars should be passed. It should be passed because the FTC has drafted its regulations in its usual manner which saddles the consumer with unnecessary extra costs.

I keep waiting for the FTC to give one, tiny sign that it is worthy of Congress confidence. The FTC, through its actions on kid vid, cereals, funeral homes, health plans, and used cars, continues to give contrary signals. The consistency of it wrongheadedness is astounding.

The testimony and the debate on this resolution clearly shows that the rules will add unknown liabilities to sellers of some cars, and that it will add extra operating and administrative expenses to sales by dealers. Most consumers do not want to pay more. Particularly, they do not want to be saddled with extra costs attributable to costs of lawyers and administration.

The FTC in maintaining its perfect consistency seems absolutely determined to force Congress to repeal it. During the last 3 years, the Congress has repeatedly censured the FTC, but it goes blythely on its way, generating expensive regulations whose cost burden falls on the consumer.

Based on its record of failure, and of creation of extra costs in the marketplace, the FTC seems to be incorrigable. It is probably beyond salvation, so perhaps its death wish should be honored.

In any case, this resolution should pass.●

● **Mr. ROGERS.** Mr. Chairman, there have been many debates, analyses, and commentaries on the Federal Trade Commission"s proposed used-car rule. In view of this controversy, I would like to outline exactly what my position is.

Of course consumers deserve protection from dishonest businessmen. And expecially since so many parts of a used car can be in poor condition without the consumer knowing either what is wrong or what his warranty protection really is, there should be special protection for consumers buying used cars.

If a consumer is considering the purchase of a used car, he should have an opportunity to have this car inspected by his own mechanic. I would support an FTC rule to require a used-car salesman to put any warranty in writing to a consumer would know just where he stood. And I would support a warning for consumers, warning them not to accept spoken promises but urging them to request written promises that they could then count on.

But the rule the FTC proposed went beyond these provisions. Now I know that the FTC is supposed to protect the consumer. But I was convinced that the FTC's used-car rule, however well-intentioned, was not in the consumers' best interest. Sometimes the consumers need protection against their own "Washington watchdogs."

The used-car rule would, in effect, have required used car dealers to inspect every used car they sold. In States where these inspections have been tried before, the price of a used car went up about $200 to $300. And the consumer ends up paying this extra price. And to make matters even worse, that $200 would not be spent to repair the car, but just to find out what is wrong with it. That is a tremendous waste of consumers' money, especially when you consider that a consumer could go and get a used car examined by his own mechanic for about $20 to $40 without the proposed FTC rule.

And this waste is all the more serious when you consider that it could drive car salesmen, salesmen who are already suffering from slow sales, out of business.

The more I looked into this proposed FTC rule, the more convinced I became that the FTC bureaucrats had gone overboard. For this reason, I cosponsored the resolution disapproving the proposed used-car rule and I cast my vote in favor of the disapproval resolution. But at the same time, I have joined with other Members of this body in supporting a new rule which would not have the effect of requiring those expensive inspections, but which would still develop protection for the consumer.

I believe that this type of rule would be more beneficial for consumers and I urge the FTC to act promptly to develop such a rule.●

● Mr. WALGREN. Mr. Chairman, today the House is being called upon to pass a resolution which would veto the Federal Trade Commission's used-car rule. I think that would be a mistake.

The rule is very simple. It requires commercial sellers of used cars to tell potential buyers about any known defects and any warranty coverage, or the lack thereof, that the purchaser could rely on if things do not work out. There has been no shortage of misconceptions concerning the rule. One misconception is that this rule will lead to the prosecution of dealers who, despite their good faith, fail to discover a defect. The FTC has made it clear through a formal statement of enforcement policy that the rule does not "in any manner or for any purpose, in theory or in practice" require inspection. Further, the Commission has stated that "dealers who make good faith efforts to provide accurate information to consumers will not risk prosecution." With that assurance, I hope car dealers will be assured that all who engage in good business practices would have no reason to be apprehensive.

This is especially true when you realize that no enforcement action under this rule can be taken except on the initiative of the FTC itself. This rule does not create the right in any individual purchases to bring a legal complaint against any car dealer. Because only a repeated pattern of violation can justify this kind of intervention, clearly the penalties of this rule will not, as a practical matter, create a problem for anyone who does not engage in a continued, conscious pattern of consumer deception.

Almost all car dealers are honest people. This rule—5 years in the making—is not an effort to taint them as disreputable. But, as someone who paid full price to a large dealership for an auto that turned out to have been immersed in water, I can personally testify that not all dealers are honest. We have required disclosure of content and dangers in many products in the last 10 years—from cereal to fabrics to household cleaners. Consumers have a right to know what they are getting. This is all that this rule does.

The broad effect of this rule, in my view, will be to protect the least fortunate among us from losing hard earned and irreplaceable savings. By giving all consumers the information to avoid a bad purchase in the first place, and by creating an atmosphere where used cars with substantial defects can be returned to the seller, we can prevent loses that everyone can agree should not occur.

The Pittsburgh Press on December 21, 1981, editoralized about the merits of the rule. I am pleased to share this editorial with my colleagues.

USED-CAR STICKERS

A proposed Federal Trade Commission rule on used-car sales seems modest enough. It would require dealers to put a sticker on the window of each car advising the buyer of any "known" major defects and the terms of any warranties they offer.

It might be supposed that, as a matter of course, a reputable dealer would not palm off a vehicle with a major defect on an unsuspecting customer. And that the dealer would tell the buyer if a warranty goes with the car.

Yet the proposed FTC rule has stirred a storm of protest on Capitol Hill. And the guess is that members of Congress, many of whom have received campaign contributions from dealer trade groups, will veto it.

Congress last year gave itself the right to override any FTC regulation by a majority vote of both houses within 90 days after it is proposed.

Actually, the proposed rule is a watered-down version of a stiffer one of the FTC and use-car dealers argued about for five years.

The original proposal would have required dealers to inspect autos and tell consumers of any problems the cars have. The new proposal specifically says inspections are not required.

The Reagan administration seems to be of two minds.

Virginia Knauer, director of the White House Office of Consumer Affairs, supports the proposed regulation.

But a top official of the Office of Management and Budget has told congressional sponsors of the veto resolution that Mrs. Knauer's view is her own and that the "paperwork burden this rule would impose has been a matter of some concern to us."

Well, yes, there is some burden in sticking a single sheet of paper on each car. But the main opposition obviously is rooted in the dealers' fear of losing sales by being frank with customers about defects or getting sued if they aren't.

Congress should resist the temptation to blow the whistle on the FTC—and should give the proposed regulation the green light.●

● Mr. LEWIS. Mr. Chairman, I would like to take this opportunity to compliment Representative MADIGAN on his expertise and leadership on this used-car rule issue. After studying the language in this rule, I have found that the so-called defect disclosure requirement is both ambiguous and ineffective. Many of the listed 52 defects which dealers must disclose are such that accurate disclosure could not be made unless an inspection is conducted despite the explicit statement in the rule that inspection is not required. Because there is no inspection requirement, a dealer is put in the position of speculating on what defects there might be. Faced with the prospect of a $10,000 fine for each violation of the rule, he would have to do a complete examination of any vehicle he puts up for sale, a costly procedure that would likely have the effect of increasing already very high used-car prices. Dealers have estimated that inspections for defects would cost approximately $150 to $350 per vehicle. Since the rule applies only to dealers who account for only 50 percent of all used-car sales, this would put them at a competitive disadvantage at a time when they are struggling for survival.

This rule will not result in more consumer protection but will be a severe liability for dealers. The possibility of lawsuits from private individuals and fines from the FTC may indirectly force dealers to do exactly what the rule says it does not require: inspect used cars. The only way that dealers could really know all of the defects listed on the sticker would be through a thorough inspection. An inspection would also be the only way dealers could protect themselves from suits or fines.

Many valid arguments have been raised against the FTC's proposed used-car rule. The rule may violate the intent of Congress because of indirect pressure to force used-car inspections. The rule contains several significant ambiguities, and there is also a real concern regarding the costs and practicality of the rule. Any regulation that has such a level of undeterminable consequences and potentially devastating liabilities has not been very well thought out and should be rejected.●

Mr. FLORIO. Mr. Chairman, I yield myself such time as I may consume to conclude debate.

Let me just deal with some of the elaborate rationalizations that have been offered by way of reasons to oppose this rule.

First of all, no inspections are required. It is clear. It is unequivocal.

The total cost of this rule will be 18 cents for the purchase price of a sticker. No reporting requirements; no paperwork burden. No new cause of action is created by this rule. The rule is in keeping with the mandate of the Federal Trade Commission, which is to spell out appropriate regulations to insure fair competition in the marketplace. This is merely a disclosure provision saying that there should be some fairness in this particlular part of the economic market; that both parties should be informed as to the basic facts needed to consummate a transaction.

Reference was made to New Federalism; that, in fact, this is probably more appropriately dealt with at the State level. I think it is important to note that the State officials and particularly the attorneys general have endorsed and are urging this as a needed supplement to whatever rules or laws they have at the State level to deal with the most prevalent consumer fraud transaction—used-car matters.

The gentleman from New York said a message is going to be sent if we veto this rule. He is correct. But the message that is going to be sent is a message to the FTC that if this minimal rule is vetoed, do not bother sending any other rules here. The message will also go out to the American people, and that message will be that they can look for no support or assistance in their capacity as consumers from the FTC or from the Congress.

I am concerned that this veto effort, if it is successful, will be the opening skirmish in a war that will be declared upon the Federal Trade Commission and its mandate to insure fair competition.

We are going into the authorizations process on the Federal Trade Commission. There are all kinds of proposals to exempt everyone and his brother from the protection of the FTC. I think this is something that is very symbolic, and it is true that there will be messages sent. But they are not good messages if this veto is, in fact, approved.

Mr. LEE. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I yield to the gentleman from New York.

Mr. LEE. I thank the gentleman for yielding.

I would like to ask the gentleman a question relevant to a point of clarification.

Is it not correct that the so-called sticker will be incorporated as part of the sales contract?

Mr. FLORIO. That is correct.

Mr. LEE. I thank the gentleman.

Mr. O'BRIEN. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I yield to the gentleman from Illinois.

Mr. O'BRIEN. Mr. Chairman, as I read the Federal Register, it says each violation of this rule carries a civil penalty of up to $10,000—each violation—which the Commission may seek in the appropriate Federal district court to enforce.

Does that not mean litigation stems from this? It was earlier said there would be no legal action involved.

Mr. FLORIO. What we are talking about is the ongoing mandate of the Federal Trade Commission to issue cease and desist orders. If such an order is violated, obviously the Federal Trade Commission has the ability to enforce violations of the rule. The litigation that has been made reference to through the course of the whole debate has been new causes of action so that consumers can sue used-car dealers. None of that flows from this new rule. That is already the law. In 49 out of 50 States, the Uniform Commercial Code spells out what the respective responsibilities are between buyer and seller.

Mr. O'BRIEN. But absent this regulation, the buyer is left to the remedies provided in the 49 of those 50 States. This is an additional legal remedy, is it not?

Mr. FLORIO. The gentleman is incorrect. This is not an additional legal remedy for the individual.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I yield to the gentleman from New York.

Mr. LENT. The gentleman indicated earlier that a cease and desist order would issue under this rule. Is it not a fact that a fine could be imposed immediately? There would not need to be any cease-and-desist order.

Mr. FLORIO. The FTC has the ability to go to court directly which, of course, involved determination of the facts and the appropriate outcome.

Mr. LENT. And the fine is $10,000 per violation.

Mr. FLORIO. If, in fact, the court makes a determination that there has been a violation. I think it is important to note, however, that the Federal Trade Commission's policy talks about pursuing these matters when a recurring pattern of abuse has occurred. So we are talking about a pattern which is certainly deserving of action by the Federal Trade Commission to insure there has been this type of violation.

Mr. LENT. One final question.

Once the rule is promulgated, there is no requirement, indeed it would be unusual for the FTC to issue a cease and desist order in the event of a violation.

Mr. FLORIO. There is no requirement.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Clerk will report the Senate concurrent resolution.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 60

Resolved by the Senate (the House of Representatives concurring), That the Congress disapproves the final rule promulgated by the Federal Trade Commission dealing with the matter of the trade regulation rule relating to the sale of used motor vehicles, which final rule was submitted to the Congress on January 28, 1982.

Mr. DINGELL. Mr. Chairman, I move that the Committee do now rise and report the Senate concurrent resolution back to the House with the recommendation that the Senate concurrent resolution be concurred in.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BENNETT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the Senate concurrent resolution (S. Con. Res. 60) disapproving the Federal Trade Commission trade regulation rule relating to the sale of used motor vehicles, had directed him to report the Senate concurrent resolution back to the House with the recommendation that the Senate concurrent resolution be concurred in.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the Senate concurrent resolution.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. MADIGAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 286, nays 133, answered "present" 3, not voting 10, as follows:

[Roll No. 107]

YEAS—286

Albosta
Alexander
Anderson
Andrews
Anthony
Applegate
Archer
Atkinson
Badham
Bailey (MO)
Barnard
Beard
Bedell
Benedict
Benjamin
Bennett
Bethune
Bevill
Blanchard
Bliley
Boggs
Boner
Bouquard
Bowen
Breaux
Brinkley
Brooks
Broomfield
Brown (CO)
Brown (OH)
Broyhill
Burgener
Butler
Byron
Campbell
Carman
Carney
Chappell
Chappie
Cheney
Clausen
Clinger
Coats
Coelho
Coleman
Collins (TX)
Conable
Corcoran
Courter
Coyne, James
Craig
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daschle
Daub
Davis
de la Garza
Deckard
DeNardis
Derrick
Derwinski
Dickinson
Dicks
Dingell
Dorgan
Dornan
Dougherty
Dowdy
Dreier
Duncan
Dunn
Dymally
Dyson
Eckart
Edwards (AL)
Edwards (OK)
Emerson
English
Erdahl
Erlenborn
Ertel
Evans (DE)
Evans (GA)
Evans (IA)
Evans (IN)
Fascell
Fazio
Fiedler
Fields
Findley
Fish
Fithian
Flippo
Foley
Ford (MI)
Forsythe
Fountain
Fowler
Frenzel
Frost
Fuqua
Gephardt
Gingrich
Ginn
Goldwater
Goodling
Gramm
Gregg
Grisham
Gunderson
Hagedorn
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hefner
Hendon
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Hubbard
Huckaby
Hughes
Hunter
Hutto
Ireland
Jacobs
Jeffords
Jeffries
Jenkins
Johnston
Jones (NC)
Jones (OK)
Jones (TN)
Kazen
Kemp
Kindness
Kogovsek
Kramer
Lagomarsino
Lantos
Latta
Leath
LeBoutillier
Lee
Lent
Levitas
Lewis
Livingston
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lujan
Luken
Lungren
Madigan
Marks
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)

Matsui
McClory
McCloskey
McCollum
McCurdy
McDonald
McEwen
McGrath
Mica
Michel
Miller (OH)
Mineta
Mitchell (NY)
Molinari
Mollohan
Montgomery
Moore
Moorhead
Morrison
Murphy
Murtha
Myers
Napier
Natcher
Neal
Nelligan
Nelson
Nichols
O'Brien
Oxley
Panetta
Pashayan
Patman
Paul
Pease
Perkins
Petri

Pickle
Porter
Pursell
Quillen
Railsback
Regula
Rinaldo
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Rogers
Rose
Roth
Roukema
Rousselot
Rudd
Santini
Sawyer
Schulze
Seiberling
Sensenbrenner
Shelby
Shumway
Shuster
Siljander
Simon
Skeen
Skelton
Smith (AL)
Smith (NE)
Smith (OR)
Smith (PA)
Snyder
Solomon
Spence

Stangeland
Staton
Stenholm
Stratton
Stump
Swift
Synar
Tauke
Tauzin
Taylor
Thomas
Traxler
Trible
Vander Jagt
Volkmer
Walker
Wampler
Watkins
Weber (MN)
Weber (OH)
White
Whitehurst
Whitley
Whittaker
Whitten
Williams (OH)
Wilson
Winn
Wolf
Wortley
Wright
Wylie
Yatron
Young (AK)
Young (MO)

NAYS—133

Addabbo
Akaka
Annunzio
Aspin
AuCoin
Bailey (PA)
Barnes
Beilenson
Biaggi
Boland
Bolling
Bonior
Bonker
Brodhead
Brown (CA)
Burton, Phillip
Clay
Collins (IL)
Conte
Conyers
Coughlin
Coyne, William
Crockett
Dellums
Dixon
Donnelly
Downey
Dwyer
Early
Edgar
Edwards (CA)
Emery
Fary
Ferraro
Florio
Foglietta
Ford (TN)
Frank
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez

Gore
Gradison
Gray
Green
Guarini
Harkin
Hawkins
Heckler
Heftel
Hertel
Hollenbeck
Howard
Hoyer
Hyde
Kastenmeier
Kennelly
Kildee
LaFalce
Leach
Leland
Lowry (WA)
Lundine
Markey
Mavroules
Mazzoli
McDade
McHugh
McKinney
Mikulski
Miller (CA)
Minish
Mitchell (MD)
Moakley
Moffett
Mottl
Nowak
Oakar
Oberstar
Obey
Ottinger
Patterson
Pepper
Peyser
Price
Pritchard

Rangel
Ratchford
Reuss
Richmond
Rodino
Roe
Rosenthal
Rostenkowski
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Shamansky
Shannon
Sharp
Shaw
Smith (IA)
Smith (NJ)
Snowe
Solarz
St Germain
Stark
Stokes
Studds
Udall
Vento
Walgren
Washington
Waxman
Weaver
Weiss
Williams (MT)
Wirth
Wolpe
Wyden
Yates
Young (FL)
Zablocki
Zeferetti

ANSWERED "PRESENT"—3

Bereuter
Lehman
Parris

NOT VOTING—10

Bafalis
Bingham
Burton, John
Chisholm

Fenwick
Holland
Mattox
Rahall

Rhodes
Stanton

☐ 1320

The Clerk announced the following pairs:

On this vote:

Mr. Holland for, with Mr. Bingham against.

Mr. Rahall for, with Mrs. Chisholm against.

Mr. Rhodes for, with Mrs. Fenwick against.

Mr. MICA changed his vote from "nay" to "yea."

So the Senate concurrent resolution was concurred in.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. BEREUTER. Mr. Speaker, this Member voted "present" on this and the preceding recorded vote due to what may be perceived as a conflict of interest resulting from family ownership of an automotive dealership.

THIRTEENTH REPORT OF THE UNITED STATES SINAI SUPPORT MISSION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 97-188)

The SPEAKER pro tempore (Mr. Dorgan of North Dakota) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and ordered to be printed:

(For message, see proceedings of the Senate of today, Wednesday, May 26, 1982.)

FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1983

Mr. JONES of Oklahoma. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution (H. Con. Res. 345) revising the congressional budget for the U.S. Government for the fiscal year 1982 and setting forth the congressional budget for the U.S. Government for the fiscal years 1983, 1984, and 1985.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oklahoma (Mr. Jones).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution, House Concurrent Resolution 345, with Mr. Bolling in the chair.

The Clerk read the title of the concurrent resolution.

☐ 1330

The CHAIRMAN. When the Committee of the Whole rose on Tuesday, May 25, 1982, pending were the following three amendments in the nature of a substitute: an amendment offered by the gentleman from Ohio (Mr. Latta), an amendment offered by the gentleman from Wisconsin (Mr. Aspin), and an amendment offered by the gentleman from Oklahoma (Mr. Jones).

The Committee had completed the fifth perfecting amendment in category B made in order pursuant to House Resolution 477.

Does the gentleman from Louisiana (Mr. Huckaby) seek recognition to offer the sixth perfecting amendment?

AMENDMENT OFFERED BY MR. HUCKABY TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OKLAHOMA

Mr. HUCKABY. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. Jones).

The Clerk read as follows:

Amendment offered by Mr. Huckaby to the amendment in the nature of a substitute offered by Mr. Jones of Oklahoma:

Function 050: Increase budget authority by $2,500,000,000 and outlays by $1,500,000,000 in fiscal year 1983; increase budget authority by $3,500,000,000 and outlays by $2,500,000,000 in fiscal year 1984; increase budget authority by $4,500,000,000 and outlays by $3,600,000,000 in fiscal year 1985.

Function 920: Decrease budget authority by $2,500,000,000 and outlays by $1,500,000,000 in fiscal year 1983; decrease budget authority by $3,500,000,000 and outlays by $2,500,000,000 in fiscal year 1984; decrease budget authority by $4,500,000,000 and outlays by $3,600,000,000 in fiscal year 1985.

Mr. HUCKABY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. HUCKABY. Mr. Chairman, the purpose of this amendment is to increase the amount of both expenditures and outlays in the Defense budget for the Jones substitute.

I feel that it is imperative that this Congress send a signal to the world that even in these hard economic times, the United States can afford, it will afford, it will do whatever is necessary to assure the safety of our interests both at home and abroad.

These numbers increase outlays over the Jones substitute by $1.5 billion in 1983, $2.5 billion in 1984, and $3.6 billion in 1985, still falling somewhat short of the figures proposed in the Latta substitute. But I think it is necessary that we send a signal to the world that both parties, both sides of the aisle feel that we should spend the dollars that are necessary so that hopefully when our country begins to bargain in earnest with the Russians it will have been one more step in saying that the United States is serious, we will spend the dollars, and just perhaps this will enable us next year to come back with significant reductions in defense expenditures, because certainly this global umbrella that America is living under, that the world is living under, is the issue of our day.

Let us hope that the actions that we take this year and in the immediate future can lead to steps so that it will not be the issue of the day of our children.

Mr. HUTTO. Mr. Chairman, will the gentleman yield?

Mr. HUCKABY. I yield to the gentleman from Florida.

Mr. HUTTO. I thank the gentleman for yielding. I think he has described the amendment adequately.

It is a deficit neutral amendment, meaning we would not increase the deficit. This amendment would merely add to the House Budget Committee bill, known as the Jones substitute, a modest amount to increase defense so that it might be—this bill might be just a little more palatable to those who believe in a strong defense.

As the gentleman suggested, it would add $1.5 billion in outlay for fiscal 1983 and $2.5 billion in budget authority.

This is not nearly enough, but it will help this bill in some way should this become the budget of the United States.

This amendment would not add to the deficit. That $1.5 billion would be deducted from nondefense discretionary funding.

It is a shame that we have to spend so much on defense, but all of us know that it is absolutely necessary. Our country is in no position to negotiate if we are not strong. We cannot negotiate from a position of weakness.

We know that we have to modernize our Armed Forces; we have to equip our services with what they need to do the job. For the past couple of years we have been moving in the right direction and now is no time to backslide.

Even in the last year of the Carter administration we had a significant increase of more than $20 billion in defense spending and President Reagan has taken up from there, and we are moving hopefully to a position that will put us back to a position of strength in the world so that we will be recognized and we can maintain our precious freedoms.

There is a threat, a Soviet threat. Many of my colleagues had the opportunity to see the classified briefing. Those of us on the Armed Services Committee all of the time are privy to briefings, intelligence briefings, that show us what the Soviet Union is doing.

While we have slackened up in our defense spending and gone down in the percentage of our budget that we have spent for defense, the Soviet Union continues to escalate their spending and build about two or three ships to our every one. In every way possible they are building up their armament.

I would hope and pray that one of these days we can reduce our arms and we pray that the President will be successful with talks so that we can have a reduction in strategic armaments, but until that time we know that we must be a strong Nation.

The amount provided in the Jones substitute is not adequate.

The **CHAIRMAN.** The time of the gentleman from Louisiana (Mr. HUCKABY) has expired.

(By unanimous consent Mr. HUCKABY was allowed to proceed for 5 additional minutes.)

Mr. HUCKABY. I yield to the gentleman from Florida (Mr. HUTTO).

Mr. HUTTO. I thank the gentlemen. We know that it is not adequate, even with this increase that we are seeking to put into the Jones bill. That would only increase defense spending in real dollars in 1983 by 5.8 percent.

As the Jones bill stands it is only 4.7 percent; then the President asked long ago for a 7-percent real growth increase.

In 1984 it would be only 4.6 percent and would be an even 5 percent in 1985.

So the American people, even though they have not had the opportunity to take a look at the material that we see on almost a daily basis, they do know that we must have a strong defense. They believe in it and they support it.

So I would urge my colleagues to support this amendment to add back to the Jones bill this small amount. It is not as much as we wanted to add, but unfortunately the figures were not translated correctly, and this will at least help it.

Mr. HUCKABY. I thank the gentleman.

Mr. LOWRY of Washington. Mr Chairman, will the gentleman yield?

Mr. HUCKABY. I yield to the gentleman from Washington.

Mr. LOWRY of Washington. I would like to thank the distinguished author of the amendment, and I would like to compliment the author of the amendment.

I would like to ask my friend in the well, who I think does an outstanding job on this issue, and I have been more than happy to support him on some of the major initiatives he has done for the national security of this country, but I would say that none of us are getting in this budget what we want. None of us are, so when the gentleman says it is not quite enough, we understand that.

What I would like to know is if the distinguished gentleman's amendment is added to the Jones budget, would the gentleman then find that was enough that he could support the Jones budget?

Mr. HUTTO. Mr. Chairman, will the gentleman yield?

Mr. HUCKABY. I yield to the gentleman from Florida.

Mr. HUTTO. I doubt it because it still leaves us woefully weak. But in case this bill passes I think it will help.

Mr. LOWRY of Washington. In other words, if the Huckaby amendment passes the gentleman still would not support the Jones budget?

Mr. HUTTO. I would find it very difficult to do so.

Mr. LOWRY of Washington. Then I would find it very difficult to support the Huckaby amendment.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. HUCKABY. I yield to the gentleman from Alabama.

Mr. DICKINSON. I want to compliment the gentleman for the thrust of his amendment which would increase the defense budget in both outlays and budget authority, which I indicated on the floor yesterday is my position.

But what I am curious about, and perhaps troubled, this allows no increase, no net increase, but there would be an increase for defense, and the cuts would have to come from someplace else.

□ 1340

I wonder if the gentleman could tell us where he thinks or where he knows that the cuts would be coming to compensate for the add-on for defense, so we will have a better feel for what it is that we are doing here. Are they coming from entitlements? Are they coming from payroll? I wonder if you could help me.

Perhaps the chairman of the full committee can help us with it.

Mr. HUCKABY. I yield to the chairman to answer the gentleman's question.

Mr. JONES of Oklahoma. It is my understanding that the author of the amendment would get the additional cuts from the same area that the gentleman from Ohio (Mr. LATTA) did, and also the gentleman from Wisconsin (Mr. ASPIN). It is out of a total pie of $2.1 billion, which includes 1 percent from Federal employment; dairy reform of $900 million; absorption of salaries; savings bonds proposals of $400 million. These are included in both the Latta and Aspin substitutes.

What the gentleman would do would be to get savings from that pool of $2.1 billion to pay for this particular add-on.

Mr. DICKINSON. If the gentleman will yield to me further, do I understand, then, that the chairman of the full committee is supporting the gentleman's amendment?

Mr. HUCKABY. I will have to let the chairman address that.

Mr. DICKINSON. Since he was responding to the question put to the gentleman, is the chairman supporting this amendment, or did he indicate?

Mr. JONES of Oklahoma. If the gentleman will yield, I am going to vote for this amendment. The answer is yes.

Mr. DICKINSON. I appreciate the gentleman responding, even though I do not know exactly where the cuts are coming. I think if we are going to have to take money away from some pot to put it in another pot, it behooves us all to know what we are doing. But I think, in view of the fact that the chairman of the Budget Committee is supporting an increase in defense, I think it is pretty patent on its face that the defense budget is too low.

Mr. NELSON. Mr. Chairman, will the gentleman yield?

Mr. HUCKABY. I yield to the gentleman from Florida.

Mr. NELSON. Mr. Chairman, I rise very strongly in support of this amendment.

I want to point out, in support of this amendment, that back in 1980 we had a 3-percent real growth in defense. That jumped up to 12 percent real growth in 1981, and then to 10 percent in 1982.

In the Jones proposal, we have an 8-percent real growth in the defense nonpay. This addition of $2.5 billion in budget authority will get that one higher. And in our commitment to rearm America, it is important.

The CHAIRMAN. The time of the gentleman from Louisiana (Mr. HUCKABY) has expired.

(On request of Mr. EDWARDS of Alabama and by unanimous consent, Mr. HUCKABY was allowed to proceed for 3 additional minutes.)

Mr. EDWARDS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. HUCKABY. I yield to the gentleman from Alabama.

Mr. EDWARDS of Alabama. I am not quite clear where the gentleman is going to get this money. If I understand the amendment correctly, the money comes out of function 920. Is that correct?

Mr. HUCKABY. That is correct. As the chairman pointed out, from function 920 he then proposes to reach back, such as in agricultural and in the dairy price support program, where there will obviously be savings of almost $1 billion, which was not taken into consideration in the Jones budget.

Mr. EDWARDS of Alabama. It seems to me that you are dealing primarily in 920 with what is called management initiatives and the Federal pay raise, and I do not see enough dollars in there really to cover what the gentleman is saying he can cover, and I do not understand quite what the gentleman is saying.

Mr. HUCKABY. May I point out that, ultimately, it will be up to the Appropriations Committees as they make their determinations to see that this amendment is accommodated. The bottom line is that it increases the defense expenditures for this country, which I would hope that the gentleman from Alabama would support.

Mr. EDWARDS of Alabama. The gentleman from Alabama will get his own time to discuss that in a moment.

The CHAIRMAN. Does the gentleman from Alabama (Mr. EDWARDS) seek time?

Mr. EDWARDS of Alabama. I do, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama.

Mr. EDWARDS of Alabama. Mr. Chairman, I think there is a certain appeal to this amendment, until we look at it more closely. It attempts to salvage somewhat, I suspect, the Jones or committee substitute as far as defense is concerned. But the truth is, when you look at what the gentleman from Louisiana would do with budget authority, he still is short some $8 billion from Latta in fiscal year 1983, he is some $7 billion short in budget authority from Latta in fiscal year 1984. And if I understand his numbers correctly, he is some $22 billion short of Latta in fiscal year 1985 in budget authority.

Now, I think we need to understand this. It is easy to say we are going to add a little back to defense and somehow we are going to do good for defense now, but I think we have to understand how far we fall short with this amendment.

Mr. HUTTO. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to my friend, the gentleman from Florida.

Mr. HUTTO. What the gentleman is saying is absolutely true, it falls short of the Latta figures or the Senate. But as I explained earlier, it is better to have this than to let the bill go, in case it should become the law of the land and become the budget of the United States. This is not sufficient, but certainly it would be something I think that we would need to support in case the Jones substitute becomes the budget.

Mr. EDWARDS of Alabama. Well, I do not think the two gentlemen even come close to hedging their bets, that is the problem. You leave too much out there that we need if we are going to have a proper defense. if you just add up the shortage there in budget authority, there is about $37 billion short in budget authority, compared to Latta. It is not like you are finding some happy medium in there and somehow solving all of the problems. You are still leaving us some $37 billion short in budget authority.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Let me first of all state that I still believe that figures on military expenditures contained in the Budget Committee resolution are adequate. What we did was to look at what the President said he needed last year, which was 7 percent growth. If you look at growth in the committee resolution in the nonpay area—procurement, readiness, and so forth—there is over 8 percent real growth.

Now, what this amendment does is to take that up to about 9 or 9.5 percent real growth I think that is more than adequate to meet our defense needs.

We can spend money, we can tax, tax, spend, spend, throw money at the problem, but we are not going to spend it any more efficiently through the Department of Defense than in any social program run by any other department. I think if we have learned anything, it is that we just cannot solve a problem by throwing money at it.

Mr. EDWARDS of Alabama. I think the gentleman would agree that I am not necessarily known as a tax, tax, spend, spend type for defense. I try to find the best place to spend a dollar and then spend it as wisely as I would hope we can. But the point is, the average over 3 years in increased budget authority in the President's budget is some 9.3 percent itself. And so to suggest that the Huckaby amendment comes in at about 9 percent really does not suggest much. He in fact is still many billions of dollars less than even the Latta substitute which, in my view, probably falls short as far as defense is concerned.

☐ 1350

Mr. GRAMM. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to the gentleman from Texas.

Mr. GRAMM. Mr. Chairman, I thank the gentleman for yielding.

I would like to put the gentleman's figures in perspective. It is important to note that the Latta budget cuts defense outlays by $7.5 billion, $8.9 billion, and $11.7 billion over 3 years. So to get a perspective on the defense short fall in the Jones budget relative to current services, or the President's budget, you have to add that amount to the difference that exists between Latta and Jones.

In other words, we are talking about woefully inadequate add-backs to meet the build up we all know we need in defense.

Mr. EDWARDS of Alabama. I fear that we are hearing the sirene song on this amendment and I just want the Members to be very careful in moving toward this amendment. It would be wrong to believe that this in fact is going to solve some kind of a problem as far as defense is concerned.

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Huckaby amendment.

I think it is obvious to most of us that this operation that we are engaged in this week presents all of us with a lot of difficult choices and difficult decisions.

I think, as we have already seen from the various alternative budgets that have been offered, that we all have individual ideas as to what would be the best way to structure a budget and what would be the best way to achieve the maximum result.

Certainly I find none of the alternatives that are being offered fully satisfactory to me.

I recognize that I have not offered my own—and it probably would not fare much better than some of the others that we have voted down over the last few days.

But the thing that concerns me—and I am sure it concerns others—is that we all have different interests as Members of Congress from our individual districts.

I am generally recognized as someone who is strong on defense, and I have received a number of telephone calls from the administration saying, "Sam, you are a big defense supporter, the Latta bipartisan recovery act has the most money in it for defense and you ought to go down the line for that particular bill."

But it so happens that that particular bill does not address the concerns of the 28th Congressional District of New York, a highly urbanized district, with high unemployment, with a lot of housing problems, with a lot of minority problems, and with a vast structure of colleges, where the students are unhappy about what has happened to the provisions for assistance to students. I recognize as a practicing politician that if I were to vote for that kind of a resolution, which devastates the domestic programs that are of most concern to upstate New York, I would not come back here to talk in behalf of defense, or vote for defense, or to harass my colleagues who think that I am too heavily committed to defense.

So I would like to find a budget that would include as much in the way of domestic programs as the Jones proposal does but at the same time takes a more realistic view of our military situation. Unfortunately, the only alternative we have is the Huckaby amendment, and I commend the gentleman from Louisiana for offering that amendment because he not only is fighting the supporters of defense, because he has not done enough, but is also encountering the opposition of those who think he goes too far.

I think it is important that we recognize that many of the so-called defense experts who have been structuring some of these budgets that we have had before us are not really aware of exactly what the kind of defense proposals in the Jones amendment and in the Aspin amendment would actually do to our national defense.

For example, I have received, and I think perhaps other Members have received, a letter from the Secretary of Defense who points out just how devastating these amendments will be to our national defense and to our effort to rearm America.

There amendments will force the termination of a number of our strategic initiative programs. Mr. Weinberger tells us we are also going to lose much of the maintenance and equipment funding which we have desperately tried in the House Armed Services Committee to restore because of devastating cutbacks in recent years. In fact we will lose, under Jones, some 85 to 90 percent of our estimated requirements.

We have also been told that the Navy's very essential A-6 program will be knocked out; the EA-6B program is going to be knocked out. The Air Force A-10 will also be knocked out; the F-14 is also going to be knocked out, the AV-8B is going to be knocked out, the F-15 is going to be knocked out. And on top of that, we are going to have to reduce our military strength levels to below the level of 1979, and at the very time when, as the gentleman from Florida (Mr. Hutto) pointed out, we are trying to convince the Soviets that we are rebuilding our own defenses.

The CHAIRMAN pro tempore. The time of the gentleman from New York (Mr. Stratton) has expired.

(By unanimous consent, Mr. Stratton was allowed to proceed for 2 additional minutes.)

Mr. STRATTON. I think that this is not the kind of thing that a responsible Congress ought to do or would want to do or should do. But the only avenue that we have to restore defense strength is the Huckaby amendment which the chairman of the Budget Committee has already agreed to accept, so if that amendment is added to the bill and then we go over to the Senate where they have been a little more realistic, we might conceivably come back with a final budget resolution which would be considerably less devastating than the current proposal.

So those who are, as I am, anxious to support social programs, as a traditional Democrat in the tradition of Franklin Roosevelt and Harry Truman, and John F. Kennedy, all of whom believed that having a strong defense was important, not only for the country but for the Democratic Party, I would urge them to support the Huckaby amendment.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Texas.

Mr. KAZEN. I thank the gentleman for yielding.

Let me commend the gentleman on his presentation and I wish to associate myself with his statements.

I think that the gentleman has explained the situation as it is. Many of us feel the same way that he does.

I personally come from a very strong defense district. At the same time I do have some of the social problems that the gentleman has talked about, and whatever I can do to improve any of these bills, as far as the defense posture of this country is concerned, I am going to do it, and that is the reason I am going to vote for the Huckaby amendment.

Mr. STRATTON. The gentleman is a fine supporter of defense and I appreciate his support.

Mr. DOWNEY. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, only in the Land of Oz and in the Congress of the United States is $212 billion in outlays and $242.85 billion in budget authority somehow denuding our national defense. The fact is, Mr. Chairman, if the Reagan mandate means anything, it is that throwing money at a problem will not solve it. That applies equally to defense as it does to food stamps or other social spending programs.

I have done a little bit of work analyzing the procurement budget for 1980 for fiscal year 1980, and the procurement budget for fiscal year 1983.

It just so happens that in 1980, when we started to be concerned about the Soviet buildup, we spent $35.8 billion to procure weapons and ships and missiles.

In 1983, we are going to spend $89.5 billion. This is approximately what the President asked for and approximately what the Senate has given.

Is there anybody here who thinks that we are going to get three times as many weapons in 1983 as we got in 1980? Interestingly enough, we buy less airplanes with that amount of money. We buy fewer ships. We buy a few more tanks and a few more missiles. But the biggest problem with spending more money is that the more money you spend—and this was beautifully pointed out in the February 1982 JEC report on inflation and defense spending—the more the price of these systems goes up.

Now that is in part a result of critical manpower shortages, materiel shortages and a whole range of other things. But the point of the JEC committee's report—I think it should not be lost on this Congress—is that when you pump money into defense you do not buy more weapons.

□ 1400

You may pay the soldiers a little more and that is important for morale and you might provide additional money for O. & M. and that is also essential, but do not fool yourselves. You are not buying more airplanes this year. You are not buying more ships and you are buying relatively few numbers of increased helicopters and tanks. That is one of the problems with throwing money at the situation. You just do it as a salve for your conscience, as a sop to people back in your districts to whom you can say, "Look, I'm proud. I can spend $250 billion for defense. No longer will you have to worry about the Russians."

If you are serious about national defense in this country, 3 or 4 percent real growth year after year will mirror what the Russians have done approximately since 1962. That is how they have accomplished their buildup, not by crash programs of throwing money at various programs, because that does not solve anything. That just raises the price.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I will be happy to yield to my distinguished friend, the gentleman from New York.

Mr. STRATTON. I thank the gentleman.

Does the gentleman feel that we are just throwing money away when we seek to procure the A-6 and the F-14, and the EA-6, all of which have been eliminated from the budget, the only aircraft that has an all-weather capability in the free world, and the only aircraft that can provide a real interceptor capability for the Navy, something lacking to the British Navy in the Falkland Islands.

Mr. DOWNEY. I will take my time back, if the chair will recognize me.

Mr. STRATTON. Well, I just want to propose the question and then the gentleman can respond.

Mr. DOWNEY. If the gentleman will stop talking, I will be happy to answer.

I believe that we are throwing money at this problem. This gentleman does not support the B-1 bomber that is built in his district, and I assume that the reason the gentleman rattled off the EA-6B and the F-14 is because they are also built on Long Island; I support them and other systems that does not mean I support all weapons or all systems.

Mr. STRATTON. Well, I thought the gentleman and I were working together to try to build up New York industry, and provide more jobs for New York workers, not throwing money away, as the gentleman claims.

Mr. DOWNEY. I decline to yield further.

What I am telling the gentleman, and I assume he is listening, is that the more money you spend, even if you want to procure F-14's and EA-6B's, and I would add to the gentleman that they are being procured if the President's budget, part of it is adopted, at the proper amount, is that you cannot continue to throw money, spend it the way it is being spent here and buy the weapons systems you want. You are not getting them with this amount of money.

The weapons systems cost and the AH-64 attack helicopter is a perfect example of that. It has gone up 500 percent. You cannot even buy the numbers that you want to buy. That is all I am saying.

Mr. STRATTON. The gentleman is just blowing smoke. Obviously we have got inflation and obviously things cost more.

Mr. DOWNEY. I decline to yield to the gentleman.

I think I have made the point, Mr. Chairman, that is, you just cannot spend the money and expect to buy the weapons.

The Huckaby amendment is another example of spend more money and get less, not get more.

Mr. DAN DANIEL. Mr. Chairman, I move to strike the requisite number of words. I wish to underscore the remarks of the gentleman from Alabama (Mr. EDWARDS). Where are the primary deficiences in our defense posture? There are many but basically they deal with the matter of readiness. We have the world's finest fighting force on paper, yet, we could not successfully conduct a war.

Readiness has been defined as the ability to shoot, move, communicate and win. We cannot shoot because of a shortage of munitions. We are not mobile because of the absence of airlift. And we cannot communicate because of a deteriorating command, control, and communications system.

Why is this so? One of the reasons is that we have not provided the funds to keep pace with the adversary. In 1968, we spent 9.8 percent of our GNP for defense and 43 percent of the budget; in 1982, 5.6 percent of GNP and 25 percent of the budget. Our defense industrial base is crumbling and we have a shortage of necessary skilled, trained manpower, and of minerals.

Someone has said that the fastest-growing minority in our country today is the scientific and technological illiterates. Russia today has the largest skilled manpower pool among nations. They have roughly 1 million scientists engaged in research and development activities, three times as many as we, and they are producing effective and reliable weapons. Last year, they graduated 300,000 engineers and we graduated 50,000. That was a banner year for us. It cannot be said that the reason for this difference is a lack of money spent on education. Rather, it is a lack of intellectual discipline which begins at the primary grade level and continues throughout the school career.

The Soviets are outproducing us today by a ratio of 11 to 1 in armored vehicles, artillery pieces and tanks; 18 to 1 in surface-to-air missiles, 3 to 1 in helicopters, and 2 to 1 in submarines, surface vessels, and tactical fighters.

They have introduced three updated ICBM systems since we deployed Minuteman III 11 years ago. They have deployed 600 ICBM's since we deployed our last ones 6 years ago. They have commissioned 60 ballistic missile submarines since we commissioned the last Poseidon 13 years ago. They are building 30 bombers annually and have built 600 since our last B-52 came off the production line 20 years ago.

In manpower, we have reduced our end strengths from 3.3 million to 2.1 million during the decade of the seventies, a 40-percent reduction, while the Soviets increased theirs by 25 percent.

The Soviets have averaged increasing their defense spending by 5 percent annually during the decade of the seventies while ours has remained basically flat. This invalidates the contention of those who say that the Russians would not increase their defense expenditures unless we did.

Mr. Chairman, I have served on the Committee on Armed Services 14 years. Over that period of time, I have observed an insidious shift in the military balance between the two major powers from superiority to rough equivalency to inferiority. Our goal, Mr. Chairman, should be mutual disarmament but history reveals that we can only negotiate from a position of strength. I cite as the most glaring example the Cuban missile crisis of the early 1960's. The Members will remember that when President Kennedy told Mr. Khrushchev to remove the missiles from Cuba, they were removed forthwith. More recently, when President Carter told Mr. Brezhnev to withdraw an infantry brigade, the Russian leader thumbed his nose at us. Why? Because he knew that we did not have the military strength to enforce our foreign policy objectives.

So it seems to me, Mr. Chairman, that we do need to increase our defense budget, but I cannot disagree too much with what the gentleman from

New York (Mr. Downey) said about inefficiency. Since coming here, I have found that the Pentagon does not plan well. The Congress does not authorize and appropriate intelligently, and industry has not produced efficiently.

But I say to the gentleman from New York (Mr. Downey) and my colleagues, I believe that we are now on the road to curing some of those deficiencies. I believe we are doing a better job than we have done in the past. We took several initiatives last year that I believe will result in more efficiency and a louder bang for our buck.

Mr. WHITE. Mr. Chairman will the gentleman yield?

Mr. DAN DANIEL. I will be glad to yield to the gentleman from Texas.

Mr. WHITE. I thank the gentleman for yielding.

I would like to remind the membership, and I am sure the gentleman remembers all this, that in 1968 at the time the gentleman was mentioning, we had a conscription system that the Congress of the United States said we needed.

The **CHAIRMAN** pro tempore (Mr. Smith of Iowa). The time of the gentleman from Virginia has expired.

(At the request of Mr. White, and by unanimous consent, Mr. Dan Daniel was allowed to proceed for 3 additional minutes.)

Mr. WHITE. Mr. Chairman, will the gentleman yield further?

Mr. DAN DANIEL. I yield to the gentleman.

Mr. WHITE. At that time the country demanded that we end the draft and we go to an All-Volunteer Force.

Now, therefore, subsequent to the time that we eliminated the draft, much of the defense expenditures were on the All-Volunteer Force, because we upped the pay to the individual soldier, so a good portion of this defense budget, even though the percentage has gone down in that period of time, it has allowed the Soviets to extend and gain the lead and our forces have eroded and our posture has eroded.

Most of that, a good part of that, is going to personnel in order to maintain the All-Volunteer Force that this Congress said they wanted to keep, that they wanted to eliminate the draft.

Is this not true?

Mr. DAN DANIEL. That is correct, absolutely. The result is that we are spending roughly 60 percent of our budget for manpower and manpower related matters, as opposed to about 27 percent, or the figure has been quoted from 17 to 27 percent; so it means they get a louder bang for their buck than do we.

Mr. WHITE. Now, those who desire peace I feel should recognize that the only manner in this world, as the real world is today, if you are going to have peace is through a perception of strength on the part of the United States, which whether we like it or not is the leader of the free world. Should we become weakened, then we can become intimidated and the other community of free nations would be intimidated and we would no longer have peace or the quality of life that we enjoy today.

Mr. DAN DANIEL. The gentleman is precisely correct.

□ 1410

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

I think the gentleman has made perhaps the best point of this debate, and that is simply that in the last two decades the priorities of America have been reordered.

John Kennedy spent approximately 47 percent of the Federal budget on defense. I believe last year's budget earmarked approximately 27 percent on defense. And contrary to what the gentleman from New York says, we are not simply trying to buy quantity in weapons systems. We are trying to buy quality.

If Members look at the technological matchup between the Soviet Union and the United States over the last 10 years, it is evident, according to the study made by Under Secretary of Defense for Research and Development, Dr. DeLauer, that the Soviets are moving rapidly ahead of the United States in many areas. I would like to cite a few: Optical sensor technology, aerospace technology, radar sensor technology, signal processing technology, submarine detection technology.

It is only with substantial increases over the Jones proposal that we can possibly begin to stem that deterioration and perhaps to widen the qualitative gap that we still enjoy in some areas.

Mr. DAN DANIEL. Mr. Chairman, I have been here 14 years. I have never asked for any additional time. May I have 2 additional minutes?

The **CHAIRMAN.** Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. DAN DANIEL. Mr. Chairman, it is my judgment that time is still on our side provided we keep our country militarily impregnable. Our deterrent policy backed by military strength has prevented a world war for three decades.

So long as we maintain our strength, it is the judgment of this Member that there will not be a nuclear exchange. My present concern is economic blackmail. Premier Brezhnev has stated that their aim is to gain control of the two great storehouses of the world upon which the West depends for their economies: The fuel treasure house of the Persian Gulf and the mineral treasure house of Africa south of the Sahara. This means that we must control the maritime chokepoints of the world. Because our economy is import-dependent, we must be the guardians of the sealanes which connect the Western World with these treasure houses.

Our failure to do so would make the Depression of the 1930's pale in comparison.

Mr. SAM B. HALL, JR. Mr. Chairman, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from Texas.

Mr. SAM B. HALL, JR. Mr. Chairman, I would like to associate myself with the remarks of the gentleman from Virginia. I have listened very closely to what he has had to say. I believe the gentleman speaks with more clarity than any man in this body dealing with the subject with which he is most familiar.

Mr. DAN DANIEL. I thank the gentleman.

Mr. Chairman, I yield back the balance of my time.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think there is something that should be pointed out here. There is a difference between what this amendment will achieve in the committee budget and what is in the Latta budget. It sounds a little bit as if this will repair the damage that has been done by the committee in reducing the defense numbers in the committee print, the so-called Jones budget.

But I would point out that there is a vast difference between the two in budget authority. As a matter of fact, over a 3-year period, the Latta budget provides $37.6 billion more in budget authority than does Jones, as it would be amended by the Huckaby amendment.

In this debate we have heard about the various pieces of hardware. But let me point out something else. There is more to budget authority and its military impact than just hardware. It means housing; it means facilities; it means adequate maintenance equipment.

This Nation has made a policy judgment that we want to have a volunteer service; that we want to attract young people to serve in the Nation's armed services by way of volunteers so that we do not have to legislate a military draft. To do that, it means we must have adequate housing, it means we must have adequate facilities for service people to work in.

I can recall vividly being in Germany at a tank base where we had GI's lying in the mud in the middle of winter repairing tanks because we did not have adequate funds to provide a concrete hardstand for these tanks.

Obviously under conditions such as this it is going to be difficult to get people to reenlist. Therefore, we need adequate budget authority, not just for hardware but to provide the kinds of facilities that will attract people to stay in the armed services.

One of the things we hear time and again is that we lose the people after 4 years, after 8 years, after we have invested, as the Navy will tell us, at least $100,000 simply in the skills that an 8-year veteran would have.

Mr. **CAMPBELL**. Mr. Chairman, will the gentleman yield?

Mr. **REGULA**. I yield to the gentleman from South Carolina.

Mr. **CAMPBELL**. I thank the gentleman for yielding to me.

Let me make sure I understand what the gentleman has said.

The difference in budget authority was $37.6 billion?

Mr. **REGULA**. That is correct.

Mr. **CAMPBELL**. So, if we adopted this on the premise of strengthening defense, in fact it is kind of lulling us into a false sense of security. Is that a correct assumption?

Mr. **REGULA**. I think that is entirely accurate, and particularly in terms of adequate staffing of our armed services.

Mr. **CAMPBELL**. I thank the gentleman for making the point. I did not realize there was that much difference in it. I think it is extremely important. It is just an effort to add back, to correct something that is woefully inadequate, that does not correct it enough, but may mislead people at that time.

Mr. **HUCKABY**. Mr. Chairman, will the gentleman yield?

Mr. **REGULA**. I yield to the gentleman from Louisiana, the author of the amendment.

Mr. **HUCKABY**. I thought we had made it clear at the outset that the purpose of this amendment was to do what some of us consider improving the Jones amendment, recognizing that it did not reach the levels of the Latta substitute. But it does for 1983, which is the only year that this is binding for, get within $400 million of the Latta substitute as far as outlays is concerned, and granted, it is $8 billion less than the Latta on budget authority.

But I think the question here is: Where do you come from philosophically? Would you rather have more defense expenditures in the Jones budget or not? We are only amending the Jones budget here now, not the Latta budget.

Mr. **REGULA**. I thank the gentleman. I think his contribution is very important.

I simply want to make it clear to the membership that we are not talking about the same thing that would be in the Latta budget; that there is a substantial difference in budget authority. And budget authority goes beyond hardware. It goes to the issue of housing; it goes to the issue of the workplace; it goes to the issue of facilities.

For example, in the Middle East, there is a discussion of building bases out there. This requires budget authority if we are going to provide adequately for our Rapid Deployment Joint Task Force.

Therefore, it is important that all the Members understand the differences between Huckaby and Latta as they are making a decision on voting.

Mrs. **SCHROEDER**. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Ms. **OAKAR**. Mr. Chairman, will the gentlewoman yield to me?

Mrs. **SCHROEDER**. I yield to the gentlewoman from Ohio.

Ms. **OAKAR**. I thank the gentlewoman for yielding to me. I will be very, very brief.

I have heard yesterday and today so many statements about the percentage of the budget that used to be devoted to defense in the 1950's and 1960's. One gentleman indicated that during President Kennedy's time we devoted 40 percent of the budget.

What is not being told is that during the 1950's and the early 1960's the social security trust fund was not part of the unified budget. Immediately the social security trust fund became the second largest budget item. It was not put there until 1968. As a result, the percentage devoted to defense before the trust fund, was a lot higher than it is today. But in real dollars, defense has increased astronomically. So let us not fool the American public about percentages.

Mrs. **SCHROEDER**. I thank the gentlewoman from Ohio for making that very important point.

Mr. Chairman, I rise in opposition to the amendment. We have before us a variety of different proposals for the defense budget. I have prepared charts demonstrating the differences between the proposals. At the high end is the Latta budget, unamended, which will spend $734,450,000,000 over the next 3 years and authorize expenditures of $854,900,000,000 over the same period.

At the opposite end of the spectrum is increasing authorizations and expenditures above fiscal year 1981 actual expenditures by the amount of inflation. Calculating the defense budget this way results in outlays of $603,609,000,000 and budget authority of $689,620,000,000 over the next 3 years.

Between these two extremes lie a variety of alternatives. There is an amendment by Chairman **Jones** to the Latta substitute, which raises defense outlays above inflation by 19.7 percent over the same period. The Huckaby amendment increases outlays by 19.5 percent. The Aspin budget goes above inflation by 17.8 percent, the Jones budget by 18.2 percent, and the Latta budget by 21.7 percent. Mr. **Green**'s amendment would raise defense spending by 16.2 percent above the 1981 level plus inflation.

Only my amendment limits growth above inflation to 8 percent over the next 3 years. In the process, my amendment would save $82,180,000,000 from the Latta budget, while spending $81,970,000,000 more than the level spent in fiscal year 1982.

It is time to bring some reason into the exploding growth in the defense budget. I suggest that the growth can be controlled without weakening our defense. I suggest that the Schroeder amendment accomplishes this goal the best.

□ 1420

Mr. **WEISS**. Mr. Chairman, would the gentlewoman yield?

Mrs. **SCHROEDER**. I would be delighted to yield.

Mr. **WEISS**. Mr. Chairman, I thank the gentlewoman for yielding.

Mr. Chairman, I think that the charts that the gentlewoman has prepared are extremely significant. I would like to add a few other numbers to them for comparison purposes because, in the course of these last couple of days we have seen on this floor a broad effort at dissimulation, of trying to hide what we are really doing, and trying to have it both ways and all ways. Look at the number for defense purposes incorporated in that great "balance the budget" substitute that was offered by the distinguished gentleman from California (Mr. **Rousselot**) yesterday. The Jones budget without the pending amendment has $242.9 billion for budget authority and $212.3 billion for outlays. Do the Members know what the Rousselot budget provided? It was $243.5 billion—$600 million more for budget authority, and $213 billion for outlays—less than a billion dollars more than Jones. The numbers are almost exactly the same, but do the Members know that the same gentlemen who offer the pending amendment to the Jones budget, Messrs. **Huckaby** and **Hutto** voted for Rousselot?

The **CHAIRMAN**. The time of the gentlewoman from Colorado has again expired.

(At the request of Mr. **Weiss** and by unanimous consent, Mrs. **Schroeder** was allowed to proceed for 2 additional minutes.)

Mr. **WEISS**. Indeed, the same gentleman who said a few minutes ago, in response to a question, that even if this amendment were adopted, he could not vote for the Jones budget because the Jones budget does not do enough for defense, yesterday voted for the Rousselot budget, which provided almost the same figures.

Indeed, the very gentleman from Ohio whose name is attached to the Republican substitute, Mr. LATTA, voted for the Rousselot substitute, which reduced budget authority for defense as set forth in the Latta substitute in an amount in excess of $10 billion. I think we have to stop this game playing. I think that the American people have reason to believe that we are trying to con them, and this should not be a con game. We ought to be up front about our intentions.

I have a word of criticism for my colleagues on the Democratic side, too. The distinguished chairman of the Budget Committee said he is going to vote for this budget amendment. He cannot have it both ways. Some of us are having a great deal of difficulty trying to determine whether we are going to vote for the Jones budget or not. We think about voting for it because we think there is some reason to believe that the committee made a serious effort to balance out national priorities, including defense.

To come along now and indicate that you accept this excessive budgeting of moneys for defense which cannot be spent reasonably means that you are willing to risk losing a lot of us who will not be able to vote for the Jones budget if the amendment is adopted.

Mrs. SCHROEDER. I think it is useful that we debate this issue and that is why I really wanted to put this chart up.

The CHAIRMAN. The time of the gentlewoman from Colorado (Mrs. SCHROEDER) has again expired.

Mrs. SCHROEDER. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Colorado?

Ms. FIEDLER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. WEISS. Mr. Chairman, I move to strike the requisite number of words, and I yield at this time to the gentlewoman from Colorado (Mrs. SCHROEDER).

□ 1430

Mrs. SCHROEDER. Mr. Chairman, the gentleman is truly a gentleman, and I thank him for yielding at this moment.

I would just like to point out that the Huckaby amendment would increase outlays by 17.5 percent. The Schroeder amendment does it by 8 percent. I think this difference is very important. I think that we can have a very strong defense if we turn around many of these other policies—the waste, fraud, and abuse, the contract procurement, some of our personnel malprocedures, and the contributors of our allies. Those are all there in my 30-page alternative defense budget. That is the way we have got to go in the 1980's.

Mr. Chairman, I hope the Members turn down this amendment because we are just blowing smoke and looking like we are doing something when we really are not doing it.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I yield to the gentleman from Massachusetts.

Mr. MAVROULES. Mr. Chairman, I thank the gentleman for yielding.

I have been listening to this debate for about the last 45 minutes to an hour on this one amendment alone, and I want to speak as a member of the Committee on Armed Services.

Let me say very briefly that I think it is very unfair to compare these years with the Kennedy administration and back to the Johnson administration, for that matter, to the Eisenhower or the Carter administration, because times are different.

I do not think it is the total dollars we should be considering here today in authority or budget outlays, for that matter. When we are going to make a comparison between the Soviet Union and the United States, there is one thing we should all keep in mind, and hopefully, Mr. Chairman, later on during the Armed Services authorization bill, when we come on the floor with the authorization bill, we can discuss this and articulate our positions very clearly. Let me just cite one example.

We were looking for some cutbacks from the administration, and what did they do? The administration proposes to cut in areas which I feel are very important. I am talking about people, personnel. Just a year and a half ago, let us keep in mind that we had our United States soldiers in the military in Germany on food stamps, and last year alone we were able to get through a 14-percent increase for our military across the board.

It was recommended this year that we give them an 8-percent increase across the board, and on the very first initiative given to the Senate side and to the House when we discussed cutbacks, they want to cut back from 8 to 4 percent.

These will be the issues we will be discussing in the coming weeks. My point is this: That rather than increasing by $1.5 billion in outlays and $2.5 billion in authority, we should be designating exactly where those funds are going. It is terribly, terribly irresponsible, at least in my view, to vote for something when we do not know where it is going and it could be wasted in other areas.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I yield to the chairman of the Appropriations Subcommittee.

Mr. ADDABBO. Mr. Chairman, I thank my colleague for yielding.

First, let me point out that when we are speaking about defense outlays, we are speaking of a total budget of about $268 billion in budget authority and outlays of about $212 billion. That is an increase in 14 months, from November 1980 to January 1982. Of over $80 billion, and that is an increase at the expense of student loans, senior citizens, et cetera.

And let us read this amendment. We are not just talking about increasing defense. When are we going to get the money for defense?

It reduced nondefense discretionary and entitlements. What are entitlements? Social security and those benefits, effecting people and services by reducing entitlements and nondiscretionary accounts. That is the way we pay for this defense bill. The amendment should be defeated.

Mrs. SCHROEDER. Mr. Chairman, I think the gentleman from New York (Mr. ADDABBO) was brilliant. That is exactly what I was trying to say.

If you are really trying to look at how we got ourselves into this deficit, it is not the elderly and it is not the young; it is because we have been providing the defense to the free world, and it has been free.

I think we have to turn that around in the 1980's and get the priorities straight and say that it is a new decade because the times have changed.

Mr. Chairman, I thank the gentleman for yielding.

Mr. HUCKABY. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I yield to the gentleman from Louisiana.

Mr. HUCKABY. Mr. Chairman, the gentleman referred earlier to the seemingly inconsistent position in supporting the Rousselot amendment yesterday and voting for this amendment today.

Let me point out that the Rousselot amendment, as it was presented on the floor, had more for defense, both in budget authority and outlays, than the Jones amendment pending before the House does. But the Jones amendment, as amended by my substitute, will slightly exceed the Rousselot amendment. So the Rousselot amendment came right in between, in this $1.5 billion of additional outlays.

The CHAIRMAN. The time of the gentleman from New York (Mr. WEISS) has expired.

Mr. SMITH of Iowa. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think this might be an appropriate place for someone to say what has been on my mind during the last 3 days. This House is playing games.

One game is to amend the budget that somebody else proposes which the author of the amendment is not going to vote for anyway. The Jones amendment, the Martin amendment, and this amendment would all amend someone else's budget proposal which the author of the amendment did not intend to vote for anyway. That is just one of the games.

Another thing is that this whole process is just a game of numbers. We are not playing with real dollars, just numbers. Those who want to play with real dollars, will do that when the defense appropriation bill is up for consideration. We are supposed to be dealing with macro-numbers.

Some Member said that a vote for or against this amendment will determine whether there will be more A-6's procured. No such thing. We are just talking about the number of dollars someone thinks should be appropriated for the defense of this country at a later date.

What these amendments are trying to do is to amend someone else's philosophy or someone else's economic theory, and it does not make any real difference. With the kind of prima donnas any Member would need be to seek public office even if every other Member in the place thinks we are wrong, none of us will amend our own philosophy or our own economic theory. So what is the use of having such a vote anyway?

By trying to force someone else by a majority vote to amend their theories or their philosophy, we are wasting time. But that is what these amendments attempt to do.

Some person watching this proceeding on closed circuit television or over cable TV might mistakenly believe, after watching for 3 days, that we are deciding the level of funding for each Federal program and the level of taxation. In fact, Members are just playing games. We are playing with numbers. To play with real dollars, wait until the appropriations bills come up.

What we should be doing is thinking about the whole budgeting process. I think several years ago we should have started amending the budget process in this House. The Miller amendment was one idea whose time has come; in fact, it came 6 years ago.

The Budget Committee has not done anything constructive toward amending the process. They have been spending their time hearing the same evidence the Economic Committee had already heard and wasting our time on the floor playing with numbers.

Also, we should develop a capital assets budget. Instead of developing a better process and more meaningful budget process, we have been sitting here 3 days so far with Members offering amendments that really only express philosophy. It permits some Members to attach their names to a theory and vote, and then they can go home and tell people they did something meaningful which in fact they did not do. I say it is time for us to get on with this show and get this bill out of the road.

We will probably do the same thing we did last year anyway. After spending the whole year, the Congress came up with a budget the administration wrote that called for a $37 or $42 billion deficit and we have been waiving it ever since. The administration has proposed many supplementals and sought waivers to their own budget. We just as well have waived the Budget Act to start with and been done with it.

Mr. WINN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Kansas.

Mr. WINN. Mr. Chairman, I was just trying to get it straight in my own mind. Does the gentleman support the Huckaby amendment?

Mr. SMITH of Iowa. No, I am not supporting it. I did not support the Martin amendment, and I did not support the Jones amendment. I do not think we should merely try to amend some other Members' philosophy. I do not believe we can do that.

Mr. DAN DANIEL. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Virginia.

Mr. DAN DANIEL. Mr. Chairman, I want to commend the gentleman in the well for his statement. I know that those who sponsored the legislation creating the Budget Committee did so with the finest of intentions, but I think the time has come to dissolve the Budget Committee.

Mr. SMITH of Iowa. Well, Mr. Chairman, let me point out that the budget act does anticipate that the Budget Committee develop and propose amendments improving the process.

Mr. DAN DANIEL. Precisely.

Mr. SMITH of Iowa. Which it has not done.

Mr. DAN DANIEL. Precisely. That is the point I am making.

Mr. SMITH of Iowa. The act itself was not intended to be the last word. It intended that the Budget Committees recommend improvements in the process.

Mr. DAN DANIEL. And since it has not, I think what we ought to return the authority to the standing committee chairmen where it belongs. We would have a better process and the taxpayers would be the beneficiaries.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Mr. Chairman, I appreciate the frustration that everybody has in having to deal with budgets and their macroeconomic impact. I appreciate the other committees' difficulty in having to live under limitations brought about by a budget resolution.

I would say to the gentleman from Virginia that if we do not pay serious attention to enforcing a budget resolution and we do not pay attention to passing realistic, enforceable budgets, then the gentleman is correct—we are wasting our time and we should not have this whole budget process.

I think what the American people want us to do is pass a realistic budget and implement it, and that is what we have not done in the last year. I hope that is something we can start to do this year.

Mr. SMITH of Iowa. Mr. Chairman, I agree with that. I should say, however, that you are supposed to deal with macroeconomics on the functional levels, and there has been a pretense here ever since the first of the year under the budget process of dealing with macroeconomics or individual programs under a general function; pretending to do something which is not done, that we are dealing with individual programs, and we are not.

□ 1440

The CHAIRMAN. The time of the gentleman from Iowa (Mr. SMITH) has expired.

(At the request of Mr. JONES of Oklahoma and by unanimous consent Mr. SMITH of Iowa was allowed to proceed for 30 additional seconds.

Mr. JONES of Oklahoma. Will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman.

Mr. JONES of Oklahoma. I think the gentleman's criticism of most of the pending amendments is a valid criticism. Amendments aimed at specific projects or specific programs have no binding effect except through overall levels such as are in the national defense function.

However, once you put on a lid, that is as much as the Appropriations Committee can provide.

Mr. SMITH of Iowa. We will just waive it by a majority vote.

Mr. JONES of Oklahoma. Not if we are going to be serious about the budget.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. I wanted to ask the gentleman from Oklahoma a question. Does that mean then that we will really enforce the caps that are put on different spending categories at the end of this budget process.

Mr. JONES of Oklahoma. I certainly intend to.

Mr. FOWLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I ask the indulgence of the body and their forgiveness, but since we have begun this part of the debate now I would like to speak.

I want to applaud the words of the gentleman from Iowa (Mr. SMITH) but also try to round this up by saying to my friends and colleagues that I do think that we are missing a vital part in this budget debate. The 1974 Budget Act that we are attempting to implement did set fiscal discipline as a goal. This is the heart of the debate, over the "numbers," as just described by my friend from Iowa.

But what we never seem to recognize is that the debate over the budget of the United States of America is the one time, the one time all year long when we have the responsibility to look at the overall resources and responsibilities of the Federal Government, recognizing, as all American citizens now do, as all members of both parties now do, that we are a country of limitations in the amount of money that we have to spend in this budget.

What we are missing, it seems to me, is a debate on what our priorities ought to be given the fact that we have limited resources and many responsibilities.

I beg the indulgence of all of you as we go through these amendments. Many of the amendments, including one that I will be offering later dealing with national security, try to get us to decide such priorities.

Given a limited number of dollars, do we want to spend it here or do we want to spend it there to further our national goals?

If we can bring into this discussion of fiscal discipline and economic philosophies a genuine debate on what our Nation's priorities ought to be with the few dollars that we now have to spend, with a $100 billion deficit under all the plans, then I submit that whichever side wins, whichever budget is adopted, at least for the first time we will have contributed to a real discussion of what our national objectives and priorities ought to be. That is our job as the national body of the United States.

I yield back the balance of my time.

Mr. PEYSER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to go into a little more detail with the gentleman who offered the amendment to have a better understanding of these funds that were involved in the outlays. I understand the additional outlay is $1.5 billion in this year. Is that correct?

Mr. HUCKABY. Will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Louisiana.

Mr. HUCKABY. The gentleman is correct.

Mr. PEYSER. I am interested in finding out where is that $1.5 billion coming from in the budget, because as I understand, this is not increasing the indebtedness but is coming out of something else. Is that correct?

Mr. HUCKABY. The gentleman is correct.

In conjunction with the chairman of the Budget Committee, program savings would be as follows: In function 350, dairy reform compromise, $900 million.

Mr. PEYSER. May I stop the gentleman at that point? When he says dairy function compromise, what does that specifically refer to?

Mr. HUCKABY. It is anticipated, I think, by both sides of the aisle that there will be legislation forthcoming from the Agricultural Committee that will change in some form existing dairy price support legislation, and proposals have savings ranging from $900 million up to even higher than that as far as outlays to the Government.

Mr. PEYSER. May I raise the question, then, if the Agriculture Committee does not report that legislation out, if they do not report that legislation out, then where does the $900 million come from?

Mr. HUCKABY. In the event the legislation is not reported out in these various categories, and others I have not enumerated, then it would be up to the Appropriations Committee to see that in the aggregate they did not exceed the numbers of the entire budget, as the gentleman is very well aware.

Mr. PEYSER. I would then like to suggest that basically what would happen, if the Agriculture Committee, as one specific, because it represents nearly 75 percent of the money we are talking about, does not come out with a dairy bill, or actually what is going to be emergency farm legislation in which dairy would be included, if that does not reach the floor we in effect would be increasing the deficit, because I do not know where the money would come from other than that.

It would automatically be increasing the deficit.

Mr. HUCKABY. No. As the gentleman from Iowa (Mr. SMITH) just pointed out, and the chairman of the Budget Committee pointed out, the budget here we are dealing with is in aggregate numbers, and unless you have a rule waiving you cannot exceed those aggregate numbers.

So in the aggregate, the Appropriations Committee as such would be required to make up this $1.5 billion.

Mr. PEYSER. In that case, it would then be conceivable that a decision would be made to take $500 million out of education or perhaps $500 million out of some other function, some other item in the budget.

I would just say to the gentleman it seems to me that it leaves us wide open for a major battle at a later date as to who we are going to cut in order to put $1.5 billion back into this budget.

Mr. HUCKABY. If the gentleman will yield further, the estimates are that there will be virtually $2.5 billion in this so-called surplus pool of program savings of which we are only drawing down $1.5 billion.

So there would still remain $1 billion.

Mr. PEYSER. I hear the gentleman. But it seems also in the practical world that we deal in here that that money is going to come from somewhere and that raises a very severe question in my mind as to whether I can support an amendment. And I must say I do not feel, as some of my colleagues have expressed, that we have to make this extra step into defense at this time.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I am glad to yield to my friend from New York.

Mr. STRATTON. I was just listening to the gentleman on closed circuit television. I am one of the few Members apparently, in this discussion who has indicated that he intends to support the Jones amendment because of the addition of the Huckaby amendment to it.

But now the gentleman from New York is trying to suggest that he does not want people to support it on that basis.

I support the gentleman's proposed additions with respect to student aid but if the gentleman persists in undercutting efforts to attract additional support for the Budget Committee's proposition, then the gentleman is doing a great disservice to his party and to this House.

Mr. PEYSER. I thank the gentleman for his comment. I do not happen to share that belief.

I think what happened to this House, and what happened to the Democratic Party, if you will, in this House was that last year we got into a bidding contest with the White House and the Republicans.

The CHAIRMAN. The time of the gentleman from New York (Mr. PEYSER) has expired.

(By unanimous consent Mr. PEYSER was allowed to proceed for 3 additional minutes.)

Mr. PEYSER. We in this House ended up on both the Democratic side and the Republican side in producing a perfectly terrible budget. We produced it because we got into a bidding war to get a few more people to vote this way and a few more people to vote that way.

Now that we are into this subject, I note that the President of the United States changed his position on the sugar bill that we here in the House had already defeated on the floor. He changed his position in order to get some of my colleagues on this side of the House to vote for a budget.

☐ 1450

Other people did it with oil. We ended up with really doing in the American public. So I am not interested in a bidding war on this issue. I happen to think that we have, if anything, more than enough money for defense in the Jones program right now, and I think if we go on this amendment we could very well be triggering a battle just a few months down the road, trying to find out where we are going to get this $1.5 billion and out of whose hide it is going to come. I am not convinced we are going to see an emergency farm bill on this floor, for a number of reasons. We would have had it out here 2 weeks ago if they were going to bring it out. I do not think we ought to bid for this kind of vote. Let us vote what we really believe. I think the Jones program, when we add on some education money, is going to be a reasonable budget, and that is what I hope we are going to vote for.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana (Mr. HUCKABY) to the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. JONES).

The question was taken; and the Chairman announced that the noes appear to have it.

RECORDED VOTE

Mr. HUCKABY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 83, noes 339, not voting 10, as follows:

[Roll No. 108]

AYES—83

Alexander
Andrews
Anthony
Bailey (PA)
Barnard
Bennett
Bevill
Boggs
Bouquard
Bowen
Breaux
Brinkley
Byron
Chappell
de la Garza
Derrick
Dowdy
Dreier
Dyson
English
Evans (GA)
Fazio
Flippo
Foley
Fountain
Frost
Fuqua
Gephardt
Gibbons
Ginn
Gonzalez
Gramm
Hall, Ralph
Hall, Sam
Hance
Hatcher
Hawkins
Hefner
Hendon
Holland
Hubbard
Huckaby
Hunter
Hutto
Ireland
Jenkins
Jones (NC)
Jones (OK)
Kazen
Leath
Levitas
Livingston
McCurdy
McDonald
Mica
Mollohan
Montgomery
Moore
Moorhead
Murtha
Neal
Nelson
Nichols
Parris
Patman
Price
Roemer
Rousselot
Schulze
Shumway
Skelton
Spence
Stenholm
Stratton
Tauzin
Volkmer
Watkins
White
Whitley
Wilson
Wright
Young (FL)
Young (MO)

NOES—339

Addabbo
Akaka
Albosta
Anderson
Annunzio
Applegate
Archer
Aspin
Atkinson
AuCoin
Bafalis
Bailey (MO)
Barnes
Beard
Bedell
Beilenson
Benedict
Benjamin
Bereuter
Bethune
Biaggi
Blanchard
Bliley
Boland
Bolling
Boner
Bonior
Bonker
Brodhead
Brooks
Broomfield
Brown (CA)
Brown (CO)
Brown (OH)
Broyhill
Burgener
Burton, Phillip
Butler
Campbell
Carman
Carney
Chappie
Cheney
Clausen
Clay
Clinger
Coats
Coelho
Coleman
Collins (IL)
Collins (TX)
Conable
Conte
Conyers
Corcoran
Coughlin
Courter
Coyne, James
Coyne, William
Craig
Crane, Daniel
Crane, Philip
Crockett
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daschle
Daub
Davis
Deckard
Dellums
DeNardis
Derwinski
Dickinson
Dingell
Dixon
Donnelly
Dorgan
Dornan
Dougherty
Downey
Duncan
Dunn
Dwyer
Dymally
Early
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
Emery
Erdahl
Erlenborn
Ertel
Evans (DE)
Evans (IA)
Evans (IN)
Fary
Fascell
Ferraro
Fiedler
Fields
Findley
Fish
Fithian
Florio
Foglietta
Ford (MI)
Ford (TN)
Forsythe
Fowler
Frank
Frenzel
Garcia
Gaydos
Gejdenson
Gilman
Gingrich
Glickman
Goldwater
Goodling
Gore
Gradison
Gray
Green
Gregg
Grisham
Guarini
Gunderson
Hagedorn
Hall (OH)
Hamilton
Hammerschmidt
Hansen (ID)
Hansen (UT)
Harkin
Hartnett
Heckler
Heftel
Hertel
Hightower
Hiler
Hillis
Hollenbeck
Holt
Hopkins
Horton
Howard
Hoyer
Hughes
Hyde
Jacobs
Jeffords
Jeffries
Johnston
Jones (TN)
Kastenmeier
Kemp
Kennelly
Kildee
Kindness
Kogovsek
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
LeBoutillier
Lee
Lehman
Leland
Lent
Lewis
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Madigan
Markey
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Matsui
Mavroules
Mazzoli
McClory
McCloskey
McCollum
McDade
McEwen
McGrath
McHugh
McKinney
Michel
Mikulski
Miller (CA)
Miller (OH)
Mineta
Minish
Mitchell (MD)
Mitchell (NY)
Moakley
Moffett
Molinari
Morrison
Mottl
Murphy
Myers
Napier
Natcher
Nelligan
Nowak
O'Brien
Oakar
Oberstar
Obey
Ottinger
Oxley
Panetta
Pashayan
Patterson
Paul
Pease
Pepper
Perkins
Petri
Peyser
Pickle
Porter
Pritchard
Pursell
Quillen
Railsback
Rangel
Ratchford
Regula
Reuss
Rhodes
Richmond
Rinaldo
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Rodino
Roe
Rogers
Rose
Rosenthal
Rostenkowski
Roth
Roukema
Roybal
Rudd
Russo
Sabo
Santini
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sensenbrenner
Shamansky
Shannon
Sharp
Shaw
Shelby
Shuster
Siljander
Simon
Skeen
Smith (AL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (OR)
Smith (PA)
Snowe
Snyder
Solarz
Solomon
St Germain
Stangeland
Stark
Staton
Stokes
Studds
Stump
Swift
Synar
Tauke
Taylor
Thomas
Traxler
Trible
Udall
Vander Jagt
Vento
Walgren
Walker
Wampler
Washington
Waxman
Weaver
Weber (MN)
Weber (OH)
Weiss
Whitehurst
Whittaker
Whitten
Williams (MT)
Williams (OH)
Winn
Wirth
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Zablocki
Zeferetti

NOT VOTING—10

Badham
Bingham
Burton, John
Chisholm
Dicks
Fenwick
Marks
Mattox
Rahall
Stanton

☐ 1500

Mr. DENARDIS and Mr. DAVIS changed their votes from "aye" to "no."

Mr. BREAUX and Mr. DE LA GARZA changed their votes from "no" to "aye."

So the amendment to the Jones amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Does the gentleman from Louisiana (Mr. HUCKABY) seek recognition to offer his perfecting amendment to one of the other pending amendments in the nature of a substitute?

Mr. HUCKABY. I do not, Mr. Chairman.

The CHAIRMAN. That being so, does any other Member seek recognition for that purpose? If not, the Jones amendment is in order.

Mr. JONES of Oklahoma. Mr. Chairman, I rise in the hope that we can move the amendment process along, and perhaps finish up and not have to go into a Friday session. I would respectfully not offer the Jones amendment.

The CHAIRMAN. That closes amendment No. 7.

☐ 1510

The CHAIRMAN. For what purpose does the gentlewoman from Colorado rise?

AMENDMENT OFFERED BY MRS. SCHROEDER TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA

Mrs. SCHROEDER. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA).

The CHAIRMAN. The Clerk will report the amendment.

Mrs. SCHROEDER. Mr. Chairman, I ask unanimous consent that we make in order the consideration of the amendment printed in the RECORD of May 24, 1982, in lieu of the amendment printed in the RECORD of May 21, 1982.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Colorado?

Mr. CAMPBELL. Mr. Chairman, reserving the right to object, I do so to inquire as to the difference between the two amendments and to ask for an explanation.

Mrs. SCHROEDER. Mr. Chairman, if the gentleman will yield, basically, the difference is just a numerical difference. The May 21 numbers were not as accurate as the May 24 numbers. They are both to the Latta budget, and that is what the difference is.

Mr. CAMPBELL. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Colorado?

Mr. JOHNSTON. Mr. Chairman, I object. We were not allowed to do it and I do not believe the other side should.

The CHAIRMAN. Objection is heard.

The Clerk will report the May 21 amendment, which was reprinted on May 24, I understand.

The Clerk read as follows:

Amendment offered by Mrs. SCHROEDER to the amendment in the nature of a substitute offered by the gentleman from Wisconsin (Mr. ASPIN): Section 102(a)(2) is amended to read:

"(2) the level of total new budget authority is $782,250,000,000;"

Section 102(a)(3) is amended to read:

"(3) the level of total budget outlays is $743,200,000,000;"

Section 120(a)(4) is amended to read:

"(4) the amount of the deficit in the budget is $120,400,000,000;"

Section 102(b)(1) is amended to read:

"(1) National Defense (050):

"(A) New budget authority, $215,950,000,000;

"(B) Outlays, $190,100,000,000."

Section 201(2) is amended to read:

"(2) the level of total new budget authority is $812,060,000,000;"

Section 201(3) is amended to read:

"(3) the level of total budget outlays is $766,792,000,000;"

Section 201(4) is amended to read:

"(4) the amount of the deficit in the budget is $91,042,000,000, and"

Section 202(1) is amended to read:

"(1) National Defense (050):

"(A) New budget authority, $229,860,000,000;

"(B) Outlays, $204,092,000,000."

Section 204(2) is amended to read:

"(2) the level of total new budget authority is as follows.

"Fiscal year 1984: $857,356,000,000.

"Fiscal year 1985: $908,333,000,000."

Section 204(3) is amended to read:

"(3) the level of total budget outlays is as follows:

"Fiscal year 1984: $800,212,000,000.

"Fiscal year 1985: $838,841,000,000."

Section 204(4) is amended to read:

"(4) the amount of the deficit in the budget is:

"Fiscal year 1984: $49,212,000,000."

"the amount of surplus in the budget is:

"Fiscal year 1985: $4,159,000,000."

Section 205(1) is amended to read:

"(1) National Defense (050):

"Fiscal year 1984:

"(A) New budget authority, $245,031,000,000;

"(B) Outlays, $217,562,000,000.

"Fiscal year 1985:

"(A) New budget authority, $259,733,000,000;

"(B) Outlays, $230,616,000,000."

Mrs. SCHROEDER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

The CHAIRMAN. The Chair understands that the gentlewoman is offering this amendment to the Latta amendment?

Mrs. SCHROEDER. Mr. Chairman, that is correct.

The CHAIRMAN. The gentlewoman from Colorado (Mrs. SCHROEDER) is recognized for 5 minutes.

Mrs. SCHROEDER. Mr. Chairman, I am going to bring my charts back again because this is the amendment we were talking about earlier. I really would like to have the committee focus on them.

Mr. Chairman, the amendment I am offering today limits the growth of defense spending to a far greater extent than do any other amendments or substitute budgets. Adoption of my amendment will provide the United States with military and naval prowess second to none and with a state-of-the-art Army, Navy, Marine Corps, and Air Force. Adoption of my amendment will also result in a balanced Federal budget by 1985.

As a member of the Committee on Armed Services, I know that the President's budget request for defense for fiscal year 1983 is bloated. Even Secretary Weinberger came before our Committee to offer up cuts. There is funding for weapons systems which are not yet ready for procurement. There are inflated appropriations to take care of cost overruns in contacting. There are appropriations for weapons which will not be deployed. If this waste and abuse can be found and excised, billions of dollars can be saved to the taxpayer. My amendment proposes to do just that.

Unlike the other defense amendments being offered, my amendment fixes dollar amounts for each year. The dollar amounts were calculated after an intensive analysis of our defense needs and policies conducted by me and my staff. The results of this analysis are published in the alternative defense budget I released in late February, "Building a Strong America: A Progressive Defense Policy." Let me explain some of the principles underlying my defense budget.

I believe that the members of the Armed Forces and the civilian employers of the Department of Defense are the backbone of our defense effort. It is on the shoulders of these men and women that our military readiness rests. I, therefore, maintain high levels of pay and retirement benefits for these people. Further, I increase the authorized number of enlisted personnel and reduce the number of officers, so that a more appropriate officer-to-enlisted ratio can be created.

I believe that our naval strategy is not thought through. Why are we building huge ships, which are most easily destroyed? If we move from large aircraft carriers to smaller battleships as the centers of our naval battle groups, we can also reduce the number and type of sea-based aircraft. Therefore, my budget sharply reduces the shipbuilding element of the budget. Instead of building two *Nimitz* class carriers in 1983, we would build one. Instead of building two Trident submarines and two SSN-688 nuclear attack subs, we would build one of each. Systems like the Aegis become less necessary as we move away from carrier-based battle groups.

Our strategy of nuclear deterrence is now taking a major turn, one of which I do not approve. Instead of building strategic nuclear weapons to deter enemy strategic nuclear weapons, we have started to build offensive nuclear weapons, which are guaranteed to redouble enemy armament efforts. Among these are cruise missiles and tactical nuclear weapons. Further, this administration appears intent on shelving the provisions of SALT II and undoing SALT I, the antiballistic missile treaty. The basing modes being projected for the MX missile all seem to rest on ignoring these treaties. Doing so will wipe out the progress we have made in arms control up until this point. It will set back the peace process by years. Instead of a freeze, we will have a boil. My budget eliminates funding for basing and procurement of the MX, but allows research to continue.

My proposal would increase the purchases of spare parts and maintenance above the Reagan proposal. Too often, in our search for quick budget cuts, we have attacked the operations and maintenance accounts, because, in this area, cuts in authority translate into immediate cuts in outlays. My budget would take its deepest cuts in procurement, while assuring that we maintain the military machine we now have.

My proposal is based on the elimination of a number of wasteful Pentagon programs. Why, for example, do we pay for an independent telephone system for the military, when this system is more expensive than commercially available telephone service, less efficient, of lower technical quality, and not secure? Unless Autovon can be justified, it should be scrapped. Similarly, what on earth does the board for the promotion of rifle practice do to help defend our Nation?

My amendment assumes increasingly large contributions from our allies in NATO and elsewhere. For too long, we have given Germany, Japan, and other close allies what amounts to a nearly free ride in defense. We have committed ourselves to keeping open Middle East oil fields, when they are the ones who benefit the most. The United States can and has endured an embargo on Middle East oil; Germany and Japan cannot. These nations must be asked to pay for our mutual defense, and not just for our defense operations on their territory.

My amendment stops the production of binary chemical weapons. It slows down the enormous increase in the production of nuclear warheads being planned by this administration. It continues development of systems to protect us from our enemies. It does not, however, assume that we need equal numbers of nuclear and chemical weapons to deter the enemy. Strategic deterrence does not require numerical parity.

In sum, my amendment provides for an 18-percent increase in real spending for the procurement of weapons over 1982. It rejects, as unnecessary and wasteful, administration plans to increase procurement authority by 38 percent. The cuts I would make in personnel, retirement, and operations and maintenance are modest in comparison to the cuts I propose in procurement and research and development.

Mr. Chairman, I urge adoption of the amendment.

Mr. **JONES** of Oklahoma. Mr. Chairman, will the gentlewoman yield?

Mrs. **SCHROEDER.** I would be delighted to yield to the gentleman.

Mr. **JONES** of Oklahoma. There is some confusion as to whether the gentlewoman's amendment is to the Latta substitute or the Aspin substitute. Would the gentlewoman clarify that?

Mrs. **SCHROEDER.** It is to the Latta substitute.

PARLIAMENTARY INQUIRY

Mr. **WALKER.** Mr. Chairman, a parliamentary inquiry.

The **CHAIRMAN.** The gentleman will state it.

Mr. **WALKER.** Mr. Chairman, am I not correct that when the Clerk read it, he read that it was an amendment to the Aspin substitute?

The **CHAIRMAN.** That is correct, but the Chair ascertained the correct information in an inquiry to the gentlewoman from Colorado.

Mr. **WALKER.** I thank the Chair.

Mrs. **SCHROEDER.** Mr. Chairman, what my amendment does, it is all based on an alternative defense budget that I released in late February, called Building a Strong America, a Progressive Defense Policy.

What it does, it projects where we would be if you add 8 percent on top of the increase due to inflation. I think it is nicely pointed out there on the chart.

Now, what do I do to be able to get the budget down to that level?

I tackle all sorts of defense questions that I think we as a body have to tackle. One of the very important questions that I tackle is the whole issue of personnel. I leave in their pay increases. I think that is terribly important. I increase the number of enlisted people. I think that is important.

We reduce the officer to enlisted person ratio. That is also very important.

We also reduce an awful lot of the super-grade positions in the Pentagon. I remind people that when DOD was created, there were only 67 people over there. No one ever foresaw DOD's phenomenal growth and how expensive that bureaucracy alone is; but the most important cost savings that we make in the personnel area is the stopping of the frantic rotation that we do of our trips. One of the most expensive things that we do personnelwise is rotate personnel and churn them continually in the military. In fact, this year we saw that once again when we had to raise the liability limit to $25,000 per individual per move. It gains us no readiness. In fact, it probably gives us much less readiness, because no one ever works with the same group long enough to know their capabilities. It costs us a phenomenal amount of money and tremendous numbers of personnel are tied up in training, retraining, moving, checking people out, checking people in and so forth.

No one else runs their military this way. When you join a unit, you stay with that unit until you leave the Armed Forces, unless something extraordinary comes along. It is extraordinary in this country if you get to stay anywhere longer than 2 years; so we stop that and that saves all sorts of dollars.

My amendment also starts getting the allies to do more. We start with asking them to pick up $1 billion more this year. The amendment starts phasing in our allies picking up a much fairer share of their defense. I think we have to do that because our allies militarily are our competitors economically. We all know that we are engaged in a very difficult period where people are talking about trade wars. They are talking about all sorts of things. I think that we can compete and compete fairly if we are all contributing the same portion of our gross national product to defense. That is what we do in the 1980's to survive.

The free world is going to be much, much stronger, if everyone is doing their fair share.

In my amendment, on hardware, I do things that I think are terribly modest. I leave in one aircraft carrier. I take out one.

I take out the B-1.

I take out chemical and biological weapons, but we leave in the defensive weapons to defend against them in case our opponents would ever use them.

I add significant numbers of spare parts so that the things that we have are more usable.

I went through all the Congressional Budget Office and all the GAO reports on waste and fraud and I went through the budget line by line by line and tried to glean out all sorts of different areas where we could cut back there.

Now, we also dealt with strategic weapons. Instead of doing a massive increase, we hold it at last year's procurement level and say that we really want to move on to arms control. We do not stop production of nuclear weapons, we hold them at last year's level and proceed forward.

The **CHAIRMAN.** The time of the gentlewoman has expired.

(By unanimous consent, Mrs. SCHROEDER was allowed to proceed for 2 additional minutes.)

Mrs. **SCHROEDER.** Mr. Chairman, this amendment to the budget would balance every one of the other budgets. It would balance the Jones budget and it would balance the Aspin budget by fiscal year 1985. It will not balance the Latta budget, which is the budget I am offering it to, but it would certainly go a long way to putting it in balance.

Once again, I think it brings in that new piece that we have not talked about. It is not so much taxes. It is not so much spending. Defense is a very important piece of it, too.

I think we certainly should pay for our fair share of defense. I think this does it. It is an 8-percent growth level above inflation. The President last year seemed to feel that was adequate.

I hope Members really think we give this serious consideration.

I think it is so easy to get caught up in rhetoric, but we must decide what it is we want to defend in the 1980's. More is better; better is better, and sometimes less is leaner are great slogans that don't tell us much. Now is the time to do more than throw slogans at each other as we enter this decade of the 1980's. Planning for the future and new thinking is the only way to survive the 1980's.

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Mr. **DAN DANIEL.** Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Virginia.

Mr. DAN DANIEL. Mr. Chairman, I had hoped this year we would continue the initiatives we started last year.

Mr. Chairman, this was the year that we were going to start turning around the decline in the U.S. defense capability. This was the year when the first effects of last year's congressional action were supposed to be felt. This was the year when we were supposed to let the Soviets know, that the giant was waking up—and that they had finally gotten our attention.

Last year, we saw a major policy shift in Congress away from automatically increasing social programs and back toward selective increases to address defense shortfalls. In addition, it was the first year of annual authorization of the operations and maintenance accounts. It also was a year in which the Congress expressed its sentiments in favor of a comprehensive authorization of the remaining accounts—other procurement, and ammunition. In short, it was an activist, pro-defense, "get-involved" year for the Congress.

There was widespread consensus in our perception of the threat, the military requirements stemming from the threat, and a bipartisan willingness to cooperate in getting our defense house in order.

There were widespread, commonly shared perceptions in the Congress about the startling growth and relative imbalance of the Soviet buildup. There was almost unanimous recognition that U.S. efforts had not kept pace and were insufficient to meet the growing Soviet threat.

There was general agreement in the Congress that the American people desired that a strong signal be sent worldwide, particularly to the Soviets, that the United States was going to arrest its declining defense capability and effect a turnaround in our national priorities and capabilities. There was strong consensus in the Congress that we had to devote more of our gross national product, as well as a larger slice of the Federal budget, to defense.

A large majority perceived the threat; we knew that we had to deal with it; we knew that there were a number of measures that had to be taken.

Today—a new consensus appears to be growing, and mounting in the Congress, for all the wrong reasons. This growing consensus holds that unless and until the economy is turned around, we must slow the momentum or even reverse last year's action.

Instead of saying that the defense shortfall would receive primacy this year, the Congress is sending a myriad of signals that the budget is going to be judged first on its economic impact, and only then, on the basis of agency or program merit. It is this Member's judgment that the only sound way to deal with a military budget is to base it on the threat. The threat has not diminished since the consideration of our last budget, relatively speaking; it has escalated.

I believe the American people are willing to spend more to preserve the peace and I strongly recommend the adoption of the Huckaby amendment.

Mr. MITCHELL of New York. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from New York.

Mr. MITCHELL of New York. What effect would the gentlewoman's budget have on such programs as the MX, the B-1, the Trident submarine, and the two nuclear carriers?

Mrs. SCHROEDER. On the MX, we continue research and development funding but have decided there is no basing mode worth funding at the moment, so we do not procure the missiles nor do we fund basing of them. Research and development will continue.

On the Trident, we cut the program in half.

The B-1, we do away with that.

I think that is the extent of the gentleman's questions.

The CHAIRMAN. The time of the gentlewoman has expired.

(On request of Mr. MITCHELL of New York and by unanimous consent, Mrs. SCHROEDER was allowed to proceed for 3 additional minutes.)

Mr. MITCHELL of New York. The gentlewoman said do away with the B-1 and cut the Trident in half and put MX in a holding pattern. How about the two nuclear carriers?

Mrs. SCHROEDER. We have one nuclear carrier. We cut that program in half, too.

I guess I should not say I cut the Trident in half. The amendment allows us to build one. We build one carrier. We do not build two; the idea is to slow it down.

I have a very strong feeling that we are going to need to go to cheaper weapons that we can put out in more numbers. This could be a beginning to turn our procurement around. I discussed that in 30 pages. I do not want to take the time of the House to go through all that, but I have a feeling that our weapons systems are very similar to where our automobiles were in the 1960's when competing with foreign automobiles. We really have got to look at that, or we will wake up and find ourselves in real trouble. Gold plating is expensive and must cease.

Mr. MITCHELL of New York. What does the gentlewoman's budget do to O. & M. and R. & D.?

Mrs. SCHROEDER. It cuts R. & D. a bit; cuts O. & M. where there has been waste and fraud in the depot areas. It looks at the RDF. We would view the RDF as more of an allied function. The RDF protects the Persan Gulf, and the oil there should be equally a defense concern of Japan and the NATO allies. My amendment requires phasing in through the 1980's, our allies picking up more of the cost of such joint defense responsibilities.

Mr. MITCHELL of New York. I like the concept of minimizing the movement of personnel. I think we waste a lot of money in that area. How much does that save all together in the gentlewoman's budget, keeping people stationary rather than moving them about?

Mrs. SCHROEDER. It depends. We have not been able to get a total figure on how many people are utilized in DOD to do all the paper pushing for that. It is a phenomenal number. We have our own estimates that we have plugged in the amendment, and then, of course, as the gentleman knows, on the committee this year we had to increase the liability from $15,000 to $25,000 per person per move. That is a phenomenal amount of money when you multiply it times everyone moving. So it comes out to a very substantial sum. Further, these are just the basic moving charges.

Mr. MITCHELL of New York. Just one final question

What happens should we stop moving people and those people that have assignments in unpleasant places some remote place in Alaska or the South Pole? Do we keep them there for the full enlistment, or do we have provisions for moving them about?

Mrs. SCHROEDER. I am not sure the Congressman from Alaska would consider Alaska unpleasant. That may all be personal taste. If we look at every other country, they are dealing with the same problems. There are some areas that people like to serve in better than others. But a lot of that is figured out when people come into the service. A lot of people want to stay in Alaska because they like to stay there. Moving can be cut way back if the initial assignments are made with more consideration.

Mr. MITCHELL of New York. How about someone who perceives he has an unpleasant place to reside for 4 years?

Mrs. SCHROEDER. I am sure a case can always be made. There will always be slots that open up according to attrition that could be bid into, and that is how they do it in other countries, as I know the gentleman is aware. That is how it is done. But not everyone is unhappy. More are unhappy being transferred all the time.

The CHAIRMAN. The time of the gentlewoman has again expired.

(On request of Mr. LATTA and by unanimous consent, Mrs. SCHROEDER was allowed to proceed for 1 additional minute.)

Mr. LATTA. Will the gentlewoman yield?

Mrs. SCHROEDER. I would be delighted to yield to the gentleman from Ohio.

Mr. LATTA. In order that we get the figures down accurately—and the gentlewoman has been very candid in saying that her proposal would cut deeper into defense than any of the other proposals we have before us—am I accurate when I say that in the case of the bipartisan recovery budget, we would be reducing budget authority $41 billion over 3 years, and in the case of the gentlewoman, she would be reducing budget authority in 3 years to $161 billion? Is that accurate?

Mrs. SCHROEDER. Over a 3-year period.

Mr. LATTA. Correct. And in outlays, we would be reducing $23 billion, and the gentlewoman would be reducing $105 billion over a 3-year period?

Mrs. SCHROEDER. I think I point that out in the chart. I think it makes much more sense than reading numbers, because the numbers game makes all our heads swim at this point. The numbers show we are 8 percent above, taking the fiscal year 1981 Defense budget after adding inflation to it.

Mr. DORNAN of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. DORNAN of California. My colleagues, in this House Chamber, less than a month ago on May 5, we had a top secret classified briefing. That was only the third time in a century and a half that the doors of this Chamber were closed and guarded by Capitol Hill Police and the Sergeant at Arms so that classified information could be presented to the Members. All three of those secret sessions in a century and a half have taken place in the last 4 years.

The first secret briefing was on the Panama Canal treaty, when our distinguished majority leader delivered one of his more eloquent speeches. Unfortunately, the general public was not aware of it, because, of course, the cameras were not turned on.

The second classified briefing was to discuss Nicaragua and its export of terrorism. That fascinating briefing did not have much effect upon the membership, but when the general public was allowed to view some of that classified briefing on the Soviet-designed, Cuban-built terrorist training camps in Nicaragua, the results were swift and supportive of U.S. policy. When John T. Hughes of the Defense Intelligence Agency went before the cameras and press of the free world and ended up on the front page of every newspaper in this country, pointing to the strategic reconnaissance photography of Nicaraguan guerrilla training camps, it had a telling effect. Those of you who are historians on the Cuban missile crisis may recall that John T. Hughes of the Defense Intelligence Agency has been giving these classified briefings for over two decades. This was the very same gentleman who briefed President John F. Kennedy on the Cuban missile crisis photographs of Soviet IRBM's 90 miles off Florida that were taken by USAF U-2 recon aircraft. Of course, we added 18 years ago the Mach 3 SR-71 "Blackbird", which I flew last February 8. And, of course, the KH-11 "Big Bird" satellite which gets stunning results.

Now, giving the gentleman from Colorado the benefit of the doubt, because she is on the Armed Services Committee that she has had the John T. Hughes briefing, I am shocked that she would come before this House and suggest cutting almost $200 billion of budget authority and almost $100 billion of outlay from our defense budget over the next 3 years. Anyone who has attentively absorbed that 3-hour DIA briefing can not possibly make a case for severe defense cuts unless they are an out-and-out pacifist. I wrote to the President of the United States on April 3, after I had twice this year attended John T. Hughes' DIA-Central Intelligence Agency briefing. I listened to the briefing for the second time on March 24, but first, this year on February 24, I received the briefing as a guest in the Armed Services Committee Hearing Room for the sixth year in a row. I was shocked this year to see that there were less than 15 committee members attending their yearly briefing on what is formally titled "Soviet Trends and Military Capabilities." I do not recall if the eloquent Mr. Dellums was there this year, but if he was there, I know he would never ever be tempted to leak what he heard to the press never. Nor would any of the hard liberals, Mr. Aspin or any of his followers, ever want to leak this information of the incredible growth of Soviet power because it utterly guts their case for massive defense cuts.

Since I am constrained by the "secret" classification on the Hughes briefing, I am only going to discuss items written about Aviation Week and Space Technology magazine.

By the way, as peculiar as this may sound, all Soviet KGB agents who come to this country, and that is just about everybody in the U.S.S.R. mission up in the United Nations in New York City, are told that they will be relieved of duty and their dacha on the Black Sea taken away, if they send home any information that is already published in Aviation Week. About 95 percent of what the Soviets need on us in hard intelligence is published. Ninety-five percent of what any intelligence agent would want from any foreign power is available on us by a subscription to Aviation Week and Space Technology. That is freedom of the press and we would not have it any other way. But we do not have any such luxury with our intelligence services. We have to dig out 100 percent of what we must know to survive from the most closed society on the planet.

A few weeks ago, Aviation Week reported that the classified John T. Hughes briefing points out that the Soviet Union has added 12 mechanized rifle divisions in 1 year—12. From 173 divisions to 185 divisions. It says in Aviation Week the U.S.S.R. is now producing nine classes of submarines, including a FoxTrot class, just for foreign export. Think of that, Soviet subs for export, when we look at the bloodletting of Christian against Christian in the Falkland-Malvinas Islands mess, where subs are surely stalking the Queen Elizabeth II.

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It goes on to say in Aviation Week that there is a new Soviet bomber, the RAM-P bigger than their Tupelov "Backfire," bigger than our B-1, and it is already flying. Flying right now. In Aviation Week last December there was a picture of the RAM-P bomber sitting on the ramp next to the two Tupelov-144 supersonic transports at the major Soviet test facility.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. Dornan of California was allowed to proceed for 3 additional minutes.)

Mr. DORNAN of California. The other body under the guidance of the distinquished senior Senator from Arizona (Mr. Goldwater), has a shortened version of the DIA briefing, but some Members of the other body said that, unless they could have the comparison charts of what we were doing in defense next to the charts of what those naughty Russians are doing, they could not properly absorb the briefing.

Any Member of this House who has not availed himself of the excellent military top-secret briefing on what we have, what we are doing, or on how we garner our intelligence, is not worthy of participating in any House debate on defense. How can he if he does not have some comparative data base in his head already?

The CHAIRMAN. The gentleman will suspend for 1 second for the Chair to make a comment.

It is against the rules of the House to speak about the Senate or its activities.

Mr. DORNAN of California. I will refer only to the other body in passing.

In the other body, it is a sad commentary when Members complain that they are unable to digest, to absorb, or to assimilate a briefing—Mr. DELLUMS teaches us to speak in triplicate—to absorb, to assimilate, to understand a briefing unless they have comparative charts in front of them. So I repeat, no Member of Congress should sit in this body, even in his freshman year, without getting those excellent briefings from the Defense Department and all four branches of our military services. It is common knowledge that they put on the most easily understood briefings on the Hill.

Let us just look again at the John T. Hughes briefing. There were 173 Soviet divisions just a year ago. Suddenly, in 1 year, according to Aviation Week report on Hughes they had added 12 mechanized rifle divisions, two more classes of submarines under production up to nine classes, including one that goes three times deeper than our best. They are now getting into a better mode of "silent running," which was our major advantage over theirs for decades.

The RAM-P aircraft plus 30 "Backfire" bombers per year, some of you will recall February 22, 1978, when I had a massive model of the Backfire and the B-1 sitting next to one another on this oval table in the well so that Members could make a comparison and realize that the Soviets were producing their B-1 at a rate of 30 a year. Well, every other Backfire goes to the strategic bomb wings of the Soviet Navy. The Navy does not have any more Navy long-range bombers, per se, only fighter bombers—attack planes—left in our Navy. Imagine what a Backfire with supersonic SRAM missiles could do in the Falklands today, given the Argentine success with old U.S.-built A-4 "Skyhawks."

Here is another shocking revelation by Aviation Week. The Soviet Union has hit the tank production rate that we said they would hit in 1990—they hit it last year, in 1981. Imagine that, they are producing tanks at the rate we thought they would in 1990. And we sit here and discuss gutting almost $200 billion in defense budget authority, over the next 3 years.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. DORNAN of California was allowed to proceed for 1 additional minute.)

Mr. DORNAN of California. What a foolish message to give not only to the Soviet Union. What a foolish message to give to the remaining nations of the free world, when we should be projecting resolve.

The sixth report is out this week on the use of poison gases by the Soviets and their proxies; seven types, including nerve agents, micotoxins, two gases used on my father in World War I, phosgene and mustard gas. They are being used at this moment in Afghanistan and Ethiopia, and by Vietnamese proxies in Cambodia and Laos. The hard evidence is now available.

This sixth report on poison is available to all the Members. We are talking war crimes here and the world turns its back. The U.N. could not care less. The U.N. Secretariat given responsibility to investigate this is run by a Soviet KGB general named Ustinov. And when the senior Ustinov—Dimitri, no relative—Minister of Defense retires this year he is probably going to be replaced by Marshall Nickolai Ogarkov, Chairman of their Joint Chiefs of Staff—the Soviet General Staff—who writes about the value of a first nuclear strike. Or, if he is not the new Soviet Secretary of Defense, maybe it will be General Alexei Epishev.

The CHAIRMAN. The time of the gentleman from California has again expired.

(By unanimous consent, Mr. DORNAN of California was allowed to proceed for 1 additional minute.)

Mr. DORNAN of California. General Epishev is the political administrator of the Soviet Army. Commander of all of those little political commissars assigned to every platoon of the Soviet Army and every Soviet ship. Another hardliner. The third choice to get Dmitri Ustinov's job as Minister of Defense—might to go the man who is pulling the strings as the noose closes around Poland, Marshall Victor Kulikov, the commander of all the Warsaw Pact forces. The Soviet forces are hardening and growing not freezing.

Members saw that yesterday Marshall Yuri Adnropov, head of the KGB, has now been put on the Secretariat. He is also on the Politburo, one of only three such men who hold double jobs, and if that does not sound like Beria joining Molenkov, I do not know what does.

We are in the most dangerous decade in the history of the United States of America. I respect the gentleman from Louisiana, Mr. HUCKABY's attempt to improve the Jones budget but a puny effort to add a couple of billion dollars will not cut it. The answer is Latta, with its acceptable cuts. But if the President of the United States would accept my counsel in this April 3 letter which I shall put in the RECORD at this point we would not be cutting even the Latta amounts. I have asked the President to open the John T. Hughes briefing to all of our constituents, to every member of the press who is interested so that many of the Members in this House who have not had the briefings, are not interested in getting the briefings, refuse to get the briefing, would not know what the heck to do with the information if they got it, will be motivated to vote for a strong defense by an informed public.

If the public and the members of the fourth estate up there have those briefings, you will have no discussions on massive meat-axe cuts of our defense budget.

Mr. Chairman, my letter to the President of the United States follows:

HOUSE OF REPRESENTATIVES,
April 3, 1982.

President RONALD W. REAGAN,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I attended the yearly Defense Intelligence Agency briefing, "Soviet Military trends and Capabilities," on February 24. This was the sixth consecutive year as a Congressman that I received the superb Soviet threat briefing by Mr. John T. Hughes. This year, after three hours of viewing evidence and listening to the stunning intelligence analysis of the malignant growth of Soviet offensive power, I walked away in a state of shock. The growth over just this past year far outstrips the increase that I've been briefed on over the preceding five years.

I'm sorry to say, Mr. President, that there were only 15 members of the Armed Services Committee present. I was the only, repeat only, visiting member of any other House of Representatives committee.

During the month following that briefing, I encouraged other House members to go over to the Pentagon and receive the Hughes briefing on their own but had no success. Then the Republican Study Committee came to the rescue and sponsored a repeat briefing in the Cannon House Office Building on March 24. I went back for the full three-hour Hughes briefing. There was significantly better attendance this time as 55 members of the House sat in stunned silence. Mr. Hughes had agreed with me at the February briefing that the only word to describe the increase in Soviet military capability over last year was "awesome."

I understand, Mr. President, that you have also received this same briefing. That is why your defense budget is so reasonable and necessary to you and to me. But what about the intelligent but uninformed American citizen who has to pay the bill?

Following the briefing I polled my colleagues about a course of action to support you. Everyone I spoke with—Bob Livingston, Dan Lungren, Ray McGrath, Bob Lagomarsino, Toby Roth, et. al.—to a man, agreed that these Soviet threat facts, classified or not, must be given to the American people. Mr. President, that opinion was probably unanimous with all 55 Members of Congress in attendance.

We discussed that there might be a few specific points of intelligence that could not be released because of compromising sources. However, we were in accord that certainly 90-95 percent could be made public information.

Since we are not talking about U.S. military capability or methods of collecting intelligence, but about Soviet capability, and since the Soviet leaders obviously know the extent of their own buildup, why should only a few privileged Americans be fully informed of the present danger? At my urging, the ranking member of the House Armed Services Committee, the Honorable William Dickinson, one of your great supporters, has promised to circulate a "Dear Colleague" letter with the signatures of all those present at the March briefing, asking that the American people be made aware of the gravity of the Russian threat by showing them hard evidence.

If you so order the release of the Hughes briefing, I believe that prior to general public release, in order to insure proper dissemination of the information and to prevent any initial skepticism by the news media, you have to privately prepare the media with the extensive body of knowledge that they will be asked to transmit to the American people.

Therefore, there should be a briefing at the White House as soon as possible for the Chief Executive Officers of the nation's "prestige media" (an excellent phrase by Ambassador Jeane Kirkpatrick).

Mr. President, during previous periods in our history, such as World War II, we granted secret clearances to members of the written press and radio. The beloved combat correspondent, Ernie Pyle, knew about every top secret operation in every war theater which he covered. He had to know. He hit the beaches with our young men.

Isn't it time we trust the powerful leaders of mass media? We have no other choice. I feel, Mr. President, that you must seek counsel and professional opinion of our "prestige media" leaders as to how to get this story of Soviet offensive power out to the American people so that your defense budget, which I support 100 percent, is perceived as a reasonable response to Soviet expansion.

In order to counter Soviet propaganda and disinformation, we must conduct White House top secret briefings for the C.E.O.s of the three major networks plus PBS; our three largest newspapers (the Los Angeles Times, the New York Times, and the Washington Post) plus the Wall Street Journal; and, Time, Newsweek, and U.S. News and World Report. Each Chief Executive Officer should be invited to bring with him, to the White House, his News President or Senior Editor or another top corporate officer of his choice.

Imagine the following twenty-two media stalwarts sitting in the East Ballroom of the White House listening attentively to the Hughes Soviet threat briefing: Leonard Goldenson and Roone Arledge, Thomas Wyman and Van Gordon Sauter, Grant Tinker and Reuven Frank, Lawrence Grossman and Dan Agan, Arthur Sulzberger and Abe Rosenthal, Donald Graham and Ben Bradlee, Thomas Johnson and William Thomas, Warren Phillips and Edward Cony, Richard Munro and Henry Grunwald, Mark Edmiston and Charles Kennedy and, James McIlhenny and Marvin Stone.

I believe that "going public" with the substantial body of evidence contained within the Hughes briefing will in no way compromise our national security. My colleagues agree. The Soviets already "substantially know" (a Hughes analysis) how we get this information, so, I repeat, we are not divulging collection methods. As you know, the KH-11 "Big Bird" satellite handbook was sold by U.S. traitor William Kampiles to Soviet spies for a few thousand dollars.

I am firmly convinced that disclosure will *significantly* increase public support for your defense budget. Given the growing hostile mood of both Houses of Congress toward defense spending, your declassification of this information will provide a dramatic way in which to refocus public attention on the diminished state of our comparable defense capabilities.

Mr. President, our defense budget is in danger of being meat-axed by Congressmen and Senators who have not had this briefing, refuse to get this briefing, don't care about getting this briefing, or have had the briefing but are so terrified of losing their jobs in Congress that they are unwilling or unable to try and convince an uninformed and skeptical public that your defense positions are worthy of complete support.

The Soviets and their puppet satellites are hoping that we will continue to keep what "they" are doing top secret.

Time is running out.

Mr. President, I am at your service. With God's help, the American people put you, the right man, in the right job at precisely the right moment.

President Thomas Jefferson, one of our mutual heroes, said many times, "Give the American people the facts and they'll make the right decision."

Let's give our fellow citizens the right stuff upon which to base their decisions.

Respectfully,

ROBERT K. DORNAN,
Member of Congress.

Mr. **HUNTER**. Mr. Chairman, will the gentleman yield?

Mr. **DORNAN** of California. I yield to the distinguished gentleman from San Diego.

Mr. **HUNTER**. Mr. Chairman, I commend the gentleman for his words, and I think to understand how the gentlewoman's amendment would gut our defense programs it is important to understand in fact what the potential major programmatic changes that would have to occur under the Jones proposal are.

We would, first have to retire the remaining B-52D squadrons;

Second, deactivate all National Guard F-106 squadrons, roughly half of our Conus air attack or air defense interceptors;

Third, terminate the KC-135 tanker force;

Fourth, deactivate at least one, possible two, Army divisions; and

Fifth, reduce or terminate many of our shipbuilding programs which are absolutely essential to preserving the lifeline of energy that we are now taking from the Middle East.

I think that the major point that should be made here is that the Latta proposal is the bare minimum, the absolutely bare minimum with which we can provide for the national defense buildup that is absolutely necessary for the 1980's and 1990's. I commend the gentleman for his statement.

Mr. **DORNAN** of California. Thank you. Excellent points. I would just like to advise the Members of this House, because I have visited the Soviet Union five times, what a fine people the Russians are—the working citizens. Meet with them face to face in restaurants, on the subways, they asked you to go to their homes. Go and you will see the absolute poverty in which they live.

The Soviet Union is putting massive sums into their space program, but only space projects with military application, or into this incredible military machine that is totally out of control, like a juggernaut rumbling down a hill. No matter how many Solzhenitzens or Sakharovs or Antatoly Shcharanskys arise like great phoenixes out of this repressed people, the juggernaut will not stop. Only counterforce will prevent it from being used. We could balance the budget instantly if we did not have to, yes, deter, intimidate, and gain respect from 14 gerontocrats in the Politburo. This is no cheap or easy task.

If we stopped Americans from cheating on their income tax, we would save $100 billion. If we solved the narcotics problem, there would be a savings of $30 billion spent on controlling increased crime. Not easy.

There are no easy fixes, and viciously cutting the defense budget is the worst budget fix of all, in order to continue with all of these well-meaning social programs that are overfunded and/or failing. Reject this amendment.

Mr. Chairman, I yield back the remaining 10 seconds of my time.

□ 1540

Mr. **WEAVER**. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have no classified information. I pay a great deal of attention to military matters because it is the issue of the utmost gravity. It is essential that we continue to be as prepared as possible in this country for any eventuality.

I believe we are the strongest Nation on Earth today, but I believe we are destroying our military preparedness. I fear for the security of this Nation. I believe that through the squandering of the money that is being spent on the military today, by the building of machines and weapons that are so expensive that they cannot be used and will not function properly, we are in danger of becoming a vulnerable power. We must not continue to squander our resources in this way on these weapons systems.

I have spoken in this House many times on the comparison between our military today and the knight in the Middle Ages whose armor grew so heavy as they filled chinks and put slabs here and there that the knight could no longer fight. That is what I fear is happening to this Nation.

I think the Schroeder amendment, which would give us a lean and taut military, would cut out the squandering of money on these weapons systems that are sheer madness and would give us once again the foundation on which to build the strongest possible military.

I just wanted to say this because I believe it so deeply. It is not just that my district is being devastated by a depression caused by these great deficits and the Schroeder amendment would go a great distance toward eliminating them, but also I see our policy of craziness in which we turn around, after spending these billions and hundreds of billions of dollars on the military, and subsidize the Soviet Union with our grain.

Food is the most important single commodity. It is the most important single commodity in our lives, and we are giving the Soviet Union that commodity at dollars per bushel less than it costs our farmers to produce. Our farmers are going bankrupt while we subsidize the Soviet Union with our grain sales and at the same time turn around in this body and vote more hundreds of billions of dollars for building weapons that are absolute madness.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. WEAVER. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, I want to thank the gentleman from Oregon (Mr. WEAVER) for his statement because it was a little difficult to come down into this well after the last statement.

I want to say that one of the great sadnesses I have had as I have talked to people around the world is their image of America now. They have no idea what we stand for except to build, build, and build more military weapons to use against the Russians right after we feed them. That seems to them to be a rather bankrupt policy.

I appreciate the gentleman's sensitivity to what I am trying to do, and I appreciate his calm, intellectual way of approaching the issue.

Mr. WOLPE. Mr. Chairman, will the gentleman yield?

Mr. WEAVER. I yield to the gentleman from Michigan.

Mr. WOLPE. Mr. Chairman, I want to draw particular attention to that element of the defense budget that has been offered by the gentlewoman from Colorado (Mrs. SCHROEDER). Her budget focuses upon the elimination not of items critical to essential readiness—in fact, there are actually budgetary increases over the Reagan budget for such categories as spare parts and for a larger number of enlisted personnel—but upon the elimination of the enormous Pentagon waste that diminishes rather than enhances our national security.

To put this amendment into perspective, I think it is noteworthy that in the last quarter of 1980, in one 3-month period, the cost overruns for 47 weapons systems over in the Pentagon increased by over $47 billion. That is in just one 3-month period. That is a sum that is larger than the total of all the cuts that have been made in the domestic program budget of this country in the last fiscal year.

To suggest that by eliminating $13.5 billion in proposed 1983 defense outlays is to devastate the defense capability of this Nation is an outrageous claim. The reality is that we cannot develop a more secure defense posture simply by throwing money indiscriminately at the Pentagon. The administration plans to spend $1.6 trillion on defense over the next 5 years. If we were to spend this sum at the rate of $1 million a day, 365 days a year, it would take us over 4,000 years to exhaust our war chest. And we plan to spend this amount in 5 years. That works out to $830 million a day, every day, for the next 5 years, on the defense budget alone. And a few weeks ago there was a disclosure that the Pentagon may have underestimated the actual cost of the intended defense build-up by as much as $750 billion.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. WEAVER) has expired.

(On request of Mr. WOLPE, and by unanimous consent, Mr. WEAVER was allowed to proceed for 1 additional minute.)

Mr. WOLPE. Mr. Chairman, if the gentleman will yield further, it is about time that we begin to apply the same standard with respect to defense expenditures as we do to every other kind of expenditure that is in this Federal budget.

If we were to suggest that we ought to approach the education budget or the social services budget of this Nation on the basis of some arbitrary percentage increase, we would appropriately be laughed out of the Congress, but somehow when it comes to the defense budget, we do not apply the same standard of critical analysis. As a consequence, defense expenditures often are more a reflection of political pressures from powerful defense contractors than they are the product of a careful review of how our defense dollars can be most effectively and most efficiently spent. That is the objective of the Schroeder amendment, and the gentlewoman from Colorado is to be commended on this important initiative.

So, Mr. Chairman, I associate myself with the remarks of the gentleman from Oregon (Mr. WEAVER), and I want to congratulate the gentlewoman from Colorado (Mrs. SCHROEDER) for focusing the attention of Congress and of this Nation on the kinds of questions we ought to be asking when we come to grips with developing a defense posture for this Nation.

Mr. WEAVER. Mr. Chairman, I want to conclude by saying that if we take out the social security fund, which has its own tax base, from the Federal budget, as it should be, the military budget today is 40 percent of the Federal budget, and in terms of percentage of its actual goods and services budget, it is greater than that.

Mr. MITCHELL of New York. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to the amendment offered by the gentlewoman from Colorado (Mrs. SCHROEDER) because it puts the MX in limbo, it shoots down the B-1 bomber, it cuts in half the Trident submarine program, it cuts in half the nuclear carrier program, and it devastates all our modern weapons.

The only relevent determinant of what we should spend for defense is in comparison to what our potential adversary is spending. How strong is he compared to us? It should have nothing to do with social spending or anything else.

I do not believe that all the Soviets are 10 feet tall—except for defense. They are not doing anything very well—except for defense spending. Their agricultural economy is in a shambles, their consumer goods are lacking, and their average income is far below our poverty level. But the Soviet Union has built the God-awfulest war machine any nation has ever seen in the history of the world. They have been spending approximately $40 billion more than we have a year for the last 10 years, and it shows.

I think every Member in this Chamber would point out that his No. 1 priority, if he could accomplish anything at all, would be peace in the world. Common wisdom teaches us that to prevent war we must be as strong as our potential adversary.

When people say that it costs a huge amount of money for our Nation's defense, they are right; it does cost a lot of money. When they point out there is waste in the defense budget, they are right; there is. The only situation that is far more expensive and far more wasteful in people and property and in dollars is the war situation.

So we have got to spend enough money to prevent that. Those who want to cut defense spending and to spend more for social needs, as the gentleman just pointed out, I would say to them that we have already cut defense over the last several years, and most all of the money has gone for social programs. In 1955 the defense budget was approximately 55 percent of our total budget; in 1965 it dropped to 45 percent; in 1975, down to 25 percent; in 1978, down to 22 percent; and in 1981 and 1982 it jumped up to around 25 or 26 percent.

The Latta budget would put us up around 30 percent. That is nowhere near what we used to spend, compared to other needs, but at least it is a great improvement over what we have been doing for the last 10 years.

☐ 1550

Most all of the dollars that were not spent for defense over these years, and I am speaking of 1955 to 1982, were spent on social programs. It was not enough, granted. We do not have enough money to spend all we should to do all we should for people who are needy but we are doing vastly more than we used to.

I would point out to the people who talk about spending money for social needs that probably the first responsibility of a government to its people is to keep them alive and free.

To bring some meaning to the defense debate, I attempted to quantify the strength of the United States with the strength of the Soviet Union in such key areas as ships, planes, tanks, R. & D., and O. & M.

Just how equal are we with the Soviet Union. According to the numbers, and we can go into any quantification, we have to admit that we have qualitative differences in weapons. Our weapons are superior, for the most part, to the Soviets.

We have more loyal allies than the Soviets have. Our technology is superior. And we are a far more wealthy nation.

But when it comes to actual numbers we suffer greatly. I would like to point out for my colleagues these various categories of comparison. These are not the latest year. These are the latest years we could get.

I would just read to my colleagues these figures.

Military investment, including R.D.T. & E., and military construction, the Soviet Union spends 1.85 to our 1 percent.

ICBM's, 1.3 to 1 percent.

SLBM, 1.5 to 1.

ICBM-MIRV'ed warheads, 2 to 1.

Throw weight, almost 3 to 1.

Megatonnage, 1.4 to 1.

Tanks, almost 5 to 1.

ICBM reentry vehicles, 2 to 1.

The **CHAIRMAN** pro tempore (Mr. Studds). The time of the gentleman from New York has expired.

(By unanimous consent Mr. Mitchell of New York was allowed to proceed for 2 additional minutes.)

Mr. **MITCHELL** of New York. Personnel carriers, 4 to 1.

Artillery, 5 to 1.

Bombers, and this is one of the two categories we are ahead in, 1 to 1.8. But our bombers are more than 25 years old.

Mr. **LATTA**. Will the gentleman yield on that point?

Mr. **MITCHELL** of New York. I yield to the gentleman from Ohio.

Mr. **LATTA**. I am glad the gentleman pointed that out because your list does not indicate that tremendous difference. Those old B-52's are not the Backfire bomber. I think it is important to point that out.

Mr. **MITCHELL** of New York. I thank the gentleman for his contribution.

Planes other than strategic, almost 2 to 1.

Attack submarines, 4 to 1.

Major combatant ships, 1.4 to 1.

We are slightly ahead in helicopters, 1 to 1.1.

Strategic spending, 3 to 1.

In research, development, evaluation, the funds that will give us new programs in the future, they outspend us 2 to 1.

In civil defense it is even worse. When it comes to civil defense expenditures, 20 to 1 for the Soviet Union. People involved in civil defense, 20 to 1 there.

When it comes to casualties, 10 to 1 in their favor; 150 million American lives lost to 15 million Soviets, providing they have the time to put their civil defense system into operation.

Mr. **HUNTER**. Mr. Chairman, will the gentleman yield?

Mr. **MITCHELL** of New York. I yield to the gentleman from California.

Mr. **HUNTER**. I want to interject at this point the fact that John Kennedy in 1962 spent approximately 47 percent of the Federal budget on defense and we are proposing to spend about 28 percent with the Latta proposal now. The gentlelady from Ohio earlier implied that social security was not computed in the Federal budget at that time, and that had social security been included in the budget, the defense percentage would have been much lower.

In fact, the analysts who calculated that John Kennedy spent 47 percent of the budget on defense, included social security for purposes of that calculation.

So I appreciate the gentleman yielding

One last thing I would like to add is that we are not just worried about the current state of affairs, but the momentum that the Soviet military machine has.

They are presently outproducing us.

The **CHAIRMAN** pro tempore. The time of the gentleman from New York (Mr. Mitchell) has again expired.

(By unanimous consent Mr. Mitchell of New York was allowed to proceed for 2 additional minutes.)

Mr. **MITCHELL** of New York. I yield to the gentleman.

Mr **HUNTER**. They are outproducing us 18 to 1 in surface-to-air missiles, approximately 11 to 1 in armor, about 3 to 1 in helicopters, and 2 to 1 in surface ships and tactical aircraft.

I thank the gentleman.

Mr. **MITCHELL** of New York. I thank the gentleman for his contribution and for that clarification.

The tradgedy in this whole situation is that we used to be ahead in almost all categories. The trend, until the Reagan budget, was very alarming.

So I am going to vote against the Schroeder amendment and all other weakening amendments and I would urge my colleagues to do so.

I am going to vote for the Latta budget to help restore the balance.

This will not close the gap in the superiority of the Soviets but it will keep us in the game and be a big step in the right direction.

(At the request of Mr. Dellums and by unanimous consent Mr. Mitchell of New York was allowed to proceed for 1 additional minute.)

Mr. **DELLUMS**. Mr Chairman, will the gentleman yield?

Mr. **MITCHELL** of New York. I yield to the gentleman from California.

Mr. **DELLUMS**. I would like to ask the gentleman a question. I listened carefully to the presentation. It seems to me one of the important statements the gentleman is attempting to make to this body is that between the years 1955 and the present that the percentage that the military budget is of the total budget has gone down and the gentleman argues that the Latta substitute brings it back up to 30 percent.

The gentleman indicated that in the fifties the military budget was roughly 55 percent of the total budget.

Mr. **MITCHELL** of New York. About 55 percent, right.

Mr. **DELLUMS**. I wonder, is the gentleman aware of the fact that in 1955 there was no such thing as a unified budget?

As a matter of fact, in 1955 the budget was presented to the Congress of the United States in two parts, the general fund budget and the trust fund revenues.

At that time the military budget was, indeed, half or a little more than half of the general fund budget.

But during the prosecution of the Vietnam war then President Lyndon Johnson, in my estimation, attempting to hide the incredible escalation in the expenditures for the purposes of prosecuting the Vietnam war, combined the two budgets and then presented them beginning in the sixties to the American people as a unified budget, which took it down to 24, 25 percent of this unified budget. But if you right now break these two budgets out into the same form that we had prior to the unified budget I would suggest to the gentleman that the military budget is indeed still 55 percent or more of the total budget and that in some way we are distorting the figures and we confuse people when we try to mix the separated budgets in the fifties and the early sixties with the unified budget that we are presently dealing with now.

Mr. **MITCHELL** of New York. I would point out to my friend from California that I have had these figures checked on two separate occasions. They are reasonably accurate and it is very close to 55 percent in 1955, taking into account the difference in budget preparation.

The **CHAIRMAN** pro tempore. The time of the gentleman from New York (Mr. Mitchell) has again expired.

(By unanimous consent Mr. Mitchell of New York was allowed to proceed for 2 additional minutes.)

Mr. MITCHELL of New York. Almost all of the money that we have saved from spending for defense has gone into social programs.

Mr. HUNTER. Will the gentleman yield?

Mr. MITCHELL of New York. I yield to my friend from California.

Mr. HUNTER. I would like to clarify that point. In fact, those were off-budget items in 1962 when John Kennedy spent 47 percent of the budget on defense, but those calculations are based on a unified budget, and the result can be shown in the OMB historical tables.

They are in fact equivalent or based on a unified budget. So J. F. K. did spend 47 percent of the Federal budget on defense, taking into consideration social security and all other programs which are today on budget.

I would ask if the gentleman would yield to the chairman of the Budget Committee to clarify that point.

Mr. DELLUMS. Would the gentleman again yield briefly to me?

Mr. MITCHELL of New York. I yield to the gentleman.

Mr. DELLUMS. How does the gentleman respond to the fact that in 1955 we were not dealing with the same level of social security payments, so it really distorts the figures?

The point I tried to make is I think the gentleman is trying to make an honest point and I am not trying to question his motives, but what I am questioning is the accuracy of the presentation the gentleman is making. That is that over the years in some way our military budget has significantly been reduced.

In the few moments that I might have maybe later in this debate I want to try to make it perfectly clear that I have been here for 12 years and I cannot see where we significantly have reduced the military budget. I am going to try to make that point as dramatically as I possibly can.

Mr. MITCHELL of New York. I think all of this has been taken into consideration in these numbers.

I would ask my friend from California if these numbers are accurate would he support the Latta budget that is about 20 percent lower than what we used to spend for defense in 1955?

Mr. DELLUMS. Not at all, because I indicated earlier this week in the presentation before this body that all we have been reduced here to is hucksters and auctioneers juggling numbers. If we engaged in a significant and serious policy discussion—I have not heard one person here say is our military posture appropriate, is our foreign policy appropriate to meet the realities of 1982.

All we are doing is saying the numbers are too high, the numbers are too low, the numbers are this or the numbers are that, but we are not talking about significant policy.

On the policy basis I would challenge the assertion the gentleman makes and support the gentlewoman from Colorado.

Mr. JONES of Oklahoma. Mr. Chairman, we have only 60 more amendments to go. It is 4 o'clock. I move that all time on the Schroeder amendment be concluded in 10 minutes.

The CHAIRMAN. The question is on the motion offered by the gentleman from Oklahoma (Mr. Jones).

The motion was agreed to.

□ 1600

The CHAIRMAN pro tempore (Mr. Studds). Members standing at the time the motion was agreed to will be recognized for approximately 2½ minutes each.

The Chair recognizes the gentleman from Michigan (Mr. Conyers).

(By unanimous consent, Mr. Latta yielded his time to Mr. Conyers.)

Mr. CONYERS. Mr. Chairman and colleagues, I can think of no act more contrary to the responsibilities that are placed upon us than for the chairman of the Budget Committee, on a trillion dollar subject matter, to move that we limit debate, after we spent 3½ hours determining whether an 18-cent sticker ought to go on used cars. That, to me, sir, points out the responsibility to which some of us attach to developing a sane national security budget for 1982. I deeply resent that, not because I was standing on the floor, but because you demean the process on a trillion dollar bill—on a trillion dollar bill—to come here this afternoon and suggest that because there are 60 amendments pending we ought to expedite the debate and preclude the Members from having a full discussion. I deeply take issue with that.

Now, if I might have the attention of my colleague from California (Mr. Dornan), for whom I have the highest respect and to whom I listened very carefully—and I regret that he may not be on the floor right now, but I am sure he will be here any moment—when he admonished the House just 3 days ago that everyone ought to get a secret briefing, to find out what the Russian capability really is before they dare come to this floor, I called his office immediately and had a friendly discussion with him about the importance of this matter. As a matter of fact, I was one of those who went to the film presentation that was being made, which I presume the secret briefing was a synopsis of, and I was impressed by what I saw. But to suggest that that secret briefing, to which the other body does not have privy, should be a basis upon which we make the judgment as we proceed in a nearly trillion dollar resolution I think is asking a little bit too much of 435 Members.

So I encourage, as the gentleman does, that everybody see the filmslide presentation, try to get the briefing, and I think that we have an obligation to bring the 100 Members of the other body into the top secret briefing so that they might more intelligently and prudently make their decisions.

My colleague from New York, whom I have respected on this Committee of the Armed Services during his entire career, whom I praise for a very outstanding career in the Congress, who has been one of those who appreciates the divisions that wrack this Congress and the American people about how our national security ought to best proceed, whose presentation I reluctantly had some agreement with, said one thing that I think should warrant the attention of everybody here. Maybe there are others who are operating on this premise, and that premise is that the United States should militarily spend in comparison to that of our enemy, a rough equivalence. In other words, the gage of our spending should be the gage of their spending.

I suggest that that may not be the best method by which we ought to guide our decision on these admendments with reference to the Defense establishment. For this reason, Mr. Mitchell, because the Russian military machine operates off of some very different assumptions from ours, their tactical and strategical position is completely different from that of the United States, their needs may be quite different. So it is, to me, a serious miscalculation for anyone on the Armed Services Committee or anyone in this body to advocate that our defense spending should follow theirs. I do not agree with that.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from California (Mr. Dellums).

Mr. DELLUMS. Mr. Chairman, I have 2½ minutes. It is very difficult to say what we have to say in 2½ minutes. But I would certainly like to focus on one point.

A number of comments have been made here over the past several days that in some way we have over the years significantly reduced America's budget. Perhaps I have been serving in a different body, because I would like to, for a moment, give you the following figures and let you rationalize to me how we have made significant reductions.

I came here in 1971. We were bombing and killing and maiming Vietnamese people in a war that many of us defined as illegal, immoral, and insane. At that time our military budget was $80 to $90 billion. Ten years later, fiscal year 1981, America's military budget was $173 billion. Fiscal year

1982, $226 billion. Fiscal year 1983, Ronald Reagan asked for $258 billion in budget authority. In 4 hours and 40 minutes this year, on a vote of 40 to 3, my colleagues on the Armed Services Committee approved a military budget of $255.1 billion.

Alice Rivlin of the Congressional Budget Office stated before the House Armed Services Committee that, based on Ronald Reagan's figures, the projection of this administration, by fiscal year 1987 America's military budget would be in excess of $422 billion. By the year 1990 we may very well be talking about one-half trillion or more than one-half trillion dollars in defense.

I would go in any of your congressional districts and we could have a debate on whether you could rationalize to the American people that in a short period of time, from 1971, $80 to $90 billion, to fiscal year 1983, $258 billion, that you could sell to the American people that that is some significant reduction. We have increased this military budget beyond comprehension.

When my distinguished colleague, the gentleman from Michigan (Mr. Conyers), offers his amendment on the nuclear freeze, maybe we can get into the specifics of some of these weapons systems. But these are astronomical, bizarre figures. In the 1970's, America spent $1 trillion on the military budget. The most conservative estimate in the 1980's is that we will spend $3 trillion. The broadest implication is that we will spend somewhere between $4 and $4.5 trillion on the military budget in the decade of the 1980's.

Now, to triple our military budget in 10 years is not a cut, and you cannot insult the American people, their person, their intelligence, their values, their principles or ideals by continuing to project some absurd notion.

The **CHAIRMAN** pro tempore. The question is on the amendment offered by the gentlewoman from Colorado (Mrs. Schroeder) to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. Latta).

The amendment to the Latta amendment in the nature of a substitute was rejected.

The **CHAIRMAN** pro tempore. Are there other Members who wish to offer the amendment just considered to the Latta substitute? If not, that amendment is closed.

AMENDMENT OFFERED BY MR. GREEN TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OKLAHOMA

Mr. **GREEN**. Mr. Chairman, I offer an amendment, which is now in order.

The **CHAIRMAN** pro tempore. To which substitute is the gentleman offering the amendment?

Mr. **GREEN**. To the Jones substitute.

The **CHAIRMAN** pro tempore. The Clerk will report the amendment.

□ 1610

The Clerk read as follows:

Amendment offered by Mr. Green to the amendment in the nature of a substitute offered by Mr. Jones of Oklahoma: Title II, section 201(1) relating to the level of Federal revenues, strike out "$676,700,000,000" and insert in lieu thereof "$672,700,000,000".

Title II, section 201(1) relating to the net amount by which the aggregate level of Federal revenues should be increased, strike out "$31,700,000,000" and insert in lieu thereof "$27,700,000,000".

Title II, section 201(2) relating to the level of total new budget authority, strike out "$828,000,000,000" and insert in lieu thereof "$812,000,000,000."

Title II, section 201(3) relating to the level of total budget outlays, strike out "$780,550,000,000" and insert in lieu thereof "$776,550,000,000".

Title II, section 202(1)(A) National Defense (function 050) relating to New Budget Authority, stike out "$242,850,000,000" and insert in lieu thereof "$226,850,000,000".

Title II, section 202(1)(B) National Defense (function 050) relating to Outlays, strike out "$212,300,000,000" and insert in lieu thereof "$208,300,000,000".

Title II, section 204(1) relating to the level of Federal revenues for fiscal year 1984, strike out "$753,650,000,000" and insert in lieu thereof "$749,650,000,009".

Title II, section 204(1) relating to the level of Federal revenues for fiscal year 1985, strike out "$846,550,000,000" and insert in lieu thereof "$842,550,000,000".

Title II, section 204(1) relating to the amount by which the aggregate levels of Federal revenues should be increased for fiscal year 1984, strike out "$51,650,000,000" and insert in lieu thereof "$47,650,000,000".

Title II, section 204(1) relating to the amount by which the aggregate levels of Federal revenues should be increased for fiscal year 1985, strike out "$66,550,000,000" and insert in lieu thereof "$62,550,000,000".

Title II, section 204(2) relating to the level of total new budget authority for fiscal year 1984, strike out "$888,400,000,000" and insert in lieu thereof "$872,400,000,000".

Title II, section 204(2) relating to the level of total new budget authority for fiscal year 1985, strike out "$952,850,000,000" and insert in lieu thereof "$936,850,000,000".

Title II, section 204(3) relating to the level of total budget outlays for fiscal year 1984, strike out "$826,400,000,000" and insert in lieu thereof "$822,400,000,000".

Title II, section 204(3) relating to the level of total budget outlays for fiscal year 1985, strike out "$881,200,000,000" and insert in lieu thereof "$877,200,000,000".

Title II, section 205(1)(A) National Defense (function 050) relating to New Budget Authority for fiscal year 1984, strike out "$268,150,000,000" and insert in lieu thereof "$252,150,000,000".

Title II, section 205(1)(B) National Defense (function 050) relating to outlays for fiscal year 1984, strike out "$235,350,000,000" and insert in lieu thereof "$231,350,000,000".

Title II, section 205(1)(A) National Defense (function 050) relating to New Budget Authority for fiscal year 1985, strike out "$295,950,000,000" and insert in lieu thereof "$279,950,000,000".

Title II, section 205(1)(B) National Defense (function 050) relating to Outlays for fiscal year 1985, strike out "$265,950,000,000" and insert in lieu thereof "$261,950,000,000".

Mr. **GREEN** (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The **CHAIRMAN**. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. **GREEN**. Mr. Chairman, my distinguished colleague from New Jersey (Mr. Hollenbeck) and I are offering an amendment to the Jones budget resolution to reduce the defense function by $4 billion in outlays and $16 billion in budget authority for each of the next 3 years, and to reduce by $4 billion for each of the next 3 years the revenue levels in the Jones budget.

If adopted, our amendment will require the Armed Services and Appropriations Committees to make necessary choices in weapon systems and will preclude any need to tamper with the third year of the tax cut passed last summer.

Since we do not adjust other items in the Jones budget, our amendment implicitly supports the Jones budget's smaller cuts in domestic discretionary and entitlement programs, compared with the Latta and Aspin substitutes.

Obviously Jones amended by Green-Hollenbeck provides a smaller increase in defense spending than does Jones unamended, or Latta or Aspin, but it is still a 4-percent increase in real outlays.

I have felt since its introduction that the defense buildup which we are embarked upon is too large and poorly conceived to be efficient. Indeed it will strain our economy and produce waste at the Pentagon.

Rather than look at our defense needs objectively and submit a defense budget in line with those reasonable needs, the Defense Department apparently reviewed the Carter defense "shopping list" and simply made bigger orders than those envisioned by the former President.

Mr. **WRIGHT**. Mr. Chairman, will the gentleman yield?

Mr. **GREEN**. I would be happy to yield to the distinguished majority leader.

Mr. **WRIGHT**. The gentleman, as I understand the gentleman, says he is offering this amendment to the Jones budget to reduce the military spending in the Jones budget?

Mr. **GREEN**. That is right.

Mr. **WRIGHT**. Does the gentleman intend to offer the same amendment to the Latta budget?

Mr. **GREEN**. I have some problems with that under the rule.

Mr. **WRIGHT**. Under the rule, no; the gentleman does not have any problems, the rule permits——

Mr. **GREEN**. If I may.

Mr. **WRIGHT**. Since the gentleman wants to reduce the amount of military in the Jones budget, and since the Latta budget already has more funding, I wonder if there is any question in the gentleman's mind about offering the same thing to the Latta budget? The rule would permit the gentleman to do so.

Mr. **GREEN**. The rule purports to let me do that, but there are some problems with that. It is a rule that may have looked wonderful at 3 a.m. in the morning but in the cold light of dawn it is a little harder to operate under.

If I may reclaim my time.

Mr. **WRIGHT**. Surely. I am curious to know if the gentleman is going to offer the same amendment to Latta?

Mr. **GREEN**. Let me explain my problem.

First, as I indicated, my view of this amendment is that it does indeed perfect the Jones budget, and I would be prepared to vote for the Jones budget if it is otherwise not amended and this amendment carries. If the majority leader will permit me to continue, I am trying to produce one budget resolution for which I can vote, and I think that is an appropriate thing for a Member to do. The other point I would make is that if I try to adjust the Latta amendment, or to some degree even the Aspin amendment, to the same levels of spending in defense that my amendment calls for, my choice would not be to amend the Latta amendment to cut the tax increases in the Latta amendment as I do in this amendment to the Jones amendment. This is because the revenue level in Latta is so much lower than in Jones.

I would instead add back the money to the discretionary domestic and the entitlement programs in Latta.

So that if I were to offer this amendment in so many words to the Latta amendment, which is what the rule permits me to do, it achieves a result with respect to the Latta amendment that I do not want to achieve.

Mr. **WRIGHT**. I appreciate the gentleman's comments. I realize I have taken some of his time.

Mr. Chairman, I ask unanimous consent that the gentleman from New York (Mr. GREEN) may have 3 additional minutes because I have consumed some of his time.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Texas (Mr. WRIGHT)?

There was no objection.

Mr. **GREEN**. That is most gracious of the majority leader.

Mr. **WRIGHT**. I would like to pursue this thought though because I am a little bit baffled by the gentleman's response.

The gentleman says he wants to reduce Jones military spending so he can vote in good conscience for Jones.

Mr. **GREEN**. I want to reduce the military spending and thus be able to reduce the level of taxes.

Mr. **WRIGHT**. And then the gentleman would vote for Jones?

Mr. **GREEN**. With that amendment.

Mr. **WRIGHT**. I presume that, therefore, the gentleman, if he wants less military spending, is not even contemplating voting for Latta then; is he?

Mr. **GREEN**. I am not committed to voting for Latta as it now stands.

Mr. **WRIGHT**. That is interesting. I thank the gentleman. I appreciate that.

Mr. **DICKS**. Mr. Chairman, will the gentleman yield?

Mr. **GREEN**. I yield to the gentleman from Washington.

PERSONAL EXPLANATION

Mr. **DICKS**. Mr. Chairman, I missed the vote on the Huckaby amendment. If I had voted, I would have voted "aye." I strongly supported the gentleman's amendment.

Mr. **GREEN**. Mr. Chairman, as I said, I have felt since its inception that the defense buildup we have embarked upon is too large and poorly conceived to be efficient. Indeed, it will strain our economy and promote waste at the Pentagon. Rather than look at our defense needs objectively and submit a defense budget in line with those needs, we have just had the Carter shopping list with some modifications as to the MX and B-1.

But, on the whole, the administration defense package is an indiscriminate list of weapon systems, a scattered shot approach to defense in which the inefficient concept of "more is better" seems to underlie the whole package.

Few would argue that a military buildup that saps our economic vitality will not in the long run also sap our military security.

This is precisely what the administration's military plans threaten to do.

The administration has indeed suggested some cuts in defense but these reductions have been too small and borne primarily by programs which contribute to our readiness.

It has been proposed that we cut military pay, ammunition and spare parts. These are precisely the areas which we should not cut. These items are not redundant, wasteful or inefficient. They are crucial to our ability to project conventional military force when we need to do so.

I believe that where we must cut is in the area of major weapons systems.

For example, traditionally our strategic systems have been based on a triad of responses. We are now seeking to erect what is basically not a triad but a pentad consisting of: First, land-based ICBM's; second, submarine-launched ballistic missiles; third, manned penetrating bombers; fourth, air-launched cruise missiles; and fifth, sea-launched cruise missiles.

I seriously question the need for this pentad, especially since it appears that it will be paid for in part through reductions in conventional military readiness.

While some strategic redundancy is necessary to protect ourselves against Soviet technological breakthroughs, no case has been made for moving from three to five strategic systems. We must move away from the belief embodied in these defense plans that our resources are endless and that the more nuclear systems we have the more secure we are.

My amendment will force the Armed Services Committee to look beyond the operations and maintenance budget for defense cuts and to make some hard choices in military weapons systems.

The **CHAIRMAN** pro tempore (Mr. FLIPPO). The time of the gentleman from New York (Mr. GREEN) has expired.

(By unanimous consent, Mr. GREEN was allowed to proceed for 5 additional minutes.)

Mr. **GREEN**. Were I on the committee I would cut, among other items, the B-1 bomber and the MX missile. I am certain that every Member in this House has his or her own priorities about how such a cut might be accomplished. However, such decisions are beyond the scope of this resolution, which only gives the authorizing committees targets for budget authority, not assignments on what must be included or what must be cut.

The important feature of this amendment is that it is intended to require the elimination of unnecessary weapons systems rather than ratify shortsighted cuts in readiness functions.

Because adoption of our amendment would mean we are not spending as much, we would not have to raise taxes as much in order to achieve the same deficit level. Consequently, the amendment also reduces the revenue aggregate in the Jones resolution by $4 billion. This is necessary because the Jones substitute revenue figures are apparently intended to jeopardize the third year of the individual income tax cut. Tax increases under the Jones budget substitute would be equal to 35 percent of the tax reductions for fiscal year 1983 provided in last year's tax bill.

While there may be sections of the tax cut that could be repealed or other revenue raising measures which could be adopted, I feel strongly about the personal tax cut.

Americans have lost a great deal of their income because of inflation, and while there has been some slowing of the inflation rate, that slowing simply does not make up for the loss from bracket creep in past years. The third year 10 percent cut is a contract we should not break with the public to rectify that bracket creep.

Mr. HOLLENBECK. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I yield to the gentleman from New Jersey.

Mr. HOLLENBECK. Mr. Chairman, the amendment to the Jones proposal before us is, pure and simple a taxpayers amendment. It was promulgated by my colleague Mr. GREEN, and I with the idea in mind that the American taxpayer is being asked to pay even higher taxes in exchange for dubious and questionable increases in our defense spending. Our amendment will cut defense outlays by $4 billion in each of the upcoming 3 fiscal years from the amount specified in the committee budget and will reduce budget authority in each of these years by $16 billion. Importantly, however, the amendment also permits us to cut $4 billion from the tax hike assumed in the committee budget for individuals and corporations.

Mr. Chairman, it goes without saying that our weapons programs should be put together in a rational and thoughtful way. And yet, there is a perception out there, a growing suspicion, if you will, that Americans are not receiving a dollar's worth of defense for each dollar spent. Years of haphazard defense policy and lack of a strong coordinated leadership have left this country with a defense department increasingly perceived as bloated, bureaucratic, and wasteful.

The gentleman from New York and I are concerned that the Federal Government is engineering a major shift of national resources to the military, but without a fiscally prudent outline and course. While most domestic programs face deep cuts, major cost overruns on already expensive weapons systems are almost routinely accepted by Congress and administration. Clearly, to continue on this course will not serve the long-term interests of this country, and indeed, will needlessly drain scarce resources required by the rest of our recession ridden economy.

Today, more than ever, we need to let our pentagon planners know that we are watching them and that we expect them to carefully monitor and streamline weapons cost. Today, a fighter plane cost $30 million, a battle tank, $2.5 million, an attack submarine, $580 million. This is to say nothing abut the $3.5 billion price tag for a new aircraft carrier. Even when adjusted for inflation, the costs of these weapons are easily double-digit multiples of their World War II and Korean war predecessors. In all, the pentagon is spending some $84 billion in the current year as their share of the defense budget for weapons procurement and military reserach and development. Left unchecked, this figure could rise to $600 billion in the years 1983 through 1987.

And yet, despite the enormous price tag associated with our procurement programs, there has been little debate on the committee bill's effect on our economy, right now faced with deep recession, and unmet human needs at home. I am concerned that the committee when discussing our strategic needs, did not analyze defense spending in broad perspective. I am not sure that my colleagues understood that a strong economy is needed for a strong defense and that large-scale diversions of the Nation's economic resources into the military sector could result in a continued economic decline and an increasing inability to meet the basic needs of the American people. I am concerned that the defense figure approved by the committee is indicative of a general lack of commitment toward stopping duplicative and unnecessary defense programs and policies, particularly in the area of procurement where cost overruns spring up like dandelions.

A nation with a crumbling infrastructure, increasing unemployment, increasing poverty and a shakey economy can ill afford the costs of an unchecked $242 billion buildup. The Nation's security and strength are not defined only through military powers but also through the vitality of our domestic economy and society. And yet, unless we force our military planners to make real choices in our strategic programs, the administration's defense plan and the large-scale deficits it necessitates may serve to thwart any attempt we make to improve our defenses by blindly throwing money at them without thought to the fiscal consequences. Our amendment addresses itself to this problem. It will allow us not to increase taxes as much in order to achieve the same deficit levels as the committee's budget. Our amendment will permit us to preserve the contract we made with the American people last year to reduce their personal taxes by a full 10 percent by insuring the committee budget thus provides.

My colleague and I, I think, both agree that a significant reduction in the tax rates given individuals is necessary in order to revitalize the economy by producing noninflationary economic growth. A 10-percent cut is necessary in order to return confidence and encourage economic activity. President Kennedy once said that an "economy hampered by restrictive tax rates will never produce enough revenue to balance the budget, just as it will never produce enough jobs or enough profits." Mr. Chairman, truer words were never spoken, and could not be more applicable today on this amendment. Mr. Chairman, to continue to allow our military leaders to plan and spend for every strategic weapons program unchecked and without real oversight in the Pentagon is not responsible and is, in conjunction with higher taxes, the wrong formula for economic recovery, our primary defense. I urge my colleagues support for this important amendment.

Should any of you have any doubts about how $16 billion in budget authority can be trimmed from our defenses without undermining our national security needs, I submit the following suggestions for savings that can be achieved by trimming waste and by incorporating responsible changes in military procurement and management policies.

The General Accounting Office in over 100 reports in the last year has illustrated in irrefutable fashion the enormous savings that are possible. Billions could be spared, for instance, through the consolidation of support activities at bases close to each other so that administrative functions such as payroll, transportation, trash, and sewage disposal could be streamlined. Still less costly ways to budget and provision spares for new weapon systems could be used to make them more effective and less costly and save millions in the process. In addition, according to the GAO, work still needs to be done to improve the management of naval fleet supplies and spare parts, and in the area of recouping administrative costs of foreign military sales. Millions of dollars are still written off in former service members' debts, and according to the GAO, future losses can easily be cut. As recently as last month, the agency reported that actions are still needed to reduce schedule slippages and cost overgrowth on contracts for naval ship overhauls and changes are urgently needed to improve the effectiveness and acquisition management of certain weapons systems.

A Congressional Republican Study Committee Report in 1981 also cited several General Accounting Office reports which estimate that the Pentagon could save several billion dollars annually. Savings of $1 billion could be realized, for instance, if the Air Force installed one, rather than two computer systems at their bases to perform administrative and operating functions. In addition, according to the report, over one-half of a billion dollars is apparently being wasted by increased Government costs due to fraud, inadequate accounting, and procedural control in the Army's military district of Washington's Finance and Accounting Office.

Complementing these findings are the recommendations made by noted author, William W. Kaufman, a high level consultant to Defense Secretaries from Robert McNamara to Harold Brown, that defense could be reduced safely by $32 billion in authority this year and $11 billion in outlays. His latest study, "Setting National Priorities," published by the Brookings Institution recommends, among other suggestions, canceling the Pershing II and ground-launched Cruise missiles for deployment in Europe, in favor of the Trident 2 submarine missiles. Among additional savings cited by Mr. Kaufman are limiting the administration's planned expansion of the Nation's civil defense program and canceling the MX and B-1 bombers.

Many of you may also be acquainted with the April 25 Washington Post article by staff writer, Walter Pincus, in which he notes seven additional ways in which the defense budget could be cut by $10 billion in outlays. According to Pincus, savings of several hundred million dollars are possible by halting the two questionable costly Army antitank programs—the Apache attack helicopter and the Bradley fighting vehicles, and $3 billion in outlays by cutting back on purchases of excessive munitions to be used in wartime and the rate at which nonessential defense equipment is overhauled.

Mr. GREEN and I and the other Members of a Northeast-Midwest coalition highlighted earlier this year the over $40 billion in budget authority that could be realized in fiscal year 1983 by substituting proven, reliable, less costly weapons for proposed weapons systems that were plagued by cost overruns and unreliable testing history. Some of our suggestions included a cutback in the purchase of M-2 infantry fighting vehicles, the substituting of some conventional submarines for new nuclear ones, a restructuring of the proposed naval modernization of naval air defenses, a less ambitious procurement schedule for the M-1 tank, and the elimination of the Viper antitank rocket. Additional savings could easily be attainable by reducing service members' overpayments and scaling back subsidies of alcohol and tobacco at commissaries.

Other weapons with large cost overruns that could be targeted for reductions are the Patriot air defense system and the Copperhead laser-guided 155mm artillery shell. Both are victims of the Army's inability to manage dozens of new programs at the same time, rather than having the time and resources to refine and adequately test fewer new weapons slowly over an extended period.

Taken together, all these recommendations could save billions, and they illustrate how we can save billions of dollars in the defense budget while still funding necessary programs for a stronger defense. It is important to make clear that I am by no means insinuating that these suggestions should be adopted in their entirety, or that even anyone of them is necessarily preferable to other ideas to reduce outlays. What should be apparent, and I have emphasized this time and time again, is that as we are asked to increase defense spending by over $1 trillion over the next 5 years, it is even more important for the Members of this body to examine closely these recommendations for properly allocating defense revenues. Our amendment provides the ideal opportunity for us to force the Pentagon to begin to look at these ways to reduce outlays and in the process to manage more efficiently its fiscal resources.

I am supplying, Mr. Chairman a list of GAO reports as referred to earlier and a list of suggested areas for examination to expand on and amplify my earlier remarks:

GENERAL ACCOUNTING OFFICE REPORTS

1. Less Costly Ways To Budget and Provision Spares for New Weapon Systems Should Be Used: Report No. PLRD 81-60, September 9, 1981.

2. Improved Management of Fleet Supplies and Spare Parts Can Save Millions Without Affecting Readiness: Report No. 81-59, September 11, 1981.

3. Improvements Still Needed in Recouping Administrative Costs Of Foreign Military Sales: Report No. AFMD-82-10 February 2, 1982.

4. Actions Needed To Reduce Schedule Slippages and Cost Growth On Contracts for Navy Ship Overhauls: Report No. PLRD 82-29, March 17, 1982.

5. Improving the Effectiveness and Acquisition Management of Selected Weapon System: A Summary of Major Issues and Recommended Actions: MASAS 82-34, March 13, 1982.

6. Millions Written Off in Former Service Members' Debts—Future Losses Can Be Cut. AFMD-81-64, July 28, 1981.

7. Army Guard and Reserve Pay And Personnel Systems Are Unreliable and Susceptible to Waste and Abuse. Report No. FPCD 80-30, January 28, 1980.

Additional GAO Reports not mentioned in statement:

1. Potential Reductions in Aircraft Operation and Maintenance Costs by Using Thrust Computing Support Equipment: Report No. PLRD, October 27, 1981.

2. Better Management and Accountability Are Needed for Government Material Furnished in Defense Contractors: PLRD-81-36, October 1, 1981.

1. SUBSTITUTE CONVENTIONAL FOR NUCLEAR SUBMARINES

Procurement of nuclear attack subs should be cut back one per year over the next 5 years and use the savings to finance the development and procurement of six new-generation diesel-electric subs. This approach would provide roughly equal coverage and over the next 5 years would save $3.1 billion in budget authority. Of course, further savings would be possible if more diesel-electric subs were substituted for the Trident nuclear submarines.

Estimated savings, fiscal year 1983: $0.7 billion.

More immediate savings ($1.5 billion) could be realized in fiscal year 1983 by not procuring any conventional subs in 1983 and by funding only one of the two Tridents requested.

2. ALTER THE INFANTRY FIGHTING VEHICLE PROGRAM

The Administration wants to deploy a new infantry fighting vehicle called the M2, to replace the M113 armored personnel carrier. Despite huge cost overruns funding for 720 M2's is included in the 1983 budget. Congress could alter the Administration's program for the M2, choosing instead to limit production in 1983 and 1984 to 30 per month (the maximum production capacity of current manufacturing facilities is thirty per month anyway. Thus in addition to reducing procurement cost, this option would avoid approximately $30 million of funds needed to expand existing M2 production facilities to achieve the desired number of vehicles.

To compensate for fewer M2's, the Congress could direct the Army to modify the M113's to improve its fighting ability. This could be done by adding a TOW antitank missile and a 25-millimeter cannon similar to that on the M2. Then, by integrating the new M2 with improved M113's the fighting capacity of an infantry unit could remain similar to a battalion equipped only with the costlier M2's. In addition, by purchasing fewer M2's and by modifying existing M113's, savings of $1 billion in budget authority could be realized over the next three years.

Estimated savings in fiscal year 1983: $0.1 billion.

Savings of $842 million would be possible if modified M113's were substituted for all the requested M2 vehicles.

Estimated savings in fiscal year 1983: $0.84 billion.

3. ELIMINATE THE B-1 BOMBER

The administration's plans for the B-1 should be shelved and the Air Force should accelerate development of the Advanced Technology (Stealth) bomber. Also to compensate for the cancellation of the B-1, the Air Force should proceed with B-52 cruise missile conversion and increase the number of B-52 aircraft maintained on regular alert from 30 to 49 percent of the bomber force. The approximate 5-year budgetary savings would be $23.6 billion in budget authority. Fiscal year 1983 savings would be $3 billion, and in addition a significant part of the $2.1 billion authorized in the fiscal year 1982 bill could be saved from B-1 research and development.

Estimated savings in fiscal year 1983: $3.5 billion (Terminating B-1, but increasing B-52 alert rates and accelerating Stealth) plus $0.5 billion (estimated savings from fiscal year 1982) totals $4.0 billion.

4. MODIFY THE TANKER RE-ENGINING PROGRAM

The Air Force has proposed to instal new-generation CFM-56 engines on existing Kc-135 tankers. The fiscal year 1983 budget includes funding for 96 of these new engines at $19.6 million each. A better alternative reengining program would install older engines currently used on 707's that are being retired from commercial service. These older engines (designated JT3D's) would be thoroughly overhauled and checked before installation. The JT3D does not match all the performance characteristics of the CFM-56 but, is substantially better than the existing engines on the KC-135's. In addition, Air Force performance data indicates that the JT3D engine is an effective substitute for the CFM-56 on most SAC refueling missions. In view of the fact that the JT3D's are $12 million cheaper than the CFM-56's, savings are substantial:

Estimated savings in fiscal year 1983: $0.5 billion.

5. LIMIT M1 TANK PROCUREMENT

While potentially superior to the M60, the M1 has had a terrible development history. As you know, it has had persistent reliability and maintenance problems, and has not yet met design specifications in critical areas. Despite these and other problems, the Army will increase MI production in 1982 and will stop producing M60 tanks. The 1983 budget calls for 802 M1's, increasing to 1,080 a year from 1984 through 1987.

A better alternative would be to remove funding for more than 700 M1's a year. To compensate for inventory shortfalls, the Congress could direct continued production of the M60 at a rate of 30 per month beginning this year. This action could save $1.1 billion in budget authority every year for the next 5 years, excluding 1983 where no savings would be possible because of continued production of the M60's.

Additional, savings could be achieved by simply limiting the Army to 700 M-1's this year and requesting that they not procure any M60's. Immediate savings for fiscal year 1983 under this proposal: $0.5 billion.

6. POSTPONE AH-64 HELICOPTER PURCHASE AND RELY ON COBRA

The fiscal year 1983 budget request calls for the purchase of 48 new twin engine helicopters designed and equipped primarily for the tank killing role. Total cost is $1 billion in 1983. This request figure, however, is based upon the Army's cost estimate ($13.4 million per helicopter, and not the contactor (Hughes Inc.) which put the price per helicopter at $22 million. In light of this controversy, purchase of the AH-64 helicopter should be postponed.

Estimated savings in fiscal year 1983: $1 billion.

7. SCALING BACK SUBSIDIES OF ALCOHOL AND TOBACCO AT COMMISSARIES

Currently, alcohol and tobacco products are heavily subsidized at military commissaries and exchanges. Cigarettes for example, are subsidized 20 cents a pack. The Congress could reprice alcohol and tobacco to just under locally prevailing prices including State and local taxes. Also, in considering this suggestion, it should be noted that there are documented abuses of servicemen purchasing several cartons of cigarettes and then selling them to give their nonmilitary friends.

Previous efforts to cut back the subsidy have failed, but in light of improve pay and benefits, this may be a timely proposal.

Estimated savings in fiscal year 1983: $20 million.

8. RESTRUCTURE THE MODERNIZATION OF NAVAL AIR DEFENSES

The Navy is procuring a new antiair warfare (AAW) missile for surface ships called the Standard Missile 2 (SM-2), which is an improvement over the SM-1. However, most AAW systems in the Navy today use SM-1 missiles and are incompatible with the SM-2. In fact, the only new ships currently in existence that are compatible with the SM-2 missile are the GG-47 class Aegis cruisers that will cost over $1 billion each.

There is no current program to provide an SM-2 capability to the DD-963-class destroyers or to the FFG-7-class frigates that form the bulk of recent surface combatant construction. Therefore, the administration's proposal will result in the SM-2 missile being used by only a relatively small number of very expensive new ships plus some older Tarter and Terrier AAW equipped ships.

An alternative approach to naval air defense modernization would be to proceed with the Aegis program on a small scale, and using the savings to improve substantially air defense capabilities on a much larger number of surface ships. For example, the Congress could limit procurement of GG 47 Aegis cruisers over the next 5 years to 10 rather than 17 as planned. Program savings could be used to develop a new terminal engagement radar (TER)—a fire control system for which protoypes exist—and put it aboard DD-963 and FRG-7 combatants. Such a fire control system would include an electronically controlled radar that can scan wide areas, track targets, and illuminate those targets for the attacking SM-2 missiles. Working with currently installed air search radars, it would permit multiple target engagement on a much larger fleet of ships.

This new fire control system would be installed aboard 31 DD-963's as well as aboard approximately 50 FFG-7-class frigates. Also 4,000 (approximately) SM-2 missiles would be included in the air defense fleet. Together, these actions would add 81 ships with modern multiple-target, long-range air defense capability, giving the Navy greater flexibility to deploy its forces worldwide against a distributed Soviet air threat while still providing a substantial fleet of Aegis cruisers.

This alternative would distribute air defense capability more wisely, might even improve Aegis and most importantly would reduce costs by $9.2 billion in budget authority over the next 5 years. In fiscal year 1983 the savings would be $2 billion.

Estimated savings fiscal year 1983: $2 billion.

9. ELIMINATION OF THE VIPER ANTITANK ROCKET

The Viper has dramatically escalated in cost since 1976 and has failed to meet original performance standards. General Dynamics originally stated that the Viper would only cost $78 per unit at a time when the Army's current shoulder-fired antitank weapon, the LAW cost $135 apiece. Today, the Viper sells for nearly $1,000 each. The LAW's current cost is about $250.

In addition the Viper has demonstrated several performance problems. For instance, a December 1980 review found that when the Viper was fired it created a noise that was considered dangerous to a soldier's ear. In addition several duds were fired and the Army acknowledged that at ranges up to 170 meters, the LAW was cheaper as a tank killer. The Viper also failed to meet a water emersion test of two hours and the General Accounting Office, after reviewing the weapon recommended the system not go into production.

The Army has requested over 36,000 Vipers in fiscal year 1983 at a total cost of $113.7 million. In light of the weapon's failure to meet specific performance standards and in view of the system's burgeoning cost, the Army should cancel its plans to purchase the Viper.

Estimated savings, fiscal year 1983: $113.7 million.

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The **CHAIRMAN**. The time of the gentleman from New York has expired.

(At the request of Mr. HOLLENBECK, and by unanimous consent, Mr. GREEN was allowed to proceed for 5 additional minutes.)

Mr. **GREEN**. Mr. Chairman, before I yield further, if I may simply summarize where our amendment would leave us.

With adoption of our amendment, the Jones substitute would continue to have fewer cuts in domestic discretionary spending than either Latta or Aspin. It would continue to have fewer cuts in entitlements than either Latta or Aspin. It would have a smaller increase in defense spending than either of the other two, and, obviously, $4 billion less in defense outlays then Jones before our amendment.

Finally, it would fall between Aspin and Latta in tax increases—providing more revenues than Latta but a smaller increase than Aspin.

I think that adoption of the Green-Hollenbeck amendment would make Jones by far the most reasonable of the three major proposals. It reduces the increase in defense spending, though still providing for a 4-percent real growth in defense outlays; and it increases the likelihood that Americans will have the opportunity to enjoy the 3d year of their well-deserved personal tax cut.

For that reason, I urge my colleagues to support this amendment.

Mr. **MITCHELL** of New York. Mr. Chairman, will the gentleman yield?

Mr. **GREEN**. I would be glad to yield to my colleague, the gentleman from New York.

Mr. **MITCHELL** of New York. Mr. Chairman, I just would like some clarification on which defense items are cut.

Mr. **GREEN**. Well, if I may reclaim my time so that we do not tie up the House on a lengthy discussion of military hardware, this resolution cannot identify what items are going to be cut. As the gentleman knows, that would be left with the Armed Services Committee and the Defense Appropriations Subcommittee.

I have tried to craft this amendment, by providing for relatively low outlay savings and substantially larger budget authority savings, so that those on the Armed Services Committee and the Defense Appropriations Subcommittee would, in fact, make the choice in favor of making some choice among weapons systems, rather than making cuts in readiness, which I feel are the wrong cuts. That is basically why I have taken out a lot more budget authority than outlays in my proposal.

Mr. **MITCHELL** of New York. Mr. Chairman, will the gentleman yield further?

Mr. **GREEN**. I would be happy to yield further.

Mr. **MITCHELL** of New York. In other words, there is no provision as to whether we eliminate the B-1 or the MX or the Trident?

Mr. GREEN. As the gentleman well knows, there is no way that a budget resolution can bind us on that. Therefore, I cannot make that provision, although I have made clear what my preferences would be.

Mr. MITCHELL of New York. Mr. Chairman, if the gentleman will yield further, often people offer clarification, though in their proposals, as to where they would designate their savings. The gentleman has not done this in his amendment, I understand.

Mr. GREEN. I have not in this amendment, other than as my remarks have indicated.

Mr. CONYERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, to my colleagues I would point out that finally after several days of debate, we have broken lock step. Two Members from the opposite side of the aisle have dared, under severe questioning from our distinguished majority leader, admitted that with this amendment they would support a majority provision.

Thank God for a little relief, a little openness, a little of everybody using their own God-given judgment as Representatives in this collegial body that we are.

I congratulate the gentleman from the bottom of my heart. It is not easy. The gentleman is going to get it for this. It is not going to go well with those on either side of the aisle. It is resented over here.

What are you doing spoiling the scenario that has been so carefully devised over these months?

□ 1630

How dare you think of what you, yourself, would put into a defense budget? I congratulate you, and I will support with some trepidation the amendment myself.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from New York.

Mr. GREEN. I simply want to thank my colleague for his very kind words.

Mr. CONYERS. Well, they will only get the gentleman in more trouble around here, you can be assured, sir. But the point still remains, ladies and gentlemen. We are not debating some trivial amendment. We are debating the mode by which the greatest nation on this planet will secure its national defense against its enemies. It has not been divined somewhere what the right number for defense ought to be. As a matter of fact, it has been suggested, and I think it is beginning to take hold infectiously in this body, that numbers may not be the whole story on what constitutes a strong defense.

It may be that a scrutiny of the weapons systems and the military strategy out of which they are conceived might be more important to determining how well and how prepared the United States of America is in the 1980's.

I dare to posit such a premise during this debate.

I would suggest that we begin to examine the fallacy of continuing to fund weapons systems that cost more and more money and that destabilize world order more and more.

Now, it has yet to be said in this debate that the General Accounting Office has for the last 10 years uncovered more waste, more duplication, more fraud, if you will, in the defense portion of the budget than in any other single portion, or agency in the Federal Establishment, bar none.

And yet, all the cost cutters apparently have not considered his. Apparently those of us who want to save from $30 to $40 billion a year by merely being efficient can only turn their skill and examination on the welfare chiselers—and I am for weeding out each and every one of those mothers and their children who are drawing checks illegally. But the big chiselers, in the Pentagon, for example, the ones who rip off by the millions, are the ones that we are ignoring.

So as one who can come to this well as a former member of the Armed Forces, who has served overseas in combat, who is second to no one in the defense of his country, I can suggest to you that perhaps we can spend less and yet have a stronger defense.

Mr. JONES of Oklahoma. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Before I do that, Mr. Chairman, I would like to ask the author of the amendment some questions. I did not quite understand his reasoning for not offering this amendment to the Latta substitute, since the defense expenditures are higher in the Latta substitute than the Jones substitute. I was intrigued by his comment however, in response to a question from the majority leader, in which he said that he would not vote for the Latta substitute as it presently stands.

Could the gentleman explain to me what his complaint is with the Latta substitute, other than defense? What is the gentleman's major objection to it?

Mr. GREEN. If the gentleman will yield, I am obviously concerned with the level of cuts in the discretionary domestic programs and in the entitlement programs.

I understand some of the gentleman's colleagues have amendments designed to work major cures to that. If those pass, then I will have to reevaluate my position.

Mr. JONES of Oklahoma. Well, it was my impression that the gentleman felt the Latta substitute cut discretionary and entitlement programs too much and raised taxes too much.

Yesterday I had an amendment to the Latta substitute which would put the tax level at the same range that the gentleman has in his amendment, and would distribute that money by restoring the cuts that Latta makes in entitlement and discretionary programs. Yet the gentleman voted against that amendment. Why?

Mr. GREEN. If the gentleman will yield further, frankly, the gentleman made a tactical error in presenting his amendment. He made it a test vote on the 3d-year tax cut. I was unwilling to vote for eliminating the 3d-year tax cut. I would say to the gentleman that my amendment, if adopted, results in a revenue increase which I believe can be accomplished without eliminating the third-year tax cut.

But the gentleman in the debate on his amendment yesterday, plainly made it a test vote on the 3d-year tax cut and I responded accordingly.

Mr. JONES of Oklahoma. In other words the gentleman does not mind raising excise taxes, or consumption taxes or any other kinds of taxes, but the 3d year of the tax cut, the bulk of which goes to the very highest income individuals, is one that he wants to protect at all costs.

Mr. GREEN. If the gentleman will yield further, I must quarrel with the gentleman's characterization of the 3d-year tax cut. The big break for the highest income taxpayers was one initially surfaced by the Democrats on the Ways and Means Committee. It was the gentleman from Michigan, Mr. BRODHEAD, who put forth in that committee the proposal to have the top rate cut from 70 to 50 percent in 1 year.

Mr. JONES of Oklahoma. The gentleman completely mistakes what the tax bill offered by the Ways and Means Committee did last year. The bulk of that tax cut went to middle-income taxpayers, not high-income taxpayers, and the gentleman cannot dispute the fact that the bulk of the tax cut under the 3d year of the Kemp-Roth tax bill goes to the very wealthiest of our individuals. That fact has been clearly demonstrated by the Joint Tax Committee.

Mr. GREEN. I think it is plain that the wealthiest taxpayers got theirs as a result of the cut from 70 to 50 percent. I do not see how anyone can quarrel with that. That, of course, was a Democratic initiative in the Ways and Means Committee in 1 year. That was done all in 1 year.

Mr. JONES of Oklahoma. The gentleman can claim to know more about the statistics than the Joint Tax Committee and other bipartisan groups that analyzed this issue.

Mr. GREEN. I know that people who were above the 50-percent bracket tended to be wealthier than those below it.

Mr. JONES of Oklahoma. With all due respect, I do not believe the gentleman has his statistics correct.

Mr. PICKLE. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Chairman, I would ask the author of the amendment a question pertaining to his next motion, in the event this one is or is not successful.

The gentleman's amendment is an amendment to the Jones substitute.

Mr. GREEN. That is correct.

Mr. PICKLE. In that event, is it the gentleman's intention to offer that to the Latta amendment? That makes more sense to me than the Jones amendment.

Mr. GREEN. I think I answered that when the majority leader made the same suggestion. The problem is that I crafted my amendment before there was a rule. The rule does not work to make offering my amendment to Latta a very practical thing. I know it is theoretically possible under the rule, but the effect of changing the numbers in Latta is completely different from the effect of changing the numbers in Jones, because the effect of changing the numbers in Latta would, yes, make a major cut in defense, but it would also be a tax increase rather than a decrease as applied to Latta.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. JONES of Oklahoma was allowed to proceed for 3 additional minutes.)

Mr. SCHUMER. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. I yield to the gentleman from New York.

Mr. SCHUMER. I would like to ask the gentleman from New York and the gentleman from Connecticut a few questions. I am a little befuddled by this position. I think it is part of the scenario.

I disagree with my colleague from Michigan. Tell me where I am wrong.

It seems to me that the gentleman from New York and the gentleman from New Jersy are saying that they have a better way to deal with Jones; that they really prefer Jones to Latta, but both are no good and they are perfecting it with their amendment.

But if their amendment fails, and I think there is pretty much agreement in this House among the people who have been here longer than I, they will fail, they will vote against all three amendments. In other words, what they are saying is to have no budget is better than having either Jones, Latta, or Aspin. Is that the gentleman's position?

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. I yield to the gentleman from New York.

Mr. GREEN. I think with some 59 amendments still pending which can change all of these, it would be foolish for me to tell my colleagues how I am finally going to vote on the various proposals as amended. I am not going to go into the hypotheticals of what happens if this passes or stays the same.

I have made it very clear that if Jones is amended as the Green-Hollenbeck amendment would accomplish, then I would be prepared to vote for Jones.

Mr. SCHUMER. Will the gentleman yield further?

Mr. JONES of Oklahoma. Let me complete my statement. The gentleman can get his time under the 5-minute rule.

I would hope we would vote this amendment down. What it does in fiscal year 1983 is to prevent military expenditures from growing as fast as inflation.

☐ 1640

There will be a minus 2-percent real growth in the military budget in 1983, under this amendment and I think that simply is not adequate growth for our necessary military security. We are advised that such a negative real growth will require reductions in areas of personnel and readiness, and that simply is the wrong direction to proceed.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. I will be happy to yield.

Mr. STRATTON. Mr. Chairman, I want to support the chairman of the committee in his opposition to the amendment of the gentleman from New York. Obviously to cut, as I understand he proposes to do, $4 billion out of the rather meager allotment for defense in the Jones amendment, the one that Mr. HUCKABY and I tried unsuccessfully to increase, would be certainly the height of irresponsibility.

I find it difficult to understand how my colleague from New York State would offer that amendment, because the New York delegation, led by Senator MOYNIHAN and others, have been complaining over the past several years because New York has not been getting as much defense money as other States. The one way, certainly, to discourage the Defense Department from spending any money in New York is to offer a devastating amendment of this kind.

Mr. SCHUMER. Mr. Chairman, I move to strike the requisite number of words.

I would like to continue my dialog with the gentleman from New York, because I am completely befuddled by his position. Let us assume that none of the future amendments pass and we have three bills to vote on—Aspin, Jones, Latta. At this point in time, would the gentleman vote for any of the three?

Mr. GREEN. Let me say simply that sufficient unto the day is the evil thereof. May I respond to the statement of the chairman of the Budget Committee as to what my amendment does. It is true, as a result of the enormous increase in defense budget authority in fiscal year 1982, that there is a slight downturn in budget authority this year in my proposal, but there is a 4-percent real growth in outlays in my proposal. I have an honest proposal here. I have used the standard figure that it takes $4 in authority cuts to achieve $1 in outlay cuts. That is the reason that you see a little real cut budget authority, but we have such an enormous backlog of unobligated budget authority sloshing around the Pentagon——

Mr. SCHUMER. I would like an answer to my question.

Mr. GREEN. I gave the gentleman an answer.

Mr. SCHUMER. Well, Mr. Chairman, it seems to me, as much respect as I have for my two colleagues from New York and New Jersey, and I have worked closely with them on many issues, that this amendment highlights the sophistry that is occurring throughout the whole budget amendatory process today. Amendments as we have seen today appear to do an escape, a way for Members to proclaim people to say, "Unless this House passes my specific budget proposals, I am not going to vote for any budget. I will not vote for the Lattar budget and be identified with the President."

Mr. GREEN. Will the gentleman yield?

Mr. SCHUMER. Let me finish my remarks, because I will be as responsive to the gentleman's questions as the gentleman was to my question.

Members proposing such amendments can truly say, "I am not going to vote with the Democrats and be disloyal to my party. I am not going to vote for any of these budget plans."

In other words, what I believe the gentleman from New York and the gentleman from Connecticut are saying is, "Unless I get my specific budget, $2 billion less here, $3 billion more there, I am not voting for any of the surviving budget proposals at all."

If that happens, and that seems to be what is happening, then God save the country. We can have 435 budgets. Each of us can put our own budget on a banner and go home to our districts and claim that we have integrity, and let the whole country go down the drain. I find this process appalling. Everybody is proposing amendments to a budget they will not vote for final passage. My colleagues: Amend the budget you are for, and perfect it, but do not start amending other budgets you are not for to make those budgets less palatable to their supporters.

This process is simply getting ridiculous. I find it surprising that my friends from New York and New Jersey, both of whom have shown a statesmanlike ability to compromise on so many issues and vote for bills they thought were better than the other alternatives, are now saying, "Unless I get completely my way I am not going to vote for any budget at all. Don't I have integrity?"

I yield to the gentleman from New York.

Mr. GREEN. I do not think my colleague from New York has correctly characterized the position of the gentleman from New Jersey or of me.

Mr. SCHUMER. I hope I have not.

Mr. GREEN. But I do think that this amendment would perfect the Jones amendment, which is what the amendment process as the Rules Committee, controlled 2 to 1 by your side, intended. That is a privilege granted us by the Rules Committee, and it has also granted the gentleman the privilege. If he does not like the fact that what is being offered is offered just to Jones and not the other two, he has the right to get up after this is disposed of and offer it to the other two, and anyone else can. So, I think the Rules Committee has given ample protection in that respect. I am saying that I am prepared, if this amendment passes, then to vote for Jones as amended, assuming that is the final form of Jones, because I think that is a reasonable compromise.

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. SCHUMER. I yield.

Mr. WEISS. Mr. Chairman, I do not find any fault with the gentleman from New York or the gentleman from New Jersey for offering the amendment. What I do find a problem with is his position, that he wants to cut back the Jones budget by $4 billion in defense budget outlays, but he does not want to touch the Latta budget, which is $10 billion higher in authority and significantly higher in outlays. That just does not seem to me to be consistent with what he said he is trying to achieve.

Mr. SCHUMER. I would like to respond to the gentleman from New York, then I will yield to the other gentleman. I think it is perfectly clear what the gentleman from New York (Mr. Green) has said: "The Latta budget does not meet his prerequisites for social needs, or entitlement programs, and therefore he is not bothering with that."

The **CHAIRMAN.** The time of the gentleman from New York has expired.

(By unanimous consent, Mr. Schumer was allowed to proceed for 3 additional minutes.)

Mr. SCHUMER. I think what the gentleman is saying is that the Jones budget is slightly more perfectable than the Latta budget, or at least was at the point when he drew up his amendment before this rule passed. But my point to the gentleman from New York is, and I am not saying this particularly about the gentleman's amendment, but about many of these amendments that all of this is posturing to allow Members to get off the hook, not vote for any final budget bill, and then say, "I put forward the precise budget that I wanted, but it was defeated, I will not vote for any other."

Mr. GREEN. Mr. Chairman, will the gentleman yield further?

Mr. SCHUMER. I yield.

Mr. GREEN. I thank my colleague.

I would simply explain again, I had crafted my amendment before there was a rule. The rule that was adopted by the Rules Committee, with the best of intentions I am sure, means that I have to offer that same amendment to Latta if I want to offer it. The effect of that is to produce a massive cut in Latta defense spending, which I would like to see, but it would also cut Latta's tax increases, which are well below those in Jones, well below where I would want to have them, so that if I would offer this to Latta I would be seeking to achieve a result which I do not seek to achieve in Latta.

Had I been able to anticipate that extraordinary rule we have, I would have come up with an amendment to Latta which would have taken the money away from defense in Latta, and instead of using it to cut Latta's revenue levels, I would have used it to add back to Latta's spending levels in domestic discretionary and entitlement programs. But, the rule does not give me that opportunity.

Mr. WEISS. Mr. Chairman, will the gentleman yield further?

Mr. SCHUMER. I yield.

Mr. WEISS. Mr. Chairman, I thank the gentleman for yielding to me.

As I understood the very clear and precise explanation that was given by the chairman of the Rules Committee as the Chairman of the Committee of the Whole, Mr. Bolling, made it very clear that amendments could be offered to any or all of the substitutes so long as they carried out the original basic intent of the amendment. So, it seems to me that even though the gentleman may technically be correct, if he feels that the Latta substitute contains far too much in defense authorization and outlays, I think it would be worth his while to make the effort to amend it.

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words.

I yield to my colleague from Michigan (Mr. Conyers).

Mr. CONYERS. Mr. Chairman, I thank the gentleman for yielding. This is a very interesting psychoanalytic inquiry into the motives of the gentleman from New York. They have been scrutinized by the majority leader; the chairman of the Budget Committee, as I recall, interrogated him for several minutes. A member of the Rules Committee has now delved into the motives and the reason that such a bizarre introduction of a Republican amendment to a Democratic budget would be put forward.

□ 1650

Everybody now knows why the gentleman from New York and the gentleman from New Jersey are doing the dastardly thing that they are doing. We all understand it. Many of us over here resent it. We do not want your vote. We do not want your help. We do not need you to amend the famous Jones budget. We can do it ourselves.

Mr. JOHNSTON. Mr. Chairman, will the gentleman from California yield?

Mr. DELLUMS. I yield to my colleague, the gentleman from North Carolina.

Mr. JOHNSTON. Mr. Chairman, am I to understand that the gentleman from California is opposing a slight decrease in this terrible defense budget that has increased, as the gentleman pointed out a short time ago, from $76 billion in 1971 to $188 billion in 1981? Am I to understand the gentleman opposes any reduction in that terrible budget?

Mr. DELLUMS. Mr. Chairman, is the gentleman asking me a question?

Mr. JOHNSTON. Yes.

Mr. DELLUMS. Will the gentleman repeat the question?

The **CHAIRMAN** pro tempore. (Mr. Flippo). The gentleman from North Carolina (Mr. Johnston) will repeat his question.

Mr. JOHNSTON. The gentleman did not understand it?

Mr. DELLUMS. Yes; that accent throws me.

Mr. JOHNSTON. It is my understanding the gentleman from California pointed out a short time ago that the defense budget has increased from $76 billion in 1971 to $188 billion in 1981, which is much higher, and he is now in opposition to a very modest decrease in that budget as proposed by the gentleman from New York?

Mr. DELLUMS. I appreciate the gentleman's repeating the question.

Mr. JOHNSTON. No; not at all. Is the gentleman in opposition to that?

Mr. DELLUMS. Mr. Chairman, first let me reclaim my time and point out that I sought time only to strike the requisite number of words. I have not stated my position on this. I yielded to my colleague, the gentleman from Michigan, because I wanted to associate myself with the remarks of the gentleman from Michigan.

The gentleman from New York has a perfect right to offer an amendment to the Jones amendment. I appreciate the fact that someone is attempting to amend the Jones budget to reduce the military budget. I think that is wholly appropriate.

I join my colleague, the gentleman from Michigan, in saying to my colleagues on this side of the aisle, let us stop grilling these folks. I say, "if you want to, you can vote against them, but I don't think you ought to challenge their motives."

I applaud the fact that the gentleman is trying to reduce the incredibly bloated military budget. With all due respect to the Jones budget, I think we have done some appropriate things on the domestic side, but I do not agree with the figures in the military budget nor with the policy it embraces.

Mr. **JOHNSTON**. We welcome your support.

Mr. **DELLUMS**. Maybe I will have to rethink my position, then.

Mr. Chairman, I yield back the balance of my time.

Mr. **OBEY**. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I had not intended to get into this debate, which has gone on all too long already, and I will only take 1 minute to do so.

The reason I am taking the time is because of the comments of the gentleman from Michigan with which I most profoundly disagree. It seems to me that if anything is bizarre—and the gentleman from Michigan used that word—if anything is bizarre on the amendment, it is the idea that it would be offered to the Jones amendment with no guarantee that if it were adopted, it would therefore be offered to the Latta amendment. And if it were not against the rules of the House, I would suggest that in my judgment that is probably somewhat insincere.

I happen to agree with the numbers in this amendment. The numbers in this amendment are very close to the numbers which were in the Obey amendment on defense 2 days ago. I do find it rather quaint to have the author of the amendment suggest that there is some legitimacy in offering it to Jones, which is already lower than is the Republican alternative on defense, with no guarantee and no willingness on the part of the gentleman to say that if it is adopted to Jones, he will offer it to Latta. If anyone in this House is really sincere about reducing defense expenditures, then they would offer this amendment not only to the Jones amendment but also to the Latta amendment, and I would feel a whole lot more comfortable in supporting it if I knew that was going to be the case.

Mr. **GREEN**. Mr. Chairman, will the gentleman yield?

Mr. **OBEY**. Most certainly, I yield to the gentleman from New York.

Mr. **GREEN**. Mr. Chairman, I do not challenge the gentleman's sincerity in wanting to hold down defense expenditures, and I do not think the gentleman ought to challenge mine. But if he wants to, it is his privilege under the rule to offer this amendment to the other two resolutions.

Mr. **OBEY**. Mr. Chairman, I reclaim my time, and I decline to yield further.

Mr. **GREEN**. The gentleman is free to offer this amendment to the other two budgets.

The **CHAIRMAN** pro tempore. The gentleman from Wisconsin controls the time, and he refused to yield further.

Mr. **OBEY**. Mr. Chairman, I am very familiar with the fact that anybody has the opportunity to pick up the gentleman's amendment if they desire. The fact is that nonetheless it is quaint indeed to suggest that you would amend the resolution before us, which is already the lowest on defense, rather than attacking the resolution which contains the highest number on defense. Where I come from they call that something that begins with "h" and ends with "y."

Mr. **CONYERS**. Mr. Chairman, will the gentleman yield briefly to me?

The **CHAIRMAN** pro tempore. The time of the gentleman from Wisconsin (Mr. OBEY) has expired.

The question is on the amendment offered by the gentleman from New York (Mr. GREEN) to the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. JONES).

The question was taken; and on a division (demanded by Mr. JONES of Oklahoma) there were—ayes 27, noes 26.

RECORDED VOTE

Mr. **JONES** of Oklahoma. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 125, noes 295, not voting 12, as follows:

[Roll No. 109]

AYES—125

Addabbo
Bedell
Benjamin
Bereuter
Boland
Bonior
Brodhead
Brown (CA)
Brown (CO)
Burton, Phillip
Chappie
Clay
Collins (IL)
Conte
Conyers
Coyne, James
Coyne, William
Crockett
Daub
Dellums
DeNardis
Dixon
Dunn
Dymally
Early
Edgar
Edwards (CA)
Erdahl
Evans (IA)
Findley
Fithian
Florio
Foglietta
Ford (TN)
Forsythe
Frank
Garcia
Gilman
Gradison
Gray
Green
Gregg
Hall (OH)
Hammerschmidt
Harkin
Heckler
Hollenbeck
Hopkins
Howard
Jacobs
Jeffords
Kastenmeier
Kildee
LaFalce
Leach
Leland
Lujan
Lundine
Markey
Marks
Mavroules
McHugh
McKinney
Mikulski
Miller (CA)
Miller (OH)
Minish
Mitchell (MD)
Moakley
Moffett
Molinari
Nowak
Oberstar
Obey
Ottinger
Pashayan
Paul
Pease
Petri
Peyser
Pickle
Porter
Pursell
Railsback
Rangel
Ratchford
Reuss
Richmond
Rinaldo
Ritter
Rodino
Roe
Rosenthal
Roybal
Russo
Sabo
Savage
Schneider
Schroeder
Schumer
Seiberling
Sensenbrenner
Shannon
Simon
Smith (IA)
Smith (NE)
Smith (NJ)
Solarz
Stark
Stokes
Studds
Tauke
Traxler
Vento
Washington
Waxman
Weaver
Weber (MN)
Weiss
Williams (MT)
Williams (OH)
Wolpe
Wyden
Wylie
Yates

NOES—295

Akaka
Albosta
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Aspin
Atkinson
AuCoin
Badham
Bafalis
Bailey (MO)
Bailey (PA)
Barnard
Barnes
Beard
Beilenson
Benedict
Bennett
Bethune
Bevill
Biaggi
Blanchard
Bliley
Boggs
Bolling
Boner
Bonker
Bouquard
Bowen
Breaux
Brinkley
Brooks
Broomfield
Brown (OH)
Broyhill
Burgener
Butler
Byron
Campbell
Carman
Carney
Cheney
Clausen
Clinger
Coats
Coelho
Coleman
Collins (TX)
Corcoran
Courter
Craig
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daschle
Davis
de la Garza
Deckard
Derrick
Derwinski
Dickinson
Dicks
Dingell
Donnelly
Dorgan
Dornan
Dougherty
Dowdy
Downey
Dreier
Duncan
Dwyer
Dyson
Eckart
Edwards (AL)
Edwards (OK)
Emerson
Emery
English
Erlenborn
Evans (DE)
Evans (GA)
Evans (IN)
Fary
Fascell
Fazio
Ferraro
Fiedler
Fields
Fish
Flippo
Foley
Ford (MI)
Fountain
Fowler
Frenzel
Frost
Fuqua
Gaydos
Gejdenson
Gephardt
Gibbons
Gingrich
Ginn
Glickman
Goldwater
Gonzalez
Goodling
Gore
Gramm
Grisham
Guarini
Gunderson
Hagedorn
Hall, Ralph
Hall, Sam
Hamilton
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hawkins
Hefner
Heftel
Hendon
Hertel
Hightower
Hiler
Hillis
Holland
Holt
Horton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jeffries
Jenkins
Johnston
Jones (NC)
Jones (OK)
Jones (TN)
Kazen
Kemp
Kennelly
Kindness
Kogovsek
Kramer
Lagomarsino
Lantos
Latta
Leath
LeBoutillier
Lee
Lehman
Lent
Levitas
Lewis
Livingston
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Luken
Lungren
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Matsui
Mazzoli
McClory
McCloskey
McCollum
McCurdy
McDade
McDonald
McEwen
McGrath
Mica
Michel
Mineta
Mitchell (NY)
Mollohan
Montgomery
Moore
Moorhead
Morrison
Mottl
Murphy
Murtha
Myers
Napier
Natcher
Neal
Nelligan
Nelson

BEST

Nichols
O'Brien
Oakar
Oxley
Panetta
Parris
Patman
Patterson
Pepper
Perkins
Price
Pritchard
Quillen
Rahall
Regula
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rousselot
Rudd
Santini
Sawyer
Scheuer
Schulze
Shamansky
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Skeen
Skelton
Smith (AL)
Smith (OR)
Smith (PA)
Snowe
Snyder
Solomon
Spence
St Germain
Stangeland
Staton
Stenholm
Stratton
Stump
Swift
Synar
Tauzin
Taylor
Thomas
Trible
Vander Jagt
Volkmer
Walgren
Walker
Wampler
Watkins
Weber (OH)
White
Whitehurst
Whitley
Whittaker
Whitten
Wilson
Winn
Wirth
Wolf
Wortley
Wright
Yatron
Young (AK)
Young (FL)
Young (MO)
Zablocki
Zeferetti

NOT VOTING—12

Bingham
Burton, John
Chappell
Chisholm
Conable
Coughlin
Ertel
Fenwick
Mattox
Rhodes
Stanton
Udall

☐ 1710

Mr. **HERTEL** and Mr. **BLANCHARD** changed their votes from "aye" to "no."

Mr. **RICHMOND** changed his vote from "no" to "aye."

So the amendment to the Jones amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The **CHAIRMAN**. Does the gentleman from New York (Mr. GREEN) seek recognition to offer his perfecting amendment to one of the other pending amendments in the nature of a substitute?

PARLIAMENTARY INQUIRY

Mr. **GREEN**. Mr. Chairman, I have a parliamentary inquiry.

The **CHAIRMAN**. The gentleman will state it.

Mr. **GREEN**. Mr. Chairman, my amendment, as it was printed in the RECORD on both occasions pursuant to the rule, amended only two functions in the Jones amendment, and it amended them in countervailing ways. It reduced by $4 billion in outlays in the first year the defense function, and it therefore enabled a reduction in the revenue function in the same amount, and that, of course, did not affect deficits or any other numbers.

If this amendment is offered, for example, to the Latta amendment, it could have two effects, depending upon how the Chair rules, or maybe three. One could treat it as an amendment to reduce both revenues and defense by $4 billion, in which case it would reduce the Latta numbers by $4 billion in each and, as I recollect, leave the Latta revenue number down from $20 billion to $16 billion. Or, alternatively, you could require that those two functions in the Latta budget be brought to the same numbers as my amendment would have brought those two functions, in the case of the Jones amendment, in which case it would have the effect of raising the revenues in Latta quite significantly and making a larger reduction in the defense function in Latta. The effect of that would be to leave something which I think is in the order of $20 billion unaccounted for.

I would simply ask the Chair, under the rule, what is it that I could offer to the Latta amendment if I were to offer it?

The **CHAIRMAN**. The rule provides that the gentleman may offer it. The Chair does not pretend to construe the amendment. The gentleman has done a very good job of that. But that is not the Chair's business.

Mr. **GREEN**. I am not clear under the rule what it is that I may offer.

The **CHAIRMAN**. The gentleman may offer to the other substitute amendments the amendment which has been printed, if the gentleman chooses to do so. If the gentleman does not, all he has to do is say he does not.

Mr. **GREEN**. Mr. Chairman, in the absence of not knowing whether I am offering a tax increase or a decrease, and the unwillingness of the Chair to advise me on that, I will not offer it.

The **CHAIRMAN**. The Chair would like to comment on the gentleman's statement. It is not a question of unwillingness. It is that the Chair knows his function.

Are there any other Members who are seeking recognition to offer the amendment offered by the gentleman from New York?

AMENDMENT OFFERED BY MR. SCHUMER TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA

Mr. **SCHUMER**. Mr. Chairman, I offer to the Latta amendment in the nature of a substitute the amendment originally offered by the gentleman from New York (Mr. GREEN) to the Jones substitute.

The **CHAIRMAN**. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SCHUMER to the amendment in the nature of a substitute offered by Mr. LATTA (consisting of the Green amendment to the Jones of Oklahoma substitute). Title II, section 201 (1) relating to the level of Federal revenues, strike out "$676,700,000,000" and insert in lieu thereof "$672,700,000,000".

Title II, section 201 (1) relating to the net amount by which the aggregate level of Federal revenues should be increased, strike out "$31,700,000,000" and insert in lieu thereof "$27,700,000,000".

Title II, section 201 (2) relating to the level of total new budget authority, strike out "$828,000,000,000" and insert in lieu thereof "$812,000,000,000".

Title II, section 201 (3) relating to the level of total budget outlays, strike out "$780,550,000,000" and insert in lieu thereof "$776,550,000,000".

Title II, section 202 (1)(A) National Defense (function 050) relating to New Budget Authority, strike out "$242,850,000,000" and insert in lieu thereof "$226, 850,000,000".

Title II, section 202(1)(B) National Defense (function 050) relating to Outlays, strike out "$212,300,000,000" and insert in lieu thereof "$208,300,000,000".

Title II, section 204(1) relating to the level of Federal revenues for fiscal year 1984, strike out "$753,650,000,000" and insert in lieu thereof "$749,650,000,000".

Title II, section 204(1) relating to the level of Federal revenues for fiscal year 1985, strike out "$846,550,000,000" and insert in lieu thereof "$842,550,000,000".

Title II, section 204(1) relating to the amount by which the aggregate levels of Federal revenues should be increased for fiscal year 1984, strike out "$51,650,000,000" and insert in lieu thereof "$47,650,000,000".

Title II, section 204(1) relating to the amount by which the aggregate levels of Federal revenues should be increased for fiscal year 1985, strike out "$66,550,000,000" and insert in lieu thereof "$62,550,000,000".

Title II, section 204(2) relating to the level of total new budget authority for fiscal year 1984, strike out "$888,400,000,000" and insert in lieu thereof "$872,400,000,000".

Title II, section 204(2) relating to the level of total new budget authority for fiscal year 1985, strike out "$952,850,000,000" and insert in lieu thereof "$936,850,000,000".

Title II, section 204(3) relating to the level of total budget outlays for fiscal year 1984, strike out "$826,400,000,000" and insert in lieu thereof "$822,400,000,000".

Title II, section 204(3) relating to the level of total budget outlays for fiscal year 1985, strike out "$881,200,000,000" and insert in lieu thereof "$877,200,000,000".

Title II, section 205(1)(A) National Defense (function 050) relating to New Budget Authority for fiscal year 1984, strike out "$268,150,000,000" and insert in lieu thereof "$252,150,000,000".

Title II, section 205(1)(B) National Defense (function 050) relating to Outlays for fiscal year 1984, strike out "$235,350,000,000" and insert in lieu thereof "$231,350,000,000".

Title II, section 205(1)(A) National Defense (function 050) relating to New Budget Authority for fiscal year 1985, strike out "$295,950,000,000" and insert in lieu thereof "$279,950,000,000".

Title II, section 205(1)(B) National Defense (function 050) relating to Outlays for fiscal year 1985, strike out "$265,950,000,000" and insert in lieu thereof "$261,950,000,000".

☐ 1720

Mr. **SCHUMER** (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The **CHAIRMAN**. Is there objection to the request of the gentleman from New York?

Mr. **GREEN**. Mr. Chairman, reserving the right to object, I would like to know what the amendment is that we are now considering.

The **CHAIRMAN**. The gentleman objects.

The Clerk will continue to read.

The Clerk continued the reading of the amendment.

Mr. SCHUMER (during the reading). Mr. Chairman, given that the amendment is the amendment of the gentleman from New York and he is hearing his own amendment read to him, I would renew my request for unanimous consent that the amendment be considered as read and printed in the RECORD.

The **CHAIRMAN**. Is there objection to the request of the gentleman from New York.

There was no objection.

The **CHAIRMAN**. The gentleman from New York (Mr. SCHUMER) is recognized for 5 minutes. Total debate will be 10 minutes, 5 minutes for and 5 minutes against.

Mr. SCHUMER. Mr. Chairman, I rise to urge that this amendment be adopted to the Latta amendment and I think many of the arguments that were given on the Jones amendment hold only the more so for the Latta amendment. In fact I would say that every Member who voted yes on the Green amendment to the Jones substitute should be voting yes now because the Latta amendment contains a higher figure for defense spending.

I would also argue that many of the Members on this side who voted no on the substitute to the Jones substitute ought to be voting yes now, because the Latta substitute contains a higher defense figure and many people who felt that the Green amendment to Jones would cut defense too severely could very easily live with the limit that would exist if the Green amendment were added to the Latta substitute.

Therefore, I think that we can accomplish something here if we can get the 43 Members on the other side who voted yes on that amendment previously, to vote yes again, and Members on this side who support the thrust of the Green amendment to vote yes. I therefore, urge it be adopted.

Mr. PICKLE. Mr. Chairman, will the gentleman yield?

Mr. SCHUMER. I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Chairman, I support the amendment of the gentleman from New York. Over the years I think I have as good a record voting for the defense appropriations as anybody in this House. The President has recommended a $33 billion increase in defense. I would like to have all that amendment normally, but I do not think this is the time to do it.

Now the gentleman from New York, (Mr. GREEN) offered an amendment that would reduce the Jones substitute $4 billion and he would have done it both in defense and in revenues.

Now, it follows to me he ought to do the same thing for the Latta substitute. He cannot say it applies for one and not the other. This is what I would do, and this is what Mr. SCHUMER has recommended.

Under the Latta-Michel amendment substitute would say the defense would be cut $5.3 billion. Now, if you add this $4 billion that would be $9.3 billion out of a recommended $33 billion. I think we can stand that. I think we can absorb that in our economy. But you see I have another reason for taking that position. If you do not make some of these reductions, and do not cut some of the revenue, you are going to come back to the Ways and Means Committee and say, "raise $25 billion; even if the House passes the Jones substitute we have $30-31 billion we have to raise; if we pass this Schumer-Green we have to raise $16. The President recommended 12.7 in revenues this year and every business group in America who has come before our committee the last 90 days said, "will you support the President in item two, three, four, and so forth" and not one of them have been endorsed yet. It is going to be very difficult for the Ways and Means to raise this money. I think if you have to make some adjustment, let us try to do it in some area of defense. I think, therefore, that if an amendment was good for the Jones it ought to be good for the Latta and I think this is in order and we could absorb it and I support that amendment.

The **CHAIRMAN**. The question is on the amendment offered by the gentleman from New York (Mr. SCHUMER) to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. RUSSO. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment to the Latta amendment in the nature of a substitute was rejected.

AMENDMENT OFFERED BY MR. CONYERS TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OKLAHOMA

Mr. CONYERS. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. JONES).

The **CHAIRMAN**. The gentleman will describe the amendment.

Mr. CONYERS. It is an amendment that restricts nuclear——

The **CHAIRMAN**. Is it the Green amendment?

Mr. CONYERS. No, it is the Conyers amendment. It is to the Jones substitute.

The **CHAIRMAN**. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. CONYERS to the amendment in the nature of a substitute offered by Mr. JONES of Oklahoma: Page 12, line 14, (relating to the total budget authority for fiscal year 1983) strike out "$828,000,000,000" and insert in lieu thereof "$807,600,000,000".

Page 12, line 16, (relating to total budget outlays for fiscal year 1983) strike out "$780,550,000,000" and insert in lieu thereof "772,550,000,000".

Page 12, line 18, (relating to the amount of the deficit for fiscal year 1983) strike out "$103,850,000,000" and insert in lieu thereof "98,850,000,000".

Page 13, line 9, (relating to functional category 050) strike out "$242,850,000,000" and insert in lieu thereof "$222,450,000,000".

Page 13, line 10, (relating to functional category 050) strike out "$212,300,000,000" and insert in lieu thereof "$204,300,000,000".

☐ 1730

Mr. CONYERS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CONYERS. Mr. Chairman, this may perhaps be the simplest and in some respects the most important amendment to the military portion of the budget for fiscal year 1983. It merely tracks the further increase in nuclear weapons testing, production, and deployment in fiscal year 1983 and deletes those funds for more nuclear weapons warheads from this budget, from the Jones resolution.

For those who have concerned themselves about increasing military spending, cutting costs, balancing the budget, I think that we may now have an agreement that may embrace several different interests. But standing over those fiscal concerns which legitimately may bring us into disagreement, there is the overriding question of the potential for global nuclear disaster that has now reached a point that puts this question on the ballots in almost a dozen States, numerous cities and townships and localities.

We know that 180 or so of our colleagues have cosponsored a resolution that speaks to this important question. We know that many others are concerned. No district has been immune from this very immediate consideration. What I am proposing is take out of the defense function a mere $8 billion in outlays, $20.4 billion in budget authority, for fiscal year 1983 and ask that that money be used to lower the Federal deficit.

This is, by the way, the smallest cut in the military budget that has been brought before this committee during the debate on the budget. It is eminently sound. I have the support of many respected experts in the defense field whom I view as authoritative on questions of national security. It has been examined very carefully within official hearings in this body, as well as ad hoc hearings.

Perhaps as importantly, it has the support of the overwhelming number of the American people. So on that note, Mr. Chairman, I urge support for this modest, simple and straightforward proposal to freeze nuclear weapons at existing levels and save in 1983 $20.4 billion in Federal spending, that will be brought to us during this debate on the defense portion of the budget.

Mr. WEAVER. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I am happy to yield to the gentleman from Oregon.

Mr. WEAVER. I am happy to yield to the gentleman for bringing this amendment up.

Would the gentleman explain exactly what his amendment does?

Mr. CONYERS. It strikes out all expenditures related to the further testing, producting, and deployment of nuclear warheads and their delivery systems, including missiles, aircraft, and ships primarily intended to deliver these warheads.

It also eliminates new nuclear warhead research testing, and production, the Pershing II missile, the sea-launch cruise missile, the air launch cruise missile, the Trident submarine, the Trident missiles I and II, the MX missile, and the B-1 bomber, everything, sir, that is connected with additional nuclear weapons testing, production, and deployment.

It does not take away one nuclear warhead that is already in existence. It does not reduce our existing nuclear stockpiles. It does not interrupt any contract or agreement that is already in place for the production of nuclear missiles or of their delivery systems. It holds in place the ratio and balance that presently exists.

Mr. WEAVER. If the gentleman will yield further, how much money is involved here?

Mr. CONYERS. $20.4 billion in budget authority, $8 billion in outlays.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(By unanimous consent, Mr. CONYERS was allowed to proceed for 5 additional minutes.)

Mr. CONYERS. It takes out $8 billion in outlays.

Mr. WEAVER. That is million?

Mr. CONYERS. Billions, b-i-l-l-i-o-n-s, not millions, $20.4 billion in budget authority for fiscal year 1983.

Mr. WEAVER. If the gentleman would yield further, I would like to give my heartfelt support to the gentleman's amendment and to say that the gentleman's amendment is a vote for survival of this world. It must be heeded. If we do not, we are going down the path to sure inexorable, inevitable destruction.

I want to thank the gentleman for offering his amendment.

Mr. EDWARDS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. Yes, I yield to the gentleman from Alabama.

Mr. EDWARDS of Alabama. I thank the gentleman.

I would just like to clarify a little of the gentleman's amendment. As I understand the gentleman's amendment, it only goes to the fiscal year 1983; is that correct?

Mr. CONYERS. Well, it covers for purposes of amending the budget resolution a 3-year projection.

Fiscal year 1984 is $26.1 billion in budget authority; outlays, $15.7 billion.

Mr. EDWARDS of Alabama. These are minuses?

Mr. CONYERS. These are reductions.

Mr. EDWARDS of Alabama. Reductions?

Mr. CONYERS. $27 billion in budget authority, $22 billion in outlays in fiscal 1985.

It merely tracks the costs that would occur over the 3 years, if these nuclear weapons programs are maintained.

It is an incredibly small reduction, the smallest that has thus far been offered during the debate.

Mr. EDWARDS of Alabama. The reason I raise the issue, I assume we are talking about amendment No. 10 that has been listed in the list of amendments, Conyers amendment No. 10, which only shows on the notes that I have $8 billion in fiscal year 1983 in outlays, but if I understand the gentleman correctly, that is not accurate. The gentleman, in fact, is reducing budget authority and outlays for 3 years.

Mr. CONYERS. That is right. I hope it would make a difference to the gentleman.

Mr. EDWARDS of Alabama. Well, it may. I will have to find out all about the amendment.

May I ask the gentleman, the gentleman has given us a litany at least of some of the systems that he would eliminate. Has the gentleman, in fact, arrived at his reduction based on what is known to be the cost of those particular systems, or is there some other method by which the gentleman has arrived at his reduction numbers?

Mr. CONYERS. Well, I think it is very important that this be introduced into this discussion early, because it may cause people to give me some support. These are figures from the Congressional Budget Office.

□ 1740

Mr. EDWARDS of Alabama. For example, you have figures then cranked in here for the B-1 budget authority and outlay.

Mr. CONYERS. Yes; for each fiscal year.

Mr. EDWARDS of Alabama. For the MX, consciously taking each of those systems, applying a number to them, and then applying that number to the gentleman's reduction.

Mr. CONYERS. Yes. I did not really do it myself. The experts did it and supplied me with these figures.

Mr. EDWARDS of Alabama. May I ask the gentleman, in fairness, because he has fairly responded, what is it that the gentleman hopes the Soviet Union will do if, in fact, we unilaterally withdraw the system that the gentleman has outlined for us?

Mr. CONYERS. Well, I was hoping that my colleague from Alabama would not be the first person to make the mistake of denominating this unilateral activity.

Mr. EDWARDS of Alabama. I am not sure I understand.

Mr. CONYERS. I did not yield.

Mr. EDWARDS of Alabama. I beg your pardon.

Mr. CONYERS. You are quite welcome. This is not a unilateral consideration.

Mr. KEMP. It is not?

Mr. CONYERS. I will yield to the gentleman from New york in just a moment.

I want to repeat that again. This is not a unilateral proposal. This is the first step in a very long series of processes that would be necessary for there to be a bilateral agreement to reduce our nuclear weaponry between the two superpowers, and I will just explain that in a little more detail. I might not have to yield to my colleague from New York.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. CONYERS was allowed to proceed for 5 additional minutes.)

Mr. CONYERS. The process by which the United States enters into a bilateral agreement to reduce nuclear weaponry—and I pray that this question is being asked because the questioners are supportive of that position—that the President of the United States has no authority under the Constitution to do so unless he has the approval and the concurrence not just of the House of Representatives but of both bodies of Congress.

This modest proposal to the budget resolution for fiscal year 1983 begins that long process, because it would have to be approved in the Senate or in conference. Assuming that we approve it here—and I pray that we do—it would then have adopted by authorizing and appropriations committees and then approved by the President of the United States. It would still be a budgetary excision to which then the authorizing and appropriating committees in both bodies would have to consent.

So it is in no way a unilateral action whatsoever. As a matter of fact, it is the beginning of a long and rather tortuous process.

What we are seeking today, if I may be candid about it, is to hope that we, as Members of Congress, Republican and Democratic alike, will go on record in giving the go ahead signal to the President of the United States, who may shortly meet with his counterpart in the Soviet Union to begin the discussions that may or may not lead to such a bilateral reduction.

Mr. EDWARDS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I choose not to yield further. The gentleman can get as much time as he may possibly want on this subject.

Now, I am painfully aware that for some of my colleagues this is a subject that they would rather leave to the President of the United States, and for those, if there are any within hearing, I would like to point out that the responsibility to provide arms for the United States is constitutionally devolved upon the Congress.

I would like to point out that the security of our Nation is an issue that is determined initially by the Congress. We are in no way, as most of my colleagues can appreciate, through a budget resolution dispositively ending this question. But it is now being surfaced in yet another way in addition to the many resolutions and measures that have already been put on the floor.

Mr. DERWINSKI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will be brief. I would just like to point out that our distinguished friend from Michigan in making his argument made a very practical and timely reference to the forthcoming meeting which the President will have with Mr. Brezhnev; that is, if Mr. Brezhnev's health permits.

Naturally, I do not mean to question the gentleman's motive, but I believe that his amendment defies the reality of dealing with the Soviet Union. The Soviet's record of breaking agreements is unmatched in modern history. Further, their systematic suppression of peoples within the U.S.S.R. whose religious, political, or philosophical views differ with the party line is well known. The Soviet leaders that Mr. Reagan will confront do not deserve the legislative assistance from this Congress which this particular amendment would provide.

Mr. Speaker, a great deal of attention has been paid to the question of the nuclear arms freeze and the end to the total arms race. While this is a goal that all nations would hope to see, we must logically look at the Soviet Union and its past apparent threats and broken promises.

One of the things one does not do is throw away one's cards in advance of any confrontation. Rather than sending some helpful signal that would fortify the President, any serious consideration of such an amendment would tie the President's hands. I would rather see a signal sending the President to confront the Soviets with as much flexibility as any American President could have, and then we would make the necessary concessions.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield to me?

Mr. DERWINSKI. I yield to the gentleman from California.

Mr. LAGOMARSINO. I thank the gentleman for yielding to me.

The gentleman from Michigan said that this was not unilateral disarmament. I would suggest that the Soviets think it is.

A couple of years ago I was in the Kremlin with a group of Congressmen meeting with the Presidium of the Supreme Soviet. I asked them how they were going to reciprocate for the cancellation by President Carter of the B-1 bomber, the delay of the MX missile system, and several other systems that the gentleman has mentioned.

Their reply was, "We do not believe in unilateral disarmament."

So I would suggest to the gentleman that at least the Soviets would consider this to be unilateral disarmament, and so do I.

Mr. DERWINSKI. Mr. Chairman, I would like to tell the House of a little incident I experienced some years ago.

I was in Moscow discussing a number of matters with members of the Soviet Parliament. We went through that polite period in the conversation where they asked me my district, how long I had served in the Congress, where Chicago was, and a few things of that nature.

Finally, as a polite person should, I turned the issue around and I politely said to the Soviet, "How long have you served in your Parliament? What committee do you serve on?" And then finally I politely said, "What area do you represent?"

His answer was Vladivostok, at which point I very innocently said, "How many people do you represent?"

There was a little huddle of advisers, and the answer came back, "That is a military secret."

Now, here was an innocent U.S. Congressman who could not get a decent answer on the population of Vladivostok from a Soviet Parliamentarian.

What is the President of the United States going to do if he goes in with his hands tied behind his back, unable to stand tough and work tough with our foremost adversary? I think we ought to recognize these facts.

In my judgment, the best way to prevent war is to have strong and consistent defense and foreign policies. As a member of the House Foreign Affairs Committee, I have studied the international problems facing us and believe that President Reagan's philosophy is far more effective in dealing with potentially dangerous situations than the concept of this amendment.

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the gentleman from Oklahoma (Mr. JONES) observed a little while ago that we are getting into the silly season now with respect to the budget procedure, and this is, of course, one very good example of what the gentleman from Oklahoma was talking about.

What we have here essentially is the nuclear freeze without any verification or any balance or duplication or equality or anything of that kind. The proposal would institute a complete, total test ban, not by the other side but by the United States. We would no longer be able to test any of our nuclear weapons. We would no longer be able to produce any more. We would no longer be able to deploy any more. We would no longer be able to proceed with the development of an MX missile, a B-1 bomber, a Trident submarine.

As a matter of fact, we would undermine the President of the United States in the negotiations which are currently going on in Geneva where, if the Soviets do not withdraw or reduce their SS-20's focused on Western Europe, we propose to institute the NATO theater nuclear force, consisting of the ground-launched Cruise missile and the Pershing-2 missile.

The Armed Services Committee has already supported these weapons as vital to our security for fiscal 1983, and to suggest that we now wipe them out at this point is, of course, totally irresponsible and ridiculous.

☐ 1750

It goes far beyond the proposal offered by the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Oregon (Mr. HATFIELD), both of whom have insisted that they want a verifiable elimination of testing. But how do you verify whether the Soviets have stopped testing? Whether the Soviets have stopped producing? Whether the Soviets have stopped deploying?

I think the amendment must be rejected overwhelmingly.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I will be glad to yield.

Mr. JONES of Oklahoma. Mr. Chairman, I rise in opposition to the amendment also. I know that the Conyers amendment is intended to mandate a reduction in the area of nuclear weapons testing, production and deployment. However, we cannot mandate in a budget resolution where these cuts are to occur within the function. Despite the gentleman's intentions, if adopted, the Conyers amendment for fiscal year 1983 will reduce outlays $8 billion below the committee recommendation, and that means that there will be a negative 4 percent real growth in military expenditures in fiscal year 1983, not even keeping up with inflation.

For that reason alone, I think we will find that the cut would have to come out of readiness, personnel and the muscle of the military. This amendment should be defeated.

Mr. **STRATTON**. The gentleman is absolutely correct.

Mr. **AuCOIN**. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to strike the requisite number of words not because I intend to speak to the amendment of the gentleman from Michigan, but instead to take this time in concert with colleagues who care very much about what the Latta amendment does to housing. Not for housing, but to housing.

Because of the extent of the confusion in the House over this issue some time needs to be taken tonight before we ultimately vote on the Latta amendment.

Mr. Chairman, I really thought that yesterday, after the remarks of our majority leader, that no one in the House of Representatives would be left in a confused state about the death blow that the Latta substitute would inflict on the emergency housing bill. I did not think anyone would be confused. I felt, and I think I was joined by others who helped pass the recent emergency housing bill, that surely all Members, after listening to yesterday's remarks, must know that unless that emergency housing program is passed, and the Latta substitute defeated, most of the homebuilders will be destroyed by the end of this building season, this summer. But, there still seems to be some confusion on that point.

I want to take this time to make clear what was made clear yesterday, but needs to be made clear once again—a vote for the Latta amendment is a vote against the emergency housing stimulation program, the program that this house authorized and voted by better than a 2-to-1 margin only 2 weeks ago. The Latta substitute kills the housing program—kills it. I think this point was ably made yesterday on the floor of the House by the majority leader, as well as in a letter written by the National Home Builders Association which said that that 1 million member Republican oriented trade association feels that the passage of the Latta amendment would decimate what little is left of the American housing industry.

Why? Because the Latta amendment does not allow funds already approved in the emergency supplemental appropriation to be spent to save the housing industry.

Yesterday, one of our colleagues from Texas, and other Latta backers, tried to fuzz up the issue and pretend the funds for housing are actually in their proposal. Several speakers subsequently shot that argument down and showed what a bunch of baloney that was.

I thought the matter was settled. But today, I discovered this "poop sheet" which I hold in my hand. Unfortunately, the alleged rebuttal continues to peddle the same distortions of fact that were peddled yesterday.

What we have here is an attempt to confuse the housing issue so that Members who support housing will still vote for Latta. Mr. Speaker, the Members of the body are being duped.

This so-called fact sheet states that the Latta amendment provides fiscal year 1983 housing credit assistance at a level almost $18 billion above the President's budget. What they neglect to mention is that this number is derived from a baseline estimate that has been discounted by nearly everyone and is not used in any other budget substitute pending. In fact, this number is nearly $19 billion below the Jones budget proposal, and it represents no new spending for these programs.

The second, and most critical, misstatement of fact is in regard to the emergency housing assistance program which has been overwhelmingly endorsed by the Members of the House. The "fact" sheet suggests that the Latta amendment provides an outlay allowance for a housing stimulus program for fiscal year 1983 through 1985.

Let us assume, for the moment, that this statement is indeed correct. If so, by the admission of this fact sheet, it would not provide one nickle's worth of assistance for this fiscal year 1982 construction season—the most crucial in determining which of the remaining homebuilders and construction workers will survive and which will not. But let us, for the moment, sweep aside this major flaw and examine the type of assistance that would be offered under the Latta amendment.

Proponents of the Latta substitute argue that the $1 billion needed annually to cover the cost of the emergency housing program may be provided through function 370 which incorporates the GNMA tandem program. What then are Mr. LATTA and his supporters trying to tell us? Are they trying to tell us that their idea of an emergency housing production program is the GNMA tandem program? Afterall, that is where they are saying the money is. No, they are not saying that because the GNMA tandem program is not structured to provide the necessary stimulus to revitalize and breathe new life into the devastated housing industry.

So what they are really telling us is that they are intending to cannibalize low income, multifamily rental housing programs to cover the cost of the emergency housing production program. Simply stated, proponents of the Latta substitute are dismantling programs that assist low-income people with incomes of 80 percent of the area median income or lower to provide mortgage assistance to middle-income families with incomes of $37,000. But clearly this is neither a fair nor equitable way in which to approach the urgent crisis in the housing industry. I know that. Supporters of the Latta substitute know that. So let us not kid ourselves any further.

What it comes down to is this. Who are you going to trust? Mr. GRAMM? Mr. LATTA?—who are telling us that there is room for the House-passed emergency housing production program in their budget resolution but who voted against the bill when it came to the floor just weeks ago?

Are we to believe Mr. LATTA and his supporters who assure us that there are funds available for the housing production stimulus program when in fact, the budget aggregates which the Latta substitute would provide for 1982 are below the current level estimates of 1982 spending, and any spending legislation coming to the House floor, including the conference report on the urgent supplemental appropriation bill, would thus be subject to a point of order if the Latta 1982 budget were adopted.

And given the gentlemen's recent track record on this issue, it is not unlikely that they would be the very individuals to raise such a point of order.

So, I ask you, are we to trust these individuals or the 1 million homebuilders across this Nation—the small businessmen who are the cornerstone of the American economy, and who are strongly opposed to the Latta substitute because it does not provide the assistance they need this construction season?

Well, after this explanation, no one can use the excuse that they voted for Latta because they did not know what it did to housing.

You are forewarned. The Latta supporters' mumbo-jumbo, sleight-of-hand games with numbers do not hold water.

Mr. **ANTHONY**. Mr. Chairman, will the gentleman yield?

Mr. **AuCOIN**. I yield to the gentleman from Arkansas.

Mr. **ANTHONY**. Mr. Chairman, I thank my colleague for yielding.

I was back in the cloak room and watching television and I saw him. Yesterday on the floor I brought this exact point up, and I have done some studying on it overnight. I would like to ask a couple of questions, if I may.

It is my understanding from having reviewed all of the various substitutes, that the Latta substitute is below the current level of 1982 spending as certified by CBO, by $7 billion in budget authority and $6 billion in outlays. Is that the gentleman's understanding?

Mr. AuCOIN. I would say to the gentleman that that is absolutely correct. What that means is, no further spending—no further spending for any program—not the pending urgent supplemental or any other programs can be approved. It would be a subject to a point of order by any single Member of the House of Representatives.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr AuCOIN. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Mr. Chairman, I would like to make two points in that respect. First of all, both the Home Builders Association and the Mortgage Bankers oppose the Latta substitute and support the committee resolution, and they have expressed to me their disappointment in the disingenuous way the other side tried to paper over the fact that the emergency housing program could not be addressed in the Latta substitute.

I posed the question to Congressional Budget Office and have received a letter from Dr. Alice Rivlin. The question is very simple. It does not get into all of this hocus-pocus of baselines and carryovers. The question is very simple.

If the supplemental appropriations bill that contains the emergency housing funds, $1 billion worth, were to come back from conference to this House ready to be enrolled to send to the President for his signature, and if the Latta substitute were to pass, could that emergency housing appropriations be enrolled and sent to the President?

The answer was no. No ifs, ands, buts, it was a no. The only way the emergency housing bill can get to the President if the Latta substitute were to pass is to say, "We do not believe in the budget. Let us just waive the budget. Let us go on with business as usual," and the Member could do that.

Mr. AuCOIN. I appreciate the chairman's comments.

Mr. PATTERSON. Mr. Chairman, will the gentleman yield?

Mr. AuCOIN. I will be delighted to yield.

Mr. PATTERSON. Mr. Chairman, I thank the gentleman from Oregon (Mr. AuCOIN) for yielding and wish to again compliment him on his efforts to achieve House approval of the emergency housing stimulus legislation. He has worked closely on this much-needed measure and I would simply like to indicate that it has indeed been a pleasure and an honor to work with the gentleman.

I would also like to thank the distinguished Chairman of the House Budget Committee (Mr. JONES) for pointing out the fact that the Latta substitute does not provide for the emergency housing stimulus legislation. It is in fact very disturbing to find that among the numerous deficiencies of the Latta substitute is the exclusion of the $1 billion in fiscal year 1982 budget authority needed to implement this vital program—that very same program which only 2 weeks ago was so overwhelmingly approved by this Chamber.

Let me point out that the Latta substitute not only fails to provide for the emergency housing stimulus legislation, but the Latta substitute provides for the highest deficit of all three substitutes—putting the most pressure on interest rates. Both the Jones and Aspin substitutes provide the necessary budget authority in fiscal year 1982 for the emergency housing stimulus program at the same time that they result in significantly lower budget deficits than the Latta substitute—both in terms of fiscal year 1983 alone and in terms of the deficit over the next 3 fiscal years.

Mr. Chairman, there is a great deal of misinformation being circulated in the House regarding this question of whether or not the Latta substitute provides enough authority for housing programs, particularly the emergency stimulus legislation. Simply stated, the Latta substitute does not provide the necessary authority.

Both the Jones and Aspin substitutes specifically provide for the emergency housing program by adding $1 billion in budget authority for it in function 920 (Allowances). Both of these substitutes in fact provide for a total "employment initiative" of $2 billion, $1 billion of which is for the emergency housing program.

Not only does the Latta substitute fail to include the necessary $1 billion in function 920, the Latta substitute provides for a negative $300 million in that function—well over $3 billion less than the Jones and Aspin substitutes.

Additionally, the Latta substitute does not include the necessary authority in any other housing-related function, such as functions 370 (Commerce and Housing Credit), 450 (Community and Regional Development), and 600 (Income Security). In all three of these functions, the Latta substitute falls far short of the authority provided in either the Jones and Aspin substitutes. I seriously question, therefore, how the necessary authority can be squeezed out of the Latta substitute. I urge my colleagues to closely examine the numbers in each substitute, which are:

BUDGET SUBSTITUTES COMPARISON—FISCAL YEAR 1982

[In billions of dollars]

Function		Latta	Aspin	Jones
370 Commerce and Housing Credit	BA	6.500	7.500	7.500
	O	3.400	3.750	3.750
450 Community Regional Development	BA	6.600	7.000	7.000
	O	8.200	8.650	8.650
600 Income Security	BA	250.700	261.350	261.350
	O	249.600	251.850	251.850
920 Allowances	BA	(-300)	[1] 2.850	[1] 2.850
	O	(-400)	1.900	1.900

[1] CBO estimate of current level .850 plus employment initiative of 2.000, total of 2.850.

I understand that my colleague from Ohio (Mr. LATTA) has pursued this question with Dr. Alice Rivlin, Director of the Congressional Budget Office. In the first of two letters from Dr. Rivlin to Mr. LATTA, she indicates that the Latta substitute provides $1 billion in budget authority in each of the fiscal years 1983 through 1985 within function 370; however, this $1 billion is for the GNMA mortgage purchase program—not the emergency stimulus. The final blow is that these funds are provided in fiscal year 1983—not fiscal year 1982 which is necessary if the emergency program is to take effect in time for this summer's building season. Specifically, the letter states the following:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, D.C., May 24, 1982.

Hon. DELBERT L. LATTA,
Committee on the Budget,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: Based on discussions with your staff, we have become aware that our fiscal years 1983-1985 estimates of your amendment in the nature of a substitute to H. Con. Res. 345 should have included authority for an additional $1 billion per year in mortgage purchase commitments by the Government National Mortgage Association (GNMA). Net of premium receipts, such authority would add $0.95 billion in budget authority in each of the fiscal years 1983 through 1985, and outlays of $0.05 billion in 1984 and $0.25 billion in 1985, to our previous estimate. (There is no outlay change for 1983.) These increases would occur in both function 370 (Commerce and Housing Credit) and in the budget totals. A revised tabulation of our estimate is attached, showing deficits of $109.90 billion, $85.15 billion, and $57.40 billion in fiscal years 1983 through 1985, respectively.

We have reviewed the assumptions underlying the figures for function 370 included in your resolution as printed in the Congressional Record. The function includes $1 billion in budget authority in each of the fiscal years 1983 through 1985, and outlays of $0.05 billion in 1984 and $0.30 billion in 1985, for this GNMA program.

We are providing a copy of this letter to the Committee Chairman and to the House Committee on Rules.

Sincerely,

ALICE M. RIVLIN,
Director.

Apparently, the gentleman from Ohio was not satisfied with the first letter so there is a second letter which specifically addresses the question of whether or not the Latta substitute provides for the housing stimulus program.

In short, the letter from Dr. Rivlin states that the Latta substitute does not contain a provision for the emergency housing stimulus and therefore, in order to make such a provision would require that $1 billion in budget authority be taken from other programs.

Furthermore, the letter acknowledges that the Latta substitute contains the same $200 million outlay allowance in fiscal years 1983 through 1985 that the Jones and Aspin substitutes provide, but there is no budget authority which is necessary to begin the $1 billion stimulus housing program. Including only the outlay allowance is like saying you can pull the cart up the hill, absent the horse, simply because you have the cart. You need both the horse (budget authority) and the cart (outlays).

For the benefit of those who have not yet had an opportunity to read the second Dr. Rivlin letter, the letter reads as follows:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS
Washington, D.C. May 25, 1982.

Hon. DELBERT L. LATTA,
Committee on the Budget,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: We have reviewed the figures for function 920 included in your amendment in the nature of a substitute to the H. Con. Res. 345, as printed in the Congressional Record. The function includes an allowance for $0.2 billion in outlays in each of the fiscal years 1983 through 1985, in addition to the allowances for management savings, federal pay, and employment reductions. A $0.2 billion per year outlay allowance is also included in H. Con. Res. 345, as reported, which is associated with an assumed $2 billion employment stimulus supplemental for 1982. Since, as we understand it, your amendment assumes the President's budget for fiscal year 1982, that assumption contains no specific provision for this employment stimulus program. Accordingly, an equivalent amount of budget authority would have to be assumed from other fiscal year 1982 sources.

Our estimates of your amendment did not include this outlay allowance in function 920. A revised tabulation of our estimate is attached, showing deficits of $110.10 billion, $85.35 billion, and $57.60 billion in fiscal years 1983 through 1985, respectively.

We are providing a copy of this letter to the Committee Chairman and to the House Committee on Rules.

Sincerely,

ALICE M. RIVLIN,
Director.

It seems clear, therefore, that the Latta substitute—despite misleading information to the contrary—does not provide the necessary budget authority to even begin the emergency housing stimulus legislation this year. If we are to stem the rising tide of bankruptcies in the housing industries, preserve the American dream of homeownership, and promote economic recovery, then the Latta substitute must be defeated.

On this last point, let me again stress that this emergency program is not a budget-busting bailout.

First, the Jones and Aspin substitutes which provide for this emergency program are not budget busters. In fact, they each lead to lower Federal budget deficits than the Latta substitute. It is the Latta substitute that is the budget buster. It is the Latta substitute that puts further strain on interest rates. And it is the Latta substitute that does not provide for the emergency housing stimulus program which is so badly needed by our home buyers, home sellers, homebuilders, home suppliers, and by our Nation's economy.

Second, the program itself is not a budget buster. Rather, it pays for itself through the tax revenues which are returned to the Federal Treasury as people are put back into the category of "taxpayers" instead of remaining in the bankruptcy court and the unemployment lines as "tax users." Additionally, the entire amount of the assistance is repaid to the Federal Treasury (up to 50 percent of each home's net appreciation) when each home is resold or in the event that the home is rented for a period in excess of 12 months.

The conservative vote, the housing vote, the American taxpayer vote is "no" on the Latta substitute.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. AUCOIN) has expired.

Mr. AUCOIN. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

Mr. QUILLEN. Mr. Chairman, I understood we were debating the Conyers amendment, and I did not hear permission to speak out of order.

Mr. AUCOIN. Mr. Chairman, my remarks go to the Latta substitute, and I believe that is pending before the committee.

The CHAIRMAN. The Chair will have to state that the matter that is pending is the Conyers amendment, and that debate should be germane to the Conyers amendment.

Is there objection to the request of the gentleman form Oregon (Mr. AUCOIN) for 5 additional minutes?

Mrs. MARTIN of Illinois. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, Members of the Committee, I rise in support of the amendment offered by my distinguished colleague, the gentleman from Michigan (Mr. CONYERS), who attempts to embrace the principle of a nuclear freeze. I would like to begin the remarks that I would like to make on the floor by pointing out that the concept, the notion, the principle of a nuclear freeze is not esoteric and it is not political. It is a very real proposition, and it aims to achieve a halt in the escalation in our arms race.

Mr. Chairman, we are at an incredible crossroads. The time to act, it seems to me, is now.

□ 1800

A number of my colleagues challenge the Conyers amendment on the grounds that they perceive it to be unilateral action. It is to this point that I choose to make my following remarks:

No. 1, a 1-year halt in this madness is not a great risk. This provides us an opportunity to start down the road toward a nuclear freeze.

It provides a platform for additional action to take place.

Finally, I would suggest we are going far beyond deterrence at this very moment. We are now seeking a war-fighting capability.

I would remind my colleagues in this body that when Mr. McNamara was Secretary of Defense he defined deterrence. He defined it as when a nation achieves a level of nuclear capability that will allow them to destroy 30 percent of another nation's population.

If my colleagues translate that into American terms, that is over 60 million dead human beings. I cannot comprehend that level of megadeath. And when a nation develops the capacity to destroy 70 percent of another nation's economic infrastructure you will have, indeed, achieved deterrence.

At that time, that was roughly 400 strategic nuclear weapons.

We now have 10,000 strategic weapons and thousands of tactical nuclear weapons that are more powerful than the bombs we dropped on Hiroshima and Nagasaki. We are going far beyond deterrence, Mr. Chairman; we are now talking about war-fighting capability.

I do not believe any of my colleagues can make a cogent argument on this floor that in some way because we adopt the Conyers amendment that the Soviet Union would risk ultimate devastating destruction, rendering them incapable of evolving as a civilized society in modern times simply because we strike $21 billion in budget authority, attempting to embrace the principle of the nuclear freeze.

To go beyond that, I would like to repeat a story that I gave on the floor of Congress, a story offered to our ad hoc committee on the full implication of the military budget by Dr. Geiger, who is the executive director of the Physicians for Social Responsibility.

The story that he told was in order to understand the nuclear arms race between the United States and the

Soviet Union, paint a picture in your mind's eye of two men standing in a locked, closed, airtight room, standing throat high in gasoline, one man with 10 matches and the other man with 7 matches, and they both are in that room, arguing over whether they have to expand to 15 matches before they can establish the basis upon which they will reduce down to zero matches.

The point of that is that if we are truly interested in eradicating the insanity of nuclear weapons then it defies logic to expand in order to reduce. Yet a number of my colleagues believe in this madness.

But to go beyond that, to the second argument with respect to the unilateral nature of this amendment, I would make the assertion that we cannot build these dangerous strategic nuclear weapons.

Let us look at them in categories.

First, to those weapons that we would define as crisis destabilizing weapons, the Pershing missile II, the Trident II, and the MX missile.

I mentioned the other day that the Pershing II is a crisis destabilizing weapon.

The CHAIRMAN. The time of the gentleman from California (Mr. DELLUMS) has expired.

(By unanimous consent Mr. DELLUMS was allowed to proceed for 5 additional minutes.)

Mr. DELLUMS. The Pershing missile II is a crisis destabilizing weapon that does not deserve to be produced and deployed, for to deploy this weapon means that we deploy a weapon 4 minutes from the Soviet Union allowing this weapon to strike into the Soviet Union.

I would ask my colleagues to remember that we were prepared to go to war in the Cuban missile crisis when missiles were placed that close to the United States.

What makes us believe that placing this weapon that close to the Soviet Union would not produce problems?

First of all, to deploy the Pershing II you deploy it on a mobile platform. It is vulnerable, but it is simultaneously dangerous.

The fact that it is 4 minutes from the Soviet Union makes it dangerous from their perspective. The fact that it is vulnerable to attack makes it destabilizing because it invites the Soviets to challenge this missile because it is dangerous to them and they know that they can. But because it is, indeed, vulnerable, it is a crisis destabilizing missile.

The Trident II is a crisis destabilizing weapon. It is a time urgent, hard target, accurate weapon. It becomes a first strike nuclear weapon inviting an invitation to a first strike because the Soviet Union is now looking at a terribly powerful warhead.

The MX missile warhead is a terribly powerful weapon. The entire argument for the MX missile was that our stationary ICBM's were vulnerable to Soviet attack, they could not survive; therefore, we must put them in some kind of mobile mode. But we have not found a rationale, sane, intelligent basing mode, so why do we want to go forward with the warhead, perhaps the most powerful warhead known to humankind?

You do not put a powerful, more accurate, time urgent warhead, accurate missile in the ground in order to receive a hit. You put it in the ground to use it, which means we are talking about counterforce capabilities which makes this weapon crisis destabilizing.

It is dangerous and it seems to me we should not build it.

Second, there are a number of weapons that now shatter the capacity to verify. All of us here in talking about strategic arms limitation have always raised the question of verifiability. But I would ask my colleagues to consider that we are achieving a level of nuclear technology that goes beyond our capacity to verify.

Once we develop a nuclear weapon that we cannot verify, by definition, we have gone beyond the confines of arms control. How can we control a sea-launched and a ground-launched cruise missile that can be placed anywhere, a fishing trawler, or whatever?

Once you develop technology that cannot be verified, then you destroy the entire capacity to engage in arms control.

Finally, there are some weapons that are just useless, unnecessary weapons. The B-1 bomber can only be useful to us for 1 or 2 years. Why spend what some define as a $20 billion weapon system, and some a $40 billion weapons system that you can only use for 2 years, and then in 1990 you convert this very sophisticated B-1 bomber into a cruise missile launcher, and you can put it on a 747 if you want to, or an L-1011 or a DC-10, any wide-bodied plane, and certainly it does not cost $200 million to $400 million a plane to carry those cruise missiles.

This is absurd. So we do not need to build that weapon. And that is contained in the gentleman's amendment.

Let me just give my colleagues a few figures. Between now and the mid-1990's do my colleagues understand that we are talking about developing 37,500 nuclear weapons, 37,500 between now and the mid-1990's?

In the next 10 years we are going to build 18,500.

Let me give some examples. We will build 4,348 air-launched cruise missiles, 5,060 ground-launched cruise missiles, 384 sea-launched cruise missiles, 1,728 Trident I's, 1,180 enhanced radiation warheads, euphemistically referred to as the neutron bomb, 163 Pershing II's, 3,000 nuclear gravity bombs, and it goes on and on, and on between now and the mid-1990's, 37,500 warheads.

□ 1810

Mr. Chairman and Members of the Committee, every advocate of the freeze has got to know in his mind, in his heart, in his spirit, and in his guts that now is the time to end this madness. We have to back away from the brink of nuclear disaster. This is not esoteric. This is not a political consideration. These are real issues that have to be addressed.

Mr. Chairman, I would ask rhetorically——

The CHAIRMAN. The time of the gentleman from California (Mr. DELLUMS) has expired.

Mr. DELLUMS. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. EDWARDS of Alabama. Reserving the right to object, Mr. Chairman——

Mr. DELLUMS. Mr. Chairman, I can conclude in this 5 minutes.

Mr. EDWARDS of Alabama. Mr. Chairman, I do not want to object, but let us not go on all night, if the gentleman please.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DELLUMS. I would just say to my colleagues that we are talking about life and death here, and I would never limit the gentleman's opportunity to walk into this well and express his views.

Mr. Chairman, I would ask rhetorically if this is not the time, when is the time? And if it is not now, it may very well be too late.

I would conclude by pointing out, Mr. Chairman, that a movement is evolving in this country calling for the eradication of nuclear weapons for several reasons: First, tens of thousands of human beings have demonstrated in every city in Europe against this madness. American people are beginning to understand and raise questions why; and second, the American people are beginning to understand the incredible nature of this escalating military budget. And, finally, I think we are frightening the American people with rather bizarre and arrogant statements about exploding or triggering a nuclear device in the Atlantic Ocean in the middle of a diplomatic crisis, or not withdrawing from a military option in Cuba or in El Salvador, or other places in the world. American people are beginning to be frightened by the whole notion of war.

And, finally, Mr. Chairman, I would point this out: By these actions, continuing to expand the level of our nuclear capability, bringing us closer to the brink of nuclear disaster, is indeed killing our children—killing our children. Studies are being done that point out that the majority of children in America—not in some foreign country, but in this country, your constituents and mine—believe that they will not achieve adulthood, that they will die in a nuclear holocaust, they will die in a nuclear exchange. And I would suggest to you that a society that is killing its children is a society that is on its way to dying, because when you kill the hopes and the dreams and the aspirations of children, you are making them ambulatory corpes. We are killing our own children. This is madness.

This amendment simply says to our children: We understand this danger, and we are prepared to stop it. Let us turn back from the brink of disaster. We do not need all of these weapons. Deterrence is deterrence is deterrence. The Soviet Union is not throwing missiles at us now because they know we can respond. We are not throwing missiles at them because we know they will respond. In this atmosphere, let us talk about negotiating. We do not need to move forward with 37,500 more weapons. Some of them will be beyond verifiability, and then where will we be? Talking political ideas? Esoteric discussions?

These are realities, Mr. Chairman. I embrace the notion that my colleague brings before this body. This is not unilateral action. There is no risk here. I do not believe anyone can accurately or adequately argue on this floor than a 1 year stop in this madness will in some way endanger America from some significant strike from the Soviet Union. I do not believe it, and I join in my colleague in ending this madness.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, the gentleman has again performed, I think, an important service. His knowledge and his service on the Committee on Armed Services across the years, in addition to the extremely important hearings that he has conducted that are now in the process of being published in book form I think speak to the validity and the credentials which allow him to take 10 or 15 minutes to speak about this question. I thank the gentleman again, as I have done frequently on this floor. I am particularly concerned that this bugaboo of unilateralness be excised from the minds of every Member.

Now, I am going to speak quite frankly. I had not intended to say this, but I am going to say this now. If there is any Member who has supported the resolution that tracks a freeze proposal, I think that it is incumbent upon them to put some substance, modest substance, in their commitments and their meetings and their discussions and their public utterances behind this budget proposal.

This is not dispositive. The chairman of the Budget Committee has pointed out that this amendment cannot mandate anything, because the budget sets parameters. It could be interchanged, substituted, removed. It only takes on serious form when it comes out of authorizing and appropriating processes.

The CHAIRMAN. The time of the gentleman from California (Mr. DELLUMS) has again expired.

(On request of Mr. CONYERS and by unanimous consent, Mr. DELLUMS was allowed to proceed for 3 additional minutes.)

Mr. CONYERS. This amendment can take on substance only when it comes out of the authorizing and appropriating processes. It has no life other than that. This is a suggestion.

So for anyone, particularly on the Foreign Affairs Committee, as one of my colleagues earlier posited that this would bind the President in his negotiations, is the height of unintelligence with reference to what this measure would do.

Mr. DELLUMS. Mr. Chairman, I yield back the balance of my time.

Mr. CARNEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment simply states that the United States is willing to unilaterally freeze our nuclear forces at a time when it would be absolutely dangerous for us. It is at a time when the President is attempting to negotiate arms reductions both on strategic nuclear weapons and on theater nuclear weapons. It would remove any incentive for the Soviet Union to come to the bargaining table and talk, knowing that we are committed to a unilateral freeze. And I would think it would be rather dangerous. As the author of a resolution having 148 cosponsors calling for a sensible freeze, one that is verifiable and one that requires parity, I would strongly suggest that we do not support this amendment.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. CARNEY. I yield to the gentleman from Michigan.

Mr. CONYERS. I am delighted to find one of the cosponsors of a freeze amendment on the floor because I should like to point out to him that the reason that we did not include verifiability, sir, is that there is no need to reiterate those particulars in a budget amendment. This does not require verifiability, as does the Kennedy-Hatfield, or the other proposals that are on this side of the body. That is why it is not in there. If I wrote it in, what difference would it make? This is the budget we are debating, I will say to my colleague, not the Armed Forces authorization bill.

Mr. CARNEY. I fully appreciate that. And, as such, it is a statement. It is a statement for our willingness to unilaterally freeze, not to further conduct research, not to further conduct development of nuclear weapons. At a time when our President is going to sit down at the negotiating table, that would be wrong. It would be giving our President the disadvantage of going to that negotiating table with one hand tied behind his back. I suggest that that would clearly tell the Soviet Union that they do not have to negotiate in good faith because the Congress of the United States has already stated that they are not willing to stand up to the Soviets if they continue to build their nuclear weapon arsenal.

Mr. CONYERS. Mr. Chairman, will the gentleman yield to me again?

Mr. CARNEY. I yield to the gentleman from Michigan.

Mr. CONYERS. I appreciate the gentleman's courtesy.

May I point out to the gentleman—and maybe his deep commitment to the freeze proposal, which I admire, is blinding him from understanding this fact—that a budget amendment as I have proposed does not bind the President of the United States.

To pass this on to a budget proposal in no way commits the President. The gentleman is assuming, of course, that the Senate will have passed it, which they have not. The gentleman is assuming that in conference it will be added, which I hope that it will. But the President cannot go to a summit conference and say in the budget resolution of 1983 the majority of Members, including those who support a freeze proposition and who number almost 100 in this body, have now tied one hand behind their backs. The President is no more committed on this amendment than he is on the gentleman's amendment pending action in the Foreign Affairs Committee.

So I wish the gentleman would quit suggesting that this is any more unilateral than the one upon which the gentleman has attached his name.

Mr. CARNEY. I think my colleague has me mixed up with the gentleman from Massachusetts. I am the sponsor of a resolution calling for a freeze with parity. I am not a cosponsor of the amendment of the gentleman from Massachusetts. That is the point I am trying to make. At this present time, the gentleman's amendment calls for a reduction of $8 billion in fiscal year 1983. It would eliminate funds for testing, eliminate funds for the development of new nuclear weapons and delivery systems. Is that not correct?

□ 1820

Mr. CONYERS. That is precisely correct.

Mr. CARNEY. I think by doing precisely that you are taking the President of the United States, who is trying to go to the Soviet Union and negotiate in good faith—you are taking him and tying one hand behind his back because the Soviets would have just won their most important negotiating points. We as a Congress by supporting your amendment state that we are not willing to continue to fund the development of nuclear weapons and to fund the testing of nuclear weapons regardless whether the Soviet Union shows good faith or not.

Mr. CONYERS. Is the gentleman aware of how many and what majority of the American people have put their approval behind the proposition that I presume the gentleman and the gentleman from Massachusetts and myself have put forward in this 97th Congress?

Does the gentleman happen to recognize that for maybe one of the few times in the gentleman's career.

Mr. CARNEY. I happen to recognize that we as a Congress have a responsibility to go forward to protect the democracy that we so cherish and love, and to protect the peace that we so cherish and love, and we do not go ahead and do that by polls. That would be irresponsible. We have to make decisions based on what we think is right for the protection of our cherished democracy. That is precisely why I am asking people not to support the amendment.

Mr. WEAVER. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, part of the madness that is the nuclear arms race is that anybody might fear this amendment. It is an invitation to sanity. Surely we can afford 1 year. Surely we can afford one step.

Let us look just briefly at what this amendment would leave us with.

I do not think we dwell enough on what our nuclear arsenal is today.

We presently have over 25,000 nuclear warheads. Approximately 10,000 of those warheads are strategic warheads; 500 of those 10,000 warheads delivered to the Soviet Union could literally destroy that nation and its people—destroy it—500 of the 10,000 weapons we now have.

Those 10,000 nuclear warheads, the strategic warheads, can be set off at the touch of a button.

The Soviet Union can, of course, do the same to us. It has similar capacity.

We have 1,052 Minutemen II and III missiles, many of them with 3 hydrogen bombs, for a total of roughly 2,100 large capacity nuclear warheads, which can reach the Soviet Union in 30 minutes from the touch of that button.

Again, one-fourth of those can destroy completely the Soviet Union.

We have the submarine-launched missiles, many thousands—the B-52 again, with thousands of potential bombs. We are developing the Cruise missile today. This arsenal could destroy the world, the Soviet Union, anybody, everyone. It could exterminate humanity, as could the Soviet Union's arsenal.

Our entire species is on the verge of extinction and we will take all other animals and probably plants with us. Surely with this capacity to destroy the world now, ready at the touch of one button, we can afford 1 year, we can afford one step.

How many times on this floor have I heard that it is a bargaining chip, that we must not weaken the President's hand.

The MIRV was a bargaining chip but it never, never got taken back. It was put on our missiles. MIRV was a bargaining chip. The B-1, the cruise missile, the Trident were bargaining chips and all added to our nuclear missile system.

Certainly, Mr. Chairman, we can in the sake of just simply perhaps saving our lives, and saving the lives of our children, perhaps saving us from extinction, take this one simple step with the idea that we will still have this nuclear arsenal now ready to go at the touch of a button.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. WEAVER. I yield to the gentleman from Michigan.

Mr. CONYERS. I want to congratulate the gentleman on his statement, and I would like to point out that our nuclear arsenal is far more balanced and reliable and accurate than the Soviet Union, a point that the gentleman from California has made earlier today.

We have understood the triad strategy roughly one-third of our warheads on submarines, virtually invulnerable, one-third in the air in our bombers and the other third in the ground in our ICBM's. The Soviet Union, however, has most of their nuclear eggs in one basket, so to speak, on the ground. One-third of those are targeted on China.

So when we say freeze, first of all, this is not mandatory in a budget resolution, it is certainly not unilateral. The President of the United States constitutionally has no authority to alter the defense projections of the Congress without the Congress approval.

This would be merely the first step in an extremely long series that would indicate to the President that he could go ahead, otherwise, he will meet at a summit with anybody in the Soviet Union that checks, knowing that under our procedure, unlike Mr. Brezhnev, he cannot unilaterally reduce nuclear weaponry in America.

LEGISLATIVE SCHEDULE

Mr. WRIGHT. Mr. Chairman, I ask unanimous consent that I may address the House and that I may speak out of order.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Texas?

There was no objection.

The **CHAIRMAN.** The gentleman from Texas (Mr. WRIGHT) is recognized for 5 minutes.

Mr. WRIGHT. The purpose of doing this is to share with the Members what our plans are.

I think Members need to understand that we intend to stay in session tonight until midnight. I am going to ask unanimous consent a little later that we may come in at 8 o'clock in the morning and we will stay tomorrow as long as necessary, and if it is necessary we will stay Friday and Saturday and, God forbid, if necessary, Sunday.

We do not intend to adjourn and I think Members on both sides agree with this objective. I have discussed it with my Republican colleagues and they are as devoted to this conclusion as we are.

We do not intend for the House to adjourn for a Memorial Day recess until we have disposed of the matter. We intend to finish it.

So as we go along I would think Members might bear this in mind and understand that this is the firm intention of the leadership on both sides.

Mr. ROSTENKOWSKI. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Illinois.

Mr. ROSTENKOWSKI. Mr. Chairman, I ask my majority leader, is there any intention on the part of the manager of the legislation to limit time on any amendments?

Mr. MYERS. Why do we not put a time limit on the amendments?

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. There is no intention to limit time at this particular point.

The manager of the bill will see how the debate goes, and if it looks like we cannot finish at a reasonable hour, in my capacity as manager of the bill I will attempt to limit time at that point.

In discussing the remaining amendments, I think most of the debate can be held to reasonable lengths. We can get out of here tomorrow if Members will adhere to that understanding. If it looks like there is some sort of filibuster going on, the manager will propose to limit time.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I do not question the leadership.

This resolution was supposed to have been agreed with on the other side by May 15.

Mr. WRIGHT. The gentleman is correct.

Mr. WHITTEN. Why is there so much rush now. If the resolution has not passed we will have to ask for a rule to bring up appropriations bills, a right given to the committee under the basic rules. We cannot enroll them, we could lay them on the Speakers desk which we do not intend to do. Now it is weeks overdue, since May 15, since our friends on the other side of the Capitol are not in agreement, since they are not even meeting. The Senators are going to take off next week, there is nothing we can accomplish. I have a message from the Secretary of the Treasury that they can pay their bills for several weeks. What is the reason for punishing us like this when we cannot do anything about it when we get through?

Mr. WRIGHT. The gentleman may make a perfectly good argument for our not having to pass a supplemental appropriation bill this week, but I think the things that the gentleman from Mississippi has said provide all the more reason why we must give a clear and convincing demonstration that we as Members of the people's house are determined to conduct the people's business and to get it done.

Mr. WHITTEN. We are conducting the people's business, it seems this resolution cannot get any further, when our colleagues on the Senate are quitting for next week, there is no way to get to conference. There is no way to do anything about it except keep the House Members here through the recess.

We are making a good case to change the budget resolution and make it go back to the provisions of the act which is badly needed.

□ 1830

Mr. WRIGHT. Well, I appreciate the comments of the gentleman.

Mr. WHITTEN. But this is not the way to do anything. I guess it is still in order to have a preferential motion to strike the enacting clause.

Mr. WRIGHT. Of course, it is.

Mr. WHITTEN. I have not asked for such recognition, but I think it is still in order and if such a motion were made it would not be improper if we are thinking about our colleagues.

Mr. WRIGHT. Well, I recognize the strong feelings of my friend, the gentleman from Mississippi.

I think most Members realize, however, that we do have a responsibility to push forward and demonstrate to the American public and to the markets and to everybody who is concerned, that we are going to finish this task. The best way we can do that, I believe, is push forward to completion.

Now, that may come tomorrow if we are diligent and if we spend our time attending to business, rather than talking about the process.

I really believe that it meets the approval and, indeed, the applause of most Members to be firm and to be assertive and for us in the House to set a goal and to determine that we are going to finish this business this week before we go off on the Memorial Day recess.

Mr. WHITTEN. May I say to my good friend and leader, whom I admire and I respect his position, and goodness knows, I think the last 2 or 3 years our Committee on Appropriation has demonstrated that. Our committee has met in the past all night long several times because someone else would not meet their deadline.

Mr. WRIGHT. No question about that.

Mr. WHITTEN. Let me say, we have put on a demonstration here. I think our colleague, the gentleman from Iowa, explained it very well. We have been playing on numbers. The numbers are estimates. They are based on assumed facts by the Congressional Budget Office. The facts on which it is based changed, it is an educated guess. It changes from week to week.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. WHITTEN. I ask the gentleman again if he will not reconsider this sort of a move to keep us over the weekend.

Mr. SAVAGE. Mr. Chairman, I move to strike the requisite number of words. I rise in support of the amendment.

Mr. Chairman, I just might mention, with no offense, Mr. Chairman, I think it is important that we all go home. I think it would be pleasant if we could all go home in time for Memorial Day, but I think that there is something far more important even than chicken in the grass and that is that the better way to memorialize those who have given their lives for our great Nation would be to pass this amendment, because it is an amendment that would help turn the world away from war and on a course to peace.

I think that whatever amount of time it would take for us here to hear the voices of the people of this Nation, we must take that time and those who rest will be best rewarded in that way.

I think we are not hearing the people of the world. I think that we are here talking more about world politics than the needs of the world's people.

I visited some NATO nations last January, friendly nations. They, too, are amassing by the hundreds of thousands in demonstrations pleading for peace, pleading specifically for an end to this nuclear proliferation.

Somehow I think that even my Democratic colleagues must recognize that we Democrats need to come up with some identification of ourselves and that it no longer is enough to just "me too" the Reagan madness, that it is necessary for us to do much more than just say, "me too, but just a little bit less" or to say, "me too, but just a little bit more."

We need to establish a clear difference so that the American people will have a choice in November. Some party must stand clearly for peace—let it be us.

I think that support of this resolution by we Democrats would move us in that direction.

Mr. CONYERS. Mr. Chairman, will my colleague yield?

Mr. SAVAGE. To my concerned and courageous colleague from Detroit, Mich., I would be delighted to yield.

Mr. CONYERS. I thank the gentleman for yielding.

Mr. Chairman, we are in an incredible position in American history. The American people by a 71-percent polling, higher in some areas, have asked that in our wisdom we fashion an instrumentality to stop producing nuclear technology; not to decrease our stockpile, which some of the proposals now pending would do, and here in this most modest amendment, one member of the Armed Services Committee characterized the discussion of this amendment as "the silly season."

Two out of three Americans in your district have asked that we do something about it. We have 100 Members on the floor.

My distinguished majority leader, under whom I have worked and fought on any number of issues, has not suggested that we stay here, as if somehow it is our fault that this discussion and debate only started several days ago. Somehow we have to work around the clock? Why?

What have we done wrong? What is our sin? What omission have we done that we cannot enjoy a national holiday that we ourselves created, but we will work till midnight tonight and we will not suspend the time unless a filibuster starts.

Well, the chairman of this committee has already cut me off, undemocratically and unfairly, and they are trying to stop the discussion, ever so discreetly, on whether we should stop nuclear testing.

I get the idea why it happens that on this amendment we want to suggest it. I happen to understand why none of the cosponsors of the resolution for the freeze, 70 Members, 30 pages in the CONGRESSIONAL RECORD—look at March 30—and yet I am in the well and everybody is saying, "Please don't ask for a record vote. Please don't test the will of the Congress. We just want to talk about it. Let's just pass a sense of Congress resolution and let it go at that. We don't really want to stop nuclear development and testing."

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(By unanimous consent, Mr. SAVAGE was allowed to proceed for an additional 5 minutes.)

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. SAVAGE. I would be delighted.

Mr. CONYERS. So here we are, at a very simple moment of truth, because I am going to call for a record vote. I am sorry, I am not doing this to be presumptuous or embarrassing or to prove that I am further out than you, but I am doing it to put on record once and for all in 1982 in May where the Members of Congress stand and you can try to pretend that this is unilateral all you want. Your constituents can read. Your constituents can know from a high school reading that the President cannot unilaterally invoke a freeze and it has to be constitutionally mandated.

Your constituents know that a budget amendment has no binding authority, it has been said a hundred times during the debate, if you do not know it: so all I ask you to do is search your conscience and if you are for nuclear technology, that is your right. I fully respect it; but if you happen to be with the majority of people on the plant Earth that we have examined and polled and the majority of the American people, if you happen to think this is correct, and I will say to the chairman that the figures of a minus 4 percent as a result of this budget are incorrect, I say to the chairman, the gentleman from Oklahoma (Mr. JONES). I got the figures, plus 4 percent from the gentleman's own committee and I verified them since the gentleman made that misstatement.

□ 1840

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I cannot yield. I do not have the time, sir.

So, I would urge that Members search their conscience, and if they supported a free amendment, then vote for this one. If they have not, and they do not want it, vote against it. That is what we are all here for.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. SAVAGE. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. I appreciate the gentleman yielding.

Mr. Chairman, I have checked again with the House Budget Committee staff. The Conyers amendment would have a minus 4 percent real growth in defense outlays for fiscal year 1983.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. SAVAGE. I would be delighted to yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I checked again with the gentleman's committee after he made that first misstatement, and the Jones, as amended by Conyers, budget authority is plus 3 percent outlay, plus 8 percent. Now, if we cannot settle the difference like reasonable men, I resent the fact that the gentleman keeps misquoting his own committee figures.

Mr. JONES of Oklahoma. The budget authority in the committee resolution is 242.85 in fiscal year 1983. Under the Conyers amendment, 222.45, and in fiscal year 1982, budget authority was 215.85. Minus 4 percent real growth.

Mr. SAVAGE. Let me just conclude, Mr. Chairman, by saying that I hope the leadership of my party does not weary and will not be stampeded, because rushing last year got us the Reagan budget, and look at the plight of America today.

Let us take as much time and give as much patience as is needed to put this country on the right course, in the direction people want, in the direction of jobs, justice, and peace.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just take this time to make certain that I understand exactly what it was that the majority leader was suggesting earlier. If I understand him correctly, all he was saying is that it was the judgment of the leadership that we ought to complete our action before we leave for this weekend, which would mean that we would be in session quite late tonight and in session at least Friday as well, and whatever it took until we finished.

I must say I, for one, do not mind staying here until midnight or 2 o'clock in the morning, because I find the debate so scintillating, I just cannot bear the thought of going home.

But I want to say that I think the majority leader is correct, and I do think we need to finish this before we leave for the Memorial Day weekend.

I want to again ask the leadership, or ask the majority leader, if it is the plan of the leadership to finish this resolution before we adjourn for the weekend.

Mr. WRIGHT. If the gentleman will yield, yes, that is the plan. It has been all along, and still is.

What I said a moment ago, let me make abundantly clear, has nothing at all to do with this current amendment presently pending. By no means did I intend for my comments to disparage the importance of the amendment that is pending before us right now. I certainly hope that nobody misconstrued it in that fashion.

What I was saying was simply this: That we should be prepared to stay until midnight tonight, and I expect to ask unanimous consent at the proper time that when we adjourn tonight, we adjourn to come in at 8 o'clock in the morning. Let me add that we should be prepared to stay quite late tomorrow night.

Be it possible that we should finish by tomorrow night, so much the better, because that would allow all of us to keep our plans. But if it were impossible for us to conclude the work on this important budget resolution by tomorrow night, I think we would be very wrong if we were to leave on a weekend with the budget dangling and the public's business unattended. I think the public is entitled to know what the House has done. At least the Senate has acted, and I believe it is up to us now to act.

That is our plan: To be here until we finish it this weekend, and let us hope that it be tomorrow night. If there is cooperation on both sides, we can do that. We have disposed of some 10 or 11 of the amendments. We need to move ahead without dawdling.

I am not suggesting any gag rule on anybody. I am asking for cooperation on both sides, and I think it is to everyone's benefit that we all work with that in mind.

Mr. OBEY. I agree with the majority leader. I think it is essential that we finish.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, I am glad to hear the majority leader say that. He went so far as to say we might stay through Memorial Day. I hope he did not mean that.

Our colleagues on the other side are going home and will be gone a week. There is no way to go to conference on anything. I was notified, as chairman of the Appropriations Committee, yesterday afternoon by the Secretary of the Treasury that by transferring funds from Internal Revenue Service for a brief period, they could keep paying Government checks for a matter of several weeks, I believe they said for a reasonable time.

That being true, and since this bill is way late, it was supposed to be agreed upon by May 15, as Members know, an agreement we need to reach with the Senate, and we not only have not agreed over here, but I think anybody that has been watching for the last several days, the committee has not agreed with itself. I have not agreed with most of it. I think I am like my colleague, I am going to vote for it so we can go to conference.

I hope we can get through. But I think, Mr. Chairman, you went a little far, because we cannot do anything with the Senate when we get through.

Mr. WRIGHT. I thank my dear friend. I hope I was not subject to misunderstanding a moment ago. Certainly it was not my intention that we should be here on Memorial Day. I hope that will not be necessary. I think there exists among Members of the House on both sides enough ingenuity and enough dedication to stay and get it done, so we will not have to be here on Memorial Day.

But it is the plan of the leadership to continue until we finish and not leave for the weekend before we have finished.

Mr. PEYSER. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from New York.

Mr. PEYSER. I would like to ask a question of the majority leader. I agree completely with what the majority leader has said.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. PEYSER and by unanimous consent, Mr. OBEY was allowed to proceed for 2 additional minutes.)

Mr. PEYSER. I agree completely with the majority leader that we ask for unanimous consent for 8 a.m., if that is the plan, so we can try to figure right now as to what the morning schedule is going to be, because some of us do have breakfast plans set up which we will have to cancel. I am glad to cancel them.

Mr. WRIGHT. Would the gentleman yield to me?

The CHAIRMAN. The Chair will state that request must be made in the House. It cannot be made in the Committee of the Whole.

Mr. WRIGHT. That is correct. My intention was to express that and to state that at the proper time, that would be my purpose.

Mr. WEISS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, at the outset, I want to commend the gentleman from Michigan, Mr. CONYERS, for offering the amendment which he has and for having the perseverance and the fortitude to offer what indeed is probably the most important subject matter that we can possibly be discussing today.

I want to commend the chairman of the full committee at this point, too, in his capacity as chairman of the Rules Committee. The rules under which we are operating are in my judgment the fairest rules that we have had on a budget resolution in the 6 years that I have been here.

In the course of the 3 days of debate, I have not noticed any frivolous amendments or any frivolous discussion or people wasting time or engaging in delaying tactics.

□ 1850

I think that something is dangerously wrong with the suggestion that the timetable is going to be speeded up because some people do not like the amount of time that the congressional deliberative process takes. I should tell you, Mr. Chairman and my colleagues, that over the course of the last 5 months my constituents have been wondering what I and the rest of us have been doing here, because they have been watching television and they have been listening to the radio and they have been reading the newspapers, and they know that we have been out of it. The rank and file membership of this House, indeed all the Members with the exception of a select few who are on the Budget Committee and in the top leadership, and part of the Gang of 17, have had little legislative business to perform. Certainly we have had nothing to do with this process.

Now, finally comes our day. Now the House has to act, and now because we are in the third day of discussion on some 60 amendments, all of a sudden it is taking too long. What kind of awful attitude is that? Is that the way to safeguard the prerogatives of this deliberative body, this people's House, as the leader has just called it? I am willing to stay here as late as anybody wants. I am willing to get here as early as anybody wants, but I am going to be extremely unhappy, and I suspect my constituents will be, and yours will, too, after 55 or 60 amendments having been cleared by the Rules Committee they are suddenly given the bum's rush when we get past amendment number 20.

I can see it coming right now, and this Member, for one, is going to scream like bloody hell if there is an effort made to cut off debate and discussion.

As to the gentleman's amendment before us, I do not think it is the same as the nuclear freeze resolution. In the gentleman's judgment it may be. I do not think my constituents will consider our vote on it as being the same as the vote on the freeze resolution. That is really for each Member to make a judgment on. As far as I am concerned, there is no more important subject for us to be discussing than the survival of humanity. That is really what his resolution addresses.

What his resolution says is that the nuclear arms race is driving us all toward destruction. Let us do something about it even if all we are doing is saying "stop."

Maybe because of our action some governments will take notice and stop, and so I am going to support it and vote for it, and do it enthusiastically. I do not care how anybody wants to interpret it. As far as I am concerned, it is a good opportunity to cast a vote against the rush toward nuclear self-destruction.

Mr. MARKEY. Mr. Chairman, I move to strike the requisite number of words, and I rise to speak in opposition to the amendment.

Mr. Chairman, my intention is to speak very briefly and succinctly. I want to make it very clear that this resolution before this body is not—is not, I repeat emphatically—is not the nuclear freeze resolution which has been supported across this country by the nuclear freeze movement. It is not the nuclear freeze petition resolution that was introduced by Representatives BINGHAM, CONTE, and myself. It is not the nuclear freeze resolution that Senators HATFIELD and KENNEDY have introduced over on the Senate side.

The reason is that our resolution calls for a mutual, verifiable, bilateral nuclear freeze—both countries, the United States and the Soviet Union.

For that reason, I do not support and will not support this amendment, as well intentioned as it may be, and as good a discussion that it has sparked to this point.

The Foreign Affairs Committee, within the next 2 weeks, is reporting out a nuclear freeze resolution that will come before this body for a full and fair debate on that subject. I would hope that this premature discussion would not in any way confuse this pending amendment, with the nuclear freeze resolution movement spreading across this country.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. MARKEY. I yield to the gentleman from California.

Mr. DELLUMS. First of all, the gentleman used the term "premature." I would like to inquire, what is premature in the context of the growth of the nuclear arms race?

Second, I would appreciate it if the gentleman told me the distinction, what the gentleman perceives as the bottom line or the effect of his sense of the Congress resolution as against the proposition before the body that the gentleman from Michigan has proposed?

What I am essentially asking is, what is premature, and No. 2, what is the gentleman's resolution going to do that is in some way superior or better or more progressive or more liberal or more strategic than the proposition the gentleman is bringing up at this moment?

Mr. MARKEY. I would hope that the gentleman from Michigan would withdraw his amendment so that we may be able to mobilize the full spectrum of the freeze movement—the Catholic bishops, the lawyers and doctors across this country. We would have an opportunity to mobilize the political dynamics of the freeze movement to lobby this body before we vote. That is not a vote on this budget. We were going to begin discussing this, to bring all those interested parties to this process, to have all their voices heard. I believe that if we do it in an orderly fashion in the next month or so we will be able to send a message with President Reagan to Europe. But we must have a positive vote on that subject.

I am very much afraid that people are going to vote no on this budget amendment because they are going to feel it is unilateral, not verifiable, dealing with all nuclear systems, the Trident submarine as well as Trident II missiles, as though they are the same. This debate should be conducted in an orderly fashion.

I would only hope at the point at which we would discuss this subject, that it is understood by all the Members here that that is the nuclear freeze and reduction resolution before us. This pending amendment is not the one supported by the nuclear freeze movement.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield?

Mr. MARKEY. I yield to the gentleman from Massachusetts.

Mr. MAVROULES. Mr. Chairman, I thank the gentleman very much for yielding.

I thank we ought to take into consideration suggestions that were made a couple of months ago by the President of the United States when he suggested to Mr. Brezhnev of the Soviet Union arms reduction, knowingly I believe that the Soviet Union would not accept his proposal. He in turn got a response from the Soviet Union and Mr. Brezhnev, absolutely knowingly on the part of the Soviet Union that the United States would not accept that suggestion.

What is happening here is that during the last 2 or 3 months, we have seen a movement on the part of this country and President Reagan, along with Mr. Brezhnev and the Soviet Union, and I do not think we ought to do anything here today, although I agree with many of the things that have been stated, to tie the hands of the President of the United States during a period so critical when he takes on arms production talks in the very near future.

Let me suggest this, if I may: The problem, at least in my opinion, is not to do it here today, but on the appropriations bill, when it comes onto the floor of the House, targeting strategic weapons, as I intend to do when the Armed Services bill comes before the House. If we are going to bunch all of the weapons into one subject and on amendment, it is not going to win on the floor of this House, so if we are going to be effective I think we have got to be a little more——

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

(By unanimous consent, Mr. MARKEY was allowed to proceed for 2 additional minutes.)

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. MARKEY. I yield.

Mr. CONYERS. Mr. Chairman, I am very delighted that the gentleman has been drawn into the debate so that we can honestly discuss whatever differences we have. I do not think any Member in this body confused the amendment of the gentleman's, which I cosponsored, with an amendment to the budget, which I cosponsored. Today here, the gentleman says that he was hoping that I would withdraw the amendment.

Mr. MARKEY. That is correct.

Mr. CONYERS. And would the gentleman describe the purpose that would be accomplished if I did so, because I am willing to cooperate with the gentleman. I mean, I am anxious for us to accomplish to the American people, the Speaker of the House, hundreds of Members who have spoken to this question. Millions of Americans are waiting to see what the House is going to do. Tell me how I would advance our mutual concern by withdrawing this amendment?

Mr. MARKEY. Because I am afraid that with an overwhelming defeat of this particular amendment it will send a wrong signal to a group out there who are still working toward the special session on nuclear disarmament in New York City. Those are the grassroots groups. We have a nuclear freeze resolution around which they are all rallying. The political miracle of 1982 is that we have been able to drive President Reagan to the negotiating table with President Brezhnev. People would have said that was impossible in February. Our goal is to take our strongest possible resolution and go on from there. From the general to the specific. In this particular instance we have got it backwards.

□ 1900

Mr. CONYERS. I thank the gentleman.

Would he and his cosponsors of his resolution—if they supported mine, would it then pass?

Mr. MARKEY. No, it would not.

Mr. CONYERS. Then that would be a clear signal to the American people precisely what the posture of the House of Respresentatives is, which is the point of the gentleman's amendment, is it not?

Mr. MARKEY. Again, I would say to the gentleman the problem is we have not yet had the weighing in of all of these constituent groups on this particular amendment. We will have on the resolution.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. MARKEY) has again expired.

(At the request of Mr. WOLPE and by unanimous consent Mr. MARKEY was allowed to proceed for 3 additional minutes.)

Mr. WOLPE. Will the gentleman yield?

Mr. MARKEY. I yield to the gentleman from Michigan.

Mr. WOLPE. I thank the gentleman.

I want to associate myself with the remarks of the gentleman from Massachusetts, and with his opposition to the amendment before us.

It is with difficulty that I must oppose this amendment because I so respect the author of this amendment, my distinguished colleague from Michigan (Mr. CONYERS). I believe that indeed he intends his amendment to be perfectly consistent with the bilateral freeze initiative; however, I believe the actual language of the amendment might be misunderstood.

I happen to be, as the gentleman well knows, cosponsor of the nuclear weapons prize resolution and a consistent opponent of such weapons systems as the MX missile, and the B-1 bomber, for all of the reasons elucidated by the gentleman from Michigan and others in the debate today.

I think what is before us really is a tactical question.

My concern is that we not take an initiative that could be misperceived, whatever the intentions might be, and that would play into the lands of those who seek to undermine the extraordinary bipartisan mobilization that has occurred all across this country in support of a bilateral freeze on all nuclear weaponry. For this reason I would hope that we could postpone the debate on this specific question that is currently before us until we have had an opportunity to act upon the freeze resolution that will be before the Congress in a short period.

Mr. MARKEY. If I may reclaim my time, our fear is the headlines tomorrow will read "Freeze Amendment Defeated In Congress."

"Nuclear Arms Amendment Defeated."

"Freeze Amendment Of Representative Conyers Of Michigan Voted Down."

I do not think that is going to be the case on the nuclear freeze resolution. We have a head of steam going. We have a tremendous movement out there. And that is our goal, to bring that movement and resolution to the floor.

Mr. DELLUMS. Will the gentleman yield briefly?

Mr. MARKEY. I yield to the gentleman.

Mr. DELLUMS. First of all, any time those of us who advocate these kinds of ideas find ourselves in different positions on the floor, that is extremely painful. Obviously it is painful to the gentleman and it is certainly painful to me.

But I would simply suggest to my friend that he has been in this Congress for now three terms and he knows that we have to start the debate somewhere. So my friend's amendment started the debate.

I think that one can make an intelligent argument that says if that is the posture, if that is the headlines in the newspaper tomorrow, that would not stifle the freeze movement; that would build the freeze movement because the gentleman and I both know that there are not enough votes in this Congress as it is presently constituted, in an election year, to pass a nuclear freeze initiative.

What we need is the American people standing up and expressing their point of view. So I think one can argue just as powerfully as the gentleman in the well on the other side that if you vote it down you have the American people building a powerful political movement because they know how expedient this body tends to be.

Mr. MARKEY. No one has greater respect for the gentleman from California (Mr. DELLUMS) or the gentleman from Michigan (Mr. CONYERS) than I do. We just disagree on the perception the effect of this vote will leave.

Mr. DELLUMS. I appreciate that.

Mr. CONYERS. Will the gentleman yield to me?

Mr. MARKEY. I yield to the gentleman from Michigan.

Mr. CONYERS. May I ask my colleague from Massachusetts whether or not, if I withdraw this amendment, it will be perceived by all of our supporters as a massive defeat in the House of Representatives?

Mr. MARKEY. I do not think that will be the case.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. MARKEY) has again expired.

(At the request of Mr. MCKINNEY and by unanimous consent Mr. MARKEY was allowed to proceed for 1 additional minute.)

Mr. McKINNEY. Will the gentleman yield?

Mr. MARKEY. I yield to the gentleman from Connecticut.

Mr. McKINNEY. I would say to my cochairman of the New England Energy Caucus, and as one of the signers and pushers for the freeze, I agree with the gentleman.

What disturbs me here is that we are endangering a national movement on a bill, and Lord knows one that is going to go.

It does not make any difference whether it is Latta, Jones, or Aspin, or what it is; it is still going to have the same conferees in the other body, the same conferees in the House, and the same deals struck, and the same everything else.

To have a vote, and I would hope my good friend from Michigan would not ask for one, that would endanger what we have been doing in little towns across Connecticut, Massachusetts, and the whole country, I think is a terrible thing to do.

I appreciate what the gentleman has had to say.

Mr. MARKEY. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. CONYERS) to the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. JONES).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. CONYERS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 28, noes 383, answered "present" 5, not voting 16, as follows:

[Roll No. 110]

AYES—28

AuCoin
Brodhead
Brown (CA)
Burton, Phillip
Clay
Collins (IL)
Conyers
Crockett
Dellums
Dixon
Dymally
Ford (TN)
Forsythe
Garcia
Gray
Kastenmeier
Leland
Mitchell (MD)
Rahall
Rangel
Reuss
Richmond
Roybal
Savage
Stokes
Washington
Weaver
Weiss

NOES—383

Addabbo
Akaka
Albosta
Alexander
Anderson
Annunzio
Anthony
Applegate
Archer
Aspin
Atkinson
Badham
Bafalis
Bailey (MO)
Bailey (PA)
Barnard
Barnes
Beard
Bedell
Beilenson
Benedict
Benjamin
Bennett
Bereuter
Bethune
Bevill
Biaggi
Blanchard
Bliley
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Breaux
Brinkley
Brooks
Broomfield
Brown (CO)
Brown (OH)
Broyhill
Burgener
Butler
Byron
Carman
Carney
Chappell
Chappie
Cheney
Clausen
Clinger
Coats
Coelho
Coleman
Collins (TX)
Conte
Corcoran
Coughlin
Coyne, James
Coyne, William
Craig
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daub
Davis
de la Garza
Deckard
DeNardis
Derrick
Derwinski
Dickinson
Dicks
Dingell
Donnelly
Dorgan
Dornan
Dougherty
Dowdy
Downey
Dreier
Duncan
Dunn
Dwyer
Dyson
Early
Eckart
Edgar
Edwards (AL)
Edwards (OK)
Emerson
Emery
English
Erdahl
Erlenborn
Evans (DE)
Evans (GA)
Evans (IA)
Evans (IN)
Fary
Fascell
Fazio
Fenwick
Ferraro
Fiedler
Fields
Findley
Fish
Fithian
Flippo
Florio
Foglietta
Foley
Ford (MI)
Fountain
Fowler
Frank
Frenzel
Frost
Fuqua
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Ginn
Glickman
Goldwater
Goodling
Gore
Gradison
Gramm
Green
Gregg
Grisham
Guarini
Gunderson
Hagedorn
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Harkin
Hartnett
Hatcher
Heckler
Hefner
Heftel
Hendon
Hertel
Hightower
Hiler
Hillis
Holland
Hollenbeck
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jeffords
Jeffries
Jenkins
Johnston
Jones (NC)
Jones (OK)
Jones (TN)
Kazen
Kemp
Kennelly
Kildee
Kindness
Kogovsek
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
LeBoutillier
Lee
Lehman
Lent
Levitas
Lewis
Livingston
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Madigan
Markey
Marks
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Matsui
Mavroules
Mazzoli
McClory
McCloskey
McCollum
McCurdy
McDade
McDonald
McEwen
McGrath
McHugh
McKinney
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Mineta
Minish
Mitchell (NY)
Moakley
Moffett
Molinari
Mollohan
Montgomery
Moore
Moorhead
Morrison
Mottl
Murphy
Murtha
Myers
Napier
Natcher
Neal
Nelligan
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Ottinger
Oxley
Panetta
Parris
Pashayan
Patman
Patterson
Pepper
Perkins
Petri
Peyser
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Railsback
Ratchford
Regula
Rinaldo
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roe
Roemer
Rogers
Rose
Rosenthal
Rostenkowski
Roth
Roukema
Rousselot
Rudd
Russo
Sabo
Santini
Sawyer
Scheuer
Schneider
Schroeder
Schulze
Schumer
Seiberling
Sensenbrenner
Shamansky
Shannon
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Simon
Skeen
Skelton
Smith (AL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (OR)
Smith (PA)
Snowe
Snyder
Solarz
Solomon
Spence
St Germain
Stangeland
Stark
Staton
Stenholm
Stratton
Studds
Stump
Swift
Synar
Tauke
Tauzin
Taylor
Thomas
Traxler
Trible
Vander Jagt
Vento
Volkmer
Walgren
Walker
Wampler
Watkins
Waxman
Weber (MN)
Weber (OH)
White
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wirth
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zablocki
Zeferetti

ANSWERED "PRESENT"—5

Edwards (CA)
Gonzalez
Jacobs
Paul
Rodino

NOT VOTING—16

Andrews
Bingham
Boggs
Burton, John
Campbell
Chisholm

Conable
Courter
Daschle
Ertel
Hawkins
Mattox
Pease
Rhodes
Stanton
Udall

□ 1920

The Clerk announced the following pairs:

On this vote:

Mrs. Chisholm for, with Mrs. Boggs against.

Mr. AUCOIN and Mr. RAHALL changed their votes from "no" to "aye."

So the amendment to the Jones amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. BEILENSON). Does the gentleman from Michigan (Mr. CONYERS) seek recognition to offer his perfecting amendment to one of the other pending amendments in the nature of a substitute?

If not, does any other Member seek recognition for that purpose?

AMENDMENT OFFERED BY MR. WYLIE TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA

Mr. WYLIE. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA).

The CHAIRMAN pro tempore. The Chair will inquire, is the amendment provided for under the rule?

Mr. WYLIE. Yes, Mr. Chairman. It is to the Latta substitute.

The CHAIRMAN pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. WYLIE to the amendment in the nature of a substitute offered by Mr. LATTA:

Page , line , (relating to the recommended level of Federal revenues for the 1983 fiscal year) strike out "$665,900,000,000" and insert in lieu thereof "$680,900,000,000" and on page , line , increase the amount by which revenues should be increased by $15,000,000,000.

Page , line , (relating to total new budget authority for fiscal year 1983) strike out "$805,200,000,000" and insert in lieu thereof "$768,600,000,000".

Page , line , (relating to total budget outlays for fiscal year 1983) strike out "$767,500,000,000" and insert in lieu thereof "$752,250,000,000".

Page , line , (relating to the amount of the deficit for fiscal year 1983) strike out "$101,600,000,000" and insert in lieu thereof "$71,350,000,000".

Page , line , (relating to functional category 050) strike out "$253,850,000,000" and insert in lieu thereof "$225,050,000,000".

Page , line , (relating to functional category 050) strike out "$213,250,000,000" and insert in lieu thereof "$205,800,000,000".

Page , line , (relating to functional category 900) strike out "$112,800,000,000" and insert in lieu thereof "$105,000,000,000".

Page , line , (relating to functional category 900) strike out "$112,800,000,000" and insert in lieu thereof "$105,000,000,000".

Page , line , (relating to reconciliation instructions to the House Committee on Ways and Means) strike out "$20,900,000,000" and insert in lieu thereof "$35,900,000,000 (of which at least $15,000,000,000 shall be generated through increased user fees and luxury and excise taxes)".

Page , line , (relating to reconciliation instructions to the Senate Committee on Finance) strike out "$20,900,000,000" and insert in lieu thereof "$35,900,000,000 (of which at least $15,000,000,000 shall be generated through increased user fees and luxury and excise taxes)".

Mr. WYLIE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from New York.

Mr. SOLARZ. I thank the gentleman for yielding.

I just wanted to say to those Members who are interested that I was supposed to be offering the next amendment, after the gentleman from Michigan's amendment was disposed of to function 150. The purpose of the amendment was to provide an increase of about $300 million in aid to Israel and Egypt. For a variety of reasons, however, which I will not go into at this time, I have decided it would be the better part of wisdom not to offer it after all. So I just wanted to let those who have expressed an interest in the amendment know that I will not be offering it.

Mr. WYLIE. I do not know that I thank the gentleman. I am not sure whether that helps or hurts my cause.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield for a point of clarification?

Mr. WYLIE. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Does the gentleman's amendment go to the Latta substitute?

Mr. WYLIE. Yes, it does.

Mr. JONES of Oklahoma. I thank the gentleman.

Mr. WYLIE. Mr. Chairman, we have heard a lot of debate on defense spending and it is a budget item of major concern and it should be debated very thoroughly which it has. I have an amendment which I hope will have some appeal. I do not offer my amendment lightly but, because of the rather extensive debate on the defense item already, I do not intend to take a lot of time.

My amendment would reduce the level of defense spending in the Latta substitute by $7.5 billion. It would also provide for an increase of $15 billion over fiscal year 1982.

I repeat that.

Whereas, my amendment would reduce the Latta amendment by $7.5 billion.

Whereas it would provide for a $7.5 billion decrease in defense spending provided for in the Latta budget it would provide for a $15 billion increase above the $190.8 billion base for fiscal year 1982.

The increase of $15 billion would be funded under my amendment through a luxury tax similar to the one in effect in World War II which could easily raise $15 billion according to the Congressional Budget Office and the Joint Taxation Committee.

The net effect of the amendment would be to decrease the budget deficit in the Latta amendment by $22.5 billion from the $102 billion, to $79.5 billion. Now this is before the impact of any interest rate reduction.

Estimates on the interest rate reduction or interest rate savings vary. The Congressional Budget Office said that it could save up to $7.8 billion in 3 years, but I have used a figure of $7.5 billion for fiscal year 1983 which is a conservative estimate.

In any event, if my amendment is adopted, it would reduce the deficit to between $70 and $75 billion.

To reemphasize if I may, Mr. Chairman, my amendment would provide a decrease in the Latta budget outlays of $7.5 billion for fiscal year 1983 and for an increase of $15 billion above the fiscal year 1982 level which would be paid for by a luxury tax.

Now I realize that our President has as Commander in Chief a great responsibility for our national defense and I think it is altogether appropriate for the President to place such great emphasis on national defense but we as a Congress have a primary responsibility to create a healthy economic atmosphere for our constituents.

In my judgment, providing for an economically healthy America through a lower Federal deficit and lower interest rates must be our highest priority. The $15 billion increase is in addition to the $31 billion increase we voted for defense for fiscal year 1982.

Frankly, I do not think that the Defense Department can spend that much money wisely.

We cannot solve all of our defense problems with a blank check but there is an additional consideration and that is high interest rates are affecting American businesses, causing bankruptcies and unemployment.

We all know the single biggest issue facing the Nation is high interest rates and high interest rates are causing unemployment

My amendment then would bring interest rates down by reducing the deficit through a combination of restraints and defense spending and a luxury tax to pay for the increase.

The luxury tax would pay for increases in defense spending so social and educational programs would not have to be cut for defense. As a member of the House Banking Committee and of the Joint Economic Committee I have had an opportunity to listen to and question many economists and all agree that the reason for high interest rates is the expectation by Wall Street and the money markets that Congress will not act to reduce the deficit.

The CHAIRMAN pro tempore. The time of the gentleman from Ohio (Mr. WYLIE) has expired.

(By unanimous consent, Mr. WYLIE was allowed to proceed for 2 additional minutes.)

Mr. WYLIE. Mr. Chairman, the spread between the inflation rate and an interest rate is at an historic high. Lenders are adding 4 to 5 percentage points I have been told on to real interest rates because of this expectation that the Federal Government will continue to crowd out to finance another big deficit. We need to calm the jangled nerves of investors.

My amendment would allow for an 8 percent active duty pay raise and increases in retired military pay which we voted last year. It would also provide for a 7.85-percent increase in new dollars which would be made available. I hope by this process we can encourage elimination of duplication and waste in the Defense Department. More importantly, it would indicate to those we represent that no agency of Government is above our efforts to achieve budget savings.

□ 1930

The net effect of my amendment then would be to reduce the deficit to about $72 billion. I honestly feel, Mr. Chairman, it would send a signal that we are sincere about improving our economy and I urge adoption of my amendment.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. Yes, I would be glad to yield.

Mr. REGULA. I thank the gentleman for yielding.

I just want to be sure that we are clear on the numbers and the impact.

First of all, the gentleman does not do anything to 1984 and 1985; is that correct?

Mr. WYLIE. That is correct. It just impacts on fiscal year 1983.

Mr. REGULA. Fiscal year 1983?

Mr. WYLIE. That is right.

Mr. REGULA. You did not mention budget authority.

I think the gentleman mentioned that in outlays the gentleman would actually reduce defense spending, I think it is $8.4 billion less than provided in the Latta amendment; is that correct?

Mr. WYLIE. Well, it originally was $7.5 billion, but there was a typographical error, apparently, and it would in effect be about $8.4 billion; but the net effect would be it would increase the $190.8 billion——

The CHAIRMAN pro tempore (Mr. BEILENSON). The time of the gentleman from Ohio has expired.

(At the request of Mr. REGULA, and by unanimous consent, Mr. WYLIE was allowed to proceed for 3 additional minutes.)

Mr. WYLIE. It would increase the $190.8 billion base to $205 billion.

Mr. REGULA. So, in fact, it would reduce defense spending $8.4 billion in fiscal year 1983 outlays, $8.4 billion plus the Latta reduction of $7.5 billion.

Mr. WYLIE. That would be the effect of it, since the Congressional Budget Office made a recalculation; but I repeat again, it would increase the base from $190.8 billion to $205.8 billion.

Mr. REGULA. How much does the gentleman reduce budget authority in the amendment?

Mr. WYLIE. I do not impact on budget authority at all. I am just talking about outlays, which is where the real money is.

Mr. REGULA. The last question I have is, if I understand the gentleman correctly, the Latta substitute provides for $20 billion in revenue increases in fiscal year 1983 and the gentleman would add $15 billion on top of that, which means that the total revenue increases if this amendment were adopted in the Latta substitute, would then be $35 billion; is that correct?

Mr. WYLIE. I would suggest that $15 billion go from a luxury tax to pay for my increase in defense spending.

Mr. REGULA. I understand.

Mr. WYLIE. Now, there is a lot more money possible in a luxury tax than the $15 billion, according to Congressional Budget Office estimates; so I would not think that the total tax increase would be that much from other sources if a luxury tax were put in place; but I do think this is a good place to get money for the defense budget.

Mr. REGULA. But the gentleman's amendment would have to increase the revenues by $35 billion in fiscal year 1983 to achieve its objective, would it not?

Mr. WYLIE. That would be the arithmetical calculation in the budget at the present time.

Mr. ECKART. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. Yes, I will be glad to yield.

Mr. ECKART. To my colleague from Ohio, I am intrigued by the elements of the gentleman's amendment. What I would like to ask the gentleman to explain a little further, if the gentleman could, is the percentage of the revenue increments that would accrue to us that would be apportioned among luxury tax, excise tax and user fees.

My concern, of course, would be the impact of user fees on ports and harbors in northeastern Ohio and to what extent does the gentleman think the portions of the revenues would come from the three different areas?

Mr. WYLIE. I really do not specify. What I had in mind when I put the user fee in, and I tried this out on an audience back in Columbus, as the gentleman knows when the Coast Guard goes to the rescue of a yacht or a boat or ship which has run out of gas and is in distress, there is no user fee charged.

Now, it seems to me that the taxpayer should not have to pay for that. I think it is analogous to my running out of gasoline on the freeway. I have to pay for the tow or have Triple-A.

It just seems to me that that cost could be passed on to the yacht owner. This is one possible source.

I did not anticipate that the user fee would be lodged against the use of inland any river, lake or harbor.

Mr. FRENZEL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not want to prolong this unnecessarily. I simply want to restate something that every Member of this body knows. That is—there is no way in a budget resolution that any amendment or any dictate in that resolution can force the tax committee to recommend to the House a certain kind of taxes, nor force the House to adopt a certain kind of tax.

While it may be the pious hope of the maker of the amendment that we adopt tax advances to raise revenues, this resolution cannot instruct on how the revenues will be raised.

If the Wylie amendment should be adopted and should become part of the final budget resolution, we would indeed be obliged to raise $35 billion in new taxes, but we might raise them by increasing personal income taxes, or corporate income taxes, or closing loopholes, or any of a variety of other ways.

So, while the maker of the motion may have the intention of raising taxes in a certain way, there is nothing in the gentleman's amendment nor in the budget resolution that can force us to do it.

Finally, Mr. Chairman, I would say $35 billion is too much of an increase in taxes. We have made this point repeatedly. It is going to be difficult enough to raise $20 million.

I urge defeat of the amendment.

Mr. McCLOSKEY. Mr. Chairman, will the gentleman yield for a question?

Mr. FRENZEL. I yield to the gentleman from California.

Mr. McCLOSKEY. Mr. Chairman, I am impelled to support the theory of the amendment, that if we are increasing the defense budget, we should pay for it by luxury taxes or consumption taxes as we did in World War II, it would be very attractive.

I worry about the amendment, however, if it cuts defense below the 3-percent real growth we are committed to. We have asked our NATO allies to be committed to that, too.

May I ask this question: In light of what the gentleman from Minnesota just said, if we adopt in this body an amendment calling for luxury taxes, is it the gentleman's statement that the Ways and Means Committee would not be bound to include consumption taxes, that the tax could be picked up in a corporate tax or some other way?

Mr. FRENZEL. The gentleman is absolutely correct. The committees cannot be bound. The reconciliation instructions only direct the committee to report back additional revenues of the amount required by the budget resolution. The committee can report back any kinds of revenue raisers it wishes.

Mr. McCLOSKEY. Well, could the gentleman then yield to the gentleman from Ohio to respond to that point?

Mr. FRENZEL. I yield to the gentleman from Ohio.

□ 1940

Mr. WYLIE. I thank the gentleman for yielding.

May I say, if this amendment passes, I think we would be making a strong recommendation to the Ways and Means Committee that we would like them to come up with a luxury tax or a tax on some of the items which were included in the luxury tax in World War II.

I understand we cannot bind the Ways and Means Committee, but neither does anything else in the budget resolution, per se, bind any of the committees. The authorizing committees can come up with their own budgets. The Appropriations Committee can come up with its budget. But nonetheless, it would be a signal to them that that is where we would like to have Ways and Mean finance this increase in defense spending.

Now, on the question of a 3-percent real growth in defense spending which the gentleman from California raised, my amendment contemplates a 7.85-percent increase in defense spending, and I came up with that figure because of the increases in pay that we voted last year, and increases in pension benefits. I applied the inflation rate as we now find it. Last month the inflation rate was about 2.6 percent. On an annualized basis it is about 6.6 percent. We are told the inflation rate should not be over about 5 percent for the year, which would give us the 3-percent leeway in the defense budget that the gentleman talked about as far as the commitment to our allies is concerned. I did take that into account.

Mr. FRENZEL. I thank the gentleman for his contribution. He says his amendment will send us a message. He might send the Tax Committee a little message but it might not hear his message. I would say when the dogs of increased taxation are unleashed, no man can say which Americans they are going to chew apart.

Mr. ROE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. ROE. At the outset, my colleagues, I would like to extend my greatest respect to the distinguished gentleman from Ohio (Mr. WYLIE) in the presentation of his amendment.

I know that he mentioned in his colloquy, or his discussions, that he did not feel that this leaned too strongly toward user fees as far as the inland water transportation system was concerned in his dialog with the distinguished gentleman from Ohio, Mr. DENNIS ECKART.

Let me point something out to the gentleman. We have been meeting for 1 year and holding hearings practically day and night on the entire water transportation system and the deep port system of this Nation. The testimony is replete with information that if 1 penny is added to added user charges, on the inland waterway system alone, it will see to it that the United States will no longer be competitive overseas in their shipment of grain alone.

Here we are faced with a situation in this Nation where our steel companies are laying off. We are talking about enormous increases in user fees, possibly for the use of coal. We are talking about our ability to compete in coal internationally. We are talking about a loaf of bread and the cost of a loaf of bread. We are going to raise $15 billion from user fees, and it is supposed to be a luxury tax.

Let me respectfully suggest to every Member of this House who is in an agricultural grain State or whose economy depends upon coal, or whose economy depends upon steel, that voting a $15 billion increase, no matter what portion would be allocated to user fees in the port situation or the inland transportation, water transportation system, will be disastrous to the economy of this Nation.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, I agree with the gentleman that that would be disastrous. What I am talking about is a luxury user fee. I did not ever at any time contemplate in my wildest thinking that there would be a user fee on our inland waterways, so I would like to dispel any doubt on that.

Mr. ROE. I realize the gentleman has enormous respect, and I have that for him, as he knows. Perhaps it is a little more craftsmanship that is needed in the drafting of this amendment. But when we use the word "user fees," that connotes clear across the board—transportation, the ADAP program, and dozens of other programs that relate to the word "user fee."

Mr. WYLIE. If the gentleman will yield further for one other point, may I say that I would oppose an increase in the user fees of our inland waterways. But I think the gentleman would agree there is some potential for some user fees as far as yachts and luxury liners are concerned.

Mr. ROE. I am talking about the economy and the commerce of this Nation. I am not interested in yachts. I am talking specifically about inland water user fees that will affect the transportation of goods and materials in this country. I am concerned about the Great Lakes shipment companies. I am concerned about the deep sea costs.

Mr. HAMMERSCHMIDT. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio.

The budget process is sufficiently burdensome without the unnecessary complications that this amendment would surely inject. At the very least, it would create jurisdictional conflicts between committees.

The gentleman's amendment both increases the existing mandate contained in House Concurrent Resolution 345 for increased revenues by $15 billion, and goes quite beyond the resolution language in actually specifying exactly what the source of these revenue increases will be.

In the language of the gentleman's amendment, the source for providing the $15 billion increase over the $31.7 billion contained in the resolution would be increased user fees and luxury and excise taxes.

On its face, the amendment strikes directly at the jurisdiction of those committees of the House which have the authority to impose user fees. Not only does it mandate a $15 billion increase in user fees and excise taxes, some or all outside the authority of the House Ways and Means Committee, it does not address the issue of dedicating the use of these proposed increased revenues to the purpose for which the user fees are levied.

Without language specifying the purpose for which user fees are being levied, the user fee concept is rendered meaningless. Under the user fee system, understandably enough, the user or the beneficiary of a Federal facility pays for the costs.

Even though the Public Works and Transportation Committee has documented and addressed the needs of the user-fee supported highway and aviation programs, as we have the experience and expertise to do, we would not be involved in determining the utilization of the revenue increases provided in the amendment of the gentleman from Ohio. Similar programs under the jurisdiction of the Agriculture, Energy and Commerce, Foreign Affairs, Interior, and Merchant Marine Committees would likewise be affected.

By what the amendment says and what it does not say, the revenues proposed could well be used merely to reduce the Federal deficit. That would be most unfair to the users affected by the fees imposed.

For that and the other deficiencies I have outlined, I urge that the amendment be rejected.

Mr. CLAUSEN. Mr. Chairman, will the gentleman yield to me?

Mr. ROE. I yield to the gentleman from California.

Mr. CLAUSEN. Mr. Chairman, I rise in opposition to the amendment. Its language would excessively invade the jurisdiction of both authorizing and revenue-raising committees, pit one committee against another, and make the budget process so onerous as to bring it into discredit. My objection is not so much the sponsor's objective but rather the procedure.

My principal objection relates to the provisions amending page 35, line 1 and 21, respectively relating to reconciliation instructions to the Committee on Ways and Means and the Senate Committee on Finance. Members will note that the gentleman's amendment increases by $15 billion the amount of revenue mandated to be raised; and it also requires that, of the total amount to be raised, $15 billion come through, and I quote, "increased user fees and luxury and excise taxes."

In the form before us, House Concurrent Resolution 345 mandates increases in revenues by action of the Committee on Ways and Means in the amount of $31.7 billion, which the gentleman would increase to $46.7 billion—the difference is more than the numbers; it mandates the source of the increase, a matter on which the applicable provision of House Concurrent Resolution 345 is silent.

Now what would the consequence be? First, to the extent that user fees are involved, this would represent a mandated invasion of the jurisdiction of a half-dozen authorizing committees and their authority to impose user fees. They have that jurisdiction. User fees are not taxes within the jurisdiction of the Committee on Ways and Means, as evidenced by exclusive referral of H.R. 2959 and H.R. 5073 (deep draft port legislation) to the Committee on Public Works and Transportation.

The real concern that I have is the tendency to use the budget process to achieve line item provisions that are more properly handled by the authorizing and Appropriations Committees.

I also note that the gentleman's amendment is silent on the matter of dedicating the use of those increased revenues to the purposes and programs in connection with which those user fees are levied. This is totally violative of the user-fee concept, whereby those particular groups or classes of users of a Federal facility or service—the beneficiaries—bear a special responsibility for the costs. It would be unfair to single them out to a bear a special share of the burden of reducing the deficit.

Mr. Chairman, I have no problem with the Ways and Means Committee, just with the amendment that directs them to do something that is not within their jurisdiction.

I urge the rejection of the amendment.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Ohio.

Mr. WYLE. Mr. Chairman, I am sorry I used the words "user fees," because, believe me, user fees on our inland waterways and the Great Lakes never entered my mind.

So Mr. Chairman, I would ask unanimous consent to delete the words "user fees" from my amendment.

The modification to the amendment is as follows: Page 2, line 15, after the word "increased" strike our "user fees and".

On page 3, line 1, after the word "increased" strike out "user fees and".

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio (Mr. WYLE) to modify his amendment?

There was no objection.

Mr. BEDELL. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, I think we are seeing here exactly why we have such trouble in our Government. The fact is that if we are going to increase defense expenditures to the amount that is proposed, then somebody is going to have to pay for it.

The gentleman from Ohio has come up with a proposal of how we would pay for it. He is saying that we should pay for it by taxing luxury items. It seems to me that that is a legitimate proposal.

Let us understand what this amendment does. This amendment would decrease the deficit that is proposed by some $22 billion. It would still increase defense expenditures by some 8 percent. I do not know how my colleagues' people feel, but I know how my people feel. My people are concerned about interest rates today.

Most people would agree that, unless we get our deficits under control, we can expect to continue to have high interest rates and we can continue to have a depressed economy.

Most economists would agree that our inflation started when President Johnson refused to raise taxes to cover the increased cost of the military to cover the Vietnam war. Today we are proposing that we increase our defense expenditures in real dollars more than twice as much as we increased expenditures to cover that war, and we are talking about the biggest tax cut we have ever had in history.

□ 1950

I believe that it also makes some sense for us to say that if we are going to increase spending comparable to what we did in wartime, that maybe we then could increase the taxes to cover that spending comparable to what we did in wartime, so that the people would know how we are going to pay for it.

Mr. McKINNEY. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. I yield to the gentleman from Connecticut?

Mr. McKINNEY. Mr. Chairman, I do not want to take 5 minutes, but I just want to commend the gentleman from Ohio.

I am fascinated when I sit, and I represent Long Island Sound, the shoreline, I am fascinated when I sit in my office and I get a letter from the chairman of the board from one of our biggest corporations, the largest stockbroker firm, the fifth largest banking institution in the United States, and they say, "Don't tax my boat."

I wonder, if they can afford $1 million, 65 foot Hatteras, and $30,000 to $40,000 it costs to keep it up, they certainly can pay for the people that pick them up out of the water and do the kinds of things Mr. WYLIE is doing in this amendment. I thought pay as you go was our new motto

I commend the gentleman and the author of the amendment. The time has come when we ought to start to charge for what we give, and I totally agree with what the gentleman says. We do it in wartime, but I wonder why we take the whole of my constituents, and here goes 50 more votes, who have large votes, and say, "You don't have to pay for the right to use them. You do not have to pay anything to the government that takes care of you."

I commend what the gentleman is saying.

Mr. BEDELL. I thank the gentleman from Connecticut.

Just recently I understand that five previous Secretaries of the Treasury met together, Republicans and Democrats alike. My understanding is that they all agreed that we had to get the budget deficit down. Ladies and gentleman, when we are talking about a $100 billion deficit we are not talking about getting a deficit down.

We have a proposal now by the gentleman from Ohio that would bring that deficit down below $80 billion. I still think that is too high, and I come from an agricultural area which has already been mentioned. I can tell the Members what my people from my agricultural area would tell us. They would tell us that we better take the steps and have the courage to say that if we are going to increase spending to that extent we better determine how we are going to pay for it.

I hope the Members will have the courage to support this Wylie amendment.

Mr. ECKART. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. I yield to the gentleman from Ohio.

Mr. ECKART. Mr. Chairman, I want to take a moment to say that I stand in support of and associate myself with the gentleman from Iowa's remarks, and commend my colleague from Ohio for offering his amendment. With the deletion of the reference to user fees I think those of us who have great concern about development of our waterways and ports can vote for this with confidence. I think it is reasonable, rational, and more importantly, strikes a middle course which hopefully can reduce our deficit.

I commend the gentleman for offering the amendment and associate myself with the remarks of the gentleman in the well.

Mr. HOWARD. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. I yield to the gentleman from New Jersey.

Mr. HOWARD. Mr. Chairman, I would like to ask a question, because those of us on the Public Works and Transportation Committee have been very concerned about it.

The **CHAIRMAN.** The time of the gentleman from Iowa has expired.

(At the request of Mr. Howard and by unanimous consent, Mr. Bedell was allowed to proceed for 1 additional minute.)

Mr. HOWARD. We have been concerned about the funding for transportation which comes from two things, not only user fees or taxes, such as the gasoline tax which is used in the highway trust fund, but also excise taxes which are paid mainly by the truckers, which also are a very important part of this highway trust fund. If excise fees are still in there then there would be an objection by some of us. We are very happy that the user fee concept was taken out, but we do not want any of that money, with the problems that we have with highways, bridges, tunnels, transit systems——

Mr. BEDELL. According to what the author of the amendment says, let me read to the gentleman—these would be surcharges on furs, jewelry, luggage, wagering, coin-operated machines, alcohol and tobacco products, for various users. I would think that there would be some that would feel that it would be proper for those people who use furs and jewelry, and so forth, to help to pay for this large amount of increase we are talking about.

Mr. HOWARD. I thank the gentleman for that explanation, because I want to make it very, very clear that we do feel that any kind of increase in excise taxes that may go on trucks, certainly gasoline, that has to be used for that purpose. I thank the gentleman for explaining that.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. I would be glad to yield.

Mr. WYLIE. May I say that was not the intent, and as a matter of fact we could not levy an excise tax on trucks. The amendment says we would suggest a luxury tax, and as I explained, similar to the one which was levied during World War II, which was in the form of an excise tax on, as the gentleman in the well stated, furs, jewelry, luggage, wagering, and coin-operated machines.

There is a long list of items which had a so-called luxury tax placed on them during World War II. Those were words of art, and the gentleman can check and see that there was no excise tax levied as a luxury tax on trucks.

The **CHAIRMAN.** The time of the gentleman from Iowa has again expired.

(By unanimous consent Mr. Bedell was allowed to proceed for 1 additional minute.)

Mr. BEDELL. I come from an agricultural area, but I have to tell the Members that if my farmers were to vote on whether or not there would be a user tax on the barges that haul their grain in order to move us to where we got interest rates down, my farmers would not have much trouble determining what they wanted to do in that area. I think we are going to have to start to recognize that there is no free lunch, and if we want to increase defense expenditures to the amount proposed, I can tell the Members that my people believe we ought to pay for it, and my people believe that it is important that we get our deficits down so we can get interest rates down so that this economy can again start to operate in a normal manner.

I again want to commend the gentleman on his amendment.

Mr. WEBER of Ohio. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I rise in support of the Wylie amendment because it is the first amendment that I have heard today that really makes a frontal attack on the Federal deficit contained in the three budget proposals before us. We are cutting by this amendment $22.5 billion out of the Federal budget. I think that is extremely important for the recovery of this country.

I am concerned about the reduction in defense expenditures, but I believe at the level that the Wylie amendment leaves defense, something in the neighborhood of $205 billion, and substantially higher than 1982, that we will have an adequate defense system for our country. More importantly, we will be doing something important to provide a strong economic recovery, not an anemic, not a weak recovery, but a strong economic recovery by cutting the 1983 deficit to $79.5 billion.

This amendment achieves that commendable deficit by a combination of spending reductions in defense and a tax on luxury items, such as we had during the desperate days of World War II. Such a tax would be in our tradition of discouraging unnecessary spending on such things as furs, wagering, coin-operated machines, alcohol and tobacco products. It is a price the people of America are willing and able to pay in return for a lower deficit and a healthier economy.

I urge my colleagues for that reason to support the Wylie amendment.

Mr. HUGHES. Mr. Chairman, I move to strike the requisite number of words.

I yield to my colleague from New Jersey (Mr. Roe).

Mr. ROE. Mr. Chairman, I thank the gentleman from New Jersey. I just thought it would be interesting for the record, for the Members of the House, that every single agricultural person in the Nation over intensive hearings, there was no one single agricultural representative that supported any added user fees, of every single person that testified before our committee.

Mr. HUGHES. Mr. Chairman, I just want to, if I might, briefly commend my colleague from Ohio on this amendment. I intend to support the amendment. It is the only amendment that I see that has been offered that would reduce the deficit below $80 billion, thus help us bring interest rates down, permit growth in real terms of some 5 percent in the military budget, and raise the necessary revenues for that increase. It directs the Ways and Means Committee to raise some $15 billion in luxury taxes. It is going to be very difficult, if not impossible, for us to pay for that growth in military spending, without huge deficits, given the revenue base projected in the Latta substitute.

I intend to support the gentleman's amendment. I hope the House will overwhelmingly support it—for it will scale back the military budget modestly—increases revenues by a consumption tax—and reduces the deficit to bring down interest rates. Thank you.

Mr. ROTH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just want to take a few seconds to say that I wholeheartedly endorse this amendment. I had my reservations, but since the user fee concept has been removed I wholeheartedly support this amendment. It is a very good amendment, and I hope we pass it.

Mr. EDWARDS of Alabama. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not want to prolong this debate, but there seems to be some kind of love feast here, that we are going to do away with all these luxury taxes and therefore naming defense a luxury.

I would like to remind Members that the CBO baseline for outlays in 1983 is $224 billion, and this proposal would take that down to $205 billion for defense.

□ 2000

I would like to remind the Members that the committee recommendation, compared to the CBO baseline, is about $212 billion, and this would take defense down to $205 billion. I would like to remind the Members that the Latta substitute is about $214 billion in outlays for 1983, and this would take it down to $205 billion.

So we ought not to lose sight of what the amendment is all about, and I would again remind the Members of what has been said here on the floor a few minutes ago, that all of this talk is fine about where the tax cuts or the revenues are coming from, but there is not a thing in the world that is going to be in that budget resolution when it passes the House ultimately but a number under that function.

So we have enjoyed the luxury of this debate. We went through the same thing in the debate on the Conyers amendment awhile ago when we debated here it seemed like a couple of hours on cutting back on defense weapons systems and a nuclear freeze, and perhaps the defense number is simply going to be that, a number in the budget resolution.

So, Mr. Chairman, I would hope that we would not lose sight of what this amendment does, and I would hope it is defeated. I urge an early vote on the amendment.

Mr. KINDNESS. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to the gentleman from Ohio.

Mr. KINDNESS. Mr. Chairman, I thank the gentleman for yielding.

Would the gentleman remind the members of the committee of the baseline figure for defense in the version of the other body, or does some Member have that handy?

Mr. EDWARDS of Alabama. I just cannot recall it at the moment.

Mr. KINDNESS. I am sorry.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

The CHAIRMAN pro tempore (Mr. BEILENSON). The time is controlled by the gentleman from Alabama (Mr. EDWARDS).

Mr. REGULA. Mr. Chairman, I ask unanimous consent that the gentleman be given 2 additional minutes.

The CHAIRMAN pro tempore. The Chair will state that the gentleman from Alabama (Mr. EDWARDS) still has time.

Mr. EDWARDS of Alabama. I yield to the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Chairman, I want to follow up with what the gentleman said on the tax issue and make it very clear to the Members that what this amendment will do is require an increase in taxes of $35 billion for fiscal year 1983.

That decision, as the gentleman from Alabama (Mr. EDWARDS) pointed out, will be made by the Ways and Means Committee. It could be user fees; it could be elimination of the personal income tax cuts; it could be a lot of things. But how the $35 billion will be determined is a Ways and Means Committee decision. So Just taking out the words, "user fees," does not solve that problem. We should all be clear in understanding that a huge tax increase will be required if this amendment is added to the budget resolution.

Mr. EDWARDS of Alabama. Mr. Chairman, let me say, if I may reclaim the floor for just a moment, that the Senate's 1983 outlay figure for defense is $215 billion. So again we are talking about a cut of some $10 billion in defense and outlays for 1983 in the defense numbers.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Mr. Chairman, my only point in asking the gentleman to yield is to see if we can close the debate here fairly soon. We have had a very extensive debate, a very healthy debate, and as I say, we have 59 amendments remaining.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, I thank the gentleman for yielding.

The point I wanted to make is that if the base outlay for the budget item in the other body is $215 billion, then we would go to conference on the difference between my amendment if adopted, which is $205 billion, and $215 billion. If we adopt the resolution in its present form, then there is no leeway on the defense item between the House version and the Senate version.

Mr. EDWARDS of Alabama. That is the figure the gentleman suggests we go to conference on with the Senate?

The CHAIRMAN pro tempore. The time of the gentleman from Alabama (Mr. EDWARDS) has expired.

For what purpose does the gentleman from Oklahoma (Mr. JONES) rise?

Mr. JONES of Oklahoma. No purpose at all, Mr. Chairman, except to say that I hope we can close debate soon.

Mr. HARKIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I followed the debate closely on this amendment. I am still somewhat concerned.

I wonder if the author of the amendment would answer a few questions? I read the "Dear Colleague" that came out regarding this, and the "Dear Colleague" talks about a variety of different taxes such as a 20-percent surcharge on furs, jewelry, luggage, wagering, coin-operated machines, alcohol, and tobacco products.

I read the amendment, and on page 2 it says: "(relating to reconciliation instructions to the House Committee on Ways and Means (strike out '$20,900,000,000' and insert in lieu thereof '$35,900,000,000) of which at least $15,000,000,000 shall be generated through increased user fees and luxury and excise taxes)'."

Now, I understand the words, "user fees and" have been stricken.

I am concerned about the excise taxes, though.

What excise taxes does the gentleman have in mind that might be levied?

Mr. WYLIE. Mr. Chairman, if the gentleman will yield, there were excise taxes that were levied during World War II which were referred to as luxury taxes. As I mentioned a little earlier, those were words of art. The taxes were imposed to help the war effort and to raise money for national defense during World War II.

Now, even though I have made a list of some items that were taxed, that is not all inclusive. There was a whole page of items which were determined to be in the nature of unnecessaries or items which were not necessary to livelihood. So those were determined to be luxuries. The tax which was imposed was an excise tax.

Mr. HARKIN. It was imposed at the point of sale?

Mr. WYLIE. Yes.

Mr. HARKIN. Is that not right?

Mr. WYLIE. That is correct.

Mr. HARKIN. But the excise taxes the gentleman talks about are what? The gentleman says, "Luxury and excise taxes."

Mr. WYLIE. Well, it probably would more properly be called a luxury excise tax.

Mr. HARKIN. I see.

Mr. WYLIE. But adding the words, "and excise taxes," does not detract from it.

Mr. HARKIN. If we were to strike the word, "excise," that would be fine with the gentleman, if it were just luxury taxes?

Mr. WYLIE. Yes, it would. I really meant to get to the luxury taxes, and if that would more clearly define it, then that is fine.

Mr. HARKIN. Mr. Chairman, I wonder if the gentleman might want to ask unanimous consent to strike the word, "excise," and just leave it "luxury taxes"?

Mr. WYLIE. Mr. Chairman, the concept that is really important to me is the concept of imposing a luxury tax to pay for the increase in defense spending, and if it would satisfy the gentleman from Iowa, I would ask unanimous consent to strike from my amendment the words, "and excise."

The modification to the amendment is as follows:

Page 2, lines 15 and 16 after the word "luxury" strike out the words "and excise".

And on page 3 in lines 1 and 2 after the word "luxury" strike the words "and excise".

The **CHAIRMAN.** Is there objection to the request of the gentleman from Ohio (Mr. WYLIE) to modify his amendment?

There was no objection.

Mr. HARKIN. Mr. Chairman, I thank the gentleman from Ohio (Mr. WYLIE). That does clear it up for me.

If the gentleman will indulge me further, I have been somewhat interested in this whole aspect of luxury taxes. I introduced a bill on April 20 of this year which would have placed a 15-percent tax on luxury goods. I listed the different items: jewelry, watches, clothing, automobiles, recreational boats, air transportation, hotel rooms, and meals. What I was concerned about and the way I crafted the bill I introduced was to leave some kind of an exemption in there.

For example, on jewelry and watches, I said $100. In other words, if a "working stiff" buys a watch for under $100, he pays no luxury tax, but if someone buys one of those watches I saw in the New York Times the other day for $4,200, then they pay a flat 15-percent luxury tax.

Also, on automobiles I had an exemption of $15,000. If you buy a car for less than $15,000, there is no luxury tax, but if you buy a Mercedes Benz or a Cadillac for $25,000, or $30,000, then you pay a luxury tax.

What I am concerned again about the gentleman's luxury taxes, from what he said, there is no real exemption there for the "working stiff" who may want to buy a suitcase, and I am concerned that perhaps most of the luxury taxes that are levied will come from alcohol and tobacco and not from things like jewelry and air transportation that I had included over the price of a regular fare, for example, that kind of thing.

Mr. WYLIE. Mr. Chairman, I think the gentleman favors the concept of my amendment, just from what he said.

Mr. HARKIN. Yes, I do.

Mr. WYLIE. As the gentleman knows, I cannot define with specificity just exactly what these luxury taxes would be. I tried to explain during the course of my explanation of the amendment that what I had in mind was a luxury tax similar to those imposed during World War II to pay for the war effort.

The **CHAIRMAN.** The time of the gentleman from Iowa (Mr. HARKIN) has expired.

(By unanimous consent, Mr. HARKIN was allowed to proceed for 1 additional minute.)

□ 2010

Mr. HARKIN. The gentleman from Ohio has no problem, assuming the amendment passes, the budget passes, assuming these instructions go back to the Ways and Means Committee, since the gentleman was the author of the amendment, of asking that the Ways and Means Committee implement some kind of a threshold on these things to exempt working people that want to buy a wristwatch or a piece of luggage or a Citation, or a car that does not cost very much, but to try to get at those in the upper income?

Mr. WYLIE. I think that would be just fine.

Mr. HARKIN. I just wondered if the gentleman agreed with that kind of a concept.

Mr. PANETTA. Mr. Chairman, will the gentleman yield?

Mr. HARKIN. I yield to the gentleman from California.

Mr. PANETTA. I thank the gentleman for yielding.

I hope we can understand that in terms of a figure that is presented to the Ways and Means Committee that there is no way we are going to require the Ways and Means Committee to specifically target at certain excise taxes or specifically target at certain luxury taxes.

We can present a revenue figure to the Ways and Means Committee and then it is within their discretion to decide how that has to be implemented.

To a large extent we have gotten wrapped up here in this debate in the wrong direction.

The **CHAIRMAN.** The time of the gentleman from Iowa has again expired.

(At the request of Mr. ALBOSTA and by unanimous consent, Mr. HARKIN was allowed to proceed for 2 additional minutes.)

Mr. PANETTA. Will the gentleman continue to yield?

Mr. HARKIN. I yield to the gentleman.

Mr. PANETTA. We could get wrapped up on a debate on a number of different excise taxes, on the level of excise taxes, on the levels of users fees, and it simply is not applicable to what we are talking about here in terms of the budget proposal.

So I would hope that Members understand that in terms of amendments to the budget resolution we are talking about functional areas and we are talking about a level of revenues—we are not able to legislatively require specific revenue changes.

That decision is going to be up to the Ways and Means Committee.

Mr. HARKIN. If I can reclaim a little bit of my time, however, in response to the gentleman from California, I do think it is important for the House to express itself on this issue.

I commend the gentleman from Ohio (Mr. WYLIE) for offering this amendment. I had some problems with it, but through my questioning they have been resolved. I think it is important since the Ways and Means Committee has before it not only my bill but other luxury tax proposals. I think it is important for them to understand what the will of the House might be in this area and I think it is important to have a vote on it.

Mr. ALBOSTA. Will the gentleman yield?

Mr. HARKIN. I yield to the gentleman.

Mr. ALBOSTA. I want to take this opportunity to thank the gentleman that offered the amendment. I think the amendment is excellent. He has been very cooperative in trying to bring this amendment into some type of acceptable form.

But I do want to point out that the Ways and Means Committee, the gentleman from California, Mr. PANETTA, is correct, we are not going to instruct them to do anything. They are going to come back with some type of formula that is going to match those types of revenues.

Let me point out something I think is very important: 162,000 people under the next 10-percent tax cut in July will divide up $3.6 billion, those 162,000 people that are making over $200,000. That group that is making over $200,000 will divide up $3.6 billion and yet those that are making $15,000 or less will divide up some $2.9 billion; 31.7 million people will divide up that $2.9 billion.

So it is very important that the Ways and Means Committee I believe consider something to pay for this defense increase and it would seem to me that the group that is getting the most should pay the most.

Mr. McCLOSKEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time to ask a couple of questions of the sponsor of the amendment. It seems to me, as I listen to the debate, that this amendment does one thing. It is the only amendment of the 68 we are considering that drops the budget deficit below $100 billion.

The choice between the Latta substitute and the committee amendment is the choice between $110.1 billion in deficit or $109.9 billion in deficit.

This amendment does the praiseworthy thing, from my standpoint, of causing the Reagan administration to have the privilege of not being the first administration in history to have 2 straight years of deficits in excess of $100 billion.

The defect in this amendment, as I understand it, is that it might cut the defense budget below the 3-percent real growth that we have asked our NATO allies to accept and that we are committed to accept.

I would like to check with the gentleman from Ohio (Mr. REGULA). Am I correct that if this amendment were enacted it would permit roughly a 3.5-percent real growth in defense in the fiscal year 1983 from the 1982 budget?

Mr. REGULA. Will the gentleman yield?

Mr. McCLOSKEY. I am glad to yield.

Mr. REGULA. That is my understanding, that the amendment, if it were adopted, would in fact result in about a 3.5-percent real growth in fiscal 1983.

I would point out that the effect of the amendment is to reduce budget authority by about $18 billion which would have a very substantial effect in 1984 and 1985, because you would not be able to get systems on line.

Mr. McCLOSKEY. I understand that. But if we enact this amendment with a $205 billion defense budget the other body, having adopted a $215 billion defense budget, and we end up compromising equally with them at $210 billion, that is a $14 billion cut in the defense budget, which is not substantial, or at least it does not cut us below the NATO commitments.

I would like to speak to two points about this amendment. It seems to me it would be beneficial if this House could cut the budget deficit below $100 billion, and this amendment is the only vehicle that we have to do that.

The second thing is that the amendment instructs, or at least asks the Ways and Means Committee to consider consumption taxes to fund the increase in defense spending.

It seems to me that this proposal would also correct an error in the President's program that has been advanced. I do not think we can increase defense spending, cut taxes, and balance the budget, and we have found that to be true.

It seems to me entirely appropriate that if we are increasing defense spending we should pay for it by luxury taxes or consumption taxes, whether they be on alcohol, or tobacco, or gasoline, or furs, or luxury items.

I appreciate what my colleague from California (Mr. PANETTA) has had to say, that we cannot demand that the Ways and Means Committee do what we want them to do. But if this committee, by a majority vote, should adopt even a suggestion to the Ways and Means Committee, it would seem to me that the Ways and Means Committee would accept the will of the House and look for taxes on consumption.

I would think then that the gentleman from New York need not worry about a rollback of the third phase of the Kemp-Roth tax cut, but that the instructions would be clear to the Ways and Means Committee that these taxes to pay for $15 billion or $20 billion in defense would come out of luxury consumption, not by the struggling, workingman that the gentleman from New York has fought so hard to defend.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. McCLOSKEY. I will be glad to yield to the gentleman.

Mr. KEMP. I am glad that the gentleman got in that last point. I thank him for yielding.

I was just going to ask the gentleman, does he really seriously think you can raise $15 billion by taxing alcohol and cigarettes and beer and watches?

Mr. McCLOSKEY. As a matter of fact, I do. I think a 10-cent gasoline tax would yield $8 billion. If you double the tax on tobacco and alcohol you would raise another $7 billion.

Mr. KEMP. If the gentleman will yield again, did I hear the gentleman correctly, he wants a 10-cent-a-gallon tax on gasoline?

Mr. McCLOSKEY. I am not saying I want it. I am saying that a tax on gasoline, that a tax on liquor, that a tax on tobacco, that a tax on luxury items, could easily raise $15 billion.

If the gentleman will recall back to World War II when we were imposing gas rationing on people of 4 gallons a week, the kind of thing that we are asking in a crisis to raise defense spending, it seems to be entirely consistent that taxes on consumption pay for that defense increase.

Mr. KEMP. Will the gentleman yield further?

Mr. McCLOSKEY. I will be glad to yield.

Mr. KEMP. I would say that if the gentleman's tax were passed, the tax on gasoline would be so great as to force us back to where the working men and women of this country only would be able to use about 4 gallons of gasoline a week.

I oppose the amendment.

The CHAIRMAN. The time of the gentleman from California (Mr. McCLOSKEY) has expired.

(At the request of Mr. WYLIE and by unanimous consent Mr. McCLOSKEY was allowed to proceed for 1 additional minute.)

Mr. McCLOSKEY. I will conclude this minute, if I may, and then yield to the gentleman kind enough to get it for me.

It seems to me that this has been the burden this House has had to face all along. None of us want to raise taxes but none of us really want a budget deficit over $100 billion.

If this amendment is the only amendment that can reduce the deficit below $100 billion, then it seems to me we ought to face that issue and adopt the amendment.

This concept that is embraced in the gentleman's amendment, that we pay for defense spending by excise taxes and consumption taxes, is a principle I hope that the Ways and Means Committee might accept in their wisdom.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. McCLOSKEY. I yield to the gentleman from Ohio.

Mr. WYLIE. May I say to my friend from New York, Mr. KEMP, that a gasoline tax is not included in my amendment. That is not regarded as a luxury tax and is not contemplated by me as one of the possible tax sources.

□ 2020

The gentleman from California was not necessarily mentioning that as a part of my amendment. He was suggesting that there would have to be other sources of revenue from nonproductive tax sources. I think he made a good and valid point that we should look at a lot of possible sources.

Mrs. SCHNEIDER. Mr. Chairman, I rise in support of the amendment to the Latta substitute offered by the gentleman from Ohio (Mr. WYLIE). I believe that his approach is excellent—we can save defense outlays in fiscal year 1983 if we are thoughtful and make a supreme effort to encourage a national defense which responds to real security needs, rather than the purchase of weapons without a defined mission. Furthermore, the General Accounting Office has documented duplication and administrative inefficiency in excess of the outlay reduction the gentleman suggests.

With regard to revenue, however, I must emphasize that the requisite $15 billion ought to be financed with a luxury tax and excise on cigarettes and hard alcohol, rather than with user fees. It is my understanding that a similar luxury tax, enacted during the last world war, demonstrated that such a levy could now raise far in excess of $15 billion. Therefore, let me make it clear that I support this amendment only with request to luxury fees, and request that the record so reflect and that the appropriate committees so consider.

In short, the proposal, made for a time of economic distress, makes sense conceptually. The American people are asking for sincere, innovative action, and I commend the gentleman from Ohio for responding. And respond he does—with a deficit well below $100 billion, something everyone wants.

Mr. JONES of Oklahoma. Mr. Chairman, we have been debating this amendment well over an hour.

I ask unanimous consent that all debate on this amendment cease in 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent request was granted will be recognized for 1½ minutes each.

The Chair recognizes the gentleman from New York (Mr. KEMP).

Mr. KEMP. Mr. Chairman, I rise in opposition to the amendment.

I just need a minute and a half to say that when England raised its value-added tax, which was supposedly a tax on consumption, and raised taxes on luxury items, such as suggested by my dear friend, the gentleman from Ohio (Mr. WYLIE), revenues did not go up as predicted. They predicted a large increase in revenues from those items, but revenues went to only 45 percent of their projections.

You are looking at an amendment for a tax increase, not just $15 billion, but you are talking about a tax increase of $15 billion plus the $20 billion in Latta, that is $35 billion. And the only way you can get from here to there is with a significant excise tax on gasoline. And that is going to be passed on to the working men and women who drive, sales men and women, and to people who need their automobiles. I would suggest to the gentleman that as Mr. CONABLE pointed out, a huge excise tax on gas which, as I understand it, would mean a 10- to 15-cent-a-gallon tax on gasoline. I think that would be a mistake, particularly a mistake on this economy. The hard-working people of Ohio who drive automobiles to work as they do in New York do not want us to put this burden on their backs.

One last point. Why do people produce? People produce so they can consume. And if you put a tax on consumption, that is just as much a tax on incentive to produce as it is if you put it on their income.

Only people pay taxes and this is a huge tax on the American people.

I urge this House to reject this amendment because it would be a terrible mistake at this fragile point in the recovery of our economy to start putting a $35 billion tax on the American people. Cutting defense to this extent only compounds the mistake.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, I want to point out again that talking about a gasoline tax is a red herring, in an attempt to defeat this amendment. I have not at any time mentioned a gasoline tax. I do not regard gasoline as a luxury. A tax on gasoline would not be a luxury tax.

May I say to the gentleman from New York that I voted reluctantly for the Kemp-Roth tax bill because I thought it was too big and too soon. I am not suggesting that we defer the third year of the tax cut, but I do think that we need to offset some of the increase in defense spending, and I think that by doing it through this luxury tax is in the finest tradition of our American system. A luxury tax is an otherwise nonproductive source of revenue.

I urge the adoption of my amendment.

The CHAIRMAN. The question is on the amendment, as modified, offered by the gentleman from Ohio (Mr. WYLIE) to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA).

The question was taken; and the Chairman announced that the noes appear to have it.

RECORDED VOTE

Mr. WYLIE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 128, noes 285, not voting 19, as follows:

[Roll No. 111]

AYES—128

Albosta
Atkinson
AuCoin
Bedell
Beilenson
Benjamin
Bennett
Biaggi
Blanchard
Boland
Bonior
Brinkley
Brodhead
Brown (CA)
Brown (CO)
Burton, Phillip
Butler
Clay
Clinger
Conte
Conyers
Coughlin
Coyne, James
Crockett
D'Amours
Deckard
Dellums
DeNardis
Derwinski
Dingell
Dorgan
Dunn
Dwyer
Dymally
Early
Eckart
Edgar
Edwards (CA)
Ferraro
Findley
Ford (MI)
Frank
Garcia
Glickman
Goodling
Gray
Guarini
Gunderson
Hall, Ralph
Hall, Sam
Hance
Harkin
Hawkins
Heftel
Howard
Hughes
Jacobs
Kastenmeier
Kennelly
Kildee
Kindness
LaFalce
Lantos
Leach
Lee
Leland
Lowry (WA)
Lujan
Lundine
Markey
Marks
Martin (IL)
McClory
McCloskey
McHugh
McKinney
Miller (CA)
Miller (OH)
Mitchell (MD)
Nowak
Oberstar
Obey
Ottinger
Pashayan
Patterson
Petri
Porter
Pritchard
Pursell
Rahall
Railsback
Rangel
Reuss
Rodino
Rosenthal
Roth
Roybal
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sensenbrenner
Shamansky
Shannon
Sharp
Simon
Smith (IA)
Stark
Stokes
Studds
Traxler
Vento
Volkmer
Walgren
Washington
Waxman
Weaver
Weber (OH)
Weiss
Williams (OH)
Wolpe
Wortley
Wyden
Wylie
Yates

NOES—285

Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Aspin
Badham
Bafalis
Bailey (MO)
Bailey (PA)
Barnard
Barnes
Beard
Benedict
Bereuter
Bethune
Bevill
Bliley
Boggs
Bolling
Bonker
Bouquard
Bowen
Breaux
Brooks
Broomfield
Brown (OH)
Broyhill
Burgener
Byron
Campbell
Carman
Carney
Chappell
Chapple
Cheney
Clausen
Coats
Coelho
Coleman
Collins (IL)
Collins (TX)
Corcoran
Coyne, William
Craig
Crane, Daniel
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daub
Davis
de la Garza
Derrick
Dickinson
Dicks
Dixon
Donnelly
Dornan
Dougherty
Dowdy
Downey
Dreier
Duncan
Dyson
Edwards (AL)
Edwards (OK)
Emerson
Emery
English
Erdahl
Erlenborn
Evans (DE)
Evans (GA)
Evans (IA)
Fary
Fascell
Fenwick
Fiedler
Fields
Fish
Fithian
Flippo
Florio
Foglietta
Foley
Ford (TN)
Forsythe
Fountain
Fowler
Frenzel
Frost
Fuqua
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Ginn
Goldwater
Gonzalez
Gore
Gradison
Gramm
Green
Gregg
Grisham
Hagedorn
Hall (OH)
Hamilton
Hammerschmidt
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Heckler
Hefner
Hendon
Hertel
Hightower
Hiler
Hillis
Holland
Hollenbeck
Holt
Hopkins
Horton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Jeffords
Jeffries
Jenkins
Johnston
Jones (NC)
Jones (OK)
Jones (TN)
Kazen
Kemp
Kogovsek
Kramer
Lagomarsino
Latta
Leath
LeBoutillier
Lehman
Lent
Levitas
Lewis
Livingston
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Luken
Lungren
Madigan
Marlenee
Marriott
Martin (NC)
Martin (NY)
Matsui
Mavroules
Mazzoli
McCollum
McCurdy
McDade
McDonald
McEwen
McGrath
Mica
Michel
Mikulski
Mineta
Minish
Mitchell (NY)
Moakley
Moffett
Molinari
Montgomery
Moore
Moorhead
Morrison
Mottl
Murphy
Murtha
Myers
Napier
Natcher
Neal
Nelligan
Nelson
Nichols
O'Brien
Oakar
Oxley
Panetta
Parris
Patman
Paul
Pepper
Perkins
Peyser
Pickle
Price
Quillen
Ratchford
Regula
Richmond
Rinaldo
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roe

Roemer
Rogers
Rose
Rostenkowski
Roukema
Rousselot
Rudd
Russo
Santini
Sawyer
Schulze
Shaw
Shelby
Shumway
Shuster
Siljander
Skeen
Skelton
Smith (AL)
Smith (NE)
Smith (NJ)
Smith (OR)
Smith (PA)
Snowe
Snyder
Solarz
Solomon
Spence
Stangeland
Staton
Stenholm
Stratton
Stump
Swift
Synar
Tauke
Tauzin
Taylor
Thomas
Trible
Udall
Vander Jagt
Walker
Wampler
Watkins
Weber (MN)
White
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Wilson
Winn
Wirth
Wolf
Wright
Yatron
Young (AK)
Young (FL)
Young (MO)
Zablocki
Zeferetti

NOT VOTING—19

Addabbo
Bingham
Boner
Burton, John
Chisholm
Conable
Courter
Crane, Philip
Daschle
Ertel
Evans (IN)
Fazio
Hoyer
Mattox
Mollohan
Pease
Rhodes
St Germain
Stanton

☐ 2030

The Clerk announced the following pairs:

On this vote:

Mr. Addabbo for, with Mr. Courter against.

Mr. Mollohan for, with Mr. Conable against.

Mrs. Chisholm for, with Mr. Philip M. Crane against.

Mr. MITCHELL of New York and Mr. SWIFT changed their votes from "aye" to "no."

Mr. RALPH M. HALL and Mrs. KENNELLY changed their votes from "no" to "aye."

So the amendment, as modified, to the Latta amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

☐ 2040

The CHAIRMAN. Does the gentleman from Ohio (Mr. WYLIE) desire to offer his amendment to other substitutes?

Mr. WYLIE. I do not, Mr. Chairman.

The CHAIRMAN. Does any other Member desire to offer that amendment to another substitute?

The Chair recognizes the gentlewoman from Rhode Island (Mrs. SCHNEIDER).

Mrs. SCHNEIDER. Mr. Chairman, I rise in support of the Simon amendment, which provides $668 million in additional budget authority for vital educational programs. I find it absolutely essential that this Congress exercise its powers in channeling needed dollars into those programs that in the past have proven to fuel our investment in the future.

The amendment, which provides an additional $60 million to vocational education, will ultimately help us in our goal of competing in this increasingly technological world. The additional moneys for Public Law 94-142 will make it possible for more than 4 million handicapped children nationwide to attain a sound education. Disadvantaged students will also be helped through increased funding to the chapter I, previously known as title I, program as well as the Head Start program. Low-income students, seeking the opportunity to attain financial aid, will be aided with an additional $238 million directed to the Pell grant program. The burden of funding library services will be somewhat alleviated through the addition of needed dollars.

I applaud the goals of controlling inflation and promoting a sound and stable economy through a reduction in the Federal deficit. In addition, if we are able to meet the increasing demands of international competition and protect our national security, we must look to our best resource—our people—and provide them with the finest education possible. I thereby urge my colleagues to use foresight in protecting our Nation's future and provide sufficient funding to education through the adoption of the Simon amendment.

AMENDMENTS OFFERED BY MR. SIMON TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA, THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OKLAHOMA, AND THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ASPIN

Mr. SIMON. Mr. Chairman, I offer the amendment on the Export-Import Bank and I ask unanimous consent, since it is an identical amendment for all three substitutes, that one vote be applied to all three substitutes, saving the time of this body.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the three amendments be considered at the same time to all the substitutes and one vote apply to all the substitutes.

Is there objection to the request of the gentleman from Illinois?

Mr. LOTT. Mr. Chairman, reserving the right to object, it is applicable to only this one amendment the gentleman is asking unanimous consent for?

The CHAIRMAN. That is my understanding.

Mr. SIMON. If my colleague would yield, I will follow this with an education amendment. On that I will ask for separate votes on all three substitutes, because the figures vary in each amendment.

Mr. LOTT. But the gentleman is not asking that at this time?

Mr. SIMON. I am not asking that. In this case, the increase is $300 million for each of the substitutes.

Mr. LOTT. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois (Mr. SIMON)?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SIMON to the amendment in the nature of a substitute offered by Mr. LATTA, the amendment in the nature of a substitute offered by Mr. JONES of Oklahoma, and the amendment in the nature of a substitute offered by Mr. ASPIN: Page , line , increase the level of total new budget authority for fiscal year 1983 by $300,000,000.

Page , line , (relating to functional category 150) increase new budget authority for fiscal year 1983 by $300,000,000.

Page , line , increase the level of total new budget authority for fiscal year 1984 by $650,000,000, and on page , line , increase the level of total new budget authority for fiscal year 1985 by $900,000,000.

On Page , line , increase the level of total budget outlays for fiscal year 1984 by $150,000,000, and on page , line , increase the level of total budget outlays for fiscal year 1985 by $300,000,000.

Page , line , increase the amount of the deficit for fiscal year 1984 by $150,000,000, and on page , line , increase the amount of the deficit for fiscal year 1985 by $300,000,000.

Page , line , (relating to functional category 150) increase new budget authority for fiscal year 1984 by $650,000,000, and on page , line , (relating to functional category 150) increase new budget authority for fiscal year 1985 by $900,000,000.

Mr. SIMON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to the chairman of the committee.

Mr. JONES of Oklahoma. I have discussed with the author of this amendment the possibility of limiting debate time on this amendment. It is a very straightforward, simple amendment, and the author agrees with the unanimous-consent request to limit debate to 20 minutes, divided 10 minutes for the author and 10 minutes to those in opposition.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma (Mr. JONES)?

Mr. LOTT. Reserving the right to object, Mr. Chairman, I am sorry. I did not hear the request.

Mr. JONES of Oklahoma. This is limiting debate to 20 minutes, divided equally, 10 minutes for the amendment controlled by the author and 10 minutes to those opposed.

Mr. LOTT. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of gentleman from Oklahoma?

There was no objection.

The CHAIRMAN. The gentleman from Illinois (Mr. SIMON) recognized for 10 minutes.

Mr. SIMON. Mr. Chairman, I will yield in just a few minutes to the distinguished gentleman from Massachusetts (Mr. CONTE).

This is an important amendment. It does not involve huge amounts of money, but involves a lot of American jobs.

We talk about a world free market, I say to those who oppose this particular amendment, if we had no countries providing subsidies, I would not be in front of you asking this.

Let us take a look at the realities. The United Kingdom, 35 percent of the exports are supported.

Japan, 35 percent of the exports are supported.

France, 20 percent of the exports are supported.

Germany, 12 percent of the exports are supported.

The United States, 6 percent of our exports are supported.

So what we spend, let me tell you, we get a least 50 times more bang for the buck out of this than 99 percent of the taxes that we scattered around this countryside a year ago.

Just today, someone handed me the bulletin of the Machinery and Allied Products Institute. They have this sentence:

> While the administration argues that its policies will eventually improve the competitive position of U.S. industry, the high cost of domestic funds and the shortfalls in the Export-Import Bank with lending support clearly are causing a substantial volume of orders to be lost currently.

In fiscal year 1981, we were at $5.5 billion. This is not appropriations. This is leading authority.

In fiscal year 1982, $4.4 billion, and I am asking that we go up to $4.7 billion.

I would point out, there is no outlay increase for fiscal year 1983.

Each $1 billion in exports provides 30,000 jobs.

The 1980 expenditures are estimated to have brought into this country 570,000 jobs.

If the President is correct when he says that 1-percent unemployment costs us $25 billion, and I think he is correct, then what we spend here not only costs us nothing, it saves us money.

There is finally the need on the part of our country to negotiate. When you limit the amount, because we are in a competitive situation on negotiations, you limit in the extreme the ability of this country to negotiate.

We just had an amendment before us on the nuclear freeze and I joined the huge majority of you who said, let us not have a unilateral freeze, and yet that is what we are doing in the economic world when we do not support the Export-Import Bank.

Finally, we are right now in negotiations with the OECD countries to have some kind of universal policy. If we do not increase this amount, we are tying our hands. We are weakening this country in negotiations. I do not think that makes sense at all.

I would finally add to you that last year 2,600 U.S. firms benefited from this, firms from every State in the country.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to my colleague, the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I want to take this opportunity to associate myself with the remarks of the gentleman from Illinois. He is absolutely right. He is right on target. This means meat and potatoes on the table. It means jobs at a time when the country has one of the highest unemployment rates that we have had in years.

This is not one of those makeshift jobs like CETA or anything else. This provides real hardcore jobs.

We have returned over a billion dollars to the Treasury as a result of the Export-Import Bank and it reserves the support of everyone in this House.

Mr. SIMON. I thank my colleague.

Mr. RATCHFORD. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to my colleague, the gentleman from Connecticut.

Mr. RATCHFORD. Mr. Chairman, the fact of the matter is, the gentleman is correct. The issue is jobs.

I have two communities in my district where the unemployment is in excess of 10 percent. One of the major employers is steel. Were it not for the Export-Import, were it not for this program a year ago, a $10 million project would have been lost, a project in Colombia, South America, a project where steel is being used to construct a sugar mill. Because of this program, over 150 Connecticut workers are at work today.

If the issue in America is jobs, the right thing to do tonight is to support this amendment.

I applaud the gentleman. I urge support for the amendment.

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Mr. FRENZEL. Mr Chairman, will the gentleman yield?

Mr. SIMON. I thank my colleague from Connecticut.

Mr. Chairman, I yield to my colleague from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. I thank the gentleman for yielding to me.

The gentleman in the well, Mr. SIMON, is dead right. This is a jobs bill. If you want to put some dirty overalls in the washing machine, you can do it by supporting the Simon amendment.

The Export-Import Bank makes us competitive in export financing. We cannot be successful unless we are willing to compete in this respect. As long as our foreign competitors use subsidized financing we must match them. Only by being willing to match the competition can we expect to negotiate elimination, or reduction, of export financing subsidies.

In addition to building jobs in companies large and small, Ex-Im has run a profit year after year until recently. It is losing a bit now, but if we get our financial house in order, it will again make a profit for our Treasury.

This Government has few agencies that work. Ex-Im does. This amendment will help it work better.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I want to commend the gentleman from Illinois for his amendment.

Just yesterday we saw another major order lost because of the softness in the domestic airline industry. We are also losing orders abroad every day to Airbus because we have weakened and cut back the funding for our domestic Export-Import Bank.

This is one way we can keep jobs in this country. I totally agree with the gentleman and support his amendment. I hope the House will support it.

Mr. SIMON. I think the Airbus illustration is a good one. Not only do we get that initial sale, we get the parts, the maintenance, and subsequent sales frequently.

Mr. EVANS of Delaware. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to my colleague from Delaware.

Mr. EVANS of Delaware. I thank my distinguished friend from Illinois for yielding.

I would like to associate myself with the remarks of the gentleman and say that it would be pennywise and dollar foolish not to move ahead with this particular amendment. We are in intense competition in the world marketplace. We need to give our businesses and our American workers the tools to be competitive.

Not taking this step amounts to unilateral economic disarmament. Just as we should not disarm from a defense standpoint unilaterally, neither should we disarm from an economic standpoint. We are right in the middle of negotiations with the Organization for Economic Cooperation and Development. The President of the United States is going to Europe soon. One of the issues that is going to be taken up at Versailles is international trade and investments and fair competition.

We need to end unfair credit practices and move toward free and fair competition.

We would be taking away a bargaining chip from our country and from American workers who need jobs if we do not move ahead with the gentleman's amendment which will permit us to compete at least to some degree in the world marketplace. It will also help us to eliminate unfair competition and move in the direction of free and fair trade that is in the best interests of all countries and certainly our own.

Mr. SIMON. I thank the gentleman from Delaware.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to the chairman of the Appropriations Committee.

Mr. WHITTEN. Mr. Chairman, I also wish to compliment my friend for his amendment. Not only do we have a problem here, but also in other Government programs. We have the same situation in the Nation's agricultural program.

The Commodity Credit Corportion needs the same leeway, because U.S. agriculture leads the world in exports. We export the production from 2 out of 5 acres. At the same time we are paying people not to produce. Around the world we have the reputation of not only making food available, but of paying our people not to produce. The U.S. dollar is the medium of exchange in world trade. Along the spirit of the gentleman's amendment, at some time we will have to provide relief to the Commodity Credit Corporation to assist American agriculture.

Mr. SIMON. Mr. Chairman, the gentleman from Mississippi is absolutely correct. That agricultural revolving fund should be used.

Mr. GLICKMAN. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Chairman, I would like to echo what the gentleman from Washington, Mr. DICKS, said. Ten years ago we built almost 100 percent of the commercial airplanes in the world. Now Airbus builds half. They do not support their manufacturers in France; they subsidize them.

I think while this amendment does not provide subsidization, it does provide needed support.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to my colleague from Pennsylvania.

Mr. COUGHLIN. Mr. Chairman, the gentleman is right on target. This is a very important amendment. The Ex-Im Bank is better administered than ever before. They are being more careful in their funding to make sure big and small business are able to compete in that bank.

The gentleman is entirely correct. I support his amendment.

Mr. PRITCHARD. Mr. Chairman, will the gentleman yield to me?

Mr. SIMON. I yield to the gentleman from Washington.

Mr. PRITCHARD. Mr. Chairman, I want to strongly support the amendment brought forth by the gentleman from Illinois. It makes excellent sense.

I am sure the body will support the amendment tonight.

Mrs. BOGGS. Mr. Chairman, will the gentleman yield to me?

Mr. SIMON. I yielded to my colleague from Louisiana.

Mrs. BOGGS. Mr. Chairman, I want to commend the gentleman for his amendment and join with him in hoping for its passage. I thank the gentleman very much for allowing me to say so.

Mr. SIMON. Mr. Chairman, I understand I only have 30 seconds remaining. I must reserve the balance of my time.

The CHAIRMAN. The gentleman reserves 30 seconds.

The Chair recognizes the gentlewoman from Illinois (Mrs. MARTIN).

Mrs. MARTIN of Illinois. Mr. Chairman, I move to strike the requisite number of words, and I rise to congratulate the gentleman from Illinois on the amendment.

The CHAIRMAN. Is the gentlewoman opposed to the amendment?

Mrs. MARTIN of Illinois. Yes, I am, indeed, opposed. I may be one of few opposed to the rush for corporate welfare, but it absolutely astounds me in a time when we know we must cut, suddenly we are going to support major industry.

Now, I happen to think this: Industry in the United States is indeed creative. This is not France. We do not subsidize industry. We should not. We can give tax advantages. We can compete. We can say: "Go out there and go into the market." But we do not underwrite them, and we certainly do not go home and say, "Yes, we have to pull in the belt in education, yes, we have to make cuts here," and then underwrite major corporations in the United States.

That is wrong, and I strongly oppose the amendment.

Mr. KEMP. Mr. Chairman, will the gentlewoman yield to me?

Mrs. MARTIN of Illinois. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I would like to congratulate the gentlelady from Illinois for her statement. It took a lot of courage to stand up here and call this amendment for what it is, trickle-down economics. You are subsidizing five major corporations in America so they can ostensibly export to the rest of the world. The money goes to five major companies. Sixty percent of all the Ex-Im money in America goes to five major corporations.

The gentlewoman is right. This is corporate welfare in a shameless way, and we do not need to add more money to the Ex-Im budget.

Again, I congratulate the gentlewoman. She may not get the votes to defeat this, it may pass, but it is a huge mistake at a time when we are trying to hold back Government spending. America can compete in the world. Let the free enterprise system compete in the world with less tax, less regulation and lower interest rates and they will not need these types of subsidies. With sound money, low taxes and less regulation, this Nation and American workers can compete with any nation on this Earth. We do not need to subsidize. We do not need to turn our companies into welfare cases as the socialist countries do.

I thank the gentlewoman for her courage and applaud her willingness to take on this special interest group.

Mr. VOLKMER. Mr. Chairman, will the gentlewoman yield?

Mrs. MARTIN of Illinois. I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr Chairman, I, too, wish to join the gentlewoman from Illinois and the gentleman from New York in opposition to the amendment.

Even though the amendment does not provide for an outlay in 1983, it does provide for outlays in 1984 and 1985, and it increases the debt. This is money we are going to have to borrow. Then we are going to loan it out at low interest rates to corporations or governments in other countries at lower rates than our people can get for their own. When our businessmen want to borrow money, they cannot borrow at 12 percent right now; no way. But any other country can.

Freddie Laker did at 8 percent. Freddie Laker started out with Ex-Im Bank money at 8 percent.

I do not believe that you could sell that to your people.

I agree with the gentleman from New York. It is basically corporate welfare.

Mr. OBEY. Mr. Chairman, will the gentlewoman yield?

Mrs. MARTIN of Illinois. I yield to the gentleman from Wisconsin.

Mr. OBEY. I thank the gentlewoman for yielding to me.

Mr. Chairman, I must say, while it greatly pains me to admit this tonight, the gentleman from New York is correct. I had told persons interested in the Ex-Im Bank that I would not object if there was an effort made to raise the Ex-Im proposal to the President's level. But the President is at $3.8 billion. All of the competing amendments here tonight are at $4.4 billion and the gentleman from Illinois seeks to move it up to $4.7 billion.

I think in light of the comments made by the gentleman from New York, I would simply observe that I am reminded of a slight variation of an old biblical observation: "The rich we have always with us."

Mr. MILLER of California. Mr. Chairman, will the gentlewoman yield to me?

Mrs. MARTIN of Illinois. I yield to the gentleman from California.

Mr. MILLER of California. I want to thank the gentlewoman for yielding.

Mr. Chairman, this is a program that I have supported in the past, but I would hope in the rush to support it tonight, we would consider it up against what else is before us.

Before us we have a budget under consideration here that is expected to throw some 265,000 women, infants, and children off of a vital nutrition program, to stave off mental retardation and birth defects. We are eliminating 30 percent of the funding for 4 million handicapped children. We are eliminating 23,000 handicapped people from the opportunity to get some employment; maybe not employment with these five corporations.

We are knocking needy college students off their Pell grants. We are knocking needy students out of their work-study programs.

I just think we ought to consider this corporate welfare against the needs of these low-income individuals.

Mr. SMITH of Iowa. Mr. Chairman, will the gentlewoman yield?

Mrs. MARTIN of Illinois. I yield to the gentleman from Iowa.

□ 2100

I do want to point this out, they talk about 6 percent. Well, most of the exports from this country are agricultural exports. They like to include agricultural exports when they total up the total dollars, but we do not spend money on agricultural exports, so the percentage of manufactured exports is very comparable to those in other countries.

Mrs. MARTIN of Illinois. I thank the gentleman.

Mr. LONG of Maryland. Mr. Chairman, will the gentlewoman yield?

Mrs. MARTIN of Illinois. I yield very briefly.

Mr. LONG of Maryland. Mr. Chairman, let me say that I agree wholeheartedly with the gentlewoman and congratulate her for standing up. It does not do the slightest bit of good to oppose it. This goes through my committee every year, and goes through with a whoop and a holler. The only thing good about it is that it helps me to get a foreign aid bill through. Aside from that, there is no justification. It is pure mercantilism.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentlewoman yield?

Mrs. MARTIN of Illinois. I yield to the distinguished chairman of the Budget Committee from Oklahoma.

Mr. JONES of Oklahoma. Mr. Chairman, I want to put in perspective what the Ex-Im Bank has already received in the Budget Committee recommendation. We provide $4.4 billion, which is $570 million above what the President requested. To go higher than this may be justifiable in terms of international trade, but in terms of overall budget impact and fairness, I think the amendment should be defeated.

Mrs. MARTIN of Illinois. I thank the gentleman.

Mr. Chairman, I would just finish very quickly by saying that I recognize that the gentleman and friend from Illinois talks about very little money, $100 million here, $300 million there. As soon as the people around this place start saying that a $100 million is a lot of money, not a little money, we may make some progess, I know that this is a multi-billion-dollar budget, but most of the people back home think $100 million is still a lot of money. Frankly, in a year like this one, we cannot afford this kind of corporate welfare.

Mr. SIMON. Mr. Chairman, a few points, and I will be very brief.

We talk about subsidizing industry and my good friend from New York talked about trickle down. This is targeted. Not like his trickle-down tax bill. Not one company gets $1 unless jobs are produced. Unlike the programs my friend from New York has advocated, 2,600 firms benefited from this last year. To my good friend from California (Mr. MILLER), I support every one of those programs he has suggested, but if we vote this down, not one penny additional will go to any of those programs.

The CHAIRMAN. The gentlewoman has 3 minutes remaining. She yields back her time?

Mrs. MARTIN of Illinois. She certainly does.

The CHAIRMAN. All time has expired.

The question is on the amendments offered by the gentleman from Illinois (Mr. SIMON) to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA), the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. JONES), and the amendment in the nature of a substitute offered by the gentleman from Wisconsin (Mr. ASPIN).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SIMON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 186, noes 232, not voting 14, as follows:

[Roll No. 112]

AYES—186

Addabbo
Albosta
Alexander
Anderson
Atkinson
AuCoin
Bailey (PA)
Barnard
Barnes
Bedell
Benjamin
Bevill
Blanchard
Boggs
Boland
Bonker
Bouquard
Bowen
Brinkley
Brodhead
Brown (CA)
Burton, Phillip
Byron
Clausen
Clay
Coelho
Collins (IL)
Conte
Coughlin
Coyne, James
Coyne, William
Daschle
Davis
de la Garza
Dellums
Derwinski
Dicks
Dingell
Dixon
Dorgan
Dougherty
Downey
Dwyer
Dymally
Dyson
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Erdahl
Evans (DE)
Evans (GA)
Fary
Fazio
Fenwick
Ferraro
Findley
Fish
Fithian
Flippo
Foglietta
Foley
Ford (MI)
Ford (TN)
Forsythe
Fowler
Frank
Frenzel
Frost
Fuqua
Gaydos
Gejdenson
Gephardt
Gibbons
Gingrich
Ginn
Glickman
Gore
Gray
Green
Guarini
Hamilton
Harkin
Heckler
Hertel
Hollenbeck
Horton
Howard
Hoyer
Hubbard
Ireland
Jeffords
Kennelly
Kildee
Kogovsek
Lantos
Leach
Lehman
Leland
Levitas
Long (LA)
Lowery (CA)
Lowry (WA)
Luken
Lundine
Marks
Marriott
Matsui
Mavroules
McCloskey
McHugh
McKinney
Michel
Miller (CA)
Mineta
Moakley
Moffett
Molinari
Mollohan
Morrison
Murphy
Murtha
Natcher
Neal
Nelson
O'Brien
Oakar
Oberstar
Ottinger
Parris
Patman
Patterson
Pepper
Peyser
Porter
Price
Pritchard
Quillen
Ratchford
Reuss
Richmond
Rinaldo
Roberts (KS)
Roe
Rose
Rosenthal
Roth
Russo
Sabo
Scheuer
Schneider
Schulze
Shamansky
Shannon
Sharp
Shuster
Simon
Smith (IA)
Smith (PA)
Solarz
St Germain
Stratton
Swift
Synar
Tauke
Traxler
Udall
Vander Jagt
Vento
Walgren
Waxman
Weiss
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wolpe
Wortley
Wright
Wyden
Yatron
Young (MO)
Zablocki
Zeferetti

NOES—232

Akaka
Andrews
Annunzio
Anthony
Applegate
Archer
Aspin
Badham
Bafalis
Bailey (MO)
Beard
Beilenson
Benedict
Bennett
Bereuter
Bethune
Biaggi
Bliley
Bolling
Bonior
Breaux
Brooks
Broomfield
Brown (CO)
Brown (OH)
Broyhill
Burgener
Butler
Campbell
Carman
Carney
Chappell
Chappie
Cheney
Clinger
Coats
Coleman
Collins (TX)
Conyers
Corcoran
Craig
Crane, Daniel
Crane, Philip
Crockett
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daub
Deckard
DeNardis
Dickinson
Donnelly
Dornan
Dowdy
Dreier
Duncan
Dunn
Early
Edwards (OK)
Emerson
Emery
English
Erlenborn
Ertel
Evans (IA)
Fascell
Fiedler
Fields
Fountain
Garcia
Gilman
Goldwater
Gonzalez
Goodling
Gradison
Gramm
Gregg
Grisham
Gunderson
Hagedorn
Hall (OH)
Hall, Ralph
Hall, Sam
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hawkins
Hefner
Heftel
Hendon
Hightower
Hiler
Hillis
Holland
Holt
Hopkins
Huckaby
Hughes
Hunter
Hutto
Hyde
Jacobs
Jeffries
Jenkins
Johnston
Jones (NC)
Jones (OK)
Jones (TN)
Kastenmeier
Kazen
Kemp
Kindness
Kramer
LaFalce
Lagomarsino
Latta
Leath
LeBoutillier
Lee
Lent
Lewis
Livingston
Loeffler
Long (MD)
Lott
Lujan
Lungren
Madigan
Markey
Marlenee
Martin (IL)
Martin (NC)
Martin (NY)
Mazzoli
McClory
McCollum
McCurdy

McDade
McDonald
McEwen
McGrath
Mica
Mikulski
Miller (OH)
Minish
Mitchell (MD)
Mitchell (NY)
Montgomery
Moore
Moorhead
Mottl
Myers
Napier
Nelligan
Nichols
Nowak
Obey
Oxley
Panetta
Pashayan
Paul
Perkins
Petri
Pickle
Pursell
Rahall
Rangel
Regula
Ritter
Roberts (SD)
Robinson
Rodino
Roemer
Rogers
Rostenkowski
Roukema
Rousselot
Roybal
Rudd
Santini
Savage
Sawyer
Schroeder
Schumer
Seiberling
Sensenbrenner
Shaw
Shelby
Shumway
Siljander
Skeen
Skelton
Smith (AL)
Smith (NE)
Smith (NJ)
Smith (OR)
Snowe
Snyder
Solomon
Spence
Stangeland
Stark
Staton
Stenholm
Stokes
Studds
Stump
Tauzin
Taylor
Thomas
Trible
Volkmer
Walker
Wampler
Washington
Watkins
Weaver
Weber (MN)
Weber (OH)
White
Whitehurst
Whitley
Wirth
Wolf
Wylie
Yates
Young (AK)
Young (FL)

NOT VOTING—14

Bingham
Boner
Burton, John
Chisholm
Conable
Courter
Derrick
Evans (IN)
Florio
Mattox
Pease
Railsback
Rhodes
Stanton

☐ 2110

The Clerk announced the following pairs:

On this vote:

Mr. Boner of Tennessee for, with Mrs. Chisholm against.

Messrs. STOKES, AKAKA, DELLUMS, and RODINO changed their votes from "aye" to "no."

Mr. CLAY and Mr. DELLUMS changed their votes from "no" to "aye."

So the amendments offered to the Jones amendment in the nature of a substitute, the Aspin amendment in the nature of a substitute, and the Latta amendment in the nature of a substitute were rejected.

The result of the vote was announced as above recorded.

☐ 2120

Mr. SIMON. Mr. Chairman, I withdraw the amendment listed in the rule as No. 14. I will not offer that.

AMENDMENT OFFERED BY MR. SIMON TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OKLAHOMA

Mr. SIMON. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Oklahoma, Mr. JONES.

The Clerk read as follows:

Amendment offered by Mr. SIMON to the amendment in the nature of a substitute offered by Mr. JONES of Oklahoma:

Page , line (relating to functional category 500) increase new budget authority for fiscal year 1983 from $27,550,000,000 to $28,218,000,000, and increase outlays for such fiscal year from $27,450,000,000 to $27,537,000,000.

Page , line (relating to functional category 920) decrease new budget authority for fiscal year 1983 by $668,000,000 and decrease outlays for such fiscal year by $87,000,000.

Mr. SIMON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SIMON. Mr. Chairman, what this amendment does is to add $668 million in budget authority to function 500 for purposes of education, which I will spell out, and the $87 million in outlays is taken from allowances.

The net impact for fiscal year 1983 on deficits is zero.

Where do we get the $668 million? I would like to stress that this is a conservative amendment and I would like to spell out why it is a conservative amendment.

No. 1, we increase what we know as the Pell grants to needy students by $238 million. A year ago on this floor we heard a lot of speeches saying we are going to cut back social security benefits for sons and daughters of widows, but we will make it up with Pell grants and other student aid. That has resulted, not surprisingly, in more demand on the Pell grant program than a lot of people anticipated.

We have $238 million that is here, not to increase the Pell grant allowances as education costs go up but simply to maintain them.

Without this amendment Pell grants will have to go down for these needy students at the very time education costs are going up.

I would point out that this $238 million is 5 percent below the fiscal year 1982 reconciliation figure. It is $9 million below the House-passed appropriation bill.

Title I, a program that helps needy young people and gives them a lift, and we know is a dollar-wise investment, we have $228 million, 3 percent below the House-passed appropriation.

For Head Start, $15 million, again 3 percent below the 1982 House-passed appropriation.

Handicapped education, 94.142, we add $79 million. Even with this addition, the Federal assistance for handicapped education for these young people who have the chance to be assets to society instead of liabilities, we go from 9.8 percent Federal assistance down to 8.9 percent. We are not even maintaining it. But let us not drop below that figure.

I do not think the American people want us to reduce aid to the handicapped and I do not think the Members of the House want us to do that.

For vocational education we add $60 million, $79 million below the current services level.

Libraries, already decimated by this Congress, we add $12 million.

The educational block grants on which we told the States we were going to help them, as we gave them more responsibility, we are adding $36 million, 3 percent below the reconciliation figure.

That is what this amendment is, pure and simple.

I would add one other factor that I hope my colleagues keep in mind. We cannot build a better, finer America by cutting back on educational opportunity for the young people of this Nation. That is what it is all about.

I ask, I pray for, and I beg your assistance.

I rise Mr Chairman to offer an amendment to function 500, education, employment, and training. My amendment would bring funding for education programs in function 500 to $28.218 billion in budget authority and $27.537 billion in outlays.

My amendment enjoys the support of college and university presidents, librarians, parents, teachers, students, and people in the business community. This amendment is good for education and good for the country. Although it would provide an additional $668 million above House Concurrent Resolution 345 (Jones) and $968 million above the Latta/Michel substitute, it increases fiscal year 1983 outlays very modestly.

The additional funds are very critical to the education programs affected and will not "bust the budget." My amendment would provide:

	Million
Title I, ESEA	$228
Handicapped education (Public Law 94-142)	79
Vocational education	60
Educational block grants	36
Head Start	15
Pell grants	238
Libraries (LSCA, title II HEA)	12
Total	668

Each of these amounts represents at least a 3-percent reduction below the House-passed appropriations bill (H.R. 4560) or the Omnibus Budget Reconciliation Act of 1981, except the amount that would be provided for public libraries and small college libraries. I believe that these amounts represent responsible increases and will assure adequate funding, especially if the Congress freezes fiscal year 1983 funding levels for fiscal years 1984 and 1985.

Let me tell the House what my amendment does:

It proposes Pell grant funding be 5 percent below the $2.65 billion in the fiscal year 1982 authorization in the Reconciliation Act and $9 million below the House-passed appropriations bill;

It proposes a 3-percent reduction (−$90.4 million) in funding for title I.

ESEA, chapter I, passed below the 1982 House-passed appropriations bill;

It proposes a 3-percent reduction in Head Start below the House-passed appropriation bill and the 1982 reconciliation level, and the amount is substantially below the current services budget;

It proposes that handicapped education be funded at $1.121 billion which will reduce the Federal contribution to the program from 9.8 percent in fiscal year 1982 to 8.9 percent for fiscal year 1983; and

It proposes that vocational education be funded at $713.3 million which represents a 3-percent reduction below the Omnibus Budget Reconciliation Act of 1981 figures and $79.7 million below the current services level.

All of these programs could use additional resources. The funding levels we are recommending will only serve to insure that program effectiveness is not destroyed and that Federal commitment to equality of educational opportunity is not crippled. My amendment is very simple. It increases budget authority for fiscal year 1983 to $28,218,000,000 and increases outlays to $27,537,000,000—A modest $87 million above the current level in House Concurrent Resolution 345.

Many of my colleagues who are planning to vote for the Latta substitute may not understand what that substitute really does. The Latta substitute assumes a baseline that does not exist and in fact could only exist if the Congress were to enact the 1982 rescissions requested by President Reagan—rescissions which have been firmly rejected by this Congress.

Let me explain:

First, for function 500 the Latta substitute assumes budget authority figures of $23.8 billion for fiscal year 1982. The actual budget authority for function 500 is $25.35 billion. That is a reduction of $1.55 billion.

Second, under the Latta assumptions three student financial assistance programs are reduced for fiscal year 1982: First, Pell grants were reduced by $91.36 million; second, college work study is reduced by $44 million; and third, student state incentive grants are reduced by $6.14 million.

Third, other higher education programs are reduced by $23.38 million.

Fourth, services for handicapped children are reduced from $1.04 billion to $783,508 million—a $258.57 million reduction.

Fifth, title I, compensatory education programs, are reduced by $411.93 million.

Sixth, vocational education programs are reduced by $105.74 million.

Seventh, the educational block grant is reduced by $13.4 million.

Eighth, library funding is reduced by $22.1 million.

The Latta substitute figures grossly misrepresent the facts. One of the supposed attractions of the Latta substitute is that it has a lower deficit than the other proposals—$109.9 million for Latta, $110.2 for Jones. Obviously, that low deficit at least in part resulted from the use of a nonexistent 1982 baseline.

Last year when this body accepted the Gramm/Latta substitute as the budget bill, many Members admitted they did not fully understand what was in the bill. I encourage you not to do the same thing this year. The Latta bill is based on inaccurate assumptions. That makes it not only misleading but also dangerous. If we are to protect the economy of this country we must start out with the facts. We have had enough of phony economic assumptions that not only lead to reduced services but ultimately higher deficits.

My colleagues on both sides of the aisle may not be aware of the impact of the Latta/Michel substitute on higher education. In addition to the baseline assumptings--which imply or require fiscal year 1982 rescissions affecting Pell grants, college work study, and State student incentive grants—the Latta/Michel substitute also assumes other changes affecting student assistance programs.

In addition to reducing the guarantee student loan program by $665 million in outlays over the next 3 years, the Latta/Michel substitute would:

First, establish a variable interest rate for both undergraduate and graduate students which would greatly increase the administrative complexity for lenders and would substantially increase the interest paid by students;

Second, reduce funding for need-based student aid programs—Pell, college work-study, and so forth—by $140 million in fiscal year 1983 budget authority below the House Budget Committee bill. This eliminates as many as 100,000 to 150,000 grants and work-study jobs for low-income students;

Third, double interest rates in the national direct student loan program (NDSL), requiring rates to equal 90 percent of T-bills, significantly increasing indebtedness for needy students;

Fourth, spending for science research (function 250) by $700 million in fiscal year 1983 budget authority below the committee bill, reducing funding for NSF basic research and endangers several space programs. Michel/Latta is also $700 million below the Senate level and the President's request; and

Fifth, eliminate the minimum loan amount contained in current law thus making lender portfolios less attractive to secondary markets or discouraging lenders from making small loans to students.

As I mentioned at the outset, my amendment is supported by a broad spectrum of people and groups in the education community. I ask unanimous consent that a series of letters be included in the RECORD at this point.

THE COMMITTEE FOR
EDUCATION FUNDING,
Washington, D.C. May 24, 1982.

DEAR REPRESENTATIVE: The Committee for Education Funding has endorsed the education amendment to H. Con. Res. 345 proposed by Congressman Paul Simon. That amendment would permit adequate and equitable funding in FY 1983 for several education programs, including Title I of ESEA, Handicapped Education (P.L. 94-142), Vocational Education, Educational Block Grants, Head Start, Pell Grants, and Libraries (LSCA, Title II of HEA).

Adequate funding of federal education programs is essential to assure the Federal commitment to equal educational opportunity and to assist State and Local educational agencies and institutions in their continuing efforts to insure quality education. You are aware, I am sure, of the critical role that federal funds play in aiding our nation's schools and colleges to provide an educated citizenry, a trained work force, and a significant resource of human capital.

Representatives of our member organization will have contacted you to encourage your support for the Simon education amendment. We hope that you will respond affirmatively both with your endorsement and your vote.

We believe that the Simon amendment should be approved in conjunction with the House Budget Committee resolution introduced by Chairman Jones.

Sincerely yours,

ALFRED D. SUMBERG,
President.

AMERICAN COUNCIL ON EDUCATION,
Washington, D.C., May 21, 1982.

DEAR REPRESENTATIVE: On behalf of the American Council on Education representing over 1,700 colleges and universities in America we strongly urge you to vote against the Republican substitute to the First Budget Resolution. We also ask that you vote for the Simon education amendment and the Obey substitute.

The Republican substitute would cut the Guaranteed Student Loan program denying loans to over 100,000 students. This cut is inconsistent with the action of the Senate which has voted to make no cuts in the GSL program. Further, the Republican substitute would cut another 150,000 needy students from eligibility for the other student aid programs, such as Pell Grants, Supplemental Education Opportunity Grants and the College Work-Study program as compared to the House Budget Committee bill. This substitute is unfair in the face of the student aid cuts made last year.

We ask that you vote for the Simon education amendment to the budget resolution. The Simon education amendment would add $688 million to the budget resolution which would go to several education programs, including $238 million for Pell Grants which go to the neediest of college students. This necessary amendment is worthy of your support.

We strongly urge you to vote for the Obey substitute, which would add $1,350 million in funding for education programs, including higher education student assistance. The Obey substitute would also add funds for needed programs affecting health and basic science research which are necessary for the well being of our citizens and for productivity gains. The Obey substitute is a reasonable budget alternative.

Again, Congressman, we request that you support the committee-reported budget resolution and vote for the Simon education amendment and the Obey substitute. Finally, we ask you to vote against the Republican substitute with its student aid cuts which already have been rejected by the Senate.

Sincerely,

CHARLES B. SAUNDERS, JR.,
Vice President for Governmental Relations.

NATIONAL ASSOCIATION OF STATE UNIVERSITIES AND LAND-GRANT COLLEGES,
Washington, D.C., May 21, 1982.

DEAR REPRESENTATIVE: I write to you in behalf of the National Association of State Universities and Land-Grant Colleges (NASULGC), to urge you strongly to vote against the Michel/Latta Republican Substitute to H. Con. Res. 345, the First Concurrent Budget Resolution for fiscal year 1983.

NASULGC opposes the Republican substitute for the following reasons:

1. It reduces funding for the Guaranteed Student Loan (GSL) program by $665 million in outlays over three years. Instead of the current 9 percent (plus the 5 percent origination fee), Michel/Latta would force students to pay full market rates after leaving school, resulting in interest as high as 16 percent. The reduction also limits eligibility—several hundred thousand middle-income students attending state universities have their loans cut or eliminated. Michel/Latta is the only major budget proposal to cut GSL, even the revised Senate package maintains GSL under current law.

The reductions enacted in last year's reconciliation bill already have increased the cost of loans for needy students and tightened eligibility. In fact, of twelve states reporting loan volume since October 1, 1981, eleven have experienced major reductions in volume ranging from an 8 percent drop in Kentucky to a 45 percent drop in Virginia.

2. Michel/Latta reduces funding for need-based student aid programs (Pell, College Work-Study, etc. by $140 million in fiscal year 1983 BA below the House Budget Committee bill. This eliminates as many as 100,000-150,000 grants and work-study jobs for low-income students.

3. Michel/Latta more than doubles interest rates in the National Direct Student Loan program (NDSL), requiring rates to equal 90 percent of T-bills, significantly increasing indebtedness for needy students.

4. Michel/Latta slashes spending for science research (Function 250) by $700 million in fiscal year 1983 budget authority below the Committee bill, reducing funding for NSF basic research and endangers several space programs. Michel/Latta is also $700 million below the Senate level and the President's request.

5. Michel/Latta reduces the base for domestic discretionary spending by $1.5 billion by excluding money spent in fiscal year 1982 from fiscal year 1981 deferrals. The freeze on these programs is actually a $1.5 billion cut below fiscal year 1982 program levels.

In addition to voting against the Michel/Latta Republican substitute, we urge your support for the following amendments:

The Obey Substitute provides for needed funding in such vital areas as College Work-Study (+$250 million), loans for graduate students in science and math (+$100 m) elementary, secondary and vocational education (+$300 m), science research (+$450 m), agricultural research (+$100 m), and medical research and training (+$200 m). The Obey substitute targets increased funding in areas to improve productivity by addressing such problems as inadequate supply of trained engineers and scientists; outdated and outmoded university research facilities and instrumentation; and the lack of jobs for college students. The Obey substitute also produces the smallest deficit.

The Simon amendment adds $668 million in FY 83 budget authority but only $87 million in FY 83 outlays for education programs. Pell grants increase by $238 million. Without this increase, each student's award is reduced by over $100. Rather than an $1800 award for the neediest students, the maximum award is less than $1700 without the amendment. Increased participation in the Pell program, because of the elimination of Student Social Security benefits, requires the $238 million increase simply to maintain the program under the conditions of the FY 82 continuing resolution. Even with the $238 million, funding for Pell grants is still below the House passed FY 82 appropriations level and the FY 82 Reconciliation ceiling. The Simon amendment also provides additional funding for high priority elementary/secondary programs such as Title I, Handicapped Education, Vocational Education, and Head Start. Each of these programs is still funded below either the House-passed FY 82 level on the reconciliation ceiling.

The Wirth/Mineta Productivity Amendment provides approximately $600 million in increased FY 83 budget authority for a variety of initiatives relating to increasing the nation's productivity and stimulating the economy. Funding goes to increased support of university-based research in health, science, agriculture and space science; graduate fellowships; and upgrading outdated and inadequate university research equipment and facilities. Federal support for university R&D facilities has declined from over $120 million in 1963 to about $30 million in FY 79. Spending for graduate fellowships also has been sharply curtailed, while support for basic research has declined in real dollars more than 5% since FY 79. The Wirth/Mineta amendment must be passed if the country is to produce the technological and scientific advances necessary to compete with other advanced countries.

If you have questions or need further information, please contact either Jerry Roschwalb or Joel Packer of our staff at 293-7120. Thank you.

Sincerely,

ROBERT L. CLODIUS,
President.

NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS,
Washington, D.C. May 24, 1982.

DEAR REPRESENTATIVE: In the next few days, you and your colleagues will be asked to vote upon a number of budget amendments as you begin to consider H. Con. Res. 345.

Our Association, which represents over 2600 institutions of post-secondary education, is particularly concerned about the impact that each option will have upon needy students and how they relate to the program reductions that were enacted last year.

To make certain that everyone clearly understands the alternatives that are being presented, we have enclosed a comparative chart that clearly shows the effects of each amendment upon the existing student aid programs.

You will note that two of the proposals, Latta and Rousselot, require significant legislative changes to the Guaranteed Student Loan Program in order to achieve their projected entitlement levels. Given the fact that these and other similar changes have already been rejected by the U.S. Senate, we strongly urge you to vote against both the Latta Revision and the Rousselot Substitute to H. Con. Res. 345.

We oppose the Rousselot Substitute because it adopts the Administration's Guaranteed Student Loan changes which would:

(1) eliminate all graduate and professional students;

(2) double the student's origination fee from 5 to 10 percent, thereby making the student's effective interest rate 11.15% and;

(3) eliminate special allowance payments on loans two years after the student leaves school thereby forcing the lender to establish a variable interest rate loan.

We oppose the Latta Revision because it reduced the Guaranteed Student Loan Program by $665M in outlays over three years. Further, the Latta Revision would:

(1) establish a variable interest rate for both undergraduate and graduate students which would greatly increase the administrative complexity for lenders and would substantially increase the interest paid by students;

(2) require all students to undergo a needs test thus unnecessarily increasing administrative burdens and paperwork for institutions, students, and families; and

(3) eliminate the minimum loan amount contained in current law thus making lender portfolios less attractive to secondary markets or discouraging lenders from making small loans to students.

In addition, the Latta Revision assumes several other technical adjustments to the Guaranteed Student Loan Program that would make it administratively unworkable for lenders, state agencies, and institutions.

We hope that you will consider this information carefully, and vote for those amendments which would bring student aid funding in FY-83 up to a reasonable level without jeopardizing the educational plans of thousands of qualified students.

If you would like to discuss this information further, please feel free to call us.

Sincerely,

DALLAS MARTIN,
Executive Director.

COMMITTEE OF URBAN PROGRAM UNIVERSITIES,
Washington, D.C., May 21, 1982.

DEAR REPRESENTATIVE: The House of Representatives will, this week, be considering H. Con. Res. 345, the First Budget Resolution. The members of this organization (list attached) believe that a wise and prudent Federal investment in education is an investment in an economically productive and a strong nation; that, indeed, no nation can be free and ignorant at the same time.

We support the Committee Resolution, and the amendments that will be offered to it by Reps. Simon of Illinois and Obey of Wisconsin. We oppose the Latta substitute which alone among those we know of would in fact weaken the national education investment.

We urge you to vote for the Simon amendment, for the Obey substitute, and for the Committee Resolution as reported, or as amended by either of these proposals and against the Latta amendment and/or the Committee Resolution if it is amended by the Latta substitute.

Many of you have co-sponsored H. Res. 422, a sense of the Congress resolution relating to student financial aid programs. A vote for the Simon amendment would complement such a position; a vote for Latta would contradict it.

Sincerely,

Jim Harrison,
Executive Director.

Washington, D.C., *May 24, 1982.*

To: Members of the U.S. House of Representatives.
From: Miriam Rosenberg, COPUS; Ed Hanley, USSA; Sterling Henry, NOBUCS.
Re: H. Con. Res. 345, First Concurrent Budget Resolution for fiscal year 1983.

We strongly urge you to support the Simon Amendment to increase funding for education and the House Budget Committee's propoal for the fiscal year 1983 budget. We also urge you to oppose the Michel-Latta substitute, as it severely reduces funding for vital student financial assistance programs.

The Michel/Latta substitute would be detrimental to higher education for the following reasons:

1. Michel/Latta reduces funding for the Guaranteed Student Loan (GSL) program. It would increase interest rates on student loans, and limit eligibility for the GSL program.

2. Michel/Latta more than doubles interest rates on the National Direct Student Loan (NDSL) program.

3. Michel/Latta reduces funding for need-based student aid programs (Pell Grants, College Work-Study, National Direct Student Loans, and Supplemental Educational Opportunity Grants) by $140 million in fiscal year 1983 Budget Authority below the House Budget Committee bill.

4. Michel/Latta uses deceptive budget figure which exclude $700 million in fiscal year 1981 defferals from fiscal year 1982 budget figures for Function 500.

The Simon Education Amendment would provide $668 million in additional fiscal year 1983 Budget Authority, while adding only $87 million in fiscal year 1983 outlays for education. For student financial assistance, the Simon Education Amendment adds $238 million for Pell Grants (BEOG) in fiscal year 1983. Without this amendment, each student receiving a Pell Grant will have their award reduced by over $100. Pell Grants provide up to $1800 in aid to our nation's neediest students.

The House Budget Committee bill, as drafted by Chairman James Jones, with the additional funding provided by the Simon Education Amendment, would set equitable, sensible spending targets for student aid and other education programs. Your support for the Simon Education Amendment and the Jones budget proposal is crucial to the long-term viability of American's education system. We urge you to support both of these measures.

Thank you.

The National PTA,
Washington, D.C., May 21, 1982.

Dear Representative: On behalf of the National PTA, comprised of over 5.5 million members in all 50 states, the District of Columbia, and Americans in Department of Defense Schools in Europe, we urge you to support the Simon amendment to the Jones budget proposal.

This amendment would make available $668 million dollars in budget authority for fiscal year 1983, but add only $87 million in budget outlays. Programs that will receive the funds are vital to the education of our children: Title I ESEA, Headstart, Chapter 2 of Education Block Grants, Vocational Education, Public Law 94-142—the Education of All Handicapped Children Act, Pell Grants, and Library Services.

Although the Simon Amendment to the Jones proposal will still be less money than needed to fund current services, we believe that it is an important step in preserving the viability of these programs.

Again, we urge you to support education and vote for the Simon amendment.

Thank you.

Sincerely,

Mary Ann Leveridge,
President.

Manya Ungar,
Vice President for Legislative Activities.

American Library Association,
Washington, D.C., May 24, 1982.

Hon. Paul Simon,
Chairman, Postsecondary Education Subcommittee, House of Representatives, Washington, D.C.

Dear Paul: I am writing on behalf of the American Library Association, a nonprofit educational organization of almost 40,000 librarians, library trustees and friends of libraries, to convey our strong support of your education amendment to H. Con. Res. 345, the first congressional budget resolution for FY 1983.

Your amendment would provide $668 million in additional budget authority for budget Function 500, Education and Training, of which $12 million is for library programs (Library Services and Construction Act and Higher Education Act Title II) and $36 million is for the elementary and secondary education block grant (which includes school library resources and instructional equipment as one of its purposes).

These additional funds are needed to avoid cuts in several small but cost effective federal library programs which help ensure that libraries serve their purpose as self help institutions for all the people, including those whose circumstances or geographic location require extra effort or expenditures to reach.

ALA appreciates your efforts on behalf of libraries in this budget amendment, and in your longstanding support of library and information services.

Sincerely,

Eileen D. Cooke,
Director, ALA Washington Office.

National School Board Association,
Washington, D.C., May 24, 1982.

Dear Congressman: This week the House of Representatives will determine the House fiscal year 1983 First Concurrent Resolution on the Budget (H. Con. Res. 345). The National School Board Association has carefully examined the seven alternatives in relation to the complex rule governing the consideration of each budget alternative. For the reasons provided below, NSBA urges you to support a national economic recovery plan that makes education an integral part of the solution by voting in the following manner:

Vote for the Obey substitute which adds $950 million for education to the Jones House Budget Committee proposal.

Vote for the Simon perfecting education amendment which adds $668 million for education to the Jones House Budget Committee proposal.

Vote for the adoption and final passage of the House Budget Committee bill which adds $450 million for education over 1982 levels.

Vote against the Latta budget substitute. The proponents of this substitute claim that education is provided a $297 million add-on over fiscal year 1982 levels. This assumption hides several fundamental facts that add to education cuts in this budget substitute: (1) $700 million in deferrals are not included in the fiscal year 1983 Function 500 baseline thus lowering the base to which the additions are made; (2) GSL and NDSL would absorb cuts in fiscal year 1983; (3) all the fiscal year 1982 deep education rescissions are assumed to occur; and (4) no fiscal year 1982 supplementals for mandatory education programs are assumed. For example, the urgent supplemental passed by the House includes a $1.3 billion supplemental for GSL.

The general economic status of the nation directly affects local school districts. School boards in many local communities are finding that last year's federal education cuts are being compounded by reduced state and local tax revenues for the school year beginning this fall (1982-1983 school year). For the first time in a decade, states are lowering their percentage of school district revenues leaving the burden for elementary and secondary education on the local community tax base.

While the fiscal year 1982 school year will be austere, the fiscal year 1983 school year is beginning to shape up as worse. Right now, local and state economies are generating the tax revenues for fiscal year 1983 and the tax revenues at the present rate will be lower.

The National School Board Association represents a constituency that not only has a stake in federal education program funding levels, but also in the priorities that direct the entire federal budget. Our assessment turns on the answer to a bottom line question: Which budget alternative invests equality in our nation's reindustrialization, increased future productivity and adequate defense posture? Not one of those three fundamental budget priorities can be accomplished without education being an integral part of the national program.

Our recommendation must be made within the context of a very complex rule that structures your action on the fiscal year 1983 budget. As you are aware, the last budget alternative to pass the House will be the first fiscal year 1983 Budget Resolution. There will be a vote on every alternative. Our choice of the four votes on the first page of this letter permits you the strongest expression of support of education's role in the future prosperity of the nation.

Vote against the Latta Substitute which hides education cuts in Function 500 by claiming to add education program funds. NSBA will not endorse a substitute that uses education as its "last leader" for a fiscal year 1983 cut in Function 500 and real education cuts through rescissions in fiscal year 1982.

Vote for the House Budget Committee proposal supported by Chairman Jim Jones. Perfect its basic plan by voting for the Simon education amendment that assumes additions in several successful education programs. These programs are ESEA, Title I (+$228 million), Vocational Education (+$60 million), Handicapped Education (+$79 million), Education Block Grants

(+$36 million), Libraries (+$12 million), Pell Grants (+$238 million) and Head Start (+$15 million).

In summary, your votes will express your commitment to education and to the vitality of local school districts across the nation.

Very truly yours,

Thomas A. Shannon,
Executive Director.
Rayma C. Page,
President.

National Council of
Teachers of Mathematics,
Reston, Va., May 22, 1982.

Hon. Paul Simon,
House of Representatives,
Washington, D.C.

Dear Congressman Simon: The 65,000 member National Council of Teachers of Mathematics wish to express its support for your education amendment to increase the budget authority for function 500 (Education and Training) when H. Con. Res. 345 is brought to the Floor of the House.

Sincerely,

James D. Gates,
Executive Director.

The Council of Graduate
Schools in the United States,
Washington, D.C., May 24, 1982.

Dear Representative: I write to you to discuss the House debate on the fiscal year 1983 Budget and the amendments under consideration to H. Con. Resolution 345, the First Concurrent Budget Resolution for fiscal year 1983. I write on behalf of the Council of Graduate Schools in the United States and graduate education as it is carried out at our 370 member campuses.

CGS opposes the Latta-Michel Bipartisan Recovery substitute for the following reasons:

1. It reduces funding for the guaranteed Student Loan Program by $665 million in outlays over three years. It requires students to pay market rates of interest after completion of their studies (currently 16 percent). Further restrictions on GSL eligibility are also required as part of this proposal.

2. Latta/Michel also reduces need-based student aid programs. Proposed cuts in the campus-based programs, the National Direct Student Loan (NDSL) program and College Work-Study (CWS) program would very likely fall hardest on graduate students who receive funds from these programs. This package proposal would also more than double rates of interest paid on NDSL which go only to the most needy students from low income families.

3. Latta/Michel also reduces funding for science research (Function 250) by $700 million in fiscal year 1983 Budget Authority. This will reduce funding for the National Science Foundation, NASA, and space research. This proposal is below both the Senate Budget level and the President's fiscal year 1983 request.

In place of this package with its cuts in both student aid and research budget levels, CGS urges support for the following packages and amendments:

At a minimum support the House Budget Committee (Jones) package which speaks more directly to the issue of fairness in the distribution of benefits, spending cuts and revenue increases. Representative Simon (D-Ill) will offer an amendment totaling $668 million in additional Budget Authority for education programs at all levels. CGS urges support of the Simon amendment for function 500 whenever and wherever it is introduced. The package labeled Aspin and cosponsored by Republicans and Democrats provides for $600 million in increased budget authority to increase productivity and support research, fellowships and instrumentation in R&D facilities. CGS urges support for the Aspin package, should it supplant either the Jones or Latta proposals.

If you have any further questions or need further information, please contact Thomas Linney at 223-3791.

Sincerely,

Michael J. Pelczar, Jr.,
President.

Council of Chief
State School Officers,
Washington, D.C., May 26, 1982.

Dear Representative: You are faced with a difficult and important decision regarding the budget priorities of the nation for the next several years. The Council of Chief State School Officers is extremely concerned about the possible effects on education programs of the Latta substitute to H. Con. Res. 345. The Latta Substitute assumes a baseline budget authority of $23.8 billion for function 500 (education, employment and training, and social programs) in FY 1982 that is $1.65 billion less than the actual FY 1982 BA of $25.45 billion in this function. The Latta level assumes that Congress had enacted the FY 1982 rescissions proposed by the President in his budget. These rescissions, however, have not been supported by the 97th Congress.

If the Latta substitute is passed, the consequences for education programs could include these rescissions, among others:

1. services for handicapped children would be reduced by $258.57 million—from $1.04 billion to $783.5 million;

2. compensatory education programs would be reduced by $411.93 million;

3. vocational education programs would be reduced by $105.74 million;

4. funding for the education block grant will be reduced by $65.7 million.

Clearly, these reductions would cause major disruptions in states and school districts across the country. Planning for the 1982-83 school year (during which these funds will be spent) is already well underway, and thousands of children and young people will lose services that they are counting on and that are very important to their educational futures.

In addition, we urge you in the strongest terms to support the Simon amendment to add funds in FY 1983 for education to function 500. Adoption of the Simon amendment will not, however, solve the FY82 problem presented by the Latta substitute as it stands. We urge you, therefore, to support the Simon amendment as it applies to the Budget Committee version of the resolution.

Sincerely,

William F. Pierce,
Executive Director.

American Federation of
Teachers, AFL-CIO,
Washington D.C., May 26, 1982.

To All Members,
U.S. House of Representatives,
Washington, D.C.

Dear Representative: As you know, the AFT strongly supports the Simon Amendment to the Jones Substitute to H. Con. Res. 345, the Congressional Budget Resolution for fiscal years 1982 & 1983.

The AFT strongly opposes the Latta-Michel Substitute to H. Con Res. 345 because of the severe cutbacks in education that would result if the proposal were adopted. Some Members who seek to modify the damage that Latta would cause to education propose to amend the Latta Substitute with the Simon Amendment. The Simon Amendment cannot amend what Latta proposes for F.Y. 82—massive rescissions to the tune of $1.6 billion out of education in the coming school year.

During the course of debate it has become clear that the Latta Substitute would require the President's rescissions for F.Y. 82 to be enacted—Rescissions that were rejected by the House two weeks ago when it passed the Urgent Supplemental Appropriations Bill.

If the Latta-Michel Substitute is adopted it would be necessary to re-open the F.Y. 82 Continuing Resolution and the Urgent Supplemental in order to rescind $1.6 billion for education. The cuts would come in the following areas:

	Millions
ESEA Chapter I	$411
Education for the handicapped	258
Vocational education	105
Education block grants	65
Library funding	22
Bilingual education	11.5
Indian education	6.2
Vocational rehabilitation	91
Pell grants	91
College work study	44
State Student Inc. grants	6
Other higher education programs	42
Guaranteed students loans	322

The guaranteed loan reduction would eliminate graduate students or virtually eliminate any loans made in the 4th quarter of this year.

No amendment is in order to change the Latta-Michel provisions for fiscal year 1982. The Simon Amendment only applies to fiscal year 1983. A vote for Latta is a vote to cut $1.6 billion out of education during the coming school year. I urge you to vote NO on the Latta-Michel Substitute.

Sincerely,

Albert Shanker,
President.

Mr. PEYSER. I would like to ask the distinguished chairman of the Postsecondary Education Subcommittee several questions. Is my understanding correct that the Latta substitute has assumed a fiscal year 1982 baseline which is substantially below that in the Jones and Aspin substitutes, because it is keyed to the fiscal year 1982 rescission request submitted by the Reagan administration?

Mr. SIMON. The gentleman is correct. My distinguished colleague from New York accurately points out that the Latta baseline assumes $1.2 billion in rescissions for function 500. While the substitute does not state or require that these rescissions be achieved—the low baseline from which the Latta substitute begins makes the subsequent "add ons" misleading.

Mr. PEYSER. If the gentleman would yield further. Am I correct in stating that the rescissions which the Congress has already rejected but are assumed in the Latta baseline would include the following:

First, under the Latta assumptions three student financial assistance programs are reduced for fiscal year 1982: Pell grants are reduced by $91.36 million; College work study is reduced by $44 million; and Student State incentive grants are reduced by $6.14 million.

Second, other higher education programs are reduced by $23.38 million.

Third, services for handicapped children are reduced from $1.04 billion to $783,508 million—a $258.57 million reduction.

Fourth, title I, Compensatory Education programs, are reduced by $411.93 million.

Fifth, vocational education programs are reduced by $105.74 million.

Sixth, the educational block grant is reduced by $13.4 million.

Seventh, Library funding is reduced by $22.1 million.

Mr. SIMON. The gentleman's figures are accurate.

Mr. PEYSER. I thank the gentleman for clarifying the issue of the baseline, however, one more point deserves explanation. With regard to the assumed savings on the guaranteed student loans, how much is assumed to be saved and how would the savings be achieved?

Mr. SIMON. I thank the gentleman for raising this question because the Latta substitute is somewhat devious in regards to guaranteed student loans. The low Latta baseline in addition to assuming the fiscal year 1982 Rescissions, also assumes one of two things:

First, that the $1.3 billion for GSL included in the urgent supplemental—already passed by this House—would be $322 million less, or

Second, that the legislative changes for GSL submitted with the fiscal year 1983 budget would be enacted before October 1, 1982, thereby affecting loans made for the 1982-83 academic year.

I need not tell my colleagues from New York, who has been a stalwart defender of this GSL program, of the negative impact of creating even the impression that changes will be made before October 1, which would affect student eligibility, loan processing and disbursements. The Latta GSL assumptions threaten to totally disrupt the GSL lending process for the coming school year.

Mr. PEYSER. I thank the gentleman for this cogent response and important explanation of the Latta substitute, and reserving the right to object, I do not object.

Mr. SIMON. I appreciate the gentleman from New York raising these important questions in order that the other Members can understand what is in the Latta substitute.

Mr. PEYSER. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to my colleague from New York.

Mr. PEYSER. I thank the gentleman from Illinois very much.

While we are discussing an amendment now to the Jones budget I would like to raise a question at this time that the distinguished chairman of the Postsecondary Education Subcommittee might answer for me.

Is my understanding correct that the Latta substitute has assumed a fiscal 1982 baseline which is substantially below that in the Jones and the Aspin substitutes, because it is keyed to the fiscal 1982 rescission request submitted by the Reagan administration? Is that correct?

Mr. SIMON. That is my understanding.

Let me say, in fairness, I just talked with the gentleman from Pennsylvania (Mr. Goodling) who said that is not the case.

The **CHAIRMAN.** The time of the gentleman from Illinois (Mr. Simon) has expired.

(By unanimous consent Mr. SIMON was allowed to proceed for 5 additional minutes.)

□ 2130

Mr. SIMON. The gentleman from Pennsylvania (Mr. Goodling) and I am going to yield to him in just a moment—says that is not the case. But as I look at the figures, we are talking about some drastic curtailments.

I received one phone call this afternoon, and I cannot tell the House if it is absolutely reliable, but it is from a reliable source, saying that if the fiscal year 1982 appropriations in the Latta program were to be adopted by the conference committee, all the State rehabilitation programs in the Nation would have to be closed the very next day.

Now, I would be pleased to yield to my colleague from Pennsylvania, who may want to correct those figures.

Mr. GOODLING. Mr. Chairman, we will take our own time and correct those figures.

Mr. PEYSER. Will the gentleman yield further to me?

Mr. SIMON. I yield to the gentleman from New York.

Mr. PEYSER. Am I correct in stating that the rescissions which the Congress has already rejected but are assumed in the Latta baseline would include the following? This is very important for everybody who is interested in education and its benefits.

Under Latta assumptions, student financial assistance programs are reduced for fiscal year 1982; the Pell grants are reduced by $91,360,000; the college work study is reduced by $44 million; the student State incentive grants are reduced by $614 million; and other higher education programs are reduced by $23,380,000; services for the handicapped children are reduced $1.4 billion to $783,508,000, a $258,570,000 reduction; that title I, compensatory education, is reduced by $411,930,000; and that vocational education programs are reduced by $105,740,000; the education block grant is reduced $13,300,000; the library funding is reduced $22,100,000. And these figures have been ascertained as correct. Up until this point, as the gentleman in the well says, there has been no accurate information refuting any of these figures on the rescission basis that has been raised by the gentleman.

Mr. SIMON. If I may respond to the gentleman from New York, the figures he cites are the figures that I have also. I would be very interested to hear from my colleagues from Pennsylvania and from my colleagues from Ohio.

Mr. PEYSER. And finally, if the gentleman will yield further, I want to thank the gentleman for clarifying this issue on the baseline.

One point deserves explanation with regard to the assumed savings on the guaranteed student loans.

How much is assumed to be saved and how much of the savings would be achieved under the program?

In other words, with the savings that are being anticipated under the Latta program, I think the key factor is that the savings they are anticipating are only being brought about by changing the interest rates on these programs. In other words, the only way they could arrive at the figure that they have is by making the interest rates practically at current interest rates or 90 percent of Treasury for the guaranteed student loan, which, of course, would create havoc in that whole area and, basically, destroy the program.

Mr. SIMON. I understand the question of the gentleman from New York, and my understanding is that the gentleman is correct. Again, I stand willing to be corrected, but there are huge cuts for fiscal year 1982 that are part of the Latta program that I certainly cannot explain, and I do not know that anyone can explain—and which I think would cause devastation in the educational programs in this Nation.

Mr. MINISH. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to my colleague, the gentleman from New Jersey.

Mr. MINISH. Mr. Chairman, I would not propose adding funds to our budget if I did not feel strongly that the funding is necessary, in fact more important than some other areas which are better funded. I am one of the original sponsors of the Simon amendment because I am convinced that the original education cuts were too much too soon, and that our educational institutions along with families struggling to educate their children can absorb no more. House Concurrent Resolution 345 provides $668 million for education and training functions, an amount below last year's reconciliation levels, but enough to stave off irrecoverable disaster for many of our schools and our students.

As I have said, I believe that in their magnitude and their suddeness, the education cuts approved last year simply went too far. They have overburdened families, strained community tax bases, threatened the survival of schools and colleges and—worst of all—cut off the advanced studies of many promising students. The short-term budget savings achieved in these cuts came at the expense of disastrous long-term consequences for America.

Some try to justify cutting student loans on the grounds that they did not even exist just a few years ago, so eliminating them would not be such a disaster. This assessment fails to take into account the enormous inflation which progress has caused in the academy, let alone a student's chances of finding a job in this economy to help work his way through. Without the loans and grants, many of our best students will lose the chance to fulfill their talents, and economic status rather than ability will determine who can continue an education.

So it is with all the categories which are funded under this amendment. Education has traditionally been the gateway to opportunity in this country, and to cut it in a way from which it will scarcely fully recover is to take away hope for millions of people.

The human toll is just a part of the cost of education cuts. If you think back to the post-Sputnik era, when we realized that a strong educational establishment is vital to the security of our Nation as well as to its happiness, you will recall how our Government came to make its commitment to supporting this vital asset. Nothing has changed since that time to make the need for this support any less; in fact, America's economic and military strength rests more and more on our technological superiority. You can increase the military budget all you want, but we will never be secure if the educational basis on which it rests is undermined. For those who want to cut everything but defense spending this year, it should be possible to view this amendment as a contribution to national security in the years ahead.

Once it has been cut off, educational opportunity is not easy or always possible to replace later. Many schools and colleges are on the verge of closing; a diminished pool of students able to afford the tuition is forcing institutions to eliminate graduate programs which will be sorely missed in the years ahead. Many students forced to abandon their studies now for want of support will never find the opportunity to resume them. Mr. Chairman, this amendment will not make everything right again in the area of education, but it will allow determined teachers and students in some measure to hold the line. The alternative is to continue the downward spiral to which the academy seems to be doomed. We owe it to our children to do what we can here. I urge the House to adopt this amendment.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to my colleague, the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I would like to strongly support the amendment of the gentleman in the well. As he has indicated, he would still keep the number in this resolution below the Labor-HEW appropriation bill which this House approved last year. It would be below the reconciliation number. It would affect 570,000 kids under title I.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. SIMON) has again expired.

Mr. OBEY. Mr. Chairman, I ask unanimous consent that the gentleman from Illinois (Mr. SIMON) be permitted to proceed for an additional 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. LATTA. Mr. Chairman, reserving the right to object, the reason I do this is that the gentleman in the well has indicated that he did not know anything about the funding, and here we are hearing all of this talk over here without any type of response. I think it is high time that we respond to what the gentleman does not know anything about.

The CHAIRMAN. Does the gentleman from Ohio object?

Mr. LATTA. Mr. Chairman, I feel constrained to object.

The CHAIRMAN. Objection is heard.

Mr. LATTA. Mr. Chairman, I move to strike the requisite number of words.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. I thank the gentleman for yielding.

Mr. Chairman, I know that the gentleman from Illinois does not believe that the figures that he was quoting were correct, and I know he is doing that legitimately. I know there are others who have mischievous reasons for doing that kind of thing. They know very well that all rescissions are passed. That is moot. That is not even an issue in this whole thing. They know very well that all of our 1983, 1984, and 1985 figures are based on the same baseline figures that the figures of Chairman JONES are based on. So there is no question. There are no rescissions. We do not allow reconciliation in 1982. So the whole question is a moot question. And all of those people who were stirred up out there, who thought there was going to be money taken away from the handicapped, money taken away from other areas, they know that is not true. In fact, there are increases in most of those areas.

So I think we should stop milking a dead horse that has long since gone. Some people milk horses, other people milk cows. That reference was to show just how silly and ridiculous the whole argument is in relationship to these figures.

Mr. Chairman, I would like to ask the gentleman from Ohio (Mr. LATTA) whether the 1982 figures in the bipartisan recovery amendment, as it applies to education function 500, which includes education for the handicapped, vocational education, title I, guaranteed student loans, and similar programs—can the gentleman confirm my understanding that the budget resolution in no way requires rescissions or deferrals to be enacted in fiscal year 1982 appropriations or creates any obstacle to the enactment of the urgent supplemental appropriation bill presently before us?

Mr. LATTA. Mr. Chairman, let me say to the gentleman that he is absolutely correct. The administration proposed $1.16 billion in fiscal year 1982 education rescissions. Those rescissions lapsed—and let me stress that—lapsed weeks ago. The consequence of this issue for 1982 is moot. The money is now being spent and obligated. There is no way the bipartisan recovery budget could impact funds Congress has already voted for these programs.

Moreover, since these are forward funded programs, outlays would occur in fiscal year 1983 and 1984. The bipartisan recovery budget includes $800 million in fiscal year 1983 and $125 million in fiscal year 1984 to cover the actual spending for the full amount of the budget authority Congress approved in the fiscal year appropriations of 1982.

Mr. GOODLING. I thank the gentleman. We do intend to offer a motion to instruct the conferees to adopt 1982 budget authority and outlay figures, to remove all shadow of doubt. There are no recessions for education programs. The motion will instruct conferees that there should be sufficient spending levels in fiscal year 1982 to provide the enactment of the various supplemental appropriation bills that Congress deems essential.

□ 2130

Mr. LATTA. Let me respond to the gentleman and assure him that he will have my support in his motion. But I do not think it is necessary——

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Kentucky.

Mr. PERKINS. Let me state that for function 500, in its entirety, for the 1982 current level, is $25.35 billion and for Latta, fiscal year 1982, it is $23.8 billion and, there could easily be a rescission somewhere in the future.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. My chairman knows very well that the time for rescissions have lapsed and the whole issue is moot.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. LATTA) has expired.

Mr. MILLER of California. Mr. Chairman, I ask unanimous consent that the gentleman from Ohio be allowed 2 additional minutes.

Mr. SIMON. Mr. Chairman, I ask unanimous consent that the gentleman have 3 additional minutes.

The CHAIRMAN. Does the gentleman from Ohio desire 3 additional minutes?

Is there objection to the request of the gentleman from California (Mr. MILLER)?

Is there objection to the request of the gentleman from Illinois (Mr. SIMON)?

There was no objection.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I will be happy to yield to the gentleman from Illinois.

Mr. SIMON. So that I understand what is being said here, I have the CONGRESSIONAL RECORD with the gentleman's amendment printed in it and I see the figure just cited by the chairman of the committee, $23.8 billion, which is $1.55 or $1.65 billion below the figure in the Jones level.

Now, is the gentleman from Ohio and the gentleman from Pennsylvania saying to me that these figures do not mean anything, that the gentleman is going to discard them if we adopt the gentleman's amendment?

Mr. GOODLING. If the gentleman will yield to me, that could only happen if there were reconciliation instructions. There is no reconciliaiton in 1982. That is what I am trying to point out. We would admit and have admitted that those figures are incorrect figures.

Mr. SIMON. Does the gentleman from Pennsylvania, if the gentleman from Ohio will yield further, does the gentleman from Pennsylvania suggest then that these figures mean absolutely nothing?

Mr. GOODLING. As I indicated, those figures that were placed in the Latta amendment were technically incorrect. They were placed there because they came from a different budget, not this bipartisan recovery budget.

What I am pointing out is that those figures do not mean anything because the time to consider rescissions has lapsed and——

Mr. SIMON. If the gentleman will yield further, at what point are we going to get the accurate figures, the figures that the gentleman really believes in?

Mr. GOODLING. The entire 1983 and 1984 and 1985 figures, which are the important figures, are based on the same baseline figures that Jones is based on.

As I said, we will make sure that the instructions include the fact that there will be no rescissions, and as I said, we have no reconciliation instructions for the 1982 budget. If we had reconciliation then we would be in for trouble because of that misprint. But we are not in trouble because we do not have reconciliation.

Mr. SIMON. If I understand the gentleman correctly, the gentleman is handing us a bill with certain figures on it and the gentleman wants to instruct the conferees to ignore those figures. That is the situation as I understand it.

Mr. LATTA. Let me respond to the gentleman.

As I pointed out in response to the question by the gentleman from Pennsyvania, the administration sent down $1.16 billion in rescissions in this area and they lapsed weeks ago. They are gone. It is a dead issue. The gentleman is dragging a red herring into this debate. The money is now being spent and obligated. If the gentleman does not believe this check with OMB.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. LATTA) has again expired.

Mr. MILLER of California. Mr. Chairman, I ask unanimous consent that the gentleman be given 5 additional minutes.

The CHAIRMAN. Does the gentleman from Ohio desire 5 additional minutes?

Mr. LATTA. One additional minute will be sufficient, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from California (Mr. MILLER)?

There was no objection.

The CHAIRMAN. The gentleman from Ohio is recognized for 1 additional minute.

Mr. LATTA. Let me continue. Spreading falsehoods across the country that we are making these alleged massive cuts in 1982 is wrong. You should have known it was wrong when this word went out from this Capitol.

I do not know who is responsible for putting out that word but it is absolutely false. You have to take the responsibility sometime along the way; 1982 funds are now being obligated and spent and the rescissions that you hoped were there have long since lapsed.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. Just one comment further. We are not talking about the Latta amendment now. The gentleman is offering this to Jones. Let us get on with Jones. We will take care of the Latta amendment, if the gentleman gets around to that.

Mr. JONES of Oklahoma. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I came in during the colloquy between the gentleman from Pennsylvania and the gentleman from Ohio, and if I heard the colloquy correctly, what they are suggesting is this: should the Latta amendment substitute pass, they want to instruct the conferees to disregard the 1982 budget in the Latta amendment.

Now, that is a very funny way to legislate.

Mr. LATTA. Will the gentleman yield?

Mr. JONES of Oklahoma. I will not yield at this time.

Mr. LATTA. I am sure the gentleman wants to be correct and accurate.

Mr. JONES of Oklahoma. I will yield as soon as I am finished with my statement because I think there is a lot of confusion being spread around the floor regarding this issue.

I can understand that the other side does not want to talk about the 1982 budget as contained in the Republican substitute. They do not want to talk about it because they have found that their budget genuinely underestimates what this country needs and they find themselves in a bind because of the results.

They say it does not make any difference because the funds have already been spent. They are wrong; it makes a great deal of difference, because the Latta substitute assumes the President's 1982 budget figures. Thus assuming the very rescissions which Congress recently rejected. Among those rescissions that it assumes, according to the Congressional Budget Office, are the following: $411 million rescissions, in other words, cuts, in compensatory education; $259 million cuts, rescissions, in handicapped education; $350 million cuts, rescissions, in rehabilitation services; $106 million cuts, rescissions, in vocational education; $135 million cuts, rescissions, in Pell grants and work study programs.

Now what does all of this mean? The gentleman says it has already been spent, he says it has been released. But Members should know that it means if the Latta substitute passes, that will put a binding ceiling on the 1982 fiscal year and anything that exceeds that ceiling is subject to a point of order and cannot be enacted into law.

What is it that cannot enact into law?

The urgent supplemental appropriations, which includes $1 billion for emergency housing, cannot be enacted into law because it is subject to a point of order.

The supplemental defense appropriations cannot be enacted because it is subject to a point of order.

Under the Latta substitute, they are already $7 billion in budget authority and $6 billion in outlays below the spending levels that we are at right now in 1982.

If the gentleman from Ohio's substitute passes, he is either telling the American people "Forget the budget ceilings. Sure we will be great conservatives, we will beat our chests and show you how we can cut funds and pass a budget resolution," but when it comes time to appropriating the money we will look the other way, we will put blindfolders on, we will say, "Let it go to the President for signature."

Let us be honest. Either it means we do not want to enforce the Budget Act or it means we do not want to spend money for education, we do not want to spend money for emergency housing, we do not want to spend money for supplemental defense. You cannot have it both ways.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. I yield to the gentleman from Ohio.

Mr. LATTA. Let me say to my chairman hopefully he is not getting caught in the same trap as the gentleman from Illinois.

Mr. JONES of Oklahoma. If it is a trap, it is one that the Congressional Budget Office verifies and stands behind.

Mr. LATTA. Let me tell the gentleman that we never submitted those figures that the gentleman recited from the Budget Office.

Mr. JONES of Oklahoma. Is the gentleman repudiating the President's 1982 budget?

Mr. LATTA. As far as the Congressional Budget Office, I am losing a lot of respect for them because they have made so many errors in typing these things up.

There is no question about it. There were errors in the gentleman's budget. There were errors in every budget because of the CBO. There were errors in ours. Let us not say that place over there is beyond the saints because they are not.

□ 2150

Mr. JONES of Oklahoma. Let me take back my time to ask the gentleman the following question. If the gentleman repudiates these numbers, which allows you to lower your deficit figures on interest charges by $1.8 billion in 1983 and an additional $1 billion in 1984 and 1985, will the gentleman also repudiate those same interest reductions and raise your deficit above ours?

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. OBEY. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for 2 additional minutes.

The CHAIRMAN. Does the gentleman from Oklahoma desire the 2 minutes?

Mr. JONES of Oklahoma. I will accept it.

The CHAIRMAN. Without objection, so ordered.

Mr. JONES of Oklahoma. I yield to the gentleman.

Mr. OBEY. It is interesting, we are being told by the gentleman from Ohio that if we just disregard the numbers in his amendment, that somehow, some way down the line they will fix it all up for us.

Is this gentleman from Ohio the same gentleman who sponsored the Gramm-Latta amendment last year and who told us at that time that the numbers that he was achieving in that proposal were only targets, that we would be allowed later on to fix them up before we had the second resolution?

Mr. JONES of Oklahoma. I do remember a couple points in the debate last year. One point was that if you will just pass the Gramm-Latta substitute, the deficit in 1982 will be $37 billion, and there will be a balanced budget in 1984.

I remember being very frustrated in the well of this House, saying that it does not add up, that the deficits will be over $100 billion in 1982 and it will be in excess of $200 billion in 1984. And now, a year later, it looks like we were a lot more accurate than the other side.

It was also during that debate that some in this Chamber said these are just numbers, these are just targets and refused to put them in human terms. Some of us did not identify with the person who is out of work, the person who needs health care.

I am not giving a bleeding heart speech, but I think it is high time that we start taking this budget business seriously, and that we equate the numbers to reality. We must equate the numbers to human beings and reality. When we start doing that, we will start getting the confidence of the American people in this whole economic process and our ability to deal with it in a responsible manner.

Mr. GRAMM. Mr. Chairman, I move to strike the requisite number of words and to oppose the amendment.

First, Mr. Chairman, let me clear up the issue concerning economic assumptions. It is very clear if one reads our budget that we reject CBO's estimates concerning both spending and taxes in terms of the bottom line in 1982. By data from the Treasury Department and from the Internal Revenue Service and from the various branches of Government, we do not believe that the deficit for 1982 will be anywhere close to CBO's assumptions and we explicitly rejected those assumptions.

Let me turn now to the issue that is before us, because we are now engaged in the same game that we have heard over and over. We hear people talking about specific programs, rather than about functional categories.

What we have here is an amendment which says, let us raise budget authority for 1983 by $600 million in function 500.

Let us change the outlays totals in the 3-year period and let us let the deficit go up.

Now, let me first look at the category—education, training, employment, and social services. In the Jones budget, budget authority is $27.6 billion in function 500.

In the Latta budget we are talking about budget authority of $27.3 billion in 1983.

First, I would assert that there is room within those aggregate figures to fund anything that the gentleman from Illinois (Mr. SIMON) wants funded in the areas he outlined, but—and it is an important "but"—he has got to take it away from somewhere else. I submit that in a $27.6 billion budget authority there are plenty of areas that can be taken away from, including things like changing Davis-Bacon, either procedurally or legislatively.

Now, let me turn to the higher education argument. I think it is important to note that the Latta budget raises spending for higher education above the 1982 levels by $934 million. We are not talking about cuts from 1982. We are talking about increases.

In fact, in the higher education area, we are below the Jones budget by $136 million and it is, in turn, above the 1982 level by almost $1 billion in that area.

So the question here is, given a billion dollar increase in a $6.5 billion budget item. Do we want to raise another $600 million of spending and do we want to tack that outlay impact on to the deficit? I think the answer is no.

Now, finally, let me address this Pell grant issue. First of all, we have added back in the Latta budget Pell grant money above the President's level.

The Jones budget carries a Pell grant level which was debated in committee and which was accepted, but let us not get carried away with grants versus loans.

There are a lot of needy people that are going and trying to go to college today, but there are very few needy college graduates.

We heard a discussion about our proposal to change interest rates and how that was going to decimate the program. Let me review that proposal. If somebody goes to law school or goes to graduate school and they are from poor families, they meet the income requirement, they get the subsidy. When they get out of college, they have an opportunity to get a job and to establish an earning pattern before they start paying money back.

Now, I personally do not think it is asking too much to ask somebody with a Ph. D. in economics, who today is going to work at $39,500 a year from the school I left, or somebody that has graduated from law school to get off the Federal dole to start paying competitive interest rates. I do not see that devastating either poor people or devastating the student loan program.

Quite frankly, what we are doing with grants rather than loans is we are transferring income and wealth from working people to people who may not be rich now, but when they get out of professional school, they get out of graduate school, they are going to be rich; so quite frankly, I think that is a very fair program.

So the gentleman has made a proposal. It is, let us take a budget item in the area of higher education that is increased in both budgets by almost $1 billion, starting at a base of $6.5 billion, and let us raise it $668 million.

I do not think that is justified. I do not think we want to add it on the bottom line deficit and I oppose the amendment.

Mr. WRIGHT. Mr. Chairman, I sympathize with my friend, the gentleman from Ohio (Mr. Latta). He said these were wrong figures that had been submitted by his amendment and he did not know where they came from.

I think I can enlighten him. They came from the same place that this monstrosity came from. This document which I hold here was advertised as Gramm-Latta II. It was not written by Mr. Gramm. It was not written by Mr. Latta. It was not written by anybody in the legislative branch of Government. It was written by David Stockman and some people who work for him. You remember it had these unintelligible numbers, these changes in the pages, these changes in numbers, unnumbered pages, telephone numbers.

That is probably the most irresponsible act that I have known Congress to commit in the 28 years I have been here.

We bought sight unseen repeals of an awful lot of laws that were not advertised—now, Mr. Latta, I am not blaming him. He did not write it. He did not even know what was in it. I exonerate him.

I will yield in a moment, but after I have demonstrated exactly where the present Latta figures came from, because I have in my hand a document dated April 1982, from the Executive Office of the President, Office of Management and Budget, for immediate release. These are the figures offered by one Mr. Stockman.

I find those identical figures for 1982 referred to in page H2614, the Latta substitute, May 21, 1982, in the Record, every single figure, verbatim.

National defense, $219 billion for 1982 in Mr. Stockman's document, and Mr. Latta's substitute, $219 billion.

□ 2200

Mr. Stockman's April document comes down to total budget authority, $764.9 billion. Here is the total budget authority in Mr. Latta's substitute, $764.9 billion. Not the change of a single item.

So Mr. Stockman wrote the figures. That is where they came from. They are a mistake, I grant you. But there is not any way that you can support the Latta budget and absolve yourself of its effect.

As the gentleman from Oklahoma (Mr. Jones) has just explained, if we should blindly accept this Latta substitute, as we last year blindly accepted this monstrosity which has caused so much suffering, so much heartache, we should do it with our eyes open to its effects and its defects. If we were to accept this thing that is advertised to us today as a bipartisan reconstruction budget or something, we are entitled to know what it really is. It is the David Stockman budget. It was not even written in the legislative branch of Government. It was written by David Stockman. At least the 1982 figures manifestly were.

These figures do require rescissions in the amounts suggested by the gentleman from Oklahoma; more than $200 million in compensatory education, more than $200 million for handicapped children's education, and cuts would have to come for the school year that it just about to begin. We would have to rescind money that has already been appropriated, were we to comply with that budget.

Well, now, the sponsors may have suggested way back there when they were offering Gramm-Latta I, "Oh, it is just broad general figures; you can compensate for it, make up for it in other ways, take the money from somewhere else if you do not like it here." But the result of that was this reconciliation bill and the result of this combined with the tax cuts is budget deficits looming ahead of us, if we do not act with reasoned restraint and responsibility, in the range of $181 billion for 1983—from the programs promised to us under the guise of budget balancers.

Now, we in the legislative branch, I think, must show some responsibility and must have some confidence in the duly constituted committees of our House. And we must not again sacrifice our responsibilities, as we did so cravenly, so submissively, on that occasion last year. You will recall the rule under which we allowed only one amendment and it's unamendable—the Gramm-Latta substitute and nothing else. Never had any of us seen it before the day it was offered, and neither had Mr. Latta and neither had Mr. Gramm. It was written in the executive branch of Government.

I do not think in all the years I have ever served in Congress, and they go back to Mr. Eisenhower's administration, that the Congress of the United States ever so cravenly surrendered its legislative prerogatives.

Let us remember what this process was. When we passed the Budget Act, it was an Anti-Impoundment and Budget Control Act. It was to restore to the legislative branch, to the people's House, to the Congress, those responsibilities which the people who wrote the Constitution gave us and which had been usurped by executive presumption.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. LATTA. I ask unanimous consent that the gentleman from Texas be given 5 additional minutes if he will yield to me.

Mr. WRIGHT. I will be delighted to yield to my friend. I will yield.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio (Mr. Latta)?

There was no objection.

The CHAIRMAN. The gentleman from Texas is recognized for 5 additional minutes.

Mr. LATTA. Mr. Chairman, I want to thank my friend for yielding. I asked him for this time just to lay the whole story on the record.

You only told half of the story about the document you were waving around there. Let me tell the other half.

You might smile over there.

Mr. WRIGHT. No, no. I just suggest the gentleman needs more than 5 minutes.

Mr. LATTA. The people smiling know they broke the rules of the House.

Just a minute. Just a minute. Just a minute.

Mr. WRIGHT. I will be quiet now. I yield to the gentleman.

Mr. LATTA. My friend knows that. I am not telling him anything he does not know. He knows it.

When those documents were being sent to the printer, somebody intercepted that document from your side of the aisle, took it from the office and did not even attempt to put the pages back in proper order after they had gone through it for purposes of their own.

Oh, yes.

The CHAIRMAN. The House is not in order.

Mr. LATTA. Let us put it on the record now. The gentleman knows what I am talking about.

I see my good friend the Speaker smiling about it, and he knows. He knows.

The CHAIRMAN. The gentleman will suspend until the House is in order.

Mr. LATTA. Well let us get them in order.

A Member of this House sent an employee of his up there and got the document, took it out before it went to the printer, mixed up the pages, and returned it in such condition. We were not responsible for this condition-- someone from your side was responsible. You might smile. But that is the record. You know it. We know it and I could name the name of the Member responsible.

Mr. WRIGHT. All right.

Mr. LATTA. You know that, my friend from Texas. You know that.

We protested it. BOB MICHEL, our minority leader, protested at the time.

Look at the last year's record. You know that. And that should not have happened in this House. It was certainly a violation of the rules or customs of the House. We would not attempt to do this to any document you sent to the printer. We would not do that.

Mr. WRIGHT. The gentleman is nice enough——

Mr. LATTA. I am just telling you what the other side of the story is.

Mr. WRIGHT. I understand.

Mr. LATTA. The gentleman knows what happened.

Mr. WRIGHT. If the gentleman would let me reclaim a portion of my time——

The CHAIRMAN. The gentleman from Texas reclaims his time.

Mr. WRIGHT. I thank the gentleman for giving me the time. I thank the gentleman for his explanation.

I remember last year the excuses that were offered for this. And you know I accepted them. The sloppy printing job was the minor problem. The main problem was the ill-considered contents. I do not think we should have voted this silly thing called Gramm-Latta II last year, and I think most of us have repented it, because it destroyed many of the society's underpinnings. It took away whole laws. It did not just simply take away money. It took away some of the tools that were in our national economic toolshed, some of the weapons in our economic arsenal to combat recession. It repealed some 24 basic laws, and the legislative branch did not have anything to do with writing it. Most Members at the moment of voting did not have the faintest notions of most of its destructive contents. And neither, I believe, did Mr. LATTA.

Now, let me just say this.

Mr. LATTA. Will the gentleman yield?

Mr. WRIGHT. I will yield for the gentleman to answer one question. We have heard his excuse for last year. What is his excuse for this year?

Mr. LATTA. May I respond to my friend?

Mr. WRIGHT. The gentleman suggests that——

Mr. LATTA. Let me respond to my friend by saying that the document you had in your hand passed this Congress last year by a substantial margin and reduced spending by $44 billion. Had we not done this we would have $44 billion more piled on to the debt and we would be paying interest on it.

Now, what do you have to say about that?

Mr. WRIGHT. I think that is pretty good. We reduced, I think it was, about $38 billion. But I will not quarrel with the gentleman; $6 billion is not going to come between our friendship.

Let me suggest——

Mr. LATTA. Let me say to——

The CHAIRMAN. The gentleman from Texas has the floor for about another one-half minute.

Mr. WRIGHT. I will just simply answer the gentleman to this extent: We did everything the President asked. We cut domestic spending about $40 billion. We raised defense spending about $40 billion. We came out about even on spending. And we took $750 billion in the next 5 years out of the revenues through that tax cut. That is why we now face these enormous deficits. And that is what we are trying to do, to get a little rebalance so that the people in the money markets and the stock market and the small businesses and the public in general can have confidence once again in the public policy of the United States.

Mr. ERLENBORN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Simon amendment.

Mr. Chairman, if we might get back to discussing the Simon amendment, this amendment adds $668 million to the education figures already contained in the Jones budget.

What it would do is to raise the overall fiscal year 1983 budget authority figure for function 500 from $27.55 to $28.218 billion.

☐ 2210

Now, it would apparently fund this increase by taking funds from function 920, the so-called allowances function. I noticed when by colleague, the gentleman from Illinois (Mr. SIMON), referred to 920, he did not describe what function 920 was or where we were taking this money from.

Function 920 has three sources. Actually they are all negative figures. There are no positive figures in function 920. These are allowances rather than budget authority. They are reductions in other budget authority increases.

Function 920 has pay raises for civilian agency employees, which are reduced $1.4 billion; a reduction in fraud, waste, and abuse accounting for $1 billion; and increased debt collection, accounting for $1 billion.

Now, I presume that in the Jones budget we are doing all that we possibly can to reduce fraud, waste, and abuse. I do not think that the gentleman from Oklahoma (Mr. JONES) said we are going to do a little bit of the job of reducing fraud, waste, and abuse; we are doing to do the best we can. There is no explanation by the gentlemen from Illinois as to how we can increase that allowance.

On increased debt collection, again I would trust that the gentleman from Oklahoma (Mr. JONES) and the members of the Budget Committee said, "Let's collect every dime we can. We aren't going to consciously leave some uncollected debts out there."

So that leaves us with that $1.4 billion taken from pay raises for civilian agency employees. I said that is a negative figure. The reason that is it a negative figure is that the baseline is a 5-percent increase for Federal employees. The assumption in function 920 is that we are going to reduce that pay increase to 4 percent. Now the gentleman from Illinois (Mr. SIMON) has said we are going to reduce that pay increase even further, by $668 million, which is an unspecified additional reduction in that possible 4-percent pay increase that Federal employees were going to get.

So we are faced here with a decision as to whether we are going to increase over the 1982 expenditures for education at the expense of an already reduced pay increase for Federal employees.

Mr. Chairman, earlier this year the Committee on Education and Labor heard from numerous witnesses on the President's budget request in the area of education. At the time these witnesses were operating under the assumption that it was likely that the Congress would once again adopt deep cuts in the funding for educational and social service programs. As a result these witnesses stated repeatedly that they would be able to live with funding in 1983 that was held to the fiscal year 1982 continuing resolution level. In essence, they stated that the freeze level was livable.

Very shortly after these hearings it became apparent that many of the Republicans as well as the Democratic members of the Committee on Education and Labor shared their belief that no new cuts in education programs should be made. Partially as a result of this expression, it became apparent in early April that the Congress was leaning against adopting deep new education cuts. We joined almost unanimously on our committee and in a bipartisan way in sponsoring a resolution to express the opinion of our committee that we should not cut education funding below the 1982 level. I thought that was what we agreed to and that we were going to hold to the 1982 continuing resolution level.

The CHAIRMAN pro tempore (Mr. BEILENSON). The time of the gentleman from Illinois (Mr. ERLENBORN) has expired.

(By unanimous consent, Mr. ERLENBORN was allowed to proceed for 2 additional minutes.)

Mr. ERLENBORN. Mr. Chairman, when it became apparent that that bipartisan agreement on our committee was going to save education from further cuts, the education lobby revised its objectives and came to the conclusion that the time now was ripe to press for expansion of funding. The Simon amendment is, of course, the fruit of that opinion of the education lobby.

Mr. Chairman, the programs that would receive additional funding under the Simon amendment are all good, effective programs. I personally have no doubt in the sincerity of my good friend, the gentleman from Illinois (Mr. SIMON), and I have no doubt that he believes the additions he is proposing for these programs are much needed. But one question I have to ask him as I study his amendment is whether the addition of this $668 million at the expense of reducing Federal pay increases below 4 percent is something that this House wants to endorse.

Mr. PERKINS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this debate is most interesting, and I am sure the Members are all somewhat intrigued by some of the statements that have been made.

The base lines for Latta for 1982 are $1.6 billion below the current spending under the 1982 continuing resolution. Now, either these numbers mean something and there will have to be rescissions or they do not mean anything and they were just put in low in order to hold down the deficit in the Republican substitute.

I do want to say something in connection with the guaranteed student loan program. The Latta numbers for 1982 could make the conference report on the urgent supplemental subject to a point of order because Latta only allows a supplemental of $900 million for guaranteed student loans, and that program needs a supplemental of $1.3 billion to remain unchanged before October 1. I would think that all of the Members who are interested in guaranteed student loans may give that some consideration.

All this year the Committee on Education and Labor has held hearings on these various subjects, vocational education, the guaranteed student loan program, and title I. Title I has dropped from about $3.1 billion down to $2.9 billion. The Simon amendment restores that money.

Certainly the budget resolution should contain additional authority so the Appropriations Committee can act. As the gentleman from Texas (Mr. GRAMM) stated, they do not have to appropriate for any particular category, but I would think the Appropriations Committee would follow the suggestions of the gentleman from Illinois (Mr. SIMON) and appropriate in these areas where it is most needed.

Now, under title I, for instance, we were serving about 50 percent of the elementary and secondary schoolchildren, the disadvantaged children in this country. We have dropped down to about 40 percent at the present time. We have dropped from serving 50 percent of the disadvantaged elementary and secondary schoolchildren down to 40 percent, and thousands and thousands of teachers throughout the country have been laid off. You have in vocational education perhaps 100,000 on the waiting lists; and clearly more money is needed to expand these programs.

The Simon amendment helps correct the situation for the poorest of the poor students who need the basic educational opportunity grant. Here the gentleman provides for about $238 million extra, and all of this extra funding is necessary if we are going to keep our educational programs at the current level.

That is all this amendment does, and I would hate to think that this Congress would deny keeping our educational programs going at their levels of services. They are really not at the current level under the Jones substitute in its present form.

□ 2220

At least we want to keep them operating. I would hate to see more teachers laid off.

Last year you cut in Gramm-Latta II the reimbursement rate in the school lunch program 13 cents. You have had a dropout over the country of an average of 15 percent of the students, the elementary and secondary students enrolled in the school lunch program. You have had about 1,000 schools close down their lunchrooms since last year because of the increased cost that was necessary. They just could not do it.

The school districts just abandoned the school lunch program. I would hate to see further cutbacks in education programs caused by this budget resolution because we did not provide enough money to keep these programs at their current service level.

To withhold support from this Simon amendment is to renege on our commitment to providing a decent education to thousands of poor and handicapped schoolchildren and thousands of vocational and poor college students.

WHAT THE SIMON AMENDMENT DOES

The Simon amendment adds another $668 million in budget authority for fiscal 1983 for various education programs. However, the increase in spending during fiscal year 1983 as a result of this amendment will only be $87 million, since almost all of the educational programs are advance-funded. That means the appropriations are provided a year ahead of their actual expenditure.

Let me emphasize two points.

First, this is not a budget-busting amendment. As I noted, the Simon amendment will increase Federal expenditures by only $87 million next year. If anything, the economic benefits it will provide in terms of a productive, educated work force far outweigh any expenditures.

Second, even if the Simon amendment is adopted, on top of the increases for education already in the Budget Committee's bill, the total amount provided will still be below the level required to maintain the current level of services as estimated by the Congressional Budget Office for the education and training part of the budget, function 500, by about $300 million.

In other words, we are simply asking for enough money to enable us to come closer to maintaining programs, and we are not running up the deficit to do this.

The Budget Committee's bill basically freezes all discretionary education spending at the current 1982 continuing resolution level. However, the resolution does provide an increase of $200 million to be distributed across the elementary, secondary, and vocational education programs and another $250 million for postsecondary assistance. It also continues the guaranteed student loan program in its current form.

The Simon amendment adds to these amounts the following:

	Millions
Title I compensatory education	$228
Vocational education	36
Handicapped education	79
Libraries	12
Head Start	15
Block grant	36
Pell grants	238

But again, let me emphasize, these are not increases to expand programs. Even if the Simon amendment is adopted, these programs will have to tighten their belts and cut back somewhat on the services they now provide.

THE SIMON AMENDMENT COMPARED TO THE LATTA SUBSTITUTE

It is my understanding that the administration is now supporting the Latta substitute, and various statements have been made about how this substitute increases spending for education.

The Latta substitute increases spending for discretionary education programs about $380 million over the current 1982 continuing resolution level. This amount is about $720 million less than what the Congressional Budget Office estimates will be needed to simply maintain current services.

So under the Latta substitute, Federal discretionary education programs, such as title I, vocational education and education of the handicapped, would have to cut back current services by $720 million.

If we adopt the Latta substitute, thousands of poor children in compensatory education programs, handicapped students, and vocational education students would lose their programs, and thousands of students in higher education would be denied aid.

By contrast, the Simon amendment would continue these programs at an acceptable level, although even then some tightening would take place.

Although the Latta substitute avoids catastrophic cuts of 30 to 50 percent as the administration originally proposed, it is nonetheless disastrous for thousands of students. It is an anti-education proposal.

WHY IS THE SIMON AMENDMENT NEEDED?

Mr. Chairman, last year the Congress adopted the administration's budget proposals, including substantial cuts for education. The effects of those actions are just now becoming clear.

TITLE I

The title I program, the main elementary and secondary program with a poverty focus, has already borne the brunt of the budget ax. Between fiscal years 1980 and 1982, this program, which provides remedial education to disadvantaged children, was slashed by 10.3 percent.

As a result of these cuts, we estimate that about 600,000 fewer poor and low-achieving schoolchildren will be served. Up to 21,000 teachers and teacher aides have lost or are expected to lose their jobs because of these reductions.

And we must not forget that even before these cutbacks were enacted, title I was serving only 45 percent of the 11 million disadvantaged children eligible for title I services.

VOCATIONAL EDUCATION

Funding for vocational education programs has been chopped during the past 2 years. From a high of $784 million, vocational education was cut 16.2 percent between fiscal years 1980 and 1982.

Approximately 270,000 students could be denied job training because of these cuts. We received testimony recently that 3,168 vocational teaching positions are being eliminated due to these reductions.

CHILD NUTRITION

Last year's $1½ billion cuts in child nutrition have had a disastrous effect on program participation.

Now over 1,000 schools and 3.4 million children have dropped out of the school lunch program. One-third of these children are from low-income families.

Eight hundred schools and 365,000 children have dropped out of the school breakfast program. Ninety percent of all children in this program are poor.

As many as 800,000 needy children may go without lunch this summer because of last year's cutbacks in the summer food program.

Two hundred and fifty thousand malnourished, low-income pregnant women, infants, and children were dropped from the WIC program last spring because of the threat of budget cuts.

HANDICAPPED EDUCATION

In the area of the education of handicapped children, the appropriations for the basic State grant program were about the same as the previous year's. But since the Federal law requires the States to educate all handicapped children, level funding with inflation means shifting the burden to already financially strapped States and school districts. Fewer services spread among more children is the result.

Several of the smaller handicapped education programs received sharp cutbacks in appropriations last year. For instance, in the preschool program 5 million handicapped children are no longer going to recieve an education. This represents a 50-percent reduction in participation. In the area of personnel training 164 fewer programs will be funded for teachers of the handicapped although there is a national shortage of 43,000 teachers of the handicapped.

HIGHER EDUCATION

In the area of higher education, last year's cuts mean 607,000 fewer student awards. Four-hundred thousand needy students will lose Pell grants, and several hundred thousand more will receive reduced awards. One hundred and fifty thousand students will lose supplemental grants. Thirty-five thousand will be denied participation in work-study programs; 12,000 will lose State student incentive grants; and 10,000 will lose direct loans.

CONCLUSION

All of these statistics show the effects of last year's cutbacks. What they do not show are the ways that people's lives have been harmed and their potential has been denied.

We are now faced with the question of whether we are going to force further cutbacks or whether we are going to allow these education programs to offer close to the same degree of services.

The Budget Committee's reported bill provides only about half of the increased funds needed to help maintain programs. The Latta substitute provides even less than that—about a third of the needed increase. The Simon amendment provides the only opportunity to move somewhat close to maintaining current services.

Unless we adopt the Simon amendment, the ranks of the 7 million children who need title I will swell. Without adequate funds for vocational education, many more young people and adults will join the 10.3 million of unemployed. Without the Simon amendment, thousands of students may find a higher education out of their financial reach.

Clearly, this will be the wrong road to take our country down.

Mr. Chairman, I would like to insert in the RECORD four charts for the information of the Members. The first chart shows clearly that even with the adoption of the Simon amendment education spending would be under the levels of last year's Reconciliation Act. The second chart shows a comparison of education spending under a total freeze, the House Budget Committee's bill, the Republican (Michel-Latta) substitute, and the Simon amendment. The third chart shows a comparison of fiscal 1982 and 1983 under the various substitutes.

CHART I

[In fiscal years, dollars in millions]

	1981 appropriation	1982 reconciliation level	1982 continuing resolution	1983 Simon amendment
Title I	$3,104.4	$3,480.0	$2,886.0	$3,114.0
Head Start	818.7	950.0	911.7	926.7
Education block grant	[1] 537.9	589.0	483.9	519.9
Vocational education	681.6	735.0	653.0	713.3
Handicapped education	1,025.2	1,150.0	1,042.1	1,121.1
Pell grants	2,604.0	2,650.0	2,279.0	2,517.0
Libraries	84.4	92.2	80.1	92.1
Elementary, secondary and vocational education add-on [2]				200.0
Student assistance add-on [2]				250.0
Total	8,856.2	9,646.6	8,336.1	9,454.1

[1] Total funding for individual programs which were included in the block grant

[2] House Budget Committee recommendation

CHART 2

[Dollars in millions]

	Discretionary program freeze	Increases over freeze on discretionary programs		
		House Budget Committee	Republican substitute	Simon amendment
Title I	2,886		+139	+228
Education block grant	470		+78	+36
Vocational education	646		+20	+60
Handicapped education	1,042		+50	+79
Libraries	80		0	+12

CHART 2—Continued

[Dollars in millions]

	Discretionary program freeze	Increases over freeze on discretionary programs		
		House Budget Committee	Republican substitute	Simon amendment
Pell grants	2,279		+109	+238
Head Start	912		0	15
Employment and training	3,750	+400	−543	
Elementary, secondary, and vocational education		+200		+200
Student assistance		+250		+250
Total	12,065	+850	−147	+1,118

CHART 3.—*Funding for function 500: education, training and social services*

[Dollars in billions]

Fiscal year:	
1982 current level	25.35
1982 Latta	23.8
1983 current services	28.55
1983 Jones	27.55
1983 Latta	26.55
1983 Jones plus Simon	28.2
1983 Latta plus Simon	28.2

CHART 4.—FUNDING FOR FUNCTION 500 (EDUCATION, TRAINING, AND SOCIAL SERVICES)

	Fiscal year 1982	Fiscal year 1983
Latta-Michel	Assumes rescission of funds for title I, education of handicapped, vocational and adult education, student assistance and other higher education programs, and vocational rehabilitation totaling $1.2 billion	Increases education funding by $397 million over the freeze level but assumes funding for training programs $543 million under the freeze level for a net reduction of $147 million in funds for education and training.[1]
	Assumes supplemental for guaranteed student loans of $978 million, which is $322 million below amount contained in House-passed supplemental appropriations bill for such loans	Assumes savings of $100 million in the guaranteed student loan program.
Simon	Assumes no rescissions. Assumes $1.3 billion for guaranteed student loans	Increases funding for function 500 by $668 million over the Budget Committee's recommendation for a total of $1.5 billion over the fiscal year 1982 continuing resolution. This increase merely brings the function up to the amount needed to maintain current services.

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[1] It is necessary to deal with total numbers for a broad budget function, such as for function 500 (education, training and social services) because that is the way the budget resolution is written, and the numbers for the functions are the only requirements in the resolution. All discussions of increases or decreases for particular programs, such as title I of ESEA, are merely illustrative. They are not binding on the Appropriations Committees once the budget resolution is adopted.

Program:	*1982 proposed rescission*[1]
Title I, ESEA	−$411.5
Education block grant	−65.7
Education for handicapped	−258.6
Bilingual education	−11.5
Vocational and adult education	−105.8
Indian education	−6.2
Student assistance	−141.5
Higher and continuing education	−32.4
Libraries	−22.2
Rehabilitation	−91.2
Total	−1,146.6

[1] Figures in millions.

The CHAIRMAN pro tempore. The time of the gentleman from Kentucky (Mr. PERKINS) has expired.

(At the request of Mr. CORRADA and by unanimous consent Mr. PERKINS was allowed to proceed for 3 additional minutes.)

Mr. PERKINS. It would seem to me, Mr. Chairman, if we wanted to fulfill our responsibilities and not be derelict in our responsibility insofar as these educational programs are concerned, and all of the studies that have been made in recent years show the good results that have obtained from these programs, we have to approve the Simon amendment and if we defeat this amendment we would just be turning our backs on the educational programs in this country.

Mr. CORRADA. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Puerto Rico.remarks.)

Mr. CORRADA. Mr. Chairman, I rise in support of the Simon amendment to House Concurrent Resolution 345 which would provide $668 million in additional budget authority for function 500, education and training. Under this amendment, funding would be increased for vital educational programs such as title I, handicapped education, vocational education, educational block grants, Head Start, Pell grants and libraries, which have been particularly crippled by reductions in the fiscal year 1982 budget.

The Simon amendment allows the House to reverse the disturbing trend exhibited by this body in its actions during the last session. Repeatedly, the Congress reduced its historic commitment to the improvement of education in our country by withdrawing financial support to the very programs designed to form the foundation of Federal education policy. Aid to the disadvantaged children, grants to needy college students, resources for equal educational opportunity for the handicapped—all of these and more were severely threatened by retrenchment in financial contributions on the Federal level. We must come to grasp with the realities of a fiscal situation in which the driving force of public policy lies with the Congress, and be willing to follow our rhetoric with monetary support.

Title I programs have been exceptionally effective in providing concentrated reading and math instruction for disadvantaged, handicapped, and migrant children. Under the Simon amendment, $228 million would be added to authorizations provided in the Jones substitute, allowing services to be continued at fiscal year 1982 levels. Even this increase will not compensate for the more than 1 million children who will lose title I services due to last year's reconciliation action, but it will protect the program as currently in place.

The Simon amendment would add $79 million for Public Law 94-142, Education for the Handicapped, an increase which still falls short of funding fiscal year 1982 service levels. This program has historically been underfunded by the Federal sector, which contributes less than 10 percent of needed funds while mandating strict performance from school districts. The services under 94-142 permit early intervention and appropriate education for handicapped children, many of which will function as contributing members of their communities because of skills they were able to acquire through full participation in the educational process.

Pell grants, on which many low-income families must rely for the assistance essential to postsecondary schooling, must be continued. Nearly 3 million economically disadvantaged students—one-third of whom are self-supporting—receive Pell assistance each year. And though the average award is under $900, for many, the Pell grant is the difference between going to college and not continuing their education. The Pell program has become even more important since Federal support for other student aid has been reduced or phased out. Failure to fund this program at the level necessary to accommodate cost-of-living increases will result in a loss of a significant portion of the college educated human capital we must have to meet the needs of the labor force in the 1980's and beyond. Perhaps even more importantly, the potential and dedication of youngsters who are willing to work toward a college degree must not be thwarted.

The vocational education program is a vital and increasingly important source of skilled personnel. While the

Federal funding of vocational education amounts to only $1 for every $10 expended on the program, the Federal contribution is essential to purchase equipment and to attract and retain quality teaching faculty. At a time when we must do all we can to upgrade the training of our work force, it is exceedingly cost-effective to make the best possible use of our existing educational network.

Mr. Chairman, as we consider the very real economic problems now facing our Nation and make the difficult and often painful sacrifices needed to bring Federal spending under control, it is important to consider the impact of our actions on the future of our Nation's most precious resource, our children. To withhold support in these vital education programs is to reduce the numbers of children for whom there is an opportunity to succeed. Let there be no mistake: Failure to allow each of these programs to keep pace with the cost-of-living means that we have made a conscious decision to deny youngsters a helping hand.

Mr. Chairman, I do not believe that the figures contained in the Simon budget are unrealistic or contrary to a theory of budgetary restraint. With the exception of the $12 million for libraries, all of the figures are below the Omnibus Budget Reconciliation Act levels, and will increase outlays by only $87 million in fiscal year 1983.

I urge my colleagues to join with me in supporting the Simon amendment to provide realistic budgetary resources for the education of our children.

Mr. PERKINS. I yield back the balance of my time.

Mr. GOODLING. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

It is very difficult to rise in opposition to this amendment because there is no question if we have an extra $600 million, an extra $1 billion, an extra $2 billion, there is no place I would rather put it than in the area of education.

The fact is we do not have that kind of money. We have worked last year on a bipartisan effort to make very sure that the cuts that were sent from the White House did not go through in the area of education and child nutrition.

We worked very hard this year in a bipartisan effort to make very sure those same recommendations and cuts did not go through.

As a matter of fact, what we offered to the Latta amendment was accepted, $139 million extra in title I, $78 million extra in the SCA block grants, $20 million extra in vocational education and adult education, $50 million extra in handicapped education, $109 million extra in Pell grants, and on and on.

We worked in a bipartisan fashion to make very sure that we did what the people asked us to do who came before us constantly to testify.

They said:

> You went as far as you could go last year. Please don't cut us any further. We realize the problems facing this country. We are willing to be part of that effort to restore this economy, but don't, don't accept the President's recommendations, don't cut any further than you have taken us last year.

It was not until, as a matter of fact, the other body's Budget Committee showed some increases that at that point a few people started coming back, particularly on the college level, suggesting that perhaps we should not have toed the line, perhaps we should go a little higher.

I specifically asked, and I have the testimony here, I said, "It is interesting that up until this point we never heard anything about increasing, you just kept encouraging us not to cut any deeper. Did the budget action on the Senate side have anything to do with your visit back to us" and the gentleman said, "Yes."

So I would hope that even though this is a very attractive amendment, motherhood, ice cream, cake, you name it, we have to be totally fiscally responsible at this particular time and do basically what the people asked us who came before us to testify "Do not cut any further from what we got cut last year."

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding. Do I understand correctly, and I am sorry I have not been on the floor, is this amendment being added to the Jones amendment?

Mr. GOODLING. This is being added to the Jones amendment.

Mr. WALKER. So, in other words all of this talk we have heard about all of these deficiencies, in other words, that budget on the other side, the one that has been endorsed by the Democratic leadership, is horribly deficient in education and requires the Simon amendment to be added to it?

Is that my understanding?

Mr. GOODLING. In my estimation, both of our budgets that we are presenting do what the education community asked us to do. They do not need anything additional, they told us, and realized that they, too, will have to tighten their belts.

Mr. WALKER. If the gentleman will yield further, but do I understand that this is being added to the Jones amendment, and thereby is saying that that particular budget is deficient in the field of education, too, the one that was endorsed by the Democratic leadership?

Mr. GOODLING. I am sure that the gentleman who offered the amendment believes that. That is why he offered it.

As I said, it is an attractive amendment, there is no question about it. I wish we could afford it.

The problem is we cannot, and we have done what the educational community has asked us to do. Therefore I think that when they say they are willing to cooperate, and they are willing to tighten their belts, we should take them at their word and not try to add additional money to the Jones budget or to the Latta budget or to any other budget.

Mr. WALKER. I thank the gentleman.

Mr. GOODLING. I yield back the balance of my time.

Mr. JONES of Oklahoma. Mr. Chairman, I would like to ask if we can get an agreement to limit debate to 10 minutes, 5 minutes on each side. I would ask unanimous consent.

I ask unanimous consent for 10 minutes to close debate, divided equally, 5 minutes on each side.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. GOODLING. Mr. Chairman, reserving the right to object, do I understand that the last 10 minutes is going to be a debate on the amendment, not the debate that has gone on for the last hour, but on the amendment?

Is that what I understand?

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. GOODLING. I did not hear the Chair's answer.

I was reserving the right to object to find out what the 10 minutes is going to be debated upon.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. The debate is supposed to be upon the pending amendment and the Chair will, of course, be the Chair of this Committee and will enforce that rule.

It would be my intent that it would be on the amendment.

Mr. GOODLING. And that it would not be any different than the last hour?

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma.

Mr. JEFFORDS. Mr. Chairman, reserving the right to object, I want to inquire of the Chair, it is my understanding that if we then turn to the Latta amendment, with the Simon amendment to the Latta amendment or the Simon amendment to the Aspin amendment, we are limited under the rule to 10 minutes on each of those amendments; is that correct?

The CHAIRMAN pro tempore. That is correct.

Mr. JEFFORDS. So I am constrained to suggest that we probably ought to allow more than 10 minutes at this time because we do have those that want to talk about all of these amendments.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Would the gentleman check with his minority leadership and see how much time they need? I am just trying to move this thing along in conjunction with the minority.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. JEFFORDS. Reserving the right to object, Mr. Chairman, I would ask if we could amend that to 20 minutes. There are a lot of Members that want to talk. I think it is unfortunate.

The CHAIRMAN pro tempore. Will the gentleman so amend his request?

Mr. JONES of Oklahoma. I amend my unanimous-consent request to 20 minutes.

Mr. JEFFORDS. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN pro tempore. Without objection, there will be 20 minutes allowed to close out debate, 10 minutes on each side, 10 minutes to be controlled by the gentleman from Oklahoma (Mr. Jones) and 10 minutes to be controlled by the gentleman from Ohio (Mr. Latta).

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Mr. JONES of Oklahoma. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. Biaggi).

Mr. BIAGGI. I thank the gentleman for yielding.

I rise to join my colleague Paul Simon, chairman of our Postsecondary Education Subcommittee and commend him for his efforts in this area.

Clearly, no other area of the Federal budget has experienced such a wholesale attack as have these programs in the education and training function of the budget. It was just a year ago when our Education and Labor Committee—where I am the senior New York member—was forced into making 13 billion dollars' worth of cuts in essential programs—programs which took years to build and which remain urgently needed today.

With unemployment rampant and nearing double digits, our employment and training programs have been cut by some $6 billion and our public service jobs program eliminated. In my own city of New York this cut translated into the loss of 11,500 jobs in the public sector alone.

At a time when reading achievement levels were reaching all-time highs and the benefits of our compensatory education programs under title I were finally being realized, we made major cuts in this program. This translates into 600,000 students not being served and nearly 25,000 teachers and teacher aides losing their jobs. In my own city of New York these cuts were especially severe as we lost almost $50 million in education aid.

Finally, at a time when college enrollments have peaked at their highest levels in history and nearly 12 million students are working toward a college education, student aid programs are being attacked on all sides. Pell grants and guaranteed student loans have had to bear the brunt of these cuts—particularly in my own State of New York, where 10 percent of all loans are made nationwide. Last year's reductions in the GSL program have resulted in a dramatic shift in funds away from needy students—students who felt that they would be afforded a college opportunity. This opportunity was not available, in many cases, to the parents of these children—just as I had been denied a college education by virtue of the fact that it cost too much. In 1978, Congress enacted landmark legislation—legislation which I was proud to help author—the Middle Income Student Assistance Act, an act which provided a college loan to each and every student who needed it, regardless of income. Today, we are witnessing an abrogation of that commitment and the return of higher education into the hands of the rich at the very expense of the poor and needy—as well as the overtaxed and working middle class—who need this aid the most.

This amendment would restore faith in this program—and restore equity into a budget process which has been used as a vehicle to dismantle vital human programs. Equity is what this process is lacking—and lacking in large measure. I stand second to no one in this body in my support of a strong national defense posture with which to respond to the real threat posed to us by the Soviet Union. However, while we see this administration try and defend a defense buildup which will raise defense expenditures to a level of $1.65 trillion in the next 5 years—nearly double what it is today—we must reject such an ill-conceived plan. What we are threatened with now is not merely a Soviet threat which can be countered with military strength. What we face is a threat which will ultimately rob us of our inner strength as a nation—we face losing our intellectual strength because we are unwilling to commit adequate resources to fuel the minds of this Nation—minds which will ultimately fuel the future direction of this country.

The effect of this amendment will be very simple. It will restore $668 million in budget authority to the education and training function—the net result being an $87 million increase in outlays for fiscal year 1983. Specifically this amendment includes: $228 million for title I programs; $79 million for handicapped education programs under Public Law 94-142; $60 million for vocational education; $36 million for education block grants; $15 million for Head Start; $238 million for Pell grants, and $11 million for libraries.

This money will raise the budget authority for these programs to 3 percent below either the House-passed appropriations bill (H.R. 4560) or the Omnibus Reconciliation Act of last year. More importantly, these figures will not raise the funding level for this function above current spending levels.

This amendment is both appropriate and essential. It is time for all those who have expressed their support for education programs to demonstrate their commitment to these programs and support this amendment. I once again express my commendation to our colleague, a member of the Budget Committee, Mr. Simon, for his leadership in this area, as well as our full committee chairman, Carl Perkins, for his longstanding commitment to education equity for all citizens. I urge adoption of this amendment.

The CHAIRMAN pro tempore. The Chair will inquire of the gentleman from Ohio (Mr. Latta) if he is opposed to the amendment.

Mr. LATTA. Yes, Mr. Chairman, I am opposed to the amendment.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Ohio (Mr. Latta).

Mr. LATTA. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. Michel).

Mr. MICHEL. Mr. Chairman, I had not intended to speak on this particular subject, but in view of the exchange between the distinguished majority leader and the gentleman from Ohio, which questioned the credibility of the gentleman from Ohio, I thought it might be well to go back to the Record for a moment and read a quotation of April 23, 1980, the majority leader speaking:

> Now let me say something about this resolution as reported by the Budget Committee, this is a budget of which none of us need be ashamed. This is a responsible budget. It is a tight, austere, tough budget. It is a budget which embodies recommended spending reductions totaling some $21 billion.
>
> Anybody who refuses to recognize the reality that this Budget Committee resolution produces a balanced budget simply does not want to recognize that the House is competent of producing a balanced budget. This budget as reported by the committee will yield a surplus of some $2 million. In the event we might need a cushion to accommo-

date unforeseeable events, we set aside the $10.5 billion expected to inure from the President's imposition of the oil import duty to accommodate tax cuts that will assist individual worker productivity, or to help balance the budget if needed. So nobody can truthfully challenge the fact that the committee resolution is an honest, responsible vehicle to balance the budget.

Now, I will remind my friends that was the budget that was presented in June 1980 with a surplus of $200 million. By October 1981 when all of the facts were in, that deficit was $57.9 billion. I think that is all we need to say about credibility around here.

Mr. JONES of Oklahoma. Mr. Chairman, I certainly would not want to raise the issue of regular order with the distinguished minority leader, but we are trying to accommodate the minority in their request to debate the amendment at hand. Obviously, they have lost track of their previous request.

Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. Weiss).

Mr. WEISS. Mr. Chairman, I rise in support of the amendment introduced by Congressman Simon to increase funding for many critical education programs.

Past administrations and Congresses have recognized that a national commitment to education is critical to the future of our young people, and ultimately to the future of our Nation. It is only the Reagan administration and its supporters in Congress who advocate sacrificing the education of our children. Their shortsighted policies overlook the fact that our Nation's potential will not be realized if we close the door to educational opportunity.

It is clear that the empty rhetoric of the administration has not convinced the public that a reorganization of national priorities is in order. During the past few months, a ground swell of voices from across the Nation has been raised in support of funding for our education budget. The public understands that every dollar invested in education yields a far greater return to the Treasury in the form of increased revenues from higher productivity. Americans also recognize that in order to maintain a strong national defense, to expand our technological capacities, to broaden our cultural vistas, and to enhance our quality of life, we must be dedicated to expanding educational opportunity for all our citizens.

Several months ago the Education and Labor Committee, of which I am a member, endorsed funding levels for education programs which restored much of the money that had been cut by last year's Reagan budget. Our recommendations attempted to undo the grievous errors that slashed billions from these critical programs.

As a result of last year's cuts, over 1 million poor and low-achieving children will lose title I remedial education services, as many as 270,000 students will be denied training opportunities through the vocational education program, and over 1 million students will be forced to change or forgo their college plans because of cuts in financial assistance programs. Survey after survey points out that State governments, hard hit with unemployment and recession economies, are not in a position to make up for the loss of Federal funding.

I strongly believe that our committee's recommendations, reflected in the Black Caucus budget, constitute the minimum funding levels that should be approved by this Congress. Given defeat of this package and the options before us, I support this amendment to raise funds for education despite the fact that the increases are far less than the committee's recommendations and below current services and 1982 reconciliation levels.

Each of these programs: Title I, handicapped education, vocational education, the education block grant, Head Start, Pell grants, and libraries has been proven effective and merits additional funding. The beneficiaries of these programs have suffered more than their share of cuts. They can afford no more.

Mr. Chairman, I urge my colleagues to support this important amendment.

Mr. JONES of Oklahoma. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. Wolpe).

Mr. WOLPE. Mr. Chairman, I rise to express my strong support for the Simon amendment, and to urge its adoption by the committee.

The programs which this amendment seeks to assist are the products of a longstanding bipartisan commitment to the principle that educational opportunities should be assured for all students, regardless of need or handicap. These are programs of compassion and of enlightened national self-interest; programs which allow millions of young people, from preschoolers in the Head Start program to college students receiving Pell grants, to obtain skills and pursue opportunities that would otherwise be denied them. Perhaps even more importantly, they are programs with demonstrated cost effectiveness; programs which provide the training and understanding that create a more capable and more productive society.

My colleagues know well that these programs suffered severe funding reductions in last year's budgetary process. These cutbacks have seriously affected the scope and effectiveness of the program: Only 40 percent of the students who could benefit from title I educational assistance are currently being served; thousands of handicapped education teachers and counselors have lost their jobs, leaving the needs of handicapped children unmet; students are denied access to vocational education programs at the very time when our economy desperately needs skilled workers; the Nation's most disadvantaged students are unable to attend institutions of higher learning because of restrictions in the Pell grant program.

The Simon amendment begins to address these problems by calling for responsible increases in these and other vital Federal education programs. None of the proposed increases exceeds last year's reconciliation bill levels, and the overall budgetary impact would be negligible. Indeed, I believe that larger funding increases in these programs would be worthwhile and justifiable. At the very least, however, this amendment will prevent the further erosion of funding for these programs, and will make clear the intention of Congress to maintain its commitment to education.

I appeal to my colleagues to endorse the longstanding Federal commitment that has helped to build the world's greatest educational system, and to recognize the economic sense in maintaining that commitment. I urge the committee to adopt the Simon amendment.

Mr. JONES of Oklahoma. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts (Mr. Frank).

Mr. FRANK. Mr. Chairman, I urge support of the amendment restoring some of the cuts which have been made in various education programs.

There is one aspect of this that I think ought to be talked about. Cutting Government spending is a desirable goal. But cutting Federal spending in a way that is going to force an increase in local or State spending seems to me much less desirable.

In a number of the areas that we are talking about in these education functions, the kinds of cuts we have already sustained last year and are being asked to further sustain today would in fact force State and local governments to raise taxes in a very painful way. When you talk about cutting libraries, when you talk about cutting title I, when you talk about cutting handicapped education, the State and local communities do not have the luxury of walking away from these children and these responsibilities. The States and the local communities cannot ignore the needs of the disadvantaged and the handicapped. And by cutting irresponsibly at the Federal level, when there are governmental functions which must be performed, you are forcing increased taxation of a more regressive sort at the State and local level.

So this amendment is necessary both to provide important educational services and to prevent further strains from being put on local taxation. Furthermore, it adds needed funds to the Pell grants which make college educations possible for many students from working class families.

I hope the amendment passes.

Mr. LATTA. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. GRAMM).

Mr. GRAMM. Mr. Chairman, I cannot resist making one point. I hear everybody talking about how all these programs are working, how all of this elementary and secondary expenditure is working. How do you measure "working"? How do you measure success? Well, if you attempt to measure it by output, they are clearly not working.

SAT scores have declined every year since 1962. Achievement tests on graduate record exams have declined every year since 1967. You cannot show any positive, measurable output results from any of these programs.

Finally, we are not talking about cutting higher education programs. We are already talking about a 17-percent increase. Not as much as you want. But I think people are standing on quicksand when they stand up here and say all of these programs are working. Where is education better? In fact, if one did an analysis relating Federal expenditure on these programs to achievement levels of children in school, we would find a negative relation, not a positive. I am not saying that the Federal programs cause a decline in quality, but you cannot show they are successful.

Mr. JONES of Oklahoma. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Connecticut (Mrs. KENNELLY).

Mrs. KENNELLY. Mr. Chairman, I rise in strong support of the Simon amendment to provide additional funding for education and training.

In the public outcry that arose to protest the education cuts proposed in the administration's budget, concern about the programs covered by the Simon amendment was overshadowed by the concern expressed for assistance for higher education.

Those who will benefit from title I, Head Start, vocational rehabilitation, Pell grants, and LSCA, do not have the well-organized clout of the college loan program recipients. And supporting these programs is not as up to date as planning new initiatives for the education of high-tech technicians.

But these programs give our children the background and basic skills needed to take advantage of higher and technical education. To insure America's continued leadership in innovation, it will not be enough to invest in universities and science centers and SBIR's. We must continue to invest in the young. We cannot afford to neglect them. Only yesterday the CEO of an innovative computer company told a congressional gathering that when it comes to producing an honest-to-goodness engineer, if a child does not have it when he is 18, he is never going to have it at all.

These are the programs that help insure a child "has it" at 18. These are proven programs bringing proven returns to society. These are programs that still say the mind of a poor child or a black child or a blind child, and also the mind of a mentally retarded child, are minds too good to waste.

Mr. JONES of Oklahoma. Mr. Chairman, I yield 1 minute to the gentleman from Montana (Mr. WILLIAMS).

Mr. WILLIAMS of Montana. Mr. Chairman, the gentleman from Texas wrong. He is simply repeating the myth that Johnny cannot read, and the worst of it is that he wants to legislate based upon that myth.

No nation in the world has a higher literacy rate than America, at 98 percent. And since we emphasized the Federal agenda for education, we have moved, since 1945 when we had a 50-percent literacy rate, to today when we have a 98-percent literacy rate. SAT scores in the United States are higher than any other industrialized country in the world. The American miracle in education is there for everyone to see. The gentleman from Texas is wrong.

Mr. LATTA. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. BADHAM).

Mr. BADHAM. Mr. Chairman, it has been a long day, it has been a long week. We started out this morning on another bill entirely, and we were told by one of the proponents of the rule by the FTC that the whole Congress, or at least a majority of the Congress, was bought and paid for by used-car dealers. Now, the gentleman who made that comment did not say who bought whom. Obviously, he was not bought. And he did not say who else was bought. And then we went on into the discussion we are having now. We are coming to grips, hopefully, with a situation where cuts are not cuts, increases are not increases. But really what we are discussing is whether or not the United States of America, led by the Congress of the United States, is going to keep on spending and spending and spending more than it takes in every year.

I would say it is about time that people in the Congress of the United States, the majority leader included, gets up and admits that he either knew what was in the bill when he voted for it or voted against it or saw it pass, or he did not. And I resent as a Member of this body when people say on congressional tax cuts that they did not know what was in the bill, or when the majority leader gets up on the floor and says he did not know what was in the bill called Gramm-Latta and, therefore, insults Mr. GRAMM and Mr. LATTA. It is about time the people and the Members of this House admitted that either they know what is in the bill or they do not know what is in the bill. And if they do not know what is in the bill, they should not be voting on it.

Mr. JONES of Oklahoma. Mr. Chairman, I yield 30 seconds to the gentleman from Connecticut (Mr. RATCHFORD).

Mr. RATCHFORD. Mr. Chairman, I ask my colleagues not to do to the States what they did in 1981. There was a headline in today's New York Times that said: "25 States Raising Taxes." Why? Recession, and the cuts in Federal programs.

Virtually every Member who has spoken is from 1 of those 25 States. If you think you are helping education, if you think you are helping the States by supporting the Latta amendment, you are wrong. Vote for the Simon amendment, and do something positive for education and for the States.

☐ 2240

Mr. LATTA. Mr. Chairman, I yield 1 minute to the gentlewoman from Massachusetts (Mrs. HECKLER).

Mrs. HECKLER. Mr. Chairman, I rise in support of the Simon amendment.

For several days now we have been considering the mortgaging of our children's futures, and I think that is a very legitimate concern and I think the attention devoted to the question of the deficit and all related operations have been deserved. The attention we have given to the question of what the deficit figures and their consequences actually mean in terms of the future of the country and the economy, are legitimate concerns and they are areas in which we do have differences of opinion. I would like to say that I feel that as a Congress concerned with productivity, it is time to focus our attention on the issue of human productivity.

We will not be mortgaging our children's futures by voting for this amendment. We are creating the opportunity for our children to have a future. I think this is an amendment that goes to the issue of human productivity in the finest sense.

The purpose of this amendment is to provide additional funding for seven categories within the education function: Elementary and secondary education, handicapped education, vocational education, educational block grants, Head Start, Pell grants, and libraries.

Elementary and secondary education, under chapter 1 of the Education Consolidation Act of 1981 would receive nearly a third of the additional funding. Under this program, about 87 percent of the school districts in the Nation provide extra educational services—reading and mathematics—to approximately 5 million disadvantaged and low-achieving children, 45 percent of the 11 million who are estimated to need such help.

Mr. JONES of Oklahoma. Mr. Chairman, I yield such time as he may consume to the gentleman from Washington (Mr. BONKER).

Mr. BONKER. Mr. Chairman, I rise in support of the Simon amendment.

Mr. Chairman, I would like to speak in support of the Simon amendment to provide $668 million in additional funding authority for this Nation's elementary, secondary, and higher education programs. The Simon amendment is a responsible solution to the serious funding problems programs like title I, handicapped education, vocational education, Head Start, and the Pell grants would face under the budget proposals before us today.

The passage of this amendment will enable crucial education and training programs to continue in the delivery of vital services and will mean this Nation's classrooms and children will continue to receive an adequate education. At the same time, the Simon amendment is sensitive to the current fiscal difficulties this Congress is facing. While the amendment would raise all three budget proposals to a certain level the Function 500 budget under the Simon amendment is still $300 million below the Congressional Budget Office baseline for these programs' current funding levels.

Passage of the Simon amendment will assure that education opportunities continue for many disadvantaged and handicapped children served by title I and Public Law 94-142. This amendment will continue funding for sorely needed support services such as school libraries and will assure adequate funding for vocational training programs. For those education programs that were forced into a block grant, the amendment's additional moneys will prevent significant funding deterioration. Cuts in the Pell grants which have had a serious affect on thousands of needy college students would be restored.

Mr. Chairman, due to the crippling effect the current administration's economic policies have had on the economy in my State of Washington any further reductions in Federal education funding will severely limit the State's efforts to provide quality education to the children of that State. Washington has already experienced a $13 million reduction in Federal education funds, any more reductions would be intolerable.

Throughout the budget debate this administration and many of my colleagues have failed to see that a well trained and educated public is as critical to our Nation's security as is a strong defense. Unfortunately, many of my colleagues continue to put all their eggs in one basket—the military basket, while vital education programs are forced to go underfunded.

Mr. Chairman, that is why I urge my colleagues to support the Simon amendment and allow education programs to receive an adequate share of the budget pie.

Mr. JONES of Oklahoma. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. FORD).

Mr. FORD of Michigan. Mr. Chairman I rise in support of the Simon amendment.

Mr. Chairman, my support for the Simon amendment is firm and unequivocal. The students and schools in this country have suffered irreparably from the budget ax of the current administration. If our States and localities were in better financial shape than they are now, I might understand the eagerness to retain the current levels of funding for these vital programs. But the truth is that 41 of the 50 States are in danger of ending the current fiscal year with deficit budgets. And, at the same time, local school districts are literally scrapping and scratching to retain minimum curriculums.

Frankly, I would go even further than the $668 million provided for in the Simon amendment, but I am painfully aware of the budget scenario facing the Congress. The Simon amendment simply restores funding which we took away when we irresponsibly passed the Omnibus Budget Reconciliation Act of 1981 without determining beforehand the effect such massive changes would have on programs.

Study after study has proven the success of title I of the Elementary and Secondary Education Act. It has accounted for tremendous advances in the reading level and math comprehension for students in every size school district. There is no question it is targeted at students which are most in need of special assistance.

While the Congress mandated education programs for all handicapped children through Public Law 94-142, its programs have been woefully underfunded. This has meant that many children who have been entitled to full educational enrichment have been denied. We have given these special children a promise, and I am ashamed to say, we have fallen far short of providing the fiscal resources to follow through on that pledge. I can think of no justifiable reason to deny the small increase of $79 million which the Simon amendment would infuse into handicapped education programs for elementary and secondary students.

During a period of such high unemployment and increased high technology, I can think of no better investment than higher funding for vocational-technical education. Unless our graduates can acquire the new skills which are required by business and industry today, there is no way we can get this country back on the right economic track. Many of us have also reached the conclusion that not every high school graduate needs a 4-year liberal arts education to land a responsible, satisfying job. For many, vocational-technical training is more appropriate and fitting for their chosen career. Further it has proven to be adaptable and capable of adjusting to the needs of the job market.

The investments we have made in programs for disadvantaged children at the preschool level through the Head Start program have paid off tremendously. A product of the social initiatives of the Johnson administration's Great Society, Head Start prepares children and their families for the formal school setting and to a great measure insures success in the classroom. This Nation's first Head Start students during the past few years have just started graduating from high school. Their productivity has been proven over less fortunate students who did not have the benefit of these valuable services.

Our most needy students entering college have received Pell grants. To continue a lower level of funding for this program sends a message to many of our disadvantaged high school students that they cannot have access to higher education. It is clear to me after dozens of oversight hearings before the Subcommittee on Post Secondary Education that the Pell grant program is vital to equal educational opportunity in this country.

Too often the Congress has shortchanged funding for libraries. In many communities, libraries serve as the only public cultural center. They are the gathering place, the message center, and often the only outlet where citizens can find quality enrichment. In many areas, where school libraries have become too costly to operate, they serve both students and the community-at-large. A dollar spent on libraries gives a maximum return on services to all age and income groups. The Simon amendment provides funding for both public libraries and college and university libraries. While I believe at $12 million it is pitifully small, I think it is critically important.

While I did not support the administration's education block grant proposal, I believe the functions which it is intended to fund at the State and local level are important. When the Reconciliation Act combined many of the carefully constructed Federal programs into this general fund, it performed a great disservice to many constituencies in our school-aged population. Just because the administration chose to ignore these needs does not mean they cease to exist today. Because I continue to feel committed to programs for the gifted and talented, professional development, the distribution of exemplary programs, equal opportunity and other important efforts, I am supportive of a higher funding level for the block grant.

I do not understand how anyone could reject the needs of our Nation's school children and turn thumbs down on the Simon amendment. It is by far one of the most positive proposals which has been brought before the Congress in this session, and something for which you need never make any apology. I am proud to be one of its consponsors and I am even prouder to cast my vote for it.

Mr. JONES of Oklahoma. Mr. Chairman, I have just one further speaker and that is the author of the amendment who will close debate.

Mr. Chairman, I yield the balance of my time to the gentleman from Illinois (Mr. Simon).

Mr. LATTA. Mr. Chairman, may I inquire of my chairman how much time the gentleman has?

Mr. JONES of Oklahoma. I believe the gentleman has 4 minutes and we have 5, if I count correctly.

The CHAIRMAN. The gentleman from Oklahoma (Mr. Jones) has 4½ minutes remaining.

The gentleman from Ohio (Mr. Latta) has 4 minutes remaining.

Mr. LATTA. Mr. Chairman, I will reserve my time until the gentleman gets to his last minute.

Mr. JONES of Oklahoma. There is only one more speaker and that is the author of the amendment, to close debate, the gentleman from Illinois (Mr. Simon).

Mr. LATTA. Mr. Chairman, we have gotten quite far afield in the debate on an amendment to the Jones budget, but since we have gotten so far afield I think that we ought to look at some of the figures and compare what is in the Jones budget, as opposed to the bipartisan recovery budget.

Chapter 1, Jones got $2.886 billion, we have $3.25 billion.

In chapter 2, they have $470 million; we have $548 million.

Head Start, we are the same, $912 million.

Handicapped children, they have $1.42 billion, we have $1.92 billion.

Vocational education and adult education, $733 million as opposed to our $753 million.

Bilingual education, exactly the same.

Pell grants -get this—Pell grants, Jones $2.278 billion; the bipartisan package that we have, $2.388 billion.

We have more for Pell grants.

In CETA, we have less. In the Jones package they have $4.150 billion; we have $3.207 billion.

The college work study program, they have $528 million, we have the same figure.

In the national defense student loan program, they have $178 million; we have $193 million.

In the SEOG program, they have 278, so do we.

In title III, institutional aid, we are exactly the same, $124 million each.

Let me say that I think we are adequately funded as far as we are concerned but we are not even debating our proposition. We have been debating Jones. So what he is saying to us is that he turned this product out of our committee by a majority vote was insufficient, and apparently he wants to tilt a little further to the left and put more money in it.

I just wonder whether or not after the committee, his committee, on which he has a majority, decided on these figures that are now before us—whether or not they were in error. I know when the gentleman from Illinois (Mr. Simon) proposed his amendment or very similar amendment in the committee, it was turned down by the committee after thorough consideration. It is a question of how far the taxpayer's can go.

Mr. DeNARDIS. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Connecticut.

Mr. DeNARDIS. Mr. Chairman, I simply want to indicate my support for the Simon amendment but point out that should the Simon amendment fail on Jones, Aspin, Latta, that we would be in this situation.

That the budget which would provide the most for education would be the Aspin budget. Because, according to the Simon amendment, he would add $318 million in BA to Aspin, but Aspin would require zero amount of outlay money.

To Jones, the figure is 668, BA, and 87 in outlay, and to Latta, it is 968 in BA and 737 in outlays.

I support the Simon amendment to all three budgets, but should it fail the Aspin budget remains in the best shape relative to education.

● Mr. MOFFETT. Mr. Chairman, I rise in support of the Simon amendment to provide $668 million in additional budget authority for the function 500 category, education and training. This amendment would include increased budget authority for such vital education initiatives as title I, handicapped education, vocational education, and Pell grants.

The foregoing statements and arguments made by me colleagues against one budget alternative or for another have all underscored some givens about Federal spending. We all want a balanced budget, we all want to reduce the deficit, we all want to stimulate productivity in this Nation and insure economic recovery. These are givens.

But some of the budget plans being debated do not appear to have any sense of presence, no aura of foresight, no real appreciation for our economic future. We are in an age of increasingly complex technology. Our ability to respond to the need for skilled labor should be of tantamount importance right now. Our economic and political rivals know this. Yet ours is the only industrialized nation seeking to undo the Federal education and training programs that hold the key to technological excellence.

Educating and training our youth must be viewed as a national priority, not an "intellectual curiosity" under the purview of the individual States. We need a plan for the future, an overall plan, that spells out our course for the future. And that plan must include a commitment to education and training. We cannot afford to mortgage our future by reducing Federal education support.

Another point that must be made is equally as important as long-term economic recovery through a strong education policy. And that is the effect of proposed budget reductions on this Nation's social fabric. What we are talking about, when we discuss the President's original education cutbacks and those assumed by various of the alternatives, is a genuine denial of access and opportunity.

Pell grants, title I, handicapped education—these are all access programs. They provide schools with the necessary funds to insure disadvantaged children and youth an equal opportunity to a sound education. These are foundation building programs. They bear the seal of fairness. They help keep the social fabric from unravelling.

You don't create a sense of social belonging by denying opportunities. What you do create is a stratified social structure, the haves and the have nots. We have been working for the past several decades to erase the lines and social barriers between the disadvantaged and those who have adequate resources. Handicapped children are being mainstreamed into the classroom and encouraged to develop to their potential. Poor children are receiving additional learning skills and have made vast gains in reading and math aptitude. They have a sense of social belonging, a place in their communities, which is now being threatened.

Do not be fooled by the claims that the Latta-Michel budget alternative contains meaningful funding levels for education. That budget hides a number of facts—not the least of which is the fact that $700 million in deferrals are not included in the fiscal year 1983 function 500 baseline, thus lowering the levels on which the "add-ons" are made.

The Simon amendment does, however, meet the needs of education as a national priority. It provides additional budget authority for title I, handicapped education, vocational education, the block grant, Head Start, Pell grants, and libraries. The Simon amendment represents a long-term economic game plan. One that promises to keep our social fabric intact. This amendment is more than worthy of your support and I urge its approval.●

● Mr. MATTOX. Mr. Chairman, I rise in support of the Simon amendment to increase funding for education programs by $668 million in budget authority.

In dealing with the budget, we must never lose sight of the fact that our people are our Nation's most precious resource. In human terms, and in economic terms, it makes sense to invest in this most valuable resource.

I continue to be amazed that this administration, which talks constantly about the need to increase productivity, cannot understand that a well-educated and well-trained work force is absolutely essential to a modern, efficient economy. This amendment will contribute to the development of such a work force.

The Simon amendment adds back $228 million for the title I compensatory education program, $238 million for Pell grants to help needy students get a college education, $79 million for handicapped education, $60 million for vocational education. It also provides additional funding for Head Start, libraries, and educational block grants.

Compared with the large sums of money we have been talking about for other programs over the past few days, these are small sums. But they are very important to those students who will benefit from them.

Even those who look at these issues solely in monetary terms should support this amendment. The people whom we educate today will be the productive, job-holding, tax-paying citizens of tomorrow.

I commend my good friend, the gentleman from Illinois, Mr. Simon, for his amendment and urge its adoption.●

Mr. JONES of Oklahoma. Mr. Chairman, I yield the balance of my time to the gentleman from Illinois (Mr. Simon).

Mr. SIMON. Mr. Chairman, if I may respond to some of the questions that have been raised and add a point or two.

No. 1, it has been asserted by two of the speakers on the other side—I am sure in good faith—but inaccurately, that no one came before the Education Committee and asked for more funds.

Dozens of them came before the Higher Education Committee, and I have a long list, starting with Father Thomas Gallagher, secretary for education of the U.S. Catholic Conference, a representative of the American Vocational Association. I will not go into the list. A great many.

No. 2, the amount that I am asking in this amendment is less than the Republican minority on the Education and Labor Committee asked in their request of the Budget Committee.

☐ 2050

No. 3, my good friend and colleague, the gentleman from Illinois (Mr. Erlenborn) says because I am taking it out of allowances that I am going to be taking it out of the salaries of employees.

Well, one of the items in allowances, for example, is debt collection, which is $1 billion and I am advised that it could easily be 20 or 30 percent higher than that. I am only asking for 8 percent higher to come out of this amount.

My friend, the gentleman from Texas (Mr. Gramm) says we are playing "the same game" because we pull out specifics. My friend, the gentleman from Texas, is playing the same game because what he would like to do and a great many others would like to do, they would like to tell you "Oh, we can just pull these figures out of the air and it does not affect anybody, it does not hurt anybody. They do not give you the details of where the impact is.

I am asking for an addition. I am telling you where we want it and why we need it.

I have heard about the increases that we have had in higher education. Primarily those increases are caused by one thing that the students and universities of this country had nothing to do with, and that is interest rates went up. That is the big cause for the increase in education.

I am not asking for another penny on GSL. I am asking that on Pell grants we keep our commitment that was made on this floor, that if we knocked back on social security we would see to it that these young people can have Pell grants and have them at the same level, and if we do not accept this amendment that level would go down.

I would remind our friends here that other countries, Japan, the Soviet Union, West Germany and others, are spending more and more and more money on education. We are being asked to do just the opposite.

Last year Japan graduated twice as many electrical engineers as we did in the United States. We are in a competitive world.

Finally, and I speak to my friends on this side of the aisle, I know we have partisan fights and we kind of enjoy them once in a while and there are times when they are great and parties ought to have differences; but let me appeal to you, what we are talking about here is not a partisan matter. What we are talking about is how we build the future of this country. I suggest that you cannot build a better future for this country if you do not provide adequately in the area of education, and that is what I am asking.

The CHAIRMAN. All time has expired.

The question is on the amendment numbered 15 offered by the gentleman from Illinois (Mr. Simon) to the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. Jones).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FRENZEL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 323, noes 99, not voting 10, as follows:

[Roll No. 113]

AYES—323

Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkinson
AuCoin
Bafalis
Bailey (PA)
Barnard
Barnes
Bedell
Beilenson
Benjamin
Bereuter
Bevill
Biaggi
Blanchard
Boggs
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Breaux
Brinkley
Brodhead
Brooks
Broomfield
Brown (CA)
Brown (CO)
Brown (OH)
Burton, Phillip
Byron
Carman
Carney
Chappell
Chappie
Clausen
Clay
Clinger
Coats
Coelho
Coleman
Collins (IL)
Conte
Coughlin
Coyne, James
Coyne, William
Crockett
D'Amours
Daschle
Daub
Davis
de la Garza
Deckard
Dellums
DeNardis
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan
Dornan
Dougherty
Dowdy
Downey
Duncan
Dunn
Dwyer
Dymally
Dyson
Early
Eckart
Edgar
Edwards (CA)
Emerson
Emery
English
Erdahl
Ertel
Evans (DE)
Evans (GA)
Evans (IA)
Evans (IN)
Fary
Fascell
Fazio
Fenwick
Ferraro
Fiedler
Findley
Fish
Fithian
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fountain
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Ginn
Glickman
Gonzalez
Gore
Gray
Green
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hance
Harkin
Hatcher
Hawkins
Heckler
Hefner
Heftel
Hendon
Hertel
Hightower
Hillis
Hollenbeck
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Hughes
Hutto
Ireland
Jacobs
Jeffords
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kastenmeier
Kazen
Kennelly
Kildee
Kogovsek
LaFalce
Lagomarsino
Lantos
Leach
LeBoutillier
Lehman
Leland
Lent
Levitas
Lewis
Long (LA)
Long (MD)
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Markey
Marks
Marlenee
Marriott
Matsui

Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McKinney
Mica
Mikulski
Miller (CA)
Mineta
Minish
Mitchell (MD)
Mitchell (NY)
Moakley
Moffett
Molinari
Morrison
Mottl
Murphy
Murtha
Myers
Napier
Natcher
Neal
Nelligan
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Ottinger
Panetta
Parris
Pashayan
Patman
Patterson
Pease
Pepper
Perkins
Petri
Peyser
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Rahall
Railsback
Rangel
Ratchford
Reuss
Richmond
Rinaldo
Roberts (KS)
Rodino
Roe
Rogers
Rose
Rosenthal
Rostenkowski
Roth
Roukema
Roybal
Russo
Sabo
Santini
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sensenbrenner
Shamansky
Shannon
Sharp
Shelby
Simon
Skelton
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (PA)
Snowe
Solarz
Spence
St Germain
Stangeland
Stark
Stokes
Stratton
Studds
Swift
Synar
Tauke
Tauzin
Traxler
Trible
Udall
Vento
Volkmer
Walgren
Walker
Wampler
Washington
Watkins
Waxman
Weaver
Weber (MN)
Weber (OH)
Weiss
White
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wirth
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (MO)
Zablocki
Zeferetti

NOES—99

Archer
Badham
Bailey (MO)
Beard
Benedict
Bennett
Bethune
Bliley
Broyhill
Burgener
Butler
Campbell
Cheney
Collins (TX)
Conable
Corcoran
Craig
Crane, Daniel
Crane, Philip
Daniel, Dan
Daniel, R. W.
Dannemeyer
Derwinski
Dickinson
Dreier
Edwards (AL)
Edwards (OK)
Erlenborn
Fields
Forsythe
Frenzel
Goldwater
Goodling
Gradison
Gramm
Gregg
Grisham
Hagedorn
Hall, Sam
Hansen (ID)
Hansen (UT)
Hartnett
Hiler
Huckaby
Hunter
Hyde
Jeffries
Johnston
Kemp
Kindness
Kramer
Latta
Leath
Lee
Livingston
Loeffler
Lott
Lungren
Madigan
Martin (IL)
Martin (NC)
Martin (NY)
McClory
McCollum
McDonald
McEwen
Michel
Miller (OH)
Montgomery
Moore
Moorhead
O'Brien
Oxley
Paul
Regula
Ritter
Roberts (SD)
Robinson
Roemer
Rousselot
Rudd
Sawyer
Schulze
Shaw
Shumway
Shuster
Siljander
Skeen
Smith (AL)
Smith (OR)
Snyder
Solomon
Staton
Stenholm
Stump
Taylor
Thomas
Vander Jagt
Young (FL)

NOT VOTING—10

Bingham
Burton, John
Chisholm
Conyers
Courter
Holland
Mattox
Mollohan
Rhodes
Stanton

□ 2310

Mr. CRAIG changed his vote from "aye" to "no."

So the amendment to the Jones amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SIMON TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ASPIN

Mr. SIMON. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Wisconsin, Mr. Aspin.

The Clerk read as follows:

Amendment offered by Mr. Simon to the amendment in the nature of a substitute offered by Mr. Aspin: Page , line , (relating to functional category 500) increase new budget authority for fiscal year 1983 from $27,950,000,000 to $28,218,000,000.

Page , line , (relating to functional category 920) decrease new budget authority for fiscal year 1983 by $268,000,000.

Mr. SIMON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. There is a limitation of 10 minutes on the overall consideration. The gentleman from Illinois (Mr. Simon) will be recognized for 5 minutes, and the gentleman from Ohio (Mr. Latta) will be recognized for 5 minutes.

The Chair recognizes the gentleman from Illinois (Mr. Simon).

Mr. SIMON. Mr. Chairman, let me just in a 1 minute explanation say that this is basically the same amendment. What it does in the Aspin amendment is that it raises the budget authority $318 million. It does not raise the outlay figure. That is basically it.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, as I understand it, the amendment as the gentleman from Illinois explained it, it does raise the budget authority. It does not raise the outlay figure. We did have quite a lot of money in our alternative for education, but it is the inclination of the coalition to want to accept the amendment, and in support of that I would like to ask the gentleman from Illinois to yield to several gentleman on the Republican side who have been very influential in helping the coalition put together the proposal we have in education.

Mr. SIMON. Mr. Chairman, I will be pleased to yield to my colleague from Vermont (Mr. Jeffords).

Mr. JEFFORDS. Mr. Chairman, I thank the gentleman.

First, I want to commend him on this amendment, and all the others. I want to commend the body for the vote which has certainly been in confidence of the gentleman here.

I would point out that it does nothing to the outlay side, but demonstrates, I think, the fairness of our proposal in this particular area. It does also point out that we now have $6 billion in the deficits of the Aspin-Pritchard coalition as to at least the Jones amendment at this time, and I presume in the Latta amendment, so we do have that as a $6 billion less deficit now.

Mr. SIMON. I thank my colleague from Vermont.

I yield 1 minute to my colleague from Iowa (Mr. Leach).

Mr. LEACH of Iowa. Mr. Chairman, I would just like to make the further point, and that is that while this amendment in essence brings all three more or less in line, the Aspin substitute stays slightly more generous for education in 1983, but markedly more generous for education in 1984 and 1985. So, these amendments have the effect of increasing the deficits in the Jones and Latta substitutes, but on education Aspin still maintains a substantially more generous approach.

Mr. SIMON. I thank the gentleman from Iowa.

Mr. Chairman, I yield 1 minute to my colleague from Connecticut (Mr. DeNardis).

Mr. DeNARDIS. Mr. Chairman, I rise in support of the amendment, and I simply want to say that in bringing the Aspin budget in this picture that we added $400 million to title I, vocational education and handicapped, and $500 million for student financial assistance. Therefore, going into this we already had adequate outlay figures for fiscal year 1983, and generous ones for the 2 out years. We do not need additional outlay money, but in order to equalize Aspin with Jones, we need the additional budget authority this would require.

Further, let me suggest it might be worth our time simply to adopt this on a voice vote.

Mr. SIMON. Mr. Chairman, I reserve the balance of my time.

Mr. LATTA. Let me just ask the gentleman a question for clarification. This amendment is accomplishing the same purpose as the preceding amendment, and it is being taken out of 920 allowances. Is that correct?

Mr. SIMON. It is not quite correct, no. The reality is that on outlays there is no increase. In fact, my amendment would be about $13 million less, so that it zeroes out.

What is does do is add $318 budget authority.

Mr. LATTA. Let me ask the gentleman another question.

He also has an amendment printed in the Record to the bipartisan substitute, and this also would take the money out of allowances. Is that accurate?

Mr. SIMON. That is not accurate. The gentleman from Ohio is correct that there are two versions printed, and one of which would have taken out of allowances and one of which would simply add to the deficit. It is my judgment that it is probably unrealistic to take that much out of allowances, so that I am going to offer the amendment which would add that amount to the deficit.

Mr. LATTA. Let me, if I may, further inquire of the gentleman, why would the gentleman have two different amendments on the same subject? One is out of function 920, and the other one is not?

Mr. SIMON. Under the rule we had that option, and we had a hard time figuring out where things were going at that point.

Mr. LATTA. I do not understand the gentleman too clearly.

Mr. GRAMM. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield.

Mr. GRAMM. Mr. Chairman, I would like to remind Mr. Simon why we had the figure on fraud, waste, and abuse that we have in function 920. The gentleman said we could take it by doing a better job on collecting debts. The President proposed doing that, and CBO rejected that. We took CBO's projections, and we took the number that they said was feasible. Now, the gentleman comes into the Jones budget and he rejects CBO, and he claims the President was partially right. It seems to me that what we are doing, talking about smoky mirrors, God knows it is everywhere, but the gentleman is certainly speaking through a haze and reflecting.

Mr. SIMON. If the gentleman will yield, the gentleman is confusing amendments, and also confusing where we get the money on the Aspin amendment which is before us now, we take nothing out of allowances. On the preceding amendment we took $87 million. Part of that is not only fraud, waste, and abuse, but part of it is debt collection. Where the figure in there in the Jones amendment is $1 billion, I am advised that we could increase that by up to $2 or $300 million, so that it could ultimately be $1,200 million or $1,300 million. We took $87 million out of that. I think that is a responsible decision.

□ 2320

Mr. GRAMM. Mr. Chairman, the fact remains that CBO rejected all of the President's fraud, waste, and abuse except $1 billion, which is why we carry that figure in the budget on the House Budget Committee.

Mr. SIMON. Mr. Chairman, if the gentleman will yield, I accept that figure.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Chairman, I would like to express my support for the amendment offered by my esteemed colleague on the Education and Labor Committee, Mr. Simon. I commend him for his initiative. I commend the House for its vote and the expression of confidence in the gentleman from Illinois.

This amendment would increase the budget figures under the education function. I believe, along with many of my colleagues, that Federal funding for education is very important for our Nation as a whole. It is with this belief that I support wholeheartedly the coalition budget proposal as it gives the most funding to education. The coalition authorizes $27.95 billion for the function as a whole, while the House Budget Committee proposal authorizes $27.55 billion and the Latta proposal only $26.55 billion.

The substantial differences between the three major budget proposals are highlighted by Mr. Simon's amendment. Mr. Simon's amendment would add funds to all three budget proposals and put them at equivalent levels. The amendment would add $968 million to the Latta budget, $668 to the House Budget Committee budget, and $318 million to the coalition budget in budget authority. In budget outlays the figures are similar—for Latta, $968 million; for Jones, $87 million—except the amendment would actually reduce the coalition package by $13 million. However under the so-called "round-out procedure" this would be a "wash" or zero.

What is interesting is how Mr. Simon's proposal, changes substantially the Latta and House Budget Committee budgets to what is in essentially the coalition's budget. In other words, in view of the funding levels proposed in the amendment, the coalition budget is by far the closest to being adequate in education funding.

I have a concern with the additions that are authorized by Mr. Simon's amendment. My reservation lies in the area of deficits, and how the additions in the education fuction will impact on each of the three budget proposals deficits.

The deficit in the Latta budget would be increased by nearly a billion, $968 million in budget authority, and the deficit in the House Budget Committee budget would be increased by more than half a billion, $668 million. The coalition budget would see an increase in its deficit by only $313 million in budget authority. In outlay figures, the coalition budget would see absolutely no increase in the deficit figure in 1983, as opposed to the other two who would still see substantial increases in their deficit in outlay figures.

This matter of the deficit is important to Congress because of the height of interest rates, and the confidence of the public. We need to pass a budget that has a low deficit to demonstrate to the public and the private sector that we are capable of controlling spending and, more importantly, that we are capable of working toward a balanced budget.

To reiterate, Mr. Chairman, I would like to reemphasize the following points. One, the coalition budget already contains the highest figures for education programs and is nearest an adequate level. Two, we must careful as to how the Simon amendments would increase the deficits in the budget alternatives. Again, the coalition budget would show substantially much less deficit increase in budget authority figures, and no deficit increase in outlay figures. The other two budgets, Latta and House Budget Committee, would show deficit increases in outlays, and much greater ones in budget authority.

As a postscript to the improvements in each of the three budget alternatives' education function, I would like to concentrate on the Latta proposal. The Simon amendment would rectify severe problems in this budget in regards to employment and training programs and increase funding for summer youth employment, displaced workers, and other employment-related programs. The Simon amendment does not deal with one of the most important employment-related deficiencies that exists within the Latta budget. This serious omission is in employment compensation.

In both the House Budget Committee and the coalition budgets funds have been allotted to incorporate H.R. 6369, legislation that would increase the payment of unemployment benefits for an additional 13 weeks. The amount of money in both budgets is approximately $600 million, the level necessary for fiscal year 1983 as estimated by CBO.

In the Latta budget, there has been no mention of the incorporation of H.R. 6369. There has been no mention of a $650 million addon that would be required to fund this program. In short, nowhere has the Latta budget dealt with the issue of unemployment compensation—except indirectly by not including the requisite funding or the requisite legislative changes. Despite Latta supporters' protests, there is no money for an additional 13 weeks of unemployment benefits.

In concluding it is notable that both the Latta and Jones proposals now have deficits more than $6 billion greater than the coalition substitute.

Mr. BADHAM. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from California.

Mr. BADHAM. Mr. Chairman, I thank the gentleman for yielding.

I would like to ask the author of the amendment a question.

Now, does this increase the budget deficit?

Mr. SIMON. Mr. Chairman, if the gentleman will yield, it does not.

Mr. BADHAM. Does it increase the expenditures for educational loans that might not be paid back?

Mr. SIMON. Mr. Chairman, will the gentleman from Ohio yield?

Mr. LATTA. Briefly, I yield to the gentleman from Illinois.

Mr. SIMON. Mr. Chairman, it simply increases budget authority; it does not increase outlays one penny.

Mr. BADHAM. So we can increase expenditures for educational loans that might not be paid back, but we do not increase the budget deficit; is that right? Is that what the gentleman wants to say?

Mr. SIMON. Mr. Chairman, will the gentleman from Ohio yield again?

Mr. EVANS of Delaware. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Delaware.

Mr. EVANS of Delaware. Mr. Chairman, I rise in support of the amendment of the gentleman from Illinois (Mr. Simon) that will increase funding for several critically important education programs. This funding represents an increase that will provide a more effective level of support for education that is badly needed.

Among the programs funded by this amendment are ESEA title I, the Education for All Handicapped Children Act, Head Start, and student financial aid for higher education.

The Education for All Handicapped Children Act has been a proven success in my home State of Delaware, and across the Nation. Because of the productive partnership between parents, teachers, State, Federal, and local officials made possible by this program, nearly 4 million handicapped youth are receiving an appropriate quality education.

ESEA title I enables millions of disadvantaged students all over America to have access to supplemental compensatory education services. This is undoubtedly one of the most important and effective programs of assistance for elementary, junior, and high school students.

Head Start helps preschool children from economically disadvantaged families get ready for success in school. It identifies problem areas where extra help is needed to avoid failures that otherwise might slow them down in their school careers. Simply put, it is a proven success as well.

Student financial aid, in the form of loans or direct grants, assists millions of lower and middle income students in coping with the spiraling costs of higher education. Blindly slashing these programs is inconsistent with the need for a well-educated, well-trained citizenry. The high standards of health care, nutrition, and housing most of us enjoy in this country, the technological breakthroughs that enhance our national security, all of these and more stem from our commitment to education. This is a commitment that has been shared by Democractic and Republican administrations alike, and one that must be carried on by this Congress.

I believe this amendment will help carry on our traditional commitment to education.

The education of younger Americans is the foundation upon which our future rests. I urge my colleagues to join me in support of the Simon amendment.

Mr. LATTA. Mr. Chairman, I yield the balance of my time to the gentleman from New York (Mr. Martin).

The CHAIRMAN. The gentleman from New York (Mr. Martin) is recognized for 30 seconds.

Mr. MARTIN of New York. Mr. Chairman, given the time restraints, I really appreciate the time that has been yielded to me by the gentleman from Ohio (Mr. Latta).

The CHAIRMAN. The gentleman from Illinois (Mr. Simon) has 1 minute remaining.

Mr. SIMON. Mr. Chairman, I think the matter has been covered. I do not think we need to take any more time. I would appreciate a favorable vote from the Members.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. Simon) to the amendment in the nature of a substitute offered by the gentleman from Wisconsin (Mr. Aspin).

The amendment to the Aspin amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. SIMON TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA

Mr. SIMON. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. Latta).

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. Simon to the amendment in the nature of a substitute offered by Mr. Latta: Page , line , (relating to functional category 500) increase new budget authority for fiscal year 1983 to $28,218,000,000, and increase outlays for such fiscal year to $27,537,000,000.

Adjust aggregate total new budget authority, total budget outlays, and the amount of the deficit for fiscal year 1983 accordingly.

Mr. SIMON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. LATTA. Mr. Chairman, reserving the right to object——

Mr. FRENZEL. Mr. Chairman, I reserve the right to object.

The CHAIRMAN. A number of gentlemen reserve the right to object.

The gentleman from Ohio reserves the right to object, and he is recognized.

Mr. LATTA. Mr. Chairman, I shall not object, but I really take this time to ask the gentleman from Illinois (Mr. Simon) whether or not this is an amendment that takes the funds out of the allowance section.

Mr. SIMON. No. The amendment we are offering would add to the deficit because I felt it was unrealistic to take that kind of money out of allowances.

Mr. LATTA. Mr. Chairman, let me further respond to my friend. We are trying to do everything open and above board, and I cannot understand why the gentleman would have two amendments taking the money out of the allowance section and this one would be otherwise.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The Chair understands that the gentleman from Ohio (Mr. Latta) continues to reserve the right to object to dispensing with reading of the amendment.

Mr. LATTA. I am happy to yield to the gentleman for an explanation.

Mr. SIMON. Well, Mr. Chairman, it is because of the rule and because of the uncertainty, and if the gentleman from Ohio will respond, I think he will appreciate the problems we faced trying to deal with the figures offered by the gentleman from Ohio. The other side is also having considerable difficulty dealing with them.

Mr. LATTA. Mr. Chairman, may I say to my friend, under my reservation of objection, that we may consider accepting his amendment if he would give it to us under the same terms as the other two amendments, taking it out of the allowance section. I think they ought to be treated the same.

Mr. MICHEL. Mr. Chairman, will the gentleman yield under his reservation of objection?

Mr. LATTA. I yield to the minority leader.

Mr. MICHEL. Mr. Chairman, as I understand it, there is a distinct difference between the gentleman's two amendments, and under the agreement or under the rule, after having once offered them, the second and third times the time is limited to 10 minutes. But as I understand the character of this amendment, with one out of allowances and one out of deficit, the amendments are different in character, and we ought not put a limit of 10 minutes of debate when offering those, because now it is being offered for the first time in that form.

The CHAIRMAN. The Chair did not know there was going to be an amendment offered in a different form.

Mr. MICHEL. Well, neither did this side, in that form, but I say that now it has been disclosed that there is that difference in character.

The CHAIRMAN. The Chair thinks there is no question that the gentleman is correct, and the Committee will operate under the 5-minute rule without the limitation if the pending amendment is considered.

We are operating under the 5-minute rule, and if certain Members want time, they will get up and ask for it.

Mr. LATTA. Mr. Chairman, a parliamentary inquiry.

PARLIAMENTARY INQUIRY

The CHAIRMAN. The gentleman from Ohio will state the parliamentary inquiry. The gentleman will proceed.

Mr. LATTA. Mr. Chairman, under the rule that we passed to consider this legislation, would we not have the prior opportunity to offer the same identical amendment to our proposition before the gentleman would offer something different?

The CHAIRMAN. The Chair will state that the gentleman from Illinois printed two forms of his amendment. He was offering the second form when it was interrupted by a reservation of objection. He was offering a new form from that of the first two amendments.

The Chair has not succeeded in getting an amendment before the Committee yet, and if we do succeed in getting an amendment before us, the manner of debate will depend on which amendment comes before the Committee.

Mr. CONTE. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard. The Clerk will read the amendment.

The Chair needs to know which amendment the gentleman from Illinois wishes to submit.

Mr. SIMON. Yes, Mr. Chairman. For reasons I have outlined, to take that much out of allowances is, I think, unrealistic, and the only way we can do it otherwise is to add to the deficit, so I am taking the one that adds that money to the deficit.

Mr. CONTE. Mr. Chairman, I offer the substitute amendment to the original amendment he offered on the previous two budget substitutes.

Mr. FRENZEL. It is in the record.

The CHAIRMAN. Both amendments are in the record. The gentleman has the right to offer each, as the Chair understands it. Another Member could offer the same substantive amendment as the two that have been disposed of under category 15.

Mr. CONTE. I offer the same amendment, Mr. Chairman, as a substitute.

The CHAIRMAN. There is already one amendment offered but it has not been read.

What the Chair would suggest is that we allow that amendment to be read, and any decision on that amendment can be discussed. The Chair has to make decisions of the priority of the amendment because all points of order are waived against all printed amendments.

PARLIAMENTARY INQUIRY

Mr. ERLENBORN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Which Member has the time? The gentleman from Ohio (Mr. Latta) has the time under a reservation of objection to dispensing with reading.

Will the gentleman yield to the gentleman from Illinois (Mr. Erlenborn) for a parliamentary inquiry?

Mr. LATTA. I am happy to yield to the gentleman from Illinois.

The CHAIRMAN. The gentleman will make his parliamentary inquiry.

Mr. ERLENBORN. Mr. Chairman, can the gentleman or the Chair inform us whether this is amendment No. 14 in the Record or amendment No. 15?

The CHAIRMAN. The Chair will state that this is a form of amendment No. 15.

The Clerk will conclude the reading of the amendment offered by the gentleman from Illinois. The gentleman had offered his amendment, but it has not been read, and the committee cannot deal with this matter until the amendment is read.

□ 2320

PARLIAMENTARY INQUIRY

Mr. GREEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Will the gentleman yield to the gentleman for a parliamentary inquiry?

Mr. LATTA. I am happy to yield.

Mr. GREEN. I thank the gentleman. Is it not clear that under the rule someone has to be offered the opportunity to offer this to the Latta amendment, the amendment that has just been passed, offered to the other two substitutes before we proceed to any other amendment?

The CHAIRMAN. That is correct.

Mr. GREEN. Then why do we not do that?

The CHAIRMAN. The problem is that the committee has not allowed the amendment to be presented.

Mr. GREEN. Again, Mr. Chairman, a parliamentary inquiry. I believe the gentleman is seeking to offer a different amendment before you have offered anyone the opportunity to offer the amendment that has just been passed on to other amendments.

The CHAIRMAN. All the Chair wants to do is to get the amendment before the committee and then there might be a ruling.

Mr. GREEN. I will reserve the point of order then.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Illinois (Mr. Simon).

The Clerk continued to read the amendment.

Mr. YATES (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read.

The CHAIRMAN. The Chair needs to hear the amendment to know which amendment it is.

Mr. YATES. I withdraw the request.

The CHAIRMAN. Will the gentleman allow this to be completed? The gentleman's rights are going to be protected, if we can just proceed in a normal fashion.

The Clerk will complete the reading.

The Clerk completed reading the amendment.

The CHAIRMAN. The Chair will say that under the rule a Member who wishes to offer an amendment identical to that which the gentleman from Illinois (Mr. Simon) offered twice before has a right to offer it before the gentleman from Illinois can offer a different amendment.

AMENDMENT OFFERED BY MR. CONTE TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA

Mr. CONTE. Mr. Chairman, I demand that I be given the privilege to offer the same amendment.

The CHAIRMAN. The gentleman has that right and he may offer the amendment.

The Clerk will read the amendment.

The Clerk read as follows:

Amendment offered by Mr. Conte to the amendment in the nature of a substitute offered by Mr. Latta: (Comprising of the text of the Simon amendment No. 15) Page , line , (relating to functional category 500) increase new budget authority for fiscal year 1983 from $26,550,000,000 to $28,218,000,000, and increase outlays for such fiscal year from $26,700,000,000 to $27,537,000,000.

Page , line , (relating to functional category 920) decrease new budget authority for fiscal year 1983 by $1,670,000,000 and decrease outlays for such fiscal year by $850,000,000.

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. ERTEL. I object.

The CHAIRMAN. Objection is heard.

The Clerk completed the reading of the amendment.

The CHAIRMAN. The gentleman from Massachusetts (Mr. Conte) will be recognized for 5 minutes, and an opponent of the amendment will be recognized for 5 minutes.

Mr. CONTE. Mr. Chairman, the hour is late. We have all heard the arguments. The good gentleman from Illinois (Mr. SIMON) made all of the arguments for my amendment.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I will be glad to yield to my good friend from Illinois.

Mr. SIMON. Yes, I will vote for the amendment offered by the gentleman from Massachusetts. But I would just point out, and the reason for offering the amendment, and I have been one on the Budget Committee who believes we should not play games, and while my friends have criticized me for trying to take $87 million out of $920 million as being unrealistic, now my friend from Massachusetts (Mr. CONTE) wants to take $737 million out of that function.

Mr. CONTE. All I can say is that if the gentleman had exerted 10 percent of the energy he did on this amendment, in the Export-Import Bank amendment, and I compliment him, he would have won on the Export-Import Bank amendment, and I am sorry that he lost on it.

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Illinois (Mr. ERLENBORN).

Mr. ERLENBORN. Mr. Chairman, let me just say this: I think the outcome of this amendment is understood by all of us. But let me explain that in the first amendment that was adopted, the gentleman from Illinois said that it would be funded or could be funded by increasing some 20 or 30 percent of the receipts of uncollected debts. That happened to be a figure of $1 billion; 20 or 30 percent would be $200 or $300 million.

The amount, however, specified in the gentleman's amendment was $668 million.

I think that this just proves that we are blowing a lot of smoke here on the floor about the figure in this amendment and I think it is only fair that we allow the same kind of smoke to be blown on this amendment for this substitute as we blew on theirs.

Mr. CONTE. The gentleman is absolutely right. The first amendment came out of the Federal employees' hides. The second amendment came out of the Federal employees' hides. And my amendment comes out of the Federal employees' hides.

Let us be honest here and let us not kid anyone.

● Mr. McGRATH. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Illinois (Mr. SIMON) and also by the gentleman from Massachusetts (Mr. CONTE). This amendment presents reasonable funding levels which will enable us to adequately maintain existing education programs.

It seems only fair that education should be subjected to reasonable and fair spending restraints, as all other programs should. However, it is very clear that further reductions in education, below the reduced levels of a year ago, are both unfair and excessive.

Access to postsecondary education for all who aspire to it must be secured through funding levels provided in this amendment for Pell grants, S.E.O.G., college work study, and the national direct student loan. The original objective of these programs was to lessen the economic inequities which exist for lower- and middle-income students who cannot afford to attend college. By reducing funds for any one of these programs we are defeating the purpose of their existence.

This amendment also maintains sufficient and necessary funding for title I—services to the educationally disadvantaged; for vocational education services; and for the Education for All Handicapped Children Act. These programs have been effective in improving the basic skills of the educationally disadvantaged.

In addition, this amendment provides indispensable funding for the Library Services and Construction Act. This has been the principal base of Federal support for libraries for 25 years. Since all of our education programs require library services, it is essential that this vital education tool be preserved.

The funding levels set forth in the pending amendment represent a realistic level of Federal support for all of these programs.

I urge my colleagues on both sides of the aisle to support this amendment.●

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. CONTE) to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. GOODLING. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 343, noes 72, not voting 17, as follows:

[Roll No. 114]

AYES—343

Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews
Anthony
Applegate
Aspin
Atkinson
AuCoin
Bafalis
Bailey (MO)
Bailey (PA)
Barnard
Barnes
Bedell
Benedict
Benjamin
Bereuter
Bevill
Biaggi
Blanchard
Bliley
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Breaux
Brinkley
Brodhead
Brooks
Brown (CA)
Brown (CO)
Brown (OH)
Burgener
Burton, Phillip
Byron
Campbell
Carman
Carney
Chappell
Chappie
Clausen
Clay
Clinger
Coats
Coelho
Coleman
Collins (IL)
Conte
Corcoran
Coughlin
Coyne, James
Coyne, William
Crockett
D'Amours
Daschle
Daub
Davis
de la Garza
Deckard
Dellums
DeNardis
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan
Dornan
Dougherty
Dowdy
Downey
Duncan
Dunn
Dwyer
Dymally
Dyson
Early
Eckart
Edgar
Edwards (CA)
Emerson
Emery
English
Erdahl
Ertel
Evans (DE)
Evans (GA)
Evans (IA)
Evans (IN)
Fary
Fascell
Fazio
Fenwick
Ferraro
Fiedler
Findley
Fish
Fithian
Flippo
Foglietta
Foley
Ford (MI)
Ford (TN)
Fountain
Fowler
Frank
Frenzel
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Ginn
Glickman
Goldwater
Gonzalez
Goodling
Gore
Gradison
Gray
Green
Gregg
Guarini
Gunderson
Hagedorn
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hance
Harkin
Hatcher
Hawkins
Heckler
Hefner
Heftel
Hendon
Hertel
Hightower
Hillis
Hollenbeck
Hopkins
Horton
Howard
Hubbard
Hughes
Hunter
Hutto
Ireland
Jacobs
Jeffords
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kastenmeier
Kazen
Kennelly
Kildee
Kogovsek
LaFalce
Lagomarsino
Lantos
Latta
Leach
LeBoutillier
Lehman
Leland
Lent
Levitas
Lewis
Long (LA)
Long (MD)
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Madigan
Markey
Marks
Marlenee
Marriott
Martin (NC)
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKinney
Mica
Mikulski
Miller (CA)
Mineta
Minish
Mitchell (MD)
Mitchell (NY)
Moakley
Moffett
Molinari
Moorhead
Morrison
Mottl
Murphy
Murtha
Myers
Napier
Natcher
Neal
Nelligan
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Oxley
Panetta
Pashayan
Patman
Patterson
Pease
Pepper
Perkins
Petri
Peyser
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Rahall
Railsback
Rangel
Ratchford
Regula
Reuss
Richmond
Rinaldo
Roberts (KS)
Roberts (SD)
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Roybal
Russo
Sabo
Santini
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schulze
Schumer
Seiberling
Sensenbrenner
Shamansky
Shannon
Sharp
Shaw
Shelby
Simon
Skeen
Skelton
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (PA)
Snowe
Solarz
Spence
St Germain
Stangeland
Stark
Stokes
Stratton
Studds
Swift
Synar
Tauke
Tauzin
Taylor
Thomas
Traxler
Trible
Udall
Vander Jagt
Vento
Volkmer
Walker
Wampler
Washington
Watkins
Waxman
Weaver
Weber (MN)
Weber (OH)
White
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wirth
Wolpe

Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (FL)
Young (MO)
Zablocki
Zeferetti

NOES—72

Archer
Badham
Beard
Beilenson
Bennett
Bethune
Broyhill
Butler
Cheney
Collins (TX)
Conable
Craig
Crane, Daniel
Crane, Philip
Daniel, Dan
Daniel, R. W.
Dannemeyer
Derwinski
Dreier
Edwards (OK)
Erlenborn
Fields
Forsythe
Gramm
Grisham
Hall, Sam
Hansen (ID)
Hansen (UT)
Hartnett
Hiler
Holt
Hoyer
Huckaby
Hyde
Jeffries
Johnston
Kemp
Kindness
Kramer
Leath
Lee
Livingston
Loeffler
Lott
Lungren
Martin (IL)
Martin (NY)
McClory
McDonald
Michel
Miller (OH)
Montgomery
Moore
Ottinger
Parris
Paul
Ritter
Rousselot
Rudd
Shumway
Shuster
Siljander
Smith (AL)
Smith (OR)
Snyder
Solomon
Staton
Stenholm
Stump
Walgren
Weiss
Wolf

NOT VOTING—17

Annunzio
Bingham
Boggs
Broomfield
Burton, John
Chisholm
Conyers
Courter
Edwards (AL)
Florio
Holland
Mattox
Mollohan
Rhodes
Rosenthal
Stanton
Young (AK)

☐ 2350

Mrs. HOLT, Mr. HYDE, and Mr. WOLF changed their vote from "aye" to "no."

Ms. MIKULSKI, Ms. OAKAR, and Mr. DORNAN of California changed their vote from "no" to "aye."

So the amendment to the Latta amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

PARLIAMENTARY INQUIRY

Mr. KAZEN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. KAZEN. Mr. Chairman, we are in this amending process and we are going to be here, I understand, for quite some time.

Can the Chair enlighten me as to how long we will be going on this evening?

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. KAZEN. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. We would hope to get up to as far as we can tonight, through the health function, if at all possible. Most of the authors who I have talked to are willing to have a severe limitation of debate. I think we can move right along. If we can make that progress tonight, we could come in at 10 o'clock tomorrow and I think we could finish at a reasonable hour because the last major chunk of amendments would be on the COLA's and I thing all of us would like to get out of here as soon as possible tomorrow.

I would like to proceed ahead tonight and I think in another hour we can complete most of the business before us tonight.

Mr. KAZEN. So, at the time we adjourn tonight we will be in at 10 o'clock in the morning?

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. KAZEN. I yield to the gentleman from Texas.

Mr. WRIGHT. The gentleman is correct. I had announced earlier that I would expect when going back into the House to ask unanimous consent to come in at 8 in the morning. A great number of Members have come to me and explained to me this would impose a considerable personal hardship upon them and they would be constrained to object.

I am just reporting to the Members that I think may be it would. In some cases some fellows have a long way to drive home and it would not give them enough time to get any rest. So, we would come back in at 10 as originally planned.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. KAZEN. I yield to the gentleman from Indiana.

Mr. MYERS. At other times we have clustered votes but recognizing we will be getting home late tonight, the committee can be here and maybe we might limit the debate by waiting to 10, come in at 8 and debate two or three and cluster them at 10.

Why can we not do that and dismiss some of the amendments?

Mr. SIMON. Mr. Chairman, I would like to withdraw the next amendment, No. 16.

The CHAIRMAN. Does the gentleman from New York (Mr. OTTINGER) desire to offer his amendment No. 17?

Mr. OTTINGER. I do, Mr. Chairman.

The CHAIRMAN. Will he indicate to what substitutes he wishes to offer it?

AMENDMENTS OFFERED BY MR. OTTINGER TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA, THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OKLAHOMA, AND THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ASPIN

Mr. OTTINGER. Mr. Chairman, I offer amendments, and I ask unanimous consent to offer the amendments to the three substitutes at the same time with the figures indicated in the amendments at the desk.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. WALKER. Mr. Chairman, reserving the right to object, to remind the gentleman last night when the debate was going on another Member made a unanimous-consent request. The gentleman felt constrained to object at that time and I must say that based on that I feel constrained to object.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. I recognize the gentleman would perhaps prefer to object. I am going to ask the gentleman if he would limit his debate to 10 minutes, evenly divided. I intend to oppose the gentleman's amendment and I would hope the gentleman would not object to the unanimous consent request.

Mr. WALKER. Reserving the right to object, in deference to the committee chairman, but reminding the gentleman of his objection last evening, I will withdraw my reservation of objection.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Clerk will read the amendments.

The Clerk read as follows:

Amendments offered by Mr. OTTINGER to the amendment in the nature of a substitute offered by Mr. LATTA, the amendment in the nature of a substitute offered by Mr. JONES of Oklahoma, and the amendment in the nature of a substitute offered by Mr. ASPIN: In matters concerning function 500:

Increase Budget Authority for fiscal year 1983 by $232,000,000.

Increase Outlays for fiscal year 1983 by $463,000,000.

Increase Budget Authority for fiscal year 1984 by $0.

Increase Outlays for fiscal year 1984 by $0.

Increase Budget Authority for fiscal year 1985 by $0.

Increase Outlays for fiscal year 1985 by $0.

Increase aggregate Budget Authority for fiscal year 1983 by $232,000,000.

Increase aggregate Outlays for fiscal year 1983 by $463,000,000.

Increase aggregate revenues for fiscal year 1983 by $232,000,000.

Increase aggregate level by which revenues should be increased for fiscal year 1983 by $463,000,000.

In matters concerning function 500:

Increase Budget Authority in fiscal year 1983 by $550,000,000.

Increase Outlays for fiscal year 1983 by $450,000,000.

Increase Budget Authority for fiscal year 1984 by $1,950,000,000.

Increase Outlays for fiscal year 1984 by $1,250,000,000.

Increase Budget Authority for fiscal year 1985 by $3,550,000,000.

Increase Outlays for fiscal year 1985 by $2,600,000,000.

Increase aggregate Budget Authority for fiscal year 1983 by $550,000,000.

Increase aggregate Outlays for fiscal year 1983 by $450,000,000.

Increase aggregate revenues for fiscal year 1983 by $450,000,000.

Increase aggregate level by which revenues should be increased for fiscal year 1983 by $450,000,000.

Increase aggregate Budget Authority for fiscal year 1984 by $1,950,000,000.

Increase aggregate Outlays for fiscal year 1984 by $1,250,000,000.

Increase aggregate revenues for fiscal year 1984 by $1,250,000,000.

Increase aggregate level by which revenues should be increased in fiscal year 1984 by $1,250,000,000.

Increase aggregate Budget Authority for fiscal year 1985 by $3,550,000,000.

Increase aggregate Outlays for fiscal year 1985 by $2,600,000,000.

Increase aggregate revenues for fiscal year 1985 by $2,600,000,000.

Increase aggregate level by which revenues should be increased in fiscal year 1985 by $2,600,000,000.

In matters concerning function 500:

Increase Budget Authority by $1,200,000,000 for fiscal year 1983.

Increase Outlays by $1,200,000,000 for fiscal year 1983.

Increase the Budget Authority level for fiscal year 1984 by $2,700,000,000.

Increase the outlays level for fiscal year 1984 by $2,750,000,000.

Increase the Budget Authority level for fiscal year 1985 by $4,350,000,000.

Increase the outlays level for fiscal year 1985 by $4,300,000,000.

Increase aggregate Budget Authority for fiscal year 1983 by $1,200,000,000.

Increase aggregate Outlays for fiscal year 1983 by $1,200,000,000.

Increase the aggregate revenue level for fiscal year 1983 by $1,200,000,000.

Increase the aggregate level by which revenues should be increased in fiscal year 1983 by $1,200,000,000.

Increase the aggregate Budget Authority for fiscal year 1984 by $2,700,000,000.

Increase the aggregate Outlays for fiscal year 1984 by $2,750,000,000.

Increase the aggregate revenue level for fiscal year 1984 by $2,750,000,000.

Increase the aggregate level by which revenues should be increased in fiscal year 1984 by $2,750,000,000.

Increase the aggregate Budget Authority for fiscal year 1985 by $4,350,000,000.

Increase the aggregate outlays for fiscal year 1985 by $4,300,000,000.

Increase the aggregate revenue level for fiscal year 1985 by $4,300,000,000.

Increase the aggregate level by which revenues should be increased in fiscal year 1985 by $4,300,000,000.

□ 2400

The CHAIRMAN. The Chair would like to make it clear that the unanimous consent request includes the modification of the gentleman's amendments which he wishes to offer to all three substitutes at the same time, en bloc, and to dispense with reading.

Now, is there objection to that unanimous consent request?

There was no objection.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I would be glad to yield to the chairman of the Budget Committee.

Mr. JONES of Oklahoma. Mr. Chairman, as I stated, I spoke to the author of this amendment and he has no objection to a unanimous consent request that I would make to limit all debate on the gentleman's amendment to 10 minutes, divided 5 minutes to the gentleman from New York and 5 minutes to the gentleman from Ohio and myself.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. OTTINGER. Mr. Chairman, the intent of these amendments is to restore function 500, not just the functions which the gentleman from Illinois sought to target, but all the functions, including the Older Americans Act, the Job Training Act, and the Vocational Rehabilitation Training Act to their current policy level.

Unfortunately, I would like to point out, frankly, to the House that they know what the situation is. The amendments as they are worded would carry the functions above that level because the amendments were to the original Jones and Aspin and Latta figures.

I was unable in time to make the appropriate adjustments.

They also are different from the Simon amendment in that they raise the revenue figures enough to pay for it so it is revenue neutral.

I think that even though the amendments as they are at the desk exceed the current policy budget, they are justified; but I would hope that in keeping with my intent that the committee would when it got to conference, if this amendment passes, adjust them to the level I had originally intended, which was at the current policy level.

What that means is that these programs for job training and for education and the Older Americans Act would continue to operate only at the level that they are presently operating with the appropriate adjustments for inflation.

The fact of the matter is that the cuts that we made last year were really serious in these areas.

In my own district, for instance, overall title XX services, which include child abuse prevention, senior centers, foster care, and day care, were cut by 25 percent last year. That has meant in my area that we cannot get transportation for seniors to their centers. It means that a number of day care centers would have to close, which means that people who were involved in jobs are now going to have to be on welfare.

Aid for the educationally disadvantaged, the student financial aid programs were reduced by approximately one-tenth, vocational education funding 16 percent; public service employment funding 70 percent below fiscal year 1981 levels; summer jobs for youth were cut by 20 percent.

What this really says is that we should not merely restore that terrible result, and below that terrible result, as the gentleman from Illinois (Mr. SIMON) was successful in doing. We ought to at least keep the current policy level.

My amendment as actually introduced would slightly go to restore those cuts that were made and I would urge adoption of the amendment.

Mr. LATTA. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would like to point out something about the Ottinger amendment that I did not hear discussed; that is that the gentleman does call for some substantial tax increases in all 3 years.

I see the gentleman at the table. Maybe he would like to explain that.

Mr. OTTINGER. Well, Mr. Chairman, I do not see any tax increases at all here. What I have proposed that we do is repeal some of the draconian tax cuts that were made last year. People keep referring to that as if they were tax increases, but we reduced taxes last year for the wealthiest in our society. We reduced corporate taxes to zero over 5 years. Now we are trying to eliminate some of those tax cuts and people are yelling that we are increasing taxes. That is nonesense.

Mr. LATTA. Well, I refuse to yield further.

Let me read from the gentleman's own amendment, in the CONGRESSIONAL RECORD at page 11203 his amendment says: "Increase the aggregate revenue level for fiscal year 1983 by $1 billion $200 million."

Skipping down a little further, "Increase the aggregate revenue for fiscal year 1984 by $2 billion $750 million."

Skipping down a little further to 1985, "Increase the aggregate revenue level for fiscal year 1985 by $4 billion $300 million."

This is the gentleman's amendment.

Mr. OTTINGER. Mr. Chairman, would the gentleman yield?

Mr. LATTA. I would be happy to.

Mr. OTTINGER. If I really had my druthers, I would cancel at least the third year of that tax cut from last year and restore the economic confidence of this country.

Mr. LATTA. I refuse to yield further. I thought maybe the gentleman was going to say that this was a printing error or something, but it is in his amendment.

Certainly the House is going to turn down the amendment. The chairman of the committee has already spoken to it that he is not in favor of it and we are not in favor of it, either.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I would be happy to yield.

Mr. HAWKINS. Mr. Chairman, I simply wanted to seek a clarification of the record.

Yesterday the gentleman said in the debate on page 11690, quoting the gentleman:

"We spend $107 million more on CETA"—referring I assume to the committee budget.

The gentleman further said, "In manpower training we provide $3 billion $207 million as opposed to the House Budget Committee's $3 billion $100 million."

It is my understanding that the Budget Committee's amount is $4.15 billion and yet the gentleman refers to this as if in the manpower training the gentleman's proposal is above that of the committee's budget.

I think the gentleman made a correction today, but which statement stands? Does the statement of yesterday stand or is it true that the gentleman's proposal would advocate $3.2 billion as opposed to the $4.15 billion in the Jones budget?

I think there should be some clarification, because two different statements stand in the record.

Now, which is true?

Mr. LATTA. Well, may I respond to the gentleman.

The figure that we have for manpower training in our proposal is $3,207 million.

Mr. HAWKINS. Well, is it true then that the gentleman's statement of yesterday that the gentleman spends actually $107 million more than the Jones budget is incorrect? Does the gentleman concede that that is incorrect?

□ 0010

Mr. LATTA. I do not know where the gentleman is coming from.

Mr. HAWKINS. It is not where I am coming from; it is where the gentleman is coming from.

Is the gentleman stating in his proposal that he is spending more for training than under the committee or the so-called Jones budget resolution?

Mr. LATTA. On manpower training under the House Budget Committee resolution as it came out of the House, $3,100 million.

Mr. HAWKINS. Well, that is in the gentleman's proposal.

Mr. LATTA. No. As I mentioned to the gentleman, under our proposal it is $3,207 million, for an increase of $107 million.

The CHAIRMAN. The time of the gentleman has expired.

Mr. OTTINGER. Mr. Chairman, I ask unanimous consent to proceed for 1 minute.

The CHAIRMAN. The Chair was about to announce that the Chair was in error.

The gentleman has a minute and a half remaining.

Mr. OTTINGER. Mr. Chairman, I just need this time to advise the Committee that the excellent staff of the Budget Committee was faster than I gave them credit for; that the figures at the desk, I am informed—the Chair might want to correct me—are in fact corrected. So it is the current policy level reflected in the figures of the amendment actually offered and at the desk.

So there should be no confusion, that is what the amendment does. It is not above those levels, as I had indicated previously.

The CHAIRMAN. The question is on the amendments offered by the gentleman from New York (Mr. Ottinger), to the amendment in the nature of a substitute offfered by the gentleman from Ohio (Mr. Latta), the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. Jones), and the amendment in the nature of a substitute offered by the gentleman from Wisconsin (Mr. Aspin).

The amendments to the Latta amendment in the nature of a substitute, the Jones amendment in the nature of a substitute, and the Aspin amendment in the nature of a substitute were rejected.

The CHAIRMAN. The next amendment in order is the amendment offered by Representative Waxman.

Mr. JONES of Oklahoma. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do want to correct the record at this point. As I understand it, in the Congressional Record yesterday the gentleman from Ohio stated that under the training function in the committee resolution, it was $3.1 billion. The actual budget authority for fiscal year 1983 in the training component is $4.15 billion, and in outlays, $4.1 billion.

I just want the record to be correct.

The CHAIRMAN. Does the gentleman from California (Mr. Waxman) desire to offer his amendment?

AMENDMENT OFFERED BY MR. WAXMAN TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OKLAHOMA

Mr. WAXMAN. Mr. Chairman, I offer an amendment, I believe it is No. 18, on biomedical research, to the amendment in the nature of a substitute offered by Mr. Jones of Oklahoma.

The Clerk read as follows:

Amendment offered by Mr. Waxman to the amendment in the nature of a substitute offered by Mr. Jones of Oklahoma: Page 12, line 10, increase the level of Federal revenues for fiscal year 1983 by $135,218,000, and, on page 12, line 12, increase the net amount by which the aggregate level of Federal revenues for such fiscal year should be increased by $138,218,000.

Page 12, line 14, increase the level of total new budget authority for fiscal year 1983 by $247,309,000.

Page 12, line 16, increase the level of total budget outlays for fiscal year 1983 by $138,218,000.

Page 14, line 16, (relating to functional category 550) increase new budget authority for fiscal year 1983 by $247,309,000, and on page 14, line 17, increase budget outlays for such fiscal year by $135,218,000.

Page 22, line 4, increase the level of Federal revenues for fiscal year 1984 by $367,109,000, and, on page 22, line 5, increase the level of Federal revenues for fiscal year 1985 by $623,568,000, and on page 22, line 8, increase the net amount by which the aggregate level of Federal revenues for fiscal year 1984 should be increased by $367,109,000, and on page 22, line 9, increase the net amount by which the aggregate level of Federal revenues for fiscal year 1985 should be increased by $623,568,000.

Page 22, line 12, increase the level of total new budget authority for fiscal year 1984 by $501,183,000, and on page 22, line 13, increase the level of total new budget authority for fiscal year 1985 by $766,290,000.

Page 22, line 15, increase the level of total budget outlays for fiscal year 1984 by $367,109,000, and on page 22, line 16, increase the level of total budget outlays for fiscal year 1985 by $623,568,000.

Page 27, line 5 (relating to functional category 550), increase new budget authority for fiscal year 1984 by $501,183,000, and on page 27, line 6, increase budget outlays for such fiscal year by $367,109,000, and on page 27, line 9, (relating to functional category 550) increase new budget authority for fiscal year 1985 by $766,290,000, and on page 27, line 10, increase budget outlays for such fiscal year by $623,568,000.

Page 35, line 1 (relating to reconciliation instructions to the House Committee on Ways and Means), increase the amount by which revenues are to be increased for fiscal year 1983 by $135,218,000; and at page 35, line 4, increase the amount of additional revenues required for fiscal year 1984 by $367,109,000; and, at page 35, line 5, increase the amount of additional revenues required for fiscal year 1985 by $623,568,000.

Page 35, line 21 (relating to reconciliation instructions to the Senate Committee on Finance), increase the amount by which revenues are to be increased for fiscal year 1983 by $135,218,000; and at page 36, line 1, increase the amount of additional revenues required for fiscal year 1984 by $367,108,000; and, at page 36, line 2, increase the amount of additional revenues required for fiscal year 1985 by $623,568,000.

Mr. WAXMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. FRENZEL. Mr. Chairman, reserving the right to object, it is noisy and it is confusing. We had some problems with previous amendments.

Continuing my reservation, I would ask the gentleman from California which amendment he intends to offer, and if necessary, we can save the time by not reading it, but we do want to know what you are doing.

I yield to the gentleman from California.

Mr. WAXMAN. We now have before us amendment No. 18, which is to the Jones proposal, dealing with restoring funds for biomedical research in the health discretionary program.

Mr. FRENZEL. Further reserving the right to object, this amends the

Jones substitute only, or the Jones version only?

Mr. WAXMAN. That is correct.

Mr. FRENZEL. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California, Mr. Waxman?

Mr. CONTE. Mr. Chairman, reserving the right to object, I would like to ask my good friend from California, since I am all for his amendment, whether he intends to offer the amendment to restore funds for medicare?

Mr. WAXMAN. That will be the next amendment. I will have something to say about that in a minute.

Mr. CONTE. No. I ask you now. Do you intend to offer it?

Mr. WAXMAN. No, I do not.

Mr. CONTE. Well, I may change my mind, then.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mrs. ROUKEMA. Mr. Chairman, reserving the right to object, I would ask the gentleman from California what caused him to change his mind since yesterday when we had our colloquy as recorded in the Record concerning this very vital issue of the gentleman's medicare recommendation, which he indicated at that time he was prepared to address to all three substitutes, including the Latta substitute?

Mr. WAXMAN. Will the gentlewoman yield to me?

The CHAIRMAN. Is there objection?

Mrs. ROUKEMA. Reserving the right to object——

The CHAIRMAN. Regular order does not include the reservation to object.

Is there objection to the request of the gentleman from California?

Mr. CONTE. I object.

The CHAIRMAN. Objection is heard. The Clerk will read.

The Clerk continued the reading of the amendment.

Mr. GRAMM (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

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Mr. WAXMAN. Mr. Chairman, this amendment would increase funding in the Jones substitute.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I will be pleased to yield.

Mr. JONES of Oklahoma. Mr. Chairman, I have discussed this amendment with the author, also, in an effort to try to move along as rapidly as possible. He has no objection to a unanimous-consent request to limit debate to 10 minutes on this amendment.

Mr. Chairman, I would make that unanimous-consent request, to be evenly divided and controlled. I do intend to oppose the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. Waxman) for 5 minutes.

Mr. WAXMAN. Mr. Chairman, this amendment would increase funding in the Jones substitute for biomedical research by $247 million in fiscal year 1983, $501 million in fiscal year 1984, and $766 million in fiscal year 1985. This increase in funding for our vital biomedical research efforts would be offset by a corresponding increase in revenues, so that there would be no further increase in the deficit.

While the Jones substitute recognizes the need for adequate funding for biomedical research and other discretionary health programs, it does not go far enough. First, a freeze level for discretionary health programs is established. This freeze level essentially represents fiscal year 1982 funding. Then, amounts are added back: $150 million in fiscal year 1983, $300 million in fiscal year 1984, and $350 million in fiscal year 1985.

While these amounts will certainly help, they do not provide sufficient funds for both biomedical research and targeted increases in needed public health programs. My amendment would restore sufficient funds to allow research at the National Institutes of Health to be funded at CBO baseline levels, which would permit a continuation of current research efforts. This, in turn, would free up the add-back amounts to the Jones substitute for targeted increases in other discretionary health programs, such as childhood immunizations, nurse training, tuberculosis control, venereal disease prevention, and maternal and child health.

Let me give you some examples of what these trade-offs are all about. The childhood immunizations program can be adequately funded only if arthritis research is cut. Or new awards can be made for research at the National Cancer Institute only if funds for such programs as nurse training are reduced.

My amendment does not eliminate all trade-offs, because it does not restore all discretionary health programs to the CBO baseline level. But my amendment would make the zero-sum game less dangerous for children and research alike.

If the funding levels in the Jones substitute are left intact, the Appropriations Committee would have no choice but to pit NIH against other discretionary health programs. My amendment would extricate the Appropriations Committee from this dilemma. It would allow them to maintain biomedical research efforts at current levels and at the same time provide small increases in funding from the freeze levels for particular programs.

I urge your support for this amendment.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I will be pleased to yield to the distinguished ranking member of our subcommittee, the gentleman from Illinois.

Mr. MADIGAN. I thank the gentleman for yielding.

Mr. Chairman, if the gentleman does not intend to offer his next two amendments, but does intend to drop them, when does he intend to discuss them?

Mr. WAXMAN. At the appropriate time after we have completed this amendment, I will seek to strike the last word to make other comments that may be of interest to Members.

PARLIAMENTARY INQUIRY

Mr. MADIGAN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MADIGAN. Is the procedure that has just been suggested by the gentleman from California one that would be in order?

The CHAIRMAN. The Chair will entertain pro forma amendments between amendments.

Mr. MADIGAN. Further pursuing my parliamentary inquiry, Mr. Chairman, how would the gentleman from California be able to be recognized to speak in behalf of something that he says he is not going to offer?

The CHAIRMAN. Between amendments, no amendment is pending. That is why a pro forma amendment presumably to one of the substitutes will be allowed. It provides an opportunity for discussion between amendments.

Mr. MADIGAN. I understand. Thank you, Mr. Chairman.

Would the gentleman from California yield then on the pending amendment?

Mr. WAXMAN. Certainly, I will be pleased to yield.

Mr. MADIGAN. Is it my understanding that the Jones budget proposal actually proposes funding levels for NIH that are below the levels requested by the President?

Mr. WAXMAN. That is not my understanding. It is roughly equivalent.

Mr. MADIGAN. It is roughly equivalent?

Mr. WAXMAN. That is correct.

Mr. MADIGAN. And then the gentleman from California proposes to go

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above the President's request by some $1.15 billion over the next 3 fiscal years?

Mr. WAXMAN. That is correct.

Mr. MADIGAN. I thank the gentleman.

The CHAIRMAN. The gentleman has consumed 3½ minutes.

Mr. WAXMAN. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The Chair feels that he should recognize the gentleman from Ohio unless he wishes someone else to be recognized.

The gentleman from Oklahoma is on his feet, but the Chair feels that he should recognize the minority.

Mr. LATTA. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts (Mr. Conte).

Mr. CONTE. Mr. Chairman, I want to join the gentleman from California. What he is doing is bringing the budget up to about what President Reagan asked for for biomedical research. However, at the same time, I must say that I am very disappointed in the gentleman from California when he states that he will not offer his medicare amendment.

I am willing to admit to the House that maybe I was not as observant as the gentleman from California, (Mr. Waxman) to get my amendment in by 12 o'clock noon on Wednesday. Had I thought, and had I been as observant and smart and intelligent as he is, in trying to protect older Americans I would have had that amendment printed in the Record. I think he owes it to the older Americans to at least offer the amendment and let us vote on it. Otherwise it is a sham.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I would be happy to yield.

Mr. JONES of Oklahoma. I thank the gentleman for yielding.

I reluctantly rise in opposition to the gentleman from California and his amendment. The committee recommendation in the resolution already has given sufficient funds to allow for an increase of $150 million in 1983, $300 million in 1984, and $350 million in 1985 above the freeze level for discretionary health programs.

In the committee resolution, biomedical research is about the same as the President's. It is equal to the President's budget. I think, if we look at the biomedical research in the past, it has been protected from budget reductions both in this year's committee resolution and in past year's budgets. In fact, biomedical research funding in the Federal budget has steadily increased during recent years, while other health programs have been reduced, so I think that this amendment, while well intentioned, should not be approved, and I hope the body will oppose it.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, is it the gentleman's understanding, to clarify this, that the Waxman amendment will add another $1 billion of taxes to the $148 billion of taxes already in the Jones proposal?

Mr. LATTA. Over the 3 years.

Mr. WALKER. I thank the gentleman.

Mr. WAXMAN. Mr. Chairman, I wish to speak further on my amendment in the time I have reserved.

I want to point out what the Jones budget does in funding NIH at the levels of fiscal year 1982, plus $100 million. This assumes the additional $50 million for discretionary programs is allocated to meet the small increases in the other programs. This will require a 20-percent cut in new research projects from 5,000 to 4,100.

This will destroy many established project laboratories at universities all across the Nation. It will mean an arbitrary 10-percent cut in previously negotiated overhead to research institutions. This may lead to institutions limiting NIH applications submitted by their faculty. It will mean a 10-percent reduction in the number of research training awards and this will permanently reduce the Nation's research infrastructure. Once a young scientist leaves research, he or she will never return. Researchers are at their most productive early in their careers. We will lose forever those imaginative years that may produce a cure for cancer or prevention of heart disease. I urge a vote in favor of the amendment.

Mr. LATTA. Mr. Chairman, I yield myself 30 seconds.

Let me say that this amendment just proves again that you cannot put enough money in some of these programs to satisfy everyone. Try to get a little balance around here, and certainly in this case when I can get my chairman to agree that we do not need this money, I think we ought to vote because we are with him and he is with us.

Mrs. ROUKEMA. Mr. Chairman, I rise to register a strong protest of the decision by Congressman Waxman to withhold his amendment. His amendment makes reasonable and fair adjustments to the medicare budget within the Latta substitute. He has candidly admitted that the withdrawal of his amendment is done for political, partisan purposes. Under the rule, this represents the elimination of a good faith amendment on medicare—an amendment that many of us agree would be the responsible method for perfecting the Latta substitute.

And why? In his own words, Congressman Waxman admitted he is withdrawing his amendment for partisan purposes, stating that he did not want it to become "the engine that drives the (Republican) budget."

It is, to put it quite simply, politics as usual. The withdrawal of the Waxman amendment on medicare is regrettable political maneuver. Our objective here should be the adoption of a budget resolution to establish a realistic and fair framework for the authorizing and appropriating committees—a framework that will enable them to set spending targets and reduce the deficit.

I am well aware of the explosive growth in the medicare program that has occurred in the last few years. Clearly, this is a problem which must be addressed. However, in my opinion, savings of the magnitude currently specified in the Latta substitute—$4.8 billion this year—cannot be accomplished in 1 year without substantial out-of-pocket costs of medicare recipients. It should be noted that the medicare reductions in the Michel-Latta plan are approximately $6 billion higher than the President's own budget proposal—$17.7 over 3 years in the administration plan; $23.3 billion over the 3 years in the Michel-Latta. The savings proposed through administrative reforms and major legislative changes in hospital and doctor reimbursement assumed under the Latta substitute [illegible] highly questionable because of the lead time necessary to adopt and implement these changes; and second, because they grossly overestimate credible 1-year savings. For example, it is assumed that a new hospital reimbursement system, called the prospective payment program, will achieve a 3-year savings of $12.3 billion—or 53 percent of the savings assumed under the present Latta proposal. However, the American Hospital Association, which supports prospective payments, has concluded that, based upon reasonable estimates as to admissions reductions, and increases in costs, only $1 billion at most in fiscal year 1983 savings could be achieved, with slightly larger increases in the following 2 years. The AARP estimates that the 3-year saving would be, at the maximum, between $2.25 and $2.5 billion. No one can foretell an exact amount of savings, but the disparity among the various estimates is too great, and casts serious doubts concerning viability of the program changes assumed in the Latta substitute.

The President has justifiably deplored the fact that these issues so vital to our senior citizens, the most vulnerable members of our society, be the focus of politicization of the budget process. And I deplore the fact that this issue was raised in the 11th hour of our own Republican budget deliberations, with little time to refine or constructively discuss the larger question of necessary reforms of health care inflation. This invites scapegoating which is all-too-common in the political arena during a national budget debate that is being conducted within 6 months of the general election.

However, the assumptions in the Latta substitute concerning reform legislation and out-of-pocket expenses require a leap of faith that I do not think we should be asked to make at this time.

If we agree to these assumptions in medicare savings, we will wind up either abandoning the budget targets—thus undermining the credibility of the budget process—or force, under reconciliation, reductions that will require greater cost sharing by senior citizens. The effect of the proposed reductions in the Latta substitute will undoubtedly be to require an increased share of health care payments by the segment of our society most in need of care and least able to afford it.

Let me emphasize that the Waxman amendment, had it been introduced, would not have increased the proposed budget deficit. It would have required that the elimination of $3.2 billion of the assumed savings in medicare would be offset by an equal increase in revenue. It is imperative, if we are going to reduce the savings assumed in one part of the budget, we must make up for it in another part to avoid a higher deficit. It is important to note that had the amendment been offered, the resulting $24.5 billion increase in revenues in fiscal year 1983 would still have been $7.2 billion below the amount assumed under the committee budget and $6.3 billion below the amount in the Aspin alternative.

Mr. Chairman, there is no question but that some of the savings proposed by the committee and also assumed within the Latta substitute are necessary in order to give initial incentive for basic reforms aimed at reducing health care cost inflation. However, there are several assumptions in the Latta substitute that would specifically increase the out-of-pocket expenses for medicare recipients. These include assumptions for indexing the part B deductible, home health care copayments, and indexing the part B premium. Even if these steps are not specifically enacted later this year, it is clear that in order to save $23 billion over 3 years a good portion of the savings will have to be shifted to the recipients.

If we now allow the Latta medicare cuts to stand without amendment, we should first consider a few facts. In 1970, 16.8 percent of a senior's income went to health care. In 1980, that number had increased to 19.1 percent. Acceptance of the Latta medicare reductions, as is, would obviously accelerate that trend at a time when senior income has not kept pace with years of double-digit inflation in health care costs.

Presently medicare covers merely one-third of the average health care costs for Americans over age 65. The proposal to increase copayment at this time—coming close upon increased medicare copayments last year—would, in my opinion, have a devastating effect. Not only would medicare cover less of a percentage of total costs, but these major reductions would come at a time when seniors are particularly vulnerable to rising costs in the portions that are not covered by medicare.

There are those who correctly argue that reductions are needed to help bring down soaring overall health-care costs. By doing so, they say, health consumers will be more discriminating about when they go to a doctor and what services they use. However, this puts the cart before the horse.

The burden of rising health care cost should not be used to penalize older medicare recipients. If we look at the 18.7 percent rise in hospital costs last year—and we note that hospital payments account for approximately two-thirds of the total cost of the medicare program—we can see where a large part of the problem lies.

Rather, we must begin with a realistic first-year savings to set in motion through the authorizing committees cost-saving legislation that will provide, through more competitive options, increased use of prospective reimbursements and other savings. In the absence of sound legislative initiatives, let us not penalize those members of society ill prepared to handle this second costly shock to their medical expenses.

Mr. WAXMAN's actions have now deprived the House of the opportunity to draft an intelligent and credible approach to this sensitive and thorny problem. Rather, he insists on playing politics and scapegoating this issue.

Mr. Chairman, at this critical time, the American people demand accountability and responsible legislation to turn this economy around. The actions here tonight represent a giant step backward in that effort.

□ 0030

The CHAIRMAN. The Chair will inquire, do the gentlemen yield back their time?

Mr. LATTA. Mr. Chairman, I yield back the balance of my time.

Mr. WAXMAN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. WAXMAN) to the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. JONES).

The amendment to the Jones amendment in the nature of a substitute was rejected.

The CHAIRMAN. The Chair will inquire, for what purpose does the gentleman from California (Mr. WAXMAN) rise?

Mr. WAXMAN. Mr. Chairman, I seek recognition to offer a pro forma amendment, and I move to strike the requisite number of words.

Mrs. ROUKEMA. Mr. Chairman, I reserve the right to object.

The CHAIRMAN. The Chair will state that there is no reservation at this point.

The gentleman from California (Mr. WAXMAN) is recognized for 5 minutes.

Mr. WAXMAN. Mr. Chairman, I want to take this opportunity to speak out against the Latta substitute's devastation of the medicare program. The Republican budget proposal before us is perverse to the core. It reflects the values of an administration ignorant of health care costs, indifferent to human suffering, and incapable of mastering the challenge of the Federal budget process. The Latta budget is grotesque in its indulgence of what President Eisenhower called the "military-industrial complex." Its incoherent schedule of tax cuts, appropriations, and deficits reflects a confusing combination of special favors for corporations and top-income taxpayers.

It has become clear today the Republicans have made a serious—and hopefully fatal—mistake in putting together their budget. That budget proposes devastating cuts in the medicare program amounting to $23.3 billion over the next 3 years—cuts that can only be achieved by shifting costs to beneficiaries and by slashing provider payment rates.

As Members on the other side of the aisle have come to understand this, the Republican leadership has become more and more interested in my amendment to restore most of their ill-conceived medicare cuts. I would note that none of the Republicans offered any amendments to restore any of these cuts. I suspect that, at this point, more than a few of them wish that they had.

It is clear to me that, without a restoration of most of the medicare cuts, the Republicans may not—and indeed should not—find the necessary votes within their own ranks to pass their antielderly budget.

I will not help them. I do not feel that the way to defend medicare is to fuel the passage of the Latta amendment tonight. We cannot save people's health care at the expense of their food, their housing, and their environments.

I have, therefore, decided not to offer either of my medicare amendments, since I realize that the Latta proposal may pass, in order to protect the medicaid and medicare program.

I have been assured that, regardless of the reconciliation instructions that are ultimately adopted by the House and the Senate, the Democrats will not report out any legislation that will cut medicare or medicaid below the levels of the Jones substitute as that substitute would have been changed by my amendment. Under this agreement, medicare cuts will not exceed $1.4 billion in fiscal year 1983, $2.55 billion in fiscal year 1984, and $2.95 billion in fiscal year 1985. Medicaid cuts will not exceed $59 million in fiscal year 1983, $69 million in fiscal year 1984, and $77 million in fiscal year 1985. Our Democratic leadership including the chairman of the Budget Committee, the chairman of the Ways and Means Committee, and the chairman of the Committee on Energy and Commerce have all given me assurances that the Ways and Means and Budget Committees will not report out to the floor any medicare or medicaid cuts above those levels.

Let me not be misunderstood. By withdrawing these amendments to restore medicare cuts, neither I nor my colleagues are supporting the slashes that the Michel/Latta substitute proposes. The most severe reductions that the Ways and Means and Budget Committee chairmen have agreed they will report to the House floor are the cuts that would remain if my restorations were added to the levels in the Jones substitute. In particular, the savings attributable to the working aged and delay in eligibility proposals will not be included in any Democratic recommendation to the House in any savings or reconciliation bill.

The only way for the President's cuts to be enacted into law will be for congresional Republicans to go before the Congress with the full spotlight of public attention on them and to flatly propose the decimation of the medicare program. I doubt if they would be willing to do this. They want to conceal from the public the unpopular medicare cut in the myriad of details surrounding the technical and often incomprehensible budget process. They do not want to go before the American people and say "We want to raise the medicare deductible. By X we want to increase the copayments. We want to increase the premiums by Z and there are already dozens of essential health services not covered by medicare. We want to double the number of items of medical necessities for which medicare does not pay a cent."

If the Republicans want to launch a national debate on medicare, I predict the following:

Many of their own members will disassociate themselves from the President and the party's congressional leadership.

They will find massive resistance from many of their constituents—including Republican constituents who are staunchly conservative on most other issues.

They will be shocked to find that the supporters of medicare are not made up of primarily medicare beneficiaries. Since its inception, the program has always enjoyed broad public support in both parties and in every region.

They will find themselves confronted by hoards of infuriated health professionals, hospital administrators, and State and local health officials who will have one simple message: "The elderly cannot live with your cuts."

The Democrats will never be part to such abuse of the Federal Government's commitment to the elderly.

I urge my colleagues to vote against Michel-Latta.

The CHAIRMAN. The time of the gentleman from California (Mr. Waxman) has expired.

Mr. WAXMAN. Mr. Chairman, I ask unanimous consent that I may be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. CONTE. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from Massachusetts (Mr. Conte) is recognized for 5 minutes.

Mr. CONTE. Mr. Chairman, I am very disappointed in the chairman of the Subcommittee on Health of the Committee on Energy and Foreign Commerce, the gentleman from California (Mr. Waxman), with whom I have worked very closely, since I am on the Appropriations Committee and he is on the Authorization Committee.

First of all, let me say to the gentleman from California (Mr. Waxman) that I am very disappointed that you offered the amendment on biomedical research to increase it and I stood up here and I said I also favor that amendment and you did not even stand for a rollcall. I just wonder what you are trying to to do. If you really believed in it, I ask you, why did you not get up and say you wanted a rollcall?

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. Yes; I will be glad to yield to the gentleman from California.

Mr. WAXMAN. We took a vote.

Mr. CONTE. It was a voice vote.

Mr. WAXMAN. The amendment was defeated, and it is late in the evening.

Mr. CONTE. Oh, no, not when you are talking about biomedical research.

Mr. WAXMAN. There are more votes on your side of the aisle against than I heard from ours on biomedical.

The CHAIRMAN. The Chair will remind the gentleman that the gentleman from Massachusetts (Mr. Conte) has the time.

Mr. WAXMAN. I am sorry, Mr. Chairman.

Mr. CONTE. I feel that if you felt as strongly as I do about biomedical research, you would have demand a rollcall.

Mr. WAXMAN. Mr. Chairman, if the gentleman will yield, it seems to me that you had the same opportunity as any other Member. You could have asked for a rollcall if you determined that the vote would have been different.

Mr. CONTE. Let me tell you that when I offer amendments, whether it is on farm subsidies or anything else, I have the guts to stand up here and demand a rollcall. You should have demanded a rollcall, and I thought you would demand a rollcall.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. CONTE. No; I do not yield. I yield to the Chair.

The CHAIRMAN. The gentleman will proceed in order.

Mr. CONTE. Thank you, Mr. Chairman. I have nothing but the highest respect for the gentleman in the Chair. I do not want to violate any rules.

Mr. WAXMAN. Mr. Chairman, will the gentleman from Massachusetts yield?

Mr. CONTE. Of course, I yield to the gentleman from California.

Mr. WAXMAN. I just want to point out to you and to my colleagues that President Reagan has declared May as Older Americans Month. I hope we will realize that when we vote on these proposals.

Mr. CONTE. Mr. Chairman, I just know that I have been in this House 24 years, and the chairman of this committee, who is going to leave us, has seen me take some real tough stands against this side of the aisle. Nevertheless, when I thought I was right and I believed in it, I called for a rollcall, and I challenge the gentleman from California for not calling for a rollcall on the biomedical increase.

Now, Mr. Chairman, let me say that I expected him since the day before yesterday to offer the amendment on medicare, and I am also disappointed in that. You have gone——

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I say to the gentleman, you admitted why; you gave your reasons why—because the leadership whipped you to death and you bled and you cried, and you said, "Mr. Leader, I am with you."

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I do not yield any further.

When you went for that chairmanship, I had respect for you, and I still have a lot of respect for you, but I would have a lot more respect if you would have bolted that leadership tonight.

Now, Mr. Chairman, I ask unanimous consent to offer the Waxman amendment No. 20 to the Latta substitute to restore $3.4 billion to the medicare budget in fiscal year 1983.

□ 0040

Mr. WAXMAN. Reserving the right to object, I reserve the right to object to express my sincere disappointment in my colleague from Massachusetts for not having filed this amendment so it would be brought up if he wished to bring it up.

But I say that no Republican, reserving the right to object and on my time, no Republican thought enough of the medicare program until they saw that their budget may be endangered to offer an amendment to restore those funds.

Now I am disappointed. I am disappointed by the way and the idea that my colleagues may support a budget that would slash the social security-medicare program. I hope it does not happen.

But the Latta substitute, the Latta-Michel proposal devastates medicare.

The CHAIRMAN. The gentleman from Massachusetts (Mr. CONTE) made a unanimous consent request which I believe everybody heard. Is there objection to the request of the gentleman from Massachusetts?

Mr. BRODHEAD. Mr. Chairman, I object.

Mr. CONTE. And the objection came from the Democratic side.

Let me say, Mr. Chairman, that the gentleman from California, first of all does not ask for a rollcall on the biomedical research amendment and, second, he planned to offer an amendment to help the poor people on medicare and now he says because the leadership put the whip to him the heck with the medicare.

The CHAIRMAN. The regular order is that the Chair recognizes people who wish to offer pro forma amendments.

Mr. WAXMAN. Mr. Chairman, I have a unanimous consent request. I ask unanimous consent that we vacate the proceedings and take a rollcall on the biomedical amendment bill.

I cannot stand that my colleague is disappointed.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. GRAMM. Mr. Chairman, I object.

Mr. Chairman, I rise to strike the requisite number of words.

What we have heard here tonight from my distinguished chairman of the Health and Environment Subcommittee is more escapism. We all know we ought to be doing something about social security. We all know that the social security trust fund is insolvent, but we are playing politics with it and everybody knows it.

We all know we have problems with medicare. We know medicare is growing at 20 percent a year. We know the growth over the next 3 years is going to exceed the cost of the last 16. We all know we ought to do something about it.

But what are we doing? We are posturing for the election while the country faces very real problems.

These drastic slashes that the gentleman from California (Mr. WAXMAN) has talked about basically represent an attempt to reduce the rate of growth in spending for medicare from almost 20 percent down to 11 percent a year. I submit that if we do not have courage enough to address this problem, if we are not willing to bring to the floor a proposal that will reduce the rate of growth in expenditures on medicare to a rate which is almost twice the projected inflation rate, then we do not deserve the trust of the American people.

I would like to say to my chairman, I am willing to bring that proposal to the floor and I am willing to give this House a vote on it. If we adopt the Latta substitute and we impose reconciliation and the minority is not willing to bring a medicare reconciliation forward, I certainly am willing to bring it forward because I think we have got to deal with it. I think we have got to quit taking the Scarlet O'Hara approach.

As I have listened to the debate in the Budget Committee and on the floor on social security and medicare, it reminds me of the concluding scene in "Gone With the Wind" where Scarlet O'Hara says, "I will worry about that another day."

There are 40 million Americans who are worried about it today and I want to tell the gentleman from California (Mr. WAXMAN) they are not at all reassured by the fact that we are not willing to address the medicare problem, any more than they are reassured by the fact that we are not willing to address the problems with social security.

I think it is imperative that we address the medicare problem and I want to assure the gentleman that if we adopt the Latta budget, I intend to bring forward a reconciliation package on medicare and the gentleman will have an opportunity to say no, I am willing to accept a 20 percent a year growth in medicare because I am not willing to stand up to the problem.

But I submit there are other Members who will not say that and I am one of them.

Mr. WAXMAN. Will the gentleman yield?

Mr. GRAMM. I am happy to yield to the gentleman from California.

Mr. WAXMAN. I recall that when we had on the floor of the House of Representatives a proposal to cut the increases in health care by putting a containment on hospital cost increases, which under that proposal would have only saved $2.6 billion for medicare, my colleague from Texas opposed that.

Mr. GRAMM. Those were your figures, not my figures.

Mr. WAXMAN. If the gentleman can come up with a proposal that can save $12 billion by some kind of cost containment proposal in medicare, then I hope he will come forward with it in 30 days, which would be required for under reconciliation.

Mr. GRAMM. Let me assure the gentleman that with my prospective reimbursement proposals, we can do it.

I would like to make a point before I yield to the chairman of the Budget Committee. I would like him to know that I am shocked to hear that he has made agreements that he will not enforce the reconciliation instructions in his own budget.

Mr. JONES of Oklahoma. Will the gentleman yield?

Mr. GRAMM. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. That is not the case.

Mr. GRAMM. The gentleman from California, (Mr. WAXMAN) stated that he had that agreement.

Mr. JONES of Oklahoma. If the gentleman will yield, there is a clear-cut choice on reconciliation between the Latta substitute and the Jones substitute dealing with medicare. There is about a $3 billion difference in cuts.

If the Latta substitute carries, we will exceed those reconciliation targets. Whatever comes out of the conference to the Ways and Means Committee, whatever the Ways and Means Committee reports out, if it is not enough, we will have floor amendments in order and I would propose that if the administration can identify exactly what cuts in the medicare area they wish to have made in order, I will go to the Rules Committee and have that made in order and vote on the floor so that all Members can vote on it.

Mr. GRAMM. I look forward to it, and I yield back the balance of my time.

Mr. MADIGAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I seek 5 minutes so I might respond in some measure to some of the things that have been said by the chairman of the Health and the Environment Subcommittee, the gentleman from California (Mr. WAXMAN).

I believe, in fact, the last remark that he made was that the hospital cost containment bill which he sponsored and which was voted on on the floor of the House on the 15th of November 1979, would have saved only some $2.6 billion in Federal outlays.

Reading from the CONGRESSIONAL RECORD of that date and quoting the gentleman from California's remarks in the RECORD of that date, he said that the savings in the Federal outlays for the fiscal years that are in dispute here would be $16.7 billion, a sum considerably more than is anticipated to be saved by the provisions in the Latta budget that we have before us this evening.

So the gentleman is suggesting, in fact, that in 1979 it would have been possible to save $16 billion in these 3 fiscal years without doing anything to the older citizens of America but that tonight saving $12 billion over the same period of time would work a tremendous hardship on the older citizens in this country.

□ 0050

I do not think I have to belabor all of the inconsistencies that are obvious to everybody at this point. I do want to say in regard to the Latta provisions as they relate to medicare that the gentleman from Ohio (Mr. LATTA) in his proposal is not suggesting any cut in medicare funding at all.

As we said in the debate yesterday, the current level of actual outlays is $49.5 billion for medicare in fiscal year 1982. The gentleman from Ohio (Mr. LATTA) proposes to raise that to $53 billion in fiscal year 1983, to $58.6 billion in fiscal year 1984, and to $65.5 billion in fiscal year 1985. A 33-percent increase over the next 3 fiscal years in medicare funding is what is being proposed by the gentleman for Ohio in his budget resolution.

How can a 33-percent increase in funding, up to an annual level of $65.5. billion from the present level of $49.5 billion possibly be construed as being a cut in medicare expenditures by the gentleman's budget?

Obviously, it is not. This is all political rhetoric for the benefit of anybody who wants to listen to political rhetoric, but the facts are clear.

Mr. COLEMAN. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from Missouri.

Mr. COLEMAN. I appreciate the gentleman yielding.

Mr. Chairman, I am not going to support a lot of what the gentleman just got through saying, but I want to point out that, had the Waxman amendments been offered, I would have supported them.

Let me just point out for the RECORD that the gentleman who printed these amendments in the RECORD stood here before us tonight and told us the reason he was not offering them was in order for the Latta substitute to go down in defeat. What he is saying is that his side of the aisle, or at least himself, is making this whole effort at medicare the political football of 1982. He even admitted it here tonight. Now, we ought to have a chance to vote on these things, vote them up or vote them down. But to make it a political football at the expense of our senior citizens, the gentleman who has had a past history of supporting their efforts, is doing them a disservice, and I think they deserve better.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from California.

Mr. WAXMAN. I thank the gentleman for yielding.

Mr. Chairman, I never felt that I was under any obligation to write the gentleman's amendment on how he wants to handle the budget proposal for the Republican Party. The gentleman has a proposal. It cuts medicare severely. If the gentleman does not like it, he should talk to his leadership. If he did not like it, he could have put an amendment in. It is not my obligation to do it.

Mr. MADIGAN. Mr. Chairman, if I could just reclaim my time, it does not cut medicare as much as the gentleman from California proposed to cut medicare on the floor of this House in 1979. The gentleman from California proposed greater cuts than are being proposed by the gentleman from Ohio. And, as a matter of fact, in each case we were talking about cutting the rate of growth in medicare, and the gentleman from Ohio proposes to be more modest about that than the gentleman from California did as he handled President Carter's hospital cost containment bill on the floor of this House.

Mr. Chairman, I yield back the balance of my time.

● Mr. ROE. Mr. Chairman, tomorrow during consideration of the budget resolution I plan to offer a modified version of my amendment No. 61, dealing with increased user fees. The amendment, which merges the texts of amendments Nos. 61 and 62 in the CONGRESSIONAL RECORD of May 21, 1982, appears as follows:

AMENDMENT NO. 61 OFFERED BY MR. ROE

Amendment No. 61, as printed on p. 11212 of the CONGRESSIONAL RECORD of May 21, is modified to read as follows:

AMENDMENT TO H. CON. RES. 345

In section 303 of the resolution insert the following new language: "If the changes in laws reported to the House by the House Committee on Ways and Means pursuant to section 301(K) of this resolution contain changes involving the imposition of new or expanded taxes to directly finance programs within the jurisdiction of any other Committee of the House (including, but not limited to, inland waterways or deep draft ports) or the imposition of any new or expanded user fees within the jurisdiction of any other Committee of the House, an appropriate referral pursuant to Rule X of the Rules of the House should be considered."

AMENDMENT TO ASPIN SUBSTITUTE

In section 303 of the resolution insert the following new language: "If the changes in laws reported to the House by the House Committee on Ways and Means pursuant to section 301(G) of this resolution contain changes involving the imposition of new or expanded taxes to directly finance programs within the jurisdiction of any other Committee of the House (including, but not limited to, inland waterways or deep draft ports) or the imposition of any new or expanded user fees within the jurisdiction of any other Committee of the House, an appropriate referral pursuant to Rule X of the Rules of the House should be considered."

AMENDMENT TO LATTA SUBSTITUTE

In section 303 of the resolution insert the following new language: "If the changes in laws reported to the House Committee on the Budget by the House Committee on Ways and Means pursuant to section 301(K) of this resolution contain changes involving the imposition of new or expanded taxes to directly finance programs within the jurisdiction of any other Committee of the House (including, but not limited to, inland waterways or deep draft ports) or the imposition of any new or expanded user fees within the jurisidction of any other Committee of the House, an appropriate referral pursuant to Rule X of the Rules of the House should be considered."

The modification, technical in nature, was formulated in conjunction with the Committee on Ways and Means and, I understand, is supported by the leadership of that committee as well as the chairmen and members of numerous authorizing committees.

In brief, the amendment would provide that if any of the increased revenues which the Committee on Ways and Means is directed to develop involve the imposition of new or expanded taxes to directly finance programs within the jurisdiction of any other committee of the House, including, but not limited to, inland waterways or deep draft ports, or the imposition of any or new expanded user fees within the jurisdiction of any other committee of the House, an appropriate referral pursuant to rule X of the House should be considered.

The intent of this amendment, which reaffirms existing House rule on committee jurisdiction, is to protect the prerogatives of all the authorizing committees of the House which have jurisdiction over the imposition of any new or expanded user fees. This is not a Public Works Committee amendment, nor a specific type of user fee amendment. It has no budgetary impact. Rather, it speaks across the board to all committees, to all user fees and, most importantly, to the very essence of the legislative process.

I encourage you to join in support of revised amendment No. 61.

The CHAIRMAN pro tempore (Mr. BEILENSON). The Chair proposes to return to the regular order, and at this time the Chair recognizes the gentleman from New York (Mr. SOLARZ) who has the next amendment in order.

Mr. SOLARZ. I thank the Chairman. Rather than attempt to sweeten the vile and bitter brew, otherwise known as the Latta substitute, and because the hour is rather late, I have no intention of offering my amendment at this time, Mr. Chairman.

The CHAIRMAN pro tempore. The next amendment in order is that proposed by the gentlewoman from Ohio (Ms. Oakar), and the gentlewoman is recognized at this time for that purpose.

AMENDMENT OFFERED BY MS. OAKAR TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA

Ms. OAKAR. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by Mr. Latta.

The Clerk read as follows:

Amendment offered by Ms. Oakar to the amendment in the nature of a substitute offered by Mr. Latta:

Page , line , (relating to functional category 050) decrease new budget authority for fiscal year 1983 by $400,000,000, and decrease budget outlays for such fiscal year by $4,850,000,000.

Page , line , (relating to functional category 550) increase new budget authority for fiscal year 1983 by $400,000,000, and increase budget outlays for such fiscal year by $4,850,000,000.

In the reconciliation instructions to the House Committee on Ways and Means, decrease the reduction in budget authority by $400,000,000 in fiscal year 1983 and decrease the reduction in outlays by $4,850,000,000 in such fiscal year.

In the reconciliation instructions to the Senate Committee on Finance, decrease the reduction in budget authority by $400,000,000 in fiscal year 1983 and decrease the reduction in outlays by $4,850,000,000 in such fiscal year.

In the reconciliation instructions to the House Committee on Armed Services, increase the reduction in budget authority by $400,000,000 in fiscal year 1983 and increase the reduction in outlays by $4,850,000,000 in such fiscal year.

In the reconciliation instructions to the Senate Committee on Armed Services, increase the reduction in budget authority by $400,000,000 in fiscal year 1983 and increase the reduction in outlays by $4,850,000,000 in such fiscal year.

Ms. OAKAR (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read, printed in the Record, and that I be extended 5 additional minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Ohio?

Mr. MADIGAN. Reserving the right to object, Mr. Chairman, we did not hear the unanimous consent request.

The CHAIRMAN pro tempore. Will the gentlewoman kindly repeat her request?

Ms. OAKAR. Mr. Chairman, I ask unanimous consent that the amendment be considered as read, printed in the Record, and that I be extended 5 additional minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Ohio?

Mr. MADIGAN. Mr. Chairman, reserving the right to object, would the gentlewoman want to make the same request for both sides of the aisle in that regard?

The CHAIRMAN pro tempore. The Chair points out to the gentleman from Illinois that there is no limitation on debate. The debate will be under the 5-minute rule.

The gentlewoman has asked for an additional 5 minutes to explain her amendment.

Mr. MADIGAN. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

The Clerk will continue to read the amendment.

The Clerk continued the reading of the amendment.

Mr. JONES of Oklahoma (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. STRATTON. Reserving the right to object, Mr. Chairman, I did not understand what the gentleman's request was with respect to this amendment that would cut $4.8 billion in money from the defense budget. Could the gentleman repeat the request?

Mr. JONES of Oklahoma. I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. STRATTON. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard. The Clerk will continue with the reading of the amendment.

The Clerk continued the reading of the amendment.

Mr. JONES of Oklahoma (during the reading). Mr. Chairman, I renew my request, and I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN pro tempore. Is there objection to the renewed request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN pro tempore. The gentlewoman from Ohio (Ms. Oakar) is recognized for 5 minutes to speak on behalf of her amendment.

Mr. JONES of Oklahoma. Mr. Chairman, because of the hour, and because of the number of speakers who wish to discuss this amendment, I move that the Committee do now rise and that we resume this morning at 10 o'clock a.m.

The motion was agreed to.

Accordingly, the Committee rose, and the Speaker having resumed the chair, Mr. Beilenson, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the concurrent resolution (H. Con. Res. 345) revising the congressional budget for the U.S. Government for the fiscal year 1982 and setting forth the congressional budget for the U.S. Government for the fiscal years 1983, 1984, and 1985, had come to no resolution thereon.

WITHDRAWAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 6325

Mr. BEREUTER. Mr. Speaker, my name was added as cosponsor to H.R. 6325 without my permission and without contact with my staff. I ask unanimous consent that my name be withdrawn as cosponsor of H.R. 6325.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

□ 0100

MEMORIAL DAY—1982

The SPEAKER. Under a previous order of the House, the gentleman from Mississippi (Mr. Montgomery) is recognized for 60 minutes.

GENERAL LEAVE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MONTGOMERY. Mr. Speaker, next Monday, May 31, Memorial Day will be celebrated throughout America.

The observance of Memorial Day began shortly after the Civil War. The earliest official version occurred in 1868 when the Commander in Chief of the Grand Army of the Republic, Gen. John Logan, officially recognized what was then called Decoration Day. It was a day set aside to decorate the graves of more than 140,000 who had fallen in the Civil War. It was an act of reconciliation intended to bring the country together following the most tragic period of our history. Since that time, approximately 736,000 servicemen and women have lost their lives in battles from San Juan Hill to Vietnam.

On this most solemn holiday, Mr. Speaker, millions of Americans will be attending and participating in ceremonies across this great country. Hundreds of thousands will visit cemeteries scattered throughout the United States on this special day which has been set aside to honor our Nation's war dead. In the Philippines, Europe, and North Africa, Americans and representatives of our wartime allies will lay wreaths and flowers on the graves of American soldiers buried in our national cemeteries.

Mr. Speaker, almost every culture and nation has observances to honor their deceased, but no modern nation has taken better care of its veterans as a matter of national pride and humanitarianism. Our memorials do not consist of mere shrines or ritual observances but of real and tangible benefits and actions. It is important to remember that the cost of wars necessarily includes the cost of caring for those who suffer from those wars. The Continental Congress in 1776 adopted the first national pension law to provide compensation for veterans with service-connected disabilities. Since that time, the Congress has continued to carefully develop programs and benefits to assist those who have served and sacrificed in their country's behalf. Over the past 200 years, our Nation has built a legacy of just and adequate treatment in payment to these worthy individuals and their families, while holding to the belief that a strong national defense requires an equally strong system of rights and benefits for veterans. The first concurrent budget resolution now being debated in the House confirms our commitment to veterans. The House will provide the level of benefits and services necessary to sustain our veterans and their families. Americans who enjoy freedom today, borne of the sacrifice of veterans, are more than willing to pay the cost necessary to continue to enjoy that freedom.

There are many lessons that the hundreds of thousands of Americans who have died in conflict far from their homes have taught us. Their sacrifice reminds us on this Memorial Day of the consequences of war and the greatness of their service and sacrifice to the Nation as well as the glory of our national heritage that they fought to preserve. By their death they have taught us that no great nation can survive unless its citizens display extraordinary courage in time of war and that our precious freedom cannot be bought cheaply and that to be eternally free, there must be a willingness to sacrifice in order to survive.

We can take great pride in the fact that we have not lost a single American life from combat since 1973—almost 10 years. We in America are also fortunate that we are not directly involved in the fighting in the South Atlantic and are not suffering any casualties in the military conflict over the Falkland Islands. The highest tribute we can pay to our war dead is to pursue those policies that will preserve peace and keep American troops free of military combat involvement. We can pay no greater tribute to those who have made the supreme sacrifice than to make certain that we do not add to the list of the war dead in the future.

And that brings me to my last point today, Mr. Speaker, which is the legacy left by those who gave their lives while wearing the uniform of their Nation. That is—to preserve the peace, we must be constantly prepared. As has been stated so many times before, the United States will deserve to be the land of the free only so long as it remains the home of the brave. A strong military force manned by highly skilled and dedicated soldiers, sailors, and airmen, and backed by a solid National Guard and Reserve, will serve to deter those who might want a confrontation and will help to preserve the peace we all seek now and for generations to come.

Mr. Speaker, I have before me a copy of a letter written by President Abraham Lincoln to a mother of five sons who were killed during the Civil War. The letter, dated November 21, 1864, has stated for all times the meaning of the sacrifice made by those who were killed in action during our wars and conflicts.

There follows a copy of the letter.

EXECUTIVE MANSION,
Washington, November 21, 1864.

To MRS. BIXBY, Boston, Mass.

DEAR MADAM: I have been shown in the files of the War Department a statement of the Adjutant General of Massachusetts that you are the mother of five sons who have died gloriously on the field of battle. I feel how weak and fruitless must be any word of mine which should attempt to beguile you from the grief of a loss so overwhelming. But I cannot refrain from tendering you the consolation that may be found in the thanks of the Republic they died to save. I pray that our Heavenly Father may assuage the anguish of your bereavement, and leave you only the cherished memory of the loved and lost, and the solemn pride that must be yours to have laid so costly a sacrifice upon the alter of freedom.

Yours very sincerely and respectfully,

A. LINCOLN.

● Mr. SMITH of Pennsylvania. Mr. Speaker, I rise on this Memorial Day to remember the brave men and women who have given their lives in the defense of our country. The first Memorial Day, over 100 years ago, honored those who fell in the War Between the States. Since that time, well over 1,215,000 service men and women have lost their lives fighting for our Nation.

On this Memorial Day, we stand as a nation united in gratitude to all those who have laid down their lives for our country. This day serves as a reminder of those brave men and women, citizens of all races and creeds, who once followed the flag and now lie beneath it.

We remember and are grateful to those brave soldiers whose sacrifices have helped pave the way for us to live in a country that is strong and free. We remember the families of our fallen heroes and we grieve for their losses. We remember the faithful men and women who are now serving in our armed services. In such reminders there is hope—hope for today and hope for tomorrow. The hope for the future has been made possible because our soldiers have made sacrifices in order to secure freedom for America.

Our honored dead served in behalf of freedom, and it is through their brave deeds that we are strengthened in our resolve to keep America a land of freedom of which we can all be proud.

As we honor the sacrifices of our fallen soldiers, we must also dedicate ourselves to continue to live out their faith in freedom by striving to make this country better. Therefore, on this Memorial Day when we remember those hundreds of thousands who have served and who have died in our defense, let us pledge to face the challenges in the coming years with the same dedication and courage that our fallen heroes have demonstrated in defending the freedom of our Nation through the years.●

● Mr. MOFFETT. Mr. Speaker, we are presently deeply involved in coming to terms with a new Federal budget. We are trying to frame a responsible fiscal plan that goes beyond the immediate, the here and now, to focus on the Nation's future economic and social needs. Our debate will certainly continue for a number of days to come. We should all be aware that a very significant national day of observance is coming up this weekend, Memorial Day. Perhaps we can take a moment to reflect on the veterans of this Nation and the importance of meeting their economic and social needs in the future.

Many of us will be out this weekend, marching in Memorial Day parades and taking part in Memorial Day observances. We will remember the countless brave Americans who died in the service of this Nation, protecting the ideals upon which it was founded—freedom, justice, and equality. We will pay tribute to our war veterans for their valiant, selfless sacrifices on our behalf.

As we reflect on our fallen soldiers, we must strive to do more than march and remember. We must insure that our present day veterans are also commemorated for their sacrifices. These men and women interrupted their lives to serve the Nation and we owe them a very large debt of gratitude. We can discharge that debt by remembering our veterans today, tomorrow, and every day and insuring that their needs are met. Right now, we have a golden opportunity to "make good" on our debt—we can support a Federal budget plan that provides adequate health, pension, and compensation assistance for veterans who are in need. We can provide the necessary funding for the vitally important services from which our Vietnam veterans benefit, such as the storefront counseling centers. A budget plan that demonstrates an awareness of the sometimes special needs of veterans, both today and in the future, would be a befiting way to observe the upcoming Memorial Day ceremonies.

Those who have defended America, with their lives, have made possible our hope for tomorrow. Let us give these veterans a firm commitment that we will protect their futures. I cannot think of a better time to make that commitment than now.●

● Mr. EDGAR. Mr. Speaker, on May 6, I introduced House Resolution 454, expressing the sense of the House of Representatives that veterans benefits and entitlements be considered rights.

The resolution is designed to build an awareness and a movement in the Congress to combat a growing attitude which considers veterans' programs to be nothing more than another ripe target for budget cuts.

The resolution not only endorses a semantic change, but supports a matter of principle that even in hard economic times must be upheld. The purpose of veterans' programs goes much farther than the great human benefit provided those who have served this country. These programs express good faith on the part of the Government and gratitude to those who have served or those who may have to serve in defense of the United States. In that sense, VA compensation, pension, medical, and readjustment programs are not just another form of Federal assistance, but a contract which should be kept.

There are 30 million living veterans in the United States today. We have made a commitment to each of them, from those who served during World War I to those who returned home from Vietnam.

On May 31, the Nation will mark Memorial Day to remember all those who have died in defense of freedom. One way to commemorate the dead is to honor the living and to see that our commitments are kept.

Mr. Speaker, I can think of no better way to mark Memorial Day 1982 than to urge my colleagues to endorse and cosponsor this resolution expressing our full support for all those who have served in defense of this country. The resolution follows:

H. Res. 454

Whereas it was the intent of the Congress of the United States from the beginning of our Republic to make just and reasonable restitution for the service and sacrifice of those who have served in defense of this Nation:

Whereas the Continential Congress on April 23, 1782, enacted legislation establishing the first program of disability compensation for life for those injured or disabled during the Revolutionary War and other compensation systems for all the officers and men who served in the War for Independence;

Whereas it was the interpretation and intent of the Supreme Commander of the Continental Army and later President of the United States, George Washington, that this debt be considerd part of the soldier's hire; the price of their blood and our independence;

Whereas George Washington also said that these veterans benefits were more than a common debt; but a debt of honor which can never be considered a pension or gratuity; nor be canceled until fairly discharged;

Whereas successive Congresses and administrations have recognized this obligation and reaffirmed our commitment to those who have served in nine succeeding major armed conflicts, expanding this obligation in Abraham Lincoln's words: "To care for him who hath borne the battle and for his widow and his orphan";

Whereas in this century alone, Americans have been called to arms four times in defense of freedom, union, and prosperity while the United States Government has responded by developing an integrated system of medical, education, rehabilitation, compensation and pension programs of incalculable human benefits;

Whereas we as a nation have a continuing responsibility to maintain a commitment to the thirty million living Americans who answered their country's call to arms, and particularly to the two and three-tenths million men and women disabled in that service;

Whereas this commitment not only serves the veteran, the widow and the orphan, but, by example and support, promotes the national defense by giving reassurance to those who serve or who may have to serve in defense of this Nation;

Whereas recent history has seen an erosion in the integrity and support for these programs in direct contradiction to the meaning and value originally placed upon them; and

Whereas the degradation of these programs has been fostered on the battlefield of transient political and budget expediency rather than the arena of national conscience and honor: Now, therefore, be it

Resolved, That veterans medical compensation, pension, and readjustment allowances shall not be considered mere benefits and entitlement under the law, but shall be considered rights.

Sec. 2. These rights shall stand on their own merit, steeped in historic precedent; and such rights shall be maintained and considered an inviolable contract, by resolution, as absolutely binding upon the United States as a contract between the American veteran, eligible dependents, survivors, and the American people●

● Mr. FOUNTAIN. Mr. Speaker, I want to thank my friend and colleague, the distinguished gentleman from Mississippi, for obtaining a special order so that we might honor those who made the supreme sacrifice during periods of war and times of national peril.

Mr. Speaker, "Wars may cease, but the need for heroism shall not depart from the Earth, while man remains man and evil exists to be addressed."

These are noble words; and as Memorial Day suddenly approaches, it is fitting for all of us to take a few moments from our busy schedules to reflect upon the nature and horror of war and upon the memory of those brave men and women who gave their lives so that we might live in freedom and peace.

Heroism and bravery are words which roll easily off the tongue on such occasions as Memorial Day, and we are all familiar with the names of such illustrious military leaders as Gen. George Washington, Gen. Robert E. Lee, and Gen. Dwight D. Eisenhower.

But, Memorial Day is not only for the well-known soldiers of the history books. Memorial Day allows us time to reflect upon the great sacrifices made by our fathers and mothers and brothers and sisters, and made by our neighbors and friends—sacrifices for the preservation of American liberty.

And on Memorial Day, and indeed throughout the year, it is important that we remember just how hard won our freedoms really were.

For whatever the war or conflict, the remembrance of those who have sacrificed all is a common thread binding our past with the present and our present with our future. And it gives us a reason and sense of purpose in living up to the great and glorious history we have inherited, and a sense of mission in seeing that past sacrifices were not made in vain.

Memory is the treasurer of the mind, and to forget past sacrifice, or to idle away the hard-fought liberties we enjoy today, would dishonor those who have gone before.

Today, there are no battles raging, and our military personnel are not fighting on far-off foreign shores. And for that we are prayerfully thankful. This world is not, however, at peace, and serious trouble spots dot the globe.

The Falkland Islands crisis, the Middle East, the Russian invasion of Afghanistan, and the Communist terror of yellow rain all serve as keen reminders of the dangers to peace and liberty which are abroad in the world.

So we must remain, as have past generations, ready and able to defend our shores against the forces of evil and oppression. We must maintain a superior system of national defense. And just as importantly, we must maintain a spirit of resolve and readiness to defend ourselves when the need arises.

Peace through strength is the only possible way we can preserve our national independence. Those who have gone before knew that to be the case.

For the visitor to Washington, there are many sights of historic interest.

There are the many monuments (like the Washington, the Lincoln, and the Jefferson), the U.S. Capitol, and the White House, to mention but a very few of the sights worth seeing.

But, for many, there is a unique feeling—a feeling of history, of glory, of sacrifice—which comes from a visit to Arlington National Cemetery, the resting place of 184,000 military veterans.

At Arlington Cemetery, the markers of the famous can be found; the markers of brave warriors known to families and friends can be seen, and the Tomb of the Unknown Soldier is there, quietly representing the memory of those whose names are known only to God.

Mr. Speaker, on this Memorial Day let our hearts ring out in solemn praise for those who have died to keep us free. As the American Wesleyan put it:

> Here sleeps heroic dust! It is meet that a redeemed nation should come, to pay homage at such tombs, wreathing the memory of its patriot dead in the emblems of grateful affection. These grass-grown mounds, these flower-decked graves, awake the memories of the past, and the history of our nation's perils and its triumphs come crowding on us here.●

● **Mr. COUGHLIN.** Mr. Speaker, on May 31, 1982, the people of our Nation will join together as one in observance of Memorial Day. In honor of this solemn occasion, I am pleased to remark on the significance of this date.

We, as a democratic nation have based the foundations of our society on the principle of freedom. Our Government was conceived with this idea in mind. It is for this reason that we, in the 97th Congress, take this opportunity to reflect, along with the rest of the Nation, on the greatness of the men and women who have died while serving their country.

Since the creation of the First Continental Army, under the direction of Gen. George Washington, to our present day military forces, our fellow Americans have responded to the call of our country's military needs: The principle objective being the preservation of "life, liberty and justice for all." These honored citizens committed themselves deeply to the concept of democracy and fought bravely to secure and retain it.

May 31 is a day when all Americans pay tribute to the thousands of veterans, who have made the supreme sacrifice in potecting their Nation. It is a time when all Americans should examine the value of their liberty and justice. It is especially fitting when one recalls the agony of the Iranian situation, when 20 American citizens had their right of freedom violated by the tyranny of a foreign government.

Accordingly, I believe that it is particularly appropriate at this time that we focus our thoughts on the men and the women of our country who have helped us protect our Nation. It is with much honor that we, as a nation, praise the war dead for their great contributions in maintaining our democratic society.●

● **Mr. BRINKLEY.** Mr. Speaker, "Remember the Maine!" "Don't fire until you see the whites of their eyes!" "Over there! Over there! Send the word, send the word over there!" "Sink the *Bismarck*!" These brave cries, which have echoed down the corridors of American history for generations, are footnotes in courage.

The French essayist Montaigne once said that "the strongest, most generous, and proudest of all virtues is true courage." As we pause today to salute the millions of Americans who have fallen on battlefields so that our Nation might live, we would do well to turn back the pages of history to the year 1914. The place was Andersonville, Ga.; the occasion—the dedication of the New York State monument at the old Andersonville prison site.

At that ceremony, one of the surviving prisoners of this Union prison camp told the story of a father who had lost three sons to war, only to lose his last son at the Battle of Stone River. This fourth son had served under his uncle, who discovered the boy's lifeless body on the bloody field. To console his grieving brother, he wrote the following message from the front lines:

> DEAR BROTHER JACOB: This will be a sad blow to you, this being the fourth boy that you have given to your country. But in your sorrow you have this consolation: They died fighting for the best country on which the sun has ever shone.

Those words were true in 1863; they were true in 1914; and they are true today. This is the best country upon which the Sun has ever shone, and our flag—with its beautiful emblematic colors of red, white, and blue; our flag whose folds protect alike the foreign and American born, and which represents the country of religious liberty and equal rights for all, is the best flag on this Earth today!

Let us recall the wise scriptural lessons of Ecclesiastes as we honor our brave dead:

> For everything there is a season, and a time
> for every matter under heaven:
> a time to be born, and a time to die;
> a time to keep silence, and a time to speak;
> a time for war, and a time for peace.

Now is the time to speak—to speak up for America and the principles for which it stands. And, most importantly, today is the time to proclaim our eternal and profound gratitude to all our war dead, who are the real heroes for our day, and for all time.●

● **Mr. PARRIS.** Mr. Speaker, on Monday, May 31, Memorial Day will be celebrated throughout America with parades, wreath-laying ceremonies, and 21-gun salutes. It marks the occasion when we commemorate those Americans who gave the supreme sacrifice in order to insure the freedom which all Americans live by and treasure today.

Memorial Day originated soon after the Civil War, the first and only war when Americans killed Americans in order to preserve the union of the United States. Since the Civil War, men have fought major battles, two world wars, and two wars in Asia in order to maintain the values America represents and the reason why Americans sacrifice to keep those values. The United States has become the leader in the world as a nation committed to the rights of liberty and democracy. Those Americans who died in our wars preserved those rights.

On this Memorial Day, I ask all Americans to remember those who died in all of our military conflicts, not in sadness, but in glory. Those men died in honor so that future generations of Americans can continue to live in a free nation. We must remember those Americans so if our freedoms are ever threatened again we will stand together and protect our beliefs with our lives if necessary.●

● **Mr. CLINGER.** Mr. Speaker, the observance of Memorial Day in this country began shortly after the Civil War to honor the war dead of both the North and the South. On Memorial Day, 1982, we will gather in communities throughout the land to honor those who, over the more than two centuries since the founding of our Republic, have offered their youth, their strength, and finally their lives for our freedom.

Memorial Day, 1982, will be a celebration of thanksgiving for the courage and devotion of the untold numbers of soldiers, sailors, and airmen whose sacrifices have made possible the many blessings we as Americans enjoy today.

But patriotism goes beyond speechmaking and flagwaving. The source of a nation's strength lies in the commitment of its people to the ideals and values upon which that nation was built, and on their willingness to participate in the realization of these ideals.

The most meaningful way to honor those who have sacrificed so much for our freedom is to preserve and strengthen that heritage of freedom for the generations to come. We are now the guardians of those ideals for which they sacrificed. Memorial Day is less for them than it is for us, "that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion."●

● **Mr. STATON** of West Virginia. Mr. Speaker, on Monday, May 31 we will honor the memory of the many thousands of Americans who gave the fullest measure of patriotism to their country by sacrificing their lives in its defense. Americans have always responded to armed aggression with a courage unmatched in the history of the world. As a nation we have traditionally been willing to endure the ultimate risk to preserve freedom for ourselves and our loved ones.

The costs have not been small. The War for Independence claimed 6,800 lives in battle; 2,200 Americans died in the War of 1812, and 1,700 in the Mexican War. The Civil War killed more than 200,000. The Spanish-American War saw 385 lives sacrificed, while 53,000 American lives were lost in World War I. World War II took the heaviest toll, claiming 292,000. The Korean war cost 33,000 lives and Vietnam saw the loss of over 57,000 Americans. All of these patriots contributed to the greatness and the majesty known as America. It is fitting and proper that we should remember them.

The country should take particular pride in the fact that a long overdue monument to those who died in Vietnam is now underway. This memorial is simple in design and yet powerful in meaning. On it will be inscribed the names of those 57,000 plus Americans who died in a war that was surrounded by controversy. This controversy increased the burden on the 2.7 million Americans who participated in the conflict and deepened the sorrow of the families of those who never came home. The new Vietnam Veterans Memorial will demonstrate in a tangible way the respect and debt that we owe to these Americans.

Now, in 1982, we have an obligation to continue the heritage for which U.S. citizens have given their lives for over 200 years. We, like they, must be willing to defend our liberties. We cannot do this as a second-rate power. We must not allow ourselves to be on the shortside on any gap in conventional and strategic armaments between the United States and any other major power. This gap must be bridged soon if we are to preserve those values and ideals for which so many of our countrymen fought and died.●

● Mr. LEATH of Texas. Mr. Speaker, I want to compliment the distinguished chairman of the Committee on Veterans' Affairs, the gentleman from Mississippi, for requesting time so that Members may have the opportunity to pay tribute to our Nation's veterans.

Next Monday is Memorial Day and our Nation, as it has for the past 104 years, will honor and remember all of those servicemen and women who have lost their lives in service to this Nation. It is right and appropriate that this day be set aside for this purpose. It is right and appropriate that all of us on this day ponder and appreciate the enormity of the sacrifice made on our behalf by the more than 1 million men and women who have been killed in wartime service to our Nation from the Revolution to Vietnam.

There are among us, however, those citizens who do not wait for Memorial Day to honor and remember the American soldier. More than 78,000 men and women comprise the Veterans' Administration Voluntary Service, freely giving 10.3 million hours of their time in volunteer service to hospitalized veterans and their families in 172 VA hospitals. To these remarkable and special people, every day is Memorial Day. Every time these volunteers read to a veteran who is sightless, or write a letter for a veteran who is lonely and ill, these volunteers daily re-create the greatest memorial of all—a loving, caring memorial to the American serviceman. These volunteers daily affirm the honor, dignity, and sacrifice of those who died for this country by caring for and comforting the living veteran and his family.

There are three VA medical care installations in my district. I have had the opportunity to visit them all many times, and I have seen how heavily these facilities depend on their volunteers. Just think for a moment what it would cost the taxpayers if all of the volunteers walked out of the hospitals. The services and support they provide actually could not be replaced. Their concern and commitment are priceless—these feelings of dedication cannot be bought and they are every bit as important to the recovery of the hospitalized veteran and his family as the expert medical care he receives from the VA physicians and nurses.

We all know that President Reagan has stressed the concept of voluntarism, of citizens helping citizens. Those in the VA Voluntary Service are way ahead of the rest of us. There is no other Federal program that operates with the assistance and active cooperation of such a widespread volunteer effort.

This Memorial Day let us pay tribute to the thousands and thousands of men and women who have served in our Armed Forces in times of war. Our gratitude to those who have laid down their lives for our country can never be adequately expressed. But let us also pay tribute to those 78,000 volunteers who daily express their gratitude to our Nation's war dead by serving and supporting our over 30 million living veterans and their families. To all of you in the VA Voluntary Service, thank you for sharing your time, compassion and love.●

● Mr. BROWN of California. Mr. Speaker, it is with pride and humility that I join in remembering and paying homage to countrymen who have made the supreme sacrifice in the service of their Nation and its cause.

This Memorial Day we should all remember those brave men and women, citizens of all races and creeds, who once followed the flag and now lie beneath it.

We should all remember, and be grateful to those men and women who lost their lives in our defense. We should remember the veterans who today bear the physical and emotional scars of battle and who themselves remember the hardships, and the friendships they developed with comrades at arms who are no longer with us.

We have a financial commitment to our veterans, as well. In my own area, ill and disabled veterans can receive varied and comprehensive hospital and medical care services at the Veterans Hospital in Loma Linda. Veterans with service-connected injuries have top priority for treatment, however.

As a nation, we have faced many dangers. Our Government has survived because of the sacrifices our soldiers have been prepared to make. In the coming years we will continue to be challenged, and so the remembrance of those hundreds of thousands who served, and who have died in our defense, must strengthen our resolve to keep this country a bastion of freedom of which we all can be proud.

The sacrifices of our brave men and women should not pass in vain. It is our duty to keep this country strong and free. We must use our hard-won freedom wisely in the knowledge that freedom without compassion and honor is not freedom at all.

As the Nation pauses on May 31, Memorial Day, to commemorate those who gave their lives in the defense, much of the activity will focus on ceremonies at the 105 national cemeteries operated by the Veterans' Administration, such as the national cemetery in Riverside County.

I am proud of my community for its dedication to this country through its commitment to our Armed Forces. I am also proud of the people of the Inland Empire who have consistently supported veterans and their families, not just on Memorial Day, but every day.●

● Mr. McCURDY. Mr. Speaker, as Memorial Day approaches, it is appropriate that each of us should take the time to pause and reflect upon the sacrifices that generations of soldiers, sailors, airmen, and marines have made to keep our country free. Their sacrifices are the cornerstone upon which we have built our Nation's greatness, and we should never forget them.

We have lost about 1,200,800 military personnel during the course of our history. They died for us and our way of life. We lost about 4,000 military personnel in the American Revolution, 2,000 in the War of 1812, 13,000 in the Mexican War, 495,000 in the

Civil War, 11,000 in the Spanish-American War, 116,000 in World War I, 406,000 in World War II, 55,000 in the Korean conflict, and 86,000 during the Vietnam era.

Just as important as paying tribute to those who died in the service of their country, Memorial Day should also be a day when we honor and rededicate ourselves in behalf of those many millions more who have served their country and lived. They all deserve commendation, and we should all take time to recognize them.

Peace-loving people understand that sacrifice and bravery are at the very foundation of peace. If we are not willing to extend to these men and women the honor they so richly deserve, then our quest for peace will be ill served and the lives which have been sacrificed in this quest will have been for naught.

During these times of budget constraints it is all too easy for us to back off the commitment our Government has long maintained for veterans. But we must do what is right. We can never full repay our veterans; however, we must always be particularly sensitive to their special needs.

"Let us care for him who shall have borne the battle, and for his widow, and his orphan" Abraham Lincoln wrote during the Civil War. Let us not abandon our veterans. We should give them the respect and opportunity they deserve.●

● Mr. SHUMWAY. Mr. Speaker, I appreciate having the opportunity to participate in this observance of Memorial Day, and I thank my colleague, Mr. MONTGOMERY, for securing this special order.

When we gather each year to observe Memorial Day, we are not only paying homage and respect to the millions who have sacrificed in the service of their country—we are also celebrating freedom.

To my way of thinking, and to my family, nothing is as precious as free choice—and nothing makes quite so many demands. It is imperative for all of us to realize that freedom is not only a privilege, but an obligation. Moreover, our freedoms are not a gift to be squandered recklessly, but rather a sacred trust to be treasured and protected for the generations which follow us. As Americans, we are entrusted with liberties which perhaps we take for granted—liberties which much of the rest of the world can only dream about. And, as Americans, we are charged with the responsibility to confront and defeat our problems, to act emphatically and effectively to preserve our many freedoms and, should it be necessary, to fight in the service of our Nation and in defense of our liberties.

Since we began celebrating Memorial Day over 100 years ago, almost 650,000 individuals have sacrificed their very lives for that in which they believed. Millions have served when their country called, and thousands have paid the price of liberty with permanent injury, or with indelibly stamped memories of the grimmest nature. Those sacrifices must not have been in vain, and only those of us who gather to remember that fact can insure that they have not been in vain. We must reaffirm our own individual and collective belief that words are not enough, and we must echo the actions necessary in times of combat with equally decisive and forthright actions in peacetime, and in our everyday lives. As the veterans of all the wars acted to protect us, so we must honor them with a constant commitment to protect liberty. We must exercise our freedoms and responsibilities, and we must teach our children to do the same.

I believe the very best testimonial to the valor and sacrifice of America's Armed Forces came on the very first Memorial Day. It was made by James Garfield, who would soon become the 20th President of the United States. In honoring the Nation's war dead at Arlington National Cemetery, he said:

> For love of country they accepted death, and thus resolved all doubts, and made immortal their patriotism and virtue.

It is my most sincere hope, as I am sure it is the hope of all of you, that no more Americans will sacrifice their lives to protect the Nation and her freedoms. But with that hope goes the certain knowledge that we are a great Nation, and that the people of this great Nation will give whatever is necessary to preserve their beloved liberty.

Certainly, those we honor today have proven the truth of that statement. Their sacrifice has made it possible for us to gather here today in freedom to honor them.●

● Mrs. KENNELLY. Mr. Speaker, on Monday, May 31, the American people will, once again, pay tribute to those who have given their lives in defense of our freedoms. Since the first shots of the War for American Independence were fired in Concord and Lexington, the freedoms which Americans believe to be God given, have required constant protection.

Throughout our Nation's proud history, men and women have given their lives in defense of our country. Some have fallen on battlefields in their own States, some even in their own hometowns. Americans have died on battlefields in the lands of their forefathers, in Europe, Africa, Latin America, and Asia. They have given their lives on remote desolate islands, in hostile jungles, in sea and air battles far from land.

Those who enjoy freedom in America today, pause from their routine on Memorial Day, in respect for those who died in battle defending our freedoms. On this day we also pay respect to those who were injured in battle, those whose disabilities remind them daily of their sacrifices for America. We pay respect to those who lost their loved ones in defense of our country.

So often we forget to be thankful. We incessantly think of our problems, and do not pause to recognize that the successful preservation of the principles of individual liberty and freedom are the source of America's greatness. These principles are not diminished even by such fluctuation as the state of the economy, and we should not allow the state of the economy to diminish our gratitude to those who have sacrificed so much to preserve our freedom.

It is not also enough simply to pause in remembrance on Memorial Day. Our gratitude should be expressed daily in our actions. This body should not be entertaining proposals to reduce disability benefits to those who became disabled as a result of service to this country, or to their widows, on one day, and then pause to reflect on their sacrifices on Memorial Day. These individuals did not question the level of sacrifice required by their country.

It is fitting that we now pause to reflect on the sacrifices that have been made for America. In facing the challenges that are ahead of us, we need the courage and conviction these individuals have exemplified, and while America is at peace we may all pray that Americans will not be called on to make such sacrifices again.●

● Mr. STUMP. Mr. Speaker, I would like to commend the distinguished gentlemen from Mississippi, SONNY MONTGOMERY, for requesting this special order for this most solemn holiday.

This Monday, May 31, is a day of remembrance, of appreciation, and not least, of reconciliation. Begun over 100 years ago following the Civil War, Memorial Day has a twofold function: To commemorate the brave men and women who fought and died that we might remain free, and to remind us as a nation that we are one body with a single will and a steadfast purpose.

We have borne arms many times since fighting the war that created our great Nation over 200 years ago. We have fought on foreign lands and we have fought among ourselves. We have learned, hopefully, that there is never any glory in war—only suffering. But we have likewise discovered that, given a just and right cause, we do not lack the courage, dignity, and fortitude necessary to defend the age-old principles upon which our country was founded.

Mr. Speaker, I firmly believe that, in order to judge the success of any system of government, one must look at how that government has treated its sick, its poor, and perhaps most importantly, its war injured. It is a fact not often disputed that no other modern nation has provided consistently the level of benefits and services to veterans and their survivors. This just concern has been supported by every administration regardless of politics and despite what have often been overwhelming budgetary constraints. The Congress has always and continues to recognize the enormous sacrifices exacted from these brave individuals and their families, and realizes that any system of compensation or act of condolence is only partial restitution for their losses.

In conclusion, I would like to quote the final stanza of a very eloquent poem by the poet, Stephen Spender, entitled "I Think of Those Who Were Truly Great." It serves as a fitting epitaph for all those who have lost their lives on the field of battle and imparts a very appropriate Memorial Day sentiment:

Near the snow, near the sun, in the highest fields,
See how these names are feted by the waving grass
And by the streamers of white cloud
And whispers of wind in the listening sky.
The names of those who in their lives fought for life,
Who wore at their heart the fire's centre.
Born of the sun, they travelled a short while toward the sun
And left the vivid air signed with their honor.●

● Mr. **ROGERS**. Mr. Speaker, it is with great honor and reverence that I salute on this Memorial Day those Americans who have paid the highest price and laid down their lives on the field of battle to preserve our Nation's freedom.

The causes of freedom and democracy have pulled America into five major wars around the world in the last century—from the gently rolling hills of Gettysburg, to the "No Man's Land" of Flanders Field, to the tropical Pacific islands and the Normandy beaches, to the craggy mountains of Korea, to the swamps and dense jungles and forests of Vietnam.

Memorial Day is a time to honor those who have fallen, and to reaffirm that they did not die in vain. We remain today a free nation, with the longest history of uninterrupted freedom of any nation on earth.

I wish to pay tribute especially to those brave soldiers hailing from the Fifth District of Kentucky who fought and died so that the rest of us might live freely. The folks in the Fifth District, which I proudly represent, understand that freedom is precious and we must earn its blessings and opportunities every day. My friends and neighbors in the Fifth District love this great country of ours with every fiber of their being, and the many thousands of war veterans from southeastern and southcentral Kentucky testify to the deeply held conviction in our part of the State that it is better to die on our feet as free men than to live tamely on our knees as slaves to the enemies of freedom and human dignity.

And while Memorial Day is a day of remembering our war dead, we must never fail to express our deep appreciation for and our gratitude to the many veterans across America. The contributions of Kentucky's veterans truly fill me with pride. They came to our aid when we needed them most. They risked their lives and many suffered personal injuries in the line of duty. I am proud to be fighting for them here in Congress to make sure they get the benefits and services they deserve.

Memorial Day is a time to honor, but also a time to reflect. What does the sacrifice of our countrymen mean for us? First, we must never take our freedom for granted. The fact that a country dedicated to peace and freedom has become embroiled in two world wars, as well as Korea and Vietnam, clearly shows that as long as freedom and democracy are threatened anywhere in the world, our freedom in America is never completely safe.

Sadly, a quick spin of the globe makes it plain to see that from the Soviet Union, to Khomeini's Iran, to Qadhafi's Libya, to Castro's Cuba, the enemies of individual liberty are as numerous and as active as ever and our commitment to freedom is constantly being challenged.

We must always be on guard, ready to ward off those threats and challenges with the same courage and conviction that our fallen soldiers took into battle. As Kentucky's own Henry Clay once said, we must be willing to defend our country's heritage and honor "peaceably if we can, forcibly if we must."

America can never fully repay her veterans, and we will never be able to express our feelings to our fallen soldiers. But we must never forget how uniquely blessed we are in the modern world to live in a free society, nor forget the sacrifices of our friends, relatives, neighbors, and countrymen who served us when duty called.●

● Mr. **DWYER**. Mr. Speaker, Memorial Day is a time to reflect on the bravery and strength of this country and our people who gave their lives to protect our freedom.

Theirs is a gift greater than all others, a love of country which no words can truly express. Yet, it is right that this Congress, whose Members are also committed to the protection of democracy, take time out to honor our war heroes, and I want to thank my colleague, Mr. MONTGOMERY, for calling this special order.

There can never be enough of these moments when we pause to remember our rich heritage and its deep significance for what and where we are today, for Memorial Day is not only a time to commemorate the heroism of the past. It also provides a moment when the people of this Nation's present can join forces in humble thanks for the fortitude of those before us who have sustained our democratic way of life for more than 200 years.

It is right that Americans remember this legacy. It must figure heavily in our responses to the challenges and choices of the coming decades—a bottom line that must ultimately figure into every decision we make in this Chamber.

It will not make our decisions any easier, but it will certainly make them better. We must never lose sight of the principles and ideals for which these men and women we honor today fought.●

● Mr. **SIMON**. Mr. Speaker, Memorial Day calls us to both remember the sacrifices of the past and to recommit ourselves to a peaceful future. As a veteran, I recognize the courage and sacrifice of those who have given their lives for our country. As a Member of Congress, I am awed by the special responsibility we hold to preserve peace.

On a day generally marked by parades, wreaths, and heroic speeches, it too often seems easy to forget that what Memorial Day recognizes is the tragic suffering, pain, and death Americans have known in wars on our own soil, in the trenches in Europe, and the beaches and seas of the Pacific, on the hilltops of Korea, and the jungles of Vietnam. We have gained peace and freedom through the sacrifice of those lives we honor on Memorial Day, but we have also lost sons, brothers, husbands, fathers, and friends. We have lost the valuable contributions they would have made through the rest of their lives.

We are right in honoring those sacrifices with our ceremonies and speeches, but our deeds and words ring hollow if we do not also respond with a strengthened commitment to peace and freedom. Our recognition of past sacrifices should lead us to prevent such suffering and loss in the future, to commit ourselves to seeking peace and freedom through law instead of war, through negotiation, rather than armed conflict.

We must recognize, of course, that we live in an unsettled world and that other countries may not share our desire for a peaceful future. We must maintain a strong defense at the same time we hope and work and pray that it will not be needed.

The most significant thing we can say on Memorial Day is that we commit ourselves to the goal that the lives that have already been given for peace and freedom will not have been in vain, and that we have learned from suffering and sacrifice that we must seek a better way.●

● Mr. SAM B. HALL, JR. Mr. Speaker, I commend my dear friend and colleague, the gentleman from Mississippi, for taking this special order to honor our Nation's war dead this Memorial Day.

Many eloquent and moving speeches have been delivered since the first Memorial Day was observed 114 years ago, but no statement has captured the essence of sacrifice and devotion more succinctly than the Gettysburg Address written and delivered by President Abraham Lincoln 5 years before the first official observance.

The Gettysburg Address contains a clarion call to greatness. If a schoolchild can memorize it, and go through life understanding its message and living up to that message, he or she will be a model citizen.

I quote a portion that is so appropriate at this time:

> "* * * But, in a larger sense, we cannot dedicate—we cannot consecrate—we cannot hallow—this ground. The brave men, living and dead, who struggled here, have consecrated it, far above our poor power to add or detract. The world will little note, nor long remember what we say here, but it can never forget what they did here. It is for us the living, rather, to be dedicated here to the unfinished work which they who fought here have thus far so nobly advanced.

When Lincoln spoke these immortal words, just 4 months had passed since the greatest battle before or after had taken place on the North American Continent. For 3 days in early July, 1863, armies of the North and South—Americans all—tore at each other with such savagery and ferocity that the casualties numbered 51,000 around the little town of Gettysburg, Pa.

No man who took part in the War Between the States is alive today. The last survivor was a fellow Texan who died over 20 years ago. But, their memory will live on as long as free men and women will put their lives on the line for their beliefs, for their liberty.

Lincoln spoke for all of us this Memorial Day in reminding us that mere words do not compensate for ultimate sacrifice. But, he asked us to remember. He asked us to rededicate ourselves to freedom. In short, he pleaded with us to never allow those who paid the supreme sacrifice to have died in vain.

Over 1 million Americans have died in combat. Most Americans living today know of a family member or friend who was killed in action. From the Revolution to Vietnam, and even now, millions of our fellow Americans have put their lives, fortunes, and sacred honor at stake to block the path of tyranny. I am informed by the Veterans' Administration that more than 30 million living Americans have served in the Armed Forces; certainly, a reminder that freedom is not free for the asking—it must be defended.

It all comes down to what we as individuals are willing to do to defend and protect America. General MacArthur said, "Duty, Honor, Country." Gen. Robert E. Lee, when asked the most important word in the English language, replied simply, "duty."

The soldier, marine, airman, sailor: He or she knows their duty. Those who have fought and died for America knew their duty. The challenge is for us to do our duty by making certain that America is always prepared to defend its shores.

Walt Mason, who was born the year before Lincoln delivered the Gettysburg Address, and who died the year World War II began, wrote with sadness and tenderness:

> * * * The little green tents where the soldiers sleep and the sunbeams play and the women weep, are covered with flowers today.

From Bunker Hill to Cemetery Ridge to Flanders Fields to Khesanh, they paid the sacrifice with bravery and devotion. We pause now to remember them on a symbolic day. But, on every day of the year we need to pause and thank God for America and the men and women who have and will continue to stand vigilant against its enemies.●

● Mr. HEFNER. Mr. Speaker, this Nation pauses next Monday to honor the memory of those gallant citizens who made the supreme sacrifice in fighting our wars. Over 1.1 million of our citizens lost their lives during these periods of conflict with the countless others succumbing to service-incurred wounds after they returned home.

The number of in-service casualties range from 4,000 deaths among 300,000 participants in the Revolutionary War to 406,000 of the 16½ million individuals who served during World War II. Our longest and most recent war in Vietnam resulted in 108,000 deaths among 10 million service men and women.

It has often been said that the costs of war extend far beyond the end of hostilities. It must be kept in mind that warfare is not limited to weaponry, logistics, and human sacrifice. The casualties extend to battle-scarred and permanently disabled veterans as well as to the widows and orphans of those who died while valiantly defending this country's beliefs in freedom an the democratic way of life.

Veterans' benefits and services therefore are provided by a grateful Nation to those who served in the interests of national defense.

It is eminently fitting, therefore, that at the very time we honor the memory of such heroic commitment, we face yet another battle in this Congress to insure that this country continues to meet its responsibilities to these courageous men and women.

Commemoration must not be limited to lip service alone. Patriotism must extend to meeting our commitments. We must keep our Nation strong and undivided. We must keep our Nation free. We must never falter in our resolve to assure that the sacrifice of those who fought for that end will never be forgotten.●

● Mrs. HOLT. Mr. Speaker, I thank the gentleman from Mississippi (Mr. MONTGOMERY), for taking this time to reflect on this solemn holiday.

On this day we honor the sacrifices of 1 million men and women who gave their lives to guarantee that you and I would be free to celebrate holidays such as this one. We have named this Monday in May, Memorial Day, to make certain that these brave Americans' untiring and unselfish devotion to their country would not be forgotten. I think the continued celebration has shown that their brave deeds will be remembered forever.

The United States and our allies have been challenged from time to time by peoples who would take away our freedom, by countries dominated by leaders who would rule for their own purposes and who would order their nation's young men into battle in an effort to deprive us of the democracy we chose and won over 200 years ago. From the days of Lexington and Bunker Hill, to Vicksburg, San Juan, the Ardenne; from Pearl Harbor to Berlin; Inchon to Saigon, Americans have gone of their own free will to meet the challenge and the aggressor. But we do not go for conquest, it is to preserve our freedoms and for that noble cause, this day in May is named "Memorial Day."

It is so important today that we think about the debt we owe those who have protected our freedom. It is important that we maintain our strength to deter those who would threaten us. Let all in the world know that in America it is our freedom that we honor today, that those men and women whom we memorialize have died for that freedom and we will not give it up. We, too, must not cast off those who came back. It is so easy for some to feel that we no longer need our veterans, so let us not forget them. Let this Memorial Day be a recommitment to the promises made to all those who served.

Our Memorial Day, while being an official day of celebration for about 100 years, has actually been something we Americans do instinctively. I think Ralph Waldo Emerson put it pretty well in his Concord Hymn.

> By the rude bridge that arched the flood,
> Their flag to April's breeze unfurled,
> Here once the embattled farmers stood
> And fired the shot heard round the world.
> The foe long since in silence slept;

Alike the conqueror sleeps:
And time the ruined bridge has swept
down the dark stream which seaward creeps.

On this green bank, by this soft stream,
We set today a votive stone;
That memory may their deed redeem,
When, like our sires our sons are gone.

Spirit, that made those heros dare
To die, and leave their children free,
Did time and nature gentle spare
The shaft we raise to them and thee.●

● Mr. RATCHFORD. Mr. Speaker, I rise to pay tribute to the 1,081,000 Americans who have given their lives in defense of their homeland since 1776 as we observe Memorial Day, 1982. It is to these brave individuals that we owe the freedoms that we so dearly cherish, and it is in large measure the legacy of unqualified and dutiful commitment to one's fellow man that has guided this great Nation through some troubled times.

I am deeply troubled though, Mr. Speaker, that these nobel ideals seem not to have been applied to the some 2.7 million Americans that served so valiantly in a distant conflict that few understood and a nation was so willing to forget. Only recently have we come to understand the breadth of their unique experience during the Vietnam conflict—an experience which has left deep physical and psycological scars. It was nearly a full decade after the Vietnam conflict that this Nation saw fit to trade insults with expressions of gratitude. A commitment to construct a lasting memorial to those who served and gave their lives in Southeast Asia is certainly a fitting tribute. Last year the Congress enacted sweeping legislation designed to extend existing services to Vietnam-era veterans and to provide new forms of assistance so necessary to many as they struggle to regain their own self-esteem and to make a meaningful contribution to the Nation they so love.

As we pay our respects to those that have lost their lives in defense of this great Nation on this Memorial Day, we must also take notice of the tragic plight of so many that did return from perhaps our most regrettable conflict. Despite the resounding message of reassurance sounded by this Congress last year, the Veterans' Administration has seen fit to thwart our action, thereby leaving the Vietnam veteran with but another hollow promise. I ask permission, Mr. Speaker, to insert into the RECORD a copy of correspondence I sent today to the Administrator of the VA concerning this matter.

Particularly as we observe Memorial Day, I emplore the Administrator not to lessen the Nation's commitment to the Vietnam veteran, but rather to fullfil a tremendous debt of gratitude that we owe each man and woman who gave so much of themselves to serve their country. Thank you.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 26, 1982.

ROBERT P. NIMMO,
Administrator, Veterans Administration,
Washington, D.C.

DEAR ADMINISTRATOR NIMMO: As we take pause next Monday to honor the courageous men and women who have given their lives for this country on the battlefield, it is only proper that we also take stock of those who have fought and survived yet bear deep scars from this nation's most unfortunate conflict—the war in Vietnam.

Last year the Congress approved and the President signed into law sweeping legislation to extend certain programs for Vietnam veterans and provide important new services and benefits to those who served during that trying period of our nation's history. With passage of the wide ranging Veteran's Health Care, Training, and Small Business Loan Act, Congress and this Administration sent a resounding message to our Vietnam-era veterans that they have not been forgotten, and that their government is determined to provide assistance in overcoming the difficult physical and psychological scars that remain.

Among other things this critical legislation established eligibility for medical, hospital, or nursing home care for Vietnam veterans exposed to toxic herbicides or defoliants such as Agent Orange during their term of service, if it is believed by VA physicians that the disability could have been caused by such exposure. I regret, however, that implementation of these provisions is inadequate. As I travel throughout the state of Connecticut and speak with Vietnam veterans I discover that personnel at many VA facilities are not sufficiently competent in diagnosing symptoms associated with exposure to Agent Orange, and that the depth and quality of physician examinations in such cases vary siginficantly from one facility to another. Cupled with the rather misleading representation of the Agent Orange problem contained in the VA's revised informational pamphlet, I fear that the VA has done little to reassure Vietnam veterans in Connecticut or elsewhere that effects of possible exposure to Agent Orange will receive fair and adequate attention.

You will also recall that the legislative package of last year, which is now law, includes provision for a one-time appropration of $25 million for a four year small business loan program for certain service-connected disabled and Vietnam-era veterans. Under this program direct loan assistance would be available from a revolving fund so that eligible veterans could acquire, expand, or start a small business. Despite this clear congressional mandate, the approval of the President, the staggering unemployment rate among Vietnam-era veterans, and the need for business expansion to stimulate our nation's economy, the VA has seen fit to sabotage the loan program. As yet, the VA has failed to promulgate regulations to guide administration of the program, and has not requested from Congress any of the funds authorized for the program. In a recent press account of the matter a VA spokesman so much as conceded the VA's resistance by saying that ". . . it is not the proper time to tempt veterans into small business ventures . . ." The resolve of the Congress in creating this critical program cannot be questioned, and yet the VA has seen fit to act otherwise.

Finally, last year's legislation authorized $142 million and extended eligibility for Vietnam veterans under the GI Bill for on-the-job and vocational training. The legislation provided for a two year extension for a targeted group of veterans still experiencing employment related problems. Eligibility commenced on January 1, 1982. While the Congress envisioned an extensive program, and in fact, the Congressional Budget Office had projected that some 40,000 Vietnam veterans would indeed be eligible. I am troubled by the fact that only 160 eligible veterans have been approved as of the end of the first quarter of the year. It would appear that access to these training programs has been so severely restricted that thousands of eligible and intended beneficiaries have either been turned away or dissuaded from applying for training services. Again, Mr. Administrator, it seems as though the VA is intentionally thwarting the intent of the Congress in failing to provide reasonable access to these training programs.

Our Vietnam-era veterans have asked their government for nothing more that attention to their special health needs and an opportunity to make a meaningful contribution to the welfare of their families and communities. Congress took significant strides last year to satisfy these reasonable expectations, and yet the VA now appears to be methodically unravelling all that has been achieved in the Congress leaving the Vietnam-era veteran with yet another hollow promise from the government he or she served with honor.

I urge you to undertake a timely and thorough review of these matters. The Congress will not tolerate such inaction at a time when we must be making every effort to meet our commitment to those men and women who served during the Vietnam conflict, rather than absolving ourselves of that commitment. I look forward to hearing from you shortly on these critical matters, and do hope that you will agree to take swift action to fully implement the intent of Congress.

With best wishes,
Sincerely,
WILLIAM R. RATCHFORD,
Member of Congress.●

BIPARTISAN BILL AIMED AT VIOLENT AND DRUG RELATED CRIMES

The SPEAKER pro tempore (Mr. COELHO). Under a previous order of the House, the gentleman from Illinois (Mr. MCCLORY) is recognized for 15 minutes.

Mr. McCLORY. Mr. Speaker, I have taken this special order for the purpose of explaining to my colleagues the general terms and provisions of a major anticrime bill, which I am introducing here today with strong bipartisan sponsorship. This measure is identical with a bill filed earlier in the other body, sponsored by such distinguished Members of the Senate as Senator STROM THURMOND, of South Carolina, chairman of the Senate Judiciary Committee, and Senator JOSEPH BIDEN, of Delaware, the ranking minority member of the Subcommittee on Criminal Law.

Mr. Speaker, the issue of crime in America—particularly crimes of violence, drug-related crimes, and orga nized criminal activity—is of the utmost concern to the American public. The introduction of this legislation is timely and highly significant. The support of the Department of Justice in behalf of this anticrime package attests to the determination of the administration to support measures directed at the criminal elements in our society, looking toward a safer nation in which the law-abiding citizens across the land may find support in the Halls of Congress and in the Federal criminal justice system.

Mr. Speaker, some parts of this anticrime package have been included in various drafts of the proposed Federal Criminal Code. Other provisions have already been acted upon favorably by Senate or House Judiciary Subcommittees or the full Judiciary Committees of our respective bodies. This is not legislation advanced by the conservatives or the liberals. It is, on the contrary, an anticrime program with a broad consensus of support from thoughtful Members of the Congress who have devoted time and attention to the acute problems of crime in America.

Mr. Speaker, I am today introducing this measure, entitled, "The Violent Crime and Drug Enforcement Improvements Act of 1982" proposed by the administration.

The bill contains a number of features which I think merit serious consideration by Members of the Congress as we look for a way to attack crime in America. Obviously, not every word should be straightway enacted into law without the improvements that come naturally from the legislative process. Some features are controversial—but there is no uncontroversial way to reduce crime.

Briefly, some of the major improvements proposed by the bill are in the areas of:

First. Bail reform. The bill amends the Bail Reform Act of 1966 most importantly so that danger to the community can be considered in determining whether to release a defendant on bail. In additioin, it provides additional punishment for crimes committed while on bail.

Second. Witness-victim protection. The bill proposes measures to protect victims and witnesses from intimidation or retaliation during the criminal justice process and would permit a civil action againt the United States in the event that a dangerous person, at large due to the gross negligence of a Fedral agent or employee, causes injury or damage.

Third. Drug abuse. The bill would increase the fine levels and penalties for trafficking in dangerous drugs and permit State and foreign felony convictions to be considered under enhanced penalty procedures of Federal law for repeat offenders.

Fourth. Protection of Federal officials. The bill would expand the list of protected Federal officers under murder, kidnap, and assault statutes to include senior White House officials, Cabinet members, and other high-ranking Government officials including Supreme Court Justices.

Fifth. Sentencing reform. The bill proposes a determinate, no-parole, sentencing system governed by sentencing guidelines drafted by a Sentencing Commission.

Sixth. Criminal forfeiture. The bill strengthens current criminal forfeiture provisions relating to racketeering and drug trafficking offenses to make forfeiture a more effective tool in law enforcement.

Seventh. Insanity defense. The bill narrows the insanity defense from that currently employed in Federal courts.

Eighth. Surplus Federal property. The bill permits GSA to convey surplus Federal property for use by States as correctional facilities while retaining a reversionary interest for the United States where appropriate.

In addition, the bill proposes numerous miscellaneous improvements in the criminal justice and law enforcement system. For example, it would provide Federal jurisdiction in murder-for-hire situations, it would permit emergency electronic surveillance in life endangering circumstances, and it would prohibit the robbery of controlled substances from a pharmacy.

Mr. Speaker, America is awash in a sea of crime. It is imperative that we expeditiously consider a proposal such as this that would abate that raging sea, provide justice and protection for victims of crime, and help restore order to our society.

LEGISLATION ALLOWING IMPOSITION OF USER FEES TO FINANCE PORT IMPROVEMENT PROJECTS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. TRIBLE) is recognized for 10 minutes.

● **Mr. TRIBLE.** Mr. Speaker, today I am introducing legislation to allow the imposition of user fees by public authorities to finance port improvement projects.

This is a very simple and straightforward bill. Virginians are anxious to proceed with the deepening of the Port of Hampton Roads. The Hampton Roads Maritime Association has proposed local financing for this port improvement project if Congress will allow the port to recoup the cost of dredging through the imposition of user fees. The prohibition on tolls contained in title, 33 United States Code, section 565, which was enacted as part of the Rivers and Harbors Appropriation Act of 1902, prevents the port from imposing user fees to recover the costs of the port developement project.

The continuing debate over generic port development legislation has left those ports ready to begin projects in an uncomfortable holding position. My bill involves no Federal Government expenditures. It simply removes any prohibition on user fees thereby allowing this method of port development financing.

User fees have been widely discussed and generated a great deal of controversy. In my opinion, the willingness of beneficiaries to cover costs is an excellent test of the merits of a water project. While we continue to debate Federal participation in port development, passage of the bill I am offering will allow some port development projects to commence.

Historically, 75 percent of the coal that has been exported from this country has moved through Hampton Roads. Last year 50 million tons of coal were exported from Hampton Roads. However, continued delay in the deepening of the port could influence coal buyers to begin placing long-term purchase contracts with other producing nations.

We cannot allow this to happen or allow this country to lose the many benefits which will result from increased exporting of coal and commodities. Action to deepen the Port of Hampton Roads will demonstrate that the United States is committed to the international buyers of American products and will improve our Nation's competitive position in the international market.

I urge prompt consideration of this bill.●

START WOULD NOT PROVIDE STABILITY

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 10 minutes.

● **Mr. BINGHAM.** Mr. Speaker, as President Reagan's proposal for strategic arms control negotiations made at Eureka College last May 9 is subjected to close analysis, more and more experts are concluding that it would increase rather than decrease the threat of nuclear war. The President's START proposals appropriately focus on destabilizing, land-based ballistic missiles, but they fit like a glove around his proposed strategic buildup and could well result in greater instability. On May 13, 1982, Herbert Scoville, Jr., former Assistant Director of the CIA and now president of the Arms Control Association, testified before the Senate Foreign Relations Committee and analyzed the present strategic situation. He concluded that the United States now has a strong deterrent force that is more survivable than the Soviet Union's. He went on to analyze the START proposal, SALT II, and the concept of a mutual freeze on the testing, production and deployment of nuclear weapons and delivery systems. He made a strong case that the latter two are better for U.S. national security than the START proposal seems to be. The following are major excerpts from his testimony:

EXCERPTS OF TESTIMONY BY HERBERT SCOVILLE, JR.

The key requirement for reducing the risks of the arms race is to curb dangerous technological advances. Both in our weapons progrms and in our arms control positions, the U.S. should carefullly evaluate whether a given action increases or decreases the likelihood of the use of nuclear weapons. It must neither depend on using these weapons first nor provide incentives for the Soviet Union to launch an initial nuclear attack against the West.

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RELATIVE U.S.-U.S.S.R. STRENGTH

The key characteristics that determine the effectiveness of a strategic deterrent force is the obvious ability of this force to survive any attack by the other nation and of its warheads to be able to penetrate to designated targets in a retaliatory attack. The ABM Treaty of 1972 has assured the needed penetration capability so that attention should be focused on the survivability of the overall strategic force.

Although both the U.S. and the U.S.S.R. have a survivable strategic deterrent, there is no question that in this critical characteristic the U.S. is far better off than is the Soviet Union. As the land-based missile systems of both countries become theoretically vulnerable to a countersilo attack, survivability depends more and more on the capabilities of the ballistic missile submarines, supplemented by intercontinental bombers. The United States in the '60s and '70s made the proper decision and placed only about 25% of its warheads on land-based ICBMs, while the Soviet Union placed approximately 75% of its deterrent on them.

The U.S. has approximately 3,000 warheads at sea on invulnerable submarines at all times, while the Soviet Union, according to testimony by the Joint Chiefs of Staff, are only able to maintain 10 to 15% of their subbmarines at sea at any one time. Since the Soviet Union has a total of less than 2,000 submarine ballistic missile warheads, this would mean that they had only 200 to 300 warheads ($\frac{1}{10}$ of the US number) available for retaliation. Furthermore, American submarines are far less vulnerable than Soviet ones; theirs are noisier and far more susceptible to antisubmarine warfare measures.

Finally, there is no question that the United States has a far superior intercontinental bomber force than does the Soviet Union. We have more and better long-range bombers and bases from which to operate them. Thus it is plainly misleading, and in fact does our security a disservice, to preach that the United States has an inferior strategic force and a questionable capability to retaliate after a Soviet attack. The US has a strong, survivable overall deterrent force.

PRESIDENT REAGAN'S MAY 9 START PROPOSAL

President Reagan has now proposed that Strategic Arms Reduction Talks (START) start at the end of June and has dropped any linkage of the beginning of these negotiations with other political events around the world. He now recognizes that controlling nuclear weapons is of such overriding importance that Soviet actions in other areas should no longer be allowed to defer actions on this subject. We welcome this new move.

The opening position for START proposed by President Reagan on May 9 called for a warhead reduction to equal ceilings at least a third below current levels. To enhance stability, no more than one-half of these warheads would be land-based. The concentration of attention on limiting the dangerous modern, accurate, land-based ICBMs, which provide incentives for initiating a nuclear attack, is commendable. It is also appropriate that he did not elaborate with details of how these reductions would be taken since this could freeze the US into a position that would be politically difficult to change as a result of negotiation. In this connection the President said we will carefully consider all proposals made by the Soviet Union. I would hope that he would consider limitations on all types of cruise missiles and on bombers as well as ballistic missiles. I would also hope that the Soviet Union would carefully study this proposal and then make a serious counter-offer. Only by such negotiations and not by public rhetoric will the process of meaningful nuclear arms control be promoted.

Negotiations alone are not enough; we need concrete measures to slow and stop the arms race at an early date. Therefore, it is disturbing that, as President Reagan visualizes, these negotiations will probably take many years during which he proposes that the US proceed with all of its new programs. Furthermore, many of these programs call for the procurement of destablizing weapons of the type that he feels must be eliminated in START. Administration officials, in explaining the new proposal, even mentioned that the US would include 200 MX missiles with 2,000 warheads and a large number of counter ICBM Trident II missiles in its ceilings. Thus, it would appear that the US were planning to use this proposal as a means of building up its destabilizing counter ICBM capability. If the goal of a more stable balance that President Reagan claims he seeks is to be negotiated, then any Treaty must provide enhanced security to both sides. If not the negotiations will only be a means of accelerating the arms race to higher, more dangerous levels.

STRATEGIC STABILITY UNDER START PROPOSAL

A more detailed analysis of the security implications of the new START proposals based on official explanations leads to the conclusion that they would not improve the stability of the deterrent of either nation, the key goal of President Reagan's program. If the U.S. were to deploy 200 MX ICBMs and 12 Trident submarines with Trident II missiles carrying 10 warheads each, then we would have 4,880 warheads, just within the new ceilings of 5,000. However, this program would leave only 200 ICBM launch points while the Soviets would be allowed 2,500 ICBM warheads, a ratio of better than 12 to 1. Since the Soviets now have only about 4,000 warheads with 6,000 allowed under SALT II and the U.S. has 1,000 Minuteman launch points (a ratio of 4 or 6 to 1), any U.S. ICBM "window of vulnerability" will have been opened wider by the new START proposal.

Furthermore, the U.S. deterrent as a whole would have been seriously compromised, since the U.S. could only have 12 Trident submarines of which at best eight would be at sea at any one time. This would greatly decrease the suvivability of the submarine leg of the deterrent to Soviet antisubmarine warfare since we now always keep more than 20 at sea. Thus, the effectiveness of two legs of the U.S. deterrent would have been seriously decreased over that existing if we stopped our programs where they are today or adopted the SALT II ceilings. The US position would be much safer if it did not use up its quota by the deployment of the MXs.

The survivability of the Soviet deterrent could be similarly decreased. If they chose to keep only their SS-18s (250 would be allowed), then the US would have an ICBM warhead to launchpoint ratio of 10 to 1 or a total countersilo (ICBM and Trident II) warhead ratio of 20 to 1. Their position would be safer if they scrapped their SS-18s and kept only SS-19s and SS-17s, but the ratios would still be 4 to 1 and 8 to 1. Thus, in the regime of the new START proposal the deterrents of both sides would be compromised from that now existing and the stability of the strategic balance very seriously upset. The START proposal will not achieve the President's goal of improved stability but will instead increase the likelihood of a first strike. The security of both countries would be improved if there were also restrictions on the number of MIRVed missiles allowed within the quotas, particularly those with large numbers of warheads.

SALT II

In 1979, the Board of the Arms Control Association strongly supported the ratification of the SALT II Treaty. We believed that it would have enhanced US security, would have constituted important first steps in reducing the levels of offensive nuclear weapons and in curbing dangerous new technologies, and would have improved our ability to evaluate the nature of the Soviet strategic threat. We believed that the Treaty contained many useful arrangements for dealing with modern weapons systems and for verifying compliance. At that time we warned that the failure to ban all new generation ICBMs, which could provide a destablizing countersilo capability, was a serious loophole in the Treaty and could lead to an increased risk of nuclear war. Despite this shortcoming in the SALT II Treaty, it is still a useful agreement and it would be unfortunate to lose the ground gained in its negotiation.

We are therefore very pleased that the Governments of both the US and the USSR have informally agreed not to take actions that were inconsistent with the prohibitions in SALT II, and that President Reagan in his new strategic program announced on October 2nd, 1981, did not include any weapons developments that would have been banned by the SALT II Treaty. His May 9, 1982 proposal is an extension of SALT II, and does not contravene any of the provisions of the basic Treaty. We would hope that this policy of not undercutting the Treaty will continue until a new agreement is reached.

Three years have passed since the SALT II Treaty was signed, and therefore some of the provisions will clearly require updating. For example, the Protocol, which had temporary restrictions on mobile ICBMs and sea and ground-based cruise missiles, expired in December 1981, so new arrangements must be included in any updated treaty to deal with these weapons. Similarly, the Soviet Union would have had to scrap by December 1981, approximately 250 delivery vehicles in order to meet the overall 2,250 ceiling. They cannot be expected to take such an action in the absence of a ratified treaty, so the date for this or deeper reductions will have to be renegotiated. Furthermore the SALT II Treaty would have expired in 1985, and any new treaty should extend at least beyond the end of this decade.

I would hope that in the process of any possible future negotiations, now known as START, that the loophole left for the development of one new type of ICBM would be closed. The difficulties that the United States is having in finding any way of deploying the MX missile so that it would be invulnerable to a Soviet attack, should eliminate the US requirement of keeping this open option to deploy a new MIRVed ICBM. At the same time arrangements should be worked out for lowering the ceilings on MIRVed SS-18s. In summary, we believe that the SALT II Treaty is a useful starting point for START, and hope that instead of scrapping its many useful provisions, these be used as a basis for moving toward even more significant limitations on new strategic weapons systems.

FREEZE AND REDUCTIONS

The general concept of a mutual freeze on the testing, production and deployment of nuclear weapons and delivery systems, is not a new one. Back in 1964 the US made similar proposals to the Geneva Disarmament Conference. In 1969 the idea of stopping strategic nuclear weapons programs where they were was given serious consideration by the US Government as an opening position for the SALT negotiations. Thus, one should not look at the various proposals which have been made around the country and incorporated in resolutions for Senate consideration as radical departures from previous arms control positions. The basic concept of halting the arms race where it is today is certainly sound, and one that has already proved invaluable in providing a framework for the American public to express its concerns over the policies of reliance on more new dangerous nuclear weapons while largely ignoring actions to control such weapons. It is recognized, however, that the negotiation and implementation of any specific freeze proposal could be very difficult, and that it would be wrong to be optimistic that any across the board version could be put into effect on short notice. In practice it may be necessary to freeze certain critical elements of the programs first and deal with others on a less rapid time schedule. However, in such negotiations the advantage of stopping a wide range of programs where they are today should not be sacrificed lightly.

A major benefit of a mutual freeze is that it would bring to a halt the incorporation of dangerous new weapons technologies into the strategic forces of both countries. Developments that could threaten the mutual deterrent balance would be stopped. Since these are the most important factors leading to the increased risk of a nuclear war, a freeze would be a major step forward. It is important, however, that if this goal is to be achieved any freeze take effect at an early date, for nothing would be accomplished if it were delayed to the point where both the USSR and the United States already had first strike capabilities against the others land-based deterrent force. Allowing both sides to acquire a multitude of new weapons systems before a freeze took effect would defeat its very purpose.

A mutual freeze would provide a solid base for future reductions in the force levels of both sides. One of the difficulties in the previous SALT negotiations has been that new weapons were being developed and deployed while the detailed negotiations were inching along. As a consequeance the negotiators were always dealing with moving targets. If the weapons systems could be frozen at current levels and technologies, this difficulty could be alleviated, and reductions more easily accomplished. Since there is a mutual deterrent posture today, it makes no sense to procure a wide variety of new weapons at a cost of hundreds of billions of dollars in order to achieve reductions below the levels now existing. We have other uses, both military and civilian, for our dollars and scarce resources. Furthermore, experience in arms control negotiations has shown that it is far easier to stop a weapons program before it is started then it is to get rid of weapons which have already been procured. In practice if we continue the arms race unchecked and both countries acquire the new weapons in their current programs, then we would be very fortunate if we could ever agree to reducing weapons to as low as the levels that exist today. Instead of trying to get reductions now while we build up and then freeze later, we should freeze now and then initiate a continuing process of reductions until we have significantly lowered the risk of a nuclear conflict.

The main argument that has been raised against a freeze at current levels is that it, in the words of Secretary of State Haig, "would perpetuate an unstable and unequal military balance." For the reasons that I have already stated we do not believe that the current strategic balance is unstable or to the U.S. disadvantage. One can always select a single type of weapon or a certain weapons characteristic in order to claim that one side or the other is inferior. There are inevitable asymmetries in the U.S. and the Soviet strategic forces. If each side were to claim that it must rectify any individual imbalance before agreeing to a freeze or to reductions, then we have only a prescription for a continuing arms race to higher and more dangerous levels. We must look at the deterrent posture as a whole. At the present time both sides have a secure deterrent—if anything the United States is better off. The West placed its major reliance both for European and U.S. strategic forces on invulnerable submarine-based missiles instead of potentially vulnerable land-based systems. The present strategic balance cannot be used as a Western excuse for not accepting a freeze and moving on to significant reductions.

The second argument, that a mutual freeze now would remove Soviet incentives for reductions, is just another version of the old bargaining-chip theory—buy new weapons in order to blackmail the Soviets into halting their programs. It is an effective way of ensuring that weapons stockpiles increase; but it has proven ineffective in persuading the Soviets to exercise restraint.

A classic example of the failure of this policy is the deployment of MIRVs, the multiple warheads put on single missiles beginning in the early 1970s. The United States was about five years ahead of the Soviets in this technology, and rather than attempt to negotiate a halt to MIRV programs, the United States decided to move ahead without any limitations. It was argued that this program was necessary to get the Soviets to back out of a MIRV race.

As might have been expected, the opposite occurred. The Soviets followed in our MIRV footsteps, first with tests, them with deployment of first-generation types and finally with sophisticated guidance systems. Now we see these as a major threat to our ICBMs. President Reagan has become alarmed over a "window of vulnerability" brought on by Soviet MIRVs, proposes to spend hundreds of billions of dollars as a response to this threat, and now says we can't freeze our nuclear programs until this imagined Soviet superiority is eliminated.

VERIFICATION

Verification is the one issue that applies to all alternatives: President Reagan's START proposal, SALT II, a freeze at current levels, reductions and even continued arms buildups without arms control. Can we verify the size and characteristics of the Soviet strategic nuclear forces and can we be sure that reductions are actually being made?

First, it should be understood that satisfactory verification of any agreement to set ceilings, freeze or reduce nuclear weapons does not require that any violation, no matter how insignificant, has to have a high probability of detection as some who wish to foreclose any arms limitation would like the public to believe. When the U.S. has 2,000 strategic delivery vehicles, the secret Soviet production of a small number of missiles is not a security risk. President Reagan's INF negotiator, Paul Nitze, has in the past testified before this Committee that verification capabilities should be tailored to the security significance of any violation.

In 1979, the Arms Control Association testified that it believed that the SALT II Treaty could be satisfactorily verified. This conclusion is even more supportable today. Since a freeze would mean a stop to all activities in any weapons program, the detection of even one missile or bomber would be evidence of a violation. This greatly simplifies verification over that required for monitoring a ceiling such as was agreed to in SALT II. For example, a ceiling on small, mobile, land or sea-based cruise missiles would be hard to verify because one could never be sure whether a specific missile was in the allowed quota or not. A total ban on testing, production and deployment could be checked with high confidence since the chances would be high of detecting a single missile out of any significant deployment.

In a freeze, certain elements would have a higher probability of detection than others. Thus, although the production of new missiles is difficult to monitor, particularly small ones that can be confused with other types of hardware, testing and deployment would be much easier to verify by the use of technical intelligence. Therefore, since all three are required to generate a new threat, some uncertainty on production can be compensated for by information on the other two phases of the weapons cycle.

Most recent public attention has been focused on missiles and bombers, but if the freeze were to include nuclear testing and the production of fissionable material for more warheads, this too can be verified. The Comprehensive Test Ban negotiations have already worked out the essential verification arrangements, which include unmanned seismic stations in the Soviet Union and the principle on on-site inspections to clarify the nature of ambiguous events. Satisfactory verification of a freeze on additional fissionable material production is eased by the existence on both sides of hundreds of thousands of pounds of weapons-grade uranium plutonium. It would be virtually impossible for secret diversion from nuclear power plants or new clandestine production facilities to provide significant additions to these stockpiles without detection by our intelligence.

Reductions in strategic arms can also be verified without intrusive inspection. There now exist procedures under SALT I for monitoring by our intelligence agencies the destruction of strategic delivery systems. In addition, procedures were worked out and actually tested in the US in the 1960s for withdrawing nuclear weapons from stockpiles and transferring the fissionable material in them to peaceful programs.

In sum, verification cannot be used as an excuse for failing to proceed now with SALT II, a freeze at current levels, or significant reductions. The US doesn't need to build up its stockpiles to achieve parity first. It can reduce and be confident that the existing strategic deterrent balance is maintained. A mutual and verifiable freeze at current levels is a sound concept for starting the process of reducing nuclear arms and reducing the risk of nuclear war.●

THE OLYMPIC STOPWATCH IS TICKING

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● **Mr. ANNUNZIO.** Mr. Speaker, our Olympic athletes are already running against a clock, but in this case it is not being held by an international sports official. This stopwatch is in the hands of this Congress. If we do not help our Olympic athletes win this race against time by enacting the House-passed version of the Olympic coin bill, our athletes will not receive the funds they so richly deserve.

With an overwhelming 302-to-84 vote, the House of Representatives passed my substitute amendment to S. 1230 on Thursday, May 20, 1982. My proposal calls for the minting of two silver dollars and one gold $10 coin to be sold directly to the public by the Mint. This plan could raise as much as $600 million for our Olympic athletes at no expense to the American taxpayer. The coins will be reasonably priced and all of the proceeds from their sale will go to the intended beneficiaries, the Los Angeles Olympic Organizing Committee and the U.S. Olympic Committee.

The House action marked the climax of a long controversy concerning the best approach toward minting official U.S. coins to commemorate the 1984 Summer Games and raise money for our athletes. The lopsided vote clearly indicates a House mandate to have all of the money to go to the athletes. It is a rejection of any plan that permits private marketers to profit at the expense of our Olympic athletes.

Now that the program to provide all the profits to the athletes has received the endorsement of the House of Representatives, the time has come for all to support this legislation and get it to the President for signature without delay. As soon as this final step is taken, our athletes will begin to receive the money that they so desperately need, and deserve.

While we all pay lip service to the requests of our Olympic athletes by agreeing that they need a commemorative coin program to raise the funds necessary to train world-class athletes, these words are merely empty promises if they are not backed by authorizing legislation. If the House-passed Olympic coin bill is not enacted as soon as possible, our athletes will suffer the consequences. Every day of delay is 1 more day that the athletes must prepare for the 1984 Summer Games without the proper facilities.

And, although our Olympic athletes are quite used to the pressures of time, the Olympic commemorative coin clock serves no useful purpose. Under normal circumstances, the athlete tries to improve himself through the test of speed. In this case, his suffering and endurance is to no avail. He does not get faster and faster; he just gets poorer and poorer.

The Treasurer of the United States, Angela Buchan, has said that she could turn over $31 million to the Olympic committees within 4 months of the passage of the House version of the Olympic coin bill. That means that if this proposal is approved immediately, the Olympic athletes will receive $31 million by September. If it is not, September quickly turns into October and November. And then, 1983 is just around the corner.

So, let us stop wasting valuable time. Our amateur athletes cannot afford it. This Congress has a responsibility to help our Olympians raise the money they need to compete against the world's best. All we must do is approve the House-passed version of the Olympic commemorative coin bill before the clock runs out. As of today, the Olympic stopwatch is still ticking.●

TOM LASORDA TO RECEIVE 1982 LEONARDO DA VINCI AWARD FROM ITALO-AMERICAN NATIONAL UNION

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. RUSSO) is recognized for 5 minutes.

● **Mr. RUSSO.** Mr. Speaker, at this time I would like to address my colleagues in commendation of Tom Lasorda who is being honored on Saturday, May 29, 1982, in Chicago, for his contributions to sports and the Italian American community. Tom will receive the 1982 Leonardo Da Vinci award from the Italo-American National Union. In times such as these, when so many people are preoccupied with politics and the economy, it is doubly important to take time to praise those special people in our country who have made significant accomplishments in their field. I believe that Tom Lasorda is such a person.

The famed manager and leader of the Los Angeles Dodgers serves not only as a strong example of dedication to one's job, but also ethnic pride, devotion to family, and service to one's ethnic community.

Tom's accomplishments in the sports world are well-known. As manager of the Dodgers, he has been a team man, leading the organization to several playoff spots and National League championships. Tom reached the pinnacle of his profession in October of 1981 when he led his team to victory in the world series. Tom was most effective in taking the raw talent of the Dodger organization and converting it into championship material. As leader of the "destiny Dodgers" who were successful in the world series when all odds were favoring the their opponents, Tom exhibited the kind of spiritual leadership which, rare in sports, makes him stand out among the ranks of professional sportsmen. His leadership skills and dedication should serve as a model to us all.

Tom has spent more than 30 years with the Dodgers, experiencing many diverse aspects of the organization in particular and baseball life in general. Prior to becoming manager in 1976, he served as a scout for 5 years, minor league manager for 7 years, and as a coach for 4 years.

As a minor league manager, Tom compiled an outstanding record as his team won five pennants in seven seasons. In 1970 he was voted the "Minor League Manager of the Year" award by the Sporting News as his team won the pennant by 26 games.

Tom's career as a National League pitcher consisted of two seasons with the Dodgers (1954 and 1955) and 1 year (1956) with Kansas City. He also holds the all time International League record for career wins with 125 wins being posted for the Montreal Royals. Tom pitched in four games for the 1955 Dodgers—the first Dodger team ever to win a world championship.

As devoted as he is to baseball and the Dodgers, Tom Lasorda does not confine himself to it. He is a proud family man residing in Orange County, Calif. with his wife Jo and children Laura and Tommy, Jr. As busy with the Dodgers as Tom, Sr. is, he does not neglect his family.

In addition, Tom always finds time to donate his services to the Italian-American Sports Hall of Fame, and many other charitable institutions. This is just one example of Tom's philanthropic interests and his ethnic pride.

For all of his achievements, it is clear that Tom is a most worthy recipient of this award. I am sure that my colleagues join me in commending

Tom Lasorda for his accomplishments and wishing him continued success in the future.●

CLARIFYING THE COGENERATION AND SMALL POWER PRODUCTION PROGRAM

(Mr. OTTINGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OTTINGER. Mr. Speaker, today, with my colleague on the Energy Conservation and Power Subcommittee, Congressman Ron Wyden, I am introducing legislation to clarify the program created by Congress in 1978 to encourage the generation of electricity by cogeneration and small power production techniques. This legislation is made necessary by a recent court decision setting aside certain critical regulations promulgated by the Federal Energy Regulatory Commission (FERC) to implement this program. The decision has created considerable uncertainty in cogeneration, small power production, and electricity supply markets at a time when this Nation can ill afford it.

In 1978, as part of the National Energy Act, Congress enacted the Public Utility Regulatory Policies Act or PURPA. Title II of PURPA, among other things, created a program explicitly designed to encourage cogeneration and small power production. Cogeneration is the simultaneous production of electricity and steam, heat, or other forms of energy that are useful for industrial, commercial, heating, or cooling purposes. Small power production refers to the production of electricity by the use, as a primary energy source, of biomass, waste, renewable resources or geothermal resources and which, as defined in PURPA, has a power production capacity not greater than 80 megawatts.

The program Congress created was intended to require utilities to deal with cogenerators and small power producers and cut out cumbersome Federal and State regulations which were preventing these technologies from entering the marketplace. Essentially, the program created by Congress requires utilities to purchase electricity from and sell it to qualifying cogeneration and small power production facilities (QF's) and authorizes the FERC to relieve QF's from certain aspects of State and Federal utilities regulation.

The FERC promulgated regulations implementing this program in early 1980. State regulatory authorities and nonregulated electric utilities were required to implement these regulations whithin 1 year of such promulgation. However, on January 22, 1982, a panel of the U.S. Court of Appeals for the District of Columbia, in AEP Service Corp., et al. against FERC, set aside FERC regulations respecting rates for utility purchases from small power producers and cogenerators and interconnection of utility facilities with QF's.

First, the court said that the FERC had failed to explain how its regulation requiring that rates be equal to utility "avoided costs" for purchases of electricity from new QF's produced lawful results in every situation. The court did not say that this regulation was per se unlawful, only that the FERC had not demonstrated how it was always lawful.

Second, the court stated that the FERC regulation requiring that electric utilities make any interconnection with QF's necessary to accomplish purchases of electricity from and sales to QF's, as required by section 210(a) of PURPA, was unlawful. The court found no inherent authority to require interconnection in section 210(a) and stated that a QF encountering a recalcitrant utility on the matter of interconnection would have to avail itself of sections 210 and 212 of the Federal Power Act. These sections, among other things, permit the FERC to order interconnection of utilities and QF's but only after incredibly cumbersome procedural requirements are met and difficult and, in some instances, unnecessary findings are made by the FERC.

The FERC's petition to the full court for a rehearing was denied by a vote of 3 to 2, with six court members abstaining.

The effect of this decision on the cogeneration and small power production industry is potentially devastating. First, there is now no certainty regarding rates for utility purchases from QF's. It may be 1 to 2 years before a new or revised Federal rule could be reestablished. Even then, there would not likely be certainty on this matter because several States, in the wake of the AEP decision, have asserted that they have independent authority to set their own rules for rates for purchases. Countering this, some utilities have argued that the rate for purchase matter has been federally preempted. There could be differences between Federal and State laws that could lead to litigation on this matter. In this environment prospective QF's have no easy way of forecasting revenue streams and, thus, may find financing difficult or impossible to obtain.

Second, if QF's must avail themselves of sections 210 and 212 of the Federal Power Act to gain interconnection with utilities, many projects will be discouraged, especially small ones with little financial resources. It will simply take too long and cost too much to obtain interconnection to be worth it.

Requiring QF's to use sections 210 and 212 to obtain interconnection is the antithesis of relieving these facilities of regulatory burden, which is what many of us who worked on PURPA thought we were doing in 1978. Additionally, since the AEP decision, some States have argued that they have sufficient authority to order interconnection of utilities and QF's. Again, however, utilities have argued that the matter of interconnection has been federally preempted such that sections 210 and 212 of the Federal Power Act are the exclusive means available to gain interconnection. Thus, litigation awaits the assertion by a state of its authority to require interconnection. The result will be years of delay while present law is clarified.

The situation I have described cries out for a legislative remedy before these valuable resources are lost to an uncertain market. Our bill provides that remedy Mr. Speaker. I would like to explain how.

First, we would establish a Federal policy regarding rates for purchases of electricity from QF's. The policy would be that such rates should equal the avoided cost of the purchasing utility; for example, that cost which the utility would incur in the absence of the purchase of power from the facility. However, our bill would permit State regulatory authorities and nonregulated utilities to establish a different rate for purchases if these entities show that the different rate would be sufficient to encourage cogeneration and small power production, would not discriminate against QF's and would be in the interest of ratepayers and the public interest. This is a departure from the FERC regulation set aside in the AEP decision which required avoided cost treatment in every instance for new QF's. Thus, our bill would establish clear and predictable policy to encourage cogeneration and small power production. However, it is simultaneously responsive to the concern expressed by the court of appeals in AEP that there may be situations in which a rate different from avoided costs would be more appropriate. And the bill would let those closest to the matter—State Public Utility Commissions and nonregulated utilities—make the decision whether another rate is more appropriate, not the FERC.

Second, our bill would create a clear Federal duty among utilities to interconnect their facilities with those of QF's. In return for this, these producers would have to bear all reasonable costs of such interconnection including those incurred by a utility to protect the safety of employees and the public and to avoid impairment of system reliability. If problems arose between regulated utilities and QF's on the matter of interconnection, the State PUC's again, not the FERC, would referee the dispute. Disputes between nonregulated utilities and QF's on interconnection would be resolved by the FERC according to provisions already set forth in PURPA.

Mr. Speaker, no one knows for sure how much additional economic congeneration and small power production potential exists in the United States. Studies estimate that the potential for cogeneration capacity alone, in five major industries by 1990 may be as high as 10,000 MW's and, by 2000 as high as 40,000 MW's. Whatever the actual potential, no one disagrees that cogeneration and small power production could play a major role in meeting the needs of our people for economic and diversified supplies of electricity. Obviously, in a time of tight capital constraints on our utlities, we must assure that there are no procedural and legal roadblocks to the full development of cogeneration and small power production potentials. Unfortunately, the road to development of these potentials is presently strewn with legal impediments and uncertainties. The likely result is that the Nation will lose a substantial portion of this resource. We cannot let this happen.

I think that our bill would get the cogeneration and small power production program back on track. It would do this by transferring a substantial component of the program—rates and interconnection—to the States and nonregulated utilities subject to Federal policy standards designed to encourage these technologies and existing FERC oversight and enforcement.

I have scheduled subcommittee hearings on this legislation on June 15, at which all points of view will be heard. I welcome and urge the support of my colleagues in the task of restoring predictability to cogeneration and small power production markets, an objective which all of us, of whatever political persuasion, have an interest in attaining.

The text of the bill follows:

H.R. 6500

A bill to amend the Public Utility Regulatory Policies Act of 1978

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Cogeneration and Small Power Production Program Clarification Act of 1982".

SEC. 2. (a) Subsection (b) of section 210 of the Public Utility Regulatory Policies Act of 1978 is amended to read as follows:

"(b) RATES FOR PURCHASE BY ELECTRIC UTILITIES.—(1) The rates for purchases by an electric utility under subsection (a) of this section of electric energy from any qualifying cogeneration facility or qualifying small power production facility shall be established at the incremental cost of alternative electric energy of such electric utility, unless—

"(A) the State regulatory authority having ratemaking authority over such electric utility determines (by rule or order of prospective application), or

"(B) a nonregulated electric utility determines, with prospective application, and publishes its reasons therefor,

that some other rate would be sufficient to encourage cogeneration and small power production, would not discriminate against qualifying cogenerators and small power producers, and would be consistent with the interests of consumers and with the public interest. In exercising the authority under this paragraph, a State regulatory authority or nonregulated electric utility may distinguish between new and existing facilities and may distinguish among classes of qualifying cogeneration facilities and qualifying small power production facilities.

"(2) A rate for the purchases under subsection (a) of this section of electric energy from any qualifying cogeneration facility or qualifying small power production facility which—

"(A) was established by a State regulatory authority, by State law, or by a nonregulated electric utility, prior to the date of enactment of the Cogeneration and Small Power Production Program Clarification Act of 1982, and

"(B) conformed with the requirements of regulations under this subsection (as in effect on January 1, 1982),

shall be treated as satisfying the requirements of this subsection unless and until such rate is amended or revised in accordance with this subsection, as amended by the Cogeneration and Small Power Production Program Clarification Act of 1982.

"(3) Nothing in this subsection—

"(A) limits the authority of an electric utility and a qualifying cogeneration facility or qualifying small power production facility to enter into a contract which contains a rate or rates which differ from those referred to in paragraph (1) or (2), or

"(B) affects the validity of such a contract.".

(b) Subsection (a) of section 210 of the Public Utility Regulatory Policies Act of 1978 is amended:

(1) in paragraph (1), by striking out "and" and inserting in lieu thereof ";";

(2) in paragraph (2), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (2) the following:

"(3) interconnect with such facilities.".

(c) Section 210 of the Public Utility Regulatory Policies Act of 1978 is amended by adding at the end thereof the following new subsection:

"(k) ARRANGEMENTS FOR INTERCONNECTION.—(1) The rules under subsection (a)(3) of this section shall insure that, where any electric utility is required to offer to interconnect with a qualifying cogeneration facility or qualifying small power production facility, the qualifying cogeneration facility or qualifying small power production facility shall be obligated to pay any reasonable interconnection costs incurred by the utility, including costs incurred—

"(A) to protect the safety of (i) the electric utility's employees, (ii) other customers, and (iii) the public, and

"(B) to avoid the impairment of the reliability of any electric utility affected by such interconnection.

"(2) The rules referred to in paragraph (1) shall provide that if the electric utility and qualifying cogeneration facility or qualifying small power production facility are unable to resolve disputes concerning the interconnection between the electric utility and qualifying cogeneration facility or qualifying small power production facility, the State regulatory authority (in the case of an electric utility over which it has ratemaking authority) may prescribe the terms applicable to such interconnection, including the costs to be borne by the qualifying cogeneration facility or qualifying small power production facility on a nondiscriminatory basis.

"(3) The Commission shall promulgate the rules referred to in paragraph (1) not later than 6 months after the date of the enactment of the Cogeneration and Small Power Production Program Clarification Act of 1982. Prior to the effective date of such rules, the rules promulgated by the Commission respecting the interconnection of qualifying cogeneration facilities or qualifying small power production facilities and electric utilities, as in effect on January 1, 1982, shall remain in force and effect.".

● Mr. WYDEN. Mr. Speaker, the small power potential in this Nation is an untapped and abundant energy reservoir.

Unfortunately, this reservoir of small power—windmills, cogeneration, small dams, and solar electric cells—is viewed by many as too small and dispersed to merit aggressive development.

In adopting section 210 of the Public Utilities Regulatory Policy Act of 1978 (PURPA), Congress attempted to tap this reservoir by resolving major institutional barriers to the production of electricity from cogenerators and small power sources.

Congress hoped to unleash the entrepreneurial initiative of small businesses in the effort to resolve our energy problems.

Now those hopes are about to be dashed. Recent court rulings on Federal Energy Regulatory Commission's (FERC) interpretation of congressional intent have left in doubt the future effectiveness of section 210.

That is why today Congressman OTTINGER and I are introducing the "Cogeneration and Small Power Production Program Clarification Act." It is our hope that this legislation will restore regulatory certainty to industry and entrepreneur alike.

Results in the Pacific Northwest, including my own State of Oregon, have demonstrated over and over the benefits of section 210.

In Oregon, the timber industry has already tapped this potential for 45 megawatts (MW) worth of power under the provisions of section 210. It is estimated this capacity will double by 1987 and triple by 1995.

In the Nation at large, the pulp and paper industry has contributed more than 3,500 MW of power to the Nations supply—equal to that of three large power plants. This capacity will increase by 40 percent by 1987 under the provisions of section 210.

The uncertainty over provisions of section 210 translates into risk, and the specter of risk translates into cautious investment strategies and difficult-to-obtain financing.

Congress perceived the solution to the risk and uncertainty of large-scale synthetic fuel projects to be an ambitious package of loans, loan guarantees, and price supports. The ebb and flow of energy prices has beached many of these projects and left the synthetic fuels effort on its deathbed.

For the entrepeneur planning investments in cogeneration, solar or small hydro development, no such Federal cushions are available.

These entrepreneurs must contend not only with fluctuating energy prices, a constant source of investment uncertainty, but also with uncertainties resulting form judicial interpretations of section 210 of PURPA.

The Cogeneration and Small Power Production Program Clarification Act restores a sound investment climate for small business by clarifying the congressional intent behind section 210 of PURPA: That the Nation encourage alternatives to capital-intensive, centralized plants as sources of power production.

Our bill provides that the power produced from such facilities be bought at rates sufficient to encourage the development of these cogeneration and small power resources, while protecting ratepayer interests. It also creates a clear Federal duty among utilities to interconnect their system to the small power producers in return for the power producers bearing the costs incurred for this hookup.

The bill is an honest attempt to respond to the recent Federal court decision that led to considerable confusion as to the FERC's interpretation of congressional intent behind title II of PURPA.

It is imperative that Congress act to address the issues raised by the court in order to preserve the integrity of the PURPA program. Until these issues are resolved, small power investors will perceive as too risky the commitment of funds to such projects.

The bill introduced today gives small power producers the sound investment climate they need.

It provides the certainty the electricity produced will be used or interconnected into the utility grid system.

It provides that the purchase price will be at least equal to what the utility would otherwise pay for power—the so-called avoided cost.

It adds flexibility to present provisions of PURPA by authorizing State utility commissions to determine that the public interest may dictate that the appropriate purchase price for small power may be other than full avoided cost. To this end, the State is given the discretion to set purchase prices based on the type of facility and on whether it is a new or existing facility.

The results of section 210 in the Pacific Northwest alone convince me of the merits of our bill. But it is questionable how much of this will be developed absent a strong reassertion of the PURPA 210 provisions.

Cost-effective investments in increased energy productivity are difficult for industry to make in today's tight capital markets. When industry must pass over investments in equipment that develops or utilizes energy that is otherwise wasted, our economy suffers and our reliance on imported oil remains.

The small power production benefits—the new investments, the jobs and the energy independence—are too great to lie fallow.●

GENERAL LEAVE

Mr. OTTINGER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my 1-minute speech.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Carman) to revise and extend their remarks and include extraneous material:)

Mr. Collins of Texas, for 30 minutes, today.

Mr. Dannemeyer, for 15 minutes, May 27.

Mr. Trible, for 10 minutes, today.

(The following Members (at the request of Mr. Lowry of Washington) to revise and extend their remarks and include extraneous material:)

Mr. William J. Coyne, for 10 minutes, today.

Mr. Bingham, for 10 minutes, today.

Mr. Gonzalez, for 15 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Coelho, for 5 minutes, today.

Mr. Russo, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Bereuter, immediately following vote on Senate Concurrent Resolution 60 in the House today.

Mr. Garcia, immediately preceding vote on Senate Concurrent Resolution 60 in the House today.

Mrs. Roukema, prior to the vote on the Waxman amendment to the amendment in the nature of a substitute offered by Mr. Jones of Oklahoma during consideration of House Concurrent Resolution 345 in the Committee of the Whole today.

(The following Members (at the request of Mr. Carman) and to include extraneous matter):

Mr. Regula.

Mr. Oxley.

Mr. Collins of Texas in three instances.

Mrs. Holt.

Mr. Rogers.

Mr. Dornan of California.

Mr. Erlenborn.

Mr. Dunn.

Mr. Moore.

Mr. Lagomarsino.

Mr. Wolf.

(The following Members (at the request of Mr. Lowry of Washington) and to include extraneous matter):

Mr. Wyden.

Mr. Simon in three instances.

Mr. Dwyer.

Mr. Ford of Michigan.

Mr. Roe in two instances.

Mr. Rangel.

Mr. Gephardt.

Mr. Yates.

Mr. Sam B. Hall, Jr.

Mr. Evans of Indiana.

Mr. Shelby.

Mr. Moakley.

Mr. Ottinger.

Mr. Akaka.

Mr. Skelton.

Mr. Hamilton.

Mr. Waxman in two instances.

Mr. Moffett.

Mr. Long of Louisiana.

Mr. Mattox in two instances.

Mr. Smith of Pennsylvania.

Mr. Bingham.

Mr. Hubbard.

Mr. Scheuer.

Mr. Bonker.

ADJOURNMENT

Mr. LOWRY of Washington. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 5 minutes a.m.), the House adjourned until today, Thursday, May 27, 1982, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4028. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a proposed final rule establishing an exemption from regulation under section 25(b) of the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for certain organisms which are used as biological control agents and which are therefore considered "pesticides" under FIFRA, pursuant to section 25(b)(1) of the Federal Insecticide, Fungicide, and Rodenticide Act of

1980, as amended; to the Committee on Agriculture.

4029. A letter from the Secretary of Housing and Urban Development, transmitting the department's report on alternative subsidy systems for the public housing program, pursuant to section 9 of Public Law 97-35; to the Committee on Banking, Finance and Urban Affairs.

4030. A letter from the Auditor, District of Columbia, transmitting a report regarding the Board of Elections and Ethics' decision to transfer voter listing information to a private concern, pursuant to section 455(d) of Public Law 93-198; to the Committee on the District of Columbia.

4031. A letter from the Mayor of the District of Columbia, transmitting an annual report on emergency preparedness, pursuant to section 6 of Public Law 81-686; to the Committee on the District of Columbia.

4032. A letter from the chairman of the board, Student Loan Marketing Association, transmitting the association's annual report on its activities, pursuant to section 439(n) of the Higher Education Act of 1965, as amended; to the Committee on Education and Labor.

4033. A letter from the Administrator, Energy Information Administration's annual report, pursuant to section 57(a)(2) of the Federal Energy Administration Act, as amended; to the Committee on Energy and Commerce.

4034. A letter from the Administrator, Veterans Administration, transmitting a new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

4035. A letter from the the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to revise and extend certain provisions of the Federal Water Pollution Control Act, as amended, for 5 years, and for other purposes; to the Committee on Public Works and Transportation.

4036. A letter from the Acting Assistant Administrator, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting notice of proposd final rules implementing the Coastal Zone Management Act, pursuant to section 12 of Public Law 96-464; to the Committee on Merchant Marine and Fisheries.

4037. A letter from the Secretary, of Health and Human Services, transmitting the sixth annual report on the child support enforcement program, pursuant to section 452(a)(10) of the Social Security Act; to the Committee on Ways and Means.

4038. A letter from the Secretary of Energy, transmitting a quarterly report on biomass energy and alcohol fuels development, pursuant to section 218(a) of Public Law 96-294; jointly, to the Committees on Agriculture, Energy and Commerce, and Science and Technology.

4039. A letter from the Inspector General, Environmental Protection Agency, transmitting an interim report of audit of the Agency's portion of the hazardous substance response trust fund, pursuant to section 111(k) of Public Law 96-510; jointly, to the Committees on Energy and Commerce and Ways and Means.

4040. A letter from the Comptroller General of the United States transmitting a report on the need for a more concentrated effort by the Department of Education to better control education related Federal paperwork (GAO/GGD-82-28, May 26, 1982); jointly, to the Committees on Government Operations and Education and Labor.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 6181. A bill to amend title II of the Social Security Act to provide adjustment benefits, vocational training, and waiver of overpayments for individuals terminated from the disability program, to strengthen the reconsideration process by providing for the earlier introduction of evidence of record, to provide for more uniformity in decisionmaking at all levels of adjudication, and for other purposes; with amendments (Rept. No. 97-588). Referred to the Committee of the Whole House on the State of the Union.

SUBSEQUENT ACTION ON A BILL SEQUENTIALLY REFERRED UNDER TIME LIMITATION

Under clause 5 of rule X, the following action was taken by the Speaker:

H.R. 5161. Committee on Agriculture discharged, referred to the Committee of the Whole House on the State of the Union, and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PHILLIP BURTON:

H.R. 6491. A bill to establish domestic content requirements for motor vehicles sold in the United States, and for other purposes; to the Committee on Energy and Commerce.

By Mr. ERLENBORN (for himself, Mr. Perkins, Mr. Jeffords, Mr. Hawkins, Mr. Erdahl, Mr. Simon, Mrs. Fenwick, Mr. Murphy, Mrs. Roukema, Mr. Kildee, Mr. Coughlin, Mr. Bereuter, Mr. Dougherty, Mr. Hyde, and Mr. Smith of New Jersey):

H.R. 6492. A bill to amend the Child Abuse Prevention and Treatment Act to require the National Center on Child Abuse and Neglect to prevent practices in certain health care facilities which permit handicapped infants to die through deliberate neglect, to establish judicial remedies to prevent such practices, and for other purposes; jointy, to the Committees on Education and Labor and Energy and Commerce

By Mr. GOODLING

H.R. 6493. A bill to amend the Internal Revenue Code of 1954 to reduce the amount of foreign earned income which is excludable from gross income; to the Committee on Ways and Means.

By Mr. HIGHTOWER:

H.R. 6494. A bill to provide that the area of Canyon, in the State of Texas, shall be considered to be a rural area for purposes of title V of the Housing Act of 1949; to the Committee on Banking, Finance and Urban Affairs.

H.R. 6495. A bill to provide for the consideration of certain applications for rural housing assistance XX under tilte V of the Housing Act of 1949; to the Committee on Banking, Finance and Urban Affairs.

By Mr. KOGOVSEK:

H.R. 6496. A bill to provide that dams shall not be considered point sources for purposes of the Federal Water Pollution Control Act; to the Committee on Public Works and Transportation.

By Mr. McCLORY (for himself, Mr. Sam B. Hall, Jr., Mr. Sawyer, Mr. Sensenbrenner, Mr. Evans of Georgia, Mr. Railsback, Mr. Fish, Mr. Butler, Mr. Moorhead, Mr. Hyde, Mr. Kindness, and Mr. McCollum):

H.R. 6497. A bill to strengthen law enforcement in the areas of violent crime and drug trafficking, and for other purposes; to the Committee on the Judiciary.

By Mr. MOLLOHAN (for himself, Mr. Applegate, Mr. Bevill, Mr. Gaydos, Mr. Rahall, Mr. Staton of West Virginia, and Mr. Wampler):

H.R. 6498. A bill to permit temporary expansion of the Benefits Review Board of the Department of Labor in order to cope with the current volume of claims; to the Committee on Education and Labor.

By Mr. OBERSTAR:

H.R. 6499. A bill to establish a program providing stability of price and supplies of dairy products; to the Committee on Agriculture.

By Mr. OTTINGER (for himself and Mr. Wyden):

H.R. 6500. A bill to amend the Public Utility Regulatory Policies Act of 1978; to the Committee on Energy and Commerce.

By Mr. TRIBLE, (for himself, Mr. Whitehurst, and Mr. Robert W. Daniel Jr.):

H.R. 6501. A bill to authorize the imposition of tolls or other user fees to improve harbors by public authorities for the purpose of financing the cost of making improvements to harbors; to the Committee on Public Works and Transportation.

By Mr. WHITLEY:

H.R. 6502. A bill to amend the Internal Revenue Code of 1954 to provide that no deduction shall be allowed for the living expenses of Members of Congress in the Washington, D.C., area for any day unless the Member certifies that he was away from his home in his district and was physcially present in such area by reason of official business on such day, and for other purposes; to the Committee on Ways and Means.

By Mr. WALKER:

H.J. Res. 495. Joint resolution to provide for the designation of the week commencing on June 13, 1982, as "National Welfare Fraud Prevention Week"; to the Committee on Post Office and Civil Service.

By Mr. HYDE:

H. Res. 484. Resolution to amend the Rules of the House of Representatives to deny floor privileges to ex-Members of the House of Representatives who have been convicted of a crime for which a sentence of 2 or more years' imprisonment may be imposed, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

397. By the SPEAKER: Memorial of the Senate of the Commonwealth of the Northern Marianas, relative to the U.S. Government entering into negotiations with the

Commonwealth of the Northern Mariana Islands as to the effective date of termination of the trusteeship agreement; to the Committee on Interior and Insular Affairs.

398. Also, memorial of the Legislature of the State of Washington, relative to a postage stamp in commemoration of the May 18, 1980, eruption of Mount St. Helens; to the Committee on Post Office and Civil Service.

399. Also, memorial of the Legislature of the State of California, relative to the Tecate border station; to the Committee on Ways and Means.

400. Also, memorial of the Legislature of the State of Washington, relative to trade agreements with Far East nations; to the Committee on Ways and Means.

401. Also, memorial of the House of Representatives of the State of Hawaii, relative to the storage or disposal of nuclear materials in the Pacific Basin; jointly, to the Committees on Energy and Commerce, Interior and Insular Affairs, and Science and Technology.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 374: Mr. Moffett.

H.R. 375: Mr. Smith of Iowa; Mr. Lantos, Mr. Vento, and Mr. de Lugo.

H.R. 427: Mr. Boner of Tennessee.

H.R. 1007: Mr. St Germain.

H.R. 1270: Mr. Bailey of Pennsylvania and Mr. DeNardis.

H.R. 1799: Mr. Foley, Mr. Hiler, Mr. Dorgan of North Dakota, Mr. Gray, and Mr. Hyde.

H.R. 2007: Mr. Bennett, Mr. Minish, Mr. Dyson, Mr. Ertel, Mr. Oxley, and Mr. Harkin.

H.R. 2034: Mr. Dreier, Mr. Chappie, and Mr. Roberts of South Dakota.

H.R. 2858. Mr. McEwen and Mr. Evans of Iowa.

H.R. 4657: Mr. Boner of Tennessee and Mr. Neal.

H.R. 4773: Mr. Walker, Mr. Conte, Mr. Levitas, Mr. Roth, Mr. Weber of Ohio, and Mr. Clausen.

H.R. 4830: Mr. McGrath and Mr. Hendon.

H.R. 5180: Mr. Coughlin, Mr. Holland, Mr. Conte, Mr. Zeferetti, Mr. Archer, Mr. Hansen of Idaho, Mr. Hendon, Mr. Bereuter, Mr. Phillip Burton, Mr. Anthony, and Mrs. Holt.

H.R. 5511: Mr. McDade, Mr. Fauntroy, Mr. Murphy, Mr. Ford of Michigan, Mr. Bouquard, and Mr. Napier.

H.R. 5677: Mr. Anderson.

H.R. 5717: Mr. Ertel and Mr. Watkins.

H.R. 5868: Mr. Anthony, Mr. Vander Jagt, and Mr. Walgren.

H.R. 6070: Mr. Dornan of California and Mr. Smith of Alabama.

H.R. 6105: Mr. Simon.

H.R. 6135: Mr. Napier.

H.R. 6154: Mr. Shelby, Mr. Ottinger, Mr. Martin of New York, Mr. Bliley, Mr. de Lugo, and Mr. Mottl.

H.R. 6155: Mr. Shelby, Mr. Ottinger, Mr. Martin of New York, Mr. Bliley, Mr. de Lugo, and Mr. Mottl.

H.R. 6166: Mrs. Heckler, Mr. Corrada, Mr. Dougherty, Mr. Duncan, and Mr. Ottinger.

H.R. 6170: Mrs. Holt, Mr. Hutto, Mr. LeBoutillier, Mr. Russo, Mr. Sawyer, Mr. Gibbons, Mr. Nowak, Mr. Dowdy, Mr. Waxman, Mr. Ritter, Mr. Harkin, Mr. Wyden, Mr. Eckart, and Mr. Barnard.

H.R. 6254: Mr. Zeferetti.

H.R. 6283: Mr. Wolf, Mr. Conable, and Mr. Broyhill.

H.R. 6304: Mr. Beilenson, Mr. Wyden, Mr. Kildee, Mr. Pepper, Mr. Stark, Mr. Mitchell of Maryland, Mr. Ratchford, Mr. Fauntroy, Mr. Ottinger, and Mr. Ford of Tennessee.

H.J. Res.125: Mr. DanielJanie B. Crane.

H.J. Res. 145: Mr. Whitehurst, Mr. Nelligan, Mr. de la Garza, and Mr. Ford of Tennessee.

H.J. Res. 178: Mr. Hyde and Mr. Gilman.

H.J. Res. 332: Mr. Livingston, Mr. Hiler, Mr. Hertel, Mr. Levitas, Mr. McCloskey, Mr. Napier, Mr. Hendon, Mr. D'Amours, Mr. Pickle, and Mr. Coughlin.

H.J. Res. 416: Mr. Roberts of South Dakota.

H.J. Res. 417: Mr. Robinson, Mr. Vento, Mr. Sabo, Mr. Gregg, Mr. Fish, Mr. Ford of Tennessee, Mr. Madigan, Mr. Hatcher, Mr. Whitley, Ms. Ferraro, Mr. Roemer, Mr. Hutto, Mr. Dickinson, Mr. McCollum, Mr. Long of Louisiana, Mr. Volkmer, Mr. Broomfield, Mr. Montgomery, Mr. Boner of Tennessee, Mr. Lott, Mr. Campbell, Mr. Neal, Mr. Hoyer, and Mr. Young of Missouri.

H.J. Res. 486: Mr. Scheuer.

H. Con. Res. 173: Mr. Sunia, Mr. Daub, Mr. Badham, and Mr. Huckaby.

H. Con. Res. 324: Mr. Foglietta, Mr. Mollohan, Mr. Applegate, Mr. Bevill, Mr. Anderson, Mr. Wolf, Mr. McDade, Mr. Walgren, Mr. Stenholm, Mr. Bailey of Pennsylvania, Mr. Roe, and Mr. Biaggi.

H. Con. Res. 328: Mr. Barnes.

H. Con. Res. 333: Mr. Grisham, Mr. Russo, Mr. Robinson, Mr. Chappell, Mr. Holland, Mr. Patterson, Mr. Beard, Mr. John L. Burton, Mr. Bevill, Mr. Harkin, Mr. Young of Alaska, Mr. Nichols, Mr. McDonald, and Mr. Roe.

H. Res. 397: Mr. Oberstar, Mr. Ferraro, Mr. Minish, and Mr. Porter.

H. Res. 443: Mr. Barnes, Mr. Rangel, Mr. Edgar, Mr. Waxman, Mr. Bedell, Mr. Minish, Mr. Harkin, and Mrs. Fenwick.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 6325: Mr. Bereuter.

EXTENSIONS OF REMARKS

AMERICA NEEDS EXIMBANK

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1982

● Mr. BONKER. Mr. Speaker, as the House debates the various budget resolutions before it, we must not be unmindful of the various programs and expenditures involved and the potentially negative effects of some budget resolutions. I refer to the Export-Import Bank of the United States, and the administration's efforts to scale back the Eximbank's lending authority. It is ironic that no budget outlays are involved and economic benefits are to be achieved if U.S. firms, aided by Exim, are more competitive in the world market.

Mr. Lee L. Morgan, chairman of the board, Caterpillar Tractor Co., and chairman of the Business Roundtable Task Force on International Trade and Investment, today addressed the National Press Club on trade and our export potential. He emphasized the importance of export financing in a highly competitive world economy when other countries are engaging in predatory financing and credit subsidies which are greatly undermining our industries' efforts to compete on an equal footing.

Mr. Morgan spoke of the many myths and lack of understanding surrounding the Eximbank, and called upon this Congress to have funding up to levels to enable our industries to compete more effectively.

Mr. Speaker, it is an excellent and timely message and one directly to the Congress.

REMARKS BY LEE L. MORGAN

Thank you for inviting me to speak about the competitiveness of U.S. exporters in the world marketplace. In the midst of a bad run of economic news here in the United States, it's especially appropriate that we look at how American business is faring in competition for international sales.

I'm pleased to be joined at this head table by representatives Michel and Bonker; by Bill Draper, of the Eximbank; by Jim Booe, of the Communications Workers of America; by Will Barry, representing the National Governors Association; and by Jack Steiner of Boeing.

The presence of these distinguished guests underscores their commitment to a strong U.S. exporting capability, and their willingness to work hard to achieve it. Their presence also shows that export promotion is a goal shared by Republicans and Democrats, State and Federal Government officials, and business and labor leaders.

Exporting, I'm sure you'll agree, is not about to replace sports or politics as a leading topic of conversation in the United States.

Americans are in favor of exporting as a general concept. It's just that relatively few know much about it . . . even though large numbers of Americans depend on exports for their jobs. Unfortunately, this relative lack of attention means that in policy level discussions here in Washington the export dimension often does not get the attention it deserves.

It is appreciation of the close link between jobs and exports, and the recognition that exports need to be placed higher on our Nation's priorities list, that led to formation of the coalition for employment through exports. This coalition includes State Governors and trade union leaders, along with large and small companies engaged in exporting.

The jobs-creating aspect of exporting is what I plan to focus on today. But I'll also discuss some of the realities of international competition for export sales. There are lots of aspects of U.S. Government policy that affect U.S. export performance. The use of economic sanctions as a tool of foreign policy, for example. Or the impact of the Foreign Corrupt Practices Act. But today I want to place particular emphasis on the crucial area of export financing.

Allow me to draw upon the experience of my own company to illustrate the important role of exports in helping to create jobs for Americans.

Caterpillar designs, manufactures, and markets products in two principal categories: earthmoving, construction, and materials handling machinery and equipment; and engines.

Caterpillar has been fortunate to enjoy a significant measure of worldwide success. For most of the past decade, our overseas business has equalled or exceeded our U.S. business. Last year, 57 percent of our sales were outside the United States. Some of those sales, of course, were of products manufactured abroad. But most came from the United States. In fact, nearly half of Caterpillar's total U.S. production in 1981 was exported . . . amounting to $3.5 billion in U.S. exports.

We estimate that some 31,000 of Caterpillar's U.S. employees owed their jobs to exports last year. And the benefits didn't stop with our company or our employees. For each job at Caterpillar, it's estimated that two jobs are created with supplier firms that provide us with goods and services. So, in all, Caterpillar exports in 1981 created approximately 93,000 jobs for Americans.

We're proud of these figures. They're firm evidence that an American company . . . an American work force . . . can compete successfully in international markets.

But we want to do better . . . and we can do better. We think that annually there are billions of dollars of additional sales opportunities that Caterpillar and other American companies could and should be capturing. We're convinced that we could win more of that business under conditions of equal competition. But there's the rub: internationally, we're not competing on an equal basis, and the distortions to our international trading system are placing the American exporter at a serious disadvantage.

Governments of other countries are supporting financing arrangements so attractive that American companies are losing out. Government-supported financing of international sales has become a major factor in determining who gets what business. The U.S. General Accounting Office recently surveyed 117 exporters who had applied to Eximbank for financing support, but were denied loans or did not use them. The survey shows these firms lost over $2 billion worth of business to exporters from other nations with more competitive financing.

Traditional commercial factors such as quality, service, and price remain important; but a good financing package can, and often does, dominate a purchasing decision. It is crucial, then, that American exporters have available a financing facility on a par with facilities available to our foreign competitors. That is why the U.S. Export-Import Bank is so important to this Nation.

If Eximbank is so necessary and desirable, then why does it face such significant pressure to cut back its operations? Fundamentally, I believe, because it is the most misunderstood institution in the Federal Government.

Unfortunately, many people do not understand the positive aspects of the Eximbank's activities. For example, few people know that since its initial establishment, no taxpayer dollars have been appropriated to support the Eximbank. Few people know that the bank is a money-making proposition; so much so that it has paid back its $1 billion original capitalization to the U.S. Treasury and has piled up $2 billion in retained earnings to help see it through tough economic times, like the present.

You know, when viewed superficially, the Eximbank debate appears to pose a kind of ideological quandary for me, and for other business leaders. For years you've heard us appeal to Government to get out of our way, and let us compete. What we need—and we say it over and over—is less Government, not more . . . less Government spending, less Government regulation of the private sector, and less Government involvement in the marketplace. Let me strongly reassert those views today.

Exporters are not looking for a handout. We recognize and acknowledge that our Nation cannot and should not adopt a policy that calls for export credit subsidies over the longer-term. We agree with and wholeheartedly support the goal of multilaterally eliminating export credit subsidies as a competitive weapon. But we do not agree that a policy of unilateral export credit disarmament is the proper way to achieve that goal.

Let me explain what I mean by unilateral disarmament. I mean we cannot disarm our Eximbank—cutting back its programs—and expect other countries to negotiate with us on controlling export credits. Just last week the French indicated they are not prepared to approve the newly negotiated OECD agreement on export credits.

The United States will have little leverage in international negotiations if Eximbank is regarded as an insignificant factor in the

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● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

international marketplace. And frankly, I'm afraid we're reaching that point.

Let's consider why that's a problem. American exporters want to compete . . . and are ready to compete . . . on the basis of quality, service, price, and other commercial factors. Those are, on the whole, factors for which the private sector is responsible . . . over which we have some control.

But export financing supported by foreign governments on behalf of their national industries confronts us with a dilemma . . . A dilemma for which there is no adequate private-sector solution.

American companies, regardless of size, don't have the financial resources to compete against very substantial export credit subsidies from foreign governments. Those subsidies, along with a vast array of other export promotion devices like tax incentives and tariff concessions, are helping foreign companies win exports and export-based jobs away from the United States.

It's in this context that an effective U.S. Export-Import Bank is essential . . . A competitive bank can help stem the loss of export-based jobs to other countries. And an aggressive bank will encourage other countries to join the United States in serious efforts to control predatory export financing. Agreement is needed in this area if purchasing decisions in international trade are to be based more on commercial factors . . . and less on which Government offers the biggest financing subsidy.

Unfortunately, the experience of recent years indicates that an agreement on export financing will not be achieved easily.

The United States has tried to achieve such an agreement, employing a combination of exhortations and warnings. But so far, we've fallen short of reaching an effective and lasting solution.

One important reason, I believe, is that other countries have seen too many indications that the United States does not attach the same high priority to exporting that many of them do.

Other countries see export credit subsidies as creating foreign exchange earnings and jobs. So long as these gains appear to outweigh the costs involved, they're prepared to continue export credit subsidies, and resist any effective international agreement. We can change the equation for them by fighting back every time another country offers a financing package aimed at displacing U.S. exports and jobs.

In theory, that's what Eximbank's current policy of "selective competition" is intended to do. But Exim's authority and resources are so limited that the Bank has to put more emphasis on selecting than it does on competing.

That situation must be changed. In the longer run interest of achieving agreement on an end to predatory export financing, the United States needs to strengthen Eximbank . . . or other countries will continue to have no real reason to come to the negotiating table.

Various arguments have been put forth as to why the United States cannot or should not have a strong Eximbank . . . some based on misunderstandings about the Bank. I'd like to address some of those arguments and misunderstandings.

One is that Eximbank, like many Government programs, is just too expensive.

Earlier, I disputed this charge by noting that Eximbank has made money throughout its existence. There are few, if any, Government agencies that can boast such a record.

This year, for the first time in its history, Eximbank will lose money. Interest rates have soared and conditions in the money markets that permitted the Bank to make a profit in the past are now reversed. Currently, Exim is having to borrow at higher interest rates than those at which it must lend, if it's to compete with the export loan rates offered by other industrialized nations.

It's not really surprising, then, that there have been calls to cut back Eximbank's programs. But while calls for cuts in Eximbank's programs may not be surprising, neither are they logical. It is precisely during a period of economic uncertainty and high interest rates that we most need a strong Eximbank. And it is precisely in tough economic times that a viable financial or commercial institution should be able to draw on those resources it has accumulated over the profitable years.

There's a second misunderstanding about Exim that also deserves comment. That is the widely held impression that it benefits only a few big companies. Not true; last year Exim was used directly by more than 2,600 U.S. firms.

Eximbank has a variety of programs, some of which—like the discount loan program—were developed with small and medium exporters in mind. And even when Exim helps promote exports by large firms, thousands of other companies across America share in the benefits of those export contracts. I am referring, of course, to the suppliers, subcontracting and vendors to the exporters. Let me illustrate this point.

Caterpillar in 1981 bought goods and services from over 14,000 U.S. suppliers, located in all 48 contiguous States plus the District of Columbia. In a sense, we served as the export department for those companies, many of which are small businesses.

Boeing purchases commercial aircraft parts and equipment from some 4,000 suppliers, and Westinghouse estimates that about half the value of the goods manufactured for a typical 2,000-megawatt nuclear equipment export order comes from suppliers and subscontractors.

I won't deny that Caterpillar, Boeing, Westinghouse, and other large companies that are often associated with the Eximbank do benefit from that association. But I'm not embarrassed by that fact, since such companies account for a surprisingly large share of total U.S. exports. The point of these examples is that the Bank's positive impact is much broader than a few big companies.

Let's move beyond companies, to talk about people. A survey of U.S. manufacturers by the census bureau shows that each billion dollars worth of exports supports more than 30,000 jobs. (Caterpillar's own experience, incidentally, bears out the estimate.) The key point is that since all Eximbank funding supports U.S. production, the Bank has a sizable effect on American jobs.

American jobs . . . that's what this is all about: U.S. unemployment has reached it highest level since the depression of the 1930's. By the end of June, Caterpillar will have over 17,000 U.S. employees on indefinite layoff . . . the largest number of layoffs in our company's history.

In my view, one of the most important things Government can do to help restore economic health is to encourage job-creating, wealth-producing activity like exporting. To the extent Federal funding is involved in supporting Eximbank activities, it has a high payoff at a low cost.

There's a third misunderstanding I'd like to talk about. It relates to exporting generally . . . not just to Eximbank.

It's the belief that other countries are lined up eagerly waiting to buy American exports. So it doesn't really matter what we do in terms of public policy affecting exports. The United States can impose export controls or weaken Eximbank . . . and American exports will continue to sell themselves.

Well, it used to be the case that the United States could lock up international sales easily because of our technological edge. But that's no longer the case. Our foreign competitors have closed the gap in most areas where America once held technological superiority. Machinery and engines, steel mills, aircraft, nuclear and fossil-fueled powerplants are no longer the private technological turf of American manufacturers.

Now we find ourselves offering essentially competitive products, but with the export financing factor working against us. If we fail to rise to the export credit challenge, American exporters will find themselves replaced as the customary suppliers in important markets. And once you're out of an export market, it is very hard to regain your former position . . . much harder than in the case of domestic markets.

Let me provide some specific examples of the role competitive export financing can play and has played in regard to products now available from various countries.

An executive of Singapore Airlines has been quoted as saying the reason his firm exercised an option to buy four more Airbus A-300s from Europe—instead of buying from Boeing—is the $40 million they would save with French financing.

In the case of a $1 billion nuclear power project, the difference in financing costs between the lowest rates offered by foreign competition and those offered by the United States can mean as much as $500 million over the life of the plant.

One of the clearest—and, from a U.S. perspective, worst—examples of the impact of competitive export financing is found in Caterpillar's own experience. A year or so ago we were bidding for the sale of 40 machines to a potential Latin American customer . . . machines Caterpillar built in two places: Illinois and the U.K.

Customarily, we source products sold in Latin America out of Illinois, and that was our intention in this case. That is, until financing became a factor. The buyer was aggressive in seeking financing . . . and arranged such favorable terms through the British export credit facility that he insisted our product be sourced from the U.K.

The impact: The buyer got his Caterpillar equipment; and we got the sale. But most of the jobs went to the U.K. instead of to the United States . . . purely and simply because our Eximbank could not, or would not, meet the terms offered by the British.

These examples illustrate why American exporters are so concerned about proposals that would cut the authorization level of Eximbank in fiscal 1983, at a time when the availability of funds from the financing facilities of other nations appears to be growing.

A host of solutions have been suggested to bring an end to the current international export credit war. I will mention only three because they fall within the framework of present institutions and policies.

First, we could get rid of our Eximbank and assume that the aggressive exporting nations we compete against will also eliminate their banks. You know as well as I do that that's not going to happen.

Second. American manufacturers could start sourcing their export orders through manufacturing facilities located in countries that are eager to provide export financing. But American companies don't want to do that, and I'm sure that solution is not palatable to Government and labor leaders.

Or third . . . in the vernacular of Washington . . . we can "play hardball." The United States can put other nations on notice that we are going to match their export credit packages with competitive financing of our own. We can show them that our Eximbank is going to actively promote American exporters by assuring them they will get the financing they need, rather than withdrawing from the contest.

Some call this the "deep pocket" approach, based on the fact that America's capital resources are the largest in the world. We believe this deep pocket solution would provide the show of financial power and credibility our negotiators need to bring about more effective agreements on export loan interest rates and terms.

The place to start is with Eximbank's program authorization.

The realities of international competition would call for a substantial increase in the Eximbank authorization level. The realities of U.S. politics and fiscal policy, on the other hand, demand restraint. In the past, compromises have been achieved which preserved an appropriate balance between our commitment to a strong Eximbank and U.S. fiscal year. We believe it is incumbent on policymakers, both in the executive branch and Congress, to recognize the positive economic benefits—including jobs creation—that flow from Eximbank, and accord it appropriate priority in the budget setting process.

To complement adequate funding, other changes in Eximbank lending practices must be made. Too often, for example, the Bank's commitments are not timely. And the current practice of charging an up-front fee of two percent seriously undermines the value of Exim's support.

The U.S. Eximbank is just not competitive in many cases. Other OECD countries, by use of mixed credits and other financing tools, have been able to bring their effective rates to a level below that provided for in the international accord. The comparable U.S. rates are often several percentage points higher.

The Bank should have a broad range of programs that meet the needs of the diverse companies that make up America's export sector. In addition to the direct loan program, Exim should have strong programs in such areas as discount loans, guarantees, and insurance.

Congress must make it clear that Eximbank is not to be a passive partner in the world of international finance. In renewing Eximbank's charter, Congress should reconfirm the Bank's mandate to be an aggressive promoter of U.S. exports. Eximbank's role must be effectively integrated with the other export promotion activities of the U.S. Government.

A strong U.S. commitment to Eximbank would signal the rest of the world that we are serious about exporting . . . and about export financing competition. Other countries must know that we don't intend to stand idly by watching American jobs be snatched away as a result of their export credit subsidies. They must be put on notice that if we're forced to play the export finance game, we'll play vigorously . . . and we'll win.

Caterpillar, and many of our associates in the business community, have consistently spoken out on behalf of both free trade and a reduced role for Government in the marketplace. We remain committed to those positions. We do not advocate strengthening Eximbank out of a desire to increase U.S. Government involvement in international trade. Rather, a stronger Eximbank now is the most effective way to help American firms compete on a fair basis in the international marketplace. And a strong Exim is a powerful incentive for other countries to agree to controls on predatory export financing.

We need such an Eximbank policy to encourage the vigorous growth of American exports . . . and, in the process, put a great many Americans back to work. I urge all of you to do your part to help achieve these goals.●

ORANGE COUNTY DEPARTMENT OF EDUCATION

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. PATTERSON. Mr. Speaker, I invite my colleagues to join me in recognizing the sixth annual "Very Special Arts Festival" which was hosted on May 1 by the Orange County Department of Education. The purposes of this unique event, held on behalf of 1,600 handicapped children and adults, are many: to showcase the talents of the handicapped in our community, to increase the number of handicapped individuals served by and through the arts and to develop a stronger sense of pride among those participating.

In addition to the remarkable number of disabled artists who participated in the festival, no less than 300 parents, teachers, staff and others volunteered their time and expertise to insure that this year's festival would be the most successful to date. Along with acknowledging the Orange County Department of Education for this success, I would like to mention the following cosponsors who lent their assistance. These include: the National Committee for the Arts for the Handicapped, the Friends of the Institute for the Study of the Severely Handicapped, the California Alliance for Arts Education, and the Council for Exceptional Children, Chapter 88.

Orange County was the first county in the State of California to host and coordinate such an event. It has since been joined by 19 other areas statewide. Still, the Orange County Festival remains one of the largest in the State.

As the Representative for the 38th Congressional District which encompasses 9 of Orange County's 26 cities, I wholeheartedly support the stated goals of the "Very Special Arts Festival." Mr. Speaker, I again ask my colleagues to join me in commending the Orange County Department of Education, the festival cosponsors and the many participants for their commitment to the needs of handicapped persons in Orange County.●

HEALTH CARE FOR VETERANS IN SOUTH FLORIDA

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. LEHMAN. Mr. Speaker, when I am back in my congressional district, I make it a point to meet with as many groups and individuals as possible in order to learn more about their concerns and the problems they face.

On March 29, I met in our North Miami Beach district office with a group of veterans affiliated with the DAV. The had many compliants concerning the availability and quality of health care provided by the Veterans' Administration.

In response to their concerns, our office arranged a meeting in Washington of VA officials with members and staff of the south Florida congressional delegation. We discussed the most common complaints about health care registered by veterans in the Miami area, and I was pleased that in most instances the VA was making progress toward solving these problems.

There has been a tremendous increase in the number of veterans in Florida and this population is expected to grow even more in the years ahead as the huge number of World War II veterans require more services. It is crucial that the Veterans' Administration make every effort to keep us with the increased demands on its resources in south Florida, and the Congress should do all in its power to see that VA has the necessary funds to do its job well.

I also believe that a better dialog is needed between the veterans in our area and the local VA administrators. Our congressional district office will be looking into the possibility of setting up quarterly meetings of representatives from veterans' organizations, the VA and congressional offices. Such meetings held regularly in Miami could insure better communication between the VA and the veterans it serves.

Mr. Speaker, I would like to include in the RECORD a report on the meeting held in Washington on May 6, 1982.

The report which was written by our staff and reviewed and approved by the VA follows:

A meeting to discuss the problems faced by veterans seeking health care from the Veterans Administration in south Florida was held on May 6, 1982, at 10:45 a.m. in Room H-139 of the Capitol.

In addition to Congressman Lehman and Congressman Mica, staff from the offices of Congressman Fascell, Pepper and Shaw were present. Mr. Steve Edmiston of the Washington Office of the DAV also attended. Representing the Veterans Administration were Dr. Earl Brown, Jr., Acting Assistant Deputy Chief Medical Director; Donald B. Thompson, Regional Director for the Southeastern Region; James S. Must, Deputy Regional Director for the Southeastern Region; William Ramsey, Legislative Affairs staff of the Department of Medicine and Surgery; Ralph Ibson, VA Office of General Counsel; and Robert "Corky" Coleman, VA Congressional Affairs.

A list of common complaints received by congressional offices served as the basis for discussion.

(1) The first problem discussed was the lack of resources to provide care for nonservice-connected veterans at the Miami VA Hospital. Of immediate concern to veterans was a notice which had been posted stating that nonservice-connected veterans and veterans with less than 50 percent service connection seeking care for an NSC condition could receive follow-up outpatient treatment following hospitalization for a period not to exceed three months, after which they would have to seek care elsewhere. Exceptions to this policy were made for World War I veterans, veterans whose disability was rated at 50 percent or more, and veterans receiving aid and attendance or housebound benefits.

The VA representatives stated categorically that such a policy was not in effect and that the Miami Medical Center had been directed not to post such a notice. While service-connected veterans do receive preference for their service-connected conditions and those who are rated 50 percent or more service-connected receive care for any condition, nonservice-connected veterans and those veterans who are rated less than 50 percent service-connected who seek care for NSC conditions continue to receive care at the Miami Medical Center within available resources and according to the legislated priorities for care.

The VA further recognizes that the veterans population in south Florida has growing medical needs that the facilities' current funding level cannot adequately handle. The VA has, therefore, added $1 million and 13,500 outpatient staff visits to Miami's budget allocation beginning in fiscal year 1983. Twenty full-time employees are being added to the staff.

In addition, plans for facility expansion are being made. Outpatient services should be improved by the construction of a $49 million Ambulatory Care and Spinal Cord Injury unit. the current outpatient clinic was designed to handle 135 patients per day. It now serves 850.

Expansion of the radiology department is included in Miami's Five-Year Facility Construction Plan. Presently, there are only nine X-ray rooms. This space is expected to be doubled when the expansion is completed.

(2) Veterans have also expressed concern about the lack of staff at the hospital. One congressional office had been told that the Miami hospital had fewer than 50 registered nurses. The VA representatives informed the congressmen and staff present at the meeting that in fact, 250 registered nurses were on duty at the Miami hospital. This is still less than the number needed to properly staff the hospital and a national recruitment campaign will begin soon. The VA noted, however, that there had been some improvement in the last year as nationally the number of beds closed due to nurse shortages had been reduced by 23 percent.

(3) Veterans who go to the Miami Medical Center for outpatient care are forced to wait long hours. The VA stated that waits in Miami are above the national average. The average time for a nonservice-connected veteran to complete his visit is two hours, 47 minutes. Part of this problem is due to insufficient facilities and part of it is due to a large number of veterans who come into the clinic on a walk-in basis rather than arranging an appointment. The VA hopes that the planned expansion of facilities will relieve veterans of such lengthy waits.

Veterans have found that their telephone calls to the Miami hospital take an inordinately long time to be answered. This problem too should be resolved in the near future as Miami is at the top of the list for the installation of a new phone system in fiscal year 1983.

(4) Veterans have also complained of VA staff attitudes which are often described as rude or indifferent. The VA has taken steps to resolve this problem through special training courses emphasizing courtesy, interpersonal relationships and transcultural skills. VAMC Miami employees have received 9,100 hours of such training.

The improvement and expansion of the present facilities should also have some positive effect on staff attitudes as some of the pressures related to overcrowding will be relieved.

(5) Some veterans had also complained that they had difficulty communicating with foreign-born doctors. The VA has reviewed the staffing at the Miami hospital and reported that most of these doctors are American citizens, all of whom have demonstrated English proficiency and have completed the necessary training courses to qualify them to be licensed and practice medicine in this country. The VA also noted that 10-12 percent of the veteran population in the Miami area is bilingual and the presence of bilingual staff provides better service for these veterans.

(6) Florida has no long-term psychiatric facility, thus imposing additional hardship on many veterans and their families. The VA reported that a new addition which will include 200 long-term psychiatric beds is being planned for construction at Gainesville. Also the construction of a new spinal cord injury unit at Miami will enable the VA to establish 42 additional psychiatric beds at the Miami VAMC.

(7) A replacement computer system is needed to improve the hospital's efficiency. Such a system is especially needed in the areas of scheduling and record-keeping. The VA plans to have a new system in place in 1983.

(8) Veterans have expressed concern about the understaffing of the VA nursing home in Miami. The nursing home has 120 beds, but only 90 of them are available for patient care despite a lengthy waiting list of veterans who need such care. The situation is the result of understaffing. The VA stated that it had miscalculated the additional staffing requirements of the nursing home. Steps are being taken to increase funding and staffing so as to gain full use of this unit. The VA also stated that an additional 120-bed nursing home unit is being planned for constuction at Miami to be completed in 1986.●

TRIBUTE TO THE LATE STATE SENATOR EDWARD T. CONROY, OF MARYLAND

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mrs. HOLT. Mr. Speaker, I rise to express my sorrow about the passing of a good friend and fellow Marylander, the late Senator Ed Conroy, who died of cancer at the Walter Reed Army Medical Center. Ed was a war hero who served in the Korean war with great honor and distinction. He lost an arm in combat and was decorated with the Silver Star, the Bronze Star Medal, and two Purple Hearts. He served in the Maryland General Assembly with distinction—as a delegate during 1963 to 1967; and then as a State senator until his death.

He was extremely active as a member of the American Legion, the Veterans of Foreign Wars, the Disabled American Veterans, and the Military Order of the Purple Heart. Especially noteworthy were the positions he held as national commander of the DAV and State commander of the VFW.

Mr. Speaker, Ed Conroy was a great patriot who fought for American veterans, especially the disabled, and indeed for the constituents of Prince George's County that he represented. Ed was a skilled elected official and a good conservative Democrat. I have known him for a good many years and I have always respected his views and admired his tenacity to stand up for what he believed in. We will miss him in Maryland. I extend my heartfelt condolences to his wife, Mary, and his two sons, Edward, Jr., and Kevin.●

INTERNATIONAL STATISTICAL PROGRAMS OF THE CENSUS BUREAU

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. SIMON. Mr. Speaker, last month, I had the opportunity of visiting the Census Bureau's international programs staff and was impressed at the wide range of work undertaken by that group. It ranges from providing technical statistical assistance to Third World countries to piecing together input-output tables of the Soviet economy.

I had the opportunity to meet and and talk to a number of the training participants who come from all over the world to the Census Bureau for applied, hands-on training in statistics and data processing. This year there were over 100 foreign participants in training. The training program has been in existence since the 1940's and over 4,000 students have been trained, many of them becoming chief statistical officers in their own governments. The program began with a strong emphasis on Latin America, but in the last few years, few Latin Americans have been able to attend because of the lack of financial assistance through U.S. fellowships and study grants.

Generally, U.S. support of fellowships and funds has been declining in recent years. The program at Census is a good example of how shortsighted budget cuts are in these areas. Without some form of financial assistance, many Third World technicians find it very difficult to come here for training. As a result, many go to the Soviet Union or to other Eastern bloc countries where they can receive training basically for free through the ruble contribution to the U.N.

It is a tribute to the quality of the Census Bureau's program that participants still come to the United States rather than to the Soviet Union. However, it is obvious that we must provide some funding to maintain our world leadership in this area. Without reliable statistics and trained people to produce them, we severely handicap our abilities to conduct business without greatest potential market—the world's developing countries.

At the specific urging of the chief statisticians of the Latin American countries, Census is proposing to start a school in Spanish to regain our prominence and influence in the statistical development of Latin America. I strongly endorse and support this proposal and urge the administration to make this part of the Caribbean basin initiative.

I also discovered that we presently have no mechanism for assisting China in its attempt to take a census successfully this July. The Foreign Assistance Act prohibits the U.S. Government from providing direct assistance to them. The Census Bureau has been approached various times informally by high level officials in the Chinese statistical agencies, asking Census to provide them with technical assistance. It is almost inconceivable that we would refuse assistance of this nature to China.

It is gratifying to see a program such as this one, where even in times of extreme budgetary constraints, a diligent and enthusiastic staff is accomplishing so much in fostering communication and understanding within a technical program designed to create self-sufficiency in the developing world.●

WE CAN DO IT

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. OXLEY. Mr. Speaker, too often when times are rough it is easier to sit back and wait for things to get better than to do something about them. Fortunately, there are always those few who are not willing to put up with the status quo, who are willing to stick their necks out and help to improve the lot of their fellow Americans. I wish to share with my colleagues just such an initiative which took place in my district.

The Ohio Bank & Savings Co. of Findlay, Ohio, recently took a big step toward countering the oppressive interest rates that have taken such a toll on all Americans. It did this by setting aside $2.5 million to be loaned to potential Findlay area homeowners at an annual percentage rate of 14.50 percent when there is a downpayment of 25 percent. This compares to the local annual percentage rate of 16.75 percent and the national average of 17.25 percent.

Athough Findlay is a small city of 38,000, the bank noted that there were over 500 single family homes sitting on the market waiting to be sold. Something had to be done to help the area's slumping housing market, and Ohio Bank decided to do it by releasing the $2.5 million at a reduced rate of interest.

Ohio Bank is going even one step further, however, by garnering support among State and Federal officials in an attempt to get more financial institutions involved in supporting their own communities in this type of lending situation. According to a recent news release:

> The main thrust is not to call on the Federal Government first when in a troubled housing situation, but to try to work it out yourself, and with team work—"We Can Do It."

I commend the efforts of Ohio Bank and hope that similar financial institutions will follow its lead in a collective effort to help the Nation's housing industry.●

SUPPORT TITLE I FUNDING

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. WYDEN. Mr. Speaker, we have made tremendous strides in recent years to open up our schools to disadvantaged children. I believe it is fundamentally important for this country to maintain its commitment to the special needs of those children.

One Federal program that has proved to be especially successful in serving those needs is title I of the Elementary and Secondary Education Act, which provides remedial education to millions of disadvantaged children.

Recent budget enactments, however, have whittled away at Federal support for this important program: The fiscal year 1981 appropriation of $3.5 billion was rescinded last year to $3.1 billion. Funds were reduced further under the fiscal year 1982 continuing resolution to $2.88 billion. And now the administration proposes to further reduce these funds in fiscal year 1983 to $1.9 billion.

I recently received a letter from Bonita Bradley, a parent and former high school teacher in Portland, Oreg., which describes how successful this program has been in one local school and why maintaining adequate title I funding is vital to both our children and to the future of this country.

I would like to share her letter with you.

Title 1 Parent Advisory Council,
Woodmere Elementary School,
Portland, Oreg., April 28, 1982.

Hon. Ron Wyden,
Longworth House Office Building, Washington, D.C.

Dear Congressman Wyden. Basics in education are vitally important to the future success and happiness of our children. All children are not blessed with the innate ability to do well in reading and math nor are all children blessed with parents capable and/or willing to give them the help they need at home. Schools *must* fill in the gap. There is no other way.

Out of an enrollment of 220 children in grades K through 5th 86 students at our school, Woodmere, are involved in our Title I program which offers extra help each day in math and/or reading. Because of recent budget cuts me now have one full-time coordinator and only two six-hour aides instead of five full-time aides. Even with limited personnel, our children are receiving far more help in their 40 minutes per day in Title I on a one to ten basis than they could in a classroom of 28-32 students with one teacher trying to teach a multitude of subjects.

As an ex-high school teacher, I have seen first-hand how devasting an inability to read, write and spell above the second or third grade level can be to teenagers. These inadequacies could have been discovered and possibly conquered had those students had a Title I program available to them in grade school. I shudder to think about where they are now in this time of very high unemployment, especially among uneducated and unskilled workers.

We must, as parents, educators and concerned citizens, urge our elected representatives to do what is necessary to raise the standard of education in this country. In my opinion, the process must begin at the entry level, not in junior high or high school.

Please give careful consideration to continued federal funding of the Title I program.

Thank you for your consideration.

Sincerely yours,

BONITA BRADLEY,
Chairperson.●

LINDEN COUNCIL NO. 2859, KNIGHTS OF COLUMBUS MARK 40TH ANNIVERSARY

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. DWYER. Mr. Speaker, recently this Chamber noted the 100th anniversary of the founding of the Knights of Columbus. In my own district in New Jersey, one of the local chapters of this fine organization, the Linden Council No. 2859, will also be marking a very significant event in the history of the chapter. The 40th anniversary of its founding June 5, 1982.

During its 40 years of existence, the Linden council has sponsored a host of community activities, including essay contests, clothing drives, and fund raisers for retarded children. The commitment and vast contributions of this local chapter exemplify the principles upon which it was founded: Unity, charity, fraternity, and patriotism.

The Knights of Columbus across the Nation have served our country and its communities with distinction, reinforcing those all-important principles of patriotism and pride upon which our democracy was founded.

The local initiative and dedication of chapters like the Linden council make this all possible, and it is with deep appreciation and respect that I commend to my colleagues in the Congress this chapter's many accomplishments.●

THE DEATH OF INFANT DOE

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. DORNAN of California. Mr. Speaker, on April 26 of this year, I submitted for the RECORD the profound reflections of columnist George F. Will regarding the infanticide of "Infant Doe" that took place in the heartland of our country in Bloomington, Ind.

I would like to supplement Mr. Will's thoughtful and moving essay with an equally moving letter by James Bopp, Jr., an attorney in Terre Haute, Ind., who represented Bob and Shirley Wright in their attempt to adopt "Infant Doe" before he was left to starve to death. "Infant Doe" cried for 4 days before God took him home.

No one, Mr. Speaker, can come away from reading Jim Bopp's letter without asking whether, to paraphrase Abraham Lincoln, the moral lights of our civilization are not being blown out about us.

The article follows:

THE DEATH OF INFANT DOE

(By James Bopp, Jr.)

Infant Doe did not have to die. Ordinary medical treatment and care would have allowed Infant Doe the chance to live his life loved by his parents in a home surrounded by loving, caring people.

Infant Doe never had that chance. He was drugged almost from the moment he was born. One cannot help but wonder . . .

"Did he cry?"[1]

"Did a kind nurse or doctor even place a pacifier in his mouth in an effort to comfort him?"

"Did he know the consolation of being held in someone's arms . . . or did he die alone?"

Inside the womb, his mother, whom we may never know, cared for him, felt his movements and had great hopes for him. But when he was born on Good Friday, April 9th, his parents were overwhelmed with grief, guilt, and hopelessness.

The joyously awaited experience turned into one of catastrophy and profound psychological threat. Infant Doe was born with Down's Syndrome, a condition with varying degrees of mental retardation.

But Infant Doe did not die from Down's Syndrome. Infant Doe died because his parents and his doctor refused to feed him and give him fluid to drink. Infant Doe died from starvation and dehydration.

This little baby suffered from a physical defect which sometimes accompanies Down's Syndrome. The esophagus and windpipe were joined. Feeding by mouth was impossible without surgical correction.

This physical defect is routinely repaired at Riley Children's Hospital in Indianapolis, only sixty miles away. Infant Doe could have been fed intravenously and the operation performed within twenty-four hours. This surgery is ordinary medical treatment with a relatively low complication rate. Infant Doe's prognosis was good.

Feeding by mouth was impossible without this surgery. But it was not this physical defect which killed Infant Doe. The parents, offered the choice by their physician between treatment and no treatment, refused medical care for their son.

The attending physician, the hospital, and several state court judges agreed Infant Doe would recieve no medical care, no food and no liquid.

It took six excruciatingly long days for little Infant Doe to die.

But not everyone agreed with this decision to condemn Infant Doe to death by starvation. A pediatrician, Dr. James Shaeffer, consulted by the parents on possible medical treatment, urged that the child's physical defect be repaired.

Any other child born with such a physical defect would have been rushed to surgery. Infant Doe, because he had Down's Syndrome, was not. Because of his handicap, the parents refused treatment and the judge ruled that the parents had the "right to choose" . . . the right to choose to starve their child until he died.

And there were others who did not agree with their choice.

Bob and Shirley Wright tried desperately to adopt Infant Doe. Bobbi, their three year old daughter, is afflicted with Down's Syndrome. When she was born, they too were anguished. But Bobbi has provided them with all the joy—and heartache—of any normal child. Bob and Shirley were willing—no, deeply wanted—to adopt this tiny boy so that he too would know the joys—and sorrows—of life.

Barry Brown also did not agree.

As Prosecutor for Monroe County, Indiana, he filed suit to declare that Infant Doe was neglected, having had no food or drink for three days by then. He urged the court to allow that normal medical treatment and care be afforded Infant Doe. The judge denied this request.

The Indiana Supreme Court, two days later, refused to alter that decision.

Infant Doe had by then been without food and water for five days. Can we be forgiven if we try to blot from our minds the condition of his poor wasted little body?

The Indiana Supreme Court decision now made the unbelievable story public.

Phones began to ring. People throughout Indiana, and the country, were shocked and appalled as the story spread.

Calls to the Indiana Supreme Court expressed outrage. Calls to public officials of all kinds, including the governor, demanded that something be done. Calls to the prosecutor commended his actions and offered to adopt Infant Doe. I, too, was called. Concerned people throughout the state wanted to know what could be done. The reports were still very sketchy and incomplete.

By that time, I had been contacted by the Wrights. "Can we do anything?" They offered to adopt Infant Doe.

Six hours later I filed a petition with the Monroe County judge to appoint the Wrights guardians of Infant Doe. They promised to keep and care for him. Dr. Shaeffer would arrange medical care. The feeding of Infant Doe would begin. The Wrights would adopt him.

The hearing before the judge on the Wright's petition began at 5:00 P.M. A strained atmosphere enveloped the court as all but the judge, court personnel and lawyers were excluded.

The press—the people's eyes and ears—was ordered out.

The attorney for Infant Doe's parents defended their right to choose starvation for their tiny son. "But why not allow the Wrights to care for Infant Doe—to feed him, give him medical care?"

"Because," said the parents' lawyer, "Infant Doe is now 'in extremis' . . . There is no reason to change your order, Judge, since Infant Doe will die anyway."

And then the judge denied the Wright's petition to make Infant Doe their son.

The tiny baby had almost died that afternoon, after the judge had refused temporary feeding. Suffering from severe dehydration, pneumonia and weakened by starvation, Infant Doe stopped breathing. But, miraculously, his brave little heart began to beat again, and he resumed breathing.

Now only one chance remained . . . an appeal to the United States Supreme Court.

Even though Infant Doe's life was measured in only hours, the prosecutor prepared his appeal to the nation's highest court. The appeal had to be presented at 9:00 A.M. Friday, when the Supreme Court offices in Washington opened.

But before the attorneys arrived in Washington, D.C., Infant Doe was dead. Without food, drink, or medical care, the little boy had died at 10:03 P.M., only five hours after the Wrights had been denied the opportunity to adopt him as their third child.

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[1] Since writing this, I have learned that Infant Doe cried for 4 days.

The legal system failed Infant Doe.

The parents, consumed by grief and anguish, chose death for their baby. They deserve our pity and sorrow for the burden they will carry.

The physician, however, should not have failed Infant Doe. Non-treatment is not treatment. infant Doe was his patient. Doctors are trained to cure, not to kill.

Ominously, the courts also failed Infant Doe. Empowered by the Indiana legislature to protect the young and helpless, the courts ordered that no medical treatment or care be given to this helpless baby. The courts are intended to be the ultimate protectors of the neglected and abused. Instead, they refused to act as Infant Doe slowly starved to death.

I am sorrowed by Infant Doe's death to the bottom of my soul. But I must believe that everything has a purpose.

Infant Doe does not have to die in vain. He is the symbol of those we must protect.

Everyone must be entitled to ordinary medical treatment and nourishment. A child must not be killed because he is handicapped.

We must insure that Infant Doe died so that others, who are now known only to god, will live.

THE 100TH ANNIVERSARY OF THE OHIO AGRICULTURAL RESEARCH AND DEVELOPMENT CENTER

HON. RALPH REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. REGULA. Mr. Speaker, the Ohio Agricultural Research and Development Center has played a major role in creating the success story of American agriculture and in so doing has established itself as one of Ohio's most valuable resources. Throughout its history it has rendered distinguished service not only to the citizens of Ohio, but provided new knowledge of far-reaching significance to the entire Nation as well as to the world; 1982 marks the 100th anniversary of the Ohio Agricultural Research and Development Center, and I take this time to salute this great institution in this, its centennial year.

Since its establishment in 1982, the Ohio Agricultural Research and Development Center has grown from an original staff of 3 to over 800 scientists and researchers. Along the way, the center has become one of the best known institutions of its kind in the Nation and the world.

Over the past 100 years, OARDC research efforts have led to constant improvements and developments in new farming technologies and further resulted in tremendous increases in agricultural production. These contributions are well-documented in the press, scientific publications and history books. Ohio's agriculture in itself stands in testimony to the successful development of these new technologies.

Figures from the period from 1950 to 1980 alone bear witness to OARDC accomplishments. While Ohio corn acreage increased only 14 percent from 1950 to 1980, a 250-percent increase in per acre corn yields—from 45 to 113 bushels per acre—resulted in a statewide production increase of 268 million bushels during the same period. Soybean production in Ohio has increased from 20 million bushels in 1950 to 140 million bushels in 1980 as yield per acre grew from 18 bushels to 36.

Similar gains have been made in production yields for wheat, tomatoes, sugar beets and a variety of other crops. In addition, milk and livestock production have experienced dramatic increases, largely as a result of the new knowledge the OARDC has brought the Ohio's dairy and livestock producers.

On the international level, the OARDC has experienced similar successes. Programs developed at the center have significantly altered the economic outlook of much of the developing world.

While the OARDC has been very much involved in a number of international programs, two in particular can serve to illustrate the positive impact of the center's efforts. During its 15 years in India, the center saw that country move from a grain-deficient to a grain-exporting society, primarily due to the application of programs developed by the OARDC.

The OARDC experience in Brazil yielded similar results. During the 12 years of the center's involvement there, the country progressed from a developing to a developed nation.

The increased agricultural productivity achieved during that period played a major role in making such progress possible.

The importance of food at the international level cannot be overstated. As the world population explosion continues to outpace increases in world food production, food will take on an increasingly political role—both as a stabilizing force in crisis areas and as a means of leverage in international negotiations.

Oil-producing countries will take a back seat to food-producing nations at the international bargaining table and food will outweigh oil as a key factor in the global economy.

OARDC research will be instrumental in determining the role of the United States in this future scenario, and in assisting other nations to make their voices heard in the international dialog.

The overall impact of OARDC programs will be increasingly dramatic over the next 100 years—even more so than during its first century of service to the citizens of Ohio, the Nation, and the world.

I am confident that the OARDC will continue to develop new and improved technologies that benefit both farmers and consumers. I know that the center is currently working with some 10,000 genotypes of soybeans, several of which will further increase productivity and result in further dramatic payoffs for our economy in the years ahead. However, the yield implications of these new varieties are significant not only to Ohio's and the Nation's economies, but to the total protein supply throughout the world.

On a final note, I would like to mention the fact that 1982 also marks the retirement of Dr. Roy Kottman after 22 years of dedicated and inspirational service as Director of the OARDC. Under Dr. Kottman's guidance, the center has made outstanding contributions in the development of new agricultural technologies. Ohio's cash farm receipts have increased by more than $3 billion. The leadership of Roy Kottman will be missed, but the tradition of service which he leaves behind will be carried on as the faculty and staff continue to serve with distinction during the center's second century.

I think it appropriate that I close with these words from Dr. Kottman:

> What the future holds for the Nation's agriculture industry, its homes and families, and for the future development and wise management of its natural resources, cannot accurately be foretold. We may be certain, however, that progress made in each of these areas will be largely dependent on the quality and quantity of new knowledge developed through the Ohio Agricultural Research and Development Center.

Here is to the next 100 years.●

A QUESTION OF "EQUAL JUSTICE UNDER LAW"

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. ERLENBORN. Mr. Speaker, I am today introducing the Handicapped Infants Protection Act of 1982, which my colleagues, Representatives, Carl Perkins, Democrat of Kentucky, James Jeffords, Republican of Vermont, Augustus F. Hawkins, Democrat of California, Arlen Erdahl, Republican of Minnesota, Paul Simon Democrat of Illinois, Millicent Fenwick, Republican of New Jersey, Austin Murphy, Democrat of Pennsylvania, Marge Roukema, Republican of New Jersey, Dale Kildee, Democrat of Michigan, and Henry J. Hyde, Republican of Illinois, are cosponsoring. The aim of our bill is not only to strengthen the remedies and protections that exist under current law but also to expand them and provide others that will insure equal justice under law for handicapped infants.

Mr. Speaker, these words are inscribed over the front entrance of the Supreme Court building, which stands only a short walk from here. They should be for all of us a daily reminder of what we stand for as a nation. To deny any citizen his civil rights, especially his most basic civil right to life, or to allow him to receive unequal treatment before the law because of a handicap condition is totally foreign to the American character and completely out of step without declared national purpose.

This is why recent news stories about the "Bloomington Baby" and other cases in which handicapped infants have been allowed to die simply because they were handicapped have provoked a ground swell of outrage and cries of "infanticide" all across the country. The public outcry has been constant, and it is growing. It is clear that we cannot tolerate such injustice.

The Bloomington baby case involved the deliberate starvation of a newborn child afflicted with Down's Syndrome and a nonfunctioning esophagus apparently for no other reason than that he was severely handicapped. The child could have been fed intravenously pending routine surgery that could have corrected this disgestive tract disorder to permit oral feeding. As the Washington Post (April 18) put it, this baby died "not because he couldn't sustain life without a million dollars worth of medical machinery, but because no one fed him."

Instead, a 6-pound baby boy struggled for life for a week before death by starvation. During the week, it was debated whether anyone had the right to overrule the parents' decision of sure death. After a hospital room hearing, the Indiana Supreme Court ruled that only the parents could make the life-or-death decision.

A baby is more than a mere possession of his or her parents. It is a life which society should protect.

The Bloomington baby case is not the first occurrence of infanticide in this country. Reports and reviews in newspapers and in various medical and legal journals suggest that we are already several years into the reality of this practice. Last year, Columnist Joan Beck, in discussing the Siamese twins case in Danville, Ill., reported—Chicago Tribune, May 22, 1981—that it "occurs in many hospitals, where the death of newborns with severe birth defects is often tacitly encouraged," and quoted University of Wisconsin Law Professor John A. Robertson as having said that the passive euthanasia of "defective newborns is a pervasive and widespread practice in pediatric nurseries, hospitals, and intensive care units across America, Europe and elsewhere." She also cited a report by doctors at the Yale-New Haven Medical Center, who acknowledged that "14 percent of deaths in that hospital's special newborn unit were babies permitted to die because parents and physicians considered their lives not worth living."

The Stanford Law Review (February 1978) reported that every year thousands of parents in the United States make the decision to withhold or withdraw medical care from newborn infants. "If the parents decide to terminate treatment," this report said, "a court will review the decision. Procedural review by a court will safeguard the State's interest in the integrity of the decisionmaking process."

Such a decision should not be made on the basis of whether a child has a handicap. That would be discrimination, pure and simple—discrimination in its most extreme form. In the case of the Bloomington baby, it would appear that the safeguard of judicial review was woefully inadequate. Nor can we readily believe that in all the other documented cases, those infants whose lives were forfeited by parental decision suffered from incurable and untreatable conditions that made any effort to sustain their lives useless.

For too long we have left this issue unresolved. For too long we have allowed other priorities to demand our attention. We can no longer excuse ourselves by saying we did not know it was happening. We must face this reality that is in evidence all around us.

A handicap condition can be no justification for treating such infants any differently from other newborns. Some people claim that there are already sufficient remedies in the law to prevent this kind of thing from happening. But it is not evident from the facts that these remedies have been applied nor that they are adequate.

Most Americans look upon the courts as the final arbiters of justice. In this matter, however, the line between those who are to live and those who are to be allowed to die has become an ever-expanding gray area. It is for this reason that Congress must produce legislation that will make clear its intent that those remedies and protections that already exist will be enforced. Further, we should establish clear and firm laws to fully insure equal justice for all.

If parents are allowed to destroy their offspring at birth, will we someday say a child who is severely handicapped by an accident can also be killed? I do not believe we can risk leaving a door open to such an outlandish possibility, and I urge my colleagues to lend their support to this legislation.

Basically, what this bill does is to insure equal treatment for handicapped and nonhandicapped infants alike. It is not intended to require any extraordinary or prolonged medical care for infants, either handicapped or nonhandicapped, whose physical conditions are untreatable or incurable or whose lives would not be prolonged beyond the immediate future.

What we are asking for is equal treatment for the handicapped child—treatment that would ordinarily be provided for any nonhandicapped infant in a similar physical condition.

The first part of this bill lays the foundation for what follows, citing, for example, that despite existing provisions of Federal law, handicapped infants have been without effective "remedy to protect their lives against attempts to cause their death through denial of nutritional sustenance or medical treatment routinely provided to other handicapped or nonhandicapped individuals."

"It is a fundamental principle of American law" the bill reads, "to affirm the value of all human life without regard to mental or physical disability."

"The death of handicapped individuals," it says, "through deliberate neglect is a matter of gravest national concern, demanding immediate action by Congress."

The bill would prohibit a handicapped infant from being deprived of nutrition necessary to sustain life or of medical treatment necessary to remedy a life-threatening medical condition, in cases where food or treatment would ordinarily be given to similarly situated nonhandicapped infants.

It would allow for a parent or guardian or, in case the parent or guardian of a handicapped infant fails to prevent such deprivation, a third party who is willing to provide for the welfare of the infant involved, to bring action in court.

There is also a requirement that the Secretary of Health and Human Services encourage those having knowledge of a violation of the rights of a handicapped infant to report it. In addition, the bill would require that information on public and private agencies and services that are available to provide assistance, support, and treatment for handicapped infants be provided to parents of handicapped newborns. This bill also provides for expedited legal processings and injunctive relief in such cases, as well as immunity for third parties who would report such incidents.

Under the provisions of this bill, any health-care facility found to be in violation of the above-mentioned prohibition will have its Federal financial assistance suspended.●

IMPROVED INDEPENDENT CONTRACTOR LEGISLATION

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. GEPHARDT. Mr. Speaker, chaos will return to the world of independent contractors on July 1 unless we act prior to that date to clarify their tax status. In an attempt to avoid this unhappy outcome, I have introduced H.R. 6311 to resolve the conflict between millions of independent contractors and the Internal Revenue Service.

This bill is an outgrowth of H.R. 5723, which I introduced earlier this year and is very similar to S. 2369, which has been introduced by Senator DOLE and others in the Senate.

I think this bill is a step forward for everyone. It makes it fairly simple to determine who is an independent contractor by applying a short test. Those who set their own hours, determine their place of business and have a sustantial personal investment, will generally pass this test. This will answer a question that has long been raised by workers in fields ranging from logging to real estate to door-to-door sales.

This legislation also recognizes the valid concern of the Internal Revenue Service, which wants to be sure it collects every dollar due it. By imposing new, stringent reporting requirements on the businesses independent contractors are affiliated with, it will present the IRS with data that will make efficient enforcement possible.

It is my hope that we will consider this legislation before the current moratorium on enforcement rolls around on July 1. Missing this deadline will unnecessarily extend a debate that has already gone on too long.●

HEAR US: NUCLEAR WAR HURTS TOO MUCH

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. WOLPE. Mr. Speaker, this month, throughout the city of Washington, billboards bearing a simple, yet irrefutable, message will be appearing on rooftops, at busy intersections, and near shopping malls. The billboards carry an urgent plea for the exercise of commonsense here in Congress and in the White House. The message—eloquent in its simplicity—reads, "Hear Us: Nuclear War Hurts Too Much." This billboard campaign is not the product of a radical underground movement, nor is it the fashioning of a wealthy social activist; rather, the campaign was designed and paid for by hundreds of families from Kalamazoo, Mich.—families understandably frightened by the madness of the accelerating nuclear arms race and the blindness with which we approach the brink of nuclear war.

Mr. Speaker, defense strategists within the present administration have taken the position that the United States is in immediate and present danger because of an imaginary "window of vulnerability." It is perhaps the supreme irony that the very military buildup designed to reduce American vulnerability is having the unintended consequence of making Americans feel more vulnerable than ever—because they sense the irrationality of the Pentagon cry for more and more nuclear weaponry. They understand that the end product of this senseless spending spree is not greater security but a greater chance of a nuclear holocaust.

To put the issue of the nuclear deterrent in perspective, it should be noted that even if the Soviet Union launched a first strike against the United States—a strike so extraordinarily successful that it totally eliminated our land-based nuclear force, our airborne nuclear fleet, and all the nuclear submarines that are in port at any one time—there would remain at sea at least 20 nuclear submarines, each carrying 16 missiles, each missile carrying 8 to 10 nuclear warheads, each warhead having an explosive power, on the average, 7 times that of the bomb that fell on Hiroshima. These 20 subs alone would be sufficient to destroy every major industrial, defense, and population center in the Soviet Union three times over. Indeed, just one of our nuclear subs contains more explosive power than all of the munitions combined that exploded in World War II.

The horror of nuclear holocaust is universally acknowledged. Today, the United States and the Soviet Union possess 50,000 nuclear weapons. These weapons have, collectively, an explosive yield 1.6 million times that of the bomb that fell on Hiroshima. In half an hour, a fraction of these weapons can destroy all cities in the northern hemisphere. Yet, over the next decade, the United States and the Soviet Union plan to build over 20,000 more nuclear warheads. Such developments will only increase superpower tension, lower the threshold for a nuclear response in times of crisis, and increase the likelihood of a nuclear accident.

As the maddening pace of the nuclear arms race escalates, the threat of nuclear war grows ever greater. Advancing nuclear weapons technology has reduced the warning time of a nuclear attack from 10 hours to 8 minutes—8 minutes during which the President of the United States or the President of the Soviet Union would be forced to make a decision that could unalterably change the destiny of an entire planet. The likelihood is that one side would be suddenly gripped by a "use them or lose them" psychology. Fearing that its nuclear missiles might be destroyed by the other side, the United States and the Soviet Union could be pulled into a disastrous nuclear "high-noon."

There would be some comfort in believing—as some have suggested that we could insulate ourselves from the devastation of a nuclear attack by promoting a vigorous civil defense program; unfortunately, there exists no conceivable civil defense against a 20-megaton bomb. Civil defense would be ineffective in saving the lives of the inhabitants of civil defense shelters in cities under attack. A bomb dropped on an American city would create a fireball with temperatures reaching 20,000 degrees Farenheit, vaporizing everything within a several mile radius and leaving a crater several hundred feet deep. A very large number of those sheltered at a distance would eventually succumb to a lack of uncontaminated food and water, or be subject to lethal radiation. Medical care for the millions of victims with severe burns, traumatic injuries, and radiation sickness would be virtually impossible, because most medical facilities would either be destroyed by the initial bomb blast or rendered useless as a result of the spread of radiation. The simple and frightening truth is that we cannot survive a nuclear war.

It is a truth that has moved many of us here in Congress, and millions throughout the country, to call for a bilateral freeze on the development, testing, and deployment of nuclear arms. Throughout the country, voices have been raised in urgent chorus, asking national policymakers to "hear us: nuclear war hurts too much."

A nuclear freeze would not only reduce tensions between the giant military powers and increase our own national security, but it would also release resources which could be used to meet pressing human needs—needs which have been tragically ignored and which grow more urgent with each passing day.

Unless we reverse our decision to participate in a nuclear arms race of indeterminable length and magnitude, we will—over the next 5 years—spend over $1.6 trillion on defense alone. If we were to spend that sum at the rate of $1 million per day, 365 days a year, it would take over 4,000 years to exhaust the war chest. Put another way, over the course of the next 5 years, we will be spending on the average, $830 million a day on defense. What the administration's nuclear procurement program represents—in economic terms—is nothing more than a tremendous diversion of critical resources of capital and human skills away from areas of genuine need, both within and outside of the defense budget. It should be noted that a recent Pentagon disclosure indicates that the real cost of the planned 5-year $1.6 trillion defense buildup may have been underestimated by $750 billion.

Study after study has concluded that our most pressing military need is not the purchase of increasingly costly and sophisticated nuclear weaponry; rather, our needs are in the conventional forces area—in the improvement of the morale and competence of our personnel, in the provision and maintenance of conventional equipment, in the adequacy of basic logistical support. Yet, as the country gears up for a massive nuclear buildup, it is these elements of our military preparedness—elements essential to real national security—that are by and large ignored.

Moreover, the implications that massive defense expenditures hold for any semblance of economic recovery are staggering. Last fall, the Pentagon asked such luminaries as the Nobel laureate Lawrence Klein, Otto Eckstein, and Michael Evans, along with forecasting firms such as Chase Econometrics and Merril Lynch Economics, to examine the impacts of rising military expenditures. Their conclusion: "Large increases in the defense budget will lead to greater deficit spending." And with tax reductions exceeding cuts in social spending, the defense increases will push the Federal budget even further into the red—meaning ongoing high interest rates and new inflationary pressure.

Mr. Speaker, the decision whether to continue the nuclear arms race or pursue a bilateral nuclear freeze is as important as any we face, and may be as basic as the choice between life and death. My Kalamazoo constituents who have erected the billboards that now appear throughout this city know this very well, and they are to be commended for taking this creative approach to highlighting, for all of us, the urgency of this decision. Let us hope that their warning and their appeal will be heeded.●

GREENE COUNTY TO RECEIVE NEW INDUSTRIAL PLANT

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. SHELBY. Mr. Speaker, I am pleased to announce today a significant event that recently occurred in Greene County, Ala., one of the counties I am privileged to represent.

Our Nation is now experiencing one of its worst economic recessions. This is not a recent phenomenon for Green County. It has suffered for many years with chronic unemployment and economic stagnation. Transfer payments average over $400 per person in the county. It is the poorest county in Alabama, and one of the most economically deprived in the Nation.

Even in the face of today's economic problems, the future of Greene County is beginning to look brighter. A pulp and paper company just recently purchased 600 acres of land in the county. Although at this time a date for development of this site and the industrial plant has not been announced, the cost of the facility is projected to be about $300 million. The proposed industrial complex will create 800 to 1,000 new jobs during construction and more than 500 permanent jobs when the plant is in actual operation.

The new industrial plant will be located in the county-owned Crossroads of America Industrial Park which is located on the Tennessee-Tombigbee Waterway. One of the principal reasons for locating the plant there, according to company officials, was access to the economical cost of transportation provided by the Tenn-Tom. An additional 1,200 acres are available for industrial development along the waterway at the industrial park, which should generate another 800 to 1,000 new permanent jobs when fully developed.

The Tennessee-Tombigbee Waterway is now approaching 70 percent completion. Its navigation features are nearly 80 percent completed. About 130 miles of the 234-mile waterway are now open to limited navigation, including that portion of the waterway in my district.

So far, nearly 5 million bushels of soybeans and wheat have been shipped from west Alabama to the gulf for export on the Tenn-Tom, although it is not officially open for commerical use. This early use of the waterway portends the great potential it offers for moving bulk-type commodities, such as grain, coal, ores, and chemicals, in a low-cost and energy-efficient manner when completed in 1986.

The Tenn-Tom is not only of great importance to my State but will benefit some 14 States and ultimately the Nation. Its unique feature of providing a connecting link between the 16,000 miles of inland waterway system now serving the heartland of America with deepwater ports along the Gulf of Mexico guarantees it to become one of the busiest waterways in the Nation. Over 28 million tons of commerce are expected to be transported on the Tennessee-Tombigbee during its first year of operation, alone, at a savings in transportation costs exceeding $104 million.

With over $1.2 billion already spent, it is most important to complete the Tenn-Tom as soon as possible. Only then can our farmers and businesses begin to realize a return on this investment. Investments by the Federal Government for the utilization of our natural resources, such as waterways, irrigation, and hydropower projects, which create new job opportunities and stimulate economic growth, are important in helping bring about economic recovery.●

ANOTHER PERSPECTIVE

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. SKELTON. Mr. Speaker, it was my honor to present Rev. William C. Cox to the House of Representatives on March 23, for the opening prayer. His prayer was an inspiring one, and it made me realize how important our guest speakers are. All of us become quite wrapped up in our own work and we tend to develop a particular method of looking at problems. Having someone from home share his or her thoughts with Congress helps to give another perspective. While we were learning from Reverend Cox, he was busy learning about Washington and our Government. Allow me to share with you parts of the sermon that he gave to his congregation in Nevada, Mo., after his visit here. The title is appropriately, "Where Religion and Government Meet."

WHERE RELIGION AND GOVERNMENT MEET

My trip was a religious experience for me. Symbols of religion and government meet throughout our land. I have been reflecting on these symbols.

There are points where the symbolism of the cross touches all of life. It reaches the depths of America. There is no way that religion and state can be totally separated. Our government is drenched with the concepts of the Judaeo-Christian faith. The powerful symbolism of the cross touches concerns of government at many points.

In Washington I found much concern about human needs. There was some joking among the representatives that I only partially understood. Some of it, no doubt, concerned their business for the day. But all joking aside, I noted a sense of concern for humanity. This does not mean that our representatives are perfect or that they have nothing but pure motives. They are like us in both respects! It does mean that there is much concern in Washington about the needs of Americans.

I sensed that concern as Representative Jim Wright spoke briefly about the plight of the unemployed and the failure of businesses throughout the country.

I sensed it as I stood before the majesty of the Lincoln Memorial and saw the words, ". . . this nation conceived in liberty and dedicated to the proposition that all men are created equal . . ." and then recalled that Martin Luther King, Jr., gave his "I Have A Dream" speech in the same vicinity.

Washington is a humbling experience. I do not accept the belief of some religious fundamentalists who act as though the United States is favored by God. I am abhorred by persons like Garnet T. and Herbert W. Armstrong who believe that the United States is the kingdom of God!

However, I have to say that as I absorbed Washington, I was moved to confess that our country would not be possible except by the grace of God. I do not know how to explain it. I just believe it.

I sensed a spirit of humility and warmth among our servants in Washington. House Speaker Tip O'Neill is a warm, caring person. Representative Ike Skelton indicated that our Capitol is the only capitol he knows of that has a prayer chapel. Even prayer before the House and Senate each day is an important symbol. Madalyn Murray O'Hair will not be successful in her attempts to remove this symbol of humility from our land!

Not long after I finished my prayer, the House was called for a vote on the proceedings of the previous day. This provided a good opportunity for me to meet more people. I talked some with House Majority Leader Jim Wright who said that his father was a pastor. He pointed to other representatives who were related to pastors in various ways.

I reacted by asking if there was some connection between government and politics. The Representative replied that he had thought about that a lot and had concluded that pastors and politicians had a lot in common. He said that he felt that "service" was the touching point between the two. He commented, "After listening to sermons all one's life about service, one might be inclined to consider a profession such as politics."●

FAREWELL TO SINAI

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. YATES. Mr. Speaker, I wish to take a moment to call to the attention of the House an excellent photography exhibit that will open in the Cannon Rotunda on June 1. This exhibit, which is entitled "Farewell to Sinai," is composed of photographs made by one of Israel's most famous photographers, Mr. Perri Farag. I hope that Members will take a few moments to stop by the Cannon Building and view these photographs, which provide a most eloquent statement of the desire for peace that is fundamental in Israel. The exhibit will continue until June 12.●

NATIONAL NAVAJO CODE TALKERS DAY

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. UDALL. Mr. Speaker, last week the House approved by unanimous consent a resolution establishing August 14, 1982, as National Navajo Code Talkers Day. As a cosponsor of the measure, I rise today to urge the other body to give this measure its swift approval.

August 14 is the 37th anniversary of the Japanese surrender in World War II. It is only fitting and appropriate that we honor on that occasion a group whose contribution to that conflict and our ultimate victory has long been overlooked.

In early 1942, Phillip Johnston, an engineer and the son of a Navajo Reservation missionary, approached the U.S Marine Corps with the suggestion that the Navajo language be used to develop a code which would be indecipherable due to the complex verbal forms and tonal characteristics of the Navajo language.

A military code, encompassing 450 Navajo terms, was developed and used by over 400 Navajo code talkers. Over 250 of the code talkers served in actual combat. Their code, which was never broken, played a critical communications role throughout the war and particularly in the landings at Guadalcanal and other islands in the Pacific.

We owe those Navajo code talkers a great debt for their service to this country. I hope this body will join with us in setting aside August 14, 1982, as a day in their honor.●

POSITION PAPER ON FISCAL YEAR 1983 REAGAN BUDGET PROPOSAL

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. SIMON. Mr. Speaker, much has been written in recent months on the administration's recommendations for the fiscal year 1983 budget. I would like to insert in the RECORD today one of the more comprehensive critique's I have seen of the budget, recently released by the Woman's National Democratic Club. This group has done an excellent job of pointing out the fallacies and gross inequities included in the budget recommendations put forth by the President last March, many of which are contained in the Latta substitute now before the House. I hope my colleagues will read this good statement and take its recommendations and analysis to heart.

[From the Woman's National Democratic Club Political Action Committee]

POSTION PAPER ON FISCAL YEAR 1983 REAGAN BUDGET PROPOSAL

BRIEF SUMMARY OF REAGAN 1983 BUDGET PROPOSAL

The Reagan Administration's budget proposal contemplates total expenditures of $757.6 billion, revenues of $666.1 billion, and a deficit of $91.5 billion for the fiscal year 1983 (beginning October 1, 1982). The Reagan budget proposal vastly increases defense spending. It makes severe cuts in various social, health, and education programs, contrary to assertions by the Administration that only the rate of increase would be curtailed.

Defense represents 29% of the expenditures of the total proposed 1983 budget; direct benefit payments for individuals, 43%; interest on debts, 13%; and the remaining 15% would be spent for grants to State and local governments and for other Federal programs for energy, environmental protection, foreign aid, space technology, and similar nondefense discretionary programs.

The 1983 budget also proposes seven new consolidated grants and additions to three existing block grants. These proposals continue steps taken in 1982 when nine new block grants, consolidating 57 categorical grants, were established.

In addition, the Reagan Administration proposes for 1983 a "Federal initiative" (sometimes referred to as the "new Federalism"). This "initiative" has two major components: (a) a Federal takeover of food stamps and aid to dependent children (AFDC) in a "$20 billion exchange" (referred to as the "swap component"); (b) a turnback of more than 40 Federal education, transportation, community development, and social service programs to States. A separate allocation would be established for each State, beginning in 1984 and lasting through 1987, from existing excise taxes on gasoline, tobacco, alcohol, and telephone services, and from the oil windfall profit tax. Beginning in fiscal year 1988, the Federal Government would no longer fund these grants.

THE BUDGET DEFICIT—HOW DID IT HAPPEN?

The 1981 Economic Recovery Act, following supply-side economic theory, made sharp cuts, phased in over a three-year period, in the individual income taxes (the largest single source of revenue) as well as in corporate income taxes. The reduced revenues were to be offset by sharp cuts in Government spending on human resources and nondefense programs. Defense, however, would be substantially increased. The money saved from the tax cuts would be available for investment in the private sector, creating more employment and ultimately higher personal income tax revenues. Unfortunately, it didn't work out that way.

As the recession deepened, the Government has had to borrow more and more money in the capital market, competing with private industry for funds and thus pushing up all interest rates. The resulting high interest rates have severely discouraged private sector expansion, while the Federal government is obliged to spend higher amounts than ever just to service its debts—leaving less for the social programs. At the same time strong social, demographic, and economic pressures are acting to increase the cost of these same social programs.

We have had deficits before, but never of this magnitude in peacetime, and never with countervailing pressures of monetary restraint by the Federal Reserve Board, through its tight money anti-inflationary policy. Inflation is abating, it is true, as a result of the recession and a drop in oil prices. Under current tax law and defense plans, the dificit can only grow bigger and bigger in the future, frightening people in the financial markets away from long-term investments.

With the drop in personal income and rise in unemployment, the deficit grows even wider. Reagan's combination of tax cuts and defense increases may produce deficits of $182 billion in 1983, $216 billion in 1984, and $232.5 billion in 1985, or a three-year total of $630.5 billion. This is nearly as much as the entire amount spent by the Federal Government in 1981—$657.2 billion. This is a blueprint for economic disaster. Republican leaders in Congress, as well as Democrats, recognize the danger.

WHAT TO DO ABOUT THE DEFICIT: TAXES

The Reagan Administration's tax cuts of 1981, enacted as the 1981 Economic Recovery Act, went too far. This Act provides for a 25% cut in individual income taxes over a 3-year period, which will chiefly benefit the well-to-do. For example, for a family of four with 2 wage earners and the following annual incomes, the tax cuts would amount to:

TAX CUTS FOR FAMILY OF 4 WITH 2 WAGE EARNERS

Annual income	1982	1983	1984
$15,000	$181	$283	$333
20,000	275	456	544
30,000	499	916	1,079
40,000	796	1,460	1,697
50,000	1,191	2,191	2,570
60,000	1,547	2,895	3,423
100,000	2,749	5,748	6,872

Source: Staff of joint committee on Taxation, U.S. Congress.

Other tax cuts which will help only the wealthy are the sharp reduction, from 70 to 50 percent, in the maximum tax on unearned income and the substantial elimination of inheritance taxes. Very large reductions were also made in the taxes corporations have to pay, by a number of complicated provisions including the leasing of tax losses and much more generous depreciation allowances.

In order to reduce the deficit and get the economy out of the current recession, action is necessary on several fronts at the same time. But the major emphasis should be on increasing tax revenues.

The Political Action Committee (PAC), Woman's National Democratic Club, therefore recommends:

1. Postponing indefinitely the personal income tax cuts scheduled to start July 1983

2. Rescinding the corporate income tax giveaways, especially leasing of tax losses; revising depreciation rules to eliminate current inequities among industries; imposing a minimum corporate tax.

3. Improving tax collection; i.e., providing the Internal Revenue Service (IRS) with adequate funds (a relatively minor expenditure) to insure collection of all taxes legitimately due. (It has been conservatively estimated that the "underground economy" of unpaid taxes that are owed could furnish as much as $80 billion in revenue for 1983.)

4. Considering seriously other ways of increasing the Federal tax revenues, such as:

a. Excise taxes for luxury items, such as furs and jewelry, and raising current taxes for alcohol and tobacco.

b. Consumption taxes, such as oil import fees; personal hardship must be prevented, perhaps by providing subsidies for impoverished people.

c. Imposing or increasing current user fees for Federal services, such as those at airports or on waterways.

PROPOSED DEFENSE BUDGET

The $263 billion outlay for defense in the Reagan 1983 budget proposal represents a record peacetime increase. This has been called a "hardware" budget. The largest part will not go for improving readiness or for paying personnel but for procurement of new and very expensive, high-technology weapons.

No one challenges the need for a strong defense. But greater attention needs to be given to establishing a balanced defense policy and to examining the many existing opportunities for achieving economies and efficiency and for eliminating waste, fraud, and abuse in defense. For example, the GAO recommendations for eliminating waste and improving managerial effectiveness should be implemented. Needed also is a reevaluation of current procurement policies and practices so as to reduce cost overruns.

The billions of dollars spent on nuclear arms in no way address the real security problems. Instead, they drain financial and human resources away from the domestic economy, ignoring existing human needs in our society. The huge jump in defense outlays in 1983 will lead to greater outlays once the planned weapons begin rolling off the assembly lines in 1984, 1985, and 1986. The growing military burdens will put pressure on money available for social, health, education, and other domestic programs. National security not only involves weapons and military defense preparedness; it involves the security and well-being of members of our society.

The Political Action Committee, Woman's National Democratic Club, recommends that major cuts be made in the proposed 1983 defense budget.

PROPOSED EXPENDITURES FOR SOCIAL AND HEALTH PROGRAMS

The range of programs designed for the protection of the needy, such as aid to dependent children (AFDC), food stamps, Medicaid, and low-income housing, would sustain proportionally deeper cuts than other programs under the 1983 Reagan budget proposals. Many of these programs have already suffered punishing cuts under the 1982 budget.

For example, Congress cut AFDC by $1 billion in 1982. When combined with the loss of State matching funds, the 1982 cuts were closer to $2 billion. These cuts undermined protection for as many as 650,000 households, of which 400,000 are deprived of assistance altogether. For the total AFDC program, 68% of the recipients, or over 7 million are children. The 1983 budget proposes an additional 17.5% cut in this program.

The food stamp program was also drastically cut in 1982, denying food stamps to about a million recipients and reducing benefits to about a million more. In 1983, the Reagan budget proposes an additional cut of 1.9%.

Federal programs of funds for health services focus on vulnerable populations, notably the aged, disabled, and impoverished. Consequently, the numerous cuts in health programs reduce the access of these groups to medical care. For example, the 1982 budget for health service programs for mothers and children was cut 27%. By the end of 1982, 120 health centers are expected to close because of these cuts, according to the Children's Defense Fund, affecting 1.2 million people of whom 562,000 will be children and 440,000 women of childbearing age. Another illustration of the seriousness of the cuts in health programs is Medicaid. This program furnishes health care for 23 million low-income elderly, blind, disabled, and single-parent families with children under 18 years of age. Because of the 1982 cuts, over 1 million Medicaid recipients have already lost Medicaid coverage. The Reagan 1983 budget proposes a cut of another 10% after inflation.

The proposed cuts in low-income housing account for more than one-third of all cuts in the housing budget. Not only will the 1983 proposals reduce the number of low-income people to receive housing assistance; they include major rent increases for all tenants living in HUD-assisted housing.

Instead of placing on impoverished people the brunt of the impact of the cuts, other segments of our society must shoulder more of the burden. Some streamlining is possible, sensible, and equitable for those entitlement programs that are not subject to means tests; *i.e.*, those for the more affluent groups. For example, there appears to be an agreement among Congressional budget negotiators for some upper limit or "cap" on the cost-of-living increases starting next year, a proposal to which careful thought should be given. The PAC strongly supports efforts to contain costs of medical care, which in recent years have risen far in excess of the general cost-of-living index.

The Political Action Committee, Woman's National Democratic Club, recommends that the responsibility of the Federal Government should be maintained, without reduction in Federal funds in 1983, for social and health programs designed to meet the social and human needs of impoverished people, the disabled, the elderly, and children in our society.

PROPOSED EXPENDITURES FOR EDUCATION

The 1983 budget proposes cuts in the program for aid for the disadvantaged under Chapter I of the Education Consolidation and Improvement Act (known as ESEA Title I) of 40%, from $3.5 billion this school year to $1.9 billion. This means 2.3 million children will not be served and 80,000 specially trained teachers and staff will lose their jobs. The proposed cuts in other elementary and secondary education programs will have similar effects on the education of children.

Massive cuts in Federal student aid, and in most of the categorical support programs for higher education, are proposed in the 1983 budget. Student aid for academic year 1983-84 would be cut 56% below the levels of last year's Reconciliation Act and 50% below current 1981-82 year, with cuts or discontinuance in other higher education programs. Cumulatively, this would represent a loss of over 2.4 million awards, which would force hundreds of thousands of students to drop out or change their educational plans.

The Political Action Committee, Woman's National Democratic Club, recommends that the cuts not be made in Title I, handicapped, vocational, and continuing education; science education, student assistance, and other secondary education programs; nor in higher education programs. The PAC also recommends against replacement of the Cabinet-level Department of Education by a Foundation for Education Assistance.

PROPOSED EXPENDITURES FOR ENERGY AND ENVIRONMENTAL PROTECTION

The Environmental Protection Agency's operating budget, which was cut by 20% in 1982 (with adjustment for inflation), would be reduced by another 20% even though EPA's legally mandated responsibilities are increasing significantly. The result would certainly delay or even abandon action in such areas as cleanup of the thousands of toxic waste dumps now scattered throughout the country, removal of toxics from air and water, and prevention of further illegal pollution.

Funds for energy conservation projects would be virtually wiped out (cut by 97% between 1981 and 1983) under the proposed Department of Energy Research budget. Cuts in fossil fuel and renewable resource projects would be nearly as large. Only nuclear energy projects would escape being cut.

The Political Action Committee, Woman's National Democratic Club, recommends that the Department of Energy's budget for nuclear energy projects be sharply reduced and the funds transferred to more constructive conservation, renewable resource, and fossil fuel programs. For many basic reasons, the PAC recommends particularly that funding be stopped for the Clinch River Breeder Reactor.

The PAC also recommends that the funds for the Environmental Protection Agency and for the Department of Energy conservation and renewable resource programs be kept at least as high as in the 1982 budget.

"FEDERAL INITIATIVE" AND BLOCK GRANT PROPOSALS

We recognize the importance of trying new approaches and improving efficiency in programs for which grants are made to States and local communities, particularly since there are now more than 500 different programs. The programs for which grants were provided to the States were established because the States were not giving their citizens equal access to services nor did they have equal resources for the provision of services. Merely handing responsibility over to the States does not assure that efficiency and adequacy of services will be achieved.

The Reagan "Federal initiative" shifts responsibility for certain programs from the best-financed unit of government and from corporate and personal tax bases to the more regressive sales and property taxes of States and local communities. Moreover, this "initiative" transfers to the States certain basic income maintenance programs that have long been recognized as a Federal responsibility and should continue to be so; e.g., AFDC and food stamps.

The Political Action Committee, Woman's National Democratic Club, recommends against the use of the "Federal initiative" and block grants as devices for reducing Federal expenditures, eliminating programs, or relinquishing Federal responsibility.

UNIFIED BUDGET

In 1969, the budget was unified. This meant that general revenue funds programs and trust funds programs which are self-financed, the largest of which is social security, were combined for accounting purposes and public relations.

One particularly troublesome problem has been that the real proportion of military expenditures has been masked since 1969 by the unified budget method of accounting. For example, according to the unified budget for 1982, military expenditures account for 28 percent of the budget. Using this same analysis, human services are radically inflated in the unified approach, taking 50 percent of the budget. Exclusion of the trust funds results in a more realistic 23 percent of appropriated funds for human services, which includes education, training, employment, social services, health, and income security programs.

The Political Action Committee, Woman's National Democratic Club, recommends that the Social Security, Unemployment Compensation, and other Trust funds be removed from the unified budget.

CONCLUSION

In conclusion, the Political Action Committee, Woman's Democratic Club, joins the Children's Defense Fund in stating:

"The budget battle in 1982 is a battle for a fair and decent America. It is a battle about whether we will continue to invest federal dollars in the young, in families, in the needy, and in working men and women or whether we will invest in the rich and in more and more arms, which leads us down the path of economic and moral bankruptcy. It is a battle about whether we invest in human capital—new generations of healthy, well-educated, productive citizens—or whether we choose short-term profit and easy political fixes. It is a battle about who and what we Americans are as a people and as a nation.

CHART I.—TAX DOLLARS RAISED AND SPENT

[In billions of dollars]

	Last year (ended Sept 30, 1981) actual	This year (ends Sept 30, 1982) estimated	Next year (ends Sept 30, 1983) estimated
Income			
Taxes on individual income	285.9	298.6	304.5
Social security taxes	160.5	182.5	199.5
Taxes on corporate profits	61.1	46.8	65.3
Excise taxes	17.5	18.8	20.4
Crude-oil excise tax	23.3	24.2	21.3
Unemployment-insurance taxes	15.8	16.5	18.5
Estate and gift taxes	6.8	7.2	5.9
All other revenue	28.4	32.2	30.7
Total income	599.3	626.8	666.1
Outgo			
National defense	159.8	187.5	221.1
Social security benefits	138.0	154.6	173.5
Interest on public debt	95.6	115.7	132.9
Medicare and other health programs	66.0	73.4	78.1
Public assistance, food stamps, other aid	47.9	44.0	42.4
Education, manpower, social services	31.4	27.8	21.6
Aid to veterans	23.0	24.2	24.4
Aid to transportation, business	26.0	23.9	20.7
Civil-service retirement	17.5	19.4	21.1
Unemployment compensation	19.7	25.2	22.6
International affairs, economic and military aid	11.1	11.1	12.0
Energy	10.3	6.4	4.2
Aid to community, regional development	9.4	8.4	7.3
General revenue sharing	6.9	6.4	6.7
Rivers, dams, natural resources	8.4	7.2	5.3
Science, space, technology	6.4	6.9	7.6
Pollution control	5.2	5.4	4.6
Aid to agriculture	5.6	8.6	4.5
Payment to the Postal Service	1.3	.6	.5
All other spending	3.0	.1	-11.0
Rents and royalties on outer continental shelf	-10.1	-7.9	-18.0
Interagency deductions listed as spending above	-20.2	-23.6	-24.5
Total outgo	657.2	725.3	757.6
Deficit	-57.9	-98.6	-91.5

USN&WR table—Basic data U.S. Office of Management and Budget.●

FLOYD G. SMITH MOURNED

HON. DAVID W. EVANS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. EVANS of Indiana. Mr. Speaker, on March 29, 1982, the world of music, specifically the world of jazz, lost one of its finest artists. I would like to introduce you to the man and to his accomplishments and to praise him posthumously for his lifelong dedication to his work.

Floyd G. Smith was born the son of a musician in an obscure portion of St. Louis, Mo. He cut his "musical teeth" on the ukulele, the banjo, and the guitar, the latter of which carried him to prominence among jazz enthusiasts. Floyd was not a musical superstar as we know superstars today and yet he did as much for jazz as any other musician of his time. In 1939, early in his career, Smith became the first man to record the newly invented electric guitar. The record, "Floyd's Guitar Blues", not only served as a standard for aspiring young guitarists, but also became the catapult which thrust Floyd Smith into the musical limelight.

Fame was to elude Mr. Smith. Despite associations with such greats as Wes Montgomery, Bill Doggett, and big-band leader Jimmy Doe, his success was slow and plodding. Again opportunity knocked in 1939 when Benny Goodman asked Floyd Smith to join his sextet, an offer which was declined because of a previous contract commitment with another band. In retrospect, the Goodman invitation was to be the single greatest opportunity of Floyd's career.

Smith was a self-made man. He had no professional training. His career as a jazz guitarist spanned 30-plus years, and he performed throughout the United States and Europe. He inspired young professionals and did not hesitate to assist their careers whenever possible. Floyd Smith's final years were spent in Indianapolis, where, after a 2-week gig, he decided to reside.

Since his death, accolades have been forthcoming. In life, Floyd Smith struggled as an artist for success in an arena he loved more than life itself. He struggled as a black man for acceptance in a time when being black was less than fashionable. He was a dedicated man, a free spirit, and a great musician. His honesty and integrity are to be proclaimed, and it is to this end that I submit this testimony into the CONGRESSIONAL RECORD.●

FINANCING COGENERATION PROJECT

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. MOAKLEY. Mr. Speaker, I would like to share with my colleagues a speech delivered in Boston by Dr. Robert Young, vice president of Energy Investment, Inc., dealing with cogeneration, an issue that concerns us all in our era of dwindling oil supplies and skyrocketing energy prices. Cogeneration can be an effective, efficient mode of energy production. Financing, however, presents an obstacle for most firms interested in cogeneration. The following is the speech delivered in Boston:

CONSIDERATIONS WHEN FINANCING COGENERATION PROJECTS

(By Dr. Robert Young, Vice President, Energy Investment, Inc., Boston, Mass.)

American industry will require enormous amounts of capital for energy conservation to remain competitive in the 1980s.

The average 3.8 percent after tax profit generated by energy intensive industries will not be sufficient to provide the capital required for both normal business expansion and energy conservation projects. Debt financing for energy saving equipment will adversely impact balance sheet figures and liquidity. It appears that only a few of the largest industrial firms have the cash flow to internally finance energy conserving cost reduction projects.

In general, co-generation projects have a lower R.O.I. then heat recuperation and steam generation. Co-generation only becomes attractive where there is a simultaneous need for electricity, steam and heat, such as a paper mill or a combination of industrials and a utility. There are a number of ways to finance co-generation:

A. INTERNAL FINANCING

Lets the owner capture all of the savings and tax benefits. However, the owner bears all of the technical and economic risk of the project. The cost of money, when included in R.O.I. calculations, will turn a three year payback to a five year payback.

B. LEASING

Leasing enables the owner to conserve working capital. If the owner will relinquish the tax benefits, leasing money is available at about 12 to 14 percent annual interest. If the owner wishes to retain the tax benefits, leasing money usually costs two points above the prime lending rate. The owner still takes all of the technical and economic risks of the project. The leasing company will require minimum payments for a fixed period, even if the completed project is not viable

C. SHARED SAVINGS

Shared savings is a plan in which the payments are entirely provided by savings. The client has no financial obligation for the use of energy conservation equipment except for sharing the savings with the group.

Financial institutions pay for the engineering study of the owner's facilities. The engineering study is provided to the client at no cost. The institutions then engage a professional engineer to supervise the installation of conservation equipment. The financial institutions then share the savings generated by the conservation equipment with the client on a 50-50 basis for ten years.

The owner captures half of the savings for absolutely no investment. This frees discretionary capital for other purposes. The lower energy costs derived from conservation lower the client's manufacturing costs and enhance the client's competitive position and liquidity.

How do the financial institutions benefit from shared savings? The financial institutions benefit from shared saving by retaining title to the equipment for ten years. This enables them to claim the investment tax credits and depreciation on the investment creating a tax advantage which exceeds their usual lending rate. In order to claim the tax benefits and depreciation, the institutions must be responsible for the maintenance costs of the equipment for the ten year period.

Shared savings is a riskless, off credit, off balance sheet method of financing co-generation and is the preferred method of financing if:

1. There is uncertainty about the technical and economic aspects of the project.
2. The project does not meet the investment threshold for internal financing.
3. The emphasis is on capital liquidity.

We favor co-generation projects where almost all of the generated electricity is consumed on site to avoid exposure to political manipulation of the utilities tariffs.

The basic decision to investigate co-generation depends on a thorough analysis of the plant's heat and material balance. Our experience indicates that heat recovery is usually a more effective alternative unless there is a significant plant electrical load.

Co-generation projects must be justified within the sites heat and material balance. Projects justified only on sale-back to utilities contain too much uncertainty about the long term economics to attract outside investors.●

FALKLAND ISLANDS DISPUTE SHOULD GO TO WORLD COURT

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. SEIBERLING. Mr. Speaker, the Falkland Islands crisis grows more serious each day. It seems incredible that so many fine young men's lives should be lost and so much destruction caused by an issue which should easily be resolved by a judicial process. The basic issue, of course, is which nation legally has sovereignty over the Falkland Islands.

Of course, the use of force by Argentina to assert its claims of sovereignty over the Falklands created another major issue; namely, whether such aggressive action can be tolerated by the world community. Of course, it should not, and the United Nations Security Council itself has ordered Argentina to withdraw.

Even though hostilities are now in full fury, undoubtedly, there will come a point at which it will be possible for the forces of reason to assert themselves. At that point, one must hope that both parties would see the wisdom of agreeing to submit the question of sovereignty to the International Court of Justice and agree to abide by its decision.

We are in debt to our colleague, Congressman JONATHAN BINGHAM, for introducing a resolution, House Concurrent Resolution 328, expressing the sense of Congress that the President should seek agreement by Argentina and Great Britian to refer the issue of sovereignty to the World Court. I would hope that the Foreign Affairs Committee would report out such a resolution at the earliest possible date.

In the meantime, Members will find cogent support for such a resolution in an article by Lloyd N. Cutler, a distinguished Washington lawyer who served as counsel to President Carter, that appeared in the Washington Post for last Thursday, May 20. Mr. Cutler makes a very compelling case for submission of the question of sovereignty to the World Court. The full text of Mr. Cutler's article follows these remarks:

[From the Washington Post, May 20, 1982]

NOT TOO LATE TO GO TO COURT

(By Lloyd N. Cutler)

In a civilized society, when two individuals or institutions cannot agree about who owns a piece of property, one takes the other to court. Both must accept the court's jurisdiction, and both must abide by its judgment. This is what Britain and Argentina would have to do, even if they were already locked in armed combat.

The society of sovereign nations is not fully civilized, but it has created a court with the capacity to resolve territorial disputes. Every nation that signed the United Nations Charter also signed on to the Statute of the International Court of Justice. Under this statute, the court's jurisdiction extends to all cases that the parties may refer to it. Some U.N. members, including the United Kingdom but unfortunately not Argentina, have agreed to accept the court's compulsory jurisdiction in all cases involving questions of international law or of any fact which, if established, would constitute a breach of an international obligation. U.N. member states are bound to obey the court's decisions. If they do not, the Security Council may take enforcement measures such as economic or military sanctions.

The Falklands-Malvinas issues are ideally suited for judicial resolution. They involve factual and legal claims about sovereignty over people and property of the type that international judicial tribunals have been resolving for centuries. These claims have existed for more than 100 years, and they have been under active negotiation since 1967. They do not involve the turly vital national interests of either party—the people and property in dispute are marginal to the central economic, political and security concerns of both claimants. Perhaps neither side can "afford" to give in to the claims made or the force applied by the other, but any civilized nation can honorably "afford" to submit such issues to a neutral judicial tribunal and to abide by the result.

Modern history is full of judicial settlements of conflicting territorial claims, especially in the new lands of the Western Hemisphere. Neutral arbitration panels have resolved disputes between Venezuela and Britain over the boundary with Guyana, between the United States and British Canada over the Alaskan Panhandle, between Argentina and Paraguay over the Verde-Pilcomayo region, between Colombia and Venezuela over their border, and between Argentina and Chile over the Beagle Channel Islands.

In no case but the last—where Argentina kicked over the traces—has either side refused to accept the decision of the tribunal. Even in the Beagle case, Argentina has joined in resubmitting the issues to a pending "mediation" by the pope, and has not tried to occupy the disputed islands by force.

In the light of this history, it seems puzzling that neither of the parties, nor the United States nor the United Nations, has publicly proposed that if negotiations fail, the Falklands-Malvinas issues, or at least some of them be submitted to the International Court of Justice. It is especially puzzling that the U.N. Security Council has not done so, since Article 36 of the Charter requires the council, in framing its recommendations, to consider that "legal disputes should as a general rule be referred by the parties" to the court.

Perhaps Argentina or Britain would initially refuse—perhaps one or the other has already done so in response to a non-public proposal—just as Argentina refused a British submission to the court of the sovereignty issues as to South Georgia and Antarctica (but not the Falklands themselves) in 1955. But even so, the proposal should be publicly made—at least by the United Nations with the support of the United States—and the refusing state should be put to the burden of explaining why the claims it asserts to be so strong are not strong enough to submit to the judgment of a neutral judicial tribunal.

In the search for a solution of the Falklands-Malvinas dispute, a method of judicial resolution has been the missing ingredient. Both sides appear agreeable to withdrawing their forces, accepting a neutral interim administration and negotiating a final solution. The main hangup is Argentina's concern that the negotiations will stalemate again, and that has been its reason for stating that its claim of sovereignty is not negotiable. Britain cannot accept this position under the duress of the current Argentine invasion. The reasonable and honorable compromise is to assure Argentina against stalemate in a better way, by an agreement that if the negotiations do not produce a mutually acceptable solution of all issues within a specified time, either side may submit the unresolved issues to the International Court. As the court proved in the case filed by the United States over Iran's refusal to return our hostages, it can act promptly when the need arises.

Whatever else may divide them, the principle of judicial resolution is a banner under which all honorable and civilized nations can stand.●

NASA: HELPING WITH DOD'S BILLS

HON. DANIEL K. AKAKA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. AKAKA. Mr. Speaker, many articles have appeared recently in the media on the subject of NASA subsidies of the Department of Defense where the Space Shuttle is concerned. A recent article appeared in Science News which takes another look at the problem.

I urge all of my colleagues to read this article carefully and then to think long and hard about the consequences of heavy NASA subsidies of the Department of Defense at the expense of other NASA programs. I think it highly improper that NASA be forced to foot more than its fair share of the bill for the Shuttle, especially when, according to a recent GAO study, the Department of Defense will require 114 of the estimated 234 Shuttle flights through 1994. This amounts to about 49 percent of all Shuttle flights through 1994.

If the Department of Defense is intensely interested in using the Space Shuttle, then it is appropriate for the Department of Defense to pay its fair share of the Shuttle-related costs.

This is an issue which I believe the Congress must study carefully, for if we continue to approve of the gradual militarization of our space agency, soon we will have so few programs of nonmilitary basic research within the agency itself that we shall, no doubt, lose our ability to compete in the international marketplace in areas of high technology. I ask that the article "NASA: Helping With DOD's Bills?" be inserted in the RECORD immediately following my remarks.

The article follows:

[From Science News]

NASA: HELPING WITH DOD'S BILLS?

(By J. Eberhart)

Concerns about military influence on the U.S. civilian space program are not new. Since the 1960's, for example, there have been occasional reports of Defense Department efforts to restrict access to data from National Aeronautics and Space Administration spacecraft, for fear that they might reveal too much about U.S. capabilities. The coming of the space shuttle, however, has raised another sort of issue, even apart from the shuttle's acknowledged dual role in both civilian and military programs. It is that the NASA budget, suffering in several key areas because of its domination by the shuttle's development, production and operations, includes a number of expenses directly related to the shuttle's military role—a role that, some critics are now charging, ought to be borne by DOD.

In February, a General Accounting Office analysis concluded that the space agency's method of charging non-NASA users of the shuttle's launch services (particularly DOD) amounts to a subsidy "at the expense of the [NASA] space science, applications and aeronautics programs." In 1976, said the report, the average cost of flying a standard shuttle mission was projected to be $16.1 million. By September 1980 the projection had grown to $27.9 million. Acting under a policy established in 1977, however, NASA had been planning to charge DOD only $12.2 million per launch during the shuttle's first six years of operation. Commercial, foreign, and other U.S. civil agencies would get a smaller discount, to $18 million, and with a lid on the price for only three years.

NASA says that it is now considering revisions to its plan. "However," reported GAO, "an underlying principle of the Space Transportation System's pricing policy is to encourage users to change over to the shuttle [from other launch vehicles] by offering a launch price that is less than the cost to NASA to launch the shuttle. Consequently, GAO believes it is reasonable to assume that even after NASA revises its current pricing policy, the agency will be subsidizing users in the early program years." GAO recommended that NASA update its price to reflect its growing costs, "and charge it to all users, including DOD and other government users." Furthermore, the report added, "GAO believes the user agencies should be responsible for justifying any additional program costs to the Congress. If a user cannot justify a program's cost, then it raises a question as to the program's overall worth."

A more recent GAO analysis, however, suggests that DOD may be benefitting from NASA's economics in more ways than just cut-rate launch fees. In response to a request from Sen. William Proxmire, ranking minority member of the Senate Appropriations Committee, GAO set out to determine just how much of NASA's requested FY 1983 research and development budget (about $5.3 billion) was actually serving DOD's purposes. First, GAO asked NASA to break down the total into three sections, indicating how much money was going for (1) NASA's use alone, (2) combined goals relevant to both NASA and DOD, and (3) strictly DOD needs. Then GAO conducted its own analysis, using the same rules. The differences are striking.

In the areas of space science and applications, aeronautics and space technology, and tracking and data acquisition, GAO's analysis agreed with NASA's. In the case of the shuttle and its operations, however, which account for 65 percent of the total, NASA cites no DOD-only expenses at all. Nearly $3.2 billion is for dual-purpose, civil/DOD items, while less than $0.3 billion is NASA-only.

The GAO version paints a different picture. In GAO's view, there is nothing in the dual-purpose category. Civilian needs account for almost $2.4 billion, and the DOD-only portion—"work . . . that would not be funded by NASA in fiscal year 1983 without a DOD requirement"—amounts to more than $1 billion, a fifth of the total.

Administration officials, including NASA head James M. Beggs, have repeatedly noted a need for NASA to cooperate closely with DOD, particularly because the shuttle is the primary launch vehicle for both agencies. The new GAO report, however, proposes a division of the source of expense. "Based on NASA's latest traffic model," says GAO, "DOD is estimated to require 114 of the estimated 234 shuttle flights through 1994, or about 49 percent of the flights." The report translates this into a similar percentage of the shuttle's production and modification costs, or $0.9 billion, and a portion of operations costs.

GAO's conclusions are already making themselves felt. Last week, the Senate Commerce Committee unanimously passed its version of the administration's NASA budget bill. The total is the same—$6.612 billion—but $409 million of it has been reassigned from shuttle operations to various other NASA programs. DOD "should not be 'subsidized,'" says the bill's sponsor, Senator Harrison Schmitt (R-N. Mex.), "at the expense of our nation's civil aeronautics and space programs. . . ." The $409 million includes $40 million for planetary data analysis and spacecraft operations (keeping the Pioneer probes going) and $20 million for physics and astronomy, as well as $64 million for aeronautics, $150 million for a fifth shuttle orbiter and $90 million for a modification of the Centaur upper-stage rocket (though not the one that might have saved nearly half of the Galileo mission's $4\frac{1}{2}$-year flight time). A day later, the House Budget Committee recommended a similar kind of shift, including the assumption that DOD

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would pick up a greater portion of shuttle operations costs.●

COLUMBIA UNIVERSITY'S STAND AGAINST APARTHEID

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. RANGEL. Mr. Speaker, at its commencement exercises on May 19, Columbia University awarded an honorary degree to Bishop Desmond M. Tutu in absentia. Reverend Tutu had been forbidden to leave his nation by the South African Government because of his outspoken criticism of South Africa's white rule.

At my urging, the State Department put in a special request to the South African Government to allow Dr. Tutu to attend the ceremony. But the Republic of South African fears the freedom of ideas and the freedom of speech so profoundly that even this request was denied. At the time of the ceremony, Tutu remained in South Africa against his will.

Only twice before has Columbia awarded degrees in absentia. The first recipient was President Abraham Lincoln, who was unable to receive the degree awarded him in 1861 because of the Civil War. The second was Justice William O. Douglas in 1979, who was unable to travel because of a stroke he had suffered.

Today, because of South Africa's perceived strategic value, our own Government glosses over the systematic violation of human rights and the institutionalized racism in South Africa, thus lending its tacit approval to a way of life repugnant to the values of freedom and liberty upon which our Nation was founded. Columbia's courageous condemnation of South Africa's policies is a welcome contrast.

"We want the Government of South Africa to know the world is watching," said Columbia's President Michael I. Sovern during the commencement address. He went on to call South Africa's system of apartheid "a government's sustained effort to degrade its citizens through the most systematic abuse of law to outlaw a people since Hitler's Nuremberg Laws."

"Desmond Tutu," said Sovern, "is a beacon of hope and decency in a dark land."

In addition to addressing the human rights violations in South Africa, Sovern's speech faced many of the problems that we are confronting at home, particularly our Government's waning commitment to financing higher education, the administration's stance on arms control, and our country's capacity to realize our greatness. Such thoughtfulness is rare in Washington as we rush to meet our day-to-day deadlines. I commend his address to my colleagues:

COMMENCEMENT ADDRESS BY PRESIDENT MICHAEL I. SOVERN

Congratulations. Columbia is very proud of you today.

You have risen to every academic challenge, successfully navigated every rite of passage, grown older and wiser. You are almost ready to be turned loose on an unsuspecting world. Only one test remains, perhaps the most grueling crucible of all: To survive the Commencement Address.

By rough count, 11,117 commencement addresses will be delivered within the next month. That is a little like telling a couple about to marry that four million people will also take the plunge this year. It is not romantic, but it may offer a useful perspective. And perspectives are what a commencement speech should be about.

First, a perspective on you. It has become fashionable for commentators to claim that because you do not march, you do not feel; because you do not chant, you do not care. I know differently. I have talked to many of you and I know the depths of your commitment to serve. I have worked with many of you as we have struggled to preserve equal access to higher education in America, and I know how effective you can be. You seek results, not publicity for yourselves.

Some of your elders may have forgotten that private initiative, private energy and private responsibility can go hand in hand with public compassion, but you have not—at least not yet. And I hope you never do.

You will be pursuing your callings for the next half century. My heartfelt wish for you is that, along about the year 2025, as anticipation yields to reminiscence, you will look back over your lives and know that you not only did well, you also did some good.

You cannot do everything to cure the ills of mankind, but you can do something. The moral test of your responsibility is not what happens to the world but whether you did your part, as best you could, to make this small and fragile planet a better place.

Business School graduates, where are you? I want you to be able to take pride in a society you will have helped to define; engineers: to rejoice in what you have designed and built; diplomats and public officials: to have done your part to keep us all from going up in a giant fireball. Architects and planners: I want you to have made the most of the spaces in which we live and work; artists and performers: to have helped the human spirit to soar; scholars and teachers: to have helped others to grow even as you have shaped and stretched your disciplines.

Doctors and dentists; social workers and nurses; ministers and therapists: as you come to look back over the thousands of people you have cared for, I hope for you that you are able to keep right on caring. And journalists: when you come to look back over the thousands of stories you have told, I hope you will respect what you see—for its humility and decency as much as for its elegance and commitment to truth. To our librarians: in an era of microfiche and computer print-outs, may you always know the joy of books, honest-to-God bound books.

To my old friends in the Law School, I can do no better than offer the words of Lord Brougham: "It was the boast of Augustus that he found Rome of brick, and left it of marble; a praise not unworthy of a great prince. But how much nobler will be our Sovereign's boast, when he shall have it to say, that he found law dear, and left it cheap; found it a sealed book—left it a living letter; found it the patrimony of the rich—left it the inheritance of the poor; found it the two-edged sword of craft and oppression—left it the staff of honesty and the shield of innocence!"

Graduates of Barnard College; of Columbia College; and of the School of General Studies: as you go to pursue your dreams in the work place, graduate school or professional school, may you share our confidence that you are as ready as you can be to meet your future.

The universities to which many of you go next will be under extraordinary financial pressure. We have fought well together against Draconian cuts in student aid. Those who come after you are in your debt. But next year's grants will still contain fewer real dollars than this year's and next year's student borrowers will have to pay more for their loans than you are paying.

When I became President, I promised to give close attention to Columbia's role as an open door to our society for promising young people, from the streets of this city and from all over America, whose ability to learn is greater than their ability to pay. If such a door had not been opened to me, I would not be here today.

When I made that commitment, I believed that the challenge was to persuade our alumni and friends to increase their support so that we might help all of our students who need and deserve help. I did not dream that a short-sighted federal Administration, apparently believing that student aid programs were some vast giveaway, unrelated to vital national interests and compelling human needs, would seek to decrease the aid available to Columbia students by more than two-thirds.

Though some real harm was done, in time we were able to demonstrate that few Americans shared the Administration's wish to retreat from a proud American commitment—that the richest country in the world should not deny an education to students merely because their families lack the means to pay for it. The same federal student aid policies which implement that principle also contribute to student choice and institutional diversity.

Federal student aid programs never did, and do not now, give anyone a free ride. Some two-thirds of America's students are working to put themselves through college. As so many of you know, Columbia students who receive federal grants also contribute their own earnings, draw upon whatever help their families can provide, receive a Columbia scholarship and incur debts that must be repaid.

Every element of the package is critical. I wish I could tell you that the Administration has come to understand this, but they have not. They still want to shrink the federal part of the package so drastically that hundreds of thousands of students would be barred from the institutions best suited for them. Others would be denied a higher education altogether.

Should the Administration prevail, we would have a new national policy, a policy that would proclaim: If you are not lucky enough to be born wealthy, your country does not care how good you are or how hard you work, the most selective colleges are not for you; they are reserved for the children of the rich. That is what America would be saying. We must not let that happen.

In the Administration's position on student aid, I see a recurring human failing—a dangerous tendency to forget that when we talk of hundreds of thousands of students, we are not talking about abstract numbers; we are talking about people. We encounter that danger again in talk of limited nuclear war and proposals for a civil defense program intended to save the lives of more than half our population, sacrificing perhaps only a hundred million. Even to contemplate such a strategy requires that we think only of numbers, and block out all thought of one hundred million individual men, women and children—blasted, incinerated or irretrievably poisoned by radiation. Numbers save us from empathy; there is no sympathy for statistics.

Lest we forget, the risk of nuclear annihilation is no longer limited to superpower confrontation. Our government should return to its commitment to nuclear nonproliferation. We must do so before some madman acquires and uses the power to obliterate a nation, thinking of it as just an abstraction, its poor dead people as just numbers. In some ways, this is the easier part of the problem, for here we and the Soviets clearly have some interests in common.

We have a common interest too in finding a way out of our current arms control stalemate. This may be a promising moment: on both sides of the Iron Curtain we see signs of an awareness that the risks of standing still outweigh those of moving forward to agreement. I hope most fervently, as I am sure you do, that the President's recent proposals are the beginning of a process that will lead us to a safer world. But, in Flora Lewis' wise words, this is not a time for Americans to "turn away with relief, or disbelief."

The problem is to bring all nations to reduce the nuclear threat. We in the universities have the analytic capabilities to contribute to a solution. We and several other institutions have just added to our efforts a fellowship program in the combined fields of Soviet/East European and international security/arms control studies. At Columbia this will complement the work of our Institutes on Russia, War and Peace Studies, International Change and East Central Europe. But we must do still more. And our government should make clear that our participation is welcome.

In our colleges and universities, we take pride, and justly so, in our ability to abstract, to synthesize, to shape concepts from seemingly unconnected data. We bear a measure of responsibility for the tendency toward abstraction in public policy. We must be on our guard to see that the models we build and the concepts we shape do not obscure the reality they are intended to help us understand.

John Maynard Keynes observed that "the ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed, the world is ruled by little else. Practical men . . . are usually the slaves of some defunct economist."

We see ideas override reality every day. We are the richest, freest, most powerful nation in all of human history. Yet how many of our countrymen are convinced that we are dangerously weak, too poor to meet the needs of our own citizens, too inept to compete with a monstrous tyranny for the friendship of the peoples of the world?

America may be a sleeping giant, but it is a giant still. Our true task must be to release the extraordinary talents and latent energies of millions of American men and women.

We know our faults. More than any other nation on earth, ours has a genius for self-criticism. If that sometimes leads us to doubt, more often it inspires us to reassessment and reconstruction. We remain optimists at heart, enduring believers in the American capacity to solve the insoluble. We even dare to hope that, just as the world watched the awesome dawn of our self-government, so can we be admired and emulated in the light of noon.

If we are to rekindle the American spirit, as I believe we can and must, you—the class of 1982—must help to bear the torch. And recognize, with William James, that—

"Not a victory is gained, not a deed of faithfulness or courage is done, except upon a maybe; not a service, not a sally of generosity, not a scientific exploration or experiment or textbook, that may not be a mistake. It is only by risking our persons from one hour to another that we live at all. And often enough our faith beforehand is the only thing that makes the result come true."

There is one member of the class of 1982—an honorary member to be sure, but a member nonetheless—whose faith and courage may serve to guide you more than any words we say today. He is not here.

We regret that Desmond Tutu, Bishop of Lesotho and Secretary-General of the South African Council of Churches, has been prevented from joining us by the current government of South Africa.

The Trustees' decision to award an honorary degree to Bishop Tutu is more than a re-emphasis of our University's deep repugnance for apartheid, of our revulsion at a government's sustained effort to degrade its citizens through the most systematic abuse of law to outlaw a people since Hitler's Nuremberg Laws.

Desmond Tutu is a beacon of hope and decency in a dark land, and we want to help keep that light burning. We want him to know that we care. We want the government of South Africa to know that the world is watching. And we want to reaffirm our own humanity by presuming to claim that he and we are brothers.

We have kept a chair for our absent guest and, when we reach that part of the program, you will hear the citation for his degree, but we shall not award it today. The Trustees have authorized me to announce that for the third time in its history Columbia will undertake to award an honorary degree away from campus—in this case, in Soweto, South Africa. And if the government of South Africa refuses to let us come, Bishop Tutu's chair will be a part of Columbia commencements next year and in future years in the confident hope that one day he and we will stand side by side.

Columbia has presented only two other honorary degrees off campus. One was to Justice William O. Douglas at the Supreme Court of the United States when a stroke left him unable to travel. The other, because the conduct of the war made a trip away from the capital impossible, was also presented in Washington—to President Abraham Lincoln.

The Columbia degree—whether awarded honoris causa or in the regular course—signals our respect and trust. You are about to join those who have earned that respect and trust.

Have faith in yourselves. You are our tomorrow. To you will come that success and good fortune which carry special responsibilities. I have great confidence that you will fulfill them well. That, in fact, is the strongest reason for my stubborn optimism about the future of our planet.

For generation after generation, the special quality of the Columbia student has been demonstrated by the distinction of our alumni. Today, as you join their ranks, the Latin phrase you have seen on the sundial assumes new meaning: Horam Expecta Veniet. Await the hour; it will come.

Your hour has come. I wish you joy in your work, love in your life, happiness in your heart. Good luck and Godspeed.●

A STRATEGY TO CREATE JOBS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. HAMILTON. Mr. Speaker, I would like to insert my "Washington Report" for Wednesday, May 26, 1982, into the CONGRESSIONAL RECORD:

A STRATEGY TO CREATE JOBS

The unemployment rate rose from 9 percent in March to 9.4 percent in April, the highest since World War II. The number of jobless climbed to 10.3 million last month. The unemployment rate stood at 12.9 percent in March in Indiana, with more than 330,000 Hoosiers out of work. People are asking why we cannot come up with a strategy to create jobs.

Most people realize that getting the economy growing again is the single most important way to bring unemployment down. However, growth alone will not solve all our problems because the issue is not simply a shortage of jobs. Even when employment is high, certain jobs go unfilled and certain workers remain idle. The jobs demand skills and training which the workers do not have.

Because millions of Americans lack the skills to make their way in an increasingly specialized industrial economy, business, labor, and government must open up new opportunities for work. Improvements in "human capital" will not occur solely due to improvements in the economy. Investment in people is even more important.

A strategy to create jobs must be formulated in three stages. We must identify its basic features, understand its main goals, and develop specific plans to reach those goals.

BASIC FEATURES

Private sector: A strategy to create jobs does not mean turning to new government programs. Rather, it means making maximum use of the resources of the private sector. Reliance on the private sector really boils down to reliance on small business, which is generating an increasing share of employment. Between 1969 and 1976, for example, small business accounted for some 87 percent of all new jobs in the private economy. The outlook for employment will brighten when the small businessman feels he can begin to hire again.

Cooperation: A second basic feature of the strategy is cooperation. For example, in hundreds of plants around the nation, committees of workers and employers are finding solutions to problems of mutual concern, such as new skill requirements, labor bottlenecks, outdated production processes, absenteeism, red tape, and how to create a climate favorable to local economic development. These cooperative activities enhance government's efforts to smooth out imbalances in the labor market.

Flexibility: A third basic feature of the strategy is flexibility. The transition to a new economy has enormous implications for labor: more skills, permanent losses of employment in heavy industy, and aggressive bidding from specialists in engineering and computers. There will be fewer entrants into the work force and more minorities among job seekers.

MAIN GOALS

Disadvantaged worker: Most people agree that we should help the disadvantaged worker but sometimes disagree about the choice of help: should it give him temporary income or train him for long-term employment? My impression is that while both kinds of help are needed, training for long-term employment should be stressed.

Dislocated worker: The problem of the worker whose job has disappeared is becoming serious. We are not really set up to help him adjust to changes in the economy. Collectively-bargained arrangements for adjustment aid cover a small portion of the population. The main federal response has come in the form of cash benefits, which fill a vital need for temporarily unemployed workers but are inadequate to deal with dislocation or long-term joblessness. Most people agree that something should be done to help ease the hardship of dislocation and make the idea of industrial change less threatening, but what should be done and who should pay for it?

Skills of the entire work force: The skills of the entire work force should not be overlooked. Education and training occasioned 20 percent of the increase in productivity between 1948 and 1966 and 75 percent between 1973 and 1978, increases larger than those due to capital investment during the same periods. The disagreements on how best to train the worker are major. Can existing programs of education and training merely be improved to meet our needs? How should work relate to school?

SPECIFIC PLANS

Targeted jobs tax credit: This tax credit gives employers who hire disadvantaged workers up to $3,000, but only about 2 percent of employers know of the credit and a mere 3 percent use it. Certification is complex, so small firms do not like it. The credit could be streamlined or re-targeted to entry-level, dislocated, or "skill-shortage" workers.

Other tax credits: Bills in Congress would grant tax credits to firms which gave equipment to colleges for use in teaching scarce skills or to firms allowing workers to teach engineering part-time. Such bills are worth examining.

Federal procurement and research and development: The declining productivity of the economy is due in part to the decline of small business. We should increase federal procurement and research and development available to small business. Small firms hire more people and produce many more innovations per dollar than do other firms. Innovations mean even more jobs.

Modification in unemployment compensation: Altering unemployment compensation to include retraining of dislocated workers may be helpful. One idea is to make cash benefits conditional on re-training; another is to split the funds available, with part going to income maintenance and part to retraining; yet another is to set up a new fund for re-training. These ideas are bold, but they should be studied.

Basic federal employment and training programs: Some government training programs have failed, but this does not mean that government should not help train the worker. It should draw heavily on the private sector and find more effective programs to address imbalances in the labor market.

Funding of vocational education and of programs to strengthen basic skills are important. So, too, is a program under which data on education, training, jobs, and job seekers would be broadly dispersed. The main point is that we cannot build a high-quality society with low-quality people. More attention must be given to the quality of the labor force.●

OUTSTANDING YOUTH HONORED

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. FORD of Michigan. Mr. Speaker, it is indeed with great pride and pleasure that I focus my colleagues' attention on the meritorious achievements of young people in my district who are recipients of my 1982 Medal of Merit for Outstanding Youth. Too often society has a tendency to focus on the poorest examples among our young people. But I believe the 32 I honored on May 16 in a ceremony at the Wayne County Extension and Education Center are a true representation of young people in the 1980's.

I began the Medal of Merit program as part of the Bicentennial celebration in 1976. At that time, it was so well recived that I was encouraged by my constituents to sponsor it on an annual basis. As a result, I have sponsored the awards for the last 6 years. young people are selected from the 21 communities in my district by a citizens panel to receive the awards. Those eligible are 14 to 18 and still in high school, or from 18 to 22 years of age. Recipients are chosen based on their contribution to the community, leadership, heroism, academic, musical and or athletic ability. The recipients from each of the communities in the 15th Congressional District for 1982 were:

LIST OF RECIPIENTS

Phillip Freeman, 21, of Garden City, son of Robert and Rose Freeman, for his special attendant care for a friend afflicted with cancer and the outstanding ethical standards he sets for the members of the wrestling team he coaches.

David Pavelka, 17, of Garden City, son of David and Vicki Pavelka, who has assisted as a volunteer on a daily basis in teaching physical education to autistic children.

Rebecca Minges, 17, of Huron Township, daughter of Mr. and Mrs. Willord Minges, who while maintaining a straight A average and serving on the Student Council at Huron Senior High School, was crowned in 1981 as Miss Teenage Michigan.

Grindl Garrett, 17, of Huron Township, daughter of James and Dorothy Garrett, for her contributions to Tot and Teens, a help group dedicated to strengthening the family unit.

Lori Vicchy, 18, of Belleville, daughter of Samual and Susan Vicchy, for her leadership and hard work in the cleanup of Belleville Lake and Victory Park, and for her volunteer work with the elderly.

Audrey Sidick, 18, of Canton Township, daughter of Stanley and Mary Sidick, for her participation in Red Cross activities, and for organizing a weekly discussion group of high school students to discuss current events.

Carol Bryer, 17, of Dearborn Heights, daughter of Carl Bryer, for all-around leadership in the classroom, in school band and in her church.

Maureen McLaughlin, 17, of Dearborn Heights, daughter of James and Noreen McLaughlin, for her work tutoring Vietnamese refugees in basic education skills, and her volunteer activities with the Red Cross at the Blood Donor Center.

John LaChance, 18, of Flat Rock, son of John and Marion LaChance, for his extensive work in arranging for benefits and parties for underprivileged children and senior citizens.

Michelle Ferenchick, 17, of Garden City, daughter of Stephen and Josephine Ferenchick, for being the first female President of the Garden City East High School senior class while maintaining an outstanding record of academic excellence.

Robert Bales, 17, of Romulus, son of Daniel and Carole Bales, for fundraising activities on behalf of a child afflicted with a brain tumor, and for maintaining a 4.0 grade point average.

Gina Toth, 17, of Romulus, daughter of William and Helen Lawrence, for work at the Veterans' Administration Hospital as a volunteer in the intensive care unit.

Deborah Coon, 18, of Southgate, daughter of Gerald and Carol Coon, for three consecutive years of service on the Anti-Smoking Committee and her work with the American Lung Association on the Bowl-a-Thon fundraiser.

Daniel Ferretti, 16, of Southgate, son of Algerie and Rose Marie Ferretti, for serving as president of the Schafer High School Marching Band, the Symphonic Band, and the Drama Club. He also played the lead role in several school plays, while maintaining a high academic record.

Kimberly Ann Johnson, 20, of Taylor, daughter of James and Betty Johnson, for her work with the mentally and physically handicapped, and attaining the honor of Miss Michigan National Teenager.

Jane Sobieraj, 18, of Taylor, daughter of Jerome and Roberta Sobieraj, for her work in the Taylor school millage election.

Scott Stoner, 18, of Taylor, son of JoAnne Sileskie and Donald Stoner, for his work as a coach and umpire with Taylor South Little League Baseball, and for his leadership in the Junior Rotarians.

Sarah Nagy, 17, of Wayne, and daughter of Frank and Susan Nagy, for nine years of outstanding achievement and service to the Girl Scouts of America.

Cecille Arbour, 16, of Westland, daughter of Vernon and Katherine Arbour, for brave and heroic conduct when a fire swept through her family's home.

Daniel Jbara, 18, of Westland, son of John and Joan Jbara, for service on the Westland Recreation Advisory Committee, and his volunteer activity with the Wayne Goodfellows, Wayne Rotary and Westland Lions.

David Nicosia, 18, of Westland, son of Charles and Norma Nicosia, for service to the American Legion and VFW as a trumpet player at military funerals, and for entertaining senior citizens and church groups.

Monica Bradford, 15, of Sumpter Township, daughter of Gwendolyn and Nathaniel Bradford, for assisting a blind friend in learning braille.

Kevin Carnahan, 18, of Van Buren Township, son of Kenneth and Shirley Carnahan, for working on the development of local zoning policy, and for his contribution to the Mid-Census Committee and the Family Day Community Fundraiser.

Carla Loshinskie, 18, of Van Buren Township, daugher of Carl and Dorothy Loshinskie, for restoring and maintaining the baccalaureate program at Belleville High School, and for numerous community activities.

The only group receiving an award—the West Side Singers from Garden City West Senior High School—is being tapped for their many performances before patients of Wayne County General Hospital, and at nursing homes, retirement centers, service clubs and charity benefits. The Singers are made up of eight young men and eight young women.

A very hard-working and dedicated Citizens Committee selected the Medal of Merit winners and made the arrangements for the awards ceremony. Headed by Chairman Frank Weiss, representing the Gibraltar-Rockwood area, they were Adolph Jedryczka of Ash Township-Carleton, Stella Adams of Belleville, Nick Galovich of Brownstown Township, Doug Ritter of Canton Township, William Dohan of Dearborn Heights, Judy Artley of Flat Rock, Elva Ryall of Garden City, Helen "Cookie" Kowalski of Huron Township, Ernest Lyons of Inkster, Al Prause of Romulus, B. Michael Hendin of Southgate, Girtha Folks of Sumpter Township, William Greenslait of Taylor, Imogene Pence of Van Buren Township, Robert Beeny of Wayne, Anita Cobb of Westland, and Gene Palmer of Woodhaven.●

DISCHARGE PETITION FOR BUSING BILL NOW FILED

HON. W. HENSON MOORE

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. MOORE. Mr. Speaker, S. 951 has sat before the Judiciary Committee awaiting action since March 22, 1982. Yesterday, a bipartisan coalition, of which I am a member, was formed to bring this important legislation to the House floor. That coalition includes the Honorables Ron Mottl, Jim Collins, Robert Young, Skip Bafalis, Carroll Hubbard and Phil Crane.

A petition to discharge S. 951 is now at the clerk's desk on the House floor. Discharge petition number 15 needs the signatures of 218 Members to force this bill to the floor for consideration.

S. 951 contains an amendment which prohibits the court-ordered busing of schoolchildren more than 10 miles, or 30 minutes, roundtrip beyond their neighborhood schools. Statistics and history have shown that forced busing for the purposes of desegregation is not the best remedy. In fact, forced busing only drives more and more individuals away from our public education system, costs our taxpayers great amounts of money which could be better used for teaching our children, poses an unnecessary, daily safety risk and has been proven to be opposed by an overwhelming majority of our citizens.

The Senate passed its legislation in March, and it is vitally important that the House be extended the opportunity to vote on this issue. Our citizens deserve to know where the Congress stands on busing and our public education system.

Unfortunately, no substantive sign of action on S. 951 is in sight. For this reason, we have filed our petition to discharge.

I have worked to establish reasonable limits on the courts' power to impose busing, and I introduced legislation in February 1981 to this end. It remains in the Judiciary Committee where no action is scheduled.

After the Senate passed its landmark legislation, it sat on the Speaker's desk for 18 days before it was referred to the Judiciary Committee. The committee chairman, Mr. Rodino, requested an administration opinion regarding the constitutionality of the provisions in S. 951. That administration opinion, it was implied, would be a precursor to action. The Attorney General, Mr. Smith, addressed the question May 6, 1982, and found no constitutional problems with S. 951.

Mr. Speaker, we now have that opinion. I have twice written the gentleman, Mr. Rodino, to urge consideration of this legislation that the American people have a right to see brought to the House floor. Mr. Speaker, we can wait no longer.

I encourage Members to sign our bipartisan discharge petition number 15, to insure that the House has the opportunity to consider S. 951, and has that opportunity now.●

SUPPORT MICHIGAN FARMERS

HON. JIM DUNN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. DUNN. Mr. Speaker, high interest rates coupled with low commodity prices have conspired to create a serious condition for our Nation's farmers.

I stand in firm support of American agricultural community. On March 6, 1981, I cosigned a letter to the President expressing concern about the negative impact of the embargo on American farmers. As a result, the administration has eliminated the use of the embargo as a diplomatic tool. The embargo was unfair and singled out the American farmer to bear the burden of our foreign policy.

On June 3, 1981, I cosponsored H.R. 3773, legislation to permit farmers to recover agricultural products stored in warehouses that are in bankruptcy.

On September 9, 1981, I cosponsored H.R. 1819, the Family Farm Estate Relief Act of 1981 to exempt certain farm property (up to $750,000) from estate tax. The Economic Recovery Tax Act of 1981, which I strongly supported, gradually increases the exclusion on estates from the current $175,625 to $600,000 by 1987.

Late last year, I supported the passage of the 1981 farm bill, the Food and Agriculture Act of 1981, which reauthorized price supports, food stamps, and other programs important to the farm community for 4 years. During the debate on the House version of the farm bill, I supported higher dairy price support levels than those favored by the administration in order to protect Michigan dairy farmers. Although the final bill did not include everything I might have hoped for, I believe a measure of success was achieved in preserving important farm programs through passage of this bill.

On March 16, 1982, I signed a letter to the President urging him to let S. 1504, the Standby Petroleum Allocation Act of 1982, become law. This measure would have given the President the power to allocate fuel in a shortage thus assuring a supply for farmers. Unfortunately, the Senate approved the President's veto of this measure.

Finally, I have cosponsored H.R. 4975, the Agriculture Fair Practices Act Amendments of 1981. The amendments of 1967 established standards of fair practice for handlers in their dealings with producers but did not require good-faith bargaining. Producers of some agricultural products continue to be at unfair advantage when marketing their products to handlers and processors. This legislation seeks to remedy that situation by defining good-faith bargaining and establishing necessary methods of enforcement.

Since I have come to Congress, I have consistently supported efforts to reduce Federal spending, taxes, and burdensome regulations. These actions are imperative if we are to bring the Federal budget under control and reduce interest rates. High interest rates are currently ruining our economy and are particularly disastrous to farmers.

Looking to the future, I believe that the economy will recover from the current recession and the scheduled tax cuts this July and again in 1983 will boost consumer purchasing power. This will lead to increased demand for farm products and strengthen farm level prices. The general inflation rate is declining rapidly, leading to a lower rate of increase in prices paid by farmers for production items and family living. This reduction in inflation is expected to be maintained during the economic recovery. A combination of stronger demand and reduced inflation will be beneficial for our farmers.

The American farmer is the backbone of our Nation's economy and deserve the Nation's full support. We must continue to pursue a strong plan of action to seek immediate economic recovery for the good of our agricultural community and our Nation as a whole.●

WARM UP TO CHILE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. LAGOMARSINO. Mr. Speaker, a good friend of mine, Gil Nettleton, recently completed a trip to Chile. When he returned to the United States, he shared with me his views on the political and economic climate in that country. His commentary, I believe, provides a valuable counterpoint to some of the more critical opinions usually expressed on Chile.

I urge my colleagues to take a moment to reflect on Gil Nettleton's conclusions.

WARM UP TO CHILE

If you are one of the many travelers who think that San Francisco is the most international city in the Western Hemisphere, then you are sure to proclaim Chile as the most international country. And if you tend to believe everything you read in liberal newspapers, you are in for the most delightful surprise.

It is tempting to start writing about what Chile is not since one who spends time there tends to be defensive about the allegations and interferences carried in the carefully timed publication of human rights horrow stories and books, supported by misleading propaganda films. The best rebuttal, however, is to be found in just plain facts which anyone with an open mind can find out for himself by observing the local scene and by meeting with citizens from various walks of life.

Lest the reader might gain the impression that this writer is naive and gullible, let it be a matter of record that years of international living and business experience include firsthand exposure to and involvement in the Kemal Ataturk Turkish democracy, Hitler's Germany of 1934 and 1938, the Nationalist Chinese flight to Taiwan, Paris riots at the time of the Algerian conflict, the Iranian revolution of 1978, to name a few. The bottom line is that the writer long ago learned to recognize police states—and Chile is not one.

What proof does the United States need to accept Chile as a country working its way toward true democracy? We should not use our insular United States measurements and definitions but rather look at the accomplishments and environment on a world scale.

The Junta leaders of Chile are students of democracy. They know, appreciate and analyze the history of beginnings of the United States and trace our democracy from its roots in England. They know that education is the linchpin of democracy, and now the Chilean literacy rate has moved above 90 percent. It is targeted for 100 percent by 1984. Surprised? Read on . . .

Elimination of poverty and disease is most easily accomplished in a free and open society. Chile has only built one major new hospital in the last three years, because the community health education programs have drastically reduced the demand for hospital beds and services. Remember reading about Thomas Jefferson's preoccupation with vaccines? The Chilean leaders are going to the root of the problem and treating the causes, not the effects. Infant mortality is down to 27.2 per 1,000 births compared with the Latin American average of 85 per 1,000.

If you have traveled in such places as Puerto Rico, Venezuela, Peru and other Latino areas, you are accustomed to seeing abject poverty, barrios, filth and other evidences of democracy dimming conditions. In Chile there is poverty, but it is not hopeless. City streets are clean; pride in possessions is evident even in the poorest sections; slums have almost disappeared (have you visited Detroit, New York, Washington lately—they should be so well advanced in hovel removal).

In addition to these basic signs of democracy, be advised of the following:

1. The press is free and uncontrolled and therefore delights in playing up the negatives and sensationalism in order to build circulation (sound familiar?)

2. You can walk the streets of the largest cities in Chile, day or night, without fear of being mugged or robbed.

3. The economy is open to foreign investment and features a free market system. It is struggling right now, but the military leaders have not lost their faith in the ultimate outcome of the democratic approach to capitalistic enterprise.

4. The liberal activities of the Jesuits which recently resulted in the recall of the leadership to Rome for conferences with a disturbed Pope John Paul II have not resulted in repression of the Church. The quality-of-life improvement is progressing positively and will soon out distance the derogatory efforts by the Jesuits to spotlight the few remaining oases of problem situations.

5. A member of the Committee of 100, a woman's group which was active in bringing an end to the Allende regime in 1973, recently made it clear that original regard for Allende as a socialist individual was replaced by dislike for the communist system to which he became captive. The freedom gained for Chile in the early 1800's by Bernardo O'Higgins will not be traded in for the Red Manifesto.

6. The people, at all levels, are pleasant, polite and friendly. They are relaxed; tensions are not evident. The sight of the occasional pair of Uzi-armed carabineros is welcomed as evidence of security, and the police personnel are trusted individually.

7. The culture of the country bespeaks the successive influence waves of Spanish, Irish, French, British, Germans and U.S. settlers. The aborigine heritage of the Indians is cherished but retained in very few country locations.

Fellow internationalists who were with the writer during a recent stay in Chile and who were experiencing the country for the first time could not correlate what they were seeing with what they had read in the U.S. press. Garage mechanics and U.S. taxi drivers see a bogeyman when one mentions Chile. It is unfair and a shame that the Chileans have not yet developed a Madison Avenue style to tell the true story of an international, cosmopolitan country which has so much to offer and which is moving steadily and confidently toward unquestionable democracy.

So, warm up to Chile. Travel writers can best describe the lure of a California-like climate, the elegance of ski resorts, the expanse of ocean beaches, the serenity of the lake country, and the magnificence of the scenery, be it the majestic Andes or the peaceful vineyards. This writer has just one message—try it, you'll like it, and you will feel warm all over.●

CENTER FOR DEFENSE INFORMATION ANALYZES PRESIDENT'S START PROPOSAL

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. BINGHAM. Mr. Speaker, on May 9, 1982 President Reagan outlined a proposal for reducing nuclear arms which he had promised during the 1980 election campaign would be one of his highest priorities. It took him almost a year and a half, but at least this administration is finally getting closer to the negotiating table.

Unfortunately, close analysis of the President's proposal is leading many analysts to conclude that just proposing large reductions in nuclear forces is not enough. If the United States and the U.S.S.R. continue with their modernization programs, the strategic nuclear balance could become inherently unstable because the fear of a first strike could be drastically increased for both sides.

Adm. Eugene Carroll, Deputy Director of the Center for Defense Information and former director of U.S. military operations of all U.S. Forces in Europe and the Middle East, has made this point very clearly in a brief analysis which I include at this point in my remarks:

PRESIDENT REAGAN'S STRATEGIC ARMS REDUCTION PROPOSAL

The table below summarizes Soviet and U.S. strategic arms reductions as proposed by President Reagan on May 9, 1982, at Eureka College:

	Soviet missiles/weapons			United States missiles/weapons		
	Strategic missiles	ICBM weapons	SLBM weapons	Strategic missiles	ICBM weapons	SLBM weapons
Today	2,400	5,500	2,000	1,572	2,152	5,000
New limit	850	2,500	2,500	850	2,500	2,500
Required change	-1,550	-3,000	+500	-722	+348	-2,500

As you can see, this proposal may not be terribly appealing to the Soviets. They will have to cut about 1550 strategic missiles compared to a U.S. cut of about 720. Much worse from their standpoint is that they would have to reduce weapons on their ICBM's by almost 3000 while the U.S. could add another 350. The compensatory U.S. reduction would be about 2500 weapons on SLBM's but these are generally smaller and less accurate than the weapons on ICBM's. Thus the President's proposal cuts Soviet strength in more destructive ICBM weapons (while adding to U.S. strength) in exchange for U.S. cuts in the less destructive SLBM weapons.

Furthermore, the Soviets clearly forsee that the U.S. intends to modernize both its ICBM and SLBM systems as part of the "arms reduction" program. The resulting U.S. program might look about like this:

	Missiles	Weapons
Reductions		
52 Titan II	52	52
450 Minutemen II	450	450
Minuteman III	250	750
Posedon-Trident I	496	5,000
Total	1,248	6,252
Additions		
MX	160	1,600
Trident II	360	2,500
Total	520	4,100

Final ICBM MIX—160 MX (1,600 weapons); 300 MM III (900 weapons).

Final SLBM MIX—360 Trident II (2,500 weapons) = 15 Trident subs.

In summary, the U.S. strategic missile force would consist of nothing except highly accurate, high yield, long range missiles with first strike capability. Even if the Soviets agreed to such a program, the results would be very destabilizing and would do nothing to reduce the arms race. The Soviets would undoubtedly keep pace with our modernization program and the ultimate balance would be two first strike systems facing each other, cocked on a hair trigger. It is difficult to see how this situation would reduce the risk of nuclear war even though the numbers of missiles and weapons are reduced from present levels.

Of course, this analysis assumes that the Administration intends to continue with all elements of the present nuclear force modernization program. This assumption is consistent with the testimony of General Haig to the Senate Foreign Relations Committee on May 11th. If it is not the Administration's intention to add these new weapons, that fact should be established very soon before massive sums are wasted on weapon systems we do not intend to build. ●

CONGRESSIONAL SALUTE TO TEMPLE BETH TIKVAH OF WAYNE, N.J., UPON THE GALA CELEBRATION OF ITS 25th ANNIVERSARY

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. ROE. Mr. Speaker, on Sunday, May 30, the residents of my congressional district and State of New Jersey will be joining with Rabbi Israel S. Dresner and the members of the congregation of Temple Beth Tikvah in a gala celebration commemorating the 25th anniversary of the founding of Temple Beth Tikvah, located in my hometown of Wayne. It is indeed my privilege and honor to call this most historic occasion to the attention of you and our colleagues here in the Congress and seek this national recognition of Temple Beth Tikvah's quarter of a century of commitment to the Jewish community and to all of our people.

At the outset I know you and our colleagues will want to join with me in extending our heartiest congratulations and best wishes to the members of the congregation of Temple Beth Tikvah through their current officers—and may I commend these distinguished community leaders to you, as follows:

The Honorable Rabbi Israel S. Dresner; Dr. Alvin Adelstein, President; Jerome Stockhammer, Executive vice president; Fred Goldstein, vice president; Arlene Goodman, vice president; Joel Smith, vice president; Jerry Tinsky, financial secretary; Sara Topal, secretary; Benjamin Stein, treasurer; Bonnie Schwartz, gala dinner cochairperson; and Helena Cantor, gala dinner cochairperson.

Mr. Speaker, a silver anniversary ago, 15 families of our community joined together in providing an opportunity for life's fulfillment and purpose through the establishment of a temple for Jewish worship and religious instruction for themselves and generations to follow—the plan for the establishment of Temple Beth Tikvah was conceived.

The history of Temple Beth Tikvah is inextricably intertwined with the love and caring of this devout and dedicated nucleus of our citizenry and a host of other dedicated men and women whose leadership and responsibility for the spiritual and cultural well being of the Jewish community and to all of our people have truly enriched our community, State, and Nation. With your permission I would like to insert at this point in our historic journal of Congress an excerpt of a statement prepared by distinguished historians of Temple Beth Tikvah, Joan and Egon Fromm, which will provide you with a brief history of the Temple, its outstanding membership and the sincerity of purpose of the people who have worked diligently over the past 25 years on behalf of the Temple. The excerpt reads, as follows:

TEMPLE BETH TIKVAH: QUARTER CENTURY OF COMMITMENT TO THE RICHNESS OF THE JEWISH HERITAGE

Fifteen Jewish families, recognizing the need for the furtherance and solidarity of Jewish life, conceived Temple Beth Tikvah. With the vision of Wayne as a growing community before them, this handful foresaw the need to establish a Temple for themselves and those to follow.

Soon, as their ranks grew, they found it necessary to move to larger quarters and, so, borrowed the facilities of the American Legion Hall on Route 23, Wayne, New Jersey. There, Religious School opened for 40 children and, there, on November 16, 1956, the small congregation held its first Erev Shabbat service.

In early 1957, with the organization of a congregation well under way, the future of our Temple as a Reform congregation became a reality when affilitation with the UAHC (Union of American Hebrew Congregations) was established. This was a significant stage in the formative years for it was then, too, that our Sisterhood was formed to support the Temple with social activities and needed funds as plans for the future unfolded. Throughout our history, the women of our Temple have provided tremendous backbone and support for both our spiritual and physical expansion.

With congregational life, religious services and Religious School well under way, the next step in the Temple's growth was to fulfill the need for spiritual guidance in the form of a Rabbi. During this period, the Temple retained the part-time services of a student Rabbi, Neil Brief, who regularly conducted religious services in the borrowed facilities of the American Legion Hall and the Christian Reformed Church.

In September of 1957 we were presented with our first Torah, and the motto, "Have Torah-Will Travel", became the by-word of Temple Beth Tikvah. At this time the Christian Reformed Church completed construction of its new home on Valley Road, Wayne, and turned over to us its old quarters located on Valley Road at the foot of Preakness Avenue, Wayne. There we continued to meet, to hold services and conduct our Religious School . . . and all the time, the Temple membership continued to grow from within Wayne and its surrounding communities.

In 1960 we adopted our Hebrew name, Beth Tikvah—House of Hope, the name reflecting the unbounded optimism of a congregation which now numbered 150 families. In the Fall of 1960, our first full-time Rabbi was called to our pulpit in the person of Shai Shacknai. Rabbi Shacknai, a young man, exemplified the youthful zeal of our growing community and became a guiding light in helping to shape its future . . . and so we grew and outgrew our borrowed facilities . . . in October of 1960 we purchased land on Preakness and with Rabbi Shacknai's blessing and guidance, the young community hired an architect and raised the necessary funds to begin the building of a permanent home.

The young congregation responded overwhelmingly to the need for a permanent building. The $175,000 Building Fund goal was oversubscribed and soon construction began. A home and a sanctuary of beauty, character and permanence that continues to serve us to this day and into the future was erected. The diligent efforts of the Building Committee were rewarded with the completion of the building in early 1963 and with its formal dedication in May of that year.

Later in 1963, our Temple's Men's Club (now known as Brotherhood) and Youth Group, BTTY (Beth Tikvah Temple Youth), were inaugurated into our program. These new affiliate organizations quickly became active and vibrant adjuncts to Temple life. Both of these groups, along with Sisterhood, have continued to play an increasingly significant role, not only within our Temple, but in the broader Jewish community as well. Each of these affiliates is a member of its national parent organization—NFTS (National Federation of Temple Sisterhoods); NFTY (National Federation of Temple Youth); and NFTB (National Federation of Temple Brotherhoods). Members of our Temple have served and now sit on both state and national Boards of all three organizations.

Still in its infancy, the congregation moved ahead enthusiastically. A part-time Cantor was retained in the Fall of 1963, and several short years later, Charles Romalis joined us on a full time basis. And yet another milestone for Temple Beth Tikvah . . . in 1965 we purchased a house to serve as the Rabbi's residence—35 Anderson Drive. Rabbi Shacknai and his family moved into these quarters and the house soon became a Jewish home.

Our second Torah was given to us by the Daughters of Israel Home in West Orange in 1962 in honor of Martin Rakitt, our first president. In 1966, our tenth year, we purchased and dedicated our third Torah, a Sephardic remnant of the ancient Jewish community of Alexandria, Egypt. We later dedicated this Torah to the memory of Rabbi Shacknai.

Our Religious School facilities, built just a few years past, were now taxed to the point of inadequacy and it soon became apparent that plans would have to be formulated for our second phase of expansion . . . and so, without really having had the opportunity to accustom ourselves to our new building, it became too small almost overnight.

In late 1968 and 1969 60% more space was added to the Sanctuary-Assembly Hall wing of the Temple; the school capacity was doubled; our kitchen was enlarged and we provided facilities for future creation of a nursery school.

Dedication of the expanded building and re-dedication of the Temple took place in June 1969, as the Temple celebrated its thirteenth-Bar Mitzvah year. As part of the Dedication Weekend celebration, the Congregation awarded Rabbi Shacknai a lifetime contract in recognition of his untiring and selfless devotion during the Temple's formative years.

Soon after the joy of the celebration of our Bar Mitzvah year, we suffered a severe tragedy with the passing of Rabbi Shacknai in November, 1969. The shock of his death was shared and mourned by the entire Temple family as we felt the keen loss of our beloved leader and friend. For the remainder of 1969-70, religious activities were continued and conducted in the Temple by a number of "visiting" Rabbis, who, with the help of our lay leadership, conducted services each Friday evening and Saturday morning. These "visiting" Rabbis were sent to us through our affiliation with the UAHC—Union of American Hebrew Congregations—from the CCAR—Central Conference of American Rabbis. It was not an easy year for the Congregation, but with very few exceptions, we maintained a meaningful course as Temple life continued.

A Pulpit Committee was formed for the purpose of retaining the services of a new spiritual leader and again, with the aid of the CCAR, a panel of Rabbis was submitted to us and interviews began. After long and careful deliberation, Rabbi Israel Dresner was called to Temple Beth Tikvah and assumed the pulpit in the Summer of 1970.

With the continued growth of the Temple, we found ourselves with a Religious School population totaling more then 600 young people, one of the largest religious schools in the State of New Jersey. The services of a full time principal were long overdue and so the School Committee—which has always, in our history, been one of the hardest working and most diligent committees of the Temple—sought a solution to the problem. With the help and guidance of Rabbi Dresner and the Temple Board of Trustees, Philip Schimmel was retained as our first full time Principal.

In 1972 we affiliated with the Regional High School of Jewish Studies of the JFNJ (Jewish Federation of North Jersey), of which we are a member community. An immediate increase was apparent in the great numbers of our young people who continued their religious education beyond Bar/Bat Mitzvah through Confirmation and twelfth grade.

The plan for a Nursery School became a reality in 1973 and was a success from its very beginning. It is an integral part of our Temple program. It serves—to capacity—the youngest element of our entire Jewish community.

Temple Beth Tikvah, through its Board of Trustees, its affiliate organizations and its various committees, continues to serve the Jewish community of Wayne and provides that community with its leadership in every facet of Jewish life, including the United Jewish Appeal, Israel Bonds, JFNJ, YM-YWHA and all other agencies and organizations serving the greater Jewish community. It is the vibrancy of our home our Beth Tikvah, House of Hope, our devoted leaders and congregants. We are proud of our past, grateful to many for our achievements and progress, and look forward with renewed hope to the future of our Temple.

Mr. Speaker, I appreciate the opportunity to take a few moments to look through the hourglass and reflect on some of the highlights of the past quarter of century of Temple Beth Tikvah and express our warmest greetings and felicitations to Rabbi Dresner and the members of his congregation whose spiritual and cultural endeavors over the years have contributed to the quality of life and way of life here in America. We do indeed salute Temple Beth Tikvah of Wayne, N.J. upon the 25th anniversary of its founding in pursuit of the promulgation, enhancement and preservation of the richness of our Jewish religious and cultural heritage.●

A SALUTE TO SOL KEST

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. WAXMAN. Mr. Speaker, on June 1, 1982, the Board of Trustees and Board of Directors of the Michael Diller High School Yeshiva Gedolah of Los Angeles will hold a testimonial banquet in honor of Sol Kest.

Since immigrating to the United States in 1955, Sol Kest has been an important and much admired member of our community. In the business world, as partner in the firm of Goldrich, Kest & Associates, he has been a prominent developer of housing for low and moderate income families.

A survivor of the Holocaust, Sol Kest has devoted much of his energy to rebuilding the religous and communal institutions destroyed during Nazi era. He has been especially devoted to the projects in both the Holy Land and the United States of the Grand Rabbis of Viznitz. The Kest family are Chassidim of the Viznitzer Dynasty of long standing.

Sol Kest resided for several years in Israel. He has shown great concern and support for Israel in general and especially for its Torah institutions.

Sol Kest has given much of his time, expertise and resources to numerous philanthropic and community causes in the Los Angeles area. Many organizations have benefited from his interest and support. Among them are the Yeshiva Rav Isaacson which he founded and continued to serve as president for 7 years. He was vice president of Congregation Magan Abraham. Mr. Kest has also served on the education and housing committees of the Jewish Federation Council of Los Angeles.

As a leader in the Orthodox Jewish community in Los Angeles, with a special interest in the religious education of children, Sol Kest has been a strong advocate of improving Torah studies in the Orthodox day schools. His wife, Clara and children, Francesca, Michael, Benny, Ezra, and their families have encouraged and supported Sol Kest in his community efforts.

I ask the Members to join me in commending Sol Kest for a lifetime of community service and to wish him many more years of success and fulfillment.●

FEDERAL SPENDING INCREASES MAY WRECK ECONOMY

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. HUBBARD. Mr. Speaker, many people in my district say that one of the ways to solve the current economic crisis is for the Federal Government to drastically reduce spending. One of the countless people who have written to me on this issue is Mr. C. M. (Dusty) Rhodes of my hometown, Mayfield, Ky. I believe Mr. Rhodes' comments in a recent letter to me are very appropriate at this time and I would like to share them with my colleagues.

The letter follows:

> DEAR CONGRESSMAN HUBBARD: For some time now there has been a considerable public discussion concerning deficits, possible budget action, and the possible results, all of which seem to be detrimental to our financial and business health if the budget is not agreed upon at an early date.
>
> The problem is that the unreal increase in federal spending, particularly in entitlement programs with their built-in increases, will wreck our economy if a realistic reduction in these expenses is not agreed upon between the Congress and the President.
>
> Unusually high interest rates have aggravated tremendously our present depression. Small businesses and good farmers are in a credit crunch unlike anything since the early 1930s. If government spending is not reduced and the deficits put under reasonable size and control, there is no determining how high interest rates will go and how detrimental such results would be to our business economy.
>
> I am very hopeful, along with my friends, of seeing substantial reductions agreed upon in the near future for our upcoming budget. I trust you will have a supportive part in such reductions.
>
> Sincerely yours,
>
> C. M. RHODES.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, May 27, 1982, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 28

9:30 a.m.
Finance
To hold hearings on the purchase of Canadian-built subway cars by the New York Metropolitan Transit authority.
2221 Dirksen Building

JUNE 8

9:30 a.m.
Banking, Housing, and Urban Affairs
Securities Subcommittee
To resume hearings on S. 1869, S. 1870, S. 1871, and S. 1977, bills revising or repealing certain provisions of the Public Utility holding Company act of 1935.
5302 Dirksen Building

Energy and Natural Resources
To resume hearings on S. 1844, to facilitate the development of interstate coal pipeline distribution systems by granting the Federal power of eminent domain to those interstate pipelines which are determined to be in the national interest.
3110 Dirksen Building

1:30 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1983 for programs which fall within the jurisdiction of the subcommittee.
1318 Dirksen Building

JUNE 9

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Donald D. Engen, of Virginia, to be a member of the National Transportation Safety Board.
235 Russell Building

Rules and Administration
To hold hearings on the nominations of Joan D. Aikens, of Pennsylvania, Lee Ann Elliott, of Illinois, and Danny Lee McDonald, of Oklahoma, each to be a member of the Federal Election Commission.
301 Russell Building

Veterans Affairs
To hold oversight hearings on the administration of out-patient care facilities for veterans.
412 Russell Building

Select on Indian Affairs
To hold hearings on law enforcement problems on Indian reservations including the authority and effectiveness of the Bureau of Indian Affairs police, tribal police, and the Federal Bureau of Investigation, and the quality of U.S. prosecution of criminal offenses.
6226 Dirksen Building

JUNE 10

9:30 a.m.
Banking, Housing, and Urban Affairs
Securities Subcommittee
To resume hearings on S. 1869, S. 1870, S. 1871, and S. 1977, bills revising or repealing certain provisions of the Public Utility Holding Company Act of 1935.
5302 Dirksen Building

Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on the implementation of the Employee Retirement Income Security program (ERISA).
4232 Dirksen Building

Small Business
To hold oversight hearings on activities of small business investment companies (SBIC's) and minority enterprise small business investment companies (MESBIC's).
424 Russell Building

10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
4200 Dirksen Building

1:30 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1983 for the Export-Import Bank of the United States.
1318 Dirksen Building

JUNE 14

9:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on S. 2469, providing for improved international telecommunications.
235 Russell Building

2:00 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold oversight hearings on the uranium enrichment program of the Department of Energy.
5110 Dirksen Building

JUNE 15

9:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on S. 2469, providing for improved international telecommunications.
235 Russell Building

9:30 a.m.
Labor and Human Resources
To hold oversight hearings on activities of the Equal Employment Opportunity Commission.
4232 Russell Building

10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
4200 Dirksen Building

Select on Indian Affairs
To hold hearings on proposed authorizations for the tribally controlled community college program.
6226 Dirksen Building

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1983 for the Agency for International Development, focusing on the trade and development program, international disaster assistance, and American schools and hospitals abroad program.
S-146, Capitol

*Conferees
On S. 1193, authorizing funds for fiscal year ending September 30, 1982, and fiscal year 1983 for the Department of State, authorizing funds for fiscal year ending September 30, 1982 for the Arms Control and Disarmament Agency, authorizing funds for fiscal year ending September 30, 1982, and fiscal year 1983 for the International Communications Agency, and authorizing funds for fiscal year ending September 30, 1982, and fiscal year 1983 for the Board for International Broadcasting.
S-116, Capitol

JUNE 16

9:30 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold oversight hearings on administration of the law requiring half of all government-impelled cargoes to be transported on U.S.-flag vessels.
235 Russell Building

Labor and Human Resources
To hold hearings on S. 2325, authorizing funds for Federal vocational and adult education programs, and to provide for State and local occupational assistance programs.
4232 Dirksen Building

Rules and Administration
Business meeting, to consider the nominations of Joan D. Aikens, of Pennsylvania, Lee Ann Elliott, of Illinois, and Danny Lee McDonald, of Oklahoma, each to be a Member of the Federal Election Commission, and a proposed resolution of regulations and/or rules changes needed to implement television and/or radio coverage of the Senate.
301 Russell Building

10:00 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
To hold oversight hearings on the implementation of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (Super Fund).
4200 Dirksen Building

11:00 a.m.
Veterans' Affairs
Business meeting, to mark up S. 2379, requiring veterans to pay a funding fee on guaranteed home loans, and provisions, relating to cost-saving improvements in veterans' programs of S. 2378, proposed Veterans' Disability Compensation and Survivors' Benefits Amendments, and other related measures.
412 Russell Building

JUNE 17

9:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To resume hearings on S. 2469, providing for improved international telecommunications.
235 Russell Building

Select on Indian Affairs
To hold hearings on S. 1735, providing for the use and distribution of funds awarded the Pembina Chippewa Indians in specified dockets of the U.S. Court of Claims.
5110 Dirksen Building

Office of Technology Assessment
The Board, to hold a general business meeting.
EF-100, Capitol

10:00 a.m.
Environmental and Public Works
Business meeting, to consider pending calendar business.
4200 Dirksen Building

JUNE 18

2:00 p.m.
Finance
Taxaton and Debt Management Subcommittee
To hold hearings on miscellaneous tax measures, S. 2012, S. 2015, S. 2092, S. 2113, S. 2176, S. 2321, S. 2413, and Section 127 of the Economic Recovery Act of 1981.
2221 Dirksen Building

JUNE 22

10:00 a.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 2202, authorizing funds through fiscal year 1989 for the Colorado River basin salinity control program.
3110 Dirksen Building

JUNE 23

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold oversight hearings on the implementation of the National Materials and Minerals Policy Act of 1980 (Public Law 96-479).
235 Russell Building

Labor and Human Resources
To resume oversight hearings on the Department of Labor's law enforcement programs.
4232 Dirksen Building

10:00 a.m.
Select on Indian Affairs
To hold oversight hearings on indirect cost and contract provisions of the Indian Self-Determination and Education Assistance Act (Public Law 93-638).
6226 Dirksen Building

JUNE 24

10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
4200 Dirksen Building

2:00 p.m.
Veterans' Affairs
To hold oversight hearings to review the services provided to older veterans.
412 Russell Building

JULY 13

9:30 a.m.
Veterans' Affairs
To hold hearings on S. 2378, increasing the rates of disability compensation for disabled veterans, increasing the rates of dependency and indemnity compensation for surviving spouses and children of veterans, discontinuing duplicative payments to certain veterans, increasing the level of disability required for the payment of dependent's allowances, and providing for cost-saving improvements in veterans' programs.
412 Russell Building

AUGUST 12

10:00 a.m.
Veterans' Affairs
Business meeting, to mark up S. 2378, proposed veterans' disability compensation and survivors' benefits amendments.
412 Russell Building

SEPTEMBER 21

10:30 a.m.
Veterans' Affairs
To hold hearings to receive American Legion legislative recommendations for fiscal year 1983.
318 Russell Building

SENATE—*Thursday, May 27, 1982*

(*Legislative day of Tuesday, May 25, 1982*)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

The PRESIDENT pro tempore. The opening prayer will be delivered by Rev. Father Mark B. Arey, Greek Orthodox Cathedral of the Annunciation, Baltimore, Md., as the guest of Senator CHARLES MATHIAS.

The Reverend Father Mark B. Arey, Greek Orthodox Cathedral of the Annunciation, Baltimore, Md., offered the following prayer:

O God, great and most high, Who has created the world as an expression of Thy love, and Who sustains it through Thy divine providence;

Who has gathered its peoples into communities and societies, for mutual assistance and personal enrichment;

Do Thou, the same author of all creation, shed abroad Thy mercy and compassions upon this assembly, who now come together in a spirit of integrity, commitment, and good will, for the cause and concerns of the American people. Inspire us to love mercy, teach us to do justly, humble us, in order that we may walk with Thee, the source of wisdom, courage, and faith, all the days of out life.

Grant unto us and to all Thy world, that peace which passes all understanding, that we may live with the dignity and integrity that befits Thy creation. So may we offer up glory, thanksgiving and praise to Thee, the only Lord of history, Father, Son, and Holy Spirit, now and ever, and unto ages of ages. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

THE JOURNAL

Mr. BAKER. Mr. President, I ask unanimous consent that the Journal of the proceedings of the Senate be approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I yield to the Senator from Maryland.

REV. MARK B. AREY

Mr. MATHIAS. Mr. President, it is a paradox of the human condition that joy and sadness are often closely related. In fact, joy and sadness are often intermingled.

The Senate has been privileged today to hear Rev. Mark B. Arey. We in Maryland have been proud of him and grateful for his services at the Greek Orthodox Cathedral of the Annunciation, services that have extended far beyond the parish to the entire Maryland community. We take great joy in his work. We are proud that he has now been called to another field, to a church in New Haven, Conn. That, of course, is the mingling of joy and sadness—the sadness of parting and pride in his recognition.

He has enjoined the Senate this morning to meet in a spirit of integrity, commitment, and good will. I think those qualities that he seeks to find in us are qualities that are clearly apparent in him and will guide him and sustain him in his labors, wherever they may take him.

Mr. BAKER. Mr. President, I thank the Senator from Maryland. I thank him for inviting our guest chaplain today.

We express our appreciation to Reverend Arey for convening the Senate with his morning invocation.

CLOTURE VOTE

Mr. BAKER. Mr. President, I have just requested the cloakroom on this side of the aisle to initiate a hotline, as we call it—that is, a telephone message to each office on the Republican side—indicating that shortly I will make a unanimous-consent request to change the time for the cloture vote from 1 hour after convening, as provided under rule XXII, to 1 p.m. today.

There are a number of reasons for this, which I need not elaborate at this time; but I urge Senators to consider that it is probably a very good investment of time.

I encourage Senators, as soon as morning business is closed—incidentally, I will provide a period for the transaction of routine morning business after the time for the two leaders has expired—to come to the floor and participate in the debate on this matter.

I especially want the minority leader and Senators on this side to know that it is my intention shortly to ask unanimous consent that the time for the cloture vote be changed from 1 hour after convening to 1 p.m. today.

Mr. President, I reserve the remainder of my time under the standing order.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The minority leader is recognized.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may reserve my time.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that my time under the standing order may be reserved until sometime during the remainder of this day.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAKER. Mr. President, if the minority leader has no objection—I see Senators on the floor who may wish to speak in morning business—I ask unanimous consent that there now be a brief period for the transaction of routine morning business, not to extend beyond 9:30 a.m., in which Senators may speak for not more than 5 minutes each.

The PRESIDING OFFICER (Mr. MATTINGLY). Without objection, it is so ordered.

TITLE IV, CRIME CONTROL ACT OF 1982 HABEAS CORPUS

Mr. NUNN. Mr. President, last June, the attorney general of Florida, Jim Smith, sent a memo to the House and Senate Judiciary Committees. In that memo, Attorney General Smith expressed his support for the habeas corpus reforms which are now contained in title IV of the Crime Control Act of 1982. In explaining his support, he noted that there were "numerous instances in which * * * the writ of habeas corpus is being abused, frustrating justice rather than serving it." That is the reason why Senator CHILES and I, in the Crime Control Act of 1982, have proposed the reform of the habeas corpus rules that now exist.

One of the many examples that Attorney General Jim Smith of Florida cited is the case of Holzapfel against Wainwright. I want to give the facts of this case as Attorney General Smith described them, because the case is a prime example of the current abuses of the writ of habeas corpus.

Over 20 years ago, on December 12, 1960, Floyd Holzapfel entered pleas of

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

guilty in the first degree murders of Florida Circuit Court Judge Chillingworth and his wife. Holzapfel told the court that his plea was free and voluntary and that it was made with knowledge of the consequences which would follow. He acknowledged that a confession he made on November 7, 1960, before a county judge was an accurate statement of the events leading to the deaths of the Chillingworths and that statement was made part of the record.

Subsequently, in March of 1969, Holzapfel sought in State court to vacate the judgments and sentences he received, claiming, one, that his plea was involuntary; two, that he was not informed of his right to appeal; three, that his confession was made without an intelligent waiver of counsel, and four, that the trial court lacked jurisdiction because the victims were drowned in the Atlantic Ocean. An evidentiary hearing was held April 20, 1970. The court denied Holzapfel's motion. On appeal the appellate court affirmed. *Holzapfel v. State*, 247 So. 3d 754 (Fla. 4th DCA 1971).

In May 1978, Holzapfel filed a second motion to vacate in the State trial court reiterating the same prior assertions that Florida lacked jurisdiction, that guilty plea and confessions were involuntary, et cetera. This time he added a new claim. Holzapfel now claimed his court-appointed counsel was ineffective.

An additional evidentiary hearing on the newly raised claim was held October 5, 1979, after which the State court denied all claims. On November 19, 1980, the State appellate court affirmed the lower court. *Holzapfel v. State*, 392 So.2d 86 (Fla. 4th DCA 1980).

In February 1981, over 20 years after his conviction, Holzapfel filed a petition for writ of habeas corpus in U.S. district court. This was 20 years after the original conviction. Holzapfel combined claims raised 12 years earlier with claims raised 2 to 3 years earlier.

Mr. President, under title IV of the Crime Control Act of 1982, a petitioner would have to raise these claims in the original State court proceedings or, alternatively, among other theories, would have to establish that material and controlling facts upon which the claim is predicated were not known to the petitioner or his attorney or could not be ascertained by the exercise of due diligence. Clearly, years ago Holzapfel was fully aware of the facts giving rise to his claims of incompetency of counsel, involuntary guilty pleas, involuntary confessions, failure to inform him of appellate rights, and lack of jurisdiction. He should have raised these issues in the original State proceedings when the facts were available and when the State court could correct any legitimate errors. Since the State is obviously prejudiced by this delay, Holzapfel should be required to demonstrate why he could not have raised these issues in the original proceeding. If he cannot demonstrate such cause under the factors enumerated in this amendment, his claim should be barred.

That is the amendment that Senator CHILES and I have sponsored.

As Attorney General Jim Smith concluded, this case illustrates the need for a statute of limitation. Two key witnesses, attorneys Hal Ives and Harry Hausen, died prior to the 1979 evidentiary hearing. Both attorneys could have testified concerning the voluntariness of Holzapfel's confessions and guilty pleas. Holzapfel's claims of promises by law enforcement officials who are now dead are also difficult if not impossible to refute. Thus, Holzapfel may be able to prevail, not because his cause is meritorious, but because the State is unable at this late date to refute his testimony due to the death of key witnesses. Moreover, should Holzapfel be granted a new trial it would be difficult to retry him now some 26 years after the murders and 20 years after the entry of his plea.

This type of abuse of the Federal courts and of the writ of habeas corpus must be ended. The provisions of title IV of the Crime Control Act of 1982, sponsored by Senator CHILES and myself, would prevent the abusive situation exemplified by the Holzapfel case.

BAIL REFORM

Mr. CHILES. Mr. President, Senator NUNN and I have been speaking out for the last week about the crime situation in this country, and about the need for the Senate to move quickly to pass a package of crime fighting bills. Last week, we introduced the Crime Control Act of 1982, S. 2543, and earlier this week, that bill was placed on the Senate Calendar. Yesterday, we joined with Senators THURMOND and BIDEN in introducing another package of anti-crime proposals, and we were successful in placing that bill on the Senate Calendar. In the meantime, we plan to continue to speak out every day on crime, in order to remind our colleagues that time is running out in this Congress, and the Senate has yet to act on anticrime proposals.

One of the most essential parts of any attack on crime must be a reform of today's bail laws. Under current law, when a judge makes a bail determination, he only asks one question: "Is the defendant likely to show up for trial?" No matter how dangerous that person is, no matter how likely that person is to commit more crimes while out on bail, all the judge looks at is: "Will that person appear for trial?"

Mr. President, earlier this year, we saw the tragic consequences of today's bail laws. A Mr. Hassim Zock was arrested by south Florida police officers after a wild chase that led police through Dade and Broward Counties. Zock had assaulted his wife and had kidnapped their 3-year-old son. Police located him in a parking lot, holding a loaded, cocked .38 caliber revolver in his son's mouth. He threatened to kill his son and himself unless a child custody dispute between him and his wife was resolved. During the chase, Zock took a police officer hostage and forced the officer to drive him and his son away in a police car. At one point, Zock lowered his gun and police officers rushed in and overpowered him. He was taken away to jail.

Despite all of this, 3 weeks later, Zock was released on $5,000 bail after he was determined not to be mentally imbalanced. The State prosecutors were not notified until after Zock had been released. The prosecutors knew that Zock's wife was terrified of Zock, and was afraid that he would assault her again. So the two State prosecutors accompanied Mrs. Zock to a custody hearing concerning the couple's 3-year-old son, the same child who Zock had held hostage only 3 weeks earlier. After the hearing, the prosecutors gave Mrs. Zock a ride home. A couple of blocks after they left the hearing, they noticed in their rear view mirror that Zock was following them in his car. They tried to evade him. But Zock caught up with them, rammed their car with his car, and ran over to the prosecutors' car. He leaned into the window, pulled out a gun, and fired a shot past the unarmed prosecutors into his wife's face. His wife died instantly. Then Zock turned the gun on himself and committed suicide.

Mr. President, this gruesome crime might not have occured, and two lives might have been saved, if our bail laws had been more effective. It was clear in this situation that Zock was a real threat to another person. After all, he had beaten his wife only 3 weeks earlier, and she was terrified when she found out that he had been released on bail. Nevertheless, today's bail laws almost guaranteed that he would be back on the street soon after his arrest.

Title 2 of S. 2543 is a bail reform provision. It allows a judge to consider whether the release of a person on bail would be a danger to the community, or to any individual in the community. If we in the Senate pass this type of bail reform law on the Federal level, we can set an example for more effective bail laws on the State and local level. We can do that, Mr. President, but only if we in the Senate make a commitment to act this session on a package of crime fighting bills. I am committed to taking this action, and I am committed to speaking out every day until the Senate considers and passes anticrime legislation.

SENATOR TOWER'S WEST POINT COMMENCEMENT SPEECH

Mr. NUNN. Mr. President, as a member of the West Point Military Academy Board of Visitors, I want to bring to the attention of my colleagues the excellent commencement address delivered there yesterday by the distinguished chairman of the Senate Armed Services Committee, Senator JOHN TOWER.

This speech provides a much-needed perspective on the current debate on defense spending levels and the shifts that have occurred in the military balance in the last decade. His remarks are powerful and persuasive.

This speech is also a tribute to Senator TOWER's personal leadership and superb reputation in the national security field. Chairman TOWER is the first Member of Congress to deliver the commencement address at West Point in over 80 years.

As 863 cadets entered our Armed Forces yesterday as newly commissioned second lieutenants, Chairman TOWER's speech provided a solid framework and beginning for the challenges they face. It was a most appropriate transition from the academic and training rigors of the Point to the day-to-day demanding requirements of our national security.

I ask unanimous consent that a copy of Senator TOWER's address be entered in the RECORD and I strongly encourage my colleagues to read it carefully.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHN TOWER, MAY 26, 1982

I wish more Americans could be here to share the enormous sense of pride that I feel for the class of 1982 and to praise your commitment to public service, dedication to duty, and perseverance through four years of a difficult regimen. The rigorous course of education and training that you have mastered has earned you admiration and respect.

Twenty years ago this month, General Douglas MacArthur stood in the Cadet Mess Hall and said: "Duty-Honor-Country. Those three hallowed words reverently dictate what you ought to be, what you can be, what you will be. They are your rallying points: to build courage when courage seems to fail; to regain faith when there seems to be little cause for faith; to create hope when hope becomes forlorn."

The timeless relevance of these words uttered by one of the greatest soldiers this country has produced will become more and more clear to you as you enter military service in a troubled and discordant world.

Since General MacArthur spoke here in 1962, the world has become a much more dangerous place. Increasing terrorism, regional arms races, nuclear proliferation, and limited conventional wars are all symptoms of rising world militarism and instability. Developing nations are increasingly employing military force to achieve political objectives.

Old threats to American and Western interests have become more menacing; new threats are emerging in distant and, heretofore, untroubled world areas. Demands on U.S. military forces to meet these increased security challenges have grown dramatically during the last decade. Underlying these expanded challenges is the growing strength and reach of Soviet military power as manifested by the evolution of the Soviet Navy from a homeland defense force to a formidable blue-water fleet capable of force projection in any part of the world.

We have become accustomed to the vast Soviet numerical advantages in military personnel and weaponry, but now we are faced with quantum improvements in the quality of Soviet weapon systems. The vastly superior capabilities of the Mig 25 aircraft over the Mig 21 are indicative of rapid Soviet technological progress. The Soviets are introducing into the Red Army field equipment more sophisticated and more capable than that currently deployed in our own forces. The margin of our overall technological superiority has been dangerously narrowed. Secretary of Defense Weinberger has warned, "The Soviet Union poses a greater danger to the American people than any other foreign power in our history."

The gravity of the proliferation of potential threats to the interests of America and her allies and friends is heightened by the speed with which offensive military action can take place. The time in which the destructive power of military machines can be brought to bear is reckoned now in terms of hours and days, rather than the weeks or months that typified previous struggles. Future conflicts—especially those involving the most advanced military forces—are likely to be brief spasms of enormous military destruction. Moreover, despite the breadth of the great oceans which flank our continent, today's technology in the hands of our prospective adversaries has brought the potential for massive destruction within minutes of our lands. At one time, we felt secure because of these oceans and our isolation from our prospective enemies but our geographic location no longer affords security. Technology has contracted both time and space.

This faster and more destructive pace of modern warfare requires a new level of American military preparedness and the old expression "Eternal vigilance is the price of liberty" was never more profoundly true than it is today.

Should a general war be thrust upon us, we will have to fight it to its conclusion almost entirely with the assets we had at its beginning. We are unlikely to have the luxury of time for preparation. U.S. weapon systems take years to produce; even additional spare parts for existing systems cannot be quickly acquired. The United States must assign the same priority to her military forces in peacetime as she would in wartime. War, if and when it comes, may come suddenly and with scant warning. Our major potential adversary, the Soviet Union, is already on a wartime footing. The Soviets have imposed enormous privation and hardship on their people to build an offensive war machine. The pace of Soviet military expansion is so intensive that we would be fools not to respond to the threat.

As the spirited debate on this year's defense budget has shown, many Americans and Members of the Congress are not comfortable with this new level of military preparedness and even the minimal sacrifices it may require. From what aspect of the American mentality does this discomfort arise? Part of the answer relates to the many constituent interests affected by shifts in national budget priorities. But there is also something deeper.

Notwithstanding America's remarkable and unparalleled military record—achieved substantially through the brilliance and courage of those of the Long Gray Line who have gone before you—the tradition of the American people is anti-militaristic. This attitude in the American mind is based, at least in part, on the deep-rooted American view that men are rational and that peaceful solutions to disputes should be achievable. Only when unambiguous challenges to America's valued ideals and personal security arise do Americans mobilize to fight. We are inclined to wait for a crisis before gathering our military potential. In today's world, absent the will to prepare, the time to fight for a cause may well have come an gone before we are ready.

A society that has shunned militarism throughout its history must nonetheless recognize that constant military preparedness is essential in the face of a continuing threat to the Nation's security—a threat that continues to grow with a remorseless and unprovoked buildup of a global offensive capability by the Soviet Union.

In debating priorities for the national budget, we must not forget that the first responsibility of our government to its people is to protect them from external threat. The Federal Government has assumed many other responsibilities for the general welfare of society. Between 1970 and 1982, government spending for social programs increased by 97 percent in real terms. In contrast, defense spending declined over this same period by 8 percent in real terms. Social programs are important, indeed necessary, but we cannot divert to them disproportionate resources at the expense of national security.

Over a decade of complacency, American military strength postured against that of the Soviet Union, both in reality and perception, eroded significantly. During this period:

We have lost the superiority of our strategic forces and faced the certain loss of essential equivalence with the Soviet Union;

We have lost theater nuclear superiority in Europe;

We have seen our substantial maritime edge begin to disappear;

We have permitted an unfavorable shift in the overall conventional balance as the Soviets surpassed U.S. defense spending early in the 1970's and built a sizable advantage during the remainder of the decade;

We suffered a needless loss in Indochina causing both friend and foe to perceive flaws in America's strength and a flagging of her commitment and resolve;

We became vulnerable to disruptions in the supply of foreign oil and experienced the use of "hostile oil" as a weapon against America's foreign policies and interests;

We suffered with the revolution in Iran the collapse of U.S. security policy in the Persian Gulf region; and

We lost the initiative in Third World affairs to a bolder, more adventuresome Soviet Union assisted by aggressive proxies.

The United States is still reeling from setbacks suffered during the 1970's. This series of setbacks will be repeated during the 1980's unless, along with foreign policy initiatives, we undertake determined action to revitalize our military capabilities. Our current defense program seeks to restore a more appropriate balance between competing demands for national resources; it must be supported.

While revitalized American military capabilities are an imperative, the United States, by itself, cannot meet the challenges to Western security and stability. We must embark upon a new, far-reaching, determined campaign to improve defense cooperation with our allies and friends throughout the world. In this age of nuclear parity or potential disadvantage, allies are indispensable. Success of our security efforts will depend upon the steadfastness of allied support.

The Western World has the economic and manpower resources to compete on military terms with the Soviet Union and her satellities. For example, member nations of the North Atlantic Alliance possess more than half again as many people and more than twice the gross national product of the Warsaw Pact countries. U.S. allies in East Asia add further to this resource imbalance. Despite overpowering economic strength, America and her allies have allowed the military balance to shift dangerously toward the Soviets and their supporters.

We must create an environment in which the Western democracies can more effectively pool their resources to deter the common threat.

Unfortunately, the political cohesion of traditional Western alliances has diminished. In fact, many defense specialists believe that there has never been a time in the history of the North Atlantic Alliance when the United States and her European partners have been so divided on strategy and policy.

There is enough blame for failure of cooperative defense efforts to go around. Some actions and attitudes of our friends and allies have adversely affected mutual defense efforts and damaged the spirit of cooperation. However, our own actions have militated against closer cooperation. We have been insensitive to allied concerns; we have been inconsistent; we have raised protectionist barriers to cooperation in defense procurement.

Many new security challenges are developing in geographic areas outside the traditional system of Western alliances. Accordingly, our cooperative defense efforts must not be limited to our major allies and alliances, but must also include programs with friends in distant areas—Oman, Tunisia, Egypt Israel, Saudi Arabia. President Reagan has given new emphasis to these relationships, particularly through substantial expansion of security assistance to threatened friends. When properly applied, security assistance is the most cost-effective program for enhancing international security and stability.

Much of the implementation of these cooperative programs will fall to American military personnel. In many instances, military-to-military ties between the United States and her allies and friends have been the most constant and durable of all relationships. The quality or cooperation between military officials has generally been superior to that of the politicians, although not career diplomats. U.S. military personnel—who are the face of America in many nations—have been our best ambassadors. We will draw extensively on this resource as we expand our programs on international defense cooperation.

The challenges that will face the Class of '82 are formidable. What you have learned here will serve you well in the difficult assignments that lie ahead, but your education has just begun. To discharge your duties, you must better understand this rapidly changing world, new concepts of warfare, new technologies, and the needs and aspirations of your subordinates.

Despite these enormous and ever-changing challenges—which will demand your most determined efforts—you must not lose sight of the vast responsibility entrusted to you. As General MacArthur said, "Your mission remains fixed, determined, inviolable—it is to win our wars. Everything else in your professional career is but a corollary to this vital dedication. All other public purposes, all other public projects, all other public needs, great of small, will find others for their accomplishment; but you are the ones who are trained to fight, yours is the profession of arms—the will to win, the sure knowledge that in war there is no substitute for victory, that if you lose, the nation will be destroyed."

I congratulate every member of "the select few" for the achievements of the last four years and commend you for the willingness to pursue a career in the military with a full understanding of the nature of its demands.

The Air Force and the Navy—my own service in which I take great pride—have their vital functions: to provide air superiority and sea control. But when the shooting starts their role—indeed their principal reason for being—is to sustain an American soldier on a piece of ground.

The degree of responsibility for the security and welfare of our people that falls on your shoulders is awesome and terrible in its aspect. Be aware that your efforts will not always be acclaimed; your endeavors, rewarded; not your sacrificies, recognized. And you will be dismayed by the steady drumbeat of anti-defense propaganda that rolls from the mass media. But, I am confident that the character you have already demonstrated, your pride in service, and the dignity of your high purpose will sustain you in the years ahead.

Mr. NUNN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

URGENT SUPPLEMENTAL APPROPRIATIONS, 1982—UNANIMOUS-CONSENT AGREEMENT ON CLOTURE VOTE

Mr. BAKER. Mr. President, I have conferred with the minority leader now, and I have completed the hotline on our side in respect to a time for a cloture vote. I want to make the following unanimous-consent request: I ask unanimous consent that a live quorum to precede a vote on cloture under the provisions of rule XXII begin at 12:45 p.m. today; that the vote on cloture occur immediately thereafter. This agreement is subject only to the objection prior to the hour of 10 a.m. by the distinguished Senator from Indiana (Mr. LUGAR).

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BAKER. I thank the Chair.

EXTENSION OF TIME FOR PERIOD FOR ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I now ask unanimous consent that the time for the transaction of routine morning business be extended until 10 a.m. under the same terms and conditions as previously ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

EXTENSION OF TIME FOR MORNING BUSINESS

Mr. STEVENS. Mr. President, are we in morning business?

The PRESIDING OFFICER. We are.

Mr. STEVENS. I ask unanimous consent that morning business be extended until 10:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEE MORGAN SPEAKS ON EXPANDING EXPORTS

Mr. PERCY. Mr. President, last week was "World Trade Week," declared so by President Reagan to mark the importance of international trade in our economy.

In my own State of Illinois, exporting has become a way of life and its importance is felt throughout the State. Not only is Chicago a major international trade and finance center, but downstate, cities such as Peoria, Springfield, Decatur, and Rockford, all have substantial investments in export-related manufacturing.

Today I would like to focus my remarks on Peoria, the headquarters of Caterpillar Tractor Co. Caterpillar's chairman, Lee Morgan, was in Washington on Tuesday, May 25, to speak before the National Press Club on the competitiveness of U.S. exporters in the world marketplace. Now, whenever the chairman of a major U.S. corporation speaks on international trade, we in the Senate should take heed. Mr. Morgan, however, is also the chairman of the Business Roundtable Task Force on International Trade and Investment. So, when he speaks, his voice is amplified, for he speaks for many American businesses.

Mr. Morgan makes many important points in his remarks, but I would like to emphasize one. He states, and I quote:

> Congress must make it clear that Eximbank is not to be a passive partner in the world of international finance. In renewing Eximbank's charter, Congress should reconfirm the Bank's mandate to be an aggressive promoter of U.S. exports. Eximbank's role must be effectively integrated with the other export promotion activities of the U.S. Government.
>
> A strong U.S. commitment to Eximbank would signal the rest of the world that we are serious about exporting . . . and about export financing competition. Other countries must know that we don't intend to stand idly by watching American jobs be snatched away as a result of their export credit subsidies. They must be put on notice that if we're forced to play the export financing game, we'll play vigorously . . . and we'll win.

Mr. President, there is no more important message that we can send to our trading partners now. Especially on the verge of the Versailles summit, we must impress on the Europeans and Japanese that if it is competition they want on export financing, we are prepared to match them. This is not the best route of course. It is in the best interests of all of us to agree mutually for a round of reductions on export financing so that competition will take place on the most efficiently produced goods and services, and not on the basis of subsidized credits. In the absence of such an accord, however, we may have to go the other route.

Mr. Morgan draws our attention to the important aspects of export financing. I commend it to my colleagues.

Mr. President, I ask unanimous consent that Mr. Morgan's speech of May 25, before the National Press Club, be placed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS BY LEE L. MORGAN, NATIONAL PRESS CLUB, MAY 25, 1982

Thank you for that kind introduction.

And thank you for inviting me to speak about the competitiveness of U.S. exporters in the world marketplace. In the midst of a bad run of economic news here in the United States, it's especially appropriate that we look at how American business is faring in competition for international sales.

I'm pleased to be joined at this head table by Bill Draper, of the Eximbank; by Jim Booe, of the Communications Workers of America; by Will Barry, representing the National Governors Association; and by Jack Steiner of Boeing.

The presence of these distinguished guests underscores their commitment to a strong U.S. exporting capability, and their willingness to work hard to achieve it. Their presence also shows that export promotion is a goal shared by Republicans and Democrats, State and Federal Government officials, and business and labor leaders.

Exporting, I'm sure you'll agree, is not about to replace sports or politics as a leading topic of conversation in the United States.

Americans are in favor of exporting as a general concept. It's just that relatively few know much about it . . . even though large numbers of Americans depend on exports for their jobs. Unfortunately, this relative lack of attention means that in policy level discussions here in Washington the export dimension often does not get the attention it deserves.

It is appreciation of the close link between jobs and exports, and the recognition that exports need to be placed higher on our Nation's priorities list, that led to formation of the Coalition for Employment Through Exports. This coalition includes State Governors and trade union leaders, along with large and small companies engaged in exporting.

The jobs-creating aspect of exporting is what I plan to focus on today. But I'll also discuss some of the realities of international competition for export sales. There are lots of aspects of U.S. Government policy that affect U.S. export performance. The use of economic sanctions as a tool of foreign policy, for example. Or the impact of the Foreign Corrupt Practices Act. But today I want to place particular emphasis on the crucial area of export financing.

Allow me to draw upon the experience of my own company to illustrate the important role of exports in helping to create jobs for Americans.

Caterpillar designs, manufacturers, and markets products in two principal categories: Earthmoving, construction, and materials handling machinery and equipment; and engines.

Caterpillar has been fortunate to enjoy a significant measure of worldwide success. For most of the past decade, our overseas business has equalled or exceeded our U.S. business. Last year, 57 percent of our sales were outside the United States. Some of those sales, of course, were of products manufactured abroad. But most came from the United States. In fact, nearly half of Caterpillar's total U.S. production in 1981 was exported . . . amounting to $3.5 billion in U.S. exports.

We estimate that some 31,000 of Caterpillar's U.S. employees owed their jobs to exports last year. And the benefits didn't stop with our company or our employees. For each job at Caterpillar, it's estimated that two jobs are created with supplier firms that provide us with goods and services. So, in all, Caterpillar exports in 1981 created approximately 93,000 jobs for Americans.

We're proud of these figures. They're firm evidence that an American company . . . an American work force . . . can compete successfully in international markets.

But we want to do better . . . and we can do better. We think that annually there are billions of dollars of additional sales opportunities that Caterpillar and other American companies could and should be capturing. We're convinced that we could win more of that business under conditions of equal competition. But there's the rub: internationally, we're not competing on an equal basis, and the distortions to our international trading system are placing the American exporter at a serious disadvantage.

Governments of other countries are supporting financing arrangements so attractive that American companies are losing out. Government-supported financing of international sales has become a major factor in determining who gets what business. The U.S. General Accounting Office recently surveyed 117 exporters who had applied to Eximbank for financing support, but were denied loans or did not use them. The survey shows these firms lost over $2 billion worth of business to exporters from other nations with more competitive financing.

Traditional commercial factors such as quality, service, and price remain important; but a good financing package can, and often does, dominate a purchasing decision. It is crucial, then, that American exporters have available a financing facility on a par with facilities available to our foreign competitors. That is why the U.S. Export-Import Bank is so important to this Nation.

If Eximbank is so necessary and desirable, then why does it face such significant pressure to cut back its operations? Fundamentally, I believe, because it is the most misunderstood institution in the Federal Government.

Unfortunately, many people do not understand the positive aspects of the Eximbank's activities. For example, few people know that since its initial establishment, no taxpayer dollars have been appropriated to support the Eximbank. Few people know that the Bank is a money-making proposition; so much so that it has paid back its $1 billion original capitalization to the U.S. Treasury and has piled up $2 billion in retained earnings to help see it through tough economic times, like the present.

You know, when viewed superficially, the Eximbank debate appears to pose a kind of ideological quandary for me, and for other business leaders. For years you've heard us appeal to Government to get out of our way, and let us compete. What we need—and we say it over and over—is less Government, not more . . . less Government spending, less Government regulation of the private sector, and less Government involvement in the marketplace. Let me strongly reassert those views today.

Exporters are not looking for a handout. We recognize and acknowledge that our Nation cannot and should not adopt a policy that calls for export credit subsidies over the longer-term. We agree with and wholeheartedly support the goal of multilaterally eliminating export credit subsidies as a competitive weapon. But we do not agree that a policy of unilateral export credit disarmament is the proper way to achieve that goal.

Let me explain what I mean by unilateral disarmament. I mean we cannot disarm our Eximbank—cutting back its programs—and expect other countries to negotiate with us on controlling export credits. Just last week the French indicated they are not prepared to approve the newly negotiated O.E.C.D. agreement on export credits.

The United States will have little leverage in international negotiations if Eximbank is regarded as an insignficant factor in the international marketplace. And frankly, I'm afraid we're reaching that point.

Let's consider why that's a problem. American exporters want to compete . . . and are ready to compete . . . on the basis of quality, service, price, and other commercial factors. Those are, on the whole, factors for which the private sector is responsible . . . over which we have some control.

But export financing supported by foreign governments on behalf of their national industries confronts us with a dilemma . . . a dilemma for which there is no adequate private-sector solution.

American companies, regardless of size, don't have the financial resources to compete against very substantial export credit subsidies from foreign governments. Those subsidies, along with a vast array of other export promotion devices like tax incentives and tariff concessions, are helping foreign companies win exports and export-based jobs away from the United States.

It's in this context that an effective U.S. Export-Import Bank is essential . . . a competitive bank can help stem the loss of export-based jobs to other countries. And an aggressive bank will encourage other countries to join the United States in serious efforts to control predatory export financing. Agreement is needed in this area if purchasing decisions in international trade are to be based more on commercial factors . . . and less on which Government offers the biggest financing subsidy.

Unfortunately, the experience of recent years indicates that an agreement on export financing will not be achieved easily.

The United States has tried to achieve such an agreement, employing a combination of exhortations and warnings. But so far, we've fallen short of reaching an effective and lasting solution.

One important reason, I believe, is that other countries have seen too many indications that the United States does not attach the same high priority to exporting that many of them do.

Other countries see export credit subsidies as creating foreign exchange earnings and jobs. So long as these gains appear to outweigh the costs involved, they're prepared to continue export credit subsidies, and resist any effective international agreement. We can change the equation for them by fighting back every time another country offers a financing package aimed at displacing U.S. exports and jobs.

In theory, that's what Eximbank's current policy of "selective competition" is intended to do. But Exim's authority and resources are so limited that the Bank has to put more emphasis on selecting than it does on competing.

That situation must be changed. In the longer run interest of achieving agreement on an end to predatory export financing, the United States needs to strengthen Eximbank . . . or other countries will continue to have no real reason to come to the negotiating table.

Various arguments have been put forth as to why the United States cannot or should not have a strong Eximbank . . . some based on misunderstandings about the Bank. I'd like to address some of those arguments and misunderstandings.

One is that Eximbank, like many Government programs, is just too expensive.

Earlier, I disputed this charge by noting that Eximbank has made money throughout its existence. There are few, if any, Government agencies that can boast such a record.

This year, for the first time in its history, Eximbank will lose money. Interest rates have soared and conditions in the money markets that permitted the Bank to make a profit in the past are now reversed. Currently, Exim is having to borrow at higher interest rates than those at which it must lend, if it's to compete with the export loan rates offered by other industrialized nations.

It's not really surprising, then, that there have been calls to cut back Eximbank's programs. But while calls for cuts in Eximbank's programs may not be surprising, neither are they logical. It is precisely during a period of economic uncertainty and high interest rates that we most need a strong Eximbank. And it is precisely in tough economic times that a viable financial or commercial institution should be able to draw on those resources it has accumulated over the profitable years.

There's a second misunderstanding about Exim that also deserves comment. That is the widely held impression that it benefits only a few big companies. Not true! Last year Exim was used directly by more than 2,600 U.S. firms.

Eximbank has a variety of programs, some of which—like the discount loan program—were developed with small and medium exporters in mind. And even when Exim helps promote exports by large firms, thousands of other companies across America share in the benefits of those export contracts. I am referring, of course, to the suppliers, subcontractors and vendors to the exporters. Let me illustrate this point.

Caterpillar in 1981 bought goods and services from over 14,000 U.S. suppliers, located in all 48 contiguous States plus the District of Columbia. In a sense, we served as the export department for those companies, many of which are small businesses.

Boeing purchases commercial aircraft parts and equipment from some 4,000 suppliers. And Westinghouse estimates that about half the value of the goods manufactured for a typical 2,000-megawatt nuclear equipment export order comes from suppliers and subcontractors.

I won't deny that Caterpillar, Boeing, Westinghouse, and other large companies that are often associated with the Eximbank do benefit from that association. But I'm not embarrassed by that fact, since such companies account for a surprisingly large share of total U.S. exports. The point of these examples is that the Bank's positive impact is much broader than a few big companies.

Let's move beyond companies, to talk about people. A survey of U.S. manufacturers by the Census Bureau shows that each billion dollars worth of exports supports more than 300,000 jobs. (Caterpillar's own experience, incidentally, bears out this estimate.) The key point is that since all Eximbank funding supports U.S. production, the Bank has a sizable effect on American jobs.

American jobs . . . that's what this is all about: U.S. employment has reached its highest level since the Depression of the 1930's. By the end of June, Caterpillar will have over 17,000 U.S. employees on indefinite layoff . . . the largest number of layoffs in our company's history.

In my view, one of the most important things Government can do to help restore economic health is to encourage job-creating, wealth-producing activity like exporting. To the extent Federal funding is involved in supporting Eximbank activities, it has a high payoff at a low cost.

There's a third misunderstanding I'd like to talk about. It relates to exporting generally . . . not just to Eximbank.

It's the belief that other countries are lined up eagerly waiting to buy American exports. So it doesn't really matter what we do in terms of public policy affecting exports. The United States can impose export controls or weaken Eximbank . . . and American exports will continue to sell themselves.

Well, it used to be the case that the United States could lock up international sales easily because of our technological edge. But that's no longer the case. Our foreign competitors have closed the gap in most areas where America once held technological superiority. Machinery and engines, steel mills, aircraft, nuclear and fossil fueled power plants are no longer the private technological turf of American manufacturers.

Now we find ourselves offering essentially competitive products, but with the export financing factor working against us. If we fail to rise to the export credit challenge, American exporters will find themselves replaced as the customary suppliers in important markets. And once you're out of an export market, it is very hard to regain your former position . . . much harder than in the case of domestic markets.

Let me provide some specific examples of the role competitive export financing can play and has played in regard to products now available from various countries.

An executive of Singapore Airlines has been quoted as saying the reason his firm exercised an option to buy four more airbus A-300's from Europe—instead of buying from Boeing—is the $40 million they would save with French financing.

In the case of a $1 billion nuclear power project, the difference in financing costs between the lowest rates offered by foreign competition and those offered by the United States can mean as much as $500 million over the life of the plant.

One of the clearest—and, from a U.S. perspective, worst—examples of the impact of competitive export financing is found in Caterpillar's own experience. A year or so ago we were bidding for the sale of 40 machines to a potential Latin American customer . . . machines Caterpillar built in two places: Illinois and the U.K.

Customarily, we source products sold in Latin America out of Illinois, and that was our intention in this case. That is until financing became a factor. The buyer was aggressive in seeking financing . . . and arranged such favorable terms through the British export credit facility that he insisted our product be sourced from the U.K.

The impact: The buyer got his Caterpillar equipment; and we got the sale. But most of the jobs went to the U.K. instead of to the United States . . . purely and simply because our Eximbank could not, or would not, meet the terms offered by the British.

These examples illustrate why American exporters are so concerned about proposals that would cut the authorization level of Eximbank in fiscal 1983, at a time when the availability of funds from the financing facilities of other nations appears to be growing.

A host of solutions have been suggested to bring an end to the current international export credit war. I will mention only three because they fall within the framework of present institutions and policies.

First, we could get rid of our Eximbank and assume that the aggressive exporting nations we compete against will also eliminate their banks. You know as well as I do that that's not going to happen.

Second, American manufacturers could start sourcing their export orders through manufacturing facilities located in countries that are eager to provide export financing. But American companies don't want to do that, and I'm sure that solution is not palatable to Government and labor leaders.

Or third . . . in the vernacular of Washington . . . we can "play hardball." The United States can put other nations on notice that we are going to match their export credit packages with competitive financing of our own. We can show them that our Eximbank is going to actively promote

American exporters by assuring them they will get the financing they need, rather than withdrawing from the contest.

Some call this the "deep pocket" approach, based on the fact that America's capital resources are the largest in the world. We believe this deep pocket solution would provide the show of financial power and credibility our negotiators need to bring about more effective agreements on export loan interest rates and terms.

The place to start is with Eximbank's program authorization.

The realities of international competition would call for a substantial increase in the Eximbank authorization level. The realities of U.S. politics and fiscal policy, on the other hand, demand restraint. In the past, compromises have been achieved which preserved an appropriate balance between our commitment to a strong Eximbank and U.S. fiscal policy. We believe it is incumbent on policymakers, both in the executive branch and Congress, to recognize the positive economic benefits—including jobs creation—that flow from Eximbank, and accord it appropriate priority in the budget setting process. Mr. BAKER. Mr. President, if the minority leader has no objection I see Senators on the floor who may

To complement adequate funding, other changes in Eximbank lending practices must be made. Too often, for example, the Bank's commitments are not timely. And the current practice of charging an up-front fee of 2 percent seriously undermines the value of Exim's support.

The U.S. Eximbank is just not competitive in many cases. Other O.E.C.D. countries, by use of mixed credits and other financing tools, have been able to bring their effective rates to a level below that provided for in the international accord. The comparable U.S. rates are often several percentage points higher.

The Bank should have a broad range of programs that meet the needs of the diverse companies that make up America's export sector. In addition to the direct loan program, Exim should have strong programs in such areas as discount loans, guarantees, and insurance.

Congress must make it clear that Eximbank is not to be a passive partner in the world of international finance. In renewing Eximbank's charter, Congress should reconfirm the Bank's mandate to be an aggressive promoter of U.S. exports. Eximbank's role must be effectively integrated with the other export promotion activities of the U.S. Government.

A strong U.S. commitment to Eximbank would signal the rest of the world that we are serious about exporting . . . and about export financing competition. Other countries must know that we don't intend to stand idly by watching American jobs be snatched away as a result of their export credit subsidies. They must be put on notice that if we're forced to play the export finance game, we'll play vigorously . . . and we'll win.

Caterpillar, and many of our associates in the business community, have consistently spoken out on behalf of both free trade and a reduced role for Government in the marketplace. We remain committed to those positions. We do not advocate strengthening Eximbank out of a desire to increase U.S. Government involvement in international trade. Rather, a stronger Eximbank now is the most effective way to help American firms compete on a fair basis in the international marketplace. And a strong Exim is a powerful incentive for other countries to agree to controls on predatory export financing.

We need such an Eximbank policy to encourage the vigorous growth of American exports . . . and, in the process, put a great many Americans back to work. I urge all of you to do your part to help achieve these goals.

U.S. SOVIET MARRIAGES INVOLVING HUNGER STRIKES

Mr. PERCY. Mr. President, of all the areas of Soviet human rights abuse, one which I find especially senseless, as well as wrong, is Soviet refusal to allow young married couples, where one is a Soviet citizen and the other an American, to be reunited to live together.

Several of these Soviet husbands and wives have recently despaired of ever receiving permission from the Soviet Government to rejoin their spouses here in the United States, and have resorted to the drastic step of hunger strikes in protest.

Two Illinois constituents of mine are among those involved in this grave situation. One, Aloyzas Jurgitis of Chicago, has been trying since 1974 to be reunited with his wife Mariya and daughter Diana of Vilnius, Lithuania. Mrs. Jurgitis has now been driven in desperation to a hunger strike.

The second in Lois Becker Frolova of Chicago, born an American citizen, whose husband Andrei has been seeking to come here to be with her since their marriage in the U.S.S.R. in 1981 while Mrs. Frolova was a graduate exchange student in Moscow. Theirs is a straightforward Soviet-American marriage case without political complications, yet the Soviet authorities have twice refused Andrei permission to emigrate, claiming last month on their second refusal that it is "not in Soviet state interests." I fail to see why it is not in Soviet interests to live up to the U.S.S.R.'s obligations under the Helsinki Final Act, and to try to avoid alienating the American people with petty obdurateness in a purely humanitarian situation. Andrei Frolov is now in the second week of a hunger strike in Moscow, and Lois Frolova has felt moved to support her husband in this protest with a hunger strike of her own. She and others of the American husbands and wives affected by Soviet inhumanity have come to Washington in further protest.

Last week I made new private appeals to Soviet authorities in each of these cases.

Mr. President, I ask unanimous consent that a May 12 Chicago Tribune article detailing the Frolov's plight be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Sun Times, May 12, 1982]

Woman Here in Hunger Strike With Soviet Mate

(By Hanke Gratteau)

"I want to be reunited with him at any cost," said Lois Becker Frolova as she announced a hunger strike in support of her Soviet husband who has been denied permission to emigrate to the United States.

Frolova, a 27-year-old Chicagoan, learned through news reports Monday that her husband, Andrei Frolov, 51, was among five Soviets with spouses in the West who began hunger strikes to protest refusals from authorities to emigrate.

The two met while Mrs. Frolova, a Stanford University graduate student, was in Moscow on a scholar exchange program. She met Frolov, a free-lance journalist and photographer, in September, 1980. They were married May 19, 1981, and a month later Mrs. Frolova's visa expired and she returned to the United States.

The parting was "very tough, although it's been much tougher for my husband than myself," she said. The two had been confident he'd be allowed to join her in the United States.

Soviet authorities denied his first request to emigrate, citing "bad relations with the U.S.," Mrs. Frolova said. When his request was turned down a second time, he was told only that his departure was "not in the interest of the Soviet state. There was no further explanation given," she said.

"Basically, we've become pawns in some sort of political game," Mrs. Frolova said Tuesday. "There are human rights involved. It has nothing to do with relations between the United States and the Soviet Union.

"My immediate concern is for his health and safety. I don't want him to languish there alone without any support from here, which is why I'm expressing my solidarity with him by my own hunger strike."

Four of the Soviet protesters vowed Monday to fast until they are allowed to leave the country or until they die.

However, Andrei Frolov said he expected his fast to last only several weeks.

Mrs. Frolova spoke with her husband by telephone four times Monday. At one point, "I begged him not to do it," she said. "I told him I was concerned and frightened. He told me he had to do this, and that's all there was to it."

Mrs. Frolova, who is her husband's only relative, lives with her parents on the North Side.

PHARMACY ROBBERIES

Mr. THURMOND. Mr. President, yesterday I introduced S. 2572, the Violent Crime and Drug Enforcement Improvement Act of 1982. As you will recall, one of the provisions of this bill deals with the robbery of a controlled substance from a pharmacy. Specifically, part J of title IX makes the robbery of a controlled substance from a pharmacy a Federal offense.

Anyone who has followed the pharmacy crime issue will recognize this language as being very similar to that recommended by the distinguished senior Senator from Iowa, Senator Jepsen. Last year, Senator Jepsen introduced S. 661, a bill to make the robbery of a controlled substance from a pharmacy a Federal offense.

I would like to take this opportunity, Mr. President, to thank Senator JEPSEN for his leadership and hard work on this important issue. I am convinced that by adopting this language, we will be taking a major step toward protecting pharmacists all across America, from these often violent crimes.

Although we cannot eradicate a crime by the single stroke of a pen, we can take steps which will discourage those who think about committing such crimes. By passing the pharmacy crime section of this bill, we will be sending a clear signal to drug addicts and criminals that the Federal Government will no longer stand idly by while they run roughshod over this vital industry.

Again, Mr. President, I want to commend Senator JEPSEN for his efforts on behalf of America's pharmacists and I look forward to working with him in seeking swift adoption of this legislation.

VIOLENT CRIME AND DRUG ENFORCEMENT IMPROVEMENT ACT OF 1982

Mr. PELL. Mr. President, I was pleased to join Senators THURMOND and BIDEN as a cosponsor of the bipartisan crime package.

I know every Member of the Senate is deeply concerned with the violent crime that is occurring daily throughout our country. The crime epidemic has exploded into every neighborhood in America, producing a climate of fear that threatens the personal security of every one of us, our loved ones, and friends.

This virulent crime epidemic has increased to the point of being beyond the present control of law enforcement, and will remain unchecked until we give the police and judicial system the tools that are needed to contain this growing menace.

The legislation introduced today will provide those tools in the form of tough bail and sentencing laws to crackdown on the drug traffickers and repeat offenders who are the direct cause of much of the recent increase in violent crime. Research indicates that 6 percent of those arrested for burglary and robbery commit as much as 60 percent of these property crimes. The provisions in this legislation for "determinate sentencing" will help to keep these career criminals off the streets by allowing judges to set fixed sentences, with no parole and limited good time credits, for repeat offenders.

The crime package also contains a long-overdue reform of our bail laws. One of the most troubling aspects of the crime epidemic is the number of crimes committed by persons who are on bail for the commission of another offense. Too many violent crime offenders today are not patiently sitting around waiting for their trial: many of them are going into the streets and committing other serious crimes.

This legislation will significantly strengthen the hand of prosecutors in their war against repeat offenders by increasing penalties for bail jumping, expediting the revocation of bail for committing a crime while on pretrial release, and requiring mandatory consecutive sentences for crimes committed while a defendant is on bail thus ending the current practice of "concurrent sentencing" which enables a criminal to commit two crimes for the penalty of one.

This legislation also contains strong measures directed at narcotics traffickers, who in many of our major cities today conduct operations openly in a manner reminiscent of the smugglers and bootleggers of the prohibition era. Drug trafficking is increasingly handled by syndicates, producing waves of violent crime in the cities in the competitive struggle for control of the domestic drug market.

Moreover, research indicates that 90 percent of active heroin users rely on criminal activity as a means of income. With drug trafficking an $80 billion a year industry in this country, it is past time to increase the fine levels and penalties for trafficking in large amounts of dangerous drugs. This package contains these stern and urgently needed measures, and I hope they will quickly be enacted into law.

This is a difficult time for law enforcement officials, who are truly our first line of defense for the protection of our communities. As the national crime epidemic increases, public demand for more effective crime control is increasing, just as local budgets are stretched to the bone and limited Federal resources to assist law enforcement are cut back or eliminated entirely. This legislation is the best tool we can give to local law enforcement, and deserves the support of the entire Senate. I commend Senator THURMOND and Senator BIDEN for their initiative and leadership in putting this very comprehensive package together, and urge my colleagues to give it their full support.

REFUGEE RELIEF AID

Mr. BRADLEY. Mr. President, I regret that the emergency supplemental budget before us today fails to recognize the important strains placed on many communities by sudden increases in immigrant populations. In the case of many of those communities the population surges came as a direct result of Federal actions.

While this is not the time to examine the wisdom of those policies, this is the time to note the consequences. Two States, in particular, have been substantially impacted by the recent influx of Cuban and Haitian refugees. New Jersey is second only to Florida in the number of entrants it has resettled: Hudson, Union, and Essex Counties are the second, fifth, and seventh highest impacted counties in the country.

This has meant that these counties have had to provide additional social services, housing, compensatory educational assistance, and health services. Only a small part of the actual additional State and local costs have been reimbursed by the Federal Government. The New Jersey Department of Health and Human Services reports that impact aid has been very slow in arriving. Only $387,000 of fiscal year 1982 funding has been received. They are continuing programs with fiscal year 1981 carryover funds.

In addition, a $2 million English as a second language grant from the Department of Education will not be renewed because of budget cutbacks. Finally, a recent change in Federal policy will terminate aid for single persons after 18 months. It has caused some officials in Florida to offer incentives to emigrees to move to New Jersey and other States which will continue to provide benefits under a State-supported general assistance program. This could cause a significant second wave of migration that would further drain State resources.

In fact, a second wave of migration has already begun to occur. The Federal census estimate of the 1980 immigration wave was 8,000 persons, yet State and local officials currently report 25,000 Cuban and Haitian emigrants. New Jersey's county welfare officials list 9,300 entrants currently on public assistance. Those numbers will swell under current Federal policy.

It is important to remember that this population increase did not occur gradually so that local officials had time to adjust. Virtually overnight—and frequently with no warning—communities were literally sent large numbers of homeless and jobless individuals and families, sent by the Federal Government from detention camps.

Mr. President, I am proud to say that the communities in New Jersey responded to their new residents and have tried to absorb them into the mainstream of their communities. But the Federal Government certainly has not made that job easy. And I might point out that New Jersey communities have done so despite cap laws which severely limit their ability to raise taxes to pay for these additional services. If we expect communities to share without the bitterness and hostility which sometimes occur, we must do more to assist them.

I am very disappointed that the emergency supplemental budget bill before us does not provide relief for the financial burdens the Federal Government has placed on many communities. Fortunately, the House of Representatives has been more conscientious. I am optimistic that the leadership of my colleague from Florida, Senator CHILES, in the Budget Committee, and the compelling merit of the cause, will lead the Senate to recede to the House on this issue in conference.

ANOTHER REASON FOR PUSHING NUCLEAR ARMS CONTROL—AND FAST COMPUTERS

Mr. PROXMIRE. Mr. President, this morning's New York Times carries an article by Arthur Macy Cox—the author of "Russian Roulette: The Superpower Game" that carries a compelling argument for prompt action to reverse the nuclear arms race. Mr. Cox points out how computers may take the terrible decision to start a nuclear war out of human hands. Here is what he writes:

> It is good that President Reagan has decided to talk with the Russians about strategic nuclear weapons, but the manner in which he is going about it reveals that he does not yet grasp the extraordinary peril for the United States and the world if the nuclear arms race is permitted to continue.
>
> The reason for this grave danger is that nuclear weapons technology is rapidly advancing to a point where it can no longer be controlled by man. Decisions about whether to launch nuclear weapons soon may be made by computers. Neither the Soviet Union nor the United States has any intention of launching a nuclear attack, but if both sides deploy the next round of nuclear weapons, the risk of war by accident will increase from possible to probable.
>
> Most of the new nuclear weapons will have a capability for a first strike because they can reach their targets with such speed, accuracy and power. When they are deployed, both sides will be on hair-trigger alert, especially at times of political crisis. These weapons will be able to destroy nuclear command, control and communications systems, both human and mechanical. Those systems are vulnerable and subject to error. The United States in 1979 and 1980 had three nuclear-war alerts caused by false alarms from computer error.
>
> Fortunately, for this planet, we could survive such false alarms because there was time to ascertain the error before a command to launch was given. In the future there will not be time.
>
> In June 1980, Fred C. Ikle, the present Under Secretary of Defense for Policy, wrote an article in The Washington Post titled "The Growing Risk of War By Accident." He said: "The more we rely on launch on warnings (or, for that matter, the more the Soviets do) the greater the risk of accidental nuclear war. . . . The crux of the matter is that the more important it becomes to launch on warning, the more dangerous it will be. The tightening noose around our neck is the requirement for speed. The more certain one wants to be that our missile forces (or Soviet missile forces) could be launched within minutes and under all circumstances, the more one has to practice the system and to loosen the safeguards."
>
> Former Secretary of defense Harold Brown, in an interview with The Wall Street Journal in July 1980, confirmed the awful risk of a policy of launch on warning. He said: "I think the idea of depending on launch under attack is a bad idea. . . . We ought not to let computers make the decision as to when we go to war." Nevertheless, in the CBS televison documentary "The Defense of the United States," the following exchange took place between Dan Rather and Secretary of Defense Caspar W. Weinberger. Mr Rather said: "But you basic recommendation is that we must be prepared—we must at least be prepared to do a launch under attack." Mr. Weinberger replied: "It gives undue emphasis to single out any one particular kind of option and say that is the one we're considering. We're considering them all. We aren't eliminating anything."
>
> Georgi A. Arbatov, the top Soviet expert on the United States, in a commentary that appears in my book "Russian Roulette: The Superpower Game," says that if Soviet weapon systems become vulnerable "there is always a counter measure: launch on warning and under attack."
>
> The United States intends to deploy Pershing 2 ballistic missiles in West Germany early in 1984. Those missiles will be capable of destroying Soviet command, control and communications systems after a six-minute flight. When those weapons are deployed, we will have forced the Russians into a corner. They will almost certainly adopt a policy of launch on warning, which means that they launch missiles on first warning of attack rather than risk having their command centers destroyed. Since no human decision-making system can be responsive in six minutes, the Russians will have to rely on computers. Their computers are not as advanced as ours, and ours make errors.
>
> President Reagan doesn't seem to understand the terrible risk of accidental nuclear war that confronts us. He is still indulging in propaganda ploys trying to persuade American and European opinion that he is eager for serious negotiations, while at the same time moving ahead with the development of first-strike weapons. The President's approach reflects insufficient awareness of the urgent need for reversing the nuclear arms race. He says: "The monumental task of reducing our strategic forces to enhance stability will take many years of concentrated effort." That will be too late. The first-strike weapons will all be in place by then.

WIN PROGRAM HELPS SAVE FEDERAL DOLLARS

Mr. SASSER. Mr. President, yesterday the Senate, with my approving vote, approved a supplemental appropriation of $38.4 million for the work incentive program (WIN). While this appropriation is significantly below the House appropriated supplemental of $76.8 million, this additional funding will help fund a most worthwhile and effective Federal program.

The WIN program provides employment, training, and supportive services to assist welfare recipients in obtaining permanent private sector jobs. The WIN program, in effect, helps people get off welfare and into private-sector jobs.

The WIN program in Tennessee is a true success story. In 1980-81, the Tennessee WIN program helped employ some 3,333 individuals at a cost of $4.1 million. This helped reduce Tennessee welfare costs by $4.1 million and helped these workers earn some $27.3 million in taxable income. This is a return of some $7.67 for each $1 of WIN investment. Also 86 percent of the participants in the WIN program retained their employment after 30 days' time.

Mr. President, I ask unanimous consent that a letter to me from Mr. Robert J. Bible, commissioner of the Tennessee Department of Employment, concerning the Tennessee WIN program be placed in the RECORD.

Mr. President, the WIN program is one of the most cost-effective programs that we have on the books today. I commend Senators DIXON and SPECTER for their bipartisan leadership in bringing this matter to the floor of the Senate, and I hope that the Senate-House conference on H.R. 5922 will restore essential funding to the WIN program.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF
EMPLOYMENT SECURITY,
Nashville, Tenn., March 12, 1982.

Hon. JAMES R. SASSER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR SASSER: Congressman Harold Ford has asked for the attached information regarding Tennessee's Work Incentive Program (WIN). The same information may be useful to you whenever you consider the future of WIN.

The WIN program was designed to find jobs for persons who are on welfare. The success of the program in Tennessee is reflected by the return of $7.67 per dollar invested.

Should you have questions concerning our WIN program, or desire additional information, please let me know.

Sincerely,

ROBERT J. BIBLE,
Commissioner.

Attachment.

Tennessee WIN program—Oct. 1, 1980 to Sept. 30, 1981

Entered employment:	
Applicants	927
Recipients	3,391
Total	4,190
Average hourly wage	$3.45
Tax credits authorized	560
Potential employed	3,864
Total contacted	3,695
Actually employed	3,333
Retention rate (after 30 days—in percent)	86
Annualized wages	$27,340,599.00
Annualized welfare grant reduction	$4,153,715.00
Cost of Tennessee WIN program	$4,104,808.00
Return of investment (savings per $1 expenditures)	$7.67

ADM. JOHN B. HAYES

Mr. PELL. Mr. President, at colorful and impressive change of command ceremonies earlier today at the navy yard, Adm. James S. Gracey relieved Adm. John Briggs Hayes as Commandant of the U.S. Coast Guard.

At these ceremonies, Admiral Hayes concluded a 39-year career in the Coast Guard, including a highly successful 4-year term as Commandant. His period of leadership came at one of the most critical period's in the Coast Guard's 192 year history. The service found itself simultaneously beset by a diminishing budget, aging cutters, and other capital resources, and increasing demands from Congress and the public to perform a variety of regulatory and enforcement functions.

In Admiral Hayes, the Coast Guard truly found its ablest leader and most effective spokesman for this trying period. Steadfastly, he maintained the Coast Guard's commitment to excellence and to successfully undertaking, without complaint, difficult missions on an ad hoc basis. His leadership of the difficult Cuban and Haitian mission was a tribute to the Coast Guard's flexible "can do" approach to sensitive international problems. At the same time, Admiral Hayes forthrightly called public and congressional attention to the service's severe funding problem. In many public addresses, interviews, and in testimony before congressional committees, Admiral Hayes effectively made the case for the overtasked and unfunded Coast Guard. The result of his stewardship, I believe, is a greater recognition of the Coast Guard's indispensable role in the areas of fisheries enforcement, protection of the marine environment, and interdiction of coastal drug smugglers.

Admiral Hayes is hugely admired by all who had the pleasure of serving with him in the Coast Guard, or working with him in the Congress. His leadership and personal talents will be missed by the service he loves so dearly and I join in wishing him the very best upon his relinquishment of command.

EXTENSION OF TIME FOR ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I May say, hoping that all Members can hear me, there are conferences and one caucus in progress at this time which relate directly to the final disposition of this measure, the urgent supplemental appropriations bill, and amendments thereto. Those negotiations are progressing, I hope successfully. In any event, the better part of discretion, I think, at this moment, is to extend the time for the transaction of routine morning business so that Senators may be off the floor to continue those talks and negotiations.

Therefore, Mr. President, I ask unanimous consent that the time for the transaction of routine morning business be extended under the same terms and conditions as previously stated until 11:30 a.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimus consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

GOLDEN FLEECE AWARD FOR MAY GOES TO THE ARMY'S MATERIEL DEVELOPMENT AND READINESS COMMAND

Mr. PROXMIRE. Mr. President, I am giving my Golden Fleece Award for the month of May to the United States Army Materiel Development and Readiness Command (DARCOM) for spending $38 million over the past 13 years on a new gas mask that is no improvement—I repeat, no improvement—over the masks it is designed to replace. If we did not need a new protective mask so desperately, this would be just another amusing story about bureaucratic ineptness.

The Army's DARCOM deserves this month's honor for its efforts to develop a mask called the XM30. This is intended to be a multipurpose, multiservice protective mask for use by pilots, tank commanders and many other military specialists, as well as ground troops, to protect them against deadly poison gas or biological warfare. It and its companion masks should replace the 27-year-old M17A1 and several other masks for a variety of uses.

In spite of the heavy investment in the mask's development, Mr. President, the Army revealed at a recent in-process review that it does not feel that it could adequately control its quality while mass producing it. Most of the participants at the review were not too sure that it would be worth producing at all. Principal among the objectors were the Army's Training and Doctrine Command (TRADOC), the Army Logistics Evaluation Agency, and the Marine Corps.

The conclusion from the extensive operational testing of the mask is that its lighter weight and better visibility characteristics have given it but one operational advantage over the M17A1 and the other masks it is designed to replace. It affords a soldier better visibility for M16 rifle firing. In tests of all other aspects, TRADOC found the utility of the XM30 to be substantially less than the standard masks. TRADOC's tests also found the XM30 to fail, on average, every 46 hours—that is less than 2 days—compared to 1,617 hours—that is more than 2 months of continuous duty—between failures for the M17A1. Another of the masks intended to be replaced by the XM30 series has an average failure rate of once every 140 days of continuous use.

So obviously, what is happening is that the Army is substituting a new mask that simply will not begin to do the job that the old ones have been able to do—or do it—far, far less effectively.

DARCOM has cemented its grip on this month's award by maintaining that the XM30 development should continue in spite of the problems it is sure to encounter in production, the disastrous testing results, and the largely held opinion of potential users that the mask should be junked. Unfortunately, DARCOM has had much less success in cementing the lenses to its new mask. This is but one of the many weaknesses that renders the mask no less noxious to its users than the poisons it is intended to guard against.

The XM30 has demonstrated the following breathtaking characteristics to go with its incredible 2-day failure-free lifespan:

A flexible lens that can now bend enough to permit use by a variety of different contoured faces but is very susceptible to scratching or damage by petroleum products, insect repellents or lubricants similar to the liquid or jelly-based agents used by the Soviets for their chemical weapons.

A distortion-prone lens that cannot be decontaminated when fouled by these same liquid or jelly-based agents.

A silicon frame that tends to separate from the lens when the mask is used in very hot and humid climates.

Filters that do not work any better than those in the now-ancient M17A1 mask. Major improvement had been expected here.

Mr. President, this appears to be a case of the Army attempting to accomplish too much advancement in a single development. Failure after failure in the development has resulted in waiver after waiver in the requirement, so that now the XM30 offers virtually no advantage over its cheaper predecessors and lots more suffocating problems.

This attempted quantum leap in capability is too great in light of the challenges facing the developer. These are more than just a funny-looking cloud of choking vapors. The chemical and toxic agents the mask should provide protection against are somewhat unknown and clearly different from those known when the mask development began in 1969.

The All-Volunteer Force has caused a great influx of women into the military, especially into positions in which gas mask protection is essential. The developers have had problems in dealing with female curves—this time above the neck, rather than below it. A standard mask which fits the contours of both male and female faces has finally resulted, but at the expense of too many other disadvantages, time and cost.

All the problems with this mask come at a time when the threat to Western world forces of a chemical or, worse yet, biological attack is the greatest in our peacetime history. This body recently passed an amendment to the DOD authorization bill which called for a reconvening of the Biological Warfare Convention. The intent was to put some teeth in the convention's prohibition of biological weapons and to confront the Soviets with recent evidence of the use of these toxic weapons by Soviet allies in Laos, Kampuchea (Cambodia), and Afghanistan.

The use of these agents in warfare makes it imperative that the United States have an effective mask for our personnel. That is the real tragedy in the development of the XM30.

The respected publication Defense Week, which recently investigated this issue throughly, accurately labels the XM30 effort an "abject failure." The damage this program has inflicted on the readiness of the American forces is almost as great as that inflicted on the American taxpayer. Thus far, only $38 million and 13 years have been consumed. If the development is continued, the costs will be even greater, especially if a decision is made to go to production and replacement of all the current masks.

That price tag is conservatively estimated at an incredible $450 million. Fortunately, the Army and the other services have had the wisdom to call a meeting, tentatively set for late June, to discuss the merits of proceeding with the program. The participants may be sufficiently choked up by the results of the operational testing to discontinue this program. I, for one, have been left gasping.

THE KILLING IN EAST TIMOR MUST END

Mr. **PROXMIRE**. Mr. President, the people of East Timor are dying off at an incomprehensible rate. Since Indonesian troops invaded the island in December of 1975, over 100,000 Timorese have perished. That death toll amounts to more than one-sixth of their population. Even more horrifying is the reality that there appears to be no end in sight to the Indonesian persecution of innocent Timorese.

Recently, Vicente Guterres, one of the lucky few to escape from this island of horror located just 300 miles off the northeastern tip of Australia, visited my office. With the help of Arnold Kohen, an American who is actively campaigning for the Timorese cause, Mr. Guterres described atrocities to which he and his family had been subjected.

For example, Mr. President, two of Mr. Guterres' sisters, fearing for their lives, fled their village abode for safety in the mountains. After the women had been hiding there for a number of months, the Indonesian army offered amnesty to all the Timorese townspeople who had sought refuge in the highlands. When the women came out from hiding expecting to find liberty, they were shot on the spot. Amazing as it may seem, this is not an isolated example. Numerous instances have been reported of faultless peasants being summarily executed when surrending to the Indonesian army.

Furthermore, Mr. Guterres and Mr. Kohen said that entire villages have been eliminated from the map. Indonesian soldiers have swept through towns and slaughtered practically all the inhabitants. Of those who are not murdered, most die of starvation because the troops burn off all the crops in their wake.

If these reports prove true—and the acclaimed human rights group, Amnesty International, has already concurred in many of these accounts—this massacre is clearly a case of genocide. At least one in every six Timorese has already perished, and the Indonesian Army appears bent on continuing its heinous mission. Can we permit it to succeed?

Mr. President, we cannot allow the Timorese people to be exterminated. Diplomatic measures must be taken to protect them as well as all other cultures. The most clear and basic step that the Senate can take to safeguard groups such as the people of East Timor is to ratify the Genocide Convention.

Mr. President, I yield the floor.

Mr. **FORD** addressed the Chair.

The **PRESIDING OFFICER**. The Senator from Kentucky.

THE CONGRESSIONAL BUDGET PROCESS

Mr. **FORD**. Mr. President, I have been frustrated for some time now, as have a lot of others, with the near-chaos and confusion that continues to belabor the congressional budget process and I have called for doing something about it.

Obviously, I am not the only one who is disillusioned and dissatisfied with the current process. An article in today's Washington Post highlights the growing realization that the annual budget process simply does not work any more.

The article reinforces my belief that a better case can never be made than now for changing over to a 2-year budget cycle. Last year, I introduced legislation to accomplish this and, since then, a number of my colleagues have joined on as cosponsors.

My bill, S. 1683, amends the Congressional Budget and Impoundment Control Act of 1974, the Budget and Accounting Act of 1921, and the Legislative Reorganization Act of 1946. The principal purposes of this bill are to change our budget cycle from 1 to 2 years, and to make other necessary improvements in the budget-making process.

Long ago, Mr. President, our Federal revenue and spending process became far too large and complex to be managed with annual budget and appropriation actions. Much of what is done in the annual process, which was both improved and complicated by the Congressional Budget Act of 1974, is needlessly repetitive. Neither the executive branch nor Congress can do an effective and sensible job of budget planning, and of fiscal and spending decisionmaking on a yearly cycle. There is simply not enough time.

Moreover, there is no real need for annual budgeting, even if time permitted the job to be done efficiently and effectively each year. Substantial portions of the Federal budget can be fixed for 24 months just as reliably as for 12. Many items are permanently authorized and not susceptible to annual adjustment. Weapon procurement appropriations can probably be better projected for 2-year periods.

Where we now almost never complete our budget process by the beginning of the fiscal year, a 2-year cycle would give us a realistic chance. As my colleagues know, continuing resolutions have become an unwelcome fixture in the Federal budget process.

The fact is we are not doing a good, careful, dependable job of budgeting and appropriating, and a major reason is the critical shortage of time.

Adoption of a 2-year budget and appropriation cycle would not eliminate the kinds of problems which make reconciliation and budget balancing so very difficult. It would, however, at least enlarge the amount of time which those responsible for such decisions could devote to the problems.

There would be other benefits. Costs would be reduced by the elimination of the considerable present duplication of work. Planning organizations in both Federal and State governments would have advance knowledge and longer time periods of commitment to use and rely upon.

Mr. President, the experts in the executive branch would have more time to devote to analysis and planning by being relieved of the necessity of doing the same jobs over each year. The Congress would have more time not only for effective budget review and fiscal and appropriations decisions, but also for the kind of legislative oversight that has been desired but never achieved for so many years.

For those who fear that there would be a loss of flexibility in meeting unforeseen changes in conditions, there is a simple and reliable answer. A supplemental appropriation bill is no more difficult in a 2-year budget cycle, than under the present annual budgets. Moreover, we now have at least one supplemental bill before Congress each year, further impinging on the already inadequate time available for efficient budget action.

There do not appear to be any reasons not to make this timesaving change in basic Government procedure. While clearly not a compelling parallel, the fact that 21 States have adopted the 2-year budget cycle is worthy of note. Those States would certainly derive benefit from a corresponding move by the Federal Government.

Many experts, including the Director of the Office of Management and Budget, David A. Stockman; the Director of the Congressional Budget Office, Dr. Alice M. Rivlin; and the Comptroller-General of the United States, Charles A. Bowsher, have expressed support for the 2-year budget concept. There is legislation pending in both Houses to implement it. There are no major complications involved in such a change. Congress should lose no more time in taking action to effect this improvement in our vexing budget process. It will be a constructive step forward.

I invite my colleagues to use S. 1683 as a tool, as an outline, as a basis for action which must be taken, and taken soon, if we are to responsibly address the future budgetary needs of this country.

Mr. President, I ask unanimous consent that there be printed in the RECORD immediately following my remarks the article by David S. Broder which appeared in today's Washington Post.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AS BUDGET DEBATE SHARPENS, PRESSURE INTENSIFIES

(By David S. Broder)

"I think it is more disgusting than ever this year," said Rep. Carl D. Perkins (D-Ky.), whose 34 years in the House have lifted him to the chairmanship of the Education and Labor Committee. "I choose to participate as little as possible in the budget process."

Perkins is not alone. The budget debate that is supposed to reach its climax today has dominated congressional proceedings all year, but in an important break with the past, in some ways a handoff of power, many senior members, even committee chairman, have remained on the sidelines.

That does not mean they are indifferent to what has been going on.

"The whole budget thing has been a disappointment," Interior Committee Chairman Morris K. Udall (D-Ariz.) said yesterday. "We've involved so much in that process, we don't have time to do legislation."

In a similar vein, Appropriations Committee Chairman Jamie L. Whitten (D-Miss.) remarked that as one of the cosponsors of the original budget act, he is finding the process increasingly "unworkable."

Jabbing a finger at the House floor, where members were winding their tortuous course through three dozen pending amendments, Whitten said, "They're dealing with figures that are based on speculation, assumption and hallucination—and making people think they are real."

Moreover, he said, the budget process—once again running behind its self-imposed deadlines—is interfering with Congress' real work of appropriating money for the operations of government.

"We have nine [appropriations] bills ready to mark up," Whitten said, "but we can't move them until the House and Senate pass the first budget resolution."

What the House is debating now is a resolution setting tax and spending goals for the fiscal year that will begin Oct. 1. The resolution instructs the committees to tailor programs under their jurisdiction to conform with these goals and to that extent circumscribes their power.

The legislative and appropriations committee chairman have territorial reasons of their own for resenting the usurpation of the eight-year-old Budget Committee. But even those who staunchly defend the new institution are critical of the way it is operating this year.

Rep. Richard Bolling (D-Mo.) is one of its creators. As Rules Committee chairman, he set the procedures for this year's budget fight and presided over the marathon debate.

"I think there is much more opportunity for the members to participate in shaping this year's budget than last year," he said "but it is still a makeshift process. You can't repair the damage of last year overnight."

In 1981, President Reagan and budget director David A. Stockman seized effective control of the congressional budget process and, in two key votes, forced through changes in spending patterns and basic legislation that would otherwise have been subject to lengthy and scattered committee wrangling.

Bolling complained bitterly at the time about the exploitation of the "reconciliation process"—the part of the budget act that compels committees to tailor programs and spending to meet the budget limits. He called it "a gross distortion of the intent of those who wrote the Constitution . . . as well as the intent of the 1974 budget act."

Even Stockman, while defending its use, acknowledged that it "makes it extremely difficult for committee chairmen and their members to play their traditional roles."

This year, the administration's role has been much less heavy-handed, mainly because Reagan's own budget was rejected by the Republican Senate. After that rebuff, he let Republicans in the Senate and House draft their own budgets, in consultation with the administration, and—with a victory in the Senate last week—has confined himself to low-key telephone lobbying for the showdown vote expected today between the GOP and Democratic plans in the House.

But even with the administration backing off, complaints about the budget process have been insistent enough that Bolling has named a task force of Democrats and Republicans, under Rep. Anthony C. Beilenson (D-Calif.) to prepare recommendations for revisions in the process next year.

This year's budget debate is plainly adding to the pressures for change. Bolling and others are concerned that unless there is an improvement, the whole budget process could be killed by a rebellion for those who feel it is taking over everything in Congress.

There are two basic complaints. One is that the process as now operating, in Udall's words, "absorbs too much of the time and energy of Congress. It made sense to spend a couple of months at the start of each year sorting out our budget priorities, but last year and this, we have found that the only thing we ever have time to do is fight about the budget."

The second complaint is that the fight—especially this year—is more than a bit phony. In an effort to assure all the factions in the House that they would have a fair chance to get their favorite provisions to a vote, Bolling concocted the most complex rule ever devised for budget consideration.

His motive, he acknowledges, was to avoid the political and public relations disaster Democrats would suffer if the House failed to muster a majority to pass any budget in the midst of the severe economic slump.

But it has meant, as Perkins complained, that "Democrats are permitted to amend the Republican budget and Republicans are permitted to amend the Democratic budget, to the point that there's not a dime's worth of difference."

Thus, in many members' eyes, a process that was supposed to clarify national priorities has been turned into a political camouflaging device.

That feeling fuels the demand for rethinking—and perhaps revising—the budget game.

HIGH INTEREST RATES

Mr. HARRY F. BYRD, JR. Mr. President, the Treasury Department testified today before the Senate Committee on Finance. The Treasury is seeking an increase in the debt ceiling.

As we know, under law, the debt of our country cannot exceed $1.080 trillion. That is the law as it now stands. The Treasury Department today asked that the debt ceiling be increased by $195 billion.

That means that the anticipated deficits of the Federal Government between now and September 1983, a period of 15 months, will be the huge sum of $195 billion, in that short period of time.

Mr. President, our country is in even a worse financial condition than most of us realize. At the hearing today, the Treasury testified, in responding to questions put to the Assistant Secretary of the Treasury by the Senator from Virginia, that during 1983, it is estimated there will be $460 billion of funds available to be borrowed. That $460 billion is all the funds that will be available to be borrowed by individual citizens, by corporations, by businessmen in financing the operations of their businesses, and by the Federal Government.

Of the $460 billion anticipated to be available for borrowing, the Treasury Department today testified that the Government itself will need to borrow $250 billion.

When one works that out with a calculator, one finds that the Government itself, during 1983, will take 54 percent of all the available funds, leaving the remainder of the economy 46 percent.

Does that not suggest that interest rates, instead of coming down, are more likely to go up? If the Government goes into the money markets for 54 percent of all the funds, obviously there is tremendous upward pressure on interest rates.

We are dealing right now in the Senate with a housing proposal. Through the years, I have been—and am now—one of the strongest proponents of housing.

I believe it is vitally important to the future of our Nation that as many citizens as possible own their own homes. It is a stabilizing factor. It is an important factor in maintaining the free-enterprise system and the standard of living of our fellow citizens.

But as the chief economist for the National Association of Realtors, which association and whose members are vitally involved in this matter of new housing, points out, the solution to more housing is to get the deficits down.

What the Senate did last Friday was to pass a budget resolution providing for deficits in this current year of $118 billion, providing for deficits in the next year of $115 billion, and providing for deficits the year after that of $91 billion. And I say, Mr. President, that even those deficits projected for next year and the following year in my judgment will be proved to be low because the whole record of the budget process in the last 3 years has been just that.

If one studies the budget figures, if one studies the first budget resolution, and that was what we voted on the other night, the first budget resolution for fiscal year 1983, if one studies the first budget resolution for fiscal year 1980, for fiscal year 1981, and again for fiscal year 1982, one will find out that the Budget Committee underestimated spending by $44 billion in each of those fiscal years.

So if the track record of the Budget Committee follows in fiscal year 1983, fiscal year 1984, and fiscal year 1985, then the budget deficits will be even higher than the unbelievable high deficits in the budget resolution adopted by the Senate last Friday night.

I did not like to vote against that budget resolution for a number of reasons. But the more I think about it, the more I study these figures, the more I listen to the testimony of the Treasury experts, the more convinced I am that the Senator from Virginia made the right decision, and, in my judgment, the wise decision to vote against the budget proposal last Friday evening.

Since I am commenting on that budget proposal, let me bring out a couple more facts in regard to it: What the Senate voted last Friday night to do was to provide for spending which between now and September 1985 will be $468 billion more than the Government will take in.

In other words, the deficits in those 3 years and 5 months, that short period of time of 3 years and 5 months, will equal $468 billion. Another dramatic figure, in my judgment, is that that budget resolution passed last Friday night provides for spending which will increase the national debt by 44 percent in 3 years and 5 months.

Never in the history of our Nation has anything like that ever been done before.

(Mr. GRASSLEY assumed the chair.)

Mr. **LONG**. Mr. President, will the Senator yield at that point?

Mr. **HARRY F. BYRD, JR.** I am glad to yield to the distinguished and able chairman, the Senator from Louisiana.

Mr. **LONG**. Do I understand the Senator said that the debt would be increased by 44 percent from the $1 trillion that it is now?

Mr. **HARRY F. BYRD, JR.** The Senator is correct. The budget resolution adopted Friday night provides for spending which will take the national debt in September 1985, 3 years and 5 months from now, to $1.533 trillion. The national debt as of the end of last month was $1.065 trillion.

If one subtracts the new number from the current number, it is a difference of $468 billion, and if one divides that into the current debt, it will show a 44-percent increase in the national debt in 3 years and 5 months.

Mr. **LONG**. As the Senator will recall, it was only recently that some of us with heavy heart thought compelled to vote, and I know the Senator from Virginia did not feel inclined to do so, but the majority of us with heavy heart felt compelled to vote to extend the debt limit to go past the $1 trillion mark. How big an increase is that past the $1 trillion mark that happened just about a year ago?

Mr. **HARRY F. BYRD, JR.** It is $533 billion past.

Mr. **LONG**. That would be about a 53-percent increase beyond the trillion-dollar mark.

Mr. **HARRY F. BYRD, JR.** Yes; but last year the ceiling was not increased to $1 trillion. It was increased to $1.080 trillion. We have not quite yet reached $1.080 trillion. We have reached the $1.065 trillion. I am comparing the $1.065 trillion as of April 30, last month, to the $1.533 trillion which it will be in September 1985.

Mr. **LONG**. The assumption the Senator has includes the Congressional Budget Office estimates or do they include the committee estimate on the budget resolution?

Mr. **HARRY F. BYRD, JR.** What I am quoting is the resolution itself, the resolution adopted by a majority of the Senate. A majority of the Senate voted to approve spending that will carry the national debt to $1.533 trillion.

Mr. **LONG**. Is it not true there are some doubtful assumptions even in that resolution, so that it may be even more than the Senator is estimating now?

Mr. **HARRY F. BYRD, JR.** Yes. In my judgment it will be more because the history of the Budget Committee's activities in the last 3 years shows, that in each year for 3 years, fiscal year 1980, fiscal year 1981, and fiscal year 1982, the Budget Committee underestimated spending by $44 billion per year. It just so happened, interestingly, it came out to $44 billion in each of those 3 years. So the whole record of the committee is one of underestimating spending.

So the Senator from Louisiana is quite right when he says that it is likely to be higher even than that terribly high figure of 44-percent increase in the national debt.

Mr. **LONG**. I thank the Senator from Virginia.

Mr. **HARRY F. BYRD, JR.** I thank the Senator from Louisiana.

The **PRESIDING OFFICER**. Does the Senator suggest the absence of a quorum?

Mr. **HARRY F. BYRD, JR.** Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **BAKER**. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER** (Mrs. HAWKINS). Without objection, it is so ordered.

EXTENSION OF TIME FOR ROUTINE MORNING BUSINESS

Mr. **BAKER**. Madam President, I ask unanimous consent that the time for the transaction of routine morning business be extended until 12:30 p.m. under the same terms and conditions as previously ordered.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **BAKER**. Madam President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. **BAKER**. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ORDER FOR LIVE QUORUM REQUIRED BY RULE XXII TO OCCUR AT 1:30 P.M.

Mr. **BAKER**. Mr. President, I ask unanimous consent that the live quorum required by rule XXII preparatory to a vote on cloture occur at 1:30 p.m. today.

The **PRESIDING OFFICER**. Is there objection? Without objection, it is so ordered.

QUORUM CALL

Mr. **BAKER**. Mr. President, in a moment I am going to suggest the absence of a quorum. This will not be the rule XXII quorum, but I intend to let the quorum go live, notwithstanding, so that I may propound certain unanimous-consent requests for the consideration of the Senate.

Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 34 Leg.]

Andrews
Armstrong
Baker
Burdick
Byrd, Robert C.
Cohen
Dixon
Domenici
East
Garn
Hatfield
Heflin
Heinz
Helms
Kasten
Laxalt
Long
McClure
Packwood
Stafford
Stennis
Stevens

The **PRESIDING OFFICER**. A quorum is not present. The clerk will call the names of the absent Senators.

Mr. **BAKER**. Mr. President, I move that the Sergeant at Arms be instructed to require the attendance of absent Senators, and I ask for the yeas and nays.

The **PRESIDING OFFICER**. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The **PRESIDING OFFICER**. The question is on agreeing to the motion of the Senator from Tennessee. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **STEVENS**. I announce that the Senator from Alaska (Mr. MURKOWSKI) and the Senator from New Mexico (Mr. SCHMITT) are necessarily absent.

Mr. **CRANSTON**. I announce that the Senator from New Jersey (Mr. BRADLEY), the Senator from Nevada (Mr. CANNON), and the Senator from Montana (Mr. MELCHER) are necessarily absent.

The **PRESIDING OFFICER**. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 91, nays 4, as follows:

[Rollcall Vote No. 159 Leg.]

YEAS—91

Abdnor
Andrews
Armstrong
Baker
Baucus
Bentsen
Biden
Boren
Boschwitz
Brady
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
East
Exon
Ford
Garn
Glenn
Gorton
Grassley
Hart
Hatch
Hatfield
Hawkins
Hayakawa
Heflin
Heinz
Helms
Hollings
Huddleston
Humphrey
Inouye
Jackson
Jepsen
Johnston
Kassebaum
Kasten
Kennedy
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McClure
Metzenbaum
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pell
Percy
Pressler
Pryor
Randolph
Riegle
Roth
Rudman
Sarbanes
Sasser
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Tower
Tsongas
Wallop
Warner
Zorinsky

NAYS—4

Goldwater
Proxmire
Quayle
Weicker

NOT VOTING—5

Bradley
Cannon
Melcher
Murkowski
Schmitt

So the motion was agreed to.

The **PRESIDING OFFICER**. With the addition of Senators voting who did not answer the quorum call, a quorum is now present.

URGENT SUPPLEMENTAL APPROPRIATIONS, 1982

Mr. **BAKER** addressed the Chair.

The **PRESIDING OFFICER**. The majority leader.

Mr. **BAKER**. May we have order in the Senate, Mr. President?

The **PRESIDING OFFICER**. The Senate will be in order. The majority leader has the floor.

Mr. **BAKER**. Mr. President, if we may have the attention of the Senate, I wish to make a brief statement to try to describe the situation we have now, what the prospects are for completing action by the Senate before we go out for the Memorial Day recess, and then to put a unanimous-consent request.

To begin with, as I have indicated on a number of occasions, I feel that it is absolutely essential that the Senate complete action on this bill before we go out on recess. I have requested that the adjournment resolution be drafted so that we may recess tonight, tomorrow, or Saturday. I will not ask the Senate to take up that resolution for the time being.

Mr. President, what we have at this moment, as all of us know, is a rule XXII cloture motion. By unanimous consent, the quorum call to precede the vote on the cloture will occur at 1:30 p.m. this afternoon. The vote on cloture will occur immediately thereafter.

It is my hope that the unanimous-consent request I am about to put will facilitate the Senate's consideration of this measure and permit us to finish this bill in good time.

It is designed to provide that all of the committee amendments which were adopted and reported and which were effectively withdrawn by modification on behalf of the committee through its chairman would be restored. It would provide as well that those amendments would be adopted to the bill by unanimous consent and no point of the order would be made against those amendments. After they are adopted, they would be there and in place, with the exception of one amendment, and that would be an amendment to be offered by the Senator from Indiana (Mr. LUGAR) dealing with housing, and on that amendment we would no doubt have a point of order made against it.

Certain Senators have indicated to me that either under rule XVI before cloture or rule XXII after cloture such a point would be suggested.

Therefore, the unanimous-consent agreement provides as well that the Senator from Indiana may provide for a suspension of the rules under the provisions of rule V, a right which he has in any event, but that he would forego an appeal from any such ruling of the Chair.

The complications involved there are considerable, but the net effect of it is that the Chair, who I believe would probably rule the Lugar amendment out of order postcloture under the provisions of rule XXII on the basis of germaneness, would not be put to the challenge and the test of whether or not we overturn the Chair and in my view at least establish a bad precedent on the question of legislation and the question of germaneness post-cloture on an appropriations bill.

I wish to express my gratitude to the Senator from Indiana for agreeing to handle it in this way because under the provisions of rule V the Senate can simply speak on this point. Shall we wish to suspend the rules and permit this amendment to be in order notwithstanding the provisions of rule XXII?

In addition to that, the unanimous-consent agreement will provide that the Dixon amendment which was agreed to will be incorporated at the figure that prevailed at that time.

And one further provision would be that, notwithstanding that the provisions of rule XXII provide that first degree amendments must be filed yesterday and second degree amendments a certain time before the vote today, those amendments that are at the desk and were directed to the substitute, which will be taken down by this agreement, would qualify to the committee amendment and notwithstanding that they will be mislabeled in that respect, to make sure that no one is caught unaware or taken advantage of but still have a full opportunity to proceed as if they had drafted their amendments against the committee amendments to the bill instead of against the substitute.

Mr. President, this does not solve all the problems because obviously we have to have a vote on cloture, and it is my hope, by the way, that we invoke cloture in order to try to bring this matter to a close.

Obviously, under this arrangement we must still vote on such amendments as are at the desk and may be called up and qualified and, by the way, they may be subject to points of order if points of order would lie against them. They are not insulated from it as are the committee amendments.

In addition to that we must deal with the proposal to suspend the rules, as I have already described, to be offered by the Senator from Indiana.

This is not a perfect agreement, Mr. President, by any means, but it is my best effort and that of many other Senators in discussions with the minority leader, who has not agreed to this request but is fully aware of it, and of other Senators on both sides of the aisle to arrange a method by which this bill can be passed this week, that it can be done in an orderly way to protect the rights of all Senators, to provide a maximum opportunity under the rules for Senators to express their wishes and desires, to treat with it in such a way that it does not do violence to the rules or the precedents of the Senate and to permit us to finish this bill and to pass the adjournment resolution.

With that explanation, Mr. President, I will put the request and, of course, after that, I will be pleased to answer questions on reservations.

Mr. Armstrong addressed the Chair.

Mr. **BAKER**. Mr. President, before I put the request I yield to the Senator from Colorado.

Mr. **ARMSTRONG**. Mr. President, I appreciate the majority leader for yielding and I do wish to make observations about the unanimous-consent request.

First of all, I express my very sincere and heartfelt appreciation to the majority leader and to the chairman of the Appropriations Committee and to our colleague from Indiana, Senator LUGAR, for helping bring us to this point.

What we are trying to do: We do not in this unanimous-consent agreement resolve our differences, but we do establish a framework in which they can be resolved in an orderly and proper way and in which we can do so without the risk of doing damage to the precedents of the body.

Mr. President, I wish to just recap where we have been and how we got here as a prelude to explaining how I wish to proceed on the cloture vote and why I intend to support the unanimous-consent request.

First of all, without debating the merits—

Mr. **RIEGLE**. Mr. President, will the Senator yield to me before he starts, only for an observation?

Mr. **ARMSTRONG**. I yield.

Mr. **RIEGLE**. I observe that if the cloture vote is to come at 1:30 p.m. and if the reservations are to be heard, I am wondering if we are going to have sufficient time, if the Senator from Colorado is going to speak, and I am happy to have him do so. I wish to make sure we do not get wedged into a situation here where there will not be sufficient time to really examine this unanimous consent request.

I thank the Senator for yielding for that observation.

Mr. **BAKER**. Mr. President, if the Senator will yield to me, I think the point is well taken. We have 14 minutes before the quorum call will start under the order already entered.

I ask unanimous consent that the previous order setting the time for the quorum call at 1:30 p.m. be changed to 2 p.m.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **BAKER**. Mr. President, now I yield once again to the Senator from Colorado.

Mr. **ARMSTRONG**. I thank the majority leader.

Mr. President, just to recap where we are and how we got here, without trying to argue the merits of the mortgage interest subsidy legislation, quite a number of us have reservations about the merits of that idea. Moreover, we have some reservations about whether it should be included within the context of an urgent supplemental bill.

So, therefore, using what limited tools were available to us, I raised the threat and some others did also of points of order against a number of amendments originally incorporated within the committee amendments to the urgent supplemental bill.

The unanimous-consent request which is now pending resolves that issue, that is, we agree, those of us who oppose the housing section and who oppose the supplemental, that we are not going to attack the committee amendments, that we are going to try to hold harmless those issues, whatever their merits are, which are separate from the housing question.

Second, for my own part and I think on behalf of others who are opposed to the mortgage interest subsidy, I am going to vote for cloture. We are giving up a lot. We are giving up a couple of days delay that we might have had making points of order and debating these 34 amendments which we believe and which we are advised by the Parliamentarian are in fact contrary to the rules of the Senate. We are giving that up.

Mr. President, is the Senate in order?

The **PRESIDING OFFICER**. the Senator from Colorado is correct. The Senate is not in order.

The Senate will be in order. The Senator from Colorado has the floor. Under the rules, he is entitled to be heard.

The Senate will be in order.

The Senator may proceed.

Mr. **ARMSTRONG**. Mr. President, I thank you for maintaining order in the Chamber.

We are giving up, first of all, the right to procedural delays and for a vote on the separate amendments.

These are not frivolous rights. They are not mere nitpicking. They are substantial rights and important and we give them up gladly because we are getting something in return.

By the same token, those of us who are opposed to this portion of the bill, at least some of us, intend to vote for cloture, and I fully expect that cloture will in fact be invoked.

We do that notwithstanding the fact that we give up some opportunity of delay therein.

In return, however, the Senator from Indiana has agreed that if he offers an amendment, as he intends to, and if, as we are advised by the Parliamentarian that his amendment would be out of order under rule XXII, he will refrain from making an appeal from the decision of the Chair, thereby raising somewhat this threshold level of votes to succeed in his efforts.

So he is giving up a lot, too.

I guess the essence of this bargaining is that both sides have given up some opportunity to press their case. We have given up the opportunity on our side to delay and drag our feet to some extent, and the Senator from Indiana has given up the opportunity of appealing the ruling of the Chair, although he retains the right, which I am sure he will purse, to ask for suspension of the rules.

Have no misunderstanding, if those of us who are opposed to the housing provision of this bill are unsuccessful we are not waiving any other point of order, we are not waiving our right to extended debate to the extent it is available under postcloture proceedings. We intend to do our job as effectively as we can to defeat this whatever happens on the question of suspending the rules. That is just the way it is.

By the same token, we have no understanding with the Senator from Indiana, that if we are successful he is giving up either in the context of this bill or to call up another bill or to do anything that is within his purview.

But I think what we have managed to do is to frame the issue in a way in which it would be at least possible that we could finish consideration of this bill within a timely fashion.

For that reason, and with concessions and good faith on both sides, I think this is an excellent resolution of the problem. I will not attempt to debate the merits of the issue now but, at the proper time, I welcome a chance to do so. I again thank the majority leader.

Mr. BAKER. I thank the Senator from Colorado.

The PRESIDING OFFICER. The Senate will be in order. The majority leader has the floor.

Mr. BAKER. The Senator from Colorado has been extraordinarily cooperative in this matter. He has very strong views on this subject, and he has expressed them with great care and skill. He has also negotiated with great care and skill, and I must say he has comported himself in a way that not only sheds credit on him but is in the best traditions of this Senate, and the necessity to find a way for the Senate to work its will within a reasonable time, and I commend him for it.

The Senator from Oregon (Mr. HATFIELD) has also been extremely helpful. He has been at numerous meetings over countless hours trying to work this out, and I know firsthand some parts of this agreement do not suit him exactly, and he would prefer another arrangement. But as is typical of the Senator from Oregon, he has given where he had to give, and where he did not violate principles that guide him in his convictions, and we finally arrived at this place.

The Senator from Indiana has given a lot. He has agreed to forbear in certain respects. He has dealt aboveboard and in a straightforward way, and I wish to thank him, as I do other Senators, for their careful efforts in this respect.

Mr. PROXMIRE and **Mr. DECONCINI** addressed the Chair.

Mr. BAKER. Let me say that I want to put the request, but I first yield to the Senator from Wisconsin and then to the Senator from Arizona.

Mr. PROXMIRE. Mr. President, I ask the majority leader, I have an amendment dealing with Members' tax deductions. The motion the Senator is about to make, the unanimous-consent request, would provide that the Mattingly amendment, which deals with exactly the same material would become germane, would be in the bill.

As I understand it, that having been done, if I offer an amendment for exactly the same purpose, it amends two different places instead of one, my amendment would be ruled out of order if I give consent to the unanimous-consent request.

Mr. BAKER. Mr. President, I have not faced that issue. I do not know. All I know is the committee reported the Mattingly amendment, and if the agreement is entered into, the committee amendment would be incorporated within the bill.

If it qualifies otherwise under the rules, if the Senator from Wisconsin has an amendment at the desk to the bill or to a committee amendment it would be in order provided it complies with the provisions of rule XXII.

I have not seen the amendment, however, and I have no idea whether it would be suject to a germaneness challenge or not. I believe it would not be subject to a germaneness challenge simply because it addressed the same subject matter. But if it extends beyond that I cannot say.

Mr. LONG. Mr. President, if the Senator would yield, I think the problem is that the Mattingly amendment amends the Internal Revenue Code at one place, while the Proxmire amendment would amend it in two places. It is easy to understand what the Proxmire amendment does, it just puts back into effect the old law, but to do that he must amend the Internal Revenue Code in two different places. The Mattingly amendment only amends the code in one place, and that is why under the strict interpretation of the rule, the Proxmire amendment would be held as not germane because the Mattingly amendment only amends the law at one place and the Proxmire amendment amends it in two places.

Mr. BAKER. Mr. President, if the Senator from Wisconsin or the Senator from Louisiana wishes to propound a parliamentary inquiry I will yield for that purpose.

Mr. LONG. Mr. President, will the Senator just be willing to include in his request that the amendment of the Senator from Wisconsin be regarded as in order as an amendment to the Mattingly amendment? That is really what it is. If you are going to make the Mattingly amendment in order, you can also provide that the Proxmire amendment be made in order to the Mattingly amendment.

Mr. BAKER. I personally have no objection to that, Mr. President. Let me reserve just for a moment until I confer with other Senators on that subject and I will be glad to advise the Senator.

Mr. DECONCINI. Mr. President, will the Senator yield for a question?

Mr. BAKER. Yes.

Mr. DECONCINI. In accordance with what the Senator explained, if the Senator from Indiana proceeds, he would ask to waive the rules and that would take a two-thirds vote, is that correct?

Mr. BAKER. Yes. As I understand it, under rule V of the Standing Rules of the Senate any Senator at any time can move on notice given 1 day in advance to suspend the rules, any portion of the rules of the Senate, and that is what I understand the Senator will attempt to do. If he does that then it requires a two-thirds vote of those present and voting in order to suspend the rules of the Senate. It requires, of course, only a simple majority to adopt an amendment if indeed the rules are suspended.

Mr. DECONCINI. I thank the Senator.

Mr. BAKER. I yield to the Senator from Alabama.

Mr. HEFLIN. I object to the unanimous-consent request. However, in order to try to work out my problem pertaining to it I would like to get some freedom from the floor to try to negotiate it and do it before you—as I understand it, you have already pushed and presented your unanimous-consent request?

Mr. BAKER. Not yet.

Mr. HEFLIN. Not yet. What I am trying to do is I am trying to get my objection in and get to where I can leave my desk, and I will not have to be here when the Senator does it, in the meantime trying to negotiate it. I have a Senator in an airport waiting for me to phone him, but I do not want to do it and have you do it while I am gone.

Mr. BAKER. That will be the only problem I have solved today. Why do you not go and call that Senator in the airport, and I give you my personal assurance that I will not do anything until you come back, until 2 o'clock.

I yield now to the Senator from Nebraska.

Mr. EXON. I thank the majority leader.

I have an amendment at the desk—this in an inquiry of the majority leader—that is on the same subject, the same amendment which is going to be offered by the Senator from Wisconsin. The only difference between the two would be the effective date, the pertinent facts in the amendment when they would apply.

I would like to reserve the right, my right, to offer that under the same agreement that is being considered at this time with regard to the amendment offered by the Senator from Wisconsin since it deals with the identical subject.

Mr. BAKER. I thank the Senator. I will be glad to confer on that as well.

Mr. President, if other Senators have questions I will be glad to try to answer them or yield to the Senator from Oregon in order to do so. But I now have made a commitment to the Senator from Alabama (Mr. HEFLIN) that I would not put the request until he has had a chance to make his phone call, so I will forebear until that time. I yield to the minority leader.

Mr. ROBERT C. BYRD. Mr. President, I have been in discussions with the majority leader in respect to the request which he will shortly propound. I have had a meeting of Democrats this morning to explain as best I could the request and ramifications thereof.

As I have explained, in the event the request is objected to—and I have not yet agreed to it myself—but if the request is objected to and the Senate invokes cloture, there are numerous committee amendments in this bill that can fully by virtue of the one or more rules that would then apply under cloture.

If the unanimous-consent request is agreed to, those amendments would automatically be adopted en bloc and would be considered as original text subject to further amendment.

Let us just take one such amendment. The amendment on page 5, "Corporation for Public Broadcasting, Public Broadcasting Fund." If Senators will look at that amendment—if I may have the attention of the Chair——

The PRESIDING OFFICER (Mr. JEPSEN). The Senator has it.

Mr. ROBERT C. BYRD. In the event the consent agreement is not entered into and cloture is invoked, would not the amendment No. 7, I believe it is, beginning on line 22 of page 5, entitled "Corporation for Public Broadcasting, Public Broadcasting Fund," would not that amendment fall under cloture?

The PRESIDING OFFICER. The Senator is correct. It would not require a point of order. It would automatically fall.

Mr. ROBERT C. BYRD. In other words, the Chair would rule it out of order by virtue of a precedent which I set some years ago when I was majority leader, and, incidentally, which I set at a time an amendment by Mr. ARMSTRONG was then pending.

Mr. ARMSTRONG. I remember that.

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. So that would fall.

So if the agreement is entered into, that amendment, in addition to several other amendments in this bill, would be automatically adopted. They would not be subject to further points of order, but they would be open to amendment because they would be considered as original text for the purpose of further amendment; am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. So, in sum, may I say that if the agreement is not entered into, about half of this bill will just automatically fall if cloture is invoked.

Now, Senators who are interested in the committee amendments and would like to see them adopted would be, naturally, I think, disposed to agree with this unanimous-consent request. The only problem that I have with the request, and which Members are already aware of, is that one involving the Lugar amendment. It would require a motion to suspend the rules, which, in turn, requires two-thirds of those Senators who are present and voting to sustain that motion to suspend the rules. And under the agreement, if that motion to suspend the rules is not adopted, no appeal from said ruling would lie if the consent request as presently formulated should be entered. So that would be the end of the Lugar amendment on this bill. I just wanted to call that to the attention of my colleagues, as well as what I had said theretofore, so that they will know fully what they are doing; if they object to the request or if, on the other hand, by no objection the request is granted and the Senate invokes cloture, they will know what the risks are.

Mr. EXON. Will the minority leader yield for a question?

Mr. ROBERT C. BYRD. Yes.

Mr. EXON. Do I understand the explanation that you have just given is that if we invoke cloture, then the Lugar amendment would require two-thirds vote or not be considered on the bill? Was that the explanation the Senator just offered?

Mr. ROBERT C. BYRD. I said if the consent agreement is entered into, all of the committee amendments in this bill, including the ones in which I am particularly interested—for one, the Corporation for Public Broadcasting—would be ipso facto adopted. The language of each would be subject then to further amendment.

If this consent agreement is not agreed to and we do invoke cloture, that amendment will fall, in addition to several other amendments. But if the consent agreement is agreed to, Mr. LUGAR will have to come in with his amendment by way of suspending the rules, which requires a two-thirds vote. But even if we do not agree to the request and go by way of cloture, Mr. LUGAR is going to have some problems in any event. Whether the consent agreement is entered into or not, Mr. LUGAR is going to have problems if cloture is invoked.

Mr. EXON. I thank my friend from West Virginia.

Mr. ROBERT C. BYRD. But if the consent agreement is entered into, the problems involving public broadcasting and several other committee amendments in the bill are automatically obliterated.

Mr. BAKER. Mr. President, I may say, if my memory serves me, there are about 50 committee amendments and all of those committee amendments would be saved by this agreement and would not be subjected to a point of order because they would be adopted by this agreement. That is a major undertaking. It is a major accomplishment and it would accommodate the purposes, I believe, in one way or another, of virtually every Senator in this Chamber.

Without this agreement, every one of those, or virtually all of them, will fall. I really believe it is in the best interest of Senators and of the institution to go forth with this agreement.

Mr. President, I am about to suggest the absence of a quorum, unless someone else has a question, so that I can confer with other Senators on questions that have been put to me in previous colloquys.

Mr. RIEGLE. Will the Senator yield?

Mr. BAKER. I yield to the Senator from Michigan.

Mr. RIEGLE. I have an amendment to the Lugar amendment that has been filed and has been circulated. I believe there is a copy on each desk. It would be my intention to try to amend the Lugar amendment, if it stands, to provide mortgage foreclosure help with a temporary loan program for unemployed workers who are in default on their home loans. Would that amendment of mine be in order under the unanimous-consent agreement? Assuming Lugar carries, would it be in order for me to offer my amendment to the Lugar amendment?

Mr. BAKER. I am sorry. I was temporarily distracted. Is the Senator's question whether the amendment which is at the desk and which has been filed as an amendment to the substitute embodying the Lugar amendment in order now under this arrangement?

Mr. RIEGLE. Well, I think we are saying the same thing. There is a Riegle amendment that I described yesterday that has been filed that would add a mortgage default assistance part to the Lugar emergency housing bill. I am wondering if, under the Senator's unanimous-consent agreement, my amendment would be in order. Would I then be able to bring it up and offer it for a vote at the appropriate time?

Mr. BAKER. I have not seen the amendment, and I apologize to the Senator for that. But my answer must be if it qualifies otherwise under rule XXII and cloture is invoked, in that it was at the desk and that it is germane, then nothing in this agreement would jeopardize the Senator's right to offer it.

Mr. RIEGLE. May I just ask the Senator further, though, in the event that the cloture is not invoked and his unanimous-consent agreement carries, am I fully protected under his unanimous-consent request?

Mr. BAKER. I do not believe the Senator is affected one way or another, with or without cloture. I think, without cloture, there is no requirement that the amendment be at the desk; with cloture, if it is at the desk and otherwise qualifies, it would be in order. I really do not believe this agreement reaches the Senator's amendment at all in one respect or another. I have no reason to think it would not be in order. But I simply have not examined it nor have I inquired of the Parliamentarian or the Chair of its status.

Mr. RIEGLE. I thank the Senator.

Mr. HUDDLESTON. Will the Senator yield?

Mr. BAKER. I yield to the Senator from Kentucky.

Mr. HUDDLESTON. I have submitted an amendment that might have some problem with the question of germaneness once cloture is invoked. It is a very minor amendment and involves no additional funding. It has been cleared by both sides. I am wondering whether or not I can be protected in offering that amendment if the proposed agreement is agreed to.

Mr. BAKER. Mr. President, once again, I am not familiar with the amendment. May I say that if it is done before cloture and nobody raises the issue, there is no problem at all. If it is after cloture, I assume if it is nongermane the Chair would state as much and it would fall without a point of order raised against it. But if the Senator wishes me to inquire about that I can inquire at the same time I am inquiring with other Senators about the Proxmire and Long question.

Mr. RIEGLE. Will the Senator yield further?

Mr. BAKER. Yes.

Mr. RIEGLE. I am told it may be the view of the Parliamentarian that the amendment of mine which I referred to a moment ago would be out of order if cloture is invoked. I wonder if I might just ask the understanding of the Chair. The amendment is up there and the unanimous-consent request is up there. I am wondering, under either case, with cloture or without, would the Riegle amendment be in order to be offered later?

Mr. BAKER. I yield to the Senator from Michigan so he may propound that parliamentary inquiry.

The **PRESIDING OFFICER.** If cloture is invoked, the Senator's amendment will not be germane. If cloture is not invoked, then the germaneness stands or falls on the basis of the Senate vote under rule XVI.

Mr. RIEGLE. If I understand correctly, then, if cloture is invoked, my amendment would not be in order and I would not be able to raise it. If cloture, then, is not invoked, I am free to offer it but someone might challenge it. Is that a fair statement?

The **PRESIDING OFFICER.** That is a fair statement. The Senator is correct.

Mr. BAKER. Mr. President, I may say to the Senator that that is true with any amendment. If there is a germaneness question before or after cloture, somebody can challenge that. The only difference is one is under rule XVI and one is under rule XXII. The difference also is that the Chair acts automatically on one and not on the other. But that is so with a number of other Senators' amendments, I expect. I thank the Senator.

Mr. RIEGLE. I thank the Senator for the information.

Mr. BAKER. I might add, as I said earlier in the unanimous-consent agreement, as I conceive it, it does not affect the status of the situation of the Senator from Michigan but the rules of the Senate would affect it. The unanimous-consent request would not.

Mr. HUDDLESTON. Will the Senator yield?

Mr. BAKER. I yield.

Mr. HUDDLESTON. Is there any inclination on the part of the leader to protect the amendment I am to offer in the unanimous-consent agreement?

Mr. BAKER. Mr. President, I will say to my friend from Kentucky that my instincts say to protect him at all costs, but in all fairness I have not yet read the amendment and I honestly cannot say. I will be glad to look at it and see.

I must say, in all candor, that once we start protecting particular amendments in disagreement I do not know when we will stop.

Mr. HUDDLESTON. I understand, but I wonder if we can——

Mr. BAKER. If it has no impact but it is cleared on both sides.

Will the Senator let me see if we can deal with that?

Mr. HUDDLESTON. Yes.

Mr. KENNEDY. Will the Senator yield?

Mr. BAKER. I yield to the Senator from Massachusetts.

Mr. KENNEDY. I understand the complexity of the situation that we are in. I had intended to offer a summer jobs program. As the leader is aware, the President, in his first budget resolution, had proposed a summer jobs program to be the equivalent of what was provided last year. In the first budget resolution that item was dropped.

It would have been appropriate to this legislation if we were not in a situation where cloture would lie. We do have an authorization, so this would just be an increase in the appropriation.

It seems to me that it meets the concern of the Senator from Colorado because as I understand one of his concerns is that we should only be dealing with emergency measures. We understand the youth program is something that has to be started forthwith. This is really the last train coming out of the station prior to summertime. There has been a rather dramatic increase in unemployment among the young people of this country.

I know that there are many here who feel as strongly about their amendment as I do about this one. I have talked to our leader, Senator BYRD, about this, and with other Members. I am frustrated by the sense of not being able to permit the Senate to make a judgment on this issue, which I think is of importance. I want to respect the leader's desire to work in an orderly manner, but I do think it reaches the expressed concern of the Senator from Colorado about only dealing with matters of urgency and importance. I do think it is an extremely important issue. I do not know if the Senator can advise me as to how to address this issue or whether we will be foreclosed from having any opportunity to present this.

Mr. BAKER. Mr. President, the Senator from Massachusetts discussed this matter with me informally awhile ago. I believe I am at liberty to repeat what I said to him privately. That is, that I am sympathetic to this program and the funding levels which he seeks, which indeed correspond to those sought by the President and the administration. I think, however, once again, that if we make a specific exception for an amendment we will open the floodgate and there will be no closing.

If the Senator from Massachusetts can find some way to qualify this amendment, if he can redraft it in some way to deal with it, or to deal with it before cloture, I will be glad to try to do that.

But it is not this unanimous-consent agreement that will cause problems. As in the case of the Senator from Michigan, it is the rules of the Senate which cause the problems. That is whether or not it is germane under rule XVI or whether it is germane under rule XXII. I have an idea that the Chair might rule that it is not germane if put to that question under rule XVI and that it might be the same under rule XXII. However, there is money, I am told, in the House bill for this project, though not as much as the Senator from Massachusetts attempts to add. As far as I am concerned, I would be pleased to ask our conferees to consider very generously how they treat that subject.

But, as the Senator knows, and as others have heard me say, I am reluctant to qualify particular exceptions under rule XVI or rule XXIII because I do not know where we would stop.

Mr. KENNEDY. It is not possible to redraft the amendment. The only way I could think we could probably get around it, and it is asking a great deal, is to voice vote it before 2 o'clock.

Mr. BAKER. That is not totally out of the question. We can talk about it.

Mr. RIEGLE. Will the majority leader yield for another question?

Mr. BAKER. Yes.

Mr. RIEGLE. As I tried to sort out exactly what the unanimous-consent request means, and as the leader has explained, those of us who support the Lugar amendment, it seems to me, are being told that we will have to pass that amendment by a two-thirds vote whenever the test vote next comes under either situation. In other words, with the unanimous-consent request, this lays it out specifically and indicates that we have to be able to muster two-thirds vote to carry the Lugar proposal and to put it into the bill.

On the other hand, if we do not agree to this, if we get the unanimous-consent request and cloture goes forward, a different procedure will be used but the net result is the same, and in the end when the test vote comes up on the Lugar package it is the intention of the majority leader to frame that in such a fashion that we would still at that point need a two-thirds vote to carry the Lugar proposition. Am I correct?

Mr. BAKER. If I understood the Senator, that is not what I think the rule would require and certainly not what I would intend.

Before I answer, let me point out that I am not putting the Senator in that position. I have no desire to abort the will of the Senate. But it is, I think, an act of very wise judgment of the Senator from Indiana who has voluntarily offered to forgo the right to appeal a ruling of the Chair on the question of whether this amendment is germane and, instead, proceed under rule V. I suspect he did that, though I would not presume to speak for it, because he did not wish to torture the rules of the Senate. I have an idea that there is so much support for the Lugar amendment that it is going to pass with a two-thirds vote or pass anything else that is put here. I rather suspect that the Senator from Indiana thinks that or perhaps he would not have agreed to do it this way.

I would point out that it is not the majority leader who has put the Senator in this spot. It is the rules of the Senate, No. 1, and the heroic willingness of the Senator from Indiana to do it this way instead of torturing the rules of the Senate, No. 2. I hope Members will not think I am laying a trap for them. I am doing the best I can for all the parties involved and what I conceive to be the future welfare of the Senate and its rules and procedures.

Mr. RIEGLE. If the Senator will yield further, this ends up being similar to a Catch-22 situation. Can the Senator give me assurance that we will have the opportunity to vote up or down on the Lugar amendment at some point? Would a majority vote be sufficient to carry it?

The reason I ask the question is that I think what is happening, and I am not questioning the intention of the majority leader—do not misunderstand me—or it seems to me that what flows from this unanimous-consent request, if we agree to it, is we are locked in to pass the Lugar amendment, which has bipartisan support, with a two-thirds vote, and if we do not agree to the unanimous-consent request and go the cloture route, the parliamentary situation that the majority leader anticipates following, that also leads us down a track where eventually when we have an opportunity to finally dispose of the Lugar amendment it would, in that case, also take a two-thirds vote. That is my understanding. Am I wrong on that? If I am wrong on that, how could we build into this agreement an assurance that when we finally dispose of the Lugar amendment we can do so on a majority vote rather than a two-thirds vote? That is what I am seeking. Help me find my way to that provision, and let us put that into this agreement, and then it would be something that I think we could all support.

Mr. BAKER. Mr. President, I hope so, too.

I am not sure I know what the Senator is referring to when he says, as I understood him, that we would have 2 two-thirds votes. That is not the case. As I understand the rules, if notice to suspend the rules is served under the provisions of rule V, the next day, when the amendment is called up, there will be a vote. If two-thirds of those present and voting—meaning two-thirds of a quorum—voted in the affirmative, then the amendment would be presented and it would be adopted on the majority.

Mr. RIEGLE. The Senator has just agreed with what I said before. Does that not impose a two-thirds test?

Mr. BAKER. Yes, one, but not two.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. BAKER. Yes, Mr. President, I yield to the minority leader.

Mr. ROBERT C. BYRD. The answer to the Senator's question is that if a consent agreement is entered into, it will take two-thirds of the Senators present and voting to suspend the rules so that Mr. LUGAR can call up his amendment; in effect, meaning that we have to have two-thirds of the Senators present and voting to adopt his amendment.

If we do not go the consent agreement route, if we go with cloture, a point of order can be made against Mr. LUGAR's amendment, but that can be overruled, if the Senate wants to overrule the Chair, by a majority vote. There is no two-thirds majority vote required.

Mr. JACKSON. Mr. President, will the minority leader yield on that point?

Mr. ROBERT C. BYRD. Yes.

Mr. JACKSON. It is my understanding that we can get a resolution of the question regarding the Lugar amendment, which is subject to a point of order on the grounds that it is legislation on an appropriation bill, by appealing from the ruling of the Chair.

Mr. ROBERT C. BYRD. Which requires a majority vote, Mr. President.

Mr. JACKSON. A simple majority vote.

Mr. President, I say to the distinguished majority leader, as he knows and the minority leader knows, that I always try to go out of my way to find a solution on a unanimous-consent basis. But I think from the standpoint of those of us who are critically concerned about the housing situation, for us to be put in the position of requiring a two-thirds vote on a matter so vital to the well-being of this country and the economy is the kind of precedent that I personally do not want to be a part of.

Mr. BAKER. Mr. President, I yield to the Senator from Louisiana.

Mr. LONG. Mr. President, permit me to say this: I shall never vote for cloture if I believe that when we are voting for cloture, there is a plan for any substantial number of Senators to do violence to the Senate rules. Implicit in a vote for cloture is a compact among Senators that amendments that are not germane, amendments that are not in order, are not going to be voted on in the Senate. The cloture rule will not be worth the paper it is written on if Senators, having voted for cloture, are going to proceed to stultify themselves and bring dishonor on this body by then proceeding to say that the rules do not mean what they say at all, and that an amendment that is clearly out of order is in order, and an amendment that is not germane is germane.

If we are going to engage in that kind of conduct, Mr. President, to act contrary to our own consciences and take the view that substance means everything and procedure is nothing, that the end justifies the means, and that we vote cloture and gag everybody and then proceed to bring in legislation that clearly was not intended to be offered and was out of order, we will create so many problems for the future that we may as well not have any rule book.

Mr. BAKER. Will the Senator respond to a question, Mr. President?

Mr. LONG. Yes, Mr. President.

Mr. BAKER. We are talking about postcloture. I rather suspect if this unanimous-consent agreement is not given, there may be a point of order on the amendment under rule XVI precloture. I suspect if we ever did this, we may not get to that vote. I suspect as well there might be an appeal from the ruling of the Chair that it is germane when I think it not germane, under rule XVI as well as under rule XXII. I wonder if the Senator feels the same way about rule XXII.

Mr. LONG. I personally feel the same way, Mr. President.

Mr. BAKER. So do I.

Mr. LONG. In view of the fact that Senators offering amendments can go talk to the Parliamentarian before they ever agree to cloture, if they are advised that their amendment is not germane and not in order but they proceed to vote to gag this body and then vote to say that their amendment is in order when it has been said by the Parliamentarian it is not—that kind of conduct should not be tolerated in the Senate. The Senate should not do that.

This gag rule for cloture is there for Senators to agree among themselves that we would limit our debate, amendments that are germane would be offered, amendments that are not germane would not be offered. Having agreed to all this and having voted on what amounts to a compact among Senators, an agreement on how we are going to do business, then to proceed to break our word to one another is not the way the Senate should be doing business. The cloture vote would be meaningless to us hereafter. People would not dare vote for cloture because if we did, people would have all sorts of amendments brought in and passed that are not in order or are not germane.

Mr. President, there are all kind of procedures to protect their parliamentary rights as of now. They can object to unanimous consent; they can offer amendments; they can drag out debate on amendments for weeks.

Or we can accommodate one another. As far as the amendment Mr. LUGAR wants to offer is concerned, this is not the only bill on which it can be offered. It can be offered on other bills. It can be put on an appropriation bill or even on a tax bill—once the authority is there to appropriate the money.

Mr. President, I hope the Senate would be willing, and all Senators would be willing, to take their chance on suspending the rules, because that is what it takes under the rules to agree to Mr. LUGAR's amendment. He had a pretty good chance, I think.

Frankly, I am going to vote to suspend the rules. I am not going to vote to do violence to the rules, but I shall be pleased to vote to suspend them.

Mr. SARBANES. Will the majority leader yield for a question?

Mr. BAKER. Yes, Mr. President, I yield to the Senator from Maryland.

EXTENSION OF TIME ON RULE XXII QUORUM CALL

Mr. BAKER. Mr. President, we are going to run out of time here. I ask unanimous consent that the time for the quorum on rule XXII be extended to 2:15.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. SARBANES. Mr. President, I do not want to address the postcloture situation that the Senator from Louisiana has just discussed. I understood the majority leader to say that in a precloture situation, suppose we do not invoke cloture on this bill. Members could offer amendments to the bill. They could only be challenged, as I understand it, on a point of order as to germaneness by that point of order being made by some other Member in the body. The Chair would not rule on them automatically. If challenged on the point of germaneness, the Chair would simply put that question to the Members of the Senate and not rule upon it. Is that not the case? I understood the majority leader to say differently just then.

Mr. BAKER. No, Mr. President, that is exactly right. At least, that is what I meant to say. If you make a point of order on germaneness precloture under rule XVI, the question is submitted to the Senate for examintion.

Mr. SARBANES. The question is simply put out to the Members of the Senate for them to decide on a germaneness question by majority vote?

Mr. BAKER. Yes; I may say to the Senator that is not the only point of order lying against the Lugar amendment, in my opinion, under the rules precloture.

Mr. GORTON. Will the majority leader yield?

Mr. BAKER. Yes, Mr. President, I yield.

Mr. GORTON. Mr. President, this is on a different subject, but as I have told the majority leader privately, on my own behalf and on behalf of other Senators, including Senator HEFLIN and Senator JACKSON, I have serious objections to the pure legislation included in this proposed amendment related to the way in which the Galileo mission will be carried out. I put the majority leader on notice that I shall make objection to the unanimous-consent request unless that can be worked out with the proponents of that amendment.

I feel, incidentally, that it would obviously be out of order after cloture is invoked on this question.

Mr. BAKER. Mr. President, I expect there are a number of remedies that the Senator has without including it in the unanimous-consent agreement. I can think of two. I would rather discuss that on the floor at this time, but I urge the Senator to confer with the Parliamentarian to try to devise a way to do that without the necessity of objecting to the request if the request is made.

Mr. President, I must say that I do not know whether to continue this or not. I think the very best thing to do, probably, is just to go ahead and call up the bill and at 2:15, we shall start the quorum call and have a cloture vote. My guess is now that cloture will not prevail. Senators should know that we shall be in late. That is not meant to be a threat, but it is meant to say I intend to finish this bill if it is possible to do so.

Mr. President, I yield the floor.

Mr. HUDDLESTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. HUDDLESTON. Mr. President, what is the pending order of business?

Mr. BAKER addressed the Chair.

THE PRESIDING OFFICER. The majority leader.

Mr. BAKER. Would it not be the resumption of consideration of the pending amendment? What is the pending amendment?

The PRESIDING OFFICER. The pending business is the amendment of the Senator from Indiana to the amendment of the Senator from Oregon, to the language proposed to be stricken by the third committee amendment.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUDDLESTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUDDLESTON. Mr. President, may I have the attention of the majority leader?

Mr. BAKER. Yes; I am happy to respond to the Senator from Kentucky.

Mr. HUDDLESTON. Would the majority leader object to temporarily setting aside the pending business for the purpose of my introducing an amendment?

Mr. BAKER. I do not object, but I am not directly involved.

Might I inquire of the Senator from Colorado or the Senator from Indiana——

Mr. HUDDLESTON. For a period of time not to exceed 5 minutes.

Mr. DOMENICI. Mr. President, I did not hear the Senator.

Mr. HUDDLESTON. If necessary, for a period not to exceed 5 minutes.

Mr. BAKER. On another matter or simply to speak?

Mr. HUDDLESTON. To offer an amendment.

Mr. LUGAR. Mr. President, reserving the right to object, as I understand the pending business, it is my amendment, which has not been voted on. I prefer that it not be further amended prior to clarifying all of this, so I have to object.

Mr. HUDDLESTON. Let me clarify——

Mr. BAKER. May I say that the Senator from Kentucky indicates his amendment has been cleared on both sides and has no money involved.

Mr. HUDDLESTON. My amendment does not apply to the pending amendment. I want to set aside the amendment of the Senator from Indiana for a period of 5 minutes to offer an amendment to the bill itself.

Mr. BAKER. Mr. President, if we are all familiar with what it is, I think that is as good a thing to do as any.

Mr. DOMENICI. Mr. President, reserving the right to object, I say to my good friend from Kentucky that I have exactly the same situation, no money involved, cleared on both sides, involving——

Mr. HUDDLESTON. I will be glad to make my request 10 minutes and handle both of them.

Mr. DOMENICI. I have no objection. I wonder if the Senator is going to offer it as an amendment to the bill or to the substitute.

Mr. HUDDLESTON. To the bill.

Mr. BAKER. To the bill.

Mr. HUDDLESTON. Not to the Lugar amendment.

Mr. DOMENICI. To the bill or to the substitute? If it falls, the amendment of the Senator from Kentucky is going to fall. We do not know where we are at.

Mr. BAKER. Mr. President, let me say this: Can we get the Huddleston and the Domenici amendments and let the chairmen come in—they are here—and take a look at them and we will see if we can do that. While we have that moment, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Secretary of the Senate (William F. Hildenbrand) proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ABDNOR). Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the time for the quorum call under rule XXII be extended until 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, there are three amendments that I am told can be handled in perhaps less than 1 minute each, if everybody signs off on them.

I ask unanimous consent that the Lugar amendment be temporarily laid aside in order for the Senate to proceed to the consideration of a Huddleston amendment, a Domenici amendment, and an Exon amendment; that immediately after the disposition of those amendments, the Senate resume the consideration of the Lugar amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUDDLESTON. Mr. President, will the majority leader specify that these amendments will be at the end of the bill?

Mr. BAKER. Mr. President, I ask unanimous consent that in all three cases, the amendments appear at the end of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 1011

(Purpose: To transfer sufficient funds from Operations and Maintenance, Army National Guard to National Guard Personnel, Army for the Kentucky Army National Guard to implement and operate the Medical Assistance to Safety and Traffic program in Kentucky through August 1, 1982)

Mr. HUDDLESTON. Mr. President, I call up my amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kentucky (Mr. Huddleston) proposes an unprinted amendment numbered 1011.

Mr. HUDDLESTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

For an additional amount for National Guard Personnel, Army, such amount as is necessary to make 850 man-days available to the Kentucky Army National Guard to implement and operate the Medical Assistance to Safety and Traffic program in Kentucky through August 1, 1982, to be derived by transfer from Operations and Maintenance, Army National Guard.

Mr. HUDDLESTON. Mr. President, this is a very simple amendment. It deals with a serious problem that has developed in the central part of Kentucky.

As we all know, the Army is authorized to participate in a program known as MAST—military assistance to safety and traffic. This is a program whereby the military uses its transportation facilities, principally helicopters, to transport to medical facilities individuals who are injured on the highway or who are in need of immediate emergency medical help.

Fort Knox has been doing this for more than 10 years. This summer, because of added responsibilities at Fort Knox in training military units, such as Reserve and Guard units, they are having to suspend this service throughout the summer months, until August 1.

This amendment simply allows the transfer of funds from one account to another, so that the Kentucky National Guard can assume this responsibility during the several months involved, from now until August 2. No additional funds are required. The total cost of the service is approximately $85,000, which will be transferred from one account to the other.

This matter has been cleared on both sides, and I move the adoption of the amendment.

Mr. FORD. Mr. President, I want to congratulate my colleague, Senator HUDDLESTON, for a job well done and to express my deepest appreciation to the managers of the bill for accepting this amendment that will enable the joint civilian-military medical evacuation helicopter program, known as MAST, military assistance to safety and traffic, to continue its lifesaving flights this summer. Thanks to language authorizing the Kentucky National Guard to temporarily operate MAST, the program that has saved so many lives of the critically ill or injured and of newborn infants, will function during the summer months.

Although I can understand why the Army was forced to suspend its participation in the program because of Department of Defense support requirements elsewhere, the suspension left a gap in the Fort Knox-Louisville metropolitan area. Now, because of the generous action of the Senate today, emergency medical flights can continue to serve a major part of Kentucky.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 1011) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HUDDLESTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, will the Chair please review what just occurred?

The PRESIDING OFFICER. The Senator from Kentucky sent an amendment to the desk, pursuant to the unanimous-consent agreement, which was adopted.

Mr. HATFIELD. I thank the Chair. I should like to say for the record that, from the standpoint of the committee chairman dealing with this particular issue, it has been cleared on both sides of the aisle and was accepted by the committee itself.

UP AMENDMENT NO 1012

Mr. DOMENICI. Mr. President, I send to the desk an amendment, which I submit for Senator SCHMITT, in which I join, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI), proposes for Mr. SCHMITT an unprinted amendment numbered 1012.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert the following:

SEC. . (a) None of the funds which are made available by this bill or any other bill, joint resolution, or Act appropriating funds for fiscal year 1982 shall be used to study, plan, or implement the termination of the operation of Southwestern Indian Polytechnic Institute located in Albuquerque, New Mexico.

(b) The Secretary of the Interior shall use funds made available to the Department of the Interior under the Act of December 23, 1981 (95 Stat. 1391) to operate Southwestern Indian Polytechnic Institute through fiscal year 1982.

Mr. DOMENICI. Mr. President, it is a pleasure to join my good friend, Senator SCHMITT, in an effort to bring a bit of sanity to an otherwise explosive situation. While we have been debating the parameters of the fiscal year 1983 budget, the Department of the Interior is proceeding to close a national vocational education institute in Albuquerque because that was the original intent of the Department in the President's original February budget submittal.

The Southwest Indian Polytechnic Institute, which we commonly call SIPI, is located in Albuquerque, N. Mex. The BIA's plan is to shut SIPI down by the middle of next month. To implement this plan, the Bureau of Indian Affairs issued reduction-in-force notices to the 103 employees at SIPI. To pay for this action, the BIA planned to use operations money to meet such personnel obligations as vacation, sick leave, and severence pay. Recent statements by the Secretary of the Interior have raised more questions about SIPI's future, but the intent now appears to be the opposite; that is, Interior now wants to find ways to keep SIPI services available to American Indians. Now, the BIA is struggling to pick up the pieces and derive a new plan to continue this vital educational program.

Our amendment, Mr. President, would simply mandate that no instructional funds contained in the current fiscal year 1982 budget be used for purposes other than instruction and facility maintenance. We further mandate, Mr. President, that the Secretary of Interior be prohibited from using any of these funds for termination of the operation of the Southwest Indian Polytechnic Institute.

Adoption of our amendment would assure all parties involved of the intent of Congress. We are not saying that everything at SIPI is as perfect as it could be. We are saying that we are aware of problems, and there are some alternatives for maintaining a quality educational facility at some savings to the U.S. Government. Until these alternatives are fully explored, understood, and agreed upon by the Department of the Interior and the national Indian constituency, it is my strong feeling that we should continue to operate SIPI as it is.

I hope my colleagues in this Chamber will agree that we should be minimizing uncertainty in Indian education.

Mr. President, we can save money at SIPI and we can continue quality education. This amendment will signal our intention to continue operations at SIPI while we find the best solution for its financial integrity into the future.

● Mr. SCHMITT. Mr. President, this amendment to the committee substitute concerns the use of fiscal year 1982 funds for the continuation of the Southwestern Indian Polytechnic Institute (SIPI), located in Albuquerque, N. Mex.

The purpose of the amendment is to insure that the Institute continues to provide educational programs for Indian students during the current fiscal year, as intended by Congress in the 1982 Appropriations Act for the Department of the Interior.

The Southwestern Indian Polytechnic Institute is the only federally supported postsecondary school for Native Americans that specializes in vocational education. The school's mission is to prepare young Native Americans for careers in 12 high demand career fields. It also serves an important role in bridging the gap between sometimes rural reservation lifestyles and the technological setting in business and industry where jobs can be found.

The Secretary of Interior proposes to close the Institute next month because he believes that the students can receive the same training by attending other available vocational schools at substantial savings to the taxpayers. Since his closure announcement, offers of support and plans to continue the school have come from many sectors: From the local community, from business and industry, and from leaders of tribal organizations. It is clear that the institute is providing a valuable service and filling a vital need. I have talked to the Secretary on several occasions to urge him to reconsider his closure plans and allow sufficient time to explore alternatives that will offer continuing educational opportunities for Indian students at less cost to the Government.

I firmly believe that the Secretary is willing to consider alternatives. However, development of sound plans requires time and careful consultation with all the parties involved. This amendment underscores the importance of maintaining the programs at SIPI while plans are being developed, and I urge the adoption of this measure.●

Mr. DOMENICI. Mr. President, Senator MCCLURE, the chairman of the subcommittee, has no objection, and I understand that the other side has none. The chairman of the committee has seen it and will speak, but I understand he has approved it, as has the ranking minority member.

Mr. MCCLURE. Mr. President, I have discussed this amendment with both of the Senators from New Mexico. I share their feeling that the actions taken to date by the Bureau of Indian Affairs with regard to the Southwestern Indian Polytechnic Institute have led to much uncertainty on the part of students and faculty. As the Interior Appropriations Subcommittee has not yet had the opportunity to act on the fiscal year 1983 budget which will make a determination on the future operation of the school, I will support the amendment which prohibits the Department of the Interior from taking any further action to terminate the operation of SIPI.

Mr. President, the Department of the Interior is presently investigating other possibilities which could lead to the continued operation of the school, with support for the students but without continued Federal support for the school. May I say to the Senator from New Mexico that based on the result of these negotiations, the committee may wish to take additional action prior to the end of fiscal year 1982 to help set the course for the future operation of SIPI. Any such action would, of course, be subject to extensive discussions with both Senators from New Mexico.

May I inquire of the Senator from New Mexico if he understands the committee's position in this matter—in that the adoption of this amendment does not bind us to a course of action for the fiscal years 1983 and beyond.

Mr. DOMENICI. I thank the chairman of the subcommittee for his statement. I understand that the question of funding for the next fiscal year remains open. The purpose of the amendment is to assure that no unilateral action be taken by the Department prior to a congressional determination regarding the future of SIPI.

Mr. **HATFIELD.** Mr. President, this matter has been checked and agreed to by both sides of the aisle, and the committee will accept it.

Mr. **PROXMIRE.** Mr. President, there is no objection to the amendment on the minority side.

Mr. **DOMENICI.** I thank the chairman and the Senator from Wisconsin.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment.

The amendment (UP No. 1012) was agreed to.

UP AMENDMENT NO. 1013

Mr. **EXON.** Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Nebraska (Mr. Exon) proposes an unprinted amendment numbered 1013.

Mr. **EXON.** Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

> At the end of the bill, insert the following:
>
> Notwithstanding the provisions of section 4(b) of the Federal-Aid Highway Act of 1981, and Section 102(c) of the Federal-Aid Highway Act of 1976, the Secretary may approve the use of Interstate construction funds authorized by section 108(b) of the Federal-Aid Highway Act of 1956, as amended, on projects for resurfacing, restoring, rehabilitating and reconstructing the Interstate System in accordance with the provisions of 23 U.S.C. 119, or for those purposes for which funds apportioned under 23 U.S.C. 104(b) (1), (2), and (6) may be expended, in a State which received no more than one-half of one percentum of the total apportionment under 23 U.S.C. 104(b)(5)(A) for the fiscal year ending September 30, 1983, where necessary in order to fully utilize funds apportioned under 23 U.S.C. 104(b)(5)(A) through the fiscal year ending September 30, 1982, but within the obligational limitation established by section 3 of the Federal-Aid Highway Act of 1981.

Mr. **EXON.** Mr. President, the amendment I am offering today will clarify language in the Federal-Aid Highway Act relating to the one-half of 1 percent total interstate construction apportionment which, since passage of the 1981 act, has adversely affected my State of Nebraska.

Mr. President, for fiscal year 1972 through fiscal year 1983—one-half minimum years—Nebraska was apportioned a total of $176.3 million for the interstate system. Of that $176.3 million, Nebraska would have received $58.8 million on the basis of formulas relating only to cost of completion of the interstate, and thus Nebraska would have had considerable interstate remaining to be completed. However, Nebraska spent almost twice the $58 million—$114.2 million—and is now one of only four States with zero cost to complete for the interstate.

Earlier this month, I was contacted by the Nebraska Department of Roads relating to a problem which had surfaced for Nebraska regarding the FHWA's release of unobligated interstate funds. In March, the Nebraska Department of Roads was notified by the Federal Highway Administration that they were withholding some $12.1 million of Nebraska's unobligated balance of interstate funds. This action was based upon an interpretation that this amount would only be used on cost to complete interstate projects. FHWA said their accounting system earmarked the $12.1 million as money received under authorizations provided by section 108(b) of the Federal Aid Act of 1956, as amended, and therefore was "untouchable" for other purposes.

After being notified by the Federal Highway Administration of their intentions to withhold this money, our highway people attempted to remedy this problem through discussions with FHWA believing a simple reinterpretation was all that would be necessary. Unfortunately, FHWA did not agree and these discussions broke off without reaching a successful conclusion for Nebraska. Thus, the only remaining course of action was to obtain a clarification through legislative language. The Federal Highway Administration Office of Chief Counsel subsequently drafted language to correct this problem and allow them to release these dollars to Nebraska. This corrective language is the amendment I am offering today.

Mr. President, this seemingly minor problem, if left uncorrected, would have a grave impact on Nebraska. Besides withholding a significant amount of our one-half of 1 percent which is against congressional intent, it would seriously impair Nebraska's road construction capabilities.

This amendment, I might add, would mandate no new money. It is only an attempt to correct a unique problem currently affecting my State.

Mr. President, I have advised the distinguished chairman and ranking minority member of the Transportation Appropriations Subcommittee of this problem and it is my understanding that Senators Andrews and Chiles have reviewed this amendment and have no objection to its adoption.

Mr. President, this amendment has been agreed to on both sides of the aisle. It is a corrective measure. I think there is no objection.

Mr. **ARMSTRONG.** Mr. President, I reserve the right to object.

I have no objection.

Mr. **HATFIELD.** Mr. President, the Senator from Nebraska has checked this. He says there is no budgetary impact as a result of the amendment. It has been checked on both sides of the aisle, and the committee is willing to accept it.

Mr. **PROXMIRE.** There is no objection on the minority side.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment.

The amendment (UP No. 1013) was agreed to.

Mr. **EXON.** Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. **PROXMIRE.** I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The **PRESIDING OFFICER.** The question recurs on the amendment of the Senator from Indiana.

Mr. **BAKER.** Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **BAKER.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **BAKER.** Mr. President, I am advised that one other amendment has been cleared on both sides.

I ask unanimous consent that the Lugar amendment once again be temporarily laid aside so we may proceed to the consideration of the Kennedy amendment which has been cleared on both sides and that the Senate resume consideration of the Lugar amendment immediately thereafter.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The Senator from Massachusetts.

UP AMENDMENT NO. 1014

(Purpose: To provide an additional $63 million for the summer youth program)

Mr. **KENNEDY.** Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Massachusetts (Mr. Kennedy), for himself and Mr. Metzenbaum, proposes an unprinted amendment numbered 1014.

Mr. **KENNEDY.** Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

> At the end of the bill, insert the following:
>
> SUMMER YOUTH PROGRAM
>
> For an additional amount for the Summer Youth Program under part C of title IV of the Comprehensive Employment and Training Act, $63,000,000.

Mr. **KENNEDY.** Mr. President, the amendment I am proposing would restore $63 million to this year's summer jobs program. It would mean a job for an additional 63,000 young people this summer. It would restore half the funds level recommended by President Reagan in his budget last year.

When the President sent his first budget to Congress he promised that the costs of curbing Federal spending would not fall on the poor. He said that the truly needy would be protected by the "social security net."

One program the President included as part of that safety net was the summer youth employment program. He asked for $766 million to provide almost 800,000 summer jobs for teenagers from poor families.

That budget would have assured the same number of jobs this summer as were funded in 1981.

But in September, as the deficits grew larger, the President revised his budget. He cut into the social safety net. He cut back on summer jobs. He promised that these measures would revive the economy and create new jobs in the private sector.

Almost 9 months later, as schools are about to close for the summer, as 3.4 million more young people enter the labor market, we are faced with the highest unemployment in 40 years. Over 10 million Americans cannot find work.

This recession has hit young people particularly hard. In April, unemployment for 16-19 year olds reached 23 percent—almost 2 million teenagers who wanted jobs could not find them.

For black youth the statistics read like a page out of the 1930's—48 percent unemployment nationwide, 60-70 percent unemployment in the inner cities. And these statistics only count those who are looking for a job. Many more are so discouraged they've given up even trying to find work.

Recent studies provide more dramatic evidence of the deterioration in employment opportunities for our youth. Northeastern University in Boston reports an 11-percent decline in the employment of teenagers since 1979—the largest 2-year decline in teenage employment in almost 40 years.

The U.S. Conference of Mayors on behalf of the Joint Economic Committee just concluded a survey of 125 cities across the country which documents the crisis many communities are facing this summer.

Three out of four cities report overall youth unemployment between 11 and 33 percent.

Three out of four cities report unemployment among minority teens between 21 and 60 percent.

Funding for summer jobs has been reduced anywhere from 11 to 37 percent.

These funding cuts will mean jobs for less than half the eligible young people.

Over half the cities surveyed expect cuts in summer jobs to result in an increase in juvenile crime.

When the President is asked "what about unemployment?"—he responds by urging citizens to support his economic program. But it is his economic policy of tax cuts for the rich and budget cuts for the poor that has brought us the highest unemployment since the Depression, It is his economic policy that has cost 3 million Americans their jobs. It is his economic policy that has left half of an entire generation sitting idle in our inner cities.

We followed the doctors order last year and the patient wound up in intensive care. Do we really believe a stronger dose of the same medicine will bring on recovery? Is it not time for a second opinion?

When the President is asked about unemployment, he says that he has written to the private sector and asked their help. And in many cities the business community is responding with money and with jobs.

Employers in Baltimore, Boston, New York, and Albuquerque are offering their help this year as they have in pervious summers. These efforts are to be praised. But they are not enough to fill the gap created by cuts in the Federal budget and skyrocketing unemployment.

Last summer in Boston, when unemployment was just over 5 percent the business community teamed up with city hall and put almost 4,700 teenagers to work. This summer unemployment in Boston is over 8 percent. The Boston Private Industry Council has redoubled its efforts to find jobs for unemployed teens and despite their hard work fewer than 3,000 jobs will be available to Boston's needy youngsters this summer. Why? Because Federal funds have been cut by 30 percent.

What is happening in Boston is also happening in every city across this Nation. In Baltimore, the business community is creating 1,200 jobs for unemployed teens, the summer youth program will found another 5,000: Last year there were 10,500 summer jobs in Baltimore. Unemployment has doubled and the number of jobs for kids has been cut in half. The city estimates that 40,000 youngsters are poor enough to qualify for these jobs. Seven kids who want to work for every job that is available.

In New York City 42,000 summer jobs will be created. Last year 48,000 jobs were available. The city says they have twice as many kids applying as they have jobs.

The President says its unfair to criticize his economic program for favoring the rich. After all, he is trying to insure that people can still get rich in America.

But the President is overlooking one key factor in his Horatio Alger dream. In order for young men to get rich, they have to have money. To get money they have to work. But they cannot work and earn money unless they have a job.

What better place to start than with our young people. Lets give 63,000 youngsters an opportunity to work hard and earn some money this summer. Lets give them a chance at the system.

I urge my colleagues to support this amendment.

Mr. President, this amendment is directed toward the summer jobs program. It is actually half of the amount of money that would have been requested by the Reagan administration in its first budget resolution. This is the authorization available, and I ask for its favorable consideration hopefully and then to be taken to conference.

Mr. President, I ask unanimous consent to have printed in the Record a series of newspaper articles relating to summer jobs and a table comparing youth served this summer with last summer.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Wall Street Journal, May 25, 1982]

Summer Jobs Are Scarce as Firms Fail To Make Up for Federal Cuts

(By David P. Garino)

When Nashville, Tenn., learned that federal funds for its Summer Youth Employment Program had been cut 35 percent, it asked area companies to provide the jobs instead.

The response was discouraging. "Gee, we'd like to help," James Hammond, a mayoral assistant, says companies told him, "but we've just laid off full-time employes."

Other cities have received similar responses. Despite President Reagan's call for the private sector to make up for federal cutbacks. American companies won't be providing nearly enough jobs this summer to fill the void.

A recent survey by the U.S. Conference of Mayors found that 50 cities expect some supplementary funds from private sources to support summer job programs but that 69 cities don't expect any additional aid. According to the poll, out of more than 1.5 million eligible youths, only 232,000 will find work in federally sponsored programs.

SOME STEP UP PLANS

That doesn't mean that some companies, such as Ralston Purina Co. and Xerox Corp., aren't stepping up their hiring plans, or that the business communities in some cities, such as Cincinnati and Baltimore, aren't working hard to find jobs for youths. It's just that despite their efforts, a lot of kids who need and want jobs won't get them.

Even before summer vacation, many young people who have been actively looking for work haven't been able to find it. The unemployment rate for April, seasonally adjusted, was 23 percent for all teen-agers and 48.1 percent for black teen-agers.

In Nashville, the cuts in the Summer Youth Employment Program mean there will be only 830 job slots this year, down from 1,306 last year. The program is designed to serve disadvantaged youths aged 14 to 21, and the city figures that more than 9,000 people are eligible to participate.

SOME ARE OPTIMISTIC

Albuquerque Mayor Harry Kinney says his city will be able to offer 2,000 fewer jobs than last year because of funding cuts. And he doubts the private sector will be able to make up the difference. "Home building is the best supplier of jobs. But unfortunately that's slack now," the mayor says.

Manville Corp. of Denver used to allow its plants to decide on their own whether they wanted to hire summer workers. But this year it posted a first quarter loss, cut its quarterly dividend to 20 cents from 48 cents and eliminated all summer-hiring efforts. Olin Corp. of Stamford, Conn., has a selective hiring freeze in force. As a result, says David Robertson, corporate director of human resources, "it would be a bit inconsistent to do more temporary hiring."

Some business leaders say they are optimistic despite the nebulous quality of results to date. The National Alliance of Business, which encourages hiring the economically disadvantaged, says it has noticed "a greater willingness among companies to accept voluntarism." As part of the group's "hire a teen-ager" campaign, President Reagan sent a letter to the 5,300 largest U.S. corporations urging "generous financial support" for the alliance's jobs program. Quite a few companies "recognize the need for some kind of action locally," an alliance spokesman says, although he concedes that "how this translates into jobs we'll have to wait and see."

Some companies, though, have committed themselves to providing jobs. Ralston Purina, which has had a summer-jobs program for 13 years, has increased its jobs budget 50 percent from last year to $500,000. The company, whose program is aimed at youths who will be high school seniors next fall, had more than 2,100 applications for the 670 jobs it will provide in 34 cities through community organizations like the urban league. "We're only making a dent," says Winston C. Gifford, director of employe communications and social programs. "But," he says, "we can see the benefits."

Ralston pays its summer workers the minimum wage, but it doesn't "just put money in his or her pocket," Mr. Gifford says. The jobs "have a skill value and perhaps marketability a year hence." Many are clerical or secretarial, but this year's slots also include keypunch operator, veterinary assistant, radio announcer trainee and ornamental welder trainee. Ralston's records show that about a third of its summer employes return to the same job in the fall for after-school work and that at least 25 percernt choose areas of study in college that are related to their summer-job experience.

As part of its commitment to summer jobs, Xerox lent an executive, Kent Amos, to the recently formed National Youth Employment Fund. The fund was supposed to form a pool of $10 million that would finance summer-job projects throughout the country. Mr. Amos pledged "to do the legwork and research proposals" and to "take the political flak" when projects were rejected. "When the grants were made," he says, "the companies would get the credit."

But Mr. Amos finally abandoned the effort after failing to collect any money. One big problem, he says, was the "'not-invented-here syndrome," which he discovered at several corporate offices. He also says quite a few companies told him "these are tough times, etc.; we'll get back to you." He doubts they will. "Something should have been done yesterday," he says. "Those on the fence will fall the wrong way, I'm afraid."

CINCINNATI'S EFFORT

In Cincinnati, federal funding was available for only 1,700 jobs. But President Reagan's call led Oliver Waddell, president and chief executive of First National Bank of Cincinnati, to try to mobilize the business community. His continental breakfast for executives at the area's 100 largest employers led to a campaign to find 500 more jobs and to raise $500,000 to finance another 500 jobs. Already, more than 460 of the 500 jobs and $330,000 of the $500,000 have been pledged.

But even when the corporate sector surpasses its goals, the job outlook remains bleak. Baltimore's Blue Chip-In program, which was started by the city's major companies, has turned up more than 1,400 jobs, substantially more than its goal of 1,000. But federal cutbacks left only 5,000 jobs, half last year's total, and the city estimates that more than 40,000 disadvantaged youth would qualify for such funding.

"Even as successful as Blue Chip-In has been," says Stephen Kaiser, a spokesman for the city's manpower resources office, "there's no way the private sector can shoulder the burden."

[From the New York Times, May 25, 1982]

YOUTH'S SUMMER JOBS HARDER TO FIND

(By Leslie Bennetts)

Jim Hercek, who is graduating from high school in Metuchen, N.J., this spring, was hoping to get a summer job with the construction company he worked for last summer. "But this year the guy said he couldn't hire me because he just doesn't have enough work," Mr. Hercek said. For the last two months he has been looking for a job, but has found no openings.

"This year it's really tough to get a job," he said. "I'm kind of discouraged. You get turned down everywhere you go."

Danny Krovatin is an illustration major at the Rhode Island School of Design, and when he comes home for the summer he would love to work in a design studio in the New York area, getting professional experience. But no one seems to be hiring such help, so Mr. Krovatin is going to mow lawns and do yard work for a landscape company instead.

In New York, New Jersey and Connecticut, tens of thousands of high school and college students are having similar experiences as they discover that the nation's economic slump means they must scale down their expectations for summer employment, work as hard to find a job as they will on the job and, in some cases, resign themselves to being unable to find work at all.

NEVER ENOUGH JOBS

"It's always difficult, and there are never enough jobs for all the young people who want summer employment," said Miriam Ourin, a labor economist for the New York State Department of Labor. "Every year there are a lot of disappointed young people who can't make the job connection, but if anything it's even more difficult this year."

Some experts used even harsher words. "It's a desperate job market," said Ronald T. Gaul, New York City's Commissioner of Employment. "Teenagers are those who fare least well in the employment market in the best of times, so in the worst of times this kind of labor market is going to have a devastating impact on their chances. People are walking on one another to get jobs."

Economists, labor experts, government officials and other analysts cite several reasons for this year's troubled summer job market. Jobs in private business are growing scarcer as many large corporations cut back on summer internship programs as well as on other hiring deemed less than essential. Federal budget cuts have taken a heavy toll on opportunities for jobs on government payrolls.

The situation differs from state to state in the region. "New York is kind of holding its own, and hasn't shown the kind of deterioration we've seen nationally," said Samuel Ehrenhalt, regional commissioner of labor statistics for the Federal Department of Labor. "But even though we're doing better, we haven't been immune. In New York City there's been a definite slowdown in hiring this year compared to last year.

"And New Jersey has been more affected than New York, because it has the kind of industry mix that has been hard hit by the recession. But the resort action may offset that considerably."

CONSTRUCTION IS DOWN

In Connecticut, the summer job market is "very tight," according to Richard Ficks, a spokesman for the Connecticut Department of Labor. "One of the major problems here is that construction is down," Mr. Ficks said, "and contractors, who were always a great source of summer employment for both high school and college students, are giving priority to laid-off workers."

In New York City, the Summer Youth Employment Program will receive $29.3 million in Federal funds this year to provide 42,300 minimum-wage jobs. Last year the city received $34.4 million and was able to offer 48,000 jobs. Five years ago the program was providing 70,000 jobs for the summer.

The jobs are available only to economically disadvantaged youths, defined according to an income test in which, for example, $10,080 is the maximum annual income for a family of four. However, the program has never been able to accommodate the number of young people seeking work. "We get more than two times as many applicants as there are jobs," said Mr. Gault, the Employment Commissioner.

Many city, state and Federal agencies have also cut back on youth employment. "The government used to hire kids in summer job programs the way industry does," said Mr. Ehrenhalt. "But with budgets being very tight, summer job programs have been sharply reduced. We used to take six kids in my own office in the summer, and we're down to none now."

To some extent, expanded private efforts will attempt to make up for government's dwindling role. The New York City Partnership, a group of business and civic leaders, sponsors a program called Summer Jobs for Youth. Now in its second year, the program has set a goal of 15,000 jobs for the city's economically disadvantaged youths. The economic test for these jobs sets $14,390 a year as the maximum income for a family of four

Last year the program provided 13,700 jobs at such companies as New York Telephone, Citibank, the Metropolitan Life Insurance Company, the Consolidated Edison Company, McDonald's and Burger King.

"The usual kinds of jobs are available to those who are lucky," said Miss Ourin, the labor economist. "Summer camp counselor jobs, jobs in resorts, beaches and recreation areas—hot dog vendors, dishwashers, porters, ticket takers, cashiers, ride operators in amusement parks. There are some jobs in retail stores, particularly supermarkets."

[From the (Baltimore) Sun, Apr. 24, 1982]

NOT ENOUGH JOBS

The 1,265 summer jobs that Baltimore area businesses and people have pledged to create, through the Blue Chip-in program, are a source of pride. That is twice the number that business leaders first felt able to provide. It is significantly more than the 1,000 that Mayor Schaefer browbeat them into setting as a goal. But 1,265 jobs will not do. This city needs thousands more.

The Federal Comprehensive Employment and Training Act (CETA) will fund 5,000 summer jobs for disadvantaged Baltimore city youth, ages 14 to 21, this year. CETA provided 10,500 summer jobs here last year, and 17,000 in 1980. Recorded private industry summer jobs last year were under 100. So the CETA and Blue Chip-in targets combined this year are well below last year's and not half the 1980 total. But unemployment is higher. So is despair. The Mayor's office of Manpower Resources estimates that 40,000 idle youth this summer will be eligible for the CETA and Blue Chip-in jobs. Most want work.

No program, no goal, is going to undo unemployment this summer, or the rootlessness, anti-social resentments and nihilism that it nourishes among kids on city streets. But far more than 6,265 jobs are needed for this community to say it tried to cope with the enormous demand.

Help and social responsibility have come from all sides, in the form of job pledges and money donations. Business, big and little, have come forward. Churches have chipped in as well, and city employees from their own pockets. But not everyone who might, especially businessmen who urged Reaganomics upon us so that private endeavors could replace government. They had their way and the nation is trying it. Now they have the responsibilities that they wished upon themselves.

Not that the provision or underwriting of summer jobs should be limited to Reagan supporters. Anyone can play and everyone able, should. Cash contributions are tax-deductible as are certain forms of job provision. Beyond that, good work is basically thankless and should be undertaken for its own value.

Checks payable to Baltimore City Foundation may be mailed to Blue Chip-in/Summer Jobs, 701 St Paul street, Baltimore, Md., 21202. Just $700 gives a kid a socially useful summer job. Pledges or inquiries may be phoned to 396-3392.

Never let it be said that Baltimore didn't try.

[From the Boston Globe, Mar. 24, 1982]

SUMMER JOBS PROGRAM TURNS TO PRIVATE SECTOR

(By Donald Lowery)

Acknowledging difficulties brought on by cuts in government money and the recession, public officials and representatives of Boston's business community yesterday announced plans to expand by nearly 50 percent above last year a summer youth jobs program.

William S. Edgerly, chairman of the State Street Boston Corp. and a director of the Boston Private Industry Council, coordinator of the summer employment program, said the organization hopes to find private sector jobs for 750 teenagers. Last summer, 522 jobs were secured under the program.

Edgerly said he was "calling on small and medium sized companies, especially those in the city's neighborhoods to join" a number of large Boston businesses in providing summer employment for youths.

Mayor Kevin H. White said during the press conference, "I don't think there is a subject that is more important [than finding jobs for the city's teenagers]. Unemployment and getting these kids employed is critical."

This year, the city has eliminated the $6.2 million used in 1981 to employ 1,626 teenagers in its summer jobs program. Federal money has been reduced from $3.4 million last year to $2.3 this year. That reduction will cause the number of federally-supported youth jobs to be cut from 2,500 last year to 2,200 this summer.

Public and private sector job programs, if private companies meet their objectives, will employ 2,950 teenagers this summer. That compares with 4,676 jobs last year and 8,200 jobs in the summer of 1980.

So far this year, 23 companies have promised 288 jobs. Last year, 51 companies provided jobs and an additional 15 businesses that did not hire anyone because of location or lack of appropriate jobs contributed $70,500 to pay salaries of teens employed by non-profit agencies.

The summer jobs are in a wide variety of fields and will pay the teenagers $3.35 per hour for 8 to 10 weeks.

White said that despite the recession, he believes the higher goal of the summer youth jobs program can be met because of the relative health of the high tech and medical industries here and the sizeable number of on-going construction projects in the city.

Although he said he is less apprehensive now than in the past about summer disturbances by unemployed teenagers, White said, "We will have isolated incidents but I hope it won't extend beyond that."

The extent to which the private sector will be able to compensate for reductions in public sector summer youth unemployment programs is uncertain Edgerly said.

"I don't know what the potential is over time but is higher than what we are aiming for in 1982," he said.

[From the Boston Globe, Mar. 22, 1982]

CUTBACKS TO HALVE JOBS FOR TEENAGERS

(By Donald Lowery)

Despite his unlisted telephone number, Henry J. Smith, who is in charge of the summer jobs program for Boston's main anti-poverty agency, received seven telephone calls one night recently from teenagers looking for employment when school closes.

"We haven't even gotten the applications out and people are out there looking," said Smith, who recently received uninvited visits at his home from two youngsters seeking summer work. "I've never seen them come in packs like they are coming in packs today," he said.

Smith and others in similar positions in government and private industry nationwide have for several weeks seen the beginning of scrambling by teenagers trying to get into what is an extremely tight summer job market.

Reductions in federal and local funding of public-sector employment programs will mean sharp reductions in the number of government-supported jobs this summer. For example, in Boston, the number of publicly funded jobs for youths will drop from 4,126 last year to 2,200 this year.

Although analysts generally agree the economy will make some kind of rebound before summer, the current slump has reduced the ability of many companies to hire teenagers.

"There is not much question that the private sector jobs are going to be tougher to come by not impossible to get but tougher," said Kenneth R. Rossano, senior vice president of the First National Bank of Boston who is involved in several programs to provide summer jobs for youth.

The biggest blow to summer employment came from a 20 percent cut in the Summer Youth Employment program funded by the Department of Labor under the Comprehensive Employment and Training Act. CETA funding has fallen from approximately $800 million last year to $60 million this year.

Officials of the U.S. Labor Dept. estimate 700,000 to 800,000 summer jobs will be funded with the appropriation—about the same level as last year—if local authorities cut back the working hours of program participants.

But, judging from the projections of summer job programs in a number of cities, the budget cuts will mean job cuts.

In New York City, government funds available for youth jobs this summer total $29.3 million, down from $34.3 million last summer, according to the city's Department of Employment. That money will support 42,300 jobs, down from 48,000 last year, and a record 70,000 in the summer of 1977.

A cut from $8.6 million last year to $8.3 million this year in summer youth employment money will cause Washington, D.C. to reduce the number of government-funded jobs to 16,000 this year, from 18,300 last year. A spokesman for the District of Columbia Summer Youth Employment Program said expenditures have been increased to $5.1 million this year, from $4.8 million last year.

The City of Chicago expects the number of government-funded jobs to drop from 32,000 last summer to 18,000 to 20,000 thousand, according to the Mayor's Office of Employment and Training. Government appropriations for the program totaled $25.5 million last year and officials were informed recently that the $21.8-million federal appropriation they expected this year will be reduced.

In Los Angeles, where 60,000 persons completed application last summer for government-sponsored employment, federal money has been cut to $10.9 million this year, from $11.6 million last year. About 8,000 jobs will be available this year, down from 10,000.

"What's significant about this is that President Reagan and his aides have once again demonstrated they don't know anything at all about the problems of the big cities," said Robert M. Coard, executive director of ABCD, the Boston anti-poverty agency.

"It's disappointing to me that we are giving these kids nothing to do but hang around the streets. It's a national disgrace."

Federal cutbacks are not only affecting just the big urban summer job programs. Last summer, the Youth Conservation Corps, part of the Interior Dept., used $26 million for grants to states to employ approximately 30,000 youngsters. That program was eliminated this year, although Congress authorized both the National Park Service and the US Fish and Wildlife Serv ice to operate YCC programs with budgets ranging from $1 million to $3 million.

Teenagers, particularly minority youth, are already experiencing menacing under-employment levels. For the past year the teenage unemployment rate has regularly been 16 percent or more; for blacks, that figure has approached 50 percent.

Exactly how many teenagers will be looking for jobs during the summer is difficult to determine. In February, the 8.6 million teenagers working, or looking for work, accounting for approximately 9 percent of the labor force.

Figures compiled by the Labor Dept. showed that last year, from May, when school was in session, to June, when school let out and students began to look for work, the teenage labor force increased about 1.5 million. The Labor Dept. gives no breakdown of what portion of that figure represents those who are entering the labor force part-time and those who are searching for summer employment.

[From the Boston Globe, Mar. 1982]

LOCALLY, THE CONCERN MOUNTS: FEDERAL AND CITY BUDGETS DEAL A BLOW TO SUMMER WORKERS

(By Donald Lowery)

In Boston, government-funded summer job programs have provided youths with work for nearly two decades. Those programs reached a peak in the summer of 1976, when about 11,000 youngsters were employed.

This year, the total federal and local government money available for summer youth employment in Boston has been reduced to $2.3 million, from $9.6 million last year and $19.7 million in 1980.

While federal appropriation has been trimmed from $3.4 million last year to $2.3 million this year, the biggest cut in the total funding has come from the elimination of the $6.2 million in local funding allocated last year.

That money, used to pay 1626 workers in 1981, was eliminated as a result of cuts required by the tax-limiting Proposition 2½, said Davin Mundell, director of the Neighborhood Development Administration, sponsor of the summer program.

Three hundred federally funded jobs from last year have been cut because the money to pay the employees was shifted to the budget of year-round employment programs, Mundell said.

Asked what the impact of the cut in summer jobs may mean, Mundell said: "To the extent that the kids don't have the supervised work experience or the financial return, its got to have significant negative affects." Mundell said he is concerned about the chances of increased urban unrest as a result of higher adult and youth unemployment and fewer public recreation activities.

"You have to have a higher possibility of problems. Whether they will occur or not is a prediction I don't think anybody can make," he said.

ABCD's Smith feels increased violence by unemployed teenagers is likely. "What this unemployment breeds is contempt and what this contempt breeds is a desire to get even."

In the private sector, a coalition of Boston organizations is attempting to find jobs for youth through a program being run for the third year by the Private Industry Council.

Catherine N. Stratton, executive director of PIC, said the organization hopes to increase the number of jobs for youth to 750, from 500 last year.

The jobs, which are mostly in large Boston banks, insurance companies and public and private non-profit agencies, are being solicited by PIC with the help of the Greater Boston Chamber of Commerce.

The Boston Public Schools and the Trilateral Council for Quality Education, along with the employers, will screen applicants, who are chosen based on recommendations from teachers.

Stratton said that reaching the 750 goal, "is possible but it is going to take an awful lot of work. A lot of companies that did not come forward last year are going to have to come in," she said.

"Everybody looks to the banks and insurance companies to find jobs for the kids. Those companies have done this but ours is a business community effort that is city-wide and it needs to include everyone," she said.

The Boston Committee, a group appointed by Mayor Keven H. White to attempt to reduce racial problems in the city, is working on a smaller scale to increase youth employment in the private sector.

In a pilot program called the Neighborhood Job Development Project, the committee is organizing groups to find partially subsidized jobs in the city's neighborhoods and provide counseling to teenagers who get the jobs.

Frank N. Jones, president of the committee, said that in Charlestown 25 part-time jobs have been secured for students under the program since it began in January and all of those jobs will become full-time this summer. Similar programs are planned for three other Boston neighborhoods.

"Even with the efforts by the private sector, it's not enough to meet the kind of declines in expenditures on the public side," Mundell said, reflecting the feeling among public and private officials.

DONALD LOWERY

YOUTH SERVED THIS SUMMER COMPARED TO LAST

City	Number	Percent
Akron	1,000	45
Albany	132	15
Albuquerque	300	24
Alexandria	70	28
Allentown	150	17.6
Amarillo	23	6.6
Anaheim	100	25
Ann Arbor	50	75
Atlanta	515	20
Augusta	1,191	34.5
Austin	36	4
Baltimore	5,000	50
Baton Rouge	599	41
Berkley	250	35
Birmingham	550	20
Bridgeport	176	13
Brockton	188	28.3
Buffalo	750	24
Cambridge	156	16
Camden	355	25
Canton	100	7
Cedar Rapids	(1)	(1)
Chicago	4,326	15
Cincinnati	700	30
Cleveland	900	12
Colorado Springs	150	17
Columbus, Ga	133	14.2
Columbus, Ohio	863	28
Corpus Christi	32	3
Dallas	600	31
Dayton	450	16
Denver	(1)	(1)
Des Moines	72	7
Detroit	2,200	15
Durham	110	26
Elizabeth	70	15
Erie	100	25
Fall River	300	32
Fort Lauderdale	700	26
Fort Wayne	400	36.4
Fresno	600	20
Gary	756	20
Glendale	59	30

YOUTH SERVED THIS SUMMER COMPARED TO LAST—Continued

City	Number	Percent
Grand Rapids	500	50
Greensboro	200	6
Hammond	162	62
Hampton, Va	+90	12
Harrisburg, Pa	+85	9
Hartford	(1)	(1)
Hoboken	174	36
Honolulu	300	9.5
Huntsville	84	16
Independence	94	40
Indianapolis	(1)	(1)
Jackson	190	22
Jersey City	200	12
Kansas City, Kans.	125	21
Kansas City, Mo	420	18
Lansing	206	15
Las Vegas	126	15
Lexington	40	9
Lincoln	208	43
Little Rock	55	16
Long Beach	200	20
Louisville	(1)	(1)
Lowell, Mass	130	14
Macon	103	16
Madison, Wis	200	23
Milwaukee	95	20
Minneapolis	660	29
Mobile	151	12
Montgomery	(1)	(1)
Nashville	200	20
New Bedford	211	22
New Orleans	741	28
Newark	900	18
New York City	5,750	12
Norfolk	DK	7
Omaha	50	4
Orange County	850	30
Patterson	83	10.3
Phoenix	665	25
Pittsburgh	449	16
Pittsfield	150	23
Portland	601	37
Portsmouth	100	28
Providence	300	32
Raleigh	61	11
Richmond, Calif	465	35
Richmond, Va	187	14.5
Riverside	235	40
Roanoke	125	19
Rochester	(1)	(1)
Rockford	238	35
St. Louis	350	10
St. Paul	100	10
San Bernadino	138	21
San Diego	2,560	48
San Francisco	686	16
Santa Ana	(1)	(1)
Santa Clara	700	18
Savannah	162	18
Scranton	155	25
Seattle	1,110	33.5
Shreveport	88	15.4
Spokane	246	31
Springfield, Mass	394	20
Springfield, Mo	67	17.1
Stamford	(1)	(1)
Stockton	327	20
Syracuse	300	33.5
Tampa	65	6
Toledo	(1)	(1)
Topeka	50	13
Trenton	+75	20
Tulsa	398	40.02
Warren, Mich	41	15.1
Waterbury	250	50
Washington, D.C.	2,000	19
Wichita	238	36
Wilmington	75	10.5
Winston-Salem	100	20
Worcester	288	26
Yonkers	350	45
Youngstown	200	36

[1] No change.

Mr. HATFIELD. Mr. President, what is the figure in the amendment presented to the desk?

The PRESIDING OFFICER. $63 million.

Mr. HATFIELD. Mr. President, the Senator from Massachusetts is correct. We have reviewed this amendment. We are willing to accept it on both sides of the aisle and take it to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment (UP No. 1014) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Secretary of the Senate proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I will not at this exact moment make my unanimous-consent request but so that Senators can come to the Chamber if they wish, they should know that in the matter of a few minutes I shall make that request. We may run up against the 2:30 p.m. time and I may extend it 5 minutes so Senators can get to the Chamber.

But I think we have done about as much as we can do, and I am ready to put the request in just a moment.

Before I do that, I at this time once again suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Secretary of the Senate proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the time for the rule XXII quorum be extended to 2:35 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Secretary of the Senate proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the time for the quorum under rule XXII be extended to 2:45.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, there is one other amendment cleared by both sides to go at the end of the bill. I ask unanimous consent once again that the Lugar amendment be temporarily laid aside so that the Senate can consider the Gorton-Heflin amendment, and I ask unanimous consent that the amendment, if adopted, appear at the end of the bill, and that the Senate then resume consideration of the Lugar amendment immediately thereafter.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO 1015

Mr. GORTON. Mr. President, I send an amendment to the desk on behalf of myself and Mr. HEFLIN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington (Mr. GORTON) for himself and Mr. HEFLIN proposes an unprinted amendment numbered 1015.

Mr. GORTON. Mr President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 31, line 19, after the ":" insert the following:

"Provided further that NASA and DOD shall undertake a joint study leading to the development of performance and design specification for an additional High Energy Upper Stage for use in the late-1980s. This High Energy upper Stage shall be competitively procured:"

Mr. GORTON. Mr. President, I am offering an amendment relating to the NASA provisions contained in the bill. The amendment directs NASA and the Department of Defense to study their needs for a high energy upper stage during the late-1980's and it requires, competitive procurement of such high energy upper stage.

The amendment has been agreed to by both sides.

Mr. PROXMIRE. Mr. President, will the Senator from Washington yield? There are no additional funds involved?

Mr. GORTON. No. It will save the Federal Government money in the late-1980's because there will be competition between suppliers for the upper stage contract.

Mr. GARN. Mr. President, the Senator from Washington is correct. I have agreed to this amendment, however, reluctantly. Nevertheless, I have agreed. I will simply state it is a compromise and, furthermore, that it does not preclude NASA from going ahead with the two Centaur missions.

Mr. GORTON. The Senator from Utah is correct.

Mr. HEFLIN. Mr. President, we worked out this agreement. It deals with the high-energy upper stage, and it calls for a study by NASA and DOD relative to the high-energy upper stage. It is for the late 1980's. It is also a high-energy upper stage which is to be competitively procured.

This is an amendment that is going to the NASA portion of the bill as it is now before us and, of course, it does nothing to the language of the Hatfield agreed-to substitute that we understand will be offered. There is nothing in conflict with it, and I think it is agreeable with them.

Mr. NUNN. Mr. President, this amendment does not have anything to do about airlift or 747's, does it?

Mr. GORTON. I assure the Senator from Georgia that it does not.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington.

The amendment (UP No. 1015) was agreed to.

Mr. HEFLIN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I wonder if it will be possible to get consent to proceed to amendment No. 7, have a brief time limitation on that amendment, say, of 5 minutes, and let the Senate vote up or down on the amendment dealing with the Corporation for Public Broadcasting so that if cloture were to be invoked, and if that amendment could be passed, it would not be subject to a point of order after cloture is invoked.

It passed overwhelmingly in the committee, may I say, the Committee on Appropriations, and if cloture is invoked this amendment will fall. I believe that the great majority of the Senate want to see this amendment adopted, and if we could just have 5 minutes on it, we would have a 5-minutes limitation before the cloture vote and vote up or down on it. I believe the amendment would be saved.

Mr. HATFIELD. Mr. President, will the Senator yield for a question?

Mr. ROBERT C. BYRD. Yes.

Mr. HATFIELD. This matter is part of the action of the Appropriations Committee. Does the Senator disagree with that action?

Mr. ROBERT C. BYRD. No. I am in agreement with it.

Mr. HATFIELD. Well, it is part, it is also incorporated in the package that is inserted in the unanimous-consent agreement.

Mr. ROBERT C. BYRD. Yes, but I am afraid that unanimous-consent agreement is not going to be agreed to, and the Senate will vote on cloture and if cloture is invoked, this amendment will be knocked out of the bill.

Mr. HATFIELD. There are 33 other such committee amendments, I will say to the Senator from West Virginia, that fall in the same category, and I am deeply committed, as chairman of the committee, to each and every one of them because they represent the composite wisdom to the committee. I would be very reluctant to give special preference to one as against 33 others.

Mr. ROBERT C. BYRD. I can appreciate the sentiments and the position of the distinguished Senator from Oregon as chairman of the committee, and I respect him for it. But I would just hope he would in this one instance relent and let the Senate vote on this amendment before it votes on cloture because if we invoke cloture this amendment may go down the drain.

Mr. HATFIELD. I wonder if the Senator will suspend his request until we have the propounding of the unanimous-consent agreement?

Mr. ROBERT C. BYRD. Yes.

Mr. HATFIELD. If the unanimous-consent agreement is agreed to, then the Senator is home free.

Mr. ROBERT C. BYRD. Yes, certainly.

UNANIMOUS CONSENT AGREEMENT

Mr. BAKER. Mr. President, I am prepared to make the request at this time. I think Senators have now had some considerable notice of the fact that I am going to launch this missile.

Mr. President, I ask unanimous consent that the committee amendments to H.R. 5922, as reported by the Committee on Appropriations on May 18, be adopted en bloc, to be treated as original text for the purposes of further amendment, except for that part of the committee amendment beginning on page 23, line 5, through page 29, line 8, to recur at the behest of the Senator from Indiana (Mr. Lugar); and the committee amendment on page 4, lines 1 through 5, which is hereby disagreed to; provided further, that the amendments pending to the language proposed to be striken by this amendment are hereby withdrawn; provided further, that the figure on page 4, line 5 be amended to read as follows "$38,400,000"; provided further, that the language on page 14, line 9 through line 14 be stricken; provided further, that if a point of order against a Lugar amendment substantially embodying the language of unprinted amendment No. 1009 is sustained, no appeal from the ruling shall lie; provided further, that this agreement does not waive any Senator's right to exercise his rights, his or her rights, under rule V to move to suspend the rules; provided further, that any amendment to the pending substitute amendment No. 1006 that would otherwise qualify as an amendment to the substitute under the provisions of rule XXII shall qualify as an amendment to the committee amendments as agreed to.

The **PRESIDING OFFICER.** Is there objection?

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. BAKER. Yes.

Mr. PROXMIRE. I am sorry I was not able to follow that. The Senator and I just had a discussion before he read that, and I indicated the amendment that I had on page 50, as I understand it, affecting Members' income, and my amendment is a very simple amendment. It would return to the status quo ante, in other words, $3,000 deduction, would not be retroactive, would make it effective for 1982 and for subsequent years. I just wanted the opportunity to offer that amendment.

Mr. BAKER. Mr. President, I suppose the question is if cloture is invoked, would this amendment be in order.

Mr. PROXMIRE. That is correct.

Mr. BAKER. Of course, that is up to the Chair to decide, but my guess is it would not be in order. I amend my unanimous-consent request to make it in order.

Mr. PROXMIRE. Make it in order.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object.

Mr. BAKER. Mr. President, I ask unanimous consent that the time for the quorum under rule XXII be extended until 3 o'clock.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The Clerk will call the roll.

The Secretary of the Senate proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. BAKER. Mr. President, I amend my unanimous-consent request by deleting therefrom the following language:

> Provided further that if a point of order against a Lugar amendment substantially embodying the language of unprinted amendment No. 1009 is sustained, no appeal from said ruling shall lie; provided further that this agreement does not waive any Senator's right to exercise his rights under rule V to move to suspend the rules.

End of deletion.

The **PRESIDING OFFICER.** Is there objection?

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, and I do not think I will object, will the Senator repeat that?

Mr. BAKER. I apologize to the minority leader for stating the provision prior to the time he concluded his conversation.

Mr. President, I amend my unanimous-consent request by deleting all of that paragraph which starts, "Provided further that if a point or order against" and ending "rule V to move to suspend the rules." All of that paragraph would be deleted in the unanimous-consent request.

Mr. LONG. Reserving the right to object, Mr. President, I thought the Senator was going to move to strike the language that had to do with the appeal but keep the language that kept the Senator's right to move to suspend the rules.

Mr. BAKER. I do not think we need to, if I may say to my friend from Louisiana. I may say, by the way, that I fully suspect there will be an effort to suspend the rules on the voluntary motion of another Senator, which he has a right to do under rule V without any aid from a unanimous-consent agreement.

The **PRESIDING OFFICER.** Is there objection?

Mr. EXON. Mr. President, reserving the right to object. I would like clarification, if I might, from the majority leader with regard to the last time he spoke with regard to the unanimous-consent request. This amendment has to do with the tax deductions for Members of Congress. The Senator from Wisconsin and I worked together to offer an amendment to reinstate the $3,000 retroactively and we were prepared to vote for that. I had a backup amendment, had that failed, to make it prospective. In other words, if that failed, to make the $3,000 apply to the future rather than the past. As the majority leader propounded his unanimous-consent request, with the change now that I understood is being suggested by the Senator from Wisconsin, would this amendment also be protected under the germaneness question?

Mr. BAKER. Yes.

Mr. EXON. I thank the majority leader.

The **PRESIDING OFFICER.** Is there objection?

Mr. ROBERT C. BYRD. Mr. President, I am still trying to protect a Member.

As I understand the request, with the provision deleted, Mr. Lugar could call up his amendment, if cloture is invoked, and if it falls because of germaneness or otherwise an appeal could be made and that appeal could be supported by a majority vote and his amendment then could be voted on?

The **PRESIDING OFFICER.** The Senator is correct.

Mr. ROBERT C. BYRD. Or if he chose to go the route of moving to suspend the rules, it would require a two-thirds vote, and, if he failed, that ruling could be appealed which, in turn, could be decided by a majority vote?

The **PRESIDING OFFICER.** The Senator is correct.

Mr. ROBERT C. BYRD. Thus allowing the Lugar amendment to come up?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. I have no objection.

Mr. ARMSTRONG. Mr. President, reserving the right to object. I think it is important to understand that there are some very good reasons, as the Senator from Louisiana pointed out earlier, why, if we are going to invoke cloture, we should not do so with the intention of then appealing the rulings of the Chair about germaneness under rule XXII. If we want to have cloture, the idea of that is to shut off nongermane amendments. When you do that and have a time limit on the final disposition of a bill, Senators give up a very important right. If we couple the limitation on debate with the opportunity to offer nongermane amendments, which are ruled out of order by the Chair and then appealed by a simple majority vote, what you are really doing away with is the very essence of the traditions of the Senate, as the Senator from Louisiana has pointed out. I would urge Senators to weigh this very carefully.

If this unanimous-consent agreement is entered into, as I hope it will be, and then if we vote cloture, I would hope no matter how Senators feel about the amendments they will not vote to overturn the rulings of the Chair. It is my belief that Senators on both sides of the housing amendment issue share my feelings.

The Senator from Louisiana is on his feet and he can speak for himself, but I think there is underlying this whole discussion today and yesterday a two-track system. One is how do we feel about housing and mortgage subsidies and, second, how do we feel about the precedents of the Senate and what new precedents we might create.

Before we adopt this—and I will yield to the Senator from Louisiana in a moment—let us think it through to a conclusion. If we want issues decided by a majority vote, then let us not adopt cloture. If not, let us realize that we will be governed by rule XXII.

Mr. LONG. Mr. President, I just do not recall the Senate overruling the Chair on a matter of germanenes after cloture has been voted. I cannot recall it happening since I have been here.

Mr. STEVENS. Mr. President, with due respect to my friend from Colorado and the statement that the Senator from Louisiana just made, I think this is a different situation. The normal postcloture votes pertain to amendments that are raised that are not committee amendments. This is a committee amendment to which rule SVI could apply and it is not being raised by the opponents of the committee amendment. It is my position, and I intend to offer an amendment to the rules sometime when we get around to it next spring to take care of this. I think if an opponent does not challenge the committee amendment by a point of order under rule XVI, it should not be a principle of the Senate to foreclose the appeal from the ruling of the Chair if the same point of order is raised after cloture in a situation where it is such more restrictive.

This is a different point than I think has ever been raised in the Senate before where it is a committee amendment. It is not an amendment from the floor. That amendment came out of the committee. Every Member of the Senate was aware of it. If there is a point of order that should be raised against it, it should be raised before cloture and not after cloture, in my opinion.

Mr. LUGAR. Mr. President, I would like to make a short comment about the situation. I appreciate the comments of my colleague from Alaska. Indeed, the Lugar amendment was a committee amendment adopted by a large majority and has been supported by the committee.

The situation today is one in which I made an agreement this morning with the majority leader, with the distinguished Senator from Colorado, and others, to allow the fate of this amendment, on which I have spoken with some enthusiasm, to finally come down to a two-thirds vote on a suspension of the rules. I did so deliberately, with the thought of the institutional issues which were at stake. It may very well be that the Senator from Alaska will want to amend those rules at some point, but I am persuaded that as enthusiastic as I am about housing, and I trust we are going to get the two-thirds majority at some point, but whether or not we do, we ought to at least go this route. Therefore, I make the additional statement, with the assurance I have made privately to the majority and minority leaders and the Senator from Colorado, that in the event an appeal was lodged I would not support that appeal. I believe we ought to go to the two-thirds suspension of the rules on this and fight the rules situation on another day.

Mr. BAKER. Mr. President, I put my request.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object.

Mr. BAKER. Mr. President, let me ask unanimous consent that the time be extended for the quorum by 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Let me say this, Mr. President. I nearly got horsewhipped in 1978 for not allowing Senators to appeal rulings of the Chair. If Senators will remember, the most vicious postcloture filibuster that ever occurred in the history of the Senate was over deregulation of natural gas. It had run for 13 days and 1 night, and hundreds of amendments were still at the desk. I came in here and got the Chair to uphold some points of order and bang, bang, bang, we knocked about 35 amendments out in less than 10 minutes. The filibuster folded within 20 hours. My own side of the aisle almost disowned me because they did not have the opportunity to appeal the rulings of the Chair.

That is the only objection that I am raising here on behalf of another Senator—that we are ruling out an appeal. In case the Senator's motion to suspend the rules—I never admitted heretofore that I had acted highhandedly, but that was the only way to break that filibuster. If I had it to do over again, I would do it again, because the Natural Gas Deregulation Act would never have become law if we had not broken that filibuster.

Mr. BAKER. The Senator would understand why I did it again.

Mr. ROBERT C BYRD. So if the Senator's motion to suspend the rule fails because it does not get a two-thirds vote, then an appeal from that ruling would not lie. Ordinarily, the right to appeal is the right of any Senator. That would carry by a majority vote.

Mr. President, it sort of disturbs me to hear the Senator whose amendment it is say how he would vote on the appeal.

Mr. BAKER. Mr. President, if the Senator will yield to me, I think what we have now, however, is a situation in which it is clear that an appeal is in order, that that right has not been abridged by this agreement. It is also clear that it is not the intention of the Senator from Indiana to seek that appeal.

I think that is all we have done, Mr. President. There has been no right to appeal damaged, there has been no change in the rules or in the precedents. I very much hope that we can go forward with this arrangement.

Mr. ROBERT C. BYRD. Mr. President, the Senator from Indiana can call up his amendment without going the route of moving to suspend the rules. He can do that.

Mr. BAKER. I agree with that, Mr. President.

Mr. ROBERT C. BYRD. Does he say he will not do that? I hope he does not say he will not do that, Mr. President. I hope he does not rule out that approach.

Mr. LUGAR. Mr. President, it is very difficult for me to respond in any way that is going to be satisfying. The only mention that I have made is to seek suspension of the rules. I have reiterated that to all my colleagues. That is my intention, to seek suspension of the rules. I shall ask for that and hope that is sustained by a two-thirds majority.

Mr. **BAKER**. Mr. President, will the Senator yield to me?

Mr. **LUGAR**. I yield.

Mr. **BAKER**. Did I understand the minority leader to ask if the Senator will not call up his amendment?

Mr. **ROBERT C. BYRD**. No, Mr. President, he has the right to call up his amendment and without going the suspension of the rules route. He has that right and it would take only a majority vote to overrule the Chair. I am just saying I hope he would not rule out one or the other courses.

Third, I might say that any other Senator may call up the Senator's amendment under the rules. That is clearly understood, is it not, that any other Senator could call up the Senator's amendment without going the route of moving to suspend the rules?

Mr. **LUGAR**. Mr. President, I respond to the minority leader that I understand that. I think all Senators do. In the interest of comity, we are attempting to arrive at a point where we can get a unanimous-consent agreement. I am trying to do the best I can to cooperate with that.

Mr. **METZENBAUM**. Mr. President, will the minority leader yield for a question?

Mr. **ROBERT C. BYRD**. I do not have the floor.

The **PRESIDING OFFICER**. The majority leader has the floor.

Mr. **BAKER**. I yield, Mr. President.

Mr. **METZENBAUM**. Mr. President, is it not a fact that if the Senator from Indiana calls up his amendment and moves to suspend the rules and fails with respect to the suspension of the rules, it would then be in order to call up the amendment without moving to suspend the rules and, at that point, an appeal from the ruling of the Chair could be taken?

Mr. **BAKER**. I believe that is correct.

Mr. **METZENBAUM**. I thank the majority leader.

Mr. **ROBERT C. BYRD**. Mr. President, I remove my reservation.

The **PRESIDING OFFICER**. Is there objection? Without objection, it is so ordered.

Mr. **BAKER**. I thought he would never say it, Mr. President.

I thank all Senators, Mr. President. I especially thank the chairman of the Committee on Appropriations and the minority leader, the Senator from Colorado, the Senator from Indiana, and others.

Now, Mr. President, has the time arrived for a quorum call?

The **PRESIDING OFFICER**. The Clerk will state the motion to invoke cloture.

URGENT SUPPLEMENTAL APPROPRIATIONS, 1982

CLOTURE MOTION

The **PRESIDING OFFICER** (Mr. WARNER). The clerk will state the cloture motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on H.R. 5922, an act making urgent supplemental appropriations for the fiscal year ending September 30, 1982, and for other purposes.

Howard Baker, Mark O. Hatfield, Harrison Schmitt, Richard G Lugar, Ted Stevens, Mark Andrews, Bob Kasten, William Proxmire, Robert Stafford, Frank Murkowski, Jake Garn, Charles Percy, John Warner, Gary Hart, Charles McC. Mathias, Lowell Weicker.

CALL OF THE ROLL

The **PRESIDING OFFICER**. Pursuant to rule XXII, The Chair directs the clerk to call the roll to ascertain the presence of a quorum.

The assistant legislative clerk called the roll and the following Senators answered to their names:

[Quorum No. 35 Leg.]

Abdnor
Armstrong
Baker
Boschwitz
Brady
Burdick
Byrd, Robert C.
Cochran
Denton
Dodd
Exon
Garn
Glenn
Goldwater
Gorton
Grassley
Hatfield
Heflin
Helms
Huddleston
Inouye
Jackson
Long
Lugar
Mattingly
McClure
Melcher
Metzenbaum
Nickles
Nunn
Pressler
Proxmire
Pryor
Quayle
Randolph
Rudman
Sarbanes
Stafford
Stennis
Stevens
Wallop
Warner
Zorinsky

The **PRESIDING OFFICER**. A quorum is not present. The clerk will call the names of absent Senators.

The assistant legislative clerk resumed the call of the roll and the following Senators entered the Chamber and answered to their names:

[Quorum No. 35 Leg.]

Andrews
Baucus
Bentsen
Biden
Boren
Bradley
Bumpers
Byrd,
  Harry F., Jr.
Chafee
Chiles
Cohen
Cranston
D'Amato
Danforth
DeConcini
Dixon
Dole
Domenici
Durenberger
Eagleton
East
Ford
Hart
Hatch
Hawkins
Hayakawa
Heinz
Hollings
Humphrey
Jepsen
Johnston
Kassebaum
Kasten
Kennedy
Laxalt
Leahy
Levin
Mathias
Matsunaga
Mitchell
Moynihan
Murkowski
Packwood
Pell
Riegle
Roth
Sasser
Simpson
Specter
Symms
Thurmond
Tower
Tsongas
Weicker

VOTE

The **PRESIDING OFFICER**. With a quorum established, the question is, Is it the sense of the Senate that debate on H.R. 5922, an act making urgent supplemental appropriations for the fiscal year ending September 30, 1982, and for other purposes, shall be brought to a close?

The yeas and nays are automatic under the rule. The clerk will now call the roll.

The legislative clerk called the roll.

Mr. **STEVENS**. I announce that the Senator from Illinois (Mr. PERCY) and the Senator from New Mexico (Mr. SCHMITT) are necessarily absent.

I further announce that, if present and voting, the Senator from Illinois (Mr. PERCY) would vote "yea."

Mr. **CRANSTON**. I announce that the Senator from Nevada (Mr. CANNON) is necessarily absent.

The **PRESIDING OFFICER**. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 95, nays 2, as follows:

[Rollcall Vote No. 160 Leg.]

YEAS—95

Abdnor
Andrews
Armstrong
Baker
Baucus
Bentsen
Biden
Boren
Boschwitz
Bradley
Brady
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
East
Exon
Ford
Garn
Glenn
Goldwater
Gorton
Grassley
Hart
Hatch
Hatfield
Hawkins
Hayakawa
Heflin
Heinz
Hollings
Huddleston
Humphrey
Inouye
Jackson
Jepsen
Johnston
Kassebaum
Kasten
Kennedy
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Randolph
Riegle
Roth
Rudman
Sarbanes
Sasser
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Tower
Tsongas
Wallop
Warner
Weicker
Zorinsky

NAYS—2

Helms
McClure

NOT VOTING—3

Cannon
Percy
Schmitt

The **PRESIDING OFFICER**. On this vote, the yeas are 95, the nays are 2.

Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Mr. **BAKER**. Mr. President, if the Chair will permit me for a moment, I expect in a very brief time to ask for a unanimous-consent agreement on an amendment to be offered by the Senator from Wisconsin (Mr. PROXMIRE).

I will not put the request at this moment until I clear it with one other Senator. But it is my hope that, when I do put it, the Senate will agree that there be 30 minutes time on the amendment equally divided and 10 minutes on a side for any second-degree amendment.

I will not put that request at this moment, but at this moment I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **BAKER**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **BAKER**. Mr. President, it appears it may take a few more moments to clear the unanimous-consent agreement in connection with the Proxmire amendment to which I referred earlier. I think the best investment of our time now would be to proceed with a vote on a Glenn resolution which has been cleared on both sides, which does not relate to the appropriation bill but which should be done.

Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of the Glenn resolution, and that immediately after the disposition of that resolution the Senate return to the consideration of the urgent supplemental appropriation bill, and that time on the Glenn resolution be limited to 10 minutes equally divided.

The **PRESIDING OFFICER**. Is there objection? The Chair hears none, and it is so ordered.

NUCLEAR FUELS EXPORT

Mr. **GLENN**. Mr. President, I call up Senate Concurrent Resolution 96.

The **PRESIDING OFFICER**. The clerk will state the concurrent resolution by title.

The assistant legislative clerk read as follows:

> A resolution (S. Con. Res. 96) reaffirming Senate resolution (S. Res. 179) and House resolution (H. Res. 177) and urging the President to seek agreement at the Versailles Summit Conference that nuclear supplier nations should export nuclear fuel and equipment only to nations that permit full-scope safeguards.

The Senate proceeded to consider the resolution.

Mr. **GLENN**. Mr. President, I ask unanimous consent that Senators SPECTER, PERCY, HART, MITCHELL, BUMPERS, and LEVIN be listed as cosponsors of the resolution.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **BAKER**. Mr. President, I ask for the yeas and nays.

The **PRESIDING OFFICER**. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. **GLENN**. Mr. President, last year prior to President Reagan's visit to Ottawa the Senate passed by a vote of 88 to nothing a resolution asking the President to confer with the other nations that were going to be at the Ottawa summit with regard to nuclear nonproliferation matters. Some of the major nuclear supplier nations were participants at Ottawa and they will also be at Versailles summit this year which starts next week.

In the interim, the spread of nuclear weapons around the world, has taken a central place on the world stage as far, particularly in Europe and more recently, in this country. This broad public concern carries with it an interest in seeing that not only that we gain control over nuclear weapons stockpiles in the United States and the Soviet Union but that also we try to do our very best to prevent nuclear weapons from spreading to more and more nations. That can occur as the very technology equipment for reprocessing and for enriching uranium is spread to more and more countries.

Mr. President, the first anniversary of Israel's sudden attack on Iraq's Osirak reactor outside Baghdad will be upon us in barely a few weeks, on June 7. I have no need to reiterate to my colleagues the deep concern which that attack provoked throughout the world not only with respect to a possible conflict in the Middle East, but also with respect to the terrible threat posed by the spread of nuclear weapons to additional nations.

As my colleagues will recall, the Senate Foreign Relations Committee held extensive hearings on the Israeli raid. While many opinions were voiced as to whether the raid was justified in view of the threat posed by Iraq's nuclear program, I think it is fair to say that one point became clear to all of us studying this problem. This was the fact that the international nonproliferation regime urgently needed to be strengthened in a number of important respects. It became clear that supplier restraint in transferring sensitive nuclear technology capable of producing weapons-usable materials required much stricter enforcement and that loopholes in the list of covered technologies needed to be closed. It also became clear that the safeguards and inspections implemented by the International Atomic Energy Agency required considerable upgrading and that their coverage needed to be expanded. Finally, it was evident that U.S. nonproliferation policy on international restrictions over dangerous nuclear trade had to be clarified and that early discussions with other nuclear supplier nations on these matters were vitally important. During the course of these hearings I introduced a resolution calling on the President to take immediate action to achieve these and other essential improvements in the international nonproliferation regime. That resolution (S. Res. 179) was passed without a dissenting vote of July 17, 1981, the same day as the House, also without dissenting vote passed a similar resolution (H. Res. 177), calling on the President to strengthen international barriers against the spread of nuclear weapons.

Mr. President, the timing of these actions by the House and by the Senate overwhelmingly urging the President to take firm action on the nonproliferation front in conjunction with other supplier nations was especially important. As the legislative history of these resolutions makes clear, it was the intent of both Houses to encourage the President in the strongest possible manner to bring up the question of enhanced nonproliferation controls with the other Western nuclear supplier countries at the Ottawa Economic Summit Conference which began 2 days later on July 19. Surely, given the dramatic events of the previous month, there could hardly have been a more opportune occasion for seeking agreement among the parties involved on these matters.

To my deep regret however, President Reagan and his counterparts apparently spent little time, if any on this matter so vitally important to world peace. The most positive proof of the low priority that nonproliferation matters received can be seen from the text of the concluding communique of the Conference: Nonproliferation is barely mentioned, and then only in paragraph 32—out of 38—in the context of a joint statement about nuclear energy. The wording of this paragraph is instructive because it shows that nonproliferation was not even considered a matter of importance in its own right, but merely a subject of concern because it might adversely affect public attitudes toward nuclear energy use within the nations participating at the Summit Conference. Here is what the communique said:

> (32) In most of our countries progress in constructing new nuclear facilities is slow. We intend in each of our countries to encourage greater public acceptance of nuclear energy, and respond to public concerns about safety, health, nuclear waste management, and nonproliferation. We will further our efforts in the development of advanced technologies, particularly in spent fuel management.

To think that the Israeli raid, which dominated the headlines for weeks and triggered overwhelmingly supported expressions of congressional concern over the need to strengthen the international nonproliferation regime should result in so meager a statement from the Ottawa Conference is appalling.

Mr. President, additional evidence has come to light recently which further demonstrates the low priority that the Reagan administration gave to nonproliferation concerns at the Ottawa Summit. In recent testimony before the Senate Permanent Subcommittee on Investigations, it was revealed that at the Summit meeting, the President discussed the subject of the export of sensitive technologies with our allies. The subject of these discussions was not, however, the improvement of international nonproliferation controls, but rather the tightening of the rules on the transfer of technology to the Soviet Union. While this subject is, to be sure, an important one, the fact that secret high level meetings were held with the key suppliers on this issue, but not on the issue of nonproliferation controls constitutes a serious failure in the conduct of American foreign policy.

On June 4-6, 1982—literally on the eve of the anniversary of the Israeli raid—President Reagan will attend another summit conference with our major allies at Versailles. Once again, he will have the opportunity to raise at the highest level the urgent need to strengthen the barriers against the spread of nuclear weapons. I believe the Congress should go on record once again urging the President to undertake the negotiations in this field that are so badly needed. This is the purpose of the resolution that we are discussing. Last week the House passed the identical resolution by voice vote, unanimously.

The resolution has two principal elements. First, it explicitly reaffirms Senate Resolution 179, so as to leave absolutely no doubt as to the Senate's strong views in this area. Second, the resolution identifies one specific recommendation from last year's resolution—that the President seek agreement among other supplier countries that nuclear exports will be made only to those nonnuclear-weapon states that have accepted full scope safeguards—as a first objective in negotiations on nonproliferation that the President is called upon to initiate at the Versailles Summit meeting.

My resolution seeks to underscore the urgency of the problem and to provide the President with a discrete, crystallized negotiating issue for his upcoming meeting.

Besides reendorsing the importance of further limitations on transfers of sensitive nuclear equipment, materials, and technology, and improving the system of international safeguards, my resolution singles out gaining agreement with other supplier nations on establishing full-scope safeguards as an export criterion for several reasons. First, getting adherence to full-scope safeguards by nations around the world has been a longstanding objective of U.S. foreign policy and would directly address the proliferation risks in a number of key countries. If all the suppliers could agree that these nations would receive nuclear technology only after they allowed international inspections on all of the nuclear facilities, the risk of these nations pursuing nuclear weapons programs through unsafeguarded, indigenously built facilities could be greatly reduced. Second, gaining supplier acceptance for this export criterion is by no means a farfetched objective. From time to time, there have been strong indications from a number of suppliers that they would accept this export criterion if it were universally adopted. Canada, the United States, and Australia have already made it a part of their nonproliferation control system, and at the 1980 Nonproliferation Treaty Review Conference additional supplier countries appeared favorably disposed toward this option. Finally, as my resolution states explicitly in its preamble, gaining supplier country acceptance of full-scope safeguards as an export criterion is already a policy objective of the Reagan administration, as articulated last year in the President's policy statement on nuclear proliferation. Thus, my proposal is aimed at achieving widespread bipartisan congressional and Presidential support for this key objective.

I know from talking to administration officials they do plan to make this an issue at Versailles, plan to bring it up, and I think this will go a long way toward giving the President substantial support in this regard.

Unless there is further discussion I would be prepared to yield back the time and go to a vote, the yeas and nays having been ordered.

The **PRESIDING OFFICER.** All time having been yielded back, the question is on agreeing to the resolution of the Senator from Ohio. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. **STEVENS.** I announce that the Senator from Illinois (Mr. PERCY) and the Senator from New Mexico (Mr. SCHMITT) are necessarily absent.

I further announce that, if present and voting, the Senator from Illinois (Mr. PERCY) would vote "yea."

Mr. **CRANSTON.** I announce that the Senator from Nevada (Mr. CANNON) and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON) would vote "yea."

The **PRESIDING OFFICER** (Mrs. KASSEBAUM). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 96, nays 0, as follows:

[Rollcall Vote No. 161 Leg.]

YEAS—96

Abdnor
Andrews
Armstrong
Baker
Baucus
Bentsen
Biden
Boren
Boschwitz
Bradley
Brady
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
East
Exon
Ford
Garn
Glenn
Goldwater
Gorton
Grassley
Hart
Hatch
Hatfield
Hawkins
Hayakawa
Heflin
Heinz
Helms
Hollings
Huddleston
Humphrey
Jackson
Jepsen
Johnston
Kassebaum
Kasten
Kennedy
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McClure
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Randolph
Riegle
Roth
Rudman
Sarbanes
Sasser
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Tower
Tsongas
Wallop
Warner
Weicker
Zorinsky

NOT VOTING—4

Cannon
Inouye
Percy
Schmitt

So the concurrent resolution (S. Con. Res. 96) was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. CON. RES. 96

Whereas the proliferation of nuclear weapons is a threat to the security of every nation in the world;

Whereas the International Atomic Energy Agency (IAEA) safeguards inspection system was created to verify that nuclear facilities in non-nuclear-weapon states are used strictly for peaceful purposes;

Whereas a number of non-nuclear-weapon states do not permit full-scope safeguards, that is, IAEA inspections of all their nuclear facilities;

Whereas only Canada, Australia, and the United States now require full-scope safeguards as a condition of exports of nuclear fuel and equipment;

Whereas certain other supplier nations have from time to time indicated that they would impose the same restrictions on their nuclear exports provided all other suppliers agree to take the same steps;

Whereas the United States has traditionally taken a leading role in developing agreement to control the spread of nuclear weapons;

Whereas on July 16, 1981, the President stated that the United States will continue "to seek agreement on requiring IAEA safeguards on all nuclear activities in a non-nuclear-weapon state as a condition for any significant new supply commitment";

Whereas on July 17, 1981, the Senate, without dissenting vote, passed S. Res. 179, calling on the President to implement a series of important initiatives to strengthen the international non-proliferation regime;

Whereas such initiatives are still needed, including consultations on an urgent basis with other nuclear supplier nations to limit nuclear transfers only to non-nuclear-weapon states which have accepted full-scope safeguards;

Whereas on July 17, 1981, the House of Representatives, without dissenting vote, passed H. Res. 177, calling on the President to take a number of significant steps to strengthen the political, institutional, and technical barriers against the spread of nuclear weapons; and

Wheras such steps are still needed, including the need to achieve restraint on the part of nuclear supplier nations: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That—

(1) the Senate and the House of Representatives, respectively, reaffirm S. Res. 179 and H. Res. 177; and

(2) the President, as an initial step toward implementing such resolutions, should urgently seek at the Versailles Economic Summit Conference and through other appropriate channels to obtain agreement from all nuclear supplier nations that they will export nuclear fuel, equipment, and technology only to those non-nuclear-weapon states that have accepted full-scope safeguards of the International Atomic Energy Agency.

Mr. GLENN. Madam President, I move to reconsider the vote by which the resolution was agreed to.

Mr. PROXMIRE. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

URGENT SUPPLEMENTAL APPROPRIATIONS, 1982

The Senate continued with the consideration of the bill H.R. 5922.

Mr. HATFIELD. Madam President, while Members are still in the Chamber, I would like to indicate that we have an order for the presentation of amendments. If any other Members have amendments, I would like to be advised so that we can add them to the list. I would also like to report that of the 185 amendments at the desk, 105 have been reviewed by the Parliamentarian. Sixty-six are not in order and 39 are in order, if they are to be called up.

I have urged the leader to permit us to continue pressing through all of these amendments, no matter what the hour may be, in order to not only utilize the remaining part of this day to handle that business, but also in order to comply with the rule requiring a calendar day to intervene on an expected suspension of the rules action that is pending at the desk on behalf of Senator LUGAR.

I just wanted to put the Senate on notice of my desire as manager of the bill to press on to complete all the matters pertaining to this bill so that we can begin some staff work at the conference level with the House of Representatives during whatever period is left of the Memorial weekend recess.

At this time I yield to the Senator from Wisconsin (Mr. KASTEN), who will present the Kasten-Moynihan amendment.

AMENDMENT NO. 1718

(Purpose: Prohibits payments under loans guaranteed by the United States Government to the Polish People's Republic unless Poland has been declared to be in default of its debt or the President certifies to Congress that such payment is in the national security interests of the United States)

Mr. KASTEN. Madam President, on behalf of myself and the Senator from New York, I call up my amendment at the desk, which is a modification of the committee amendment, on the Polish debt, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Wisconsin (Mr. KASTEN), for himself, Mr. MOYNIHAN, and Mr. PRESSLER proposes amendment numbered 1718.

Mr. KASTEN. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 45, line 5 after the second word "or", strike through line 7 and insert: "unless the President has provided a monthly written report to the Speaker of the House of Representatives and the President of the Senate explaining the manner in which the national security interest of the United States has been served by any payments during the previous month under loan guarantee or credit assurance agreements with respect to loans made or credits extended to the Polish People's Republic in the absence of a declaration of default"

Mr. KASTEN. Madam President, the amendment at the desk, in order to conform, should read "page 45" of the bill rather than "page 32" of the Hatfield substitute.

The PRESIDING OFFICER. The Senator has the right to modify his amendment.

Mr. KASTEN. Madam President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. KASTEN. Madam President, at this time I yield to the Senator from New York. He has played a critical role in our joint effort of trying to work on the problems of martial law in Poland and Polish debts.

Is it possible, I will ask the Senator from New York, if we could reach an agreement of 20 minutes on this amendment?

Mr. MOYNIHAN. Madam President, I should be more than willing. I should think what we have to say could be said in 15 minutes, equally divided.

Mr. HATFIELD. Madam President, I ask unanimous consent that the time limitation on this amendment be 15 minutes equally divided.

The PRESIDING OFFICER. Hearing no objection, it is so ordered.

Mr. KASTEN. Madam President, I yield to the Senator from New York.

Mr. MOYNIHAN. Madam President, the amendment before us, which I have drafted and my friend from Wisconsin has introduced, would clarify a section of the bill as it was reported by the Appropriations Committee. This is a matter which I first brought to the floor on February 9 of this year, in the aftermath of the brutal imposition of martial law in Poland by the Soviet-directed Polish Army. With the able support of the junior Senator from Wisconsin, I urged that the Senate adopt a substantially similar amendment.

At that time, the view was widely held in the executive branch that the debts of the Polish Government ought not to be declared in default at an early point. As much as I may have disagreed with that—I argued that default was a proper and necessary step—the argument was offered that events in Poland might be temporary; that in February, they might ease. By the spring, suggested the highest officials in the administration, martial law might have somehow been put behind the people of Poland.

That has not happened, Madam President. Not in January, nor in February, March, April, now May. Rather, the regime has consolidated itself. It shows no indication in the least of releasing Lech Walesa or the thousands of Solidarity officials that are still held in confinement.

Yet the people of Poland have not given up hope. An Underground Solidarity group has formed; a new Polish union has formed—all now illegal, in violation of that Government's previous pledges that it would permit such development. Clandestine radios have begun to broadcast a message of hope.

There is some evidence the U.S. Government may be inclined to abandon the cause of freedom in Poland. On March 31, the Under Secretary of State for Political Affairs was reported by the New York Times to have said there were no plans to impose any new sanctions on either the Soviet Union or Poland beyond those announced in December.

I am here today to say that the United States should begin to bring meaningful economic pressure to bear on the military junta in Poland, and the Soviets who installed it. I am hopeful the Senate will support the proposal before us, which would do so.

Mr. ARMSTRONG. Madam President, will the Senator yield to me for perhaps 10 seconds?

Mr. MOYNIHAN. I yield to the distinguished Senator for 10 seconds.

Mr. ARMSTRONG. Madam President, I am in support of the position taken by the distinguished Senator from New York and the distinguished Senator from Wisconsin. I think they are right. I ask unanimous consent that there be printed in the RECORD at this point a memorandum of law from the American Law Division of the Congressional Research Service of the Library of Congress.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, D.C., March 5, 1982.

From: American Law Division.

Subject: Prohibition of Financial Transactions With Foreign Governments in Default on Their Obligations to the United States.

This memorandum is furnished in response to your request for a brief memorandum describing the present status of Public Law No. 151, enacted during the 73d Congress (48 Stat. 574 (1934)). This law, which is codified at 18 U.S.C. § 955, makes it a felony to engage in financial transactions with any foreign government in default on its obligations to the United States. It was amended by § 9 of the Bretton Woods Agreements Act, 59 Stat. 516 (1945), which made the law inapplicable to transactions with foreign governments that are members of both the International Monetary Funds and the International Bank for Reconstruction and Development (the World Bank). In addition, word changes were made when the law was codified in 1948 (62 Stat. 744).

This law appears still to be in effect, and we have found no other law that allows financial transactions to be made that would be illegal under this law. We have found one case decided under it, *Soviet American Security Corp.* v. *Bolger*, 16 F. Supp. 622 (D. N.J. 1936), which held the law (which it called the "Johnson Act") inapplicable to a situation in which a contract with Russia was entered into prior to the effective date of the law. We have also found one comment in the legal literature:

"The Johnson Act prevents the making of loans to, or the purchase or sale of bonds or obligations of, a foreign government by private persons in the United States if the foreign government is in default in the payment of its obligations to the United States. These restrictions apply to the Soviet Union and all the other countries of Eastern Europe, with the exception of Bulgaria and Albania, which are not "in default", and Yugoslavia, which comes within a statutory exception [citing Battle Act Report 1968, at 7]."

Saeks, East-West Trade: Time for a Reappraisal, 55 American Bar Association Journal 1041 (1969).

HENRY COHEN,
Legislative Attorney.

Mr. MOYNIHAN. Madam President, I would like also to submit a statement by an expert in these matters, also in support of our amendment. Dr. Henry A. Kissinger, in the New Republic this week, has made an important statement entitled "Trading With the Russians." Dr. Kissinger, who has much to do with the beginning of this trade policy, of which we in the West seem now to be captive, writes that we should begin to disengage from current trade and credit relations with the East.

I ask unanimous consent that the full text of the article be printed at this point in the RECORD.

There being no objection, the article was/were ordered to be printed in the RECORD, as follows:

TRADING WITH THE RUSSIANS

In the wake of the Soviet invasion of Afghanistan and then of the suppression of liberty in Poland, two successive American Administrations vainly sought European support to restrict East-West trade. The resulting disagreements have left an unfortunate residue. In America, many believe that Europe subordinates long-term strategy and even security to short-term domestic politics; in Europe, many argue that America seeks to play for geopolitical stakes with European chips, risking the domestic cohesion of friendly countries without ourselves making equivalent sacrifices, as the lifting of the grain embargo suggests.

Pressures for East-West trade grew in the late 1960s and early 1970s—ironically, following the Soviet invasion of Czechoslovakia. It was argued in some quarters that despite occasional Soviet transgressions, increased trade would moderate Soviet behavior by making the U.S.S.R. increasingly dependent on the technology and grain of the industrial democracies. The American Administration then in office, in which I served, held from the first that trade should follow prior demonstrations of Soviet commitment to a more peaceful course and should be linked to Soviet international behavior. When the Soviet Union entered into serious negotiations on Berlin, Salt, mutual force reductions, and other matters, the United States gradually lifted restrictions, on a case-by-case basis and tied to specific projects. Our European allies followed, and far surpassed us in both the scale of their trade and credit and the ease with which they made it available.

Whatever the merit of the original theories, it is now clear that trade and credits can moderate Soviet conduct only if the Kremlin fears that intransigence will cost it the economic benefits it seeks. Yet that is what is most insistently rejected by the domestic interest groups in all countries that gain from East-West trade and by the Western governments that they influence. More and more, the governments of the industrial democracies act on the premise that the immediate gains in employment outweigh the political risks of strengthening a hostile and aggressive political system. This is all the more shortsighted, since a mounting tide of radicalism and insecurity in the world—inevitably encouraged or abetted by a growth of Soviet power unrestrained by some agreed code of conduct—will sooner or later compound all economic difficulties as well.

There is little doubt that the negotiating balance in East-West trade has been reversed over the past decade. In every crisis, the West invents new excuses for declining to interrupt economic relations. Indeed, economic relations have done much more to induce Western restraint in the face of Soviet misconduct than to encourage Soviet restraint in international behavior.

The inequality in bargaining positions is almost entirely the result of the disunity of the democracies. The West is divided into competing units that are sometimes prevented by antitrust legislation from acting together, and often encouraged by governments that seek special benefits for their national industries by concessional credits. Loans have been offered or encouraged with little or no consideration of Soviet or East European ability to use or repay the funds. Default is avoided by "rescheduling," that is, lending more money to pay interest on what are in effect bad loans—protecting the lenders' balance sheet. In these circumstances it is easy for the Kremlin to play Western countries, and even industries, against each other, obtaining benefits not justified by the economic balance of advantage, much less by political circumstances.

The result has been an anomaly. By any objective analysis, the Soviet Union and its satellites are infinitely more dependent on East-West trade than their trading partners, the industrial democracies. The Soviet Union cannot feed itself without the non-Communist world's grain; it desperately needs Western technology. The inequality in benefits would long since have reduced trade to a trickle had not Western governments stepped in with direct or hidden credits, which now amount to nearly $90 billion for the Communist world. In addition, many export prices are subsidized by governments directly or indirectly. The Communist countries thus are not only gaining a relative advantage in trade, but are also being financed by the nations against whom they are simultaneously conducting a geopolitical offensive. Lenin's legendary dictum that capitalists would compete to sell the rope with which they would be hanged is coming true with a vengeance—for Lenin never guessed that Western governments would provide the money to buy the rope and subsidize the price to facilitate the purchase.

It is unthinkable that the West should continue to use its overwhelming share of the world's economic power so frivolously. We are on the defensive not because we lack resources but because we have failed to muster the will or the leadership to organize a coherent response. We have tried stop-and-go sanctions. They have failed because they affected various countries and different sectors of the economy unequally. They have turned into pinpricks dramatizing the West's weakness rather than its mastery of the situation.

The issue has further been clouded by the extreme manner in which the choices have been stated. Some opponents of East-West trade seem to hope that a total denial of economic benefits would force the collapse of the Soviet system. This theory is disproved by history. The Soviet system survived several decades of economic isolation and did not crumble. And it runs counter to the domestic pressures for seeking negotiations on a broad front. The last eighteen months show that the alliance will not sustain a policy of confrontation for its own sake, unrelieved by any hope of diplomatic progress.

But the opposite theory, of the automatic mellowing effect of trade, has also been demonstrated to be fallacious. Soviet behavior in recent years has given the lie to the argument that trade and credits by themselves will bring about a benign evolution of the Soviet system. Soviet-Cuban intervention in Angola, in Ethiopia, and in South Yemen; the invasion of Afghanistan; the suppression of Solidarity in Poland; and the use of toxic chemical and biological warfare in Afghanistan and Southeast Asia have all occurred in precisely the period of expanded East-West economic cooperation.

If the democracies continue to make available their hard-earned resources for an assault on the geopolitical balance, they must not be surprised at the inevitable decline in their security and prosperity. So long as the

Soviet Union asks for help in solving its economic problems by what amounts to Western aid, the industrial democracies have the right, and indeed the duty, to insist on restraint and stability in international conduct in return.

The industrial democracies are in a position to use their economic strength positively and creatively. There exists a sensible rationale for East-West trade which is neither unrestricted economic warfare nor uncontrolled Soviet access to Western trade, credit, and technology. If the democracies cannot concert unified political criteria, they should at least be able to agree on letting market conditions determine the level of East-West trade and credit. If government-guaranteed credits and subsidies were to end, East-West trade would be reduced to the level of reciprocal economic benefit—or a small fraction of what now exists. If the Soviets want to go beyond this—if they seek further credits or subsidized prices—the West should insist on a political quid pro quo.

To this end, the industrial democracies should jointly take the position that they are prepared over the long term to engage in economic cooperation, even on an augmented scale—but only if there is in return a comprehensive political understanding providing for settlement of the most serious outstanding problems, specific restraint in superpower conduct, and major steps toward arms reduction. The conditions should not be pious platitudes and should be spelled out in concrete detail. Nor should we delude ourselves: this cannot be achieved without a period, perhaps of some years, of disciplined coordination and restraint among the democracies to convince the Soviets that we are serious.

Specifically, the democracies should start by specifying their objectives in the political area to provide clear-cut criteria for progress. The most important message would be that the industrial democracies propose to speak with the East with one voice.

Second, there should be an urgent updating of the list of prohibited strategic exports and a determination to stick to it.

Third, the democracies should examine at the highest level on what political terms the Soviet Union and the nations in its system will enjoy governmentally supported access to Western trade and financial resources. Policies on export credits and financial guarantees should be reviewed periodically, based on a commitment to establish a common and noncompetitive policy among all members of the Organization for Economic Cooperation and Development.

Fourth, the democracies should agree to end progressively all government subsidies and guarantees for private bank credits to Eastern Europe. Given the nearly catastrophic performance of Communist economies, the marketplace would determine the proper flow of private credit, probably to restrict if not eliminate it. The same principle should apply to subsidized prices. Concurrently, there should be an agreement that rescheduling of existing debts will be heavily influenced by behavior of the countries concerned, especially in the field of foreign policy but including an end of martial law in Poland.

Fifth, there should be an urgent review of the grain export policy of the major grain-producing nations to determine how it can serve the strategy sketched here without undue hardship to the farmers in all our countries.

Finally, there must be a consensus among the democracies about what form of expanded economic cooperation we are prepared to undertake with the Communist world if this strategy of Western economic coordination leads to a broad East-West political understanding. The Versailles summit would seem to provide a useful forum to begin such a process.

What these measures suggest is in the long-term interest of both East and West. It discourages Soviet adventurism grounded in the belief that the West is too weak, too selfish, or too divided to defend its interests with its best weapons. It thus forces the Soviets to make real choices at a time when their succession struggle will inevitably involve an internal debate over priorities and a possible desire to ease outside pressures. If it leads to the sort of political settlement that precludes later reversal, trade and credit can safely be expanded. If such a settlement is unattainable, continuing our present trade and credit practices will in effect accelerate our crisis. In that case, future generations will not be able to explain what possessed their predecessors to engineer their own decline by lassitude, greed, or lack of leadership.

If the industrial democracies wish to subsidize their exports by easy credit or pricing policies, the creative area for such efforts is not in the Communist countries but in the third world—especially among its moderate, market-oriented governments.

The Soviet Union is a system with no legitimate method of succession, a stagnant economy, a demographic challenge in the growth of its non-Russian population, and ideological claims whose bankruptcy is being proven by the working class of Poland in the streets of Polish cities. The joke of recent history is that the only spontaneous revolutions in industrialized countries have been against Communist governments. A system that feels so threatened by even the most elementary liberties, a system so structurally unsound and so patently contrary to the human spirit, can prevail only by our inadequacies, not by its own efforts. The West, which over centuries has shaped a great civilization—of culture, philosophy, inventiveness, and well-being—must not now abdicate control of its own destiny to short-term calculations. Democracy requires above all clarity of thought, fortitude, and leaders willing to present the facts to their people and prepared to deal with complexity.

Mr. MOYNIHAN. Madam President, the perfecting amendment we have at the desk provides that the President may proceed with payments to banks or other lenders to whom Poland has failed to repay guaranteed loans if he judges it to be in the national interest. But should he make that judgment, the amendment requires that he report to us within 30 days of a proposed payment, "explaining the manner in which the national security interests of the United States (would be) served by such payments".

We ask for a more persuasive statement of this administration's policy with respect to Poland than has thus far been offered. After stating that we think default should be part of that policy, we would ask only that the President explain why he does not agree.

I thank the Chair. I yield the remainder of my time to the Senator from Wisconsin.

Mr. KASTEN. Madam President, 5 months have passed since the Soviet-backed imposition of martial law in Poland. Four thousand Poles have been detained without charge and without accounting. Lech Walesa remains in confinement, movement toward democracy has been crushed, and Stalinistic repression continues. Yet even the brutality of martial law cannot stop the Poles from fighting for a say in the way their country is run.

On May 18 the Senate Appropriations Committee voted 15-4 to stand up for Poland by demanding a declaration of Polish default. This language is included in the urgent supplemental appropriations bill, H.R. 5922.

It is one of the amendments that was put back in the overall amendment of the Senator from Oregon.

Madam President, this amendment is a moderate approach to this issue, I repeat, a moderate approach. My own feelings are that we should force a default through legislation, but I have been persuaded by others that we should give the administration some flexibility in the matter. Despite this, some in the administration are still arguing against this amendment.

I believe the modification which we are today presenting is going to be more acceptable to the administration.

The State Department argues that this amendment will tie the President's hands in negotiations with our NATO allies.

To the contrary, this amendment would strengthen the President's hand as he attempts to win tougher sanctions against the Soviets from our NATO allies. Up until now, the allies have been unwilling to even discuss Polish default or a slowdown in construction of the Siberian pipeline. They have been cool to a suggested limit on future credits to the Soviet Union. A congressional vote in favor of default would alert the allies that the American people refuse to stand idly by while Poland fights for freedom. At the same time, the amendment gives the President flexibility by setting up a certification procedure, which gives him discretion over when the default declaration is to be made.

Some argue that a declaration of default would take all the pressure off Poland to pay back its loans.

If that is true, why is Poland trying so desperately to avoid default—why does it not just declare the default on its own, which it could easily do? The answer is that the interest payments Poland has managed to raise are a small price to pay to keep Western financial institutions interested in Poland's future, to maintain the illusion of creditworthiness, and to keep the door open to more credits from the West.

If the United States declares Poland in default, Poland will not be absolved of future responsibility for its debts—default is not the international equivalent of individual bankruptcy. Poland would still be required to pay back all of its debts, and could not receive any more credits from the United States until it did so.

Some argue that the Kasten amendment would undermine the Commodity Credit Corporation program.

This is simply not true, Madam President. The Polish loans are already bad loans; declaring Poland in default will not make them worse. Commercial banks have already begun to write these bad loans off, and regardless of whether default is declared, the U.S. Government is making good on its loan guarantees. The CCC is not guaranteeing any new loans to Poland, and while there will be a prudent reluctance on the part of both the banks and the Government to lend to Poland in the near future, loans to other countries continue to be made and would not be affected by congressional action on Poland.

Some people argue that a declaration of default would endanger the Western banking system.

Madam President, of Poland's $25 billion of debt to Western banks and governments, only about $1.2 billion is owed to U.S. banks, with the largest credits owed to any one bank in the area of $100 million to $125 million. Our largest banks are well able to handle even total writeoffs of that size, and many have already provided considerable reserves for such an event.

The real problem seems to be the German banks. Even there, according to experts such as our ambassador to West Germany, Arthur Burns, the problem is manageable. Banks which made imprudent loans would be hurt, but there would be no collapse of the international banking system.

Some argue that a declaration of default would further weaken relations with our NATO allies.

Time after time—Czechoslovakia in 1968, Afghanistan in 1979—we have let ourselves become so worried about allied reaction to tough sanctions that we failed to do what was right. Now a new administration has a chance to reverse this foreign policy trend, to restore America's credibility, to weaken the Soviet economic system, to help the Polish people, and most importantly, to lead instead of follow. Now is the time to declare Poland in default.

Madam President, I believe it is clear that this is an urgent matter, appropriate to this bill, especially given the most recent crackdown in Poland.

The modification now being suggested by myself and the Senator from New York improves the committee amendment which I offered in committee when the legislation was before that body.

Before saying a little bit about the modification, I would like to compliment and extend by thanks to the Senator from New York for his very able leadership in the whole question of the Polish debt situation. He and I have worked closely on this matter, which should be considered a joint effort, and I again thank him for his help.

What the modification does is require, instead of a Presidential certification every time a check is issued, a monthly certification and report to the Congress. The modification, I believe, is more acceptable to the administration, than the committee amendment—although I do not want to mislead anyone by suggesting that the administration in fact supports. Nonetheless, it does make it more acceptable to them.

Madam President, on behalf of myself and the Senator from New York, I urge my colleagues to accept this amendment as modified.

POLISH DEFAULT IS INEVITABLE

Mr. HELMS. Madam President, on March 12, I conducted hearings before the Committee on Agriculture, Nutrition, and Forestry, on the question of the Polish debts. It was my intention to develop a better understanding of what impact a declaration of default would have on the Commodity Credit Corporation and upon the U.S. grain trade.

As Senators know, the Commodity Credit Corporation is the principal funding mechanism for virtually all farm programs. It serves as a "revolving fund" to finance everything from price support loans to credit arrangements for the export of U.S. agricultural products. The CCC has become a cornerstone for U.S. agricultural and trade policy, and its integrity is vital to the U.S. economy and to our international trade interests.

It is of tremendous concern to the committee that Poland had been granted an incredible 54.3 percent of all CCC overseas lending in 1981. No other country came even close. Peru had 8.5 percent, Korea, 7.7 percent, Portugal, 5.6 percent, and so forth, down to Yugoslavia which received three-tenths of 1 percent.

So, when it became evident that the Polish economy was in a virtual state of bankruptcy, those of us who have responsibility for assuring the integrity of the CCC became quite alarmed.

The hearings developed information that while CCC has some $1.6 billion in exposure in direct loans and private loan guarantees for Poland, no immediate threat to the well being and future functioning of CCC exists.

With respect to the degree of exposure to the CCC's $20 billion borrowing authority, the hearing record shows that the exposure is significant but not excessive. The total amount of exposure from direct credit loans and loan guarantees to Poland represents 7 percent of the total CCC borrowing authority. If these loans become uncollectable, the U.S. taxpayer will end up paying the total cost of those food exports. Hence, while the claim is made that the current exposure of principal plus interest on Soviet bloc loans and guarantees is nowhere as large as the exposure from U.S. domestic commodity loans and inventories, they do represent a sizable sum.

It was further established at the hearings that the CCC is not now, and does not intend in the future, to make any further loans to Poland—or to guarantee any loans that private banks may choose to make.

I realize that the Soviet Union and Eastern bloc nations have been large and growing markets for U.S. corn exports. U.S. corn is used extensively in the feeding of poultry, hogs, and, in some cases, cattle populations in these countries. However, I doubt very strongly if the majority of U.S. corn producers wish to rely on the U.S. Government to pay for U.S. corn exports to these markets as has been the case recently with corn-shipments to Poland. American farmers want cash markets for their products. They realize the economic benefit to them and the developmental and humanitarian need for agricultural exports through Public Law 480. Yet, they also realize that cash customers such as Japan, Korea, Mexico, Taiwan, and others provide more cash income and long-term benefits to them than those provided by Public Law 480 sales and donations.

Further, the hearing convinced me that the default of Poland will have no adverse impact upon the U.S. grain trade. In fact, it is the assessment of some analysts that only until the credit status of Poland and other Soviet bloc nations is clarified, will it be possible to regularize any kind of credit sales for the future. From now on virtually all agricultural sales to Poland will be on a cash basis. Our traders know that, and they have accounted for that in their marketing plans. That is, the grain trade has already faced the reality that our own State Department refuses to face.

This is really the crux of the point that my friend fron Wisconsin (Mr. KASTEN) is making.

The CCC is not going to make any new loans to Poland—and neither is anyone else. Poland is bankrupt, and hopelessly so. It is impossible for Poland to meet its debt obligations, and its ultimate default is simply a matter of time.

Witnesses before the Agriculture Committee testified that for the

Polish Government to continue to pay its current loan obligations, it will have to be extended $1.5 billion in new credits each quarter this year, for a total of $6 billion in new credits in 1982. It was estimated by credible witnesses before my committee, and before other committees in similar hearings, that the total new credits required by Poland just to stay current in its payments will amount to between $15 billion and $20 billion in the next 2 or 3 years.

The Administration witnesses testified that, as there is little or no likelihood that such massive indebtedness can be repaid by Poland. It is extremely unlikely that any new credits will be extended to Poland either by U.S. banks or the U.S. Government, or by anyone else.

The obvious conclusion is that a Polish default is inevitable—and it is just a matter of when it will occur.

I am distressed by the apparent lack of appreciation for that by the State and Treasury Department officials who testified before my committee. Their unwillingness to acknowledge the inevitable appears to me to distract them from developing contingency plans which would make it possible for the United States to be in a better position to take command of the situation when the inevitable happens. Still worse, it distracts the United States from seizing the initiative and exercising effective command and control over the situation in advance of the inevitable default. The consequence of all this distraction is to permit the Soviets maximum room to maneuver.

It is this refusal to address the reality of the inevitable default of Poland that the amendment seeks to remedy. The provision added to the bill by Senator Kasten is vitally necessary if U.S. policymakers are to be brought into the world. His amendment will compel them to develop a plan of action which will hopefully give the United States more options than it has now provided itself.

When the default occurs all trade and commerce with Poland—and possibly with the rest of the Soviet bloc—is likely to be on a cash basis only. To the extent that the Soviets operate their system with Western goods and agricultural products, they will have to divert substantial amounts of the GNP to an export trade to pay for those goods. If they are unwilling to do that, they could find themselves faced with severe internal unrest.

In such a circumstance, the west is likely to be in a commanding position to permit credit sales for trade only with the understanding that the Soviets make concession in other areas—such as ceasing their Latin American adventurism or in a real arms reduction, just to name two.

In short, our failure to acknowledge the inevitable default of Poland. And our policies which are designed only to delay that default so the banks can recover as many of their assets as possible, is causing us to turn our attention from what could be the most effective tool we have for dealing with the Soviet Union at the present time.

If we continue to "mark time," the inevitable default will cause events to overtake our capacity to deal with the situation. It just seems to me that we can—and should—take action now to develop a contingency framework for policy options to deal with the situation. Only then will the President be in a position to take command of events and turn them to the advantage of the United States.

The Senator from Wisconsin is absolutely correct in his assessment, and as chairman of the Senate Committee on Agriculture, I am pleased to offer him my strongest support.

Mr. ARMSTRONG. I ask unanimous consent that a report entitled "East European Hard-Currency Debt to the West" be printed in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

East European Hard-Currency Debt to the West

(By David D. Driscoll)

INTRODUCTION

The hard-currency debt to Western banks and governments of the six East European member nations of the Council of Mutual Economic Assistance (CMEA) has more than doubled from $21 billion in 1975 to about $60 billion in 1981. Although the $60 billion in loans from the West vastly exceeds in real terms the Marshall Plan aid granted to Western Europe between 1948 and 1951 (generally estimated at about $15 billion), East European economies have notably failed to respond by replicating Western Europe's economic miracle of the 1950s and 1960s. On the contrary, it is argued that this massive infusion of credit into nonmarket economies has encouraged inefficiency, stimulated unrealistic pricing, and weakened accountability. Although their economies vary, as a group these countries have accumulated a debt that substantially exceeds their capacity to generate the convertible currency to service the debt: since the loans were denominated in convertible currencies, such as sterling, dollars, and marks, the principal and interest must be repaid in the same currencies. In practical terms, East European nations earn hard currency only by exporting to the West, but earnings from exports have failed to keep pace with debt-service requirements because of a narrow range of exportable products and slack demand by Western economies for these products.[1]

Inefficient use of capital investment at home and decline in demand for exports have driven Poland and Romania into default on their financial obligations to the West during the past year.[2] Poland's debts for 1981 have now been successfully rescheduled but creditor banks are still trying to work out a satisfactory rescheduling scheme with Romania.[3] Hungary has serious debt problems that must be closely monitored. The GDR seems capable of handling its debts, despite their size, and is rated as a fair credit risk by financial experts. Bulgaria and Czechoslovakia, having borrowed less abroad, appear to be having no difficulty in managing their external debts and so are regarded as creditworthy. The following table, which for purposes of comparison includes statistics on the debts of the USSR and Yugoslavia (not formally treated in this report), shows the estimated hard-currency debts to Western creditors of the East European nations at the end of 1981 as well as their debt-service ratios.[4]

Footnotes at end of table.

This report contains an analysis of the external hard-currency debt of each East European nation. Because the Soviet Union with its vast economic potential and relatively low debt-service ratio has little difficulty in handling its debts, it will be omitted from consideration in this report. Likewise, Yugoslavia's debt is not analyzed because of its unique trade relationship to the West.

TABLE 1.—EAST EUROPEAN HARD-CURRENCY DEBTS TO THE WEST, 1981

[In billion of dollars]

	Debt	Debt-service ratio
Bulgaria	2.6	0.29
Czechoslovakia	3.5	.25
GDR	13.0	.43
Hungary	7.7	.57
Poland [1]	22.0	.87
Romania	10.8	.32
Total Eastern Europe	59.6	
U.S.S.R.	14.0	.07
CMEA Banks [2]	3.9	
Yugoslavia	18.0	.36
Total	95.5	

[1] The Wharton Associates give a conservative figure for the Polish debt. The more usual figure, given by the U.S. Treasury and others, is $26 billion.

[2] CMEA banks are two regional banks with headquarters in Moscow. They borrow on the open market.

Source: Wharton Econometric Forecasting Associates, Centrally planned Economies Current Analysis, Jan. 7, 1982, pp. 5 and 6.

POLAND

Because of wide coverage in the news media and much editorial comment, Poland's inability to meet its debt obligations to Western governments and banks is well-known.[5] Of Poland's $26 billion debt to the West, some $10 billion is owed to governments and $16 billion to banks.[6] Although $2.4 billion of the $16 billion principal came due for repayment in 1981, the Polish government lacked the export potential and the hard-currency reserves to meet this obligation and in March 1981 petitioned its 500 creditor banks for a breathing space of four years (until December 10, 1985) before beginning the repayment. The banks agreed to reschedule the $2.4 billion debt on two conditions: that Poland pay a token 5 percent of the debt principal ($120 million) in three installments during 1982 and that it pay by December 28, 1981 all the interest ($500 million) accrued between March and December 1981. The Poles had great difficulty in scraping together the $500 million and, after several extensions, were able to make full payment only by the end of March 1982. This interest payment removed the final barrier to rescheduling the $2.4 billion principal, and the agreement was signed in Frankfurt in April 1982. The interest rate on the rescheduled principal assuages the bankers' annoyance at the late payment: $1\frac{3}{4}$ percentage points over the London Interbank Offered Rate (LIBOR), which is currently $15\frac{1}{16}$ percent.[7]

Signing the rescheduling agreement will by no means signal the end of Poland's financial woes. In fact, a more challenging problem will emerge after the accord is signed: how to reschedule an estimated $6.8 billion in principal maturing during 1982 and how to repay $2.8 billion in interest due that year.[8] There is little in official Polish trade forecasts to raise much optimism that a trade surplus will build up Poland's convertible currency reserves. Jan Woloszyn, first deputy president of Bank Handlowy (the Polish export bank), estimates that Poland will export about $7 billion of hard-currency goods to the West during 1982, but will import between $6.5 and $7 billion, thus establishing either a trade balance or a surplus insufficient to produce the hard currency required to service the debt.[9]

The conditions under which the Polish debt developed have occasioned two knotty, interrelated problems for the U.S. Government: cross-default clauses and government guarantees.[10] The larger banks, with the support of the Administration, have encouraged smaller banks not to declare Poland formally in default on the grounds that such a declaration would activate the cross-default provisions of the loans and flood the courts with requests to attach whatever Polish assets can be found in the West.

These assets surely cannot be many and in any case would be woefully inadequate to satisfy full claims against the Polish government. According to the Administration roughly 60 percent of Poland's outstanding debt is government guaranteed. Declaration of default would force governments to make good on their commitments and would force a massive write-off of the non-guaranteed portion of the loans on the books of Western banks. Such a write-off would reduce the banks' assets and interrupt their stream of profits.

The policy of opposing formal declaration of default led the Administration to the controversial decision on January 28, 1982, to order the Commodity Credit Corporation (CCC) to offer reimbursement to U.S. banks for $71.3 million in interest which the CCC had guaranteed. The controversy arose because the CCC offered to make good on its guarantee without first insisting, as its regulations require, on a formal declaration of default.[11] While the Administration continues to insist that more pressure can be put on Poland to moderate the harshness of military rule by demanding repayment outside the context of formal default, critics point out that the U.S. Government over the past year was called on to honor $158 million in guarantees on rescheduled Polish debt and that Poland still has over $1.6 billion in outstanding loans, guaranteed by the CCC, including some $300 million due for repayment in 1982. These critics maintain that a formal declaration of default would put intense financial and political pressure on the Communist bloc and deprive the Soviet economy of the indirect infusion of credit it has enjoyed for the last decade.

The CCC controversy has not been resolved. The offer of January 28, 1982 has been extended several times and now covers about $150 million owed to at least ten U.S. banks. Nevertheless most banks are reluctant to take up the offer because of the strings attached: although the U.S. government has offered to pay the guaranteed principal in full, it is offering only 6 percent interest on the debt, perhaps 10 percentage points below what the banks had negotiated. Moreover, in accepting the offer the banks would be required to relinquish their rights to negotiate with Poland on rescheduling outstanding debt. As a result of these conditions, only one bank, the Bank of Boston International in New York has accepted payment from the CCC, and that for only $154,000. Other banks are adopting a wait-and-see attitude.

Meanwhile, the consortium of creditor banks has managed to retain its self-discipline: none 319of the nearly 500 banks has declared Poland formally in default. Whether the bank's frustration at repeated Polish delay in paying the $500 million interest due during 1981 will be reflected in harsher rescheduling conditions for the $6.8 billion principal due in 1982 is yet unclear. At a meeting on March 18, 1982, of the so-called Paris Club—an ad hoc committee of creditor banks—a request by Polish officials that rescheduling talks for 1982's debt begin was rejected because of the political situation in Poland. The banks apparently want government insurance for the rescheduled loans. In the meantime, rescheduling of the 1982 debt held by governments (as distinct from that held by banks) is at a halt because of the Western governments' condition that future negotiations depend on an end to martial law in Poland, release of Solidarity members and other "dissidents," and resumption of talks between the Polish government and members of the suspended trade union Solidarity.[12] None of these conditions has been filled.

ROMANIA

Estimating the size of Romania's hard-currency debt is difficult because of the unreliability of official Romanian statistics, which must be viewed with extreme caution. Excluding hard-currency debt to the Soviet Union, official Romanian data put the debt to Western banks, government, suppliers of imports, and international financial institutions (World Bank and International Monetary Fund) at $9.8 billion. This figure, about a billion dollars less than Wharton's earlier estimate (see Table 1), illustrates the difficulty of estimating the debt. Wharton feels now that $9.75 billion is the best present estimate. Table 2 gives the break down of the gross debt figure.

TABLE 2.—ROMANIA'S AGGREGATE HARD-CURRENCY DEBT TO WESTERN CREDITORS, END OF 1981

[Dollars in billions]

Type of credit	Owed to United States	Owed to other countries	Total
Guaranteed bank credits	$30	$900	$930
Nonguaranteed bank credits	390	5,020	5,410
Guaranteed supplier credits	110	800	910
From IMF and World Bank			1,740
From exporters (nonguaranteed)	20	740	760
Total	550	7,460	9,750

Source: Calculated by CRS from Wharton Econometric Forecasting Associates, Centrally Planned Economies Current Analysis, Mar. 1, 1982, p. 4.

A crisis of confidence in the Romanian government's ability to sustain this debt without undertaking significant economic reform arose in the spring of 1981 when exporters noticed that Romania was taking 90 days or more to settle import bills normally paid in 30 days. Since then, Romania has fallen far in arrears in paying exporters and in servicing its debt to banks. It has consequently been unable to obtain new credits.[13] The credit squeeze has forced the Romanian government to undertake stringent measures to conserve its dwindling reserves of hard currency. During 1981 it curtailed imports, including oil, by 19 percent and simultaneously boosted exports by 13 percent. Despite these measures, Romania failed to meet its hard currency obligations on time and by the end of 1981 was $1.14 billion in arrears, of which $630 million was owed directly to Western suppliers of Romania imports. The following table shows the breakdown of overdue hard-currency debt at the end of 1981:

TABLE 3.—ROMANIA'S OVERDUE HARD-CURRENCY DEBT, END OF 1981

[Dollars in millions]

Type of credit	Owed to United States	Owed to other countries	Total
Guaranteed bank credits		$20	$20
Nonguaranteed bank credits	$20	450	470
Guaranteed supplier credits		20	20
From exporters (nonguaranteed)	20	610	630
Total	40	1,100	1,140

Source: CRS calculation from Wharton Econometric Forecasting Associates, Centrally Planned Economics Current Analysis, Mar. 1, 1982, p. 4.

At the beginning of March 1982, Romania negotiated with nine major Western banks a plan for a limited rescheduling of its foreign debt.[14] The preliminary terms offered the Romanians are more stringent than those the Poles obtained last year from the same banks. Only 80 percent (about $2.3 billion) of Romania's debt for 1981-82 is to be rescheduled for repayment over a six-and-a-half year period, compared with Poland's 95 percent. The other 20 percent will not be rescheduled and so must be paid immediately. Romania will be granted a grace period of three years before repayment of capital is to start; Poland got four. Interest on the rescheduled debt will be 1.75 percent above LIBOR plus a 1 percent rescheduling fee.[15]

Now the nine leading banks must sell the rescheduling plan to the 300 or so banks holding the debt. The size and maturity structure of the debt make their task difficult. According to official Romanian statistics, not only does Romania's gross debt to the West (governments, commercial banks, international lending institutions, and exporters) amount to $9.8 billion, but more significantly the debt's maturity structure is heavily concentrated in the short term. Fully 43 percent (almost $4.3 billion) of the total debt is scheduled to be repaid during 1982, as table 4 indicates.

TABLE 4.—MATURITY STRUCTURE OF ROMANIA'S HARD-CURRENCY DEBT

[In percentage]

	Overdue from 1981	1982	1983	1984	1985	1986 and after
Percentage due	11.2	31.4	14.3	9.5	12.1	21.5

Source: Wharton Econometric Forecasting Associates, Centrally Planned Economics Current Analysis, Mar. 1, 1982, p. 4.

There is danger, as there has been all along in the case of Poland, that certain banks may despair of Romania's ability to repay such a large and awkwardly structured debt and will seek to jump the queue by declaring Romania in default. Larger banks, such as Manufacturers Hanover, which is said to hold about 20 percent of the debt due to all U.S. banks, will seek to convince smaller creditors that it is in nobody's interest to declare such a default.

A second difficulty faces the steering committee. Unconfirmed rumors in the banking community, suggesting that certain types of commercial loans will be excluded from the final rescheduling, are causing concern among smaller banks.[16] Moreover, the lack of government participation in rescheduling adds to this concern and gives banks the impression that their own sacrifices will bail out government lenders.[17]

Despite these difficulties and despite the more stringent terms meted out to the Romanians, rescheduling will probably be arranged. It is in the interest of the Romanians not to alienate the Western Banking community, a potential source of loans in the future. Conversely, there are precious few Romanian assets which Western bankers can get their hands on if they declare a formal default. Acceding, however reluctantly, to delayed repayment of the debt principal at least keeps alive the hope that Romanian self-interest will one day make good the debt.

HUNGARY

On January 1, 1982, economic reform laws came into effect which allow businessmen in Hungary to form small, private, moneymaking companies: a dramatic innovation in a socialist nation, this is the latest in a series of measures, in the planning stage since 1968, aimed at economic liberalization based on a relaxation of central controls and an increased reliance on market forces as the most pragmatic way of preserving Hungary's inefficient socialist system. Reaction to the liberalization program has its ironies. The first is the apparent Soviet approbation, or at least tolerance, of liberalization in Hungary just when harsh repression—through martial law—is being imposed on Poland with obvious Soviet blessing. The second irony is a hardening of Western attitudes toward lending to Hungary just as that nation is moving toward a more open economy and limited convertibility of its currency. The Hungarians are concerned that the publicity attending the Polish defaults will somehow tarnish their own refurbished image and make international bankers more tightfisted about lending and Western suppliers stingier with export credits.

It is true that bankers have become selective in allotting credits to all European countries since Poland announced its inability to meet its debt obligations on time. A loan to Hungary equivalent to about $140 million approved recently by Lloyd's Bank of London for Hungary is something of an exception, but its conditions reflect a growing wariness on the part of Western lenders. The $140 million is much less than the Hungarians requested, and the payback period is only two years.[18]

There are solid reasons for caution in lending to Hungary. The relative size of Hungary's hard-currency debt and the nation's high debt-service ratio suggest prudence on the part of Western lenders. Hungary's hard-currency debt to the West rose from $600 million in 1970 to an estimated $7.7 billion in 1981. The debt-service ratio, 0.16 in 1970, is now about 0.57. This means that for every $100 Hungary earns from exports to the West, $57 goes immediately to Western creditors. Hungary's debt-to-GNP ratio stands at about 18 percent, the highest of any East European country, including Poland.[19] The rapid increase in the size of the debt and its service ratio is illustrated in Table 5.

According to an unpublished report by the U.S. Department of Commerce, Hungary's debt to U.S. banks was $886 million at the end of 1980, and $10.2 million to the U.S. Government at midyear 1981.[20]

TABLE 5.—HUNGARY'S HARD-CURRENCY DEBT TO THE WEST, 1970-81

	1970	1975	1980	1981
Amount (billions of dollars)	$0.6	$2.3	$7.0	$7.7
Debt-service ratio (percentage)	0.16	0.24	0.45	0.57

Source: Calculated by CRS from Wharton Econometric Forecasting Associated, Centrally Planned Economics Current Analysis, Jan. 7, 1982, pp. 5, 6.

If the size of Hungary's debt suggests the need for prudence in future lending, its trade statistics offer little scope for optimism. Hungarian hard-currency exports to the West in 1981 dropped about $500 million (13 percent) from the previous year's total. The current account balance in hard currency stood at around –$750 million at the end of 1981. Although this negative figure is partially the result of recession in the West and consequently reflects a temporary situation, it is significant because about half of Hungary's trade is with the West.[21]

Despite the negative aspects of the Hungarian economy, Western bankers claim to prefer dealing with Hungarians whom they regard as the most capitalist minded of the East Europeans. Hungary is presently displaying a penchant for a more open economy in its application to join the IMF and the World Bank. East European countries have typically been reluctant to join the IMF because of Soviet opposition and because of the Fund's insistence on access to such economic data as information on capital reserves, which socialist countries have traditionally regarded as a state secret. Nevertheless, Hungary formally applied for membership in November 1981, in a move which some Western observers consider a long-term insurance policy as Hungarian officials, concerned over the fall in Hungary's credit rating over the past year (a fall hastened by association with the deteriorating economies of Poland and Romania), seek to secure financial sources for future borrowing. The application thus appears closely associated with expanded access for Hungarian residents to Western currencies and with efforts to expand trade. IMF membership would promote a greater degree of involvement by the West in Hungary's economy; approval for membership might come as soon as mid-May 1982.

Meanwhile, the Hungarian government has dispatched a small army of economists and financial specialists to the West to convince anyone who will listen that reforms will soon strengthen the Hungarian economy, that trade figures are not so bad as they seem, and that Hungarian creditworthiness should not be judged by the unfortunate performance of Poland and Romania. So far, they have met with little success. Hungary has been unable to borrow medium-term money from international capital markets since April 1981. In mid-March, a group of Austrian, British, and West German commercial bankers confirmed that they had decided to continue this policy by refusing to grant a medium-term loan requested by the Hungarians.[22]

BULGARIA, CZECHOSLOVAKIA, AND THE GERMAN DEMOCRATIC REPUBLIC

Bulgaria and Czechoslovakia are the best credit risks among the six East European countries and at present give little cause for concern in the international credit markets. The GDR's debt position is considered fair and also without serious cause for concern if proper caution is observed. The following table shows the growth of these countries' net hard-currency debts to the West and their debt-service ratios.

TABLE 6.—HARD-CURRENCY DEBT TO THE WEST: BULGARIA, CZECHOSLOVAKIA, GDR

	1970	1975	1980	1981
Bulgaria				
Debt (in billions of dollars)	$0.7	$2.1	$2.7	$2.6
Debt service ratio	0.30	0.44	0.35	0.29
Czechoslovakia				
Debt (in billions of dollars)	$0.6	$1.2	$3.4	$3.5
Debt service ratio	0.09	0.11	0.22	0.25
GDR				
Debt (in billions of dollars)	$1.4	$4.8	$11.8	$13.0
Debt service ratio	0.14	0.26	0.39	0.43

Source: Wharton Econometric Forecasting Associates, Centrally Planned Economics Current Analysis, Jan. 7, 1982, pp. 5, 6.

Bulgaria, with a population of only 9 million, is the smallest of the East European nations and, with a per capita GNP of $3,690, is also the poorest.[23] Nevertheless,it appears to have done the best job in managing its debts. In fact, through sales of oil products[24] and agricultural goods it has slightly reduced its debt load during the past year and has dropped its debt-service ratio a healthy 6 points. Bulgaria, consequently, appears to be the most attractive borrower in the East bloc.

Czechoslovakia is a good risk, as well. Its hard-currency debt at the end of 1981 is estimated at a relatively low $3.5 billion and its debt-to-GNP ratio of 3.9 percent is the most advantageous ratio of any East European country. Moreover, the successful termination at the end of 1981 of the controversy surrounding the return to Czechoslovakia of gold confiscated by the United States just after World War II has considerably raised Czech status in the eyes of Western creditors.[25] The borrowing caution which accounts for Czechoslovakia's advantageous debt posture, however, also accounts for its being left with outmoded production facilities. Despite the country's good debt record, large, long-range credits needed for modernization may be difficult to find in the present climate of caution toward East Europe.

Because of its peculiar political and financial relationship to the Federal Republic and its access to West German markets, the GDR constitutes a fair credit risk unless inter-German relations suddenly cool. At present, the GDR enjoys what is known as "swing credit" from the Federal Republic. Swing crdit is a cumulative, non-interest bearing liability with no fixed repayment schedule.[26] It is estimated at $1.85 billion. Despite these advantages, the GDR's $13 billion debt to the West and, even more, its debt-service ratio of over 40 percent counsel prudence on the part of Western lenders. Nevertheless, there seems little doubt that East Germany can handle its present debt burden without too much strain on its resources.

CONCLUSION

Bulgaria and Czechoslovakia can easily manage their present debt obligations and could probably absorb more credit without running into serious repayment problems. The GDR is a fair credit risk, better off perhaps than is Hungary, to judge by the unwillingness of Western bankers to extend further credits to the latter country despite considerable Hungarian lobbying. Romania and Poland are manifestly in a credit crisis and can anticipate no substantial new loans for some time.

The question of whether formal default should be declared against Poland (and now, perhaps, against Romania) is still debated. In the United States particularly there is strong opposition in some quarters to government guarantees of East European debt on the grounds that the United States is thereby subsidizing repressive regimes and contributing indirectly to the build-up of hostile military forces. These critics favor an immediate declaration of default. Opponents of this view point out that a formal declaration of default will force U.S. Government agencies, such as the CCC and the Exim Bank, to make good on their guarantees to creditors holding the East European debt, at considerable cost to the U.S. taxpayer. Furthermore, a declaration of default, they point out, would put a halt once and for all to negotiations which have at least secured, at present, an uninterrupted flow of interest payments and hope for repayment of principal at some future date. Exclusion from Western credit, moreover, could drive East European countries again into greater dependence on the Soviet Union.

FOOTNOTES

[1] These nations are: Bulgaria, Czechoslovakia, German Democratic Republic (GDR), Hungary, Poland, and Romania. They are sometimes referred to as the Satellite Nations, the Soviet Bloc, or the East Bloc. The nations will be referred to in this paper simply as the East European nations. The Council of Mutual Economic Assistance, also referred to as Comecon, is the economic grouping of these nations with the Soviet Union: something like an East European Common Market.

[2] A country is de facto in default when it fails to make an interest or principal payment on time. A formal declaration by a creditor of this failure is required to put a debtor legally (de jure) in default. Neither Poland nor Romania has been declared legally in default; both are nevertheless de facto in default.

[3] Rescheduling is an agreement between creditor and debtor in which repayment of principal is spread out over several years, usually after a grace period during which no payments are made. Commercial banks customarily do not reschedule interest payments which must continue to be met on time and at a higher rate than in the original loan agreement.

[4] The debt-service ratio is calculated by dividing annual payments for interest and principal by net hard-currency earnings from exports. The ratio shows the percentage of earnings that go to pay off the debt.

[5] The subject is treated at length in Soverign Debt: "The Polish Example," by David D. Driscoll. CRS Report No. 82-25 E. Jan. 4, 1982. 31pp.

[6] U.S. banks hold $1.3 billion of this debt; the U.S. Government, principally through credits and guarantees of the Commodity Credit Corporation (a Government agency which finances agricultural exports) is owed about $1.9 billion.

[7] "Poland to Complete Payment of Interest Due in 1981." Wall Street Journal. Mar. 15, 1982. Page 31.

[8] Testimony of Marc E. Leland, Assistant Secretry for International Affairs, Department of Treasury, before the Subcommittee on Foreign Operations, Committee on Appropriations. Feb. 9, 1982.

[9] "Poland to Complete Payment of Interest Due in 1981." Wall Street Journal. Mar. 15, 1982. p. 31.

[10] A cross-default provision stipulates that the entire loan obligation—both principal and accrued interest—becomes payable immediately on declaration of default. Cross-default provisions are customarily written into all syndicated loans.

[11] The Capital Legal Foundation challenged in the U.S. District Court of the District of Columbia legality of the Government's procedural handling of the CCC offer. The original case was dismissed because of lack of standing, but the Foundation is appealing this ruling.

[12] "Poland, Banks Sign Accord on 1981 Debt." Washington Post. Apr. 7, 1982. p. A26.

[13] Romania is the only European country (besides Yugoslavia) belonging to the IMF, having joined in 1972. It was able to negotiate with the IMF in June 1981 a multiyear conditional loan (tied to a 3-year stabilization plan), amounting to $1.24 billion, but payment on this loan was suspended in November when Romania failed to meet a condition stipulated in the loan agreement by going into arrears with Western banks. At the end of 1981 Romania was overdue on $1.14 billion of its debt.

[14] The negotiations took place in Frankfurt. The banks involved were Bank of America, Banque Nationale de Paris, Barclays Bank International, Creditanstalt Bankverein, Credit Lyonnais, Deutsche Bank, Manufacturers Hanover, Societe Generale, and Union Bank of Switzerland. The amount of debt to banks is about $2.9 billion ($500 million in guaranteed and nonguaranteed credit overdue from 1981 and $2.4 billion due in 1982).

[15] Federal Reserve Bank of Chicago. International Letter. No. 469. Mar. 12, 1981. p. 3. A task force representing 200 creditor banks is expected to meet soon in Zurich to discuss the rescheduling plan.

[16] Differential treatment of various types of loans would be contrary to the rescheduling of the Polish debt, in which all loans with a maturity of over 1 year were treated in the same way. Wharton Econometric Forecasting Associates. Centrally Planned Economics Current Analysis. Mar. 1, 1982. p. 2.

[17] In theory, once banks have committed themselves to foregoing timely repayment of the principal owed them, governments can step in and demand from Romania immediate repayment of their own debts and loan guarantees. France is Romania's principal government creditor.

[18] "East Bloc Nations Face Financial Squeeze." Wall Street Journal. Feb. 16, 1982. p. 52.

[19] A recent article in the Wall Street Journal notes that Hungary has the highest per capita Western debt load of any East European country, "with more than $700 owed for each of its 10.8 million people." Although interesting, this statistic is not particularly enlightening as far as repayment of the debt is concerned. The more enlightening and significant measure of capacity to carry debt is the debt-service ratio. "Hungary Takes a Flier in Private Ownership." Wall Street Journal. Mar. 26, 1982. p. 1.

[20] Of the $10.2 million, $5.3 million is owed to the CCC and $4.9 million to the Export-Import Bank.

[21] The London Economist, in an article supporting Hungary's application to the IMF, suggests that Hungarian trade figures are misleading and that the country is better off than it seems. It argues that Hungary, unique among East European nations, has chosen medium-term loans rather than traditional short-term suppliers' credits to finance imports. This tends to exaggerate Hungary's external debts relative to other nations since suppliers' credits, on which other countries rely more heavily, go largely unreported in annual statistics. Medium-term loans spread Hungary's repayments and so prevent bunching debt into an unmanageably short period (as has happened in Romania). "Hungary's Case." The Economist. Mar. 20, 1982. p. 16.

[22] The Economist. Mar. 20, 1982. p. 16.

[23] World Bank. World Development Report. Aug., 1981. p. 135.

[24] Much of Bulgaria's hard-currency earnings derive from oil products sold in the West. These products are refined from oil bought from the U.S.S.R. at well below the world price. Whether the Soviets will continue to subsidize Bulgaria in this way, in the face of their own economic problems, is uncertain.

[25] For a discussion of this issue, see Jan Krc. Czechoslovak Gold: U.S. Claims Controversy. CRS typed Report. Dec. 8, 1981.

[26] Swing credit is government-to-government lending. It was begun during the heyday of detente to strengthen ties between the two Germanies.

The **PRESIDING OFFICER**. Who yields time?

Mr. **MOYNIHAN**. Madam President, I believe our time has expired. In any event, we yield it back.

The **PRESIDING OFFICER**. The proponents' time has expired. Is all time yielded back?

If all time is yielded back, the question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. **STEVENS**. I announce that the Senator from Alabama (Mr. DENTON), the Senator from New Mexico (Mr. DOMENICI), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Illinois (Mr. PERCY), and the Senator from New Mexico (Mr. SCHMITT) are necessarily absent.

Mr. **CRANSTON**. I announce that the Senator from Nevada (Mr. CANNON) and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

The **PRESIDING OFFICER**. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 83, nays 10, as follows:

[Rollcall Vote No. 162 Leg.]

YEAS—83

Abdnor
Andrews
Armstrong
Baucus
Bentsen
Biden
Boren
Boschwitz
Bradley
Brady
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Chiles
Cochran
Cohen
D'Amato
DeConcini
Dixon
Dodd
Dole
Eagleton
East
Exon
Ford
Garn
Glenn
Gorton
Grassley
Hart
Hatch
Hawkins
Hayakawa
Heflin
Heinz
Helms
Hollings
Huddleston
Humphrey
Jackson
Jepsen
Johnston
Kassebaum
Kasten
Kennedy
Laxalt
Leahy
Levin
Long
Lugar
Matsunaga
Mattingly
McClure
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Randolph
Riegle
Roth
Sarbanes
Sasser
Simpson
Specter
Stennis
Stevens
Symms
Thurmond
Tsongas
Wallop
Warner
Weicker
Zorinsky

NAYS—10

Baker
Chafee
Cranston
Danforth
Goldwater
Hatfield
Mathias
Rudman
Stafford
Tower

NOT VOTING—7

Cannon
Denton
Domenici
Durenberger
Inouye
Percy
Schmitt

So Mr. KASTEN's amendment (No. 1718) was agreed to.

Mr. **KASTEN**. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. **MOYNIHAN**. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. **HATFIELD**. Madam President, I yield for the purpose of the introduction of comments by the Senator from Maryland.

Mr. **MATHIAS**. Madam President, the bill reported to the Senate from the Committee on Appropriations contains in section 205 a provision requiring that no payments be made by the Treasury to satisfy U.S. Government guarantees or insurance of loans to Poland unless either Poland is declared to be in default on its debt or that the President certifies that making such payment without declaring a default is in the national security interests of the United States.

I have reservations about this provision of the bill which could increase our deficit by $2.4 billion, but in the interest of enabling the Senate to act promptly on this urgent supplemental appropriations bill, I will not offer an amendment. It should be sufficient to call attention to the problem so that the conference committee can either delete the provision or modify it.

The provision is not helpful in responding to the situation in Poland. If the President were to declare Poland in default of its debt, the U.S. Government would immediately be called upon to honor the guarantees and insurance provided in support of U.S. exports to Poland: a total of $1.9 billion in U.S. Government-guaranteed credits. In addition, U.S. commercial banks would write-off the losses and consequently about $500 million in tax liability, reducing revenue by that amount. The U.S. taxpayer, therefore, would have to shoulder the burden of another $2.4 billion, and there is no reason to think the Polish people would be any freer of military government and Soviet domination as a result.

The present situation at least puts the pressure on the Polish military regime and its Soviet sponsors to try to make payments on the debts to the West. The administration has decided, wisely in my opinion, that withholding a formal declaration of default is a more effective policy than calling in all the loans. The provision in this bill would seem to encourage a declaration of default, which would be a costly and ineffective policy.

The provision does leave open the possibility that the President may certify that it is the national security interests of the United States not to declare a default. It is clearly in the national security interests, as well as the economic interests, of the United States not to declare a default on the Polish debt, so I am pleased to see that the language allows the President to so certify.

There is an ambiguity which ought to be removed, however. The language used in the provision could be interpreted to require the President to issue a new certification every time Treasury issues a check. I doubt that the sponsors of the provision intended to place an unreasonable burden on the President, and I assume that this technical problem, at least, can be cleared up by the conferees. The best solution, of course, would be to delete the provision entirely.

Mr. HATFIELD. Madam President, I yield to the Senator from Arizona.

Mr. GOLDWATER. Madam President, just an observation: I suggest those people who have proposed some 80-odd amendments, unless they feel it is absolutely necessary to have a rollcall vote, that they not ask for them. This last vote was a typical example—84 to 10.

If rollcall votes meant anything more to the Senate, I would not think this way, but we are already looking at an all-night session and it is doubtful that we will finish during the night.

So I urge my colleagues to consider carefully whether or not a rollcall vote is needed, and on the subject of rollcall votes the rule is very well spelled out and I do not care if a Member is here or not I am going to demand the regular order.

If I can get here with a stick, they can get here on two legs.

[Applause in the gallery.]

The PRESIDING OFFICER. The galleries will be in order.

Mr. MOYNIHAN. Madam President, will the Senator from Oregon yield for a comment?

Mr. HATFIELD. Madam President, I yield to the Senator from New York for a comment.

Mr. MOYNIHAN. Madam President, a very brief comment. With the greatest respect for my friends, the chairman of the Select Committee on Intelligence and the chairman of the Committee on Armed Services, I note with interest that we were unable to obtain their support for the amendment just considered—and passed overwhelmingly.

It is a measure to express some displeasure with the Polish Army and its Soviet masters.

Mr. HATFIELD. Madam President, I now yield to the Senator from Wisconsin for the purpose of offering an amendment.

TIME LIMITATION AGREEMENT AMENDMENT NO. 1427

Mr. BAKER. Madam President, this has been cleared, I believe, on both sides. The minority leader and I have just conferred on the subject.

I ask unanimous consent that on the Proxmire amendment dealing with Members' tax deductions, there be a time limitation of 30 minutes equally divided; and on second-degree amendments, if any, to the Proxmire amendment, there be 20 minutes equally divided.

The PRESIDING OFFICER. Is there objection? Hearing no objection, it is so ordered.

AMENDMENT NO. 1497

(Purpose: To amend the Internal Revenue Code of 1954 to limit the deduction of living expenses by Members of Congress and to eliminate the provision which allows such deduction without substantiation of such expenses for taxable years beginning after 1981)

Mr. PROXMIRE. Madam President, on behalf of Senators Exon, Long, Riegle, Pressler, Burdick, Randolph, and DeConcini, I call up an amendment which is at the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Wisconsin (Mr. Proxmire), for himself, Mr. Exon, Mr. Long, Mr. Riegle, Mr. Pressler, Mr. Burdick, Mr. Randolph, Mr. DeConcini, Mr. Biden, and Mr. Heflin proposes amendment numbered 1497.

Mr. PROXMIRE. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows: Viz:

At the appropriate place in the bill, insert the following:

Sec. . (a) The last sentence of section 162(a) of the Internal Revenue Code of 1954 (relating to trade or business expenses) is amended by inserting ", but amounts expended by such Members within each taxable year for living expenses shall not be deductible for income tax purposes in excess of $3,000" after "home".

(b) Paragraph (4) of section 280A(f) of such Code (relating to coordination with section 162(a)(2)) is amended to read as follows:

"(4) Coordination with section 162(a)(2).—Nothing in this section shall be construed to disallow any deduction allowable under section 162(a)(2) (or any deduction which meets the tests of section 162(a)(2) but is allowable under another provision of this title) by reason of the taxpayer's being away from home in the pursuit of a trade or business (other than the trade or business of renting dwelling units).".

(c) Subsection (a) of section 139 of the Act of October 1, 1981 (95 Stat. 967), is hereby repealed.

(d) The amendments made by this section shall apply to taxable years beginning after December 31, 1975.

Mr. PROXMIRE. Madam President, I wish, in the first place, to call attention to the Senate that this is different than the printed amendment. When I had a colloquy with the majority leader on this amendment, I pointed out that the amendment as printed said the last word was December 31, 1975. I pointed out that we wanted to make it not retroactive but move it to December 31, 1981. Therefore, I send an amendment to the desk corrected for that purpose, and I wish to make sure that the amendment is in order as I have changed it in accordance with the unanimous-consent agreement by the majority leader.

THE PRESIDING OFFICER. Pursuant to the unanimous-consent agreement, the amendment is in order, and the amendment will be modified.

Mr. PROXMIRE. Madam President, I thank the Chair.

The modified amendment is as follows:

Sec. . (a) The last sentence of section 162(a) of the Internal Revenue Code of 1954 (relating to trade or business expenses) is amended by inserting ", but amounts expended by such Members within each taxable year for living expenses shall not be deductible for income tax purposes in excess of $3,000" after "home".

(b) Paragraph (4) of section 280A(f) of such Code (relating to coordination with section 162(a)(2)) is amended to read as follows:

"(4) COORDINATION WITH SECTION 162(a)(2).—Nothing in this section shall be construed to disallow any deduction allowable under section 162(a)(2) (or any deduction which meets the tests of section 162(a)(2) but is allowable under another provision of this title) by reason of the taxpayer's being away from home in the pursuit of a trade or business (other than the trade or business of renting dwelling units).".

(c) Subsection (a) of section 139 of the Act of October 1, 1981 (95 Stat. 967), is hereby repealed.

(d) The amendments made by this section shall apply to taxable years beginning after December 31, 1981.

Mr. PROXMIRE. Madam President, this amendment strikes the committee amendment to H.R. 5922 and inserts in language restoring the tax break for Members to its status quo ante, that is before last fall, when the $50 and $75 a day deduction plan was voted on and approved narrowly by the Senate. It would establish the old $3,000 limit on deductions allowed for Members of Congress. It would repeal the action taken by Congress last fall. It would return Congress to precisely the same position it was in before this entire episode began, to the same conditions that have existed since 1954.

But as I pointed out, it is not retroactive but applies to the income taxes we pay on 1982 and subsequent income.

So this Senate is faced with a clear alternative. The public well understands and disapproves of the action Congress took in the closing days of last year. The $50 and $75 deductions based on the convenient definition of a congressional day met with almost universal condemnation. I voted against those proposals then, and I offer a clear choice again today.

Madam President, perhaps the most powerful argument for returning to the status quo ante as my amendment would do is the great amount of confusion that has surrounded our recent experiments in changing the law without going through the normal legislative procedure of introducing an amendment to the Internal Revenue Code, having hearings before the appropriate committee, in this case the Finance Committee, and so forth.

In late September we took the $3,000 ceiling out of the bill. In November the IRS came out with a ruling that apparently created inequities between single and married Members. So then we tinkered with the law a little more and came up with a system that allowed a flat $75-a-day deduction.

Both these actions were taken on the floor without any hearings, without any testimony, without any consideration on the part of the IRS and other experts.

So we should stop our attempts to gerry-build an amendment to the Internal Revenue Code and go back to a system we all know and understand, one we have had experience with for years, as my amendment would do. Then we can deal with the issue through the normal legislative process without conflicting and confusing interpretations of how we are changing the Internal Revenue Code by hasty, ill-considered action in the Appropriations Committee or in the Chamber.

My language would strike out the amendment included in the committee bill. That language allows Members of Congress to deduct all ordinary and necessary business expenses while in Washington, D.C. It would continue the practice of designating our homes in our States as our residences—this is what we are trying to knock out—and thus allowing all ordinary and necessary expenses when away from our homes, such as when in Washington as we are most of the year.

Furthermore, in the committee amendment which I would change there is no upper level nor limit on the amount of deductions that would be claimed under the amendment. It is open ended. The larger the home here, the more lavish its furnishings, the greater entertainment, the higher cost of meals, automobile expenses, or laundry while in Washington, then the higher deduction for the Member of Congress.

So this is an amendment that is the amendment that is in the bill that we knock out which by its nature favors those Senators with large incomes and comfortable standards of living here in Washington, D.C.

That committee amendment is opposed by Common Cause which has taken such an active interest in repealing the special tax break preference for Members of Congress.

Madam President, there are several approaches available in resolving this issue. The one I am proposing here today is identical to the Armstong amendment which was supported by 77 Senators last March. The committee amendment which would be struck is identical to the amendment which was defeated on a vote of 60 to 37 on March 30 this year.

So I urge my colleagues to resolve this tax deduction controversy by the most efficient means at our disposal, and return to the status quo that we had before we started acting in September 1981 and before the special tax breaks were given in the first place.

Mr. RIEGLE. Madam President, will the Senator yield?

Mr. PROXMIRE. Madam President, I am happy to yield 3 minutes to the distinguished Senator from Michigan.

Mr. RIEGLE. I thank the Senator.

I rise as a cosponsor of the amendment. I think it is important that we take this step, and I think my colleagues should understand that the way the situation stands at the moment unless the Proxmire amendment is agreed to we are forced into a situation of having to otherwise approve one of two approaches to this special congressional tax break, both of which, I think, are unacceptable. One would be to leave it as is in the fashion it was arrived at a short time ago and which has stirred such controversy and, I think, justifiable anger in the country or go to the Mattingly amendment which is a different approach but, nevertheless, still would lock into the law a special tax break for Members of Congress over and above what has been the practice in the past.

I think either of those choices is an unfortunate one, and one which we ought to aviod. I think it is time to take the firm action of going back to what the old practice was, and that was to go back to the figure that had been established previously and which had been in place for some length of time.

I think to do anything less than that creates both the appearance and the reality of a double standard. We are seeking a preferred tax treatment for ourselves at a time of great economic distress in the country, many people unable even to meet their own immediate needs because of unemployment and other financial and economic problems, and I think at a time like this for the Congress to put itself in a position through the kind of parliamentary maneuvers that were used when this tax break was passed sets exactly the wrong example. It is one that I think we ought to correct, and the way to correct it and the way to do it cleanly and completely is to support the Proxmire amendment.

I am pleased to rise as a cosponsor with those thoughts in mind.

Mr. PROXMIRE. I thank the Senator from Michigan.

I want to say to the Senator from Nebraska this is really his amendment. Nobody has worked harder on the amendment than he has. He pressed me to bring it up the last time, and he had the idea that we should modify the amendment as I have modified it. He has a very deep interest in it, and I am delighted to yield. How much time does the Senator want?

Mr. EXON. How much time do we have? Can I have 3 minutes?

Mr. PROXMIRE. I yield 3 minutes to the Senator from Nebraska.

Mr. EXON. Madam President, the amendment under consideration is the same amendment the Senator from Wisconsin has just alluded to that this Senator placed on the table some time before the designated time for introducing amendments. It has designed as a alternative or as a backup to the previously proposed amendment by my friend and colleague from Wisconsin. His amendment at the desk would have made the $3,000 limit retroactive.

I strongly supported that position and drew up this amendment and placed it at the desk simply to give us a backup if this amendment had failed.

My amendment at the desk would not have been called up had the original retroactive proposal by the Senator from Wiconsin prevailed. It remains, therefore, that the amendment before us is the only realistic way to address the problem that confronts us right now.

Madam President, the majority of both the Senate and the House of Representatives made a major mistake, in my opinion and, as I candidly said then, when last we voted ourselves a healthy tax break when we were requiring other citizens of the United States in a whole host of areas to make sacrifices that we evidently were not ready to make ourselves.

I am opposed to such tax breaks under the circumstances that confront us now. I spoke against them before. I think we are doing the right thing, and I am pleased to join my friend from Wisconsin and the other cosponsors of this amendment that begins to address the problem and the mistake that was made last year.

Madam President, the public outcry was understandable and has been an embarrassment to all. I simply say I think the amendment before us is one that I hope will have overwhelming support of the Members of the U.S. Senate and we then can get on with the other important matters that face us.

I yield the floor to my friend from Wisconsin.

The PRESIDING OFFICER. Who yields time?

Mr. PROXMIRE. Madam President, I yield 2 minutes to the Democratic leader.

Mr. ROBERT C. BYRD. Madam President, I thank the Senator from Wisconsin.

I rise today in strong support of the amendment offered by the Senator from Wisconsin. This amendment would eliminate the provision of the Tax Code, passed late last session, over my opposition, which permits Members of Congress to deduct $75 per day that Congress is in session as a living expense, without any substantiation.

The amendment offered by my distinguished colleague will reinstate the tax provision which existed prior to 1981 with respect to the cost-of-living expenses for Members of Congress. Members may not deduct more than $3,000 for the living expenses incurred while maintaining two residences. I believe that this provision is reasonable.

I voted against the provision which has permitted the deduction of over $18,000 of living expenses in tax year 1981 without substantiation of these expenses to the Internal Revenue Service. I do not personally believe that additional expenses incurred while living in Washington, D.C., or Northern Virginia or Maryland, should be deductible under section 162 of the Tax Code as living expenses.

Madam President, in my own opinion, serving in Congress is not the same as being a traveling salesman or international banker where the pursuit of taxable income occasionally necessitates travel away from home. Members of Congress understand prior to running for office, and while they are seeking the honor of holding this office, that they will be relocating to Washington, D.C., northern Virginia, Maryland, certainly in the area of Capitol Hill, that they may require a change in their living arrangements in their home State. Members accept that reality when they run for public office.

I think we should have kept it down, and I commend my colleague from Wisconsin for offering this amendment. I fully support it and I hope the Senate will adopt it.

Mr. PROXMIRE. Madam President, I thank the leader very much. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. MATTINGLY. Our side has 15 minutes, I believe. How much time is left on both sides, Madam President?

The PRESIDING OFFICER. The proponents have 1 minute; the opponents have 15 minutes.

Mr. HATFIELD. Madam President, I yield 5 minutes to the Senator from Pennsylvania.

Mr. SPECTER. Madam President, the amendment which has been offered by the Senator from Wisconsin seeks to correct a problem which I respectfully say has already been corrected by the amendment which Senator MATTINGLY and I offered before the full Appropriations Committee, and that was to eliminate the automatic $75 per diem allowance or under some circumstances the $50 per diem allowance, with additional deductions which could be taken regardless of whether the Congressman is actually in Washington, D.C.

This amendment was adopted by the Appropriations Committee, which puts a Congressman in the same position as any other taxpayer; that is, a Congressman may deduct expenses when away from home providing those expenses are itemized. That is a position which, I submit, is fair and equitable, putting the Congressman in the same situation as any other taxpayer, no better or no worse.

When the $75 per diem issue was considered last year, I voted against that amendment. When the issue recurred at the instance of the Senator from Colorado (Mr. ARMSTRONG), I submitted an amendment which would put a Congressman on the same level as any other taxpayer; that is, being able to deduct that which could be appropriately and legitimately itemized.

When the issue submitted by the Senator from Colorado (Mr. ARMSTRONG) failed, as did the amendment which I proposed, the very next day Senator MATTINGLY and I offered a new bill which would eliminate the $75 a day deduction, the $50 a day deduction, and provisions for deductions on days Congressmen were not in Washington, and Senator MATTINGLY and I requested Senator DOLE and Senator BAKER that the matter be assigned for prompt hearing, and the issue has been set for June 8.

When the issue came before the Appropriations Committee, and Senator PROXMIRE pursued the matter which he pursues today, Senator MATTINGLY and I countered with the proposal which we had submitted for legislative action which would accomplish what the Senator from Wisconsin seeks in terms of hearings and deliberations in accordance with the regular legislative process.

This issue about congressional deductions has been subjected to a great deal of debate and uncertainty, and it is my view that Congressmen are entitled to the same treatment as is anyone else.

It is likely that this issue will recur so long as there is any vehicle to which it can be attached which comes before the Senate.

But, essentially, the resolution of the matter, which has been adopted by a vote of the majority of the Appropriations Committee, is fair and equitable because Congressmen are no better or no worse than any other tax payer and should be permitted to deduct that which can be itemized.

The PRESIDING OFFICER (Mr. HAYAKAWA). Who yields time?

Mr. MATTINGLY. I yield 3 minutes to the Senator from Mississippi.

Mr. STENNIS. Mr. President, I am going to vote for this amendment.

I think, though, Mr. President, that we make ourselves, with good faith attributed to everyone, look ridiculous to keep bringing this question up again and again and again on bills that do not pertain primarily to this matter. We put a burden on the committee in the arguments here, on the conference, and then on the conference report.

Now we are dealing with a constitutional question, an inherent conflict of interest, maybe the worst one in our system. That has to be admitted to start with.

We cannot find a perfect answer, of course. I do not think the people understand the comparison between our situation and the average businessman. It is just not a sound comparison anyway. But they do not understand it and they do not like it. And I do not like it myself.

But that is why they have less and less respect for our ability—our ability, not our faith, but our ability—to really get at the heart of this problem. My suggestion is that after it is all said and done, you cannot beat the rule of allowing so much to each Member of the Congress. The situations vary, of course. People everywhere have situations that vary.

So, I hope that we can have this thing fully developed on its facts by the Rules Committee or a special committee and then bring it up on its own merits, on its own calendar and thrash this thing out and see what a majority of the House and the Senate can agree on and let that be the law.

As I say, I think we are greatly misunderstood. And every time we bring it up and air it people as a whole think less of our ability and sometimes less of our motives in bringing it up in this way. I hope that we can give it the special consideration and finally adopt, as I see it, an across-the-board sum like we did 20-odd years ago. This old $3,000 rule has served pretty well. That is all I use anyway. I do not profit by it either way.

The PRESIDING OFFICER. Who yields time?

Mr. MATTINGLY. Before I yield time, I would like to make a few statements.

First, Senator SPECTER and myself have offered this bill which was referred to the Finance Committee. And it would have gone its normal course of action if it had not been for Senator PROXMIRE bringing it up in the Appropriations Committee.

Now, it has been fully debated. There has probably been no other issue, other than talking about the Federal deficit, that has been debated more. So, getting right down to it, being realistic about it, if we want to pass out a Golden Fleece Award, it ought to go to a discussion of this tax bill.

As far as fairness and equity, there is fairness and equity in what has been offered. Senator SPECTER and I both opposed doing away with the $3,000 limitation. We opposed the $75 per day, $50 a day deduction, nonverifiable.

And so, in the interest of fairness and equity, we came forth with something that was going to offer nothing more nor nothing less than what was offered in the private sector for people from the application of the Federal Tax Code, to make sure, by introducing a bill like this, that we could put aside all the rhetoric and, rather than wait, get it done.

We thought we had it done until we came to the Appropriations Committee. And once again we won at the Appropriations Committee. But what we wanted to do was create an identical application of the Internal Revenue Code to the Congress. And it would require substantiation and verification of tax deductions by people in the Congress—that is what we did—to create finality to this debate, which is a rediculous debate, where you would not reward nor punish anybody by a tax code. You would not reward Congressmen nor would you punish Congressmen and it would not be fair to the American taxpayer. To do away with the $3,000 deduction is the right thing. It is a 30-year-old piece of legislation that should be retired and everybody in this body knows it.

So, the main thing is to create fairness and equity. The Mattingly-Specter bill that we wanted to be heard and have hearings in the Finance Committee probably will not have it. The opponents may be successful on this, but I think the adoption of the committee portion of this bill could put an end to the debate and get along with the adoption of the amendment. Leave the debate open now, and in the future you will not have to succumb to any pressure that you have been supposedly under in the past, because it would all be over. There would be fairness and equity. The Tax Code would be cleared up. You would not have to be worried about getting treated one way or another because you were sitting here in the U.S. Congress. You would be just like the other 230 million Americans or the 100 million out there working. You would go flip to the Tax Code to see what you could deduct, verify it, itemize it, and put it on your tax return.

So let us just come down to the well and vote what is right this time.

Mr. President, last September, when Congress voted to lift the $3,000 deduction limit, I opposed that effort. As the amendment was to the legislative branch appropriations bill which I was handling, I was in the forefront of those opposing a change in the law.

As I said in September, the question of congressional tax deductions should be aired clearly and publicly before action was taken. This mistake was compounded in December, an amendment to the black lung bill that allowed a $75 a day unsubstantiated deduction. Once again, there was no chance for public discussion of this issue.

Anything affecting Members' salaries or taxes will always be controversial. But this is increased tenfold when there is a strong feeling that Congress is sneaking these bills into law.

Both in September and in December, I was in the minority. The tax break passed. But the public outcry is forcing the issue open again. In the last 6 months, this issue has been well aired in the press and in public discussion. I personally would prefer to see committee hearings on the issue and the Finance Committee is scheduled to hold such a hearing on June 9.

I agree with Mr. PROXMIRE and others that the $75 a day deduction should be abolished. But I disagree that we should return to a limit set almost 30 years ago. We have the issue before us now and we should take this opportunity to do what is fair and equitable to everyone involved.

The $75 per diem is unfair to taxpayers because it sets Congressmen aside as a special class with special privileges. It is plain and simply wrong to be able to deduct for expenses that are not substantiated and are subject to no verification.

The Mattingly-Specter proposal is very simple. It would make everyone equal under the tax laws of America. There would be no special deduction for Members of Congress; nor would there be a 30-year-old ceiling.

A Member of Congress would have to itemize and be able to verify any deduction and it would have to be acceptable under IRS standards. Only reasonable and necessary expenses would be deductable. The Internal Revenue Code and case law would disallow deductions for lavish and extravagant expenses.

This is entirely reasonable. I believe the public will be satisfied to have Members under the same laws they have to follow.

For those of us who voted against the $75 a day deduction in December, it would be very easy to demagog this issue. The public is properly outraged and those who voted for it originally are quite frankly looking for high ground right now.

I urge you to look at this issue on the merits. Congressmen should not be rewarded or punished by the tax laws of this country. The $75 per diem rewarded Congressmen and the $3,000 cap is a punishment. Neither make any sense when the cap was passed in 1953, Members' salaries were $15,000 a year and the dollar was worth several times what it is today.

Many Members of Congress did not claim the deduction. I did not claim the $75 a day deduction. I filed my taxes under the provisions of this amendment. It resulted in my paying $3,695 more in taxes than the law required. I did claim the rent and utilities on my Washington apartment. I publicly release my taxes and deductions every year and the public response has been favorable. In my experience, as long as you are open and honest, and do not expect special favors, the public will react accordingly.

The public does not want Congress to become a rich man's club. The trend in that direction, with all due respect to some of my wealthy colleagues, has already alarmed many experts. This should be a representative government with a Congress drawn from all areas of society.

In summary, the Mattingly-Specter amendment provides for Members of Congress to be treated identically with private businessmen when deducting expenses incurred when away from home. Members of Congress must be able to substantiate, verify, and justify every expense.

Mr. DOLE. Will the Senator yield me 3 minutes?

Mr. MATTINGLY. Yes, I yield to the Senator from Kansas.

Mr. DOLE. I want to address the Senator from Mississippi, because we have scheduled hearings on this. We have eight bills pending, including one by the Senator from Wisconsin and the Senator from Louisiana and a number of other bills pending. In good faith, we have scheduled hearings. We have promised we would the last time this circus was on the floor.

I bet you this will be the lead story in tonight's news, ahead of the Falkland Islands or anything else, because we are about to be intimidated by the media. They will report it as a $19,000 tax break. To the average American, that means you get a $19,000 gift, not a deduction But that is how it will be reported. Some of the media have reported that Members could eliminate their income taxes with this deduction, or reduce their taxes by $19,000. But, in fact, the typical benefit from this so-called tax break was $3,000 or $4,000.

They have a show called "20-20," which I have renamed "zero-zero," which had a big, so-called news report on the tax break. We have had all the distortions that we could have from the media.

There are some Members who would like to exploit their fellow Members. We are all partly guilty of it from time to time, some more often then others.

But we have scheduled hearings on this proposal, as promised, on the 18th of June. It was my understanding the Finance Committee would try to bring some reason out of all of this chaos. Occasionally, we have been able to do that; not lately, but there is still an opportunity.

I have been busy in the Judiciary Committee. I guess there is an amendment pending by the distinguished Senator from Wisconsin. There are, as the Senator from Mississippi pointed out, a lot of questions that ought to be answered, that ought to be answered in hearings in the regular course, in the regular committee, and not on some appropriation bill.

I am not certain we ought to have either one of these amendments in an appropriation bill, to be very frank about it. Maybe we ought to strike them both out, which would not distress this Senator.

But we are going to bring to the floor, whatever happens here, some modification. So we want to go through this exercise. I do not know what will happen on the House side. But I would suggest that we proceed.

Senator PACKWOOD is the chairman of the subcommittee that will hold hearings on this issue on June 18. We tried to schedule hearings earlier. Very honestly, we had scheduling conflicts among Senators on the subcommittee or we would have had hearings by now. So we clearly have not tried to delay the hearings.

I hope that we can work this out. This will give the media another round of shots. The million-dollar anchorman will be talking about our $4,000 savings, but they will say it is a $19,000 tax break. I have suggested to some of the networks and others who have taken an interest in this issue that they may be acting hypocritically.

So to set the record straight, with unanimous consent, I include for the RECORD an editorial from the New York Times of May 10, 1982, about the so-called tax break we enacted last year for State legislators. In all fairness, the rules for State legislators must be looked at with the same scrutiny we Members of Congress enjoy. The legislators should have the same press coverage we enjoy, it is only simple fairness.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 10, 1982]

BACKDOOR BONUS FOR STATE LEGISLATORS

When Congress selfishly granted its members a $75-a-day tax deduction for expenses last fall, attention focused on the break for Washington lawmakers. Only lately has another dimension of the windfall come to light.

A provision of the law introduced by New York's Senator D'Amato—who says he was only trying to clear up an ambiguity about residence for tax purposes—is being interpreted to grant a similar expense deduction to all 7,482 of the nation's state legislators.

The deduction varies by state since it is indexed to travel costs to capitals. New York legislators will be able to deduct $68 per day, New Jersey legislators $50, and Connecticut legislators $56. In some states the deduction is permitted for every day of the year. It can be applied retroactively, all the way to 1978, and legislators are not required to account for the expenses.

Some lawmakers are complaining—all the way to the bank. "I think it's outrageous," said one, who nonetheless took the benefit and reduced his taxes by about $3,000 a year for five years.

This expensive foolishness is one more consequence of Congress's refusal to confront the problem of setting an adequate pay scale for itself and other Federal employees. The tax deduction scheme was supposed to increase Congressional pay without incurring the wrath of the voters in a recession year. It's hard to see how such deductions, especially when extended for no good reason to state legislators, can do anything but stir that wrath.

Mr. SASSER. Mr. President, I rise in support of the Proxmire amendment to repeal the recently enacted congressional tax deductions which have caused so much outrage among the American public.

The additional congressional tax deductions adopted in 1981, which I opposed at every turn, provided the possibility of a Member of Congress receiving an additional $16,000 tax deduction for that fiscal year and others to follow.

It is little wonder that congressional offices and the International Revenue Service have literally been flooded with public protests about these new tax deductions. The American people feel that these tax deductions represent a public-be-damned attitude on the part of the Congress.

The American people are being asked to make great personal sacrifices as a result of the major reductions in many worthwhile Federal programs. Yet they see a Congress which has enacted congressional tax deductions which are, by any measure, extravagant.

The Congress can not live by a double standard. We can not ask others to sacrifice while we pass these ill-advised tax breaks.

I have opposed these ill-conceived tax breaks every time the Senate has had an opportunity to vote on these measures. I have not taken advantage of these tax deductions for the 1981 tax year. It is high time that these ill-advised congressional tax breaks be repealed and repealed now.

I urge support for the Proxmire amendment.

Mr. DeCONCINI. Mr. President, I rise as cosponsor of this amendment. I am pleased to join the distinguished senior Senator from Wisconsin once again in pressing for repeal of the special tax break Congress voted itself last year.

I will be brief. The basic issue by now is surely obvious. It has been thoroughly debated today and on numerous occasions in the past. The crux of it is this: Is a special tax shelter, available only to Members of Congress appropriate or justifiable on any grounds whatsoever, let alone any presumed financial hardship associated with service in this body or the lower House? I cannot think of one and I do not believe any disinterested person could come up with one either. Certainly, the American people do not believe Members of Congress, who purport to be their Representatives, are entitled to this kind of special privilege. And they are absolutely right.

Just last Friday the Senate passed the first concurrent budget resolution.

That resolution mandates tax increases of $101 billion over the next 3 fiscal years. Those taxes, Mr. President, lest anyone here forget, come out of the pockets of hardworking Americans. How can we ask our fellow citizens to pick up this additional burden while insisting on a special tax reduction for ourselves? This same resolution, Mr. President, assumed substantial cuts in a whole range of programs and services important to various segments of our society. Just two examples: First, the resolution freezes veterans medical services and hospital construction at fiscal 1982 levels. Second, the resolution would eliminate any cost-of-living adjustment for veterans and military and civilian retirees in fiscal year 1983 and would impose a 4-percent cap on such pensions in the outyears. The list could be extended, Mr. President, but the point is plain. I urge adoption of the amendment.

● Mr. HUMPHREY. Mr. President, I should say at the outset and for the record that the Senator from New Hampshire considers the salary and tax deductions in effect at the time of his election in 1978 as constituting an agreement with the people of his State. For that reason, the Senator from New Hampshire has donated to a scholarship each year the amount by which his current salary exceeds the salary in effect in 1978. So far this amounts, together with donated speaking fees, to some $12,000.

Mr. President, the Senators from Pennsylvania and Georgia have just informed us they have a bill pending in the Finance Committee to address the current advantageous provision in the tax code for Members of Congress.

What is needed is legislation to insure that Members are treated like any other American citizen. The bill authored by our colleagues from Pennsylvania and Georgia would require full documentation of deductions taken by Members of Congress. That is right and just, and I will support their bill when it comes to the floor.

On the other hand, the amendment by the Senator from Wisconsin which is now pending, would reimpose the $3,000 limit on deductions. This limit is simply unrealistic and will have the effect of discouraging all but the wealthy from running for office.

I shall, therefore, vote against the Proxmire amendment, but I announce again that I shall support the Mattingly-Specter bill when it reaches the floor, which apparently will occur within a few weeks.●

Mr. MATTINGLY. I have been referred to in the newspapers in Georgia as being the pauper in the Senate.

Let me say one thing: The $3,000 deduction which Senator PROXMIRE wants does have to be verified, justified, or substantiated. You can also take other expenses.

What the Specter-Mattingly amendment does is to make you verify and substantiate as all other taxpayers do. That is fairness, equity, and that is what ought to be done.

I yield to the Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I will vote against the Proxmire amendment because it creates a disparity between the way Members of Congress and other taxpayers deduct their business expenses away from home. There is no reason whatsoever for Members of Congress to receive an unitemized deduction of $3,000. No other taxpayer in the country enjoys such a privilege.

The bill now before us, the one Senator PROXMIRE would amend, already contains a provision that would set the law straight in this matter.

It would require Members of Congress to substantiate any business expenses prior to taking a tax deduction for them. In effect, this repeals the current law which now permits the IRS Commissioner to set a per diem deduction of $75 a day for unaccounted expenses incurred by living in Washington, D.C., during periods of congressional business.

I have introduced legislation that would accomplish exactly the same goal as the provision in the urgent supplemental appropriation bill. The only difference is that my proposal would take effect immediately and the provision in this bill would not be effective until next year. I have been informed that this is a typographical error, and it is my understanding that this will be changed to December 1, 1981. This I support.

Mr. President, I would like to argue against the special treatment that the senior Senator from Wisconsin is seeking to obtain for Members of Congress. I think it is an outrageous provision that he has in there. I think the provision that the Senators or Representatives get this windfall without documentation whatsoever is something unheard of in our tax laws. The provision that is in the bill before us now provides that we must come forward with a rationalization for our deductions just like every other citizen. That is the legislation that should be before us.

I find it extraordinary that he would seek a special benefit for Senators. I wonder if he would be good enough to explain that to me.

Why are we entitled to this? What is he seeking? Why should we get $3,000 without documenting it?

Mr. PROXMIRE. As a matter of fact, what the amendment in the bill does is to permit you to get not $3,000 but $19,000 in 1982.

Mr. CHAFEE. No.

Mr. PROXMIRE. Yes, it does, in 1982. What I would do is return to what we have had since 1954, exactly the same thing we have had since 1954.

Mr. CHAFEE. Why do you want to do this unfair thing to permit us to be treated unlike other taxpayers? Why should we get an unitemized deduction?

The PRESIDING OFFICER. The time has expired.

Mr. PROXMIRE. Mr. President, I yield my time remaining to the Senator from Louisiana.

Mr. LONG. Mr. President, under the Mattingly amendment all I would have to have in Louisiana is just an address, even the address of some friend, and nothing more than a change of underwear in the spare bedroom, and I could deduct more than the $19,000 in itemized deductions.

That is, if I itemize my expenses up here, and they exceed $19,000, then I can deduct more than the $19,000. This occurs because the tax law creates an irrebuttable presumption that my Louisiana address is my principal place of business, although I have merely a change of underwear there, and that Washington is not my home and principal place of business, even though it is where I spend most of my time.

The irrebuttable presumption is wrong and it should be corrected. I believe we will correct it. But until we get it ironed out the way it should be ironed out, we ought to put the law back the way it was, where I could only deduct $3,000 instead of $20,000. Some people might even be able to deduct $60,000 or $70,000, because of this irrebuttable presumption favoring us against every other taxpayer in the country. That is wrong.

Mr. MATTINGLY. Will the Senator yield for a question?

The PRESIDING OFFICER. The time has expired.

Mr. LONG. If I had the time, I would be glad to yield.

Mr. MATTINGLY. I ask unanimous consent that I be allowed to ask one question.

The PRESIDING OFFICER. Without objection, it is so ordered. One question.

Mr. LONG. I would like to have unanimous consent to answer it.

The PRESIDING OFFICER. Without objection, it is so ordered. One answer.

Mr. MATTINGLY. If you were for the $3,000 deduction now, why did you propose legislation before that was very similar to what I was introducing?

Mr. LONG. Senator, I have another amendment that is not in order and I am not fighting for the right to offer it at this point. I am going to offer it on the Finance Committee tax bill. My amendment would simply strike out all reference in the Tax Code to Members of Congress with regard to travel and living expenses. That being the case, I would be itemizing and deducting for my expenses of traveling and staying overnight in Louisiana where I have a small amount of deductions, but not as much as up here because I spend most of my time here. Like any other taxpayer who travels on business, I would be able to itemize and deduct expenses down there rather than expenses here, where my principal establishment would be.

SENATORS. Mr. President.

The **PRESIDING OFFICER**. The Senator from Nebraska.

Mr. **EXON**. Mr. President, we are in postcloture debate. The Senator from Nebraska has 1 hour assigned to him. Would it be in order for me to take 5 minutes off my 1 hour for debate on this amendment?

The **PRESIDING OFFICER**. It would have to be done by unanimous consent.

Mr. **MATTINGLY**. I object. What is this for? Further debate on this? I object.

The **PRESIDING OFFICER**. Objection is heard.

Mr. **EXON**. A point of inquiry. The 1 hour time I have is limited to use only when there is no objection? Is that the interpretation of the Chair?

The **PRESIDING OFFICER**. The objection to use part of that 1 hour after the expired time on this amendment.

Mr. **EXON**. And is it the position of the Chair, then, that a Senator cannot borrow from that 1 hour that he has for debate, like consistently taking time off the bill? Is that the interpretation of the Chair?

The **PRESIDING OFFICER**. We are operating under unanimous consent on this amendment. There was a 30-minute time limit and that has expired.

Mr. **EXON**. I thank the Chair.

Mr. **DOLE**. A parliamentary inquiry, Mr. President.

The **PRESIDING OFFICER**. The Senator will state it.

Mr. **DOLE**. Is it proper to ask whether or not this amendment covers State legislators?

The **PRESIDING OFFICER**. The question is whether this amendment covers State legislators?

Mr. **DOLE**. Yes.

The **PRESIDING OFFICER**. Time for debate on this amendment has expired.

Mr. **DOLE**. I was going to ask that question of the Senator from Wisconsin.

Mr. **PROXMIRE**. It does not cover State legislators.

Mr. **MATTINGLY**. Vote.

Mr. **FORD**. A point of information, Mr. President.

The **PRESIDING OFFICER**. The Senator from Kentucky.

Mr. **FORD**. Mr. President, I do not quite understand the ruling of the Chair. I would like to have a clarification, an additional clarification, if he will.

It appears to me that the managers of the bill have always in the past been able to yield themselves so much time from the bill. Now the Chair is saying to my colleague that he has 1 hour of debate, and the Chair is refusing to allow him to use a portion of that hour to make a statement as it relates to an amendment. It may be that commonsense tells me that I am right but the rules tell me that I am wrong. But somewhere or another it seems to me that it is commonsense that the distinguished Senator from Nebraska ought to be able to use his 1 hour in any way he wants to as long as he does not go beyond that.

The **PRESIDING OFFICER**. We are operating under a unanimous-consent agreement on this amendment. The agreement was for 30 minutes equally divided. The time for this amendment has expired. By unanimous consent the Senator may speak, but he did not get unanimous consent. There was objection.

Mr. **FORD**. I understand that, but I also understand that when you have a time limit on an amendment on a piece of legislation that the manager of the bill could extend time beyond that.

The **PRESIDING OFFICER**. It would have to be by unanimous consent.

Mr. **MATTINGLY**. Mr. President, I object.

Mr. President, a point of inquiry.

SEVERAL SENATORS. Vote, vote.

The **PRESIDING OFFICER**. The Senator from Georgia.

Mr. **MATTINGLY**. Has all time expired?

The **PRESIDING OFFICER**. On the amendment; yes.

Mr. **MATTINGLY**. I ask for the vote.

The **PRESIDING OFFICER**. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. **HAYAKAWA** (after having voted in the negative). Mr. President, on this vote, I have a pair with the distinguished Senator from Minnesota (Mr. DURENBERGER). I have already voted "nay" on the Proxmire amendment. The Senator from Minnesota is necessarily absent. If he were present and voting, he would vote "yea." I therefore withdraw my vote.

Mr. **STEVENS**. I announce that the Senator from Alabama (Mr. DENTON), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Illinois (Mr. PERCY), and the Senator from New Mexico (Mr. SCHMITT) are necessarily absent.

Mr. **CRANSTON**. I announce that the Senator from Nevada (Mr. CANNON), and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON) would vote "yea."

The **PRESIDING OFFICER**. Are there any other Senators in the Chamber wishing to vote?

The result was announced--yeas 70, nays 23, as follows:

[Rollcall Vote No. 163 Leg.]

YEAS—70

Abdnor
Andrews
Armstrong
Baucus
Bentsen
Biden
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Chiles
Cohen
Cranston
D'Amato
Danforth
DeConcini
Dixon
Domenici
Eagleton
East
Exon
Glenn
Goldwater
Grassley
Hart
Hatch
Hawkins
Heflin
Heinz
Helms
Hollings
Huddleston
Jackson
Jepsen
Johnston
Kassebaum
Kasten
Kennedy
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Nickles
Nunn
Pell
Pressler
Proxmire
Pryor
Quayle
Randolph
Riegle
Roth
Sarbanes
Sasser
Stafford
Stennis
Thurmond
Tsongas
Warner
Weicker
Zorinsky

NAYS—23

Baker
Brady
Chafee
Cochran
Dodd
Dole
Ford
Garn
Gorton
Hatfield
Humphrey
Laxalt
Mattingly
McClure
Murkowski
Packwood
Rudman
Simpson
Specter
Stevens
Symms
Tower
Wallop

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Hayakawa, against.

NOT VOTING—6

Cannon
Denton
Durenberger
Inouye
Percy
Schmitt

So the amendment (No. 1497) as modified, was agreed to.

Mr. **PROXMIRE**. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. **EXON**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. **BAKER**. Mr. President, once again the Senate has agonized over an aspect of its own pay and allowance and treatment of compensation for tax purposes. And, I might add, with very little grace. I have watched this agonizing now virtually since I came to the Senate and I have concluded that the Congress is institutionally incapable of setting its own pay and allowances.

Therefore, I think the time has come to propose a constitutional amendment to remove that responsibility from the Congress and place it elsewhere. I am preparing and will shortly introduce an amendment to the Constitution to provide that the

Supreme Court of the United States, as a court of original jurisdiction, shall conduct exparte proceedings from time to time to determine the level of pay and allowances for Members of Congress and to enter a judgment against the Treasury of the United States in such sums as their findings may require.

I do not believe I have ever seen an issue that so contorts the Congress and distorts itself as does the pay issue, nor have I seen one that creates such acute political distress. Perhaps the reason is that there is inherent in the responsibility of the Congress to set its own salary as the Constitution is now written, a patent conflict to which the country responds adversely and which Members find unpleasant and embarassing.

In any event, I think the time has come to lift that burden from the shoulders of Congress and replace it with another branch. I do not presume to say that this is the only way to solve the dilemma and to resolve the conflict; but, it is the way I have chosen and will introduce. There are other ways as well. For instance, I recently cosponsored with Senator STEVENS, another approach. Many Members have suggested still different ones, such as a constitutionally mandated Federal Pay Commission. I intend to ask the Senate to turn its attention to this debate at some point later this year.

Mr. HATFIELD. Mr. President, we have listed on our agenda at this point three amendments. We have a time agreement on two of them. One is by Senator GLENN, 40 minutes, equally divided; one by Senator BUMPERS, 30 minutes, equally divided. So far I have on my list one other amendment, by Senator HELMS, on which we have not acquired a time agreement.

I wanted merely to alert the Senate to the fact that we may be able to wind up this matter a little earlier than we had anticipated, if we continue to receive the cooperation we have had up to this point.

I believe the Senator from Ohio is ready to move on his amendment.

The PRESIDING OFFICER. Will the Senator from Ohio withhold?

The Senate will please come to order.

Mr. HATFIELD. Mr. President, I ask unanimous consent that on the amendment by the Senator from Ohio, there be a time agreement of 40 minutes, equally divided.

Mr. STEVENS. Mr. President, reserving the right to object—and I will not object—I understand that the Senator from Ohio wishes to offer an amendment to delete an amendment I put in the bill.

I have been notified that one Senator who wants to speak may not be able to be back here in time. I am agreeable to the 40 minutes, equally divided, for debate; but if that Senator has not arrived in time to speak, I should like to be able to ask for a quorum call, to be charged against my time under cloture, in order to protect his ability to be here in time to speak.

I ask unanimous consent to have the reservation that I be able to delay in order that he might be able to be here in time to speak.

Mr. HATFIELD. Mr. President, I renew my request for 40 minutes, equally divided, with the proviso of the Senator from Alaska.

The PRESIDING OFFICER. Who manages the time in opposition?

Mr. HATFIELD. The Senator from Ohio and the Senator from Alaska will be the managers.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HATFIELD. Mr. President, I also ask unanimous consent at this time for a time agreement on the Bumpers amendment, which has been worked out with Senator BUMPERS, Senator ROBERT C. BYRD, and Senator SPECTER. The time would be 30 minutes, equally divided, to be controlled by Senator BUMPERS, the originator of the amendment, and the Senator from Pennsylvania (Mr. SPECTER).

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HATFIELD. I thank the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

AMENDMENT NO. 1859

Mr. GLENN. Mr. President, I call up my amendment No. 1859 and ask for its consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Ohio (Mr. GLENN) proposes an amendment numbered 1859:
>
> Strike section 213.

Mr. GLENN. Mr. President, the provision that was put into this bill primarily by the distinguished Senator from Alaska would overturn the application to Brazil of the so-called Symington-Glenn amendments to the Foreign Assistance Act. Under these amendments, Brazil cannot receive any economic assistance, military or security supporting assistance, or grant of military education and training, because Brazil is in violation of the prohibitions in those amendments against importing nuclear enrichment and nuclear reprocessing equipment. Such equipment can be used for the production of nuclear weapons materials.

The nature of the Brazilian nuclear program has raised some suspicions concerning its ultimate objective. Press reports indicate that a pilot reprocessing plant has been constructed which is not under international safeguards. U.S. nuclear fuel shipments to Brazil have been suspended on the grounds that Brazil does not satisfy the full-scope safeguards requirement contained in the Nuclear Non-Proliferation Act.

Mr. President, I repeat that sentence: U.S. nuclear fuel shipments to Brazil have been suspended on the ground that Brazil does not satisfy the full-scope safeguards requirement contained in the Nuclear Non-Proliferation Act. So, this would not be the first time we have placed restrictions upon Brazil.

Brazil also has refused to give any assurances that it will not produce "peaceful nuclear explosions" or any other kind of nuclear explosions. In other words, they have been uncooperative in trying to give us any assurances that they are not going ahead full-scale with developing a nuclear weapons program.

The Foreign Relations Committee has held no hearings this year on the Brazilian nuclear program nor on the possibility of providing IMET assistance to Brazil which normally goes through the Foreign Relations Committee. We pass on IMET requests from all other countries and this request was not submitted to the committee. The recent markup of the Foreign Assistance Act—as a matter of fact, we just completed that this morning—contains no provision for such assistance, nor was the subject even raised by anyone.

Mr. President, the provision for Brazil in H.R. 5922 is another example of an attempt to chip away at the strong stand on nuclear nonproliferation matters taken by the U.S. Government in recent years. That stand has been challenged twice within the past 2 years.

First, on the shipment of nuclear fuel to India during the last year of the Carter administration. I am sure many Members will remember very, very well along with me the battle we had in the Chamber over that one, and I was sorry to say I lost in my efforts to prevent that shipment by a vote of 48 to 46 in the Chamber. That was the first test as to whether we were serious about nuclear nonproliferation, the first time we ever had it come to a test in the Chamber, and we waffled as I see it. We said, in effect, we really did not mean what we said in the Nuclear Non-Proliferation Act about preventing the spread of nuclear weapons to more and more countries. So we approved that nuclear fuel shipment to India.

Then the next time there came a test was on the provision of economic and military assistance to Pakistan under the Reagan administration. That time also we waffled. Although we strengthened certain provisions in the Foreign Assistance Act at that time, we also allowed a brief exemption to permit economic and military aid to that country. The administration had sought much broader exemptions from the Glenn and Symington amendments but were beaten back.

So those two times there were real tests on whether or not we would stand firm on nuclear nonproliferation. We knuckled under once and made shipments and the second time had to fight the administration to avoid totally knuckling under a second time.

Now we are asked to provide an additional exception for Brazil.

Mr. President, I realize very fully that this is a very minor matter that we are about here today as far as the actual substance, the money, compared to India and Pakistan because what we are talking about are probably no more than two officers coming up from Brazil to the United States for military training. I do not know whether they are going to Fort Benning, Quantico, or to the Air Force Academy for military training or what their role will be in this country or what kind of training they will get, but the amount of money that is provided here is only $50,000 enough to cover two or so people coming to this country.

And let me add, Mr. President, that I have been probably one of the most consistent backers of the IMET program in the whole Congress because I have seen firsthand myself around the world the importance of having people who have been to the United States for training back in their own countries assuming ever-increasing roles of importance in their own government of their own military and the influence on those people by their sojourn in America for training with our U.S. military is a very substantial plus for the United States.

So I would not want anyone to think that I an against the IMET training program. I am not.

Mr. President, the principle is still there, however, and the principle is one that is in law. Sections 669 and 670 of the Foreign Assistance Act of 1961 states that we will restrict sales to those who do not come up to certain criteria concerning the spread of nuclear weaponry around the world.

So it is not a matter of being against IMET. I have supported every IMET proposal I think that has come before me since I have been in the Senate. But the principle is the same, whether it is a matter of nuclear fuel for India, whether it is military aid for Pakistan, when we know they are proceeding just as fast as they can proceed to develop nuclear weapons, or whether it is approving IMET programs for Brazil, a Brazil that has been uncooperative in placing all its facilities under the International Atomic Energy Agency aegis. They will not give us guarantees that they will not produce nuclear explosives and yet we go ahead and make another exception.

So, Mr. President, it is on principle that I rise to attempt to strike section 213 from this bill. I think it should not be enacted in its present form.

First, and perhaps most important, recent events have brought out in the most vivid manner the extraordinarily grave impacts that development of nuclear weapons within Latin America might have, not only on regional stability, but on international relations around the world.

Mr. President, the purpose of sections 669 and 670 of the Foreign Assistance Act of 1961 is to restrict U.S. assistance to all nations in this, and in other regions, that may be pursuing a nuclear weapons option in order to discourage them from this course.

The steps taken by Brazil to acquire the sensitive nuclear technology necessary to produce nuclear weapons material—that is, highly enriched uranium or plutonium—seriously threaten to exacerbate the dangers of a nuclear arms race between Brazil and Argentina which have existed for some time. For the United States, at this juncture, to waive its laws aimed at curtailing this danger seems singularly inappropriate.

Without going into classified details I think I may state that we are at a stage in the development of nuclear technology within both Argentina and Brazil which is critical: both nations are on the verge of acquiring the wherewithall to manufacture the nuclear materials necessary for nuclear weapons. Most definitely, this is not the time for us to appear to be reducing our efforts to curb these activities in these nations. Yet a waiver of our laws aimed at nations taking the necessary steps to move in this direction would give precisely this appearance.

I am especially troubled, however, by the fact that the section of H.R. 5922 that waive existing restrictions on assistance to Brazil comes to the floor without having been considered by the authorizing committee with the continuing oversight responsibility for U.S. nonproliferation policy. In effect, we are making a major adjustment in this policy to accommodate Brazil at what I consider to be a totally inappropriate juncture, and yet the committee with the most thorough understanding of this issue has not had an opportuntiy to consider whether a waiver is appropriate. I might add, that at issue here is not only our relationship with Brazil but, perhaps more significantly, our relations with other nations subject to restrictions of sections 669 and 670. If they observe that we are prepared to make exceptions for Brazil, however small they may be, the inevitable result is that our resolve on the matter of nonproliferation will be seen as weak and an expectation will be created that these sections may be circumvented easily. We have already made and exception in the case of Pakistan to permit assistance to that nation for a period of 6 years, largely because of our overall concerns about the situation in Afghanistan. We had the previous exception for India under the Nonproliferation Act. For us now to make a similar exception in the case of Brazil would be to gut the restrictions contained in these sections of the Foreign Assistance Act which, I might add, were only recently reenacted with various strengthening amendments which I actively sought only several months ago.

Finally, I would point out that both sections 669 and 670 of the Foreign Assistance Act already contain provisions enabling the President to waive the prohibitions against providing assistance contained in these sections. If the President thinks it is important he can waive these laws. Under section 669, the President may provide military or economic assistance to a country which has imported uranium enrichment technology if he has received "reliable assurances" that the Nation is not moving in the direction of developing nuclear weapons, or he can also make such a waiver if he determines that termination of the aid would unduly injure U.S. interests. Under section 670, the President may provide assistance to nations that have received nuclear reprocessing equipment if he determines and certifies in writing to Congress that the termination of assistance would be seriously prejudicial to the achievement of U.S. nonproliferation objectives or would otherwise jeopardize the common defense and security.

The President, for whatever reason, has not seen fit to invoke either of these waiver provisions which Congress recently refined in the amendments to the Foreign Assistance Act that I mentioned earlier. I repeat, the President has not asked for a waiver. The implications of this are quite serious because the President's failure to waive section 669 suggests that the United States has not received reliable assurances that Brazil is not pursuing nuclear weapons. Similarly, by his failure to waive the prohibitions of section 670, the President has, in effect, indicated that continued termination of assistance to Brazil will not be seriously prejudicial to our nonproliferation objectives and will not be jeopardizing the common defense and security. To reiterate, Congress has already set into law safety valves in the form of Presidential waiver provisions in both section 669 and 670 which can be invoked if certain conditions can be met. For us now to simply bypass this carefully crafted system of nonproliferation controls seems to me entirely inappropriate, especially in light of the factors which I mentioned previously, in spite of the fact that this is a comparatively small amount of money and a small amount of personnel involved.

I would also point out, Mr. President, that we simply have no record here as to why there is a need for bypassing sections 669 and 670. The report on H.R. 5922 contains no explanation as to why the committee believes that the prohibition (in these sections) should be relaxed except for the statement that "a modest IMET program for Brazil will enable the United States to reciprocate for the cost-free training the Brazilian military institutions are now providing to the U.S. military" and that it "will also enable Brazil to purchase additional training opportunities on an incremental cost basis." These seem rather poor reasons indeed for setting aside one of the major elements in our nuclear nonproliferation program, especially when the benefits we presumably are getting in return have nothing whatsoever to do with the purposes of sections 669 and 670 which are to curb the spread of sensitive nuclear technologies that contribute so seriously to the nuclear weapons proliferation problem.

Mr President, that summarizes my feelings about this. I realize, as I said before, that the amount of money and the numbers of people involved are not the issue here. I am not arguing that. I have been one of the Senate's most loyal backers of the whole IMET program. This is the first time I have risen in my Senate career to oppose an IMET approval.

But, Mr. President, the thing at issue here is the principle involved that we have three times now had matters come before us with regard to the Nuclear Non-Proliferation Act, and at least on two of those times, so far we have backed down on the nuclear fuel sale to India, military aid to Pakistan, and now even though this is a smaller matter it would be the third time we have backed down and violated our own rules that we have set up. That is why this amendment should be approved.

I reserve the remainder of my time.

Mr. **STEVENS**. Mr. President, I yield myself 5 minutes. I am sorry that the Senator from Ohio has taken this position because it was our opinion that the option that has been selected here for annual allocations of funds to restore the IMET relationship with Brazil was preserving the Symington-Glenn amendments while, at the same time, strengthening our security relationships.

This is a year-by-year concept. As the Senator from Ohio mentioned, there is a possibility of a waiver by the President of the United States. But, if the President grants such a waiver, it is subject to a 60-day congressional review and possible veto, so there is no opportunity for planning whatsoever, as there will be if Congress approaches the item directly on a year-by-year basis.

This is a $50,000 1-year attempt to restore relationships with Brazil. I will explain this briefly.

The President of Brazil has just left the United States after a very successful visit. Our relationships with South America are very much strained over the whole problem regarding the Falklands issue between the United Kingdom and Argentina. Historically, Brazil has been an ally of the United States. They had their expeditionary force at the side of our troops in World War II. They have been involved in our peacekeeping efforts since that time.

In the 3- or 4-year period, from 1974 through 1977, they asked us to train, and we did train, 701 Brazilian officers. After the adoption of the Glenn amendment there were none trained in this country. Since that time we have not trained any.

In 1978 the Brazilians started a modest program of training U.S. officers there so that they could reach out and try to restore their relationships with us.

I do not know of a nation that has tried as hard as Brazil to maintain friendships despite prohibitions such as are contained in the statutes we are trying to waive, and waive in a very modest way.

The simple fact of life is that the benefits to us in maintaining relationships with Brazil outweigh the benefits to Brazil. We have a need for a continuing relationship with them. They are emerging as a world leader. They have a dominant position in the South Atlantic, and there is no question but that the Soviets are trying greatly to extend their influence in the South Atlantic.

In 1970 Soviet naval vessels had approximately 200 shipdays in the South Atlantic. By 1980 it was 2,600. The Soviets are very aggressive in trying to have a new relationship in the South Atlantic.

In my opinion, this gesture, and it is a gesture, of saying that we will try to restore a relationship with them on a year-to-year basis and see if it will work will give us a better opportunity to restore these relationships.

I do not argue with the Glenn amendment that we are trying to waive here. Antiproliferation is still the goal of this Nation but, at the same time, we need to maintain friendships, and that is what this amendment does that is in the bill now.

Mr. President, have I used my 5 minutes?

The **PRESIDING OFFICER**. The Senator has a minute and a half left.

Mr. **STEVENS**. Let me inquire, I know the distinguished chairman of the subcommittee wishes some time, my colleague from Alaska wishes some time, but I will be happy to yield the Senator from Wisconsin 2 minutes to make his statement.

The **PRESIDING OFFFICER**. The Senator from Wisconsin.

Mr. **KASTEN**. Mr. President, the committee amendment which earmarks a modest amount of funding from prior appropriations for an international military education and training program for Brazil—and the Senator from Ohio was correct, it is small—I think it is important to understand that this is far more important as an issue, the issue is far more important than the small amount provided than otherwise indicated.

What we are trying to do here is to reestablish better relations with Brazil, the largest country in South America, after a period of estrangement between our two countries. So this small IMET program is viewed as a top priority item needed to reestablish that relationship.

I am aware of the concern of some of my colleagues that sections 669 and 670 of the Foreign Assistance Act would normally prohibit this kind of funding except, of course, the amendment waived these provisions.

I would like to point out that the original amendment offered by the distinguished assistant majority leader provided for a 5-year program, but because of the concerns that a number of us knew existed with respect to these two sections of the Foreign Assistance Act, we prevailed upon him to modify his amendment. So it is not for 5 years, it is just for 1 year. As my colleagues know, this is not an unprecedented waiver. Pakistan, as the Senator from Ohio pointed out, is a chief example. So, Mr. President, I hope my colleagues will recognize the importance of this matter even though it is a small gesture.

I further emphasize that we are only talking about a program which will be in effect for the rest of this fiscal year right now which would allow a review after October 1 of this year.

So as chairman of the Foreign Operations Subcommittee of the Appropriations Committee I just want to say to my colleagues that we have reviewed this amendment, we have worked with the Senator from Alaska on it, and we believe strongly that the issue of reestablishing better relations with Brazil is very, very important at this particular moment in our history.

So I urge my colleagues to reject the amendment to delete this section. Instead, we ought to enthusiastically embrace efforts as we try to reestablish relationships with countries like Brazil.

The **PRESIDING OFFICER**. Who yields time?

Mr. STEVENS. Mr. President, I yield 3 minutes to my colleague from Alaska.

(Mr. KASTEN assumed the chair.)

Mr. MURKOWSKI. I thank the assistant majority leader.

I would like to speak in behalf of the principle involved in section 213 which I believe is extremely important in view of the times that we are in and the fact that this amount of money is extremely small in relationship to how it would be viewed in Brazil.

I think it is symbolic of just what this relationship really means, in that if we were to turn this down it will appear to our friends in Brazil that we no longer have any major interest or major commitment in responding to requests such as this, where the long-range benefit is obviously in favor of the United States.

So, Mr. President, I respectfully urge that my colleagues consider the ramifications of this particular matter and how it will be looked at in the eyes of our South American neighbors if we do not, in fact, support this very, very modest amount of funds. Really, when we look at the long-term benefits and recognize the significance, I think my colleagues will understand the rationale and support it.

Mr. GLENN. Will the Senator yield for a question?

Mr. MURKOWSKI. Yes.

Mr. GLENN. I have heard the same words the Senator from Alaska just used in this Chamber before with regard to nuclear nonproliferation. We heard the same words with India—"How will it be viewed in India? We dare not vote against sending the Indians fuel even though we know they used the first fuel we sent them to make a weapon." They called it a diesel nuclear explosion, but a bomb is a bomb is a bomb by whatever name you call it. "How will it be viewed in India? It will wreck our relationship with India. We will lose our leverage with India."

More recently, the same thing came up with regard to Pakistan, and it was: "How will it be viewed in Pakistan? We will lose our leverage with them to bend them in the right direction if we somehow turn this down."

Now, we are saying the same thing here. Now we are saying: "How will it be viewed in Brazil?"

I would ask the Senator: Where does this end? Are we going to see it every time push comes to shove under the Non-Proliferation Act?

Mr. STEVENS. Mr. President, I think the time has expired, I say to my good friend from Ohio. If he wants to use his own time on it, I will yield.

Mr. GLENN. I am sorry. That was a long question. Where do we stop?

Mr. MURKOWSKI. I would like to respond to my colleague, the Senator from Ohio. Although I cannot speak with the background and experience, obviously, that he has had in this area, I still believe that Brazil has exhibited an open policy with regard to its nuclear activities. I think that when we look at that and look at what is really before us here, which is really a small amount of money to send some personnel to the United States for training, we have to recognize and remember how that will be received not only in Brazil, but in all of South America. For that reason, I feel section 213 is important and should be supported.

The PRESIDING OFFICER. The time yielded to the Senator from Alaska has expired. Who yields time?

Mr. STEVENS. How much time do I have remaining?

The PRESIDING OFFICER. Nine minutes.

Mr. STEVENS. I yield 5 minutes to the Senator from Washington.

Mr. JACKSON. Mr. President, I rise in opposition to the amendment to delete section 213 from H.R. 5922, the urgent supplemental appropriations bill. I do this with some mental reservations because I know the reasons and objectives of the sponsors of this amendment and share many of their concerns regarding nuclear nonproliferation.

I wish to pay special tribute, Mr. President, to the excellent work by the Senator who has become the Senate watchdog on this whole issue of nonproliferation, the distinguished senior Senator from Ohio, Senator GLENN. I am grateful and appreciative of his efforts. I have been supportive of the many moves that he has made, including a recent matter that we had up here today which was almost a unanimous vote.

However, in a situation where there are competing interests of our Nation, we must weigh the circumstances carefully and in having done so, I believe this amendment runs counter at this time to our national interest.

I believe our relationships with the countries of Central and South America are of vital interest to our Nation, and we must take steps to improve and maintain our cooperation with our neighbors to the south. The situation with regard to the Falkland Islands has had some negative effect on our relationships with South American countries other than Argentina, and I believe that we must try to maintain a positive relationship with these other countries.

In recent years, our relationships with Brazil have not been as good as they have been historically. We must recognize that Brazil can play a key role in the defense posture of the Americas against mischief perpetrated by countries outside of this hemisphere. This modest program of military education and training for Brazilian military personnel may help to improve relations between our two countries.

The concern of the sponsors of this amendment over the potential for Brazil to misuse nuclear energy activities in their country for military purposes is fully understandable because Brazil has not ratified the Nuclear Non-Proliferation Treaty. However, the current relationships between our countries do not provide the United States with much opportunity to influence the course of events within the Brazilian Government with regard to any possible misuse of their nuclear energy programs. The approach of the previous administration in dealing with the Brazilian Government on the nonproliferation question was singularly unsuccessful. If we are to succeed in influencing Brazilian policies, we must take a different tact. This small program of military training may help to enhance constructive dialogs between our two countries.

One of the concerns of the sponsors of this amendment is undoubtedly the precedential nature of section 213 in setting aside the strictures of section 669 of Public Law 94-329, as amended. I do not believe this action will serve as a serious precedent for further exceptions to the law. Moreover, since it is not repealing the provisions of section 669, any future cases where military assistance is contemplated will have to be considered on a case-by-case basis as to whether to exempt them from the requirements of section 669.

So, Mr. President, I hope this amendment will not be accepted at this time. I hope that we could possibly have a voice vote on it. I fully support the excellent efforts of my good friend from Ohio, who I admire and respect very much and who has done so much in this particular field of nonproliferation. But I am, as I know he is, concerned about our relations with our countries to the South of the border.

I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. GLENN. Mr. President, I yield myself 2 minutes.

Mr. President, I would ask the distinguished floor manager of the bill why the administration has not asked for a waiver which is provided if this is so important?

Mr. STEVENS. Mr. President, as I tried to indicate, the Presidential waiver under 614 is reviewable by Congress. It was just felt that, since the 60-day period would have to run and the veto process would run, it would be better to approach it on an annual waiver basis. This is $50,000. If the program is to be continued next year, that would be another $50,000. That is the reason.

If my friend would allow me, on my time, I would like to answer the question he posed before.

Mr. GLENN. On the Senator's time?

Mr. STEVENS. On my time, if I might.

The **PRESIDING OFFICER.** Is there objection to the request of the Senator from Alaska?

Mr. STEVENS. How much time do I have remaining?

The **PRESIDING OFFICER.** The Senator has 4½ minutes remaining.

Mr. STEVENS. I would just state briefly that I do not view this the same as the Pakistan issue where we were sending something to Pakistan. I view this as bringing something to the United States—people who would be trained and people with whom we could have future relationships where they might understand better our antiproliferation policies.

I had hoped that the Senator would recognize that we had four options, one of which was to attack the Senator's amendment directly. We did not do that. We sought to waive it on an annual basis to see how it works. I think that is the best option available.

Mr. GLENN. Mr. President, I yield myself 2 minutes.

Mr. President, I am also concerned about how this would be viewed by other nations that would also like to have waivers under 669 and 670. I also do not understand why, with this being so imminent and with the Foreign Assistance Act of 1983 being marked up—just completed this morning, as a matter of fact—that this was never submitted so we could consider it with the other IMET considerations.

I think had it been in the committee, it would have followed the normal track on that request.

How much time have I remaining, Mr. President?

The **PRESIDING OFFICER.** The Senator has 3 minutes remaining.

Mr. GLENN. Can the Senator tell us why he did not submit this?

Mr. STEVENS. Because having the money available in the supplemental makes it available for the academic year in September. It would not be available otherwise.

Mr. GLENN. Another question I have goes to the remarks concerning India and Pakistan.

The distinguished Senator from Washington stated it very well, that this would not set a precedent as he saw it, this would not be used as a wedge to say that we had made a waiver in this case so that we could justify waivers in other cases. I agree that the level of importance of the waivers we granted with regard to India and Pakistan do not compare to this particular case, which is far less significant.

Would the floor manager, the distinguished Senator from Alaska, agree that he in no way sees this as a precedent-setting move that other nations could use to expect that they would also receive exemptions or waivers and that this is a one-shot deal and not precedent setting?

Mr. STEVENS. I would agree wholeheartedly that is what we tried to do. We could have presented it for a 5- or 10-year waiver. We sought a 1-year waiver to restore this concept. It would take annual action. If there is something that comes up in the meanwhile that would not affect the continuance of that relationship, obviously it would be up to the Congress each year.

The **PRESIDING OFFICER.** The time of the Senator from Alaska has expired.

Mr. GLENN. Would the Senator from Alaska agree that in future years the best way to handle this would be to run it through the proper appropriating and authorizing processes?

Mr. STEVENS. I would hope that that would be the case. I would further say there may be other countries where we want to bring people to this country rather than sending material out. I do not view this as a precedent for the amendment of the Senator in terms of any attempt to chip away at an appropriation amendment.

Mr. GLENN. Mr. President, with the assurances the distinguished floor manager of the bill has given as far as this not being precedent setting, and assurances that in future years they will run these things through the normal appropriating and authorizing process, those being understood as part of the record, I withdraw the amendment.

Mr. STEVENS. I thank the Senator from Ohio for his consideration.

The **PRESIDING OFFICER.** Without objection, the amendment is withdrawn.

Mr. ARMSTRONG. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

AMENDMENT NO. 1549

(Purpose: To reinstate OSHA's jurisdiction over the surface mining of clay, sand and gravel, stone, and colloidal phosphate, and certain construction projects on those surface mining sites)

Mr. BUMPERS. Mr. President, I have an amendment at the desk which I ask be read and considered immediately.

The **PRESIDING OFFICER.** The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Arkansas (Mr. BUMPERS), for himself and Mr. NICKLES, proposes amendment numbered 1549:

On page 44, line 14, beginning with the word "Notwithstanding" strike all through line 18 on page 44.

Mr. BUMPERS. Mr. President, this amendment is one that should be familiar to everybody in the Senate. It has passed the Senate three times in the past 2 years. The first time was on July 29, 1980, by a vote of 52 to 37; on December 10, 1980, it passed by a vote of 44 to 37; and the last vote was on November 19, 1981, when it was approved 63 to 35.

This amendment is not complicated. On the contrary, it is very simple. I will try to condense it and make it as concise as I can.

When we passed the Mine Safety and Health Act, we thought that we were protecting coal mining, particularly deep coal mining. After the act was passed and the Mine Safety and Health Administration was formed, the agency began to regulate not only deep coal and surface coal mining, but they also started regulating shell dredging, sand and gravel operations, stone quarries, the mining of clay, and colloidal phosphate. There were even horror stories that MSHA was regulating how deep the Bell Co. could dig a hole to lay a cable. They were even regulating a kitty litter operation where the kitty litter was being sacked a quarter of a mile from where it was being mined. In other words, MSHA was regulating the 150 employees who were working in the plant, even though they were a quarter of a mile from where the mining operation was taking place.

After the MSHA regulations were in place, people began to complain. Small businessmen in the stone business, colloidal phosphate, clay, shell dredging, and sand and gravel dredging operations actually asked to be transferred to OSHA. I could not visualize anything being bad enough that anybody would voluntarily ask to be transferred to the supervision of the Occupational Safety and Health Administration, but that is what happened.

There is more to it than that, Mr. President. Not only was MSHA regulating those surface mining operations, but it started regulating certain related construction.

Let us assume that you had a barge, a sand and gravel barge on the Arkansas River. If you had to build a road from the highway down through the brambles to get to the barge, MSHA was regulating the contractor who built the road.

Let us assume that you had a colloidal phosphate operation and you had to sack phosphates. If you had an operation a mile away from the mine where you simply sacked what you were mining, that activity was covered by MSHA regulations.

It is no wonder people began to request to be transferred to OSHA.

They said, "You know, Senator, our safety record is as good as about 80 to 90 percent of the industries in this country, so why should we be subjected to this?" I said, "That is a good question. Why should you?"

I undertook to give these small businesses some relief. Is that not one of the things that everybody who now sits in this body ran on; that people were unnecessarily and expensively overregulated in many instances?

Of course it is. If I thought the effect of this amendment would cause one additional accident I would not be offering it. I have been a strong supporter of safety in the workplace all of my public life. Prior to being elected to public office I was a trial attorney, and I used to try a lot of workmen's compensation claims. I applauded the passage of the Occupational Safety and Health Act.

Mr. President, the last time this amendment passed it became law. It became law last December, and since last December OSHA has been regulating these operations.

They have only had jurisdiction a little over 5 months, so why all of a sudden do we want to take it away from them? We have not given OSHA a chance. In committee the other day, the Senator from Pennsylvania (Mr. **Specter**) said, "There have only been 17 inspections since this transfer to OSHA occurred. Isn't that terrible?"

First of all, 85 percent of all the people engaged in these operations that we are trying to keep under the jurisdiction of OSHA have less than 10 employees. Because of an amendment offered by former Senator Schweiker, which passed overwhelmingly, any firms with fewer than 10 employees that have an accident rate of less than 7 per 100 workers per year are exempt from routine OSHA inspections.

This provision was put into the law because we did not want people who had a good safety record, and less than 10 employees, to be harassed by unnecessary regulations.

Senator Schweiker's amendment has subsequently been amended to provide the exemption only if your accident rate per 100 workers is less than the national average.

Let us assume that you have a little sand and gravel operation on the White River in Arkansas and your accident rate compares with Sears, Roebuck or K-Mart. Why should OSHA or MSHA, either one, be spending money trying to regulate your business when it is safe?

I am for safety in the workplace. If I thought putting these people under OSHA would cause one additional accident, I would not be standing here. I would like to continue these operations under OSHA for another 6 months and see what the statistics are at the end of the year.

Currently, the fatality rate in these operations is just about what it was last year at this time. They were under MSHA all of 1981, and so far this year, the death rate is about the same as it was last year.

So one thing is sure: Transferring them over to OSHA for the last 5 months has not caused any additional fatalities and it has saved the Government a lot of money and saved small businessmen a lot of unnecessary regulation.

If MSHA is a good regulatory agency, why has the underground mining fatality rate gone from 94 in 1980 to 112 in 1981? Why does MSHA want jurisdiction over shell dredging and sand and gravel operations when the fatality rate for underground miners is going up?

In 1980 and 1981, there were three big underground tragedies in West Virginia and Kentucky. Why does MSHA not spend its money trying to prevent those types of disasters in coal mining? That is what we wanted them to do. Why do they want jurisdiction over nonmetallic minerals, which had an accident rate of 5.3 in 1980, and is down to about 3.59 right now?

According to statistics for 1980, published by the Department of Labor, apparel and textile products has an accident rate of 6.3. Printing and publishing had an accident rate of 6.7. Food stores had an accident rate of 10.5 per 100 workers. Automotive dealers and service stations had an accident rate of 7.2.

As soon as the statistics for 1982 are compiled, if this does not work out, I will come back and say, "I'm sorry. OSHA isn't doing their job. Maybe we should take another look at it and transfer it back."

Why not leave the law as we passed it last December? Let us not be yoyoing these people back and forth. Let what we did last December continue until we can prove conclusively that we made a mistake. Right now, the only statistics we have show that we have not made a mistake. So let us leave the law as it is.

If OSHA has made only 17 inspections so far this year, I promise you that those 85 percent of the sand and gravel operations and all the other small operators in this country who were not inspected because they have a good accident rate are greatful.

We have often heard the saying lately, "If it ain't broke, don't fix it." If they are not violating the law and they are running a safe operation, do not bother them. That is all I am asking for.

If they have an accident rate that is unacceptable or above the national average, they can be investigated. An employee can ask for an investigation if he thinks his workplace is unsafe. He can go to OSHA and say, "I don't believe this is right, and I would like you to have a look," and they will perform an inspection.

In summary, Mr. President, this is a small business amendment.

I reserve the balance of my time.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, will the Senator yield me 3 minutes.

Mr. BUMPERS. I am happy to yield, if I have 3 minutes.

The PRESIDING OFFICER. The Senator has a minute-and-a-half remaining.

Mr. BUMPERS. Mr. President, I ask unanimous consent that each side be given another minute-and-a-half, so that the Senator from South Carolina can have 3 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered. The Senator from South Carolina has 3 minutes.

Mr. THURMOND. Mr. President, I support the amendment offered by my distinguished colleague from Arkansas, Senator **Bumpers**. This amendment would strike section 204 of H.R. 5922, the urgent supplemental appropriations measure passed by the House of Representatives.

Section 204, if enacted, would undo what was done as part of the second continuing appropriations resolution last fall. It would restore jurisdiction over the surface mining of stone, clay, sand, and gravel to the Mine Safety and Health Administration.

The Mine Safety and Health Administration is the product of legislation specifically addressed to the health and safety problems of the subsurface mining industry. These problems differ substantially from the health and safety concerns in the surface mining industry, as these two industries differ substantially one from the other. Yet neither the Mine Safety and Health Amendments of 1977, which initially brought surface mining under the jurisdiction of the Mine Safety and Health Administration, nor the regulations promulgated by that agency take these differences into account. Rather, they inappropriately impose the same costly and burdensome requirements on both.

Mr. President, I do not believe that we should at this time reimpose these burdens on an industry characterized by small and geographically dispersed operations. The people of this Nation elected our President and many of the Members of this body on the promise that they would get Government off of their backs. By restoring jurisdiction over surface mining to the Mine Safety and Health Administration we would be doing just the opposite. It is for this reason that I support the amendment offered by Senator **Bumpers**.

Mr. President, the Mine Safety and Health Administration was intended for subsurface mining, such as coal mining, chiefly, and was not to apply to such things as stone, clay, sand, and gravel.

The small businessmen of this country who are involved in surface mining should not be subjected to the onerous regulations that have been issued by the Mine Safety and Health Administration.

I hope the Senate will see fit to adopt the amendment of the Senator from Arkansas, which the small business people of this country want. The small business people want this amendment adopted.

Also, there are mandatory fines and penalties for minor violations if this is put under the Mine Safety and Health Administration.

I hope my colleagues will see fit to think about this matter and think about the people back home who have these small operations, small sand operations, gravel operations, clay and stone operations, when they vote on this measure. I hope they will remember those small businesses back home and not put them in the same category with the big coal producers and other surface mining in this country.

The **PRESIDING OFFICER.** The time of the proponent of the measure under the control of the Senator from Arkansas has expired.

The Senator from Pennsylvania.

Mr. **SPECTER.** Mr. President, I yield myself 6 minutes.

The amendment before this body requires that the inspection function be returned to MSHA because simply stated OSHA has not done the job. The administration favors jurisdiction in MSHA. The Secretary of Labor has spoken to the issue. The head of OSHA has spoken to the issue and the head of MSHA has spoken to the issue, because the transfer which was effective last December has realistically not given to OSHA jurisdiction but has simply taken away jurisdiction from MSHA and has left no functional inspection.

When the distinguished Senator from Arkansas says that he would favor my position if there were to be only one additional accident requiring only one additional Band-Aid, I would submit that he has set a burden of proof which we can easily handle and that it is plain on the surface from the facts that OSHA has had only 27 inspections during the comparable period when MSHA last year had some 8,000 inspections because the transfer of jurisdiction has relieved inspections to the tune of 8,000 to 27. I submit that it is inconceivable that an additional 8,000 inspections would not save at least one accident requiring at least one Band-Aid which is the standard applied by the distinguished Senator from Arkansas.

The facts are that surface mining is very dangerous indeed, that in only 1 year, 1978, there were 157 sand, gravel, stone, clay, and phosphate miners who died in accidents which is more than the deaths due to surface coal and metal/nonmetal surface mines combined.

The accident rates statistically demonstrated are very, very high.

And during the period of time since December there have been 14 deaths while inspection of this category of mining was under OSHA, contrasted with seven last year when the jurisdiction was with MSHA.

The issue was placed in perspective effectively by the head of OSHA who testified before the House of Representatives on March 30 of this year. The question put was by Mr. JOHNSTON:

> Do you think that the transfer makes sense from the standpoint of administration and fairness to both employers and getting the maximum effectiveness out of the inspectors?

Mr. Auchter, the head of OSHA, said:

> No sir, I really do not. I am glad to have the surface construction. I think that makes a lot of sense. We have a lot of expertise there, we know about construction and we inspect that area. The sand and gravel and the stone and all that other stuff, is a new area for us—it is not part of our targeting or any of our training components or anything else that we do.

This factural situation led the House of Representatives to reverse itself in a startling fashion. Last October the House voted 254 to 165 to have OSHA conduct these inspections. On May 12, the House of Representatives reversed itself, voting 220 to 186 to transfer the inspections back to MSHA.

Unlike the distinguished Senator from Arkansas, they say, do not wait 6 more months because each day that passes there are additional accidents and there are additional injuries and 6 months is sufficient experience and we should not have double the number of fatalities in the next 6 months because we are unwilling to act today.

That issue was posed to the Appropriations Committee and the full Appropriations Committee decided after hearing extensive argument from the distinguished Senator from Arkansas and the distinguished Senator from West Virginia, (Mr. ROBERT C. BYRD) as well as others, that jurisdiction was best lodged in MSHA.

I ask the body to uphold the action of the Appropriations Committee based on solid reasoning and solid statistical support.

Mr. President, I yield the floor and I yield such time to the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD) as he may require.

Mr. **ROBERT C. BYRD.** Mr. President, I am very deeply troubled that at the present time the Mine Safety and Health Administration is prohibited from enforcing safety and health regulations with respect to surface stone, sand, gravel, clay, and colloidal phosphate mines and surface construction at all minesites. These enforcement authorities were deleted under the continuing resolution by the House-passed Rousselot amendment. The House has now reversed its position on this issue by restoring the enforcement authorities to MSHA by a 220-to-186 vote when it debated the urgent supplemental on May 12, 1982.

Last fall during consideration of the fiscal year 1982 Labor, Health and Human Services appropriation bill, the Senate Appropriations Committee voted to continue enforcement at these mines by the Mine Safety and Health Administration. The committee has reaffirmed that position in this urgent supplemental appropriations bill.

I am aware of no persuasive arguments supporting those who oppose MSHA regulation in this area. In fact, what has transpired during the past 5 months since the Rousselot amendment took effect serves to convince me even more that MSHA should enforce its legislatively assigned responsibilities with respect to sand, gravel, and other mines. During the period MSHA has been prohibited from enforcing its authorities with respect to these mines, 14 [1] deaths have occurred. This contrasts with seven [2] deaths at these mines during the same period a year earlier when the MSHA enforcement program was in effect. Some may argue that the 14 deaths do not represent a significantly large sample from which to make a projection. Others may argue that some of these deaths could not have been prevented even if MSHA had conducted a recent inspection of the site. I believe it is not possible to precisely measure the benefits of any inspection program, but we do know that deaths in these mines are up significantly since MSHA jurisdiction was terminated. This increase in deaths has occurred even though most of these mines are operating at a reduced rate because of the recession.

There are some other myths which I would like to dispell. One myth is that these stone, sand, and gravel mines are safer than coal mines, therefore they should not be subjected to the same regulatory inspection and enforcement program as coal mines. First, let me say that there is a totally different set of regulations governing coal mines and these other mines in question.[3]

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[1] Fourteen deaths from December 15, 1981-May 21, 1982. Source: OSHA (Mike Turner).

[2] Seven deaths from December 15, 1980-May 25, 1981. Source: MSHA, Office of Congressional Affairs.

[3] Copies of these regulations are in Charlie Estes' files.

Also, the Mine Safety and Health Act requires four inspections of each underground mine each year and only two inspections for surface mines. So, MSHA has not imposed the same regulatory burden on small stone, sand, and gravel operators that is placed on large coal mines.

Second, I challenge the statement that surface stone, sand, and gravel mines are safer than other types of mining. During the period 1978 through 1981 there were 157[4] deaths in these stone, sand, and gravel mines. During the same period there were 37[4] deaths in surface metal mines, 20[4] deaths in surface nonmetal mines, and 76[4] deaths in surface coal mines. To put these numbers in perspective, stone, sand, and gravel mines are more than twice as hazardous to life as surface coal mines. So, I am not convinced that these mines should be considered "safe."

When this issue was considered last fall, it was reputed to be a simple transfer of enforcement responsibilities from the Mine Safety and Health Administration to its sister organization, OSHA. I believe that many Members of the Congress may have supported this transfer because they sincerely believed that OSHA was the proper agency to protect the health and safety of employees at these mines. However, the record indicates that OSHA enforcement is almost nonexistent. During the last 5 months only 27[5] inspections have been conducted by OSHA. Twenty-seven inspections of approximately 12,000[6] mine sites. Clearly, there is essentially no Federal enforcement authority reviewing these mines, and the death rate is up.

I will repeat what I said last fall when we considered this matter: If a transfer of enforcement authorities is to be made, such a transfer should be accomplished in an authorization bill, not on an appropriation vehicle. The effect of the Rousselot amendment has been confusion in the industry and demoralization within the inspection work force and among the miners whose health and safety are being jeopardized.

I might add that I am told that many companies have experienced sharply increased insurance rates with the elimination of MSHA inspection of their mines. Some companies such as Amax have written to me expressing their support for renewed enforcement by MSHA. The National Coal Association, the National Limestone Institute and organized labor support MSHA in this matter. Also, the administration has clearly indicated its support for enforcement by MSHA rather than OSHA. Secretary of Labor Donovan testified on April 20, 1982, that he "would strongly recommend that sand and gravel operations come back under MSHA."[7]

The kitty litter plant in Tennessee is located on a clay mine site. The kitty litter plant is a vertically integrated facility which includes mining, crushing, pelletizing, sizing, and kiln treating operations, all of which are covered by the Federal Mine Safety and Health Act of 1977. MSHA jurisdiction over kitty litter production may seem humorous at first until the type of operation is explained. The humor fades quickly in view of the fact that this particular kitty litter plant was experiencing one disabling injury per month (1977-81 average). The rate, I believe, is high by anyone's standards.

With respect to the Hawaiian pineapple plant, I am told that MSHA only regulated a volcanic quarry which produced material for a road construction project on the pineapple plantation. MSHA did not inspect the road construction project or the pineapple plant.

So, these examples, I believe have confused the issue of the appropriateness of MSHA's jurisdiction. I hope that I have clarified this matter for my colleagues.

The Bureau of Labor Statistics reports that the fatality rate for general merchandising stores such as Sears is .002. The comparable fatality rate for sand and gravel mines is .06. These statistics indicate that the fatality rate for sand and gravel mines is 32 times greater than general merchandising operations.

The administration supports the House-passed language which is included in this urgent supplemental appropriations bill, and I urge my colleagues to do the same.

Mr. SPECTER. Mr. President, by way of a very brief further argument, first, I would like to modify these statistics on 157 deaths being attributed to the year 1978. That statistic should be since 1978 there have been 157 deaths in this kind of mining which attest to the seriousness of the injury.

By way of a very brief supplement, when the Senator from Arkansas refers to statistics from the Bureau of Labor Statistics that is categorized as "injury requiring medical treatment," which, as I understand, would encompass anything which calls for whirlpool treatment, a hot compress, antiseptic hot or cool soakings of any prescription. So it does not rise to the level of abandonment.

I think these statistics here amply support the fact that the reductions in inspections to such a dramatic extent certainly are contributory to accidents in significant numbers, and to fatalities in significant numbers.

They certainly warrant the retention of the jurisdiction in MSHA as opposed to OSHA.

Mr. RIEGLE. The issues and experience surrounding this amendment provide a classic example of why the Senate should not attempt to legislate on an appropriations bill. Last fall on the continuing resolution the Senate and the House of Representatives acted to deprive the Mine Safety and Health Administration from exercising its jurisdiction over surface stone, sand and gravel, and other surface mines. We were told that such an action would result in the Occupational Safety and Health Administration asserting jurisdiction over these mines. We were told that the safety and health of these miners would continue to be protected without the more stringent requirements of the Mine Safety and Health Act. And so we acted in the face of opposition, not only from the labor organizations representing these miners, but in the face of the opposition of the Reagan administration, the Secretary of Labor, and the Assistant Secretaries of the Mine Safety and Health Administration and the Occupational Safety and Health Administration, as well as representatives of many covered mine operators.

Now, with 6 months of experience under the stone, sand, and gravel legislative rider, we know what we have done. The result of this rider has been absolute chaos. A state of anarchy has reigned in the mining industry as well as in the Department of Labor.

In the period this rider has been in effect, the fatality rate in the exempted mines has doubled over the same period the previous year. OSHA, which possesses neither the expertise nor the manpower to regulate the exempted mines, has simply not done so for all practical purposes. The number of scheduled inspections involving death or highly hazardous conditions in these mines has dropped from 1,800 to 17. On the other hand, as a result of last fall's legislative rider, over 200 MSHA metal and nonmetal inspectors and support personnel have been furloughed.

We have created a legal and administrative morass with the result that exempted mines now face the prospect of major increases in liability exposure. Many mine operators and, indeed entire industries, such as the china clay industry, who were exempted by our actions of last fall, are now seeking reinstatement under MSHA.

The proponents and opponents of this amendment can cite extensive arguments, statistics, and cases in support of their positions. The issues surrounding this amendment are very complex. However, in my opinion, these issues resolve into one basic principle; namely, that legislating major substantive changes by the process of 6-month riders to appropriations bills is a very poor way to make policy, particularly where those amendments have compounded the underlying problems.

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[4] MSHA Mine Injuries and Worktime Quarterly Reports. January-December 78, 79, 80, 81 reports were used.

[5] Twenty-seven inspections from December 15, 1981-May 1982. Source: OSHA (Mike Turner)

[6] 12,000 mines and related facilities. Source: Page 16 of fiscal year 1983 MSHA budget justification.

[7] Response to questions from Senator Robert C. Byrd at Labor HHS Appropriations Subcommittee Hearing.

By our action of last fall in adopting the appropriations rider, we created a monster. We have a state of absolute confusion and uncertainty in the Mine Safety and Health Administration, in the Occupational Safety and Health Administration, and in the surface stone, sand, and gravel industries. More importantly, the workers in this important and dangerous industry have been left virtually unprotected by the most basic health and safety protections. In my view, there is only one correct course of action. We must undo the action by which we created this monster.

This does not mean that the concerns of the surface stone, sand, and gravel industries need go unaddressed. Last year, the Labor and Human Resources Committee was in the process of considering a permanent solution to the concerns raised by these industries. Indeed, a bill which would have solved many of the concerns of these industries, S. 351, had been reported by the Subcommittee on Labor to the full committee at the time of the action of the Senate on the continuing resolution last fall. While I may not agree with the approach of S. 351, it seems abundantly clear to me in light of our experiences over the last 6 months that we should allow the legislative committee of jurisdiction the opportunity to consider a permanent solution.

Mr. **BURDICK**. Mr. President, the exercise we are engaged in today does not really solve very much. Whatever we do today will have a duration of about 4 months.

Last December, in the continuing resolution, we excluded sand, gravel, and stone, independent construction contractors on the surface of mine sites, and county governments from coverage under the Mine Safety and Health Act. We did this by denying funds to MSHA for carrying out this activity for fiscal year 1982.

Now, as a result of an amendment accepted in the appropriations Committee, we will, for the remaining 4 months of this fiscal year, switch these businesses and workers back to coverage by MSHA.

This is confusing to those most concerned to say the least.

I voted against the amendment in the Appropriations Committee because I believe changing the rules for 4 months of a fiscal year is unnecessary. Further, I believe that independent contractors engaged in nonmining activity on mine sites should be under OSHA. They should be relieved of the double paperwork and expense that will be reinstated if the committee language prevails. It is in the interest of construction workers that they be covered by OSHA since MSHA inspectors generally have no expertise in nonmining construction. They have always dealt with mines and mining.

I also believe that most sand and gravel operations are so closely related to construction that they should not be under MSHA jurisdiction. These operations are logically a part of road and other construction.

However, I also feel strongly that stone quarries should be covered by MSHA since the hazards in this line of work are virtually identical with those of miners in open pit mines.

I do not propose removing quarry workers from the protection of MSHA.

Nevertheless, I support the amendment of the gentleman from Arkansas since I feel changing the rules for 4 months is unnecessary.

Mr. President, the Labor Subcommittee has approved legislation, including the provision of S. 496 which will solve this problem of contractors and counties once and for all. That is the responsible way to proceed. I hope we can do so without further delay.

In summary, I believe independent construction, counties, as well as sand and gravel related to construction should not be under MSHA. I believe stone quarries clearly should be under the protection of MSHA and that will be my position when permanent legislation comes before this body.

Mr. **SPECTER**. Mr. President, I yield back the remainder of my time and I ask for the yeas and nays on the amendment.

The **PRESIDING OFFICER**. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. **BUMPERS**. Mr. President, I ask unanimous consent that the Senator from Florida (Mrs. HAWKINS) be added as a cosponsor.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **THURMOND**. Mr. President, I ask unanimous consent that I be added as a cosponsor if I am not already on it.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Arkansas. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. **STEVENS**. I announce that the Senator from Alabama (Mr. DENTON), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Kansas (Mrs. KASSEBAUM), the Senator from Illinois (Mr. PERCY), the Senator from South Dakota (Mr. PRESSLER), and the Senator from New Mexico (Mr. SCHMITT) are necessarily absent.

I further announce that if present and voting, the Senator from Minnesota (Mr. DURENBERGER), the Senator from Illinois (Mr. PERCY), and the Senator from South Dakota (Mr. PRESSLER) would each vote "nay."

Mr. **CRANSTON**. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. TSONGAS) and the Senator from Texas (Mr. BENTSEN) are necessarily absent.

The **PRESIDING OFFICER** (Mr. WARNER). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 52, nays 38, as follows:

[Rollcall Vote No. 164 Leg.]

YEAS—52

Abdnor
Andrews
Armstrong
Baucus
Boren
Boschwitz
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Chiles
Cochran
Cohen
Danforth
Dole
Domenici
East
Exon
Ford
Garn
Goldwater
Grassley
Hatch
Hatfield
Hawkins
Hayakawa
Heflin
Helms
Hollings
Humphrey
Jackson
Jepsen
Johnston
Kasten
Laxalt
Long
McClure
Melcher
Murkowski
Nickles
Packwood
Pryor
Quayle
Roth
Simpson
Stennis
Stevens
Symms
Thurmond
Tower
Wallop
Warner
Zorinsky

NAYS—38

Baker
Biden
Bradley
Brady
Byrd, Robert C.
Chafee
Cranston
D'Amato
DeConcini
Dixon
Dodd
Eagleton
Glenn
Gorton
Hart
Heinz
Huddleston
Kennedy
Leahy
Levin
Lugar
Mathias
Matsunaga
Mattingly
Metzenbaum
Mitchell
Moynihan
Nunn
Pell
Proxmire
Randolph
Riegle
Rudman
Sarbanes
Sasser
Specter
Stafford
Weicker

NOT VOTING—10

Bentsen
Cannon
Denton
Durenberger
Inouye
Kassebaum
Percy
Pressler
Schmitt
Tsongas

So Mr. BUMPER's amendment (No. 1549) was agreed to.

Mr. **BUMPERS**. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. **ROBERT C. BYRD**. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. **HATFIELD**. Mr. President, at this time, after a hot line went out from both the Democratic and Republican cloakrooms, we have but one amendment left that we are aware of. We have invited all Senators to indicate whether they desire to raise amendments and we have but one amendment left on our list. That is an amendment being offered by the Senator from Alaska. At that point I would

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turn the matter over to the leadership as to what we do next. I just wanted to make sure that there are not other amendments that are waiting to be offered.

Mr. President, I yield to the Senator from Alaska.

AMENDMENT NO. 1594

Mr. STEVENS. Mr. President, I have amendment No. 1594. I call up that amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alaska (Mr. Stevens) proposes an amendment numbered 1594.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 38 line 19, strike all down through line 6 on page 39, and insert the following:

"For an additional amount for payment to the Postal Service Fund for revenue forgone on free and reduced rates of mail, pursuant to 39 U.S.C. 2401(c), $62,000,000: *Provided*, That notwithstanding any other provision of law, the Postal Service shall promptly revise the adjustment to preferred rates made pursuant to section 108 of Public Law 97-92 so that all mail covered by the 16-year phasing schedule established pursuant to section 3626 of title 39, United States Code, shall benefit from step 13 on such schedule through September 30, 1982. This provision shall take effect on June 20, 1982.".

Mr. STEVENS. Mr. President, this is an amendment the Senator from North Dakota and I have been working on. It adds $2 million to the money the Senator from North Dakota has in his amendment which is in the bill. My amendment is to paragraph (a) only. It is not to paragraph (b). Because of the circumstances here, I am sure that can be taken care of in the bill as finally printed.

Mr. President, again I say this is a substitute for paragraph (a) of Senator BURDICK's amendment in the bill. The impact of this would be that the phasing would cover second-, third-, and fourth-class mail. Senator BURDICK's amendment effective October 1 does that in terms of the future. We are not touching the second paragraph.

As to the first paragraph, with $62 million effective June 1, the phasing would cover second-, third-, and fourth-class mail.

That means that we have $39 million that we have to add in the regular bill to take care of an item that does not pertain to second-, third-, and fourth-class mail. Instead, it deals with moneys that the Post Office has been compelled to absorb because of actions of the Congress in the past.

As to Senator BURDICK's $60 million, the Post Office had intended to use a portion of it to cover that $39 million. In my discussion with the Postmaster General, I told him I thought it was improper for the Senate to set up what I call a roller coaster schedule of postal rates differentiating among second, fourth, and third, taking some up and bringing some down and changing them again October 1.

I state I am trying to work with the Senator from North Dakota as the chairman of the Subcommittee on Post Office. We would like to have stability in these rates. If the Senate adopts my amendment effective June 20, we shall put into effect a series of rates that will continue into next year and not change again on October 1. We do that by adding $2 million and stating to the Post Office that they cannot use any part of the $62 million to meet the costs that they previously had to absorb because we have a commitment to put that money into the regular bill.

Mr. BURDICK. Will the Senator yield?

Mr. STEVENS. Yes, I yield.

Mr. BURDICK. Does he have assurance of the Post Office Department that they will absorb the $39 million this year?

Mr. STEVENS. Is is my understanding from the conversation I had with the Postmaster General that they will get the other money before the end of the fiscal year. We will have to put it into the regular bill and make it available for them in terms of their carryover funds.

The Senator's amendment would have given them $39 million for that purpose. This amendment will mean that the $62 million is available for second-, third-, and fourth-class phasing adjustments and the $39 million is a commitment that we shall meet later this year to rectify their books as to the moneys they have had to absorb.

Again, Mr. President, it is not part of this problem of phasing, it is part of the overall problem of funds that they have had to absorb due to past actions of Congress.

Mr. BURDICK. May I ask the Senator one more question?

Mr. STEVENS. Yes, Mr. President.

Mr. BURDICK. Will this dilute, to any degree, the second- and fourth-class mailers from what the original proposal was?

Mr. STEVENS. It should not, Mr. President. The phasing that was intended by the Senator's amendment will be met by the $62 million and I shall include third class also.

Mr. BURDICK. But there will not be any dilution of classes 2 and 4 under this process?

Mr. STEVENS. It is the intention of this amendment that it will stabilize those rates on into 1983.

Mr. BURDICK. And there is no change in language in part B of my amendment.

Mr. STEVENS. It is not intended to affect part B.

Mr. BURDICK. Mr. President, I think it is a very good solution.

Mr. STEVENS. I thank the Senator. I am in hopes that the Chair will recognize that this is an error, that it is in lieu of the language proposed to be inserted by part A of Senator BURDICK's amendment. We are substituting this for part A. That is the way it comes out. Part B of Senator BURDICK's amendment stays in the bill.

With that understanding, I hope my friend will yield back the remainder of his time and we shall have just a voice vote.

Mr. HARRY F. BYRD, JR. Will the Senator yield?

Mr. STEVENS. Yes; I am happy to yield.

Mr. HARRY F. BYRD, JR. Mr. President, this adds money, does it?

Mr. STEVENS. It adds $2 million. I might say in the committee, because we were trying to adjust this, we reduced the Senator's amendment by $15 million. It is still less than the original amendment.

Mr. HARRY F. BYRD, JR. It does affect the second-class mail?

Mr. STEVENS. Second, third, and fourth class and the phasing will be stretched out. The jump that was made because of the Reconciliation Act last year was too abrupt. I am certain the Senator realizes that third-class mailers are nonprofit mailers. They face the same problem as second and fourth. Second and fourth were taken care of by virtue of the amendment. We are making certain this amendment adjusts the phasing for third class also.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the record show, when the vote is taken, the Senator from Virginia votes present.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BURDICK. Will the Senator yield?

Mr. STEVENS. I do yield to my friend.

Mr. BURDICK. Mr. President, can we make it clear in the language at some point that the amendment would make it clear that the $2 million would be used prospectively for subsidy purposes? Can we make that clear in some language?

Mr. STEVENS. I say to my friend, that is what the language says now. It says:

Notwithstanding any other provision of law—

Which means the Postal Reform Act—

the Postal Service shall promptly revise the adjustment to preferred rates made pursuant to section 108 of Public Law 97-92 so that all mail covered by the 16-year phasing schedule established pursuant to section 3626 of title 39, United States Code, shall benefit from step 13 on such schedule through September 30, 1982. This provision shall take effect on June 20, 1982.

It will take effect on June 20, 1982. I can tell my friend it takes $62 million to do it.

Mr. BURDICK. And this will be prospective in nature.

Mr. STEVENS. It is prospective in nature. It is not retroactive. It says it will take effect on June 20.

Mr. BURDICK. Do we have to make this change in the language or is colloquy adequate?

Mr. STEVENS. If it is possible Mr. President, I ask unanimous consent to insert the language in the amendment that the Postal Service shall use these funds promptly to revise—I do not have any problem with that. I think that takes unanimous consent at this stage to do it.

Mr. BURDICK. Very fine.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Alaska? Hearing none, the amendment will be modified, if the Senator will send the modification to the desk.

The amendment was modified as follows:

On page 38, line 19, strike all down through line 6 on page 39 and insert the following:

"For an additional amount for payment to the Postal Service Fund for revenue forgone on free and reduced rates of mail, pursuant to 39 U.S.C. 2401(c), $62,000,000: *Provided*, That, notwithstanding any other provision of law, the Postal Service shall use these funds promptly to revise the adjustment to preferred rates made pursuant to section 108 of Public Law 97-92 so that all mail covered by the 16-year phasing schedule established pursuant to section 3626 of title 39, United States Code, shall benefit from step 13 on such schedule through September 30, 1982. This provision shall take effect on June 20, 1982.".

Mr. STEVENS. Mr. President, I have that amendment so modified by unanimous consent at the desk. If there is no further debate, I yield back the remainder of my time.

Mr. BURDICK. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment as modified, all time having been yielded back.

The amendment (No. 1594) as modified, was agreed to, Mr. HARRY F. BYRD, JR. voting "Present."

Mr. STEVENS. I move to reconsider the vote by which the amendment was agreed to.

Mr. BURDICK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MATTINGLY). Without objection, it is so ordered.

Mr. GOLDWATER. I would like to propound a parliamentary inquiry, Mr. President. Would it be within the rules for me to call for third reading at this time?

The PRESIDING OFFICER. The Senate is operating under cloture at this time.

Mr. GOLDWATER. Pardon?

The PRESIDING OFFICER. The Senate is operating under cloture at this time. That means each Senator has 1 hour of debate, and it is not closed.

Mr. GOLDWATER. I was assuming they would not use the hour.

Mr. BAKER. Mr. President, will the Senator yield to me for a moment?

Mr. GOLDWATER. I would be happy to. I am all through.

Mr. BAKER. I am relieved.

Mr. President, I am sympathetic to the inquiry made by the Senator from Arizona. I would very much like to have third reading and final passage of this measure right now.

I guess unless we can get some sort of an agreement by unanimous consent to do otherwise we will be here until 1 minute after 12 tonight when a second calendar day will have begun, and it will be in order then for the Senator from Indiana to move to suspend the rules under rule V and call up his amendment.

I sincerely hope it is not necessary, however. There may be one or two other amendments we know of that may be offered. I am not sure about that. They may even not be eligible under the rules of the Senate in a post-cloture situation. So it is entirely possible that only the Lugar amendment remains to be dealt with before we reach third reading and final passage.

We have been in this quorum call now for more than an hour, and I really regret that. I hope we can go forward with action on the motion to suspend well in advance of the midnight hour plus 1 minute.

It seems to me a waste of the Senate's time and of Members' time, and it is a substantial inconvenience to a great number of Members to have to wait until 12:01. But the Senate should know that I will do that if I have to do that to qualify that motion.

Mr. DANFORTH. Mr. President, may I ask the majority leader, there would be absolutely no reason under the rules why any debate, any further debate, that would be necessary on the Lugar amendment could not be conducted right now; is that not so?

Mr. BAKER. Exactly so. I know of no reason why debate could not be conducted now and each Senator has 1 hour, and I would urge Senators to come to the floor and discuss the amendment.

Mr. DANFORTH. So we have already spent debating the Lugar amendment countless hours, and everything that conceivably could be said on the subject has been said probably several dozen times. But if any Senator believed that it had to be debated or considered further there would be absolutely no reason why the last half hour or so that was consumed on a quorum call could not have been used to further debate the Lugar amendment, and there is no reason why debate could not be going on right now.

Mr. BAKER. Yes; I would say that if Senators are willing to do that I will encourage them to do it. I see now the Senator from Colorado is on the floor. Let me, Mr. President, once again suggest the absence of a quorum to give us time to confer. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I understand that the Senator from North Carolina may have a statement he wishes to make and perhaps an amendment he wishes to offer. I yield the floor.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I thank the Chair and I thank the able and distinguished majority leader.

Mr. President, presently I am going to call up an amendment, but prior to doing so I would like to discuss the provisions of it.

The amendment which I shall send to the desk in a moment will appropriate $731.4 million for fiscal year 1982 and fiscal year 1983 pursuant to an authorization which passed the Senate on May 14. The explanation of the programs involved appears on page 140 of the report to accompany S. 2248, Report No. 97-330, as adjusted by the action taken on the Senate floor.

Senators may recall that the amount reported, as authorized by the Armed Services Committee, was reduced by the elimination of the C-5B aircraft program in the amount of $99.1 million. Thus, the amount reported by the committee was $830.5 million, while the amount finally authorized by the Senate was $731.4 million.

Mr. President, I ask unanimous consent that a table I have prepared modifying the table which appears on page 140 of Report No. 96-330 be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1982 DOD SUPPLEMENTAL AUTHORIZATION REQUEST—SUMMARY OF FUNDS RECOMMENDED FOR AUTHORIZATION

[Dollar amounts in thousands, years are fiscal years]

	1982 supplemental request	Committee	
		Change from request	Recommendation
Procurement			
Aircraft, Air Force	$219,100	99,100	120,000
KC-10A tanker cargo aircraft	115,000	+5,000	120,000
KC-10A spares and repair parts	5,000	5,000	0
C-5B aircraft	99,100	99,000	0
Missiles, Air Force			
Classified programs	0	+5,300	5,300
Naval Vessels	263,400		263,400
CG-47 Ageis cruiser	80,000		80,000
TAO fleet oiler	58,000		58,000
MCM mine countermeasures ship	19,000		19,000
Trident nuclear submarine	106,400		106,400
Tracked combat vehicles, Army			
M-1 tank surge capability	126,000	126,000	0
Research, development, test, and evaluation			
Air Force	57,000	40,600	16,400
Advanced ballistic reentry vehicle	57,000	57,000	0
Classified programs	0	+16,400	16,400
Operation and maintenance	786,300	460,000	326,300
Army	365,200	275,000	90,200
Navy (including Marine Corps)	254,600	90,000	164,600
Air Force	105,300	75,000	30,300
Defensewide activities	61,200	20,000	41,200
Total procurement, R.D.T. & E., and operation and maintenance	1,451,800	720,400	731,400

Mr. HELMS. Mr. President, I also ask unanimous consent that appropriate excerpts from the Armed Services Committee report be printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

TITLE IX—FISCAL YEAR 1982, DEPARTMENT OF DEFENSE SUPPLEMENTAL AUTHORIZATION REQUEST

The administration requested $1,451.8 million in supplemental authorization for fiscal year 1982. The committee recommends authorization of $830.5 million, a net reduction of $621.3 million from the request.

* * * * *

The following reflects some of the more significant recommendations made by the committee on the fiscal year 1982 DOD supplemental request:

PROCUREMENT

Air Force, aircraft

KC-10A.—The supplemental authorization request for fiscal year 1982 includes $115.0 million for 2 additional KC-10A's and $5.0 million for initial spares. Since submission of the supplemental authorization request for fiscal year 1982, the Department of Defense has developed, but has not yet submitted a multiyear procurement request for 44 KC-10A's. The multiyear procurement plan envisions use of the $120.0 million for the KC-10A program as advance procurement funding.

For fiscal year 1982, the Congress has already appropriated $220.2 million for 6 KC-10A's and $22.2 million for initial spares.

The committee supports the KC-10A program and the multiyear procurement approach for KC-10A's. Accordingly, the committee recommends supplemental authorization of $120.0 million for KC-10A advance procurement.

* * * * *

Navy, shipbuilding and conversion.

SCN.—The fiscal year 1982 supplemental request of $157 million for shipbuilding and conversion includes $80.0 million required to competitively select a second-source builder for the CG-47 AEGIS cruiser, $58.0 million to support an estimated increase in the cost of construction of fiscal year 1982 TAO Fleet Oiler, and $19.0 million for the repricing of electronics for the fiscal year 1982 mine countermeasures ship. The committee recognizes the importance of timely availability of the $80 million required to competitively select a second-source builder for the CG-47 and strongly encourages the Navy to seek congressional approval to reprogram funds if there is significant delay in receiving the supplemental funding.

The committee recommends the authorization of $157 million as requested.

Army, weapons and tracked combat vehicles

M-1 Surge.—The committee recommends deletion of the administration's request for $126 million to reduce the production surge time of the M1 tank. These funds were intended for the procurement of engines and fire control systems which are the production pacing items for the tank. This effort would reduce from 23 months to 11 months the time required to increase the M1 tank production (from 90 per month to 150 month).

The committee believes that in the event of a conflict, $126 million will be better spent on fuel, ammunition and spare parts rather than accelerated tank production.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

Air Force

Advanced Ballistic Reentry Vehicle.—The request for funds to develop a reentry vehicle for the MX are found in the MX R. & D. line. A total of $362 million in fiscal year 1983 was sought by the administration for development of the Advanced Ballistic Reentry Vehicle (ABRV) system. An additional $57 million was requested as part of the fiscal year 1982 supplemental.

The Advanced Ballistic Reentry Vehicle has been selected as the reentry vehicle for the MX missile. Greater accuracy, a capability for increased yield or reduced special nuclear materials requirements and safety features prompted the administration to choose this weapon system over the baseline MK-12A currently being deployed on the Minuteman III ICBM.

The committee believes that the decision to proceed with the Advanced Ballistic Reentry Vehicle was an appropriate one when viewed from the national perspective, taking account of U.S. requirements for special nuclear materials and the desirability of maintaining a hedge against unanticipated degradation in MX accuracy performance. In light of the recommendation made by the committee that the interim program for the MX missile be canceled, and the Initial Operational Capability for the MX be delayed until the earliest time it may be deployed in a survivable mode, the committee believes that the requirement for an accelerated development effort on the ABRV has been reduced.

Consequently, the committee recommends denial of the $57 million requested in the fiscal year 1982 supplemental. The committee has also recommended a reduction of $22 million in the requested funds sought for ABRV development in fiscal year 1983 to make that research and development program consistent with the earliest possible IOC of a survivably-based MX.

One benefit from easing the tight development schedule planned for this reentry system is that competition can be introduced into the development of the ABRV. DOD has demonstrated under the MK-12A retrofit program that the industrial base is enhanced and program costs reduced through utilization of dual qualified sources for critical system components. It is the view of the committee that the development of dual-qualified sources for ABRV components such as the nose-tip will likewise enhance the U.S. individual base for these components and reduce ABRV program costs. Accordingly, the committee directs that competitive approach to development of the ABRV be undertaken and strongly recommends that the U.S. Air Force utilize dual sources, wherever possible, for critical ABRV components throughout the Full Scale Engineering and Development Program and subsequent procedure.

OPERATION AND MAINTENANCE

The administration requested $786,300,000 for supplemental authorization in fiscal year 1982. The request is based on estimated losses to inflation in fiscal year 1981 which could be applied to outstanding requirements in fiscal year 1982, and on legislative changes made outside the defense budgeting process which increase the obligations and costs of the Department of Defense.

The committee made the following recommendations:

Army

The committee recommends approval of $90,200,000 as requested by the Army for the following purposes: $2.2 million for postal rate increase; $16.2 million for health benefits; $3.4 million for public health hospitals; $12.5 million for POMCUS sets five and six; $3.6 million for the veterans educational assistance program; $25.5 million for unemployment compensation; and $3.8 million for per diem equity; and $23 million for force structure support in Europe.

In addition, the committee recommends disapproval of the request of $275 million for real property maintenance.

Navy and Marine Corps

For the Navy the committee recommends approval of the $164,600,000 requested for the following purposes: $52 million for utilities; $2.3 million for postal rates; $14.3 million for health benefits; $3.3 million for public health hospitals; $5.1 million for the veterans educational assistance program; $11.5 million for unemployment compensation; $7.2 million for per diem equity; and $58.6 million for the LEASAT program. However, the committee recommends disapproval of the request of $75 million for real property maintenance.

For the Marine Corps, the committee recommends authorization of $.8 million for postal rate increases; $.9 million for health benefits; $1.5 million for veterans educational assistance program; $3.5 million for unemployment compensation; and $3.6 million for per diem equity. However, the committee recommends disapproval of the request of $15 million for real property maintenance.

Air Force

The committee recommends approval of the $30,300,000 requested by the Air Force for the following purposes: $1.7 million for postal rate increases; $10.2 million for health benefits; $1.4 million for public health hospitals; $.6 million for the veterans educational assistance program; $11 million for unemployment compensation; and $5.4 million for per diem equity.

The committee recommends disapproval of the Air Force request of $75 million for real property maintenance.

Defense Agencies/Defense-Wide

The committee recommends approval of $41,200,000 for the following purposes: $1.1 million for postal rate increases; $9 million for health benefits; $18 million for intelligence programs; $11 million for section six schools; and $2.1 million for unemployment compensation.

The committee recommends disapproval of the request of $20 million for real property maintenance.

MANPOWER

Army

The Army requested an active-dual end strength increase of 4,100 for fiscal year 1982. Approval of this supplemental proposal would result in a new Army authorized level of 784,400 for fiscal year 1982. This adjustment will permit the Army to take advantage of recent recruiting and retention success in order to stabilize its current force structure. The committee recommends approval of this request.

Mr. HELMS. Mr. President, I do not think there is any particular need to discuss these needs at any length. We debated these issues thoroughly just about 2 weeks ago. The situation has not changed, except that the increasing level of hostilities in the South Atlantic demonstrates once again the need for military preparedness.

We are talking about urgent needs here for the KC-10A aircraft, for the Trident submarine, the CG-47 cruiser, and other naval vesses, for M-1 tank surge capability, for advanced R.D.T. & E. on our missile programs, and for operation and maintenance.

Mr. President, I confess that I was somewhat amazed that the urgent supplemental failed to provide these funds. Therefore, I think it is important that the Senate go on record now as favoring a strong and urgent defense of our Nation.

I reiterate that even though this amendment would increase the appropriation already contained in the bill, it is intended to carry out the provisions of an existing act previously passed by the Senate during this session.

It should be noted, Mr. President, that there appears to be other appropriate vehicle for appropriating these funds during this session of Congress. Some of these funds are fiscal year 1982 funds. I think the question presents itself: When will we authorize these funds if we do not do it now? What was the point of passing the authorization bill if we are not even going to consider appropriating these fiscal years 1982 and 1983 funds?

AMENDMENT NO. 1533

(Purpose: To appropriate $731,400,000 for urgent military supplemental)

Mr. HELMS. Mr. President, anticipating what the Parliamentarian is going to say, I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

Mr. HELMS. Mr. President, I suggest the absence of a quorum and I will explain it.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an amendment numbered 1533.

Mr. HELMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The amendment is as follows:

On page 43 between lines 10 and 11, insert the following:

Chapter VIII—DEPARTMENT OF DEFENSE URGENT MILITARY SUPPLEMENTAL

For an additional amount for the supplemental appropriation authorized for fiscal year 1982 by title IX and by section 1129(c) of title XI of the Act of May 14, 1982, providing Department of Defense Authorization for Appropriations for Fiscal Year 1983 and Supplemental Authorization for Appropriations for Fiscal Year 1982, $731,400,000 to remain available until expended, notwithstanding any other provision of law or of this Act.".

The PRESIDING OFFICER. The Chair will inform the Senator from North Carolina that, under cloture, the Chair will take the initiative to rule that the amendment is out of order because it is not germane.

Mr. HELMS. Mr. President, I thank the Chair. I do not disagree at all with the ruling of the Chair. I merely wanted to make it a matter of record of what has happened to these funds and point out that here we have an anomaly of funds for national defense having been authorized without it going into this appropriation.

There was no other way that I could draft this amendment to make it not subject to a point of order, but I did make it a matter of record, and I do thank the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, a parliamentary inquiry. What is the pending business?

The PRESIDING OFFICER. Currently, the bill is the pending business.

Mr. DOLE. Is the bill open to further amendment?

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOLE. I do not have any, but I just wondered what we were doing here. Is there any reason we have to stand around like this?

Mr. HATFIELD. Will the Senator yield?

Mr. DOLE. I yield.

Mr. HATFIELD. For about 2 hours now we have been waiting knowing that we had a certain amendment to act upon, at which time we would be able to act on the Lugar amendment, pending an agreement from the Senator from Colorado that we could waive the 1-day rule. I must say that that response has not been forthcoming, as I understood from his promise to the leader at 7 o'clock. It is now a quarter to 9, and that answer is still being awaited. Otherwise, I would say to the Senator further if we could not get an affirmative response from the Senator from Colorado, we will have quorum calls and other matters until 12:01, when we do not have to get the consent from the Senator from Colorado, and instead we will not necessarily have to waive. We will by that time have gone into a new calendar day. The leader has made it very clear that he is going to finish this bill tonight.

Mr. GOLDWATER. May I ask a question?

Mr. HATFIELD. Yes.

Mr. GOLDWATER. Perhaps it should be a parliamentary inquiry.

Would it be possible by unanimous consent to declare it to be 12:01 at this time?

Mr. HATFIELD. I would say to the Senator from Arizona it would be in order to declare by unanimous consent the Lugar amendment in order and take up the Lugar amendment now by unanimous consent.

Mr. GOLDWATER. I am not going to suggest it, but I think somebody here who is for the amendment should suggest it. I think we are just wasting a lot of time, and a lot of the time of Senators. I have had an airplane waiting for me all evening. I have to go clear to Taiwan. I am getting a little tired of sitting around here doing nothing.

Mr. HATFIELD. I want to say as manager of the bill that I have become very weary waiting for an answer, the same as the Senator from Arizona. There has been a notice sent to the Senator from Colorado. He has been requested to be here on the floor to give us an answer. We are still waiting.

Mr. DOLE. Mr. President, I thank the Senator for responding. I supported the Senator from Colorado yesterday and would like to do so again, but

I am not certain we need to wait until midnight so that I may do so. Mr President, let us get on with it. We have other things to do.

Mr. HUMPHREY. Will the Senator yield?

Mr. DOLE. I yield.

Mr. HUMPHREY. The Senator from Colorado wants to proceed expeditiously. He will be here momentarily. He knows Members want to get underway. In deference to him, he has been working hard all day, and I believe he deserves to have his hour in court or his few minutes in court. I know the Senate will not act precipitously in these next few minutes.

Mr. DOLE. We certainly have not acted precipitously in the last few hours—in fact we have not done anything.

Mr. LUGAR. Will the Senator yield?

Mr. DOLE. I will be glad to yield the floor.

Mr. LUGAR. Mr. President, I would simply like to state for the record so that all Senators know I am prepared to cooperate and will as soon as it seems permissible with this motion: I ask unanimous consent to call up my motion to suspend the rules on the same calendar day.

I will say for the record I have been here since 7:30 prepared to offer this motion. I fail to understand why we are unable to do this, aside from simple courtesy to the Senator from Colorado.

For the sake of the record, I am prepared to do that. I would hope that permission will be given and we can proceed. I would say everybody ought to be on notice that someone can object, but I would think in 15 minutes it would be time to offer this and if a Senator wishes to object, fair enough. But we really ought to get on with it.

Mr. DOLE. Mr. President, I know the Senator from Colorado has worked hard. I think he has done an outstanding service, and I hope the Senator from Indiana loses. But let us get on with it. I know the Senator from Oregon would like to move on with this bill, as would the Senator from Wisconsin. Since these meetings are not deductible anymore, we are going to have to speed up the process. We should move this along. I am going to go out and try to find the Senator from Colorado.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I ask unanimous consent that I may proceed as if in morning business.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

TRIBUTE TO SENATOR MARGARET CHASE SMITH

Mr. MITCHELL. Mr. President, 32 years ago, on June 1, 1950, Senator Margaret Chase Smith of Maine delivered a speech on the floor of the Senate which deserves to be remembered and honored for its courage, its clarity, and its reaffirmation of fundamental American values.

At a time when political debate in the Senate had reached the point of invective and name calling, Senator Smith was joined by six of her colleagues in a declaration of conscience as remarkable for its logic and sense today as it was 32 years ago. I want to pay tribute to Senator Smith and recall that occasion today.

The Senate has been called the greatest deliberative body in the world. As Senators, we know that, alas, too often that description is hyperbolic. But Senator Smith's declaration of conscience marks on occasion when it was no exaggeration to say that the Senate was indeed, the world's greatest deliberative body.

Today's controversies do not, thankfully, involve the witch hunting and smear tactics against which Senator Smith spoke out But in her appeal to reason, to honor, and to respect for differing views, she spoke to a timeless set of standards for public discourse.

It is often easy, in the heat of partisan debate or the fervor of substantive disagreement, to come to believe that only one view can be right, only one perspective valid or only one ideology respectable. Our national history is a repudiation of that notion. We are and ever have been a pluralistic, diverse, and often agrumentative people. Those traits are responsible for the vigor of our civilization and the ingenuity of our political institutions. But at other times, they have been the source of self-inflicted problems.

Senator Smith was speaking at such a time. The postwar threat posed when the Iron curtain descended across Europe was a real one. But the tactics and methods some chose to fight it were both ineffective and dishonorable. Those tactics ignored the American tradition of liberty of conscience and of speech. They sought to dismiss the American presumption of innocence. They sought to establish a notion of group guilt and guilt by association which is abhorrent to both our legal and our moral tradition.

For a time, those tactics succeeded all too well. Americans were overwhelmed, partly persuaded, partly intimidated into believing that the threats facing the Nation were so massive, so complex, and so immediate that fundamental American principles of fairness could be disregarded.

Senator Smith's declaration of conscience was the first step to rejecting that perception, and restoring to our political discourse the fundamentals of honesty, openness, and respect for individuals' rights.

Senator Smith knew, 32 years ago, as we know today, that the United States can be defeated by inner disunity far more surely than by any external threat. She reminded her colleagues in the Senate of that fact at a time when rancor and bitterness in political dialog threatened the very fabric of the Senate institution itself. And her observations remain as valid and as important today as they were then.

It is important that in the clash and conflict of differing ideas we do not forget that the fundamental principle of the liberty to differ can be eroded by abuse as easily as by direct repression.

It is important to recall that the Constitution does not impose a particular economic, social, or political direction for our Nation. It sets the bounds within which competing ideas may be debated, competing ideals examined, and changing priorities reviewed.

If that process of change, evolution, and development is to work as the founders of our Nation intended, then the respect we give to viewpoints other than our own and the tolerance we give to other perspectives is essential to our abililty to work together for the best interests of the American people.

What Senator Smith spoke against was not political opposition—indeed, in the very declaration of conscience itself her condemnation of the then-Democratic administration is clear and strong. Senator Smith was not arguing for a tolerance that erased principles or ignored differences. She was arguing for responsibility in debate and political dialog.

Senator Smith's remarks are a benchmark against which our debate and our conduct as Senators can always be measured. Senator Smith's standards for political opposition without political namecalling are a standard against which we can test our own ability to remain responsible in the course of our political differences.

In truth, the question she addressed was not one of political differences.

It was the protection of political liberty. She reminded us that the right to disagree carries with it the obligation to be responsible in its exercise. She reminded us that the right to reject another's viewpoint demands that we respect its holder. Most important, she reminded us that the principal purpose for which we are sent to the Senate is not to see a particular faction win, but to serve the best interests of our people and the constitutional system of government under which we all live.

Senator Smith said, "It is time for a change and a Republican victory is necessary. Yet a Republican regime embracing a philosophy that lacks political integrity or intellectual honesty would prove equally disastrous to the nation."

That observation is true for either party at all times. There is no doubt that when the desire for partisan victory is strong, the temptation to use all resources for its attainment is well-nigh irresistible. But when partisan victory can only be achieved at the cost of abandoning the fundamental principles of fairness and honor on which our political system is based, then such a victory itself becomes a defeat, and a defeat for the entire Nation.

So, on the occasion of the anniversary of Senator Smith's remarks of 1950, I want to recommend them to my colleagues again, as a fine, patriotic, and lasting expression of a Senator's responsibility to truth, to honor, and to the Constitution of the United States.

I ask unanimous consent that they be printed at the conclusion of my remarks.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

(See exhibit 1.)

Mr. **MITCHELL**. Mr. President, Senator Smith's declaration of conscience was made almost 10 years to the day after her appointment to the House of Representatives on June 3, 1940. Senator Smith readily won election in her own right to the House for four terms, and later, to the Senate, where she served with distinction for four terms as well. Senator Smith remains the only woman in American history to have won election in her own right to both the Senate and House. And in terms of her work for the Nation, Senator Smith's record is one that any of us would be proud to call our own.

Truly distinguished public servants are an uncommon phenomenon. Our Nation is fortunate in having enjoyed more than its fair share of them. Senator Smith's career was as fine an example of disinterested and conscientious public service as any in our history. It is with real pride that we, from Maine, claim her as our own.

My colleagues will be saddend to learn, as I was, that by a tragic coincidence, Gen. William Lewis, Senator Smith's longtime administrative assistant, passed away yesterday. As Senators, we all know what a major role staff play in helping us carry out our responsibilities.

Senator Smith's achievements as a Senator from Maine were her own. Her hard work, her selflessness, and her tireless dedication to the interests of our State and our Nation need no emphasis.

But she would be the first to recognize the role that General Lewis played in helping her fulfill her commitment to Maine and to the Nation. In a fine tradition being continued today by Senator COHEN, Senator Smith made sure the voice of New England was heard in the counsels of Armed Services Committee and in the formulation of our Nation's defense policies. Senator Smith's was a voice of reason fortified with strength, a voice which served Maine well.

It is tragic that General Lewis, who played such a significant role in helping her articulate her concerns and translate them into legislative form, is no longer with us. General Lewis devoted his life to the service of his Nation, not only in uniform, but through service to the U.S. House and Senate as well.

It is no exaggeration to say that General Lewis' death is an occasion the Senate should mark. His service to Congress extended from 1945 to 1972, a period spanning huge changes in the balance of world power, a period which challenged conventional wisdom and posed its own new problems. Senator Smith was, indeed, fortunate in having an associate whose devotion to the Nation, whose dedication to Maine, and whose sense of duty was equal to her own.

I extend my deepest sympathies to Senator Smith today, even as I honor the commitment, dignity, and honesty which distinguished her career in the Senate.

EXHIBIT 1

THE GROWING CONFUSION—NEED FOR PATRIOTIC THINKING

(By Mrs. Margaret Chase Smith)

I would like to speak briefly and simply about a serious national condition. It is a national feeling of fear and frustration that could result in national suicide and the end of everything that we Americans hold dear. It is a condition that comes from the lack of effective leadership either in the legislative branch or the executive branch or our Government. That leadership is so lacking that serious and responsible proposals are being made that national advisory commissions be appointed to provide such critically needed leadership.

I speak as briefly as possible because too much harm has already been done with irresponsible words of bitterness and selfish political opportunism. I speak as simply as possible because the issue is too great to be obscured by eloquence. I speak simply and briefly in the hope that my words will be taken to heart.

Mr. President, I speak as a Republican. I speak as a woman. I speak as a United States Senator. I speak as an American.

The United States Senate has long enjoyed world-wide respect as the greatest deliberative body in the world. But recently that deliberative character has too often been debased to the level of a forum of hate and character assassination sheltered by the shield of congressional immunity.

It is ironical that we Senators can in debate in the Senate, directly or indirectly, by any form of words, impute to any American who is not a Senator any conduct or motive unworthy or unbecoming an American—and without that non-Senator American having any legal redress against us—yet if we say the same thing in the Senate about our colleagues we can be stopped on the grounds of being out of order.

It is strange that we can verbally attack anyone else without restraint and with full protection, and yet we hold ourselves above the same type of criticism here on the Senate floor. Surely the United States Senate is big enough to take self-criticism and self-appraisal. Surely we should be able to take the same kind of character attacks that we "dish out" to outsiders.

I think that it is high time for the United States Senate and its members to do some real soul searching and to weigh our consciences as to the manner in which we are performing our duty to the people of America and the manner in which we are using or abusing our individual powers and privileges.

I think it is high time that we remembered that we have sworn to uphold and defend the Constitution. I think it is high time that we remembered that the Constitution, as amended, speaks not only of the freedom of speech but also of trial by jury instead of trial by accusation.

Whether it be a criminal prosecution in court or a character prosecution in the Senate, there is little practical distinction when the life of a person has been ruined.

Those of us who shout the loudest about Americanism in making character assassinations are all too frequently those who, by our own words and acts, ignore some of the basic principles of Americanism—

The right to criticize.

The right to hold unpopular beliefs.

The right to protest.

The right to independent thought.

The exercise of these rights should not cost one single American citizen his reputation or his right to a livelihood nor should he be in danger of losing his reputation or livelihood merely because he happens to know some one who holds unpopular beliefs. Who of us does not? Otherwise none of us could call our souls our own. Otherwise thought control would have set in.

The American people are sick and tired of being afraid to speak their minds lest they be politically smeared as Communists or Fascists by their opponents. Freedom of speech is not what it used to be in America. It has been so abused by some that it is not exercised by others.

The American people are sick and tired of seeing innocent people smeared and guilty people whitewashed. But there have been enough proved cases, such as the Amerasia case, the Hiss case, the Coplon case, the Gold case, to cause nation-wide distrust and strong suspicion that there may be something to the unproved, sensational accusations.

As a Republican, I say to my colleagues on this side of the aisle that the Republican Party faces a challenge today that is not unlike the challenge which it faced back in Lincoln's day. The Republican Party so successfully met that challenge that it emerged from the Civil War as the champion of a united nation—in addition to being a party which unrelentingly fought loose spending and loose programs.

Today our country is being psychologically divided by the confusion and the suspicions that are bred in the United States Senate to spread like cancerous tentacles of "know nothing, suspect everything" attitudes. Today we have a Democratic administration which has developed a mania for loose spending and loose programs. History is repeating itself—and the Republican

Party again has the opportunity to emerge as the champion of unity and prudence.

The record of the present Democratic administration has provided us with sufficient campaign issues without the necessity of resorting to political smears. America is rapidly losing its position as leader of the world simply because the Democratic administration has pitifully failed to provide effective leadership.

The Democratic administration has completely confused the American people by its daily contradictory grave warnings and optimistic assurances, which show the people that our Democratic administration has no idea of where it is going.

The Democratic administration has greatly lost the confidence of the American people by its complacency to the threat of communism here at home and the leak of vital secrets to Russia through key officials of the Democratic administration. There are enough proved cases to make this point without diluting our criticism with unproved charges.

Surely these are sufficient reasons to make it clear to the American people that it is time for a change and that a Republican victory is necessary to the security of the country. Surely it is clear that this Nation will continue to suffer so long as it is governed by the present ineffective Democratic administration.

Yet to displace it with a Republican regime embracing a philosophy that lacks political integrity or intellectual honesty would prove equally disastrous to the Nation. The Nation sorely needs a Republican victory. But I do not want to see the Republican Party ride to political victory on the Four Horsemen of Calumny—fear, ignorance, bigotry, and smear.

I doubt if the Republican Party could do so, simply because I do not believe the American people will uphold any political party that puts political exploitation above national interest. Surely we Republicans are not so desperate for victory.

I do not want to see the Republican Party win that way. While it might be a fleeting victory for the Republican Party, it would be a more lasting defeat for the American people. Surely it would ultimately be suicide for the Republican Party and the two-party system that has protected our American liberties from the dictatorship of a one-party system.

As members of the minority party, we do not have the primary authority to formulate the policy of our Government. But we do have the responsibility of rendering constructive criticism, of clarifying issues, of allaying fears by acting as responsible citizens.

As a woman, I wonder how the mothers, wives, sisters, and daughters feel about the way in which members of their families have been politically mangled in Senate debate—and I use the word "debate" advisedly.

As a United States Senator, I am not proud of the way in which the Senate has been made a publicity platform for irresponsible sensationalism. I am not proud of the reckless abandon in which unproved charges have been hurled from this side of the aisle. I am not proud of the obviously staged, undignified countercharges which have been attempted in retaliation from the other side of the aisle.

I do not like the way the Senate has been made a rendezvous for vilification, for selfish political gain at the sacrifice of individual reputations and national unity. I am not proud of the way we smear outsiders from the floor of the Senate and hide behind the cloak of congressional immunity and still place ourselves beyond criticism on the floor of the Senate.

As an American, I am shocked at the way Republicans and Democrats alike are playing directly into the Communist design of "confuse, divide, and conquer." As an American, I do not want a Democratic administration white wash or cover up any more than I want a Republican smear or witch hunt.

As an American, I condemn a Republican Fascist just as much as I condemn a Democrat Communist. I condemn a Democrat Fascist just as much as I condemn a Republican Communist. They are equally dangerous to you and me and to our country. As an American, I want to see our Nation recapture the strength and unity it once had when we fought the enemy instead of ourselves.

It is with these thoughts that I have drafted what I call a Declaration of Conscience. I am gratified that the Senator from New Hampshire (Mr. Tobey), the Senator from Vermont (Mr. Aiken), the Senator from Oregon (Mr. Morse), the Senator from New York (Mr. Ives), the Senator from Minnesota (Mr. Thye), and the Senator from New Jersey (Mr. Hendrickson) have concurred in that declaration and have authorized me to announce their concurrence.

The declaration reads as follows:

STATEMENT OF SEVEN REPUBLICAN SENATORS

1. We are Republicans. But we are Americans first. It is as Americans that we express our concern with the growing confusion that threatens the security and stability of our country. Democrats and Republicans alike have contributed to that confusion.

2. The Democratic administration has initially created the confusion by its lack of effective leadership, by its contradictory grave warnings and optimistic assurances, by its complacency to the threat of communism here at home, by its oversensitiveness to rightful criticism, by its petty bitterness against its critics.

3. Certain elements of the Republican Party have materially added to this confusion in the hopes of riding the Republican Party to victory through the selfish political exploitation of fear, bigotry, ignorance, and intolerance. There are enough mistakes of the Democrats for Republicans to criticize constructively without resorting to political smears.

4. To this extent, Democrats and Republicans alike have unwittingly, but undeniably, played directly into the Communist design of "confuse, divide, and conquer."

5. It is high time that we stopped thinking politically as Republicans and Democrats about elections and started thinking patriotically as Americans about national security based on individual freedom. It is high time that we all stopped being tools and victims of totalitarian techniques—techniques that, if continued here unchecked, will surely end what we have come to cherish as the American way of life.

Mr. MATHIAS. Mr. President, will the Senator yield for just a moment?

Mr. MITCHELL. I am happy to yield to the Senator from Maryland.

Mr. MATHIAS. Mr. President, I think it is very appropriate that the Senator from Maine should refer to the remarkable career of his predecessor, the former Senator from Maine (Mrs. Smith). It was my great privilege to serve here with Mrs. Smith. I agree with what the Senator from Maine has said tonight about her courage, her perception, her sensitivity. It was not only in her famous Declaration of Conscience that she exhibit these qualities because, as one who served here with her, I observed day after day the kind of discrimination, the kind of careful judgment, the kind of prudent decisions that she made. In each of those daily decisions, those qualities of courage and of real, thoughtful consideration were evidenced.

I thank the Senator from Maine (Mr. Mitchell) for having taken this occasion to recall the remarkable service of Margaret Chase Smith in this Chamber.

Mr. PROXMIRE. Will the Senator from Maine yield?

Mr. MITCHELL. I yield, Mr. President.

Mr. PROXMIRE. Mr. President, I join the Senator from Maine in his tribute to Margaret Chase Smith. I served with her in this body a number of years. She answered something like 2,150 consecutive rollcalls. She had the all-time record at that time.

I think the Senator from Maine (Mr. Mitchell) has hit on the principal element in her remarkable character. She is a woman of outstanding integrity. I served on the Appropriations Committee with her. She is also extraordinarily intelligent and diligent. She had the respect of all of us in the Senate.

On this issue of declaration of conscience, I am particularly sensitive to it because I succeeded the Senator who provoked that particular Declaration of Conscience. As the Senator from Maine (Mr. Mitchell) has said, this took extraordinary courage and a sense of tolerance, a sense of recognition of the pluralism that is a great feature of our country.

Mr. JACKSON. Will the Senator from Maine yield?

Mr. MITCHELL. I yield.

Mr. JACKSON. Mr. President, Senator Jennings Randolph and I are the only Members of this body who served with Margaret Chase Smith in both the House of Representatives and the U.S. Senate. I want to associate myself with the remarks that have been made here by the Senator from Maine (Mr. Mitchell) and our colleagues.

Margaret Chase Smith is a noble lady who served the State of Maine and the Nation with great honor and great distinction. She is a lady of enormous courage, integrity, and character. I compliment the distinguished Senator from Maine for his excellent remarks about that noble lady.

Mr. RANDOLPH. Mr. President, it is a privilege to join our able colleague (Mr. Mitchell) and other Senators in expressing merited tributes to the former lady Member from Maine, Margaret Chase Smith, with whom I served in both the House and Senate.

I especially recall a speech given by Margaret, to more than 100 young women in Washington at Girls Nation, sponsored by the American Legion.

It was my responsibility, at that time, to serve as the director of this important citizenship conference. Letters came to me, from across the country, of the inspiring remarks that impressed those young women.

Mr. COHEN. Mr. President, I rise to express my profound respect for one of this body's greatest members, Senator Margaret Chase Smith of Maine.

Margaret Chase Smith, as Maine's Senator for over 20 years, demonstrated that she possessed the ideals which all Americans cherish, but which few are able to translate into actions.

At a time when women were in effect excluded from political decisionmaking, Margaret Chase Smith demanded to be heard, and fought for the right to make a contribution to her country. Once that right was recognized, she never ceased in her efforts to make the Nation stronger and to encourage our citizens to act on their first principles.

At a time when a debilitating fear of alleged foreign subversion and alien political doctrine and behavior threatened to subsume reason in this Chamber, Margaret Chase Smith rose to her feet and reminded our leaders of their obligations and their honor. In declaring her conscientious objection to the national disease of which Senator Joseph McCarthy's actions were symptomatic, she established herself as one of this country's strongest and most thoughtful national leaders. As we approach the anniversary of her heroic action (June 1) we should consider and reflect upon the example she set 32 years ago.

Though Margaret Chase Smith now enjoys the less hectic schedule which as a Senator she earned many times over, she continues to remind us that that vigilence and introspection are necessary if America's cherished ideals are to be preserved and maintained in our institutions. Moreover, in public appearances, she continues to challenge our young people—and especially our young women—to take their place in running our country, to integrate their beliefs and goals into our national character and objectives.

Mr. President, I am pleased to join with my colleagues in paying tribute to Maine's and America's Margaret Chase Smith. Let us emulate her, let us draw strength from her example, and, most of all, let our actions in this Senate be based on the kind of sound reason and steadfast moral principles which she championed in her distinguished and lengthy career.

Thank you, Mr. President.

Mr. GOLDWATER. Will the Senator yield?

Mr. MITCHELL. I yield.

Mr. GOLDWATER. Mr. President, I want to be associated with the remarks made by the distinguished Senator from Maine (Mr. MITCHELL). I recall that night. She sat right there at that corner desk, with her red rose in her boutonniere. She made that remarkable speech, which I think will go down in the Senate's history as a perfect guideline. She is a woman of remarkable courage, a woman whose friendship I enjoyed then and still enjoy. I thank my friend from Maine for calling the attention of the Senate to the wonderful gift that she gave us.

Mr. MITCHELL. I thank the Senator from Arizona.

Mr. President, I thank the distinguished Senators for their gracious remarks.

I yield the floor.

URGENT SUPPLEMENTAL APPROPRIATIONS, 1982

The Senate continued with consideration of the bill.

Mr. BAKER. Mr. President, I understand that perhaps a unanimous-consent request to permit the motion to suspend the rules during this day instead of waiting until past midnight might not be objected to if it were put not at this moment but in a few moments, after the Senator from Colorado has had opportunity to speak briefly. Is that understanding correct?

Mr. ARMSTRONG. Mr. President, if the majority leader will yield to me, he is correct, with the exception that there may be another Senator or two who has some brief remarks. It is my disposition, as I think it is of a number of Senators, that we take the next step and see what the will of the Senate is at this point on whether or not to suspend the rules to permit the consideration of the Senator from Indiana. If the majority leader has completed his statement, I have a few brief remarks and am prepared to yield the floor and listen to the unanimous-consent request.

Mr. BAKER. Mr. President, Senators should be on notice that shortly, after Senators have an opportunity to speak on this request, I shall propound a unanimous-consent request that, notwithstanding the provisions of rule V, a motion to suspend the rules may be in order at this time. I shall not make it at this moment.

Mr. SYMMS. Mr. President, will the majority leader yield?

Mr. BAKER. Yes; I yield.

Mr. SYMMS. When will be the proper time to debate the issue, A, of whether or not we suspend the rules and, B, the substance of what the rule or motion is?

Mr. BAKER. Mr. President, I say to the Senator from Idaho that I am advised by the Parliamentarian that the motion to suspend the rules under this situation—that is, postcloture—is not debatable. Therefore, any debate on that should come in advance of the time the motion is made. Assuming that the rules are suspended, of course, the amendment itself would be debatable. There is no limitation except the limitation of rule XXII in that respect.

Mr. SYMMS. I thank the majority leader.

I say to my colleagues that I hope we will not suspend the rules over an issue of this nature at this time. There have been many, many times in the past when we have also been in times of crisis and the Senate has never suspended the rules in those times. I hope we certainly will not do it now.

Mr. ARMSTRONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, as we approach the vote on the question of whether or not to suspend rule XXII to permit the offering of a nongermane amendment to the pending urgent supplemental, I have two or three odds and ends of observations I want to make before addressing myself directly to the question of whether the rules should be suspended.

First of all, Mr. President, throughout this week, and especially throughout this day, I have felt a great sense of privilege and comradeship to work with a number of Senators, not all of whom share my view of this, but I am proud to be allied with the Senator from New Hampshire and the Senator from Idaho and other Senators who really feel that we are stepping off into something that we should not do.

I thank them for their brotherhood and for the assistance they have given me in trying to bring to the attention of Senators and the general public the seriousness of this matter.

I think we have made substantial progress. I am not sure whether we are going to win. I think it will be quite close when the vote comes, but there is no question in my mind that we are moving in the right direction.

Second, in the course of discussion on this matter, we have had very extensive negotiations on and off the floor with the Senator from Indiana, who is the proponent of this measure; the Senator from Oregon, the chairman of the Appropriations Committee; and members of the leadership, particularly the majority leader. They have approached this task of finding a format in which we can express our opinions and reconcile our differences of opinion and reach a decision in a manner that, in my judgment, reflects not only great friendship but the highest and best ideals of the Senate.

Mr. President, I note, as we approach the vote, that one of the distinctive features of the Senate is that we do not try to destroy a minority because we know that at any given moment any of us might be in a minority. Legislative coalitions shift and change from issue to issue, and those of us who are on the winning side of a lopsided majority today may find ourselves in an embattled minority tomorrow. This is just life in the Senate.

I know that Senators will not object to the right of even one or two Senators, let alone one or two dozen Senators, to fully pursue their rights to fully consider legislation, even to filibuster on occasion, as indeed my colleagues and I may be forced to do if the Senate votes to suspend the rules and to make the so-called Lugar amendment the pending business.

I would regret it if we came to that pass, but I am sure Senators would understand why we might find it necessary to do so, although it may inconvenience them. I can tell Senators that if that happens, it is going to be a great inconvenience to me. But I am sure, when they think back over the years of life in the Senate, they will wish somebody was here to filibuster the descendants' carryover tax basis. That whistled through this body just in a matter of minutes and at an unusual hour of debate, at a time when everybody was tired and cranky and Senators had been up all night and nobody was sure what they were voting on and had not thoroughly studied it. I will bet there were times when somebody looked back and said, "Gosh, I wish we had had about a 5-day filibuster on that issue so we could have gotten it out and maybe not adopted it." I am sure, in retrospect, there are a lot of Senators who wish there had been an extended debate on the Gulf of Tonkin resolution or double indexed social security and a lot of other legislation which went through mainly because there was peer pressure to simply not carry the issue any further.

I acknowledge with the utmost appreciation the courtesy and tact and patience and friendship that Members on both sides have shown on this issue.

Mr. President, the parliamentary situation is this: It is my expectation that very shortly the Senator from Indiana will ask unanimous consent to call up his amendment. It will be my disposition, after other Senators have had their chance to speak, to agree with his unanimous-consent request.

When he calls the amendment up, it is my understanding that it will be ruled out of order by the Parliamentarian and the Senator may then move, as I expect he will, to suspend the rules and move to the consideration of his amendment.

I have already discussed face to face and person to person with virtually every Member of the Senate the reasons why I think it would be unwise for us to suspend this rule, so I am not going to make those arguments again except, Mr. President, to send my notes on this subject to the desk and ask that they be entered in the RECORD.

There being no objection, the notes were ordered to be printed in the RECORD, as follows:

On March 8, 1917, the Senate adopted rule XXII.

Tonight or tomorrow, it is anticipated that a motion will be presented to suspend the provisions of rule XXII to permit the offering of a non-germane amendment for mortgage interest subsidy.

In the entire history of rule XXII, 65 years, including a number of years in which the rule was not used, the rule has never been suspended.

We have come through the Great Depression, WWII, the Korean War, Vietnam, and many other great national emergencies without suspending this rule.

Once cloture is invoked, it is in the interest of all Senators to adhere to strict requirements of germaneness contained in rule XXII. This requirement has been used at various times to protect the rights of conservatives and liberals, Republicans and Democrats.

If the rules are not suspended, the mortgage interest subsidy amendment will not be in order on this bill. But there will be many other opportunities for this amendment to be considered . . . either as a separate bill or as an amendment to another piece of legislation. If offered as an amendment to any non-appropriation bill, the amendment would not be subject to any germaneness requirement which applies only to appropriations bills.

If the rules are not suspended, and the amendment is rules out of order, it is anticipated that other pending amendments can be disposed of within several hours and final action on this bill can be completed.

We urge you to resolve any doubts about either the merits of the mortgage interest subsidy proposal or the propriety of suspending the rules in favor of not suspending the rules to permit a non-germane amendment.

Mr. ARMSTRONG. Second, I have had the privilege during the last several days to discuss face to face with a number of Members—at least 50, I would say—the merits of the legislation. Since I have done that, there is no sense in me making those arguments again, and yet I should not want the record to not reflect my thoughts. Rather than taking the time to debate that issue now, let me just send to the desk my comments along with reprints from the New York Times, the Washington Post, the Wall Street Journal, and Time magazine outlining what those publications see as the shortcomings of this legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MORTGAGE INTEREST SUBSIDY AMENDMENT SHOULD BE DEFFATED

The Appropriations Committee suggested a new program of mortgage interest subsidies. The committee recommended an authorization of $5.1 billion but an appropriation of only $1 billion.

The floor amendment, which will be considered if rule XXII is suspended, will seek to increase the committee's recommendation for an appropriation from $1 billion to $5 billion.

After turning down proposals to increase such worthy and popular programs as education, the handicapped, pollution control, veterans and others, because of budgetary constraint, how can we now justify starting an entirely new program of this kind?

This proposal sets a poor precedent. If this legislation is approved, other subsidy proposals are sure to follow to help buyers and sellers of resale homes, small business, family farms, manufacturers, airlines, etc. . . . a point which President Reagan forcefully emphasized in his recent letter.

The mortgage interest subsidy concept is opposed by the Administration, the New York Times, the Washington Post, the Wall Street Journal.

[From the Wall Street Journal, May 27, 1982]

HELP OR HOKUM FOR HOUSING

It was bound to happen sooner or later and this being an election year, it's happening sooner. Congress is roaring out approval of a bailout for the housing industry.

The House bill passed overwhelmingly. A similar bill sped through the Senate Appropriations Committee and is being debated on the floor. The Senate bill is likely to pass, too. It was attached to a supplemental spending bill to head off a presidential veto.

There are some differences between the House and Senate proposals. But, most important, the bottom line is the same—$1 billion in the current fiscal year and several billion in years thereafter. The money would go to subsidize mortgages for low- and moderate-income families by as much as 6 percent (the House version) or 4 percent (the Senate version) under market rates.

Nobody is arguing that the housing industry isn't in bad shape. It is. Housing starts are at basement levels, mortgage rates remain high and unemployment in construction is about double the national rate. Hence the appeal of a measure which might provide some 300,000 construction jobs and 400,000 jobs in related manufacturing industries.

Housing, however, is a wickedly interest-rate sensitive industry. This means the only true help will come from lower interest rates, not higher subsidies. Indeed, mortgage subsidies helped create the current high rates. For decades the federal government has intervened in the credit markets on behalf of housing, both by directing funds into the industry through the thrifts and by offering specially targeted programs to provide mortgages at below-market rates.

All this federal credit allocation helps keep interest rates high. The perceptions of the financial markets that government is not about to curb its appetite puts further pressure on rates. Mortgage subsidies, as more of the same, are the diametrically wrong way to go.

But aside from the question of the correct method to bail out housing, there is the question of why bail out housing at all? Especially if it comes at the expense of other sectors. Government credit policies that dish out huge portions of money to housing undernourish other, more productive sectors. The percentage of disposable income going to homeowning has skyrocketed while the portion going to net financial investment has languished.

Surely the time has come to stop sheltering the mortgage market from the rest of the capital market—homebuyers ought to compete with everyone else for capital. The time is especially timely given the urgency of lowering interest rates. Congress argues that the recession demands a quick fix. But the best quick fix is to stop the government from holding up rates.

[From the New York Times, May 17, 1982]

BUILD HOUSING, WRECK THE BUDGET

"Give me chastity and continence, but not just now."—Saint Augustine

Government, like Saint Augustine, has difficulty saying no. Even as Congress struggles to cut the budget deficit, it is yielding to new temptations to spend. It is hard to find a worse temptation than the housing bail-out now racing toward passage.

The housing industry is in terrible shape. Trapped between high interest rates and declining personal income, new home construction has been minimal for more than a year. Unemployment in the industry is now double the national average.

That is why homebuilders have been camping on the doorsteps of their representatives and why Congress is moving swiftly to help them out. The House voted 349-55 last week for a bill that would subsidize mortgages to middle-income homebuyers by 4 to 6 percent, at a total program cost of $3 billion to $5 billion. The maximum eligible mortgage under the House bill would be for $90,000 in areas with high construction costs; elsewhere the limit would be $67,500.

President Reagan opposes the legislation, but there is no sign that he can stop it. A slightly different version passed unanimously in the Republican-controlled Senate Banking Committee. Congress is angling to hand Mr. Reagan a veto-proof bill.

Its defenders argue that the subsidy will create jobs and allow thousands to achieve the dream of homeownership. But parallel arguments can also be made for those who produce steel or assemble farm machinery or mine copper or grow wheat. Even if Congress were prepared to foot the bill, it is hard to see how economic recovery can be built on a foundation of Government subsidies.

There are actually special reasons to resist the housing industry's new claim on the Treasury. The Government has long smiled on housing. Banking regulations artificially held down interest paid to savers, and the benefits were passed on to homebuyers in the form of low-cost mortgages. The tax laws specifically encouraged construction of owner-occupied housing. In fact, many economists attribute the current malaise of other American industries to policies that had the effect of channeling too much scarce capital into home construction.

Be that as it may, the consensus among economists is that housing's best hope lies in a decline in interest rates. And interest rates are likely to fall only if Congress manages to control the growth in spending. In other words, special interest demands for Government cash are as much the source of the housing industry's woes as they are a potential vehicle for its recovery.

It is easy to understand why the housing industry pushes so hard for help and why Congress lacks the will to resist. It is just as easy in this matter to see why some people believe Government has become the enemy of prosperity.

[From the Washington Post, May 25, 1982]

THE HOMEBUILDERS' HANDOUT

The home building industry—backed first by key congressional Republicans who have now been joined by Senate Democrats—is knocking on the White House door looking for a handout. With housing sales and construction at postwar lows, the builders are looking for relief in the form of government-subsidized loans for new-home buyers.

Because the subsidies would be substantial—the government would pay up to four percentage points of mortgage interest owed by low- and moderate-income new-home buyers for five years under the Republican plan—it would add a billion dollars a year to the already large federal deficit. In the time-honored tradition of deficit spenders, congressional backers of the plan—who include Senators Richard Lugar, Jake Garn and Mark Hatfield—argue that their plan will pay for itself because it will create jobs and boost tax revenues in the future.

That, of course, is an argument you've heard before from all the many promoters of this kind of tax cut or that kind of spending. If deficit spending paid for itself, by now the Treasury's coffers would be overflowing. And since money spent on new housing construction won't create any more jobs than money spent in dozens of other ways, you can also safely ignore the employment argument—unless you happen to be employed in the home-building industry. True, the housing industry is depressed, but what about automobiles and other credit-dependent industries? Shouldn't they get a special subsidy too?

What it boils down to is the question of how heavily the government should continue to subsidize the housing industry. Easy credit and the negative interest rates produced by high inflation have, in themselves, made home ownership an unbeatable investment. Now the rules of the game have changed, and the home-builders are crying unfair.

In deciding how seriously to take their claim, you should remember that the biggest changes in the rules were produced not by the Reagan administration's specific cutbacks in construction and mortgage subsidies, but rather by market forces and larger shifts in economic policy. Housing demand is down not only because the economy is poor and interest is high, but also because the go-go psychology of housing investors pushed prices beyond reasonable bounds. Interest rates are up because lenders got tired of losing out to inflation and because there are important competing demands for credit.

Home ownership is an important value in American life, and people in this country have become accustomed to a level of housing far surpassing that generally available in Europe or Japan. But maintaining this high standard has contributed to the inflationary pressures of a high consumer credit economy and the relative neglect of investment in productive assets.

[From Time, May 31, 1982]

HOUSE-RAISING ON THE HILL

Preserving the American dream of owning a home is a laudable idea, but not the way Congress has decided to go about it. True, the Commerce Department announced last week that construction on new homes in April dropped to an annual adjusted rate of 881,000, a slump of 6.4 percent from March. True, housing starts during the first three months of 1982 were the lowest for any first quarter since World War II. And true, a poll conducted this year by Market Opinion Research showed that many Americans would once again be able to afford homes if mortgage rates, now hovering at a prohibitive 17 percent, fell below 12 percent. But in an attempt to salvage the housing industry, both the House and the Senate are voting to spend money the Government does not have for a program whose impact is questionable. Said Republican Representative Dick Cheney of Wyoming: "The bill is a turkey."

Two weeks ago, the Democratic-controlled House voted 349 to 55 for a $1 billion bill that would pay home buyers up to six percentage points of mortgage interest rates on new houses. The bill would cover mortgages of up to $90,000; the maximum yearly income of eligible buyers would range from $19,000 to $55,000, depending on the region. The Senate Appropriations Committee last week approved its own bill authorizing $1 billion a year in subsidies for five years. This version would pay as much as 4 percent of mortgages up to $77,600 for eligible buyers earning a maximum of $35,000. Someone signing a 25-year mortgage for $65,000 at 15½ percent interest, for example, could receive as much as $12,754 in federal aid over five years; the buyer would be required to pay back the money only if the house were sold at a profit. The full Senate is virtually certain to pass its bill this week, with the differences expected to be hammered out in conference within the next month.

Republican Richard Lugar of Indiana, sponsor of the Senate bill, insists that it will produce 400,000 new housing starts and provide 700,000 jobs. Most experts, however, predict that the measure will create, at best, a few thousand more homes. Even the National Association of Realtors, which would benefit from the bill, doubts that the program would work. Said Jack Carlson, chief economist for the trade group: "Getting down the deficit is the only solution."

White House advisers are concerned that the housing subsidy could lead to a flood of relief bills for other ailing industries, such as autos and steel. Though President Reagan would like to veto the measure, he may sign it anyway. He has rejected only three bills so far, and he may not be anxious to mortgage his own reputation if it appears his veto might be overturned.

Mr. ARMSTRONG. With that, Mr. President, and with the hope that we will not vote to suspend the rules when that request is made, I thank all Senators and yield the floor.

Mr. DOLE. Mr. President, will the Senator yield for 1 second?

Mr. ARMSTRONG. Of course. I would be very pleased to yield.

Mr. DOLE. Mr. President, the Senator from Kansas applauds and joins the efforts of the Senator from Colorado to prevent this federally subsidized housing program from becoming a part of this appropriations bill. Many of us in this body worked long hours last week to vote down or table costly spending amendments so that our budget resolution would have the potential of helping induce lower interest rates—naturally—not by forcing them down by having the Government pick up part of the tab. The result of our efforts was not satisfactory to all, but for one reason or another, we are seeing lower T-bill rates and lower prime interest rates, at least by one major bank, this week. This Senator is certain that all Members of this body join my hopes that other banks will follow in lowering interest rates, and that rates decline rapidly so that all industries may again have affordable credit. We simply cannot throw in the towel at this time and vote for a housing stimulus program—or in fact any program which results in more Government expenditures.

Make no mistake about it, the Senator from Kansas knows full well that the housing industry is on the ropes. There can be no doubt that unemployment has climbed to nearly 20 percent in the construction industry, or that the housing industry as a whole is in the 41st month of a horrendous slump. All of us have friends or relatives who simply cannot buy houses, or for that matter sell the ones they own now. But this Senator is firmly convinced that it is not in the best interests of our economy—or of the housing industry itself—to adopt a short-term program of Government subsidies which will only help only a portion of those in need of housing.

Mr. President, let us really take a look at how much of the housing demand will be met by passage of this legislation. It is estimated that there is a demand for some 2 million new units of housing. It is argued that this legislation will result in the building of some 370,000 to 450,000 new units, while of course the House-passed version would result in substantially fewer new units being built. Granted, not all of those 2 million households needing housing could be expected to build new units this year, but we do have to recognize that while we may bear lowering monthly payments for a few home buyers, we are raising the cost of credit for 1 million or more families who will need to finance new homes in the next few months and years. By continuing to engage in new spending programs that drive the cost of credit up, we are postponing, perhaps permanently, the dream of homeownership for those who do not qualify for this program for new building between now and November.

Let us talk about the American dream of homeownership that we have heard so much about. This Senator believes firmly in the goal of Americans living in and owning their own homes—but let us not confuse ourselves—the dream of homeownership will not be fulfilled unless a steady flow of affordable credit is made available to potential homeowners—over the course of time—not just a few months. Sure, we may be aiding builders for a few months, but what do we do when this subsidy expires and the affordability gap is even greater to potential home buyers? This Senator guesses that homebuilders will remember this precedent very clearly and simply return to the Federal spigot for more.

Homebuilders who come to my office are concerned about the long-term future of their industry. They say as a group that they must have short-term help in the form of the Lugar bill while at the same time arguing that we have got to balance the budget. To them I say that you cannot even hope to balance the budget by giving in to entirely new spending schemes. In private, of course, many builders agree with me—just as they would praise this body if we could muster up the courage to not give an industry what we have come to think they expect of us. Builders really do not want this—they want lower interest rates. More spending does not translate into lower interest rates.

Furthermore, we are not doing anything about housing units that presently exist and thus we are not really solving the problems of the industry. I do not suggest that we do, of course, because we certainly cannot afford to be that generous. But in attempting to draft a modest program which does not try to solve all of the problems of the industry, the glaring need to lower interest rates for all is exposed.

There are those that say that the Lugar bill is a good and efficient bill because it only costs some $5 billion over 5 years and it will generate thousands of new jobs and enable the new construction of some 350,000 to 400,000 new homes that would otherwise not be built. To those I would say first of all that we do not have the luxury of spending $5 billion over the next 5 years. Some of you may have noticed that we are running a little short on money as it is. As we have learned all too well, when we spend money that we do not have we finance it by one of three ways: First, we can raise taxes to cover the expenditure; second, we can print more money, or monetize the debt; or third, we can simply go out into the credit markets and borrow the money. Let me just suggest that either raising taxes or printing money to pay for this housing program is out of the question. We are already asking the American people to carry a heavy enough tax burden without asking them to pay more taxes for new programs. Monetizing the debt would unleash a torrid inflationary spiral and reverse the significant gains we have made on the inflation front. That leaves one option: to finance this program by increasing the Government's already substantial presence in the credit markets.

There are those who justify this program by saying that it is only a loan guarantee program and that most of the amount subsidized by the Government will be recaptured upon the sale or refinancing of the home. Mr. President, this is a program that will require $26 billion additional Government subsidized credit. It is just this over consumption of credit by the Government that has driven interest rates to present levels. In the period from 1965 to 1969 when the Federal Government used only one-sixth of the loan capital, the prime rate averaged around 6 percent. At present, the Federal Government consumes nearly half of the loan capital that is available in this country, and interest rates are hovering at 16 to 16½ percent. Mr. President, we must get the Government out of the credit markets. Spending money that we do not have on new programs simply cannot be justified.

The Senator from Kansas urges all members of this body to take this vote very seriously. This could be just the first of the bailouts that we will see this summer. This Senator echoes what has been said by the Senator from Colorado—if you vote for this one, I do not see how you can very well vote against any of the rest of them that come down the pike. Let us take a look at who is in the on-deck circle: First, we all know that the savings and loan industry is rapidly sinking. Congress will be asked to consider whether we should spend $7 to $10 billion to buy up all of their low-yielding mortgages so that they may return to profitability. The only other way they can make money again is if interest rates are lowered. Second, let us not forget the farmers. As a matter of fact, if we are going to start bailing out hard-pressed sectors of the economy, we should begin chronologically with agriculture, which has been hurting since 1976. Farmers in Kansas and throughout the Great Plains have had to cope with the explosion of gasoline prices and fertilizer in the mid-1970's followed by low prices for their products due to record grain production in the United States and throughout the world. In every year since 1975. On top of that, the sustained period of high interest rates has impacted farmers certainly more than the housing industry and for a longer period of time. There are those who are currently proposing that we spend $2 to $5 billion for paid acreage diversion programs and higher loan rates for farmers. Third, there are of course large numbers of small businessmen who have had to resort to the credit markets to weather this recession. Some of these small businessmen are forced to pay rates 2 and 3 points above prime, and have thus been especially battered by this period of recession with high interest rates. The National Development Council would like to see Congress appropriate $2.5 to $3 billion for small business.

While we are at it, Mr. President, let us not forget the automobile industry.

Although sales may be up as of late, unemployment in this sector of the economy has been in the neighborhood of 30 percent. If we are going to subsidize home purchases, why not subsidize automobile purchases. Lastly, let us not forget about the airlines. For a mere $733 million, we could put Braniff back on its feet. Let us not forget Pan Am, Western, Continental, and Republic. The word is out that some of them are in trouble also. We might as well write them a check while we are at it.

Mr. President, we are told that passage of this amendment will result in additional cost to the Treasury of only some $5 billion over the next several years. This Senator has reviewed the version of this bill that passed the House last week, and let me just say that their actions virtually guarantee that we will be spending more than we intended. The House bill would subsidize interest rates by 6 percent, instead of 4, and would broaden the definition of eligible property to include not only new construction but unsold inventory. In addition, both the income limits and the purchase price ceilings are considerably higher than those proposed in this particular amendment. In short, we really do not know how much this housing stimulus program is going to end up costing the Government.

The Senator from Kansas would like to compliment and praise Senator GARN and Senator LUGAR for their handling of this bill at the Banking Committee level. The Senator understands that there was considerable pressure to load up this bill with numerous costly amendments, but that the Senators from Utah and Indiana prevailed upon their colleagues to withhold any such amendments. The Senator applauds the effort to keep all costs down, however, he is still of the opinion that we cannot continue to borrow and borrow to finance even modest programs such as these.

We are told that this program would be self-financing. We have heard that argument before, of course, and let me just say that if deficit spending paid for itself, the Treasury would be overflowing. It does appear, however, that many of the new housing starts which would be stimulated by this subsidy are ones that would have occurred anyway. We are at a point in the cycle where there is considerable pent-up demand that would result in renewed housing activity in the not too distant future. This subsidy would, of course, speed up new starts, but the Senator suggests that we are merely shifting a lot of new starts from 1983 into 1982. This Senator questions the total number of net new housing starts that will result.

Along the same light, this Senator questions the allegation that enactment of this package will be the best single thing we can do for the economy due to the tremendous multiplier effect that occurs when we stimulate housing. It may well be that spending Federal money on housing would aid a number of industries related to and dependent upon new homebuilding, but that still does not deal with the underlying problems that we have in our economy. All we are doing by spending money on housing is shifting the economic problems from one area of the economy to another. This Senator remains unconvinced that housing has the first claim to this money. There is certainly a multiplier effect of spending for the airline and auto industries.

One other factor that we must consider here is the time it will really take to implement this program. Although it is argued that the vehicles are already in place and that housing commitments can be made within 30 days after enactment, this Senator seriously doubts that. We are really dealing with a new program here. Any time there is a new program that must be implemented, whether it be by HUD or some other agency, signficant delay is inevitable while the whole new delivery framework and attendant regulations are formulated. HUD Secretary Pierce recently testified before the House Appropriations Committee that it would take HUD at least 120 days after enactment to implement the House version. Since we are likely to have to swallow some of the provisions of the House bill, this Senator suggests that this legislation cannot do for the economy what is claimed. By late summer or early fall, when most of the new housing activity would begin, the Senator has no doubt but that interest rates will have crept downward on their own.

If this body wants to get at the real cause of sky high interest rates rather than treating the symptoms, we need to begin exercising real restraint. We need to stop the explosion of Federal borrowing that we have engaged in, and that includes Federal loan guarantees. While this program is put forward in the best possible light, and with the best of intentions, this Senator firmly believes that it is not in our best interest to pass it.

Mr. President, this Senator firmly believes that we need to do everything we can to provide for long-term stability in the housing industry. The demographics of the postwar baby boom indicate that there will be strong demand for housing in the years to come. We do not help the situation one bit by spending a few billion dollars in 1982 to reduce mortgage payments for some. We have a serious affordability crisis. The only way to really deal with that problem is to insure that interest rates decline naturally.

Mr. LUGAR addressed the Chair.

The PRESIDING OFFICER (Mr. COCHRAN). The Senator from Indiana.

Mr. DOMENICI. Mr. President, will the Senator yield for 30 seconds?

Mr. LUGAR. I would be happy to yield to my colleague.

Mr. DOMENICI. I appreciate that.

I have no prepared statement, but I want to commend the distinguished Senator from Colorado. I think he has served the Senate well on this issue. I think we understand it far better. In fact, I believe that had certain Senators not committed days ago without a full understanding of the implications of this, he would prevail handily. I hope he prevails anyway, and I commend him for it. I will support him.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I join my distinguished colleague from New Mexico in commending the Senator from Colorado for extensive debate, well-prepared debate. Likewise, I appreciate the work of the majority leader, the distinguished chairman of the Appropriations Committee, and all who have expedited consideration of this matter.

Let me make these points briefly. We have had extensive debate throughout the Nation on the Lugar amendment for several weeks. It is not an unknown quantity. It is an idea whose time has come in the minds of many persons who believe that we must attack the problem of unemployment and that we can do so through the housing venture.

Furthermore, this matter came before the Banking Committee. Extensive hearings were held, with an opportunity for all Americans—and Senators—who were interested to know the merits of the bill. It came out of the committee 15 to 0. It was an amendment of the Appropriations Committee.

Unlike all of the other committee amendments, it was laid aside today due specifically to the opposition of the Senator from Colorado and others who threatened to filibuster the bill.

Very simply, we are in this parliamentary situation because we have tried to accommodate the Senator from Colorado, and others.

As the Senator from Colorado has pointed out, not in 65 years has the step that we are about to take been taken. One reason why is that it is a very difficult thing to get a two-thirds majority, much easier to get a simple majority, even 60 votes for cloture—a very high threshold.

We had debate yesterday. By a vote of 70 to 23 the majority leader's position to table was not agreed to. In short, if we should succeed this evening in the suspension of the rules, this amendment will have passed muster twice by a two-thirds majority and still face an up-and-down vote after that very expensive consideration.

I hope that Members appreciate that in accommodation today we have at least given an opportunity for a two-thirds vote to occur because it is an extraordinary situation. We have done so within the rules and the rules have not been breached. The rules have been observed and honored, I believe, by these gestures.

I thank all Senators, and I am hopeful that we will in fact at the proper time suspend the rules so that we might consider the Lugar amendment.

Mr. RIEGLE. Mr. President, will the Senator yield?

Mr. LUGAR. I am happy to yield.

Mr. RIEGLE. I thank the Senator for yielding. I am a cosponsor of his amendment, as are many Members on both sides of the aisle.

As the Senator knows, I have an additional item that I hope to attempt to attach to the amendment we are cosponsoring, called the Lugar amendment, which has to do with providing assistance to those homeowners who are unemployed and are in arrears on their home payments and are threatened with foreclosure on their home.

If the Senator from Colorado is prepared to allow the Senator from Indiana to go forward with his amendment, I wonder if we might at the same time have an understanding that the part I intend to offer, which I offered in the Senate Banking Committee as well, and which we acted upon there, would be treated in the same fashion, so that we might be assured that we would have an opportunity for an up-and-down vote on that amendment at an appropriate point, as it is directly related to the substance of the Lugar amendment.

I address my comments to the Senator from Colorado and the Senator from Indiana. I am wondering if it might be possible to have such an understanding, that this particular amendment, which has been offered and available for consideration and was considered with the Lugar package in the Banking Committee, could receive the same consideration at the proper time.

Mr. HAYAKAWA addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana has the floor.

Mr. LUGAR. Mr. President, I appreciate the plea of the Senator from Michigan, but I must say that the Banking Committee has considered his amendment twice and has rejected the amendment on both occasions.

The Senator from Michigan will have to determine the parliamentary situation. My understanding is that a point of order would be lodged against his amendment, and I see no way of attaching it in this situation.

Reluctantly, I have to say that the Senator from Michigan will have to proceed on his own, through the rules of the Senate.

Mr. RIEGLE. I appreciate the Senator's response. I know the problem we face here. I want to make sure that we have a clear vote on the Lugar amendment, which many of us support, so I will not attempt at this time to attach my amendment in any way, but I will offer it at a later time, when I can appropriately attempt to offer it in its own right and have a judgment at that time.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator form California.

Mr. HAYAKAWA. Mr. President, I oppose the motion that the Senator from Indiana attempts to make to suspend rule XXII.

Notwithstanding my objection to the amendment that the Senator intends to offer to this urgent supplemental appropriations bill, the motion to suspend rule XXII flies directly in the face of today's 95-to-2 cloture vote. I am aware that the unanimous-consent agreement reached prior to the cloture vote specifically identified the probability that a motion to suspend would be offered. But that does not alter the fact that we are now under cloture rules and this amendment is not germane.

Rule XXII exists for a reason, Mr. President: to confine amendments to provisions germane to the pending legislation. Not only are we considering an appropriations bill to which legislation such as this amendment is not in order, but also, this bill provides urgent supplemental appropriations to allow Federal benefit checks to be mailed on time.

A housing authorization bill has no place on this legislation. A suspension of the rules, which we have just applied, makes a mockery of the process. Even if I could support the amendment, I could not support this motion to suspend the rules.

I urge my colleagues to refect the motion.

Mr. DOMENICI. Mr. President, reserving the right to object——

The PRESIDING OFFICER. No unanimous-consent request has been made.

Mr. DOMENICI. I just want to take a couple of minutes. I did not want to leave the wrong impression, when I commended the distinguished Senator from Colorado, in not mentioning the distinguished Senator from Indiana (Mr. LUGAR). Obviously, I disagree, but he knows that I have the highest respect for him.

I do not think he knows that about 10 days ago, before this proposal was brought to his office by the homebuilders, they brought it to my office. We had a long talk about it. I told them: "It sounds good. Maybe it's something we need some day, but why don't you see DICK LUGAR? He chairs the subcommittee. I hope some day I can support it."

I told them then what had to be fixed, because it would have gone to only five or six States, as I recall. It has been amended since, so that it will go to Arizona, too, and maybe we can vote for it and it can go to New Mexico.

The first time around, it would not have gone to those kinds of States. It would have gone to five, six, or seven that had real problems. It is now amended so that it would go to everybody, and that sounds fairly good.

Senator Riegle asked whether he could offer his amendment, and that is the best example why we should not adopt this tonight by waiving the rule.

From what I have seen in terms of the fragile nature of this body—and I respect it and everyone in it—what is next? We just about have one that is going to make sure that people whose homes are foreclosed are taken care of by the Government.

We have heard about small business having trouble. Maybe that will be next. Then, if you are from Senator DOLE's State the farmers are next.

We are going through some difficult economic transition times, and there are no easy answers.

I looked the other day at what was happening to municipal bonds and industrial revenue bonds. Do you know what has happened? They used to be a good deal, until we let everybody have them. They went from a 30-percent difference—that is, a bonus—down to 15. Pretty soon, they will not be any good. They will be like the interest rates.

If we have enough of this kind, do you know what we will have going for America? We will have the Government debt and special subsidized loans, and everybody else will get nothing. That is what is going to happen.

Since we are probably going to adopt this one, I hope we are not on that road, because where are all the other people going to get any money?

You surely are not going to begin one after another, in selective allocation by subsidy. I have not thought of it that way until today, until I read about the shortage of money, which is why we have high interest rates, either real shortage or perceived shortage, which causes people not to bring the interest rates down, because they believe the Government is going to be borrowing money or inflation is coming back.

So we can sit around and pick one group after another and say, "We are not allocating; we are just giving them a special deal." Well, I am telling you that I hope that the average American who needs to borrow some money is in the special deals, because there is not going to be much around for them if we continue with what I see as the beginning of what could be a series of special allocation of subsidized interest, under one guise or another, and they are all going to sound good—all going to sound good.

It is pretty hard to make it sound good on automobiles, because they do not last very long. I was thinking today that maybe we should think one of those out, but they wear out so fast that I do not believe we could make sure we got the money on the rollover; but someone will invent one of those fairly soon.

So I say to my good friend from Indiana that I understand that he is concerned that we will not come out of the recession unless we do this sort of thing, and I respect him for it. But I hope Members of the Senate are concerned and that we do not do it from week to week for the next couple of months on every item that comes down the pike, where somebody in America is having trouble, because I do not know how many people working and paying taxes will remain after we do this for everyone else.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. MATTINGLY. Mr. President, I should like to associate myself with the Senator from Colorado on this issue.

The urgent supplemental appropriations proposal provides $2.2 billion in spending above the level recommended by the administration. As Chairman of the Board of Governors of the Federal Reserve Board, Paul Volcker, stated in correspondence with Senator PROXMIRE concerning a mortage interest subsidy proposal such as the one included in H.R. 5922:

> What is needed is restraint in the Federal budget if we are serious about getting interest rates down for the benefit of not only home buyers, but for all Americans.

Last week, during consideration of the first concurrent budget resolution, I, and a majority of my colleagues, voted against adding additional dollars for programs affecting veterans, the handicapped, vocational education, pollution control, et cetera. We did so, not because those programs were not legitimate or worthy, but because the Federal Government is broke, drowning in a sea of red ink. In other words, we cannot afford another new expensive Federal program.

The Federal Government must get the money for the interest rate subsidy proposal from somewhere, either by taxing, borrowing, or monetarizing deficits through inflation. The Chairman of the Board of Governors of the Federal Reserve Board, Paul Volcker, opposed the Lugar bill in congressional testimony noting that "new Federal programs to channel credit and economic activity to any one sector will add to financial pressures and choke off activity elsewhere."

An editorial in the Thursday, May 27, Wall Street Journal entitled, "Help or Hokum for Housing," astutely outlined the problem relating to the housing industry in this manner:

> Housing, however, is a wickedly interest rate sensitive industry. This means the only true help will come from lower interest rates, not higher subsidies. Indeed, mortgage subsidies helped create the current high rates.

The Lugar proposal can be labeled a jobs creating measure, a housing stimulus, etcetera. Nonetheless, a close examination after removal of the mask reveals that it is nothing but a bailout for the housing industry. It is a bailout similar to the Chrysler bailout, with one exception. It costs more money and it costs more money at a time when the Federal Government should be concentrating on budgetary restraint instead of spending money it does not have.

Some will argue that the Lugar proposal is a one-time "shot in the arm" to get the housing industry moving again. Virtually every program initiated by the Federal Government starts out being a one-time or temporary program. However, Members of Congress running for reelection ever 2 or 6 years, unfortunately, forget the time frame proposals are intended to cover or drastically expand the definition of "temporary."

Adoption of the Lugar proposal will send the wrong signal at the wrong time to the American people generally and the financial markets specifically. It will send a signal that Congress is going to continue as in the past on a course of business as usual. In other words, it will send a signal that Congress really is not serious about budget restraint nor balancing the Federal budget in the future, but is up to its old ways of creating yet another expensive new Federal program, one which it cannot afford. Despite the best intentions of its proponents, an interest rate subsidy proposal, or housing stimulus proposal as some call it, is unlikely to result in a large number of net new housing starts. Most home purchases subsidized by a stimulus proposal would have occurred without Government assistance either this year or next.

The most important aspect of the Lugar proposal, more important than the $5 billion the proposal would cost the Federal Government, is the fact that it would set a horrible precedent. Many other industries in the American economy have also been devastated by high interest rates. The question is where are we going to draw the line when it comes to subsidizing the other affected industries. How can we say no to the ailing auto industry? How can we say no to the steel industry? How can we say no to the farmers of America? How can we say no, generally, to the airlines industry, and specifically to Braniff Airlines? The list is endless. If we say yes to one, we have to say yes to all, thus creating a snowball effect which will cetainly lead us to financial disaster. In this regard, there are already expensive bailout proposals pending in Congress for the following; $7.5 billion for the thrifts; $2 billion to $5 billion for agriculture; and $2 billion to $5 billion for small business.

In fiscal year 1982, the Internal Revenue Code will provide about $40 billion in tax incentives that benefit and encourage private home ownership. Included are the following items, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Fiscal year 1982 revenue loss

Benefit:	*Billions*
Mortgage interest deduction	$23.1
Property tax deduction	10.1
Housing bonds	1.5
Rollover of capital gains	1.5
Over 55 capital gains exclusion	.5
Special rental housing depreciation	.5
Special expensing for construction period interest and taxes	.7
Total	37.9

Mr. MATTINGLY. Mr. President, none of this vast sum is countercyclical relief, however. The benefits are there in good times as well as bad and tend to inflate housing prices rather than to smooth out the ups and downs of the housing industry.

What is happening in the United States? What is happening here in this body? Are we trying to de-Americanize the United States? Are we trying to make the United States like the European countries? Do we want to sort of just keep on moving toward a more and more socialized type of government? Do we want to destroy the very character that created the United States that was the people and Government that just tended to its own business, protecting the national defense, and creating one that was going to try to just help the needy people of our country?

Have we really looked to see what we are doing?

And I refer to de-Americanizing this country. What do we come to the Senate for? What is our problem? The problem for Senator LUGAR's bill is because we have high interest rates. How are we going to get them down? It is our job to get them down. The way we do that is by decreasing the deficit and restraining the budget, and we are not doing it. We are adding $468 billion to the deficit in the next 4 years. That is not restraining the budget.

Instead of looking for nice programs to subsidize an additional sector of our country we should be looking at some other programs like the good Senator from Indiana has proposed about how we can save $700 million a year by restricting aliens who used to work in this country who drew social security and moved back to their homeland from drawing more out of the social security program than what they put into it. By his own bill it will save up to $700 million a year. Why do we not look in those areas? Why are we not here tonight before going home on a recess or going somewhere on a recess doing that kind of work?

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. MATTINGLY. I yield.

Mr. JOHNSTON. Does the Senator think we should take another look at the balanced budget?

Mr. MATTINGLY. The Senator better believe it.

Mr. SYMMS. Mr. President, will the Senator yield?

Mr. MATTINGLY. I yield.

Mr. SYMMS. Mr. President, I thank the Senator for his comments and certainly thank Senator DOMENICI for his excellent remarks and Senator ARMSTRONG for bringing all of this to our attention.

I think the answer to the Senator's question is that we are all hooked on a drug habit of deficit spending and everyone thinks if we just have one more little fix and shoot up one more time it will be all right next week. If we take care of the housing industry we can recess and go home and then be over the habit and next week come back and the Senator from Louisiana says we will balance the budget then.

I think that is really the problem. What we will be doing if we suspend the rules here tonight and then adopt this amendment is we will be borrowing more money to offset a problem that was caused by borrowing too much money in the first place. There is no better way one can put it.

I really appeal to my colleagues. Let us vote down this motion—we can talk about this at a later time—and go back to [illegible] in trying to bring about more restraint in spending so that we can see interest rates come down, as the Senator from New Mexico so aptly said, for all Americans, not just for the ones who have this special deal.

I yield back to the Senator from Georgia and thank him for his remarks.

SEVERAL SENATORS. Vote!

SUSPENSION NOT WARRANTED

● Mr. GRASSLEY. Mr. President, yesterday I voted against the motion to table the Lugar housing bill, believing the measure warranted further debate. While I would be inclined to support the Lugar bill on an up or down rate, I cannot do so in the context of this extraordinary parliamentary framework. I cannot support a suspension of rule XXII.

Never, since the rule was first adopted by the Senate in 1917, has this body voted to suspend this rule. The time period we are talking about covers the Great Depression, World War II, and other national and global crises.

Mr. President, I cannot support this unprecedented action, and for that reason I will cast my vote as "no."●

The PRESIDING OFFICER. The Senator from Indiana.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. LUGAR. I am happy to yield.

Mr. ROBERT C. BYRD. Mr. President, the housing industry in this country is in trouble and when one considers the associated industries and how they are impacted by the housing industry, it contributes from one-fourth to one-third of the total economy, the total GNP.

There are 300,000 single family, new, medium-priced homes on the market right now that will not move because of high interest rates. There are over 5 million previously occupied single-family units on the real estate listings that will not move because of high interest rates.

Now, the distinguished Senator from Indiana has offered an amendment of which I am a cosponsor and he has offered a motion to suspend the rules.

Make no doubt about it. This is a key vote, if Senators want to get the housing industry off its back, want to get people back to work, and want to cut down on unemployment they should vote to suspend the rules. Let us remember that with each 1 percent of increase in unemployment the Federal deficit is increased by $25 billion. So this is a key vote. If Senators want to do something about unemployment, if they want to do something about the housing industry, if they want to do something to get this country going again, and if they want to make it possible for the young people to achieve the dream of owning a home they should vote to suspend the rules. Only 5 percent of the families in America today can afford to buy a home; 95 percent of families in America today are shut out of the housing market because of the high interest rates. So this is the time. This is the showdown. This is the key vote.

And if Senators want to really do something to help the housing industry, now is the time to do it, and the way to do it is to vote for the motion to suspend the rules so that the amendment by the Senator from Indiana can be adopted.

I hope that the Senate will vote to suspend the rules.

SEVERAL SENATORS. Vote.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I ask unanimous consent to call up my motion to suspend the rules in this same calendar day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Mr. President, I now ask that the Senate now proceed to the committee amendment appearing on page 23, line 5, through page 29, line 8, pursuant to the notice filed on yesterday—let me amend that to say today, since we have suspended the rule of the next day on the calendar—so filed today. I move to suspend the rules to make that amendment and my amendment thereto in order, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I support the housing proposal of the Senator from Indiana. This plan would subsidize 4 percentage points on a homeowner's mortgage which would provide assistance to 370,000 to 450,000 low- and middle-income families who purchase newly constructed homes.

Although the bill does increase Federal outlays by $1 billion, it is expected that the off-setting revenue increase will be up to $2.5 billion in personal and corporate taxes in the first year after enactment.

As we all know, the construction industry has been particularly hard hit by unemployment. The Congressional Budget Office estimates that a 1-percent rise in the unemployment level raises the deficit by $25 billion. This additional deficit is caused by increased unemployment compensation payments, increased welfare rolls, and increased food stamp recipients. Of the 9.4-percent unemployed nationwide, almost 1 percent are construction workers. Unemployment in the construction industry is 18.7 percent, almost double the national figure. This means that one out of eight unemployed workers is a construction worker.

The housing proposal of the Senator from Indiana would put approximately 700,000 workers back to work. Of these workers, 300,000 are in the construction industry, and 400,000 are in related industries. Reviewing the above figures, it is clear that the benefits of this proposal are not only limited to workers in the construction industry but will contribute to the overall economic recovery of our Nation.

This proposal is not a handout. The ultimate cost to the Federal Government will be extremely small compared to the benefits it will provide. Recipients of the special reduced-rate mortgages will pay back this Federal subsidy when the home is sold or refinanced. Not only will this proposal provide a needed economic stimulus to the homebuilding industry, but it will restore to many Americans the possibility of achieving an integral part of the "American dream"—ownership of their own home. Studies have shown that 9 million Americans may move in 1982. Three million are actually considering purchasing a home and have the necessary income to pursue that desire. The amendment proposed by the Senator from Indiana takes a positive step toward providing this much needed housing assistance to many American families. This plan is not a complete solution but it will provide housing assistance to approximately 370,000 to 450,000 families.

Mr. President, I urge the adoption of the Lugar proposal as an important step in getting our economy moving again.

The **PRESIDING OFFICER**. The question is on the motion offered by the Senator from Indiana (Mr. LUGAR) to suspend rule XV, rule XVI, paragraph 1, 2, and 4, as well as that phrase of rule XXII, paragraph 2, prohibiting nongermane amendments to offer an amendment specified in this motion.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. **JOHNSTON** (after having voted in the negative). Mr. President, on this vote, I have a live pair with Mr. CANNON. I have voted "nay." If the senior Senator from Nevada (Mr. CANNON) and the Senator from Rhode Island (Mr. PELL) were here present and voting they would vote "yea." I, therefore, withdraw my vote.

Mr. **STEVENS** (after having voted in the negative), Mr. President, on this vote I have a pair with the Senator from Minnesota (Mr. DURENBERGER). If he were present he would vote "yea," I voted "nay." I, therefore, withdraw my vote.

Mr. **STEVENS**. I announce that the Senator from Alabama (Mr. DENTON), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Illinois (Mr. PERCY), the Senator from South Dakota (Mr. PRESSLER), and the Senator from New Mexico (Mr. SCHMITT) are necessarily absent.

I further announce that, if present and voting, the Senator from South Dakota (Mr. PRESSLER) would vote "yea".

Mr. **CRANSTON**. I announce that the Senator from Nevada (Mr. CANNON) and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

I further announce that the Senator from Rhode Island (Mr. PELL), is absent on official business.

The **PRESIDING OFFICER**. Are there other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 63, nays 27, as follows:

[Rollcall Vote No. 165 Leg.]

YEAS—63

Abdnor
Andrews
Baucus
Bentsen
Biden
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd, Robert C.
Chafee
Chiles
Cochran
Cranston
D'Amato
Danforth
DeConcini
Dixon
Dodd
Eagleton
Exon
Ford
Garn
Glenn
Gorton
Hatch
Hatfield
Hawkins
Heflin
Heinz
Hollings
Huddleston
Jackson
Jepsen
Kasten
Kennedy
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Nunn
Packwood
Proxmire
Pryor
Quayle
Randolph
Riegle
Rudman
Sarbanes
Sasser
Specter
Stafford
Stennis
Tsongas
Weicker
Zorinsky

NAYS—27

Armstrong
Baker
Brady
Byrd,
  Harry F., Jr.
Cohen
Dole
Domenici
East
Goldwater
Grassley
Hart
Hayakawa
Helms
Humphrey
Kassebaum
Laxalt
Mattingly
McClure
Murkowski
Nickles
Roth
Simpson
Symms
Thurmond
Tower
Wallop
Warner

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—2

Johnston, against.
Stevens, against.

NOT VOTING—8

Cannon
Denton
Durenberger
Inouye
Pell
Percy
Pressler
Schmitt

The **PRESIDING OFFICER**. On this vote, the yeas are 63, the nays are 27. Two-thirds of the Senators present and voting, having voted in the affirmative, the motion is agreed to.

URGENT SUPPLEMENTAL APPROPRIATIONS, 1982

The Senate resumed consideration of H.R. 5922.

AMENDMENT NO 1838

(Purpose: To appropriate $5,120,000,000 for a new home mortgage interest reduction payment program)

Mr. **LUGAR**. Mr. President, I call up my amendment to the committee amendment which is at the desk.

The **PRESIDING OFFICER**. The clerk will report.

The legislative clerk read as follows:

The Senator from Indiana (Mr. LUGAR) proposes an amendment numbered 1838 to the committee amendment on page 23, line 5, through page 29, line 8.

Mr. **LUGAR**. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the matter proposed to be inserted by said amendment insert:

"EMERGENCY MORTGAGE INTEREST REDUCTION PAYMENTS

"For Emergency mortgage interest reduction payments, $5,120,000,000 to remain available until expended. Such amount shall be made available under the terms and conditions of the following paragraphs:

"(a) For the purpose of assisting middle and lower income families in acquiring a home, a manufactured home, or membership in a cooperative association operating a housing project or in substantially rehabilitating a home or a unit in a cooperative housing project, the Secretary of Housing and Urban Development, hereafter referred to as the Secretary, is authorized through the Government National Mortgage Association, to make and to contract to make periodic interest reduction payments on behalf of such families. Such assistance shall be accomplished through payments to mortgages and lenders or their transferees holding mortgages and loans meeting the requirements of this heading.

"(b) The Secretary may not enter into any contract to make emergency home mortgage interest reduction payments under this heading during any month unless the Federal Home Loan Bank Board's home mortgage interest rate index for conventional home mortgage loans closed, based on the moving average for the most recent two-month period, exceeds 12.5 per centum per annum.

"(c) To be eligible for emergency interest reduction payments under this heading, the first mortgage or loan secured by the property, manufactured home, or shares in a cooperative must meet the requirements of or be insured under section (g).

"(d) Assistance payments under this heading may be made over a period of not to exceed five years with respect to any mortgage.

"(e) The amount of all emergency interest reduction payments made under this heading shall constitute a second lien on the property or shares with respect to which the payments are made and shall be repayable—

"(1) when the property is sold;

"(2) when the property ceases to be the principal residence of the mortgagor or borrower;

"(3) upon any other disposition of the property specified in regulations of the Secretary; or

"(4) upon the refinancing of the first mortgage or loan on the property or shares.

except that the amount repaid may not exceed 60 per centum of the homeowner's net equity, as determined by the Secretary.

"(f) The amount of the emergency mortgage interest reduction payments with respect to any mortage or loan shall be an amount not exceeding the lesser of—

"(1) the difference between the amount of the monthly payment for principal and interest which the mortgagor or borrower is obligated to pay under the mortgage or loan, and the monthly payment for principal and interest which the mortgagor or borrower would be obligated to pay if the mortgage or loan were to bear interest at the rate of 11 per centum per annum; and

"(2) the difference between the amount of the monthly payment for principal and interest which the mortgagor or borrower is obligated to pay under the mortgage or loan, and the monthly payment for principal and interest which the mortgagor or borrower would be obligated to pay if the mortgage or loan were to bear interest at a rate four percentage points less than the rate specified in the mortgage or loan.

"(g) Notwithstanding any other provision of law, the Secretary may assist or may insure a mortgage or loan which shall—

"(1) be executed by a mortgagor or borrower whose total family income did not exceed $30,000 during the year preceding the application for the mortgage or loan and who intends to occupy the property as a principal residence, except that the limitation contained in this paragraph may be increased to not to exceed $37,000 where necessary for mortgagors and borrowers to qualify for increased principal amounts established by the Secretary pursuant to paragraph (2);

"(2) have a principal obligation not to exceed $67,500, except that the Secretary may establish increased principal amounts of not to exceed 115 per centum of such amount in any area which has been determined to have high prevailing housing sales prices pursuant to section 203(b)(2) of the National Housing Act, but in calculating the amount of the interest reduction payments pursuant to subsection (f), the Secretary shall disregard any part of the monthly payment on that part of the mortgage or loan which exceeds $67,500;

"(3) involve a one- to four-family dwelling the construction, substantial rehabilitation, or manufacture of which commenced on or after the date of enactment of this section heading and was substantially completed by January 1, 1983;

"(4) provide for complete amortization over a period of not to exceed thirty years, but provide that (A) the mortgage or loan payment shall be adjusted for the second, third, fourth, fifth, and sixth years of the mortgage or loan by increasing the payment required during each such year by 0.75 per centum of the original principal obligation, and (B) the amount of the increase will be applied to reduce the principal obligation;

"(5) provide, after the sixth year, for equal monthly payments in the same amount as the amount required in the sixth year, but only for the period necessary to pay off the remaining principal obligation;

"(6) have been accompanied by disclosures of the scheduled adjustments in the monthly payment and of the requirements of section (e);

"(7) be originated by a mortgagee or lender who is responsible and able to service the mortgage or loan properly;

"(8) in the case of a manufactured home loan, comply with the regulations issued under section 501(c) of the Depository Institutions Deregulation and Monetary Control Act of 1980; and

"(9) bear interest and contain such other terms and conditions as the Secretary may prescribe.

"(h) The Secretary shall allocate the amount available to carry out this program among the States on the basis of a formula so that—

"(1) one-third of such amount is allocated on the basis of the ratio of the population of each State to the population of all States;

"(2) one-third of such amount is allocated on the basis of the percentage decline in one-to four-family housing starts, measured from 1978 to 1981, of each State relative to the percentage decline for all States; and

"(3) one-third of such amount is allocated on the basis of the ratio of each State's number of unemployed persons for the most recent three-month period for which data are available prior to the allocation to the number of unemployed persons for all States for such three-month period.

"(i) Any mortgage insured or assisted under this hearing shall be eligible for purchase by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

"(j)(1) The Secretary shall assure that the amounts allocated pursuant to subsection (h) are made available in a manner which maximizes participation by eligible lenders and borrowers.

"(2) The Secretary shall maximize timely utilization of authority under this heading by limiting the time within which a firm commitment may be issued to ninety days after the commitment (other than a firm commitment) is made.

"(3) Nothwithstanding any other provision of law, the Secretary shall issue final regulations, make allocations, and begin to issue commitments pursuant to this heading not later than thirty days after the enactment to carry out this section of the bill.

"(k) The funds provided under this heading shall remain available for commitment until November 1, 1982."

The PRESIDING OFFICER. The Senator from Indiana has the floor.

Mr. RIEGLE. Could we have order, Mr. President, so the Senator from Indiana can be heard?

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, the amendment is now before the Senate. I shall be brief. It seems to me that debate has been extensive on the housing job stimulus amendment.

In my judgment, the amendment is imperative if we are to come out of recession during this year. The purpose of the amendment is to bring about the employment of 700,000 Americans—300,000 building houses, 400,000 in factories that will supply the houses. It will provide $2½ billion of new revenue from the income taxes paid by these employees and their employers. It will provide for a 4-percent subsidy for 400,000 families of low and moderate income, with that money to be retrieved and recaptured.

Mr. President, this is a program that terminates the 1st of November. The houses must be built this year. This is an idea whose time has come.

I deeply appreciate the confidence in the idea which was expressed this evening in a most unusual act taken by the Senate to suspend the rules.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. Mr. President, I hope the Senate would take just 3 or 4 minutes to listen to some figures that I think are very important in support of the Lugar amendment, because we have heard constantly not only from the administration but here on the floor that this is a budget-busting bill.

I think the Senate might be interested to know that where most of the cuts in the budget have come from in the last 2 years have been in housing. I would doubt that anybody could accuse this Senator over the last 8 years of being a big spender.

The total Government-wide rescissions from fiscal 1981, from Jimmy Carter's last budget, were $14.3 billion; the total HUD rescissions were $7.5 billion. Thus, 52 percent of the total reductions in the 1981 budget came in housing.

In fiscal 1982, total Government-wide rescissions are $10.7 billion; the HUD rescissions on the Senate side, not yet enacted, are $9.4 billion, or 88 percent of the total.

Now I have been told by some of my colleagues that if we just had a billion-dollar offset that they would be willing to vote for this.

I would submit there is a total of over $16 billion of offset for a $1 billion increase in just the last 2 years.

The Senate-passed version of the fiscal 1982 HUD appropriations bill was $2.1 billion below the House. In conference on September 10, 1982, the House agreed to reductions totaling $1.9 billion out of the $2 billion, or about 90 percent of the cuts.

On November 21, 1981, during the consideration of the conference report on the fical year 1982 HUD appropriations bill, I proposed further reductions totaling an additional $1.6 billion.

All of these changes were adopted by the House. On December 23 the bill was signed by the President. As enacted the fiscal year 1982 appropriations bill represented a reduction of over $14 billion in the regular fiscal year 1981 appropriations bill and a reduction of over $9 billion from the fiscal year 1981 recission level.

In fiscal year 1982, President Carter asked for 225,000 units of subsidized housing. President Reagan asked for 175,000. I cut that figure in the Banking Committee to 150,000. The additional action last November cut this number to 143,000. Now, we have more than $9 billion of additional recissions from that level.

Excluding housing, looking at H.R. 5922, there are 17 areas where we added money to the House-passed urgent supplemental and 4 areas where we reduced the House amount. The net effect of the above, excluding my housing section, is an increase of $1.327 billion. So we took the House bill, excluding housing, and added $1.3 billion. The HUD chapter is the only chapter in the bill which is below what the House recommended. In fact, every individual item contained in the HUD chapter represents a cut from the House level.

The housing chapter contains a net decrease in the House bill of $8.464 billion. This includes the $1 billion for the Senator LUGAR's bill. I agree, it would be a $9.4 billion reduction. It is only $8.4 billion. So the $8.4 billion reduction in housing, plus the $1.327 billion increase elsewhere in the rest of the bill, brings the total to $7.137 below the House, every dime of it and more achieved through cutting housing.

I would suggest the Banking Committee and the HUD-Independent

Agencies Appropriations Subcommittee for 2 years have made more than 50 percent of all the cuts in the total Federal budget. So if people want to be against the Lugar bill, that is fine, but to say that it is a budget-buster to add $1 billion in light of the facts is a little bit ridiculous and insulting of the facts, to say, "If I only had an offset of $1 billion I would be willing to vote for it." There is an offset of over $8 billion, even with the Lugar bill included.

If you want to subtract it the other way, it is still more than $7 billion. So let us put that argument to rest.

If my colleagues want to be against the Lugar bill, be against it because you do not like it and you do not think it should be done. But do not tell me that it is a budget-buster to add $1 billion back in when we have taken billions of dollars out. That is a pretty good trade. If every other committee had done as well, the budget would be pretty well balanced.

Mr. President, I ask unanimous consent that a table entitled, "Funding History of Assisted Housing and Section 8" be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FUNDING HISTORY OF ASSISTED HOUSING AND SECTION 8

[Dollar amounts in billions]

Fiscal year	Section 8 appropriations	Number of units
1980	$21.9	169,165
1981	17.1	153,985
1982 (enacted)[1]	13.5	98,231
1982 (H.R. 5922)[1] [2]	4.5	53,796

[1] Excludes conversions and amendments.
[2] Senate version.

	Billions
Assisted housing funding:	
Fiscal year 1980	$26.7
Fiscal year 1981 (including rescission of $5 billion)	24.9
Fiscal year 1982 (enacted)	17.4
Fiscal year 1982 (H.R. 5922)[2]	11.3
Fiscal year 1983	2.4
Fiscal year 1982 appropriations history:	
Enacted (Public Law 97-101)	17.4
Available from carry over and recaptures	+7.8
Total available (net units = 117,231)[1] [2]	25.2
H.R. 5922:	
Deferrals	1.8
Phos	.3
Rescission	5.9
Total (net units = 12,810)[1] [2]	17.1

[1] Excludes conversions and amendments.
[2] Senate version.

The PRESIDING OFFICER. The Senator from Washington.

Mr. JACKSON. Mr. President, I shall be very brief. This matter was debated at length yesterday. I would like to make only two points. One is that this is a bipartisan amendment offered by the distinguished Senator from Indiana. I commend him for the effort that he has made.

Second, this is not just a housing bill. This is an attempt to ignite a spark to start to turn the economy around.

I want to say to my colleagues that some of the most conservative businessmen in this country feel very, very deeply about the need to start to turn this economy around, Mr. President. If we do not do something to turn the economy around, we are going to face an even greater disaster, economically speaking, in this country.

Clearly, we cannot cut the budget deep enough, fast enough to keep up with the decline in revenue that stems from a rapidly declining American economy. That is the issue. That is why the deficit is growing. The deficit has been miscalculated over and over again because the assumption has been made that the economy would be picking up and, with it, revenue. Instead, the economy is declining. We all know the figures. Approximately $25 billion to $30 billion is lost in Federal revenue alone, Mr. President, with each 1 percent that is added to the unemployment rolls.

Mr. President, there is a lack of confidence in our economy. We have areas of this country where bankruptcies are the order of the day and some of the largest American corporations are in deep, deep trouble.

I believe this is a wise, prudent move. This is no wild-eyed idea, Mr. President, but a fundamentally sound proposal, supported by both business and labor. This measure is designed to insure that the Government will get its money back. And I think it will generate more revenues than will go into this initial investment.

I hope that the Senate will give a resounding vote of support for this amendment, and that we can get a sp[illegible] decision from the White H[illegible]

[illegible] Vote!

[illegible] OFFICER. The [illegible]

[illegible] Mr. President, I [illegible] and shortly will send to the P[illegible] of the United States the following letter:

DEAR MR. PRESIDENT: Tonight's vote shows that your veto of H.R. 5922 will be sustained.

If there is one thing that has become clear in 3 days of this issue, it is that the more people reflect upon the question of mortgage interest rate subsidies, the less comfortable they are with the idea.

Under the circumstances, I must say it is very tempting to take full advantage of the 90 or so hours of cloture time available. It is not my disposition to do that for a couple of reasons: First, because I think we have proven our point. I think we have shown rather conclusively that there are serious doubts and reservations about this. It is not my desire to necessarily try to detain Senators. I do not think there is need to go further into extended debate at this time. I would reserve the right to consider doing that if, as, and when this bill comes back from the conference. The conference report will be subject to debate, amendment, motions to defer, and so on. Whether or not that will be wise at the time, I will reserve judgment on. But it is clear that if, as expected, the President casts a veto on this bill, there is every reason to suspect that we will be able to sustain it.

Mr. President, I only want to make one additional point.

That point is this: Contrary to what has been said within the last 5 minutes, we are not talking about a $1 billion appropriation. We are talking about a $5.1 billion appropriation. I just point that out because we are talking about big money here. We are talking about funds that we declined to make available last week for veterans, pollution control, education, the handicapped, and other worthwhile and necessary programs, on the ground that to increase spending for these programs would be injurious to the economy, which I devoutly believe to be true. I think we were right last week. I think we are wrong if we adopt this at this time.

However, Mr. President, I feel I have had my say.

It has truly been said that those who are unwilling to learn from mistakes of the past are doomed to repeat them.

Unless the Senate is prepared not only to repeat, but indeed to amplify colossal faux pas of the past, we must delete from the so-called urgent supplemental appropriation bill new spending for housing subsidies contained in the bill.

In a moment, I will ask my colleagues to seriously evaluate the more than $250 billion which the Federal Government has committed to subsidized housing since 1937 and to join me in trying to consider which programs have been successful and which have not and the reasons why—in short, to attempt to learn from mistakes we have already made. I believe a brief review will convince many Senators the programs proposed in this bill are likely to repeat and worsen the mistakes which now plague Federal housing policies. But before surveying the minefields through which we have already come, I would like to point out several specific concerns about the legislation and funding in this urgent supplemental:

THE URGENT SUPPLEMENTAL (H.R. 5922) SHOULD BE STREAMLINED OR DEFEATED

The bill provides $2.2 billion in spending above the level requested by the President.

The Administration requested $3.6 billion as urgent supplementals and the Senate bill increases this amount by $321.9 million.

In addition to supplementals identified as "urgent", the bill provides supplemental funding for various other programs, some of which had pending Administration supplemental requests. In this "non-urgent" category, the Administration's requests total somewhat over $1 billion. The Senate bill adds another $1.7 billion on top of that.

In the housing area, this bill includes savings (rescissions) recommended by the Administration, but does not accept the full total of the Administration's recommended savings . . . thus adding $208.7 million in more spending.

The cumulative effect is that the Senate bill provides $2.2 billion in more spending than that proposed by the Administration.

The bill contains an authorization for an entirely new, $5 billion housing subsidy and further provides an appropriation under this program of $1 billion to be committed before November 1st of this year.

The bill includes the full amount (over $1 billion) requested by the Administration for food stamps, but does not include legislative language requested by the Administration to alter current benefit levels.

The Senate bill accepts House language putting sand and gravel operations back under the jurisdiction of the Mine Safety and Health Administration (MSHA) instead of the Occupational Health and Safety Administration. Last year, on two separate roll call votes, the Senate rejected this change (November 19th on a vote of 35-63 and December 11th on a vote of 38-54).

ASSISTED HOUSING PROGRAMS INCLUDED IN THE URGENT SUPPLEMENTAL

None of the $6.7 billion in new spending contained in the bill for subsidized housing is considered urgent by the Administration.

This bill proposes terminating new starts for the Section 8 new construction program while at the same time substantially increasing financing and other subsidies to accelerate construction and occupancy of Section 8 units not yet built.

The Administration proposed rescissions that would have deleted funding for 22,083 units. The Senate Appropriations Committee increases funding so that 26,903 units will be added to the HUD "pipeline". This does not include the 30,000 units that will receive the additional financing subsidies included in this bill.

Even excluding the increased units authorized in this bill, there are some 200,000 units in HUD's pipeline waiting to be built or occupied.

This legislation is supposed to appropriate funds that are urgently needed for fiscal year 1982. Yet this bill provides $1.3 billion in new spending for fiscal year 1983 . . . to finance 9,000 new units of subsidized housing.

HUD reports there are 5,073 units in 62 projects of public housing vacant and boarded up. Even though vacant, these projects still were financed through bonds for which the federal government is liable to meet payments. This bill provides an additional $89 million to rehabilitate these vacant units.

HUD is yet to implement provisions from last year's Reconciliation bill that would reduce costs of assisted housing program.

This supplemental provides funds for new units of assisted housing at the same time it is being forced to cancel housing contracts for units already provided to tenants . . . possibly leaving as many as 1,000 households now receiving assistance without hope for future assistance.

The supplemental appropriation is inconsistent with last week's action on the budget resolution. If approved, it will undermine the credibility of Congressional efforts to restrain spending.

Worthy and popular programs for education, pollution control, veterans, the handicapped and others have been curtailed because of budgetary constraints. How can we explain why these programs had to be restrained, but there is money enough to start new programs?

The Administration opposes the housing program contained in this bill.

The housing provision of this bill sets a horrible precedent; how in the world can we say "no" to buyers and sellers of resale housing after pitching in to help out the builders, sellers and buyers of new homes. How can we say "no" to others in our economy who are suffering from high interest rates . . . small business, family farmers, automobile manufacturers, airlines . . . for that matter, virtually every family and business in America?

Mr. President, I applaud the spirit which motivates Senators to propose assistance for the Nation's homebuilders and their customers. As for the builders, I count among them dozens of good friends; I admire the men and women of this industry for more reasons than time permits me to cite here today. I feel a sense of kinship and brotherhood with them as individuals and for the contribution they make to the well-being of this Nation. But I do not think we do them any favor by adopting special legislation of this type. On the contrary, I agree with the statesmanlike resolution adopted by one State association of homebuilders recently which states, in part, the recommendation that:

> The National Association of Home Builders devote its full and complete efforts, lobbying and otherwise, to the objectives of achieving a balanced Federal budget.
>
> That, in furtherance of that primary and overriding objectives, the NAHB . . . adopt a policy of requesting no Government subsidies or other deficit increasing special legislation for the industry.

I am also deeply sympathetic to would-be buyers of new homes. I am convinced that homeownership is a cornerstone of the American dream and the opportunity for homeownership is a major national priority. But the proposal contained in this so-called urgent supplemental, far from advancing the cause of homeownership, actually is a setback for most families' efforts to achieve that goal. Why? Because it will add to the deficit, undermine congressional credibility in our determination to control Federal spending and, thereby, postpone the lowering of interest rates which will bring homeownership back within the reach of all or most American families.

Mr. President, let us look at the record:

Since 1937, more than $250 billion has been committed to Federal subsidized housing; more than half of this enormous sum was obligated in the last 8 years alone. Some 6 million Americans live in 3 million subsidized units. By this standard, Congress might appear to have been sensitive to the poor. On closer inspection, however, the facts show Federal housing is not only insensitive to the poor, but also intellectually and fiscally bankrupt.

From 1937 to 1969, public housing was the major Federal housing program. Construction of these units was federally financed, and local public housing authorities (PHA's) operated the units. Because of the low-cost financing, rents were reduced, and made available to the poor. No Federal operating subsidies were used, and virtually all PHA's met their costs, and even established reserves to meet replacement and emergency costs.

Yet concerns were raised that this system created instant public housing ghettos, and that tenants paid too much of their incomes for rent. Rushing to the rescue, Congress enacted requirements that tenants had to pay no more than 25 percent of their income toward rent. While assisting tenants, this reduced the operating income of PHA's, so Congress created another new program—PHA operating subsidies designed to keep PHA's solvent.

This cure proved almost worse than the disease, however. By 1975, all large PHA's had exhausted their reserves, operating deficits mounted forcing Congress to enact larger and larger operating subsidies. We are to the point now where:

There are 383,000 units located in PHA's that are financially distressed, to the point of bankruptcy.

PHA's across the country are now suing HUD because the current operating subsidy is unfair and unworkable.

PHA's have not rented up units that have become vacant because they lack the money to do so. Incredibly, PHA's have told congressional committees that they are thinking about boarding up units that are currently occupied.

Legislation before the Senate authorizes the expenditure of $4.25 billion in PHA operating subsidies. Even though a staggering sum, it is only enough to keep them solvent 3 years.

So, in essence, with this mortgage subsidy legislation we are creating another new housing program without permanently solving the problems of assisted housing—problems so serious that housing now provided may be closed, potentially leaving present tenants out in the cold.

In the sixties, Congress was not just concerned about excessive tenant contributions to rent. It also wanted to stimulate private ownership of subsidized housing—in itself a noble goal. So Congress launched a series of rental subsidy programs that directly subsidized owners and landlords renting to low-income tenants. Again, the cure proved worse than the disease. The costs and inequities of these programs—known as the sections 235, 236, and 221 programs—led to critical reports by the General Accounting Office. Costs rose so high that a Presidential impoundment of the funds was ordered. Even so, today Congress still funds commitments made under these programs, and will continue to do so for the next decade.

In 1974, Congress approved a new housing program—section 8. This program rose like a phoenix out of the ashes of the previously discredited programs. It was hailed as the solution to the Nation's low-income housing problems. It was said the new program borrowed all the best features of earlier housing programs. But from the start, section 8 proved ill-conceived, poorly managed, and scandalously costly. Its initial appropriation was modest—only $42 million. But in 8 short years Congress committed to section 8 more than $145 billion. Some 1 million units were built or leased, and 200,000 are awaiting occupancy. The Congressional Budget Office at one point estimated that a newly constructed section 8 unit could have a lifetime cost of more than $700,000. Eligibility was so broad that 40 million Americans—a GAO figure—were eligible for the subsidy. Abuses abounded. Published reports documented that section 8 was a program for the "greedy, not the needy." Elaborate housing was built that lined the pockets of the developers at the expense of the poor. Other scandalous practices were reported:

Section 8 contracts were given to developers who, coincidentally, contributed significant campaign sums to reigning politicians.

Illegal aliens were housed in subsidized units.

Those with incomes exceeding section 8's already broad eligibility standards lived in units built for the poor.

Newspaper and magazine headlines screamed "Billion Dollar Nightmare at HUD"; "Very Poor Last in Line to Receive Federal Housing Assistance"; "Taj Mahal in New York: Symptoms of Rent Subsidy Headaches"; "Housing and Politics: The Way It Works."

Last year, Congress finally woke up to the horrors of section 8, slashed funding for new commitments by 40 percent, and adopted program reforms.

Even with these desirable changes, the fact remains that in future years Congress will have to spend more money to bail out this program. Poor budgeting and dismal planning plagues section 8 with a huge unfunded liability—estimated by the Congressional Budget Office to be as large as $50 billion. That is in addition to the $145 billion already committed. This $50 billion will be needed just to keep existing section 8 units available to the poor.

This year, the administration and Congress may finally do the sensible thing—refuse to commit funding for new section 8. Yet it is replacing section 8 with a new untried, untested program—much the same way that section 8 replaced the section 236 program, which replaced the section 235 program, which replaced the section 221 program—which supplemented the public housing program. All have proved to be financial failures. Worse, the commitments these programs made to the poor are in jeopardy.

Another new program just authorized by the Senate Banking Committee has the potential to be even worse than its predecessors even thought of being. The program's august title is the "Modified Section 8 Existing Housing Assistance Program." In reality, the program is a housing voucher which is virtually rent stamps.

This program is being sold as the inexpensive, modest way to replace the horrible section 8 new-construction program. But that is exactly the same way its predecessors were sold to Congress in earlier years. And it is exactly the way food stamps began in 1964 with an initial budget of $860,000, and has since grown to $11 billion. Will Congress, 10 years from now, look back and observe that a multi-billion-dollar annual program began with only a modest few hundred million? Recent experience certainly indicates that to be the case.

Commonsense dictates that this voucher or rent stamp program ought not to be created. By creating a new program, Congress will only continue in its tradition of walking away from the problems of other housing programs. It is also highly inequitable. The program expects to house 50,000 new households, yet millions are eligible. Who among us has the wisdom necessary to decide the 50,000 most needy who will benefit from this program?

It is equally perverse to create a new program when Congress is now cutting back on programs near and dear to the hearts of Americans. Other committees in Congress are now proposing to scale back the once sacred cost-of-living adjustments for Federal entitlements, food stamps, aid to families with dependent children, medicare, and other human services. Is it logical for one committee to spend the money other committees propose to save? Is it logical to commit funds to a new housing program when the housing programs now on the books are in financial jeopardy?

We are already paying the piper for hasty decisionmaking in Federal housing policy. Indeed, the bill now before us picks up the tab for poorly thought-out aspects of Federal housing policy. For example, this bill adds an additional $1.1 billion to the already appropriated $1.5 billion in preconstruction cost amendments. This is an intriguing device—let me explain how it works with an example. HUD will agree in 1980 to enter into a contract with a developer for a section 8 project and will reserve budget authority for the project. For a variety of reasons, construction will not begin until 1982. In the interim, costs have increased, and the developer cannot build the project for the money initially reserved. So HUD has to reserve additional budget authority, and the authority is reflected in requests to Congress for additional amendments. This is bad policy.

First, it is nothing more than a shell game. HUD submits a budget request for budget authority to supposedly build a certain number of units. HUD and some in Congress know the amount reserved will be insufficient, and Congress is forced to fork over additional money.

Second, it provides little incentive to the developer to reduce costs. Remember that developers are paid on the basis of a percentage of the costs of the total project—the more dollars, the more the percentage.

Third, even with these amendments, HUD is still understating the total costs of the project. It is to the point where CBO says that as much as $50 billion in additional money will have to be furnished by Congress to keep operating those section 8 units now being provided to the poor.

Another example of the effect and consequences of hasty decisionmaking is reflected on page 16 of the committee report where an oblique reference is made to "recapture of budget authority for 5-year opt outs." Here is the background: When section 8 first started, contracts with developers were written with 20-year terms, but would be renewed every 5 years at the option of both the developer and HUD. Each had a veto. But you will recall that section 8 was built with financing subsidy, assume on resale, and the units were high quality, and well located. Many have substantially appreciated in value. And these are being sold by developers either as condominiums, or as middle-class tenants. As a result, neither HUD nor the tenants can afford the higher rents or mortgage, leaving the tenants out in the cold. I believe 1,000 units are affected by this 5-year, opt-out clause.

Enter rent stamps: People are concerned about the tenants who are going to get thrown out. Included in the rent stamp bill now pending before the Senate is a section giving these tenants first priority for existing housing certificates. In other words, a bailout, and an expensive one at that.

But the issue before us today is not the past history of Federal housing or rent stamps, but the future of the so-called urgent supplemental, and more specifically the funding levels it contains for assisted housing and the new $1 billion mortgage subsidy program. The new mortgage subsidy program repeats all the mistakes of earlier housing programs.

First, the new program was hastily conceived. The Senate Banking Committee reviewed the proposal, held hearings and reported legislation to the Senate in only 6 weeks. Yet without even waiting for the Senate to act upon the bill (S. 2226), the Appropriations Committee has included funding for this untested, untried, unauthorized, and undebated program in the urgent supplemental.

Second, the program commits huge funds for an untried, untested program. As already noted, Congress wasted billions finding their latest gimmick in Federal housing policy simple does not work. In fact, the irony is that the urgent supplemental terminates new starts for the section 8 program. So we are starting a new untested program, at the same time we are terminating one program that was tested and has proven to be an absolute disaster.

Third, this program simply has not been thoughtfully designed. Let me discuss a few of its inadequacies.

Finally, Mr. President, I would like to place past, present, and furture housing policy in perspecitive, and as it relates to the bill now before the Senate. There is incredible irony in Federal housing policy decisions that are included in this bill.

First, this urgent supplemental terminates new starts for the section 8 program—a program proven to be a costly nightmare. At the same time, this bill substantially increases funding to help pay for cost overruns that have incurred for section 8 units not even built. These cost-overrun payments are euphemistically called in this bill "preconstuction cost amendments", and the bill adds $1.1 billion in such amendments for a fiscal year 1982 total of $2.65 billion. That is not all, however. The bill also substantially increases financing subsidies for section 8 units now in the so-called HUD pipeline—units for which funding was previously authorized. In other words, 200,000 units that cannot now be built because of high interest rates and because of their high costs would receive financing subsidy. Originally, the administration favored reducing this subsidy, but later recanted, and proposed a $2.3 billion increase for a fiscal year 1982 total of $3.7 billion. Keep in mind this financing subsidy is in addition to already deep tenant subsidies that pay the difference between the cost of the unit and 30 percent of the tenant's income for rent.

The effect of the cost-overrun supplemental and the financing subsidy is to accelerate production of section 8 units. Perhaps the manager of the bill can answer this question: Is the housing policy contained in this bill the termination of the section 8 program, or is the policy to accelerate funding for the program?

Second, this bill, as already noted, recaptures unused budget authority for section 8 units that have opted out of the program. The tenants now living in these units will essentially be tossed out into the cold—they have no guarantee of receiving further subsidy. So at the same time we are losing units of subsidized housing for the poor, this program seeks to further expand production of more housing for middle-income Americans. Is the policy of this bill to assist the middle class at the expense of the poor, and then force the poor to help pay part of the cost through their tax dollars?

Third, this bill also provides an additional $254 million in operating subsidy for public housing without making or suggesting that Congress take constructive action to end the factors responsible for the appropriation of the operating subsidy. Is the policy of this bill to continue to throw money at a problem without ever solving it?

Fourth, this bill is supposed to be an urgent supplemental for fiscal year 1982. Yet, incredibly, this bill funds new spending for 1983. To quote the committee report:

> In addition, the committee has also provided funding for some fiscal year 1983 priorities from the funds that were proposed for rescission.

Is the policy of this bill to provide urgently needed funds for this fiscal year, or to appropriate new spending in 1983? Is it not logical to wait until the 1983 appropriations bill to fund these programs?

Fifth, in this time of fiscal restraint, this bill adds 26,903 units to the HUD pipeline. But there are some 550,000 units already in the pipeline and this is in addition to the 3.3 million households already receiving Federal housing subsidies. And, incredibly, another 80,000 families will receive the mortgage subsidy assistance contained in this bill. When will it all end?

I suggest now, the Senate should repudiate the mortgage subsidy program, and vote to delete the housing portion from the bill. None is considered urgent by this administration, and none of the spending is requested by the administration. The best the Senate should do is to approve the rescissions recommended by the administration.

The PRESIDING OFFICER (Mr. ANDREWS). The Senator from California.

Mr. HAYAKAWA. Mr. President, I rise in opposition to the amendment offered by my distinguished colleague from Indiana. The amendment seeks to bring prosperity back to the housing industry by providing a subsidy to certain home buyers for the purchase of newly constructed dwellings. I sincerly question whether this legislation will succeed in doing anything but aggravate the depression currently affecting the housing industry.

The Senator from Indiana claims that this amendment will provide 700,000 jobs and cause 450,000 new homes to be built, by providing a $1 billion subsidy to home buyers. I remember last year at about this time the housing industry lobbyists convinced the Congress that the housing crisis would be over, and cheap mortgage rates would be available if only a tax-exempt certificate with the proceeds directed to housing would be enacted. It was, but the housing crisis is still with us.

This proposal does not even enjoy the broad support that all-savers did—although that may be an asset. This year, the Federal Government will spend $17.3 billion on the various housing subsidy programs and yet housing starts are at a post-World War II low, and sales of previously built homes are flat. I do not think that adding $1 billion each year in Federal subsidies will solve the housing situation. This is just a quick fix to get housing started, and, frankly, there is no way to predict what the results will be. Neither all-savers nor current programs have contributed in a positive way to creating affordable housing, and I am not convinced that this legislation will.

In addition to my general concern over this subsidy, I am very concerned about its specific provisions.

The amendment authorizes $5.12 billion during the next 5 years to reduce mortgage interest rates on new homes by up to 4 percent. While S. 2226 increases first year outlays by $1 billion, Senator LUGAR estimates an offsetting revenue increase of up to $2.5 billion in personal and corporate taxes in the first year after enactment.

Under this plan, the Federal Government provides a subsidy of up to 4 percentage points of mortgage interest or a reduction of the market rate to 11 percent, whichever will cost less. A family's mortgage payment would increase each year but the additional payment is used to make principal payments. As designed, a family's payments would increase by 0.75 percent of the mortgage amount each year. Over 5 years, the amount the family pays increases and the Federal interest reduction decreases. By the sixth year, the family is required to make payments at the interest rate of the original mortgage.

Individuals qualifying for these special reduced mortgage interest rates must repay the full amount of the subsidy to the Federal Government upon resale or refinancing of the home.

The Lugar amendment is directed to help low- and middle-income families afford a new home.

It must be emphasized that this legislation is a temporary emergency action intended to provide immediate jobs for the depressed housing industry, while encouraging immediate purchases of new homes by families that cannot now afford them. As such, it creates an artificial job market, and an artificial demand for housing—without addressing the long-term needs of the housing industry in particular, or the economy as a whole. The Lugar amendment encourages Government intervention in a dangerously brittle market without regard to its effects on other equally complex markets. While the housing industry is undeniably depressed, so are many other less vocal, productive industries.

Providing a bailout for housing, such as this, offers nothing for the economy as a whole, and interferes with the natural market forces that tend to bring the economy into equilibrium. It is a continuation of the classic liberal philosophy of Government that intervention by Government is preferable to any economy regulated by the market. As such, the legislation violates the very tenets of the Reagan economic program, which I have supported vigorously.

In addition to market considerations, it is important to also understand what this legislation will do to families encouraged to buy new homes. Under the bill, families that cannot currently afford to buy a home will be lured into purchasing one through a reduced interest rate mortgage.

However, the mortgage interest increases each year until, 5 years after the home is purchased, the family is paying the full rate specified in the same mortgage that they could not afford earlier. The bill is nothing more than a trap for unsuspecting buyers—it assumes that inflation will push family incomes up far enough in 5 years that they can afford an additional 4-percent interest payment; on a $100,000 home, that comes to $335 per month more in interest payments. If the Reagan program succeeds, as I believe it will, inflation will not be sufficient to drive up wages to meet the extra expenses.

Thus, when the Federal assistance is no longer available, the families will be in the same position as they are in now—not being able to afford a home. Under this proposal, however, they will have committed to the home, and will be stuck with it, like a millstone around their necks. They will inevitably be forced to sell or default. If a large number of these program participants find they cannot afford their homes, the market will once again be flooded with overpriced homes, and we will experience another housing depression—this one caused by the same Government program designed to stop the current depression.

Finally, I am concerned that, because this subsidy is designated only to newly constructed homes, families will again migrate from the cities to newly created suburbs. We have legislation pending in this body to provide incentives to individuals and businesses that are willing to move into distressed urban areas—areas that were created by the same migration this legislation is creating. Are we going to bail out builders on the one hand and bail out decaying cities left behind by those builders on the other?

The solution to our housing crisis is not a quick fix—it is reducing interest rates. The only way to reduce interest rates is to reduce spending, and reduce the deficit. That is the only answer.

I therefore urge my colleagues to reject the Lugar amendment.

Mr. SYMMS. Mr. President, I rise in opposition to the amendment being offered by my good friend, Senator LUGAR. I respect Senator LUGAR's efforts, and his concern over the plight of one of America's foremost industries—the housing industry.

The housing industry in this country is in the midst of an unprecedented disaster. In March of this year, housing starts were down 28 percent from the level of the previous year. This marks the fourth straight year of decline in the housing industry. Housing starts in the private market today are less than half of what they were in 1978.

A decline that long and that steep can only be called a depression in the housing industry. A depression in the housing industry in the United States has a double impact in Idaho because when the housing industry is down, the timber industry is down. Timber is the fourth largest industry in the State of Idaho and a major employer throughout the Pacific Northwest.

Because of the depression in both the housing and timber industries, unemployment in my State is at an all-time high. In fact, the State of Idaho now has a negative growth rate. Families are being forced to separate or relocate simply because there are very few jobs available in these industries in my State.

Consequently, I can assure my colleague that I am extremely concerned over the plight of the housing industry, nationwide. The economic health of my State is dependent on the national health of this basic industry.

As a result of my deep concern over this issue, I have carefully weighed the issue that we are currently discussing in an effort to try to determine if this stimulus program will be helpful to the economy as a whole, and the housing industry in particular.

The problem today is that housing simply cannot be afforded by the typical American citizen. It is not that the construction costs have increased per se in the past few years. In fact, there has been almost no change in the cost per square foot of the housing built in the last 2 years.

The problem is interest rates. In 1978, the last good year for housing, the mortgage interest rate was just under 10 percent. Today, that rate is up to about 16 percent or better. As interest rates on mortgages went up by half, the production of housing went down by half.

So the question remains, Will we bring interest rates down over the short term and the long term by spending $5 billion in a housing stimulus program. The answer is "No."

The reason the housing industry is down, along with a number of other major industries, is because whenever Congress has had to face a problem in the last 40 years, Congress always threw money at it. By always trying to buy their way out of problems, Congress has exacerbated the problems of the economy.

This measure is possibly the worst thing that can be done for housing. It sends the worst possible signal to the Nation's financial markets. It sends the signal that Congress is conducting "business as usual," that nothing has changed, and that the Congress does not have the fortitude or the statesmanship to pursue a course of action that may not be politically popular at the moment, but which will ultimately pull us out of the current recession. We simply must face the fact that we cannot continue to buy our way out of problems. We ought to recognize that in this time of budget crisis, we should not embark on some new financing program or some new Government stimulus program, however worthy the cause.

I know that the proponents of this legislation are suggesting that this bill will provide tremendous reflows of revenue to the Treasury because of all of the increased economic activity that is supposed to take place if this legislation is implemented. That argument is based on the logic that we can spend ourselves into prosperity.

The simple fact of the matter is that short-term and long-term interest rates will not be reduced as a result of the passage of this legislation. If anything, those interest rates might actually increase and cause further distortions in the economy.

Besides this amendment being bad legislation because it is simply another congressional bailout, it is also bad legislation because it continues the practice of having Congress decide which group in our economy should receive preferential credit treatment. In this proposal, individuals with incomes below $30,000 are more creditworthy than individuals with income above $30,000, or are more creditworthy than any other individual, business, or corporation seeking credit without a Federal subsidy. Today, $5 out of every $8 available in the financial markets has been directed by the Federal Government. We are reaching a point where the Federal Government will be in a position of deciding who should and should not receive credit, instead of the market.

This legislation will not help our economy and it will not help the housing industry. I strongly urge all of my colleagues to reject this amendment because it is simply nothing more than another Government bailout, which will ultimately do more harm than good not only to my State, but to the overall economy.

I ask my colleagues to note an editorial from the Washington Times, and I ask unanimous consent that it be printed in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Little Help on Mortgages?

Here we go again. On the way out of recession. The drumbeat of recovery, faint but discernible, in the distance. Interest rates poised for descent like an eager high-diver. And what does the House do?

Votes a $1 billion bailout for the housing industry. Which not only flies in the face of basic Reagan policy. But also would do its thing at the wrong time, after recovery's started. Result? Upward pressure on interest rates just when they should be coming down.

It's so-called counter-recession efforts like this—that in the aggregate provide too much too late—which turned the recovery from the 1973-74 recession into a howling inflation (remember when you had to grab the can of beans from the grocery clerk before he restamped it 10 cents higher?). And set the stage for the present downturn.

How's this latest example of the bad art of fine-tuning supposed to work? Well, Congress, which has been looking under chairs, tables and desks for a few billion here and there to trim from the budget, would hand out this $1 billion to homebuyers. To knock down their mortgage interest by up to 6 percentage points.

Makes your mouth water—doesn't it?—if you've been aching to buy a house but couldn't handle 18 percent interest. Why, this bill would give you up to $67,500 (or $90,000 in high-cost places like Washington) in subsidized mortgage relief. At, say, 12 percent instead of 18 percent.

Of course, that's borrowed money. Borrowed from the government, which in turn will have to go out and borrow it back from you and your neighbors to cover its own deficit. And the more government borrows, the less there's available for the business down the block that wants to borrow some money in order to restock its shelves and replace its aging delivery trucks that are always breaking down. And rehire a couple of stockboys.

But you get your subsidized mortgage. And builders get to sell their houses. No wonder House Democrats and most of their Republican colleagues voted for the bill. They think they'll get patted on the back by constituents who don't know better. Who still think that when the government gives away something, there's no cost attached.

A deceitful "lousy way to run the government?" Yep. That's how House Republican leader Robert H. Michel put it. "This billion-dollar bailout has all the potential of becoming another of our great multibillion boondoggles," he added.

We couldn't have put it better. Unless we said what Rep. Dick Cheney, the Wyoming Republican, said: This "turkey" would "send the wrong signals to Wall Street" by increasing rather than reducing the deficit. And help keep interest high enough to throttle recovery.

We'd add one other thing. Interest rates, including home mortgages, will be coming down soon, we suspect, provided lenders have good reason to believe two things. That White House and the Federal Reserve Board policies will remain consistently and courageously anti-inflationary. That government taxing and spending policies will stick to emphasizing supply over demand.

But let Congress start up its old stimulus act, pumping billions into make-work jobs and special-interest subsidies—and taxing the rest of us to pay the bill—and the game's up. This economy will be running like a Model-T with a clogged fuel line and worn pistons again—coughing, lurching and stalling its way toward the junkyard. All it takes is a billion here for mortgage subsidy, a couple billion here for rent subsidy, a few billion there for farm subsidies, another few billion for. . . .

Well, you get the idea. The question is, will recession-scared lawmakers get it?

Mr. SYMMS. I would make just one point in deference to my colleagues in not delaying this debate. I want to make mention of the point that in my own State, Idaho, the fourth largest industry in the State is the timber industry.

There is a depression in the housing industry in the country. I am well aware of it. I feel very sad for the situation that we have run into with respect to these high interest rates.

In my own State, it is doubly hit by the decline in housing because of the fact that we are a timber producing State and we have high levels of unemployment in addition to the unemployment felt in the housing industry. In addition, our State has gone from being one of the most rapidly growing States to one that has a negative growth rate now as a result of high interest rates.

In my opinion, the passage of this amendment tonight is going to send a signal to the financial markets that the Congress of the United States really does not mean business with all this talk we have heard for the last 18 months about reducing Government spending. So we are sending out the same old signal we have been playing in this town for the last 4 years, that we will have a little bit for this group, a little bit for that group, and somehow we will make it all come out in the end.

The fact of the matter is, Mr. President, that this amendment, I believe, as more and more people in the country and more and more editorialists and other people have the opportunity to study it, will not ever become law. I hope those financial markets will not signal this tomorrow. I hope they will pay heed to what Senator Armstrong has said and I hope our good President will veto this bill—not because I do not want to help the housing industry, because it is my most ardent wish to help the housing industry. But I do not believe this medicine is going to do any good for the industry or anybody building houses. The best thing that could happen to the housing industry is to have Congress pass this bill or some bill to bring about a reduction in the spending at all levels of the Government, reduce that strain of borrowed capital, reduce that credit shortage that Senator Domenici spoke of earlier before the last vote, and see these interest rates come down. Then all Americans can go back to work.

In addition to the plight of the housing industry, the automobile industry is in a plight, the farmers are in a plight. In my State, 25 percent of the FHA loans are delinquent at the present time. What do we do, get a bill next week for that group and another one the next week for the next group?

I urge my colleagues to reject this amendment and let us get a strong vote on the bill.

Mr. STEVENS. Mr. President, this bill will not even affect my State. We have tried to change it and have not been able to. I still support the concept. I hope the President will not veto it. It is my opinion that it is a small gesture toward restoring an industry that is vital to the country. Its cost will decline if the interest rates go down.

The Senator from Indiana has come up with a very interesting mechanism to attempt to really stimulate the economy without excessive cost. I do believe it deserves the reexamination that the Senator from Utah has urged every Member to give it, in terms of what is the long-range fiscal impact of this proposal if the economy, in fact, does turn around.

Again, I want to say for the record that I changed my vote to vote against the motion to suspend the rules in order that my good friend from Minnesota could be properly recorded in his absence. I do intend to vote for this amendment now.

Mr. DOMENICI. Mr. President, I have a rather detailed statement on H.R. 5922 with reference to the technical matters of relating it to the budget resolution for this year.

Mr. President, H.R. 5922 as reported by the Appropriations Committee would reduce budget authority by $1.3 billion in net from existing levels but the bill would increase outlays by $1.9 billion. The bill would be under the aggregate spending ceilings in the revised second budget resolution (S. Con. Res. 92) as passed in the Senate last week by $8.7 billion in budget authority and $0.8 billion in outlays. The bill as reported is also below the aggregate ceilings in the second budget resolution for fiscal year 1982 (H. Con. Res. 50) by $15.9 billion in budget authority and $0.4 billion in outlays using the earlier economic assumptions on which that resolution was based.

Mr. President, I ask unanimous consent that tables showing the relationship of this bill to the congressional budget be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOMENICI. Mr. President, major items in this bill, as reported, include funding for EPA construction grants, guaranteed student loans, food stamps, and housing production as well as significant rescissions in the assisted housing programs. The bill is generally consistent with the assumptions of Senate-passed revised second budget resolution except for a total of $0.4 billion in budget authority and $0.1 billion in outlays primarily for Community Service Employment for Older Americans and for postal subsidies. If the bill as reported becomes law, later supplementals will need to be held below the levels assumed in the budget resolution in order to keep total fiscal year 1982 spending within the totals provided for in the Senate-passed budget resolution.

H.R 5922, as reported in the Senate, contains $7.5 billion in housing rescissions not in the House-passed bill. It is imperative that most of these rescissions remain in the final bill as conference action is completed. Without these rescissions, very little spending in later supplementals would be possible.

Today, we again are providing more funds for the guaranteed student loan program. We have no choice; the guaranteed student loan program is an entitlement and the additional money is necessary to complete fiscal year 1982. Expenditures for the GSL program have increased by 3,000 percent in the last 5 years.

Its growth rate has been faster than the growth rate of social security, medicare, or medicaid. It has grown faster than prices, wages, or even taxes during the same period. This growth is clearly unsustainable.

Reform of the GSL program must be a top priority. Eleven days ago, Senators HATFIELD, DOLE, and MCCLURE joined me in introducing legislation that would reform the guaranteed student loan program. The additional GSL appropriations included in this bill illustrate the urgency of GSL reforms. I urge other Senators to join us in this effort.

EXHIBIT 1

COMPARISON TO SECOND BUDGET RESOLUTION (H. CON. RES. 50)

[In billions of dollars]

	Fiscal year 1982	
	BA	O
Existing current level [1]	757.1	694.7
Second budget resolution totals (H. Con. Res. 50)	770.9	695.4
Amount remaining	13.8	0.8
H.R. 5922, as reported	-1.3	0.6
Less items in H.R. 5922 already in current level	0.8	0.2
Net impact: H.R. 5922, as reported	-2.1	0.4
Amount remaining	15.9	0.4

[1] "Existing current level" represents the CBO estimate of the cost of congressional action to date plus the cost of entitlements and other mandatory items that have not yet been enacted. These amounts not yet enacted are carried in the current level estimate because under existing law their eventual enactment is highly likely.

COMPARISON TO SENATE-PASSED REVISED SECOND BUDGET RESOLUTION (S. CON. RES. 92)

[In billions of dollars]

	Fiscal year 1982	
	BA	O
Existing current level [1]	771.5	738.6
Senate revised second budget resolution totals (S. Con. Res. 92)	777.6	740.8
Amount remaining	6.1	2.2
H.R. 5922, as reported	-1.3	1.9
Less items in H.R. 5922 already in current level	1.3	0.5
Net impact H.R. 5922, as reported	-2.6	1.4
Amount remaining	8.7	0.8

[1] "Existing current level" represents the CBO estimate of the cost of congressional action to date plus the cost of entitlements and other mandatory items that have not yet been enacted. These amounts not yet enacted are carried in the current level estimate because under existing law their eventual enactment is highly likely.

Mr. DOMENICI. Mr. President, I know the senior Senator from Utah, in referring to those who have called the Lugar bill a budget-buster, was not talking about this Senator. I have spoken to it and I think I have been accurate. I have not referred to it as a budget-buster because, in the technical sense, it is not.

I think, Mr. President, the senior Senator from Utah, my good friend (Mr. GARN), in describing the savings that have been made in the field of housing, while he has been accurate, I do not think one should assume that the large figures that he has stated about savings are directly related to the kind of expenditures that are going to occur under this bill. Most of the savings that the Senator referred to are budget authority and most of it is for section 8 housing.

I think we all know what that is. That is 30-, 40-, 50-year commitments and when you reduce the $1 billion, you reduce the $1 billion over 30, 40, or 50 years, whatever that section 8 housing is. I think over $20 billion of that saving referred to—not said by way of criticism. It is rather admirable that he and his committee were able to do that. This is a program whose time has come, somebody said here tonight. But that is a program whose time has come for an end. Everybody says that is a lousy program.

So when we talk about this—that it is a billion dollars a year in outlays, we will recoup it later, versus many, many billions in budget authority that is not represented by outlays—Mr. President, I do not want to argue. There is more than enough set-aside that has been found in that committee by the distinguished senior Senator from Utah to offset this if that is the issue. I shall not repeat my entire statement that I made some 40 minutes ago, but that is not the issue. The issue is really available credit in the United States, available money for Americans to borrow at reasonable rates to do the kind of things that will make America grow again.

I repeat, Mr. President: By the time the Federal Government gets through borrowing what it must borrow to pay its debt plus the $110 billion deficit for this year and 100 plus for next year, we think they are going to be using 65 percent of all the credit. I am very worried that we come along and take another $5 billion and treat it specially and say, since interest is too high, we shall allocate it with this new subsidy.

Then we have student loans at 9 percent, which is significantly under the rate. I have not added up all the rest.

Mr. President, I am just wondering if there is going to be any left for anyone else. Maybe there should not be. Maybe it is housing that ought to get it, along with the others that are getting special treatment in a very complicated money market.

That is the issue, Mr. President, not budget-busting. I think our President has used that word. I think that is what the Senator referred to. It is not that in the technical sense. It might be in another sense.

Mr. President, I think the real issue is, do we want to allocate credit this way with this kind of bail-out or not? I do not want to take the chance now. I repeat that I see the train coming and I really think we ought not to be doing that until we have some budgets in place and know where we are going.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, our unemployment rate in Montana currently is 10.5 percent. In some of the timber counties, the unemployment rate is between 25 and 30 percent or more. Small businesses are folding. Agricultural prices are slumping because of the lower purchasing power from the higher unemployment rates throughout the country, as well as in my own State.

This is truly a jobs bill, as the Senator from Indiana has stated. As an original cosponsor of the Lugar bill, I emphasize it will provide 300,000 jobs in the housing industry to construct the homes and 400,000-plus in building supply industries—everything from roofing, cement, electrical supplies, plumbing, cabinets, furnishings. Everything that goes into the housing industry is key to the revival of the economy in the United States.

That is the real issue we are facing tonight because President Reagan's economic recovery program simply is not working and cannot work with the deficits continuing to grow from higher unemployment and business closures.

There are other places that we can cut this budget, Mr. President, particularly foreign aid spending, and other foreign spending, and we should cut it. It is time now that we take care of our own economy in the United States and set our own priorities in order.

Mr. President, this is a highly important vote that we are about to cast. The emergency of halting the recession, starting economic recovery, is the essential path to follow immediately. It is highly significant for the President's program. It is highly significant for the economic well-being of the United States. If the President should veto it, and I hope he does not, it will be the duty and the obligation of both the House and the Senate to override that veto.

● Mr. **NICKLES**. Mr. President, last Friday, when considering the first budget resolution, I voiced my reluctance in voting in favor of a budget which establishes Federal deficits of $273 billion over the next 3 years and imposes additional taxes on the American people during recessionary times. By defeating many attempts to restore funding for many popular social programs, I had hoped that we at least started to recognize the necessity of controlling Federal spending as to bring down existing high interest rates.

This measure, H.R. 5922, the 1982 urgent supplemental, contains many appropriations which, in this Senator's opinion, are unnecessary and certainly not urgent. This is not the first time I have come before my colleagues to stress the dire necessity to curb Federal spending.

We have an opportunity, embodied in this urgent supplement, to make good our commitment to reduce the size and growth of Federal spending. However, this measure exceeds the President's request by $2.2 billion for all items, urgent and nonurgent. For those urgent items included in the administration's request, it exceeds this amount by $322 million. As has been so ably explained by my good friend and colleague, Mr. Armstrong, we are giving the administration more than they asked for.

We have before us in this bill language which would provide mortgage subsidies to the housing industry. No one will argue that the housing industry is in trouble. Housing starts have dropped steadily since the advent of high interest rates.

My position on this particular matter comes with great difficulty and reluctance. I count as my most loyal and devoted fellow Oklahomans those in the homebuilding industry. However, this measure assists only one sector of our economy by affording the housing industry preferential access to capital, thereby reducing the pool of available credit for other industries. This places additional pressure on the money markets, which as we have seen before, results in higher interest rates. This inequitable solution of granting relief to a small number of new home buyers and sellers in the housing industry and not to other suffering industries, only exacerbates the problem and is inconsistent with the administration's efforts to curb Federal spending. This would bring about unwarranted future complications by sustaining our current economic recession.

We must focus our attention on the truly urgent appropriations for those Government programs which, if not immediately funded, will cease operations, will lay off employees, or will result in default of U.S. obligations. This can simply be accomplished by agreeing to those appropriations which now necessitate our attention and are in accordance with the administration's wishes.

Further, if all of the President's requests for rescissions made in the last 2 years made it through the Appropriations Committee, he would have saved the public $23.1 billion. Included in this measure, the administration has requested recissions totaling $7.7 billion of which $7.5 billion has been approved by the Senate Appropriations Committee. For this my colleagues are to be commended. This is a promising indication that we are making progress in our duty to decrease the rampant growth of expenditures. However, additional appropriations totaling $2.2 billion exceed the President's request. We must not lose sight of our common goal nor what we have accomplished thus far. It would be self-defeating to turn back and adopt these nonurgent excessive appropriations.

The best thing to do is to maintain our present cuts in Federal spending, thus sending the right message to the money markets, thereby reducing interest rates which hinder our ability to revitalize our economy. This will expand available credit to all and businesses can begin to pull themselves out from under as to prosper under the new healthier economic climate which will ensue. It is my desire to see Congress be ardent in its determination to withstand such harmful measures such as the mortgage subsidy and other extraneous appropriations contained in this bill. I urge my colleagues to defeat this bill as passed by the Appropriations Committee or amend it appropriately to prove that we have the fortitude to carry out what we have started.●

● Mr. **HART**. Mr. President, with regret, I oppose Senator Lugar's amendment to begin a $5 billion program of mortgage interest rate subsidies. This amendment would increase the deficit significantly, set an unfortunate precedent for Federal bailouts of economically depressed industries, and serve as no more than a band-aid for much more serious economic problems facing this country.

There is no denying the economic hardships facing the homebuilding industry. Housing starts are down and unemployment in the construction industry is high. It is agonizing to talk to families seeking to buy their first home who cannot possibly afford the mortgage at today's interest rates.

But every segment of our economy—from farmers to autoworkers to small businesses—is facing grave economic conditions. To help homebuilders and all of the other sectors of the economy, our first priority must be to reduce the Federal deficit and bring down interest rates. This legislation will do just the opposite.

As the Wall Street Journal explained in this morning's editorial:

> The only true help will come from lower interest rates, not higher subsidies. The perceptions of the financial markets that Government is not about to curb its appetite puts further pressure on interest rates. Mortgage subsidies, as more of the same, are the diametrically wrong way to go.

For these reasons, Mr. President, I must oppose the Lugar amendment.●

AMENDMENT NO. 1722

(Purpose: To provide for mortgage default assistance)

The **PRESIDING OFFICER**. The Senator from Michigan.

Mr. **RIEGLE**. Mr. President, as Members know, I have an amendment that I have presented previously, which I had hoped to offer, that goes beyond the Lugar amendment. It starts from that but adds a mortgage assistance program for those people who now own homes but are in arrears in their mortgage. It will be my intention shortly to send an amendment to the desk that will be an amendment to the committee amendment. It will be a perfecting amendment to the committee amendment. It will not be an amendment to the Lugar amendment. It cannot be, as I understand the Lugar amendment is already in the second degree. I shall send my amendment forward as a perfecting amendment so I have an opportunity to put it before the Senate and have consideration of it.

Before I send it to the desk, I want to briefly describe what it will do. It will add to the Lugar package, which I strongly support, a temporary loan program of $500 million in budget authority. That figure, bear in mind, is just a 10-percent figure, less than 10 percent, of the amount of money provided in the Lugar amendment.

But that $500 million in budget authority would help 75,000 homeowners who are now facing foreclosure on their homes because they are unemployed and in arrears on their housing payments.

The reason that we have developed this approach and brought it forward is that if we do not do this, we are going to be faced with the contradiction that if the Lugar amendment passes, we will have a situation where we are offering subsidized mortgage assistance to people to buy homes, which I think is needed and I think is sound. At the same time we could have another family right next door on the block that is presently a homeowning family that is unemployed, behind on their payments, and being forced out of their home. You could have the situation where in one house you are actually providing Government help to enable a new family to become homeowners and right next door you are going to have an unemployed family that is in arrears on their payments and have been homeowners who, in effect, are being foreclosed on and they are having to leave their home.

It seems to me that that is the kind of contradiction, in the face of the kind of very serious recession that we have at this time, that we ought to avoid.

What I am offering is a very modest addition, but it steps up to a very important problem that the Lugar amendment as presently drafted does not deal with; namely that of unemployed workers who are losing their homes across the country.

I might say that the data that exists indicates that we are experiencing the highest arrearage rate and default rate on home mortgages that we have seen for many, many years, because of both the length and depth of this recession. This particular approach is designed to deal with that.

I might say we have designed it in a fashion where the money that would be advanced in the way of a loan to an unemployed worker would be paid back, as is the same within the Lugar approach with respect to the mortgage subsidy. So there is a recapture. This is not a gift to anybody. It is simply a means of tiding somebody over so they are not forced out of their home. It would provide loans, not grants. The loans would be repayable at the Federal funds rate. The person taking advantage of this loan program would repay it with interest. It would, in general, require participating homeowners to continue paying at least 20 percent of their monthly payments under this program. It would serve people who are involuntarily unemployed.

The loans would be provided for up to 21 months which would cover 3 months of payments that are already in arrears and 12 months in basic assistance, and if the recession should persist—and let us hope it does not—potential for 6 months of extended assistance beyond that point if necessary.

The loans are repayable when the homowner returns to work and, according to a schedule, it would be tailored to the homeowner's particular needs. The amount of assistance would be the lesser of $600 per month or 80 percent of the required mortgage taxes and insurance. The program would trigger nationwide when the national rate or 60-day delinquencies exceeds 1.3 percent for 3 consecutive months. If the national delinquency rate falls below 1.3 percent, the program would operate in those States where the unemployment rate exceeded the national average by 15 percent. The program would operate today nationwide because the threshold has already been reached. The authorization for the program would expire 18 months after enactment. The program would serve about 75,000 individuals or homeowners, if you will, which is about three-quarters of those that the Library of Congress presently estimates would be eligible for the program who would apply. The program's budget authority cost of $500 million would be more than offset by the savings resulting from the requirement that people participating in the housing stimulus program pay at least 25 percent of their income toward the mortgage as well as repayments of the loans themselves.

What we have here is an adjunct to the program that is designed and fashioned to be entirely compatible with the underlying framework of the Lugar package which is supported on a bipartisan basis but would go to the problem of those homeowners who are about to become ex-homeowners, who are about to lose their homes through no fault of their own because of extended unemployment in their personal situation.

Mr. **JACKSON**. Will the Senator yield?

Mr. **RIEGLE**. Yes; I yield to the Senator.

Mr. **JACKSON**. Mr. President, I want to commend the able Senator from Michigan for offering this amendment. I am a cosponsor. I think he has outlined the issue very well. It is a matter of self-financing, and the delinquent payments in the end will be returned to the U.S. Treasury, as I understand it——

Mr. **RIEGLE**. That is correct.

Mr. **JACKSON** (continuing). In connection with this emergency assistance program. I hope the Senate will adopt the Senator's amendment.

Mr. **RIEGLE**. We are going to vote very quickly, I hope. Because of the very complicated parliamentary situation that we have, because of the cloture situation and the changing of the language, I want to be sure that we are sending an amendment to the desk in a form that is correct, and I know my colleagues understand the problem. I do not like being at the end of the line, and I do not want to delay anybody, but I do want to send it to the desk in a form that is proper so that we can consider it quickly and vote on it.

I ask unanimous consent that the Senator from Montana, Senator MELCHER, be listed as a cosponsor of the amendment.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The Chair should inform the Senator from Michigan that the only amendment that is in order now is an amendment that was submitted prior to yesterday and is in the RECORD prior to 1 p.m. yesterday afternoon, or a second degree amendment that was submitted at least 1 hour prior to the cloture vote today.

Mr. **RIEGLE**. The Senator will advise the Chair that we meet that second test, that this is a second degree amendment, and that it was filed prior to the 1-hour limit.

The **PRESIDING OFFICER**. Might the Chair inquire of the Senator if this is amendment No. 1722?

Mr. **RIEGLE**. Yes; 1722.

The **PRESIDING OFFICER**. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Michigan (Mr. RIEGLE) for himself, Mr. JACKSON, Mr. CRANSTON, Mr. BAUCUS, and Mr. MELCHER, proposes an amendment numbered 1722.

Mr. **RIEGLE**. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection it is so ordered.

The amendment is as follows:

> In lieu of the language proposed to be inserted, substitute the following:
>
> INTEREST REDUCTION PAYMENTS AND EMERGENCY MORTGAGE RELIEF ADVANCES
>
> For home mortgage interest reduction payments and emergency mortgage relief advances, $1,000,000,000, to remain available until expended. Such amount shall be made available for payments of contracts authorized under the terms and conditions of the following subheadings: *Provided*, That the aggregate amount of payments and advances over the duration of the contracts shall not exceed $5,620,000,000 of which not more than $500,000,000 shall be used for emergency mortgage relief advances.

INTEREST REDUCTION PAYMENTS

(a) For the purpose of assisting middle and lower income families in acquiring a home, a manufactured home, or membership in a cooperative association operating a housing project or in substantially rehabilitating a home or a unit in a cooperative housing project, the Secretary of Housing and Urban Development (hereafter referred to as the "Secretary") is authorized through the Government National Mortgage Association, to make and to contract to make periodic interest reduction payments on behalf of such families. Such assistance shall be accomplished through payments to mortgagees and lenders or their transferees holding mortgages and loans meeting the requirements of this subheading.

(b) The Secretary may not enter into any contract to make emergency home mortgage interest reduction payments under this subheading during any month unless the Federal Home Loan Bank Board's home mortgage interest rate index for conventional home mortgage loans closed, based on the moving average for the most recent two-month period, exceeds 12.5 per centum per annum.

(c) To be eligible for emergency interest reduction payments under this subheading, the first mortgage or loan secured by the property, manufactured home, or shares in a cooperative must meet the requirements of or be insured under subsection (g).

(d) Assistance payments under this subheading may be made over a period of not to exceed five years with respect to any mortgage.

(e) The amount of all emergency interest reduction payments made under this subheading shall constitute a second lien on the property or shares with respect to which the payments are made and shall be repayable—

(1) when the property is sold;

(2) when the property ceases to be the principal residence of the mortgagor or borrower;

(3) upon any other disposition of the property specified in regulations of the Secretary; or

(4) upon the refinancing of the first mortgage or loan on the property or shares,

except that the amount repaid may not exceed 60 per centum of the homowner's net equity, as determined by the Secretary

(f) The amount of the emergency mortgage interest reduction payments with respect to any mortgage or loan shall be an amount not exceeding the lesser of—

(1) the difference between the amount of the monthly payment for principal and interest which the mortgagor or borrower is obligated to pay under the mortgage or loan, and the monthly payment for principal and interest which the mortgagor or borrower would be obligated to pay if the mortgage or loan were to bear interest at the rate of 11 per centum per annum; and

(2) the difference between the amount of the monthly payment for principal and interest which the mortgagor or borrower is obligated to pay under the mortgage or loan, and the monthly payment for principal and interest which the mortgagor or borrower would be obligated to pay if the mortgage or loan were to bear interest at a rate four percentage points less than the rate specified in the mortgage or loan;

except that the Secretary shall, in any case, require the mortgagor or borrower to pay at least 25 per centum of the mortgagor's or borrower's income with respect to the principal and interest.

(g) Notwithstanding any other provision of law, the Secretary may assist under this subheading or may insure a mortgage or loan which shall—

(1) be executed by a mortgagor or borrower whose total family income did not exceed $30,000 during the year preceding the application for the mortgage or loan and who intends to occupy the property as a principal residence, except that the limitation contained in this paragraph may be increased to not to exceed $37,000 where necessary for families to qualify for increased principal amounts established by the Secretary pursuant to paragraph (2);

(2) have a principal obligation not to exceed $67,500, except that the Secretary may establish increased principal amounts of not to exceed 115 per centum of such amount in any area which has been determined to have high prevailing housing sales prices pursuant to section 203(b)(2) of the National Housing Act, but in calculating the amount of the interest reduction payments pursuant to subsection (f), the Secretary shall disregard any part of the monthly payment on that part of the mortgage or loan which exceeds $67,500;

(3) involve a one- to four-family dwelling the construction, substantial rehabilitation, or manufacture of which commenced on or after the date of enactment of this section heading and was substantially completed by January 1, 1983;

(4) provide for complete amortization over a period of not to exceed thirty years, but, at the option of the mortgagor or borrower, such mortgage or loan may provide that (A) the mortgage or loan payment shall be adjusted for the second, third, fourth, fifth, and sixth years of the mortgage or loan by increasing the payment required during each such year by 0.75 per centum of the original principal obligation, (B) the amount of the increase will be applied to reduce the principal obligation, and (C) after the sixth year; the monthly payments shall be equal and in the same amount as the amount required in the sixth year, but only for the period necessary to pay off the remaining principal obligation;

(5) have been accompanied by disclosures of any scheduled adjustments in the montly payment and of the requirements of subsection (e);

(6) be originated by a mortgagee or lender who is responsible and able to service the mortgage or loan properly;

(7) in the case of a manufactured home loan, comply with the regulations issued under section 501(c) of the Depository Institutions Deregulation and Monetary Control Act of 1980; and

(8) bear interest and contain such other terms and conditions as the Secretary may prescribe.

(h) The Secretary shall allocate the amount available to carry out this program among the States on the basis of a formula so that—

(1) one-third of such amount is allocated on the basis of the ratio of the population of each State to the population of all States;

(2) one-third of such amount is allocated on the basis of the percentage decline in one- to four-family housing starts, measured from 1978 to 1981, of each State relative to the percentage decline for all States; and

(3) one-third of such amount is allocated on the basis of the ratio of each State's number of unemployed persons for the most recent three-month period for which data are available prior to the allocation to the number of unemployed persons for all States for such three-month period.

(i) Any mortgage insured or assisted under this heading shall be eligible for purchase by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(j)(1) The Secretary shall assure that the amounts allocated pursuant to subsection (h) are made available in a manner which maximizes participation by eligible lenders and borrowers.

(2) The Secretary shall maximize timely utilization of authority under this subheading by limiting the time within which a firm commitment may be issued to ninety days after the commitment (other than a firm commitment) is made.

(3) Notwithstanding any other provision of law, the Secretary shall issue final regulations, make allocations, and begin to issue commitments pursuant to this heading not later than thirty days after the enactment to carry out this section of this bill.

EMERGENCY MORTGAGE RELIEF ADVANCES

(a)(1) The Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") shall make, and contract to make, subject to the provisions of this subheading, loans in the form of emergency mortgage relief advances directly to mortgagees on behalf of homeowners whose mortgages are held by such mortgagees and who are delinquent in their mortgage payments.

(2) For the purpose of this subheading, the Secretary shall contract to make, and make, loans under this subheading when, on an average monthly basis for a period of 3 consecutive months—

(A) the amount of funds represented by mortgage loans and contracts which are accounted for in a mortgage delinquency series maintained by the Federal Home Loan Bank Board and for which payments have been delinquent for 60 days or more, exceeds

(B) 1.3 per centum of all funds represented by mortgage loans and contracts accounted for in such series,

except that where the amount of funds determined under subparagraph (A) does not exceed 1.3 per centum of all funds represented by mortgage loans and contracts in such series on a nationwide basis, the Secretary shall make such loans available in any State where the average unemployment rate for the prior three months exceeds the national unemployment rate by more than 15 per centum.

(3)(A) For the purpose of determining when loans are to be made available pursuant to paragraph (2), the Secretary shall take into account all months beginning with or after the third month before the date of enactment of this subheading.

(B) When the condition described in paragraph (2) first occurs after the date of enactment of this subheading, the Secretary shall begin to contract to make, and to make, loans at the beginning of the first month following the month in which the series indicates that such condition has occurred.

(4) The mortgage delinquency series referred to in paragraph (2) shall be made available by the Federal Home Loan Bank Board to the Secretary and to the Congress on a monthly basis and shall contain data on the previous month's mortgage delinquency rate.

(b)(1) Once the Secretary begins to make loans pursuant to subsection (a), the Secretary shall continue to contract to make, and make, the loans available until the date on which the mortgage delinquency series referred to in subsection (a)(2) indicates that the amount of funds represented by sixty-day delinquent mortgage loans and contracts accounted for in such series has declined to below 1.2 per centum of all funds represented by mortgage loans and contracts accounted for in such series, except that—

(A) loans shall continue to be made available pursuant to contracts entered into before such date;

(B) the Secretary shall, to the extent of available funds, reinstitute the program established by this title whenever the delinquency rate condition described in subsection (a)(2) reoccurs; and

(C) the Secretary shall continue to make such loans in any Federal Home Loan Bank district which continues to meet the requirement of subsection (a)(2).

(2) In any case in which the program is reinstituted, the Secretary shall begin to contract to make, and make, loans beginning with the day after the date on which the mortgage delinquency series indicates that the delinquency rate condition described in such subsection has reoccurred.

(c) Emergency mortgage relief loans shall be made only with respect to a mortgage which meets the requirements of subsection (e) of this subheading, only in accordance with the provisions of subsection (f) of this subheading and only on terms and conditions which the Secretary determines to be necessary to carry out the provisions and purposes of this subheading.

(d) The Secretary may make such delegation and accept such certifications with respect to the processing of mortgage relief loans provided under this subheading as he deems appropriate to facilitate the prompt and efficient implementation of the assistance authorized under this subheading.

(e) Assistance may be extended with respect to a mortgage under this subheading only if the Secretary finds that—

(1) the holder of the mortgage has indicated to the mortgagor its intention to foreclose and foreclosure would result if assistance under this subheading were not provided;

(2) payments under the mortgage have been delinquent for at least three months, except that the secretary may waive such requirement where foreclosure is imminent prior to the close of the three-month period.

(3) the mortgagor has incurred a substantial reduction in income as a result of involuntary unemployment or underemployment due to adverse economic conditions and is financially unable to make full mortgage payments;

(4) there is a reasonable prospect that the mortgagor will be able to make the adjustments necessary for a full resumption of mortgage payments; and

(5) the mortgaged property is the principal residence of the mortgagor.

(f)(1) Loans under this subheading on behalf of a homeowner may be made available in monthly advances an amount not to exceed the lesser of (A) 80 per centum of the amount of the principal, interest, taxes, ground rents, hazard insurance, and mortgage insurance premiums due each month under the homeowner's mortgage; or (B) $600 per month, except that in no case may the amount of such assistance exceed the amount determined to be reasonably necessary to supplement the amount which the Secretary determines the homeowner is capable of contributing toward such mortgage payment.

(2) Monthly payments may be provided under this subheading for up to 12 months, plus any period of delinquency, and in accordance with criteria prescribed by the Secretary, such monthly payments may be extended once for up to 6 additional months. A mortgagor receiving the benefit of assistance pursuant to this subheading shall be required, in accordance with criteria prescribed by the Secretary, to report any increase in income which will permit a reduction or termination of such assistance during this period.

(3) Loans made under this subheading shall be repayable by the homeowner upon such terms and conditions as the Secretary shall prescribe, except that interest on a loan shall not be charged at a rate which exceeds the sum of the average yield on all outstanding marketable obligations of the United States at the time the loan is made, plus 1 percentage point.

(4) The Secretary shall provide for the deferral of the commencement of the repayment of a loan for such period of time following the date of the last disbursement of the proceeds of the loan as may be necessary to further the purpose of this subheading.

(5) The Secretary shall by regulation require such security for the repayment of loans under this subheading as he deems appropriate and may require that such repayment be secured by a lien on the mortgaged property.

(g)(1) The Secretary is authorized to issue such rules and regulations as may be necessary to carry out the provisions of this subheading.

(2) Notwithstanding any other provision of law relating to the acquisition, handling, improvement, or disposal of real or other property by the United States, the Secretary shall have power, for the protection of the interest of the United States, to pay all expenses or charges in connection with the acquisition, handling, improvement, or disposal of any property, real or personal, acquired by the Secretary as a result of recoveries under security, subrogation, or other rights.

(3) In the performance of, with respect to, the functions, power, and duties vested in the Secretary by this subheading, the Secretary shall—

(A) have the power, notwithstanding any other provision of law, whether before or after default, to provide by contract or otherwise for the extinguishment upon default of any redemption, equitable, legal, or other right or title in any mortgage, deed, trust, or other instrument held by or held on behalf of the Secretary under the provisions of this subheading; and

(B) have the power to foreclose on any property or commence any action to protect or enforce any right conferred upon the Secretary by law, contract, or other agreement, and bid for and purchase at any foreclosure or other sale any property in connection with which assistance has been provided pursuant to this subheading. In the event of any such acquisition, the Secretary may, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, complete, remodel and convert, dispose of, lease, and otherwise deal with, such property. The Secretary also shall have power to pursue to final collection by way of compromise or otherwise all claims acquired by him in connection with any security, subrogation, or other rights obtained by him in administering this subheading.

(h) Each Federal supervisory agency, with respect to financial institutions subject to its jurisdiction, and the Secretary, with respect to other approved mortgagees, shall prior to January 1, 1983 (A) take appropriate action, not inconsistent with laws relating to the safety or soundness of such institutions and mortgagees, to waive or relax limitations pertaining to the operations of such institutions or mortgagees with respect to mortgage delinquencies in order to cause or encourage forbearance in residential mortgage loan foreclosures, and (B) request each such institution or mortgagee to notify that Federal supervisory agency and the mortgagor, at least thirty days prior to instituting foreclosure proceedings in connection with any mortgage loan. For the purpose of this subsection, the term "Federal supervisory agency" means the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board, the Comptroller of the Currency, the Federal Savings and Loan Insurance Corporation, and the National Credit Union Administration Board.

(i) No loan shall be made under this subheading after the expiration of 18 months after the date of enactment of this subheading unless such loan is made with respect to a mortgagor receiving the benefit of a loan under this subheading on such date.

AUTHORIZATION

There are authorized to be appropriated to carry out the provisions of this heading not to exceed $5,620,000,000: *Provided*, That the authority to enter into contracts under this heading for interest reduction payments shall remain available for commitment until November 1, 1982.

Mr. RIEGLE. I ask, Mr. President, for the yeas and nays on my amendment.

The PRESIDING OFFICER. Pursuant to the rule, the Chair is required to rule out of order amendments that are not germane. The amendment of the Senator from Michigan is not germane and the Chair rules that it is out of order.

Mr. RIEGLE. Mr. President, I want to challenge the ruling of the Chair on the germaneness, and I would ask for the yeas and nays on my challenge to the germaneness.

The PRESIDING OFFICER. Is the Senator appealing the decision of the Chair?

Mr. RIEGLE. Yes, the Senator is appealing the ruling of the Chair and asking for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. RIEGLE. I ask my colleagues to support me on this.

The PRESIDING OFFICER. There is not a sufficient second.

Mr. RIEGLE. We are going to get the vote or I am going to talk for an hour, so may I at least have the vote?

The PRESIDING OFFICER. The motion is not debatable. There is not a sufficient second.

Mr. LEAHY. Mr. President, point of order. I think there is.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

Mr. RIEGLE. I thank my colleague.

The PRESIDING OFFICER. The vote is on the question of whether the ruling of the Chair shall stand as the judgment of the Senate.

The yeas and nays are ordered. The clerk will call the roll.

Mr. RIEGLE. Will the President withhold for a moment for a parliamentary inquiry?

The PRESIDING OFFICER. The amendment, as the Senator from Michigan knows, is nondebatable.

Mr. RIEGLE. I do not wish to debate it. I wish to pose an inquiry.

As I understand it, this situation we find ourselves in now is that my amendment is being challenged on the issue of germaneness.

The PRESIDING OFFICER. The Senator from Michigan is correct. The amendment is not being challenged. It has been ruled out of order, and the Senator from Michigan is appealing the ruling of the Chair. The vote that the clerk is about to call is a vote on the motion appealing the ruling of the Chair.

Mr. RIEGLE. The Senator from Michigan inquires to this effect: Is not the amendment of the Senator from Michigan germane to exactly the same extent as the original amendment of the Senator from Indiana (Mr. LUGAR) was found to be able to be taken up by the Senate? It is the same matter and falls within the same category, and I say that, on the same basis, it should be considered germane.

The PRESIDING OFFICER. The Chair informs the Senator from Michigan that the rules were suspended for the Lugar amendment. They have not been suspended for the amendment of the Senator from Michigan.

Mr. RIEGLE. I thank the Chair.

SEVERAL SENATORS. Vote! Vote!

Mr. JEPSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JEPSEN. Will the Chair state what a "yea" vote and a "nay" vote mean in this matter?

The PRESIDING OFFICER. The question is, Shall the ruling of the Chair be sustained. A "yea" vote sustains the Chair; a "nay" vote overturns the ruling of the Chair.

Mr. JEPSEN. I thank the Chair.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from New York (Mr. D'AMATO), the Senator from Alabama (Mr. DENTON), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Illinois (Mr. PERCY), the Senator from South Dakota (Mr. PRESSLER), and the Senator from New Mexico (Mr. SCHMITT) are necessarily absent.

I further announce that, if present and voting, the Senator from South Dakota (Mr. PRESSLER), would vote "yea."

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Hawaii (Mr. INOUYE), the Senator from Ohio (Mr. GLENN), and the Senator from Colorado (Mr. HART) are necessarily absent.

I further announce that the Senator from Rhode Island (Mr. PELL) is absent on official business.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 64, nays 25, as follows:

[Rollcall Vote No. 166 Leg.]

YEAS—64

Abdnor
Andrews
Armstrong
Baker
Bentsen
Biden
Boren
Boschwitz
Bradley
Brady
Bumpers
Byrd, Harry F., Jr.
Chafee
Chiles
Cochran
Cohen
Danforth
Dole
Domenici
East
Ford
Garn
Goldwater
Gorton
Grassley
Hatch
Hatfield
Hawkins
Hayakawa
Heinz
Helms
Huddleston
Humphrey
Jepsen
Johnston
Kassebaum
Kasten
Laxalt
Long
Lugar
Mathias
Mattingly
McClure
Murkowski
Nickles
Nunn
Packwood
Proxmire
Pryor
Quayle
Roth
Rudman
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Tower
Wallop
Warner
Weicker
Zorinsky

NAYS—25

Baucus
Burdick
Byrd, Robert C.
Cranston
DeConcini
Dixon
Dodd
Eagleton
Exon
Heflin
Hollings
Jackson
Kennedy
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Randolph
Riegle
Sarbanes
Sasser
Tsongas

NOT VOTING—11

Cannon
D'Amato
Denton
Durenberger
Glenn
Hart
Inouye
Pell
Percy
Pressler
Schmitt

So the ruling of the Chair was sustained as the judgment of the Senate.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I ask unanimous consent that all Senators who are original cosponsors of S. 2226, the original housing stimulus bill, be listed as cosponsors of the amendment I presented this evening and that Senators have the privilege of adding their names or subtracting their names as the case may be at the desk prior to final passage.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Alabama (Mr. DENTON), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Illinois (Mr. PERCY), the Senator from South Dakota (Mr. PRESSLER), and the Senator from New Mexico (Mr. SCHMITT) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. DURENBERGER) and the Senator from South Dakota (Mr. PRESSLER) would each vote "yea."

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON) and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

I further announce that the Senator from Rhode Island (Mr. PELL) is absent on official business.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON) and the Senator from Rhode Island (Mr. PELL) would each vote "yea."

The PRESIDING OFFICER. Are there Senators in the Chamber who have not voted?

The result was announced—yeas 69, nays 23, as follows:

[Rollcall Vote No. 167 Leg.]

YEAS—69

Abdnor
Andrews
Baucus
Bentsen
Biden
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd, Robert C.
Chafee
Chiles
Cochran
Cranston
D'Amato
Danforth
DeConcini
Dixon
Dodd
Eagleton
Exon
Ford
Garn
Glenn
Gorton
Grassley
Hatch
Hatfield
Hawkins
Heflin
Heinz
Helms
Hollings
Huddleston
Jackson
Jepsen
Kasten
Kennedy
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Nunn
Packwood
Proxmire
Pryor
Quayle
Randolph
Riegle
Rudman
Sarbanes
Sasser
Specter
Stafford
Stennis
Stevens
Thurmond
Tower
Tsongas
Weicker
Zorinsky

NAYS—23

Armstrong
Baker
Brady
Byrd, Harry F., Jr.
Cohen
Dole
Domenici
East
Goldwater
Hart
Hayakawa
Humphrey
Johnston
Kassebaum
Mattingly
McClure
Murkowski
Nickles
Roth
Simpson
Symms
Wallop
Warner

NOT VOTING—8

Cannon
Denton
Durenberger
Inouye
Pell
Percy
Pressler
Schmitt

So Mr. LUGAR's amendment (No. 1838) was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER addressed the Chair.

The **PRESIDING OFFICER.** The Senate will be in order. The Senator will suspend while the Senate comes to order. Senators will clear the well.

Mr. BAKER. Mr. President, I ask unanimous consent that it may be in order for me to call up a concurrent resolution dealing with the adjournment of the House and Senate at this time.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

SENATE CONCURRENT RESOLUTION 102—PROVIDING FOR AN ADJOURNMENT OF THE SENATE AND THE HOUSE

Mr. BAKER. Mr. President, the concurrent resolution is at the desk and I ask for its immediate consideration.

THE PRESIDING OFFICER. The clerk will report the resolution.

The assistant legislative clerk read as follows:

S. Con. Res. 102

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Thursday, May 27, 1982, Friday, May 28, 1982, or Saturday, May 29, 1982, pursuant to a motion made by the Majority Leader in accordance with this resolution, it stand adjourned until 12:00 noon on Tuesday, June 8, 1982.

Sec. 2 That the consent of the Senate is hereby given to an adjournment of more than three days to a day certain by the House of Representatives to begin on May 27, 1982, or any day thereafter and terminating on June 8, 1982 or any day before that day as determined by the House of Representatives.

Mr. BAKER. Mr. President, the effect of this resolution is to provide that the Senate may adjourn tonight, tomorrow, or the following day. It is my intention to move, in accordance with this resolution, if it is adopted, that the Senate adjourn tonight, assuming we finish this bill, which I anticipate that we will do.

There will be a few other details that we can attend to and I will confer with the minority leader in respect to what other business is available.

It provides for the reconvening of the Senate on Tuesday, a week. I do not anticipate votes on Tuesday, a week. I do anticipate, however, on Wednesday, a week, that a motion will be made to proceed to the consideration of the Voting Rights Act.

Mr. President, there may be other business that can come before the Senate at that time. I make this announcement now so that all Senators may be aware of the fact that is the plan at this moment.

The **PRESIDING OFFICER.** The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

Mr. BAKER. Mr President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

URGENT SUPPLEMENTAL APPROPRIATIONS, 1982

The Senate resumed consideration of the bill.

Mr. RIEGLE. Mr. President, there are several Democratic Senators who wish to be listed as cosponsors of the Lugar amendment. I ask unanimous consent that they be so added. They include myself, Senator Robert C. Byrd, Senator Leahy, Senator Kennedy, Senator Jackson, Senator Metzenbaum, Senator Cranston, Senator Mitchell, Senator Dixon, Senator Moynihan, Senator Bentsen, Senator Exon, Senator Huddleston, Senator Tsongas, Senator Levin, Senator Sarbanes, and Senator Baucus.

The **PRESIDING OFFICER.** Without objection, they will be added as cosponsors.

The Chair will point out to the Senate that earlier a unanimous-consent request was made by the Senator from Indiana asking that all of the sponsors of his original legislation be added as cosponsors of this amendment and that further Senators be allowed to add their names at the desk.

Mr. HATFIELD addressed the Chair.

The **PRESIDING OFFICER.** The Senator from Oregon.

Mr. HATFIELD. Mr. President, I move the adoption of the committee amendment.

The **PRESIDING OFFICER.** The question is on agreeing to the motion.

The motion was agreed to.

The **PRESIDING OFFICER.** Are there further amendments?

Mr. HATFIELD. Mr. President, I have some technical amendments that I would like to present at this time. I ask unanimous consent that it be in order to consider an amendment making technical and minor corrections to the bill.

The **PRESIDING OFFICER.** Is there objection? Without objection, it is so ordered.

UP AMENDMENT NO. 1016

(Purpose: To make technical and minor corrections)

Mr. HATFIELD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Oregon (Mr. Hatfield) proposes an unprinted amendment numbered 1016.

Mr. HATFIELD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

On page 10, line 12, strike out "$2,345,400,000" and insert in lieu thereof: "$2,354,400,000".

Unprinted Amendment No. 1014, adopted earlier by the Senate be deleted from the end of the bill and inserted on page 2, after line 10, with the heading of "Employment and training assistance".

On page 49, line 22, strike out "out" and insert in lieu thereof: "down".

Mr. HATFIELD. Mr. President, this amendment corrects three minor clerical errors in the bill. Included is a transposition of figures in a rescission account; a correction in placement in the bill of a floor amendment; and a change of wording from "phase out" to "phase down" in a limitation which clarifies congressional intent.

PHS COMMISSIONED CORPS

In behalf of Senator Schmitt, I point out that his amendment of the Public Health Service Commissioned Corps is simply to make clear the committee's intent that any changes made in the staffing of the Corps will not result in phase down of that organization.

The Commissioned Corps is a statutory uniformed service which has been in existence for approximately 100 years. The Corps comprises some 6,080 full-time officers staffing a variety of programs such as the Indian Health Service and the Epidemic Intelligence Service. Other agencies such as the National Institutes of Health, the Coast Guard, the Environmental Protection Agency, the Food and Drug Administration, and the Bureau of Prisons also use Corps staff. The Corps provides an experienced, skilled cadre of public health professionals who take special pride in being part of the Corps.

The basic committee amendment relating to the Corps was made necessary by a recent OMB directive furthering efforts to restrict the size and use of the Commissioned Corps and to hamper it in carrying out its mission.

In particular, OMB's proposal would permit only new physician entries into the Corps for the Indian Health Service and the Epidemic Intelligence Service of the Centers for Disease Control.

The OMB directive would eliminate the recruitment of an array of other health professionals—nurses, dentists, social workers, medical technicians, and physicians assistants—who are necessary to the Corps to carry out its mission.

At the time the committee considered this provision, it was felt that the best way to prevent tampering with the Commissioned Corps was to prohibit any "phase out" of the organization. Since committee action on the measure, further consideration makes clear that the term "phase out" may be too broad and could well allow actions that, while not a phaseout, could have the same effect. For this reason, it is now believed that a more appropriate and precise term would be to prohibit any phase down of the Corps.

While language to prohibit a phase down appears fairly restrictive, it is necessary to insure that OMB's most recent directive, which appears to be a culmination of past efforts in this direction, is not implemented. However, we do not intend to tie the Secretary's hands in his efforts to manage the Commissioned Corps in an efficient way. The language of this amendment would still allow the Secretary of HHS the discretion and flexibility to structure the Commissioned Corps so as to improve its effectiveness—and this is our intention. Our approach is based on the sound principle that specific staffing decisions regarding the Corps should be made in the department and based on program rationale rather than through arbitrary directives from OMB.

The amendment is in concurrence with the position of the Department of Health and Human Services to retain the Corps and to oppose any step to impose restrictive measures on its size and use. The Commissioned Officers Association of the Public Health Service fully supports this language.

Mr. President, these amendments have been cleared with the minority manager of the bill and I move their adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon (Mr. HATFIELD).

The amendment (UP No. 1016) was agreed to.

ADDITIONAL FUNDING FOR BATF

● Mr. GLENN. Mr. President, I would like to express my support for the Senate Appropriation Committee's recommendation for $23.8 million in additional funding for the Bureau of Alcohol, Tobacco and Firearms (BATF) which is contained in H.R. 5922—the Urgent Supplemental Appropriations Act, 1982—as reported by the committee on May 18, 1982. Without this funding, as many as 1,600 personnel would be furloughed through the end of the current fiscal year. Such massive furloughed would devastate the agency.

I commend the committee for fully honoring the administration's supplemental budget request. The recommendation exceeded the amount approved by the House by over $8 million. According to the committee, this recommendation will "restore the bureau to a level of funding necessary to once again establish the Bureau of Alcohol, Tobacco and Firearms as a viable law enforcement agency." Since the beginning of the 97th Congress, I have expended considerable effect to insure that the agency's arson enforcement program would be properly funded. I am therefore heartened by the committee's action.

In addition to the funding question, both the House and Senate Committees on Appropriations have been wrestling with the question of the reorganization of BATF. I am impressed by the amount of time and effort that these committees have expended attempting to determine whether or not the agency should be reorganized and, if so, what shape the reorganization should take. I share in the committees' concern over the uncertainty of the futures of this agency.

On February 23, 1982, the Senate Treasury, Postal Service, General Government Subcommittee held hearings on the administration's proposal to reorganize BATF. The hearings were chaired by the distinguished Senator from South Dakota (Senator ABDNOR). In my testimony before the subcommittee, I voiced my support for the arson enforcement program of the BATF and the conditions under which I could support a transfer of the agency's arson enforcement functions to the Secret Service pursuant to the administration's proposed reorganization plan. During the hearing, the administration assured me that if transferred, the arson enforcement unit would be maintained as a separate, autonomous unit with adequate funding and personnel.

I also underscored my desire to have the question concerning the proposed reorganization resolved as quickly as possible. I stressed that prompt action would avoid continued uncertainty over the agency's future, as well as the concomitant loss of efficiency, personnel, and morale.

Unfortunately, the Senate committee is still unable to reach any decision regarding the proposed reorganization. Alternate proposals have been made which have further complicated reaching a decision. As a result, the committee has extended its ban on reorganization for an additional 4 months. Such a delay will only result in further harm to the agency.

In this regard, I support the House-approved language which would continue the ban on the reorganization of the agency for only one additional month. In its report, the House Appropriations Committee stated that we must begin rebuilding BATF "so that it can once again become a viable law enforcement agency." The committee continued:

> Testimony before the committee has revealed the fact that the agency has been decimated because of the uncertainty of its future. This cannot be allowed to continue. There is a great need for the functions assigned to this Bureau to be performed in protection of the citizens of this Nation. Whether it is later decided to abolish this organization and transfer its functions to other agencies, or to retain it as a separate agency, it should be an effective law enforcement agency rather than a skeleton.

Mr. President, when the conference on H.R. 5922 is convened, I will urge the conferees to adopt the Senate Appropriations Committee's recommendation of $23.8 million in additional funding for BATF. But I would also urge that the future of this agency be settled as soon as possible.●

NIMH NEW RESEARCH MONEY

● Mr. DODD. I would like to engage in a short colloquy with the distinguished chairman of the Appropriations Committee. The urgent supplemental appropriations bill we are considering today is designed to assist agencies that would be forced to take drastic actions such as furloughing all employees or refusing to mail out benefit checks unless they receive funds immediately. However, there will also be an opportunity to provide funds for agencies that need them when we consider the regular supplemental appropriations bill. I understand that the regular supplemental appropriations bill is due to be debated on the House floor in June.

Mr. HATFIELD. That is correct.

Mr. DODD. I would like my distinguished colleague to give me some assurance that the regular supplemental appropriations bill will be debated in the Senate at the earliest date possible so some of us will have an opportunity to raise amendments we consider of crucial, if not urgently important.

In particular, I am concerned about fiscal year 1982 funding for long-term mental health research projects administered by the National Institute of Mental Health. The fiscal year 1982 appropriation under the continuing resolution now stands at $17.7 million, funding only 139 new projects. This constitutes a reduction in new research funding by some 33 percent over fiscal year 1981 funding.

The administration has recommended that $31.3 million be provided for NIMH new research in fiscal year 1983. Such an adjustment for the fiscal year 1983 budget will not preserve certain long-term projects, however, unless fiscal year 1982 funds are also increased.

I would like to introduce an amendment to add $10 million to the NIMH research grants budget at the earliest possible date.

Mr. HATFIELD. The point raised by my colleague from Connecticut is well taken. I will do all in my power as chairman to bring the regular supplemental appropriations bill to the floor as early as possible.●

BEST

EEC POLICIES: A NEGATIVE IMPACT ON U.S. AGRICULTURE

● **Mr. HELMS.** Mr. President, the common agricultural policy of the European Economic Community and the export subsidy programs employed by some of the EEC member nations, notably, France, are having a direct negative impact upon U.S. agriculture.

This has been brought to the attention of the Senate and to the parties concerned by the U.S. Secretary of Agriculture, the U.S. Trade Representative, Ambassador Bill Brock, myself, and others.

It is reassuring to know that our comments have not gone unnoticed in Western Europe.

For example, there was an article on April 17 in the well-known and respected British publication, the Economist an exceedingly well-written article entitled, "Europe's Farmyard Follies" which lays the burden of current U.S.-EEC agricultural trade frictions on the EEC. It is about time someone noticed the gravity of what some of us have been saying for quite a time now.

The Economist article states, "Raising prices to producers of a glut that is harming your most powerful ally is bad politics and worse economics." The author's analysis continues with specific examples of how EEC policy actions have aggravated our mutual trade relations. He says, "European farm exports into America's traditional markets, helped by export subsidies worth $2.2 billion have helped to intensify the worst income crisis American farmers have suffered in half a century."

Although the article erroneously suggests that EEC export subsidies resulted in USDA implementing a paid diversion program in 1982, the Secretary did require voluntary compliance with acreage reductions in basic grains and cotton if farmers wished to be eligible for the price support loans and reserve programs.

Recognition is made that the United States cannot and will not be forced to assume the major responsibility for adjustment of global excess supplies and reduced demand for agricultural commodities. "The obvious way to cut subsidies and output is to reduce prices. If rioting farmers make it impossible to introduce real price cuts * * * then the EEC must put a tight lid on production growth and find some other way—deficiency payments or direct income aid—to keep farmers in business * * *. America must be given a clear sign that something genuine is being done to halt the trend of expansion. Pious promises to act next year will not do."

In summary, Mr. President, I express my appreciation to the editor of the Economist magazine for publishing this article. I am hopeful that it will be effective in persuading EEC farm and political leaders that there is more than just a passing interest with U.S.-EEC agricultural trade problems in this country. European Community farm and political leaders must understand that the United States is not willing to reduce acreage and continue extensive commodity reserve programs while competitor nations blatantly utilize export subsidies, special credit arrangements, and price undercutting to the detriment of U.S. agricultural export sales.

I ask that the article from the Economist I have described be printed immediately following my remarks.

The article follows:

EUROPE'S FARMYARD FOLLIES

THE EEC'S COMMON AGRICULTURAL POLICY IS BEGGARING RURAL AMERICA

Raising prices to the producers of a glut that is harming your most powerful ally is bad politics and worse economics. Undeterred, in a week when Europe has so visually helped a good alliance cause in the Falklands, the EEC's agricultural ministers are poised to hand their farmers price increases for the 1982-83 season of well over 12 percent. European taxpayers, consumers and the now-depleted ranks of would-be farm-policy reformers should weep with despair. Weep, too, for the EEC's trade relations with America.

The Americans once viewed Europe's common agricultural policy (CAP) with scornful detachment. The EEC was free to waste money on whatever it liked, the argument ran, so long as it did not hurt American interests in the process. But America is no longer a bystander.

European farm exports into America's traditional markets, helped by export subsidies worth $2.2 billion, have helped to intensify the worst incomes' crisis American farmers have suffered in half a century. They have forced Mr. John Block, the American agricultural secretary, reluctantly to re-introduce the system of paying farmers to grow less wheat, feed grains and other crops. The alternative was an American glut to match the European one, as farmers increased production in a foredoomed attempt to ease their cash-flows.

The CAP was originally designed to steer the EEC toward self-sufficiency in the production of most temperate foodstuffs, at the same time as maintaining steady prices and propping up the incomes of farmers, particularly those with French accents. Now, stimulated by high prices and open-ended intervention guarantees, EEC farm output has shot through the barn roof. In ridding itself, at a loss, of the surplus, the EEC has for the first time in its history become a net exporter of grain, has snitched three fifths of the world export market in butter and dried milk, has converted itself from the world's largest importer of poultry into the world's largest exporter, and emerged as the second largest exporter of beef behind only Australia.

EXPENSIVE, IMPOVERISHING, UNNEIGHBOURLY

This has produced three nasty side-effects. It is costly, because EEC farm exports have to be subsidised in order to compete on world markets. By depriving tropical crops of potential markets, it helps keep poor countries poor. And it is now violating an agreement made with the Americans in the Gatt Tokyo round.

In 1980, the Gatt negotiators agreed that subsidies for agriculture were unavoidable, and opted to turn a blind eye so long as the subsidies were not used to expand markets beyond traditonal shares. The Americans rightly claim that this is happening in both cereals and sugar, as well as a host of smaller markets. So far, the United States has responded quietly. Mr. Brock, the American trade representative, has opened cases for arbitration in Gatt against EEC dumping flour and sugar, and is pondering similar action over pasta, canned fruit, pears, poultry and raisins. These are warning shots, but the EEC's trade negotiators have been given the clear message that the United States will turn nasty if either (a) the community tries to cut back imports of soya, worth $4 billion a year to America, or of cereal substitutes for animal feed such as corn gluten feed, or (b) the EEC continues to expand its dumping of cereals on world. Last week the EEC commission proposed a new restriction on imports of corn gluten feed. And the implications the approaching rise in prices paid to European producers is that (b) will happen, with a vengeance.

European farm ministers seldom look beyond their own farmers' troubles, demonstrations and votes. They now need to do so.

The obvious way to cut subsidies and output is to reduce prices. The EEC commission has already proposed that EEC cereal prices should be gradually reduced to world levels during the next five years, and doubtless the farm ministers will claim to have started this process when they raise cereal prices by "only" 10%. If rioting farmers make it impossible to introduce real price cuts (and European farmers' income troubles are genuine, too), then the EEC must put a tight lid on production growth and find some other way (deficiency payments or direct-income aid) to keep farmers in business. One way is to cut prices sharply once output exceeds a pre-set threshold; another is to copy American set-aside to encourage alternative use of marginal land; two others are production quotas or the use of penal taxes on over-production.

The choice of method is up to the agricultural technocrats, though consumers should plead that the most flagrantly uneconomic ones are not picked. But America must be given a clear sign that something genuine is being done to halt the trend of expansion. Pious promises to act next year will not do.

● **Mr. GARN.** Mr. President, on Tuesday, May 18, 1982, during consideration of H.R. 5922, the urgent supplemental appropriations bill for fiscal year 1982, the full Appropriations Committee accepted my recommendations which made several changes in the HUD-Independent Agencies section of the bill, as passed by the House. I would like to highlight some of these changes.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS

On February 5 the administration transmitted a rescission message of $9,399,789,165 in budget authority and $334,703,321 in contract authority for the assisted housing programs in the Department of Housing and Urban Development (H. Doc. 97-140). The House, in passing H.R. 5922, essentially rejected the request and rescinded only $100,000,000. In addition, they made a series of changes in the fiscal year 1982 HUD-independent agencies appropriations bill (Public Law 97-101). The net result of these changes are to continue most of the housing activity at the prerescission level while providing additional time and financing for units in the pipeline. These changes are adequately explained in House Document 97-469. On April 23, after the House Appropriations Committee had acted, the administration amended this rescission and reduced the amount to $5,999,789,165 in budget authority and $178,003,321 in contract authority.

The Senate committee's proposal is designed to provide the greatest number of housing units at the lowest possible cost and, at the same time, fulfill the commitments to those projects that are in the pipeline. For this reason, the committee, as requested in the rescission message, eliminated funding for public housing new construction; section 8 new construction; and section 8 existing housing—(except where there were existing commitments).

The committee recommended a rescission of $5,985,124,105 in budget authority and $255,071,321 in contract authority. After this rescission, the program level for HUD's fiscal year 1982 housing activities will be $17,111,039,000 in budget authority and $891,955,000 in contract authority. The committee proposal restores fiscal year 1982 funding for: 3,840 units of Indian housing; 4,000 public housing substantial rehabilitation units; and 8,189 moderate rehabilitation units. In addition, the committee has also provided funding for some fiscal year 1983 priorities from the funds that were proposed for rescission. In particular, the committee would forward fund: 3,000 Indian housing units; 6,000 elderly and handicapped units (to provide a total of 16,000 in fiscal year 1983); and $500,000,000 in public housing modernization funds. Additionally, the committee proposed a fiscal year 1982 supplemental of $254,400,000 for public housing operating subsidies to be distributed according to the performance funding system.

In addition, the committee recommended, as per the amended rescission request, the use of an additional $2,300,000,000 for financial adjustment (FA), for a total of $3,700,000,000. These funds were provided in order to offset higher financing costs incurred by developers and thus increase the chances that 30,000 units, in the pipeline but not now covered by FA, would be covered. This would provide FA to 70,000 units based on the interstate maximum of 14 percent. Furthermore, the committee is in agreement with the administration's proposal to tie FA rates to Treasury tax exempt bonds.

The committee also agreed with the amended rescission request to provide an additional $1,100,000,000 of budget authority for amendments for a total of $2,650,000,000. These funds would be used for amendments for cost increases. The committee has included bill language that would require HUD to allocate these amendment funds in accordance to the actual cost increases experienced rather than the 7¾ percent amendment limitation assumed in the administration's proposal.

As a result of the above actions, the committee added $3,907,120,000 in BA to the administration's requests. A further add-back of $2,483,845,000 is included as the result of a change in the estimate of the recaptured funds. Under the committee's recommendations, a smaller amount of recaptures will be realized in public housing, section 8 new and substantial rehabilitation, and section 8 FA units. Partially offsetting these additions is $6,376,300,000 in items requested by the administration but not recommended by the committee. These reductions are as follows: $1,400,000,000 for funds that would otherwise be transferred to the Federal Financing Bank for long-term financing; $4,956,300,000 as the result of reducing the unused budget authority associated with the reduction in funds reserved for the conversion of rent supplement units in fiscal year 1983 and fiscal year 1984 and elimination of use for 5-year opt-outs; and $20,000,000 as a result of reducing the amount available for public housing amendments to the level contained in Public Law 97-101.

As a result of the additions, the net number of units assisted in fiscal year 1982 goes from a minus 22,083 in the administration's proposal to a plus 12,810 in the Senate version. In fiscal year 1983, an additional 14,093 units would be added to the funded pipeline as a result of the forward funding provisions in the Senate bill, for a total of 26,903 net additional units provided for in fiscal year 1982. This does not include the estimated additional 30,000 units which would be assisted under FA provided by the Senate.

Within the $500,000,000 provided for public housing modernization, the committee has included language to authorize the use of $89,321,727 under section 14 of the U.S. Housing Act of 1937 to rehabilitate PHA-owned buildings which are now vacant. The use of this authority will enable PHA's to reclaim and make available for occupancy 5,073 units which would otherwise be withheld from the housing inventory and eventually demolished. The committee believes that since we are appropriating funds to pay the debt service on the notes or bonds secured by the projects, the Department should take every step necessary to bring these units back into occupancy. Furthermore, the committee has directed the Department to make this authority available to these PHA's to provide the PHA the opportunity to rehabilitate these projects. Should a PHA choose not to rehabilitate these projects, then the authority could be used for similar PHA-owned projects located elsewhere, but not for other modernization or development purposes. The committee has recommended providing these funds to encourage the restoration of such projects and expects the Department to permit participating PHA's to utilize any additional funds available to the PHA to accomplish sound and lasting rehabilitation.

In providing for 4,000 units of Indian housing in fiscal year 1982 and 3,000 in fiscal year 1983, the committee has reaffirmed its commitment to providing housing assistance to American Indians and Alaska Natives. In the past, however, the committee has been concerned, as has the House committee, about the management of the Indian housing program in HUD, and the lack of coordination in providing an efficient and speedy delivery mechanism. Consequently, I am pleased that the Congress is in the process of developing a viable alternative to the HUD program, the proposed Indian Housing Act of 1982 (H.R. 5988). I expect that further funding for Indian housing programs will be provided under a new authorization which provides for a comprehensive, more flexible and less costly program of housing assistance to American Indians and Alaska Natives.

Finally, the dollar signs in the tables on pages 18 and 19 of the committee report, which compare the numbers of assisted housing units in fiscal year 1982 should be deleted. These dollar signs were inadvertently inserted in the tables as a result of a printing error.

SUBSIDIZED HOUSING PROGRAMS

(RENT SUPPLEMENT)

Mr. President, as part of the fiscal year 1983 budget submission, the administration has proposed a fiscal year 1982 rescission to reduce budget authority by an additional $1,750,480,000 in the rent supplement program over the amount already approved for reduction in fiscal year 1982. The Department would recapture this authority by converting 40,000 more rent supplement units to section 8 in 1982 than were originally proposed.

Actual conversions are expected to reach 60,000 units in 1982 compared with the previous estimate of 20,000 units. Exempted from the conversion policy are noninsured State-aided projects which will continue to receive rent supplement assistance. The conversion of 40,000 additional units above the previous 1982 estimate will result in the recapture of $46,840,000 more of rent supplement contract authority than previously projected. Approximately $43,500,000 of the additional contract authority proposed to be recaptured would, under the administration's plan, be utilized to provide needed amendments to units not yet converted, including State-aided projects. The remaining $3,340,000 of contract authority are proposed for rescission. The amendments approved in 1982 will support increased costs on the remaining rent supplement projects for 2 years until conversion to section 8 is accomplished. Limiting the amendments to 2 years as opposed to an average of 34 years contemplated in the 1982 budget reduces the amount of recaptured budget authority required to support the amendments. As a result, $1,750,480,000 of additional budget authority would be available for rescission.

The committee has agreed with the basic thrust of the administration's proposal to convert units from the rent supplement program to section 8. However, the rate of conversion in fiscal year 1983 and fiscal year 1984 are considered to be higher than can be practically obtained. Therefore, the committee has recommended a slower rate of conversion in fiscal year 1983 and fiscal year 1984. As a result of this slower conversion rate, additional amendment funds will be required, thus reducing the fiscal year 1982 supplemental rescission request to $1,579,480,000.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

SPECIAL ASSISTANCE FUNCTIONS FUND

Mr. President, under this program, GNMA purchases mortgages on section 8 projects which bear an interest rate as low as 7½ percent. The program is designed to reduce debt service requirements, thereby enabling projects to be economically feasible at a constrained "fair market rent" level. The limitation on mortgage amounts is determined by the fair market rents cost limitations applicable to the area in which the project is located. Projects are eligible for GNMA commitments once an FHA commitment for insurance has been issued and the necessary section 8 assistance has been reserved for the project.

The Omnibus Budget Reconciliation Act of 1981, Public Law 97-35, set the GNMA limit at $1,973,000,000. The fiscal year 1982 HUD-Independent Agencies Appropriation Act, Public Law 97-101, provided the entire amount authorized. However, the House has included a provision in H.R. 5922 which would provide an additional $1,000,000,000 for GNMA section 8 tandem funds. The House intended that these funds would be available for projects that cannot be financed through financial adjustment (partially assisted projects).

The committee has not recommended the appropriation of this additional $1,000,000,000 for several reasons. First, the funds are not authorized. Second, of the approximately 14,800 units that would be assisted under this program, only about 3,340 are section 8 assisted units. Thus the number of assisted housing units for low-income individuals is not commensurate with the resources required. Finally, over $975,000,000 in outlays during fiscal year 1984 will result from the appropriation of these funds. (This will be partially offset in fiscal year 1985 with receipts of about $675,000,000.)

HOUSING PRODUCTION ASSISTANCE PAYMENTS

On May 11, 1982, the House passed H.R. 6294, the Single-Family Housing Production Act of 1982. On May 12, 1982, during consideration of H.R. 5922, the House accepted an amendment to provide $1,000,000,000 for the funding of this housing production program.

The committee has recommended deleting the House provision and inserting in its place the provisions of S. 2226, as reported on April 27, 1982. Under the committee's recommendation, funding for the Senate housing stimulus bill is authorized at $5,120,000,000. The committee also provided an initial appropriation of $1,000,000,000, to remain available for commitment until November 1, 1982. The Committee may recommend additional funding, up to and including the fully authorized level, at a later date.

The committee believes that the Senate version of the housing bill represents a less costly approach and more precisely targeted program than that proposed by the House. Based on CBO estimates and the $1,000,000,000 funding level provided, approximately 80,000 new housing units will be produced, resulting in an estimated annual outlay of $200,000,000 during each of the next 5 years.

ENVIRONMENTAL PROTECTION AGENCY

Mr. President, the committee recommended several changes to the House version of H.R. 5922 regarding EPA's waste water construction grants program. In addition, the committee has earmarked funds from the hazardous substance response trust fund for the Department of Health and Human Services.

WASTE WATER CONSTRUCTION GRANTS

The committee recommended $2,400,000,000 for the Environmental Protection Agency's waste water treatment facility construction grants program in 1982. This amount is identical to the authorization contained in the Municipal Waste Water Treatment Construction Grant Amendments of 1981 (Public Law 97-177), the House allowance, and to the administration's request transmitted to the Congress in conjunction with the fiscal year 1983 budget estimate.

The combination of the 1981 rescission and the delay in availability of the 1982 funding has placed a severe financial strain on many States' construction grants programs. At the end of March 1982, 40 States and 5 territories had unobligated program balances under $20,000,000 and 38 States and 5 territories had balances under $15,000,000. With project requirements greatly exceeding available funding, most States have severely limited recent obligations.

The House version of H.R. 5922 permits the funding of a pumping station and pipeline at the New York City Convention Center. The committee did not recommend funding of this provision (section 205(k) of the Federal Water Pollution Control Act, as amended). Under this provision, each State would lose part of its annual allocation to pay for this project since funding would come from each State's allocation rather than New York State's allocation. The Hudson River presently receives 100 million gallons per day of raw sewage and the committee believes that no significant decrease would occur if funds were provided for the convention center project.

The House included language to allow the use of section 201(m) funds for the construction of a greenhouse/horticulture facility and job training center in San Francisco, Calif. Federal funding for this facility/center would be $13,000,000 and would come from the State's allocation. The committee did not recommend funding for this project and believes that such a use of construction grant funds is wasteful as funds should be used for projects with health and environmental payoff.

In addition, the House included language which would give EPA the authority to fund replacement of mechanical systems with biological treatment processes in small community systems. The committee recommended a modification to this language. EPA's Office of Water estimates that since 1972 approximately 4,800 treatment plants representing $6,000,000,000 in grant awards have been built in communities with populations of less than 10,000 people. The committee believes that the possibility exists that the language proposed by the House could be used to establish open ended Federal exposure for additional grants to small communities.

However, the committee recognized that municipal waste water treatment construction grant amendments of 1981 added a new section to the basic law concerning the definition of secondary treatment. The new section 304(d)(4) of the act permits the use of biological treatment facilities such as oxidation ponds, lagoons, ditches, trickling filters, and devices to treat waste waters from combined storm and sanitary sewers as the equivalent of secondary treatment if it can be proved that water quality will not be adversely affected by such methods. The Environmental Protection Agency

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has defined the term "secondary treatment" as the removal of 85 percent of biochemical oxygen demand and the attainment of an effluent containing not more than 30 milligrams per liter of suspended solids over a 30-day period. Certain biological treatment facilities have demonstrated the capability to reduce concentrations of biochemical oxygen demand and total suspended solids significantly, although they may not consistently achieve 85 percent removal. One of the principal attractions of these biological treatment techniques is that they are generally much less expensive to construct and operate than normal sewage treatment facilities. In a time of constrained Government spending, the committee has endorsed this concept in order to help stretch limited resources.

In light of the committee's endorsement of this concept, the committee has included bill language that would permit the Environmental Protection Agency to fund biological treatment facilities as alternatives to expensive mechanical treatment plants under certain conditions. The condition specified in the bill would require these plants to have suffered structural failure outside the warranty period. The inclusion of this qualification limits the exposure of Federal funds to a small number of cases. Examples of such small, rural communities that would qualify for funding include Inverness and Burnsville, Miss.

Mr. President, the committee is concerned that the apportionment of waste water construction grant funds to the States be made as quickly as possible after H.R. 5922 has been enacted into law. On May 13, 1982, I received a letter from EPA which indicates that as soon as the bill is enacted into law, the administration intends to immediately apportion these funds to the States.

Mr. President, I would ask unanimous consent that this letter from EPA be included in the Record at this point.

Finally, House Report 97-469 contains language that urges EPA to ". . . award high priority to the revision and review of water quality standards in the management of subsection 205(j) funds." While the committee agreed with the House's intent that the use of 205(j) funds have a "demonstrated result," the committee did not believe that restricting the funds use to the review of water quality standards will assure that this objective is met, nor is it in keeping with the legislative intent. The committee believes that the State, areawide organizations, and local governments must be free to develop a mutually acceptable plan without the imposition of Federal restrictions.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Environmental
Protection Agency,
Washington, D.C.

Hon. Edwin (Jake) J. Garn,
Chairman, Subcommittee on HUD-Independent Agencies, Committee on Appropriations, U.S. Senate.

Dear Mr. Chairman: The Administrator expressed her concern to you and other members of Congress in her recent letter regarding the importance of enactment of the Construction Grants $2.4 Billion FY 1982 Supplemental. We have discussed several issues with your staff regarding the timeliness of release of funds when the appropriation is enacted. I know you have a real concern on that issue. We fully concur that the release of funds to the states should occur as quickly as possible.

I have directed the Comptroller to submit the apportionment request to the Office of Management and Budget the day of enactment. The Office of Management and Budget has committed to a one-day turnaround on their review and signature on that apportionment. The Comptroller will release the funds in allowances the same day.

This commitment should assure you that the Administration has every intent of the immediate release of these funds upon enactment. I hope that this commitment will eliminate any concern that you may have. I greatly appreciate your strong efforts on the supplemental.

Sincerely yours,

John E. Daniel,
Acting Administrator.

HAZARDOUS SUBSTANCE RESPONSE TRUST FUND

Mr. GARN. Mr. President, section 104(i) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (Public Law 96-510) authorizes the use of funds from the trust fund for medical and research activities to be undertaken by the Department of Health and Human Services. The Department originally requested $10,000,000 for these activities in fiscal year 1982. Even after the Department revised its request to $7,469,000, EPA recommended a level of $3,344,000.

The committee earmarked $7,000,000 from the Hazardous Response Trust Fund for the Department to carry out its superfund activities. Of this amount, $5,000,000 would be used for continuing staff support at the Department and $2,000,000 for discretionary activities such as health inspections at specific hazardous waste sites.

The committee believes that with this additional funding, the Department will be able to devote more resources to training of State personnel; purchase needed lab equipment; develop an ADP system for the toxicological registry; and develop hazardous waste handling manuals.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

RESEARCH AND DEVELOPMENT

Mr. President, the committee included a provision related to the use of fiscal year 1982 appropriations for NASA, which were provided in Public Law 97-101. No new appropriations are proposed. Instead, the provision would set minimum amounts to be applied to NASA programs other than the Space Shuttle. In most cases, these minimums are identical to the operating plan submitted to the committee in January 1982. The exceptions are as follows: $15,400,000 is earmarked for work on a 30/20 gigahertz test satellite to maintain U.S. leadership in communications satellites ($3,000,000 of this amount is available from funds appropriated for solar electric propulsion in fiscal year 1981); $264,800,000 is set aside for aeronautics research—the level recommended by President Reagan in March 1981.

Funds for a mission to retrieve and repair the Solar Maximum Scientific Satellite presently in orbit are made contingent on the Department of Defense bearing half of the cost of this mission. Since demonstration of the capability of the Shuttle to retrieve and refurbish or repair satellites is of importance to both the civil and national security communities, it is reasonable to expect the Department of Defense to fund half the preparation cost for the mission (excluding Solar Maximum Satellite costs and costs of equipment, like the manned maneuvering unit, capable of reuse). The Department of Defense would also be expected to fund half the cost of the flight (at the DOD rate, and excluding costs properly allocable to launching other spacecraft during the flight).

Within the Space Shuttle program, the provision would direct NASA to continue preparation of a high-energy upper stage—the Centaur—for use in the planetary program. Later uses for national security and other civil programs are expected. It is the clear intent of the committee that all work on lower energy upper stages—the inertial upper stages—for the Galileo and Solar Polar missions would be terminated, and the amendment adopted earlier today would not affect this.

If Shuttle schedule or costs would be adversely affected by application of fiscal year 1982 appropriations as specified in these provisions, the committee has directed the Administrator of NASA to request the Appropriations Committees for authority to apply unobligated balances in the "Construction of Facilities" or the "Research and Program Management" accounts to the Shuttle, including any funding necessary to prepare PAD 39-B at the Kennedy Space Center for use by January 1, 1986.

ADMINISTRATIVE PROVISION

Mr. President, the committee has also recommended raising the limitation contained in Public Law 97-101 concerning NASA's external relations office by providing five additional positions of this office.●

EPA FUNDING

● Mr. CRANSTON. If the Senator would yield, I would like to ask the Senator from Utah (Mr. GARN) a question concerning the portion of the bill relating to the EPA construction grants program. As you are aware, the California State Water Resources Control Board has approved a grant to the city and county of San Francisco to build a mitigation facility in the Bayview/Hunter's Point area next to the southeast sewage treatment plant. It is my understanding that all procedures applicable to section 201(g) grants were followed in connection with the project. Thereafter, EPA disapproved the project on the ground that it was not grant eligible. Last year in the 1981 amendments to the Clean Water Act, Congress included a provision to make it clear that the San Francisco mitigation project is EPA grant eligible. The authorizing legislation does not require funding the project, but merely permits the State of California to fund the San Francisco project out of the State's share of EPA construction grant moneys if the State so chooses. The language in the House passed version of the fiscal year 1982 Urgent Supplemental Appropriations Act permits funding of the San Francisco project as long as all the procedures applicable to section 201(g) grants were followed. The language in the Senate version of the Supplemental Appropriation Act, however, prohibits California from funding the San Francisco project with fiscal year 1982 moneys. I believe the State of California should be permitted to decide which projects in the State are funded with EPA moneys and should not be prohibited from funding a project which is high on its priority list. Thus, I would like to ask what flexibility there is in conference to accept the House language on the San Francisco project authorized in section 201(m).

Mr. GARN. I appreciate the Senator's remarks. I believe that there would be some latitude in conference for the Senate to reconsider its position on section 201(m) and agree with the House language with respect to the San Francisco project. I will be happy to explore that option.●

● Mr. CANNON. I support and commend the wisdom of Senator GARN in bringing to the floor this needed supplemental appropriation. As ranking minority member of the Commerce Committee, which has jurisdiction over NASA authorizations, I am particularly interested in portions of the bill which relate to NASA's research and technology programs. Do I understand that your bill restores the fiscal year 1982 aeronautics research and technology appropriation to the level requested in the March budget?

Mr. GARN. As the Senator knows, I am deeply concerned over the worsening economic situation of our aviation industry. We are determined, as we know you are, to support its technological leadership against escalating foreign competition. For that reason, the committee clearly intended these restored funds to be expended as originally appropriated for aeronautics programs important to maintain our position of world leadership.

Mr. CANNON. I would like the Senator to confirm the specific aeronautics programs to which this restoration of funding is expected to apply. Do you remain convinced that those eight program areas identified in the Appropriations Committee Report No. 97-163 of last July accompanying the fiscal year 1982 appropriations bill, H.R. 4034, continue to be in the national interest and continue to reflect the areas in which the restored funding should be applied?

Mr. GARN. I wish to recite a few things that have changed since the committee filed our report on July 23, 1981.

One of our three manufacturers of large transport aircraft for the world airline market has been forced to terminate production. Our largest aircraft manufacturer for the world market has been severely injured by cancellations totaling hundreds of million of dollars. The European consortium of Airbus Industries has surpassed all U.S. manufacturers in export sales of large transports. General aviation, now, for the first time in our history is suffering a negative trade balance. I can tell you in no uncertain terms that we remain as strongly committed today as we were last July to support those critical aeronautics technologies.

Mr. CANNON. I am relieved to hear the Senator say that, and I am impressed with his understanding of the issue which comes down the line to jobs and national economic recovery which is best achieved by a healthy industrial sector. Let me quote the eight technical program areas identified in your previous committee report to which the additional funding was directed. They are: "aircraft energy efficiency; large composite primary aircraft structures, advanced turbo-prop (or prop fan); advanced rotocraft technology; commuter aircraft technology; advanced high speed transport aircraft technology; laminar flow control technology; and active controls technology." Are those the programs you now intend to support?

Mr. GARN. Yes, those programs stand out today, clearly as ever, as vital to our aviation technology leadership as the programs we intend these restored funds to support.

Mr. CANNON. I wonder if you would share the following words of appeal and advice to the Administrator of NASA. Unless appropriated funds are expended for the purposes for which they are authorized, the historic bipartisan cooperation of the authorizing and appropriating committees of the Congress with the agency and the administration will be damaged. That in turn may lead to specific funding floors and ceilings for each program, an approach we have generally shunned as too inflexible and inefficient. I hope we will not come to that. I thank the Senator, for your understanding and clarification.

Mr. GARN. I echo the Senator's sentiments and hope that recourse will not be necessary.●

● Mr. HAYAKAWA. In 1976, the Environmental Protection Agency, the city of San Francisco, and the California State Water Resources Control Board agreed that once the southeast treatment plant in San Francisco was expanded, a mitigation project also would be built. It is now 6 years later and the expansion of the southeast treatment plant is almost complete. I understand there is a proviso in the House Urgent Supplemental Appropriations Act which stipulates that projects listed in section 201(m) may qualify for funding even if the projects are also listed in section 201(g).

Mr. GARN. The Senator is correct.

Mr. HAYAKAWA. Is it true that this provision applies to the southeast treatment plant located in one of the most depressed areas of San Francisco known as Bayview/Hunter's Point?

Mr. GARN. The Senator is correct again. This proviso was added to the Urgent Supplemental Appropriations Act to insure that nothing would prohibit funding for a project which had qualified for a grant under section 201(g), the standard construction grants provision. The House language does not object to projects listed in section 201(m) form receiving funding based on the State's priority list.

Mr. HAYAKAWA. As it happens, the San Francisco mitigation project is on the State of California's priority list. I would ask the Senator that when H.R. 5922 goes to conference, the proviso which says projects listed in section 201(m) may qualify for funding if the projects are also listed in section 201(g) be retained.

Mr. GARN. I will keep the Senator's concerns in mind when this bill goes to conference.

Mr. HAYAKAWA. I thank my distinguished colleague.●

● Mr. NICKLES. Mr. President, it is distressing to me to see that we continue practices that have so greatly contributed to our trillion dollars national debt.

In this urgent supplemental legislation, I find that there is $500 million provided for public housing modernization for fiscal year 1983 for the Department of Housing and Urban Development. It is simply astonishing that in the short lifespan of public housing we must now spend $300 million a year for modernization. There is language in the committee report earmarking $89 million to rehabilitate public housing buildings that are now vacant. Several projects are listed as examples including, to my surprise, a project in Oklahoma City known as Hamilton Courts.

Mr. President, Hamilton Courts has a history that should embarass not only the Department of Housing and Urban Development but the Congress. This project was constructed in 1970 at a total cost of $6.6 million. Today, 12 years later, over $6 million is still owed and these buildings are empty.

In 1978, my predecessor, Henry Bellmon, started negotiations with HUD to resolve this graphic example of the waste of Federal tax dollars. In the spring of 1979, Patricia Roberts Harris, the Secretary of HUD, made a determination that Hamilton Courts was no longer feasible for low-income housing—it never was; that it could be offered to the U.S. Air Force for housing and if that did not work, it could be sold on the public market.

And yet, to this day, a public sale has not been completely negotiated which in the simplest terms says, 3 years after the Secretary's decision, the Oklahoma City Housing Authority is still saddled with a monstrous, costly eyesore. The cost to the American taxpayers for 1980 and 1981 was $621,105 for empty buildings housing no one. It is my understanding that a prospective buyer is at this time negotiating with the Oklahoma City Housing Authority and a sale may be consummated in the next several months.

Mr. President, I must express my deepest concern that if the circumstances surrounding the Hamilton Courts project typifies the other vacant projects listed in the Senate report, this Congress should demand from the Secretary of HUD complete justification before any expenditures of the earmarked funds are made.

At the risk of sounding like a broken record, I say to my fellow colleagues that it is exactly this type of administration of Federal programs that has led us into this impossible nightmare of huge Federal deficits and the trend to continue these programs is frightening.

Mr. GARN. Mr. President, I want to thank my colleague from Oklahoma for bringing this matter to my attention. As the committee report notes, the 62 projects are a list of all the vacant buildings that HUD was aware of. It is certainly not the intent of this Senator to require that these specific buildings be rehabilitated. We simply used this list as a means of estimating the total number of housing units that might be rehabilitated. I would certainly expect HUD to obligate these funds in only those cases where cost effective and lasting improvements can be made.●

● Mr. GLENN. Mr. President, I wish to engage the distinguished chairman of the Subcommittee on HUD and Independent Agencies in a discussion.

I believe, that the Senator is familiar with the situation that now pertains in Akron, Ohio, where a forward-looking environmental facility whose operation can be very conducive to improved ground and surface water quality is rather strapped financially. It is an admirable project and one highly regarded by the EPA. The facility's purpose is to convert solid waste into steam energy, for which there are now 190 customers. The customers include three large hospitals, the University of Akron and the B. F. Goodrich Co., as examples.

The waste disposed of in this facility would be detrimental to water quality were it to be disposed of in landfills. And that might have to happen if the current financial problems cannot be resolved.

The State of Ohio is concerned and wants to help. Ohio itself is facing huge deficit problems, however. But there is a possibility of getting this job done and putting the Akron recycle energy facility on sound footing.

The State has unexpended waste water construction funds available. And part of those funds, as it happens, are there because of unexpectedly low bids on a water treatment project right there in Akron. Were the State able to reallocate about $10 million of those unexpended funds, on a one-time basis, Akron could get by its next bond payment and this facility could make its significant contribution to the environment.

I think this is a very worthy purpose. It can be achieved without adding any new funds to this bill.

Does the distinguished chairman of the subcommittee believe we could act to facilitate this worthy project?

Mr. GARN. Mr. President, I am quite aware of the problem raised by the Senator from Ohio. In fact, early yesterday I filed an amendment (No. 1501) that would have given the Governor the authority to transfer the needed funds, and I was prepared to offer this amendment. Unfortunately, the invoking of cloture precluded all nongermane amendments and so it is not now possible to address this problem at this time.●

REVIEWING RECOVERY-ASSISTANCE OPTIONS

Mr. GRASSLEY. Mr. President, we in Congress have been grappling with, debating and working long hours on possible remedies for our economic ills.

The Senate just last week passed a budget resolution which we trust and hope will bring interest rates down and stimulate recovery. At this time, we are by no means certain that interest rates will in fact come down as a result of our budget, largely because we are uncertain about the final product. The House has yet to complete debate on its version, and then the differences between the two versions must be resolved in conference.

In light of the uncertainty about the budget outcome, and because of the continued weak performance of the economy, I voted today in favor of the Lugar housing measure sponsored by the Senator from Indiana. It is my belief that this measure should be considered as a possible option for assisting economic recovery. My vote in favor of it should be read as an intent to get this bill before the President, who should then have the opportunity to regard it strictly as an option. The President may veto the measure, but at least he will have all the possible options before him, and the Congress will have met its responsibility of presenting the President with sound alternatives.

If the budget worked out by Congress has a favorable impact on the economy, perhaps the housing initiative would be unnecessary. On the other hand, the state of the economy is so uncertain that we should not want to foreclose any option at all. The final budget resolution may not have the desired effect on financial markets, in which case some economic stimulus might be necessary.

Mr. President, I wish to point out that my vote today in favor of the Lugar amendment in no way commits me to support it in the event of a Presidential veto.

Mr. HATFIELD. Mr. President, I suggest third reading.

The **PRESIDING OFFICER.** The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

The **PRESIDING OFFICER.** The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Alabama (Mr. DENTON), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Illinois (Mr. PERCY), the Senator from South Dakota (Mr. PRESSLER), and the Senator from New Mexico (Mr. SCHMITT) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. DURENBERGER), and the Senator from South Dakota (Mr. PRESSLER), would each vote "yea."

I further announce that if present and voting the Senator from Illinois (Mr. PERCY) would vote "nay."

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON) and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

I further announce that the Senator from Rhode Island (Mr. PELL) is absent on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL) would vote "yea."

The PRESIDING OFFICER (Mr. GORTON). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 73, nays 19, as follows:

[Rollcall Vote No. 168 Leg.]

YEAS—73

Abdnor
Andrews
Baker
Baucus
Bentsen
Biden
Boren
Boschwitz
Bradley
Brady
Bumpers
Burdick
Byrd, Robert C.
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Dixon
Dodd
Eagleton
Exon
Ford
Garn
Glenn
Gorton
Hart
Hatch
Hatfield
Hawkins
Heinz
Hollings
Huddleston
Jackson
Jepsen
Johnston
Kassebaum
Kasten
Kennedy
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
McClure
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Nunn
Packwood
Pryor
Quayle
Randolph
Riegle
Rudman
Sarbanes
Sasser
Simpson
Specter
Stafford
Stennis
Stevens
Thurmond
Tsongas
Weicker
Zorinsky

NAYS—19

Armstrong
Byrd,
  Harry F., Jr.
Dole
Domenici
East
Goldwater
Grassley
Hayakawa
Heflin
Helms
Humphrey
Mattingly
Nickles
Proxmire
Roth
Symms
Tower
Wallop
Warner

NOT VOTING—8

Cannon
Denton
Durenberger
Inouye
Pell
Percy
Pressler
Schmitt

So the bill (H.R. 5922), as amended, was passed.

Mr. HATFIELD. I move to reconsider the vote by which the bill passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I move that the Senate insist on its amendments and request a conference with the House on the disagreeing votes of the two Houses thereon and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to and the Chair appointed Mr. HATFIELD, Mr. STEVENS, Mr. WEICKER, Mr. MCCLURE, Mr. GARN, Mr. SCHMITT, Mr. COCHRAN, Mr. ANDREWS, Mr. ABDNOR, Mr. KASTEN, Mr. D'AMATO, Mr. MATTINGLY, Mr. PROXMIRE, Mr. STENNIS, Mr. INOUYE, Mr. HOLLINGS, Mr. EAGLETON, Mr. CHILES, Mr. JOHNSTON, Mr. DECONCINI, Mr. HUDDLESTON, Mr. BURDICK, and Mr. BUMPERS conferees on the part of the Senate.

EXTENSION OF EXPIRATION DATE OF SECTION 252 OF THE ENERGY POLICY AND CONSERVATION ACT

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, there is a matter that the Senator from Idaho wishes to take up that I believe will require the attention of the other body. I yield to him now so he may proceed.

Mr. McCLURE. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be discharged from further consideration of S. 2575, the bill to extend the IEA antitrust exemption and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Idaho?

There being no objection, the Senate proceeded to consider the bill (S. 2575) to extend the expiration date of section 252 of the Energy Policy and Conservation Act, which was read the first time by title and the second time at length.

Mr. McCLURE. Mr. President, we now face the distinct possibility, despite our best efforts and those of our colleagues in the other body, that the limited IEA antitrust defense contained in section 252 of the Energy Policy and Conservation Act, as amended, may expire at midnight on June 1, 1982. In light of that possibility, I requested the Department of Justice to prepare a legal memorandum on the impact of a lapse of the EPCA authority, in terms of its effectiveness upon enactment of a law re-establishing that authority. I have received, in response, a letter of May 27, 1982 from Robert A. McConnell, Assistant Attorney General for the Office of Legislative Affairs. I ask unanimous consent that the letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, D.C., May 27, 1982.

Hon. JAMES A. MCCLURE,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C.

DEAR CHAIRMAN MCCLURE: I am writing in response to your question concerning the proposed renewal of the antitrust defense contained in Section 252 of the Energy Policy and Conservation Act (EPCA), 42 U.S.C. §6272, and its impact on the Voluntary Agreement and Plan of Action to Implement the International Energy Program (Voluntary Agreement). Section 252(f)(1) of EPCA provides an antitrust defense for actions by oil companies assisting governments with implementing the International Energy Program (IEP), provided, *inter alia*, that such actions are taken in the course of developing or carrying out an approved Voluntary Agreement. Specifically, you wished to know what effect there would be on company activities under the Voluntary Agreement should there be a brief period between expiration of the EPCA antitrust defense and its renewal by Congress.

The Voluntary Agreement between U.S. oil companies and the United States Government which went into effect on March 21, 1976, contained a provision in Section 11(a) that "It shall cease to be effective on June 30, 1979, unless an extension of the authority under Section 252, or any other legislation permits continuation of the Agreement." With that provision it appeared the Voluntary Agreement would become ineffective should the authorization of the limited antitrust defense granted by Section 252 of EPCA expire. It further appeared that even if Section 252 were reactivated after expiration, there was a danger that the Voluntary Agreement would have lapsed, requiring reapproval by all participants before becoming effective again. Such a lapse would have created a period of at least twenty days during which U.S. Reporting Companies would not have had available a statutory antitrust defense for their participation in IEP related activities.

In order to avoid this problem the Attorney General on September 30, 1981, acting pursuant to his authority under Section 252(d)(1) of the EPCA, 42 U.S.C. §6272(d)(1), amended Section 11(a) of the Voluntary Agreement by deleting the language quoted above and adding the following phrase:

"Unless revoked or disapproved by the Attorney General pursuant to Section 252(d), [the Voluntary Agreement] shall be effective whenever authorized by section 252 of EPCA, or any other legislation."

The Attorney General carried out the required consultations with the Federal Trade Commission, and the Secretaries of State and Energy before promulgating the amendment.[1]

With this amendment now in place, the Voluntary Agreement is effective whenever the limited antitrust defense authorized by Section 252 is in effect. Accordingly, should Section 252 be allowed to lapse and then be renewed by Congress, the Voluntary Agreement as amended would, by its own terms, cease to be effective during the period of lapse, but would automatically come back into effect immediately upon the extension of Section 252.

The Departments of State and Energy concur in this assessment. The appropriate persons on the staff of the Federal Trade Commission have also been consulted and concur. I hope this is helpful during consideration of the extension of renewal of Section 252 of EPCA.

The Office of Management and Budget has advised that there is no objection to the submission of this report from the standpoint of the Administration's program.

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[1] *See* 46 Fed. Reg. 51824 (Oct. 22, 1981) for a further explanation of this amendment. The Voluntary Agreement was amended by the Assistant Attorney General of the Antitrust Division pursuant to a delegation of authority from the Attorney General. 28 C.F.R. § 0.41(i).

Sincerely,

ROBERT A. McCONNELL,
Assistant Attorney General.

Mr. **McCLURE**. Mr. President, the Justice Department opinion establishes conclusively that, pursuant to EPCA and the voluntary agreement governing the antitrust defense, the voluntary agreement "would automatically come back into effect immediately upon the extension of section 252" by a subsequent law. That conclusion is most important, because it means that any lapse in authority would not require a complete renegotiation and repromulgation of the voluntary agreement. Any renegotiation and repromulgation could consume considerable time, during which this important protection for the industrialized nations of the free world would not be available.

I want to ask the distinguished ranking minority member of the Committee on Energy and Natural Resources, who, of course, was chairman of the committee at the time EPCA was enacted, if he concurs in the opinion of the Justice Department.

Mr. **JACKSON**. Mr. President, I thank the chairman of the committee. I do indeed concur with the Justice Department opinion.

Mr. **McCLURE**. I thank my distinguished colleague.

Mr. President, I move the adoption of the bill.

The **PRESIDING OFFICER**. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2575) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2575

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 252(j) of the Energy Policy and Conservation Act (42 U.S.C. 6272(j)) is amended by striking "June 1, 1982" and inserting in lieu thereof "July 1, 1982".

Mr. **McCLURE**. I move to reconsider the vote by which the bill passed.

Mr. **BAKER**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ROUTINE MORNING BUSINESS

Mr. **BAKER**. Mr. President, a number of Senators have statements to make. I ask that there be a brief period for the transaction of routine morning business not to extend past the hour of 11:30 p.m., in which Senators may speak for not more than 3 minutes.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

APPOINTMENT AND AUTHORITY OF THE SUPREME COURT POLICE

Mr. **THURMOND**. Mr. President, I send to the desk a bill and ask the clerk to state it.

The **PRESIDING OFFICER**. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 2601) to provide for appointment and authority of the Supreme Court Police.

Mr. **THURMOND**. Mr. President, I ask unanimous consent that the bill be read twice.

The **PRESIDING OFFICER**. Is there objection?

Mr. **ROBERT C. BYRD**. Mr. President, reserving the right to object, I shall not object. This matter has been cleared on this side of the aisle.

The **PRESIDING OFFICER**. Without objection, the bill will be given its second reading.

The legislative clerk read the bill the second time at length.

Mr. **THURMOND**. Mr. President, today I am introducing legislation to clarify the jurisdiction and procedures of the police force of the Supreme Court of the United States. This bill is designed to insure the continued efficient administration of the Supreme Court by according to the police of the Court the legal status and recognition merited by the nature of its present duties.

Although this force has a long and distinguished history of service to the Court, increased responsibilities have required the Supreme Court Police to assume a greater role in providing increased physical protections for the Justices and employees of the Court, as well as for visitors to the Court building. Accordingly, the legal status of the Supreme Court Police should be clarified to reflect these present realities, and this bill is aimed at accomplishing that goal.

Mr. President, I ask unanimous consent that a copy of the bill appear at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2601

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first session of the Act entitled "An Act relating to the policing of the building and grounds of the Supreme Court of the United States", approved August 18, 1949 (40 U.S.C. 13f), is amended by striking out "special policemen" through "adjacent streets" and inserting in lieu thereof "members of the Supreme Court Police, without additional compensation".

(b) Subsection (b) of section 7 of such Act (40 U.S.C. 13*l*(b)) is amended to read as follows:

"(b) All regulations prescribed under this section shall be posted in a public place at the Supreme Court Building and shall be made reasonably available to the public in writing.".

(c)(1) Section 9 of such Act (40 U.S.C. 13n) is amended by striking out "Sec. 9. The special" and all that follows through ": *Provided* That the Metropolitan Police force of the District of Columbia" and inserting in lieu thereof the following:

"SEC. 9. (a) The Marshal of the Supreme Court and the Supreme Court Police shall have authority, in accordance with regulations prescribed by the Marshal and approved by the Chief Justice of the United States—

"(1) to police the Supreme Court Building and grounds, and adjacent streets for the purpose of protecting persons and property;

"(2) in any part of the United States, to protect—

"(A) the person of the Chief Justice of the United States, any Associate Justice of the Supreme Court, and any official guest of the Supreme Court; and

"(B) the person of any officer or employee of the Supreme Court while such officer or employee is engaged in the performance of official duties;

"(3) in the performance of duties necessary for carrying out paragraph (1) of this subsection, to make arrests for any violation of a law of the United States or any State and any regulation under such law;

"(4) in the performance of duties necessary for carrying out paragraph (2) of this subsection, to make arrests for any violation of a law of the United States and any regulation under such law; and

"(5) to carry firearms as may be required for the performance of duties under this Act.

"(b) The Metropolitan police force of the District of Columbia".

(2) Section 9 of such Act (40 U.S.C. 13n), as amended by paragraph (1) of this subsection, is further amended by adding at the end thereof the following new subsection:

"(c) As used in this Act—

"(1) 'official guest of the Supreme Court' means an individual who is a guest of the Supreme Court, as determined by the Chief Justice or any of the Associate Justices; and

"(2) the term 'state' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States; and

"(3) the term 'United States', when used in a geographical sense, means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States."

(d) Section 11 of such Act (40 U.S.C. 13p) is amended by adding at the end thereof the following new sentence: "For the purposes of this Act, the Supreme Court grounds shall also include all property acquired or leased, as provided by law, on behalf of the United States in the District of Columbia for use of the United States Supreme Court.".

SEC. 2. Section 672(c) of title 28, United States Code, is amended—

(1) by striking out the period at the end of clause (7) and inserting in lieu thereof a semicolon; and

(2) by adding at the end the following new clause:

"(8) Oversee the Supreme Court Police.".

SEC. 3. Section 3 of the Act entitled "An Act to provide for the acquisition of certain property in square 758 in the District of Columbia as an addition to the grounds of the United States Supreme Court Building", approved December 15, 1980 (40 U.S.C. 13p note), is amended by striking out "Act of May 7, 1934 (40 U.S.C. 13a through 13p), as amended" and inserting in lieu thereof 'Act entitled 'An Act to provide for the custody and maintenance of the United States Supreme Court Building and the equipment and grounds thereof', approved May 7, 1934 (40 U.S.C. 13a-13c), and section 6 of the joint resolution entitled 'Joint resolution to provide for the use and disposition of the bequest of the late Justice Oliver Wendell Holmes to the United States, and for other purposes', approved October 22, 1940 (40 U.S.C. 13e)".

Mr. **THURMOND**. Mr. President, I object to further consideration of the bill at this time.

The **PRESIDING OFFICER**. The objection has been heard to further consideration of the bill at this time. The bill will be placed on the calendar pursuant to the request of the Senator.

NUCLEAR FUEL PROGRAM

Mr. **McCLURE**. Mr. President, I want to take just a couple of minutes to comment upon an article that appeared in the Wall Street Journal dated May 26, headlined, "Nuclear Fuel Program Faces Opposition As Congress Queries $7 Billion Ohio Plant."

The article is bylined Andy Pasztor and John R. Emshwiller. I take this time only to indicate that certain of the statements in that article are not founded on fact when they refer to the Senator from Idaho as having taken some position with respect to the Portsmouth facility. I might indicate that the Senator from Idaho and my staff have not talked to either of these reporters about the subject matter appearing in the article.

Mr. President, I can only surmise that they may have inferred because of the coincidence of several different actions that the Senator from Idaho may have been involved in some way, in concert or otherwise, with others who were taking actions of which I knew nothing at the time. I had, at an earlier date, requested the CRS to update an earlier report with respect to enriched uranium supplies and uranium enrichment services. That CRS report, when received by the Committee on Energy and Natural Resources, was published, as is our custom.

Mr. President, the distinguished Senator from Tennessee, the majority leader (Mr. BAKER) has indicated some concern with the information in that report and has requested that hearings be held with reference to the matters placed upon the record. Mr. Domenici, the distinguished chairman of the subcommittee, has agreed to hold those hearings, and I think the date has been set for June 18 and there will be a full exploration of the subject matter.

I thought, because of the speculation surrounding the publication by a prestigious newspaper such as the Wall Street Journal, which has raised a lot of questions in the minds of many people as to the feelings of the Senator from Idaho, it ought to be at least dispelled. I have always been a supporter of the Portsmouth centrifuge project. I have fought for its authorization. I have fought for its funding, and while certainly the issue of uranium fuel supply and enrichment services is subject to reevaluation and questions can and will be asked, the Senator from Idaho either individually or as chairman of the Energy and Natural Resources Committee has taken no position at this time differing from my past position with respect to that facility.

Mr. President, I thank the Chair. I hope that by making this statement I may allay some of the fears on the part of some that I may have changed my position.

Mr. **BAKER**. Mr. President, I am grateful to the chairman of the Energy Committee and my friend from Idaho for this statement. I have never doubted his support for the enrichment facilities at Portsmouth or for any other major aspect of the nuclear program. It has few supporters as stalwart and as dedicated as the Senator from Idaho.

I am also pleased that he will agree and consent to the conduct of these hearings by a subcommittee of his committee and that a date has now been set for them.

It is most gratifying that he responds with such earnestness and promptness to these concerns and with such clarity on the matters that he has put before the Senate at this time. I thank him for it.

Mr. **McCLURE**. Mr. President, I thank the Senator from Tennessee.

THE CALENDAR

Mr. **BAKER**. Mr. President, I have a number of items that are available on this side for action by unanimous consent. I will inquire of the minority leader if he is prepared to consider certain items on the Calendar of General Orders. I refer specifically to Calendar Order No. 580 and Calendar Order No. 596, which are cleared on this side.

Mr. **ROBERT C. BYRD**. Mr. President, the minority is raring to go.

Mr. **BAKER**. I am even more grateful for that than anything else I can think of at this hour.

NATIONAL ASSOCIATION OF STATE DIRECTORS OF VETERANS AFFAIRS, INCORPORATED

Mr. **BAKER**. Mr. President, I ask unanimous consent that Calendar Order No. 580, S. 2215, be laid before the Senate.

The **PRESIDING OFFICER**. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 2215) to recognize the organization known as the National Association of State Directors of Veterans Affairs, Incorporated.

The **PRESIDING OFFICER**. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2215

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

CHARTER

SECTION 1. The National Association of State Directors of Veterans Affairs, Incorporated, organized and incorporated under the Nonprofit Corporation Act of the District of Columbia, is hereby recognized as such and is granted a charter.

POWERS

SEC. 2. The National Association of State Directors of Veterans Affairs, Incorporated (hereinafter referred to as the "corporation"), shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State or States in which it is incorporated and subject to the laws of such State or States.

OBJECTS AND PURPOSES OF CORPORATION

SEC. 3. The objects and purposes for which the corporation is organized shall be—

(1) to provide a medium for the exchange between veterans and veterans' organizations of ideas and information,

(2) to foster a better understanding of the national veterans' problems,

(3) to promote uniformity and equality of service to veterans in all the States and territories,

(4) to maintain an interest in all veterans' affairs,

(5) to disseminate advice and information to veterans or their dependents, regardless of their membership affiliation with any veterans' organizations,

(6) to actively participate in the national conventions of congressionally chartered veterans' organizations and service organizations recognized by the Veterans' Administration, as well as to perform liaison work and to cooperate with these organizations at their national, local, or Washington office headquarters, and

(7) to maintain close liaison with the four branches of the armed services of the United States wherever located.

The corporation shall function as an educational, patriotic, civic, historical, and research organization as authorized by the laws of the State or States wherein it is incorporated.

SERVICE OF PROCESS

SEC. 4. With respect to service of process, the corporation shall comply with the laws of the States in which it is incorporated and those States in which it carries on its activities in furtherance of its corporate purposes.

MEMBERSHIP

SEC. 5. Eligibility for membership in the corporation and the rights and privileges of members shall be as provided in the bylaws of the corporation.

BOARD OF DIRECTORS; COMPOSITION; RESPONSIBILITIES

SEC. 6. The board of directors of the corporation and the responsibilities thereof shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States in which it is incorporated.

OFFICERS OF CORPORATION

Sec. 7. The officers of the corporation, and the election of such officers shall be as is provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States wherein it is incorporated.

RESTRICTIONS

Sec. 8. (a) No part of the income or assets of the corporation shall inure to any member, officer, or director of the corporation or be distributed to any such person during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the board of directors.

(b) The corporation shall not make any loan to any officer, director, or employee of the corporation.

(c) The corporation and any officer and director of the corporation, acting as such officer or director, shall not contribute to, support or otherwise participate in any political activity or in any manner attempt to influence legislation.

(d) The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

(e) The corporation shall not claim congressional approval or Federal Government authority for any of its activities.

LIABILITY

Sec. 9. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

BOOKS AND RECORDS; INSPECTION

Sec. 10. The corporation shall keep correct and complete books and records of account and shall keep minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep at its principal office a record of the names and addresses of all members having the right of vote. All books and records of such corporation may be inspected by any member having the right to vote, or by any agent or attorney of such member, for any proper purpose, at any reasonable time. Nothing in this section shall be construed to contravene any applicable State law.

AUDIT OF FINANCIAL TRANSACTIONS

Sec. 11. The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end thereof the following:

"(57) National Association of State Directors of Veterans Affairs, Incorporated.".

ANNUAL REPORT

Sec. 12. The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as is the report of the audit required by section 11 of this Act. The report shall not be printed as a public document.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

Sec. 13. The right to alter, amend, or repeal this Act is expressly reserved to the Congress.

DEFINITION OF "STATE"

Sec. 14. For purposes of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

TAX-EXEMPT STATUS

Sec. 15. The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code. If the corporation fails to maintain such status, the charter granted hereby shall expire.

TERMINATION

Sec. 16. If the corporation shall fail to comply with any of the restrictions or provisions of this Act the charter granted hereby shall expire.

Mr. **THURMOND**. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. **BAKER**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DOCUMENTATION OF VESSEL "SKY LARK"

Mr. **BAKER**. Mr. President, I ask the Chair to lay before the Senate H.R. 3126, Calendar Order No. 596.

The **PRESIDING OFFICER**. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3126) to direct the Secretary of the department in which the United States Coast Guard is operating to cause the vessel *Sky Lark* to be documented as a vessel of the United States so as to be entitled to engage in the coastwise trade.

The **PRESIDING OFFICER**. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Commerce, Science, and Transportation with an amendment to strike out all after the enacting clause, and insert the following:

That, notwithstanding the provisions of section 27 of the Merchant Marine Act of 1920 (46 U.S.C. 883), or any other provisions of law to the contrary, the Secretary of the department in which the United States Coast Guard is operating shall cause the vessel Sky Lark (official number 617395), owned by Edwin E. Corwin, of Costa Mesa, California, the vessel Tempest (official number 611985), owned by Charles H. Bundrant, of Seattle, Washington, the vessel Alani Lipine (official number 609822), owned by Albert J. Barder, of Boulder City, Nevada, and the vessel Sylvia, owned by Les Bolton of Everett, Washington, to be documented as a vessel of the United States, upon compliance with the usual requirements, with the privilege of engaging in the coastwise trade so long as such vessel is owned by a citizen of the United States.

Sec. 2. (a) The Secretary of Transportation is authorized and directed, at any time not later than 90 days after the date of the enactment of this Act, to transfer to the State of Hawaii, without consideration, all right, title, and interest of the United States in and to the United vessel Chepachet, the former United States Navy ship Coffatot (AO-78).

(b) Any interests transferred under this section shall revert to the United States if the Secretary determines that—

(1) the State of Hawaii has not taken control of the Chepachet within 90 days after its transfer;

(2) the State of Hawaii is using the Chepachet for operation or transportation purposes; or

(3) the State of Hawaii has not scrapped the Chepachet within 24 calendar months following the date of enactment of this Act.

Sec. 3. Notwithstanding the last sentence of section 2 of "An Act to authorize the foreign sale of certain passenger vessels" (Public Law 92-296; 86 Stat. 140), the Secretary of Transportation may permit United States Lines, within a reasonable period not to exceed 12 months from enactment of this section, to use the funds committed pursuant to that sentence as equity capital for the construction of new vessels or of new containers for vessels or the reconstruction of vessels which the Secretary of Transportation determines are made to effectuate the purposes and policy of the Merchant Marine Act, 1936, as amended.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An Act to direct the Secretary of the department in which the United States Coast Guard is operating to cause the vessel *Sky Lark* to be documented as a vessel of the United States so as to be entitled to engage in the coastwise trade, and for other purposes".

Mr. **BAKER**. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. **ROBERT C. BYRD**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SEQUENTIAL REFERRAL OF S. 705

Mr. **BAKER**. Mr. President, I ask unanimous consent that S. 705 be sequentially referred to the Committee on Energy and Natural Resources, with the condition that, if the Energy Committee has not reported the bill by July 2, 1982, it shall be automatically discharged from further consideration of the bill.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

REFERRAL OF H.R. 3881

Mr. **BAKER**. Mr. President, I move that the Committee on Energy and Natural Resources be discharged from further consideration of H.R. 3881 and that the bill be referred to the Committee on Agriculture, Nutrition, and Forestry.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION OF AN UNDER SECRETARY OF COMMERCE

Mr. BAKER. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1808.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1808) entitled "An Act to authorize an Under Secretary of Commerce for Economic Affairs", do pass with the following amendment:

Strike out all after the enacting clause and insert: That (a) there shall be in the Department of Commerce an Under Secretary of Commerce for Economic Affairs who shall be appointed by the President by and with the advice and consent of the Senate. The Under Secretary shall perform such duties as the Secretary of Commerce shall prescribe.

(b)(1) Section 5314 of title 5, United States Code, is amended by inserting before "and Under" in the item relating to the Under Secretaries of Commerce: ", Under Secretary of Commerce for Economic Affairs,".

(2) Section 5315 of title 5, United States Code, is amended in the item relating to the Assistant Secretaries of Commerce by striking out "(7)" and inserting in lieu thereof "(8)".

(c)(1) Section 2 of the Act entitled "An Act to establish the Departments of Commerce and Labor", approved February 14, 1903, as amended (15 U.S.C. 1504) is amended by striking out the first two sentences.

(2) Section 8 of the Air Commerce Act of 1926 (44 Stat. 568; 52 Stat. 1029) is hereby repealed.

(3) Section 601(a) of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3201) is amended by striking out "and shall be compensated at the rate provided for level IV of the Federal Executive Salary Schedule".

(4) Section 9(a) of the Maritime Appropriation Authorization Act for Fiscal Year 1978 (15 U.S.C. 1507b) is amended by striking out "shall receive compensation at the rate prescribed by law for Assistant Secretaries of Commerce, and".

(5) Section 4 of the Reorganization Plan Numbered 1 of 1977 (91 Stat. 1633; 5 U.S.C. Appendix) is amended by striking out ", and who shall be entitled to receive compensation at the rate now or hereafter prescribed by law for level IV of the Executive Schedule".

(6) Section 2(d) of Reorganization Plan Numbered 3 of 1979 (93 Stat. 1382; 5 U.S.C. Appendix) is amended by striking out "shall receive compensation at the rate payable for level IV of the Executive Schedule, and ".

Sec. 2. During the fiscal year ending September 30, 1982, any payment or obligation pursuant to this Act may be made only to such extent or in such amounts as are provided in advance in appropriation Acts.

Mr. BAKER. Mr. President, I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. Without objection, the motion is agreed to.

FOREIGN FISH PROCESSING VESSELS

Mr. BAKER. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 2535.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 2535) entitled "An Act to regulate the operation of foreign fish processing vessels within State waters", do pass with the following amendments:

(1) Page 2, strike out line 24, and insert: "except those seaward of the baseline from which the territorial sea is measured."

(2) Page 3, strike our lines 9 through 19, inclusive, and insert:

Sec. 2. Section 307(2) of such Act of 1976 (16 U.S.C. 1857(2)) is amended—

"(1) by striking out 'in fishing—' and inserting in lieu thereof a hyphen;

"(2) by amending subparagraph (A) by inserting 'in fishing' immediately after '(A)', and by striking out 'or';

"(3) by amending subparagraph (B) by inserting 'in fishing' immediately after '(B)', and by striking out 'and' after the semicolon and inserting in lieu thereof 'or'; and

"(4) by adding at the end thereof the following new subparagraph:

"'(C) except as permitted under section 306(c), in fish processing (as defined in paragraph (4)(A) of such section) within the internal waters of a State (as defined in paragraph (4)(B) of such section); and'.

"Sec. 3. This Act shall take effect on June 1, 1982."

Mr. BAKER. Mr. President, I move that the Senate concur in the House amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

WAIVER OF SECTION 402(a) OF THE CONGRESSIONAL BUDGET ACT OF 1974 WITH RESPECT TO THE CONSIDERATION OF S. 1912

Mr. BAKER. Mr. President, I ask that the Chair lay before the Senate, Senate Resolution 400, a budget waiver to accompany Calendar Order 547, S. 1912, reported favorably from the Budget Committee today.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 400) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1912.

There being no objection, the Senate proceeded to consider the resolution.

The resolution was considered and agreed to as follows:

S. Res. 400

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 1912. Such waiver is necessary because S. 1912 authorizes the enactment of new budget authority which would first become available in fiscal year 1982, and such bill was not reported on or before May 15, 1981, as required by section 402(a) of the Congressional Budget Act of 1974 for such authorizations.

The waiver of section 402(a) is necessary to permit congressional consideration of statutory authority to pay additional premium pay to air traffic controllers and certain other employees of the Federal Aviation Administration.

S. 1912 authorizes the expenditure of funds appropriated for fiscal year 1982 in the Department of Transportation Appropriations Act. The Appropriations Act specifically earmarked $57.8 million for these purposes in fiscal year 1982.

S. 1912 is proposed in response to the crisis resulting from the air traffic controllers strike in August, 1981. Therefore, the legislation could not meet the May 15th budgetary deadline.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PREMIUM PAY FOR CERTAIN FEDERAL AVIATION ADMINISTRATION EMPLOYEES

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 547, S. 1912.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1912) to amend title 5, United States Code, to authorize the Administrator, Federal Aviation Administration, to pay additional premium pay to air traffic controllers and certain other employees of the Federal Aviation Administration, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consideration of the bill, which had been reported from the Committee on Governmental Affairs with amendments, as follows:

On page 2, line 20, strike "recruit or";

On page 3, line 19, strike "GS-10", and insert "GS-09";

On page 4, line 22, strike "is occupying a position in the air traffic controller series", and insert the following: "is an air traffic controller"

On page 7, line 11, strike "recruit or"; and

On page 7, beginning on line 21, strike "sections 4 and 5", and insert "section 4".

So as to make the bill read:

S. 1912

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4109 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) Notwithstanding subsection (a)(1) of this section, the Administrator, Federal Aviation Administration, may pay an individual training to be an air traffic controller of such Administration, during the period of such training, at the applicable rate of basic pay for the hours of training officially ordered or approved in excess of 40 hours in an administrative workweek.".

SEC. 2. Section 5532 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f)(1) Notwithstanding any other provision of law, the retired or retainer pay of a former member of a uniformed service shall not be reduced while such former member is temporarily employed, during the period described in paragraph (2) or any portion thereof, under the administrative authority of the Administrator, Federal Aviation Administration, to perform duties in the operation of the air traffic control system or to train others to perform such duties.

"(2) The provisions of paragraph (1) of this subsection shall be in effect for any period ending not later than December 31, 1984, during which the Administrator, Federal Aviation Administration, determines that there is an unusual shortage of air traffic controllers performing duties under the administrative authority of such Administrator.".

"SEC. 3. (a) Chapter 55 of title 5, United States Code, is amended by inserting after section 5546 the following new section:

"§ 5546a. Differential pay for certain employees of the Federal Aviation Administration

"(a) The Administrator of the Federal Aviation Administration (hereafter in this section referred to as the 'Administrator') may pay premium pay at the rate of 5 percent of the applicable rate of basic pay to—

"(1) any employee of the Federal Aviation Administration who is—

"(A) occupying a position in the air traffic controller series classified not lower than GS-9 and located in an air traffic control center or terminal or in a flight service station;

"(B) assigned to a position classified not lower than GS-09 or WG-10 located in an airway facilities sector; or

"(C) assigned to a flight inspection crewmember position classified not lower than GS-11 located in a flight inspection field office,

the duties of whose position are determined by the Administrator to be directly involved in or responsible for the operation and maintenance of the air traffic control system; and

"(2) any employee of the Federal Aviation Administration who is assigned to a flight test pilot position classified not lower than GS-12 located in a region or center, the duties of whose position are determined by the Administrator to be unusually taxing, physically or mentally, and to be critical to the advancement of aviation safety.

"(b) The premium pay payable under any subsection of this section is in addition to basic pay and to premium pay payable under any other subsection of this section and any other provision of this subchapter.".

(b) The analysis of chapter 55 of such title is amended by inserting after the item relating to section 5546 the following new item:

"5546a. Differential pay for certain employees of the Federal Aviation Administration.".

SEC. 4. Section 5546a of title 5, United States Code (as added by section 3 of this Act), is amended by adding at the end thereof the following new subsections:

"(c)(1) The Administrator may pay premium pay to any employee of the Federal Aviation Administration who—

"(A) is an air traffic controller located in an air traffic control center or terminal;

"(B) is not required as a condition of employment to be certified by the Administrator as proficient and medically qualified to perform duties including the separation and control of air traffic; and

"(C) is so certified.

"(2) Premium pay paid under paragraph (1) of this subsection shall be paid at the rate of 1.6 percent of the applicable rate of basic pay for so long as such employee is so certified.

"(d)(1) The Administrator may pay premium pay to any air traffic controller of the Federal Aviation Administration who is assigned by the Administrator to provide on-the-job training to another air traffic controller while such other air traffic controller is directly involved in the separation and control of live air traffic.

"(2) Premium pay paid under paragraph (1) of this subsection shall be paid at the rate of 10 percent of the applicable hourly rate of basic pay times the number of hours and portion of an hour during which the air traffic controller of the Federal Aviation Administration provides on-the-job training.

"(e)(1) The Administrator may pay premium pay to any air traffic controller or flight service station specialist of the Federal Aviation Administration who, while working a regularly scheduled 8-hour period of service, is required by his supervisor to work during the 4th through 6th hour of such period without a break of 30 minutes for a meal.

"(2) Premium pay paid under paragraph (1) of this subsection shall be paid at the rate of 50 percent of one-half of the applicable hourly rate of basic pay.

"(f)(1) The Administrator shall prescribe standards for determining which air traffic controllers and other employees of the Federal Aviation Administration are to be paid premium pay under this section.

"(2) The Administrator may prescribe such rules as he determines are necessary to carry out the provisions of this section.".

SEC. 5. Section 5547 of title 5, United States Code, is amended by adding at the end thereof the following: "The first sentence of this section shall not apply to any employee of the Federal Aviation Administration who is paid premium pay under section 5546a of this title.".

SEC. 6. Section 8339(e) of title 5, United States Code, is amended by inserting before the period "unless such employee has received, pursuant to section 8342 of this title, payment of the lump-sum credit attributable to deductions under section 8334(a) of this title during any period of employment as an air traffic controller and such employee has not deposited in the Fund the amount received, with interest, pursuant to section 8334(d) of this title".

SEC. 7. Section 8344 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(h)(1) Subject to paragraph (2) of this subsection, subsections (a), (b), (c), and (d), of this section shall not apply to any annuitant receiving an annuity from the Fund while such annuitant is employed, during any period described in section 5532(f)(2) of this title or any portion thereof, under the administrative authority of the Administrator, Federal Aviation Administration, to perform duties in the operation of the air traffic control system or to train other individuals to perform such duties.

"(2) Paragaph (1) of this subsection shall apply only in the case of any annuitant receiving an annuity from the Fund who, before August 3, 1981, applied for retirement or separated from the service while being entitled to an annuity under this chapter.".

SEC. 8. (a) The amendments made by sections 2, 3, 5, and 7, of this Act shall take effect at 5 o'clock ante meridiem, eastern daylight time, August 3, 1981.

(b) The amendments made by the first section and section 4 of this Act shall take effect on the first day of the first applicable pay period beginning after the date of the enactment of this Act.

(c) The amendment made by section 6 of this Act shall take effect on the date of the enactment of this Act.

Mr. STEVENS. Mr. President, S. 1912 amends title 5, United States Code, to pay additional premium pay to air traffic controllers and certain other employees of the Federal Aviation Administration who are, or could be involved in the controlling of live air traffic. These premiums are generally designed to reflect the difficulties of air traffic control and the need for intensified training and rebuilding in our air traffic control system.

As Senators will recall, last summer the FAA negotiated with PATCO over various compensation increases. Because all Federal employee compensation is set by statute, any agreement increasing compensation would require legislation. After the PATCO strike, the FAA revised the statutory package in an attempt to rebuild the air traffic control system. This package passed Congress in November as part of the first continuing resolution. That resolution was ultimately vetoed. Shortly thereafter, I introduced S. 1912 and a hearing was held.

S. 1912 contains the following provisions:

First. A 5-percent differential is provided to air traffic controllers and certain others involved in the air traffic control function. This is retroactive to August 3, 1981.

Second. A 10-percent differential is provided to controllers who train others.

Third. A 1.6-percent differential is provided to those who stay certified in the air traffic control function but who are not required to as part of their current position.

Fourth. A 50-percent differential is provided to those controllers and flight service station specialists for working during their lunch breaks.

Fifth. Pay is provided to those individuals who receive more than 40 hours of training during a week. This is retroactive to August 3, 1981.

Sixth. All air traffic control personnel are exempted from the GS-15 step 10 pay ceiling.

Seventh. Civilian and military retirees reemployed by the FAA after August 3, 1981, may receive both their full retired and active pay. This is retroactive to August 3, 1981, and expires on December 31, 1984.

This bill provides the FAA with the tools to not only meet their short-term recruitment needs but also provides the basis for longer term stability in the air traffic control function.

Mr. President, this bill requires no additional appropriation to FAA for fiscal year 1982. Money to fund these changes was set aside in the FAA's 1982 appropriation.

I urge favorable action by the Senate on S. 1912.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SMALL BUSINESS ACCESS TO FEDERAL PROCUREMENT INFORMATION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 567, S. 1947.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1947) to improve small business access to Federal procurement information.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which has been reported from the Committee on Small Business with an amendment to strike out all after the enacting clause, and insert the following:

That (a) section 8(e) of the Small Business Act is amended to read as follows:

"(e)(1) It shall be the duty of the Secretary of Commerce, and the Secretary is hereby empowered, to obtain notice of all proposed competitive and noncompetitive defense procurement actions of $10,000 and above, and all competitive and noncompetitive civilian procurement actions of $5,000 and above, from any Federal department, establishment or agency engaged in procurement of property, supplies and services in the United States; and to publicize such notices in the daily publication Commerce Business Daily, immediately after the necessity for the procurement is established: Provided, That nothing in this paragraph shall require publication of such notices with respect to those procurements (A) which for security reasons are of a classified nature, or (B) which are for utility services and the procuring agency in accordance with applicable law has predetermined the utility concern to whom the award will be made, or (C) which are made from another Government department or agency, or a mandatory source of supply, or (D) in which only foreign sources are to be solicited, or (E) which are determined in writing by the head of the agency, with the concurrence of the Administrator, that advance publicity is not appropriate or reasonable.

"(2) Except as provided in paragraph (3), whenever a procuring activity is required to publish notice of procurement actions pursuant to paragraph (1) of this subsection, such activity may not—

"(A) issue a solicitation until at least fifteen days have elapsed from the date of publication of a proper notice of the action in the Commerce Business Daily, except where the solicitation will be for procurement of requirements classified as research or development effort, in which case until at least forty-five days have elapsed from the date of such publication; or

"(B) foreclose competition until at least thirty days have elapsed from either (i) the date of issuance of the solicitation, or (ii) in the case of orders under a basic agreement, basic ordering agreement, or similar arrangement, the date of publication of a proper notice of intent to place the order; or

"(C) commence negotiations for the award of a sole source contract until at least thirty days have elapsed from the date of publication of a proper notice of intent to contract that provides such specifications and information as practicable regarding the service or performance, and that interested persons are invited to respond or submit proposals in response to such notices within such period of time.

"(3) Nothing in paragraph (2) shall require compliance with any such minimum periods if—

"(A) the procurement action is to be made by an order placed under an existing contract; or

"(B) the procuring activity determines in advance in writing on a case-by-case basis that, with respect to any such procurement action (i) it is of such unusual and compelling emergency that the Government would be seriously injured if the time periods in paragraph (2) were complied with; or (ii) it involves perishable subsistence supplies and it is determined that it is impracticable to comply with such minimum periods.

"(4) Notwithstanding any other provision of law, a procuring activity may not enter into negotiations for the award of a sole source contract for more than $100,000 unless—

(A) the head of the procuring activity has approved the proposal to negotiate such a contract; and

(B) the procuring activity has considered all responses to the notice of procurement action as required in paragraph (2) of this subsection.

"(5) As used in this section, the term 'sole source contract' means a contract for the purchase of property, supplies or services which is entered into or proposed to be entered into by an agency after soliciting or negotiating with only one source.".

(b) The amendments made by this Act shall apply with respect to procurement actions to be initiated forty-five days after the date of enactment of this Act.

Mr. WEICKER. Mr. President, as chairman of the Senate Small Business Committee, I am delighted that this body is today considering the passage of S. 1947, a bill to amend the publication practices of the Commerce Business Daily (CBD), and improve the small business community's access to Federal procurement information.

I introduced this bill last December along with Senator Dunn, the ranking minority member of the Small Business Committee, and several of my distinguished colleagues, to address what I viewed as a persistent and troubling problem for small firms who want to do business with the Federal Government—timely and adequate notice of contract information. I would like to take this opportunity to commend and thank my good friend from California, Senator Hayakawa, for the interest he has taken in this problem, and for the leadership he has shown in moving this bill along.

Mr. President, the Federal Government is the largest single purchaser of goods and services in the world. In 1981 alone, the United States spent $110 billion in the marketplace. But the sad truth is that small businesses—which represent 90 percent of all our Nation's businesses—received only a paltry 23 percent of that money. The rest went to the big guys, the conglomerates and multimillion-dollar corporations.

Why did this happen? And why does it continue to happen every time the Government puts out a bid? Because the small business community simply does not have the same access to Federal bid notices and solicitations that the large corporations do.

The main source of information about Government contracts up for bid is the CBD. Yet, testimony received by the Small Business Committee in hearings on this problem clearly showed that administrative guidelines governing the publication of BID notices and solicitations are all too often shortened arbitrarily, or even ignored, at the discretion of the procuring agency.

The short-term losers are the small businesses of this country. Without adequate notice and sufficient time to respond, small firms are beaten out for contracts time and time again by larger, more powerful firms, who are usually able to afford locally based representatives to monitor the CBD in search of potential contracts.

But if the short-term losers are the small business, then the long-term losers are we, the American public, not only do small business comprise 90 percent of the businesses in this country, but they also account for over half of all private employment and over 75 percent of all new jobs. So, in reality, by starving our small businesses, we are starving ourselves.

This bill would, for the first time, establish in statute, minimum guidelines for the publication of, and bidding on, Government contracts in the CBD. As amended by the committee, S. 1947 would give interested parties 15 days from the appearance of a notice in the CBD in which to request copies of a solicitation. The committee extended the 15-day time period to 45 days in the case of research and development contracts, since Government agencies generally know of R. & D. requirements months in advance.

The second set of time periods established in the legislation govern the time available for bidding on a Government contract once it has been advertised. Generally, the committee amendment provides that no Government agency can foreclose competition on a Federal contract until at least 30 days have elapsed from the date of issuance of a solicitation; in the case of a sole-source contract, agencies cannot commence negotiations until at least 30 days have elapsed from the date of publication of the notice of intent to contract.

Mr. President, the Committee on Small Business held two hearings on this legislation. On February 17, 1982, the Subcommittee on Advocacy and the Future of Small Business, chaired by Senator **HAYAKAWA**, conducted a hearing on the bill in San Diego, Calif. The full committee conducted a second legislative hearing on the bill in Washington on March 4, 1982.

At these hearings, the committee received testimony from small business owners who routinely use the CBD. Additionally, officials from the Office of Federal Procurement Policy, the Department of Commerce, and the Small Business Administration, presented their views on the legislation. The editor of the CBD and the U.S. Public Printer testified about the mechanics and costs involved in compiling, publishing, and distributing the document.

The committee met in executive session on May 13, 1982, and, with a quorum present, adopted two amendments and ordered favorably reported S. 1947 with an amendment in the nature of a substitute.

Senators **LEVIN** and **NUNN** introduced an amendment to require the head of a procuring agency to approve the commencement of sole source negotiations for procurements in excess of $100,000. The amendment also requires the procuring agency to consider all timely responses to the notice of intent to contract on a sole source basis. The amendment was adopted by voice vote.

Senator **LEVIN** offered a second amendment to strike the exemption from the time limits established in the committee's amendment for professional service contracts, as well as the exemption for contracts awarded to education institutions. The amendment was adopted by a rollcall vote.

LEGISLATIVE HISTORY

Public Law 87-305, enacted on September 26, 1961, amended section 8 of the Small Business Act by adding a new subsection (e). That law empowers the Secretary of Commerce to obtain and publish notice of all proposed defense procurement actions in excess of $10,000, and all civilian procurement actions above $5,000. The statute further directs the Secretary to publish these procurement notices daily in the U.S. Department of Commerce Synopsis of the U.S. Government Proposed Procurement, Sales, and Contract Awards" a publication now known as the Commerce Business Daily or CBD. The law also enumerates 10 exceptions to the requirements for publication of those procurement actions.

By enacting Public Law 87-305, the Congress clearly expressed its interest in having Federal procuring agencies provide the business community with information concerning upcoming Government contracting opportunities. The provisions contained in subsection 8(e) are fully consistent with congressional policy contained in section 2(a) of the Small Business Act, which states:

> It is the declared policy of the Congress that the Government should aid, counsel assist, and protect, insofar as possible, the interests of small-business concerns in order to preserve free competitive enterprise, to insure that a fair proportion of the total purchases and contracts or subcontracts for property and services for the government . . . be placed with small business enterprises, to insure that a fair proportion of the total sales of government property be made to such enterprises, and to maintain and strengthen the overall economy of the Nation.

This committee repeatedly has concurred with these findings, and reaffirmed its commitment to these principles from the outset of its consideration of S. 1947.

Consistent with the objectives of Public Law 87-305, the purpose of the Commerce Business Daily is to provide U.S. business in general, and small business in particular, with pertinent information about Federal procurement actions, which will total more than $110 billion in fiscal year 1982.

Prior to the enactment of Public Law 87-305 in 1961, the Commerce Business Daily was primarily used as an administrative tool, designed to assist the Department of Commerce personnel in keeping the business community informed about Federal procurement actions. It was originally produced in mimeograph form, and distributed at no cost through Department of Commerce field offices on an ad hoc basis. The Government Printing Office (GPO) eventually assumed the publication and distribution functions related to the Commerce Business Daily, although all editorial functions have remained within the jurisdiction of the Department of Commerce.

Currently, the Commerce Business Daily editorial staff process an aveage of 800 procurement actions each business day, or about 200,000 procurement notices per year. Annual subscriptions have steadily increased over the years and today number approximately 40,000.

Currently, the annual Commerce Business Daily subscription rate is $175 for first class or priority mail, and $100 for regular or domestic mail. Subscription fees cover all direct and administrative costs incurred by the GPO in publishing and mailing the Commerce Business Daily, including a 50-percent surcharge imposed by the Public Printer. The annual Department of Commerce administrative and editorial costs of approximately $1 million are not covered by subscription fees, but are included in the agency's congressionally appropriated funds.

In recent years, the format of the Commerce Business Daily has also been expanded to include notice of congresssionally sponsored procurement seminars and other general business news.

The Federal procurement regulations (FPR section 1, part 10) and the Defense acquisition regulations (DAR section 1, part 10) govern advertising in the Commerce Business Daily and provide for the regulatory implementation of Public Law 87-305.

Like the statute, these regulations delineate 10 exemptions to the general requirement for publishing advance notice of procurement actions in the Commerce Business Daily. For all procurements that require advance notice, however, the regulations state, as a general rule, that procuring activities should publicize proposed procurements 10 calendar days before issuance of the invitations for bids or request for proposals.

The regulations also require that after solicitations have been made available, bidding time should not be less than 20 calendar days for the procurement of standard commercial articles or services. For other than standard commercial items, the regulations require that bidding time be not less than 30 calendar days from the time a solicitation is issued. These minimum bidding regulations apply only to formally advertised, contracts; there are no time limits established in regulations for negotiated contracts, even though such contracts represent the bulk of Federal purchases.

The Defense acquisition regulations and the Federal procurement regulations also govern other aspects of advertising in the Commerce Business Daily, by providing guidelines to agencies on the preparation and transmittal of procurement synopses, and by specifying the classification codes used in synopses to identify and compartmentalize broad procurement categories.

Each procuring agency is responsible for complying with the regulations in their entirety. Yet, during the committee's hearings on S. 1947, witnesses—from the Federal agencies and the small business community—repeatedly noted that the regulations are only partially complied with, or at times, are totally ignored, by procuring agencies. Several small business owners who regularly use the Commerce Business Daily informed the committee that all too often, synopses appear too late to permit an interested company to prepare and submit a timely bid or proposal. They added that this problem is compounded when synopses contain inadequate information, or are misfiled in the Commerce Business Daily. As one small business contractor summarized at the San Diego field hearing:

> If published synopses contain insufficient information, then the time required to make further inquiries of the procuring agency can consume bidding deadlines. If I have to hunt through the entire publication, instead of the sections that pertain to my line of business, the value of the CBD to my company is greatly reduced.

The committee also learned that even when notices are complete and proper, mail delays further reduce the time bidders have to respond. This problem is particularly acute for companies located great distances from Chicago, where the Commerce Business Daily is printed and mailed. While some delays can be attributed to those subscribers who choose to have mail delivered by other than first class, even priority subscribers have expressed similar concern about the timeliness of notices that are contained in the CBD.

Another common complaint centered around agency abuse of the exemptions from advertising in the Commerce Business Daily. Several small business witnesses testified that they believed many more procurements should be advertised under the provisions of the law than actually appear.

When questioned by the committee about synopses that violate the minimum time periods, the senior Department of Commerce official responsible for the preparation of the Commerce Business Daily attributed the variation between regulatory policy and agency practice to "time escape clauses" which are also provided for in the regulations. He added that in his view the Department has no enforcement authority over the procuring agencies to compel adherence to the regulatory timetables, and that the Commerce Business Daily staff has no actual control over procuring agency notices that are submitted beyond the regulatory guidelines established.

Another witness reported that although the Small Business Administration (SBA) periodically issues surveillance reports on agency compliance with the Commerce Business Daily requirements, these reports are ignored as often as the regulations themselves.

The Administrator of the Office of Federal Procurement Policy (OFPP) admitted that enforcement of the Commerce Business Daily regulations was indeed difficult. Yet, he advocated administratively strengthening the existing regulations as the best method for improving the timeliness problems described by the small business witnesses.

Small businesses continue to experience difficulty in obtaining their fair share of the Federal procurement dollar. Unable to support large marketing staffs to deal with geographically dispersed Government purchasing offices, most small firms are almost totally dependent on the synopses published in the Commerce Business Daily as their means of obtaining procurement information. The synopses of contracting opportunities published by the Government are a vital source of information for small businesses if received in sufficient time, and with sufficient detail.

However, as previously discussed, the committee heard from witness after witness during its hearings on S. 1947, that current regulatory guidelines are not sufficient to insure either the timeliness, or the accuracy, of information published in the Commerce Business Daily. Unlike the administration, the committee views further regulatory requirements as ineffective unless they are backed by statute. Accordingly, the committee believes it is necessary to enact legislation establishing new minimim time periods for publication of, and bidding on, all Federal contracts. The committee also maintains that it is necessary to clarify the existing statutory exemptions to publication of synopses in the Commerce Business Daily, so as to maximize the usefulness of the document to the procurement community at large, and decrease the likelihood of the misuse of the exemptions by procuring agencies.

In the committee's view, the small business person who is ready, willing, and able to participate in the Federal procurement process will benefit from an improved and expanded version of the Commerce Business Daily because it should open up additional procurement opportunities for that business. The Government will benefit because of the increased participation by small business in Federal procurement, and because it will have the opportunity to increase its sources of supply. The taxpayer will benefit because increased competition in Federal purchases increases the likelihood that high quality goods and services will be procured at the lowest possible price.

IMPACT OF S. 1947 ON THE FEDERAL PROCUREMENT SYSTEM

The committee solicited written comments from the major procuring agencies so that it could properly and fully consider the impact of S. 1947, as introduced, on agency internal procurement operations.

Several agencies responded that S. 1947, as introduced, would not provide the necessary flexibility for shorter bidding times when required by unusual circumstances. The committee believes this concern has been adequately addressed in its amendment to S. 1947. The legislation specifically provides that, as with current law, certain procurement actions need not be published at all in the Commerce Business Daily. Procurements needed in other types of emergencies, or under other circumstances specified in the amendment, can be exempted from the time limits established in S. 1947 if the procuring agency so determines in writing in advance. The agency must then publish the synopses, specifying time limits that are unique to that particular procurement. The agency can even publish the synopses after the contract is awarded, if the circumstances so dictate.

Several agencies also expressed the view that the addition of minimum time periods could significantly lengthen procurement leadtimes. However, the committee also received testimony that indicated that the minuscule additional leadtime required by S. 1947 would have virtually no effect on the final stages of the procurement action that could not be accommodated within the parameters of the committee amendment, and would be insignificant when compared to the typical, several month, life-cycle of most procurement actions.

The committee is of the opinion that S. 1947 would not unnecessarily delay procurements, if properly implemented. Adequate advance procurement planning by Federal agencies should enable synoposes to be transmitted for publication in the Commerce Business Daily sufficiently early to avoid potential delays, or to avoid any complications with the time periods established in this legislation.

IMPACT OF S. 1947 ON THE PUBLICATION OF THE COMMERCE BUSINESS DAILY

The committee does not believe S. 1947, even as amended, will have a significant impact on the production of the Commerce Business Daily.

When questioned specifically by the committee, a Department of Commerce spokesperson responded that S. 1947 would not have a negative effect on the production of the publication. Similarly, the Public Printer informed the committee that a significant increase in the number of solicitation notices would not impede the timely publication of the Commerce Business Daily.

The costs of production to GPO of an expanded Commerce Business Daily would increase based on the number of pages in each edition. Most of the increases would be reflected in increased subscription prices. The Government Printing Office estimates that its incremental cost increases would be as follows:

The following table which I ask unanimous consent to have printed in the RECORD, is an estimate of the incremental production costs to the GPO—for printing, binding, and distribution; excluding postage. Current issues often contain 32 pages.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Pages:	Cost to GPO
24	$3,116
28	3,347
32	3,820
36	4,527
40	4,711
44	4,891
48	5,074
52	5,254
56	5,437
60	5,617
64	5,801

The GPO estimates that the incremental cost increases to subscribers would be as follows:

Pages	Subscription cost	Rounded subscription
24	$171	$175
28	174	175
32	179	180
36	187	190
40	189	190
44	191	195
48	240	240
52	241	245
56	244	245
60	246	250

Mr. **WEICKER**. Mr. President, the significant increase in the subscription price of a Commerce Business Daily of between 44 and 48 pages is due to the increases in postage rates between 2 ounces and 3 ounces. These prices include the recent 10 percent across-the-board price increase, and are subject to further modification as that price increase is permanently factored into the pricing formula.

Nevertheless, small business witnesses repeatedly told the committee that they would be willing to pay more for the Commerce Business Daily if the publication were more timely, and more accurate. They objected, however, to across-the-board subscription increases if the quality of the Commerce Business Daily were not improved.

The committee believes that enactment of S. 1947, as amended, will significantly improve the timeliness of the Commerce Business Daily. The committee also believes the quality and utility of the synopses will improve if the Department of Commerce takes an aggressive role in monitoring their uniformity and content.

Finally, Mr. President, I would note, and I believe this view is shared by the committee members, that it is my view that any additional workload which may result from the immediate adoption of this legislation should be accommodated within existing personnel ceilings of the procuring agencies. Nothing in this legislation authorizes the enactment of new budget authority for fiscal year 1982, and it is the committee's intention that any additional costs, if any, in fiscal year 1982 imposed by the enactment of S. 1947, should be borne by the procuring agencies.

Mr. President, I urge the passage of this important small business bill.

Mr. **ROBERT C. BYRD**. Mr. President, I wish to express my support of this bill.

Mr. **D'AMATO**. Mr. President, the legislation we are considering today, S. 1947, is vital if we are to improve the access by small businesses to Federal procurement information. Currently, most small firms are unable to compete for Government contracts on an equal basis with large corporations, to a great extent due to the fact that contracting opportunities are not announced in the Commerce Business Daily (CBD) in a complete or timely fashion. It is not atypical for a procurement notice to first appear in the CBD on the same day that an agency solicitation is available. Thus small firms, unable to afford large staffs or Washington-based representatives, are discriminated against in their efforts to put together bids in sufficient time to compete for these contracts. There is little surprise, therefore, in the fact that small businesses receive a disproportionately small share of the Federal procurement dollar.

Without passage of S. 1947, small businesses will continue to learn of contract solicitations and the closing date for proposals only days before the bids are due. This, of course, is unacceptable. Small companies must be given an equal opportunity to bid on Federal procurement contracts.

To rectify the current problems in the CBD's contract notification process, S. 1947 establishes minimum time periods in advance of the due date for bids for the publication of contract information and solicitation. With only a very few exceptions, all competitive and noncompetitive defense procurement actions in excess of $10,000 and all competitive and noncompetitive civilian procurement solicitations in excess of $5,000 will now have to be published in the CBD with adequate advance notice. In most cases, at least 15 days will have to elapse between publication in the CBD and an agency solicitation and this minimum time period will expand to 45 days in the case of research and development contracts. A minimum period of 30 days will have to elapse in the case of sole source contracts.

In addition, S. 1947 makes it more difficult for an agency to issue a sole source contract greater than $100,000. This legislation stipulates that only the head of a procuring agency, rather than the contracting officer, can make the determination that a contract is to be sole sourced. This provision will greatly enhance the ability of small businesses to compete on an equal basis for the Federal procurement dollar.

In conclusion, let me say that passage of S. 1947 is necessary if we are to promote the ability of small companies to successfully bid on Federal contracts. By strengthening the small business community, we will be strengthening the entire American economy.

Mr. **STEVENS**. Mr. President, I urge the Senate to approve S. 1947, a bill which would improve the small business community's access to Federal procurement information.

Senator WEICKER is to be commended for his leadership in bringing this bill through the legislative process. The legislation will correct the significant problem that small businesses have in receiving solicitation notices so that they may respond to them in a timely manner. Often many of these businesses that could properly fill a Federal procurement need completely miss the opportunity to do so.

Senator WEICKER has been a good friend to the small business community, and S. 1947 is simply another reinforcement of his, and the whole Senate's attitude, that small business is vital to America's economic future.

Mr. **NUNN**. Mr. President, I am pleased that the Senate is taking such quick action to approve S. 1947, legislation I joined with Senator WEICKER to improve the timeliness and usability of the Commerce Business Daily. This bill was favorably reported by the Senate Small Business Committee by a unanimous vote of 17- to-0.

Since 1961, the Commerce Business Daily has been the single best source of information on the buying needs of the Federal Government for businesses of all types, and all sizes. But it has been far from perfect.

Witness after witness at the Senate Small Business Committee hearings, and the letters and complaints that I have received concerning Federal procurement, clearly indicated the need for an updating of the statutory requirements for publishing notice in the Commerce Business Daily. Similar conclusions have been reached by others, including the General Accounting Office and the executive branch's Office of Federal Procurement Policy; in fact, in the OFPP's recently submitted proposal for a uniform Federal procurement system, OFPP recommends significant amendments to the content and publication requirements of the Commerce Business Daily.

The underlying rationale for the Commerce Business Daily in general, and this legislation in particular, is competition in the marketplace. Competition is the most prominent factor in the Federal procurement laws and regulations. Competition protects against favoritism, increases the opportunity for the Government to buy the best quality at the lowest possible price, and, encourages increased business activity and market entry for those who perceive that the Federal marketplace provides an opportunity for profit.

Mr. President, information is power. In the $130 billion Federal procurement area, information is also equivalent to the potential for profits. S. 1947, as improved and reported by the Senate Small Business Committee, will significantly increase the information that is available to contractors on Federal procurement activity. Hopefully, it will increase the opportunity for small business to become more active participants in the Federal procurement system as well.

The adoption of this legislation is a significant step in streamlining the Federal procurement process, and making sure that the system itself does not become a regulator of who may participate and bid on Federal procurement projects.

Mr. HAYAKAWA. Mr. President, earlier this week I was absent from the Senate to attend a small business Federal procurement seminar which I sponsored for my small- and medium-sized business constituent in southern California. In cooperation with procurement specialists from the Department of Defense, the General Services Administration, and the Small Business Administration, and representatives of four large California prime contractors—Lockheed, McDonnell Douglas, Northrop, and Rockwell International, I spoke to hundreds of small business people who traveled to Los Alamitos to learn more about a subject of major importance to them—how to do business with the Federal Government.

I am particularly pleased, therefor, at the Senate passage of a bill designed to improve the small business community's access to Federal procurement information—S. 1947. I am an original cosponsor of this legislation, introduced by Senators Lowell Weicker, and Sam Nunn on December 11, 1981.

The bill amends the Small Business Act by establishing new minimum time periods for publication of, and bidding on, Government contracts advertised in Commerce Business Daily. The principal source of Federal procurement information. This Government publication is used by businesses desiring to sell goods and services to the Federal Government, the largest single purchaser in the world. It is a very important vehicle for many small businesses in our country, particularly for those who are far removed from major procurement sources, such as my friends in California.

Current regulations call for publication of notices 10 days before a solicitation is issued, and a minimum bidding time of 20 calendar days. Too many times, however, these regulations are not followed by agency personnel. S. 1947 for the first time statutorily provides a total of 45 days for the solicitation and bidding process. The legislation also includes proper protections for defense and/or national security needs when the new time periods would cause too great an inconvenience for the Government.

Mr. President, I firmly believe that improving procurement possibilities for the private sector is one of the most positive steps the Government can take to assist all kinds of businesses that produce the many products and services the Government buys. On June 22, 1981, I introduced Senate Joint Resolution 93, and Congressman, David Dreier introduced House Joint Resolution 294. The purpose was "to clarify and reaffirm that it is the basic policy of the Government of the United States to rely on the competitive private enterprise system to provide needed goods and services."

The need for such legislation came to my attention through a 1980 Small Business Administration task force report on "Government Competition with the Private Sector," and a 1981 General Accounting Office study on the kinds of work that Federal employees and Federal contractors are performing. The SBA report conservatively estimated that $2.98 billion could be saved annually if the Government relied more on the private sector, and up to $19 billion could flow into the economy each year. The GAO report estimated that some 11,000 commercial or industrial activities that cost taxpayers almost $19 billion each year currently are being performed by the Federal Government.

But if we succeed in adding statutory backbone to the present Executive policy of relying on the private sector for goods and services whenever feasible, we must also examine our procurement methods, such as our use of the Commerce Business Daily, to be sure we are getting the word out properly and in a timely manner. Small businesses do not have large staffs and they need to be informed of the opportunities in order to take advantage of them.

Mr. President, I chaired two Small Business Committee hearings on S. 1947, with the gracious permission of our chairman, Lowell Weicker. He knows of my particular concern for California and other Western businesses who have often complained about late mail deliveries, insufficient bidding time, and other time delays that cost them business every day.

Our first hearing was held in California because we have received so many complaints from potential bidders. We heard from a broad cross-section of businesses. We received their criticisms and their suggestions on how to improve the advertising procedures in Commerce Business Daily. Witnesses testified that small firms miss out on Federal contracts totaling millions of dollars annually due principally to untimely contract notices. Other complaints included:

First. The CBD is all but impossible to read and understand by people trying to do business with the Federal Government for the first time. In addition to the "procurement lingo" used, many times procurement needs are placed in questionable categories that make it impossible to decipher the opportunity. A recent article in INC. magazine reported that the Government recently wanted to buy women's shirts and blouses and the advertisement was placed under "containers, packaging, and packing supplies." When the Government wanted bids for women's pants suits, the CBD printed the notice under "steel structures."

Second. People who are "in the know" receive advance notification of upcoming contracts—a common complaint.

Third. Often no contact person or telephone number is provided for immediate information. This is a major problem for west coast firms because of time delays in mail deliveries and notice publications.

Witnesses made several suggestions for improvement of the Government's procurement publication: A west coast edition of CBD; acceptance of telegraphic proposals; requirements for contact names and telephone numbers for information about solicitations; more accurate descriptions and categorization of procurement needs, and the provision of the CBD notices on magnetic tapes. These suggestions were made in addition to provisions in S. 1947.

Mr. President, I have gone into some detail about the procurement process because I believe in the free enterprise system, open competition, and the future for small businesses in our Nation if we give them an opportunity to compete fairly. As one small businessman said to me:

> We are not looking for a handout or a give-away. We are looking for the opportunity to show what we can do.

Mr. GORTON. Mr. President, I appreciate the opportunity to speak as a strong supporter and cosponsor of S. 1947, a measure to improve small business access to Federal procurement information. The rapid passage of this bill will provide much-needed assistance to a very important and productive element of our free enterprise system—small business. The economic success of this country has been due, in large part, to the hard work and creativity of these entrepreneurs. Fully two out of three new jobs in this country are the product, not of large corporations, but of small businesses. I feel it is time that we make an effort to see that these businesses and those they employ have the opportunity to participate more fully in contracts initiated by the Federal Government—

contracts which total well over $100 billion each year.

S. 1947 would improve the access of small business to the Federal procurement system by assuring adequate notice of pending contracts. The current 10-day notification period utilized by the Commerce Business Daily simply does not provide an equal chance for participation by small companies, particularly those which are not based in the Nation's Capital. By extending to a total of 45 days the period from initial notification to final closure of bid application, many more small companies will be able to compete in this process. In addition, S. 1947 improves the procurement information process by broadening the categories of contracts which are subject to public notice. I strongly believe that the result will be to maximize competition, and thus improve productivity and stimulate innovation. The beneficiary of such action will be the economy as a whole.

By supporting this legislation, small business is not asking for any special consideration, but only for the opportunity to participate fully within the system. S. 1947 is a positive step in that direction.

I am very pleased that, under the able chairmanship of Mr. WEICKER, Senator from the State of Connecticut, the Small Business Committee expeditiously and unanimously passed this bill. It is my hope that the full Senate will follow this course and rapidly approve this legislation.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXECUTIVE SESSION

Mr. BAKER. Mr. President, there is one item on today's Executive Calendar that is cleared on this side. I invite the attention of the minority leader to Calendar No. 771, the nomination of Gregory J. Newell to be an Assistant Secretary of State, and I ask whether he is in a position to consider that item by unanimous consent.

Mr. ROBERT C. BYRD. Mr. President, I am pleased to inform the distinguished majority leader that the minority is ready to proceed to the confirmation of the nomination.

Mr. BAKER. I thank the minority leader.

Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of considering that nomination.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

DEPARTMENT OF STATE

The assistant legislative clerk read the nomination of Gregory J. Newell, of Virginia, to be an Assistant Secretary of State.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate return to legislative session.

There being no objection, the Senate resumed the consideration of legislative business.

PRESIDENT REAGAN MUST CALL FOR A CEASE-FIRE

Mr. HELMS. Mr. President, the tragedy now taking place in the South Atlantic is not in the interests of the United States, the Western Hemisphere, the NATO alliance, or Great Britain. Assuredly, it is not in the interest of the hundreds of young lives, both British and Argentine, that have been lost because the United States did not insist that our two friends and allies back up and cool off.

Mr. President, we could have done that at the outset and I do not believe that we would have had the tragedy of all of these lost lives and destroyed property today.

Instead, by following Secretary Haig's flawed advice that the United States "tilt" toward the British, war broke out—and now look at the lives and property lost.

I am sure that the Soviet Union is delighted whenever another British ship, that should be committed to NATO, sinks to the bottom of the South Atlantic. I am sure that the Soviets are also delighted when they see the Argentines become more and more embittered against the United States and Western Europe every time another Argentine pilot falls into the sea, the victim of missiles that should have been intended for Soviet aggression.

The purpose of Secretary Haig's "tilt" was supposedly to put pressure on Argentina to come to a negotiated settlement. But the Secretary miscalculated the depth of the Argentine people's feeling, and their commitment to the restoration of their territorial integrity. I would like to think that he also miscalculated the British intent to use massive military force to obtain their objective. If the "tilt" was to bring peace, then that "tilt" has failed. Instead, Secretary Haig's policy has brought war, bloodshed, and the disruption of the solidarity of the Western Hemisphere.

There are persistent reports that the United States is now supplying petroleum products, advanced radar, SAM missiles, and satellite intelligence to the British forces. If this information is correct, then the United States is contributing directly to the bloodshed of the war and to the destabilization of the hemisphere. I therefore call upon President Reagan to abandon the tilt toward Britain. I ask him to seek an immediate cease-fire through his personal intervention. I ask him to pledge to the American people that the resources of the United States will not be used to support unlimited escalation of military force in the South Atlantic.

I also call upon the President to assure the American people that British ships in the operational area are not armed with nuclear weapons. It is widely known that certain NATO vessels carry tactical nuclear weapons, with the commander of the vessel having authority to use these tactical weapons in whatever he considers to be extreme situations. The operational area around the islands lies within the nuclear-free zone designated by the Treaty of Tlatelolco, the Treaty for the Prohibition of Nuclear Weapons in Latin America, Britain is a signer of the protocol, as is the United States. On May 11, I specifically sought assurance from the Secretary of State that no such weapons are aboard British ships in the South Atlantic. To date, he has declined to provide such assurance. The introduction of nuclear weapons into the nuclear-freeze zone would be a grave violation of the treaty. I see no reason why the Presisent cannot give assurance that an ally, with whom we cooperate in nuclear defense matters, is meticulous in this matter. Such assurances would greatly relieve not only the people of the United States, but of every country in Latin America.

Mr. President, it is my judgment that the escalation of violence in the South Atlantic is disproportionate to any goal which Great Britian may be seeking. I fear that my British friends are too close to the action to understand that they are being carried away by the forces they have set in motion, without asking themselves where they are being carried or why. At one moment we are told that the issue is self-determination; at another we are told that the issue is whether territorial ambitions can be solved by the use of military force; and next we are told that aggression must not be allowed to succeed.

All of these are abstractions which tend to dissipate when removed from the peculiarly British context in which they have been viewed. We need to ask some basic questions: What is the meaning of self-determination when the makeup of the population has been artificially controlled to prevent neighboring geographic lands from participating in development? What is the meaning of the self-determination when only a handful have been able to own land? And is there really any parallel between the border disputes between other nations in Latin America, and the occupation of islands by a colonial power 8,000 miles distant?

Finally, Mr. President, we should ask ourselves whether Britain's unilateral interpretation of these goals justifies the breach of hemispheric peace which has taken place. On the one hand, the Argentine occupation of the islands took place under orders not to take any British lives, orders which were followed to the letter despite casualties in the Argentines' own ranks. In so doing, the Argentines turned the tables on what they regarded as an illegal British occupation of Argentine territory. After years of fruitless negotiations, Argentina sought to break the stalemate at the bargaining table. Although the balance of military power on the islands was reversed, the occupation was peaceful.

It should be noted that the Argentine occupation was itself not the initiation of force or the threat of force; it was a specific reaction to the British announcement on March 30 that a war fleet was being sent to the islands area. On April 3, the United Nations in Resolution 502 called for a cessation of hostilities, withdrawal of Argentine forces, and a negotiated settlement. Subsequent to the call for a cessation of hostilities, the British took the following actions, which under any other circumstances the United States would have unhesitatingly proclaimed as being tantamount to acts of war:

First, dispatch of a second fleet of naval vessels and nuclear submarines;

Second, declaration of a sea and air blockade of the islands;

Third, establishment of a war zone 200 miles around the islands;

Fourth, encouragement of economic boycott by the European Economic Community;

Fifth, military attack on the South Georgia Islands;

Sixth, initiation of attacks on Argentine sea vessels and aircraft;

Seventh, bombing and shelling of both military and civilian targets on the main islands;

Eighth, military blockade of the Argentine mainland coast.

All of these actions were taken in the name of applying pressure for the Argentines to come to a negotiated settlement. Yet the main effect was to strengthen the British in their own refusal to come to terms with the reality of the situation in the islands. That reality includes the fact that Britain itself is part of the free world community, part of an Atlantic community that depends upon solidarity and common commitment against the threat of communism, Marxism, and socialism represented in the first instance by the Soviet Union. Instead of trying to find common agreement with Argentina, another member of that community, Great Britain instead has shown a lack of flexibility culminating in the decision on May 17, to break off negotiations.

I have examined the British proposals of May 17 and the Argentine proposals of May 17, and I find it difficult to understand why any reasonable person would find the differences between the two irreconcilable. Indeed, it would take an electron microscope to detect the differences, after due allowance is made for national styles and temperament.

Both proposals call for the mutual and balanced withdrawal of forces. Both call for the appointment of a U.N. Administrator to administer the Islands, and both call for negotiations between Britain and Argentina on the future of the islands. The chief differences have to do with the speed of the withdrawal—Britain proposed 14 days, Argentina 30 days—and whether or not the U.N. Administrator would work "in consultation with" the representatives elected to the Legislative and Executive Councils on the islands, or whether the U.N. Administrator would work with advisors appointed from the British and Argentine communities on the islands.

Yet, in a letter to me of May 20, the British Ambassador to the United States, Mr. Nicholas Henderson, states that:

> The Argentine response to this proposal, as it has been throughout, has been to seek changes designed to pre-judge the outcome of the negotiations, so that they would lead "inexorably" to Argentine sovereignty and control, to set aside the elected representatives of the islanders, and to enable the Argentine authorities to flood the Islands with Argentines. They have not been prepared to accept language or arrangements which would insure that the outcome of the negotiations would not be prejudged and that the wishes of the islanders would be respected. Their objective has been to prevaricate for as long as possible in order to consolidate their position on the Islands.

The use of such rhetoric in the midst of a grave crisis is unfortunate and demeaning. Moreover, if charges of prevarication are to be raised, it could be argued that they would fall more appropriately upon the shoulders of the British Ambassador. Far from rejecting a prejudged outcome, the Argentine proposals of May 17 specifically stated that:

> The "negotiations will be initiated without prejudice to the legalities and claims or positions of both parties and recognizing that the parties have conflicting positions relative to the issue of the Malvinas, South Georgias, and Sandwich Islands.

Moreover, the Argentine proposals do not "set aside the elected representatives of the islanders." In fact, the juridical structure of the islands, as of April 1, 1982, before the Argentine occupation, would have remained intact, except for the imposition of the U.N. Administrator. The only question was whether the British proposal to work "in consultation with" the Councils is significantly different from the Argentine proposal for the U.N. Administrator to name advisors from the British and Argentine residents. The British were insisting on the symbolism of consulting with the elected assemblies, even though those assemblies were themselves appointed bodies throughout most of the British regime, until 1951, and the British Governor was appointed, not elected, up to now. But consultation does not imply an operative link with those bodies, and certainly not a determinative one. Even under the British proposal, the role was essentially an advisory one. The question was whether the advisers would be elected within the British framework, or whether the advisers would be appointed by a neutral party acceptable to both sides, namely, the U.N. Administrator. The Argentines were willing to negotiate further in good faith—and still are—but the British have chosen to endanger the peace and security of the West over this subtle point.

In addition, the British Ambassador raises a central point when he charges that Argentina sought change "to enable the Argentine authorities to flood the islands with Argentinens." In actuality, the Argentine proposal reads as follows:

> During the period of interim Administration, lines of communication (and transportation) will be kept open, without discrimination of any kind toward the Parties, to include free circulation, equality of treatment with respect to matters of residence, work, and property.

It is noteworthy, Mr. President, that the Argentine proposal does not propose to allow the Argentine authorities to do anything at all. The authorities on the islands would be the U.N. administration, composed of netural parties acceptable to both sides. The Argentine proposal was that the lines of communications would be kept open without discrimination and with equality of treatment to both parties. In other words, Great Britain and Argentina would have exactly the same treatment. If Argentina could "flood the islands with Argentines," then

Great Britain could also flood the islands with British. If there is any inequality in this arrangement, it results from the inequities of geography, with the British trying to maintain an artificial colony 8,000 miles from the homeland. The British for the past 150 years have rigidly excluded immigrants from other nations, particularly from neighboring countries that would normally have played a part in the development of the islands. And even the immigrants of British nationality allowed to settle on the islands were excluded from purchasing their own land, and more recently relegated to third-class citizenship status, that is to say, a third-class passport which does not allow resettlement in the British Isles.

In objecting to the Argentine proposal for equal treatment, Ambassador Henderson has cast the spotlight on the fundamental weakness of the British assertion that self-determination is the issue. The assertion of this issue is itself an unequal demand because of the artificial situation which the British have carefully created in order to maintain their disputed claim to sovereignty. Having occupied the islands by force and excluded normal development, Great Britain now objects to equal treatment administered by a neutral party.

But in any case the notion of "flooding the islands" is an interpretation that need not be the cause of disrupting the peace and security of the Western Hemisphere. Is not the call for equal treatment by Argentina a fair proposal, one susceptible to discussion by reasonable men? There is room to negotiate, for example, the definition of free circulation, and number of immigrants that might be admitted, and so forth. The British peremptory rejection is unacceptable in the light of the consequences.

Mr. President, I believe that both the Argentine and British proposals of May 17 deserve close examination and I ask unanimous consent that they be printed at this point in the Record.

There being no objection, the proposals were ordered to be printed in the Record, as follows:

Annex A.—Argentine Proposal

PREAMBLE

The Government of the Argentine Republic and the Government of the United Kingdom of Great Britain and Northern Ireland, heretofore denomiated "the Parties" . . . .

Responding to that disposed in Resolution 502 (1982) of the Security Council, dated 3 April, 1982 and taking into consideration the Charter of the United Nations, Resolutions 1514 (XV), 2065 (XX) and all other Resolutions of the General Assemly relative to the issue of the Malvinas (Falkland) islands, have accepted, in conformity with Article 40 of the United Nations Charter, the "good offices" of the Secretary General of the United Nations Organization and have completed negotiations to reach the following provisional accord, with reference to the Malvinas, South Georgia, and South Sandwich Islands, heretofore denominated "the Islands", to the provisions of the present agreement.

1. The geographic area within which military forces will be withdrawn encompasses the Malvinas, South Georgia, and South Sandwich Islands

2. The withdrawal of the forces of both parties will be gradual and simultaneous. In a maximum period of thirty days all military forces will be relocated to their bases and normal areas of operation.

II

With the signing of the present accord, each party will vacate the economic measures that were taken against the other party, and the United Kingdom will request the same action of those nations or groups of nations that, at its request, adopted similar measures.

III

1. The supervision of the withdrawal of the forces of both nations will be carried out by specialized personnel of the United Nations, organized with the mutual agreement of the parties.

2. The interim administration of the Islands while negotiations continue toward definitive solution of the dispute, will be adjusted to the following considerations:

a. The Administration will be exclusively charged to the United Nations with an adequate presence of observers from the Parties.

b. Said Administration will discharge all its functions (Executive, Legislative, Judicial and Security) with officers of nationality different than that of the Parties.

c. The provision of 2a notwithstanding, and to the end of not requiring unnecessary changes in the living arrangements of the populations, during the interim administration through the United Nations, the local judicial functions will be exercised in conformity with the laws in effect on 1 April 1982, in all respect that such are compatible with the present agreement.

By the same token, the interim Administration of the United Nations will name as advisors members of the population of British origin and Argentine residents of the Islands in equal number.

d. The national flags of the Parties will be flown next to the flag of the United Nations.

e. During the period of interim Administration lines of communication (and transportation) will be kept open, without discrimination of any kind toward the Parties, to include free circulation, equality of treatment with respect to matters of residence, work, and property.

f. The facilitation of communication will include, moreover, the maintenance of unrestricted traffic for "Lineas Aereas del Estado" (LADE . . . State Air Lines) and commercial and scientific ships, and in similar manner unrestricted telephonic, telegraphic Telex, and Argentina television transmissions will continue as will unrestricted operations of the services of "Yacimieutos Petroliferos Fiscales (YPF . . . the National Petroleum Company) and "Gas del Estado (the national gas company).

IV

The customs, traditions, life style of the inhabitants of the islands, as well as the social and cultural ties with their countries of origin will be respected and safeguarded.

V

1. The Parties commit themselves to commence negotiations in good faith under the auspices of the Secretary General of the United Nations, toward a peaceful and definitive solution of the dispute and with a sense of urgency to complete these negotiations before 31 December of 1982, with the only exception being an extension to 30 June 1983, in order to comply with the United Nations Charter, Resolutions 1514 (XV), 2065 (XX) and all other Resolutions of the General Assembly concerning the issue of the Malvinas Islands. These negotiations will be initiated without prejudice to the rights and claims or positions of both Parties and recognizing that the Parties have conflicting positions relative to the issue of the Malvinas, South Georgias and Sandwich Islands.

2. The negotiations will take place in New York City.

3. The Secretary General of the United Nations will be assisted in the negotiations by a liaison group consisting of members of four member states of the United Nations.

To this regard each of the Parties shall propose two nations and will have the one-time right to veto one of the nations proposed by the other.

4. The Secretary General of the United Nations will, assiduously, keep the Security Council informed concerning the progress of the negotiations.

VI

If the term (for negotiations) fixed in subparagraph 1 of Point V expires without the achievement of a definitive solution, the Secretary General will make a report to the General Assembly of the United Nations, to the end that it determine, according to what is expedient and with the greatest urgency, the guidance to be followed in finalizing a definitive agreement and reaching a rapid solution of the problem.

Annex B.—British Proposal

FALKLAND ISLANDS: PROPOSED AGREEMENT

The Government of the Republic of Argentina and the Government of the United Kingdom of Great Britain and Northern Ireland.

Responding to Security Council Resolution 502 (1982) adopted on 3 April 1982 under Article 40 of the Charter of the United Nations,

Having entered into negotiations through the good offices of the Secretary General of the United Nations for an interim agreement concerning the Falkland Islands (Islas Malvinas), hereinafter referred to as "the islands".

Having in mind the obligations with regard to non-self-governing territories set out in Article 7 of the Charter of the United Nations, the text of which is annexed hereto,

Have agreed on the following:

Article 1

1. No provision of this Interim Agreement shall in any way prejudice the rights, claims and positions of either party in the ultimate peaceful settlement of their dispute over the islands.

2. No acts or activities taking place whilst this interim agreement is in force shall constitute a basis for asserting, supporting or denying a claim to territorial sovereignty over the islands or create any rights of sovereignty over them.

Article 2

1. With effect from a specified time, 24 hours after signature of this agreement (hereinafter referred to as Time "T"), each party undertakes to cease and thereafter to

refrain from all firing and other hostile actions.

2. Argentina undertakes:

(a) to commence withdrawal of its armed forces from the islands with effect from Time "T";

(b) to withdraw half of its armed forces to at least 150 nautical miles away from any point in the islands by Time "T" plus 7 days; and

(c) to complete its withdrawal to at least 150 nautical miles away by Time "T" plus 14 days.

(3) The United Kingdom undertakes:

(a) to commence withdrawal of its armed forces from the islands with effect from Time "T";

(b) to withdraw half of its armed forces to at least 150 nautical miles from any point in the islands by Time "T" plus 7 days; and

(c) to complete its withdrawal to at least 150 nautical miles away by Time "T" plus 14 days.

Article 3

With effect from Time "T," each party undertakes to lift the exclusion zones, warnings and similar measures which have been imposed.

Article 4

On the completion of the steps for withdrawal specified in Article 2, each party undertakes to refrain from reintroducing any armed forces into the islands or within 150 nautical miles thereof.

Article 5

Each party undertakes to lift with effect from Time "T" the economic measures it has taken against the other and to seek the lifting of similar measures taken by third parties.

Article 6

(1) Immediately after the signature of the present agreement, Argentina and the United Kingdom shall jointly sponsor a draft resolution in the United Nations under the terms of which the Security Council would take note of the present agreement, acknowledge the role conferred upon the Secretary General of the United Nations therein, and authorize him to carry out the tasks entrusted to him therein.

(2) Immediately after the adoption of the resolution referred to in paragraph (1) of this article, a United Nations Administrator, being a person acceptable to Argentina and the United Kingdom, shall be appointed by the Secretary General and will be the officer administering the government of the islands.

(3) The United Nations administrator shall have the authority under the direction of the Secretary General to ensure the continuing administration of the government of the islands. He shall discharge his functions in consultation with the representative institutions in the islands which have been developed in accordance with the terms of Article 73 of the Charter of the United Nations, with the exception that one representative from the Argentine population normally resident on the islands shall be appointed by the administrator to each of the two institutions. The administrator shall exercise his powers in accordance with the terms of this agreement and in conformity with the laws and practices traditionally obtaining in the islands.

(4) The United Nations administrator shall verify the withdrawal of all armed forces from the islands and shall devise an effective method of ensuring their nonreintroduction.

(5) The United Nations administrator shall have such staff as may be agreed by Argentina and the United Kingdom to be necessary for the performance of his functions under this agreement.

(6) Each party may have no more than three observers in the islands.

Article 7

Except as may be otherwise agreed between them, the parties shall, during the currency of this agreement, reactivate the exchange of notes of 5 August 1971, together with the joint statement of communications between the islands and the Agrentine mainland referred to therein. The parties shall accordingly take appropriate steps to establish a special consultative committee to carry out the functions entrusted to the special consultative committee referred to in the joint statement.

Article 8

The parties undertake to enter into negotiations in good faith under the auspices of the Secretary General of the United Nations for the peaceful settlement of their dispute and to seek, with a sense of urgency, the completion of these negotiations by December 31, 1982. These negotiations shall be initiated without prejudice to the rights claims or positions of the parties and without prejudgment of the outcome.

Article 9

This interim agreement shall enter into force on signature and shall remain in force until a definitive agreement about the future of the islands has been reached and implemented by the parties. The Secretary General will immediately communicate its text to the Security Council and register it in accordance with Article 102 of the Charter of the United Nations.

Article 73 of the United Nations Charter

Members of the United Nations which have or assume responsibilities for the administration of territories whose peoples have not yet attained a full measure of self-government recognize the principle that the interests of the inhabitants of these territories are paramount, and accept as a sacred trust the obligation to promote to the utmost, within the system of international peace and security established by the present charter, the well-being of the inhabitants of these territories, and, to this end:

a. to ensure, with due respect for the culture of the peoples concerned, their political, economic, social, and educational advancement, their just treatment, and their protection against abuses;

b. to develop self-government, to take due account of the political aspirations of the peoples, and to assist them in the progressive development of their free political institutions, according to the particular circumstances of each territory and its peoples and their varying stages of advancement;

c. to further international peace and security;

d. to promote constructive measures of development, to encourage research, and to cooperate with one another and, when and where appropriate, with specialized international bodies with a view to the practical achievement of the social, economic, and scientific purposes set forth in this article; and

e. to transmit regularly to the Secretary General for information purposes, subject to such limitation as security and constitutional considerations may require, statistical and other information of a technical nature relating to economic, social and educational conditions in the territories for which they are respectively responsible other than those territories to which Chapters XII and XIII apply.

Mr. HELMS. Mr. President, given the minute differences which appear in the two proposals of May 17, when Britain abandoned the negotiations and elected to use force to settle the dispute, I find it deeply disturbing that the levels of force applied are so disproportionate to the British goals, even if one accepts the British unilateral interpretation of its rights under international law. In the face of the fact that no nation, to my knowledge, accepts Britain's interpretation of its rights in the islands, the levels of force applied are in reckless disregard for the peace and security of the West.

It is not the purpose of the Senator from North Carolina to embrace the Argentine cause. The cause I embrace is that of the United States and a balanced view of our interests. What I fear is that the British action, and that our untimely "tilt" toward Britain may be a watershed in history, a turning point leading to the disintegration of Western civilization. The polarization now taking place between the Hispanic and Mediterranean-based cultures and those of the Anglo-based cultures is a perilous development. And all the while, Mr. President, British claims to the islands are fundamentally trivial.

For Argentina, the islands are part of their national history, their geology, and their geography. It is a mistake to think only in terms of Argentine history. The feeling of Hispanidad—that is to say, the feeling of Spanish culture—runs deep in Latin America, going back to the 16th century. The Argentine heritage goes back almost two centuries before 1816, the year that independence was proclaimed. That heritage claimed the islands known as the Malvinas. There were, for example, 29 Spanish Governors of the Malvinas between 1767 and 1810. They were followed by five Argentine Governors before the British used military force to occupy the islands in 1833. The British did not appoint a Governor until 1842, 9 years after the islands were seized.

Today those islands are still part of the Argentine Continental Shelf. By geography they are linked with Argentina as the nearest land. The basic services and lines of communication with the world are provided by Argentina. The only reason why the population is not Argentine is because Great Britain, fearing that its illegal claim might be challenged, restricted the normal development. It is precisely that fear that was behind the British decision to use military force to remove the civilian salvage workers who went to South Georgia for peaceful purposes in the middle of March.

The defense of the British claims has placed an intolerable burden upon the Western alliance. The levels of force applied, particularly in the early days of the conflict, are indefensible. It was the British who actually initiated hostilities. In contrast to the Argentine decision to deploy their military forces without violence, the British decision to sink the General Belgrano, a training ship whose crew of over 1,000 consisted mostly of recruits 16, 17, and 18 years old, is an affront to sensitive and civilized minds. One searches the U.N. Charter in vain for the power to decree arbitrary war zones, and then to sink ships which are outside the zone and no palpable threat to military operations.

Is "aggression," unilaterally interpreted, itself an excuse for major aggression on a grand scale against the peace of the Western Hemisphere?

Mr. President, the time is now for a cease fire. With each day's news, the costs on each side mount up at a staggering rate. I am dismayed that Mrs. Thatcher should reject, out of hand, the Pope's call for a cease-fire. But if the United States returns to true neutrality, and makes clear to Britain that we will no longer support a dangerous war on our doorstep, then Britain will have a powerful inducement to return to reasonable measures. Even if Britain should retake the islands, Britain will not be in a position to guarantee their independence or to supply the basic necessities of modern life.

Finally, Mr. President, there are some basic principles that should be recognized:

First, we must understand that military action cannot secure the goals of either country; only good faith diplomacy can secure a result that will be internationally recognized. Indeed, Britain has occupied the islands for 150 years without international recognition of the legitimacy of its claims. Not one nation in the Western Hemisphere—not the United States, not even Canada—has recognized the legitimacy of the British claim. There has been reluctance on the part of some to endorse the Argentine military occupation of the islands, but neither, to my knowledge, has there been support for the British claim.

Second, despite the reservations about Argentina's action, rash as that action may have been, fairness compels the recognition that it arose from the feeling of justice long denied. Not only the protests of the past 150 years, but more particularly the negotiations which have been going on under the auspices of the U.N. for the past 17 years have led the Argentinians to expect that the sovereignty question would be resolved at last. But on February 25 and 26 of this year, the British withdrew from substantive negotiations, and at the end of March—before the Argentine occupation—the British sent a fleet of warships, including nuclear submarines, to South Atlantic waters. This was regarded in Argentina as an effort to foreclose negotiations and an act of bad faith.

Third, the Argentine action in occupying the islands with military force is an act of aggression only if one accepts the British claim of sovereignty in the islands. But, I say again, that I know of no nation recognizing the British claim of sovereignty. As recently as last month, the Organization of American States voted 17 to 1 to support the Argentine claim. Consistent with this point of view, the Argentines insist that their occupation of the islands was not an act of aggression, but an act of self-defense.

Fourth, even if one accepts the Argentine view that the occupation was an act of self-defense, the fact remains that the Argentine action disturbed the military balance in the region. Even though the occupation itself was carried out with prudence and restraint, the tactic itself was rash in that it upset the status quo of a disputed area. Argentina should not have expected such an action to succeed without consequences that might disrupt the peace and security of the hemisphere. Even if Argentina is judged to be right in its legal claims, the tactic was a dangerous one.

Fifth, although Argentina miscalculated the British reaction, as well as the reaction of other nations, the action itself was proportioned to the goal—not to seize the island, but to prevent the foreclosure of negotiations through the British threats of force. Accordingly, the occupation was peaceful, with the troops under orders not to take any lives. These orders were followed to the letter, even when several Argentine casualties occurred among their own ranks. The action was therefore proportionate to the end desired, namely, to obtain leverage for the reopening of negotiations and the achievement of a settlement which would respect the legitimate rights and traditions of the islanders.

Sixth, the level of violence unleashed by the British was disproportionate to the perceived wrongs suffered, or to any possible long-term goals. It was quite clear that Argentina could not have obtained an internationally recognized settlement by military occupation. There were many diplomatic actions available, including international sanctions. The fury of the military attacks—attacks which were initiated by the British—are unprecedented in a time of supposed peace. Although the U.N. Charter permits actions of self-defense until the Security Council takes action there remains the question of whether the British actions can be justified while good-faith negotiations are underway. It was the British who broke off negotiations, not the Argentinians, while making public descriptions of the Argentine proposals at variance with the facts.

Seventh, the question of sovereignty is ultimately tied to the question of self-defense. There is no sovereignty without the capability to defend oneself, or without an alliance with some power that will undertake the defense. That means, in the case of the South Atlantic islands, that sovereignty can be guaranteed only by a superpower, such as the United States or the Soviet Union; or by a neighbor such as Argentina. When Britain was a superpower, Britain was able to prevent Argentina from asserting its historic claims. But Britain is no longer a superpower. For many years, Britain's defense of the islands has been only nominal. Britain has not even been able to maintain basic services to the islands, such as communication, air transport, and petroleum supply. These basic services have been supplied by Argentina. The inexorable laws of geography and economics have been binding the islands to Argentina. And even if Great Britain should retake the islands, Great Britain will not be able to guarantee their independence.

Eighth, Britain's present defense of the islands is based upon self-delusion, both as to her present power and her future ability to maintain her presence 8,000 miles from home. The costs to both sides have been staggering, but the sinking of NATO ships is of no benefit to the defense of Europe. Britain's military campaign is like taking out a mortgage to spend money to impress one's neighbors.

Mr. President, the fighting in the South Atlantic is a tragedy for both sides. But worst of all, it is a tragedy for the West. We cannot afford to have a house divided at a time when overall Soviet military might surpasses that of the United States. It will take all of the energy at our disposal, all of the good will of our neighbors, all of the marshaling of our will and our might to maintain our security and freedom. We cannot make that effort by turning our own hemisphere against us and by endorsing a misguided and ruinous war. I call upon President Reagan, then, to insist upon a cease-fire, and to assure the American people that U.S. resources are not going to be used for escalation of the conflict.

HOW THE SOVIETS VIOLATE THE SALT II TREATY, WHILE THE U.S. VIOLATES ITS OWN LAWS TO COMPLY WITH SALT II

Mr. SYMMS. Mr. President, the U.S. Government has managed to mire itself in an extraordinary policy for compliance with strategic arms limitation treaties (SALT). On the other hand, the U.S. Government covers up and apologizes for Soviet violations of the SALT II treaty. These violations are well-known and demonstrable. This is contrary to the Republican Party Platform of 1980. On the other hand, the executive branch is unilaterally deactivating and limiting its own strategic forces in order to comply with SALT II and SALT I. This is in violation of U.S. law. Thus the U.S. Government is acting contrary to its electoral platform promises on arms control, while violating U.S. laws. Only the U.S. Senate can hold the administration accountable to the law and the Constitution regarding unilateral U.S. SALT compliance.

THE SOVIET SALT II VIOLATIONS

There have been many significant violations of the SALT II treaty reported in the press. The evidence for these violations is well-established, and quite strong. The most important are:

The reported Soviet rapid reload and refire exercises for their giant SS-18 cold-launched ICBM.

The reported Soviet covert deployment of the camouflaged and concealed mobile SS-16 ICBM's at the Plesetsk Test Range. This activity is similar to the Soviet illegal deployment of 18 SS-9 ICBM's at the Tyuratam Test Range during SALT I.

The Soviet deployment of AS-3 Kangaroo air-to-surface missiles on 100 TU-95 Bear intercontinental bombers, in violation of several provisions of SALT II. This is also a Soviet falsification of the data exchange, calling into question all Soviet-supplied data.

The continued almost total encryption of telemetry signals from the following Soviet missile programs: the SS-NX-20 SLBM, the SS-NX-19 SLCM, the SS-18 MOD X ICBM, and the SS-20 IRBM, in violation of several provisions of SALT II.

The fact that all Soviet camouflage, concealment, and deception is intended to deliberately interfere with U.S. national technical means of SALT verification (satellite reconnaissance), and therefore constitutes another Soviet SALT II violation. This violation is confirmed by a Soviet military dictionary from as early as 1966.

According to conclusive evidence, SALT I and SALT II were deceptively negotiated, unequal, disstabilizing and not in the U.S. national security interest. But the United States is nevertheless still complying with both. Why?

Early in the Reagan administration, in January 1981, President Reagan called Soviet leaders liars and cheats who commit any crime to advance their objectives. In the same press conference, President Reagan declared that SALT II was unverifiable. President Reagan's concern that SALT II was unverifiable was fully consistent with his campaign statements opposing SALT II as "fatally flawed," unequal, disstabilizing, and unverifiable. His concern was also fully consistent with the Republican platform's tough arms control section, which was reaffirmed by President Reagan after the election.

In February 1981, Navy Secretary Lehman stated that continued U.S. compliance with SALT I and II was illegal. Lehman's statement was also fully consistent with Reagan's own policy declarations on the subject of SALT compliance. Lehman was referring to section 33 of the Arms Control and Disarmament Act of 1961, which states that U.S. military force levels can only be limited by treaties requiring advice and consent of the Senate, or by affirmative congressional legislation.

Section 33 of the Arms Control and Disarmament Act of 1961 states:

> No action shall be taken under this or any other law that will obligate the United States to disarm or reduce or to limit the armed forces or armaments of the United States, except pursuant to the treaty-making power of the President under the Constitution, or unless Authorized by further affirmative legislation by the Congress of the United States.

Strictly interpreted, section 33 states that Presidential policies to limit U.S. force levels in compliance with expired or unratified SALT treaties can be challenged at any time by the Senate.

The Reagan administration plans to unilaterally deactivate 160 Polaris SLBM's 52 Titan II ICBM's, and 80 B-52 Intercontinental bombers, all of which are counted in and limited by SALT II. These 292 strategic delivery vehicles carry 334 nuclear warheads, and comprise about 26 percent of our existing firepower or megatonnage. The United States neither asked for nor gained Soviet quids pro quo in arms control concessions before making the decision to unilaterally deactivate these forces, but this is a separate problem. More significantly, each of these deactivations could be viewed as a violation of section 33 of the Arms Control and Disarmament Act, because they violate both elements of section 33. They are occurring in compliance with an unratified SALT II treaty, and they are occurring without affirmative congressional legislation. Indeed the Titan II and B-52 deactivations are planned in actual defiance of congressional legislation, the fiscal 1983 defense authorization bill.

There are several strong arguments against Polaris submarine dismantlement, in further compliance not only with SALT II, but also with SALT I. The deactivation and dismantling of Polaris submarines is being done without affirmative legislation from the Congress, which makes it illegal. Further, by dismantling Polaris in order to comply with the expired SALT I Interim Agreement, the U.S. Government is acting in violation of the law. There has been no binding legal consent of the Senate for continued U.S. compliance with the SALT I Interim Agreement beyond October 1977. The dismantling of Polaris submarines is required in order to stay under the U.S. submarine and SLBM limits of the expired SALT I agreement, 41 submarines with 656 SLBM's as new Trident submarines are built. The United States could go up to 44 submarines carrying 710 SLBM's by retiring our 52 Titan II ICBM's, instead of Polaris submarines. Titan II deactivation is planned anyway, but this option is being completely ignored. The United States is thus dismantling two Polaris submarines for every new Trident submarine going on sea trials, of which there are now two.

As specified in section 33, the treaty-making power includes the advice and consent of the Senate. The Senate has not given legally binding advice and consent on continued U.S. compliance with SALT I beyond its expiration in October 1977. The U.S. Senate did pass a concurrent resolution in September 1977 supporting the Carter administration's policy of indefinite continued U.S. SALT I compliance, but this resolution does not have the force of law, and in any case it was not even acted upon by the House. Further, there has never been affirmative legislation by the Congress specifically authorizing the deactivation and dismantling of Polaris submarines.

In sum, Polaris submarine dismantlement in compliance with SALT I is clearly illegal. It violate both elements of section 33. There can be no dispute with the above facts.

There are several additional important facts relating to deactivation and dismantlement of Polaris submarines.

First, 2 of the 10 Polaris submarines have already been dismantled illegally and rendered inoperable under the Carter administration. The third of the 10, the U.S.S. *Patrick Henry*, is planned for deactivation and dismantling beginning next month, in June 1982. The remaining 7 of the 10 Polaris subs are also planned for deactivation in succession.

Second, the cost of dismantling each submarine is about $15.7 million. These funds are drawn from Navy operations and maintenance funds. Thus the total cost of dismantling the eight remaining Polaris submarines is about $125.6 million. These vital operations and maintenance funds have never been specifically authorized by Congress for the purpose of dismantling Polaris submarines. Instead of being used for the dismantling of good submarines, these O. & M. funds should be diverted instead to improving readiness and military capability.

Third, the total investment in procurement and operation of the 10 Polaris submarines over the last 24 years is about $3.5 billion. Thus the continued deactivation of Polaris subs will throw away 3.5 billion dollars, worth of good military capability.

Fourth, if the eight remaining Polaris subs are not dismantled, but are instead retained as attack, or torpedo, submarines, they will require some additional investment to cover overhaul, refueling and operations. These overhaul and refueling costs are estimated to be about $500 million, spread over several years.

Fifth, the United States now has only 94 attack submarines in its entire fleet, compared to about 189 for the Soviets. If the United States retains these 8 good Polaris submarines, our attack submarine force will be increased to 102. We need every attack submarine that we can get, and the Polaris subs are still in good working order.

Sixth, apologists for the Soviets claim that the Soviets have reportedly dismantled the missile bays on about four or more of their comparable earliest Y class submarines, in compliance since 1977 with the expired SALT I agreement. I would point out, however, that these submarines are evidently not being retired, as is currently planned for our Polaris subs, but are instead being reportedly converted into either cruise missile or attack submarines. Thus the Soviets do not throw away good weapons. The Soviets continue to use good submarines. We should do the same.

Seventh, the Secretary of the Navy, the Honorable John Lehman, has confirmed all of the above facts over a year ago. In February 1981, Secretary Lehman stated that U.S. unilateral compliance with both SALT I and SALT II was illegal. He was referring to continued Polaris deactivation in violation of section 33 of the Arms Control and Disarmament Act. John Lehman was right. The United States should no longer illegally comply with an expired SALT I agreement. Soviet SALT I compliance itself has been widely questioned, but that is a separate problem. It is a strange situation, however, when the United States is illegally complying with SALT I, while the Soviets have illegally violated SALT I.

In another example of violation of section 33, the Reagan administration initially rejected deployment of 100 stockpiled Minuteman III ICBM's in place of Minuteman II's because this would have eventually violated Salt II. Defense Secretary Weinberger actually stated in a March 24, 1981 letter to Senator SCHMITT that—"Additional Minuteman III's would provide very limited military utility and could impact future arms control negotiations * * *" Minuteman III deployment was authorized by Congress in both fiscal year 1981 and fiscal year 1982. Thus here is another example of affirmative legislation actually being violated in order to comply with the unratified SALT II treaty.

Finally, there are reports that the Reagan administration has been considering a dense pack deployment mode for the new MX ICBM. But dense pack would entail building new or relocating old ICBM silos, either of which would clearly violate article IV of the SALT II treaty. There are reports that MX deployment in the dense pack configuration was fully acceptable technically and militarily, but that the Reagan administration has been reluctant to approve dense pack because it violates SALT II. So here is another example of a U.S. deployment option which has been delayed and may be rejected because it would violate an unratified SALT II treaty. Thus, it is another violation of section 33.

In the cases of continued U.S. compliance with the expired SALT I and the unratified SALT II, there has been neither legally binding Senate advice and consent, and in fact, in several cases, affirmative legislation has been ignored.

As noted, Secretary Lehman's February 1981 statement that U.S. continued compliance with SALT I and II was illegal was well founded, and fully consistent with President Reagan's campaign statements, the Republican platform and Reagan's January 1981 statements. Hence many observers were surprised when in February 1981 Lehman was summarily reprimanded and the State Department quickly proclaimed that the United States and the Soviets would continue indefinitely to comply with SALT I and II as long as neither side did anything to undercut the agreement.

There were reports that President Reagan was puzzled by the reprimanding of Lehman for merely advancing Reagan's own declared anti-SALT II policy, but Reagan did nothing to change the U.S. unilateral SALT II compliance policy. Leaving aside the vague meaning of actions which undercut SALT, unilateral U.S. SALT II compliance is unsatisfactory. In addition to violating section 33 of the relevant law, the Reagan administration, like the Carter administration before it, has failed to even request a Soviet statement of their own compliance intentions. Perhaps this is because the Soviets have stated authoritatively several times that they are not bound to comply with SALT II unless the United States ratifies it. Thus the Soviets have all the benefits of United States compliance with SALT II, which is occurring in violation of U.S. law, while themselves accepting none of the obligations. Soviet violations of SALT II are consistent with their disavowal of the treaty.

It is unrealistic for the United States to unilaterally comply with a treaty which the Russians have said they will not comply with and which we cannot verify. In sum, the United States is still unilaterally complying with SALT II, despite President Reagan's expressed opposition to it, its nonverifiability, its failure to be ratified, its actual and illegal constraining effect on U.S. Forces, and Soviet disavowals and violations.

On May 12, 1982, Secretary of State Haig testified to the Senate Foreign Relations Committee that "SALT II was dead." Nevertheless, he also noted that the United States continued its policy of complying with SALT II. He added insistently that there was absolutely no evidence of any Soviet violations of SALT II. Moveover, in a press conference that same week, President Reagan announced that both the U.S. and the U.S.S.R. were complying with what he called the "monitoring provisions" of SALT II, without defining what was meant by this new and vague term. Then strangely, on Thursday, May 13, in an editorial, the Washington Post significantly qualified the SALT II compliance situation. The Post wrote that "most of its (SALT II's) terms are being respected by the United States and the Soviet Union. If the Soviets are violating parts SALT II, then they are in violation of the whole treaty. Either the Soviets are complying with SALT II, or they are not. President Reagan's reference to only the so-called "monitoring provisions," and the Post's qualification that only "most" of SALT II's provisions were being respected seem to fly in the face of Secretary Haig's flat assertion that there was no evidence of Soviet SALT II violations. On May 23, 1982, Secretary Haig stated on national television that the United States and the U.S.S.R. continue to observe "some" of SALT II's constraints. This is an even greater qualification of how much of SALT II the Soviets may be complying with. The Director of the Arms Control Agency, Eugene Rostow, has stated recently that both the United States and the U.S.S.R. are observing in "general" the SALT II limits. "General" compliance is a new concept, and an even greater indictment of Soviet behavior.

In fact, the Reagan administration has a wholly contradictory policy regarding U.S. compliance with SALT II. President Reagan's own campaign statements, platform, and January 1981 statements on the undesirability and the unverifiability of SALT II are being completely denied by Secretary Haig. At the same time that the State Department declares SALT II to be dead, the United States is unilaterally complying and denying the firm evidence of Soviet violations. And further, the United States continues to significantly constrain its own programs in illegal compliance.

The Washington Post of May 23, 1981, stated what was probably the real reason that the State Department denies the reports of Soviet SALT violations. According to Michael Getler:

> Some Reagan administration officials remain suspicious of what the Soviets are doing under SALT II restrictions, which are still being informally obeyed. However, sources say the administration refuses to bring complaints before the standing consultative commission, whose meetings it attends, for fear of legitimizing SALT II. (P.A 13)

But U.S. compliance actions have already legitimized SALT II. Meanwhile, the United States will not face up to its suspicions about Soviet violations by challenging the Soviets at the SCC. This again illustrates the contradictory nature of U.S. SALT compliance policy. Thus the United States is in fact illegally complying with SALT II, while the Soviets are violating SALT II.

Meanwhile, President Reagan's own innate suspicions of Soviet intentions in arms control negotiations and compliance have resurfaced. In his Eureka College "Start" speech of May 9, 1982, President Reagan stated:

> So far, the Soviet Union has used arms control negotiations primarily as an instrument to restrict U.S. defense programs, and in conjunction with their own arms buildup, as a means to enhance Soviet power and prestige. Unfortunately, for some time *suspicions* have grown that the Soviet Union has not been living up to its obligations under existing arms control treaties. [emphasis added.]

Several Senators, **James Buckley**, **Jake Garn**, **Gordon Humphrey**, a former Defense Secretary, Melvin Laird and a former Chief of Naval Operations, Admiral Zumwalt, have all taken the lead in exposing Soviet SALT violations over the years.

Probably the most authoritative accusation of Soviet SALT violations ever made needs citation. Mr. Paul Nitze, who is now the Chief U.S. Negotiator for Intermediate Range Nuclear Force Negotiations, was asked by Senator **Zorinsky** during Senate Foreign Relations Committee SALT II hearings in 1979: "Do you know of any violations that have come before the SALT I Standing Consulatitive Commission that were not resolved under SALT I?" Mr. Nitze replied:

> No, but how were they resolved? They were resolved by accepting what had been done in violation.

Thus Paul Nitze himself, one of our most knowledgeable and experienced SALT negotiators, has strongly bolstered the thesis that there have in fact been Soviet SALT violations.

In conclusion, as President John F. Kennedy stated on March 2, 1963, in regard to the limited test ban treaty then under negotiation with the Soviets:

> We know enough now about broken negotiations, secret preparations and the advantages gained . . . never to offer again an uninspected moratorium.

President Kennedy's admonition is probably the best approach to currently popular notions proposing an unverifiable United States-Soviet nuclear "freeze." The Brezhnev-Kennedy-Hatfield nuclear freeze proposal is a good example. It is unverifiable, as is SALT II, as President Reagan has pointed out.

The chief enemy of arms control is Marxism-Leninism. The Soviets are indeed waging ideological warfare through arms control negotiations. As V. I. Lenin stated long ago:

> Every "peace program" (i.e. such as a nuclear weapons freeze) is a deception of the people and a piece of hypocrisy, unless the principal object is to explain to the masses the need for a revolution.

MEMORIAL DAY 1982

Mr. SIMPSON. Mr. President, as the Senate commences this year's Memorial Day recess, we are reminded of the debt we owe to those who died in the service to our great Nation and so contributed to the freedoms and liberties which we all enjoy.

The earliest dates of observance of "Decoration Day" or Memorial Day were April 29, 1866, and May 30, 1866. Many a State, and many a town, lays claim to the origin of this fine custom. Memorial Day observances occurred in many locations at about the same time in our Nation's history and quickly became a nationwide tradition.

The date, May 30, was generally observed as Memorial Day until 1971, when Public Law 90-363 went into effect, providing for uniform annual observation of certain legal public holidays on Mondays. Under this so-called Monday Holiday Law—the official date for celebration of Memorial Day became the last Monday in May.

In thousands of cemeteries throughout this country and overseas, Memorial Day ceremonies will mark an acknowledgment of lasting indebtedness owed by all Americans to the ultimate sacrifices made by those brave individuals who died while serving their country. The Nation will pause on this Memorial Day, as in the past, to honor those who gave their lives in the Nation's defense. Ceremonies will be observed in most of the 105 national cemeteries operated by the Veterans' Administration. American flags will be prominently displayed. Small American flags will be unfurled on most of the 1,600,000 gravesites in the national cemeteries. Also, along many roadway and walkways in cemeteries and at VA facilities will be the "Avenues of Flags" in honor of those who served.

Memorial Day will also remind us of the obligation expressed by Abraham Lincoln when he said, "Let us strive to bind up the Nation's wounds; to care for him who shall have borne the battle and for his widow and orphan." Lincoln was reminding us that it was not enough that we should merely remember those who died in our behalf—that we had a far greater obligation than that. We can and should honor our war dead by making certain that we have provided for their families and for their comrades who survive.

As a nation we have taken this obligation very seriously. On this Memorial Day we can take justifiable pride in the benefits we provide for our veterans, their survivors and dependents.

The budget resolution voted on in the Senate a few days ago includes funds which would provide monthly disability compensation under existing legislation for over 2.3 million veterans with service-connected disabilities—a total of $9.5 billion. Under the Senate-passed resolution over 354,000 survivors of veterans whose deaths were service connected or related to service-connected disabilities would receive benefits totaling approximately $1.6 billion.

Approximately 820,000 wartime veterans and 943,000 survivors would receive monthly pension totaling $3.9 billion in 1983. The life insurance program administered by the Veterans' Administration provides coverage of $141.2 billion to the families of 7.4 million service persons and veterans.

Under the Senate-passed budget resolution over 1.3 million inpatients would be treated in VA facilities and by contract medical care. As many as 18.3 million outpatient medical and dental visits would be made.

Other VA programs, such as educational assistance, training and rehabilitation, the veterans' housing loan program, and the enlargement of the national cemetery system—show equally impressive statistics of service to veterans, their survivors and dependents.

The United States is meeting its commitment to the veterans of our Nation through the VA system. However, we cannot overemphasize the numerous individual efforts within America's communities to honor those who died during their service to our country and the efforts to encourage the returning veterans to readjust to civilian life and continue to be productive useful members of society as civilians.

I could not close without commenting on an enormously moving experience I had just this morning. I introduced at a public ceremony Ted Gostas, a Wyoming veteran and a former prisoner of war for more than 5 years during the Vietnam war, whose art work depicting the ravages of war are currently on display at the Veterans' Administration central office.

This extraordinary man grew up in Cheyenne, graduated from the University of Wyoming, and was serving as an Army intelligence officer when he was wounded and captured during the Tet offensive in Vietnam in 1968. When he was released in March 1973, he was in very poor physical and mental condition. He had managed to survive for more than 4 years in solitary confinement in a 3-by-7 foot cell 6 feet high. He had been tortured extensively and suffered from malaria, dental abscesses, hookworms, and a serious blood clot on the brain. Ted Gostas' rehabilitation included the resumption of his drawing, painting, and writing. His haunting representations of more than 5 years of imprisonment have been displayed at the Wyoming State Museum and will be shown throughout the State during this next year as the result of a grant Ted received from the Wyoming Council on the Arts. This is a sincere tribute to an outstanding American veteran.

The message conveyed by his drawings and paintings is an extremely moving one and so clearly demonstrates his awesome ability to educate others about war and its effects on the human psyche. Ted has been able to come back from Vietnam and from his extremely difficult and traumatic years spent as a POW and he has readjusted to civilian life by the sharing of his art and his narrations as he conveys his impressions of the horrors he experienced.

On Memorial Day we remember those who died in wartime. However, the living death experienced by Ted Gostas, and other POW's for extended periods of time must never be forgotten. Ted recounted the burning desire to return home, to feel the closeness and love of other caring individuals, and to be free. These treasured gifts of freedom must never be taken for granted for they are the basis on which our democracy flourishes. Ted Gostas stated that his art is meant to make us think carefully about war—"and to hold a mirror up to war and hope that once it looks at itself, like Medusa, it will begin to die." It is a message worth remembering on Memorial Day.

THE POWER OF THE PRESS

Mr. MOYNIHAN. Mr. President, some days ago Mr. Michael J. O'Neill, editor of the New York Daily News, the Nation's largest general circulation newspaper, and president of the American Society of Newspaper Editors, delivered to that society a presidential address of the most extraordinary candor, force, and perception. One recalls that extraordinary series of articles the late A. J. Leibling wrote for the New Yorker magazine entitled, "Annals of the Press." In those annals there has surely been no important statement by a journalist than Mr. O'Neill's. It is already an event in the history of journalism. As an admiring New Yorker, I can only hope that his analysis and prescription, loving of country and of craft, selfless and patriotic and courageous so far beyond that false courage we associate with the herd of independent minds that too often defines public issues will come in time to be seen as prophetic as well. Ideas have consequences, Mr. President. I ask unanimous consent that Mr. O'Neill's address be printed in the CONGRESSIONAL RECORD so that future generations will know that there lived in our time a man worthy of our past and deserving of the respect and acclaim of our posterity.

THE POWER OF THE PRESS

A PROBLEM FOR THE REPUBLIC—A CHALLENGE FOR EDITORS

Standing on the gallows for the last five months, waiting for the trap door to fall, has been a stimulating experience. As Samuel Johnson once remarked, the prospect of being hanged does powerfully concentrate the mind. In my case, I couldn't help thinking about the mortality of newspapers—the Daily News, of course—but also other troubled newspapers and, indeed, newspapers in general because they are probably all quite mortal.

There are in most of us those intimations of immortality that Wordsworth wrote about. We never think of ourselves as ending, just as little children cannot conceive of their parents dying. And so it is with institutions, from large corporations to great cities. We assume they will last forever.

Except if you walk through the ruins of Ephesus in Asia Minor, and realize that a population of 250,000 simply vanished into history, you are reminded of the fragile nature of man and his works. And you get the same feeling, in a more intimate way, when newspapers suddently disappear. Particularly the ones you have known and loved.

Under these circumstances, it is natural to reflect on our business—to consider what forces are working for its improvement or disparagement, how we are faring generally in the social and economic turmoil now buffeting us all. An editor is inspired to reflect especially on the state of his profession and, in my case, to worry about how well we are fulfilling our obligations to the society we serve. For while there has been an astonishing growth in the power of the media over the last decade or so, I am by no means sure we are using it wisely. The tendency has been to revel in the power and wield it freely rather than to accept any corresponding increase in responsibility.

In fact, the very processes we use to inform the public have been badly distorted by television and, to a lesser degree, by a whole range of other phenomena from investigative excesses to our enthrallment with adversary journalism. So not only have we failed to match new responsibility to new power, we have also yielded to trends that are hurting the cause of a well informed citizenry.

The extraordinary powers of the media, most convincingly displayed by network television and the national press, have been mobilized to influence major public issues and national elections, to help diffuse the authority of Congress and to disassemble the political parties—even to make presidents or to break them. Indeed, the media now weigh so heavily on the scales of power that some political scientists claim we are upsetting the historic checks and balances invented by our forefathers.

Samuel P. Huntington of Harvard has observed that "during the 60s and 70s, the media were the institution whose power expanded most significantly and that posed the most serious challenges to governmental authority." Max M. Kampelman has similarly warned that "the relatively unrestrained power of the media may well represent an even greater challenge to democracy than the much publicized abuses of power by the executive and the Congress." And Sen. Daniel P. Moynihan, who concedes the press already has the upper hand in Washington, says that if the balance should tip too far in its direction "our capacity for effective democratic government will be seriously and dangerously weakened."

This is flattering, of course, because all newspapermen dream of being movers and shakers and the thought that we may actually be threatening the national government is inspirational. In several respects, it is also true. The Communications Revolution, which is profoundly reshaping all of Western society, has also altered the basic terms of reference between the press and American democracy.

No longer are we just the messengers, observers on the sidelines, witch's mirrors faithfully telling society how it looks. Now we are deeply imbedded in the democratic process itself, as principal actors rather than bit players or mere audience.

No longer do we merely cover the news. Thanks mainly to television, we are often partners now in the creation of news—unwilling and unwitting partners, perhaps, but partners nonetheless in producing what Daniel Boorstin has deplored as pseudo events, pseudo protests, pseudo crises and controversies.

No longer do we look on government only with the healthy skepticism required by professional tradition. Now we have a hard, intensely adversarial attitude. We treat the government as the enemy—and government officials as convenient targets for attack and destroy missions.

No longer do we submit automatically to the rigors of old-fashioned impartiality. Now, not always but too often, we surrender to the impulse of advocacy, in the name of reform but forgetful of balance, fairness and—if it isn't too unfashionable to say so—what is good for the country.

These trends, however, are more symptom than cause. Much deeper processes are at work. The mass media, especially television, are not only changing the way government is covered but the way it functions. The crucial relationship between the people and their elected representatives—the very core of our political system—has been altered fundamentally.

In ways that Jefferson and Hamilton never intended nor could even imagine, Americans now have the whole world delivered to them every day, in pulsating, living color—all of life swept inside their personal horizon. Distant events—Selma, Alabama . . . the riot-torn Democratic convention in Chicago . . . the hostages in Iran—are instant experiences, neither insulated by a reporter's translation nor muted by what Theodore H. White has called the consoling "filter of time".

The flashing images mobilize popular emotions on a truly massive scale and with stunning speed, quickly generating and shaping public opinion. The televised battle scenes from Vietnam, as we know, aroused a whole nation against the war, helped reverse our national policy, and ultimately destroyed the presidency of Lyndon Johnson.

"The introduction of modern mass communications," said the sociologist Daniel Bell, "allows us, in many cases forces us, to respond directly and immediately to social issues." Television has thus played a decisive role in the so-called revolution of rising expectations. It has strongly stimulated the consumption culture. It has dramatized the gap between haves and have nots, helping to create a runaway demand for more and more government services and for equality of result as well as of opportunity.

Time and time again, presidents discover that the public has already made up its mind about issues before they have even had time to consider them. Their hand is forced. The deliberative process that representative government was designed to assure is frustrated.

Television has also indelibly changed the democratic process by establishing a direct communication link between political leaders and their constituents. Now, as never before, these politicians are able to by-pass the print media and the troublesome business of depending on reporters to represent them to the public.

More significant, but for the same reason, they are also able to by-pass their parties so that the whole system of party government, built up over nearly two centuries, is now breaking down. This, in turn, is contributing to the crisis of government that Lloyd Cutler and others find so threatening to the American system.

In presidential elections, that most central of democratic functions, media appeal, has replaced party screening in the primary selection process. National conventions are no longer relevant. Most of the subtle bonds of political power, whether the ritual dispensing of favors or dependence on party for advancement, have been snapped. From the district clubhouse to Washington, especially Washington, political discipline has almost disappeared.

The president no longer has much leverage over the members of Congress, even those in his own party. Congress itself is in a disheveled state with power so diluted that neither floor leaders nor committee chairmen are able to act with the authority, for example, of a Sam Rayburn.

As a consequence, power has been badly fractured. Our capacity for achieving consensus on national issues has been damaged. George F. Kennan cites fragmented authority as one of the chief causes of the disarray in U.S. foreign policy, and he mainly blames Washington's over-reaction to popular emotions whipped up by the media.

Where power is frayed, as Douglass Cater has pointed out, "public opinion is called on more regularly than elsewhere to act as arbiter among competing policies and politicians." So we have the paradox of the mass media tearing down power on the one hand, and then gaining power themselves at the expense of the institutions they have diminished.

One of the victims of this process is the presidency itself. Although many complex forces have conspired to undermine its authority, television and the national press have played a major role. For one thing, they have focused tremendous attention on the president, as the personal symbol of the nation and its ideals, as the principal instrument of action and the first resort of complaint or redress. They also rely on him for the drama, the glamor and excitement, that television forever craves and must have to survive. Indeed, he happily conspires in the creation of media events and makes all sorts of other concessions in order to present his deeds in a way that TV finds congenial.

A skilled communicator like Ronald Reagan is a master of television. He exploits it with great effect to project himself and his policies directly to millions of people, going over the heads of Congress and, incidentally, making an end run around newspapers.

But television can also be cruel. It raises public expectations far beyond the president's reach and then, when he cannot satisfy them, it magnifies the perception of failure. By massive over-exposure, the media also strip away the protective mystery of the Oval Office, inviting the same kind of premature disenchantment that destroys so many TV stars.

A more serious concern is how the media merry-go-round is distorting the news, the information base, if you will, that people need to make sound decisions in a democracy. The capacity to mobilize public opinion is now so great that issues and events are often shaped as much to serve the media's demands as to promote the general welfare.

The result is a blurring of the line between the medium and the message, between substance and shadow, like the shadow on Plato's cave. "In the beginning," as Huntington has commented, "television covered the news; soon, news was produced for television." Boorstin has made the same point, but less politely.

Unfortunately, television is an impressionistic medium that marshals images and emotions rather than words and reasons. Its lenses are distorting. They focus on the dramatic and the visible, on action and conflict. News decisions are influenced by what film is available, what events "project" well, what can be explained easily in quickie bursts of audio headlines.

Newsmakers modify their behavior to fit, creating controversy on demand, turning away from debate and petition in favor of protest and demonstration. As the former Tammany Hall chief, Edward N. Costikyan, put it in a manual for political candidates: "Television reporting is not news; it is spectacle. To capture coverage, you must create a spectacle * * *" Some issues, artificial or real, are churned up to the point that they command national attention and affect national policy. Other issues which may be far more valid and important—lagging investment in basic research, for example—are ignored because they cannot be seen by television's beady red eye.

The raw materials of public deliberation thus become a confusing mixture of the real and unreal, important and irrelevant—a jumble of impressions that confound even the historians. Arthur M. Schlesinger, Jr., said that after being involved in the making of history during his White House days, he could never again rely on the testimony of the press.

So we all spin around in a vicious circle. Television first changes the nature of mass communication, including communication between the people and their government. In response, political leaders, single issue groups, and all other players on the public stage change their media behavior. Then the media, including the national press, react and interact. Masses of people become involved, contributing to the surge of participatory democracy that students of government have decried. Public agendas and priorities are distorted. The thrust of the news, the pace, and even the content of the news, become captive to the process.

Adding to the general turmoil are two other phenomena: the press' harshly adversarial posture toward government and its infatuation with investigative reporting. These attitudes, which have always lurked in the psyche of American journalists, were enormously intensified by Vietnam, Watergate and the general attack on authority in the 1960s and 1970s. Both news coverage and the conduct of government have been duly affected—but not improved.

It may be foolhardy to say anything uncharitable about investigative reporting; it is in such vogue now. We have all basked in the glory of exposes and gloated while public officials have turned slowly on the spit of newspaper disclosures. I remember the triumph we felt at the Daily News when we reported that a congressman had lied about pleading the fifth amendment and then saw him destroyed as a candidate for mayor.

On balance, investigative reporting has probably done more good than harm, although a wise member of the New York Times editorial board, Roger Starr, would dispute the point. He once suggested wistfully that journalism schools should ban Lincoln Steffens' famous book, "The Shame of the Cities". He said that muckraking did so much damage to the cities that he hated to think what havoc modern investigative reporters might commit.

Muckraking has been over-emphasized, tending to crowd out other more significant kinds of reporting. If we had not been so busy chasing corrupt officials, for instance, we might not be guilty of having missed some of the biggest stories of the last half century:

The great migration of blacks from the South to the industrial cities of the North, something we didn't discover until there were riots in the streets of Detroit.

The first mincing steps toward war in Vietnam, which we did not begin reporting seriously until our troops were involved.

The women's liberation movement and the massive migration of women into the job market, a social revolution that we originally dismissed as an outbreak of bra burnings.

In some cases, investigative reporting has also run off the ethical tracks. Individuals and institutions have been needlessly hurt when the lure of sensational headlines has prevailed over fairness, balance, and a valid public purpose. Those uninspiring scenes of reporters and cameramen trampling over Richard Allen's front lawn to hound his wife and children raise questions.

Is our duty to inform so stern that we must exile ourselves from our own humanity? Are we like policemen who have become inured to violence? Have we become so cynical, so hardened by our experiences with sham, that we can no longer feel what an official feels, what his wife and children feel, when he is being ripped and torn on TV and in the press? Have we become so arrogant with our power, so competitive, that we cannot decide that the public crime is often not worth the private punishment? That the First Amendment is often abused rather than served by those who would defend it.

"* * * Is it not true," Kampelman asked, "that no man is free if he can be terrorized by his neighbor? And, is it not possible for words as well as swords to terrorize?"

Similar questions need to be asked about our intensely adversarial coverage of government because this, too, is falsely coloring the information flowing to the public.

We are probably the most adversarial people in the world—"the most anti-American", to quote the British poet Stephen Spender—and we are getting worse all the time. The reasons lie deep in the past—in the Enlightenment's victory over authority, in the romantic concept so eloquently expressed by Milton that truth will triumph in any struggle between reason and falsehood, in the industrial age's emphasis on competition to sort out good products from bad, in the checks and balances built into our own Federal system, and in the egalitarian movement that has recently reached such a crescendo in the United States.

In our profession, there are more immediate causes. There are the natural tensions between a President who paints a rosy view of all he does and the messengers who deliver bad news. There is the understandable resentment of officials who feel the media always emphasize the exceptional and negative over the positive, conflict and failure over success. And on the other side, there are the endless official lies and deceits and masquerades that gnaw at the moral intent of reporters.

Within the American context, these tendencies are normal. But they have become much more destructive in the last few years. With Vietnam and Watergate, with new waves of young, committed reporters moving into the profession, with older editors feeling guilty about having been "too soft" in the past, the media's relations with government have taken a sharp turn for the worse. The government has become the enemy.

A regretful Vermont Royster has said that the great difference between the Washington press corps of his day and the one now is that then "we did not think of ourselves and the government as enemies."

"We were cynical about much in government, yes," he said. "We were skeptical about many government programs, yes. We thought of ourselves the watchdogs of government, yes. We delighted in exposes of bungling and corruption, yes. But enemies of government, no."

By the time Jimmy Carter was elected, the critic Anthony Smith has observed, the American press had come "to think of itself as an opposition, almost in the European sense, as a counter-power, part of whose raison d'etre consisted in the constant search for ways to dethrone the incumbent in office."

Smith may have overstated his point, but the adversarial pendulum has in fact swung too far and this is not good for the press, the government, or society. Contrary to 18th century myth and our own litigious tradition, the adversarial method does not necessarily produce truth. As often as not, it misses the truth and distorts reality. And knee-jerk opposition to government by a free press is only a mirror image of the undeviating governmental support that we criticize in the totalitarian media.

In its more extreme forms, the adversarial attitude creates barriers to the clear observation and analysis necessary for objectivity. It encourages emotional involvement with individual pensonalities and issues. It invites arrogance. It tempts reports to harrass officials. Ultimately, it undermines credibility because people intuitively sense when the press is being unfair. They are quick to detect a belligerent tone in a story and then discount it in their own mental ledger. And they become deeply skeptical, in Ben J. Wattenberg's view, when all they get from the press is an endless rat-a-tat-tat of failure.

"Is it so absurd to suggest," he asks, "that if all one reads and all one sees is case under the rubric of crisis and chaos that Americans will either a) believe the press and think America is on the wrong track or b) believe their own senses and think the press and the crisis-mongers they headline are elite, arrogant and so far out of touch as to be non-credible and, even worse, irrelevant?"

If the credibility of news coverage has been hurt, the functioning of government has been damaged even more. Not only are public issues and priorities strongly influenced by the media, every policy initiative, every action, has to run a gauntlet of criticism that is often generated—and always amplified—by the press. In the searing glare of daily coverage, an official's every personal flaw, every act, every mistake, every slip of the tongue, every display of temper, is recorded, magnified, and ground into the public consciousness.

The protests of special interest groups, the charges of publicity-hungry congressmen, are rock-and-rolled through the halls of power. Controversy and conflict are sought out wherever they can be found, sapping energies and usually diverting attention from more urgent public business.

In this whirling centrifuge of criticism and controversy, authority is dissipated. Officials are undermined and demoralized. The capacity to govern, already drastically reduced by the fragmentation of power, is weakened still further.

The media have, in short, made a considerable contribution to the disarray in government and therefore have an obligation to help set matters straight. Or at least to improve them. The corollary of increased power is increased responsibility. The press cannot stand apart, as if it were not an interested party, not to say participant, in the democratic process.

We should begin with an editorial philosophy that is more positive, more tolerant of the frailties of human institutions and their leaders, more sensitive to the rights and feelings of individuals—public officials as well as private citizens.

We should be less arrogant, recognizing our own impressive shortcomings and accepting Walter Lippmann's lament that we can never claim to be the merchants of truth when we so rarely know what the truth is.

We should make peace with the government; we should not be its enemy. No code of chivalry requires us to challenge every official action, out of Pavlovian distrust of authority or on the false premise that attack is the best way to flush out truth. Our assignment is to report and explain issues, not decide them. We are supposed to be the observers, not the participants—the neutral party, not the permanent political opposition.

We should cure ourselves of our adversarial mindset. The adversarial culture is a disease attacking the nation's vital organs. The lawyers will never escape it, but we must. We should retain a healthy skepticism, yes. Provide socially responsible criticism, yes. But relentless hostility? No.

Reporters and editors are much more attracted to failure than to success. An expression of sympathy, perhaps, because failure is always an orphan while success has many fathers. Yet, if we are truly to provide a balanced view of the world, we must tame our negative nature; we need to celebrate success and progress, not just wallow in mankind's woes.

For if we are always downbeat—if we exaggerate and dramatize only the negatives on our society—we attack the optimism that has always been a wellspring of American progress. We undermine public confidence and, without intending it, become a cause rather than just a reporter of national decline.

We should also develop a more sensitive value system to be sure we do not needlessly hurt public figures while exaggerating the public's right to know. Rights do not have to be exercised, just because they exist or because there is a story to be told. The claim of editorial duty should not be a coverup for titilation. Legitimate public need should be weighed against personal harm because, among other things, the fear of media harrassment is already seriously affecting recruitment for public service.

Editors also need to be ruthless in ferreting out the subtle biases—cultural, visceral, and ideological—that still slip into copy, into political stories, mostly, but also into the coverage of emotional issues like nuclear power and abortion. Lingering traces of advocacy are less obvious than Janet Cooke's fiction but, for that reason, are more worrisome. Editors—myself included—have simply not exercised enough control over subeditors and reporters reared in the age of the new journalism.

The problem of television is formidable. Its baleful effect on both government and journalism is beyond repeal. The expanding network news shows and the proliferation of cable promise even more change, confusion, and competition for the attention of busy Americans. And there are no solutions that I can think of, only the possibility of limited damage control.

The key to this is to emphasize the basics, the things newspapers have always been able to do better than television, services that will become even more important as the electronic networks continue swarming over the mass market and, in the process, define a more specialized role for newspapers.

We should be more resistant than ever to media hype—the pseudo event, the phoney charges, the staged protest, the packaged candidate, the prime-time announcement and televised interview. Indeed, we should expose these as vigorously as we expose official corruption. For it is our job to cut through the superficial to identify the substantive—to explain and clarify the news, as most newspapers already do, in a reasoned way that television cannot. Although we should be interesting, we should not try to be an entertainment like television because this would be both futile and out of keeping with our special purpose.

Another issue is accountability. A brooding Ray Price, formerly of the New York Herald Tribune and the White House, complained that the press had acquired power "out of all proportion" to its ability or inclination to use its responsibility. Walter Wriston, a banker speaking for many in public life, warned that the media should remember that "the effective functioning of a democracy requires the most difficult of all disciplines, self-discipline."

"The freedom of us all," he said, "rides with the freedom of the press. Nevertheless, its continued freedom and ours will ultimately depend upon the media not exploiting to the fullest their unlimited power."

All sorts of remedies have been proposed, from ombudsmen to news councils, even anti-trust legislation. Many critics think it would be wonderful if we were just professionals so there could be the kind of self-policing that doctors and lawyers have—an uninspiring idea, though, when you consider how few doctors or lawyers are ever disciplined.

The fact is that no grievance committees or councils or laws will really work if the general attitude of the profession is not supportive. If the attitude is right, however, all the clanking machinery is, probably unnecessary. Our best defense against opponents, our best bet for strengthening reader credibility, is an openness of mind that encourages both self-examination and outside criticism.

With this psychic base, we can expect editors—miracle of miracles—to respond more constructively to complaints, reporters to be more accepting of direction and correction. We can expect a more aggressive pursuit of fairness and a willingness to provide a more effective right of reply than letters to the editor or an occasional op-ed piece.

In the final analysis, what we need most of all in our profession is a generous spirit, infused with human warmth, as ready to see good as to suspect wrong, to find hope as well as cynicism, to have a clear but uncrabbed view of the world. We need to seek conciliation, not just conflict—consensus, not just disagreement—so that society has a chance to solve its problems. So that we as a nation can find again the common trust and unity—so that we can rekinkle the faith in ourselves and in our democracy—that we so urgently need to overcome the great challenges we face in the 1980s.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Foreign Relations.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 10:21 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 2535. An act to regulate the operation of foreign fish processing vessels within State waters.

The message also announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 60. A concurrent resolution disapproving the Federal Trade Commission trade regulation rule relating to the sale of used motor vehicles.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3540. A communication from the Executive Associate Director for Budget, Office of Management and Budget, transmitting, pursuant to law, reporting on a further reapportionment of certain appropriations and the necessity for a supplemental estimate of appropriation; to the Committee on Apppropriations.

EC-3541. A communication from the Director of Facility Requirements and Resources, Department of Defense, transmitting, pursuant to law, notice of intent to proceed with a construction project for the Naval and Marine Corps Reserve; to the Committee on Armed Services.

EC-3542. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on a proposed foreign military sale to Japan; to the Committee on Armed Services.

EC-3543. A communication from the Acting Chairman of the Interstate Commerce Commission, transmitting, pursuant to law, a report on the status of negotiations between Conrail and the Philadelphia Belt Line; to the Committee on Commerce, Science, and Transportation.

EC-3544. A communication from the Under Secretary of the Interior, transmitting, pursuant to law, a report on the status of completion or revision of general management plans for each unit of the National Park System; to the Committee on Energy and Natural Resources.

EC-3545. A communication from the Secretary of Energy transmitting, pursuant to law, the quarterly report on the strategic petroleum reserve; to the Committee on Energy and Natural Resources.

EC-3546. A communication from the Professional Audit Review Team, transmitting, pursuant to law, a report entitled "Performance Evaluation of the Energy Information Administration"; to the Committee on Energy and Natural Resources.

EC-3547. A communication from the Chairman of the U.S. Nuclear Regulatory Commission transmitting, pursuant to law, a report of nondisclosure of Safeguards Information by the Nuclear Regulatory Commission for the quarter ending March 31, 1982; to the Committee on Environment and Public Works.

EC-3548. A communication from the Deputy Administrator of the General Services Administration transmitting, pursuant to law, an errata sheet of projects omitted from the Status Report of December 31, 1981 on public buildings projects; to the Committee on Environment and Public Works.

EC-3549. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "A More Comprehensive Approach is Needed to Clean Up the Great Lakes"; to the Committee on Environment and Public Works.

EC-3550. A communication from the Inspector General of the Environmental Protection Agency transmitting, pursuant to law, a report on an interim audit of the Agency's portion of the Hazardous Substance Response Trust Fund; to the Committee on Environment and Public Works.

EC-3551. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, the sixth annual report on the child support enforcement program; to the Committee on Finance.

EC-3552. A communication from the Acting Assistant Legal Adviser for Treaty Affairs of the Department of State transmitting, pursuant to law, a list of international agreements other than treaties, entered into by the United States within the last 60 days; to the Committee on Foreign Relations.

EC-3553. A communication from the Acting Assistant Legal Adviser for Treaty Affairs of the Department of State transmitting, pursuant to law, a list of international agreements, other than treaties, entered into by the United States within the last 60 days; to the Committee on Foreign Relations.

EC-3554. A communication from the Acting Assistant Legal Adviser for Treaty Affairs of the Department of State transmitting, pursuant to law, a list of international agreements, other than treaties, entered into by the United States within the last 60 days; to the Committee on Foreign Relations.

EC-3555. A communication from the Assistant Secretary for Planning and Evaluation of the Department of Health and Human Services transmitting, pursuant to law, a report on a new system of records: "Recipient Survey of Alternative Approaches to Financing Day Care for AFDC Children"; to the Committee on Governmental Affairs.

EC-3556. A communication from the Inspector General of the Department of Labor, transmitting, pursuant to law, a report of a computer match involving Office of Workers' Compensation program with the files of certain agencies; to the Committee on Governmental Affairs.

EC-3557. A communication from the Mayor of the District of Columbia, transmitting, pursuant to law, the annual report of the Office of Emergency Preparedness of the District of Columbia for fiscal year 1981; to the Committee on Governmental Affairs.

EC-3558. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report on the sale of eight homes in the Shaw area by the District of Columbia Development Corporation; to the Committee on Governmental Affairs.

EC-3559. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report on Crispus Attucks Park of the Arts; to the Committee on Governmental Affairs.

EC-3560. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of legislation adopted by the Council on April 27, 1982; to the Committee on Governmental Affairs.

EC-3561. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "U.S. Marshals' Dilemma: Serving Two Branches of Government"; to the Committee on the Judiciary.

EC-3562. A communication from the Attorney General of the United States, transmitting, pursuant to law, a report on the recent awarding of the Young American

Medals for Bravery and Service for calendar years 1975, 1976, 1978, and 1979; to the Committee on the Judiciary.

EC-3563. A communication from the Secretary of Education, transmitting, pursuant to law, the final regulations for the College Housing Program; to the Committee on Labor and Human Resources.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-896. A resolution adopted by the Intermountain Logging Conference urging the Federal Regulatory Review Commission to carefully review the mechanisms for implementing planning requirements of the national Forest Management Act; to the Committee on Agriculture, Nutrition, and Forestry.

POM-897. A resolution adopted by the Intermountain Logging Conference urging all federal agencies to pursue a more aggressive program of chemical insect and disease control, within the limits of adequate environmental safeguards and economic justification; to the Committee on Agriculture, Nutrition, and Forestry.

POM-898. A resolution adopted by the Intermountain Logging Conference urging the Congress and Secretary Watt not to roll back stumpage prices bid for BLM timber on O&C lands in Western Oregon; to the Committee on Agriculture, Nutrition, and Forestry.

POM-899. A resolution adopted by the Intermountain Logging Conference, urging development of studies that will define those areas within the confines of parks that can and should be harvested by environmentally sound and controlled logging system; to the Committee on Agriculture, Nutrition, and Forestry.

POM-900. A resolution adopted by the Intermountain Logging Conference urging Congress to reduce government borrowing so as to reduce interest rates in the immediate future; to the Committee on Banking, Housing, and Urban Affairs.

POM-901. A resolution adopted by the Grand Chapter of Kappa Alpha Psi Fraternity, denouncing cutbacks in programs that benefit poor prople: to the Committee on the Budget.

POM-902. A joint resolution adopted by the Legislature of the State of California; to the Committee on Commerce, Science, and Transportation:

"Whereas, It was recently learned that the Secretary of Transportation is considering a proposal to combine the 11th and 12th United States Coast Guard Districts, with a headquarters in San Francisco; and

"Whereas, The Coast Guard has helped to deter illegal drug trafficking and has helped in enforcing laws regarding undocumented aliens; and

"Whereas, The Port of Los Angeles is home to over 3,000 pleasure craft, and the combined total of all marinas in Southern California constitute the majority of pleasure craft in California; and

"Whereas, The combined total of vessel movements in the Ports of Los Angeles and Long Beach is more than any other single port in the United States, representing 80 million tons of cargo moved annually; and

"Whereas, The 11th District Coast Guard has contributed to the greatly increased safety of hazardous cargo movement and to minimizing pollution; and

"Whereas, The regional offices of several agencies which work with the Coast Guard, namely the United States Customs Service, the United States Immigration and Naturalization Service, and the United States Drug Enforcement Agency, are located in Southern California; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California opposes the combining of the 11th and 12th United States Coast Guard Districts; and be it further

"Resolved, That the Legislature opposes cuts in 11th District Coast Guard Service which would eliminate the air-sea rescue base at Los Angeles International Airport; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of Transportation, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-903. A resolution adopted by the Legislature of the State of Hawaii; to the Committee on Commerce, Science, and Transportation:

"Whereas, the Pacific Tuna Development Foundation has been successfully providing research and development in fisheries resources in the Central, Western and South Pacific Areas since 1974;

"Whereas, this research and development effort has led to expansion of the U.S. Fishing fleet into these areas, resulting in increased U.S. fish catch;

"Whereas, the Pacific Tuna Development Foundation has supported economic development in local fisheries throughout the Pacific Basin;

"Whereas, the Pacific Tuna Development Foundation was created under Public Law 92-444, the Central, Western and South Pacific Fisheries Development Act;

"Whereas, this Act expires on September 30, 1982;

"Whereas, the funds under this Act was authorized but never appropriated; and

"Whereas, the current funding for the Pacific Tuna Development Foundation from Saltonstall-Kennedy Funds is scheduled to terminate in FY 1982;

"*Be it resolved* by the Senate of the Eleventh Legislature of the State of Hawaii, Regular Session of 1982, the House of Representatives concurring, that the U.S. Congress is requested to authorize a) the extension through FY 1985, of Public Law 92-444, the Central, Western and South Pacific Fisheries Development Act and b) the funding at $5 million per year.

"*Be it further resolved,* That a certified copy of this Resolution be transmitted to the Speaker of the U.S. House of Representatives, the President of the U.S. Senate, to appropriate Congressional Committees and to Hawaii's Congressional Delegation."

POM-904. A joint resolution adopted by the Northern Marianas Commonwealth Legislature; to the Committee on Energy and Natural Resources:

"SENATE JOINT RESOLUTION

"Whereas, Section 301, in conjunction with Section 1003(c), of the Convenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America (approved by Public Law 94-241, 90 Stat. 263, March 24, 1976) provides that citizens of the Northern Mariana Islands will become citizens of the United States upon termination of the Trusteeship Agreement; and

"Whereas, at the time of the approval of the Convenant, the U.S. Government had publicly stated its intention to terminate the Trusteeship Agreement sometime in 1981; and

"Whereas, 1981 has come and gone and the Trusteeship Agreement is still in effect; and

"Whereas, indications are that the Trusteeship Agreement will not be terminated in the immediately foreseeable future; and

"Whereas, the submission of the Interim Report to the Congress of the United States by the Northern Mariana Islands Commission on Federal Laws on citizenship is appropriate as an interim measure; and

"Whereas, citizens of the Northern Mariana Islands are experiencing hardship and embarrassment due to the problems and uncertainties created by their lack of United States citizenship; and

"Whereas, citizens of the Northern Mariana Islands are eager to become citizens of the United States immediately; now, therefore,

"*Be it resolved* by the Senate of the Third Northern Marianas Commonwealth Legislature, First Regular Session, 1982, that the United States Government is hereby requested to enter into negotiations with the Commonwealth of the Norther Mariana Islands to amend Section 1003(c) of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America so that Section 301 will have an effective date sooner than the termination of the Trusteeship Agreement; and

"*Be it further resolved* that the President of the Senate shall certify and the Senate Legislative Secretary shall attest to the adoption hereof and thereafter transmit certified copies to the President of the United States of America; the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States; and the Chairperson of the Northern Mariana Islands Commission on Federal Laws."

POM-905. A resolution adopted by the Intermountain Logging Conference supporting the Secretary of the Interior and commending him for his ability to remain realistic in his management of the natural resources administrated by his department; to the Committee on Energy and Natural Resources.

POM-906. A resolution adopted by the Intermountain Logging Conference urging the Congress to enact legislation relating to areas identified in the RARE II process to assure long term stability of a continuous supply of Forest Service stumpage; to the Committee on Energy and Natural Resources.

POM-907. A resolution adopted by the Intermountain Logging Conference opposing the plant closure initiative being circulated in the state of Montana and Oregon; to the Committee on Environment and Public Works.

POM-908. A resolution adopted by the Intermountain Logging Conference urging Congress to amend the endangered species act by requiring that the various costs and benefits of preserving the habitat of endangered species be computed and made available for public comment when a species is to be added to the Threatened and Endangered Species list; to the Committee on Environment and Public Works.

POM-909. A resolution adopted by the Intermountain Logging Conference supporting adequate federal appropriations for construction of primary forest roads; to the Committee on Environment and Public Works.

POM-910. A resolution adopted by the Commissioners Court of Harris County in Houston, Texas, opposing the administration's proposal to include debt interest deduction as a tax preference item in the calculation of banks' minimum tax liability; to the Committee on Finance.

POM-911. A resolution adopted by the City Council of Toledo, Ohio calling for an immediate, mutual and verifiable nuclear freeze by the U.S. and the Soviet Union and all other nations; to the Committee on Foreign Relations.

POM-912. A petition from a citizen of Spring, Texas, calling for a mutual, verifiable, U.S.-Soviet nuclear weapons freeze; to the Committee on Foreign Relations.

POM-913. A resolution adopted by the Faculty Senate of the University of Wisconsin-Whitewater urging Congress to immediately initiate and enter into a mutual nuclear weapons moratorium with the Soviet Union and other nations; to the Committee on Foreign Relations.

POM-914. A resolution adopted by the City Council of Houston, Texas calling for a mutual, verifiable U.S.-Soviet Union nuclear weapons freeze; to the Committee on Foreign Relations.

POM-915. A resolution adopted at the Town Meeting of Cummington, Massachusetts urging the U.S. to initiate and enter into a mutual freeze on the testing, production, and deployment of nuclear weapons; to the Committee on Foreign Relations.

POM-916. A resolution adopted by the Township Committee of East Hanover, New Jersey urging the Congress to initiate and enter into a mutual nuclear weapons freeze with the Soviet Union; to the Committee on Foreign Relations.

POM-917. A resolution adopted by the House of Representatives of the State of Hawaii; to the Committee on Foreign Relations:

“A RESOLUTION

“Whereas, during the last several years the United States has negotiated several treaties concerning sovereignty of certain islands of the Pacific with New Zealand, the United Kingdom, and representatives of the Cook Islands, the Tokelaus, Tuvalu, the Republic of Kiribati, and the American Samoan Government; and

“Whereas, these treaties are important links in a constructive United States Pacific policy because (1) they recognize the legitimate rights of the indigenous Pacific Islanders to manage their own affairs; (2) ratification will reinforce close and friendly relations with Pacific Island States; (3) they foster a stable and peaceful environment in the South and Central Pacific; (4) they assist our own territories in the area in achieving needed economic viability; (5) they would deny access to strategic areas by adverse foreign influence without joint consultation between the island nations and the United States; and (6) they facilitate future access to vital raw materials of the ocean floor; and

“Whereas, the said treaties were submitted to the Senate of the United States by President Jimmy Carter, and, after hearings conducted in early December 1981, were reported favorably to the full Senate by the Foreign Relations Committee several months ago; however, action has not been taken by the full Senate for reasons not publicly made known; and

“Whereas, the State of Hawaii has a very real interest, both economically and socially, in developing constructive relations with the Pacific Island states, countries and territories affected by these friendship treaties; now, therefore, be it

“*Resolved* by the House of Representatives of the Eleventh Legislature of the State of Hawaii, Regular Session of 1982, that the United States Senate is respectfully requested to advise and consent to the said treaties at its earliest opportunity in order that the goals and objectives of the United States Pacific policy be enhanced; and

“*Be it further resolved* that certified copies of this Resolution be transmitted to Vice President George Bush, President of the Senate; Senator Howard Baker, Senate Majority Leader; Senator Ted Stevens, Assistant Majority Leader; Senator Charles Percy, Chairman of the Senate Foreign Relations Committee, Senators Daniel K. Inouye and Spark M. Matsunaga, Senators from Hawaii; and the Office of Pacific Affairs, U.S. Department of State.

POM-918. A joint resolution adopted by the Legislature of the State of California; to the Committee on Governmental Affairs:

“A JOINT RESOLUTION

“Whereas, The counties of California are experiencing severe difficulties regarding the inadequacy of local detention facilities and jails due to overcrowding, dilapidation, and insufficient security; and

“Whereas, These difficulties have in too many instances reached crisis proportions and caused judicial intervention resulting in court ordered release of pretrial detainees and misdemeanor criminals due to inadequate bed space, as well as health and safety violations affecting staff and inmates; and

“Whereas, The Legislature, through the Assembly Subcommittee on County Jails, is seeking every possible resource to provide adequate local detention facilities; and

“Whereas, It has come to the attention of the Assembly Subcommittee on County Jails that certain deactivated federal facilities and sites exist within California which may be appropriate for use by local government as detention facilities; and

“Whereas, The President of the United States and the Attorney General of the United States have indicated that such deactivated facilities should be made available to state and local governments for such purposes; and

“Whereas, Because such transfer or acquisition by state and local governments requires a request be made to the federal government; now, therefore, be it

“*Resolved by the Assembly and the Senate of the State of California*, That the Legislature of the State of California respectfully requests federal review relative to the transfer to, or acquisition by the several counties of the State of California of all federal facilities that might appropriately be used as local detention facilities in the State of California, and memorializes the Congress and the President of the United States to act expeditiously to implement the transfer to or acquisition by California counties of all such federal facilities for use as local detention facilities and for jails as appropriate; and be it further

“*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

POM-919. A resolution adopted by the Legislature of the State of Hawaii; to the Committee on the Judiciary:

“RESOLUTION NO. 65

“Whereas, the movement for equal rights for women in Hawaii emerged in the early 1800's, when Queen Ka'ahumanu helped to break the *'ai kapu*, or religious law which required women and men to eat separately and which forbade women from eating certain foods; and

“Whereas, Ka'ahumanu became the first official woman lawmaker of Hawaii, assuming the position of *kuhina nui*, or vice-king, which was the only position which allowed a veto over the king and was solely occupied by women until it was abolished in 1866; and

“Whereas, since that time, history was made by many courageous and far-sighted women of Hawaii as political leaders, educators, religious leaders, athletes, authors, administrators, and more; and

“Whereas, although there is a history of women who have become leaders in fields such as law, politics, and medicine which traditionally have been dominated by men, the average woman among the masses still faces a pervasive and oftentimes subtle discrimination, relegating her to an inferior status without regard to her actual capabilities and stopping her from making a very worthwhile contribution; and

“Whereas, although there are many well-known women who have overcome great obstacles in the face of sexual discrimination without an Equal Rights amendment, for each of those successful women there are scores of other women not so well-known who have played an important part in women's struggle for a place in a society man has been expected to dominate, which is not fair to either of the sexes; and

“Whereas, women have had to struggle harder than men to accomplish the same objectives because tradition has demanded that successful women be exceptional human beings; and

“Whereas, real equality would mean that the average woman have the same opportunities as the average man; and

“Whereas, ten years ago this year, on November 7, 1972, the voters of Hawaii amended the State Constitution to add a provision to prohibit the denial or abridgment of equal rights under the law on account of sex; and

“Whereas, in 1972 the Congress of the United States proposed an amendment to the Constitution of the United States to prohibit the denial or abridgment of equal rights under the law on account of sex; and

“Whereas, on March 22, 1972, the State of Hawaii was the first state to ratify the proposed Equal Rights Amendment to the Constitution of the United States; and

“Whereas, since the 1972 proposal for equal rights, many states, including Hawaii, have removed blatant examples of sex discrimination from their laws in areas such as credit, housing, and employment; and

“Whereas, many states, including Hawaii, have also enacted new laws to address new and unique problems, such as those of “displaced homemakers” who are middle-aged women who have been homemakers for years but because of death, divorce, or abandonment find themselves alone and facing financial and emotional crisis, being forced into the labor market without the experience, education, or background necessary to get and keep a good job; and

"Whereas, the process of equalization is not complete, and passage of the federal Equal Rights Amendment is crucial to other states because of its legal implications and its political impact; and

"Whereas, the concept of equality is one which is pervasive throughout the principles upon which the United States is based; now, therefore, be it

"*Resolved* by the Senate of the Eleventh Legislature of the State of Hawaii, Regular Session of 1982, that Hawaii's adoption of the State Equal Rights Amendment which has been included in the Constitution of the State of Hawaii since November 7, 1972 and Hawaii's ratification of the Article proposed as an amendment to the Constitution of the United States as set forth in the United States House Joint Resolution 208, dated March 22, 1972, and reading as follows:

"ARTICLE

"Section 1. Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex.

"Section 2. The Congress shall have the power to enforce, by appropriate legislation, the provisions of this article.

"Section 3. This amendment shall take effect two years after the date of ratification.";

is hereby reaffirmed by the Senate of the State of Hawaii; and

"*Be it further resolved* that certified copies of this Resolution be transmitted to the leaders of the legislative bodies in each of the fifty States, the Governors of each of the fifty States, the members of Congress, the State Commission on the Status of Women, and the Women's Legislative Coalition."

POM-920. A resolution adopted by the Legislature of the Territory of Guam; to the Committee on the Judicicary:

"RESOLUTION NO. 194

"Whereas, in preparation for the outbreak of war in the Pacific, the United States merged its Armed Forces stationed in the U.S. Commonwealth of the Philippines with the military forces composed of Filipinos known as the Philippine Army and the Philippine Constabulary; and

"Whereas, among the units which composed the United States Armed Forces in the Commonwealth of the Philippines at the outbreak of the war, was a unit created by act of Congress in 1901 known as the Philippine Scouts; and

"Whereas, members of the Philippine Scouts, as well as members of the Philippine Army and Philippine Constabulary, served in the Armed Forces as American Nationals having sworn allegiance to the United States of America upon taking their individual oaths of a military induction; and

"Whereas, members of the Philippine Scouts, upon discharge, were given discharge documents from the "Army of the United States—Armed Forces of the United States of America"; and

"Whereas, during war time as an inducement for all Filipinos to enlist and reenlist into the U.S. Armed Forces, an amendment to the U.S. Immigration and Naturalization Act of 1940 was passed.

"(e) Title III of the Nationality Act of 1940, as amended by the Second War Powers Act, 1942 (relating to naturalization of persons serving in the Armed Forces of the United States during the present war) is amended as follows:

"(1) Section 701 of such title is amended by striking out 'and (2) the petition shall be filed not later than one year after the termination of the effective period of those titles of the Second War Powers Act, 1942, for which the effective period is specified in the last title thereof' and inserting in lieu thereof 'and (3) the petition shall be filed not later than December 31, 1946.' . . .

"Section 706. No person shall be naturalized under the provision of this title unless such person has served in the military or naval forces of the United States prior to the date of enactment of this section.

"Whereas, the effect of the December 28, 1945 act was to deny a significant number of Filipinos who enlisted into the U.S. Armed Forces by joining such groups as the Philippine Scouts, Philippine Army, Philippine Constabulary, accredited guerilla groups and USAFFE during wartime and between January 1, 1942 and July 4, 1946 when the Philippines gained independence, the right to naturalization in return for their honorable service in the military or naval forces of the United States during and after the war; now, therefore, be it

"*Resolved*, that to correct the injustice done to those Filipinos who honorably served in the military or naval forces of the United States during wartime while the Philippines remained a Commonwealth of the United States under supervision, jurisdiction, control of sovereignty and in possession of the United States, the Sixteenth Guam Legislature of the territory of Guam respectfully requests the Congress of the United States of America to amend the Immigration and Nationality Act of the United States to provide an extension of the period a petition may be filed under Section 706 of Title IX of the Second War Powers Act, 1942 to read. . . .

"'the petition shall be filed not later than December 31, 1986 or five years from the effective date of enactment of this amendment whichever is later.';"

and be it further

"*Resolved*, that the Sixteenth Guam Legislature of the territory of Guam also requests the Congress of the United States of America to amend the Immigration and Nationality Act of the United States of America to provide an extension of the period of qualifying service under Section 701 of Title IX of the Second War Powers Act of 1942 to read:

"'. . . No person shall be naturalized under the provision of this title unless such person has served in the military or naval forces of the United States prior to the date of July 4, 1946 when Independence was declared for the Republic of the Philippines';"

and be it further

"*Resolved*, that the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Honorable Ronald W. Reagan, President of the United States; to the Honorable Strom Thurmond, President Pro-Tempore, United States Senate; to the Honorable Thomas P. O'Neill, Jr., Speaker, U.S. House of Representatives; to the Honorable Alexander Haig, Secretary of State, U.S.A.; to the Honorable William French Smith, Attorney General, U.S.A.; to the Honorable Senator Dennis DeConcini (D-Arizona); to the Honorable Senator Edward M. Kennedy (D-Massachusetts); to the Honorable Senator Charles M. Mathias, Jr. (R-Maryland); to the Honorable Senator Alan K. Simpson (R-Wyoming); to the Honorable Congressman Hamilton Fish, Jr. (R-New York); to the Honorable Congressman Robert McClory (R-Illinois); to the Honorable Congressman Peter W. Rodino, Jr. (D-New Jersey); to the Honorable Antonio B. Won Pat, Guam's Delegate to Congress; to Casimiro Tobilla, Commander, Philippine Scouts of America, Guam Chapter; to Dr. Raymond Carl Wagner, Counselor-at-Law, Agana, Guam; to the Honorable Carlos P. Martinez, Consul General to Guam of the Republic of the Philippines; and to the Governor of Guam.

POM-921. A resolution adopted by the Board of Commissioners of the city of Dothan, Ala. supporting the President's amendment to the Constitution to require a balanced budget; to the Committee on the Judiciary.

POM-922. A resolution adopted by the Grand Chapter of Kappa Alpha Psi fraternity urging extension of the Federal Voting Rights Act of 1965; to the Committee on the Judiciary.

POM-923. A resolution adopted by the board of commissioners of the city of Dothan, Ala., supporting the President's amendment to the Constitution to require a balanced budget; to the Committee on the Judiciary.

POM-924. A petition from a citizen of Laredo, Tex., asking for a Redress of Grievances hearing; to the Committee on the Judiciary.

POM-925. A resolution adopted by the Board of Supervisors of San Benito County, Calif., opposing a proposed rule change in the Older Americans Act prohibiting program development and coordination as allowable title III—Costs; to the Committee on Labor and Human Resources.

POM-926. A resolution adopted by the executive committee of the Alamo Area Council of Governments, San Antonio, Tex., concerning certain negative effects of the provisions of the Davis-Bacon Act and related acts, as well as of their administrative regulations; to the Committee on Labor and Human Resources.

POM-927. A concurrent resolution adopted by the legislature of the State of Arizona; ordered to lie on the table:

"HOUSE CONCURRENT MEMORIAL 2004

"Whereas, continued deficit spending borrows against an uncertain future; and

"Whereas, there have been destructive fiscal policies and precedents concerning deficit spending instituted by prior administrations and congresses; and

"Whereas, these practices have created a deceptive and artificial dependence on big government which is difficult to curb or reverse; and

"Whereas, unbalanced budgets have constituted a staggering form of economic oppression in the past and will diminish the potential for restoring a healthy economy in the future if continued; and

"Whereas, past unbalanced budgets have created an enormous national debt which has become the responsibility of the current administration to service; and

"Whereas, the servicing of an enormous national debt requires the federal government to enter the financial marketplace and compete for money with the private sector, both corporate and individual; and

"Whereas, this excessive competition by the federal government has resulted in exorbitant interest rates; and

"Whereas, the United States' economy cannot continue with such rates if it is to regain its financial vitality; and

"Whereas, the interest rates will not return to affordable levels until the federal government returns control of the financial marketplace to the private sector, to which it rightfully belongs; and

"Whereas, the federal government will not be able to withdraw from its influence of the financial market as long as it must service its enormous debt, which now exceeds one trillion dollars; and

"Whereas, neither a large national debt nor continued deficit spending must be accepted as necessary evils, but instead must be identified as harmful burdens which plague the economy; and

"Whereas, the national debt will exceed two trillion dollars within ten years if steps are not taken to reverse its current growth trend; and

"Whereas, this growth trend foreshadows a greater dominance by the federal government in the financial marketplace as competition is intensified with the private sector for available capital funds; and

"Whereas, this rivalry for dollars will continue to drive current interest rates even higher; and

"Whereas, the acquisition cost of the assets owned by the United States currently exceeds the one trillion dollar debt; and

"Whereas, many federal properties have appreciated significantly since they were acquired, so that the true value of the tangible assets of the United States may be substantially more than one trillion dollars; and

"Whereas, the federal government has no idea what its assets are currently worth; and

"Whereas, the federal government currently has surplus property with an acquisition cost of one billion, three hundred twenty-three million, three hundred eighty-seven thousand dollars and may have property worth many times this amount that is not needed by the federal government, but has not been declared surplus; and

"Whereas, most properties declared to be surplus to the needs of the federal government, of which many are quite valuable, have been given away; and

"Whereas, the proceeds from those few federal properties sold at market value have been used, not to restrain or reduce the national debt, but to acquire more government property; and

"Whereas, federal assets are the property of the American people, but they have not heretofore been managed to the maximum benefit of the people; and

"Whereas, without an up-to-date inventory of federal assets, there is no way to distinguish between those which are needed and those which are not; without knowledge of the approximate market value of such assets, there is no way to set priorities for liquidation; and without improved procedures the government may be unable to liquidate unneeded assets at their market value; and

"Whereas, many federal properties could be liquidated without damage to the public welfare, and often without changing the present public use of such properties; and

"Whereas, the federal government can continue to increase the national debt only at the risk of serious damage to the economy of the United States and other national economies throughout the world; and

"Whereas, the liquidation of carefully selected federal properties could contribute to restraining and ultimately reducing the national debt of the United States.

"Wherefore your memorialist, the House of Representatives of the State of Arizona, the Senate concurring, prays:

"1. That the President and the Congress of the United States bring the nation's budget into balance.

"2. That the government of the United States manage its assets in a manner more prudent and beneficial to the interests of the American people.

"3. That the President immediately direct the heads of all Executive Branch agencies to inventory their assets (except for national parks, monuments, historic sites and other holdings for which an inventory would serve no purpose), to estimate the approximate value of each asset, and to identify the uses to which each asset is put.

"4. That the President identify which assets are surplus to federal needs and should be candidates for liquidation.

"5. That the President submit recommendations to the Congress of the United States on any legislative and administrative revisions that may be needed to carry out such a program of liquidation in an orderly manner.

"6. That the receipts of this program be used only to restrain and ultimately reduce the national debt of the United States.

"7. That the Comptroller General investigate and recommend to the United States Congress and each agency improved processes for managing federal assets, estimating their value, and liquidating those which are unneeded.

"8. That if action is not taken on the preceding recommendations and if the President and Congress of the United States fail to unite and correct the financial disaster confronting our nation, the states seriously consider the option of calling a Constitutional Convention to take necessary corrective action.

"9. That the Secretary of State of the State of Arizona transmit copies of this Memorial to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, the Members of the Congress of the United States and both the President of the Senate and the Speaker of the House of Representatives of each state legislature."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on Armed Services, without amendment:

S. 2586. An original bill to authorize certain construction at military installations for fiscal year 1983, and for other purposes (Rept. No. 97-440).

By Mr. ABDNOR, for the Committee on Environment and Public Works, without amendment:

S. 2494. A bill to authorize support for an ongoing program of water resources research (Rept. No. 97-441).

By Mr. DOLE, from the Committee on Finance, without amendment:

S. Res. 386. A resolution to express the sense of the Senate on the goals of the United States for the November 1982 meeting of ministerial-level representatives to the General Agreement on Tariffs and Trade (Rept. No. 97-442).

By Mr. CHAFEE, from the Committee on Environment and Public Works, without amendment:

S. 2570. An original bill to amend and extend the Clean Water Act, as amended, for one year, and for other purposes (Rept. No. 97-443); and

S. 2571. An original bill to extend Titles I and II of the Marine Protection Research and Sanctuaries Act, as amended (Rept. No. 97-444).

By Mr. CHAFEE, from the Committee on Environment and Public Works, with amendments:

S. 2432. A bill to amend and extend the Solid Waste Disposal Act, as amended, and for other purposes (Rept. No. 97-445).

By Mr. DOLE, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 2000. A bill to amend title 11, United States Code, to establish an improved basis for providing relief under chapter 7, and for other purposes (with additional and minority views) (Rept. No. 97-446).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with an amendments:

S. 1877. A bill to provide for reinstatement and validation of United States oil and gas lease numbered NM-12846 (Rept. No. 97-447).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with an amendment:

S. 1872. A bill to amend the Act establishing the Capitol Reef National Park in the State of Utah to provide for a grazing phaseout schedule, and for other purposes (Rept. No. 97-448).

By the Mr. DOMENICI, from the Committee on the Budget, without amendment:

S. Res. 400. Resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1912.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. GOLDWATER, from the Select Committee on Intelligence:

John N. McMahon, of Maryland, to be Deputy Director of Central Intelligence.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. CRANSTON (for himself, Mr. Quayle, Mr. Mitchell, Mr. Matsunaga, Mr. Riegle and Mr. Hart):

S. 2585. A bill to provide that the Armed Forces shall pay benefits to surviving spouses and dependent children of certain members of the Armed Forces who die from service-connected disabilities in the amounts that would have been provided under the Social Security Act for amendments made by the Omnibus Budget Reconciliation Act of 1981; to the Committee on Armed Services.

By Mr. THURMOND, from the Committee on Armed Services:

S. 2586. An original bill to authorize certain construction at military installations for fiscal year 1933, and for other purposes; placed on the calendar.

By Mr. BOSCHWITZ (for himself, Mr. Andrews, Mr. Boren, Mr. Zorinsky, Mr. Riegle, Mr. Melcher, Mr. Pressler, Mr. Burdick, Mr. Levin and Mr. Randolph):

S. 2587. To assure the production of an adequate supply of pure and wholesome milk to meet the needs of markets of the United States, to assure a reasonable level of returns to dairy farmers and stable prices for milk and dairy products for consumers, to maintain production capacity sufficient to meet anticipated future needs, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BAUCUS (for himself and Mr. Heflin):

S. 2588. A bill to amend title 28, United States Code, to provide for the setting of fees in the service of civil process, to the Committee on the Judiciary.

By Mr. MOYNIHAN:

S. 2589. A bill to amend the Internal Revenue Code to allow certain profit-sharing plan contributions to be made on behalf of individuals who are permanently and totally disabled; to the Committee on Finance.

By Mr. CHAFEE, from the Committee on Environment and Public Works:

S. 2590. An original bill to amend and extend the Clean Water Act, as amended, for one year, and for other purposes; placed on the calendar.

S. 2591. An original bill to extend Titles I and II of the Marine Protection, Research and Sactuaries Act, as amended; placed on the calendar.

By Mr. DIXON (for himself, Mr. Long, Mr. Danforth, Mr. Eagleton and Mr. Johnston):

S. 2592. A bill to amend the Internal Revenue Code of 1954 to clarify the tax status of members of religious orders who have taken vows of poverty and obedience and are not performing services for the supervising church, an agency of the supervising church, or an associated institution of the supervising church; to the Committee on Finance.

By Mr. ROBERT C. BYRD:

S. 2593. A bill to amend the Trade Act of 1974 to ensure fair trade opportunities, and for other purposes; to the Committee on Finance.

By Mr. DANFORTH:

S. 2594. A bill to amend the Clean Air Act to better protect against interstate transport of pollutants, to control existing and new sources of acid deposition, and for other purposes; to the Committee on Environment and Public Works.

By Mr. DOLE (by request):

S. 2595. A bill to amend the Trade Act of 1974 to eliminate trade readjustment allowances for workers not enrolled in approved training on July 1, 1982, and for other purposes; to the Committee on Finance.

S. 2596. A bill to amend title 5, United States Code, to limit eligibility for unemployment compensation for ex-servicemembers, and for other purposes; to the Committee on Finance.

S. 2597. A bill to amend the Internal Revenue Code of 1954 to limit the amount of unemployment compensation payable for a week of unemployment, and for other purposes; to the Committee on Finance.

By Mr. McCLURE (for himself and Mr. Symms):

S. 2598. A bill to provide for the disposal of silver from the National Defense Stockpile through the issuance of silver coins; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. STAFFORD:

S. 2599. A bill to amend the Vocational Education Act of 1963 to provide comprehensive vocational guidance services and programs for States and local educational agencies; to the Committee on Labor and Human Resources.

By Mr. HEINZ (for himself, Mr. Garn, Mr. D'Amato, Mr. Mathias, Mr. Pressler, Mr. Jackson, Mr. Chafee, Mr. Lugar, Mr. Cranston and Mr. Dixon):

S. 2600. A bill to amend the Export-Import Bank Act of 1945; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. THURMOND:

S. 2601. A bill to provide appointment and authority of the Supreme Court Police, and for other purposes; read twice and placed on the calendar.

By Mr. D'AMATO (for himself and Mr. Moynihan):

S. 2602. A bill to recognize the organization known as the National Women's Hall of Fame, Inc.; to the Committee on the Judiciary.

By Mr. ROBERT C. BYRD:

S. 2603. A bill to amend the Trade Act of 1974 to ensure fair trade opportunities, and for other purposes; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. KENNEDY (for himself, Mr. Heinz, Mr. Hart, Mr. Boschwitz, Mr. Robert C. Byrd, Mr. Stafford, Mr. Moynihan, Mr. Hatch, Mr. Cranston, Mr. Durenberger, Mr. Levin, Mr. Packwood, Mr. Sarbanes, Mr. Roth, Mr. Jackson, Mr. Dixon, Mr. Proxmire, Mr. Exon, Mr. Riegel, Mr. Metzenbaum, Mr. Baucus, Mr. Biden, Mr. Boren, Mr. Bradley, Mr. Burdick, Mr. Cannon, Mr. Chafee, Mr. Chiles, Mr. D'Amato, Mr. Danforth, Mr. DeConcini, Mr. Dodd, Mr. Eagleton, Mr. Grassley, Mrs. Hawkins, Mr. Heflin, Mr. Hollings, Mr. Johnston, Mr. Matsunaga, Mr. Mitchell, Mr. Pell, Mr. Pressler, Mr. Pryor, Mr. Sasser, Mr. Specter, Mr. Tsongas, Mr. Weicker, Mr. Zorinsky, and Mr. Melcher):

S. Res. 406. Resolution to assure Israel's security, to oppose advanced arms sales to Jordan, and to further peace in the Middle East; to the Committee on Foreign Relations.

By Mr. BAKER:

S. Con. Res. 102. Concurrent resolution providing for an adjournment of the Senate from May 27, 1982, May 28, 1982, or May 29, 1982 until June 8, 1982, and giving the consent of the Senate to an adjournment of the House for more than three days; considered and agreed to.

By Mr. HOLLINGS:

S. Con. Res. 103. Concurrent resolution to reaffirm the policy of the United States that public education is the cornerstone of our democratic system and its belief that continuing support for our public schools is essential to the realization of the social and economic goals upon which the future of our country depends; to the Committee on Labor and Human Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CRANSTON (for himself, Mr. Quayle, Mr. Mitchell, Mr. Matsunaga, Mr. Riegle, and Mr. Hart):

S. 2585. A bill to provide that the Armed Forces shall pay benefits to surviving spouses and dependent children of certain members of the Armed Forces who die from service-connected disabilities in the amounts that would have been provided under the Social Security Act but for amendments made by the Omnibus Budget Reconciliation Act of 1981; to the Committee on Armed Services.

MILITARY WIDOWS AND SURVIVING CHILDREN BENEFITS RESTORATION ACT

Mr. CRANSTON. Mr. President, I am introducing today S. 2585, the proposed "Military Widows and Surviving Children Benefits Restoration Act." Joining with me as original cosponsors of this measure are the distinguished Senators from Indiana (Mr. Quayle) and Colorado (Mr. Hart)—both of whom serve on the Committee on Armed Services under whose jurisdiction this measure will be—and the distinguished Senators from Maine (Mr. Mitchell) and Hawaii (Mr. Matsunaga), with whom I am pleased to serve on the Veterans' Affairs Committee and the Senator from Michigan (Mr. Riegle).

The purpose of this measure, Mr. President, is to restore certain benefits to the surviving spouses and children of certain members of the Armed Forces who were killed while on active duty or who die as a result of service-connected disabilities. Prior to the enactment of the Omnibus Budget Reconciliation Act of 1981, Public Law 97-35, those benefits were paid under the provisions of the Social Security Act. Under the measure we are introducing today, they would be required to be paid by the various branches of the armed services.

BACKGROUND

Mr. President, title XXII of the Omnibus Budget Reconciliation Act of 1981 contained provisions terminating or phasing out a number of social security survivors' benefits, payable when a worker with social security coverage dies, including the so-called mother's benefit and the student benefit.

Section 2205 of the Reconciliation Act amended the Social Security Act to end entitlement to the mother's benefit—the benefit payable to the surviving parent caring for a child or children—when the youngest child reaches age 16, instead of when the child reaches age 18 as under prior law. This provision took effect in September 1981, but allowed those who were receiving the benefit as of August 1981, to continue receiving it for just 2 years, until September 1, 1983.

Section 2210 of the Reconciliation Act eliminated effective August 1, 1982—with a 4 year phaseout for then-current beneficiaries as of May 1, 1982—the benefit paid to a deceased worker's child, from age 18 through 22, who is enrolled in a program of postsecondary education.

Together, by fiscal year 1983, these two provisions will affect more than 200,000 surviving spouses and between 700,000 and 800,000 student-beneficiaries and are estimated to save a total of $597 million in fiscal year 1982, rising to about $2.5 billion annually in fiscal year 1986 when the phaseout in student benefits is completed.

SURVIVORS OF MILITARY PERSONNEL

Mr. President, since 1957, service in the military has been "covered" social security employment. Based on data from the Veterans' Administration, those affected by the reductions imposed by the Reconciliation Act include an estimated 26,500 surviving spouses and 70,000 children of individuals who died while in service or later as a result of service-connected disabilities—including 20,000 spouses and more than 50,000 children of individuals who served during the Vietnam war.

These individuals—who lost their husbands and fathers in service to this country—are, in my opinion, one of our very highest national responsibilities. I believe it is not only irresponsible to eliminate benefits to which they were entitled by virtue of their sacrifices for their country, but it is also a rejection of our moral obligation to provide for their survivors.

Mr. President, it would be misleading to suggest that this Nation has not made provision—largely through programs administered by the Veterans' Administration—for assistance to these survivors. For example, the VA's program of dependency and indemnity compensation—DIC—provides for monthly payments to these individuals, and the program under chapter 35 of title 38 provides for a program of educational assistance to surviving spouses and children. And there are other forms of assistance as well, including health care. In many respects, it could be said that these benefits are quite generous, and I must admit that, when I became aware of this problem, my first response was that these individuals had been provided for in an appropriate fashion by the Federal Government.

Nonetheless, Mr. President, after reviewing the case made by those who contacted me, particularly a dedicated group of military widows who have taken the name "Survivors of Sacrifice," it became clear—as it will be to my colleagues—that the benefits provided through the Veterans' Administration were only part of a larger package of benefits that were, in effect, "sold" to members of the military. They were told, by the Armed Forces, in documents I will insert in the Record following my remarks, that the social security benefits that were eliminated by the 1981 Reconciliation Act, would be there to help provide for their families in the event that they could not. They were instructed—in the course of orientation and training classes run by the Armed Forces—that these social security benefits would insure that in the event of their deaths their survivors would be taken care of. They were thus assured that this Nation would—in recognition of the ultimate sacrifice that any individual can make for the country—see that the needs of their widows and children would be met through a combination of VA, Defense Department, and social security benefits.

Yet, Mr. President, last August, long after many of these individuals were laid to rest in graves with great honor in Arlington National Cemetery and elsewhere, these benefits were swept away in the tidal wave of reconciliation legislation proposed by the Reagan administration. Frankly, I do not believe Congress understood the effect of much that was done by that Reconciliation Act—and certainly not that widows and children were being sent a message that it had become too expensive for this country to fulfill its commitment; that it had become too much of a drain on our resources to make good on our promise; that we no longer had such an obligation. The Reconciliation Act also said to other veterans who had suffered an injury or illness in the line of duty that resulted in, or may yet cause, their deaths following their return to civilian life and said to their families that the Nation will not honor its full commitment to those with service-connected disabilities.

The organization of military widows I mentioned earlier, "Survivors of Sacrifice," was organized by three of my California constituents: Madeline Van Wagenen of Laguana Niguel, Clair Leaver of Coronado, and Carol Ward of Mission Viejo. Mrs. Van Wagenen's husband, Lowell, a Marine Corps helicopter pilot, was killed in August 1973 in a helicopter crash on Okinawa during a rescue mission, leaving her with a son who is now 13. Mrs. Leaver's husband, a Navy commander and the father of two boys, was killed in a helicopter crash in the Gulf of Tonkin in 1972. Mrs. Ward's husband, a first lieutenant in the Marines and the father of two children now in their teens, was killed in a plane crash in 1969 less than 2 weeks after arriving in Vietnam. As Madeline Van Wagenen puts it, "You just don't send a man out to die and then tear up his contract." I think that sums up the justification for this bill.

Mr. President, I am determined to do all I can to reverse these unfair actions that now tarnish the Nation's honor. We cannot go back on the promises we made and assurances we gave. We must fulfill our commitments in an honorable fashion. We must honor the pledge the U.S. Government made to the men who fought and died or were totally disabled in the service to their country.

PROVISIONS OF S. 2585

Mr. President, the measure we are introducing today does precisely that. It would restore, through the Department of Defense and the individual service branches, the benefits that would, but for the enactment of the reconciliation measure last year, have been paid to these surviving spouses and children. The administration of the payment of the benefits and the cost of the benefit payments would thus be a responsibility of the individual branches of the Armed Forces: The Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard. To my mind, it is appropriate that departments which, in essence, gave the assurance that the benefits would be paid are those who are responsible for fulfilling it.

The cost of this restoration would be comparatively little while certain social security benefits continue during the phaseout period and would have hardly any additional impact on the fiscal year 1983 Federal budget. Although only very preliminary cost data are now available, a rough estimate is that the cost of this bill could be an average of about $25 million in later years.

It should be noted, Mr. President, that although not specified in the legislation, the service branches could enter into an interagency agreement—either with the Social Security Administration or the Veterans' Administration—to facilitate the administration of the program and the actual payment of the benefits. However, in that event, the responsibility for the actual cost of the benefit, as well as the costs of administration, would still remain with the service branch. It should be further noted that the Secretary of Defense would be required to prescribe regulations that would assure uniform implementation among the service branches.

The provisions of the measure we are introducing would apply to the widows and surviving children of individuals who entered the Armed Forces prior to August 13, 1981—the date on which the Reconciliation Act was signed—and who thus entered service under a different set of rules than were imposed on that date and who died or incurred a service-connected disability from which death later occurred prior to completing a minimum period of active-duty service or prior to a 2-year period ending on August 13, 1983. The service branches would be required to notify members of the Armed Forces who entered active duty prior to August 13, 1981—and thus would be affected by the provisions of this act—that, in the event of their deaths as a result of service-connected causes after that time, their dependents will no longer be eligible for the benefits. This would provide an opportunity for these individuals to make intelligent decisions with respect to other options that might be available to them—such as increased insurance coverage—and informed decisions with respect to their continued service in the Armed Forces.

CONCLUSION

Mr. President, I am honored and delighted to note that in the other body today the very distinguished Chairman of the House Veterans' Affairs Committee (Mr. MONTGOMERY), who is also a senior member of the House Armed Services Committee, is introducing legislation identical to this measure. I would like to take this opportunity to thank both him and his staff for their help and assistance in developing this measure and also to thank the very able House Legislative Counsel, Robert Cover, for his help.

This weekend, Mr. President, we celebrate Memorial Day, and in hundreds of cemeteries across the Nation, ceremonies will be held to commemorate and pay tribute to those who gave their lives in service to their country. That tribute is all well and good, and it is appropriate that we remember their sacrifices. However, it is equally, if not more, important that we remember their sacrifices by making good on our commitments to them to care for those who they left behind. This legislation is but one small means to that end.

Mr. President, I ask unanimous consent that there appear in the RECORD at this point the text of S. 2585, excerpts of the documents to which I referred earlier, and several newspaper articles about the activities of the "Survivors of Sacrifice."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2585

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Military Widows and Surviving Children Benefits Restoration Act".

EDUCATIONAL BENEFITS IN LIEU OF SOCIAL SECURITY STUDENT BENEFIT

SEC. 2. (a) The Secretary concerned shall pay each month an amount determined under subsection (b) to each person who—

(1) is the child of a member of former member of the Armed Forces described in section 4;

(2) has attained the age of 18 and has not attained the age of 22 and is not under a disability as defined in section 223(d) of the Social Security Act (42 U.S.C. 423(d));

(3) is a full-time student at a post-secondary school, college, or university that is an educational institution (as such terms are defined in section 202(d)(7) (A) and (C) of such Act as in effect before the amendments made by section 2210(a) of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35; 95 Stat. 841)); and

(4) is not entitled for such month to a child's insurance benefit under section 202(d) of the Social Security Act (42 U.S.C. 402(d) or is entitled for such month to such a benefit only by reason of section 2210(c) of the Omnibus Budget Reconciliation Act of 1981 (95 Stat. 842).

(b) A payment under subsection (a) for any month shall be in the amount that the person concerned would have been entitled to receive for such month as a child's insurance benefit under section 202(d) of the Social Security Act (42 U.S.C. 402(d)) as in effect before the amendments made by section 2210(a) of the Omnibus Budget Reconciliation Act of 1981 (95 Stat. 841) (and as subsequently increased from time to time under section 215(i) of the Social Security Act), but reduced for any month by any amount payable to such person for such month under section 2210(c) of the Omnibus Budget Reconciliation Act of 1981 (95 Stat. 842).

(c)(1) This section shall take effect on October 1, 1982.

(2) The Secretary concerned shall make a lump-sum payment to each person who would have been entitled to any payment under this section for any portion of the period between August 1, 1982, and September 30, 1982, if this section had taken effect on July 31, 1982. Any such payment shall be in the total amount the person would have been entitled to receive under this section during such period if this section had taken effect on July 31, 1982.

PAYMENTS IN LIEU OF SOCIAL SECURITY WIDOW'S BENEFIT FOR CHILDREN BETWEEN 16 AND 18 YEARS OF AGE

SEC. 3. (a) The Secretary concerned shall pay each month an amount determined under subsection (b) to each person who—

(1) is the surviving spouse of a member or former member of the Armed Forces described in section 4;

(2) has in such person's care a child of such member or former member who is between the ages of 16 and 18 and is entitled to child's insurance benefits under section 202(d) of the Social Security Act (42 U.S.C. 402(d)) for such month; and

(3) is not entitled for such month to a mother's insurance benefit under section 202(g) of the Social Security Act (42 U.S.C. 402(g)) by reason of having such child (or any other child of such member or former member) in her care.

(b) A payment under subsection (a) for any month shall be in the amount of the mother's insurance benefit, if any, that such person would receive for such month under section 202(g) of the Social Security Act if such child was under 16 years of age. However, if such person is entitled for such month to a mother's insurance benefit under section 202(g) of such Act by reason of having the child of a person other than such member or former member in such person's care, the amount of the payment under the preceding sentence for such month shall be reduced (but not below zero) by the amount of the benefit payable by reason of having such child in such person's care.

(c)(1) This section shall take effect on October 1, 1982, except that in the case of a person who is entitled to a mother's insurance benefit (on the basis of having a child in such person's care) for the month of August 1981, this section shall take effect on September 1, 1983.

(2) The Secretary concerned shall make a lump-sum payment to each person who would have been entitled to any payment under this section for any portion of the period between September 1, 1981, and September 30, 1982, if this section had taken effect on August 30, 1981. Any such payment shall be in the total amount the person would have been entitled to receive under this section during such period if this section had taken effect on August 30, 1981.

COVERAGE OF ACT

SEC. 4. A member or former member of the Armed Forces referred to in sections 2(a)(1) and 3(a)(1) as described in this section is a member or former member of the Armed Forces who became a member of the Armed Forces before August 13, 1981, and who—

(1) died while serving in the active military, naval, or air service (A) before August 13, 1981, or (B) on or after August 13, 1981, and before the later of (i) the end of the period of obligated service (if any) being served by such member on August 13, 1981, or (ii) August 13, 1983; or

(2) died from a service-connected disability incurred (A) before August 13, 1981, or (B) on or after August 13, 1981, and before the later of (i) the end of the period of obligated service (if any) being served by such member on August 13, 1981, or (ii) August 13, 1983.

NOTIFICATION

SEC. 5. Not later than 90 days after the date of the enactment of this Act and thereafter at such times as the Secretary concerned determines are necessary, the Secretary concerned shall notify each member of the Armed Forces under such Secretary's jurisdiction who became a member of the Armed Forces before August 13, 1981, that (1) upon completion of the period of obligated service (if any) being served by such member on August 13, 1981, or (2) on August 13, 1983, whichever date is later, the dependents of such member will, in the event of such member's death while in the active military, naval, or air service after the applicable date or from a service-connected disability incurred after the applicable date, no longer be eligible, as the result of such member's death, for the benefits described in sections 2 and 3.

INFORMATION FROM SECRETARY OF HEALTH AND HUMAN SERVICES; REGULATIONS

SEC. 6. (a) The Secretary of Health and Human Services shall provide to the Secretary concerned such information as the Secretary may require to carry out this Act.

(b) The Secretaries concerned shall carry out this Act under regulations which the Secretary of Defense shall prescribe after consultaton with the Secretary of Transportation. Such regulations shall be prescribed not later than 90 days after the date of the enactment of this Act and shall apply uniformly among the Armed Forces.

DEFINITIONS

SEC. 7. For the purposes of this Act:

(1) The term "Secretary concerned" has the meaning given such term in section 101 of title 10, United States Code.

(2) The terms "active military, naval, or air service" and "service-connected" have the meanings given those terms in paragraphs (24) and (16), respectively, of section

101 of title 38, United States Code, except that for the purposes of this Act such terms do not apply to any service in the commissioned corps of the Public Health Service or the National Oceanic and Atmospheric Administration.

[Excerpt from Department of Defense Armed Forces Information Service pamphlet (DoD PA-6A; DA Pam 360-524; MAVPERS 15900C; AFP 211-2; NAVMC 1148 (Rev. 68))]

YOUR PERSONAL AFFAIRS

INTRODUCTION

Keeping family affairs in order at all times is important to your own welfare now and in the future. For Armed Forces members who have family responsibilities it is also important to the welfare of others now and later.

This pamphlet is a guide to legislation and Service procedures that affect your personal affairs. It also contains a convention form to be used in recording information about military service, family assets, and survivor protection in an organized manner.

The pamphlet can be helpful to a person before reporting for active duty and directly after entering service. It is also designed to summarize for the career Armed Forces member current legislation and Service provisions that affect personal affairs and to emphasize to careerists the importance of taking steps required to assure that affairs are in order.

No man deliberately sets out to put his family behind the "eight ball." Too many individuals do just that because they are careless and unthinking. Without meaning to, they leave their families completely in the dark about their rights and benefits as survivors of a serviceman or a veteran. Your dependents may suffer needless anxiety and hardship tomorrow because you didn't act today.

You owe it to your wife, your children, or your parents to put your affairs in order today, so they will know what to do and what to expect, if it becomes necessary, tomorrow.

You should at the very least:

Prepare a will, or, if you have an old one, update it.

Select an executor to be named in your will to carry out the terms of the will.

Make certain that your Record of Emergency Data, maintained by your Service, is current at all times.

Maintain a permanent file of all records and documents pertaining to your military service.

Prepare a Personal Affairs Record and keep it up to date (see pages 17-20).

Keep these important documents in a safe place, and tell your next of kin—wife, child, or parent—where they are.

Let your family know what you are doing for their future protection.

Inform your family of the Government benefits they will be entitled to if you die and where to file claims.

The purpose of this pamphlet is to help you put your personal affairs in order and plan now protection for the future of your family.

Your social security

Contributory Coverage Now

Since January 1, 1957, members of the Armed Forces have been under social security on a "contributing basis"—paying the same social security taxes and being eligible for the same benefits as people in civilian employment.

The Government, as your employer, matches the amount of social security tax withheld from your basic pay, and the total goes into the social security trust fund. Your earnings are credited to your social security account.

Benefits

Benefits include unreduced social security payments for you and your eligible dependents when you retire at 65 or later. There is provision for permanently reduced social security payments if you elect to retire at 62. And disability benefits are payable if you are disabled before age 65. These payments can start the 7th month after the beginning of your disability. Anyone reaching the age of 65 is eligible for hospital insurance under the social security medicare program and can also sign up for voluntary medical insurance.

Your social security coverage is figured in "quarters," which are credits for each 3-month period in which you are paid $50 or more. For social security benefits, a man born in 1926 or later or a woman born in 1929 or later needs credit for 40 quarters, that is, 10 years' work (military service or civilian employment). But if you were born earlier you need fewer credits.

To provide protection for families of younger members of the Armed Forces, the Social Security Administration makes monthly survivor benefits payable to eligible dependents (children and widow, if she is caring for children) of members who have 6 quarters (18 months) coverage in the 3 years preceding death.

Survivors' benefits

Six-Months' Pay Death Gratuity

If you should die while on active duty, or from service-connected causes within 120 days after separation, your spouse or other eligible survivor may be entitled to a lump-sum death gratuity of six times your total monthly basic pay (plus special, incentive, and proficiency pay but not allowances for subsistence, quarters, and clothing) at the rate to which you were entitled on the date of your death. The minimum payment is $800; the maximum, $3,000. The payment of the sum is made as soon as possible by your Service.

Dependency and Indemnity Compensation

If you should die of a service-connected cause either while on active duty or after separation or retiremet, the Veterans Administration will, upon application, pay to certain survivors monthly benefits known as Dependency and Indemnity Compensation. The monthly amount usually is computed on the basic pay being received by a Uniformed Services member on active duty in the same rank and with the same length of service as the deceased at death, in the case of a person who dies on active duty, or as the deceased at his last separation from active duty, in the case of a separated or retired person. Computation can be used on a higher rank if such rank had been held satisfactorily by the deceased for 6 months or longer. In all cases of DIC eligibility, qualifying service must be under conditions other than dishonorable.

Social Security

If you have the necessary coverage at death (which may be less coverage than you would need for your social security retirement benefits), social security will provide a monthly income to your unmarried children under age 18 (or until 22 if they are full-time students), and to your disabled children over 18 if they became disabled before reaching 18, and to your widow if she is caring for a child or children under 18 or disabled. It also may provide an income to your widow as early as age 60 and to your dependent parents at age 62.

The amount of benefits that would be paid your dependents after your death depends upon your average earnings under the social security program. You should inform members of your family that they must apply for these benefits, since payment is not automatic.

Another social security benefit that may be received is a lump-sum death payment of as much as $255. This is paid to your surviving widow (or widower), or, if there is no qualified widow (or widower), the person or persons paying your burial expenses. The person entitled to the lump-sum payment has until 2 years from date of death to file a claim. Application may be made to the nearest social security office.

Any social security benefits paid your survivors are separate from, and in addition to, any form of compensation or other benefits paid the Veterans Administration (including the payment toward burial expenses).

[Excerpt from a United States Marine Corps, Department of the Navy, pamphlet sent to widows with a letter of condolence]

INFORMATION FOR SURVIVORS OF DECEASED U.S. MARINE CORPS PERSONNEL

SOCIAL SECURITY BENEFITS

If the deceased was employed in commerce or industry after 1 January 1937 or had 90 days or more active service in the Marine Corps after 15 September 1940, you should communicate directly with the nearest Social Security Office, regarding any benefits which may have accrued under the Social Security Act. The Social Security Office should be advised of his social security number, if available. Application must be made for this benefit as payment is not automatic.

Social Security benefits are payable to survivors of a deceased member if at the time of death the member was either "fully insured" or "currently insured", or both. A currently insured individual is one who had not less than 6 quarters of coverage during the 13-quarter period ending with the quarter in which he died. However, if the service member was serving on active duty for the first time and died prior to obtaining this basic minimum coverage, his survivors may be entitled to payments from the Veterans Administration computed by Social Security. This is in addition to any other survivor payments. A fully insured individual is one who had at least one quarter of coverage for every four quarters that elapsed between 1 January 1951 (or the first day of the year following the year in which he became 21, if that is later) and the date of his death, and had at least 6 quarters of coverage.

Where entitlement is established, Social Security benefits are payable in addition to the Veterans Administration compensation. Social Security will provide a monthly income for a widow with children less than 18 years of age; for children less than 18 years of age if there is no widow or children attending school while under age 23 or incapacitated; for a widow of age 62 or as early as age 60 if reduced monthly payments are claimed; or for dependent parents. Application for benefits filed by survivors with either the Veterans Administration or with the Social Security Administration will consitute an application for benefits from both agencies. In addition, proof of relationship filed with either agency will be made available to the other agency.

[Excerpt from a copy of a military pamphlet dated 16 August 1967 filled out by a Marine Officer before being sent to Vietnam]

MILITARY PAMPHLET, AUGUST 16, 1967

How well would my wife be financially if I were to die today? What money does she receive from Social Security? Do my parents receive anything? How much is taxable? What is whole life insurance?

How many times have you asked these questions of yourself? Did you every give yourself an honest answer? If you have not done any estate planning of your own, your answer must be no.

The following will be a short summary of all benefits for the surviving widow/parents in the event of the death of a serviceman on active duty.

Space has been provided at the right to fill in your own amount and also provisions to note whether it is a lump sum payment or a monthly payment.

* * * * *

IV. SOCIAL SECURITY DEPENDENCY COMPENSATION

There are two Social Security benefits:

A. Lump sum payment—A lump sum payment will be paid to your widow. The amount will be dependent upon the amount paid into Social Security by the husband. In most cases for the officer, it will be $255.00; $255.00 is the maximum payment.

B. A monthly compensation is also payable to a widow with at least one child under 18 years of age. If you are married with no children, your widow receives no monthly compensation. Social Security payments for a widow with one child or more will receive payments until the youngest child reaches age 18 or if the child is in an accredited educational institution, payments will continue until age 22 or completion of school.

To compute your Social Security benefits, follow this simple procedure.

A. Compute your average annual earnings. Do this by writing the Social Security Administration for a statement of amounts. List all years starting with that year of your 22nd birthday. Omit the lowest five years (you must use at least two years so if you only have two years or up to seven years since your 22nd birthday, use the highest two). Add these years and divide by the number of years to get your average yearly earnings.

Example:

1st LT Doe was 22 in 1964; his average yearly earnings were:

Use two highest for an average of $6,600.

1964	$4,800
1965	4,800
1966	6,600
1967	6,600

NOTE.—Use no more than the maximum allowable yearly earnings in the following table:

1959 to 1965	$4,800
1966 On	6,600

B. Now go into the table below and find your benefit.

Average yearly earnings	$4,200	$4,800	$5,400	$6,600
Wife with one child	186.40	204.00	219	252
Wife with two children	279.00	306.00	328	368
Maximum family payment	280.88	309.20	328	368

1. If you are not yet 22, but are currently insured, survivor benefits can be paid on your Social Security account.

2. Widow's monthly payments stop when youngest child reaches 18 (22 if in approved college).

3. Social Security benefits are not subject to federal or state income tax.

[Excerpt from a course of study for military career planners]

(Job Sheet 1.18.4)

SOCIAL SECURITY

INTRODUCTION

This Job Sheet is designed to further your familiarity in regards to Survivor Entitlements under the Social Security Administration based on a service member's death on active duty.

Lesson/topic learning objectives

1.18.4—Compute the monetary entitlements for survivors of a service member based on the deceased member's Average Indexed Monthly Earnings (AIME) as specified in the Social Security Handbook (HEW SSA 77-10135R). Four case studies will be specifically assigned. Information required will also be specified. Satisfactory performance will be demonstrated by correctly computing three of the four case studies listed.

References

1. Pay and Allowances Notetaking Sheet 1.3.1N
2. Social Security Notetaking Sheet 1.18.1N

Equipment and materials

1. Scratch paper and pencils.
2. Calculator.
3. Enlisted Pay Schedules.

Situation

An E-8 with over 18 years service creditable for basic pay purposes, died in 1974 while serving aboard ship. He was not drawing any specialty or incentive pays. His death was service connected and he was survived by his widow age 35, and three children ages 16, 14, and 12. In determining Social Security entitlements, the children will all attend college until age 22. The widow will not remarry or work at any time. Further, she elects to receive her compensation from Social Security off of her deceased worker's AIME of $1,050.

Job steps

Step 1: Compute Social Security Survivor Entitlements for each eligible survivor contained on the attached worksheet for each key year specified.

NOTE.—Have instructor verify procedures.

[From the Washington Post, Mar. 10, 1982]

COMMITMENT

(By Judy Mann)

The seven women told their stories in a sunny living room near Lake Barcroft. All were widows with children to educate, all were victims of last summer's cuts in Social Security benefits for widows and orphans. But there was something special about these widows: They were widowed because their husbands died while serving in the military. Their children are without fathers because those men gave their lives for their country.

These were men, say their widows, who had the courage to serve their country during the Vietnam war when war wasn't popular. Many of them were pilots who could not get private insurance or young servicemen who could not afford it. But they believed their families would be taken care of if they were killed. They believed their widows would receive Social Security until the youngest child was 18. They believed their children would receive Social Security until the age of 22 if they were in school. The men believed that if they died, the government would help educate their children. It was part of the deal.

But as of May 1, the deal has been renegotiated. Widows' benefits will stop when the youngest child is 16, and orphans' benefits will stop when the child is 18. There was no grandfather clause for women who were military widows when the general cuts were made, and although these women do not know how many widows are affected, they say the Veterans Administration estimates some 46,000 youngsters will be.

Two of them are the youngest children of Evelyn Grubb, whose husband, Air Force Maj. Newk Grubb, was shot down in 1966 on what she calls a suicide mission: an unarmed, unescorted flight over North Vietnam. "The North Vietnamese said he lived nine days, but they perpetuated his life five years by publishing pictures of him and telling other POWs his name." For five years, Evelyn Grubb was sure her husband was alive. For the next four, she simply didn't know. "I'm one who was in the POW/MIA thing without a determination," she says. "It took nine years to get his body back and buried. I fought that battle and now I'm back in Washington fighting this. . . . Now the two who never knew their father are being punished by not getting an education.

"This does not pay for the children's education," she says. "What it does is provide a base so we can perhaps scrape together the rest from loans, scholarships and family help. But it's $360 a month. Without it there is no way my children could go to college."

Madeline Van Wagenen's husband, a Marine Corps helicopter pilot, was killed in a night training accident on Okinawa in 1973. She was left with a son who is now 13. When she found out about the benefit cuts, she sent the flag that covered her husband's coffin to President Reagan, along with a note suggesting that he could save money by using the flag on another serviceman's grave.

Van Wagenen, who says the average benefit per dependent is $265 a month, has taken this year off from school to work full-time for restoration of benefits. She and other widows have formed a group, called Survivors of Sacrifice, which has spread from California to dozens of other areas where military widows live."It was such a slap in the face to my husband," says Van Wagenen.

"This commitment was made with him. His account number is on every one of those checks." And she points to the chief of naval personnel's message on an old Navy publication in which he says the benefits "belong" to the Navy personnel and were "earned."

Clair Leaver's husband, a Navy commander, was killed in a helicopter crash in the Gulf of Tonkin in 1972, leaving her with two small boys. She figures she will lose $32,000 in benefits that would have helped pay for their college education. She and Van Wagenen have persuaded their congressmen, Duncan Hunter (R-Calif.) and Robert Badham (R-Calif.) to sponsor legislation restoring the benefits through the Veterans Administration. A spokesman for Hunter said it would cost less than 1 percent of the old student benefit program.

Hunter, who was in the infantry in Vietnam, says he can remember being given assurances that in event of death the children would be educated. "They laid out everything that would be available to our families, and that included Social Security benefits." Hunter, a conservative supporter of Reagan, argues for restoring the benefits on the grounds that these families relied on government assurances and are not in a position to make alternative plans.

It is nice that doing what is right, for once, won't cost more than an F-14, as Clair Leaver put it. But that's not the point. The government made a commitment to men it sent out to die. To renege on a deal with men who gave the ultimate sacrifice would be, quite simply, the ultimate outrage.

[From the Los Angeles Times, Feb. 22, 1982]

Support Grows for Stand Taken by Vets' Survivors: Orange County Group Resists Cut in Benefits

(By Cathleen Decker)

The words were written in the careful, polite letters of childhood: "I am the child of a widow whose husband died in the Army. So me and my mother get Social Security plus college for me," explained 11-year-old Jennifer Eckstein of Colorado Springs, Colo. "I was disappointed to find that it was going to be taken away.

"I think Mr. Reagan is making a big mistake of taking away those benefits. It is hurting a lot of people."

Scrawled in ink, gruff as the visage of a drill sergeant, came the message on a simple postcard from a man in Redondo Beach, an alumnus of the Army, 1949-53.

"Give 'em hell, babe. I'm with you."

Little more than two months ago, the Survivors of Sacrifice was a small, relatively unknown group of Orange County widows and orphans of Vietnam-era military veterans. Their rage and emotions had brought them together to fight Reagan Administration budget cuts that axed their benefits.

Now hundreds of people across the nation have joined up. Some are widows and surviving children, some are relatives of those who died, were declared missing or served in Vietnam. Some are young, remembering the Vietnam War only as a fixture of nightly newscasts of their childhood. And some are elderly, those who lived through the "war to end all wars," only to see another and another.

RIGHT ON TARGET

In all, SOS chapters have sprung up in 35 states. Money, letters and telephone calls of support have poured in.

And, carried by what one congressional aid calls a "grass-roots tidal wave," the Orange County-based group has landed its cause in the halls of the U.S. Capitol—exactly its target.

Within the next two days, Rep. Duncan Hunter (R-San Diego) will submit to the House Veterans Affairs Committee a bill restoring the benefits. Co-sponsoring the legislation will be Rep. Bob Badham (R-Newport Beach) and a host of other California lawmakers.

Although not yet formally circulated among the members of Congress, the bill also has received support from legislators in other states.

Thus the initial skirmish has been won—but the real battle for approval has not yet begun.

"My husband was killed 12-29-79 through faulty equipment and supervisory error on the part of the Navy," wrote the woman from Oak Harbor, Wash. "I was left with a 5-month-old and a 6-year-old. I would much prefer that my husband was still alive but since he is not—through no fault of his own—I feel the government should live up to its promises to my husband, myself and my children.

Survivors of Sacrifice was born last fall, a few months after an unpublicized portion of the Reagan Administration's Omnibus Budget Reconciliation Act sharply cut the benefits for widows and children of military servicemen.

Since 1965, veterans have been promised that, should they be killed or disabled, their families would receive payments from the Social Security Administration.

Widows of active-duty personnel were to receive payments until their dependent children were 18—and the children themselves were to receive payments until they were 22, if they were attending school.

Under the new budget cuts, which will take effect next summer, payments for mothers will cease when their children reach age 16 and the children will forfeit payments when they reach age 18.

The result, widows say, is financial trouble for them and, possibly, the loss of college educations for their children but they have fought the cuts not on the grounds that they need the money, but on a deeper principle.

"You just don't send a man out to die and then tear up his contract," said Madeline Van Wagenen, one of the founders of SOS.

Van Wagenen and other Orange County widows began by writing letters to government officials—only to receive in return computerized form letters thanking them for their interest in the U.S. budget.

Then they resorted to another tactic—publicity—and they have found out it works. First, Van Wagenen sent to President Reagan the flag that had draped her husband's coffin before his burial at Arlington National Cemetery.

BEST WISHES

It was returned with a note from Reagan's correspondence director, Anne Higgins, who offered Van Wagenen the President's "best wishes."

That move prompted a spate of stories about the survivors, which ran in newspapers across the country. The stories, in turn, were reprinted in newsletters published by military-related organizations.

Quickly, the publicity brought the little-known budget cutback to light, and it linked together hundreds of widows and relatives of servicemen and hundreds of everyday people outraged by the cuts.

SOS founders can reel off a litany of stories from those who wrote emotional letters or called cross-country, sometimes tearfully, to empathize.

An 80-year-old Los Angeles man sent a $100 check. A bedridden 83-year-old Huntington Beach woman, the widow of a World War I veteran, called "to cheer us on," said Van Wagenen.

One Los Angeles accountant, James Jordan, wrote that he had been educated on benefits given him after his father died in action in Korea. Jordan has since donated hundreds of dollars' worth of work setting up SOS' nonprofit status.

A Beverly Hills woman, a lifelong Republican, wrote that she is withholding dues to the Lincoln Club—the party's fund-raising body—to protest the budget cuts.

"We have heard from people all over the place," said Carol Ward, another of the groups' founders. "The response has been so amazing. We've heard from people who were opposed to the war, people who are not old enough to remember the war. . . ."

From around the nation came letters containing $1, $5, $10—often from those who could not really afford it—to pay for incidental expenses. So far, donations have totaled about $800.

SPREADING THE WORD

More important, those people have offered to spread the word, to contact senators and representatives and voters, to rally support for restoring the cuts.

Barbara Richardson, whose husband, and Air Force navigator was shot down over Vietnam in 1967, is one of the SOS operatives working in 35 states to restore the benefits.

Richardson, the mother of three children, works out of her home in Bigfork, in northern Montana, an isolated stretch of land caught between two wilderness areas.

She has been writing letters and contacting friends for months but still finds many people unaware of the cutbacks—the problem that has stalked the survivors since they organized.

"I talked to a congressman last Monday night about it—and he didn't know what I was talking about," she said "This whole thing—I won't say it was swept under the rug, but . . . . I don't think that our congressmen knew when voting the bill through, that they were striking at the heart of the country.

"I've just spent another week writing letters, saying, "Will you listen to me, before it's too late?"

Richardson, along with numerous other SOS members, plans to make the long trip from her home to Washington, D.C., this spring to lobby Congress to reverse the 1981 cuts.

Some, including Van Wagenen, Mary Maclean and Diane Morgan, all from Orange County, traveled to Congress last week to canvass members on the Hunter bill.

According to Hunter aide John Meanley, the bill would reinstate all lost benefits for the widows and children of military personnel who died or were disabled before Sept. 1, 1981.

Those who die or are disabled after that date will receive the lesser benefits—but theoretically at least will know about it beforehand.

"The key aspect is the representation that was made by the government to the dead servicemen," he said. "We're going to try to live up to that promise."

The bill would also put the benefits under the wing of the Veterans Administration, rather than leave it under Social Security. Many representatives apparently were unaware during the vote last summer that military benefits were included in the cuts they made in Social Security.

Meanley said restoration of the cuts will cost the government $10 million to $15 million, a small sum compared to hundreds of billions of dollars included in the budget.

"The cost of every piece of legislation is on every member's mind," he said. "The pot of money is only so big. But I don't think the cost of this bill is so enormous that it will be caught in the battle of the budget."

Hunter is hopful that the bill will pass through the Veterans Affairs Committee and then move on to the full House this spring, Meanley said. In the meantime Hunter's staff and the SOS members will try to broaden the bill's support from California legislators to a wider-based constituency.

If it does pass Congress and receives approval from Reagan, much of the credit will be due to the once-fledgling group from Southern California.

"They spotted the problem," Meanley said. "Had they not spoken up, it would've gone by largely unnoticed."

The letter was anonymous, save the Louisville, Ky., postmark. The reason: Military personnel are barred by law from taking public political stands.

"Do not give up because you do all of us in the service—your loved families—a great service. We appreciate what your loved ones—our fellow soldiers—did in giving up their lives. God bless you.

——*A company commander.*"

[From the Boston Globe, Feb. 21, 1982]

WIDOWS FIGHT TUITION-BENEFIT CUTS BY REAGAN

(By Jean Caldwell)

Fifteen-year-old Stacy Pigott laid it on the line when she wrote to President Ronald Reagan. "This decision could mess up my life."

The decision that the Mission Viejo, Calif., high school sophomore referred to was the scrapping of promised tuition aid to about 46,000 youngsters who, like Stacy and her 13-year-old brother, David, are the children of deceased servicemen.

Stacy's father was 1st Lt. Charles Pigott. He was born in Chelsea Naval Hospital and grew up in Brookline and Lexington. He died in a plane crash in 1969, two weeks after he arrived in Vietnam. Stacy was not quite 2 years old when her grandparents (he was Jim Crockett of Crockett's Victory Garden and she is now Rev. Margaret Crockett-Canon, pastor of Edwards Church in Framingham) arrived with a Marine casualty officer to tell her mother that Stacy's father was dead.

In her letter to Reagan, asking that the promised educational benefits be restored, Stacy wrote: "I often wonder where I would live or what my father would be like if he was alive today. . . . I feel it is very unfair that Congress could break a promise."

Stacy's mother, Carol Ward, says all her children have of their father are "some tapes he sent me from Vietnam, his flight jacket and a few pictures. That's it."

Carol Ward has joined Survivors of Sacrifice, a fledgling grass-roots organization of military widows who are waging a battle to make the country honor a promise made to their husbands. The group was formed by Madeline Van Wagenen of Laguana Niguel, Calif. Her husband, Lowell Van Wagenen, died Aug. 21, 1973, when the helicopter he was co-piloting slammed into a mountaintop on Okinawa as it attempted a rescue mission.

Van Wagenen was so angry when she learned that promised college benefits were being taken from 13-year-old Lowell that she sent the flag that had draped her husband's coffin to Reagan and suggested he could recycle it to save money.

At least one member of Congress has heard the womens' protest. Rep Duncan Hunter (R-Calif.) plans to file a bill tomorrow or Tuesday that would continue all benefits for children of military personnel who died before Sept. 1, 1981.

A spokesman in Hunter's office said the representative a veteran of Vietnam, feels that the nation has an obligation to keep commitments made to men who lost their lives in the line of duty. Hunter's bill calls for administration of the benefits to be transferred from the Social Security Administration to the Veterans Administration and for funding to come from the General Fund. About 46,000 dependent children are affected. The cost of sending them to college is estimated at from $10 million to $20 million, including young people like Stacy Pigott who hope to attend college between now and the year 2000.

Mr. QUAYLE. Mr. President, I am today joining Senator CRANSTON in introducing S. 2585, the Military Widows and Surviving Children's Benefits Restoration Act.

This legislation directs the Secretaries of the Armed Forces to provide that the widows and orphans of members of the armed services who died from service-connected disabilities be paid benefits equal to those that were repealed by changes made to the social security program under the Omnibus Budget Reconciliation Act of 1981.

Recent amendments contained in the Reconciliation Act direct that social security student benefits be phased out, and the widows benefits which previously had been paid to a widow on behalf of a child until the child was 18 years of age will now stop when the child is 16 years old.

When these changes were proposed, they did not take into account the fact that the surviving families of men who died in the service of their country stand to suffer a disproportionate hardship in view of their rather unique situation.

Military life is by definition a high risk occupation. To offset some of this risk, the Government goes out of its way to point out the many benefits available to the military member and his dependents. Numerous brochures are distributed which clearly spell out the many benefits available to these families. When a serviceman is killed, these promises are reaffirmed when the surviving spouse and children are visited by the military representatives.

These promises were highlighted during the intensive recruitment effort that was conducted in an effort to induce our citizens to serve in the Vietnam war. Thus, the families of servicemen who died in the 1960's and 1970's at least had the assurance that widows and student benefits would be available to assist them in obtaining an education and in making ends meet. These benefits are being reduced just as the first group of children of the men who died in Vietnam are seeking entrance to college.

It is unconscionable that we should in any way break from the promises we made to soldiers who made the ultimate sacrifice for us and for this country. These families have sacrificed enough, we cannot ask them to endure any more.

I am additionally concerned about the effect that broken promises will have on our current recruitment efforts for an all-voluntary military. How can we expect to attract personnel when they learn they cannot rely on the assurances they hear regarding benefits for themselves and their families?

On Monday, May 31, the Nation will observe Memorial Day, a day set aside to commemorate the memory of those members of our armed services who have given their lives while in the service of their country. But this year, the quiet of the shaded paths of Arlington Cemetery and other military cemeteries throughout this country will be broken by the sounds of protest as the windows and orphans of some of the men laid to rest join together to cry out against this injustice.

We must not close our ears or hearts to the sounds of these cries. Our remembrances must not go only to those that have fallen while engaged in military duty, but to those left behind as well. The survivors must be provided for, in recognition of the sacrifices their loved ones made so that all might live. Our Government cannot wrongfully deny these survivors the benefits we committed to them. We must retain the memory of our soldiers and our promises to them and their survivors.

By Mr. BOSCHWITZ (for himself, Mr. ANDREWS, Mr. BOREN, Mr. ZORINSKY, Mr. RIEGLE, Mr. MELCHER, Mr. PRESSLER, Mr. BURDICK, Mr. LEVIN, and Mr. RANDOLPH):

S. 2587. A bill to assure the production of an adequate supply of pure and wholesome milk to meet the needs of markets of the United States, to assure a reasonable level of returns to dairy farmers and stable prices for milk and dairy products for consumers, to maintain production capacity sufficient to meet anticipated future needs and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

DAIRY STABILIZATION ACT OF 1982

● Mr. BOSCHWITZ. Mr. President, everyone agrees that there are problems with the dairy program. From 1949 until quite recently the program provided stable prices for producers and an abundant supply of milk and milk products to consumers at a fairly low cost to the Government. In fact, the average net expenditure for dairy for the first 30 years was only about $300 million per year. Considering that this figure includes dairy products donated by the CCC for other Government programs such as school lunch, we see that the cost to the taxpayer has been very reasonable, indeed.

In fiscal year 1980, however, the situation changed dramatically. Net expenditures soared in 1 year from $250 million to $1.3 billion, a record high. Fiscal year 1981 set a new record of $1.9 billion. Fiscal year 1982 seems certain to also set a new record—this time over $2 billion (some say as high as

$3). Mr. President, believe me, the dairy industry is not pleased to be setting new records of this type.

Dairy farmers dislike budget deficits as much as any small businessman. High interest rates squeeze dairymen as much as everyone else. They know the only way to bring down interest rates is to reduce the deficit and they are ready to do their part.

Mr. President, today I am introducing the Dairy Stabilization Act of 1982. This bill is a constructive effort on the part of the dairy industry to balance milk production and consumption. In the process it will reduce Government cost by $1.3 billion in fiscal year 1983 alone.

I believe that the bill finally adopted by Congress may be somewhat different than the bill I am introducing today. That is the normal process and I welcome the thoughtful discussion which this bill will help to stimulate. In fact, I am already aware of some constructive suggestions for modifying the Dairy Stabilization Act and I will listen to any ideas designed to improve the dairy program.

As I see it, this is the bottom line: we need a program which will encourage every dairy farmer to cut back a little bit on production rather than a program which would balance demand and supply by putting large numbers of farmers out of business. The Dairy Stabilization Act achieves that goal.

Mr. President, some will argue that we should simply adopt the administration's price support plan. That is, change the law now to allow the Secretary to set the support level wherever he wants it starting next January 1. That idea is ideolgically pure. It fits in nicely with a free market philosophy.

I pride myself on being a practical man. On this program, my ideological view is: If it works, I am for it. As a member of the Senate Budget Committee, I feel that $1.3 billion is too high a price to pay for ideological purity.

What is more, their plan simply does not stand up under a careful economic analysis. Passage of the USDA plan would, in the short run, have just the opposite effect from what is intended. It sends a clear signal to farmers: "Produce all the milk you can between now and January 1 because the price will be lower after that." After the price drops to $12, the well-capitalized operations will likely expand production slightly to maintain their cash flow. Many of the younger, heavily debt-ridden dairymen will be forced out of business. This could take some time, so milk production might not drop at all in fiscal year 1983 from the fiscal year 1982 level. This would mean the CCC would still have to make large purchases at a huge cost to the Treasury.

Another criticism of USDA's approach is that lowering the support level lowers the value of all dairy products held in inventory by private industry. That means that dairy processors will take a large loss on the day the price is lowered. The only way for them to avoid this is to not be holding any inventory. This gives the industry a tremendous incentive to sell every pound of product they can to the CCC before January 1. This will exaggerate the cost to the Government of CCC dairy purchases and give USDA an excuse to cut the price support level even beyond $12.

Mr. President, the USDA plan makes a good effort to develop new ideas for promotion and disposition of dairy stocks. I support them 100 percent. I have a few ideas of my own in regard to advertising which should help the dairy industry to sell more of its production to commercial outlets and not to the CCC.●

By Mr. BAUCUS (for himself and Mr. HEFLIN):

S. 2588. A bill to amend title 28, United States Code, to provide for the setting of fees in the service of civil process; to the Committee on the Judiciary.

CIVIL PROCESS FEES

● Mr. BAUCUS. Mr. President, Senator HEFLIN and I are introducing today a bill that will provide for the setting of fees in the service of civil process.

As many of my colleagues may have noted, the General Accounting Office (GAO) recently completed a report at my request entitled, "U.S. Marshals Can Serve Civil Process and Transport Prisoners More Efficiently," (April 22, 1982—GGD-82-8). U.S. marshals have been serving and executing process and other writs as directed by the Federal courts since 1789. There is no charge for this service for Federal agencies or for those declared indigent by the court. However, private litigants involved in civil cases pay a fee established by law for this service.

GAO found that the fees charged by the U.S. marshals for serving civil process for private litigants have not been changed significantly in over 180 years. In 1799, the fee for serving writs was $2 and the fee for serving a subpena was 50 cents. In 1962, Congress increased the fee for serving subpenas to $2 plus 12 cents a mile. Those same fees are in effect today.

According to information gathered by GAO, in 1980 the average piece of process cost the Marshals Service between $8.08 and $15.80 to serve depending upon whether you include only direct labor costs or labor costs, employee benefit costs, supervisory costs, and overhead and automobile expenses. Since U.S. marshals served about 353,000 pieces of civil process in 1980, this means that the Government is subsidizing private civil litigants to the tune of $2 million to $4.7 million a year. As long as Congress allows the fees for service of civil process to be set below actual costs, the taxpayers of this country will continue to subsidize private litigants. Our bill would remedy that situation.

Simply put, our bill would allow the Attorney General to set fees that would allow complete cost recovery for the service of civil process. According to Kevin D. Rooney, Assistant Attorney General for Administration for the Department of Justice, the GAO's recommendations for such legislation are "in concert with current Department legislative initiatives."

Mr. President, we are all looking for ways to reduce the financial burden of Government to the taxpayer. This legislation will do just that in an equitable manner.●

By Mr. MOYNIHAN:

S. 2589. A bill to amend the Internal Revenue Code to allow certain profit-sharing plan contributions to be made on behalf of individuals who are permanently and totally disabled; to the Committee on Finance.

DISABILITY TAX PLAN

● Mr. MOYNIHAN. Mr. President, the bill I am introducing today is a tax bill. It amends sections 415 and 404 of the code. It is of direct benefit to about 1,000 employees of the Xerox Corp., but would also help anyone else who is similarly situated.

Xerox has a disability plan. Under the plan, any person who becomes unable to work is guaranteed 70 percent of his salary until retirement age, when he starts receiving the company pension. Xerox does not pay the full 70 percent. Rather, it supplements whatever the individual receives in social security disability benefits. Thus, a worker who was earning $10,000 a year when he was disabled may receive $6,000 a year from the Social Security Administration. Xerox pays him $1,000 a year.

Xerox also has a profit-sharing plan. Each year, the company sets aside a percentage of its employees' salaries. The percentage varies from year to year, but can be as high as 15 percent. Most of the money is claimed by the employees after they retire, although a share can be taken at once if an employee chooses.

Xerox continues to make contributions for disabled workers to the profit-sharing plan. These contributions are based on the salary the worker was receiving at the time he left his job. Thus, the man in my example was earning $10,000 a year when he became disabled. Xerox pays as much as $1,500 into the profit-sharing plan for him. But his actual compensation from the company is only $1,000.

It is here that a problem arises. The profit-sharing plan is a defined-contribution plan. Section 415(c) of the Tax

Code limits the amount that an employer may pay into a defined-contribution plan to $45,475 a year or 25 percent of the employee's compensation, whichever is less. In the case of lower-paid individuals, Xerox has been setting aside too much.

I have a table—based on real cases—that makes this point. I ask unanimous consent that it be included in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Pre-disability wages	Total disability pension	Amount paid by social security	Amount paid by Xerox	Profit sharing contribution [1]	25 percent limit
$10,000 employee aged 25 w/spouse	$7,000	$6,264	$736	$1,160	$184
$20,000 employee aged 35 w/spouse, 2 children	14,000	11,076	2,924	2,320	731
$40,000 employee aged 40 w/spouse, 3 children	28,000	10,892	17,128	4,640	4,748
$50,000 employee aged 45 w/spouse, 2 children	35,000	10,584	24,416	5,800	6,104
$60,000 employee aged 50 w/spouse, 1 child	42,000	10,416	31,584	6,690	7,896

[1] In this example, the contribution is 11.6 percent of salary.

Mr. MOYNIHAN. Mr. President, last year, the Internal Revenue Service audited Xerox's profit-sharing plans for the 1978 tax year. The corporation has been ordered to adjust in future for the extra contributions it had been making since 1976 on behalf of lower paid disabled employees. It does not have to take back any money already paid in. Rather, it just has to reduce future contributions until the extra sums are recovered. The practical effect of this is to rule out future contributions for many of the 1,000 Xerox employees who are affected.

The bill I am introducing today amends section 415(c) to state that a company may make pension contributions for employees who are permanently and totally disabled based on the salary the individuals were receiving just prior to the disability. The bill also makes a conforming change in section 404(c), which limits contributions by employers to stockbonus and profit-sharing trusts.

Section 415(c) was enacted in 1974. Congress needed a rule of thumb to distinguish disguised deferred compensation arrangements from pensions. It had one already for defined-benefit plans, but not for plans with defined contributions. The Senate committee report said:

> Cases have been found where the stockholders of small corporations invest very substantial percentages of their income in what is, in effect, a deferred compensation arrangement . . . (T)he Internal Revenue Service has ruled that a pension is essentially a substitute for earning power during the retirement years and that, in general, a pension plan does not qualify in cases where the pension benefit is more than the employee's highest average salary . . . (T)he 100-percent-of-salary limitation is difficult to apply in the case of money purchase plans because the amount of the pension benefit which will ultimately be received cannot be determined with precision. Thus, the committee bill, as a corollary to the 100-percent-of-salary limitation for defined benefit plans, also contains a provision that tax excludable contributions to a money purchase or other defined contribution plan cannot exceed 20 percent of the employee's compensation.

A second and perhaps more important aim was to limit the amount of money the Government would spend on encouraging people to save for their retirement. Congress was willing to use tax benefits as an inducement for adequate pensions, but not more. The House committee report on ERISA said:

> After careful consideration, your committee has concluded that it is not in the public interest to make the substantial favored tax treatment associated with qualified retirement plans available without any specific limitation as the size of the contributions or the amount of benefits that can be provided under such plans. The fact that present law does not provide such specific limitations has made it possible for extremely large contributions and benefits to be made under qualified plans for some highly-paid individuals. While there is, of course, no objection to large retirement benefits in themselves, your committee believes it is not appropriate to finance extremely large benefits in part at public expense through the use of the special tax treatment. . . . These limitations . . . have been designed to avoid abuse of the favored tax treatment to finance extremely large pensions. However, the limitations are generous enough to permit substantial retirement benefits which are adequate judged from any reasonable standard.

My bill is entirely consistent with these objectives. Indeed, without it, section 415(c) will have the effect of leaving lower-paid disabled individuals with inadequate pensions. This was unforeseen. And unintended.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2589

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

(a) Paragraph (3) of section 415(c) of the Internal Revenue Code of 1954 (relating to limitation for defined contribution plans) is amended by adding at the end of thereof the following: "In the case of a participant (other than an employee who is an officer or shareholder, or is highly compensated) who is permanently and totally disabled (as defined in section 105(d)(4)) the term 'participant's compensation' shall, at the employer's election, mean the compensation the participant would have received for the year if the participant was paid at the rate of compensation paid just prior to the participant's becoming permanently and totally disabled. The election described in the immediately preceding sentence shall be made at such time and in such manner as the Secretary shall by regulations prescribe."

(b) Subparagraph (B) of section 404(a)(3) of such Code (relating to limits on deductible contributions to stock bonus and profit sharing trusts) is amended by adding at the end thereof the following: "The term 'compensation otherwise paid or accrued during the taxable year to all employees' shall include any amount elected under section 415(c)(3) as compensation for participants who are permanently and totally disabled."

(c) The amendments made by this Act shall apply to taxable years beginning on or after December 31, 1981.●

By Mr. DIXON (for himself, Mr. LONG, Mr. DANFORTH, Mr. EAGLETON, and Mr. JOHNSTON):

S. 2592. A bill to amend the Internal Revenue Code of 1954 to clarify the tax status of members of religious orders who have taken vows of poverty and obedience and are not performing services for the supervising church, an agency of the supervising church, or an associated institution of the supervising church; to the Committee on Finance.

TAX STATUS OF RELIGIOUS ORDERS

Mr. DIXON. Mr. President, today I am pleased to introduce, along with my distinguished colleagues, Senators LONG, DANFORTH, EAGLETON and JOHNSTON, legislation to clarify the tax status or religious personnel performing charitable works.

Men and women belonging to religious orders have long provided health care, educational, religious, social, and other charitable services to those in need. Their record in this area is so extensive and so outstanding that I could not begin to even summarize it here.

While much of this work is carried out directly by the religious orders, a considerable amount is also conducted indirectly, with members of orders performing charitable works through nonreligious institutions.

The individuals providing these services act as agents of their religious orders, and are subject to the normal vows of poverty and obedience. They are each assigned to specific charitable works by their orders, and have no right to the use or disposition of any income earned in the course of their work. These funds are routinely given to and deposited by a religious superior or in a common account.

Members of established religious orders engaged in charitable work have, since the enactment of the income tax, been recognized by the Internal Revenue Service as agents of their religious order and thus not subject to tax on income received by them in their capacity as agents.

The Congress has recognized the legitimacy of this agency relationship in its adoption of section 3401(a)(9) of the Internal Revenue Code which excludes from the term "wages," for the purposes of Federal income tax withholding, services by "a member of a religious order in the exercise of duties required by such order. * * *" Section 3122 of the Code contains a similar exclusion for withholding of the FICA tax.

The adoption of these code provisions by the Congress conformed the withholding provisions with the position that was adopted by the Internal Revenue Service in O.D. 119, the original ruling which held that members of religious orders are not taxable on remuneration which is generated by reason of duties they are required to perform by their respective orders.

Within the last few years, however, the Service seems to have changed its position, refusing to give continued recognition to the historically established agency status of religious sisters, priests, and brothers working in traditional roles on behalf of their religious orders. The Service is now, in some instances, taxing this income, claiming it is earned by these religious men and women as principals.

Mr. President, let me cite one example to demonstrate the problem that this seeming change in policy, without action by Congress, has caused. There is a religious order known as the Daughters of Charity headquartered in the St. Louis area, not far from my own home in Belleville, Ill.

Sisters from this order are working at a leprosarium in Carville, La., operated by the U.S. Public Health Service, providing necessary service in a magnificent manner. These sisters are, for technical reasons, considered civil service employees. However, the sisters live under a vow of poverty and obedience and turn over all earnings to the order. They continue to wear their religious habit and live in a convent.

Up until recently, members of the Daughters of Charity have been recognized by the IRS as agents of their religious order and thus not subject to tax on income received by them in their capacity as agents. However, the Service is now refusing to give continued recognition of this agency arrangement. It is now taxing this money claiming it is earned by these sisters.

Mr. President, I think it makes no sense to try to tax the members of the order for their work in this clearly charitable area. I am not unmindful of the fact that insincere individuals attempt to model themselves after established religious orders for the principal purpose of generating income exempt from taxation. However, I believe the Internal Revenue Code makes it clear that funds generated by a member of a religious order in the performance of charitable works are not subject to tax.

The bill which Senators **Long**, **Danforth**, **Eagleton**, and **Johnston** and I are introducing today, therefore, proposed to clarify the code to make that point crystal clear. The bill will recognize the sincere charitable work of established religious orders while excluding those groups whose motivation is personal gain and tax avoidance.

This legislation: Is consistent with every Revenue ruling which has been published by the Internal Revenue Service; gives recognition to the normal manner in which religious orders and their members carryout their mission; and is narrowly drawn and administratively feasible.

I urge its prompt enactment.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2592

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 3401 of the Internal Revenue Code of 1954 (relating to definitions for purposes of withholding of tax) is amended by adding at the end thereof the following new subsection:

"(g) PRESUMPTION THAT MEMBER OF RELIGIOUS ORDER IS ACTING AS AGENT OF SUCH ORDER IN CERTAIN CASES.—

"(1) IN GENERAL.—For purposes of—

"(A) determining 'wages' or 'employment' under subsection (a)(9) or section 3121(b)(8)(A), respectively,

"(B) determining gross income under section 61, or

"(C) any other provision of this title, there shall be a rebuttable presumption that a member of a religious order who is required to take a vow of poverty and obedience and who performs qualified services was acting as an agent of such order while performing such qualified services, even if working as an employee for the entity for which such qualified services are performed.

"(2) QUALIFIED SERVICES.—For purposes of this subsection, the term 'qualified services' means services performed by a member of a religious order—

"(A) which are required by the religious order to be performed, and

"(B) which are performed by such member as an employee of—

"(i) an organization described in section 501(c)(3) and exempt from tax under section 501(a) (other than as an employee of an unrelated trade or business (as defined in section 513) of such organization), or

"(ii) an educational institution or hospital operated by a governmental entity described in section 170(c)(1), and

"(C) with respect to which—

"(i) any remuneration is paid to such order, or if paid to the member, is pursuant to the vows of poverty and obedience the property of such order, and

"(ii) the member has no right to direct the use or disposition of any such remuneration."

(b) The amendments made by subsection (a) shall apply to services performed on or after October 1, 1977.

By Mr. DANFORTH:

S. 2594. A bill to amend the Clean Air Act to better protect against interstate transport of pollutants, to control existing and new sources of acid deposition, and for other purposes; to the Committee on Environment and Public Works.

ACID DEPOSITION CONTROL ACT

● Mr. DANFORTH. Mr. President, the fact that acid rain poses a threat to the environment is no longer seriously in dispute in the scientific community. At a hearing Tuesday before the Committee on Environment and Public Works, Senator **Stafford** pointed out quite dramatically the level of consensus on this issue. There is general agreement that oxides of sulfur and nitrogen are transported, sometimes hundreds of miles from their sources, and transformed into acidic precipitation. When that precipitation falls on certain naturally fragile regions, it can take the life from lakes and streams, damage forests, and corrode the works of man.

I joined with Senator **Mitchell** last fall as an original cosponsor of S. 1706, the Acid Deposition Control Act, to demonstrate my concern about this issue. Simply to study the problem further is not enough; we must begin immediately to take remedial action.

But I was not safisfied last fall that S. 1706 was the final answer to the problem, and upon further reflection, I am even less satisfied today. While I agree with its general approach, that is, requiring a major reduction in sulfur dioxide emissions on a regional basis, I am not convinced that the bill is focused tightly enough or that it spreads the cost of compliance in a fair and evenhanded way.

Recent scientific findings suggest that local sources of sulfur dioxide may play a far more important role in the creation of acid deposition than distant sources. Dry deposition appears to be tied particularly closely to its point of origin. This is not to say that long-range transport does not occur; it is to say that all sources are not alike—all sources are not equally important. And because the adverse effects of acid precipitation are chiefly felt in certain susceptible regions, these findings bear significantly on the proper structure of an equitable control strategy.

S. 1706 does not attempt to fine tune its approach to sulfur dioxide reductions; it simply mandates a 10-million-ton cut by the 31 States from the west bank of the Mississippi to the Gulf of Mexico. I would suggest that that is not good enough—that we can do better than this blunderbuss approach. The fact of the matter is that enactment of S. 1706 as written would result in some States within the region suffering a massive economic shock from the cost of reducing their sulfur emissions, while other States—including some of the main beneficiaries—would bear none of the cost.

My own State of Missouri puts a lot of sulfur into the atmosphere, and some reduction may indeed be warranted. But Missouri is a long way from the Adirondacks—a long, long way—and it is not at all clear that Missouri's sulfur is contributing in any significant way to the problems of Vermont. Yet S. 1706 would impose on Missouri a greater level of sulfur reduction—80 percent—than it would on any other State. This would carry an enormous price tag. State air quality officials in Missouri have surveyed the State's utilities, and they conclude—conservatively—that electric rates would rise by at least 25 percent because of S. 1706 alone. That amounts to $500 million a year—or $100 a year for every man, woman, and child in the State.

I want to do something about acid rain. I refuse to sit back and say, "Study, study, study." But I cannot support a bill that imposes such an enormous burden on my State without clear-cut benefits to show for it.

Accordingly, I am today introducing an alternative to S. 1706—a bill that is completely identical in all but two major respects:

First, it reduces th size of the "acid deposition impact region" from 31 States to 22—removing from the region the Western and Southern States most distant from the areas that are vulnerable to acid rain. These nine fringe States—whose contribution now to the problem is unclear—would constitute a secondary region.

After the 2-year study of long-range transport required by section 182(b) of both bills, the EPA Administrator could combine the primary and secondary regions if scientific evidence clearly warranted such action—thus recreating the 31-State region in S. 1706.

The sulfur reduction requirement set in S. 1706—10 million tons—would be scaled back to 7.5 million tons for the primary region, but would revert to 10 million tons if the two regions were combined.

Second, my bill would create an "acid deposition reduction trust fund." Every electric utility within the region would pay into this fund 3 mils per kilowatt-hour sold; the money then would be used to offset the cost of complying with the sulfur reduction requirements in the bill. States would receive grants based on the actual expense incurred by utilities within their borders.

The cost of S. 1706 is commonly estimated at up to 5 percent for the entire region. Clearly, that cost would fall extremely unevenly as S. 1706 is currently structured. My approach would spread out the costs across the region at approximately the 5-percent level so that the beneficiaries of the sulfur reduction contribute as well.

Mr. President, I believe that we must develop and use our domestic energy sources—particularly coal. But we cannot do so in a way that destroys our lakes, damages our crops and forests, and poses a threat to human health. We must respond to environmental threats like acid rain promptly and decisively. At the same time, we must do so in an evenhanded and reasonable way. I hope the Committee on Environment and Public Works will accept this proposal in that spirit—as a way to proceed without inflicting undue hardship on any one State or region.

I represent a Midwestern State—a coal-producing, coal-burning State. But I want to go halfway—indeed, more than halfway—with the victims of acid rain. As it stands, S. 1706 imposes an unacceptable level of burden on Missouri, and if put to the test, I could not vote for it. But I think we can draft a solution that will meet the need for action and spread the burden of compliance, and I offer this legislation to speed that process along.●

By Mr. DOLE (by request):

S. 2595. A bill to amend the Trade Act of 1974 to eliminate trade readjustment allowances for workers not enrolled in approved training on July 1, 1982, and for other purposes; to the Committee on Finance.

TRADE ADJUSTMENT ASSISTANCE

● Mr. DOLE. Mr. President, I am today introducing a bill at the request of the administration to amend the trade adjustment assistance program. It is my understanding that parallel legislation is also to be introduced today in the House by Representative CONABLE.

The Trade Act of 1974, as amended by the Omnibus Budget Reconciliation Act of 1981, provides adjustment assistance for workers of trade-affected firms in the form of reemployment services, training, job search and relocation allowances, and trade readjustment allowances. Trade readjustment allowances are cash payments made to certified, trade-affected workers during weeks of unemployment.

The Omnibus Budget Reconciliation Act of 1981 made significant changes in the worker adjustment assistance program, particularly in the area of program benefits. The amendments represent a fundamental shift in program emphasis from large-cost cash benefits to placement and employment services and benefits such as training, and allowances for job search and relocation.

The proposal would amend section 231 of the Trade Act of 1974 to limit weekly trade readjustment allowances after July 1, 1982, only to workers who are engaged in approved training on July 1, 1982, and only if the worker is making satisfactory progress in such training.

The amendment would have the effect of terminating trade readjustment allowances for those workers not engaged in approved training as of July 1, 1982. Those workers and any subsequently unemployed workers affected by trade would continue to be eligible for unemployment compensation and could avail themselves of reemployment services. Such workers also would continue to be adversely affected workers and thus qualify for training and for allowances for job search and relocation. Thus the entire thrust of the program would be to help workers adjust to displacement from their jobs because of increased impacts by broadening their job skills or locating new jobs.

BUDGET ESTIMATE

[In millions of dollars]

	Weekly cash benefits		
	1982	1983	1984
Current estimate (February 1982)			
Budget Authority	144	118	81
Outlays	144	118	81
Proposed savings			
Budget authority	0	108	81
Outlays	26	108	81

●

By Mr. DOLE (by request):

S. 2596. A bill to amend title 5, United States Code, to limit eligibility for unemployment compensation for ex-service members, and for other purposes; to the Committee on Finance.

S. 2597. A bill to amend the Internal Revenue Code of 1954 to limit the amount of unemployment compensation payable for 1 week of unemployment, and for other purposes; to the Committee on Finance.

UNEMPLOYMENT COMPENSATION LEGISLATION

● Mr. DOLE. Mr. President, today I am introducing, at the request of the administration, two bills dealing with the unemployment compensation system. There proposals are contained in the administration's fiscal year 1983 budget.

The first bill would amend title 5 of the United States Code to limit eligibility for unemployment compensation for ex-service member. The bill is intended to supplement a change resulting from the Omnibus Reconciliation Act of 1981. The Reconciliation Act changed eligibility requirements to deny unemployment compensation from individuals who were separated from the military under honorable conditions and who had an opportunity to reenlist. Under the act, however, individuals who were discharged under honorable conditions but whom the military does not wish to retain, such as those with a record of indiscipline or those who failed to maintain their skill proficiency, would continue to be eligible for unemployment compensation.

The bill would deny eligibility to such persons. The proposal would amend section 8521(a)(1) of title 5, United States Code, to redefine the term "Federal service" for the purposes of the program. As a result of the changed definition, an individual would be eligible for benefits under the program only if the individual is discharged or released under honorable conditions and if the termination of service is the result of either a service-incurred injury or disability or a demobilization or reduction in authorized strength.

This change will save outlays estimated at $5 million in fiscal year 1982, and $30 million per year beginning in fiscal year 1983.

The second bill would round down to the nearest full dollar amount an individual's weekly benefit amount for unemployment compensation. Currently, unemployed workers are paid weekly benefit amounts as determined under State law. The proposal would amend section 3304(a) of the Federal Unemployment Tax Act (FUTA) to establish as a Federal standard that State laws provide for rounding down to the closest full dollar amount any weekly benefit amount that is not a full dollar.

The proposal is not intended to affect current unemployment compensation claimants. Any loss to an individual claimant would be minimal. It should be noted that most States generally use rounded dollar amounts in their benefit formula. Thirty-five States round up to the next full dollar amount, while 18 States round to the nearest full dollar amount. Savings realized by this proposal would reduce expenditures under the unified Federal budget beginning in fiscal year 1983.

This amendment to FUTA would require the various States to amend their State laws to conform with the new Federal standard. The amendment would be applicable to individuals whose benefit years begin after June 25, 1983, and States would be given an opportunity to amend their State laws in order to effectuate this change. Most States will meet in a legislative session during 1982 and would be expected to conform their State laws to the new standard.●

By Mr. McCLURE (for himself and Mr. SYMMS):

S. 2598. A bill to provide for the disposal of silver from the National Defense Stockpile through the issuance of silver coins; to the Committee on Banking, Housing, and Urban Affairs.

NATIONAL SECURITY SILVER DISPOSAL ACT OF 1982

● Mr. McCLURE. Mr. President, I am joined today by my esteemed colleague Senator SYMMS in introducing a proposal designed to redirect the sale of silver from our national defense stockpile in an effort to minimize its affect on the already depressed price of silver.

In March of 1981, the administration announced its intention to sell 75 percent of the silver in the stockpile. Since the time of this announcement, the price of silver has plummeted from an already depressed price of $12.13 to today's level of just under $7; this occurring during a period of continued inflation. It should be painfully apparent now that while the intentions of selling stockpile silver may have been good, consideration as to the impact of the silver sale was woefully inadequate.

As a citizen of this Nation's most important silver producing state, I can state first hand what the effect a drop in price like this can have. Northern Idaho produced nearly half, 47 percent, of this Nation's silver. One of the last half dozen silver smelters in the nation was located in Kellogg, Idaho. Prior to its much publicized closure, it refined approximately 20 percent of this Nation's silver. There is no doubt that the ill-founded decision to sell silver from our stockpile contributed to the closure of this mining and smelting complex. The Silver Valley of Idaho was dependent on this industry. Its closure meant a direct loss of 2,100 jobs to the area and countless numbers of related jobs. Simply put, a large part of the economy of this once bustling area has been eliminated.

I can understand the compelling objective of the Office of Management and Budget to balance the Federal budget. However, their reasoning was afflicted with an acute case of tunnel vision. Not only are they attempting to balance the budget on the backs of the American people through the closure of businesses and unemploying workers but they are also endangering all Americans by not correctly addressing our national defense stockpile needs. Unless Congress, as the responsible party, takes action to ensure a more cautious and careful consideration of the decision to sell silver, that case of tunnel vision may in fact prove to be terminal as far as our Nation's best interests are concerned.

Results from a study I requested in my capacity as chairman of the Senate Energy and Natural Resources Committee are damning to the silver sale. The study identified demand for silver during periods of national emergency that have not previously been considered. It also identified uncertainties relating to the availability of both foreign and domestic surpluses. Moreover, they found that the data used to support the zeroing of the strategic silver stockpile is extremely soft. Furthermore, findings by the GAO regarding the method of selling the silver has raised serious questions about whether the U.S. Government is getting the best deal for the taxpayer.

In December 1981, the Senate passed the defense appropriations bill which included an amendment I sponsored that effectively stopped further sale of silver from the stockpile. Under the terms of the amendment the administration will analyze all aspects of the sales program and report its findings to Congress no later than July 1, 1982. Included in this analysis will be potential alternative methods of disposal. Also in the amendment is a provision requiring congressional approval before the sales can begin again.

However, it is obvious to me and to many other of my colleagues that the administration will push ahead with the sale of silver. But if we are forced to accept a sale, why use the method guaranteed to depress the price and dispose of the silver with the lowest possible return to the taxpayers. Why not instead, if we must sell, at least get as much for it as we can? Therefore, today, I am introducing legislation which provides that in the event the President proposes and Congress authorizes the sale of silver from the strategic stockpile, this silver would be sold through the minting and distribution of a silver-bearing coin. The proceeds of this sale—which may be estimated at current silver price levels and the sale of 105 million ounces to be over $700 million—would, under the bill, be deposited in the National Defense Stockpile Transaction Fund.

The silver market today is in a period of transition, however, and it can be said that the General Services Administration's attempts in 1981 to dispose of this metal through publicly held sealed-bid auctions hurt both the silver market's stability and the financial position of the U.S. silver mining companies. Simulations of the Chase Econometrics Silver Model reported in the Interagency Silver Commodity Committee Report concluded that if the administration's goal of 46 million ounces had been disposed of in 1981, silver prices could have been reduced by as much as $2.25 an ounce. Therefore, an alternative disposal method to the weekly auctions held last year is worth considering: I suggest that the U.S. Government seriously consider the marketing of silver-bearing coins, using the silver in the strategic stockpile.

There are several reasons why a U.S. coin program offers strategic advantages both for the U.S. Government and for the people of this country over other disposal methods. If the United States were to dispose of its silver through a coinage program the silver would become more accessible to the average American, who was effectively excluded from the large-scale auction procedure previously used for the disposal of this metal. Both the bullion and the numismatic coin which I am proposing would be readily accessible to Americans at a low premium to the price of the silver content.

While foreigners may be interested in acquiring some of these coins and some of these coins would inevitably be transferred overseas, the vast majority of them can be expected to remain in the hands of U.S. citizens.

From a strategic point of view, the distribution of silver coins to a variety of Americans would, in essence, create a "walking stockpile," in which a large quantity of the silver currently held in the strategic stockpile would remain relatively accessible to the United States in times of national emergency, because it would be in the hands of private citizens.

Because the market for coins is separate from the international silver bullion market, acquisition of these coins and the presence of these coins will exert a less disruptive effect on the international silver market—silver contained in coins would not be flowing into the bullion market, creating a situation of oversupply in a market already depressed by recession. The flow of these coins into the market will be responsive to market forces; it will not be a forced supply of metal coming into market at regularly scheduled auctions regardless of market conditions. Rather, the silver coins would be there, available for purchase by individuals whenever they are inclined to buy them.

Having outlined the advantages I see in using a silver coinage program to sell our strategic stockpile silver, let me briefly outline some of the reasons for which I believe there is a viable market for such silver coins:

There already exists a large private investment market composed of small-scale investors for small 1-ounce silver ingots, which will readily adapt to the coins, indeed who might prefer coins because of their legal tender status, their government mintage and seal of approval, and enhanced liquidity of coins relative to ingot bars.

The investor interest which has grown up around the U.S. 90 percent silver coins formerly minted and circulated by the U.S. Treasury indicate the extent to which demand for such coins still exists.

The success of 1-ounce gold coins minted by a variety of governments demonstrates a healthy interest on the part U.S. citizens for precious metals investment media of this of this sort, when marketing facilities make them readily available.

This legislation has the broad support of silver users and producers. It is legislation that identifies a problem and provides a specific solution that we can all benefit from.

Mr. President, I ask unanimous consent that the bill be printed in full in the CONGRESSIONAL RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2598

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) The Secretary of the Treasury (hereinafter referred to as the "Secretary") shall mint and issue coins of the United States under this Act in two series in such quantities as are necessary to meet public demand.

(b)(1) One series shall have a face value of one dollar; bear the same design as the "Morgan" silver dollar; be inscribed with the year of minting; have reeded edges; contain 0.7734 troy ounces of .900 fine silver; weigh 26.73 grams; be composed of 900 parts per thousand of silver and 100 parts per thousand of copper; and have a diameter of 1.6 inches. These coins shall have the inscriptions of the words, "Liberty", "In God We Trust", "United States of America", "E Pluribus Unum".

(2) The second series shall bear a silver liberty design selected by the Secretary; be inscribed with the year of minting; have reeded edges; contain one troy ounce of .999 fine silver; weigh 31.103 grams; and have a diameter of 1.6 inches. These coins shall have the inscriptions of the words "Liberty", "In God We Trust", United States of America", "E Pluribus Unum", and "Contains One Troy Ounce".

SEC. 2. (a)(1) The coins minted pursuant to Section 1(b)(1) of this Act shall be sold by the Secretary directly to the public, and to numismatic coin dealers and retailers for resale to the public, in accordance with such regulations as the Secretary may prescribe, at prices determined by the Secretary, which shall not be less than the fair market value of the silver content of the coins on the day prior to the sale, as determined by the Secretary, plus the costs of minting, distributing, promoting, and marketing the coins. The Secretary shall make bulk sales of the coins to numismatic coin dealers and retailers at prices which reflect the lower costs of such sales.

(2) The Secretary shall mint proof and uncirculated coins of the series authorized in Section 1(b)(1) of this Act. Proof coins shall be sold at a price not less that 75 per centum above the price otherwise determined under this Act. Uncirculated coins shall be sold at a price not less than 50 per centum above the price otherwise determined under this Act.

(3) The Secretary shall define the terms "numismatic coin dealers and retailers" in a manner consistent with the ordinary practices of the numismatic coin trade.

(4) The Secretary shall make reasonable and appropriate efforts to promote the retail sale of the coins.

(b)(1) The coins minted pursuant to section 1(b)(2) of this Act shall be sold in bulk on a negotiated basis by the Secretary to primary dealers in bullion coins, in accordance with such regulations as the Secretary may prescribe, at prices determined by the Secretary, which shall not be less than the fair market value of the silver content of the coins on the day prior to the sale, as determined by the Secretary, plus the costs of minting, distributing, promoting, and marketing the coins. In no event shall the portion of the price attributable to the costs of minting, distributing, promoting, and marketing the coins exceed 10 per centum of the fair market value of the coin's silver content.

(2) The Secretary shall define the term "primary dealer in bullion coins" in a manner consistent with the ordinary practices of the precious metals trade. At a minimum, this definition should require that a primary dealer in bullion coins have the financial resources and expertise necessary both to, establish effective distribution systems and to make a viable two-way market for the coin.

(3) The Secretary shall package the coins minted pursuant to section 1(b)(2) for bulk sales in tubes containing not less than 25, but no more than 100, coins. The Secretary shall make reasonable and appropriate efforts to promote the retail sale of the coins.

SEC. 3. The net proceeds of the sales of coins minted pursuant to this Act shall be deposited in the National Defense Stockpile Transaction Fund, after deduction the costs incurred by the Secretary in minting, distributing, promoting, and marketing the coins. That portion of the proceeds representing the costs incurred of minting, distributing, promoting, and marketing the coins shall be credited to the mint appropriations fund.

SEC. 4. The aggregate amount of silver utilized to mint coins pursuant to this Act shall be provided from the silver in the National Defense Stockpile by the Administrator of General Services and shall not exceed 105,000,000 troy ounces of which 15,000,000 shall be available for coins minted under section 1(b)(1) and the remainder shall be available for coins minted under section 1 (b)(2). Disposals of silver from the National Defense Stockpile shall be conducted in accordance with the provisions of this Act during calendar years 1983, 1984 and 1985.

SEC. 5. The effective date of this Act shall be October 1, 1982.●

By Mr. STAFFORD:

S. 2599. A bill to amend the Vocational Education Act of 1963 to provide comprehensive vocational guidance services and programs for States and local educational agencies; to the Committee on Labor and Human Resources.

VOCATIONAL GUIDANCE ACT OF 1982

● Mr. STAFFORD. Mr. President, today I am introducing the "Vocational Guidance Act of 1982." This bill would amend the Vocational Education Act of 1963 to specify a vocational guidance component in the act and would reserve 6 percent of the act's State program funds for vocational guidance activities.

Let me state from the outset that the Vocational Guidance Act would not result in any additional Federal expenditures, but rather would emphasize States' responsibilities for vocational counseling. States are encouraged to supplement and expand their vocational guidance program by stipulating funds be used for that purpose and by further identifying vocational guidance activities. The bill also would bring vocational guidance personnel more completely into their rightful place in the Federal vocational education effort.

A similar bill has been introduced in the House of Representatives, H.R. 4974, by Congressman GOODLING of Pennsylvania and Congressman KILDEE of Michigan.

Recently, I held oversight hearings on the appropriate Federal role in guidance and counseling. At that time, experts in the field provided testimony and research findings on the effectiveness of vocational guidance. These findings indicate that students who re-

ceive vocational counseling do better in vocational courses, complete their education and training programs, and are more often successfully placed in jobs. During the present ERA when unemployment is at the highest level since the Great Depression, these findings have enormous implications for the importance of guidance programs.

Vocational education which provides training, often in the new technologies and information service, will be an important means to revitalizing the economy. Vocational guidance, an important component of vocational education, can and should play a major role in this endeavor. I ask unanimous consent that the Vocational Guidance Act of 1982 be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2599

Be it enacted by the Senate and House of Representative of the United States of America in Congress assembled.

SHORT TITLE

Section 1. This Act may be cited as the "Vocational Guidance Act of 1982".

FINDINGS AND PURPOSE

Sec. 2. (a) The Congress finds that—

(1) when prevocational guidance and exploration programs are offered to middle school and junior high school youth, the result has been a qualitative as well as a numerical increase in vocational program enrollments at the secondary and postsecondary levels;

(2) when continued access to guidance and counseling services by those female students, minority students, handicapped students, and academically and economically disadvantaged students enrolled in vocational programs is assured, a higher rate of program approval and completion has been reported;

(3) when vocational programs have included counseling for employability development, human relations work skill transferability, and job-seeking, job-finding, and job-keeping skills, the number of satisfactory graduate placements is significantly greater than the number of such placements recorded by programs without such counseling;

(4) when vocational programs have consistently provided comprehensive guidance services preceding, during, and following their tenure, the job market advantage of graduates has extended beyond the four years presently associated with those who terminate their formal education at the high school level;

(5) when guidance and counseling practitioners have had firsthand experience in business and industry, their effectiveness in providing career counseling, placement, and followup services has been greatly increased;

(6) in spite of the factors described in paragraphs (1) through (5), the potential contribution of guidance and counseling to effective vocational program delivery at the State level has yet to be fully realized in practice; and

(7) postsecondary educational institutions should be encouraged to consider establishing policies under which postgraduate credit is granted to students who are involved in programs which provide new or renewal experiences in business, industry, the professions, and other occupational pursuits which will better enable the students to carry out guidance, counseling, and instructional services.

(b) It is the purpose of this Act to increase the benefits to those enrolled in vocational eduation programs by amending the Vocational Education Act of 1963 to (1) specify comprehensive guidance components in all portions of such Act over which the States have jurisdiction; (2) designate such components as vocational guidance; and (3) authorize a minimum percentage of funds to be set aside for such purposes.

PURPOSES OF VOCATIONAL EDUCATION PROGRAM

Sec. 3. Section 101 of the Vocational Education Act of 1963 (20 U.S.C. 2301) is amended—

(1) in paragraph (3) thereof, by striking out "and" at the end thereof; and

(2) by redesignating paragraph (4) as paragraph (5), and by inserting after paragraph (3) the following new paragraph:

"(4) provide comprehensive vocational guidance programs and services (including job development and placement services) to increase the capacity of youth and adults to benefit from vocational education, and".

FUNDING FOR VOCATIONAL GUIDANCE ACTIVITIES

Sec. 4. Section 102 of the Vocational Education Act of 1963 (20 U.S.C. 2302) is amended by adding at the end thereof the following new subsection:

"(e) Of the total amounts appropriated for State programs of vocational education in this section, at least 6 per centum of the funds allocated shall be reserved to carry out (1) vocational guidance activities described in section 120(b)(1) and in section 125; and (2) other vocational guidance requirements specified in other provisions of this Act.".

STATE AND LOCAL ADVISORY COUNCILS

Sec. 5. (a) Section 105(d)(4)(A) of the Vocational Education Act of 1963 (20 U.S.C. 2305(d)(4)(A)) is amended by inserting "vocational guidance," after "vocational rehabilitation,".

(b) The last sentence of section 105(g)(1) of the Vocational Education Act of 1963 (20 U.S.C. 2305(q)(1)) is amended by inserting "vocational instruction and guidance" after "established for".

GENERAL APPLICATION

Sec. 6. Section 106(a)(8) of the Vocational Education Act of 1963 (20 U.S.C. 2306(a)(8)) is amended—

(1) by inserting "vocational guidance programs under section 125," after "except"; and

(2) by striking out "in making" and all that follows through the end thereof and inserting in lieu thereof "planned prevocational experiences designed to enable them to make informed and meaningful occupational preparation choices;".

FIVE-YEAR STATE PLANS

Sec. 7. (a) Section 107(a)(1) of the Vocational Education Act of 1963 (20 U.S.C. 2307(a)(1)) is amended—

(1) by redesignating subparagraph (B) through subparagraph (J) as subparagraph (C) through subparagraph (K), respectively;

(2) by inserting after subparagraph (A) the following new subparagraph:

"(B) a representative of the State agency (if such separate agency exists) having primary responsibility for school guidance and counseling programs, designated by such agency;";

(3) in subparagraph (J) thereof, as so redesignated in paragraph (1), by striking out "and" at the end thereof;

(4) in subparagraph (K) thereof, as so redesignated in paragraph (1), by striking out out the period at the end thereof and inserting in lieu thereof "; and"; and

(5) by inserting after subparagraph (K) thereof as so redesignated in paragraph (1), the following new subparagraph:

"(L) a representative of practicing secondary school counselors, as determined by State law.".

(b) Section 107(b)(2)(A)(iii) of the Vocational Education Act of 1963 (20 U.S.C. 2307(b)(2)(A)(iii)) is amended by striking out "allocations" and all that follows through "opportunities" and inserting in lieu thereof "assignment of responsibility for the offering of those courses, training opportunities, and guidance services,".

(c) Section 107(b)(2)(A)(IV) of the Vocational Education Act of 1963 (20 U.S.C. 2307(b)(2)(A)(iv)) is amended by inserting "guidance services," after "opportunities,".

(d) Section 107(b)(4)(B) of the Vocational Education Act of 1963 (20 U.S.C. 2307(b)(4)(B)) is amended by inserting "guidance and training" after "meet the".

FEDERAL AND STATE EVALUATIONS

Sec. 8. Section 112(b)(1)(B) of the Vocational Education Act of 1963 (20 U.S.C. 2312(b)(1)(B)) is amended—

(1) in clause (i) thereof, by striking out "and" at the end thereof;

(2) in clause (ii) thereof by inserting "current" after "their" and by adding "and" at the end thereof; and

(3) by inserting after clause (ii) the following new clause:

"(iii) exhibit desirable skills related to employability, as determined jointly by employees, educators and employers.".

BASIC GRANT AUTHORIZATION

Sec. 9. Section 120(b)(1) of the Vocational Education Act of 1963 (20 U.S.C. 2330(b)(1)) is amended—

(1) in subparagraph (H) thereof, by inserting ", support, and followup" after "placement";

(2) in subparagraph (I) thereof, by inserting "and other prevocational" after "arts";

(3) in subparagraph (L) thereof—

(A) by striking out "and" at the end of clause (iii);

(B) by inserting "and" at the end of clause (iv); and

(C) by inserting after clause (iv) the following new clause:

"(v) persons seeking skills enabling mid-career changes, such as early retirees;";

(4) by redesignating subparagraph (N) and subparagraph (O) as subparagraph (O) and subparagraph (P), respectively; and

(5) by inserting after subparagraph (M) the following new subparagraph:

"(N) vocational guidance and counseling programs and services as described in section 125;".

COOPERATIVE VOCATIONAL EDUCATION PROGRAMS

Sec. 10. Section 122(d) of the Vocational Education Act of 1963 (20 U.S.C. 2332(d)) is amended—

(1) by striking out "ancillary" and inserting in lieu thereof "support"; and

(2) by inserting "counselors," after "coordinators,".

RESIDENTIAL VOCATIONAL SCHOOLS

Sec. 11. Section 124(a) of the Vocational Education Act of 1963 (20 U.S.C. 2334(a)) is amended by adding at the end thereof the following new sentence: "All students in residence shall be provided appropriate guidance and training.".

VOCATIONAL GUIDANCE AND COUNSELING UNDER BASIC GRANTS

Sec. 12. Subpart 2 of part A of the Vocational Education Act of 1963 (20 U.S.C. 2330 et seq.) is amended by adding at the end therefor the following new section:

VOCATIONAL GUIDANCE AND COUNSELING

"Sec. 125. In accordance with the provisions of section 102(e), programs for vocational guidance and counseling shall include—

"(1) initiation, implementation, and improvement of high quality vocational guidance and counseling programs and activities;

"(2) vocational counseling for children, youth, and adults, leading to a greater understanding of educational and vocational options;

"(3) provision of educational and job placement services, including programs to prepare individuals for professional occupations or occupations requiring a baccalaureate or higher degree, including followup services;

"(4) vocational guidance and counseling training and work experiences designed to acquaint guidance counselors with (A) the requirements of employers, businesses, and industries; (B) the changing work patterns of women; (C) ways of effectively overcoming occupational sex stereotyping; and (D) ways of assisting girls and women in selecting careers solely on their occupational needs and interests, and to develop improved career counseling materials which are free of bias;

"(5) vocational and educational counseling for youth offenders and adults in correctional institutions;

"(6) vocational guidance and counseling for persons of limited English-speaking ability;

"(7) establishment of vocational resource centers to meet the special needs of out-of-school individuals, including individuals seeking second careers, individuals entering the job market late in life, handicapped individuals, individuals from economically depressed communities or areas, and early retirees; and

"(8) leadership for vocational guidance and exploration programs at the local level.".

RESEARCH PROGRAMS

Sec. 13. (a) Section 131(a) of the Vocational Education Act of 1963 (20 U.S.C. 2351(a)) is amended—

(1) in paragraph (1) thereof, by striking out "and development", and by inserting "and career development" after "education"; and

(2) in paragraph (2) thereof, by striking out "test" and all that follows through "overcome" and inserting in lieu thereof "replicate or install useful research methodologies and findings, including effective guidance components of vocational programs, programs which show promise of overcoming".

(b) Section 131(b) of the Vocational Education Act of 1963 (20 U.S.C. 2351(b)) is amended by inserting "and guidance" after "teaching".

EXEMPLARY AND INNOVATIVE PROGRAMS

Sec. 14. Section 132(a)(5)(A) of the Vocational Education Act of 1963 (20 U.S.C. 2352(a)(5)(A)) is amended by inserting "prevocational guidance and counseling" before "programs".

CURRICULUM DEVELOPMENT

Sec. 15. Section 133(a) of the Vocational Education Act of 1963 (20 U.S.C. 2353(a)) is amended—

(1) in paragraph (1) thereof, by striking out "and" at the end thereof;

(2) in paragraph (2) thereof, by inserting "and counselors" after "teachers", and by striking out the period at the end thereof and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(3) the review and development of materials or systems which can effectively catalog and disseminate new or existing occupational information, job-seeking, job-finding, and job-keeping skills, and other tools necessary to vocational maturity.".

ADDITIONAL VOCATIONAL GUIDANCE AND COUNSELING

Sec. 16. Section 134 of the Vocational Education Act of 1963 (20 U.S.C. 2354) is amended to read as follows:

VOCATIONAL GUIDANCE AND COUNSELING

"Sec. 134. In addition to the provisions of section 102(e), and as described in section 125, programs for vocational guidance and counseling shall use funds which have been set aside for such purpose, insofar as is practicable, for funding programs, services, or activities by eligible recipients which bring individuals with experience in business and industry, the professions, and other occupational pursuits into schools as counselors, teachers, or advisors for students, and which bring students into the work establishments of business and industry, the professions, and other occupational pursuits for the purpose of acquainting students with the nature of the work that is accomplished in such pursuits, and for funding projects of such recipients in which guidance counselors and other vocational personnel obtain new or renewal experiences in business and industry, the professions, and other occupational pursuits which will better enable these individuals to carry out their guidance, counseling, and instructional duties.".

VOCATIONAL EDUCATION PERSONNEL TRAINING

Sec. 17. Section 135(a) of the Vocational Education Act of 1963 (20 U.S.C. 2355(a)) is amended—

(1) in paragraph (1) thereof, by inserting "and counselors" after "teachers" the first place it appears therein, and by inserting "and counselors," after "teachers" the last place it appears therein;

(2) in paragraph (2) thereof, by inserting ", counselors," after "teachers"; and

(3) in paragraph (3) thereof, by inserting ", counselors," after "teachers".

DEFINITION

Sec. 18. Section 195 of the Vocational Education Act of 1963 (20 U.S.C. 2461) is amended by adding at the end thereof the following new paragraph:

"(22) The term 'vocational guidance' means those services and programs which are coordinated by professional counselors with appropriate credentials and which focus upon—

"(A) the unique guidance, placement, and follow-up needs of individuals enrolled in vocational programs; and

"(B) the prevocational counseling and orientation of other individuals who could benefit from the pursuit of skills in fields which do not require a baccalaureate degree for entry.".●

By Mr. HEINZ (for himself, Mr. Garn, Mr. D'Amato, Mr. Mathias, Mr. Pressler, Mr. Jackson, Mr. Specter, Mr. Chafee, Mr. Lugar, Mr. Cranston, and Mr. Dixon):

S. 2600. A bill to amend the Export-Import Bank Act of 1945; to the Committee on Banking, Housing, and Urban Affairs.

EXPORT-IMPORT BANK RESTRUCTURING ACT OF 1982

● Mr. HEINZ. Mr. President, today I am introducing a bill that would amend the Export-Import Bank Act and greatly enhance the ability of the Eximbank to do what it was originally chartered to do, namely, provide a healthy atmosphere for Americans to engage in export trade. The bill is not complex, but its three component parts could have a profound effect on our export picture.

First, the bill would provide that the President, Vice-President, and members of the Board of Directors of the Export-Import Bank serve for terms of 4 years. Under current law they serve at the pleasure of the President.

Second, the bill would remove the so-called net lending outlays of the Bank from the unified Federal budget.

Finally, the bill would establish at the Bank a "Competitive Agricultural Commodity and Manufactured Product Export Subsidy Fund" to be used to combat the official export subsidies of our trade competitors.

Mr. President, since about 1976 the United States Export-Import Bank has been sick, and it is getting sicker. The health of the Bank is mirrored in our share of free world export trade, which has deteriorated by 25 percent over the last decade. The Export-Import Bank was at one time robust and its effect on U.S. exports very positive. Today its performance can be described as little more than lackadaisical. This bill is needed to restore the Bank to health.

There are three basic reasons for the Bank's poor condition. My bill addresses each of these problems. First of all, Mr. President, the Export-Import Bank lacks sufficient independence to be able to carry out the mandate that it has received from the Congress. Although we set the program goals for the Bank, based upon the needs of America's exporters, all too often that congressional intent is thwarted by the directive of some faceless bureaucrat at the Office of Management and Budget, who little understands the Bank's purpose or its importance to our international commerce. Serving at the pleasure of the President, the Eximbank Board members are completely subject to such directives. The result has been the curious anomaly that we have seen so much of lately, namely the Directors of the Eximbank, contrary to assurances that they gave while their nominations were being considered by the Senate, arguing in favor of the gradual demise of the Eximbank programs, and acting contrary to the intent of the congressional mandates given to Bank. Giving the Directors of the Bank fixed terms of office will enhance the independence necessary for the Bank to be responsive to the mandates of the Congress.

Second, Mr. President, the Bank, because of its unnecessary budget status, is caught up in the annual budget battles in such a way that the Congress is found swatting a budgetary gnat represented by the Bank's impact on Federal outlays, and thereby undermining the considerable export stimulous accomplished by the Bank's multiplier effect. Since September 30, 1976, the net lending outlays of the Eximbank have been carried as a line item expenditure on the Federal budget. This is very deceptive. It causes members to think that something is being spent, which naturally leads to efforts to limit and reduce these illusionary expenditures.

In truth, Mr. President, since its initial capitalization, the Eximbank has not received a penny of Federal appropriations. Its operations are funded by the revenues that it earns from the returns on its loans. In fact, the Eximbank has increased its capital by $2 billion and returned to the Treasury over $1 billion of dividends over the course of its history. The number of Federal programs that can claim such a positive budgetary impact is small indeed.

Moreover, the positive budgetary impact of the Eximbank is enhanced when one examines the effects of its export promotion. For every $1 billion of U.S. exports approximately 30,800 U.S. jobs are created. Those jobs mean tax dollars coming in to the Treasury and none going out in unemployment costs. Mr. President, in fiscal year 1981, without using a nickel of appropriated money, Eximbank supported 16 billion dollars worth of American exports.

It is deceptive to require the Bank to list its loans as expenditures. These loans are the purchase of assets that will be repaid to the Bank with interest. These are good, profitable loans, Mr. President. As I mentioned, the Bank has returned over $1 billion to the Treasury from the proceeds as well as enhanced its own capital base by $2 billion. Almost none of these loans has ever been defaulted, the Bank having an enviable 99.98 percent history of repayment. Its net loan outlays are misrepresented when placed as expenditures in the Federal budget.

The third reason for the Bank's currently weak condition is that it is being asked to carry a heavy burden with insufficient resources to do so effectively. Unlike its counterpart official export finance agencies abroad, the Export-Import Bank has been self-sufficient in its operations. Until the 1970's this presented no problems. Then, just as interest rates began to climb to record levels, our foreign trade competitors greatly increased their efforts to undermine U.S. exports by offering cutrate financing for their own products. The Eximbank, required by law to provide competitive financing for U.S. exports, was caught in the difficult position of trying to match foreign subsidized financing while its own cost of funds was increasing substantially. This has overtaxed the Bank's resources to the point where it is becoming neither self-sufficient nor able to meet its mandate to provide competitive financing.

Last year, for the first time in its history, the Bank ran a small deficit in its operations. In order to limit that deficit, the Bank raised its interest rates to an effective 12½ percent while foreign agencies have been offering financing at 10 percent and sometimes lower levels. American export competitiveness has suffered.

Nor have American agricultural exports been immune from unfair competition. The European community's common agricultural policy is notorious. Wasteful subsidies have produced agricultural surpluses in Western Europe that not only crowd out U.S. exports there but undermine U.S. agricultural exports to other countries. In an even more blatant example, Brazil provides agricultural export credits at one-third of commercial levels, and further, provides them 3 months in advance, allowing exporters to first invest the moneys in short-term instruments, thus obtaining an additional subsidy.

To meet and ultimately discourage this war over export subsidies it is necessary to provide the Eximbank with the resources necessary to meet and nullify the cutthroat financing of our trade competitors.

Mr. President, allow me to elaborate on each of these issues.

The Export-Import Bank is just that, a bank, chartered by an act of Congress, and owned by the U.S. Government. In essence, it is designed to be an independent agency of the Federal Government. In many ways, its status is comparable to that of the Federal Reserve Board. It is a special duty economic agency, charged with the conduct of policies that have an important impact on the American economy as a whole. As with the Fed, the Eximbank is designed to be apolitical in the carrying out of its responsibilities. As with the Fed, the Bank is to receive general policy guidance from the Congress and is to be answerable to the Congress for the manner in which those general policies are implemented.

Yet, Mr. President, there is one major structural difference between the Bank and the Fed, a structural difference that makes all of the difference in the world. Although there is often policy coordination between the Federal Reserve and the White House, there is often disagreement, and the Fed is able to conduct policy independent of White House direction, as it has done on many occasions. This is an important fact, for it prevents any group from manipulating the Federal Reserve System for political purposes. The same should be true for the Export-Import Bank. But sadly, Mr. President, it is not. There are few agencies that have shown as little independence as the Eximbank has over the last few years.

The reason for that subservience on the part of the Eximbank as opposed to the real as well as theoretical independence of the Federal Reserve Board is that the Members of the Board of Directors of the Eximbank serve at the pleasure of the President, while the Members of the Federal Reserve Board serve for set terms of office. Thus, while the Federal Reserve Board can maintain its statutory independence, the Members of the Board of the Eximbank cannot—or they may very well be fired. Not surprisingly, the Bank's theoretical independence is often lost in fact. This means in turn, that the intent of Congress can and will be ignored if there is a policy disagreement between the administration and Congress.

For example, Mr. President, the Export-Import Bank Act of 1945 states, in section 2(b)(1)(A), "It is the policy of the United States to foster expansion of exports of manufactured goods, agricultural products, and other goods and services, thereby contributing to the promotion and maintenance of high levels of employment and real income and to the increased development of the productive resources of the United States. To meet this objective, the Export-Import Bank is directed"—I stress the word directed; the Bank is not urged, it is not asked, it is directed, "in the exercise of its functions to provide guarantees, insurance, and extensions of credit at rates and on terms and other conditions which are competitive"—I stress the word competitive; that word is explicitly found in the statute, as a directive of the Act that charters the Bank, an explicit directive of the Congress—reading again from the act, "on terms and other conditions which are competitive with the Government-supported rates and terms and other conditions available for the financing of exports from the principal countries whose exporters compete with United States exporters." Mr. President, that is explicit language from the act, but let us examine how that mandate has been implemented.

Rather than remain competitive, the Bank has repeatedly offered financing at rates several hundred basis points above the rates offered by our trade competitors. This high interest rate policy has had the backing of the OMB, but it has been continually rejected by the Congress as being contrary to the express language of the Export-Import Bank Act, as I just read, and being inimical to this Nation's trade interests. The Eximbank has cited in defense of this policy its projected deficits and the scarcity of its resources. Yet, Mr. President, by the Bank's own calculations, based upon OMB's economic assumptions, the Bank's deficits will be short-lived at worst, followed by huge earnings in succeeding years that will more than make up for its temporary deficits.

Moreover, to defend the high-interest rates by pointing to a scarcity of resources reveals one more example of how, when push comes to shove, the Bank is more sensitive to pressure from the OMB than it is to congressional mandate. The Congress has continually sought to grant increased authority to the Bank for the conduct of its various export loan, guarantee, and insurance programs. The Bank's Directors have consistently resisted these efforts.

This lack of enthusiasm for their own programs is curious behavior indeed. Nevertheless, Mr. President, the Congress has repeatedly recognized the importance of the Eximbank and approved program levels that were above the OMB recommendations. In spite of such expression of congressional will, however, on more than one occasion the President of the Eximbank has expressed his intention not to go above the levels of the OMB recommendations for the Bank's programs. Mr. President, if that is to be the case, why do we go through the congressional authorization process at all? It seems to have little effect on policy.

Mr. President, if the Congress is going to have a role to play in determining this Nation's export financing activities, we need an independent Eximbank.

My bill would increase the independence of the members of the Board of Directors of the Eximbank by establishing their terms of office at 4 years rather than, as currently is the case, serving at the pleasure of the President. This does not make them completely independent; there still will be a good deal of give and take, as is appropriate. What it does mean is that the members of the Eximbank Board will not have to be constantly looking over their shoulders to see whether their actions meet with the full approval of the OMB or some other appointed bureaucrat. It means that the Bank will have the room that it needs to be responsive to the Congress and thus more able to carry out its congressional mandate.

This proposal has other advantages. The terms of the members of the Board are staggered, the term of office of the President and Vice-President of the Bank, and one of the other three Board members, coinciding with the 4-year term of the Nation's Chief Executive. The remaining two Board members would serve for terms of 4 years, beginning in mid-term of any administration. Thus, coordination with the administration is preserved, allowing the President to name the chief officers of the Bank as he would begin his administration; at the same time, the institutional memory of the Bank is preserved through the overlapping terms of the remaining two members of the Board. Currently the Board tends to turn over completely with the inauguration of each new administration.

Mr. President, the Eximbank would be strengthened by removing its net lending outlays from the Federal budget, while no violence would be done to the Federal budgetary process. This part of the bill is a worthwhile step for several reasons.

Eximbank is a lending agency; that is its function. Under its direct loan program it lends money to help finance exports, and then receives repayment, with interest, on loans made. Under current Federal budget accounting procedures, the difference between loan outlays and repayments in any 1 fiscal year is the net lending outlay. Eximbank's net lending outlay is accounted for as a budget expenditure rather than as a net purchase of assets.

In a successful, expansionary export program, with the Bank as a profit-making lender, there is going to be a net lending outlay. Thus, in the years when Eximbank is actually making a profit and paying in dividends to the Treasury, it is carried in the Federal budget as contributing to the Federal deficit.

This in effect treats loans the same as grants, even though Eximbank loans are repaid, with interest, and show a history of 99.98 percent repayment; the result is a distorted view of Eximbank activities. Eximbank can be shown as a drain on the U.S. budget when in truth it is paying in a profit to the Treasury.

Mr. President, placing Eximbank net outlays on-budget deceives the American people, making outlays—which are purchases of redeemable assets—appear as expenditures, increasing the Federal deficit when no appropriated funds are used. Rather than budget reform it is budget distortion.

This has caused pressure to be brought to bear on the Bank to reduce its activities—and thereby reduce its favorable impact on industry, labor, and our balance of payments—in order to diminish a false budget deficit.

Mr. President, it would be highly irregular and a serious distortion for a commercial bank to account for loans on its books the way that the Eximbank is required to do. A commercial lender would not count its loan disbursals as expenditures but rather as the purchase of assets. To count them as expenditures would show a profitable and expanding bank to be in the red, when it may actually be in the peak of health and expanding its profitable activities.

Mr. President, the budgetary status of the Eximbank creates other distortions as well. Eximbank programs are controlled in two different and often contradictory manners by the Federal budget. First of all, the Congress annually sets the levels for the Bank's direct loan, guarantee, and insurance programs for each fiscal year. Since 1976, the Congress, by law, has also set the level for net lending outlays of the Bank. The two items are intimately related but can be coordinated only in a manner that is not common in the Federal budget-making process.

The problem comes from the fact that although program levels can be set for 1 year, actural disbursals stemming from those programs are usually made over several years, and repayments are also spread out over time. Thus, the fiscal year 1983 net outlays have little to do with fiscal year 1983 budget figures for the Eximbank programs. Actually net outlays are determined by the activities of past fiscal year budgets.

The Federal budget process, however, little notes not long remembers what was done under past fiscal years. Rather than examining the likely needs of the Bank stemming from the activities of the Bank under previous authorizations, the net lending outlays figure is most often budgeted by the OMB according to present pressures to reduce the Federal deficit.

What can and does result are situations in which the net lending outlay figure is too low to accommodate what was duly authorized by the Congress in previous fiscal years and promised to American exporters.

For example, Mr. President, the result of putting net lending outlays of the Bank on the Federal budget in 1969 was that the Bank was forced to renege on many of its loan commitments to U.S. industries for manufactures that were already in progress and production. This amounts to saying to U.S. exporters, "We will support your project. Go ahead and begin production. Here is the first installment of the loan. Of course, we may interrupt future installements, according to what our net outlay picture looks like. We can begin financing the project now, and we promise to provide the rest that we now authorize, but we can't promise you that we'll keep our promises." Surely we can do better than that.

Moreover, Mr. President, to budget appropriately on the basis of net outlays would be a very difficult—if not impossible—task, because the sum is so enigmatic. To judge what would be a justified figure for the budget would require an in-depth analysis of the components for the Eximbank loan portfolio: the repayments schedules, disbursal schedules based on prior commitments, and anticipated activities for the year. This, of course, is never done in the actual appropriations process, which normally arrives at its figure for net outlays based upon current fiscal expediency shaped by the needs of Government programs that require appropriated funds. The results of this approach is frequently an underfunding of Eximbank programs because of base commitments already made under previous congressional authority. This often shortchanges new authorization needs. The further result is an unreliable, stop-and-go Eximbank.

The results are devastating for American exporters. The Eximbank is chartered to respond to the needs of U.S. exporters, who operate in an environment that is constantly changing. Yet, its programs are made inflexible, responding slowly to need and conditions. This is due to the often protracted and uncertain Federal budget process through which the Bank must pass. This is merely exacerbated by the uncertainty caused by the possibility that one fiscal year's net outlay budget may undo what a previous fiscal year's program budget authorized.

This all comes about, Mr. President, contrary to the intent of the Congress. Under current practice, OMB can frustrate congressional intent with regard to Eximbank activities because of the power delegated to it to recommend the net lending outlay figure for the Bank within the unified Federal budget. This is due to the delayed disbursal of Eximbank loan commitments.

Allow me to give an example of what I have been describing. In one fiscal year Eximbank may be authorized by law to make, say, $4 billion in direct loan commitments. Those commitments are made to exporters, but the disbursals take place over the course of several years.

You then come to a fiscal year when the portfolio is such that repayments on previous loans, when deducted from scheduled disbursals authorized under previous program authority approved by Congress, leave a net lending outlay greater than the figure allowed under OMB budget levels for the current fiscal year. In such a case, the Eximbank is put in the position that it must postpone commitments, which sometimes is the equivalent of cancellation, even though those commitments were made under program authority approved by the Congress.

Or, if postponement does not result in cancellation of the commitments, these projects are then pushed into later fiscal years, thus, in turn, reducing the effect of those fiscal year program limits in terms of supporting new export projects.

Congress may approve a level for direct loan programs within the budget resolution, intended to support the next year's export financing needs, that instead is used largely to make good on commitments made in past fiscal years. When the Eximbank was first put on the unified Federal budget in 1969, from which it was temporarily removed 2 years later, the net lending outlay budget figure was so small that the Bank was forced to renege on many prior commitments and had little fiscal room remaining to make new export support commitments.

Removing Eximbank net outlays from the Federal budget would not result in insufficient oversight power of the Bank's activities. There remain several, important points of oversight access:

Congress would still have to act periodically to renew authority for the Bank to exist.

Pursuant to the Government Corporation Control Act, the President would still transmit to the Congress each year—via OMB—the Eximbank budget for program activities and administrative expenses, which would then go through the authorization-appropriation process. This would include total annual limits for Eximbank programs and the ceiling for total outstanding loans. In other words, the Bank would still be on-budget as far as Congress credit budget is concerned. But, it would be off-budget for OMB's expenditure accounting purposes: that is, for expenditure surpluses and deficits.

All proposed Eximbank participation in nuclear projects would still have to be submitted to the Congress for review, as well as all projects of more than $100 million in value.

Eximbank loans of more than $10 million in value would still have to be approved by the National Advisory Council.

The Bank's borrowings from the Treasury would still be subject to approval by the debt management section at Treasury as to amount, interest rates, and the timing of the issues.

Eximbank borrowings through the Treasury and the Federal Financing Bank would still be subject to the statutory debt limit.

Mr. President, I share the concerns of my colleagues for maintaining the integrity of the budgetary process, and also for maintaining appropriate control over the activities of the Eximbank. Both are fully preserved under the terms of this bill.

Moreover, Mr. President, the Eximbank is different from other Federal loan programs that are on-budget, in several significant aspects:

First of all, it does not receive annual appropriations, although it does have its program limits set within the appropriations process.

Second, the Bank pays dividends to the U.S. Treasury and maintains a substantial base of reserves.

Third, the Bank makes harder loans than those offered by other agencies: For example, maximum term is rarely more than 10 years; interest rates are usually at or near the discount rate, are generally higher than those of many other Federal programs, and are at or above levels prevailing in international export markets; and its loans are made to creditworthy clients, reflected in the fact that default on Eximbank loans is very rare, the Bank having a 99.98 percent rate of recovery on its loans.

Fourth, Eximbank makes a pervasive contribution to all forms of American economic activity, as opposed to a single-industry oriented Government lending institution.

Therefore, taking Eximbank net lending outlays off of the Federal budget would set no precedent for other Federal programs.

Mr. President, the purpose of the unified Federal budget is to be able to understand and plan Federal expenditures for any 1 fiscal year. Placing Eximbank within the Federal budget does not contribute to the realization of that goal, because its disbursals take place over the course of several years for any given loan project, and the Bank's net loan disbursal figures for any 1 year in large part reflect obligational activity of previous years. Neither does the net lending outlay figure give any kind of true impression of Eximbank activities nor its real impact on the Federal budget.

Moreover, having net lending outlays on-budget makes balancing the budget much more difficult. In addition to dealing with items on the budget involving real appropriations, budget expenditures are inflated by the inclusion of the false Eximbank expenditures, a straw deficit.

On the other hand—and as has usually been the case—meaningful budget cuts are avoided by attacking the false Eximbank deficit, the cutting back of which has minimal effect on Federal spending but disastrous effects on Eximbank programs, while leaving real appropriations untouched.

Further, the resultant restrictions on Eximbank programs translate into decreased tax revenues from businesses and workers and higher levels of government support costs for the unemployed due to lost export sales.

Finally, Mr. President, in considering the budgetary treatment of the Eximbank, we must recognize that it misses the whole point of the Eximbank to place it within the Federal budget for the purposes of having it compete with other domestic programs, for Eximbank's competition comes from abroad; namely from the ECGD in Britain, COFACE of France, EDC in Canada, Hermes in West Germany, and the other official export financing agencies of our trade competitors. It is this international dimension which is most ignored by those who would seek to reduce the operations of the Bank.

Mr. President, the third section of this bill would establish an export subsidy fund at the Bank, designed to give the Bank as well as the Commodity Credit Corporation the resources required to defend American exporters of agricultural commodities, manufactured products, and services from the cutthroat financing practices of our trade competitors. To do this, a $2 billion war chest would initially be authorized, to disabuse our competitors of any doubts that they might entertain about America's determination to resist unfair trade practices in the international markets.

The proposal, Mr. President, does not distort the marketplace. Rather, it takes two important steps toward the elimination of distortions. If the marketplace were functioning correctly, goods and services would be purchased on the basis of quality, fair price, and reliability of delivery. Unfortunately for American exports, the market is not working as it should, because the predatory financing practices of other countries have made financing the determining factor in many export sales, especially of big ticket items, where differing rates and terms can result in differences of millions of dollars.

Financing should be a neutral factor in the marketplace. If left to itself, financing would be neutral, for terms and interest rates would tend to equalize. But over the last decade, America's trade competitors have persistently and systematically eroded our trade position. They have done so not with superior products or lower prices but rather with production subsidies and export credit terms substantially below market rates and significantly lower than rates available from the U.S. Export-Import Bank and the CCC programs.

Thus, Mr. President, in the short run, this war chest will restore equilibrium to the international marketplace, for it will give Eximbank the resources to match the cutthroat and cutrate interest rate terms of our trade competitors, removing financing as a factor in international sales transactions. The marketplace will then operate once again on the bases of product quality, fair price, and reliability of delivery.

In the long run, this persistent policy of negating the competitive effect of export financing will result in the elimination of officially subsidized export financing entirely.

With regard to manufactured exports, negotiations have been underway for many years within the OECD—Organization for Economic Cooperation and Development—to try somehow to limit this export credit war. These talks have had woefully inadequate results. Minimum interest rates have been raised from time to time, but these have responded in no way to current market conditions, and any efforts to subject export credit to market forces have been firmly resisted by those countries that have been profiting by it.

With regard to agricultural exports, U.S. negotiators have long been trying to convince the European Community to reduce the subsidies involved in its Common Agricultural Policy (CAP), with little or no success. The common Market continues to pour in the subsidies to its farmers. The result has been agricultural surpluses that not only protect less efficient production but which then are exported and crowd out U.S. agricultural products that try to compete without the advantage of such heavy subsidization.

A further example, that points out the role of credits in agricultural exports, involves the policies of the Brazilian Government. Having a specific goal of increasing its share of international trade in agriculture, the Brazilian Government extends credits for agricultural exports at levels two-thirds below the market rates. As if that were not enough, the Government then extends those credits to its exporters 3 months before they are needed, allowing the exporter to invest those moneys and reap further dividends in the interim.

Efforts to bring about movement toward free market conditions have failed, because the countries that have been engaging in heavily subsidized exports have had little incentive to come to terms. They have been winning sales. Given their success with this strategy of export credit subsidies, and unfair agricultural support, asking them to stop would be like trying to convince Napoleon to halt his campaign after the battle of Marengo.

Mr. President, the few times that there has been progress has been when the U.S. Congress has taken measures to demonstrate our determination. When the United States loudly voiced its opposition to a Common Market proposal to limit imports of corn gluten from the United States, the Europeans rethought their position and sent the proposal back to a technical committee for "further consideration." This came about, however, only after the Senate expressly indicated its disapproval by passing a resolution reminding the Europeans that we were very serious about our opposition.

One example concerning manufactured products was the introduction of S. 868, the Competitive Export Financing Act of 1981, and its adoption by the Banking Committee last summer. U.S. negotiators have told me and others of how important the mere existence of that bill was in obtaining what few concessions we were able to achieve in the latest round of talks.

Since then, however, the United States has sent out to our trade competitors more confusing signals. The OECD talks resulted in raising minimum interest rates to a level roughly equivalent to that which the Eximbank had been charging, eliminating the competitive disadvantage. Whereupon Eximbank promptly increased its rates to a level 250 basis points above the OECD agreement levels, making them once again uncompetitive.

This strategy of seizing defeat from the jaws of victory was followed by a further signal of acquiescence to our competitors. We began disarmament in the midst of the battle: OMB recommended to the Congress Eximbank budget figures significantly below last year's inadequate levels.

I have already pointed out, Mr. President, the minimal effect that the Bank has on the Federal budget, and that cutting the Eximbank figure is nothing more than make-believe fiscal austerity in terms of the Federal deficit. Nevertheless, Mr. President, the effects on our exports will be devastating, and our trade competitors in France, Japan, and other countries, who are more sophisticated about trade matters than the people down at OMB appear to be, will not fail to notice the significance of an underfunded Eximbank.

If we do not act in the Congress to address the situation the consequences will be seen in our balance of trade figures, in the next round of OECD talks, and in the number of U.S. jobs that are exported abroad, where businesses can take advantage of the subsidized export credits of our competitors instead of losing sales by remaining in the United States.

Mr. President, the inadequacy of Eximbank funding is particularly acute in the area of medium-term financing. In the days of lower interest rates medium-term financing needs could easily be met by commercial banks. The difference between our commercial rates and the subsidized rates of our competitors was not very significant, and such differences in financing are much less important when the rates are low and the maturities of the loans are fairly short.

Since then, however, commercial rates of 17 percent and higher can in no way compete with the subsidized rates of our trade competitors. At the same time, however, Eximbank, with OMB prodding, has reduced its medium-term financing programs to the point where they are nonexistent for most exporters and unattractive for those few that might be able to secure financing support.

However, as I have said, Mr. President, the purpose of this section of the bill is to bring about meaningful negotiations for the reduction and eventual elimination of all forms of official export credit and extravagant agricultural export subsidization.

Moreover, Mr. President, this section of the bill embodies an improved approach over that found in earlier versions of the Eximbank war chest. This is a strategy that will increase the leverage available to our negotiators, for it provides a common front for defending our service, manufactured, and agricultural exports. All are important to our external trade position.

Negotiations to remove each area of predatory export subsidization are mutually reinforcing. The moneys from the fund would support manufactured exports through existing Eximbank programs, and would support agricultural exports by lowering interest rates on loans available through the CCC. Faced with this twofold approach, our trade competitors will be compelled to rethink the whole policy of predatory export subsidization.

For example, Mr. President, the French have been the most intransigent on the issue of manufactured export credits. They are, however, particularly sensitive about their agricultural sector. Facing increased financing competition in both areas should make them more willing to come to terms in negotiations. This would also help to move the West Germans on the agricultural issues, where they are less sensitive, when they see their manufactured exports threatened.

Many industry representatives have expressed their opinion that the mere adoption of such a bill will bring the French (and others) to serious negotiations.

They will see the futility of subsidies, when their subsidies will only be matched by other parties.

They will recognize that the United States is serious in its intent.

For example, Richard W. Roberts, representing the National Foreign Trade Council, stated in hearings before the Banking Committee:

> It is critical to our OECD export credit negotiating strategy that some type of special purpose financial reserve be earmarked in order to demonstrate our earnestness in putting an end to the subsidies worldwide, even though we may never have to use such a reserve.

No one wants to build nuclear missiles, but we do it as a defense necessity, even though we hope to never use them. Their credible existence is what makes their use unnecessary.

An amount less than $2 billion would not be credible.

As many witnesses suggested in hearings last year, a figure of $3 billion or more might be more appropriate.

Robert A. Cornell, the Deputy Assistant Secretary of the Treasury for Trade and Investment Policy, has cited an OECD study that estimates that subsidies totalled $5.5 billion in calendar year 1980, and he added that, "it is certainly larger now." That figure did not include subsidies for agricultural exports.

Allow me to refer again to the views of the National Foreign Trade Council:

> The present resources of Eximbank alone are not sufficient to motivate other nations to discontinue subsidized export credit financing. Our OECD competitors are obviously aware that currently Eximbank has very limited funds available for new direct loan commitments.

However, in these times of belt-tightening, $2 billion, the bare minimum, could be sufficient, the Eximbank being given sufficient freedom in the employment of the funds in order to stretch them as far as they will go. Furthermore, Mr. President, this $2 billion will actually save money for the Government. The purpose of the bill is to preserve export markets, which will preserve jobs in the export sector, preserving tax revenues and avoiding Government transfer payments. The Bureau of the Census estimates that $1 billion of exports translates into 30,800 jobs.

A recent study by Wharton Econometric Forecasting Associates shows that there is a 9 to 1 to as much as a 33-to-1 return to Government on moneys involved in Eximbank financing. In a hypothetical sale of subway cars to Argentina a net Eximbank interest cost of $24.6 million was seen to result in a net gain to the U.S. Government of $823.5 million. This gain is a combination of increased tax revenues and reductions in Government payments for unemployment compensation, welfare, and social security.

Mr. President, administration and private sector representatives have indicated the need for a credible war chest. Robert A. Cornell, Deputy Assistant Secretary of the Treasury for Trade and Investment Policy, stated before the Banking Committee last year, concerning my earlier war chest bill, S. 868:

> The Reagan Administration very much appreciates this bill as a strong statement of Congressional support for our negotiators, and as an important indication of the depth of feeling this issue generates in Congress. We also agree completely with its ultimate objective of reducing officially subsidized export credit competition. Its very existence is a most useful bargaining tool.

Mr. Cornell, remarking on apparent indications toward progress in the negotiations remarked:

> The EC Commission is considering its negotiating position, and there are signs that there may be some constructive evolution in its mandate. Of course, we are skeptical about intimations of improvement in the EC's negotiating mandate. We have been down this road before, only to find that the bridge at the end is washed out.

And as Mr. Gordon C. Hurlbert, president of Westinghouse Power Systems Co., testified:

> We will convince the governments of our chief competitors that we mean business, only when we show them that we can play the same game by having the government-approved financing to back us. Then, and only then, will the United States have the necessary leverage in international negotiations.

Mr. President, Eximbank resources are currently insufficient to play that role. Recent increases in Eximbank interest rates demonstrate the current shortage of the Bank's resources.

William H. Draper, president and chairman of the Eximbank stated that should there fail to be progress in the negotiations, "I would also expect us to focus on a range of proposals to provide us with additional resources, including the kind set forth in S. 868." That is exactly what we are proposing to do today, for progress has been insufficient.

In conclusion, Mr. President, I would note that since the Second World War the United States has relied upon its qualitative advantage to offset its potential adversaries' numerical advantages in manpower and weapons. That strategy has served us well; for it has drawn upon the unparalleled strength of the American economy and American technology. In recent years, however, that lead has begun seriously to erode.

Among the reasons for that erosion has been the predatory export subsidy practices of our chief foreign competitors. By offering cutrate export credit through their official credit agencies, which our own Eximbank has been unable or unwilling to match, and heavily subsidizing their agricultural exports, these countries have been able to garner export sales they would not have otherwise won. That erodes the profit base for U.S. exporters, which in turn affects their ability to devote sufficient funds to research and development. But more insidiously, that strategy has tended to export jobs and technology overseas.

Not being able to compete for foreign sales while based in the United States, American companies are sending more and more of their production abroad, where they can take advantage of official Government export credit support. Many of these companies are at the cutting edge of American military technology. It is simply

not in our national security interests to encourage our aerospace, nuclear, machine tool, or electronics industries to relocate outside of the United States, nor to starve our agricultural sector.

It is one thing to lose an export contract. It is quite another to lose an industry. Should the lack of Exim credit force a General Electric or Westinghouse nuclear producer, or Hughes, or Harris telecommunications, or Boeing, or McDonnell Douglas aerospace to relocate even a significant fraction of their production abroad for financing support, we lose a measure of control over those technologies. Foreign export controls are less stringent, foreign security more lax.

There are three things that have to be done to reverse this dangerous trend.

First, the administration, which has tended to regard the Eximbank as just another distortion of the marketplace, or food stamps for rich corporations, must begin to focus on the reality of the international marketplace in the 1980's and the critical need for a well-funded and aggressive Eximbank in that marketplace. Most of all, they must recognize the linkage between competitive financing in the marketplace and the health of our strategic industries.

Second, the Eximbank must be removed from the unified Federal budget in order to portray better its value to the U.S. economy and to reflect more accurately the economic performance of the Bank. This would have the added advantage of removing Eximbank from the budget battles in Congress caused by misrepresenting assets as expenditures, needlessly inflating the Federal deficit.

Finally, negotiations must be vigorously pursued in order to reach multilateral agreement to end forever the foolish and destructive subsidy competition that has forced the Eximbank and similar agencies in other countries to offer credit support to exporters at below market rates in recent years, while budget deficits increase and credit markets tighten. This multilateral disarmament of the international export subsidy war is not going to be achieved, however, by a unilateral act of U.S. credit disarmament.

The economic security costs of a weak and underfunded Eximbank are clear. We must take a fresh look at the Bank, its place in our economy, and in the Federal budget. This bill should help to set the agenda for that fresh look. The risks of continuing with our present approach are simply too high.

Mr. President, I ask unanimous consent that the text of the bill, along with a section-by-section analysis of its provisions, be included in the RECORD at this point.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 2600

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Export-Import Bank Restructuring Act of 1982".

SEC. 2. (a) The third sentence of section 3 (c) of the Export-Import Bank Act of 1945 (12 U.S.C. 635a (c)) is amended by striking out "Terms of the directors shall be at the pleasure of the President of the United States, and the" and inserting in lieu thereof "The".

(b) Section 3(c) of such Act (12 U.S.C. 635a (c)) is amended by adding at the end thereof the following: "The terms of the directors first appointed after the date of enactment of this sentence, including the President and the First Vice President of the Bank, shall be four years, except that—

"(1) of the directors first appointed pursuant to this sentence, two directors (other than the President and First Vice President of the Bank) shall be appointed for terms of two years, an designated by the President of the United States at the time of their appointment;

"(2) the terms of office of Directors holding office on the date of enactment of this sentence shall expire on January 20, 1985; and

"(3) any person appointed to fill a vacancy shall serve only for the remainder of the four-year or two-year term to which he or she was appointed or until January 20, 1985, as the case may be.".

SEC. 3. (a) Section 2(a) of the Export-Import Bank Act of 1945 (12 U.S.C. 635 (a)) is amended by inserting "(1)" immediately after "Sec. 2. (a)" and by adding at the end thereof the following new paragraph:

"(2) The receipts and disbursement of the Bank in the discharge of its functions (other than salaries and expenses) shall not be included in the totals of the budget of the United States Government and shall be exempt from any annual expenditure and net lending (budget outlays) limitations imposed on the budget of the United States Government. In accordance with the provisions of the Government Corporation Control Act, the President shall transmit annually to the Congress a budget for program activities and for administrative expenses of the Bank, which budget shall also include the estimated annual net borrowing by the Bank from the United States Treasury. The President shall report annually to the Congress the amount of net lending of the Bank, including any net lending created by the net borrowing from the United States Treasury, which would be included in the totals of the budget of the United States Government if the Bank's activities were not excluded from those totals as a result of this section.".

(b) The amendment made by subsection (2) shall take effect on October 1, 1982.

SEC. 4. Section 2 of the Export-Import Bank Act of 1945 (12 U.S.C. 635) is amended by adding at the end thereof the following:

"(d)(1) There is hereby established a fund known as the 'Competitive Agricultural Commodity and Manufactured Product Export Subsidy Fund'. The Fund shall be administered by the Board of Directors. Amounts appropriated to the Fund shall be used to make interest subsidy payments to private lenders and to enter into arrangements with the Commodity Credit Corporation for purposes of enabling such private lenders or the Commodity Credit Corporation to reduce the rate of interest on extensions of credit made for purposes of financing United States exports of agricultural commodities, manufactured products, or other materials.

"(2) Not later than thirty days after the Board of Directors enters into an agreement to make interest subsidy payments, the Board of Directors shall prepare and transmit a report to both Houses of the Congress regarding such agreement. Each such report shall—

"(A) state the purpose for making such interest subsidy payments;

"(B) state the type of United States export involved;

"(C) state the terms and conditions of, and the parties involved in, such interest subsidy payments and the extension of credit involved;

"(D) state, with respect to the type of export involved, the degree of export credit subsidy offered by foreign governments in comparison with the degree of export credit subsidy offered by the Fund;

"(E) explain the methods used to make the comparisons required under subparagraph (D); and

"(F) contain such other information as the Board of Directors considers advisable.

"(3) For purposes of this subsection—

"(A) the term 'Arrangements' means the Arrangement on Guidelines for Officially Supported Export Credits and other existing arrangements, standstills, minutes, and practices involving official export financing to which the United States and other major exporting countries have agreed;

"(B) the term 'Fund' means the Competitive Agricultural Commodity and Manufactured Product Export Subsidy Fund established under paragraph (1);

"(C) the term 'Secretary' means the Secretary of the Treasury; and

"(D) the term 'United States exports' means exports and exchanges of commodities between the United States or any of its territories or insular possessions and any foreign country or the agencies or nationals thereof.

"(4) There are authorized to be appropriated not to exceed $2,000,000,000 to carry out the provisions of this subsection. Such funds shall be available without fiscal year limitation.".

"(5) Section 8 of the Export-Import Bank Act of 1945 (12 U.S.C. § 635f) is amended by striking out "September 30, 1983" and inserting in lieu thereof "September 30, 1988."

SECTION-BY-SECTION ANALYSIS

SHORT TITLE

Section 1 provides that the bill may be cited as the "Export-Import Bank Restructuring Act of 1982."

Terms of Office of the Board of Directors of the Export-Import Bank

Section 2 amends the Export-Import Bank Act of 1945 by providing that the members of the Board of Directors of the Export-Import Bank shall serve for terms of four years, except that two of those Directors (other than the President and First Vice President of the Bank) shall be appointed initially for terms of two years, and then for terms of four years thereafter.

This results in a staggering of terms for the Members of the Board of Directors. The terms of office of the President and Vice President of the Bank and that of one of the other Board Members would correspond with that of the President of the United

States, while the terms of the other two Board Members would expire two years later. The terms of those currently holding office would expire on January 20, 1985.

Off-budget provision

Section 3 amends the Export-Import Bank Act of 1945 by providing that the receipts and disbursements of the Bank shall not be included in the totals of the Federal Budget and shall be exempt from any annual expenditure and net lending outlays limitations imposed on the Federal Budget. This would not apply to administrative expenses of the Bank.

The President would be required, in keeping with the Government Corporation Control Act, to annually transmit to the Congress a budget for program activities of the Bank and administrative expenses, including an estimate of the annual net borrowing by the Bank from the Treasury.

The President shall also annually submit to the Congress a report of the amount of net lending of the Bank, including that created by the net borrowing from the Treasury, that would be included in the totals of the Federal Budget if it were not so excluded by this section. The amendment made by this section would take effect on October 1, 1982.

Competitive Agricultural Commodity and Manufactured Product Export Subsidy Fund

Section 4 establishes at the Bank a Competitive Agricultural Commodity and Manufactured Product Export Subsidy Fund to be administered by the Board of Directors to subsidize the interest rates offered by commercial lenders for financing U.S. agricultural, manufactured, and service exports. In the case of agricultural export support, the Bank is authorized to enter into arrangements with the Commodity Credit Corporation to subsidize the interest rates on loans guaranteed by the CCC. The Bank shall report to the Congress within thirty days of entering into an agreement to make subsidy payments to a commercial lender. Such report shall include the purpose for making the payments; the type of export involved; the terms and conditions of the transaction and the parties involved therein; the nature of the foreign export credit competition; the methods used to compare the foreign export credit competition and the proposed export credit subsidy from the Fund; and other such information as the Board considers advisable. The purpose of the fund is to further negotiations toward the elimination of export subsidization by nullifying and competitive advantage that a foreign exporter might seek from such subsidies.

$2 billion are authorized for the Fund, without fiscal year limitation.●

● Mr. GARN. Mr. President, today I am pleased to join with Senator HEINZ and several other of my colleagues in introducing the Export-Import Bank Restructuring Act of 1982. This is a very important piece of legislation coming at a critical time in the history of the Eximbank.

The Eximbank is under assault from all sides. It is currently in the first deficit period of its existence. Unless the Congress acts, the Bank's loan authorization levels will potentially be at their lowest levels since fiscal year 1979, while demands on the Bank to offer competitive financing arrangements for U.S. exports have never been higher. French, Japanese, British, and others are subsidizing their way into traditionally strong areas of U.S. exports, while the U.S. share of international trade continues to decline, our trade imbalance continues to mount, and more Americans are losing export-related jobs.

A healthy Export-Import Bank is vital to a healthy economy. The Bureau of the Census estimates that every billion dollars of exports provides 30,800 jobs. Trade also tends to be countercyclical. In times of recession our foreign trade tends to increase, creating the demand for goods and services that will put people back to work and shorten a recession.

Mr. President, the Board of Directors of the Eximbank plays a crucial role in forming the future of the Bank. Wisdom and courage and initiative on the part of the members of the Board will be necessary in maintaining the viability of the Bank. And, Mr. President, lest there be any doubt on this score, we approve the appointment of members to the Board in order to promote and defend the Bank and insure that the Bank is complying with the directives that it has received from the Congress. We do not approve their nominations so that they can carry out the Bank's gradual demise.

The Bank has had no control over many of the problems confronting it. On the other hand, it is difficult to absolve the Bank of all responsibility for the problems that it is now required to face. All too often the Bank has been the least among its own advocates. The Bank has a strong case to make for its importance to the country, but one seldom hears anyone from the Bank making that case.

For that reason, I strongly endorse the first part of this bill, that would provide the President and Vice President, and the three other Board members of the Bank, with fixed terms of office. This will give them the institutional room that they need to be true advocates of the Bank instead of amplifiers for the views of bureaucrats at the Office of Management and Budget who poorly understand how the Bank works and its importance to the economy. When the President of the Eximbank joins with the OMB Director to argue for reduced authority for the Bank—over the objections of the Secretary of Commerce and the U.S. Trade Representative—something is wrong.

As a result, the resources available to the Bank are shrinking. With these decreasing resources the Bank faces increasing challenges from export credit facilities in other countries. There have been some minor successes in the effort to end the export credit war, but U.S. policy seems to follow each success with a surrender of ground to the enemy. U.S. negotiators were enthused about their modest success in raising the floor for official export credits to 10 percent. Immediately thereafter, the Eximbank gave away our improved competitive position by upping its rates to an effective 12½ percent. I wonder how serious the Europeans think we really are?

Much of this misplaced fiscal pressure on the Bank might not exist at all if the Bank were not carried the way that it is on the Federal budget. The second part of the bill would modify the budget treatment of the Bank. This is an important measure with a lot of merit. It deserves much more consideration than it has received in the past.

First of all, the Bank does not receive a penny of Federal appropriations. In fact, it is a moneymaking agency that has contributed over a billion dollars to the Treasury in the course of its operations, at the same time that it has supported many tens of billions of dollars of U.S. exports and thus helped to provide millions of man-years of employment.

Second, current budget rules require the Bank to list its loan outlays as expenditures, as though they were grants rather than loans that are repaid with interest. No commercial bank lists its loans as liabilities, the way the Eximbank is forced to do. A loan is a purchase of financial assets. Moreover, the Eximbank has a history of recovering 99.98 percent of all of its loans made.

Mr. President, we need to question very seriously the current budget status of the Bank. We may discover that the Federal budget deficit is inflated by several billion dollars because of inappropriate accounting of Eximbank operations. If we are going to be truly honest about the Federal budget, then let us be truly honest about it and represent the items on that budget in their true light. At the very least, this approach deserves serious consideration and a full airing of all views on budget treatment for Eximbank. That is what this section would accomplish.

The third portion of the bill is a modified version of the Eximbank war chest that I cosponsored early in this Congress and which was reported last summer out of the Bank committee on a vote of 11 to 1. I continue to support fully the concept that in order to bring an end to the war over official export credit subsidies we must show our willingness to fight and win such a war. Without such a special fund as this bill would authorize, our credibility in negotiations is very poor, especially when we have the OMB recommending further reductions in Eximbank's program authority from last year's woefully inadequate levels.

Cutthroat, predatory competition undermines the countercyclical effect of exports, depriving the United States of its appropriate share in world trade. Our recessions deepen, business is lost, Americans lose jobs, and budget deficits increase.

The Export-Import Bank is on the front line of our defense against predatory export financing. If the Bank fails to meet its congressionally mandated responsibility to provide competitive financing for U.S. exports, then many people in this country will suffer. They will suffer in the short run, and they will suffer in the long run, as American industry moves overseas to take advantage of export support unavailable here, and as declining American industries lose their technological edge over competitors.

I do not like to subsidize exports. It distorts the marketplace and wastes resources. I do not like war. But to avoid war you need to have a credible defense. To avoid an export credit war you also need a credible defense, and the Export-Import Bank is our defense department against foreign predatory financing.

I am one who believes in a balanced budget and in cutting expenditures. I am no newcomer on this issue. My record over the nearly 8 years that I have been in the Senate shows a consistent effort to cut costs and reduce the size and influence of Government. But I fail to understand the wisdom in cutting an agency that receives no real appropriations, but which supports billions of dollars of exports and hundreds of thousands of jobs, while at the same time we increase our unemployment expenditures. I invite my colleagues to explain the logic of that to me.

This is a moneysaving proposal In the short run, it will result in increased employment and greater returns to the Treasury. In the longer run it will bring about the movement that we seek in negotiations to end the war in official export credit subsidies.

This bill has the additional advantage of broadening our negotiating tactics by extending its focus to agricultural exports. Both agricultural and manufactured goods are important to our export posture, and both are suffering from predatory export subsidies. This bill would join our efforts on both of these fronts, while at the same time providing an effective and appropriate means whereby the Eximbank can address itself to the needs of agricultural exporters.

Mr. President, this is a well focused, moderate, and reasonable bill. Its hour has come. It is time that we put an end to the efforts of those who would foolishly bring about the demise, however gradual, of the Export-Import Bank. The careful and complete consideration of this significant piece of legislation should bring an end to the false notions that have for too long surrounded this effective and vital agency of the U.S. Government.●

By Mr. D'AMATO (for himself and Mr. Moynihan):

S. 6202. A bill to recognize the organization known as the National Women's Hall of Fame, Inc.; to the Committee on the Judiciary.

NATIONAL WOMEN'S HALL OF FAME

● Mr. D'AMATO. Mr. President, today I am pleased to be introducing legislation which will grant a Federal charter to the National Women's Hall of Fame in Seneca Falls, N.Y. The granting of this charter will provide Federal recognition of the Hall of Fame.

The National Women's Hall of Fame was established in 1979 to provide a permanent place of honor for America's most outstanding women. It is a place where people from across the country can visit and learn about the significant contributions that women have made throughout the Nation's history.

The hall provides fascinating information about the lives and accomplishments of many important women. The stories of Susan B. Anthony, Jane Addams, Clara Barton, Harriet Tubman, Helen Keller, Eleanor Roosevelt, Emily Dickinson, Elizabeth Cady Stanton, Mary McLeod Bethune, Dorothea Dix, Margaret Mead, Dr. Helen Brooke Taussig, and many more, are told through portraits, photographs, letters, and memorabelia. There are also special exhibits which focus on the interpretation of some aspects of women's lives.

American women have made substantial contributions to raising the quality of our social, political, and economic world. It is fitting that they should be honored in such a hall of fame, and I am especially pleased that it is located in Seneca Falls, N.Y.●

By Mr. THURMOND:

S. 2601. A bill to provide for appointment and authority of the Supreme Court Police, and for other purposes; read twice and placed on the calendar.

(The remarks of Mr. Thurmond on this legislation and the text of the bill appear earlier in today's Record.)

By Mr. ROBERT C BYRD:

S. 2603. A bill to amend the Trade Act of 1974 to insure fair trade opportunities, and for other purposes; to the Committee on Finance.

(The remarks of Mr. Robert C. Byrd on this legislation appear earlier in today's Record.)

ADDITIONAL COSPONSORS

S. 349

At the request of Mr. Hart, the Senator from Vermont (Mr. Stafford), the Senator from Wisconsin (Mr. Kasten), the Senator from Alabama (Mr. Denton), the Senator from Alaska (Mr. Murkowski), the Senator from Pennsylvania (Mr. Specter), the Senator from West Virginia (Mr. Randolph), the Senator from Hawaii (Mr. Matsunaga), the Senator from Wyoming (Mr. Simpson), the Senator from Maine (Mr. Cohen), and the Senator from Michigan (Mr. Riegle) were added as cosponsors of S. 349, a bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes.

S. 577

At the request of Mr. Moynihan, the Senator from Maryland (Mr. Sarbanes) was added as a cosponsor of S. 577, a bill to amend the Internal Revenue Code of 1954 to eliminate the requirement that States reduce the amount of unemployment compensation payable for any week by the amount of certain retirement benefits, and for other purposes.

S. 1407

At the request of Mr. Pryor, the Senator from Wisconsin (Mr. Kasten) was added as a cosponsor of S. 1407, a bill to amend title 39, United States Code, by strenthening the investigatory and enforcement powers of the Postal Service by authorizing inspection authority and by providing for civil penalties for violations of orders under section 3005 of such title (pertaining to schemes for obtaining money by false representations or lotteries), and for other purposes.

S. 1657

At the request of Mr. Schmitt, the Senator from South Dakota (Mr. Pressler), the Senator from Illinois (Mr. Dixon), the Senator from Vermont (Mr. Leahy), the Senator from Nebraska (Mr. Zorinsky), the Senator from Illinois (Mr. Percy), the Senator from Arizona (Mr. Goldwater), the Senator from New Mexico (Mr. Domenici), the Senator from Wisconsin (Mr. Kasten), the Senator from Arizona (Mr. DeConcini), the Senator from Oregon (Mr. Hatfield), the Senator from Georgia (Mr. Mattingly), the Senator from Florida (Mrs. Hawkins), the Senator from Iowa (Mr. Jepsen), the Senator from Pennsylvania (Mr. Heinz), the Senator from California (Mr. Hayakawa), the Senator from Michigan (Mr. Riegle), the Senator from Alabama (Mr. Heflin), and the Senator from Missouri (Mr. Danforth) were added as cosponsors of S. 1657, a bill entitled the "Uniform Science and Technology Research and Development Utilization Act."

S. 1706

At the request of Mr. Danforth, his name was withdrawn as a cosponsor of S. 1706, a bill to amend the Clean Air Act to better protect against interstate transport of pollutants, to control existing and new sources of acid deposition, and for other purposes.

S. 1894

At the request of Mr. Melcher, the Senator from Utah (Mr. Hatch), the Senator from Kentucky (Mr. Ford), and the Senator from Hawaii (Mr. Matsunaga) were added as cosponsors of S. 1894, a bill to permit Indian tribes to enter into certain agreements for the disposition of tribal mineral resources, and for other purposes.

S. 1947

At the request of Mr. Weicker, the Senator from Montana (Mr. Baucus) was added as a cosponsor of S. 1947, a bill to improve Small Business access to Federal procurement information.

S. 2000

At the request of Mr. Dole, the Senator from North Carolina (Mr. Helms) was added as a cosponsor of S. 2000, a bill to amend title 11, United States Code, to establish an improved basis for providing relief under chapter 7, and for other purposes.

S.2059

At the request of Mr. Cohen, the Senator from Missouri (Mr. Eagleton) was added as a cosponsor of S. 2059, a bill to change the coverage of officials and the standards for the appointment of a special prosecutor in the special prosecutor provisions of the Ethics in Government Act of 1978, and for other purposes.

S. 2334

At the request of Mr. Durenberger, the Senator from Indiana (Mr. Quayle), the Senator from Nevada (Mr. Cannon), and the Senator from West Virginia (Mr. Randolph) were added as cosponsors of S. 2334, a bill to provide that registration and polling places for Federal elections be accessible to handicapped and elderly individuals, and for other purposes.

S. 2353

At the request of Mr. Robert C. Byrd, his name was added as a cosponsor of S. 2353, a bill entitled "The Life Insurance Taxation Act of 1982."

S. 2446

At the request of Mr. Specter, the Senator from North Dakota (Mr. Andrews) was added as a cosponsor of S. 2446, a bill to amend the Small Business Act and the act entitled "An Act to Amend the Small Business Act and the Small Business Investment Act of 1958," to provide assistance to small business concerns in acquiring procurement information and contracts from the United States.

S. 2455

At the request of Mr. Heinz, the Senator from Arizona (Mr. DeConcini), the Senator from Nebraska (Mr. Zorinsky), the Senator from New York (Mr. D'Amato), the Senator from Montana (Mr. Melcher), the Senator from Hawaii (Mr. Inouye), the Senator from Wyoming (Mr. Wallop), the Senator from Florida (Mr. Chiles), and the Senator from Wisconsin (Mr. Kasten) were added as cosponsors of S. 2455, a bill to extend the targeted jobs tax credit.

S. 2459

At the request of Mr. Randolph, the Senator from Montana (Mr. Baucus) and the Senator from Alabama (Mr. Heflin) were added as cosponsors of S. 2459, a bill to strengthen certain national resources, facilities, and services for deaf/blind individuals, and other handicapped individuals, and for other purposes.

S. 2486

At the request of Mr. Eagleton, the Senator from Texas (Mr. Bentsen) was added as a cosponsor of S. 2486, a bill to authorize the Secretary of Agriculture to purchase stored commodities from producers under certain circumstances.

S. 2513

At the request of Mr. Baucus, the Senator from Colorado (Mr. Hart), the Senator from Oklahoma (Mr. Boren), and the Senator from South Dakota (Mr. Pressler) were added as cosponsors of S. 2513, a bill to require the Secretary of Agriculture to make land diverson payments for the 1982 crops of wheat, feed grains, cotton, and rice and to establish acreage limitation programs for the 1983 through 1985 crops of wheat, feed grains, and cotton if producers approve such programs or if carryovers of such crops reach certain levels, and for other purposes.

S. 2550

At the request of Mr. Heinz, the Senator from Pennsylvania (Mr. Specter) was added as a cosponsor of S. 2550, a bill to provide a program of Federal supplemental unemployment compensation.

SENATE JOINT RESOLUTION 162

At the request of Mr. Roth, the Senator from Mississippi (Mr. Cochran), the Senator from Alabama (Mr. Denton), and the Senator from Georgia (Mr. Mattingly) were added as cosponsors of Senate Joint Resolution 162, a joint resolution to authorize and request the President to designate the week of June 20, 1982, through June 27, 1982, as "National Safety in the Workplace Week."

SENATE JOINT RESOLUTION 183

At the request of Mr. Specter, the Senator from Michigan (Mr. Riegle) was added as a cosponsor of Senate Joint Resolution 183, a joint resolution to authorize and request the President to issue a proclamation designating October 19 through October 25, 1982, as "Lupus Awareness Week."

SENATE CONCURRENT RESOLUTION 73

At the request of Mr. Heinz, the Senator from Idaho (Mr. McClure) was added as a cosponsor of Senate Concurrent Resolution 73, a concurrent resolution to condemn the Iranian persecution of the Bahai community.

SENATE CONCURRENT RESOLUTION 87

At the request of Mr. Tsongas, the Senator from New York (Mr. D'Amato), the Senator from Michigan (Mr. Riegle), the Senator from Rhode Island (Mr. Pell), the Senator from New York (Mr. Moynihan), the Senator from Connecticut (Mr. Dodd), the Senator from Massachusetts (Mr. Kennedy), the Senator from New Jersey (Mr. Bradley), the Senator from Vermont (Mr. Leahy), the Senator from Pennsylvania (Mr. Heinz), and the Senator from California (Mr. Cranston), were added as cosponsors of Senate Concurrent Resolution 87, a concurrent resolution expressing the sense of the Congress that the President should take certain actions with respect to East Timor.

SENATE CONCURRENT RESOLUTION 91

At the request of Mr. Heinz, the Senator from West Virginia (Mr. Randolph), the Senator from North Dakota (Mr. Burdick), and the Senator from Minnesota (Mr. Durenberger) were added as cosponsors of Senate Concurrent Resolution 91, a concurrent resolution to call upon the President to invite the Small Business Administration to participate in the Cabinet Council on Economic Affairs.

SENATE CONCURRENT RESOLUTION 96

At the request of Mr. Glenn, the Senator from Illinois (Mr. Percy), the Senator from Maine (Mr. Mitchell), the Senator from Arkansas (Mr. Bumpers), and the Senator from Pennsylvania (Mr. Specter), were added as cosponsors of Senate Concurrent Resolution 96, a concurrent resolution reaffirming Senate Resolution 179 and House Resolution 177 and urging the President to seek agreement at the Versailles Summit conference that nuclear supplier nations should export nuclear fuel and equipment only to nations that permit full-scope safeguards.

SENATE CONCURRENT RESOLUTION 100

At the request of Mr. Heinz, the Senator from Illinois (Mr. Percy) was added as a cosponsor of Senate Concurrent Resolution 100, a concurrent resolution expressing the sense of the Congress that pending steel unfair trade practice cases be vigorously pursued and promptly concluded.

SENATE RESOLUTION 332

At the request of Mr. Burdick, his name was added as a cosponsor of Senate Resolution 332, a resolution to assure Israel's security and to oppose advanced arms sales to Jordan.

SENATE RESOLUTION 334

At the request of Mr. Metzenbaum, the Senator from Ohio (Mr. Glenn) was added as a cosponsor of Senate Resolution 334, a resolution to express the sense of the Senate disapproving the policy of the administration with respect to railroad retirement for fiscal year 1983.

AMENDMENT NO. 1497

At the request of Mr. Proxmire, the Senator from Louisiana (Mr. Long), the Senator from Michigan (Mr. Riegle), the Senator from North Dakota (Mr. Burdick), the Senator from West Virginia (Mr. Randolph), and the Senator from Nebraska (Mr. Exon) were added as cosponsors of Amendment No. 1497 proposed to H.R. 5922, a bill making urgent supplemental appropriations for the fiscal year ending September 30, 1982, and for other purposes.

AMENDMENT NO. 1549

At the request of Mr. Nickles, his name was added as a cosponsor of Amendment No. 1549 proposed to H.R. 5922, a bill making urgent supplemental appropriations for the fiscal year ending September 30, 1982, and for other purposes.

SENATE CONCURRENT RESOLUTION 103—CONCURRENT RESOLUTION RELATING TO PUBLIC EDUCATION

Mr. HOLLINGS submitted the following concurrent resolution: which was referred to the Committee on Labor and Human Resources:

S. Con. Res. 103

Whereas, the education of out citizens has been a major concern of the Federal Government since the very beginning of our Republic;

Whereas, President George Washington in his farewell address stated that "who that is a sincere friend (of free government) can look with indifference upon attempts to shake the foundation of the fabric? Promote, then as an object of primary importance, institutions of the general diffusion of knowledge. In proportion as the structure of government gives force to public opinion, it is essential that public opinions should be enlightened.";

Whereas, the growth of our country from 13 States to a continent-spanning Nation was accomplished by the growth of free public education.

Whereas, the United States Congress in the Northwest Ordinance of 1787 required that any State brought into the Union must provide for free public education and every State that has entered the Union from that time has been required by Congress to provide for free public education;

Whereas, the economic growth of our Nation has been intertwined with the growth of our system of free public education up to the present day;

Whereas, the results of education have accounted for almost half of our national economic growth since World War II;

Whereas, the United States will not regain our economic preeminence until American industry's leadership and work-force are trained in the most up-to-date methods for enhancing our national competitive posture;

Whereas, education has met the important needs of national security in the past through such programs as the GI Bill, the National School Lunch Act and the National Defense Education Act;

Whereas, there is a concerted attack upon our heritage of free public education through massive spending cuts for vital education programs and such proposals as tuition tax credits;

Whereas, should the proposals for tuition tax credits ever become law, they would undermine the functioning of our education system and return the United States to the time when education was a privilege reserved for the few;

Whereas, a law embodying the tuition tax credit proposal would undermine the basic principle of access to equal educational opportunity for all Americans; and

Whereas, tuition tax credits would polarize our society, undermine the national security, deny each child's access to the American dream and restrict the benefit increased productivity holds for economic prosperity: Now, therefore be it

Resolved by the Senate (the House of Representatives concurring), That the Congress reaffirms that it is the policy if the United States that public education is the cornerstone of our democratic system and that continuing support for our public schools is essential to the realization of the social and economic goals upon which the future of our country depends.

Mr. HOLLINGS. Mr. President, today I submit a concurrent resolution designed to reaffirm the policy of the United States that public education is the cornerstone of our democratic system and that continuing support for our public schools is essential to the success of our Nation.

The importance, Mr. President, of our system of public education to the success story that we call the United States cannot be overstated. Public education has been instrumental in developing within the citizens of this Nation a level of educational capacity that is unsurpassed in the world. Our system has the admiration of the world.

From the earliest days of our Republic the leaders of our Nation have spoken for a system of popular education. James Madison said, "A popular government without popular information, or the means of acquiring it, is but a prologue to a Farce of a Tragedy; or, perhaps both." John Adams said, "The whole people must take upon themselves the education of the whole people and be willing to bear the expense of it." George Washington founded a public school in Alexandria in 1785. Franklin, Jefferson, Jay, and others made equally compelling statements about education or acted to establish a system of education to provide popular education to the young people of the new Nation. These leaders laid the foundation upon which the system was to grow and flourish.

Later leaders seized upon the concept of public education and brought the idea to full blossom. Horace Mann was such a leader. He said,

> The idea of an educational system that was at once both universal, free and available to all the people, rich and poor alike, was revolutionary. This is the great thing about America. No other nation ever had such an institution. Three centuries later, it is a stranger to the bulk of the people of the world. The free public school system which the Puritans conceived has been in large measure the secret of America's success. In these classrooms, children of all races, nationalities and tongues learned a common language and became imbued with one central idea, the American conception that all men are created equal, that opportunities are open to all, that every minority, whether respected or despised, has the same guaranteed rights as the majority. Parents who landed here often brought with them the antagonisms, the rivalries, the suspicions of other continents, but their children became one and united in pursuit of a democratic ideal.

Over the years this winning formula—the public school—has been challenged by self-serving, narrow interests, but fortunately our leaders have kept public education on the right path. Just like other times, today public education is facing significant challenges. Great demands are made on a fragile system that must continually meet higher and higher expectations with less and less resources. There is no need to list the problems confronting the public schools. They are many. But, rather than providing a reason to let them erode still further, they make a compelling case for us to meet the challenge and restore them to the level we desire for our children. The future of our Nation depends in large part on how we meet this challenge.

Franklin D. Roosevelt recognized the importance of our system of public education when he said:

> What our schools do may prove in the long run to be more decisive than any other factor in preserving the form of government we cherish.

We must reverse the present policy of spending reductions for the targeted, categorical programs that assist the needy and disadvantaged students. And, more importantly we must reject the tuition tax credit proposal. It will undermine the public schools and destroy the access to equal educational opportunity for all our children. Lyndon Johnson summed it up well in a couple of statements. Listen to his words:

> At the desk where I sit I have learned one great truth. The answer for our national problems, the answer for all the problems of the world comes to a single word. That word is education. There is no substitute for education unless it is the American public education system.

And—

> The American people amongst their notable contributions to the arts and crafts of civilization have insisted that education not be the prize possession of the few.

Our economic future and national security depends on our recommitment to creating and maintaining an outstanding public education system. As we move to restore economic prosperity to the Nation and revitalize the competitive position of our Nation in the world arena we must realize that our ability to accomplish our goals in this area will depend in large part to our commitment to developing the human capital necessary to get the job done. Our public schools are a proven source of the human capital upon which we must rely. I urge my colleagues in the Senate to join with me in reaffirming our support for the American system of public education.

SENATE RESOLUTION 406—RESOLUTION RELATING TO ARMS SALES TO JORDAN

Mr. KENNEDY (for himself, Mr. Heinz, Mr. Hart, Mr. Boschwitz, Mr. Robert C. Byrd, Mr. Stafford, Mr. Moynihan, Mr. Hatch, Mr. Cranston, Mr. Durenberger, Mr. Levin, Mr. Packwood, Mr. Sarbanes, Mr. Roth, Mr. Jackson, Mr. Dixon, Mr. Proxmire, Mr. Exon, Mr. Riegle, Mr. Metzenbaum, Mr. Baucus, Mr. Biden, Mr. Burdick, Mr. Cannon, Mr. Chafee, Mr. Chiles, Mr. D'Amato, Mr. Danforth, Mr. DeConcini, Mr. Dodd, Mr. Eagleton, Mr. Grassley, Mrs. Hawkins, Mr. Heflin, Mr. Hollings, Mr. Johnston, Mr. Matsunaga, Mr. Mitchell, Mr. Pell, Mr. Pressler, Mr. Pryor, Mr. Sasser, Mr. Specter, Mr. Tsongas, Mr. Weicker, Mr. Zorinsky and Mr. Melcher): submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. Res. 406

Whereas Israel is a stable, democratic and reliable ally of the United States;

Whereas the security of Israel is in the national interest of the United States;

Whereas Jordan continues to oppose the Camp David peace process;

Whereas Jordan has aligned with Iraq, whose government is committed to the destruction of Israel;

Whereas Jordan is purchasing advanced weapons from the Soviet Union;

Whereas the sale of advanced arms to Jordan would jeopardize the security of Israel and increase the overall instability of the region;

Whereas promises to sell advanced US arms to Jordan set the stage for an unnecessary and divisive confrontation with Congress; and

Whereas an escalation of the arms race in the Middle East is contrary to the interests of the United States, Israel and Jordan.

It is the sense of the Senate of the United States of America that:

1. The United States should not sell advanced fighter aircraft, mobile anti-aircraft missiles, or any other advanced arms to Jordan under present conditions, in which Jordan continues to oppose the Camp David peace process and purchases arms from the Soviet Union, and in which such sales jeopardize both the security of Israel and progress towards peace in the Middle East.

2. The United States should ensure that Israel retains its qualitative military edge over any combination of Mideast confrontation states.

3. The United States should focus its efforts on bringing Jordan into direct peace negotiations with Israel.

Mr. KENNEDY. Mr. President, I am pleased to join with Senators Heinz, Hart, Boschwitz and 45 other Members of the Senate in submitting a resolution to oppose the sale of advanced weapons to Jordan.

In recent weeks, it has become clear that the Reagan administration is actively considering sales of F-5G fighter aircraft, portable stinger antiaircraft missiles, and laser-guided bombs to Jordan. The administration never seems to learn; with these arms sales to Jordan, it is picking up in 1982 where it left off in 1981 with its AWACS sales to Saudi Arabia.

Our message to the administration in this resolution is clear beyond any doubt—the United States must not sell arms in the Middle East that jeopardize the security of Israel.

The administration's scheme to sell advanced weapons to Jordan violates that cardinal rule of responsible U.S. policy in the Middle East. I reject the incredible notion that Jordanian warplanes, missiles, and bombs—supplied by the United States and stationed just minutes away from the Western Wall in Jerusalem, the factories of Tel Aviv, and the kibbutzim in Galilee—will not constitute a real danger to the people of Israel.

The F-5G is equipped to carry highly advanced sidewinder missiles, which we are also supplying to Saudi Arabia; these aircraft can also be readily integrated into the AWACS system, which we are also selling to the Saudis. The portable stinger antiaircraft missile is so effective that it is restricted to use only by NATO troops; it has never before been sold outside Europe. In the arsenal of Jordan, these weapons would constitute a threat to Israeli air superiority in the Middle East; they would increase the clear and present danger to the security of the State of Israel.

Jordan continues to oppose the Camp David Peace Process. It has repeatedly refused to enter peace negotiations with Israel and Egypt. Present U.S. policies are not bringing Jordan a single step closer to the bargaining table. Yet the administration appears determined to transfer dangerous weapons and weapons systems to Jordan, Saudi Arabia, and other confrontation states in the Middle East, in reckless disregard of peace in the region and the security of our ally Israel.

Still another ominous development has come to our attention. I understand that the Commerce Department has just approved the sale of six L-100 transport aircraft to Iraq, which is a military ally of Jordan, a supporter of international terrorism, and one of the most extreme enemies of Israel. In recent weeks, I have joined in legislation to prevent trade with Iraq and other terrorist governments; I strongly object to this latest decision, which is one more example of the administration's insensitivity to Israel and acquiescence in terrorism in the Middle East.

Our resolution is designed to encourage the administration to halt its escalation of the arms race in the Middle East and to pursue a policy of peace. In addition to disapproving the sale of advanced weapons to Jordan under present conditions, the resolution provides that the United States should insure the continued qualitative military edge of Israel over any combination of Mideast confrontation States, and encourages the administration to bring Jordan into direct peace negotiations with Israel.

As sponsors of this resolution, we intend to seek its approval by the Senate at the earliest opportunity. The sale by the United States of advanced weapons to the enemies of Israel is unacceptable in terms of American foreign policy and unacceptable in terms of basic morality.

Mr. President, I urge our colleagues to join with us in support of our Senate resolution and to pledge the continuing and unwavering support of the United States for the security of Israel and for peace in Middle East.

Mr. HEINZ. Mr. President, today Senator Kennedy and I and a large number of other Senators are submitting a resolution expressing opposition to the sale of advanced weapons systems to Jordan and to encourage the refocusing of U.S. efforts on more constructive ways to bring Jordan into the peace process.

Although no formal announcement of a sale has been made yet, reports persist that we have agreed to it, and in view of the significant adverse impact this will have on the prospects for peace in the Middle East it is essential that the Senate go on record soon expressing its opposition.

Clearly the sale will adversely affect Israel's security, but beyond that there are also long-term U.S. policy reasons as to why such a sale is unwise.

First, it continues our apparent policy of trying to buy peace by selling more and more weapons to all parties. Jordan now threatens to follow shortly in the steps of Saudi Arabia. The recent State Department decision to remove Iraq from its list of nations supporting terrorism and the subsequent Commerce Department decision to license L-100 aircraft for sale to Iraq makes one wonder whether that nation will be next on the list to receive sophisticated weapons. The result of this policy can only be to make it more likely that violence will occur and to increase the level of that violence when it does happen. Serving as arms merchant to the world is no way to produce peace.

Beyond the destructive effect such sales have on the overall political and strategic climate in the Middle East, we must also consider the specific question of Jordan, how we might persuade it to play a useful role in peace negotiations and how additional weapons sales fit into such a plan.

Despite a long reputation as a moderate and continuing hopes that Jordan would find a way to participate in the Camp David process, the sad fact is that the Government has consistently failed to live up to those expectations and for a variety of reasons has chosed a less conciliatory path. A recent editorial in the Philadelphia Inquirer clearly and concisely summarized Jordan's lack of cooperation in the peace process. I ask unanimous consent that the editorial be printed at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Philadelphia Inquirer, May 10, 1982]

Why More Arms to Hussein?

"Our commitment will be kept," President Reagan wrote last February in a letter to "Dear Menachem" Begin, Israel's prime minister. "I am determined to see that Israel's qualitative technological edge is maintained and am mindful as well of your concerns with respect to quanitative factors and their impact upon Israel's security."

Mr. Reagan has an odd way of keeping his committment. Officials have let it be known that the administration has offered to let Jordan buy two squadrons of one of America's newest and best jet fighters, the F-5G Tigershark, which the United States has sold to no other country, along with an unknown number of shoulder-held Singer heat-seeking missiles.

A similar proposal, launched by Defense Secretary Caspar W. Weinberger during his visit to Jordan, evoked a storm of protest in Israel and cause Mr. Reagan to send his letter of reassurance to the Israeli prime minister. The proposal then was to send F-16 jet fighters and mobile Hawk missiles. The Israeli Knesset, as contentious a parliament as any in the free world, came close to unanimity, voting 88-3 (the three being the Communist members) for a resolution expressing "deep concern" over Mr. Weinberger's proposal, which "poses a serious danger to Israel's security."

Why is the administration so eager to provide King Hussein with so much and such sophisticated weaponry? What has King Hussein done for us lately?

Has he joined the Camp David peace process? He has not. He refused from the beginning, when in November, 1977, the late Egyptian President Anwar Sadat courageously went to Jerusalem to call for "no more war," and he refuses to this day.

Has he launched any peace initiatives of his own? No. Has he at least taken a passive role in the peace process, standing aside and letting it go forward? To the contrary. In mid-March, during the growing tension on the occupied West Bank, the Jordanian government announced that Palestinians who cooperated with Israel would be prosecuted for treason.

King Hussein wants American arms. Why doesn't the Reagan administration insist on getting something in return, the something being Jordan's participation in the peace process?

American officials keep saying that King Hussein is a "good friend" and that "we want Jordan to be secure." The United States should be telling him that a "good friend" with his hand out should not be subverting America's interests. It should be telling him that a "good friend" will not, as King Hussein has done, threaten to get arms from the Soviet Union if the United States does not yield to his importunaties. It should be telling him that the way for Jordan to protect its own security is to make peace with Israel.

Mr. HEINZ. Mr. President, no one is going to argue that achieving peace in the Middle East is a simple or painless process. At best progress has proven slow, and setbacks are common. Nevertheless, our participation in the process must be governed by some carefully developed principles.

First, we should oppose steps that increase the threat of violence. That means reducing Arab arms sales.

Second, we should reward the cooperative, not the intransigent, a point I made during the AWACS debate as well.

Third, we should recognize we cannot force a settlement. It must emerge from the various parties.

Fourth, we should focus on established states, not extralegal groups like the PLO.

Fifth, we must treat Israel not like an unwelcome problem, but like a friend, a firm ally and the only democratic regime in the Middle East.

Mr. President, it is difficult to see how this proposed sale furthers these principles, and I oppose it. Our resolution would express that opposition but would also seek to redirect our policy toward efforts to bring Jordan into the circle of peace negotiations with Israel. That path—the continuation of the Camp David process—holds out more hope of ultimate success than any other course of action at this time. It is a process that has proven results and which maintains a U.S. role at its center. With the adoption of this resolution we can reaffirm our support for that process and increase its momentum.

● **Mr. METZENBAUM.** Mr. President, I am pleased to join Senators Kennedy, Heinz, and others in introducing this resolution expressing the opposition of the Senate to the transfer of advanced military equipment to Jordan.

Earlier this year, Defense Secretary Weinberger indicated that we might be prepared to consider favorably a Jordanian request to purchase F-16 aircraft and mobile Hawk missiles.

I was among those at that time who expressed strong opposition to a sale that if carried through, would provide to a nation that has actively impeded the Camp David peace process a vastly enhanced ability to launch offensive military operations against Israel. The people of Israel need not be reminded of the use made by Egypt during the Yom Kippur War of 1973 of Soviet-made mobile antiaircraft missiles. Those missiles were employed to great effect to protect Egypt's advancing ground forces from Israeli air strikes. And Jordan, of course, is much closer than Egypt to Israel's vital centers of population.

Now, reports are circulating that Jordan's shopping list goes well beyond the Hawk mobile missiles.

Jordan, it is said, wants laser-guided "smart bombs."

Jordan is also supposed to be in the market for our Stinger antiaircraft missiles. The Stinger can be carried into battle and fired by one soldier. And I do not care to speculate, Mr. President, on what might happen were Stinger missiles to fall into terrorist hands.

In addition, Jordan is said to want the advanced F-5G aircraft, a plane that can carry sophisticated AIM 9-L Sidewinder missiles.

Those are the missiles that relatively slow British Harriers have been using in the South Atlantic to shoot down what should have been superior Argentinian fighter planes. They are the missiles, Mr. President, that were provided by the Reagan administration to Saudi Arabia as part of the AWACS deal. And they are the same missiles that at the time of the original F-15 sale, we were solemnly assured that Saudi Arabia would never get.

But the F-5G cannot only carry the AIM 9-L, it can also be easily integrated into the Saudi AWACS system.

Obviously, F-5G's in Jordan would greatly increase what is already a serious threat to Israel, a loyal American ally and the only democracy in the Middle East.

Mr. President, I believe that it is time for the Members of this body to call upon this administration to back away from an arms export policy that makes available our most lethal weapons to virtually all comers.

I believe that it is time for our leaders to tell countries like Jordan and Saudi Arabia that we will not provide the instruments of war to nations that reject the search for peace.

And I believe that above all, it is time to say that this Nation is not prepared to arm those who deny the right of Israel even to exist.

Mr. President, I was appalled to learn that the Reagan administration might even be considering a sale of this kind.

And I hope that this resolution will convey to the administration the determination of its sponsors to defeat any move in this irresponsible and destabilizing direction.●

● Mr. GRASSLEY. Mr. President, although I have cosponsored a resolution, which was submitted today by Senators HEINZ and KENNEDY, to oppose advanced arms sales to Jordan, I wish to make it clear at this time that my cosponsorship will not preclude me from giving full consideration to such a sale if it is submitted to the Senate by the administration.

Arms sales bring only limited influence. Our hope in the Middle East is in the continuing Camp David process, which we hope will bring peace and stability to the region, not in arms sales. In the wake of the recent sale of AWACS and F-15 enhancements to Saudi Arabia, it is more important than ever to be sensitive to Israel's concerns and legitimate defense needs. This sale concerns Israel deeply.

Before I can agree to a sale of the type that has been discussed, the following questions must be answered: Does Jordan require such sophisticated weaponry? Will acquisition of F-16 fighter aircraft and improved Hawk surface-to-air missiles increase the likelihood of Jordanian involvement in future Middle East conflicts? Does the sale violate United States commitments to maintain Israel's qualitative military advantage? Does the sale imperil the security of advanced U.S. military technology? Has Jordan lived up to United States expectations in Middle East peace negotiations? Is the United States providing the equipment because of a Jordanian threat to seek Soviet arms? Will the sale further destabilize the Middle East?

I hope and trust that the administration will bear these concerns in mind as it considers the matter of arms sales to Jordan.●

NOTICE OF MOTION TO SUSPEND THE RULE

Mr. LUGAR submitted the following notice in writing:

In accordance with rule V of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend rule XV, paragraphs 1, 2, and 4 of rule XVI, as well as that phrase of rule XXII, paragraph 2, which states that "No . . . amendment not germane shall be in order," for the purpose of making in order that committee amendment to the bill (H.R. 5922) making urgent supplemental appropriations for the fiscal year ending September 30, 1982, and for other purposes, appearing on page 23, line 5 through page 29, line 8 as well as an amendment thereto as follows:

"EMERGENCY MORTGAGE INTEREST REDUCTION PAYMENTS

"For Emergency mortgage interest reduction payments, $5,120,000,000 to remain available until expended. Such amount shall be made available under the terms and conditions of the following paragraphs:

(a) For the purpose of assisting middle and lower income families in acquiring a home, a manufactured home, or membership in a cooperative association operating a housing project or in substantially rehabilitating a home or a unit in a cooperative housing project, the Secretary of Housing and Urban Development, hereafter referred to as the Secretary, is authorized through the Government National Mortgage Association, to make and to contract to make periodic interest reduction payments on behalf of such families. Such assistance shall be accomplished through payments to mortgagees and lenders or their transferees holding mortgages and loans meeting the requirements of this heading.

(b) The Secretary may not enter into any contract to make emergency home mortgage interest reduction payments under this heading during any month unless the Federal Home Loan Bank Board's home mortgage interest rate index for conventional home mortgage loans closed, based on the moving average for the most recent two-month period, exceeds 12.5 per centum annum.

(c) To be eligible for emergeny interest reduction payments under this heading, the first mortgage or loan secured by the property, manufactured home, or shares in a cooperative must meet the requirements of or be insured under section (g).

(d) Assistance payments under this heading may be made over a period of not to exceed five years with respect to any mortgage.

(e) The amount of all emergency interest reduction payments made under this heading shall constitute a second lien on the property or shares with respect to which the payments are made and shall be repayable—

(1) when the property is sold;

(2) when the property ceases to be the principal residence of the mortgagor or borrower;

(3) upon any other disposition of the property specified in regulations of the Secretary; or

(4) upon the refinancing of the first mortgage or loan on the property or shares,

except that the amount repaid may not exceed 60 per centum of the homeowner's net equity, as determined by the Secretary.

(f) The amount of the emergency mortgage interest reduction payments with respect to any mortgage or loan shall be an amount not exceeding the lesser of—

(1) the difference between the amount of the monthly payment for principal and interest which the mortgagor or borrower is obligated to pay under the mortgage or loan, and the monthly payment for principal and interest which the mortgagor or borrower would be obligated to pay if the mortgage or loan were to bear interest at the rate of 11 per centum per annum; and

(2) the difference between the amount of the monthly payment for principal and interest which the mortgagor or borrower is obligated to pay under the mortgage or loan, and the monthly payment for principal and interest which the mortgagor or borrower would be obligated to pay if the mortgage or loan were to bear interest at a rate four percentage points less than the rate specified in the mortgage or loan.

(g) Notwithstanding any other provision of law, the Secretary may assist or may insure a mortgage or loan which shall—

(1) be executed by a mortgagor or borrower whose total family income did not exceed $30,000 during the year preceding the application for the mortgage or loan and who intends to occupy the property as a principal residence, except that the limitation contained in this paragraph may be increased to not to exceed $37,000 where necessary for mortgagors and borrowers to qualify for increased principal amounts established by the Secretary pursuant to paragraph (2);

(2) have a principal obligation not to exceed $67,500, except that the Secretary may establish increased principal amounts of not to exceed 115 per centum of such amount in any area which has been determined to have high prevailing housing sales prices pursuant to section 203(b)(2) of the National Housing Act, but in calculating the amount of the interest reduction payments pursuant to subsection (f), the Secretary shall disregard any part of the monthly payment on that part of the mortgage or loan which exceeds $67,500;

(3) involve a one- to four-family dwelling the construction, substantial rehabilitation, or manufacture of which commenced on or after the date of enactment of this section heading and was substantially completed by January 1, 1983;

(4) provide for complete amortization over a period of not to exceed thirty years, but provide that (A) the mortgagee or loan payment shall be adjusted for the second, third, fourth, fifth, and sixth years of the mortgage or loan by increasing the payment required during each such year by 0.75 per centum of the original principal obligation, and (B) the amount of the increase will be applied to reduce the principal obligation;

(5) provide, after the sixth year, for equal monthly payments in the same amount as the amount required in the sixth year, but only for the period necessary to pay off the remaining principal obligation;

(6) have been accompanied by disclosures of the scheduled adjustments in the monthly payment and of the requirements of section (e);

(7) be originated by a mortgagee or lender who is responsible and able to service the mortgage or loan properly;

(8) in the case of a manufactured home loan, comply with the regulations issued under section 501(c) of the Depository Institutions Deregulation and Monetary Control Act of 1980; and

(9) bear interest and contain such other terms and conditions as the Secretary may prescribe.

(h) The Secretary shall allocate the amount available to carry out this program among the States on the basis of a formula so that—

(1) one-third of such amount is allocated on the basis of the ratio of the population of each State to the population of all States;

(2) one-third of such amount is allocated on the basis of the percentage decline in one- to four-family housing starts, measured from 1978 to 1981, of each State relative to the percentage decline for all States; and

(3) one-third of such amount is allocated on the basis of the ratio of each State's number of unemployed persons for the most recent three-month period for which data are available prior to the allocation to the number of unemployed persons for all States for such three-month period.

(i) Any mortgage insured or assisted under this heading shall be eligible for purchase by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(j)(1) The Secretary shall assure that the amounts allocated pursuant to subsection (h) are made available in a manner which maximizes participation by eligible lenders and borrowers.

(2) The Secretary shall maximize timely utilization of authority under this heading by limiting the time within which a firm commitment may be issued to ninety days after the commitment (other than a firm commitment) is made.

(3) Notwithstanding any other provision of law, the Secretary shall issue final regulations, make allocations, and begin to issue commitments pursuant to this heading not later than thirty days after the enactment to carry out this section of this bill.

(k) The funds provided under this heading shall remain available for commitment until November 1, 1982.

NOTICE OF MOTION TO SUSPEND THE RULES

Mr. RIEGLE submitted the following notice in writing:

In accordance with rule V of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph(s) 1, 3, and 4 of rule XVI and paragraph 2 of rule XXII for the purpose of proposing an amendment to H.R. 5922; namely:

Starting on page 23, line 5, strike all through page 29 line 7, and insert the following:

INTEREST REDUCTION PAYMENTS AND EMERGENCY MORTGAGE RELIEF ADVANCES

For home mortgage interest reduction payments and emergency mortgage relief advances, $1,000,000,000, to remain available until expended. Such amount shall be made available for payments of contracts authorized under the terms and conditions of the following subheadings: *Provided*, That the aggregate amount of payments and advances over the duration of the contracts shall not exceed $5,620,000,000 of which not more than $500,000,000 shall be used for emergency mortgage relief advances.

INTEREST REDUCTION PAYMENTS

(a) For the purpose of assisting middle and lower income families in acquiring a home, a manufactured home, or membership in a cooperative association operating a housing project or in substantially rehabilitating a home or a unit in a cooperative housing project, the Secretary of Housing and Urban Development (hereafter referred to as the "Secretary") is authorized through the Government National Mortgage Association, to make and to contract to make periodic interest reduction payments on behalf of such families. Such assistance shall be accomplished through payments to morgagees and lenders or their transferees holding mortgages and loans meeting the requirements of this subheading.

(b) The Secretary may not enter into any contract to make emergency home mortgage interest reduction payments under this subheading during any month unless the Federal Home Loan Bank Board's home mortgage interest rate index for conventional home mortgage loans closed, based of the moving average for the most recent two-month period, exceeds 12.5 per centum per annum.

(c) To be eligible for emergency interest reduction payments under this subheading, the first mortgage or loan secured by the property, manufactured home, or shares in a cooperative must meet the requirements of or be insured under subsection (G).

(d) Assistance payments under this subheading may be made over a period of not to exceed five years with respect to any mortage.

(e) The amount of all emergency interest reduction payments made under this subheading shall constitute a second lien on the property or shares with respect to which the payments are made and shall be repayable—

(1) when the property is sold;

(2) when the property ceases to be the principal residence of the mortgagor or borrower;

(3) upon any other disposition of the property specified in regulations of the Secretary; or

(4) upon the refinancing of the first mortgage or loan on the property or shares;

except that the amount repaid may not exceed 60 per centum of the homeowner's net equity, as determined by the Secretary.

(f) The amount of the emergency mortgage interest reduction payments with respect to any mortgage or loan shall be an amount not exceeding the lesser of—

(1) the difference between the amount of the monthly payment for principal and interest which the mortgagor or borrower is obligated to pay under the mortgage or loan, and the monthly payment for principal and interest which the mortgagor or borrower would be obligated to pay if the mortgage or loan were to bear interest at the rate of 11 per centum per annum; and

(2) the difference between the amount of the monthly payment for principal and interest which the mortgagor or borrower is obligated to pay under the mortgage or loan, and the monthly payment for principal and interest which the mortgagor or borrower would be obligated to pay if the mortgage or loan were to bear interest at a rate four percentage points less than the rate specified in the mortgage or loan;

except that the Secretary shall, in any case, require the mortgagor or borrower to pay at least 25 per centum of the mortgagor's or borrower's income with respect to the principal and interest.

(g) Notwithstanding any other provision of law, the Secretary may assist under this subheading or may insure a mortgage or loan which shall—

(1) be executed by a mortgagor or borrower whose total family income did not exceed $30,000 during the year preceding the application for the mortgage or loan and who intends to occupy the property as a principal residence, except that the limitation contained in this paragraph may be increased to not to exceed $37,000 where necessary for families to quality for increased principal amounts established by the Secretary pursuant to paragraph (2);

(2) have a principal obligation not to exceed $67,500, except that the Secretary may establish increased principal amounts of not to exceed 115 per centum of such amount in any area which has been determined to have high prevailing housing sales prices pursuant to section 203(b)(2) of the National Housing Act, but in calculating the amount of the interest reduction payments pursuant to subsection (f), the Secretary shall disregard any part of the monthly payment on that part of the mortgage or loan which exceeds $67,500;

(3) involve a one- to four-family dwelling the construction, substantial rehabilitation, or manufacture of which commenced on or after the date of enactment of this section heading and was substantially completed by January 1, 1983;

(4) provide for complete amortization over a period of not to exceed thirty years, but, at the option of the mortgagor or borrower, such mortgage or loan may provide that (A) the mortgage or loan payment shall be adjusted for the second, third, fourth, fifth, and sixth years of the mortgage or loan by increasing the payment required during each such year by 0.75 per centum of the original principal obligation, (B) the amount of the increase will be applied to reduce the principal obligation, and (C) after the sixth year, the monthly payments shall be equal and in the same amount as the amount required in the sixth year, but only for the period necessary to pay off the remaining principal obligation;

(5) have been accompanied by disclosures of any scheduled adjustments in the monthly payment and of the requirements of subsection (e);

(6) be originated by a mortgage or lender who is responsible and able to service the mortgage or loan properly;

(7) in the case of a manufactured home loan, comply with the regulations issued under section 501(c) of the Depository Institutions Deregulation and Monetary Control Act of 1980; and

(8) bear interest and contain such other terms and conditions as the Secretary may prescribe.

(h) The Secretary shall allocate the amount available to carry out this program among the States on the basis of a formula so that—

(1) one-third of such amount is allocated on the basis of the ratio of the population of each State to the population of all States;

(2) one-third of such amount is allocated on the basis of the percentage decline in one- to four-family housing starts, measured from 1978 to 1981, of each State relative to the percentage decline for all States; and

(3) one-third of such amount is allocated on the basis of the ratio of each State's number of unemployed persons for the most recent three-month period for which data are available prior to the allocation to the number of unemployed persons for all States for such three-month period.

(i) Any mortgage insured or assisted under this heading shall be eligible for purchase by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(j)(1) The Secretary shall assure that the amounts allocated pursuant to subsection (h) are made available in a manner which maximizes participation by eligible lenders and borrowers.

(2) The Secretary shall maximize timely utilization of authority under this subheading by limiting the time within which a firm commitment may be issued to ninety days after the commitment (other than a firm commitment) is made.

(3) Notwithstanding any other provision of law, the Secretary shall issue final regulations, make allocations, and begin to issue commitments pursuant to this heading not later than thirty days after the enactment to carry out this section of this bill.

EMERGENCY MORTGAGE RELIEF ADVANCES

(a)(1) The Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") shall make, and contract to make, subject to the provisions of this subheading, loans in the form of emergency mortgage relief advances directly to mortgagees on behalf of homeowners whose mortgages are held by such mortgagees and who are delinquent in their mortgage payments.

(2) For the purpose of this subheading, the Secretary shall contract to make, and

make. loans under this subheading when. on an average monthly basis for a period of 3 consecutive months—

(A) the amount of funds represented by mortgage loans and contracts which are accounted for in a mortgage delinquency series maintained by the Federal Home Loan Bank Board and for which payments have been delinquent for 60 days or more. exceeds

(B) 1.3 per centum of all funds represented by mortgage loans and contracts accounted for in such series.

except that where the amount of funds determined under subparagraph (A) does not exceed 1.3 per centum of all funds represented by mortgage loans and contracts in such series on a nationwide basis. the Secretary shall make such loans available in any State where the average unemployment rate for the prior three months exceeds the national unemployment rate by more than 15 per centum.

(3)(A) For the purpose of determining when loans are to be made available pursuant to paragraph (2). the Secretary shall take into account all months beginning with or after the third month before the date of enactment of this subheading.

(B) When the condition described in paragraph (2) first occurs after the date of enactment of this subheading. the Secretary shall begin to contract to make. and to make. loans at the beginning of the first month following the month in which the series indicates that such condition has occurred.

(4) The mortgage delinquency series referred to in paragraph (2) shall be made available by the Federal Home Loan Bank Board to the Secretary and to the Congress on a monthly basis and shall contain data on the previous month's mortgage delinquency rate.

(b)(1) Once the Secretary begins to make loans pursuant to subsection (a). the Secretary shall continue to contract to make. and make. the loans available until the date on which the mortgage delinquency series referred to in subsection (a)(2) indicates that the amount of funds represented by sixty-day delinquent mortgage loans and contracts accounted for in such series has declined to below 1.2 per centum of all funds represented by mortgage loans and contracts accounted for in such series. except that—

(A) loans shall continue to be made available pursuant to contracts entered into before such date;

(B) the Secretary shall. to the extent of available funds. reinstitute the program established by this title whenever the delinquency rate condition described in subsection (a)(2) reoccurs; and

(C) the Secretary shall continue to make such loans in any Federal Home Loan Bank district which continues to meet the requirement of subsection (a)(2).

(2) In any case in which the program is reinstituted. the Secretary shall begin to contract to make. and make. loans beginning with the day after the date on which the mortgage delinquency series indicates that the delinquency rate condition described in such subsection has reoccurred.

(c) Emergency mortgage relief loans shall be made only with respect to a mortgage which meets the requirements of subsection (e) of this subhead. only in accordance with the provisions of subsection (f) of this subheading and only on terms and conditions which the Secretary determines to be necessary to carry out the provisions and purposes of this subheading.

(d) The Secretary may make such delegations and accept such certifications with respect to the processing of mortgage relief loans provided under this subheading as he deems appropriate to facilitate the prompt and efficient implementation of the assistance authorized under this subheading.

(e) Assistance may be extended with respect to a mortgage under this subheading only of the Secretary finds that—

(1) the holder of the mortgage has indicated to the mortgagor its intention to foreclose and foreclosure would result if assistance under this subheading were not provided;

(2) payments under the mortgage have been delinquent for at least three months. except that the Secretary may waive such requirement where foreclosure is imminent prior to the close of the three-month period;

(3) the mortgagor has incurred a substantial reduction in income as a result of involuntary unemployment or underemployment due to adverse economic conditions and is financially unable to make full mortgage payments;

(4) there is a reasonable prospect that the mortgagor will be able to make the adjustments necessary for a full resumption of mortgage payments; and

(5) the mortgaged property is the principal residence of the mortgagor.

(f)(1) Loans under this subheading on behalf of a homeowner may be made available in monthly advances an amount not to exceed the lesser of (A) 80 per centum of the amount of the principal. interest. taxes. ground rents. hazard insurance. and mortgage insurance premiums due each month under the homeowner's mortgage; or (B) $600 per month. except that in no case may the amount of such assistance exceed the amount determined to be reasonably necessary to supplement the amount which the Secretary determines the homeowner is capable of contributing toward such mortgage payment.

(2) Monthly payments may be provided under this subheading for up to 12 months. plus any period of delinquency. and in accordance with criteria prescribed by the Secretary. such monthly payments may be extended once for up to 6 additional months. A mortgagor receiving the benefit of assistance pursuant to this subheading shall be required. in accordance with criteria prescribed by the Secretary. to report any increase in income which will permit a reduction or termination of such assistance during this period.

(3) Loans made under this subheading shall be repayable by the homeowner upon such terms and conditions as the Secretary shall prescribe. except that interest on a loan shall not be charged at a rate which exceeds the sum of the average yield on all outstanding marketable obligations of the United States at the time the loan is made. plus 1 percentage point.

(4) The Secretary shall provide for the deferral of the commencement of the repayment of a loan for such period of time following the date of the last disbursement of the proceeds of the loan as may be necessary to further the purpose of this subheading.

(5) The Secretary shall by regulation require such security for the repayment of loans under this subheading as he deems appropriate and may require that such repayment be sucured by a lien on the mortgaged property.

(g)(1) The Secretary is authorized to issue such rules and regulations as may be necessary to carry out the provisions of this subheading.

(2) Notwithstanding any other provision of law relating to the acquisition. handling. improvement. or disposal of real or other property by the United States. the Secretary shall have power. for the protection of the interest of the United States. to pay all expenses or charges in connection with the acquisition. handling. improvement. or disposal of any property. real or personal. acquired by the Secretary as a result of recoveries under security. subrogation. or other rights.

(3) In the performance of. with respect to. the functions. powers. and duties vested in the Secretary by this subheading. the Secretary shall—

(A) have the power. notwithstanding any other provision of law. whether before or after default. to provide by contract or otherwise for the extinguishment upon default of any redemption. equitable. legal. or other right or title in any mortgage. deed. trust. or other instrument held by or held on behalf of the Secretary under the provisions of this subheading; and

(B) have the power to foreclose on any property or commence any action to protect or enforce any right conferred upon the Secretary by law. contract. or other agreement. and bid for and purchase at any foreclosure or other sale any property in connection with which assistance has been provided pursuant to this subheading. In the event of any such acquisition. the Secretary may. notwithstanding any other provision of law relating to the acquisition. handling. or disposal of real property by the United States. complete. remodel and convert. dispose of. lease. and otherwise deal with. such property. The Secretary also shall have power to pursue to final collection by way of compromise or otherwise all claims acquired by him in connection with any security. subrogation. or other rights obtained by him in administering this subheading.

(h) Each Federal supervisory agency. with respect to financial institutions subject to its jurisdiction. and the Secretary. with respect to other approved mortgagees. shall prior to January 1. 1983 (A) take appropriate action. not inconsistent with laws relating to the safety or soundness of such institutions and mortgagees. to waive or relax limitations pertaining to the operation of such institutions or mortgagees with respect to mortgage delinquencies in order to cause or encourage forbearance in residential mortgage loan foreclosures. and (B) request each such institution or mortgagee to notify that Federal supervisory agency and the mortgagor. at least thirty days prior to instituting foreclosure proceedings in connection with any mortgage loan. For the purpose of this subsection. the term "Federal supervisory agency" means the Board of Governors of the Federal Reserve System. the Board of Directors of the Federal Deposit Insurance Corporation. the Federal Home Loan Bank Board. the Comptroller of the Currency. the Federal Savings and Loan Insurance Corporation. and the National Credit Union Administration Board.

(i) No loan shall be made under this subheading after the expiration of 18 months after the date of enactment of this subheading unless such loan is made with respect to a mortgagor receiving the benefit of a loan under this subheading on such date.

AUTHORIZATION

There are authorized to be appropriated to carry out the provisions of this heading not to exceed $5,620,000,000: *Provided*, That the authority to enter into contracts under this heading for interest reduction payments shall remain available for commitment until November.

AMENDMENTS SUBMITTED FOR PRINTING

URGENT SUPPLEMENTAL APPROPRIATION, 1982

AMENDMENT NOS. 1661 THROUGH 1672

(Ordered to be printed and to lie on the table.)

Mr. **ARMSTRONG** submitted 12 amendments intended to be proposed by him to an amendment to the bill (H.R. 5922) making urgent supplemental appropriations for the fiscal year ending September 30, 1982, and for other purposes.

AMENDMENT NO. 1673

(Ordered to be printed and to lie on the table.)

Mr. **ARMSTRONG** submitted an amendment intended to be proposed by him to a committee amendment to the bill H.R. 5922, supra.

AMENDMENT NOS. 1674 THROUGH 1688

(Ordered to be printed and to lie on the table.)

Mr. **ARMSTRONG** submitted 15 amendments intended to be proposed by him to an amendment to the bill H.R. 5922, supra.

AMENDMENT NOS. 1689 AND 1690

(Ordered to be printed and to lie on the table.)

Mr. **DODD** submitted two amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1691 AND 1692

(Ordered to be printed and to lie on the table.)

Mr. **DODD** submitted two amendments intended to be proposed by him to an amendment to the bill H.R. 5922, supra.

AMENDMENT NOS. 1693 THROUGH 1695

(Ordered to be printed and to lie on the table.)

Mr. **HELMS** submitted three amendments intended to be proposed by him to an amendment to the bill H.R. 5922, supra.

AMENDMENT NOS. 1696 THROUGH 1703

(Ordered to be printed and to lie on the table.)

Mr. **HELMS** submitted eight amendments intended to be proposed by him to amendment No. 1642 to the bill H.R. 5922, supra.

AMENDMENT NOS. 1704 THROUGH 1710

(Ordered to be printed and to lie on the table.)

Mr. **HELMS** submitted seven amendments intended to be proposed by him to an amendment to the bill H.R. 5922, supra.

AMENDMENT NO. 1711

(Ordered to be printed and to lie on the table.)

Mr. **EXON** submitted an amendment intended to be proposed by him to amendment No. 1642 to the bill H.R. 5922, supra.

AMENDMENT NO. 1712

(Ordered to be printed and to lie on the table.)

Mr. **CRANSTON** (for himself, Mr. Riegle, Mr. Boren, Mr. Exon, Mr. Robert C. Byrd, Mr. Moynihan, Mr. Baucus, Mr. Burdick, Mr. Ford, Mr. Huddleston, and Mr. Leahy) submitted an amendment intended to be proposed by them to an amendment to the bill H.R. 5922, supra.

AMENDMENT NO. 1713

(Ordered to be printed and to lie on the table.)

Mr. **NUNN** submitted an amendment intended to be proposed by him to an amendment to the bill H.R. 5922, supra.

AMENDMENT NO. 1714

(Ordered to be printed and to lie on the table.)

Mr. **HARRY F. BYRD, JR.** (for himself and Mr. Grassley) submitted an amendment intended to be proposed by them to the bill H.R. 5922, supra.

AMENDMENT NO. 1715

(Ordered to be printed and to lie on the table.)

Mr. **HEFLIN** submitted an amendment intended to be proposed by him to amendment No. 1642 to the bill H.R. 5922, supra.

AMENDMENT NO. 1716

(Ordered to be printed and to lie on the table.)

Mr. **KENNEDY** submitted an amendment intended to be proposed by him to an amendment to the bill H.R. 5922, supra.

AMENDMENT NO. 1717

(Ordered to be printed and to lie on the table.)

Mr. **HEFLIN** submitted an amendment intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NO. 1718

(Ordered to be printed and to lie on the table.)

Mr. **KASTEN** submitted an amendment intended to be proposed by him to amendment No. 1642 to the bill H.R. 5922, supra.

AMENDMENT NO. 1719

(Ordered to be printed and to lie on the table.)

Mr. **SCHMITT** submitted an amendment intended to be proposed by him to amendment No. 1642 to the bill H.R. 5922, supra.

AMENDMENT NO. 1720

(Ordered to be printed and to lie on the table.)

Mr. **RIEGLE** submitted an amendment intended to be proposed by him to an amendment to the bill H.R. 5922, supra.

AMENDMENT NOS. 1721 AND 1722

(Ordered to be printed and to lie on the table.)

Mr. **RIEGLE** (for himself, Mr. Jackson, Mr. Cranston, and Mr. Baucus) submitted an amendment intended to be proposed by them to an amendment to the bill H.R. 5922, supra.

AMENDMENT NOS. 1723 THROUGH 1760

(Ordered to be printed and to lie on the table.)

Mr. **WEICKER** submitted 38 amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1761 THROUGH 1832

Mr. **WEICKER** submitted 72 amendments intended to be proposed by him to an amendment to the bill H.R. 5922, supra.

AMENDMENT NO. 1833

(Ordered to be printed and to lie on the table.)

Mr. **HUDDLESTON** (for himself and Mr. Ford) submitted an amendment intended to be proposed by them to an amendment to the bill H.R. 5922, supra.

AMENDMENT NOS. 1834 AND 1835

Mr. **ARMSTRONG** submitted two amendments intended to be proposed by him to an amendment to the bill H.R. 5922, supra.

AMENDMENT NO. 1836

(Ordered to be printed and to lie on the table.)

Mr. **PROXMIRE** submitted an amendment intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NO. 1837

(Ordered to be printed and to lie on the table.)

Mr. **LONG** submitted an amendment intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NO. 1838

(Ordered to be printed and to lie on the table.)

Mr. **LUGAR**, at the direction of the Committee on Banking, Housing, and Urban Affairs, submitted an amendment intended to by proposed by him to a reported amendment to the bill H.R. 5922, supra.

AMENDMENT NO. 1839

(Ordered to be printed and to lie on the table.)

Mr. **GLENN** submitted an amendment intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NOS. 1840 THROUGH 1854

(Ordered to be printed and to lie on the table.)

Mr. **WEICKER** submitted 15 amendments intended to be proposed by him to an amendment to the bill H.R. 5922, supra.

AMENDMENT NOS. 1855 THROUGH 1857

(Ordered to be printed and to lie on the table.)

Mr. **MOYNIHAN** submitted three amendments intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NO. 1858

(Ordered to be printed and to lie on the table.)

Mr. STEVENS submitted an amendment intended to be proposed by him to amendment No. 1642 to the bill H.R. 5922, supra.

AMENDMENT NO. 1859

(Ordered to be printed and to lie on the table.)

Mr. GLENN submitted an amendment intended to be proposed by him to the bill H.R. 5922, supra.

AMENDMENT NO. 1860

(Ordered to be printed and to lie on the table.)

Mr. STEVENS submitted an amendment intended to be proposed by him to amendment No. 1642 to the bill H.R. 5922, supra.

AMENDMENT NO. 1861

(Ordered to be printed and to lie on the table.)

Mr. MOYNIHAN submitted an amendment intended to be proposed by him to amendment No. 1642 to the bill H.R. 5922, supra.

NOTICES OF HEARINGS

SUBCOMMITTEE ON WATER RESOURCES

Mr. ABDNOR. Mr. President, the Subcommittee on Water Resources will conduct a hearing on Friday, June 11, 1982, at 10 a.m. in room 4200 of the Dirksen Senate Office Building.

We will discuss the possible authorization of four Soil Conservation Service small watershed projects: South Zumbro River, Minnesota; Little Calumet River, Illinois, Mozingo Creek, Missouri; and Upper Mud River, West Virginia.

Many of my colleagues, I know, have worked vigorously toward authorization of these projects. If any of my colleagues, or their constituents, wish to present testimony on these projects in person or for the record, I would urge them to contact me or the staff of the subcommittee.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public that the subcommittee hearing regarding the Department of Energy's uranium enrichment program previously scheduled for Monday, June 14 at 2 p.m., has been rescheduled for Thursday, June 17 at 2 p.m., in room 3110 of the Dirksen Senate Office Building.

For further information regarding this hearing you may wish to contact Mr. Paul Gilman of the subcommittee staff at 224-4431.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON PUBLIC LANDS AND RESERVED WATER

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands and Reserved Water, of the Committee on Energy and Natural Resources, be authorized to meet during the session of the Senate on Thursday, May 27, at 10 a.m. to hold a hearing to consider S. 1964, a bill to designate certain lands in the Mark Twain National Forest, Mo., which comprise about 17,562 acres, and known as the Irish Wilderness, as a component of the National Wilderness System; S. 1965, a bill to designate certain lands in the Mark Twain National Forest in Missouri which comprise approximately 6,888 acres, and which are generally dipicted on a map entitled "Paddy Creek Wilderness Area," as a component of the National Wilderness Preservation System; S. 202[illegible], a bill to provide for the disposal of certain Federal lands in New Mexico and for the acquisition of certain other lands in Bernadillo County, N. Mex., to be purchased with the proceeds from the disposal of such Federal lands; and S. 2405, a bill to further amend the boundary of the Cibola National Forest to allow an exchange of lands with the city of Albuquerque, N. Mex.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet during the session of the Senate on Thursday, May 27, at 3 p.m., for the purpose of marking up S. 2144, the Appalachian extension.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. BAKER. Mr. President, I ask unanimous consent that the Labor and Human Resources Committee be authorized to meet during the session of the Senate at 2 p.m. on Thursday, May 27, to hold a business meeting to consider S. 1889, the U.S. Academy of Peace Act, and S. 1785, the Labor and Racketeering Act.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, May 27, 1982, to consider and act on the following Committee business: S. 2222.—Immigration Reform and Control Act of 1982.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ADDITIONAL STATEMENTS

RURAL HEALTH CARE FACILITIES

● **Mr. EXON.** Mr. President, at this time I would like to enter into a brief colloquy with the Senator from New Mexico, Mr. SCHMITT, on a matter of concern to me.

Mr. President, I bring to the attention of the Senate, a matter of concern regarding rural health care facilities. I know that the distinguished Senator from New Mexico shares my concerns and I appreciate the opportunity to discuss this problem.

A total of 18 community health center projects in 13 States are now frozen in the midst of the planning process. These projects all have approved Farmers Home Administration loans and were pending HHS approval of Public Health Service Act grant funds under a 1978 HHS/USDA joint agreement, when the General Accounting Office, in an October 1981, draft letter report raised questions about this joint agreement.

Mr. SCHMITT. Would the Senator explain this 1978 joint agreement briefly?

Mr. EXON. Certainly, Senator. In 1978, the Carter administration announced an initiative to bring together the resources of HHS and the USDA for a comprehensive approach to rural health care. An agreement between HHS and USDA was reached to provide for the construction and renovation of rural health care facilities. Through the FmHA, USDA was to set aside a portion of its community facility funds for rural health center loans for up to 100 percent of project construction and renovation costs. In return, HHS agreed to fund health center operating expenses and to permit repayment of FmHA loans through the use of Public Health Service Act grants.

The HHS Office of the General Counsel issued an opinion that this 1978 agreement was entirely proper within sections 329(d) and 330(d) of the Public Health Service Act to fund rural and migrant health centers. The GAO disagreed after the program had been in operation for nearly 3 years.

Mr. SCHMITT. What has been the response of the Department of Health and Human Services on this matter?

Mr. EXON. Following the publication of the GAO's draft letter report in October of last year, Secretary Schweiker ordered a freeze on all projects. In January of this year, GAO issued its final letter report and HHS has maintained the freeze pending action by the Congress.

Mr. SCHMITT. How has this action affected projects which applied for funding under the program?

Mr. EXON. Eighteen communities which have made plans for the development of rural health care facilities are now left hanging in limbo.

These communities had relied upon the assurances of HHS that funding would be available to provide needed health care centers in these 13 States across the Nation. These projects all had FmHA loans and were awaiting grant funds under the joint agreement.

In many of these areas, for example as in my State, the only choice available to these rural communities is to build a new facility. There are no adequate facilities available for renovation. In isolated rural areas the only choice is new construction. It is either that option or no facility at all. In the case of my State, as an example, the planned health center would furnish modern outpatient care for a 6,000-square-mile area. At present, the closest medical facilities are 70 to 100 miles away in any direction.

Even more crucial, Senator, is the need to maintain a resident physician in these rural areas. Many such communities have doctors who are willing to locate in these areas but are now wavering because of the uncertainty of the establishment of these rural health centers. In the case of my State, for example, it will be difficult to maintain the commitment of any doctor to reside in the community without modern health care facilities.

Mr. SCHMITT. I can appreciate the points which the Senator from Nebraska has made, particularly with regard to communities which were planning health care centers in reliance on this 1978 joint agreement. The Senator's concern is understandable and I assure him my subcommittee will follow up this discussion to determine what, if anything, it appropriately can do.

Mr. EXON. I thank my good friend from New Mexico. Time is of the essence. The health care for many rural residents of America is dependent upon prompt action by the Congress. I stand ready to lend any assistance to the Senator from New Mexico and other appropriate Members in an effort to clear up this matter. I submit as a part of the Record a list of the 18 projects affected by this freeze.

The list follows:

Approved FmHA construction loan applications construction not yet begun

	Loan amount
Region—Out to bid (bid process frozen):	
III—King William Health Center Aylett, Va	$175,000
Dawn Progressive Association, Inc., Hanover, Va	200,000
V—Ironton-Lawrence County Community Action Organization, Ironton, Ohio	150,000
Shawnee Health Services and Development Corp., Murphysboro, Ill	491,000
VI—North Arkansas Human Services System, Inc., Augusta, Ark., Horseshoe Bend Site	380,000
Natchitoches Medical Center, Natchitoches, La	605,000
VII—Chase County Health Services, Cottonwood Falls, Kans	301,600
Region—In planning stage:	
II—Puerto Rico Department of Health, Rio Piedras, Puerto Rico	[1] 1,681,300
IV—Palm Beach County Belle Glade, Fla	[1] 1,000,000
Project Health, Sumterville, Fla	996,300
Wewahitchka Medical Center, Wewahitchka, Fla	150,000
Big Sandy Health Care, Prestonburg, Ky	650,000
Hot Springs Health Program, Hot Springs, N.C	400,000
VI—Community Action Council of South Texas, Rio Grande City, Tex.	1,181,740
VII—Sandhills Development Corp., Mullen, Nebr	350,000
IX—Buttonwillow Health Center, Buttonwillow, Calif	500,000

[1] Joint projects—Health and Human services recommended approval of only these portions of the loans under the terms of the agreement.

LAND ACQUISITION PRACTICES OF THE FEDERAL GOVERNMENT

● Mr. LAXALT. Mr. President, for some time I have been deeply concerned about the land acquisition practices of the Federal Government. Our Government seems to have developed an insatiable thirst for new land and until very recently was swallowing up ever greater chunks of private property in an almost "Pac Man" like manner. Nowhere has this trend been epitomized more than in the National Park Service.

None of us are against parks. We are all proud of our national parks and the recreational opportunities that they provide to all Americans; rich and poor; young and old. However, this heritage has led us on a binge of park-land acquisition. I know good intentions motivated most of this. But, I am equally certain that many of these land acquisitions have been faulty in conception, atrocious in executive branch administration, and sadly lacking in congressional oversight.

When Secretary of the Interior James Watt took office last year, he proposed that a moratorium be placed on further land acquisitions until the Government had gotten its house in order and began managing its existing resources in a proper manner. Unfortunately, we in the Congress did not listen to the Secretary's message and we continued along our merry way without giving any thought to the consequences of our actions. We gave into the outraged screams of those who equate park acquisitions with baseball, hot dogs, and apple pie.

Mr. President, the land acquisition practices of this Government in recent years are nothing to be proud of and it's time we recognized that fact. The May 25 edition of the Wall Street Journal carried an editorial entitled "The Silent Scandal" which I believe clearly outlined these shabby practices. I urge my colleagues to read it and ask that it be printed in the Record.

The editorial follows:

The Silent Scandal

Suppose the U.S. Army were buying a lot of land and asked Congress for $100 million when it knew the real cost would be closer to $500 million. Suppose it used arbitrary power to clear ranchers, retirees and summer homeowners off the land. Suppose it gave some people three months to vacate, and sent armed officers along with the appraisers.

Suppose furthermore, it couldn't get all the land it wanted at fair market value because of its grossly underestimated budget and so arranged with sympathetic local officials to slap zoning changes, building restrictions and the like on targeted parcels to force landowners to sell at its price.

And suppose that the boundary lines on these Army ranges kept changing to include some people, at their loss, and exclude others at their considerable gain. That an internal investigation, after noting that a series of preliminary boundary maps were missing from the files, offered the official conclusion that it could find no documentary evidence of wrongdoing. And, to top it off, that all the land-buying served no overriding national purpose. We think there might be some public outcry on the situation.

Well, one major federal bureaucracy has been charged with just this pattern of behavior. It's not the Army, but that motherhood and apple pie outfit, the National Park Service.

Evidence has been mounting for years that something is very wrong in the way the Park Service has been taking private property to add to the vast federal land hoard (about one-third of the U.S. land area). The U.S. General Accounting Office has issued eight thick audits severely criticizing Parks and the Interior Department. Interior's own Inspector General recently completed a major investigation; Parks personnel, citing the summary, claim they were exonerated, but that hardly holds up when you look at the main body of the report.

In the Santa Monica Mountains east of Malibu and in the Cuyahoga Valley between Akron and Cleveland, Ohio, the Parks Service has been assembling "national recreation areas" by means particularly vulnerable to attack. Landowners in the Santa Monica Mountains say they have been told by park officials on the scene that their property won't be taken, yet they have discovered it on acquisition lists filed in Washington. The local park supervisor has encouraged conservationist-dominated local boards to impose land-use restrictions on them, further adding to their anxiety.

The threat has become reality in the Cuyahoga Valley, a moderately scenic, semi-suburban area. Park officials promised to take only 30 homes but actually have condemned 300, converting the area into a strange, seedy landscape of boarded-up, decaying homes, weed-grown farms and tumble down roadside stands.

A few homes were spared. One expensive dwelling was occupied by a park official. The area encompasses the home of Congressman John F. Seiberling, chairman of the Parks subcommittee of the House Interior and Insular Affairs Committee, and one of the proponents of park expansion. It was not condemned. Department files reveal that the Congressman also succeeded in saving the homes of some of his neighbors.

These exemptions were made possible by "scenic easements," which allow owners to keep their land if they agree not to make changes that would affect the "scenic" quality. Congress indeed has encouraged Parks to purchase scenic easements rather than land. The unwillingness of park administrators to accept this guidance has been mainly responsible for purchase cost overruns. Congress authorized $155 million for the Santa Monica project; the Park Service now estimates costs could go to $700 million. The Cuyahoga acquisition went from $35 million to $70 million and the latest estimate, nearly three years old, calls for $100 million more.

The pattern is consistent nationwide. However the department's land grabbers feel about birds and trees, they seem to have little regard for people.

The personal anguish occasioned by Park Service takings played a large role in Interior Secretary Watt's decision to place a moratorium on land acquisition last year. Loud environmentalist outcries forced him to rescind his action. Just a few days ago, he issued a new directive to field staff to de-emphasize acquisition in favor of less costly means, like scenic easements, of achieving objectives. It remains to be seen how that will play with his bureaucracy and its environmentalist constituents. It also remains to be seen how much relief already targeted homeowners will get.

The scandals of the 19th Century involved large private interests exploiting public land. Today, the reverse is true. Powerful public agencies exploit little property owners. Many in Washington will argue that the ends justify the means, but to us it looks no prettier.●

CLOTHESPIN INDUSTRY

● **Mr. COHEN.** Mr. President, Maine's economy is made up almost entirely of small businesses and industries. Often, a Maine town may have only one business of any size, and that industry will have employed several generations of workers in one family.

Such is the case with the clothespin industry. Many people are not aware that nearly all the wooden spring-type clothespins manufactured in this country are made in Maine. This small but important industry employs nearly 500 Maine workers. The clothespin industry is a key member of Maine's business community.

Like many industries, the clothespin industry has been adversely affected by foreign imports in recent years. Cheaper clothespins from several Asian countries were threatening the existence of the U.S. industry.

In 1979, the Carter administration imposed a 3-year quota on imported clothespins which was a boost to the industry. That quota was scheduled to expire this February, and other members of the Maine congressional delegation and I engaged in a long and ultimately successful effort to have the quota extended.

The May 23 issue of the Boston Globe magazine featured an excellent article by M. R. Montgomery on the clothespin industry. I share the article with my colleagues and request that it be entered into the RECORD.

The article follows:

THE THING ABOUT CLOTHESPINS

(By M. R. Montgomery)

The last production line in the United States that made miniature clothespins shut down in 1957. They were called "dolly pins," and little girls didn't want them any more. Miniature clothes dryers—that's what little girls wanted.

Dying—that's what the clothespin industry was when the tumble dryer and cheap electricity arrived after World War II. Today it is reviving because of the increase in electric and natural gas prices and thanks to the fact that clothespins are the only manufactured item in the country protected by absolute numerical quotas on cheaper foreign imports. It is a small industry (with a few more than 400 employees), but there are those who love it.

The clothespin may be the most obscure common item in history. No encyclopedia celebrates it (clothes moths, the clothes dryer, even the clothes press, but not the humble, ubiquitous clothespin). Until the mid-nineteenth century, laundry was something done by the servants of the literate, and the word did not reach print until 1835 in Britain (as "clothes-peg") and 1866 in the United States. Like so many important events, the first American publication of the word took place at Harvard, in the memorial biographies of the college's Civil War dead: The narrative of an awful destruction at a battle included a description of wood being blown into fragments "about the size of clothespins."

Once there were a dozen clothespin manufacturers, scattered from Maine to Virginia and as far west as Ohio. They made spring clothespins (patented in 1895) and the ancient round clothespin. Three companies made square clothespins. Most people alive today have never held a square clothespin in their hands, and only a few more have actually pushed a round clothespin over damp, folded cloth.

The square pin is not square, although it is rectangular in side view. It is too thick to be called flat. It certainly isn't round. Call it square. It is the urban clothespin, invented in the 1920s.

In the 1930s and '40s, the salad days of clothespins, there were three distinct markets for the three kinds of pins. Square was the big-city pin. Round was the choice in the rest of the Northeast and the Midwest. Spring pins were strictly a southern and western item. The regional preference for the different styles of clothespins was not aesthetic—it was practical.

The least expensive is the round, push-on pin, and it was the choice where cotton clotheslines stretched, across the mid-Atlantic, New England, and midwestern states. But 'way down south in Dixie and across the Pecos, where torrid heat and burning sun rotted the cotton clothesline, folks used wire lines. If you push a regular round clothespin over wire, it just splits, sooner or later. Out there, they bought the spring pin to cope with the wire line.

The square clothespin is the city pin. The Penley Corporation of West Paris, Maine, registered the brand name "Kant Roll" for their square pin. Over in Wilton, Maine, the Forster Company used to make the "Won't Roll." "Roll off what?" you ask. Roll off the windowsill and fall in the alley. The square clothespin is the North End and Greenwich Village clothespin.

Today the industry is down to a final four manufacturers, the three biggest in Maine: Penley in West Paris, Forster in Wilton, and Diamond International (the match people) in Dixfield. The smallest, National, is in Montpelier, Vermont. Last year, these four companies together sawed, milled, shaped, dried, and assembled 691,200,000 pins. Crafty foreign manufacturers sent another 576,000,000 clothespins to the United States. Put down your pocket calculator. That's 1,276,200,000 clothespins, which means that the average American family bought 15 clothespins last year.

Actually, the average American family can't buy fifteen clothespins. The standard packages are thirty, forty, or fifty clothespins. So, one family in three bought one package of pins in 1981. Probably not yours.

Among the reasons why you didn't buy clothespins is that you didn't run out of them. "They're an impulse item," says Richard H. Penley, the vice-president, salesman, operations manager, and eponymous scion of the corporation. "You don't put them on a shopping list; people don't come into your store and ask you where the clothespins are." They are usually hiding underneath the toilet brushes and the floor mops. This is sad-making to Penley, who believes that if retailers only knew more about clothespins, his life would be easier.

The Penley Corporation cranks out about 200 million pins a year, worth roughly $4.5 million. That's 750,000 a day—spring, round, and square. Penley is able to churn out clothespins thanks to John M. Allen of West Paris, who was born in Vienna (pronounced Vye-enna), Maine, just eighty-eight years ago. Virtually every piece of machinery in the Penley plant is Allen's design, and he set up the original forster plant just before World War II.

"My father was a blacksmith in Vienna," Allen says, "and my mother died when I was a baby. I was raised in that blacksmith shop. The customers would take care of me while my father worked. It got into my skin. I didn't play with the other kids after school—I run right up to the shop."

Like most Maine wood products factories, the Penley plant uses every bit of the log. The bark fuels the plant's steam heat, the slabs from the first cuts that turn round logs into square lumber are chipped and sold to paper companies, and all the sawdust generated as giant trees are reduced to five-inch-long pins—the clean, odorless, beech and maple sawdust—is sold to the sawdust cartel, where it does everything from polish machine parts to clean mink pelts. About half of the log ends up in clothespins, the other half in bark, chip, and dust.

"Now, you take that business of burning the bark," says Allen. "I instigated that. Built an automatic conveyer feed for the furnace. They said it couldn't be done. My father always said, 'A man comes in and asks you if you can do something, make him a new spring for his shotgun, something, well, you tell him you can and then you figure out how to do it.'"

The only thing that keeps the American clothespin industry anywhere near competitive with China (the People's Republic and Taiwan) is the automatic spring-pin assembler. The first spring assemblers were foot-powered gizmos. "My, how those girls would complain about that foot-power machine," says Allen. In the clothespin plant, tasks are either male or female: Men handle the logs from delivery through the sawing and molding mills; women run the final shaping machinery for round and square pins, pick defects off the conveyors, operate the assembling machines for spring pins, and do all the packing. Men take over again at the shipping dock.

The assembly of the spring pin requires a machine that will, in order:

Take the two symmetrical wooden pieces and turn them face to face.

Pick up a spring and hold it.

Force the spring open.

Push the wooden sides into the open pin.

Close the spring.

Push the assembled clothespin onto the next conveyor.

"Well," says Allen, "the way you invent something is you think about a hundred things. You think about it at night and at day. And you cast out all but one of those ideas."

There are ten assembly machines at Penley. There used to be forty foot-powered hand-fed machines. "Had to do something," says Allen. "Wages have gone tremendous high."

The pay for pin making is a mixture of piecework and hourly wages, not "tremendous high" by automobile industry standards—$4.50 to $6 an hour, a little higher for sawyers and for the machinists who keep repairing and keep inventing. At last count, there were 427 people in the four plants.

The annual U.S. production of clothespins dropped steadily from 1950 until 1974. That year, the country experienced—in addition to lines at the gas station and that wonderful economic invention, the cost-of-fuel adjustment on your utility bill—an upturn, if not an upsurge, in pinning clothes to the line.

"I don't mean that the ladies are taking their dryers and driving them to the dump," says Richard Penley, "but it just makes sense. This year is our best year in California. People out there tell me that they've had two increases in their electric rates, almost 100 percent over the last year." Up in Vermont even little National is feeling the vibrations of a 50 percent increase in local electric rates.

The only thing you can't do with a clothespin is make towels fluffy. "I hate the word 'fluffy'" Penley says. The other word he hates is "imported." When the clothespin market bottomed out at under 800 million pieces in 1974, imported pins accounted for only 30 percent of the U.S. market. By 1977, sales were nearing a billion pins, but imports were grabbing nearly half the market, and domestic production had actually dropped.

There was neither quota nor tariff to limit clothespin imports when the market turned around. The domestic manufacturers banded together, in a mixture of rural ingeniuousness and political sophistication, to do for clothespins what had been done, but is no longer done, for the domestic shoe industry—get a firm quota on competitive imports.

The first problem was the stated goal of the United States government to discard the policy of protectionism. "You might say that the sacred flame of free trade burns brightly here," says Steve Saunders of the office of Ronald Reagan's special trade representative government. The second was that the major exporters were all one sort of friend or another—ideological or military—both China, Poland, and West Germany.

The third problem was that the United States International Trade Commission thought the manufacturers were kidding. The commission does not usually get requests to protect an industry whose whole payroll is worth less than two or three ship containers full of Italian designer shoes. "It was," says Robert Tyrer, legislative aide to that champion of the clothespin industry, Maine senator William Cohen, "a rather long educational process. We had to get their attention, which was hard when they had to stop thinking about three million (imported) cars."

As of today, no manufactured item but the clothespin enjoys the special protection of numerical import quotas. There are bilateral agreements (so-called orderly marketing agreements) with Korea and Taiwan to limit the number of televisions imported from those countries—agreements due to expire this June. Import quotas on shoes (an industry employing more that 143,000 American workers) expired last June, apparently forever.

In 1979 and again in December 1981, the Trade Commission recommended five-year-long limitations on imported clothespins. And each time the White House responded with a two-year program. Such are the difficulties of protectionism. Finally a program of up to five years, now beginning its third year, was put into place. The function of the temporary limits is to allow the industry to modernize enough to meet the import challenge.

There is not much left to be done, really. The clothespin is a fairly intractable object to handle on an assembly line, and the industry is not big enough to encourage full robot production. Even if it were, robots cut into the work force, and in Maine, where most of the clothespins are made, jobs are already scarce.

The trouble with the clothespin, from the automation standpoint, is both the material and the shape. Plastic clothespins can be made endlessly and identically, but plastic accounts for a tiny share of the market. Plastic deteriorates in the sun and is too slippery to hold clothes. If you want a working clothespin, you want wood, and wood is a variable material, thanks to knots, woodpeckers, and the malignity of New England weather.

Half the labor on a clothespin production line is sorting and discarding the imperfections of nature. Some labor saving is possible, particularly in the packaging and in the area of mechanical sorting for defective pins. But the very forked nature of the pins is a problem: They have, unlike toothpicks or Popsicle sticks, the habit of jamming together into unmanageable clumps.

Domestic spring clothespins can usually be distinguished from imports, once you have them both in hand. The American pin will have more coils and heavier-gauge galvanized wire in the spring and somewhat heavier wooden parts. But you seldom see them side by side in stores. Clothespins, in the merchandiser's mind, are clothespins, and comparison shopping is unusual.

"What really gets me," says Richard Penley, "is finding my pins in a store for a buck ninety-five, and some imports for the same price. Mine cost the store maybe a dollar-twenty, and the imports cost him maybe ninety cents. And they say the reason they have to have imports is to keep the price down!"

Clothespins are not, as they say in merchandising, "price sensitive." Shoppers don't buy them often enough to know what the right price is. "Even when somebody puts them on special," Penley says, "I don't think it's the price that sells them. I think they just have enough of them piled on the counter so that people notice them, follow the impulse."

Even the best American clothespins are not quite what they used to be. They have shrunk from a full six inches to under five, and slight imperfections, including mineral stains in the wood, are allowed. Beech wood is scarcer and wood more expensive than when the L. M. Mann Company of Bryant Pond, Maine, was making the very prince of push-on clothespins. Mann specialized in round pins; when the spring pin caught on nationwide after World War II the company eventually failed. You can still see a Mann pin. Part of the old factory is now a restaurant in Bryant Pond—the Boiler Room—and it is using up the old company's inventory as napkin holders. Hand-filling, pure white, the Mann clothespin exists for a little longer on Highway 26, but it is sure to disappear, as will that other institution on the highway, the Shaker village down at Sabbathday Lake. They're not making any more of either one.

Besides the relationship between the rising cost of energy and the rising sales curve for clothespins, there is another reason that clothespin sales are rising slowly. Penley's square pin (they are currently the only domestic manufacturer) is increasingly popular in the hobby and crafts market. It all started with a reindeer.

If you take two square pins and glue them together with the legs parallel, you have a four-legged something. If you take one more square clothespin and glue it so that the two legs are pointing up and the flat side of the pin is at right angles to the flat sides of the first two pins, you have the primary force behind the new boom in square clothespins. He publishes glossy magazines—Clothespin Crafts and Clothespin Craft Decor are two recent issues—and sells kits of square clothespins and accessories.

Innoventors' brand name for Penley's pins, sometimes dyed in decorator colors, is "Woodkraft Clothespins." Innoventors does $300,000 a year of business in clothespin kits, and they've gone far past reindeer, which Samaria supplies kits for but which use only a few clothespins. There is Nanook, the three-pin deer, and a four-pin deer that goes with the Urban Santa (Santa is built on the Basic Body, a three-pin construction).

If you really want to start gluing, there is the Marrakesh Table, which is constructed from 456 whole square clothspins: "This spectacular table," avers Clothespin Craft Decor, "would be the conversation piece of ANY room! It's actually very sturdy and would be lovely accented with natural materials or large floor pillows. . . . Moroccan in feeling, you just know it belongs in Casablanca!

Richard Penley is not knocking the hobby industry—although clothespins are only a tiny fraction of a hobby industry that averages over $3.5 billion a year in retail sales, an industry that can attract 7000 buyers to a convention (held in Dallas in March), an industry large enough to require ten miles of aisles at the convention center just to get the macrame and the paint and the glue and the clothespins out where the buyers can see them.

The attraction of selling pins to the hobby industry is greater than the actual sales, which are a small fraction of Penley's annual output. Penley has been trying to get several discount chain stores to switch from imported pins to his domestic product. While K Mart, for example, has resisted purchasing Penley's practical pins, Joe Samaria sold every single K Mart store his Innoventors reindeer kit (three of Penley's Kant Roll pins, cloth, funny bead eyes, and paint) last Christmas. Richard Penley hopes that Nanook will open the door to bulk-packed Kant Rolls and the American Maid, Penley's spring pin.

Samaria is out there is Los Angeles working with dolly pins, the little square pins that little girls gave up on twenty years ago. "Right now, it's another reindeer. What we call a 'packaging accessory,'" he says. A packaging accessory is something you tie on a package, at Christmas, for instance. Somewhere in the storage shed at the Penley plant are all the pieces (they hope) of the old dolly pin machinery. If the hobby industry of America wants dolly pins, somebody will make them. That is the way it is in business. There is always someone who will respond to a felt need.●

VINCENNES

● Mr. QUAYLE. I would like to call the attention of the Senate to efforts to return the name Vincennes to active duty with the U.S. Navy.

The name Vincennes has had a long and honorable tradition, both in early American and naval history. During the American Revolution, the American troops under George Rogers Clark captured the British Fort Vincennes, resulting in the awarding of the Northwest Territory to the United States in the Treaty of Paris in 1783. To commemorate this decisive event, the U.S. Navy named one of its earliest ships the U.S.S. *Vincennes.* This ship became the first U.S. Navy vessel to circumnavigate the globe, and it also took part in the first diplomatic mission to Japan in 1846. Two cruisers carried on the *Vincennes'* tradition during World War II, serving with distinction.

The General Assembly of the State of Indiana on January 20, 1982, adopted the Indiana House Concurrent Resolution 38, calling upon the U.S. Navy to return the name Vincennes to active duty with the fleet. I have written to the Secretary of the Navy informing him of the Indiana congressional delegation's wholehearted support for this action, and it is my hope that the Navy's fourth U.S.S. *Vincennes* will soon be assigned to active duty. I ask that the text of the general assembly's resolution be printed in the RECORD following my remarks.

The resolution follows:

HOUSE CONCURRENT RESOLUTION

A house concurrent resolution memorializing the U.S. Navy to commission another man of war as the U.S.S. Vincennes.

Whereas, at the Battle of Vincennes, under the leadership of George Rogers Clark, the British post at Vincennes was captured. As a result the U.S. claimed the Northwest Territory in the Treaty at Paris and confirmed independence for our new nation; and,

Whereas, throughout the history of the United States its navy has commissioned three (3) of its man-o-war ships under the name U.S.S. Vincennes to commemorate this rich heritage; and,

Whereas, the original U.S.S. Vincennes was the first U.S. naval vessel to circumnavigate the globe. It also explored the coasts of California and Oregon in 1840 and 1841 (during territorial disputes with Great Britain). Later the Vincennes helped in the opening of Japan to western civilization; and,

Whereas, the second U.S.S. Vincennes entered our naval fleet in the 1930's and served until it was sunk at the Battle of Savo Island during World War II; and,

Whereas, the third U.S.S. Vincennes was commissioned to replace the loss of her namesake. This ship served valiantly throughout the remainder of the Pacific Campaign which ultimately brought victory over Japan. After an honorable career she was decommissioned and scrapped; and,

Whereas, those naval vessels commissioned under the name U.S.S. Vincennes have served a long and distinguished service to our country in war and in peace: therefore, be it

Resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the General Assembly, on behalf of the People of Indiana, call upon the United States Navy to commission a destroyer/cruiser of the *Aegis* class under the name U.S.S. Vincennes.

SECTION 2. That the People of Indiana are proud of the part the British defeat at Vincennes played in assuring our country's independence and recognize that victory as an important step in obtaining that independence. That moment of history should be honored and preserved by commissioning one of our naval vessels the U.S.S. Vincennes.

SECTION 3. Because of the long and distinguished careers of the three previous Vincennes served and because these ships were originally named in honor of an important victory in the American Revolution, it is appropriate that the name Vincennes again take its place among the active ships of the United States Navy.

SECTION 4. That the Principal Clerk of the House of Representatives shall transmit copies of this resolution to the Secretary of the Navy, the Honorable Admiral Miller, and to the Honorable William Rose, Mayor of Vincennes.●

JOE GENTILE

● Mr. LEVIN. Mr. President, as a native of Michigan and a life-long baseball fanatic, I spent many an hour listening to Detroit Tiger baseball game broadcasts on the radio. The announcer was Joe Gentile, the play-by-play voice of the Tigers and Detroit Lion football team as well as a popular local disc jockey.

Joe was a man who blanketed Michigan with his description of the heroic efforts of our local teams. He made us keep the faith—in fact he gave us faith in our teams, our community, and ourselves. And he did that not just with his professional skills; his private life was dedicated to serving people. He was always available to lend his help to a worthy cause or a needy project.

Joe got a little of the good he had done returned to him earlier this month when over 600 people from around this Nation gathered to pay him honor at a banquet in his honor. Guests like former Tiger greats Hank Greenberg and Charlie Gehringer were there, as were Lions General Manager Nick Kerbaway and former Lion Joe Schmidt. Joe Gentile was presented with a resolution of tribute passed by the Michigan Legislature as well as a plaque from the Crisis Club. His brother and sister—so helpful to him since the onset of his illness—were also present. I, unfortunately, was not. Had I been there, I would have no doubt made a mild fool of myself trying to collect all the autographs I never collected as a kid—and the first one I would have tried for was Joe Gentile's.

I join his many friends in wishing him well in the days to come and thanking him for a job well done in the days that have past but still live on in my mind and the minds of others.●

TRIBUTE TO DR. KENNETH J. SHOULDICE

Mr. LEVIN. Mr. President, this evening people from across the State of Michigan are gathering in Sault Ste. Marie to pay tribute to a fine public servant, Kenneth J. Shouldice.

Dr. Shouldice has spent the past 17 years developing Lake Superior State College into one of the best, small public schools in the country. Alumni from the school are providing leadership in many fields throughout Michigan and around the country.

Having realized his dream of building such an institution, Dr. Shouldice has chosen to retire. Fortunately, his dream will live on and his efforts will long be remembered.

Detroit Free Press Columnist Judd Arnett reminisces about Dr. Shouldice in a column today. I ask that Mr. Arnett's article be printed in the RECORD.

The article follows:

FLUSHED WITH SUCCESS, HE'S LEAVING SUPERB SOO CAMPUS

There is the story about the good ol' country boy who hurried into a strange saloon one night, leaned over the bar and whispered to the bartender, "Friend, where is the toilet?"

The bartender, being extremely busy, waved a hand toward the rear of the building and said,"Go down that hallway and you'll find it."

So the good ol' country boy did as instructed and came, finally, to two doorways on the left and two on the right. He opened the first door on the left, stepped through it—and fell into a swimming pool, ker-plash.

He was flailing with both arms, gasping and gurgling, when an attendant heard the commotion and came running. "Can I help you?" he called out.

Whereupon the good ol' country boy, still struggling for survival, replied: "For heaven's sake . . . don't flush it!"

This narrative, which will doubtless throw Sonny Eliot into a snit of jealousy, came to mind a few days ago during the course of a hurried trip to Lake Superior State College, where President Kenneth J. Shouldice was holding his last meeting with the board of control. He has been the head wrangler at the Sault Ste. Marie campus since 1965 and tonight he will be honored at a community banquet which will feature toasts, salutes and tributes of every conceivable fashion. Unable to be present, this friend and admirer submits his accolade in this manner. "Ken, ol' boy, you never let them flush it!"

They tried. Early on in particular there were several attempts to either close the campus or limit the scope of its growth and influence, but one way or another those sinkholes were averted. There is the personal belief that much of this nonsense was halted a few years ago when Sen. Phil Hart, then interminally ill, indicated that any memorial to him should take the form of a scholarship fund at LSSC. Not only did the money pour in, but the subsequent fund drive alerted many citizens to the existence of the college and the important part it plays in the cultural and economic well-being of the eastern Upper Peninsula. Even in these hard times enrollment has been increasing, the budget has been balanced and the bricks and mortar essential to one of the loveliest academic settings anywhere in the Midwest are in place.

Now of his own volition Ken Shouldice is saying "so long," a process which has been much more difficult than he anticipated. Late last summer, feeling rather poorly, he announced his intention to retire even though one board member told him flat out that he was whacky. Later, improved in health, he was to say, "I wouldn't do it now!" But by then the time for looking back had passed.

He and his lovely Marie will live in Lansing, and a year from now, after his commitment to the college is finished, he will probably be raring for action on another front. He won't receive more than 40 or 50 offers.

He has been privileged to erect his own monument and enjoy it in the process. A half-century hence, if man's madness hasn't destroyed all that is worthwhile, the stamp of Kenneth J. Shouldice will still be on Lake Superior State College, overlooking the International Bridge and the Soo Locks, a sight to behold now that spring has come to Sault Ste. Siberia!

ADDRESS BY DANFORD L. SAWYER, JR., PUBLIC PRINTER

● Mr. EAST. Mr. President, we are all aware of the controversy that presently surrounds the Government Printing Office. Grave allegations have been made that the agency is overmanned, its workers are overpaid, and its product is overpriced. Inasmuch as the GPO is an arm of Congress, this is a matter of concern to all of us: we owe it to the taxpayers to look carefully at these allegations.

Toward this end, I ask that a recent address by the Public Printer of the United States, Danford L. Sawyer, Jr., be inserted in the Record. I am certain that my colleagues will find his disclosures as deeply disturbing as I did.

The address follows:

Remarks by Danford L. Sawyer, Jr.

It is a pleasure to be with you all today and to have the opportunity to tell you what I have encountered at the Government Printing Office during my first year. Although I was confirmed on August 5, 1981 as the 18th Public Printer of the United States, I joined GPO as a consultant in the last week of May 1981; and, what I have found out in the last 12 months, I am sure, will be of interest to you all.

GPO currently employs some 6,200 people nationwide, with over 5,000 of them housed in our main office in Washington, D.C. at North Capitol and H Streets. The average GPO employee makes a salary of $25,000 a year. GPO craft employees earn a mean average of 22 percent more than their compatriots in both the Federal sector and in the private sector. Eighty percent of GPO overhead costs, for in-plant production, are personnel expenses. That compares to 40 to 50 percent in the private sector. The end result is that the typical job produced by the Government Printing Office costs about twice what it would if we procured it in the private sector. Now, these figures are shocking in and of themselves: But, when you add to that fact that 77 percent of what is produced in-plant is produced for the U.S. Congress, it becomes political dynamite! Bluntly speaking, GPO passes its high personnel costs on to the Congress in the form of ever-escalating rates for the work performed, and the taxpayer is the one who pays the bill!

The GPO operates from a revolving fund. There is no authorizing committee per se, and our appropriation requests are really nothing more than our best guess of Congress' requirements for the following fiscal year. If we are wrong, the difference is made up in our supplemental.

To take a look at the larger picture, Federal printing is today a $2½ to $3 billion business, one-third of which is processed by the Government Printing Office. During fiscal year 1981, $465 million worth of printing was procured from the private sector by the Government Printing Office, primarily for agencies: and $181 million worth of printing was procured in-plant, primarily for the U.S. Congress.

Since assuming the position of Public Printer, I have tried in every way possible to decrease GPO's overhead costs. We have curtailed overtime by as little as $½ million a month and by as much as $900,000 a month. We have reduced the size of the GPO work force by over 400 people through attrition. We have petitioned the Office of Personnel Management for an early out which could remove, according to a recent survey, as many as 500 from GPO's payroll in the next 2 years. The overall work force can be reduced from its present 6,200 employees level to somewhere in the vicinity of 4,500 to 5,000 employees over the next 2 to 3 years' time, without decreasing the agency's output in any way. Survey efforts are in the planning stage at this moment to refine those figures further, and to give the Congress its first accurate look in decades at the staffing needs of the agency which is the largest single expense in its budget.

Our cost cutting efforts have extended to every corner of GPO. A vigorously pursued waste management program should result in savings of over $1 million a year. Equipment and furniture purchases have been curtailed. Careful controls have been instituted over everything from travel to newspaper and magazine subscriptions: And, as a result our cost of operation is decreasing.

Now many of you have been reading a great deal about the Government Printing Office in the press recently. Some of you have read of our efforts in the Superintendent of Documents' division where we have turned a $20 million 3 year running loss into a $3.7 million profit as of this very moment. Others of you have probably read one or more of the three columns that Donald Lambro has recently penned about the agency and others of you may have read any of a score of articles in as diverse publications as the New York Times and Human Events dealing with everything from the public's right-to-know to the technological revolution that has overtaken the printing industry. The item that has probably caught more attention than any other, however, is the Government Printing Office's plan to furlough its entire work force 6 days over the next 7 months.

Because of declining volume, caused primarily by efforts on the part of both Congress and the Reagan administration to curtail Federal printing, the volume increases of previous years have been erased and GPO has lost $1 million a month the first 5 months of this fiscal year. We have managed to be marginally profitable in the last 2 months, normally our peak season, but we anticipate ending the year in a loss situation. Rather than taking a precipitous action in RIFing several hundred employees, we have chosen the furlough alternative instead. Let me point out that most of the furlough days are wed to holiday weekends. Many employees would not show up anyway and we have also taken into account the fact that the Congress would not be in session at these times either.

The 22 union bargaining units at GPO opposed the furlough concept from "day one" and as the days and weeks have gone by, the pressure on my office has increased. Senator Mathias and Congressman Hawkins have met with me in an attempt to persuade me to defer this action. Many impacted and concerned parties, while recognizing our financial dilemma, have urged us to forego the furlough: But none of them has offered a viable alternative. Finally, the Joint Committee on Printing, the oversight committee of the U.S. Congress, met and passed 7 to 0 a resolution that forbids me to proceed with the furlough, RIF, or take any other adverse personnel actions without their concurrence. I have been advised that this resolution has no effect in the law and it is a sense of the committee resolution. Further, this resolution runs counter to certain very specific sections of title 44 and to the Civil Service Reform Act. Three Republican members of the Joint Committee on Printing chose to abstain, to absent themselves from the committee or to vote present.

At the same time we have been involved in the skirmish over the furlough, we have been conducting wage negotiations with GPO's 22 union bargaining units. Our position has been to work toward parity with the rest of the Federal Government: And as a result, our final offer to the unions was to phase in a mean average decrease of 22 percent over the next 3 years. The unions have countered with an offer that would increase GPO wages by over 20 percent over the next 2 years. We have now reached an impasse and the matter has gone to the Joint Committee on Printing on appeal. It is my hope that the Joint Committee will deal forthrightly with this matter and at the very least freeze GPO craft workers' salaries at their current level.

The bottom line is that the Public Printer of the United States has uncovered extraordinary waste and inefficiency and has brought it to the attention of the responsible oversight committee. The voting majority on that oversight committee has attempted to stop him from doing something—anything about it. Those opposed to what we would do have further spread the story that I am working under the direct orders of the administration and that we have the makings of a classic clash between the executive and legislative branches of government. That is just not so. I am the head of a legislative agency and proud of it. What I have uncovered is Congress' problem and Congress needs to act to do something about it. I have never done or said anything that could be construed as declaring my independence from Congress.

I have faith that responsible fiscal conservatives in both bodies and in both parties will step forward and do what has to be done.

One further myth needs to be explored before this talk concludes. The Joint Committee on Printing has been referred to as the Board of Directors of the Government Printing Office. I have served on the board of directors of a savings and loan association and have been the president or a corporate officer of several different corporations in the U.S. and abroad. The board of directors of an industrial concern, and that is what GPO is, meet regularly—generally at least once a month—and set policy. In addition, each board member takes committee assignments that require additional regular meetings and a great deal of study. Then, the board leaves it up to management to implement that policy. The typical board of directors hires and fires the chief executive officer, and that chief executive officer normally takes a seat on that board as a full voting member. In many cases, he is the chairman of the board. Further, the typical board of directors is responsible for the fiscal soundness of the organization under its control and individual directors assume a significant personal liability in the fiscal area. In other words, they can be held personally liable and sued if things go wrong. The chairman of the board may have a staff assistant who assists him with board meetings but more than likely he depends upon one of the organization employees to handle those details for him.

The relationship between the JCP and the GPO is very much different than the relationship I have detailed. The Joint Committee has met twice in the year I have been Public Printer. In both cases, the end result of those meetings was to turn back or to try to turn back initiatives underway at the Government Printing Office designed to increase that agency's cost effectiveness and efficiency, and to save the taxpayers money! The Joint Committee on Printing does not select the chief executive officer of the Government Printing Office. I am a Presidential appointee, confirmed by the U.S. Senate, and can only be dismissed by the President. The Joint Committee on Printing is not involved in GPO's budget process. We operate from a revolving fund billing Congress and the various agencies for the end product that we produce, and paying the wages of our employees and the other costs in connection with our operation from that fund. We appear in front of the House and Senate Legislative Appropriations Subcommittees but only to speak for the printing and binding needs of the Congress and certain specific programs conducted by the Superintendent of Documents' division. The funds we request are really nothing more than our best guess as to Congress' printing and binding needs for the coming fiscal year: And, if we are wrong, we make up the difference in our supplemental. Under title 44 of the United States Code, the Joint Committee does have broad powers over all Federal printing and binding and exercises oversight responsibilities over the Government Printing Office, as well as maintaining a high degree of control over the operation of some 300 other Federal non-GPO printing establishments scattered over the globe. The Joint Committee has a staff of 18 people whose efforts occasionally conflict with those of the management of the Government Printing Office. The Joint Committee on Printing is an oversight committee and not a board of directors.

The concept, however, of a board of directors is not repugnant to us at the Government Printing Office and there are a variety of ways that one could be constituted, such as by having the House and Senate submit names to the President as they do for the selection of the Comptroller General of the United States. Or perhaps, the President could continue with the selection of the Public Printer and the Congress could select the board directly in some manner.

Ladies and gentlemen, this is an age of budget and overall economic constraints. The American public is looking to the Congress of the United States to take action and resolve the many financial problems we face. There is no better place for Congress to start than with the single largest expense in its own budget. The disparities between craft, wage board, and other workers at the Government Printing Office needs to be addressed. Our solution is to classify all Government Printing Office workers in the same way all other Federal workers are classified and to pay them accordingly. Title 44 needs to be rewritten and we believe that means abolishing the Joint Committee on Printing and transferring most of its powers to the Public Printer of the United States; subject, of course, to control by a real board of directors. So there may be no misunderstanding, I am more than willing to state that, when that is accomplished, I will present myself to the White House for reassignment, in order that I would in no way appear to benefit from such action. The Kiess Act that requires bargaining with the unions also needs to be abolished.

I ask for your support to work to these ends. Thank you. Now, if time allows, I'd be happy to answer questions.

NATIONAL NUCLEAR WASTE POLICY ACT OF 1982 (S. 1662)

● Mr. HART. Mr. President, when the Senate passed the National Nuclear Waste Policy Act of 1982 (S. 1662) last month, it took an important step toward establishing a comprehensive, coherent Federal program for managing and disposing of high-level nuclear waste. Although in the past I have expressed concern over several elements of the bill—particularly provisions for Federal away-from-reactor (AFR) and monitored retrievable storage of nuclear waste—I believe on balance the bill offers a reasonable program for solving the nuclear waste disposal problem.

However, one provision in the Senate-passed bill, added in the final hour of Senate consideration, causes me especial concern. I refer to section 204, which states:

> The enactment of this Act shall be construed in any Federal, State, and local administrative or judicial proceeding to satisfy any legal or statutory requirment (1) for the existence of and the approval of the United States of a demonstrated technology or means for the disposal of spent fuel and high-level nuclear waste; and (2) for assurance of the safe disposal of spent fuel and high-level nuclear waste and the scheduled availability of storage and disposal facilities for high-level nuclear wastes.

The Senate adopted this amendment without the benefit of committee hearings or floor debate. The floor manager of the bill proposed it after all major substantive debate on the bill had been completed, and he characterized it as a "minor" amendment, part of the "bookkeeping and recordkeeping on this bill." Unfortunately, this amendment is not "minor." To the contrary, it has potentially sweeping implications and deserved careful consideration and full debate by the Senate before it was accepted.

Mr. President, several States currently have laws prohibiting the construction of new nuclear powerplants until a safe method for disposing of the resulting wastes has been demonstrated. In addition, the Nuclear Regulatory Commission has been conducting a proceeding to determine whether it has confidence that facilities for permanently disposing of high-level nuclear waste will be available when needed.

This amendment is ill-considered for several reasons. First, it seems to override the discretion and authority of the Commission and the States by directing them to consider mere enactment of this nuclear waste bill as proof that the nuclear waste disposal problem has been solved. Federal, State, and local administrative tribunals must construe this bill and all relevant State and local legislation to that effect.

A legislative statement of this type is ludicrous on its face. Nothing has prevented the Federal Government and the nuclear industry from developing and demonstrating a safe, technologically sound method for disposing of nuclear waste. Yet, since the dawn of the atomic age, no such technology has been demonstrated. When did Congress acquire the omniscient authority to declare that an undemonstrated technology, with all its uncertainties, will ultimately prove successful? Certainly, a legislative declaration will not guarantee the success of efforts to dispose of nuclear waste, just as it would not have guaranteed the success of efforts to put a man on the Moon in 10 years. Indeed, the very purpose of this bill is to establish a program that we all hope, but cannot be sure, will lead to the permanent disposal of high-level nuclear waste.

Second, this provision raises serious constitutional questions of federalism and separation of powers by displacing and restricting various Federal, State, and local powers to regulate in an extremely sensitive area. To the extent that the amendment eliminates State and local regulatory authority over nuclear power issues not within a Federal regulatory scheme, the amendment threatens to create a serious regulatory vacuum.

Third, the amendment will tend to increase public skepticism about the good faith of the Federal Government in trying to implement a safe, technologically sound solution to the nuclear waste disposal problem. By cavalierly announcing, contrary to legitimate public perceptions, that enactment of this bill constitutes a demonstrated solution to the nuclear waste disposal problem, and that State and local governments, and judicial tribunals, may no longer concern themselves with this issue, this amendment can only cause citizens to shake their heads in disbelief. As a result, the amendment will erode the public confidence in the Federal nuclear waste disposal program so necessary to its success.

Finally, the amendment seems patently designed to affect at least two pending court cases. The first case raises the question whether a State may properly prohibit the construction of new nuclear powerplants within its jurisdiction until the Federal Governments demonstrates a solution to the nuclear waste disposal problem. (Pacific Gas & Electric Co. against California State Energy Resources Conservation and Development Commission, pending grant of certiorari by the U.S. Supreme Court.) The other case involves the extent of the Nuclear Regulatory Commission's mandate to assess and consider the risks associated with the "back end" of the nuclear fuel cycle, including nuclear waste disposal, in its decisions to license nuclear powerplants. (Natural Resources Defense Council, Inc. against NRC, decided April 27, 1982 by D.C. Circuit Court of Appeals.)

Mr. President, the Senate should have given this amendment, and its implications, careful consideration before including it in the National Nuclear Waste Policy Act. Because of the amendment's mischievous nature, I would like the record to show that I do not support it. Moreover, I hope the House, when it considers nuclear waste legislation, will undo the potentially serious damage this amendment could cause by including a provision that makes clear that enactment of a nuclear waste bill should, in no way, be construed as constituting a demonstrated solution to the nuclear waste disposal problem.

MINNESOTA ACID RAIN ACT

● Mr. **DURENBERGER**. Mr. President, I am pleased to cosponsor Senate Joint Resolution 195, introduced by the distinguished Senator from Vermont, ROBERT STAFFORD. The resolution authorizes and requests the President to issue a proclamation designating the week of May 2 through May 8, 1982 as "National Clean Air Week."

The resolution is particularly important because of the Senate debate on the reauthorization now underway of the Clean Air Act.

Of particular concern are the major issues arising since the 1977 reauthorization of the act—the acid rain phenomenon and the impact of long range transport of air pollution.

The Minnesota Legislature has passed and Governor Quie has signed into law landmark legislation that makes Minnesota the first State in the country which will develop an acid rain standard and control mechanism to achieve that standard.

The two legislators that provided leadership for this bill, Representative Arlene I. Lehto and State Senator Gerald Willet, noted in the statement of legislative intent that:

> Acid deposition substantially resulting from the conduct of commercial and industrial operations, both within and without the state, poses a present and severe danger to the delicate balance of ecological systems within the state, and the failure to act promptly and decisively to mitigate or eliminate this danger will soon result in untold and irreparable damage to the agriculture, water, forest, fish, and wildlife resources of the state. It is therefore the intent of the legislature . . . to mitigate or eliminate the acid deposition problem by curbing sources of acid deposition within the state and to support and encourage other states, the federal government, and the province of Ontario in recognizing the dangers of acid deposition and taking steps to mitigate or eliminate it within their own jurisdictions.

The Minnesota Acid Deposition Act grew from a study conducted by the Minnesota Pollution Control Agency, a study which was authorized by the Acid Precipitation Act of 1980. The study is the first comprehensive look at the degree to which acid deposition jeopardizes the quality of water resources in any one State.

The study "Acid Precipitation in Minnesota" noted that:

> The current version of the Federal Clean Air Act does not provide clear statutory language allowing one State to obtain relief from acid deposition caused by emissions in other States. It is estimated that 70 percent of the acid deposition in Minnesota originates outside of the state ". . ." thus a problem that is a potential threat to the tourism industry, the forest products industry and other agricultural crops as well as human health cannot be mitigated by state action alone. Although states like Minnesota, Wisconsin, and New York, that have highly sensitive water resources, are making great strides in addressing the problem, a joint state/federal partnership must be initiated to address the total effect of sulpher dioxide emissions and long range transport on a national basis.

Although further study of the acid deposition phenomenon is in order, there is no question that Federal legislation is needed now to initiate action to reduce sulfur dioxide and nitrate oxide emissions from utility sources in this reauthorization of the Clean Air Act.

Mr. President, I request that the Minnesota Acid Deposition Act and the Executive Summary of the report "Acid Precipitation in Minnesota" be printed in the CONGRESSIONAL RECORD.

The material follows:

An act relating to the environment; limiting and reducing emissions of sulphur dioxide in the state; requiring adoption of an acid deposition control standard and plan by the pollution control agency; requiring reports; imposing an assessment on utilities; appropriating money; amending Minnesota Statutes 1981 Supplement, Section 116C.69, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapter 116

Be it enacted by the Legislature of the State of Minnesota,

SECTION 1. (116.42) [LEGISLATIVE INTENT.]

The legislature recognizes that acid deposition substantially resulting from the conduct of commercial and industrial operations, both within and without the state, poses a present and severe danger to the delicate balance of ecological systems within the state, and that the failure to act promptly and decisively to mitigate or eliminate this danger will soon result in untold and irreparable damage to the agricultural, water, forest, fish, and wildlife resources of the state. It is therefore the intent of the legislature in enacting sections 1 to 4 to mitigate or eliminate the acid deposition problem by curbing sources of acid deposition within the state and to support and encourage other states, the federal government, and the province of Ontario in recognizing the dangers of acid deposition and taking steps to mitigate or eliminate it within their own jurisdictions.

SEC. 2. (116.43) [ACID DEPOSITION DEFINED.]

As used in sections 1 to 4, "acid deposition" means the wet or dry deposition from the atmosphere of chemical compounds, usually in the form of rain or snow, having the potential to form an aqueous compound with a pH level lower than the level considered normal under natural conditions, or lower than 5.6.

SEC. 3. (116.44) [SENSITIVE AREAS; STANDARDS.]

Subdivision 1. (List of Areas.) By January 1, 1983, the pollution control agency shall publish a preliminary list of counties determined to contain natural resources sensitive to the impacts of acid deposition. Sensitive areas shall be designated on the basis of:

(a) the presence of plants and animal species which are sensitive to acid deposition;

(b) geological information identifying those areas which have insoluble bedrock which is incapable of adequately neutralizing acid deposition; and

(c) existing acid deposition reports and data prepared by the pollution control agency and the federal environmental protection agency. The pollution control agency shall conduct public meetings on the preliminary list of acid deposition sensitive areas. Meetings shall be concluded by March 1, 1983, and a final list published by May 1, 1983. The list shall not be subject to the rulemaking or contested case provisions of chapter 15.

Subd. 2. [standards.] (a) By January 1, 1985, the agency shall adopt an acid deposition standard for wet plus dry acid deposition in the acid deposition sensitive areas listed pursuant to subdivision 1.

(b) By January 1, 1986, the agency shall adopt an acid deposition control plan to attain and maintain the acid deposition standard adopted under clause (a), addressing sources both inside and outside of the state which emit more than 100 tons of sulphur dioxide per year. The plan shall include an analysis of the estimated compliance costs for facilities emitting sulphur dioxide. Any emission reductions required inside of the state shall be based on the contribution of sources inside of the state to acid deposition in excess of the standard.

(c) By January 1, 1990, sources located inside the state shall be in compliance with the provisions of the acid deposition control plan.

SEC. 4. (116.45) [REPORTS TO THE LEGISLATURE.]

By January 1, 1986, the agency shall submit its acid deposition control plan to the appropriate substantive committees of both houses of the legislature. By January 1, 1987, and each two years thereafter until January 1, 1991, the agency shall submit to the legislative committees a report detailing the reduction of sulphur dioxide needed to meet the requirements of section 3 and the progress which has been made to meet those requirements.

SEC. 5. MINNESOTA STATUTES 1981 SUPPLEMENT, SECTION 116C.69, SUBDIVISION 3, IS AMENDED TO READ

Subd. 3. [Funding; assessment.] The board shall finance its base line studies, general environmental studies, development of criteria, inventory preparation, monitoring of conditions placed on site certificates and construction permits, and all other work, other than specific site and route designation, from an assessment made quarterly, at least 30 days before the start of each quarter, by the board against all utilities. The assessment shall also include an amount sufficient to cover 60 percent of the costs to the pollution control agency of developing the acid deposition control plan required by sections 1 to 4; this amount shall be certified to the board by the executive director of the pollution control agency. Each share shall be determined as follows: (1) the ratio that the annual retail kilowatt-hour sales in the state of each utility bears to the annual total retail kilowatt-hour sales in the state of all such utilities, multiplied by 0.667, plus (2) the ratio that the annual gross revenue from retail kilowatt-hour sales in the state of each utility bears to the annual total gross revenues from retail kilowatt-hour sales in the state of all such utilities, multiplied by 0.333, as determined by the board. The Assessment shall be credited to the general fund and shall be paid to the state treasury within 30 days after receipt of the bill, which shall constitute notice of said assessment and demand of payment thereof. The total amount which may be assessed to the several utilities under authority of this subdivision shall not exceed the sum of the annual budget of the board for carrying out the purposes of this subdivision plus 60 percent of the annual budget of the pollution control agency for developing the plan required by section 1 to 4. The assessment for the second quarter of each fiscal year shall be adjusted to compensate for the amount *by which actual expenditures* by the board and the pollution control agency for the preceding fiscal year were more or less than the estimated expenditures previously assessed.

SEC. 6. [APPROPRIATION.]

The sum of $81, 455 is appropriated from the general fund to the agency for the purposes of this Act; for fiscal year 1983, the assessment pursuant to section 5 shall not exceed this amount.

SEC. 7. [EFFECTIVE DATE.]

Section 5 is effective June 1, 1982. Sections 1 to 4 are effective July 1, 1982.

ACID PRECIPITATION IN MINNESOTA [1]

CHAPTER 1—EXECUTIVE SUMMARY

Introduction

Acid precipitation, although only recently recognized as an environmental problem, has existed in some areas of the world since the industrial revolution of the 19th century. The term "acid rain" was originally coined in 1872 by Robert Angus Smith, who noted that rain was more acidic near English cities than in the rural countryside, and who postulated that the combustion of coal was responsible. Since the discoveries by Smith, the subject of acid precipitation has been the focus of a large amount of scientific research, controversy, and public concern. Until a few years ago, very little was actually known about acid precipitation. Today, although many questions remain to be answered, a vast amount of information and evidence exists concerning the causes of acid precipitation and its effects on the environment.

Formation, transportation, and deposition

Acidity is the result of free hydrogen ions (H^+) in solution and is measured by the logarithmic pH scale.

The difference between two pH units represents a 10-fold difference in concentration. Because of the presence of carbon dioxide in the atmosphere, unpolluted rain is believed to have a pH of about 5.6. Rain or snow with a pH less than 5.6 is considered to be acidic. Today, acidic precipitation is occurring in large regions of the eastern United States and Canada, Europe, and Japan, as well as certain isolated areas in western North America.

Acidic precipitation is only one component of a process called atmospheric deposition which is a combination of wet deposition (the removal of particles, pollutants, and dissolved substances from the atmosphere by rain, snow, hail, dew, fog, and frost) and dry deposition (the removal from the atmosphere of gases by adsorption and absorption, and particles by either impaction and/or gravitational settling).

The acidity of precipitation and deposition is primarily due to the presence of sulfuric acid (H_2SO_4) and nitric acid (HNO_3). These acids are chemically transformed in the atmosphere from the emissions of sulfur dioxide (SO_2) and nitrogen oxides (NO_x). Unfortunately, the mechanism of the transformation process is not clearly understood at this time.

Sulfur, which is a trace element in coal and oil, is emitted into the atmosphere as SO_2 by the combustion of these fossil fuels. Altough natural sources of SO_2 exist, man-made emissions account for about 90 percent of the atmospheric sulfur emissions in North America. About 85 percent of the SO_2 emissions in the United States occur east of the Rocky Mountains. Electric utilities comprise about 60 percent of the total U.S. emissions.

Nitrogen oxides, also emitted in the process of combusting fossil fuels, are derived equally from automobiles (transportation), industry, and utilities. The NO_x emission density in the United States closely follows population density.

Although there is insufficient information available to determine to what degree the acidity of precipitation and deposition has increased over the last few decades, several factors have likely contributed to the increase in geographical distribution and acidity in precipitation and deposition: 1) the height of emission stacks has increased greatly over the last few decades (to combat local pollution problems), causing the pollutants to be carried greater distances; 2) particulate controls have reduced emissions of fly ash, which may have served to partially neutralize acidic emissions or cause them to be deposited nearer to their source; 3) although coal consumption has not increased greatly over the last few decades, less is now used for residential heating and emissions are more concentrated in facilities equipped with tall stacks (such as utilities), contributing to more efficient conversion and long-range transport.

Effects of acid deposition

Both the sulfur and nitrogen contained in deposition, as well as other substances that are present, are essential nutrients for plants. In some circumstances, atomospheric deposition can be beneficial. However, at high concentrations, the acidity of precipitation can affect the natural cycling and toxicity of certain elements in the environment. Recently glaciated areas that are characterized by exposed granitic bedrock and thin, noncalcareous soil are the most sensitive to acidic deposition. In general, the potential effects of acidic deposition are as follows:

Acidification of sensitive soils leading to increased leaching of nutrients and minerals (some of which are toxic), as well as decreased rate of many soil microbiological processes such as 'nitrogen fixation'.

Direct and indirect effects on crops, either due to foliar damage from acidity or a long-term decline in productivity as a result of the loss of essential nutrients and minerals from the soil. Some crops in areas low in sulfur and nitrogen may be stimulated by the deposition of sulfate and nitrate.

Long-term loss of forest productivity from the loss of soil minerals and nutrients, or actual toxic response to increased concentrations of soluble metals in soilwater.

Acidification of surface waters as a result of acid inputs overwhelming the natural buffering capacity of entire watersheds, also enhancing the solubility and mobility of metals leading to increased metal concentration in acidified waters.

Interference of the normal reproduction of fish, amphibians, and other aquatic organisms that occurs when unfavorable conditions such as high acidity coupled with high metals concentrations exist.

Temporary acidification of sensitive lakes and streams during snow melt which can also lead to reproductive failure in aquatic organisms.

Potential health risks from drinking acidified surface or ground water containing high metal concentrations and from consuming fish that contain high levels of mercury or other metals.

In combination with other air pollutants, increased corrosion of man-made materials and structures.

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[1] Charts and graphs not reproducible in Record

Acid deposition in Minnesota

The annual mean pH of rain and snow in Minnesota ranges from about 4.6 in extreme northeastern Minnesota to about 5.5 in extreme southwestern Minnesota. Recent data suggests lower pH values in northern Minnesota. The strong east-west gradient in precipitation acidity is attributed in part to neutralization of the precipitation by windblown, calcareous soil particles in the agricultural areas of Minnesota. Snow is more acidic than rain as a result of inhibition of soil particle suspension by the snow cover.

Local variations in precipitation acidity due to proximity to point sources and urban areas likely exist, but there is insufficient data to further characterize precipitation quality in Minnesota at this time.

Sulfate deposition (a measure of the acidifying potential of deposition) in Minnesota ranges from about 13-29 kilograms per hectare per year (kg/ha/yr) and probably averages about 20 kg/ha/yr in northeastern Minnesota. Approximately 30 percent of the acidic deposition in northern Minnesota results from sources in Minnesota.

Lake sensitivity

Many lakes in Minnesota are sensitive or potentially sensitive to acidic deposition. As a result of Minnesota's glacial history, much of northeastern Minnesota and parts of central Minnesota are characterized by thin, noncalcareous soils and exposed outcrops of granitic bedrock. Lakes found in such regions are generally low in alkalinity (buffering capacity), although large variations exist within any given area.

Figure 1.1 is a preliminary sensitivity map indicating the areas in Minnesota that contain or may contain sensitive lakes. The areas of highest sensitivity occur in and around the Poundary Waters Canoe Area Wilderness, parts of southwestern St. Louis, central Carlton, northwestern Crow Wing, northern Morrison, and eastern Stearns and Todd Counties. Areas of moderate sensitivity are located throughout northern, north central, and northeastern Minnestoa. Agricultural lands in southern and western Minnesota are classified as areas of low sensitivity.

Data from recent lake suveys indicate that extremely and potentially sensitive lakes are found in the following counties:

Counties containing extremely and moderately sensitive lakes: Aitkin, Cass, Carlton, Cook, Crow Wing, Itasca, Kanabec, Lake, Morrison, Pine, and St. Louis.

Counties containing potentially sensitive lakes: Anoka, Becker, Beltrami, Benton, Chisago, Clearwater, Hubbard, Isanti, Koochiching, and Washington.

The following sensitivity breakdown has been estimated for the 12,034 lakes in Minnesota by classification and estimated number: Extremely sensitive, 512-967; moderately sensitive, 928-1401; potentially sensitive, 1005-1384.

The lower end of the above ranges is probably more reflective of lake sensitivity in Minnesota. These ranges do not reflect the number of sensitive fishing lakes. Currently, no Minnesota lakes have been found to be either acidic or acidified. Without additional information, it is not possible to more closely identify the number and sensitivity of lakes in Minnesota.

Impacts on aquatic and terrestrial resources

Both the annual precipitation pH and sulfate deposition rates in northeastern Minnesota are equal to or greater than loadings associated with lake acidification and fish mortality in very sensitive lakes in Scandinavia.

The current and historical lake data base in Minnesota is inadequate to formulate conclusive evidence regarding the impact status of lakes. However, none of the 534 lakes for which limited data exists have been found to be acidic (totally without buffering capacity).

Historic alkalinity comparisons from 254 lakes, current lake chemistry data from 534 lakes, pH depression in 4 northern Minnesota streams during snow melt, and the sulfate deposition rates of between 13 and 29 kg/ha/yr, considered together, provide strong circumstantial evidence indicating that some lakes and streams are currently being affected (although they have not yet lost all of their buffering capacity). Continued loadings at these or higher levels will almost certainly cause detrimental chemical changes in at least the most sensitive ecosystems. At this time, it is not possible to predict the length of time needed before more noticeable changes in lake chemistry will occur.

Because the pH of precipitation is generally greater than 5.0 in the agricultural areas of Minnesota, it is unlikely that short-term foliar effects will occur in Minnesota crops. In addition, agricultural amendments to soil will likely overshadow the effects of acid deposition. As a result, agriculture in Minnesota does not appear to be threatened at this time. Long-term problems associated with loss of nutrients from soils may be possible, especially if the acidity of precipitation falling in the agricultural areas of Minnesota increases in the future.

More research is needed to assess the impact of acidic deposition on forests. However, Minnesota forests are likekly to be more sensitive than crops for the following reasons: 1) the forested areas of Minnesota are receiving precipitation that is significantly more acidic than the agricultural areas; 2) the forest soils are more sensitive than agricultural soils; 3) unlike agricultural soils, forest soils are usually not amended. Any impacts on Minnesota forests are likely to be long-term problems rather than immediate ones.

Effects on fish and tourism in Minnesota

Recent studies have pointed to a failure of body salt regulation in fish as the primary cause of death in acidified waters. Loss of fish would be expected from clear water lakes that are low in organics and other potential chelates and that are found in environments susceptible to acid inputs. Such systems are generally low in calcium and fish are less physiologically protected against ion depletion. The most common effect on fish is poor recruitment from natural reproduction, a result of disruption of normal reproductive cycles. Waters characteristic of low pH have potential for the dissolution of heavy metals, such as aluminum, mercury, zinc, nickel, and copper, from lake sediments or watershed. Increased aluminum concentrations may cause toxicity to fish at pH levels that are normally not harmful.

The impact of acidification on fisheries in Minnesota resulting from acidic deposition is dependent on the characteristics of a given aquatic system and the susceptibility of the fish species present. Minnesota fish species most sensitive to water acidification include smallmouth bass, walleye, lake trout, rainbow trout and burbot. Northern pike, brown bullheads, white suckers, and sunfish are moderately sensitive, while yellow perch are relatively tolerant.

Of the 12,034 lakes in Minnesota, some 3,000 having surface areas of 40 acres or more are recognized as good fishing lakes, although a number of smaller lakes may also be managed. Lakes capable of maintaining permanent fish populations comprise 24 percent of the total number of lakes in Minnesota.

It is estimated that approximately 729 fish lakes in Minnesota may be susceptible to acidification. Some of the most sought after fish species, particularly the walleye, comprise a major portion of the fishery in these susceptible waters.

Loss or reduction of species such as the walleye, small mouth bass and lake trout could heavily influence the outdoor-oriented economy in northern Minnesota. Initial expense revenue from Minnesota sport fishing was estimated at $346 million for 1980. Eight-five percent of this activity occurs in economic development regions having acid sensitive waters. Fishing trips are projected to increase to an estimated 21.4 million by 1995, increasing initial expense revenue to approximately $1.6 billion (after adjustment for 10% annual inflation). Of the thirteen economic development regions in Minnesota, seven contain lakes that are at least potentially sensitive (Regions 2, 3, 4, 5, 7E, 7W, and 11).

Loss of fish populations and the accompanying biological degradation would eliminate resorts and combination resort-outfitter operations and reduce other tourism expenditures in the Boundary Waters area of Minnesota by at least one-half, thereby reducing the total economic impact of these industries from $63 million to $21 million annually. Direct and indirect loss of jobs is estimated at 3,000.

No evidence of direct fish kills resulting from lake or stream acidification presently exists for Minnesota waters. It is more likely that impacts would be reflected by alterations in population structure and growth and production rates. These parameters require relatively long monitoring periods with associated funding to adequately delineate the problem.

Health effects

Acid rain does present a serious potential for health effects in Minnesota through the introduction of toxic metals in drinking water supplies and fish tissue. Although these effects have not yet been conclusively demonstrated, it is anticipated that portions of the State will be affected should current levels of acid precipitation continue.

The potential for health effects arising out of the acidification of drinking water supplies occurs due to the input of acid leached toxic metals from the watershed or soil directly into the supply, or the leaching of toxic metals from the distribution system piping by water made corrosive by acid rain. Softwater lakes and shallow groundwater supplies are the most susceptible to these effects.

Of the drinking water supplies using surface water, most appeared to be from relatively hard water lakes and mine pits, and hence not immediately susceptible to acidification. However, the effects of acid rain on pit mine water supplies is not know. One of the supplies, Burntside Lake, is a very soft lake and may be susceptible to acid rain effects in spite of its relatively large size. The treatment facilities at Burntside currently appear capable of coping with corrosive water, but the possibility of private uses of other such soft water lakes exists. These private supplies would not be expected to have adequate facilities to control corrosion.

The municipal groundwater supplies draw from hard water aquifers which are generally quite deep. However, two areas of concern do stand out. First, there is scant information available on private well supplies in the area of the state that is considered most susceptible to acid rain, i.e., the northern half of Cook, St. Louis and Lake Counties. This area currently receives rain at a pH of 4.6 to 4.8. The possibility exists that the shallower wells in the glacial drift of the region are susceptible to seasonal acidification during the spring snowmelt. Longer term changes are also possible with continue or increasing precipitation acidity.

Second, several sources of information seem to indicate that groundwater in Pine County (in the Kettle River Watershed) is very soft and already exhibits corrosive tendencies in some water supplies. The sand and gravel soil of this region and the thin glacial drift would be expected to be susceptible to acid rain impacts. Indeed, the acidification of groundwater observed in other parts of the United States, Canada and Sweden have occurred under just such conditions. There is a need for more informtion from private supplies in Pine County to examine the possibility of their sensitivity. None of the current data demonstrates acidification of ground water; however, the assessment of sensitivity should be expanded to cover the gaps in information.

Acidification of water supplies can lead to increased leaching of metals from soils and bedrock as well as from supply lines. It is not expected that treatment procedures currently in use would be very effective for removing metals from raw water intakes.

The fish mercury data available on northeastern Minnesota lakes show a correlation between fish tissue mercury and pH or alkalinity. The lakes examined were generally not considered to be those most susceptible to acid rain. The more susceptible lakes would be smaller headwater lakes of very low alkalinity.

The effect of increasing acidity on fish mercury levels has been noted in many other parts of the world and has resulted in black listing of lakes to protect public health. The sportfishing population of Minnesota is currently exposed to a serious risk from fish so contaminated, prompting the State Health Department to issue consumption advisories for many of Minnesota's lakes. It is anticipated that acid rain will exacerbate this situation by influencing in many ways the processes by which mercury travels through the environment and is finally incorporated in fish tissue.

Mitigation

The addition of a neutralizing agent, such as lime, to a lake or watershed is a possible method of keeping acid-affected waters alive. However, due to the vast size of sensitive areas, liming lakes or watersheds is not viewed a feasible approach to solving the acid precipitation problem. Liming may have a place as a method of temporarily protecting certain extremely sensitive lakes, or as a method of restoring acidic lakes.

Scientists believe that sulfur dioxide emissions in North America should be reduced by 40 to 50 percent in order to protect sensitive ecosystems. Technology exists today to make such reductions.

Estimates indicate that utility bills will rise by approximately 2 percent on the average if SO emissions in the United States were rolled back by about 30 percent. The cost of such emission reductions may, in fact, be cost effective in terms of savings on crops, forests, building damage, health, and improved lake quality.

Sulfur dioxide emissions in Minnesota have been reduced by about 37 percent since 1972, although not because of acid rain. Current emissions total about 272,000 tons/year and are low compared to most eastern states. Further reductions in Minnesota emissions are attainable under a number of possible options. Depending on the choice of control, costs could range from 34 million dollars to 400 million dollars and emissions could be reduced by 22 to 37 percent. The resulting reduction in acidic deposition would not be adequate to ensure protection of sensitive resources. Emissions must be reduced in other states as well.

The current version of the federal Clean Air Act does not provide clear statutory language allowing one state to obtain relief from acid deposition caused by emissions in other states.

Recommendations

More detailed atmosphere monitoring is needed to better characterize the quality and quantity of acidic deposition in Minnesota. Such monitoring should be conducted on a long-term basis in order to identify any significant trends deposition. Current monitoring plans will supply a portion of the data that is necessary.

Computer modeling, individual storm analysis, and air mass trajectory analysis are needed to more accurately determine source contributions to acidic deposition in the sensitive areas of Minnesota. Such information will be important when considering mitigation option.

Detailed lake and stream watershed studies are critically needed for a better understanding of lake sensitivity and response to acid deposition. Such studies should include an examination of the vegetation, soils, and hydrology within different lake basins, coupled with detail lake chemistry studies and deposition monitoring. Resulting chemical, nutrient, and water budgets can be used to model lake acidification rates for individual lake systems.

A comprehensive system of indexing and data management should be developed to specifically identify lake and stream susceptibility. Such indexing should result from expanded baseline data surveys for lakes and fish populations as well as lake-watershed studies and computer modelling.

Intensive fish population surveys should be continued to identify lakes and streams of particular sensitivity and to identify and monitor stress status of individual fish populations.

The impact of snow melt needs further evaluation on both lakes and streams. Bioassay studies should be included to determine the effects of snow melt on the reproductive success and survival of sensitive fish species.

Further evaluation is needed to determine the potential effectiveness of lime application as a fish management tool for the treatment of important aquatic resources.

Additional examination of forest and agricultural soil properties is necessary to better predict potential long-term impacts on forestry and agriculture in Minnesota.

Gather information on ground water quality and the dependence of private supplies on sensitive waters, for the remote areas of northeastern Minnesota and Pine County to assess the likelihood and timing of acid rain impacts, especially look for seasonal effects.

Fish mercury studies should be done on the more acid rain susceptible lakes to fully assess and plan for the potential impact of acid rain.

A routine fish mercury program should be put into operation to measure trends and thereby assess the timing of the acid rain influence.●

PEACE LINKS

● Mr. **PRYOR**. Mr. President, those of us with roots in Arkansas have long been familiar with the hard work performed by Mrs. Betty Bumpers in a number of areas. Chief among these was in behalf of innoculating school children against disease. During her husband's tenure as Governor of Arkansas, she became a presence in her own right, showing a fierce determination to guarantee this safety precaution for all young people in the State. And when he came to the Senate, she went national with her crusade. All of us are aware of the impressive results this program has shown over the past 5 or 6 years.

Now the considerable talents of Mrs. Betty Bumpers—wife of my distinguished collegue from Arkansas—have been turned toward what is surely the number one concern today: the threat of nuclear war and the pressing, immediate need for disarmament negotiations. She is spearheading a new movement know as "Peace Links," operating out of Washington as a national contact point of women interested in the question of disarmament and wanting to lead their support to this cause.

This is not just another big bureau with a hierarchy of authority and command. Mrs. Bumpers has far too much savvy to let tentacles and offshoots threaten a worthy effort. Instead, this is a grass-roots network for women committed to the disarmament point of view and wanting to know how they might take part in it.

If I know anything about the past energies of Betty Bumpers, and of her unflagging devotion to purpose, then I predict a resounding success for this movement. In fact, I feel better about disarmament already, knowing that she has marshaled her forces in behalf of peace.

Yesterday's New york Times included an article outlining much of the purpose and design I have just described. It is a fitting tribute to Mrs. Bumpers, and I predict that it is only the first of many in praise of a grand lady of Arkansas. I ask that it be printed in the RECORD.

The article follows:

POLITICIANS' WIVES AND "PEACE LINKS"

(By Barbara Gamarekian)

WASHINGTON, May 25—When Betty Bumpers sat down with friends to put together an organization that would encourage women to get involved in the nuclear arms debate, they puzzled over what to call themselves.

"One woman said, 'We can't use the word peace because it has a bad connotation,'" Mrs. Bumpers recalled. "And I sort of dumbly agreed, 'Yeah, that's right.' And then it hit me, to think that we had reached the point of thinking in this country that the word peace was unacceptable. What the heck, we said, we'll use it anyway."

Mrs. Bumpers, whose husband, Dale, used to be Governor of Arkansas and is now a Democratic Senator from that state, has been on the stump in behalf of disarmament and is an organizer of "Peace Links," a fledgling Washington-based operation that hopes to act as a grass-roots clearinghouse for women, putting them in touch with organizations already working on disarmament.

NUMBERS AREN'T IMPORTANT

"What we want to do is to tap into every woman's organization across the country, from garden clubs to church groups, and have them put nuclear awareness on their agenda," said Mrs. Bumpers, a 57-year-old mother of three. "We want women to know that they shouldn't be put off by the technical vocabulary."

"I don't try to be an expert and remember all the facts and figures myself," she said. "I don't play the numbers game, because the numbers aren't important. All you really have to know is that we already have more than enough nuclear weapons to annihilate each other, that the scientists who developed this weapon say it is a war in which no one wins and that the chance of it happening by accident is increased by every additional warhead that is built."

Mrs. Bumpers, who has recently returned from two months of traveling and speaking on the issue in her home state, said that the comments she received "made me forget to be nervous."

With the help of a grant from the Winthrop Rockefeller Foundation, more than 2,000 women are now involved in the Arkansas pilot program; 32 of the state's 75 counties have coordinators and there is a state headquarters in Little Rock.

The disarmament campaign is directed toward women, Mrs. Bumpers said, because it is the ultimate parenting issue. "Women have been socialized to think about the maturing aspect. Their young are at jeopardy, they don't want their children to be the last generation."

PROMINENT VOLUNTEERS

The national effort is just getting off the ground with a Washington office and the appointment of Nancy Graham, formerly with the Peace Corps, as national coordinator and some seed money from the Rockefeller Family Fund. There are grant proposals before other foundations, and a number of prominent volunteers: Rosalynn Carter in Georgia; Sharon Rockefeller, wife of Gov. Jay Rockefeller, in West Va.; Barbara Levin, wife of Democratic Senator Carl Levin, in Michigan; Teresa Heinz, wife of Republican Senator John Heinz in Pennsylvania, and Nicola Tsongas, wife of Democratic Senator Paul Tsongas, in Massachusetts.

"It is a difficult thing for politicians' wives to get into, for it can be perceived as a partisan issue," said Mrs. Bumpers. Her own husband, she said, wasn't particularly keen about her early efforts, but has changed his mind.

A rally is planned for October 10th, three weeks before election, Mrs. Bumpers said, adding: "I say to women: Let your political leaders know how you feel. We put them in and we can take them out. Let them find some answers for us.●

MODEL HEALTH CARE SYSTEM

● **Mr. DURENBERGER.** Mr. President, health care is an area that concerns all of us. Yet, while we place a high value on our health, it is something that is typically taken for granted—and abused. When we are well, we ignore our health. When we are ill, however, we will do anything to get better. It is really not all that surprising then that we have developed the best system of sickness care in the world.

Our health providers are geared up for treating sickness—not maintaining health. There are no incentives for providers to treat less. Rather, we demand that more treatments and better cures be developed—regardless of the cost. Patients want more and health providers give it. Health care costs skyrocket and everyone complains. And the more we pump into sickness treatment, the less we have for other worthwhile causes—causes which have as much of an impact on health as does sickness treatment.

In times of limited resources, it is especially important to make sure dollars are being well spent. We have to reorient our health system to reward prevention and cost-effective treatment. Jon Schroeder, of the Grant County Herald, recently wrote an article which describes a system that works. Rural America has developed a model for urban settings that provides primary care, prevention, and the appropriate treatment in the appropriate setting. I encourage my colleagues to read it. I ask that it be printed in the RECORD.

The article follows:

[From the Grant County Herald, Apr. 29, 1982]

A MODEL HEALTH CARE SYSTEM

Rising, seemingly out-of-control, health care costs are a subject on nearly everybody's mind these days.

Nationally, cost of living studies have shown that health care and hospitalization costs have consistently risen faster than inflation.

A big part of the problem stems from the fact that most medical expenses for most people are paid by insurance.

We don't seem to treat purchases of medical care like we treat other purchases we make because they seem so painless.

And, a lot of us have our medical insurance premiums paid at least partially by our employers, so we're not really aware of what has happened to health insurance rates over the past few years.

Medical care is also a highly specialized field. Most of us are not very informed consumers of medical services. We don't shop around very much when we seek medical care. We don't kick tires, or compare prices very much, and hospitals don't generally have "sales" on particular types of operations or procedures.

Even when we do find ourselves needing medical care, we don't usually know enough about our illnesses or injures to challenge the doctor's judgement when we are told we need a particular type of care.

Along with all these normal market-place disincentives to holding down medical costs has come the increased specialization of the delivery of medical care.

There is no such thing as a "GP" or generalist family doctor anymore. Even "Family Practice" is a specialty which requires a residency and extra schooling which was formerly required only of "specialists."

In order for the economics of the health care delivery system, then, physicians must be contantly referring patients to each other.

No one feels qualified to treat all the varying ailments that familiy members encounter.

We poorly informed consumers may feel that we have to see a specialist in order to get the kind of quality care that we need.

And, as we see doctors who have taken specialty training and as doctors refer us among themselves, the costs of medical care go up, and up, and up.

Under this type of system, we have only faith in the judgment of individuals who earn their living delivering medical care to make sure that no one of us is overutilizing the health care delivery system.

And, yet, all the incentives are aimed at maximizing health care expenditures rather than keeping them down, and overutilizing the health care delivery system rather than trying harder to keep a healthy society and reserve the most expensive parts of the health care system for times when it is really needed.

This kind of indictment of the health care system has led us to conclude that health care planners and others concerned about the rising cost of delivering health care could learn a lot from the way health care is delivered in rural areas like Grant County.

Our health care system consists of generalist family physicians, satellite clinics, a small primary care hospital, ambulances staffed all or in part by volunteers, and public health nurses and nurse practitioners who view keeping people well and avoiding use of the more expensive parts of the health care system as their primary mission.

When the need arises, all of this generalist medical care is backed up by consulting specialists and good, solid relationships with nearby health care facilities which have more specialized facilities and equipment.

In short, we have good quality health care (much more personalized care, in fact than one could get at a big city hospital or clinic) delivered at a lower cost by generalists.

And, we have access, when we need it, to more specialized (and more expensive) personnel, equipment, and facilities.

That makes sense.

And, policy-makers in congress and the insurance industry, and anywhere else where there is concern about the rising cost of medicine could learn a lot by duplicating it in big city neighborhoods, suburbs, and anywhere else where people get sick.●

INTERFERENCE FROM CUBA

● **Mr. CHILES.** Mr. President, while my Senate colleagues may not know it, Americans have been under attack by Cuba for over 13 years. This attack is not just limited to my home State of Florida but is occurring right now in a number of States as far away as Utah. Fortunately, this attack does not involve the military and it is not life

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threatening, but it is costing some Americans millions of dollars and potentially their livelihoods.

The attack I am referring to involves Cuban interference of American radio signals and unauthorized Cuban broadcasting and jamming. It is not a new problem but it is one that has been getting worse over the years and with greatly increased economic consequences. I do not believe this increase in radio harassment is coincidental. I believe it is being done in conjunction with generally increased Cuban adventurism in the Western Hemisphere.

Many parts of the country are experiencing this problem. It is not limited to Florida. Some stations in the Northern United States have reported to the Federal Communications Commission and to the National Association of Broadcasters that Cuban radio interference is severely compromising the clarity and quality of their signals and, therefore, their ability to serve the public. One example of this comes from WICC in Bridgeport, Conn. WICC reported that it has measured Cuban broadcast signals at least twice as strong as provided for by the North American Regional Broadcasting Agreement. Because other stations operate on the same 600 frequency as WICC, it may be assumed that at least five other stations also experience interference problems. Similarly, WPLP in Pinellas Park, Fla., which operates on the 570 frequency has experienced severe interference. Given the signal strength of the Cuban interference on this frequency, it can be projected that nine other stations in addition to WPLP are experiencing problems. Also, a number of radio stations in the Miami and south Florida area are experiencing operating problems of this nature.

To date, the remedies available to broadcasters experiencing Cuban radio interference have been limited. The only effective relief has come via petition to the FCC for additional operating power. This additional power overcomes the radio interference and allows the broadcasters to again transmit a clear, quality signal. While power increases provide some relief, they are an expensive answer. Some stations have had to expend almost a million dollars to modify their broadcast equipment. But power increases on top of power increases do not add up to a viable, long-term solution to the problem. What if Castro ups the ante and matches our increases kilowatt for kilowatt?

Clearly, the present trend toward more and more harassment cannot and should not be allowed to continue. At some point, we have to stand up and say, enough.

Mr. President, I do not pretend there are easy answers to this thorny problem but I do believe the Federal Government needs to pay more attention and begin looking at some solutions. I believe we need to look at the interference issue as more than just a technical problem and actively pursue a solution through our foreign policy mechanism. In this regard, I believe the State Department should take a more active role in this issue and start to look at the interference problem in the context of our overall foreign policy stance toward Cuba.●

CLEAN AIR ACT

● Mr. **DURENBERGER**. Mr. President, the long and arduous task of amending the Clean Air Act in the Senate is the responsibility of the Environment and Public Works Committee under the steady hand and wise leadership of its distinguished chairman, Senator Robert Stafford. I share with my colleagues the following editorials from two of the leading newspapers in Minnesota, the Minneapolis Tribune and the St. Paul Dispatch, which clearly reflect the view of the vast majority of the citizens of Minnesota regarding Clean Air Act reauthorization. Senator Stafford and the committee are to be commended for insisting on a bill which does not weaken the Clean Air Act—so important to all citizens of this country.

I submit for the Record the following three editorials.

The editorials follow:

[From the Minneapolis Tribune, Jan. 31, 1982]

Clean Air Act Tug-of-War Continues

As Congress settles into its routine for the 1982 session, the tug-of-war over revision of the Clean Air Act will pick up where it left off in early December. In the House, the battle could become a bitter stalemate. Best hope for revision lies with Sen. Robert T. Stafford, R-Vt., chairman of the Senate Environment and Public Works committee. If Stafford can hold firm to his deliberate "fine-tuning" process against pressure from industry and the administration, Congress may actually get a chance to pass a responsible revision of the Clean Air Act later this year.

On the last day of the 1981 session, six House critics of the present act—five of them from the depressed Midwest industrial states of Ohio, Illinois, Indiana and Michigan—introduced a comprehensive revision of the act. Authorization for the existing act expired Sept. 30, but it continues in effect.

The new House bill, whose chief sponsor is Rep. Thomas Luken, D-Ohio, contains some appealing features. It would preserve some critical provisions of the existing law, reduce some needless bureaucratic encumbrances and also make some sound improvements. But it still would give away too much on vehicle emissions, and would weaken cleanup deadlines and Environmental Protection Agency enforcement powers. The bill generated significant industrial and labor support but bad reviews from environmentalists and lukewarm comment from such middle-of-the-road groups as the National Governors' Association and state pollution agencies. Unless further compromise and broader support is forthcoming, the House is unlikely to accept the Luken bill.

Best bet for an acceptably updated act lies with the Senate, where Stafford tightly controls the revision underway in his Environment and Public Works Committee. Stafford, a staunch defender and an author of the existing act, has frustrated all attempts at comprehensive revision. Instead of working from a draft revision, he is requiring the committee to evaluate and amend the existing act one section at a time. The existing language thus becomes the framework into which all changes must be fitted. Stafford's procedure forces critics of the present law to bear the full burden of proof. They must propose specific, piecemeal amendments and sell each one to the committee. The piecemeal approach also reduces the potential for tradeoffs between factions, and makes it difficult to hide significant changes in legislative language.

Stafford's strategy is exactly right. By requiring opponents to prove flaws in the existing act, he helps ensure that Congress will not give away the clean-air store. Where business and industry, or any other group, can convince Stafford's committee that specific parts of the act are unnecessarily cumbersome, repressive, costly or wrongheaded, improvements should be made. But where that cannot be done, the existing Clean Air Act should be preserved. By his slow, deliberate—some say stubborn—approach, Stafford already has helped move the discussion beyond the initial extreme proposals of industry and angry responses from environmentalists. Despite pressure from the administration, industry and some colleagues, Stafford should remain firm in his careful approach. A better Clean Air Act will result if he does.

[From the Minneapolis Tribune, Mar. 28, 1982]

Industry Wins Round One of Clean-Air Battle

A House subcommittee has finished resculpting the federal Clean Air Act, and the result is not pretty. The bill is a caricature; it mocks the idea of clean air. Four Democrats teamed with eight subcommittee Republicans to win revisions that would severely weaken the nation's progress toward cleaner air. The Energy and Commerce Committee or the full House should strengthen the bill or kill it.

The Clean Air Act expired Sept. 30, 1981, but existing regulations remain in force until Congress passes new legislation. The act needs revision, but views differ on what the revision should be. Environmentalists seek to strengthen the act, while industry has pressed the opposite case. Industry prevailed in the House subcommittee.

Subcommittee Chairman Henry A. Waxman, D-Calif., lost control early on. He introduced revisions that tilted toward environmental protection but offered a solid starting point for accommodating industry concerns. Waxman's proposal didn't stand a chance. The 12-member bipartisan coalition, labeled the "Dirty Dozen" by environmentalists, immediately began substituting, section by section, a bill proposed by Rep. Thomas A. Luken, D-Ohio. Section by section, the Dirty Dozen prevailed.

The Luken proposal would:

Ignore acid rain. Waxman's bill would have established a 10-year program to reduce sulfur dioxide emissions in the eastern United States, principally from coal-fired power plants, by 10 million tons per year. Sulfur dioxide is a primary ingredient of acid rain.

Strip all special air-quality protection from the millions of acres of national parks, wilderness areas and wildlife refuges created since 1977, and reduce the protection afforded parks and wilderness established before 1977.

Weaken controls on auto emissions. The Dirty Dozen would double allowable carbon monoxide and nitrogen oxide emissions and weaken vehicle-inspection requirements. Under current law, states that fail to meet 1982 federal emission standards can get an extension to 1987, but only if they establish vehicle-emission inspection programs. The Dirty Dozen proposal would require vague inspection programs only in urban areas with a population of more than 500,000 where auto emissions exceed national standards by more than 50 percent. Some of the nation's worst air-pollution areas would be exempted.

Delay until 1993 the deadline for states to meet national standards for all seven regulated pollutants, even for areas that can now meet national standards. Current law requires that standards for five pollutants be met this year, while states are given until 1987 to meet the standards for carbon monoxide and ozone, the two most troublesome.

Polls continue to show that the Clean Air Act enjoys strong support. The latest Louis Harris survey found that 82 percent favor strict or stricter enforcement of the act. Americans accept the need to improve and streamline the act, but they do not want it weakened. If moderate changes in the act prove impossible to secure, the House would be better off not changing it at all.

[From the St. Paul Dispatch, Mar. 24, 1982]

A MATTER OF CLEARING THE AIR

Passage of the Clean Air Act of 1970 was one of the great triumphs of America's environmental reawakening.

Revision of the Clean Air Act of 1970 is one of the goals of the Reagan administration. The House Subcommittee on Health and Environment is working on a revision that looks more and more like a ruination as the weeks go by.

The House measure is so extreme, in fact, that its very excess may prove to be its undoing. The Senate is working on a bill so much narrower in scope that chances of agreement between the two appear slim.

What's more, some influential senators have their backs up because of pressure from business lobbyists. Sen. Robert Stafford, R-Vt., Senate Environment Committee chairman, has warned that there will be no Senate bill at all "unless the heat is turned down" and industry "exercises some restraint."

The Clean Air Act has some shortcomings. It imposes considerable expense on industry, yet it doesn't regulate all the pollutants it should. Industrial expansion is sometimes discouraged by an administrative maze that is more complicated than it needs to be. The problem of acid rain caused by sulfur emissions continues to grow larger both at home and across the border in Canada.

Instead of addressing these issues, the House is busily gutting the Clean Air Act. The House bill would weaken protection for millions of acres of national lands that the Interior Department had recommended for increased protection, relax air quality standards in our largest national parks and wilderness areas, permit industries in some cities to remove pollution equipment already installed, give states and cities with polluted air an additional six years (until 1993) to comply with minimum health standards and roll back auto emission standards.

The House committee is ignoring an Environmental Protection Agency study that shows the Clean Air Act has reduced worker absence due to illness by as much as 20 million workdays a year, a saving of $1 billion. It also ignores public opinion polls in which a vast majority of the respondents say they favor strong air quality standards and are willing to pay for clean air.

The best hope for those of us who breathe is the vast difference between the House and Senate bills. Even if both bills pass (and the Senate bill is questionable), there will be little time left at the end of the session for reaching a compromise. That would mean no action this year, which certainly is preferable to approval of the House committee's dirty air bill.●

NATO THEATER NUCLEAR FORCES

● Mr. NUNN. Mr. President, the issue of NATO's theater nuclear forces continues to be one of the major topics of discussion within the alliance. This whole area will be an important part of the upcoming NATO military summit in Bonn, Germany.

In one of the latest editions of Strategic Review there was a thought provoking article by one of our Nation's leading experts in this field. The article by Mr. Donald R. Cotter, entitled "NATO Theater Nuclear Forces: An Enveloping Military Concept," deserves careful review, and I ask consent that it be reprinted in the RECORD.

Don Cotter has served our Nation in many key posts related to nuclear weapons and policies, from being Assistant Secretary of Defense for Atomic Energy to working in the nuclear labs. I know of no one with a more extensive background in this field and his expertise has been extremely valuable to the Congress over the years. I strongly urge my colleagues to review his latest contribution which is included in the article.

The article referred to follows:

NATO THEATER NUCLEAR FORCES: AN ENVELOPING MILITARY CONCEPT

(By Donald R. Cotter)

(There is a clear rationale for NATO theater nuclear weapons—namely, as the means to "hold at risk" the echeloned Warsaw Pact forces, disrupting their precision timetable of multiple-axes advance, and making them prey for modernized NATO conventional forces armed with precision-guided and area munitions. But the prerequisites for such a strategy are a larger inventory of long-range TNF than now programmed, better survivability of all nuclear weapons, and their improved command and control. A key component of the concept, moreover, is a Theater Information System for constant surveillance and target acquisition of Warsaw Pact deployments. The needed technologies for implementing the overall concept are available.)

After much pulling, hauling, private anguish and public expressions of determination, commitment and involvement, the North Atlantic Treaty Organization has embarked on a two-pronged development and modernization program for its non-nuclear and theater nuclear forces. The Long-Term Development Program (LTDP) for non-nuclear forces was planned on the basis of steady and increased funding to improve combat potential, standardization and interoperability of modernized conventional capabilities. The Ministerial decision for modernizing theater nuclear forces (TNF), taken in December 1979, was aimed at upgrading NATP's long-range strike capabilities. This decision envisioned extending the range of the U.S. Pershing missile force (108 launchers) and providing 464 ground-launchable cruise missiles (GLCMs) on mobile launchers based in the Federal Republic of Germany, the United Kingdom, Italy, the Netherlands and Belgium.

Today, in an environment of sharpening economic recession, the LTDP funding requirements are not being met, with even the strongest Alliance members about to renege on their financial commitments. The nuclear modernization program has been under attack—first by the Soviets in a remarkable propaganda and coercion campaign, and now by political elements of those nations in which these new U.S. nuclear weapons are to be based.

This article attempts to adduce a rationale for improving NATO's defensive posture through an integrated approach to modernizing the Alliance's conventional and nuclear capabilities. The argument is advanced that the 1979 NATO TNF decision, while a significant step forward, does not fulfill the required nuclear posture, and that a strengthening of the conventional component of the NATO posture can be achieved at acceptable cost.

THE KEY REQUIREMENTS

For thirty years, the conventional and nuclear forces of the United States, in alliance with NATO's conventional forces, have sustained deterrence in Europe. Yet, even if deterrence has functioned (on the circumstantial evidence that there has been no war in Europe) no one can draw comfort from the Soviet Union's concerted thrust toward clear-cut and intimidating military superiority in Europe. The past decade has witnessed astounding quantitative and qualitative improvements in the conventional, nuclear and chemical forces of the Warsaw Pact—forces which exceed by far any reasonable defensive requirements of the Soviet Union and its allies.

How can NATO muster a credible defense posture in the face of the much-improved Soviet forces? The short answer is: (1) improve, through modernization, the survivability, flexibility and effectiveness of U.S. and NATO nuclear forces, particularly those that enhance conventional capabilities; and (2) greatly improve the qualitative characteristics of NATO's conventional forces. In undertaking the latter, the Alliance can take advantage of technological opportunities in surveillance and real-time targeting of Soviet Union/Warsaw Pact mobile projection forces and in advanced guided weapons and area munitions.

The primary goal of the proposed modernization of nuclear and conventional capabilities is still deterrence—but one based on a credible war-fighting capability which takes cognizance of Soviet definitions and norms of successful military operations. The key concept is to have available modern, long-range nuclear strike forces capable of threatening Pact mobile forces and important fixed military installations. This would have the consequence of imposing on the Warsaw Pact the kind of posture that would enhance NATO's non-nuclear capabilities in dealing with lower density enemy formations and achieving high levels of damage on the attacking forces. Thus, the underlying principle of the concept proposed here is that the realistic threat of nuclear weapons will enhance NATO's ability to defend with conventional forces.

Yet, a scheme of modernization of NATO theater nuclear forces cannot be limited to improvements simply in the hardware and delivery systems of nuclear weapons. Such a scheme must also encompass:

A concept of secure, safe, survivable and flexible deployments.

Command, control and communications (C^3) support to ensure positive control by the U.S. National Command Authority and Allied authorities.

An integrated concept of operations for nuclear and conventional forces.

Some additional assumptions with respect to NATO requirements need to be stated. The improved military capabilities must allow many options for the use of force. A defense based on the early and widespread use of nuclear weapons is neither feasible nor desirable. On the other hand, a purely conventional defense seems economically beyond the reach of the Alliance even if it were politically and psychologically attractive.

The military objectives for NATO's forces should stress a forward defense posture. Should war occur, there must be a minimum loss of territory—a few tens of kilometers at most. Once an attack has been contained and blunted, the NATO countries must have forces available to counter-attack in order to regain lost territory. Every effort must be made to terminate the conflict in a short period of time on terms advantageous to the Alliance; in light of the inherent capabilities of the opposing forces in Europe, a protracted engagement clearly would not be to NATO's advantage. Furthermore, mobilization plans and means of rapid reinforcement must be available to enhance significantly the combat potential of NATO's forces prior to, during and following the termination of hostilities.

WARSAW PACT PROJECTION FORCES FACING NATO

Too often it seems that the present intra-NATO debate over TNF is proceeding in a relative vacuum of considerations bearing upon the threat wielded by the Soviet Union and the Warsaw Pact—other than, of course, the mounting Soviet deployments of SS-20 missiles and Backfire bombers. Clearly, however, it is the total extent of that military threat that drives NATO's problems and the Alliance's requirements including the nuclear requirements.[1]

An analysis of the threat must encompass the overall combat potential of the Soviet military capabilities. Such an analysis includes the quantitative "bean count" of Pact forces and equipment. Of equal—and often greater—importance, however, are the qualitative force aspects, such as the superior range and firing rate of Soviet conventional artillery and multiple rocket launchers, and long-range nuclear and chemical strike systems (SS-20, Backfire). Additionally, the "management" and organization of Soviet Union/Warsaw Pact forces present a stark contrast to NATO's force management and organization. The Pact commander has authority for maneuver forces (armored and motorized rifle divisions), suppression forces (artillery, rockets and frontal aviation), air defense and logistical support. This is the essence of the Soviet "combined arms" force concept for conventional, nuclear and chemical warfare.

The Soviet Front commander also has recourse to additional independent assets which he can subordinate to Army and Division commanders as required to achieve success. These include additional artillery, armored fighting vehicles, transportation and engineering units. Finally, the Front commander has available to him a complex of hardened and redundant command, control and communications systems intended to provide him with reliable "top-down" control of all of these force elements.

Of greater significance is the fact that the single Front commander of the Group of Soviet Forces, Germany, faces seven NATO corps, each with independent national forces and logistics. The NATO governments plan to assign all forces to the Supreme Allied Commander (SACEUR) in wartime, but how this might work under the duress of conflict is anyone's conjecture. In peacetime SACEUR exercises operational control over air defense and some nuclear forces.

The Pact Front commander in peacetime controls, trains and exercises operational staffs and forces on a daily and integrated basis. In contrast, the NATO force of national corps and air elements are controlled, trained and exercised infrequently and in a fragmentary way by small international staffs, which are merely planning staffs. The Alliance has perpetuated an asymmetry in true readiness and interoperability, a flaw which has undone even superior forces in past campaigns in this region.[2]

In Soviet strategic writing the key element of Soviet strategy, in the event of an attack on NATO, is to seize NATO's continental territories, ports and airfields in roughly two weeks. This timeframe, short in comparison with NATO's present mobilization and reinforcement plans, would mean the defeat of NATO's forces-in-being before they could be reinforced.

The Soviet concept of offensive operations calls for the establishment of multiple, phased axes of advance. Each axis is to achieve predetermined space and time objectives for second and third echeloned divisions and armies as well as forces in contact. In this way the attack is intended to keep pressure on the defensive forces in depth and to exhaust their capabilities over a relatively short time. To succeed, the Pact must "force" rates of advance with precise timing of massed suppressive fire (artillery and air) and inflict "massive blows" with echeloned motorized rifle and tank formations. Additional and simultaneous Soviet operations would include suppression/annihilation of NATO's headquarters, aircraft, nuclear storage sites and major logistic depots, communications, etc., by aircraft and missiles throughout the depth of the theater.

The concept rests on a survivable "top-down" command, control and communications system, plus detailed pre-planning and timing of reinforcements. Precise tasking of combat maneuver and logistical support units is also required, thus limiting the flexibility of the lower-level field commanders.

The Soviets echelon their forces to lessen their vulnerability to nuclear attack. Reinforcement depends upon meeting rather precise timetables to achieve certain norms for local, but overwhelming, force ratios in selected breakthrough areas. While the Front commander has authority to subordinate forces to those field armies achieving success, the whole operation is vulnerable to disruption and delay by successful NATO attacks on second and reserve echeloned divisions and armies. Thus NATO should exploit the inherent vulnerabilities in the Soviet/Pact offensive operational concept of operations.

NATO'S CURRENT THEATER NUCLEAR FORCES

Today's NATO theater nuclear forces are the legacy of a policy devised more than two decades ago. The forces comprise mainly warhead and delivery system technology developed in the 1950s and 1960s. During that development period, these weapons were envisioned as extensions of conventional firepower, and represented essentially augmentations of conventional combat forces and concepts. The U.S. Military Departments were encouraged, as a matter of national policy, to acquire nuclear weapons for their various missions as the "conventional" weapons of the future.

This policy, first enunciated by President Eisenhower, resulted in the substitution of nuclear capabilities, at lower cost, for the massive conventional forces needed to match the preponderant Soviet ground armies after World War II. Thus, the Air Force established requirements for tactical aircraft to be equipped with first atomic, then thermonuclear, bombs; the Navy provided nuclear capabilities for torpedoes, depth charges, fleet air defense missiles, and carrier- and land-based aircraft. The Army was even more amibitious: It equipped its tube artillery with nuclear projectiles, gave the Nike air defense missile a nuclear capability and provided short-range missiles with atomic and thermonuclear warheads. The engineers were given atomic demolition munitions, and even the infantry was provided a short-lived nuclear capability in the form of the Davy Crockett battiefield-range projectile. The Army also pursued intermediate- and medium-range ballistic missiles, the Jupiter and Redstone.

Aside from the "bigger-bang-for-a-buck" approach of the 1950s, a large part of the impetus for the conversion of U.S. military forces to a nuclear emphasis was the result of pressure from the scientific and technical community. The General Advisory Committee Report to the U.S. Atomic Energy Commission of October 30, 1949, recommended to the Commission "an intensification of efforts to make atomic weapons available for tactical purposes, and to give attention to the problem of integration of bomb and carrier design in this field."

A crash program in "tactical" nuclear weapons was undertaken, which saw technology breakthroughs by the Los Alamos Scientific Laboratory in miniaturization, highly efficient use of fissile material and impressive advances in increasing the yield-to-weight ratios of atomic, and later thermonuclear, weapons. This allowed the diversity of TNF and strategic nuclear capabilities which exist today.

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[1] Information of Soviet capabilities, strategies and doctrine was drawn from a variety of unclassified sources, notably work performed for the Defense Nuclear Agency and the Defense Advanced Research Projects Agency. A notable source was "An Assessment of Soviet Forces Facing NATO—the Central Region—and Suggested NATO Initiatives," by J. V. Braddock of the BDM Corporation and N. F. Wikner of the University of Miami, May 1976.

[2] See Jeffrey Record, "France 1940 and the NATO Center 1980: A Disquieting Comparison," Strategic Review, Summer 1980, p. 67.

Unfortunately, it was not until the mid-1960s that much thought was given to where theater nuclear forces might fit in overall NATO requirements. This was forced by awareness of a growing Soviet capability in nuclear weapons, especially intermediate-range rockets (SS-4 and -5) which directly threatened Western Europe. Also, America's NATO allies sought a greater role in determining Alliance policy on nuclear weapons. In 1967, the Nuclear Planning Group (NPG) was established as a formal forum for consultation and planning on TNF matters.

Gradually there evolved in NATO some definition of the tasks and desirable characteristics for NATO TNF. The tasks to be carried out by TNF include assisting U.S. strategic offensive forces and NATO conventional forces to deter any Soviet use of force, in particular the use of theater nuclear and chemical weapons. The TNF should be capable of retaliation, in the event the Soviets use weapons of mass destruction, by executing preplanned nuclear options which have been agreed to, in principle, by the U.S. and NATO authorities. The planning of these employment options should permit NATO first use of nuclear weapons, if required. Finally, the TNF should be capable of holding Soviet ground, air and naval projection forces at risk throughout the depth of their deployment, including Soviet territory.

In order to accomplish these tasks, TNF require certain essential characteristics. First among these are survivability under nuclear or non-nuclear attack, and guaranteed safety and security. The forces must be responsive to political and military authorities in their ability to execute tasks in a timely fashion. They must meet employment flexibility requirements and exercise high military effectiveness over sufficient ranges to threaten Pact forces in depth. The weapons should embody a potential of low collateral damage with respect to those targets where the safety of NATO forces is at stake and/or damage to population or territory is to be avoided.

Yet, in measuring NATO's current TNF capabilities, we find some serious deficiencies. The TNF are vulnerable to Soviet nuclear, conventional and paramilitary forces to the point where their survivability is in question. In addition, they are maldeployed, resulting in the limited availability of weapons and delivery systems in high-threat areas. Substantial numbers of weapons are contained in very few storage sites. From a deterrence standpoint there is a significant problem in that most NATO delivery systems lack the range to threaten the majority of Soviet forces throughout the depth of their deployment.

In addition to the above hardware and posture deficiences, NATO's nuclear planning emphasis has been almost entirely on fixed targets (although great progress is being made in planning selective employment strikes against Soviet Union/Warsaw Pact mobile forces). Current planning does not focus on potential Soviet vulnerabilities in controlling their projection forces. Command and control procedures and communications for NATO TNF are not compatible with their tasks. Moreover, only limited thought has been given to the problems of planning for integrated conventional-nuclear combat.

A PROPOSED CONCEPT OF DEFENSIVE OPERATIONS FOR NATO NUCLEAR CAPABILITIES

The proposed concept of operations for NATO requires that all Soviet projection forces be held at risk with theater nuclear forces. "Hold at risk" means to (1) continuously target enemy forces with operationally ready U.S./Allied nuclear forces; and (2) maintain the ability to execute limited or major strikes quickly across the full range of echeloned forces, as well as on threatening military forces in the Soviet Union. The concept is analogous to current U.S. strategic-offensive force capabilities and planning, but it adds the task of targeting Soviet mobile projection forces.

Yet, in the context of these tasks, current NATO TNF face a serious problem: Approximately 60 percent of the theater delivery systems are of very short range. The nuclear artillery has a maximum range of less than 15 kilometers, and only a small fraction of Soviet ground forces can be threatened by these systems. The remainder of NATO's nuclear capabilities are for air defense, barrier production and anti-submarine warfare or are targeted on fixed facilities.

To perform the "hold-at-risk" function, NATO will require longer-range delivery systems with high firing rates. Soviet projection forces can then be realistically threatened throughout the depth of their deployment. Range increases are also needed to increase the survivability of battlefield systems. Today NATO's artillery is outranged by Soviet tube artillery and multiple rocket launchers, and in many combat situations the Soviets would plan to destroy NATO's nuclear-capable artillery and missiles with conventional ordnance before they can be employed.

Range enhances the survivability of delivery systems, their combat potential and their flexibility in applying covering firepower. Such range improvements would therefore substantially complicate Pact operations, to the point of placing in doubt the possibility of a successful attack against NATO.

Under this concept, tactical aircraft should be dual-capable, but be used principally for the delivery of advanced conventional munitions against mobile forces. (Peacetime levels of nuclear Quick Reaction Alert [QRA] aircraft would be retained.) During periods of crises, aircraft would not be fully generated for nuclear missions, but would be armed instead with conventional munitions in a QRA role.

A replacement for generated QRA aircraft is needed, and this role could be exercised by extended-range Pershing 2 ballistic missiles and cruise missiles as agreed to in the NATO December 1979 modernization decision. One promising concept which might still be considered with respect to deployment mode is the use of a modern cargo helicopter armed with the Tomahawk cruise missile. The CH-53E helicopter could be stationed on military bases and used in a "grasshopper" mode to increase survivability, while avoiding the greater political penalties that attach to GLCMs moving more visibly on the ground. Dispersal would be from main nuclear-capable bases to other military bases or secure locations. The 1,200-mile range of the helicopter, along with its inflight refueling capability, would permit low-profile redeployment to participating nations. Two to four missiles could be carried externally, and several reloads internally. The externally carried missiles could be launched in flight.

The current long-range TNF modernization program represents an important and essential stride forward by the Alliance in meeting its urgent military requirements. Yet the "hold-at-risk" rationale described above calls for greater numbers. One technical option available is that of providing a multiple warhead and targeting capability for the Pershing missile. Recent studies show that a MIRV warhead is feasible as a supplement to the basic Pershing-2, and could be made available by the mid-to-late 1980s.

NATO'S CONVENTIONAL RESPONSE

Notwithstanding the need for the Alliance to sustain a viable "first use" of nuclear weapons option, the initial defense against a Warsaw Pact attack will most likely be a conventional one. To be successful, NATO's defense must be able to accomplish the attrition of a large number of Soviet combat units at a high rate. For example, one Warsaw Pact breakthrough operation could feature 600 tanks, 500 armored fighting vehicles, about 50 batteries of artillery, almost 200 SAMs and air defense guns, and more than 3,000 trucks. As many as six major breakthrough efforts could be proceeding simultaneously.

The challenge to a NATO conventional response is thus heavy, but it is not insurmountable if approriate modernization measures are undertaken and if some existing assets, particularly NATO's tactical air forces, are reallocated. NATO's air forces in Central Europe today may need to execute four to six thousand attack sorties per day. To achieve this, all NATO airbases would have to be kept operating at high efficiency—an extremely difficult assignment in face of the Pact's attack potential. The number of successful conventional air sorties required to cope with such breakthroughs, using today's weapons ("iron" bombs and low-rate-of-fire precision-guided munitions), are substantially beyond NATO's current capabilities. Advanced area munitions and better dispensers, however, could reduce these sorties requirements by a factor of ten to fifteen.

For example, studies show that the above single breakthrough target array would require NATO to execute the following successful attack sorties:

5,500 aircraft sorties expending 33,000 metric tons of unguided gravity bombs, or

600 sorties using anti-armor unguided submunitions (3,000 metric tons), or

50-100 sorties using terminally guided anti-armor submunitions (TGSM) (500 metric tons).

A metric ton of TGSM would have a kill effectiveness against company-sized armored vehicles roughly equivalent to a low-yield fission or enhanced radiation weapon.

In order to reduce the defense task to manageable proportions a conventional upgrading of TACAIR capabilities is urgently required. This includes notably modern dispensers for area munitions to take advantage of the full payload of attack aircraft. Such a dispenser and associated munitions have been developed for the FRG for use with the Tornado aircraft. Several thousand munitions can be dispersed at 100 feet in less than one second and over an area of 500 meters by 1,000 meters. A stand-off dispenser—to avoid target overflight and to steer clear of field army defenses—has been designed to be carried by all types of attack aircraft and to use exisiting NATO munitions as well as prospective ones such as terminally guided submunitions

The development of precision-guided hard-structure munitions to interdict lines of communication in order to delay and disrupt echeloned force movements and destroy hardened tactical command and communications facilities must be accelerated. Similarly, advanced terminal homing area munitions for attack upon armored vehicles and supply trucks need to be vigorously pursued. And in the same vein, the Assault Breaker air-to-surface missile sponsored by the U.S. Army and Air Force and the Defense Advanced Research Projects Agency, capable of carrying the terminally guided submunitions, should be funded and acquired to allow a stand-off capability of U.S. and NATO attack aircraft, including the B-52.

A CONCEPT OF INTEGRATED OPERATIONS AND PLANNING

An integrated concept of operation for nuclear and conventional forces is mandatory for successful defense. There are two major tasks for these forces. NATO's conventional forces will have to be improved and structured so as to be capable of inflicting annihilating levels of damage on Warsaw Pact first and second echeloned forces (the Soviets define "annihilation" as upward of 60 per cent destruction of a given unit). NATO theater nuclear forces, including those elements of U.S. strategic forces committed to the NATO Triad, will be assigned the task of holding Soviet/Pact projection forces at risk, forcing their dispersion, imposing constraints on their command control, their mobility and massing, and increasing their susceptibility to non-nuclear attack.

In fact, the proposed concept of preplanning, targeting and exercising on a continual basis is quite analogous to what is now being conducted by the U.S./NATO Joint Strategic Targeting Planning Staff for strategic forces in the Single Integrated Operational Plan (SIOP) and SACEUR's Nuclear Operation Plan (NOP). In the application of this concept to NATO, the preplanned targeting options would include most of the forces of the Warsaw Pact field armies, the nuclear- and chemical-capable units of the ground and air armies, as well as the surface-to-surface rockets of the Soviet field armies opposite NATO.

A key part of the concept would be the perfection of a Theater Information System. One of the greatest deficiencies in NATO's posture today is lack of timely information on the past, present and expected future status and location of Warsaw Pact forces. Yet, for NATO to be able to position and successfully engage numerically superior Soviet/Pact forces, such timely information is needed with respect to enemy forces in depth.

Again, the technological components of such a theater-wide surveillance system are available and simply need to be "wired together." The major components are the following:

Signal sensors and airborne motion detection radar (and other sensors) with the ability to locate enemy units—which are either transmitting or moving—quickly and accurately.

Low cost digital data processing systems and display systems permitting real-time processing of operationally significant information to be provided to commanders quickly.

Grid systems allowing the integration of information and locations on NATO forces and Soviet and Pact forces referenced to a common grid.

Not only would the implementation of Theater Information System reap all the military benefits associated with improved and comprehensive intelligence—earlier warning of attack, timely mobilization and deployment of defending forces, and the conduct of the kinds of integrated operations and targeting that have been described above—but it would exert a deterrent effect in its own right. A military commander who knows that his forces are under constant and detailed surveillance will move those forces differently than in the absence of such surveillance. He might reach for countermeasures, but these will be costly and time-consuming at best. And these constraints would apply particularly to the Soviets, whose penchant for secrecy and surprise seem wellnigh obsessive.

Yet, the kind of comprehensive plan of integrated operations that has been traced would require some restructuring of NATO planning staffs. Thus, conventional and nuclear strike planning could be integrated and expanded at each division and corps. This planning function would serve as a strong "demand" function on the TIS for information of the location and status of Soviet forces for targeting purposes, and for NATO forces for mobilization and movement purposes. As Soviet forces change their disposition, NATO forces could change deployments correspondingly in order to target effectively—with both conventional and nuclear weapons—the altered Soviet force formations. Today, U.S. SIOP forces are in constant readiness and can be employed within minutes. A significant portion of NATO longer-range theater forces, conventional and nuclear, could be placed in a similar state of readiness.

NATO NUCLEAR WEAPONS NEEDS

For years the total number of U.S. nuclear weapons and bombs deployed in Europe has been rumored to be about 7,000. If we accept this figure and note that the NATO Ministers on December 12, 1979, agreed that 1,000 U.S. nuclear warheads will be withdrawn from Europe as soon as feasible—and that furthermore the 572 LRTNF warheads should be accommodated within that reduced level—the approximate number of warheads descends to 6,000.

The question is: Would this number be sufficient for the suggested NATO concept of operations? The short answer is: Yes, provided the necessary measures are undertaken to improve the survivability of the systems.

A major goal in upgrading the effectiveness of NATO's TNF to carry out the "hold-at-risk" concept is to achieve greater-range and better-kill mechanisms, particularly against armored forces, and low collateral damage effects to avoid risks to friendly troops and urban areas. Some specific recommendations in this regard include the following:

Continue acquisition of 30-kilometer 8-inch shells;

Continue development of nuclear and nonnuclear precision-guided longer-range artillery (60-plus kilometers).

Procure dual-capable short-range aircraft and surface-to-surface mobile missiles (SR/SSMM) with ranges up to 300 kilometers to fulfill the nuclear role against mobile field forces, as well as a survivable advanced area munitions missile (this could be a SSM version of the Assault Breaker).

As far as the survivability of the strike systems is concerned, the laboratories of the Department of Energy have developed a set of components and systems that can greatly improve the safety and security of nuclear weapons and allow entirely new concepts for the "basing" of nuclear weapons. These "basing schemes" promise to upgrade substantially the survivability of nuclear warheads and bombs, as well as the survivability of the delivery systems for these weapons.

For example, all U.S. aircraft bombs in NATO are now stored at relatively few sites, which are at risk to conventional air attacks or paramilitary attack. With the new safety and security features, a concept for storing weapons in a vault in aircraft hangarettes will increase the survivability of weapons to conventional attack. The adoption of this system would greatly complicate the Soviets' targeting problems: the number of "aim points" would be increased from a few tens of sites to about one thousand for all NATO air forces.

THE OVERALL REQUIREMENTS

The above has been an effort to trace a comprehensive operational concept which can guide the modernization of NATO theater nuclear forces and their harnessing to an integrated NATO nuclear and nonnuclear defense. The description of the concept has necessarily been "with broad brush" within the space limitations of this article. It needs to be emphasized that what has been presented is the distillation of substantial analysis-in-depth of the various components of the concept.

This applies in particular to the relevant technological inventory that is available, now and potentially, for the implementation of the concept. The discussion was able to focus only on selective and illustrative technological innovations. A great many more are on the shelf or under development.

The concept provides an explicit rationale for NATO long-range theater nuclear forces. And, indeed, there has to be an explicit military nationale other than the much-cited, vague notion of a "counter" to expanding Soviet SS-20 and Backfire capabilities. The projected NATO long-range TNF cannot hope to "counter" in any direct military sense the Soviet long-range forces. Like any other component of the NATO force posture, they can only be regarded within a total spectrum of NATO force requirements and missions. If nothing else, this emphasizes once again the fact that there is very little that is symmetrical in the opposing force postures in Europe.

The concept also emphasizes that the LRTNF agreed upon by NATO in 1979 represent at best a modest start in the needed TNF modernization. The objective requirements of a "hold-at-risk" strategy call for substantially more than the 572 warheads that are planned.

It may be that political barriers to a NATO agreement on a needed augmentation of the LRTNF will not be surmountable in the immediate timeframe. In that case, the United States would face some difficult choices. One such choice could be a unilateral U.S. deployment of the required forces—for example, in the form of sea-launched land-attack cruise missiles (SLCM) that could be deployed on attack submarines or surface vessels in European waters. There is also the possibility of deploying cruise missiles on NATO conventionally powered submarines.

But the task of reconciling politics and military rationale is never easy within and among democracies. Exercising the task is the function of leadership. And it is high time that the United States reassumes in NATO that leadership role—particularly in the nuclear arena, where the role has always been expected and acknowledged.●

VIOLENT CRIME

● Mr. **LEAHY**. Mr. President, violent crime has become everyone's nightmare. Almost one-third of American households were the victims of crime in 1980 and the national bill for this rampage amounted to $125 billion. According to a recent magazine survey, a majority of Americans are afraid to walk in some areas within a mile of their own homes.

I want to commend Senator THURMOND and Senator BIDEN for their many years of work in our fight against crime. Once again, they have demonstrated their commitment and their leadership by extracting from a wide range of controversial criminal issues, those which are most pressing and which can be dealt with in a truly bipartisan fashion.

I think the package they presented to the Senate is a good one and I support most of it. Nonetheless, I cannot cosponsor this measure because I continue to have serious problems with one of the main planks of the package. That is, the bail section.

Any adjustments we make to our current bail system must reflect that this is the year of the shrunken budget and tightened belt—even in the vital area of law enforcement. Like S. 1554, which the Judiciary Committee considered earlier this year, this bill does not adequately address very important practical considerations involved in imposing a preventive detention system of its scope.

A number of questions concerning the need for and effect of a large-scale preventive detention program in the Federal criminal justice system have yet to be adequately answered. Until we have answers to these questions, it is unclear whether we will be furthering or impeding the war against crime in this country by enacting such provisions.

For example, we have no reliable data on the scope of crime, especially violent crime, committed by defendants who have been released pending trial for a Federal offense. Of the 17 studies cited in the committee report on S. 1554 to show the scope of the problem of crime on bail, only one analyzed data concerning Federal defendants. That study, done by the GAO in 1978, covered eight judicial districts. It indicated that the rate of rearrests prior to trial ranged from 4 to 13 percent depending on the district surveyed. While these figures should be of great concern to the Senate, they are far below the rates of pretrial crime experienced by local jurisdictions covering major metropolitan areas. Indeed, the committee report cites two studies of crime in the District of Columbia—a jurisdiction which had a pretrial detention program at the time of the studies—which indicate that crime on bail was at least twice as frequent in the District of Columbia as in the Federal system. The GAO statistics do not provide a complete picture of the Federal system since they cover only eight districts, they do not distinguish between arrest and rearrest for violent or nonviolent crimes, and they do not draw conclusions about the differences between jurisdictions with relatively low rearrest rates as opposed to those with high rates. The GAO statistics do, however, raise a potential alternative to an expansive preventive detention system. Those statistics contain an initial indication that jurisdictions utilizing pilot pretrial service agencies show a lower rate of crime while on pretrial release than jurisdictions without such programs.

It should be particularly important to a body which has just spent days making hard choices of Federal expenditures, that we have no reliable assessment of the effect that these bail provisions will have on U.S. attorneys' offices, the courts and the prison system. The U.S. attorneys are already strapped for resources and face further cutbacks. Yet, this bill would impose mandatory detention hearings for a host of crimes. These hearings would cover an extensive number of issues. The ACLU has raised the concern that the overzealous prosecutor will raise the charges against a defendant in order to avail himself of the mandatory detention hearing. My experience as a prosecutor leads me to exactly the opposite conclusion; prosecutors are more likely to reduce charges in order to avoid detention hearings in a majority of cases. We may begin a kind of bail plea bargaining to conserve valuable prosecutorial resources. To do otherwise may be to jeopardize bringing those resources to bear to insure speedy trials. Yet, a speedy trial is the one criminal justice tool that has been shown to cut the number of crimes committed by people released pending trial.

Moreover, the kind of detention hearing contemplated by the bill will give defendants a substantial advantage in discovering the prosecution's case and in setting up defenses before the Government has had a chance to prepare its case. It gives defendants the right to counsel, the right to present witnesses, and the right to cross-examine the Government's witnesses. To insure that the bill passes constitutional muster, there will be calls to expand this list to include the right to compel the presence of, confront and cross-examine all witnesses against the defendant. If these rights are added, and they may be constitutionally necessary, a prosecutor would have to put on his entire case against the defendant within 3 days of arrest.

Proponents cite the District of Columbia preventive detention experience as evidence that such a system will not bring prosecutors to their knees. But it is important to note that the District of Columbia law gives complete discretion to the prosecutor to seek pretrial detention.

Finally, even if the resources to hold a massive number of detention hearings were available, there may be no reliable indicators of whether a person is likely to commit another crime if released pending trial. Locking up all defendants who are charged with serious crimes is simply not an acceptable alternative for reasons of fairness or for practical reasons.

The Lazar Institute recently completed the most extensive study of pretrial release ever undertaken. I hope in studying this legislation, my colleagues will consider carefully the Lazar Institute's conclusions:

> Proposed alternatives for reducing pretrial arrests can be assessed with the data from the National Evaluation of Pretrial Release. One widely supported proposal is to hold speedier trials. However, this is unlikely to cause major reductions in pretrial arrest rates unless trials are held much more quickly than the 60- to 90-days periods commonly discussed. Two-thirds of all pretrial arrests occurred within 60 days of the original arrest; indeed, almost one-half the pretrial arrests occurred within 30 days.
>
> However, the pretrial arrest rate reductions that could be achieved through speedier trials would be greater for more serious (Part I) crimes and crimes against persons. For example, more than half the pretrial arrests for robbery could have been avoided if trials had been held within eight weeks of release. If trials had occurred within four weeks, more than two-thirds of the pretrial arrests for robbery and more than three-fourths of the burglary rearrests could have been avoided.
>
> Another possibility for reducing pretrial crime is to reduce the extent of multiple rearrests during the pretrial period. If all rearrested defendants had been rearrested only once, rather than an average of 1.4 times each, total pretrial arrests would have declined by 29 percent. One proposal for reducing multiple pretrial arrests is to revoke a defendant's release at the time of the first rearrest. This could be implemented (subject to certain procedural limitations, such as a finding of probable cause) by including "no rearrest" as an initial release condition and revoking the release for violation of that condition. Various ways that multiple rearrests might be reduced are now being explored in a research study sponsored by the National Institute of Justice. The impact of such alternatives as improved mechanisms for providing rearrest information to releasing magistrates and harsher court responses to pretrial arrests will be considered.
>
> A third approach that has been recommended for reducing pretrial arrest rate is to permit the preventive detention of defendants who are considered likely to commit crimes during the pretrial release period. Unfortunately, no reliable way of identifying such defendants has yet been

developed. Past studies have not been notably successful in their ability to predict pretrial arrests. Nor are the findings from the National Evaluation of Pretrial Release more promising.

The best prediction technique for pretrial arrests developed as part of the National Evaluation of Pretrial Release would, if followed for the sample of released defendants studied, have reduced the pretrial arrest rate by one-sixth. However, to achieve this reduction would have required the detention of almost as many defendants who were not rearrested pretrial as persons who were. Thus, there would have been a substantial (30 percent) increase in detention, with its attendant costs for both the criminal justice system and defendants, but only a modest decline in the pretrial arrest rate.

Moreover, it is highly possible that even the modest reduction estimated for the pretrial arrest rate exceeds the likely reduction that would occur if the prediction approach were used in the future. Typically, prediction techniques derived for one defendant sample over one time period are less effective when applied to other samples or other time periods. Additionally, predictions of pretrial arrests are based only on data for released defendants. Thus, there is no way to judge the accuracy of such predictions, if they were to be applied to detained defendants as well.

It is quite likely that if preventive detention were more widely adopted, the impact would be much less than either the advocates or the opponents of such action anticipate. Pretrial arrest rates are unlikely to be reduced drastically. Also, the extent to which detention might increase is questionable, for several reasons, including: sub rosa preventive detention may exist now, through the setting of high money bail; detention facilities are often overcrowded, which produces reluctance to increase jail populations; detention itself is costly; and most proposed legislation includes procedural safeguards to limit the detention that can occur. Thus the magnitude of the controversy over prevention detention, and the intensity of the debate about it, may far exceed its potential impact on either pretrial arrest or detention rates.

In addition to speedy trials, reduction of multiple rearrests and preventive detention, a variety of policies have been proposed to reduce pretrial criminality. These include: imposing consecutive, rather than concurrent, sentences for pretrial crimes, so that no one can commit "two (or more) crimes for the price of one"; providing supervision during the pretrial period for defendants thought to pose high rearrest risks; and changing the court calendaring of cases, so that cases involving defendants considered high rearrest risks would be tried relatively quickly.

In summary, in terms of reducing pretrial arrest rates, the finding of the National Evaluation of Pretrial Release suggest the speedier trials would have a more substantial impact than could be attained by application of rearrest prediction criteria to all defendants. While use of the best predictors of future criminality would have reduced the pretrial arrest rate by 16 percent, trials within 12 weeks of arrest would have resulted in a 20 percent decrease and trials within eight weeks, a 34 percent decline. Even if trials had been held within four weeks of arrest, however, the pretrial arrest rate would have declined by only slightly more than half. Forty-five percent of the rearrested defendants were rearrested within four weeks. Indeed, one-sixth of all rearrested defendants were rearrested within one week.

The Lazar Institute, "Pretrial Release: A National Evaluation of Practices and Outcomes", Volume 1, pp. 252-255 (August 1981).

In conclusion, I think the sponsors have done a great job in dealing with some very tough issues. But I believe this package, if it is not amended, carries with it the danger of diverting increasingly scarce prosecutorial resources from bringing defendants to speedy trial. In the long run, this will harm our criminal justice effort more than it will help.

When the Senate debates this legislation, I intend to offer amendments in this area in order to give our country the best deterrence for our prosecutorial dollar. I hope the sponsors and the Senate will view these changes in the spirit in which they are offered.

Again, I commend Senator THURMOND and Senator BIDEN. I hope they will accept my amendments and that we will see the bulk of their package enacted this year.

We must continue to pursue violent crime with the vigor and persistence it demands.●

CORRECTING THE RECORD ON THE FEDERAL EMPLOYMENT IMPACT OF S. 2562, THE FEDERAL ENERGY REORGANIZATION ACT OF 1982

● Mr. McCLURE. Mr. President, I want to take a few brief moments to correct the record on the Federal employment impact of S. 2562, the Federal Energy Reorganization Act of 1982. I believe my colleagues here in the Senate, the Members of the other body, and interested members of the media, as well as the American people, should have the facts on S. 2562 and its impact on Federal employment in energy programs.

Three days ago, on Monday, May 24, 1982, Senator ROTH, Senator PACKWOOD, Senator TOWER, and I participated in a ceremony with President Reagan at the White House where he signed the letter of transmittal sending the administration's energy reorganization bill to Congress. After the ceremony, Senator ROTH and I returned to this Chamber and introduced the same bill as S. 2562, with the accompanying jurisdictional resolution, Senate Resolution 397. Our remarks and those of our distinguished cosponsors appear in the RECORD beginning on page S. 11416 of the CONGRESSIONAL RECORD of May 24, 1982.

While Senator ROTH and I were returning to the Hill, the Counselor to the President, Edwin Meese, Secretary of Energy Edwards, and Secretary of Commerce Baldrige conducted a press briefing in the White House pressroom. I was not present at the briefing, but apparently Mr. Meese several times made reference to the fact that this bill as introduced would result directly in savings of over $1 billion in fiscal year 1983, and also the reduction of 3,000 Federal positions in the same fiscal year.

Mr. President, Mr. Meese's statements were the basis for news stories carried by several of the evening TV news shows Monday night and also in national press stories Tuesday. For example, the Washington Post in an article of May 25 entitled, "Reagan Asks Hill to Shift DOD Tasks to Commerce Department," there appeared the following paragraphs:

> Edwards said that the DOE budgets for Fiscal 1981, 1982, and 1983 under Reagan is $10.5 billion less than the Carter Administration budget projections. Approximately 2,000 jobs have also been eliminated, mostly through attrition.
>
> White House Counsellor Edwin Meese III said that shifting the Department of Energy's functions would save another $1 billion in the first year and still another $1 billion in the following three years after adoption. In addition, he said, another 3,000 Federal jobs would be eliminated.

The New York Times, in an article of May 25 entitled, "Energy Department End Proposed," included the following paragraph:

> The Administration, which has been reluctant to estimate the savings from reorganization, said today that it would save $1 billion initially, and another $1 billion over the next three years. Employment would fall to 14,500 from the present 18,300, but Mr. Meese said at a briefing that the transfer would have been proposed even if there had been no savings at all.

The ABC Evening News Monday evening also highlighted the 3,000-position reduction asserted to result from the reorganization bill, and other local and network TV programs had similar stories.

Mr. President, I must rise today to correct the record on the employment impact of S. 2562. It is my information, and has been for some time, that S. 2562, as transmitted by the administration and introduced by Senator ROTH (for himself and the other cosponsors, including myself), and as the result of the 5 months of negotiations with the administration, would have potential employment impacts on the order of 100- to 150-position reductions maximum. That being the case, as soon as I was informed Monday night of the statements by administration officials regarding the 3,000-position reduction resulting from the bill, I immediately communicated to the White House my belief that there had been a serious error, and requested an immediate clarification. As I discussed in great detail in my statement on Monday, S. 2562 in large measure merges the Department of Energy into the Department of Commerce in a manner which would continue the existing programs and functions of the Department of Energy within the new structure proposed by the bill. The bill does not intend, and should not be read to suggest, that there would be required any significant reductions in the existing personnel levels for energy programs, other than the slight reductions which might be achievable as a result of the increased efficiencies produced by the mergers into the Department of Commerce and also into the Department of the Interior.

I am convinced that the 3,000-position reduction figure is, in fact, a result of the President's proposed fiscal year 1983 budget reductions in Department of Energy programs, not the reorganization of energy functions and programs proposed by S. 2562. My belief is based on a thorough review of the budget materials presented to the Appropriations Committee and the Energy and Natural Resources Committee relating to those program reductions. For example, a February 9, 1982, DOE document entitled, "Department of Energy Staffing, Fiscal Year 1982/1983 Total FTE's (Fiscal Year 1983 Congressional Budget)" was provided to the Appropriations Committee. That document includes the fiscal year 1982 and fiscal year 1983 full-time positions for each of the major program areas and the field and laboratory facilities of the Department of Energy. Page 2 of the document totals the 1982 positions at 18,375 and the 1983 positions at 14,541, for a total reduction of 3,834.

I want to emphasize that this reduction in personnel would occur within the Department of Energy if there is no reorganization in fiscal year 1983 solely as a result of the programmatic budget cuts included in the President's fiscal year 1983 budget. These changes would not be related in any way to the proposed reorganization of energy functions included in S. 2562. I would note in passing that these figures correspond almost exactly with those included in the May 25 New York Times article and provide the order of magnitude change which was referred to in the May 25 Washington Post article and in the several television news stories on this bill. Similar information and totals are contained in the consolidated budget documents prepared at my request for the Department of Energy and submitted with the Reagan fiscal year 1983 budget. The figures in the DOE consolidated budget lead to the same conclusions relating to the President's proposed programmatic cuts, and not reorganization of the energy programs.

Additionally, the Congressional Budget Office at the request of Senator DOMENICI prepared an analysis of the savings from the proposed reorganization of the Department of Energy. That analysis concluded that savings probably would be no more than about $3 million and that there would be relatively small personnel reductions possible as a result of the reorganization, independent of proposed programmatic budget cuts.

The Congressional Budget Office analysis of the proposed Department of Energy reorganization was included with a letter of February 3, 1982, to Senator DOMENICI, chairman of the Budget Committee. The CBO analysis indicated that "at least $3 million in annual savings would be achieved solely by the reorganization. These savings would result primarily from reductions in executive staff required for the administration of the (successor agency)."

This analysis led CBO to conclude that "reorganization, by itself, is unlikely to result in significant budget savings. Instead, the principal impact on energy programs and expenditures derives from policy changes that have been reflected in the budget."

Additionally, Robert C. Odle, Jr., Assistant Secretary for Congressional Relations at the Department of Energy, in response to my inquiry, has indicated that the Department's current best judgment on personnel reductions resulting from S. 2562 as it was introduced would certainly not be in the thousands, but would be in the hundreds. He has promised a precise figure next week.

Assistant Secretary Odle and other officials of the Department of Energy, the Department of Commerce, and the Department of the Interior have been engaged over the past 5 months in the detailed planning to implement the reorganization proposed in S. 2562. Consequently, the information provided by Mr. Odle on the basis of their planning should represent a good estimate and judgment of personnel reductions which might occur under S. 2562.

I believe it is fair to conclude, therefore, that the available evidence and information supports completely the conclusion that S. 2562 does not and should not involve any significant personel reductions on the basis solely of reorganization.

Mr. President, the White House has chosen not to issue a formal press statement correcting the 3,000-position figure. I did have the opportunity Tuesday morning while at the White House for the Republican leadership meeting with the President to speak with OMB Director David Stockman on this issue. He confirmed his understanding that the 3,000-reduction figure was the result of the fiscal year 1983 proposed budget cuts in energy programs, but not as a result of the reorganization bill. Additionally, in response to my request for some official clarification, I received a letter dated May 25, 1982, from Joseph R. Wright, Deputy Director of the Office of Management and Budget. I ask that the letter be printed at this point in the RECORD.

The letter follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., May 25, 1982.

Hon. JAMES A. MCCLURE,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C.

DEAR CHAIRMAN MCCLURE: I am pleased to provide you with a fuller explanation of the proposed budget savings and Federal manpower reductions that are contained in the President's energy proposals.

We anticipate savings from two sources:

Reduction of the Federal role in energy, including elimination of unnecessary regulatory and subsidy programs.

Enhanced efficiency of administration through reorganization, consolidation and improved management of energy programs.

We project possible manpower savings equivalent to 3,834 full-time positions in FY 1983 from the combined effect of the budget proposals and the reorganization. Of this total, approximately one-fourth is attributable to administrative efficiencies. However, not all of the reductions would be achieved by eliminating positions now under the Department of Energy. The streamlining of administrative functions will permit receiving agencies to assume portions of the savings.

It is important to note that the manpower reductions accompanying the budget savings proposals will not jeopardize the important base of research activities at our National Laboratories and other facilities now supported by DOE. The bulk of the savings come from elimination of subsidy programs aimed at commercialization of energy technologies and curtailment of regulatory activities. The Administration is committed to maintaining a strong basic research program and will continue to provide adequate manpower and budget resources for high-priority, long-term R&D.

I am looking forward to working with you during consideration of the President's plan and will be happy to provide any additional information you may require.

Sincerely,

JOSEPH R. WRIGHT,
Deputy Director.

Mr. MCCLURE. The letter clarifies that savings in the range of 3,000-4,000 positions represent "combined effect of the budget proposals and the (proposed) reorganization", and further, that the large percentage of the possible manpower savings are attributable to the fiscal year 1983 proposed program budget reductions. I would note, in fact, that the letter makes reference to the same figure 3,834 which is also exactly the figure contained in the February 9, 1982, document I referred to earlier, which was provided to the Senate committees in relation to DOE staffing without reorganization. The letter also makes clear that the reductions attributable to the proposed reorganization would not only be in DOE, but also would occur in receiving agencies, and would largely be in administrative positions. The letter recognizes expressly that any manpower reductions would not impact on the critical DOE field activities, as stated in the following paragraph:

> It is important to note that the manpower reductions accompanying the budget savings proposals will not jeopardize the important base of research activities at our national laboratories and other facilities now supported by DOE. The bulk of the savings come from elimination of subsidy programs aimed at commercialization of energy technologies and curtailment of regulatory activities. The administration is committed to maintaining a strong basic research program and will continue to provide adequate manpower and budget resources for high priority, long-term R. & D.

Mr. President, I appreciate the willingness of my friends in the White House to clarify promptly that the 3,000-position reduction would result primarily from fiscal year 1983 budget cuts and not from the reorganization bill, S. 2562. The White House clarification confirms the information already provided to Congress on this question by the administration and the Congressional Budget Office. Consequently, there would be absolutely no doubt regarding the Federal employment impact of S. 2562, independent of proposed fiscal year 1983 budget cuts.

Mr. President, this issue of the accuracy of White House statements on the additional reduction of 3,000 positions resulting from the reorganization bill may seem somewhat trivial to some observers. I must demur from any such conclusion. This Senator as a primary participant in the negotiations with the administration over the past 5 months, fighting to preserve our essential Federal energy functions and programs, and as an original cosponsor of the compromise legislation in S. 2562, could not and would not support a bill which patently would require a massive manpower reduction in the energy functions and programs subject to reorganization. Such reductions would gut the energy functions and programs I have fought so hard to preserve with organizational vitality in this legislation. I cannot allow the suggestion in press reports of such a loss of 3,000 additional positions to remain uncorrected for another day. S. 2562 stands for the most essential proposition that any reorganization of energy functions and programs will not dismantle, disperse, or eliminate this important responsibility of the Federal Government. My extensive remarks Monday on the occasion of the introduction of S. 2562 describe our compromise in great detail on this point.

Mr. President, I might also note that the proposed reduction of 3,000 or more positions attributable to the programmatic budget cuts for DOE in the President's fiscal year 1983 budget are subject to congressional action this year. The action of the Senate in Senate Concurrent Resoluton 92, the first budget resolution, as passed last Friday by this body, would freeze the funding for DOE programs in fiscal year 1983 at the fiscal year 1982 activity levels, including direct appropriations, deferrals, and transfers. This action was consistent with the recommendation of the Energy and Natural Resources Committee in its report of March 15 to the Budget Committee. If these activity levels are finally retained in our subsequent actions on the Energy and Water Development appropriation and the Interior and Related Agencies appropriations, many, if not most, of the 3,000 positions proposed for reduction would have to be retained to implement responsible management of these ongoing energy programs at fiscal year 1982 levels of activity. Consequently, I believe that it is premature at this point to make any final conclusions with regards to the total number of positions which will be assigned to energy functions and programs, whether those programs be continued in the existing Department of Energy, or reorganized into the successor departments, as proposed by S. 2562.

Finally, I do want to clarify that this Senator has not opposed and does not oppose necessary and appropriate personnel reductions in the Federal Government, when programs are reduced or eliminated or when there can be any "enhanced efficiency of administration through reorganization," consolidation and improved management, to quote OMB Deputy Director Wright's letter. To the contrary, I strongly support such action, and I have urged this administration to proceed expeditiously to reduce the Federal Government and make such savings as can be achieved through such reductions. And, I have loudly applauded the Reagan administration for its successes in this area. I will continue to do so as the administration proceeds to make further reductions in the overall Federal Government. The concerns I have reflected today do not depart from that position. Rather, they go to the heart of the role of the Federal Government in energy policies and programs. S. 2562 does not require reductions of the magnitude announced on Monday, and this Senator would not support such a result.

Mr. President, I hope my statement will correct conclusively the record on this important legislation and its impact on Federal employment. Thank you.●

TAX INDEXING

● Mr. **BIDEN.** Mr. President, last week, many of us in this body sought to lower the staggering Federal deficits that afflict us today, and, I regret to say, appear likely to continue. One effort to lower those deficits was put forward by the Senator from Missouri (Mr. EAGLETON) in the form of a resolution declaring that tax indexing should be repealed.

Not only will tax indexing exacerbate the deficit problem when it takes effect. It will not achieve its stated purposes of holding down tax burdens, restraining spending and assuring a fair income tax system.

Nowhere is this made more clear than in an editorial in the Washington Post on May 17, 1982. This editorial recited the experience of Minnesota with income tax indexing. The editorial shows that indexing in Minnesota has led to a substitution of regressive taxes for the income tax and the use of fiscal sleight-of-hand to continue spending.

Mr. President, the editorial clearly spells out why income tax indexing is not to the benefit of the taxpayer. I ask that the editorial be printed in the RECORD at this point for the information of my colleagues.

The editorial follows:

THE MINNESOTA STORY

> President Reagan's idea of income tax indexing is simplicity itself: adjust rates each year so that inflation does not push taxpayers into higher brackets. To get some sense of how indexing actually works, we can look at Minnesota, the state that has tested it most.
>
> In usually Democratic Minnesota, the Republicans swept the 1978 elections. One of the first things Gov. Albert Quie and the new legislature did was to index state income taxes. That lowered taxes for 1979-82 by $1.2 billion. The state then could not pay for the services it intended to provide. Because Minnesota's constitution requires a balanced budget, taxes had to be raised in five special sessions of the legislature by a total of $1 billion.
>
> This experience leaves in shambles the following arguments for indexation:
>
> Indexing automatically adjusts tax rates to changes in the economy. Minnesota's continuing fiscal crises suggest there is no such thing as putting a tax system on autopilot.
>
> Indexing holds down state spending. Republicans claim the state would have spent the $1.2 billion that indexing cut from revenues. But the fact is that the political force behind spending was strong enough to make legislators pass more than $1 billion of tax increases. Gov. Quie himself rejected proposals for further budget cuts, which would have closed down parks, hospitals and prisons, cut aid to local government and school districts and reduced property tax relief.
>
> Indexing is a fair, neutral way to hold down taxes. Minnesota has already had to change once the index it used—it overstated inflation. Any index of inflation will, sooner or later, be inaccurate; and inflation affects different taxpayers differently.
>
> Indexing forces decisions on taxes to be made openly. But in Minnesota no one ever proposed what actually happened: a replacement of more than $500 million in progressive income tax revenues with revenues from "temporary" regressive sales taxes. To make up for the revenue shortfall that followed indexing, Minnesota postponed $600 million of spending from one fiscal year to the next—hardly an example of frank and open fiscal policy.
>
> Indexing builds a political constituency to hold down government spending. Gov. Quie, his popularity way down, announced in Jan-

uary he would not seek reelection; the Democrats are heavy favorites in November's election. True, the Democrats do not attack indexing explicitly. But they are eyeing Iowa's plan, in which indexing comes into effect only when the State treasury has a surplus.

Minnesota is not the Federal government, and any one State's experience is at most only suggestive of what Federal indexing would mean. But the Minnesota experience does illumine severe problems inherent in the nature of indexing. Certainly indexing is no quick fix.●

HEALTH INSURANCE AT THE WORK PLACE

● Mr. **PACKWOOD.** Mr. President, one of the most significant social advances since the 1940's is the willingness of employers to provide health insurance for U.S. workers. Fully 75 percent of our private sector workers have health insurance fully paid by their employer. In addition, private employers provide free health insurance for 50 percent of the families of their workers. This has come about because of the willingness of employers to help employees meet medical expenses. As a result, health costs are not the dreaded fear they used to be for most U.S. workers. In turn, this has reduced the pressure for direct Government provision of health care or health insurance.

One important reason employers have taken this costly step is that workers are not taxed on health insurance provided by their employer. This has encouraged employees to ask for more adequate health insurance coverage.

Because of the importance of health security, I am concerned by the proposals to tax health insurance which employers provide for employees. One proposal is to place a monthly cap on the amount of employer-provided health insurance for which an employee will be tax-free. Another version is to limit how much an employer may deduct for premiums paid per month for the employee.

Either proposal would trigger cutbacks in health insurance for workers. This would reexpose workers and their families to unanticipated and sometimes disasterous health expenses.

A cap on health insurance would hurt older workers. Health insurance premiums for older workers are more expensive than for younger workers. As a result, any cap could mean older workers would have less health insurance protection than younger workers, or would pay tax on benefit packages which are not taxed for younger workers.

A cap would also discriminate against workers in those regions of the country where health care costs are the greatest. Health care costs vary widely from one part of the country to another even and within States. A national cap would be unfair; state and local caps could be substituted but there would be very, very difficult to administer.

A cap would be unfair for companies using self/insurance. Many employers have self-insured because they believe it is a more economical way to provide health benefits for large numbers of employees. With self-insurance, there is no monthly premium. Instead, employers pay employees' health care cost directly. If a cap were in effect, would we tax the reimbursements? This would penalize workers faced with medical disasters because the large payments would push them into high tax brackets. Another approach would be to fabricate an assumed premium for each worker. Would this be done on some flat average, or would it take into account age, health, and other demographic characteristics of the worker involved? I am afraid the effect of a cap would be to discourage companies from considering this potentially cost-saving option.

Most group health insurance arrangements do not include an individual premium. The premium is normally computed on a group basis. This actuarially rational procedure would either have to be abandoned, or the IRS would have to create a method of estimating monthly premiums for employees.

Many group health insurance arrangements do not have a fixed predetermined cost. Under some popular and economical health insurance arrangements, the insurer or other third party assumes responsibility for administration of the program, but the cost of the employer varies according to the amount of claims actually made during the year. At the end of the year or benefit period, the employer would likely have to go back to the premium attributed to each employee.

A cap could thwart growth of health maintenance organizations. HMO's normally have comparatively high fixed premium costs. There is excellent evidence that HMO's provide cost-effective medical care which emphasizes prevention.

A cap would threaten their ability to compete with traditional health insurance.

A cap could also discourage innovative coverages being pioneered in some health benefit packages. For example, many employers are now providing dental benefits, vision care, wellness programs, hospice care for the terminally ill, or alcoholism programs. Another new benefit offered by some is reimbursement for the cost of second opinions for elective surgery or other major medical procedures. These trends could stop if a cap were enacted.

The revenue gain for a cap on health insurance benefits may turn out to be exaggerated or illusory. Faced with higher tax costs, employers would inevitably cut health insurance coverage rather than make large new tax payments.

The cap could apply to either the tax-free amount for the employee, or to the employer's deduction for health insurance. Most of the problems for the cap for individuals also apply to proposals to limit employers' deduction for health insurance. But limiting the employer deduction would also cause a crazy quilt of inequitable application. Employees of tax-paying companies might have health benefits cut, while employees of governments, nonprofit organizations, and non-tax-paying firms would not be hurt.

Mr. President, I believe we can find better and surer ways to reduce our deficit than by enactment of a cap on health insurance provided by employers for employees.●

SENATOR HARRY F. BYRD, JR. TO DELIVER COMMENCEMENT ADDRESS AT FORK UNION ACADEMY

● Mr. **MURKOWSKI.** Mr. President, it was my distinct pleasure today to address the commencement exercises of the Junior School of Fork Union Academy, Fork Union, Va.

Fort Union Academy has a fine academic and military tradition, and is well situated in the State of Virginia—a State rich in military, academic, and political history, and the birthplace of many noted public figures and statesmen.

One of Virginia's statesmen and sons is a member of the U.S. Senate, HARRY FLOOD BYRD, Jr., and he will be giving the commencement address to the senior school on Saturday, May 29.

Delivering the commencement address at Fork Union is but one of many distinguished Byrd family traditions. Three of Senator BYRD's ancestors precede him in this practice including his grandfather, Richard E. Byrd; maternal uncle, Congressman Hal Flood; and father, Senator Harry Flood Byrd, Sr.

Mr. President, I believe it would be appropriate, and appreciated if the article about Senator BYRD printed in the graduation edition of the Fork Union paper, the Sabre, be inserted in the RECORD at this time.

The article follows:

[From the Sabre, May 27, 1982]

U.S. SENATOR HARRY F. BRYD, JR., IS COMMENCEMENT SPEAKER

(By Matt Anderson)

United States Senator Harry F. Byrd, Jr., of Virginia, will be the principal commencement speaker on Saturday, May 29th, at 10:30 A.M. (EDT), in the M. C. Thomas Gymnasium. His address will precede the presentation of diplomas to 94 seniors and certificates to 80 postgraduates by Colonel Kenneth T. Whitescarver, Academy President.

Senator Byrd, now in his thirty-fifth year of government service, has the distinction of being the first person in the history of the Senate to be twice elected as an independent and in 1976 received the largest vote ever given a Virginia candidate for any public office. He was first elected to the U.S. Senate in 1966 as a Democrat.

During World War II, as a Lieutenant Commander in the Navy, he served as executive officer of a patrol bombing squadron in the Central and Western Pacific. Prior to his military service, Senator Byrd attended Virginia Military Institute and the University of Virginia.

For eighteen years he served in the Virginia Senate before being appointed to the U.S. Senate in 1965. During his seventeen years in the Senate, he has cast over 7,200 recorded votes, voting 96 percent of all Senate roll calls.

Senator Byrd is an active participant in Senate debate, and the Senate has accepted many of his amendments to major legislation. He has been active as a member of the Senate Armed Services Committee and has made fact-finding trips for it to the Middle East, Europe, Latin America and North Africa. He has also served on the Finance Committee, the Joint Committee on Taxation, and other subcommittees. In 1981, he was a sponsor of a constitutional amendment to require a balanced budget and a limit on federal spending. This proposal has been approved by the Senate Judiciary Committee and awaits approval by the full Senate.

Senator Byrd served four years as Chairman of Virginia's economic development program, which played a major role in helping to create 130,000 jobs. His interest in seeking new industries was motivated by the firm belief that "we need to create additional job opportunities to keep in Virginia the young men and women graduating from our high schools and colleges."●

WATER RIGHTS PROTECTIONS UNDER THE COAL DISTRIBUTION AND UTILIZATION ACT

● Mr. JOHNSTON. Mr. President, the Senate Energy and Natural Resources Committee is currently considering S. 1844, the Coal Distribution and Utilization Act of 1981, which has been cosponsored by 14 Members of the Senate, including 8 members of the Energy Committee. This legislation will grant Federal eminent domain authority to those interstate coal pipelines that the Secretary of Energy determines to be in the national interest.

One of the primary concerns associated with this legislation is whether the adoption of the legislation will adversely affect the traditional authority of each State over the allocation of its water resources. The coal pipeline legislation that was passed by the Senate in 1974 provided limited protections for State water law. In 1980, the Senate Energy and Natural Resources Committee considered coal pipelines legislation that contained no water law protections for the States. That legislation was introduced without water law protections in order to facilitate public and private discussions focusing on the proper water rights language to be included in such legislation.

S. 1844 was introduced with strong State water law protections which include many of the fruits of these discussions and which are patterned after the provsions added by Senator Wallop to the Priority Energy Project Act of 1979. Nevertheless, certain of the witnesses who testified at the May 10 Energy Committee hearing on S. 1844, primarily Members of the Senate and House representing Western States, expressed certain concerns regarding the legal sufficiency of the section 6 protections. Those concerns were articulately outlined by my esteemed colleague from Wyoming, Senator Wallop, in his opening statement at that hearing.

Mr. President, just yesterday my good friend from Wyoming once again demonstrated his outstanding leadership in this sensitive area by introducing a series of printed amendments to S. 1844 specifically designed to address those concerns. I wish to take this opportunity to applaud his initiative.

As Senator Wallop knows, each of the sponsors of S. 1844 seeks to assure that the States are fully in control of any decision regarding allocation of their water resources to interstate coal pipelines. Moreover, each sponsor wishes to assure that such State decisions will be protected fully against Federal intervention or later judicial action proclaiming that any terms or conditions placed on such water use by a State are undue burdens on interstate commerce. So strong is the desire in that regard that the committee will hold a hearing on June 8 concentrating exclusively on the State water law protections to be included in S. 1844. I feel certain that the water law experts who will testify at that hearing will join with me in wholeheartedly endorsing the amendments which Senator Wallop has introduced.

Mr. President, the Senator from Wyoming stated that unless it is abundantly clear that Congress has the authority to delegate these powers, he could not support this legislation. I could not be in more complete agreement—States must maintain their authority over water allocation. It is precisely because Congress has such clear authority to insure State control that I support S. 1844.

Several of the witnesses at the May 10 Energy Committee hearings questioned this authority, however. They advanced the untenable proposition that Congress lacks the authority to insure States water rights, and that nothing short of a constitutional amendment could do so. Because this argument so completely ignores the fundamental powers of Congress under the Commerce Clause of the Constitution, I feel it incumbent upon me to comment.

First and foremost, the Commerce Clause of the Constitution is an explicit grant of power to the Congress—not a limitation on congressional power such as may be found in the Bill of Rights. This power granted to Congress "To regulate Commerce with foreign nations, and among the several States," is plenary in nature, and clearly allows Congress to endorse State laws which might otherwise burden interstate commerce. This was explicitly recognized by the Supreme Court in Southern Pacific Co. against Arizona, which stated:

> Congress has the undoubted power to redefine the distribution of power over interstate commerce. It may either permit the states to regulate the commerce in a manner which would otherwise not be permissible, or exclude state regulation even of matters of peculiarly local concern which nevertheless affect interstate commerce. (325 U.S. 761, 766-67 (1948) (citations omitted)).

This principal has quite a long history, with judicial recognition dating back to at least 1891. In In re Rahrer, the Supreme Court applied the congressionally enacted Wilson Act to allow a State to prohibit the sales of liquors imported into the State intended for sale in their original packages. In so doing, the Court stated:

> No reason is perceived why, if Congress chooses to provide that certain designated subjects of interstate commerce shall be governed by a rule which divests them of that character at an earlier period of time than would otherwise be the case, it is not within its competency to do so. (140 U.S. 545, 549, (1891)).

Finally, Mr. President, the Supreme Court unanimously recognized this doctrine as recently as 3 morths ago in the case of New England Power Co. against New Hampshire. Speaking for a unanimous court, Chief Justice Burger pointed out that:

> It is indeed well settled that Congress may use its powers under the Commerce Clause to (confer) upon the States an ability to restrict the flow of interstate commerce which they would not otherwise enjoy." (Slip op. No. 80-1208, February 24, 1982, citations omitted).

Mr. President, the Congress so clearly has the power to legislate in this manner that any argument to the contrary turns our Constitution on its head. Indeed, the record is replete with additional Supreme Court statements to that effect which, in the interest of brevity, I shall not cite. Suffice it to say that the water law protections of S. 1844 are an exercise of this plenary power designed to guarantee that States maintain absolute control over their water notwithstanding any challenge under the Commerce Clause. And with the thoughtful input and leadership of Senators like Malcolm Wallop, we can insure that S. 1844 will accomplish this goal.

Mr. President, I ask that the amendments offered by Senator Wallop, which were unfortunately omitted from yesterday's Record, appear in the Record at this point.

The amendments follow:

On page , line , insert the following:

On page 4, line 4, insert after "system,": "who has acquired appropriate state permits and authorizations pursuant to section 6 of this Act."

On page 6, lines 18 and 19, strike the words, "found to be in the national interest under section 4 of the Act."

On page 6, lines 21 and 22, strike the words, "found to be in the national interest under section 4 of this Act".

On page 6, line 24, strike "State" and insert after "law": "of the State granting such right."

On page 7, line 6, strike "an" and insert "any".

On page 7, lines 7 and 8, strike the words, "found to be in the national interest under section 4 of this Act".

On page 7, line 8, strike "State law" and insert "the law of the State granting such permit or authorization."

On page 7, line 15, insert new provision: "(d) Nothing in this Act shall create any Federal reserve water right, and no coal slurry pipeline shall be authorized to use any Federally reserved water in any pipeline."●

LAND OF LINCOLN CONFERENCE

● **Mr. PACKWOOD.** Mr. President, I wish to commend Senator Percy, my colleague from Illinois, for bringing Republicans from his State together at the Land of Lincoln Conference held recently in Springfield, Ill. Through this conference, Senator Percy helped insure that the "Party of Lincoln" would continue to be the "Party of Ideas."

The Land of Lincoln Conference, which is to become an annual event, provides a forum for ideas, a forum for lively debate, and exchange of opinions and approaches. Senator Percy's personal efforts in developing the conference and in taking it upon himself to organize every detail should be applauded. In addition to the physical arrangements, an awesome task in itself, Senator Percy exercised great care and judgment in selecting the issues for debate: The balanced budget, new federalism, economic development, nuclear arms limitation, Federal taxation, and defense spending, and in conducting the debates on those issues in an effective manner.

State legislators, Members of Congress, candidates, GOP officials, Republicans from every phase of political and party life in Illinois, are brought together in the same room as equals in debate.

I am certain this conference will become as eagerly anticipated by Illinois Republicans as the Tidewater Conference has become for Members of Congress, administration officials and statewide elected officials from across the country.●

THE 70TH ANNIVERSARY OF HADASSAH

● **Mr. DURENBERGER.** Mr. President, today I would like to take this opportunity to congratulate Hadassah, the Women's Zionist Organization of America, on this its 70th anniversary. I would like to commend its founder, Henrietta Szold, and others on the fine work they have done in promoting health, education and safety through their comprehensive programs of medical treatment, research and training.

I congratulate Hadassah on being the largest women's volunteer organization in the United States. Our independence as a nation was won by volunteers; our most important social changes have come when volunteers recognized a need and started a reform movement; and, during much of the country's history, our most important public services have been provided by volunteers like the Hadassah.

Hadassah has done much more than simply talk about what needs to be done. Instead, for the past seven decades, it has helped its membership to analyze vital current issues and participate intelligently in public affairs. Hadassah's medical center—truly a city of science—provides for health care treatment, research and training to all peoples regardless of their race, religion, or nationality. Youth Aliyah, a child rescue movement, has provided both physical and spiritual care for nearly 200,000 children from 80 lands.

Hadassah's 70 years of dedication and selfless commitment deserve our appreciation and commendation. Let us hope that these women will continue in their exemplary pursuits.●

MEETING THE JAPANESE CHALLENGE

● **Mr. GLENN.** Mr. President, my distinguished colleague, Senator Paul Tsongas from Massachusetts, delivered an important address May 21 to the International Business Center of New England regarding the Japanese challenge to the American economy. The speech provides a fresh perspective on a serious problem facing this Nation. As one who has been deeply involved with developments in this area, I welcome Senator Tsongas' new approach to this critical issue and commend his statement to the attention of my colleagues. I ask that Senator Tsongas' address printed in the Record.

The address follows:

Meeting the Japanese Challenge

The United States economy is facing the greatest external challenge in its history. The challenge is being mounted by the Japanese. The issue is U.S. competitiveness in the world. There is reason for alarm, because the Japanese are beating us in many areas, and they are beating us badly. Even on the frontiers of high technology, where the United States is the leader, the Japanese are challenging us as never before.

It is time for an alert, a clarion call to mobilize the nation. We must meet the challenge or we will wither. Our livelihood, our stability, and our security are at stake. The issue is that vital.

U.S. trade with Japan is lopsided. There is mounting trade imbalance at the expense of the United States. Evidence of Japanese penetration of U.S. markets is all too obvious. It is obvious in the Sony video equipment installed in the U.S. pavillion at the Knoxville World's Fair. It is obvious in the line of Honda motorcycles parked at the Copley Place construction site across the street from here. It is obvious in the Seiko clock that leads the Boston Marathon. It is obvious in the great, myriad profusion of Japanese wares pervading the American marketplace.

Japan accounts for 23 percent of the American car market, 25 percent of the televisions, 48 percent of the cameras, 50 percent of the radios and 90 percent of the motorcycles. I have a recurring fear that I will find a made-in-Japan label on the next American flag I see in a variety store.

The Japanese promote exports as a matter of conscious, national strategy. There is no secret about all of this. Japan is a nation poor in natural resources. It must export to survive.

Nor is there any secret about the stunning success of the Japanese strategy. The U.S. trade imbalance with Japan ballooned to $10 billion in 1980. It wined further to $18 billion in 1981. This year we are sliding $25 billion deeper in the hole in our trade with Japan.

We can ill afford these trade imbalances. We buy manufactured goods from the Japanese. We sell them raw materials like coal, timber and foodstuffs. Our trade with Japan is displacing our manufacturing industries. We dare not allow ourselves to be reduced to the status of a glorified banana republic diminishing its raw materials while importing man-made goods.

The danger is especially great for Massachusetts. Japan has targeted high technology for its next major onslaught. Massachusetts, with its heavy reliance on the high-technology industry, stands foursquare on the firing line. Already, Japanese companies have nailed down 70 percent of the world market in the newest generation of memory chips: the 64K RAM. The same companies now are aiming for the 256K RAM market. That will be the arena for the next round in the battle for supremacy over the all-important computer chip.

And there will be a formidable Japanese challenge in other high-technology fields: robotics, bio-engineering—you name it.

How can we respond to the challenge?

In raising the question, I don't want to imply that the high-technology industry in this country is an easy mark for its Japanese competitors. Certainly, we have enterprising and dynamic companies that are proving equal to the challenge. But the stakes are enormously high. I want to guarantee that U.S. companies have all the resources they require to fend for themselves against the Japanese.

What further resources are required?

That is a question I have been asking myself for several months. At first I had high hopes for reciprocity as the answer to our trade problems. By reciprocity, I mean U.S. reprisals against Japan or other countries where we encounter barriers to American exports—an eye for an eye, a tooth for a tooth. Reciprocity of this kind is the guiding principle behind legislation which has received much attention in Congress.

I sympathize with the aims of the legislation. Some foreign markets are still closed to American exports despite multi-lateral agreements to the contrary. Baseball bats, for example, have been excluded from Japan because of non-tariff barriers. The same is true of California oranges. A maze of discriminatory regulations hinder the operations of U.S. securities firms in Japan. And so on.

The United States must work to eliminate unfair trade practices that still exist in Japan and other nations. The government should take vigorous and forceful action to end these trade abuses, as I testifed this month before the Senate Finance Subcommittee on International Trade.

But I have concluded that lockstep reciprocity would be a mistake. It likely would trigger a cycle of protectionism between the United States and its trading partners. Protectionism is no answer. It is an opiate that would lull us into complacency while the real problems underlying our economy persist. If I were Japanese, I would like nothing better than for the U.S. to focus on non-tariff trade barriers while neglecting the fundamentals of the economy.

To fathom the real reasons why Japan is outstripping the United States in world trade, we ought not to look outward at trade barriers, but inward at ourselves. We should examine our frailties at home.

Take productivity. What has been happening to U.S. productivity is distressing. From 1947 to 1967, U.S. productivity growth averaged 3.8 percent a year. From 1967 to 1977, productivity slumped to an average of 1.4 percent increase. Since 1978, it has been marginally the same, if not waning. Waning productivity means less output per person, and therefore less to go around in this country.

The picture is much brighter in Japan. Japanese productivity has expanded at four times the U.S. rate since 1950. While Japanese output per worker is still only two-thirds the U.S. rate, they have been closing the gap swiftly. Japan is ending its fiscal year with real growth rate of 4.1 percent, with unemployment a mere 2.1 percent. For next year, the forecast is for the Japanese gross national product, adjusted for inflation, to swell by 4.3 percent, while the level of unemployment remains unchanged. In short, the Japanese economy is thundering along. And they have the momentum to continue.

The Japanese boom is occurring amidst an array of economic factors far different from our own. The savings rate in Japan, for example, is 20 percent of personal income, compared to a U.S. figure of about five percent. Thus, the Japanese have four times the leverage for capital investment, and four times the potential to accelerate their economic growth.

There are other factors worth noting. Government funds for civilian research and development are a major priority in Japan, but are only a trifling part of our own federal budget. Japan, with half the U.S. population, matches us in the number of engineers graduating every year. Only one sixth of U.S. secondary students take math beyond the 10th grade, while every college-bound student in Japan must study math and science every year of high school. Investment in U.S. high technology is left largely to private enterprise, with its orientation toward quick payoff on capital. In Japan such investment is nurtured by the government for the long term. These are only some of the many circumstances that distinguish the Japanese economy from our own.

These are some intangible differences, as well. One is the relationship that exists in Japan between business and government, and between business and labor. A more cooperative spirit prevails.

Let me give you an example. In 1980 the Honda three-door Civic failed a 35-miles-per-hour, head-on collision test conducted by the National Highway Transportation Safety Administration. Many American cars passed. How did the U.S. auto industry respond? Rather than press the obvious competitive advantage the test results offered, the American companies objected to the test as unwarranted. They went to court.

The Japanese reacted differently. Rather than hire lawyers, Honda must have hired engineers. Last year, the Civic passed the test.

As someone very involved with the Chrysler Loan Guarantee Bill a few years ago, I spent hour upon hour listening to American auto manufacturers testify about the millstone of U.S. regulation. They blamed everything but the Edsel on regulation. I felt very sorry for them at first. Then I discovered that the Japanese and the Germans had to meet the same regulations. I realized that the American manufacturers either knew they were crying wolf, that they were being deceitful, or they were deluding themselves. I prefer to think they were lying because, if they really believed what they were saying, they cast their competence as managers in such a poor light.

I don't mean by this story to suggest that every regulation on the books is warranted. There are justified complaints, and we ought to scuttle excess, burdensome regulation. What I am suggesting is that business and government must adopt a new cooperative spirit if the United States is to contend economically with Japan.

Similarly, American labor and management ought to work toward ways of reconciling their differences with their mutual long-term interests in mind. For example, there ought to be a magna carta between labor and management that wage increases should correspond to rises in productivity. In Japan, labor and management do appear to operate under a kind of tacit convenant of mutual restraint.

Not that we should—or could—copy the Japanese. I am aware of the vast differences between Japan and the United States and of the folly of applying lessons from abroad indiscriminately to this country. In Japan, the government pulls the levers of investment, fostering and manipulating favored industries. Labor and management settle disputes through informal, close-knit collaboration. These features, in the Japanese extreme, are alien to our own system.

But we can learn something from the Japanese. If we are to meet their challenge, we must mobilize American resources. We must struggle to cooperate among ourselves, rather than cooperate to struggle among ourselves.

In World War II we defeated the Japanese by throwing more tanks, more ships more planes—more firepower of all kinds—into the effort. The same principle is at work in our economic rivalry with Japan. If we are to prevail, we must throw more resources into the fray. We must have more engineers, more research, more productivity and so on. But the Japanese have the momentum behind them. If the trend continues, we will fall behind. I want to reverse this trend.

Let me make some specific proposals for meeting the Japanese challenge.

First, Labor and management must adopt a more cooperative, less confrontational spirit. Labor should acknowledge the new reality of international competition. At the same time, management should assign greater importance to employees' motivation. We could build this spirit, for example, by greater use of employee profit sharing and stock option plans. In addition, management ought to establish quality circles, where workers and executives cooperate to upgrade factory conditions, cut costs, improve products and raise productivity. Ironically, quality circles are an American invention that have been widely imitated in Japan.

A new cooperative spirit can lead to all-important gains in productivity. Labor should recognize the need for automation to keep U.S. industry competitive. In return, management should accept responsibility for minimizing displacement of workers and for retraining them. With this kind of give and take, there will be no loser, only winners.

Second, we need to expand sharply U.S. investment in research and development. In 1978, the last year for which figures are available, Japan spent 1.9 percent of its gross national product on civilian research in development, while the U.S. rate was 1.54 percent. The Japanese are aiming for a three-percent target by 1990. We should follow suit. In particular, the government should underwrite research and development in areas that private enterprise deems too risky or long-range, but that promise an eventual bonanza in higher U.S. productivity.

As a further spur to technological innovation, the U.S. ought to unleash joint research ventures. They are multi-company, pooling arrangements for research too broad for any single company to undertake. They are scarce in this country because of antitrust laws that create needless uncertainty and because of a lack of economic incentives. We ought to pass the legislation necessary to galvanize joint research ventures. They should be open to U.S. subsidiaries of Japanese firms only if there is equal access for our companies to the Japanese equivalent. The Japanese have used joint research ventures to great advantage, recently in their $300 million, 10-year Fifth Generation Computer Project. We ought to benefit from their example.

Third, we must train our people for the high-technology age. Well-trained workers, engineers, and scientists are the linchpin to higher productivity. The United States faces acute shortages in engineers, computer specialists and such skilled tradesmen as machinists and tool-and-die makers. We cannot maintain a satisfactory pace of economic development and expansion unless we have enough well-trained workers.

Yet our schools lack qualified math and science teachers. Widespread computer literacy is still a mirage on the horizon. Our universities are low in engineering faculty. Laboratory equipment is obsolete. Engineering programs are overcrowded. And there are many more such examples.

The United States must strengthen its schools. We would be foolish to slash the science and engineering programs of the National Science Foundation, as the Reagan Administration has proposed. We should do the reverse. We should expand education budgets. I propose more graduate student loans, not less. I propose more money for modernizing laboratory equipment, not less.

I propose more enrollment in universities, not less. I also urge establishing teacher retraining centers to combat teacher burnout and to update teachers' expertise.

Industry can do much to gird up high-tech education. The Massachusetts High Technology Council is a pioneer in calling on its members to contribute two percent of their research-and-development budgets to universities. I applaud these companies for their philanthropy. I urge others to follow their example.

Fourth, in settling disputes over regulations, business and government must negotiate more, litigate less. We need more cooperation regarding regulatory matters. Rigidity about regulation can be counter-productive, both for U.S. industry and for the overall economy, as the stories I told a moment ago about the Honda Civic and the Chrysler illustrate. The fault is not one-sided. Both regulators and businessmen must adopt a more cooperative spirit. Again, the Japanese experience is instructive. Though Japanese business and government are often bitter antagonists over regulation, they manage to resolve their differences through persuasion and conciliation, not by coercion. In the United States, protracted litigation often seems to be the rule. The result is delay and delay. The time has come for regulatory cooperation and engineering innovation in this country.

Fifth, we must encourage savings to generate more investment in American industry. The savings rate in the United States is far too low, only one-fourth the rate in Japan. It is self-evident that the only way to build the industrial capacity we will need for tomorrow is to save—and invest—more today.

I favor a number of steps to promote higher savings. We must accelerate the deregulation process for financial institutions, including repeal of Regulation Q, which limits the interest banks can pay on savings accounts. Repeal of Regulation Q will strengthen the hand of banks to attract deposits, by allowing them to pay small savers the same high interest rates that investors in money market funds now enjoy.

In addition, I advocate a high ceiling on the tax-exempt contributions allowable for IRA and Keough retirement accounts. We should further encourage savings through income-tax exemptions on some interest and dividends, but at the same time abolish deductions for credit-card interest. The deductibility of credit-card interest is a hidden subsidy of consumer spending. It has the effect of siphoning money away from investment. We must stimulate investment, not drain money away from it.

Finally, we must redouble our efforts to expand exports. The Japanese aggressively promote exports. It astonishes—and saddens—me that the third largest exporter of made-in-U.S.A. products is a Japanese company, Mitsui. If the United States expects to survive the harsh reality of global competition, we must sell our products in foreign markets.

We must see to it that American companies compete for exports on an equal basis with companies of other nations. I propose that we enact export-trading-company legislation to guarantee U.S. companies equality in the foreign marketplace. We should also expand the Export-Import Bank to ensure financing of U.S. exports on the same terms other nations provide for their companies. We have been losing export business because American companies have had to operate at a competitive disadvantage. Recently, Kawasaki Heavy Industries won a contract to supply subway cars to New York City because the Japanese government offered a $126 million loan at 12.25 percent interest. No U.S. firm could arrange financing terms to match. We can no longer afford to lose business of this kind. We must ensure that U.S. industry competes for exports on an equal footing.

In the face of this challenge from Japan, some will advise that we do nothing. They will argue that we ought to leave this test of national will to the free marketplace, even as our economy slides closer to the abyss. I say we must not wait until there is a debacle. In the forties and fifties, I lived through the economic decline of my home-town, Lowell. It was once the textile capital of the world. Then the mills moved south. A city once humming with vitality slid into dark distress. I, for one, don't want to go through that again. If high technology goes the way of shoes and textiles in Massachusetts, what do we have next? There is no next savior.

We have the means at our command to meet the Japanese challenge. We must act before it is too late.●

HONORING THE CREW OF THE U.S.S. "LIBERTY"

● Mr. DENTON. Mr. President, as we approach this Memorial Day holiday, I believe it is fitting and proper that we take a moment to reflect on the true purpose of this day and to honor the countless number of dedicated men and women who have served our Nation with courage, conviction, and dignity under difficult and trying circumstances.

In consonance with this national celebration, I would like to call the attention of my colleagues to the upcoming reunion of the crew of the U.S.S. *Liberty.* The events surrounding the fate of U.S.S. *Liberty* have been shrouded in secrecy, but, regardless of events, the bravery, discipline, and diligence of her crew instills a sense of pride and admiration that commands the respect of all Americans.

On June 8, 1967, while operating in the Mediterranean Sea, U.S.S. *Liberty* (AGTR-5) was attacked from the air, without warning. Napalm, rocket, cannon, and machinegun fire were brought to bear against *Liberty.* This air assault was followed by attack from motor torpedo boats, inflicting grievous damage from cannon and torpedo fire. When the unprovoked attack was over, there were 34 dead and 171 wounded among the crew of 294.

Only superior damage control and selfless dedication to duty prevented the sinking of the *Liberty.* Courage and discipline characterized the actions of the crew. Bravery was the rule. Capt. William L. McGonagle was awarded the Congressional Medal of Honor for his actions during and after the attack. Although seriously wounded, Captain McGonagle refused medical attention, remaining on the bridge to conn his ship and lead his men. Numerous members of the crew were cited for acts of heroism. The crew of the U.S.S. *Liberty* displayed an efficiency in battle that commands our respect and admiration. This ship and the exceptional men who served on her have truly earned a place of honor in our history.

Mr. President, as we celebrate this Memorial Day, let us pay tribute to the men of the *Liberty,* and to the millions of Americans who have worked, suffered, and died to protect and preserve the blessings of liberty for ourselves and our posterity.●

A TRIBUTE TO LARRY BRAMBLETT

● Mr. NUNN. Mr. President, Larry Bramblett, a true friend of the Georgia small business community and a man who has dedicated a good portion of his career to helping small businesses solve their management problems and improve their operations, has recently announced he is resigning as director of the Georgia Small Business Development Center. We wish him well in his new entrepreneurial endeavors and recognize that his departure will be felt throughout the Georgia small business sector.

Mr. Bramblett's contributions to the development and furtherance of small business nationwide are numerous, far reaching, and extensive.

In 1977, under Larry's able and astute leadership, the State of Georgia established a SBDC to assist small businesses in solving their problems in a variety of areas including finance, accounting, merchandizing, business planning, personnel administration, and many other areas. These are disciplines critical to the development, growth, and expansion of small concerns. To date, the Georgia SBDC has provided counseling, business analyses, advocacy, and continuing education through 9 locations to over 40,000 small businesses located throughout Georgia. To Larry Bramblett's credit, the State of Georgia's SBDC program proved so effective that it served as a model for the national SBDC program established under the Small Business Development Center Act of 1980.

As director of the State of Georgia's Small Business Development Center, Larry has worked selflessly and tirelessly on behalf of small business interests. He served often as adviser to the State of Georgia government in areas related to business development and collegiate business education. He assisted in legislative work for the State of Georgia and helped to create and develop two State-level small business trade associations in the State of Georgia: The Georgia Small Business Council and the Georgia Association of Minority Entrepreneurs (GAME). Larry also served as the chief staff person for the Georgia Small Business

Study Committee in its study, "The State of Small Business in Georgia, 1980." In the sphere of minority business development, Larry assisted with the development of special entrepreneurial programs for minority youths across the State of Georgia.

Mr. Larry Bramblett established, and directed as president, the Small Business Development Center Director's Association. He served as adviser to the U.S. Small Business Administration and developed the cost quality quantity impact system which is now used by the SBA management assistance program.

In the area of consultative advisory work, Larry Bramblett has served as a consultant to literally hundreds of business organizations and business associations. He has served as an adviser to a host of universities in the areas of business extension education. Furthermore, Larry has served as consultant on small business matters to more than a dozen State governments and to a number of foreign governments.

Larry's research work has been extensive. He has authored more than two dozen journal articles, monographs, handbooks, and research reports in the areas of small business, higher education administration, and community development, and he has served as editorial consultant to a nationally known publishing company.

Larry has received widespread recognition and numerous honors. Among the honors Larry has received are: The National University Extension Associations' Award "For the Outstanding Practice of Community Development" and "Advancing the Profession Award"; "Outstanding Young Man of America," a certificate of appreciation from President Carter for outstanding contributions to the White House Conference on Small Business; a citation by Members of the U.S. Senate for national leadership contributions to small business in America; and a certificate of merit from the U.S. Small Business Administration for outstanding achievement in establishing and directing, as the first president, the SBDC Directors' Association.

Mr. President, I want to commend Larry Bramblett for everything he has done for the small business community in Georgia. I hope he will continue to be an activist and spokesman on behalf of small business as he himself becomes a full-time entrepreneur.●

PLANTING THE SEEDS FOR FARM PROSPERITY

● Mr. HELMS. America's farmers are in economic distress, and it is high time the public took notice.

The slide in farm income began with the grain embargo in 1980—and it has been downhill ever since. In 1980 and 1981—under two different administrations—farm income has been measured in numbers unlike any we have seen since the 1930's.

On top of that, agricultural indebtedness is at an all-time high. It now reaches into the stratosphere to the tune of $200 billion. And, the high interest rates have caused even the best farmers to experience severe cash flow problems, as they struggle to meet the unacceptably high interest charges on that bloated debt.

Mr. President, the value of farmland—the equity upon which much of that debt is based—has fallen for the first time in 28 years, placing further pressure on the ability of farmers to carry excessive debt.

Commodity prices continue a downward trend—the result of excessive supplies and unusually bountiful production of virtually every crop and commodity.

Indeed, this is an extremely difficult period for everyone associated with farming. U.S. agriculture is now into its third straight year of economic recession. No doubt about that.

And, as can be expected, President Reagan's critics are carrying on in such a way as to imply that he is personally to blame for the current distress when, in fact, it is the result of a whole generation of irresponsibility by politicians in and out of Congress.

There is a great deal of partisan shouting about the United States "sliding into a depression," and there is a display of pious pretense by some in Congress as they advocate yet another set of the "instant cures" which almost always compound the problem.

But American farmers have met tremendous challenges throughout our history. With proper tools, they can and will succeed and prosper. Talk of "gloom and doom," however, is of no help in straightening out our economy.

That kind of talk is not only cheap, it can be exceedingly dangerous. But mostly it is just plain inaccurate.

A report in Farm Journal magazine this spring was instructive:

> Net farm income sounds pretty bad. But if we adjust dollars to remove effects of inflation, then divide by the number of farms, we find that income per farm in 1983 is expected to be about 2½ times what it was during the Depression. . . . If you compare farm income per person, it is over 4½ times as large.

Then there was a report from an agricultural economist with the Federal Reserve System, who states that comparing conditions now and in the 1930's is "an analytical travesty".

Of course, farm income is inadequate—and the profits are just not there. But what farmers do not need is more "gloom and doom" that will further depress land values.

At best, such talk will destroy our credibility as we strive to educate an urban Congress and consumer. At worst, it will create the psychology that can make a depression actually happen.

Such talk is part of the problem; not part of the solution. It assumes that farmers cannot meet their challenges. I have more confidence in our farmers than that.

We need to address solutions, not espouse negativism. Most of the President's critics know that. It is their willingnesss to place partisan ridicule over the facts that causes them to practically "gloat" over the distressed conditions farmers now face.

We have problems in our farm economy which call for attention. So the question arises, "What are we going to do about it?".

First of all, it takes a recognition of just what the problems are. It takes a recognition that some problems farmers face are inherent in the business of farming—unpredictable weather, volatile markets, foreign production and trade barriers, just to name a few.

And there are the kinds of problems that are the direct result of unnecessary Government interference. Let us take a look.

Is it any surprise that the downward slide in farm income we are currently experiencing began in January 1980? The first body blow to agriculture fell when contracts for the sale of our farm products to the Soviet Union were blocked by President Carter's embargo. The impact was as immediate and severe as it has been lasting, and farmers have yet to recover—even though President Reagan has long since lifted the embargo.

But even then, the embargo was imposed when farmers could least afford it. Farmers had been hit hard by the policies of the late 1970's which led to soaring inflation and the highest interest rates of the century. Inflation went from 4.8 percent in 1976 to 12.4 percent in 1980, and during that period interest rates shot all the way up from 6.5 to 21.5 percent.

Inflation, more than any other economic calamity, robs farmers of their ability to earn profits. Prices paid by farmers at the end of 1980 were running four times ahead of the increase in prices they received.

It is something of a shortcut to say that farmers purchase their inputs at retail and yet must sell their products at wholesale. But that thought captures the essence of just how farmers are "price takers not price makers". Because of this, farmers are less able than any in the economy to pass costs through to the end user—and are less able to recover constantly increasing costs. Profits under conditions of spiraling inflation are virtually impossible.

And there is no question that the inflation farmers had to endure was the result of the policies of ever-increasing spending and taxation imposed on the

American people by bipartisan fiscal folly in Congress.

And, dare we forget the burdens placed on farmers by those who pursued excessive and unnecessary regulation of the food industry? Have we forgotten the intensity with which such earnest Federal bureaucrats as Carol Tucker Foreman pursued policies which impacted directly and adversely on farmers? Remember the struggle we had to prevent a ban of nitrites in the curing and preserving of meat products? Remember Carol Tucker Foreman's "Dietary Guidelines" which spent taxpayers' money to tell the public to eat less red meat? Remember the tilt the Carter administration expressed in favor of dangerous and costly predators as "endangered species"?

All of this is to say that there are a host of problems farmers have had to endure in recent years which were the direct consequence of policies initiated and pursued in Washington.

Now, we are confronted with the spectacle of the survivors of the 1980 electoral sweep coming forth with a panoply of proposals which offer the same kinds of solutions to the problems which have been created by excessive Government intrusion into the business of this country for so many decades.

Yet, a recent bipartisan meeting of Secretaries of Agriculture going back to the Truman administration produced the unanimous warning that there are "no quick fixes" for getting agriculture out of its present distressed state.

First, the proposals offered by some in the Congress are designed to provide quick infusions of cash for the farm economy through the price support program and to some farmers through subsidized Farmers Home Administration loans.

At the same time, the "crisis crowd" would sharply curtail U.S. production in the face of increased foreign production and predatory trade practices which other countries are using to seize traditional U.S. markets.

Simply put, the dilemma is this: The market is signaling that a reduction in output is needed. Many farmers in the United States are acting responsibly by idling acreage through the "Acreage Reduction Program".

The other exporting nations are applauding the U.S. farmers' actions. But they are also trying to play us for the fool—becaue they are busily expanding their own production.

Other exporting countries are taking advantage of the United States by expanding acreage and unfairly subsidizing their exports. We dare not reward such irresponsibility by foreign producers.

Yet in the face of this expanded competition, what does the "crisis crowd" propose? Further restraints on American farmers, while foreign growers expand at our expense.

The Farm Crisis Act will treat the symptom—not the cause—of farm problems. In fact, if low farm prices are caused by world overproduction, then higher price suppports as proposed by this bill only encourage more production and make the problem worse.

It appears that other exporters want to push U.S. farmers back into the 1950's and 1960's when we idled more than 50 million acres and produced primarily for domestic markets.

Now, those who promote the "Farm Crisis" bill may want us to unilaterally cut production in the United States. They want us to surrender our market share without firing a shot in the face of unfair and predatory foreign attacks on our legitimate markets. That is a prescription for disaster for sure. There has to be a better way.

For starters, I would rather see the money which some propose to spend, instead used to give the French and others a dose of their own export subsidy medicine.

No one wants a trade war—but we do not want unfair invasions of our markets either.

We must make clear that we mean business. We must stand by our farmers to maintain and expand their market share.

Short-term temporary "quick fixes" address the symptoms rather than the causes of agriculture's present difficulties. For that reason they fall far short of the kinds of fundamental and sustained actions which need to be taken to meet our goal of restoring profits to farming.

If we reject the worn out "quick fixes" of the past, if we reject the same old "business as usual" and dead end policies the question still remains: "What do we intend to do?"

The fact is that the seeds of economic recovery have already been planted by the Reagan administration. The harvest will not come overnight, but it is coming.

The first thing the new Republican leadership did to straighten out the mess was to make the Federal Government get its own house in order. That is what the President's economic recovery program is all about.

In the first year and a half the new leadership has cut nearly in half the growth in Federal spending, reducing the Federal demand on available resources.

The inflation which was making farm profits impossible has been brought under control, with the current national rate running at about 4.1 percent. The increase in farm costs has been cut by three-fourths. This year, farm production expenses are expected to increase between 3 and 6 percent, compared with 16 percent in 1979.

It cannot be emphasized strongly enough that under the previous conditions, farm profitability was simply an impossibility. Now, with inflation coming under control, other conditions have not yet caused the needed improvements in market prices. But as they do, profits will now be possible for farmers. We just cannot go back to the "business as usual" policies which will touch off another round of inflation if we are able to cure the "disease" of inadequate farm income.

Prime interst rates were 21½ percent at the end of 1980. In the past year they have dropped 5 points. They are still much too high, but if Congress does what still needs to be done on spending, we will bring those interest rates down more.

The unacceptably high interest rates we now face simply defy explanation.

Economists say they do not know why the rates do not go down in the face of this recession—except that the financial markets do not sufficiently trust the Congress to act in a fiscally responsible manner.

It is said by many that the first step toward reducing interest rates is for Congress to act on a budget and quit all the haggling for partisan advantage. I hope that will happen, and that interest rates will be reduced.

As long as Congress remains unwilling to make the hard decisions necessary to have a workable budget the rates will not come down. That, my friends, is for sure.

The dilemma we are in on interest rates—because of four decades of bipartisan fiscal folly—is that any "quick fixes" to "bail out" this sector or that sector, will only make the deficits larger and the interest rates will remain higher all the longer.

I do not know that there is any magical solution to suit the psychology of the financial markets, but I do know that every American who cares about this country wants those interest rates to come down.

The growth in regulations which stifled economic growth has been cut by a third.

Personal and business taxes have been reduced to stimulate savings, investment, work effort and productivity. The provision for accelerated depreciation will benefit many enterprises in agriculture.

The 25 percent 3-year personal rate reduction helps the small firms that pay their taxes by personal rates, not corporate rates, and this is another reason why that personal tax cut must be protected from the big spenders in Congress.

One of the features of the tax program for which we fought the hardest addresses a special problem for farmers and family-owned businesses. It is not right that widows and children must lose, just to pay Uncle Sam, what generations of love and toil created. So, because of Republican leadership, the estate tax exemption will increase to $600,000 by 1987; and of even greater help, there will be no estate tax for a surviving spouse—the widow or the widower.

We know that the Federal Government also has an important role to play, as partner to the farm community. The gist of that role is to help the farmer do what he cannot do on his own—promote basic research, seek out new markets, counter any unfair trade practices of our trading partners, provide a measure of protection from erratic weather and natural disasters, and create the proper environment so the forces of supply and demand can send farmers the economic signals they need to effectively plan their marketing and planting strategies.

The long term stability provided by the President's economic recovery program is further enhanced for the farm community by virtue of the administration's continued support for the agricultural price support programs, and the Secretary of Agriculture's effective management of them.

The bipartisan 1982 farm bill is doing the job intended of it, and it is meeting the needs farmers have. In this year alone, the Commodity Credit Corporation will spend between $10 and $12 billion to shore up farm commodity prices through the farm bill mechanisms. These programs—the farmer held reserve, the loan programs, and the price support programs—serve as an effective safety net and effective management tools for farmers. They will continue to benefit farmers, consumers and taxpayers alike, so long as the price supports are set at market-clearing levels.

In short, with the President's economic recovery program and the bipartisan farm bill, there exists—already in place—a sound set of policies to combat the recession and to deal effectively with the farm income crisis.

In addition to those tools, the Secretary of Agriculture has undertaken a number of measures to assist farmers through the recession, unbearably high interest rates, and other unfavorable conditions.

Perhaps most striking in its impact has been the very high signup rates for the acreage reduction program. Farmers recognize that one of the principal reasons that farm income has not recovered, even in the face of bringing inflation under control, is the tremendous over-supply of farm commodities. The ARP signup is recognition by farmers of this problem, and an expression of their commitment to do their part to help bring the excess supply more in line with demand. Of course, participation levels are not likely to match the incredibly huge signup rates. But the evidence is clear that farmers are in a position, because of Secretary Block's leadership, to use the program to help improve prices for their crops.

A number of other measures have been undertaken to address short term farm problems with the same positive effect. These include:

Cooperation with the Farm Credit System and private bankers to avoid unnecessary liquidations of farm operations;

Increases in FmHA operating loan funds for 1983 to meet credit needs;

Expansion of the Federal Crop Insurance Program.

One area which USDA has placed as a high priority is agricultural research. In a time of budget cutbacks, the funding for basic agricultural research was not only increased to keep pace with inflation, it was increased nearly 3 percent above that.

This commitment is important if we are to maintain our leadership in world agriculture. Nobody does it better than U.S. farmers. Agricultural research holds out the best promise of sustained productivity and profitability for those farmers who use it.

Recognizing that exports are also crucial to the long range profitability of U.S. farmers and ranchers, the Republican leadership in Congress and in the White House has set the expansion of U.S. agricultural exports as one of its highest priorities to increase farm income and profits. To that end, the administration has:

Ended the Carter agricultural embargo of the Soviet Union;

Extended the current long-term grain agreement with the Soviet Union for another year.

Withstood pressures to impose an agricultural embargo in response to the declaration of martial law in Poland;

Challenged the unfair trade practices of the European Economic Community and Japan that deny export sales of U.S. agricultural commodities;

Sent agricultural trade teams to every continent of the world in search of new markets for our farm commodities;

Maintained agricultural export credit guarantees for 1983 at the record high level of $2.5 billion.

Perhaps the most significant policy initiative taken by the President is the "Reagan Doctrine" on agricultural trade.

This commitment by the President to America's farmers—and to our customers worldwide—stipulates that no restrictions will be imposed because of rising domestic prices. That marks an end to the artificial "cheap food policies" of earlier days. It is a commitment that farmers will not be restricted from earning profits when farm prices do go up in the future.

The President also pledged that restrictions on commercial agricultural exports would not be imposed for foreign policy purposed except in the most extreme situations, and even then agriculture will not be singled out.

Third, the President made clear that trade barriers and unfair practices of our trading partners must not be continued if farmers are to receive the prices they deserve in the marketplace.

It is absolutely vital that we make this goal of top concern. The oversupply of virtually all crops will continue to plague farmers worldwide if predatory trade practices, barriers, and export subsidies continue. Either we see to it that they are curbed, or we'll have to send them a message of our own that they can understand. I can assure you that none of us will stand idly by while our farmers see their markets under assault. Two can play that game. If we cannot make them stop their unfair practices, we can certainly make them wish they had by using some of the same tactics ourselves.

Our commitment to restoring profitability to American agriculture—a profitability sapped by long years of spiraling inflation and stop-and-go economic trade policies—is based upon aggressive feeling that the farms and ranches of this land are among our Nation's most important resources.

It would be easy to offer a long list of "quick fixes." But every one of those proposals contain the seeds of future turmoil in the farm economy. There is all kinds of talk about the need to change the farm programs right now—despite the fact that planting is well underway for virtually every crop. Farmers do not need more stop-and-go signals from the Federal Government.

And, let us face it. The Federal Government has massive deficits; the money is just not there for expensive new programs to artificially infuse more tax dollars than are already committed to our sector. Farmers everywhere tell me they do not want more handouts anyway. They want the opportunity to earn real profits in the marketplace, and that is the goal to which we are committed.

Secretary Block has repeatedly said that the program he has announced for 1982 is what we are going to get. That is sound policy and it is what farmers need. Indeed, the whole purpose of farm programs is to provide a degree of stability and predictability in the inherently unpredictable business of farming and ranching.

I am certain that the Secretary will announce the plans for the 1983 programs at the earliest possible date. He is sensitive to the need to do that, and I am sure he will.

The Secretary has other authorities he can exercise which will complement his already announced programs, and I know that he is reviewing them daily to assure that the proper mix of programs is available to do everything to return profitability to the farm and agribusiness sector.

First and foremost, our goal is to strive for real profits for farmers by effectively reducing production costs, and by seeking higher prices for crops in the marketplace.

Let us review the steps we have taken:

First. Cut the sprialing increases in production costs by 75 percent.

Second. Eased the tax burden on farmers in particular, and on other citizens to provide for long term economic growth for all sectors of the economy.

Third. Reduced regulations that affect farmers and ranchers, and have removed those in Government who were adversary to the farm economy.

Fourth. Strengthened USDA as an unabashed advocate for farmers.

Fifth. Emphasized the private sector and voluntarism in implementing programs such as crop insurance, acreage reduction program, storage facility financing, and surplus commodity distribution.

Sixth. Increased farm operating credit for FmHA borrowers.

Seventh. Increased spending for agricultural research.

Eighth. Targeted soil conservation programs and placed a farmer in charge of the Soil Conservation Service.

Ninth. Ended the Carter embargo and announced the Reagan doctrine to aggressively pursue markets for U.S. farm products.●

BISHOP DESMOND TUTU

● Mr. TSONGAS. Mr. President, last Wednesday an unusual ceremony unfolded on the steps of Columbia University's Low Memorial Library. Columbia's president, Michael Sovern, spoke to the 1982 graduating class and noted the absence of one of the honorees.

Columbia had selected Bishop Desmond Tutu to receive an honorary doctorate for his work in South Africa to peacefully resolve South Africa's racial crisis. Bishop Tutu's chair on the library steps, however, was empty. The South African Government had seized the bishop's passport for political reasons on March 4, 1980. They refused to return the passport for the Columbia ceremony and Bishop Tutu was effectively imprisoned within the confines of his own country.

President Severn and Columbia University are not letting the matter rest there. Bishop Tutu's chair will be reserved for him at future graduation ceremonies until his government permits him to leave. And President Severn and other Columbia officials are requesting permission from the South African Government to enter the country where they will present the honorary doctorate directly to Bishop Tutu.

That will be the third time in Columbia's history that an honorary degree has been awarded off campus. The first was to President Abraham Lincoln in 1861 here in Washington and the second instance was to William O. Douglas in 1979 for reasons of health.

Why all this fuss over Bishop Tutu? Why should the South African Government take such a rigid position on the mere issuance of a passport? Why is Columbia University confronting Pretoria and laying its prestige on the line? Obviously there is more at stake here than passport regulations.

Bishop Tutu has long jousted with his government in Pretoria. As a black South African, he enjoys no political rights, but as an eloquent spokesman for the South Africa Council of Churches and his own Anglican Church, he is a public figure of growing significance to the black community. He is not a revolutionary; he does not preach violence or hate. What he does do, and very well, is embarrass and challenge his government over its apartheid racial policies. He is to many South Africans an eloquent conscience and as Mr. Severn noted, a "beacon of hope and decency" in a deeply troubled land. For that, he has been targeted for special treatment from Pretoria. The passport revocation in 1980 and now the refusal to return it are part of the campaign of harassment which the bishop has endured. More telling measures, such as banning, arrest, or detention, are in store for the bishop if he continues his activist role.

The bishop, then, and his passport represent the moderate, reformist, nonradical alternative in South Africa. The other alternatives are not worth discussing—a violent, revolutionary struggle or continuing racial oppression in ever more brutal ways. That is why so many of us here in the Congress wish to support Bishop Tutu.

I think that the administration shares some of these thoughts. I know that the State Department has taken steps, albeit quiet ones, to persuade Pretoria to concede on this one. But to no avail. Many others have lent their influence and prestige on behalf of the Bishop, again to no avail. South Africa has said no, a very firm no.

This brings to light the second reason why the bishop's passport case is so important. It has become an important, I would not say decisive, but important, test case for the administration's South Africa policy. That policy has been described by its author, Assistant Secretary Chester Crocker, as "constructive engagement." Briefly put, the policy of constructive engagement offers incentives and enticements—carrots instead of sticks—to South Africa with the expectation that South Africa will reciprocate on issues of importance to the United States. The objective of the policy is to build an atmosphere of mutual trust and respect within which the two nations can forge progress on important issues.

The administration has delivered numerous carrots to South Africa: Attractive proposals on Namibia, warm welcomes for visiting South African officials, including military intelligence officers, liberalized export regulations, a tolerant view of South Africa's invasions of Angola, and so on.

The administration has not asked for much in return. They certainly have not put on display any fruits of the policy. Many of us who have been skeptical about this approach have held our fire. South Africa's problems are extremely difficult and deep rooted. We have been willing to give the administration time to test the effectiveness of constructive engagement.

At the outset, Bishop Tutu and his passport seemed to be a relatively modest agenda item for constructive engagement. Certainly the South Africans could reciprocate on this one. Giving up Namibia might be a much tougher test, but on this, a mere passport case, the South Africans, it was thought, would be amenable. They are not. They most emphatically are not.

I have a great deal of respect for Chet Crocker and I would be pleased for him and for the people of South Africa if his policy works. So far it has not. Constructive engagement is unable to disengage a passport from Pretoria. A relatively modest request. No reciprocation. I think constructive engagement may be fatally flawed. It may be unequal to the task of moving Pretoria forward on the big issues—Namibia and apartheid—not to mention the smaller ones like Bishop Tutu's passport. That would leave us where we were, relying on pressure, intimidation, and threats to force South Africa to change. I would hope and expect that South Africa would spare us all that necessary. It is obvious to me, if not to Pretoria, that constructive engagement is the best possible deal South Africa will ever get from the United States.

Mr. President, I request that two articles on Bishop Tutu be printed in the RECORD.

The articles follow:

[From the New York Times, May 20, 1982]

COLUMBIA HAILS APARTHEID FOE

(By Shawn G. Kennedy)

The president of Columbia University said yesterday that the university would send representatives to South Africa to award an honorary degree to Bishop Desmond M. Tutu, who was prevented from leaving his country.

Speaking at Columbia's 228th commencement, the president, Michael I. Sovern, said the decision underscored the school's "deep repugnance for apartheid, our revulsion at a government's sustained effort to degrade its citizens through the most systematic abuse of law to outlaw a people since Hitler's Nuremberg laws."

Mr. Sovern noted the empty chair of the Bishop on the steps of the Low Memorial Library and said, "Desmond Tutu is a beacon of hope and decency in a dark land, and we want to keep that light burning."

Only twice before has the university presented honorary degrees away from its campus. In 1861 a degree was awarded to Abraham Lincoln in Washington, and in 1979 Associate Justice William O. Douglas, who had suffered a stroke, was also honored in Washington.

FEARLESS ADVOCATE OF JUSTICE

Reading from the citation that accompanied Bishop Tutu's degree, Mr. Sovern called him "a stalwart and fearless advocate of justice, peace and reconciliation among the people of your troubled homeland."

The Government of South Africa last year revoked the passport of the Black Anglican Bishop, who has frequently criticized the policies of the white minority government.

Mr. Sovern told the audience of several thousand that if South Africa did not admit Columbia's representatives, Bishop Tutu's chair would be part of the Columbia commencement in future years. The University does not confer honorary degrees in absentia.

During yesterday's outdoor ceremonies in warm, humid weather, 7,250 undergraduate and graduate degrees were presented.

Eight other honorary degrees were presented. The recipients were:

George T. Delacorte, publisher and philanthropist, Doctor of Laws, for enriching "the lives of countless persons through your generous gifts."

Marion Grafin Donhoff, journalist, editor and author, Doctor of Laws, in recognition of "the wisdom and effectiveness of your writings and of your major contributions to a more just and peaceful world."

Eli Ginzberg, economist and Columbia professor, Doctor of Letters, for "helping thousands of students learn" and for "providing practical advice to officials at all levels of government."

Ronald Hoffmann, chemist, scholar and teacher, Doctor of Science, for "a career devoted to the pursuit of knowledge that has enhanced both the understanding of chemical reactions and the ability of chemists to pursue their science."

Arthur B. Krim, lawyer and motion picture executive, Doctor of Laws, for "enhancing the creativity and diversity of the film industry and direction of many charitable and learned foundations."

Richard William Southern, historian and teacher, Doctor of Letters for bringing an understanding of the Middle Ages to a wide audience through writing and teaching.

Eudora Welty, novelist and short story writer, Doctor of Humane Letters, for "supreme literary accomplishment" that has "offered us a quiet revelation of the modern American world."

Chien-shiung Wu, physicist, scholar and teacher, Doctor of Science, in recognition of "a long and distinguished career dedicated to the advancement of knowledge and in appreciation of dedicated service to Columbia University."

[From the New York Times Magazine, Mar. 14, 1982]

BISHOP DESMOND M. TUTU

(By Joseph Lelyveld)

Nearly three decades ago, Daniel F. Malan, the first South African Prime Minister to propound the doctrine of apartheid, replied eagerly and copiously to a clergyman in Grand Rapids, Mich., who asked for an explanation of the severe racial laws then being enacted. Malan, an ordained minister of the Dutch Reformed Church, never doubted he was an instrument of divine will. "The difference in color," he wrote, getting down quickly to the basics of black and white, "is merely the physical manifestation of the contrast between two irreconcilable ways of life, between barbarism and civilization, between heathenism and Christianity, and finally between overwhelming numerical odds on the one hand and insignificant numbers on the other."

More supple ideologies and slick publicists ultimately cleaned up Malan's apologia. They learned to avoid any reference to "overwhelming numerical odds," arguing instead that theirs was a country of ethnic minorities and that outsiders only imagined there was a black majority because of their own racial blinders. South Africa's spokesmen learned, too, that it wouldn't do to hurl words like "barbarism" and "heathenism" at the world. So, "Communism," later augmented by "terrorism," took their place. But the equation of "white" with "civilization" and "Christianity" remained their bedrock.

This was curious because, then as now, the opposition the dominant whites feared most—that of blacks who claimed full political equality in the modern state—was led by earnest Christians, products of missionary schools and colleges. Albert J. Lutuli, the Nobel Peace Prize winner and leader of the African National Congress, had been a Methodist lay preacher. "There is a witness to be borne," he wrote in his autobiography, "and God will not fail those who bear it fearlessly." Oliver Tambo, who took over leadership of the movement in exile after it was banned in South Africa, had hoped to become an Anglican priest. Winnie Mandela, whose imprisoned husband, Nelson Mandela, is the symbol of the movement and its presumptive head, has arranged to receive regular communion at her place of banishment in the Orange Free State, where she is held under house arrest on the Christian Sabbath. Two of the closest associates of the late Steve Biko—who himself discoursed on black theology—sought to become priests after he met a violent death while in the custody of the security police.

The themes of rebellion and faith are as intertwined in the modern history of black South Africans as they are in the history of the dominant Afrikaner nationalists. So if the present deadly sparring between white and black nationalists in South Africa is to build into the full-scale civil war that many on both sides now seem to anticipate, it will have to be a Christian civil war. In this context, it is not an anomaly but something like an inevitability that the black voice that wins the broadest acceptance among blacks in South Africa these days—and thus grates the most on the ears and consciences of whites—happens to belong to an irrepressible Anglican churchman, Bishop Desmond M. Tutu.

His position as general secretary of the South African Council of Churches makes Bishop Tuto, who is 50 years old, the putative spokesman for some 13 million South African Christians, about 80 percent of them blacks. The represent a substantial majority of all South African black Christians, who are in turn a substantial majority of all South African blacks. In the view of those white officials who go in for conspiracy theories in order to solve what is for them the abiding mystery of South Africa's pariah status, the bishop's position on the council makes him a pivotal figure in a shadowy, seemingly limitless subversive network that takes in the Soviet Union, the World Council of Churches, proponents of black theology, the entire third world, Western liberals and the United Nations. In fact, no South African has been more persistent in recent years in his efforts to make himself heard across the widening gulf between black and white: Bishop Tutu has spoken at most Afrikaans universities and, to the dismay of black activists who disdain talks that skirt the fundamental issue of political power, even met with Prime Minister P. W. Botha on what was called "Christian-to-Christian" basis. Once, at a church conference, he actual broke down in tears over the hard-heartedness of whites, their refusal to accept black good will when it is extended on terms other than their own. "We love you, man," he cried.

Bishop Tuto has made the church council an increasingly important vehicle for black protest. Because he speaks eagerly and unambiguously of an imminent "liberation," in the assured manner of a man who has freed himself from the emotional and intellectual shackles of second-class citizenship, most whites regard him as an apologist for revolutionary violence. "I have heard white Anglicans actual say, 'I hate Bishop Tutu,'" said a white Anglican priest who admires him.

The South African Government has twice seized Bishop Tuto's passport, and he has twice been the object of heated attack by judicial commissions. Now, the Government appears to be increasing the pressure, with the appointment of a judicial commission aimed directly at the church council and its general secretary. As the racial confrontation slowly sharpens, the bishop's dual role as a moderate within the black community and an apostle of peace to whites becomes steadily more difficult.

Bishop Tutu's is the black voice that is heard most widely in South Africa and, judged only as a voice, as an instrument for communication, it has unforgettable qualities. Sometimes it is sonorous: when, for instance, he chants "Bokang Morena" (Praiee the Lord) at the start of a Eucharist he is conducing in the Sotho language in the humble church where he has been quietly serving as a parish priest. The walls of the church, in the vast Johannesburg township of Soweto, are being painted for the first time in years; a plaster Virgin is still missing a hand. Sometimes the voice comes across in high-pitched yelps of delight and giggles, as when he dances, literally dances, down the aisle in the middle of the service to evoke a spirit of fellowship by pumping every hand in sight; or, later, when he greets the parish's children. Sometimes when it lingers in its lower registers in the course of a reflection or joke, it penetrates the mind with an edge that is almost metallic. In any given sentence, it can do all these things, responding to a quicksilver spirit that can be somber and joyful at once, in a manner that is typical of the bishop and not untypical of other South African blacks. Never does the voice sound blandly pious, perhaps because, by ecclesiastical standards, this is an unusually pious and prayerful bishop.

He is impatient rather than angry and shows whites—those, at least, whose exposure to him is not limited to occasional, tendentiously edited film clips on the news over the state television monopoly—a side of black discourse they are not used to hearing, the mockery of white rule and the brittle pretensions it breeds. In a secular setting, the first five minutes of a Tutu speech are not unlike a Johnny Carson monologue. Maybe because he is short in stature, looking just a bit like a black leprechaun, his humor is sometimes described as "impish," a word that carries a hint of "How dare he?" Actually, his jokes are not small and defiant but large and disarming. Blacks have found their own response, he tells white audiences with a laugh that was first patented by Lou Costello, to the perennial question, "Would you want your daughter to marry a kaffir?" They answer, he says, "Show us your daughter first."

It is not easy to pinpoint the moment when the humor develops enough spin to show its underside of anguish, but soon he is talking about looming violence, the ease with which it could be averted, the responsibility of those who wield power, the hollowness of their claims that they are guided by Christian principles, the glorious country the beloved country could become.

"The man makes more speeches than he eats breakfast," wrote Denis Beckett, the editor of a magazine called Frontline, "and there's really only one point he has to make, so perhaps it's inevitable that the point begins to sound a little familiar." If he is speaking to a black audience, the point is taken thirstily. His best white audiences tend to think it reflects well on themselves, and that matters can't really be so bad, if he gets any kind of a hearing at all. The idea that he wants more than a hearing simply doesn't register.

Why does he bother? Not because he is a politician with a strategy, which he obviously is not, but because he is a churchman with a mission. "And part of my mission, given, I believe, by God," he remarked on a recent afternoon, in a tone that began by sounding despondent, "is to work for the realization of something of His kingdom in this country. But they're not getting it." By "they," he obviously meant the whites. "I give up, you know, humanly," he went on. "Many times I think, humanly speaking, our situation is hopeless. It is really hopeless. But"—and suddenly he was laughing—"that is not the only way we speak."

On another afternoon, he was asked whether he would go back to see the Prime Minister after all the criticism he caught for their first meeting. "Please remember," he replied, "the paradigms we've got to follow are biblical paradigms. Moses went to see Pharaoh not once but several times. Who are we to prejudge the grace of God? It's very difficult for me as a church leader to say, 'Go to hell,' to say God's grace cannot operate on P. W. Botha."

"I'm sorry to say it, but I think that's wrong understanding of the workings of the Holy Spirit," commented an Afrikaner clergyman who has broken with his people on the issue of political justice for blacks. "The Holy Spirit has problems with all of us but it has to work overtime with politically motivated Afrikaners. Make no mistake about it, these people have hardened their hearts. This, Desmond does not believe."

What few South African whites are able to grasp or even consider is that Bishop Tutu is in the center of the black political spectrum, a position not easily maintained as the center shifts. His example shows more clearly than any other how little it takes for blacks in South Africa to be seen as radical by whites: nothing more, really, than a readiness to state firmly that the only solution for black powerlessness in this society is black power. No amount of Christian love will make that message palatable for most whites.

This being so, Desmond Tutu can be seen as representative of black distress over the slide to violence. "The accepted wisdom in some of our political circles nowadays," observes Lionel Abrahams, a literary critic, "has it that nothing will do but that hard black men come to grips with hard white men, to which end the soft men between must clear out of the way and not obstruct, delay or confuse the historically relevant conflict."

Bishop Tutu is plainly one of the "soft men," but Dr. Nthato Motlana, the head of the Soweto Committee of Ten, which provides the visible leadership for the Government's black antagonists in that township, warmly acknowledges him as "the foremost spokesman for blacks in South Africa." This seeming paradox suggests that many blacks are not looking, yet, to hard men. But two other explanations must also be considered, one personal and the other circumstantial: There is the Bishop's moral passion, his rare humor and the loyalty these elicit from large numbers of blacks, even those who think he makes too much of Christian forgiveness; and there is the state's efficient security apparatus, which insures that there cannot be too many contenders for the title of foremost spokesman.

To be recognized widely as a black leader in South Africa, it is necessary to be outspoken. But those who speak out can be easily silenced—even if they do not land in jail or exile—by a flick of a Cabinet minister's pen on what is known as a banning order. This makes it a crime for its recipient to attend "gatherings"—defined as meetings of more than two persons—or for others to quote him in print. Bannings occur so routinely that those who are not silenced can be compromised, as if their very outspokenness can be taken as a clue to their having done something, or refrained from doing something, in order to appease the state. Desmond Tutu may yet be banned but, like some Polish primate, he has derived a limited immunity from his bishop's miter and from the regard in which he is held in Europe and the United States by influential church groups.

The Government's interest in seeing whether he could be talked around has lately waned, and now the Government seems determined to slap Bishop Tutu down and undermine his prestige among blacks at home and churchmen abroad before it gets out of hand as it nearly did last year. First, he was nominated for the Nobel Peace prize by the American Friends Service committee; then, he became the first black ever to be nominated for the position of Archbishop of Cape Town, which would have made him titular leader of the Anglican Church throughout southern Africa.

In a chapter of church politics that would have fascinated Trollope, the nomination of the first black produced the first occasion in the history of the diocese that a church assembly was unable to agree on an archbishop. After three days, it turned to the bishops' synod and asked it to find a compromise. The key factor, it appears, was the fear of most lay and clerical whites that the selection of Bishop Tutu would usher in an era of church-state confrontation. "They said, 'He is excellent where he is,' or, 'We need a man of unity'; or, 'The church needs a pastor,'" a white priest in Cape Town later recalled caustically. "They meant, 'Keep him at a safe distance, please.'"

The Government seized the Bishop's passport last April for the second time in 14 months in response to an outcry that the state broadcasting monopoly and the Afrikaans press helped to stoke at the peak of a white election campaign. The Bishop had been popping up in Europe and the United States, arguing as he has for years that only Western economic pressure on South Africa can halt a steady descent into civil war.

More recently, a judicial commission on the mass media presented its 1,367-page report to the Government. The report digressed for 242 obsessive, logically convoluted pages—nearly as many as it devoted to the media—mainly, it seemed, to define Bishop Tutu's role in an alleged "total onslaught" embracing the "anti-South African establishment in the U.S.A.," the World Council of Churches and other influences that increase "black susceptibility to Soviet manipulation." Two days later, another judicial commission, this one on security legislation, also digressed to wag a menacing finger in the Bishop's direction.

Insofar as the Council of Churches is concerned, the two commissions placed a judicial imprimatur the conspiratorial view of what is probably the only security police force in the world to have a branch specializing in theological matters. It is not because the security police are naturally perverse that they look for conspiracies anywhere and everywhere, including the churches, or place the advocacy of black political demands under the rubric of subversion: That is simply their function, given to them by the white politicians who govern the country.

Even before those two reports were issued, yet another commission had already been appointed to investigate the activities and finances of the South African Council on Churches. The action suggested that the authorities may be getting ready to choke off the foreign funds that sustain the council, or possibly even ban it. Either action would be interpreted among blacks as proof that there is little or no hope for nonviolent change. But in terms of white politics—the only politics that finally matter to those who wield power—any move to keep the "cheeky" black ecclesiastic from amplifying his predictions that black rule is only five or 10 years off would be comforting to Government supporters who wonder now why his impertinence has been tolerated for so long.

The Council of Churches exists to present a common Christian stand on major social issues. If that were really possible, of course, the issues might not be so intractable. In South Africa, the 14 member churches include all the major Protestant denominations except the white branches of the segregated Dutch Reformed Church—to which most Afrikaners belong—and the Baptists, whose pietism tends to be used as a shield against politics in a country where political issues are easily translated into ethical terms. The black branch of the Dutch Reformed Church belongs to the council and the branch for persons of mixed race—usually called coloreds—has affiliated itself in the status of observer, as has the Roman Catholic Church.

Even in the churches that describe themselves as multiracial, there are traditions of white dominance and acquiescence in the system that black laymen and clergy increasingly resent. So all these churches are under immense institutional strain, trying to retain the loyalties of those who would overthrow the system, if only they could, without alienating those whose conscience demand only a few cosmetic modifications. Typically, it is the whites who dominate the synods and hierarchies of these churches and control their purse strings; it is the blacks who provide the mass of their members. In Bishop Tutu's own church, there are about 1.4 million black and brown Anglicans and fewer than 400,000 whites.

Even before Bishop Tutu, in 1978, gave the council what it had conspicuously lacked—a black voice that could speak convincingly to blacks of the opposition of the churches to apartheid—the council had started using funds raised overseas to underwrite the legal defense of black political prisoners and sustain their families. When it came to supporting such efforts financially, the South African churches found various reasons to beg off. White congregations were already underwriting the black churches within each denomination; few of them could afford more, especially for what their members would see as a campaign of political resistance, without facing splits and even schisms. So the bolder the council became politically, the more dependent it inevitably became on foreign funds. Now more than 90 percent of its money comes from overseas, with the European and especially the German churches as major donors.

Under Bishop Tutu, the Council of Churches has identified itself increasingly with "liberation" as a theological concern and struggle. Council funds have gone to support strikers belonging to black trade unions the security police would like to neutralize and to organize campaigns in opposition to the forced resettlement of blacks in rural "homelands." In the eyes of the security police, the council thus does the work of the banned African National Congress, the main movement of resistance to white rule. Occasionally a Cabinet minister carries the argument a step further and charges that the council has become an agent of the underground.

The new judicial commission is a clear expression of such attitudes, empowered as it is to hold public hearings and subpoena the council's financial records. These have been in admitted disarray, partly because of poor management and partly because records were deliberately not kept of the names of some individuals who were assisted for the purposes to which funds were put. The council, it seems, will have difficulty now accounting for several hundred thousand dollars of the more than $10 million it has received in the past five years. The funds in question were dispersed before Bishop Tutu arrived on the scene as its first black general secretary. But press leaks reveal he was one of the recipients, having been given about $15,000 to renovate his Soweto home—as dean of the Anglican cathedral in Johannesburg, he had refused a house in a posh white suburb—so, inevitably, the inquiry will plant doubts about his integrity, too.

Bishop Tutu says he was told by his predecessor, a white Methodist layman named John C. Rees, who is now director of the liberal South African Institute of Race Relations, that the money for the house came from a donor in West Germany who wished to remain anonymous. Mr. Rees still maintains that there was nothing underhanded about the arrangement; the gift was extended, he says, in recognition of the special difficulties a black invariably has in finding decent housing. Bishop Tutu had left the Anglican cathedral in Johannesburg to become bishop of the landlocked black nation of Lesotho. When he was invited back to Johannesburg, it was assumed he had no personal wealth and that he would need help to establish himself in Soweto.

Mr. Rees maintains that it is a matter of honor for him not to identify the donor. Among black churchmen, there is an undercurrent of suspicion and even bitterness about Mr. Rees's motives that appears to be based on nothing more than the fear that Bishop Tutu will be compromised. The bishop does not impugn Mr. Rees's motives, but questions the need for secrecy. He will tell the commisssion, he says, that he took the money because he honestly believed it to be a gift and had no reason to turn it down.

The house in question is nothing special by the affluent standards of white South Africa; in any white suburb, it would go unnoticed. In Soweto, a sprawling encampment of tiny, mass-produced brick abodes, it rates as upper class. Bishop Tutu wears good shoes and pinstripe suits and drives a moderately priced car, but he is not by any stretch of the imagination a man in love with luxury. His home is sparsely furnished, not cluttered with objects. But in the deprived circumstances of Soweto, the mere fact that he is not conspicuously ascetic makes him an object of snide imputations. Nasty little pamphlets bearing the name of nonexistent black organizations periodically show up in Soweto to spread smears about how well he lives. They have no discernible impact, for it is universally assumed that they are the work of the security police.

A negative report by the new judicial commission would be something else. It would make him vulnerable to any action the Government then might seek to take. Few whites would pause to ask why the Government was investigating a council of churches. And a negative report appears to be almost a foregone conclusion, for the whole process feeds on itself: The lawyer gathering evidence for the commission investigating the council was himself a member of the commission on the media.

That the implication of scandal is designed to serve political ends can hardly be doubted. Certainly when they do not serve political ends, real scandals are permitted to fade away: Two years after a similarly constituted commission reported that the Government's Department of Information could not account for some $80 million in secret funds, it has been announced that there was insufficient evidence to prosecute anyone. And there have been enough threats recently to prompt the bishops of the Anglican Church to issue a formal synodical statement decrying "the apparent attempts being made to isolate Desmond Tutu even from the church" and declaring any attack on him to be "an attack on the church to which he belongs."

"Desmond Tutu," the bishops declared, "is first and foremost a Christian and a member of the body of Christ." That is what his critics among blacks say, too. "He is truly Christian," said Buti Thlagale, a young Roman Catholic priest associated with the Black Consciousness movement, who, like many blacks, cherishes the Bishop even as he complains about him. "He is a prisoner of the Gospel. Most of us are not prisoners of the Gospel. We want to use it for a certain purpose. He will say, 'Love your enemy.' At his age, he should hate a little bit more. There's this problem with Tutu—he believes in the Gospel literally."

It is a small accident and a large irony of apartheid's checkered history that Desmond Tutu wound up on the hopeful, non-Calvinist side of this theological issue. He turned to the priesthood as a third choice in life, without any sense that he would inherit a political role or any calling to speak in prophetic terms to the country's white overlords.

He was born 50 years ago in a mining town called Klerksdorp, southwest of Johannesburg, and baptized as a Methodist because his father was teaching in a Methodist school. Late, an elder sister went to an Anglican school, and the whole family switched churches. His father was from the tribal grouping known as Xhosas; his mother was a Tswana. Under present South African law, this could be interpreted to mean that he is not a South African but a citizen of a supposedly independent "homeland" called Transkei, where he has never resided. First, he wanted to be a doctor and actually earned admission to medical school, but his family could not swing the tuition. So he attended an institution called Pretoria Bantu Normal College, where the students were housed in round huts. ("They said we ought to develop along our own lines," he explains, with a laugh that is still incredulous after more than 30 years. "They said retangular buildings weren't good for the black psyche.") Ultimately, he became a teacher.

When a system of deliberately second-class pedagogy called "Bantu education" was enforced on all black schools he quite his job. Then 25 and already married, he thought for the first time of becoming a priest. "I was not moved by very high ideals," he now says. "It just seemed that if the church would accept me, this might be a likely means of service." In his own description, his spiritual motives deepened during the training he received from an Anglican religious order of Catholic bent called the Community of the Redemption whose practices of daily communion, frequent prayer and regular quiet days still provide the essential structure of Desmond Tutu's life.

But even before he undertook this discipline, he had a role model in a white priest who had influenced him deeply in his youth. This was a Englishman named Trevor Huddleston, who emerged in the 1950's as one of the most eloquent opponents of apartheid. Father Huddleston was a parish priest in a Johannesburg township whose magnetism and commitment made him the best known, most controversial cleric in the land. Desmond Tutu was hospitalized for 20 months with tuberculosis and Father Huddleston visited him regularly. Today he fills the role the Englishman filled then.

When Bishop Tutu is asked how he can be so hopeful about whites, he replies that he was fortunate in the white priests he knew as a young man. Still, it was only when he went to England, where he studied and worked for eight years, that he developed the confidence—"the proper self-assertion," as he puts it—to disagree openly and vigorously with whites. "It's probably easy to forgive apartheid the tremendous pain it causes people economically and politically," he now says. "But actually the most blasphemous thing about it is making a child of God doubt that he is a child of God. How much of who you have become has to be exorcised is incredible." It was in England, too, while working for an international religious agency that sent him traveling through black Africa and Asia, that he first became seriously engaged with political issues. When he returned to South Africa as dean of the Johannesburg cathedral, just before the Soweto riots of 1976, he brought back an unusual experience of the world for a black South African and a conviction that theology and politics, in this land, at least, could not be separate paths.

His prominence in religious circles did not automatically bring him a following among blacks. But once pro-Government commentators and politicians started to assail him for his role at the Council of Churches and his calls for economic pressure on the white regime, he emerged quickly as a leader, as if the hostility of the white authorities is part of what is needed now to validate a black as a spokesman for his people. Even then, Bishop Tutu has been careful to distinguish himself from those he calls "our real leaders." By 1980, four months before he met Prime Minister Botha, he was openly putting the imprisoned Nelson Mandela at the top of that list and thus implicitly aligning himself with the African National Congress.

At the same time, he was responding more positively and openly than most other blacks to the reformist rhetoric with which Mr. Botha was then experimenting. So others started to imagine, or fear, that he might be tempted to play a role in South Africa analagous to that played by Bishop Abel T. Muzorewa, the Rhodesian Methodist who sank his own political fortunes by allowing himself to be lured into an alliance with Ian Smith. "I knew him when he was a splendid man," Bishop Tutu says, meaning before his fellow bishop got the idea he would rather be called prime minister.

Whenever the Bishop is asked whether circumstances could possibly lead him to embark on a political career, he responds that his wife would leave him if he started to stray in that direction. Leah Tutu, in fact, is the individual who influences him most. But it is not a temptation he is likely to face. The governing National Party, which has been in power for 33 years, is not about to go looking for a black front man with nationalist credentials. In any case, he readily accepts the criticism that he is politically naïve, which has stuck to him since he led his delegation from the Council of Churches to the spacious Union Buildings in Pretoria for what turned out to be a formal exchange of irreconcilable views between the chruchmen on one side of the table and the Prime Minister and his top security advisers on the other. In fact, they not only spoke past each other but dwelt on different subjects. Bishop Tutu spoke of the need to dismantle apartheid as an overture to a political settlement. An end to the pass laws that govern the movement of blacks and to separate educational systems would make a nice start toward full citizenship, he suggested. In fact, he was asking nothing less than a commitment to end white rule. P. W. Botha dwelt on the "terrorist" threat to South Africa. He was asking the bishop to renounce any sympathy for underground movements that seek to overthrow white rule.

Yet it was probably the first time in the country's history that a widely acknowledged black leader holding no position inside the system sat across a table from a white prime minister. Neither man derived any political benefit from the encounter and the tides of white and black nationalism have now swept them further apart.

The Bishop has since toughened his stand. He says he does not want to meet with envoys of the Reagan Administration because he regards its policy of neutrality between white and black as immoral in the South African context. And he no longer lunches with Pieter G. Koornhof, a Cabinet minister who functions as a kind of viceroy over black South Africans in an aggressively amiable manner that, at first, disarmed some blacks, including Bishop Tutu, who once praised him for his "humanity." Asked now if he liked Mr. Koornhof, the Bishop carefully tasted two replies. First, "I like him." Then, after a pause, "I liked him. Yes, I liked him. I think we should use the past tense. Because I think he's a liar."

He has not become one of the hard men, but he is harder than he was. It is the nightmare vision of civil war that now informs his political pronouncements, of black youths from Soweto and other townships slipping over the borders for military training. In the language of white South Africans they are "terrorists." He has made the point repeatedly that they are heroes and martyrs as far as most blacks are concerned.

In the view of the authorities, that makes him a supporter of terrorist violence. "I will never tell someone to pick up a gun," he replies, "but I will pray for the man who picks up the gun, pray that he will be less cruel than he might otherwise have been, because he is a member of the community. We are going to have to decide, if this civil war escalates, what is our ministry going to be?"

Given the small numbers of armed would-be insurgents and the enormous military preparations of the Government, the prospect is probably more remote than the Bishop imagines. But the issue he raises is not theoretical. It comes up routinely in his Soweto parish, where he prays with mothers whose sons have disappeared to join the guerrillas. It came up even less theoretically late last year at a political funeral in the black homeland of Ciskei. The man being buried was a lawyer identified with the African National Congress who had been brutally slashed to death in Durban. Some 15,000 supporters of the banned movement were there and many of them were angry because they assumed, without needing any evidence, that the authorities were responsible for the killing. Right in their midst was a black security policeman from the Transkei homeland, equipped with a tape recorder.

The crowd cried, "Impimpi"—a Xhosa word for traitor—and started beating the agent. Bishop Tutu then rushed to the spot and stood over the man, shielding him with his own body. He thought he had saved him, but after he returned to the rostrum, the man was hauled away again and this time battered to death.

The oncoming struggle, he muses, could be something like that: "People holding off a little because you say so. You turn your back and they continue." And so, while he goes on preaching a vision of peace to whites who don't catch his sense of urgency, he worries about what he can possibly say to blacks on the subject of violence.

"There are two things we need to say to our people," he said. "That the liberation is certain and that it is going to be costly. I use this extraordinary vision in the Revelation of St. John the Divine. It's a vision of souls who have been killed during some persecution or other. And they are lying under the altar and they are crying to the Lord, 'How long, Lord, is this thing going to be going on?' And the extraordinary answer is not, 'Don't worry, it will be all right.' The extraordinary answer is, 'Wait a bit, because more of your brothers and sisters are going to die before the consummation.' " ("And it was said unto them, that they should rest yet for a little season, until their fellow servants also and their brethren, that should be killed as they were." 6:11.)

"Of course, if you speak about that in this country," he said, with just a touch of self-pity, "they say you are agitating it. In this country, if you predict something, then you are blamed for making it happen." South Africa is now adrift somewhere between the prediction and the happening, and expectations on all sides are muddled. The Bishop seems continually astonished that his vision can be so obdurately resisted, and yet he has studied his prophets.●

BISHOP DESMOND TUTU

● Mrs. **KASSEBAUM**. Mr. President, in recent weeks many Members of Congress have expressed privately to the South African Government the very strong desire of Americans to invite Bishop Desmond Tutu to the United States and the very strong conviction of Americans that Bishop Tutu should be given a passport by the South African authorities in order to accept our invitation. It is my understanding that senior officials of the Department of State, as well, have stated such views privately to the South African Government.

Yet, the position of the South African Government has remained adamant against granting a passport. Bishop Tutu's passport was revoked after a previous visit to the United States last year, apparently in retaliation for remarks he made that were highly critical of the South African Government. I met with Bishop Tutu in my office, and found him to be a man sincerely dedicated to promoting the peaceful solution to South Africa's domestic political crisis that all of us would like to support. His views and mine differ on some issues regarding the most effective means of promoting peaceful change in South Africa, but at no time did he indicate support for bloodshed.

Because he is a man genuinely committed to nonviolence, Bishop Tutu has been selected for an honorary doctorate by Columbia University. On May 19, his chair at Columbia's commencement ceremony was empty, and stood in silent witness to the South African Government's refusal to heed the entreaties of Members of Congress and, if I am correct in my information, the Reagan administration which asked that they grant Bishop Tutu a passport.

The Bishop has been invited for later this year to attend the triennial convention of the Episcopal Church, to which I belong. I sincerely hope the continued representations by the administration and Members of Congress to the South Africans for a passport for Bishop Tutu will enable Bishop Tutu to be present at the church's convention.

Perhaps some in South Africa believe the refusal to permit Bishop Tutu to travel to the United States will somehow prevent American public opinion from turning against their country. Nothing could be further from the truth. The United States has for many years granted visas to exiled South Africans whose opinions are much more radical than Bishop Tutu's. They come here to enjoy the opportunity to voice their opinions in a free society. Many advocate a violent solution as the only alternative to apartheid. The denial of a passport to Bishop Tutu strengthens the appeal of the more radical groups, since it denies Americans the opportunity to hear the views of someone who is adamantly opposed both to apartheid and to violence.

Perhaps most importantly, the continuing refusal of the South African Government to heed the representations of the American Government legislative and executive branch calls into question one of the basic premises of our present policy of "constructive engagement." That policy seems to be premised on the belief that a friendly attitude toward South Africa can achieve more results than an unfriendly one. But, when presented a fairly simple request—one which as far as I can tell is the only request we have made that would give us public proof of the effectiveness of our policy—the South Africans refuse. That refusal undermines the domestic American support for the Reagan administration's policy of constuctive engagement, and as such will have long-term consequences for South Africa. As chairman of the Subcommittee on African Affairs, I must express the sense of sadness that I feel when I see a very important and courageous policy initiative of the American Government begins to wither because of a failure in another country to respond in kind to the demonstrations of genuine cooperation that we have offered.●

SOVIET PERSECUTION IN LATVIA

● **Mr. HEINZ.** Mr. President, I recently received an article compiled by the World Federation of Free Latvians Information Bureau. This article details the persecution of numerous Latvians who have stood up for human and national rights. The Soviet Government has arrested, harassed, and terrorized those who attempt to emigrate or who demonstrate in other ways dissatisfaction with the brutal Soviet system.

Mr. President, in order to inform the Senate more fully on this matter and to honor those who fight for human rights in Latvia, I ask that the article be printed at this point in the RECORD.

The article follows:

THE RESISTANCE MOVEMENT IN LATVIA IN 1981

(Compiled by the World Federation of Free Latvians)

Last year in Soviet occupied Latvia numerous open protests for human and national rights have occurred. This report will illustrate a few of the known instances where individuals and groups have undertaken to challenge the ruling Soviet regime in an ongoing struggle for freedom which has been taking place since the forced occupation and annexation of Latvia by the USSR in 1940.

Those, who for various reasons, have chosen the arduous path of attempting to emigrate from Latvia must invariably engage in a direct confrontation with Soviet authorities. One who has done this is Lotars Sture. In June, 1981 he was sentenced by a Soviet court in Riga to one year in a penal labor camp and fined with a 20% reduction of his income. These penalties were levied because of Sture's persistence in attempting to emigrate, a fight he has waged for himself and his family for 13 years. Sture has written an immense number of letters and petitions, both to Soviet officials and organizations in the West, seeking assistance. Last April, the KGB searched his apartment in Riga and allegedly found materials of an "anti-Soviet" nature. It was on this basis that Sture was arrested and sentenced. It is expected that Sture will continue in his efforts to obtain freedom for himself and his family.

During 1981 the twin brothers Oskars and Viesturs Kaminskis came in direct conflict with Soviet officials. Their mother, an instructor at Riga's Medical Institute, Lolita Velmere, has been living in the United States since 1979 and has been trying to get her sons permission to join her in the USA. Protesting a negative response from the Soviet government both brothers gave up their Soviet citizenship.

Similar conditions have moved Ilmars Ančans to give up his Soviet citizenship. Ančans is a surgeon. However, due to his nationalistic attitudes he has lost his position and is unable to work in his profession. As a protest against such discrimination, Ančans requested permission to leave the USSR in 1979. Instead of being granted such a request, he has been subjected to further repressions and terrorist tactics. Ančans lives at 12-2 Niedru Street.

A previous political prisoner, Maigonis Ravinš, has also expressed his desire to leave the country. He was freed from prison in August of 1980. Since then he has suffered various hardships. At present Ravins lives in Ogre.

Heins Lama, living in Saldus, also a former political prisoner, has not been granted permission to leave the USSR, even though he has requested this many a time. These examples belie the fact that the Soviet Union has signed international agreements giving its citizens freedom to leave their country as well as to return to it. Every such incident, consitutes a fundamental denial of the most basic human rights.

The Jews in Latvia are still fighting for their right to emigrate to Israel. Valerie Sulimov has consistently been tortured for activities related to such efforts. He was forcefully committed to the Psychiatric Hospital in Riga in June of 1980.

On August 18, 1981 Alfred Stikurs submitted all necessary papers for travel to Israel. Subsequently, his house was searched and he was threatened with a criminal trial.

In the past year a new movement has developed involving protests against economic corruption. Peteris Tomsons has suffered various recriminations throughout 1980-81 because he was unwilling to accept dishonest business proceedings. Because of his professional standing, Tomsons was able to uncover theft and improprieties in the vegetable and fruit bases in Riga's Central Market, as well as in a number of restaurants and social institutions. It is characteristic of the Soviet government that the felons involved were not punished, but that Tomsons himself has been victimized by physical as well as psychological terrorist tactics, to pressure him to give false testimony. As far as is known Tomsons' life is not in any danger.

Similarly church groups or religious activists have come into direct conflict with Soviet governing bodies. For example, on March 23 a search was conducted in the apartment of Janis Rožkalns, a Baptist activist. All books of religious content, as well as tapes and letters received from foreign countries were confiscated.

At the end of 1980 Vladislavs Zavalnuks a Catholic clergyman was forcefully committed to a psychiatric institute. He was released in the spring of 1981 and is continuing to work in a Catholic congregation in Kurzeme.

Terrorism is on the rise in Latvia, a phenomenon not readily apparent before this year. Since the KGB in Riga has been taken over by Boriss Pugo, we have received information about various terrorist attacks, murders, where the guilty parties have not been disclosed. It is significant that the majority of the victims are those individuals who do not willingly agree with the general philosophies of the Soviet Union. At the beginning of 1981 news were received in the West about the death of a Catholic priest in Latgale, Andrejs Turlajs. The murderer has not even been sought. It becomes increasingly ominous to note that when the Catholic priest Zavalnuks was being intimidated, he was threatened with the same fate as Turlajs. That in itself attests to the fact that these individuals had knowledge of Turlajs' death. Certain terroristic methods were tried on comptroller Peteris Tomsons. On the morning of February 11 in Riga, he was attacked by two young men and beat up so badly that he was hospitalized for a number of weeks. One of the attackers had intimated that this period of convalescence could be used to revise his (Tomsons') philosophies.

At the beginning of 1981, four young Latvians were arrested and sentenced for the reproduction of the book "Baigais gads" (The Terrible Year—about Soviet brutality in Latvia in 1940-1941) Later one of these young men was stabbed to death in Riga's prison. The name of the killer is known only to the KGB.

In one of the Soviet labor camps in Riga near Skirotava Janis Vitolins died under mysterious circumstances. Sometime in 1980 he had attempted to enter the United States embassy in Moscow to get permission to travel to the USA. After this incident, he was arrested on trumped-up charges and sentenced to prison where he died shortly after arrival.

Similar tactics have been used on Vitolins friend Andris Adviljons who had flatly refused to give false testimony against Vitolins. The KGB managed to get Adviljons fired from his position at TTP. He was subsequently interrogated and arrested in November of 1981.

Witnesses have testified that on the evening of June 21 at the train station in Bulduri a terrorist group victimized a nationalist activist family—father, mother, two sons, one of whom was still a toddler. The entire family was badly beaten, with the younger boy having been thrown up in the air and then allowed to hit the ground. Upon arrival of the train, the terrorists, laughing and talking amongst themselves in Russian, jumped onto the train and disappeared.

According to people working closely with the resistance movement, an average of two Latvians get killed every day somewhere on the beaches.

Another terrorist incident may have taken place in Paris on March 10, when a Latvian industrialist Pavils Aboltinš came to a tragic end. According to Soviet news, Aboltinš became homesick and committed suicide by jumping from a window. However, findings of the French police show that Aboltinš death was not that simple, leaving many unsolved questions. One can only guess how Aboltinš actually died.

In the past year in Soviet occupied Latvia, many sentences have been handed down for political offenses. Chronologically we begin with the leader of the Social Democrats Juris Bumeistars and Dainis Lismanis. Both of these men were arrested in late 1980, but the trial did not take place until May 25, 1981. Bumeistars (at the age of 62) worked in the fishing industry in Roja at the time of his arrest. Both Bumeistars and Lismanis were tried for spying. The Latvian Social Democratic party leader, Dr. Bruno Kalninš, in Stockholm explained, that they were not spies and certainly not traitors. The sentences were announced on June 5. Bumeistars received 15 and Lismanis 10 years imprisonment. The Bumeistars family's address: Riga, Maskavas iela 285/1-66.

At the beginning of the year, language instructor and poet Alfreds Zariņš was arrested. Until his arrest he lived at Aluksne, Omskas iela 5-17. He was convicted because of his relations with foreign countries—some of his poems had been published in the West in Latvian periodicals. During a search of his apartment, literature published in the West was discovered. He was sentenced to three years in a labor camp in September of 1981. The international Pen Club (Swedish chapter) has voiced its protest against the Soviet action.

In the fall of 1981, Viesturs Polis-Abols was accused of distributing pamphlets. He was transported to labor camp Nr. 37 in Perma.

On March 25, 70 year old Valdis Vinķelis was arrested. His charges—anti-nationalistic opinions. He died in prison before his case could come to trial.

On May 12 Vinķelis brother was arrested along with his son Juris. The brother, Antis, was freed after 10 days, but Juris was kept secluded in a KGB building. Juris Vinķelis worked as a doctor in Riga, and lived at Riga, Laipu iela 2/4-1a until his arrest. He was accused of distributing anti-Soviet literature and on January 13, 1982 he was sentenced to two years in prison. Amnesty International is presently working on Juris Vinķelis case.

At the beginning of the year, news was received that Janis Tilgalis, who is serving a five year prison term since 1978, had written to Amnesty International requesting that they no longer use his name in connection with anti-Soviet propaganda. In the letter Tilgalis claims he is not a political prisoner, but a criminal. Without a doubt this letter was the direct result of KGB coercion since Tilgalis needed KGB assistance to even find out how his name was being used in the free world. Also, he would have been unable to mail such a letter without the KGB's aid. Tilgalis' brother had also been in prison until January of 1981. At present he is living with his father in Kuldiga. Both brothers had been arrested for "working against" the country and distributing anti-Soviet literature.

Sentenced in the fall of 1980, Baptist activist Teovils Kuma still finds himself being terrorized. Shortly after sentencing he was transported to the psychiatric hospital in Riga, but later to a similar institution in Leningrad. He was initially detained for dispensing religious pamphlets.

Until their arrest in 1979, two brothers, Richards and Arnolds Spalinš were active Seventh Day Adventists. In addition, Arnolds Spalinš was involved with human rights issues. Because of their religious convictions, both brothers continue to be harrassed even while in prison. Because Richards continues to observe Saturday as a religious day, he had been refused the right to purchase items in the local store and has not been allowed to meet with relatives.

Žanis Skudra, who was sentenced in 1978 on trumped-up charges of espionage, is expected to work hard at a labor camp in spite of failing health. This news was received from some of his imprisoned colleagues. Protesting against such inhumanity, Skudra's friends were preparing to strike, but were persuaded by Skudra not to take such a risk. Skudra was arrested for taking photographs of ruined Latvian churches and because some of his writings were published in the West describing living conditions in Latvia.

A 15 year sentence is being served by Ivars Grabans in a camp at Perma. During his sentence he has protested various human rights abuses in the camp and discrimination against the Latvian language in the Soviet Union.

A 5 year sentence is being served by Maris Lukjanovičs, arrested in the summer of 1979 for distribution of pamphlets inviting citizens to boycott elections until human rights are observed in Lativa. Lukjanovičs was sentenced according to paragraph 65 of the occupied Latvia's constitution.

The above-mentioned political prisoners are not the only ones. We lack concrete information about many of the prisoners. In the past year we have received no information about Peteris Lazda who was arrested in 1979 for his nationalist activities. Similarly, no information is available about a former employee of the Riga Film Studio Imants Kerešs, who was institutionalized in a psychiatric clinic because of the patriotic content of one of his films. What has happened to Sigurds Kruminš? We do know that he was in the same prison as Swedish diplomat Raoul Wallenberg, who was pronounced dead by the Soviets. Wallenberg was arrested in Budapest, where he was working for the Swedish government. He is known for helping thousands of Jews during Nazi German occupation. After his arrest Wallenberg was sent to Moscow, where he supposedly died. Many, however, claim that only recently they have still had contact with Wallenberg, one of these is Kruminš. A portrait of Wallenberg drawn by Kruminš has been given to the "Wallenberg Association" in Stockholm.

During 1981 we also did not receive any new information about political prisoners Armanis, Puce, Strupulis, Borovskis, Balodis, Smilktis, Andersons, Kapars, Poga Ragis, Bibis, Pavelsons, Endols, Kuka and many others about whom we have heard from former prisoners.

We should also mention here those patriots who have served their sentences and now are trying to live a somewhat normal life in occupied Latvia. These include Maris Tilgalis, Maigonis Ravins, Janis Ansons, Juris Afanasjevs; as well as some who have been released a number of years earlier such as the brothers Araji, Gunars Berzinš, Dailis Rijnieks, Laimonis Markants, Biruta Geidane, Gunars Gailitis, and many others. Again, it must be noted that information available about these individuals in very limited. Currently, Latvian ethnography seems to be blossoming. Without a doubt strong patriotic commitment is involved here and the Soviet regime is anything, but delighted by such a development. For example, members of the folklore group "Skandenieki" were requested to submit detailed biographies. All of their concerts were filmed by a group unknown to them—what was their purpose nobody knows. Records and tapes were taken from members apartments. Regardless, this movement is very strong in Latvia and the government is unable to stifle it completely.

The resistance movement in Latvia is becoming very active. It has been active since 1975. The most active group is the Latvian Independence Movement.

The goal of this organization is a free Latvia. It is apparent in publications, this organization is well aware of the prominence of human rights (and maybe for this reason) the resistance movement feels that a free Latvia is not such an elusive dream. With clear goals and well-coordinated efforts, the movement feels that perhaps it could achieve a free Latvia. The movement totally avoids terrorist tactics. At present the major goal is to acquire as much information as possible and to distribute it throughout Latvia and to document official refusals of properly made requests by Latvians. Violations of human rights have been documented in detail and have been made available to various world organizations.

The World Federation of Free Latvians received a document addressed to the Security Conference in Madrid by the group. The document was also signed by the Latvia's Democratic Youth Committee. The Conference was also made aware of a proposal prepared by students at the University of Riga discussing forced Russification in Latvia.

On July 26, 1981 the Latvian Independence Movement along with the Democratic youth Committee of Latvia passed out pamphlets inviting a boycott of the judge's elections—in this way shunning direct contact with lies and falsehoods.

Also, in 1981, the Independence Movements 10th bulletin was published and distributed throughout occupied Latvia. A summary of the memoirs of Adolfs Klive, a politician of independent Latvia, has been published in this bulletin. In conjunction with Latvia's Independence Day recognition, information was also published about the Madrid conference. In conclusion, the bulletin claims that the resistance movement is trying to unite all Latvians who are working towards the freedom of their country. The major goals of the resistance movement then, are the following: to coordinate all efforts working for Latvia's freedom, to spread information throughtout Latvia, and simply to aid all efforts to free Latvia.

The Movement has also published a brochure titled: "For those, Who are Awaiting Trials". It is pointed out in this brochure that every individual can be tried, since this cannot be avoided, everyone must try to be prepared. Specific suggestions, both legal and psychological were given as to how to handle such a trial.

Another organization worth mentioning is the Latvian Socialdemocratic Workers party. Even though two of its members were arrested, the organization continues its underground activities.

Another totally new organization is the Soviet Union's Democratic National Front. It originated in Estonia, but has found support throughout Latvia and Lithuania, as well as in Moscow and Leningrad. The first accomplishment by this organization was a "Quiet Hour". This half hour long "slowdown" was in protest of the constant lack of food and Soviet Union's foreign policies. During this "silent hour" citizens were to boycott all public transportation and to avoid working during that time. It was marked by limited success.

Numerous individuals whose names are unknown to us have also worked towards the goal of a free Latvia.

On November 18, a number of students attempted to raise independent Latvia's flag in the center of Riga—the attempt failed. Two of the youths were questioned. An explosion took place at the universal store in Riga. Incidents like this have always occurred sporadically.

It is apparent that resistance movements are flourishing in Latvia. This can be ascertained through personal relationships both on a private as well as public level.●

THE FARM ECONOMY

● **Mr. BAUCUS.** Mr. President, on May 11, I participated in a nationwide telephone call-in organized by the Agriculture Council of America which was titled a "Farmers Oversight Hearing on Economic Solutions for the Farm Emergency." I was impressed by the number of calls coming in—the more then 50 people answering phones could barely hang up from one call when another would come in. I have, since May 11, received many calls and letters from Montana farmers saying that although they tried throughout the day to call they were able to get through. This was not an uncommon experience due to the number of calls from across the Nation. The phone company has estimated that 1,907,353 people tried to call on May 11.

I think this indicates that there is a lot of interest and attention being paid to the problems in our farm economy. Although the results have not been tabulated from the nationwide survey, the letters I have been receiving from Montana share a common theme.

Mr. President, the crisis in the farm economy is beyond partisan politics, as I believe the number of calls May 11 indicate. Several weeks ago Senator EXON and I introduced the Farm Crisis Act of 1982 to address the serious problem in the farm economy. Since that time, Senator PRESSLER signed on as a cosponsor of this bill, and Senator ANDREWS sponsored an essentially identical measure.

This same farm crisis legislation is receiving bipartisan support in the House as a responsible way to improve the sagging farm economy. There are now over 33 cosponsors of the House bill, and that number is growing daily.

Mr. President, it is clear that it will take a bipartisan effort in Congress to address the problems outlined very forcefully in a letter I received from a farm family in Montana. I ask that the following letter be entered into the RECORD. I believe the letter represents the comments of the many farmers and ranchers who either attempted to call in on May 11 or who have since written to their Representatives.

The letter follows:

STOCKETT, MONT.,
May 12, 1982.

DEAR MR. BAUCUS: We were unable to get a call through on May 11—Farmers complaint day. So I am sending you our remarks.

We are unhappy with the present farm program. We are getting 1930 prices for our grain and paying 1982 prices for everything we buy.

Many of our neighbors have gone bankrupt already and there are many more nearly broke.

Products we buy have increased some as much as 75%. Fuel, fertilizer and machine parts are good examples. Fuel was 15¢ gal. now 1.20—800% increase.

Farmers are the backbone of our nation and our people cannot survive without us but we will all go broke if there are not some drastic changes in our farm policy soon.

Our children cannot afford to continue as farmers because there is no future in it. There is no way a young man can become a farmer and make enough money to support a family.

Each year it costs us more to operate and our income is less.

Almost every farmer we know is over 50 years old. Their sons have gone elsewhere to get a job, not being able to accept the gamble of farming, the low prices for our products, high costs of machinery, fuel, repairs and high interest rates. Not only 8 hour days, but from daylight to dark.

There was a time when we were proud to be farmers and ranchers and made a good living. It was a good way of life and we wanted our sons and grandsons to be just as proud as we were to live and work the land. But times have changed.

My husband is 63 years old and will retire in a couple of years but I honestly hope none of our sons want to farm because I want something better for them. I don't want to see them struggle and work so hard and never be able to see a profit and very possibly lose everything that we have worked for in our lifetime to save for them.

When farmers and ranchers are going broke the whole nation is going broke and is in a depressed state. If and when we receive fair prices and farming is a profitable business the whole country will prosper with us.

We are the only business that has no say in what we get for our product and pays top dollar for everything we buy. After we all go broke and we have corporate farms food prices will increase because they will dictate their own prices.

And if you want to eat you will pay for it!

Sincerely,

Mr. and Mrs. CLEM MAYERNIK.●

OLDER AMERICANS MONTH

● **Mr. CHAFEE.** Mr. President, it should be noted that May is Older Americans Month—a time to honor the American elderly who comprise 11 percent of the U.S. population.

The "aging" of America is not just a cliche, it is a fact. Data from the 1980 census indicates that a larger than expected number of persons are living longer; 25.5 million Americans are 65 or older. This is a net increase of 5 million in the last 10 years.

Population projections indicate that by the turn of the century there may be only five working-age persons for every one of retirement age. This growth will result in increased demands on the health care systems, on income maintenance programs, and other social support systems.

There has been a dramatic increase in the proportion of older Americans who are outside the work force. Even though many are able to work beyond the conventional retirement age, smaller proportions do so. This places a greater burden on the social security system. It also means a decrease in availability of taxable income. Demands on public housing, medicare, and medicaid also substantially increase.

The growth in persons over 55 will have significant implications for public policy.

In 1981, the attention of the country focused on Federal policies relating to the aged. The debate over the budget and Federal expenditures, proposals relating to social security and the White House Conference on Aging, centered public attention on issues facing elderly today.

Proposals to scale back social security eligibility and benefits met, in 1981, with intensely disfavorable reactions from Congress and the public. Just last week during debate on the first concurrent budget resolution, attention was again focused on social security cost-of-living adjustments and the subsequent solvency of the system.

Further appreciation of aging issues was demonstrated in expanded opportunities for individual retirement accounts and in the reauthorization of the Older Americans Act (OAA).

The OAA is directed toward giving older, low-income persons the opportunity to participate in all that this country has to offer. I strongly believe that this Nation continues to be one of the most wealthy with regard to resources, and greater use of its elderly can only benefit this country further.

The goals of the OAA are very much in tune with the trend toward an aging population even though the act was passed in 1965. The nutrition and employment concerns of the elderly are focused on by the various services provided for in the OAA. In particular, title V—the senior employment program—provides community service jobs for low-income senior citizens. It also allows participants to retain a sense of dignity and worth. Additionally, it results in a reduced need for public assistance, thereby freeing limited resources for those who truly are in need.

All proposals that threaten the integrity of title V cause me to worry. Particularly in light of the growth in our aging population. Older Americans Month provides me with the opportunity to restate my strong support for title V and other programs that assist the elderly to remain a part of the productive, contributing segment of society.

In the upcoming years, this Nation has many decisions to make regarding the aging of America. I look forward to the challenge that those policy decisions imply.●

THE VICE PRESIDENT'S SOUTH FLORIDA TASK FORCE

Mrs. HAWKINS. Mr President, I would like to take this opportunity to share with my colleagues the facts on the impact of the Vice President's south Florida task force.

Because of Florida's thousands of miles of coastline and its proximity to South and Central America, south Florida is the national port of entry for over 80 percent of the cocaine, quaaludes, and marijuana illegally entering the United States.

Trafficking in narcotics is, unfortunately, big business. Only one corporation in the entire world, Exxon, has greater gross revenues, though even Exxon's profits pale before those earned by the tax-free illegal narcotics industry. The retail value of illegal sales in this country totaled more than $79 billion in 1980—up 22 percent from the previous year.

On January 28, 1982, President Reagan established the Vice President's south Florida task force, vowing to go to the source of the drug problem. The major objectives of the task force are to reduce the influx of illegal drugs coming into the United States through Florida by increasing air, sea, and land interdiction efforts and to arrest and convict smugglers apprehended during these activities.

The urgent supplemental request for the U.S. Customs Service included in this bill is vital to the south Florida task force effort. In order to improve its effectiveness the Customs Service has placed 257 more officers in Florida. Included in this 257 figure are 82 agents, 131 patrol officers, 12 inspectors, 7 communication specialists and 25 support staff. In addition, this urgent supplemental bill includes funds for the Bureau of Alcohol, Tobacco and Firearms needed to assure its effective participation in the south Florida task force. BATF is providing 10 experienced special agents, including a supervisor, two customs service special agents, one Miami Police Department officer, one Dade County Department of Public Safety officer, one Florida Department of Law Enforcement officer and one Broward County sheriff's officer. In support of the task forces it will be necessary to increase support personnel, obtain additional office space, and transfer surveillance/technical equipment.

Since its establishment, I believe that the task force has made an impressive impact. Consider these facts.

Wholesale prices of marijuana and cocaine in Colombia have dropped substantially while street prices for these two drugs in the United States are on the rise, indicating the increased risk of delivering drugs to the United States.

Numerous smuggler aircraft appear to be "on standby" throughout the north coast of Colombia, apparently awaiting the decline in U.S. enforcement efforts. A noticeable decline in aircraft intrusions is reported by C-3 Customs radar operations during the past 2 months.

Two-man flight crews are demanding $100,000 to $150,000 per load which is almost double what they were paying before Operation Florida.

Smuggler pilots refuse to land in the United States but are air-dropping their cargos.

Maritime smugglers are rerouting their traffic more easterly through the Mona Passage, away from the Yucatan Straits.

Miami Chief of Police, Kenneth Harms, reports a marked decline in major crimes in Miami, including a 43 percent drop in the murder rate. Chief Harms attributes this decline in part to the stepped up Federal narcotics enforcement effort.

These are impressive results for an effort that has been underway for only 4 months. They augur well not only for Florida, but also for communities elsewhere faced with a crime problem. The chances are, a part of their crime problem is drug related because this enormous, illegal industry is responsible for the growth in other illegal enterprises. For example, a recent study by the National Institute on Drug Abuse found that 243 addicts committed 500,000 crimes over an 11-year period.

While the task force has just made a start, it is a good one and warrants the full support of the Congress.●

S. 2603—FAIR TRADE ACT OF 1982

Mr. ROBERT C. BYRD. Mr. President, I am introducing today, a streamlined version of the Fair Trade Act of 1982, which I had introduced earlier. This bill addresses the need for machinery to deal with the unfair trade practices of our trading partners. For too long we sat back and urged their compliance with international trade principles they have not moved to embrace.

Export subsidies and other unfair practices by foreign governments put American manufacturers and workers at a great disadvantage. In these days of economic hardship, unemployment, and recession, we need the means to deal with unfair competition from abroad. My bill does this by mandating the following process: A study of unfair trade practices and other barriers to our trade abroad to be accomplished by the U.S. trade representative and sent to the President; legislation proposed by the President and sent to Congress with options for retaliatory actions against offending trade partners; congressional action endorsing specific actions within 60 days of receiving the President's report and options; and enforcement of the options unless the unfair practices cease within 60 days of enactment of the legislation.

With this incentive to treat American exports fairly in their own markets and to cease unfair subsidies by trading partners of their own exports to us, other nations are likely to think twice before they raise new barriers. A more open and equitable world trading system is more likely to result.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2603

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fair Trade Act of 1982".

SEC. 2. STATEMENT OF PURPOSE.

The purposes of this Act are—

(1) to redress imbalances in United States international trade and commerce due to unfair trade practices by United States trading partners;

(2) to give the United States effective weapons to use against subsidized foreign imports into our markets and other unfair trade practices by our trading partners;

(3) to open foreign markets to American products and services in order to improve the United States balance of payments and strengthen the United States domestic economy;

(4) to eliminate barriers imposed by United States trading partners which prevent fair competition between United States exports and products of United States trading partners; and

(5) to establish procedures requiring Presidential action with respect to the importing of products of other countries into the United States unless such countries take, within a reasonable period of time, appropriate steps to remove impediments to American goods in their economies.

SEC. 3. STUDY OF UNFAIR FOREIGN TRADE PRACTICES AND OTHER BARRIERS TO MARKET ACCESS.

(1) In General.—Chapter 1 of title III of the Trade Act of 1974 is amended by adding at the end thereof the following new sections:

"SEC. 307. STUDY OF FOREIGN EXPORT SUBSIDIES, UNFAIR TRADE PRACTICES, AND OTHER BARRIERS TO MARKET ACCESS.

"(a) Study of Barriers.—On or before the date which is 6 months after the date of enactment of the Fair Trade Act of 1982 and each year thereafter, the United States Trade Representative shall, for each designated major trading country, complete and submit to the President a study of any act, policy, or practice of each such major trading country that—

"(1) is inconsistent with the provisions of, or otherwise denies benefits to the United States under, any trade agreement,

"(2) is unjustifiable, unreasonable, or discriminatory and burdens or restricts United States commerce, or

"(3) denies to the United States, with respect to products or commercial activities of the United States which (as determined by the Trade Representative) are internationally competitive, commercial opportunities substantially equivalent to those offered by the United States.

"(b) Action by President.—Within 30 days after a study is submitted to the President under subsection (a), the President shall publish in the Federal Register and submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives—

"(1) such study,

"(2) an estimate of the trade distorting impact on United States commerce of any acts, policies, or practices identified in such study,

"(3) all feasible courses of action which would redress any imbalance resulting from such acts, policies, or practices if efforts to obtain their elimination fail, and

"(4) a proposed joint resolution which requires the President to take a specific course of action (beginning on the date which is 60 days after the date of enactment of such joint resolution) which the President has determined to be the most appropriate course of action.

"(c) Assistance of Other Agencies.—

"(1) Furnishing of information.—Each department, agency, and instrumentality of the executive branch of the Government, including any independent agency, is authorized and directed to furnish, upon request, to the Trade Representative such data, reports, and other information as the Trade Representative deems necessary to carry out his functions under this section.

"(2) Personnel and services.—The head of any department, agency, or instrumentality of the United States, including any independent agency, may detail such personnel and may furnish such services, with or without reimbursement, as the Trade Representative may request to assist him in carrying out his duties.

"(3) Authorization of appropriations.—There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this subsection.

"(d) Definitions.—For purposes of this section—

"(1) Designated major trading country.—The term 'designated major trading country' means any major trading country which the Trade Representative, after consultation with the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives, designates as a country with respect to which a study under subsection (a) is necessary and appropriate.

"(2) Major trading country.—The term 'major trading country' means—

"(A) any major industrial country within the meaning of section 126, and

"(B) any other foreign country or instrumentality designated by the Trade Representative for purposes of this paragraph.

"(3) Commerce and commercial opportunities.—The terms 'commerce' and 'commercial opportunities' have the same meaning given such terms by section 301(d)(1).

"SEC. 308. LEGISLATIVE ACTION ON STUDIES OF UNFAIR FOREIGN TRADE PRACTICES.

"(a) Introduction of Joint Resolution.—Within 5 days after a joint resolution described in section 307(b)(4) is submitted by the President under section 307(b)—

"(1) the chairman of the Committee on Ways and Means of the House of Representatives shall introduce such joint resolution in the House of Representatives and such joint resolution shall be referred to the Committee on Ways and Means, and

"(2) the Chairman of the Committee on Finance of the Senate shall introduce such resolution in the Senate and such resolution shall be referred to the Committee on Finance.

"(b) Restriction of Amendments.—Only amendments which relate to the course of action to be taken by the President with respect to any act, policy, or practice described in section 307(a) shall be in order in either House. No motion to suspend the application of this subsection or request to suspend the application of this subsection by unanimous consent shall be in order in either House.

"(c) Committee and Floor Consideration.—Any joint resolution described in subsection (a) shall be subject to the same procedures and rules applicable to any implementing bill (or, in the case of a joint resolution which contains one or more revenue measures, any implementing revenue bill) under subsections (e), (f), and (g) of section 151, except that in applying section 151(e) in the case of such a joint resolution, '25th day' shall be substituted for '45th day' each place it appears therein.

"(d) Conference Report.—A vote on final passage of the conference report on any joint resolution described in subsection (a) (if necessary) shall be taken in each House before the 60th day after the day on which the President submitted such joint resolution to the appropriate committees under section 307(b).

"(e) Rulemaking Power.—The provisions of this section are enacted by the Congress—

"(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in this section, and they supersede other rules to the extent that they are inconsistent therewith; and

"(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

"(f) Discretionary Presidential Action Under Section 301.—Nothing in this section shall be construed to affect the ability of the President to take action under section 301 without the prior approval of Congress.

"SEC. 309. NOTIFICATION OF OFFENDING TRADING PARTNERS OF LEGISLATIVE ACTION.

"Upon enactment of any joint resolution described in section 308(a) in response to any act, policy, or practice of a foreign country or instrumentality, the President shall notify such foreign country or instrumentality that the President will undertake the course of action specified in such joint resolution on the date which is 60 days after the date of enactment of such joint resolution unless such foreign country or instrumentality ceases to commit such act or maintain such policy or practice prior to such date.".

(b) Conforming Amendment.—The table of contents for the Trade Act of 1974 is amended by inserting after the item relating to section 306 the following new items:

"Sec. 307. Study of foreign export subsidies, unfair trade practices, and other barriers to market access.

"Sec. 308. Legislative action on studies of unfair foreign trade practices.

"Sec. 309. Notification of offending trading partners of legislative actions.".

SEC. 4. DISCRETIONARY ACTION BY THE PRESIDENT UNDER SECTION 301 OF THE TRADE ACT OF 1974.

Section 301(a) of the Trade Act of 1974 (19 U.S.C. 2411 (a)) is amended—

(1) by striking out "or" at the end of paragraph (2) (A);

(2) by inserting "or" at the end of paragraph (2) (B);

(3) by inserting immediately after subparagraph (B) of paragraph (2) the following new subparagraph:

"(C) denies to the United States commercial opportunities substantially equivalent to those offered by the United States;";

(4) by inserting "(or to redress any imbalance resulting from)" after "elimination of"; and

(5) by striking out the last sentence thereof and inserting in lieu thereof the following new sentence: "Action under this section may be taken on a nondiscriminatory basis or solely against the products or services of the foreign country or instrumentality involved, and need not be limited to the equivalent product or service sector of the foreign country.".

ORDER FOR CERTAIN ACTION TO BE TAKEN DURING ADJOURNMENT

Mr. **BAKER**. Mr. President, I ask unanimous consent that during the adjournment of the Senate over until Tuesday, June 8, 1982, messages from the President of the United States and the House of Representatives may be received by the Secretary of the Senate and appropriately referred, and that the Vice President, President pro tempore and acting President pro tempore may be authorized to sign duly enrolled bills and joint resolutions.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ORDER OF BUSINESS ON JUNE 8, 1982

Mr. **BAKER**. Mr. President, I ask unanimous consent that when the Senate reconvenes on Tuesday, June 8, the reading of the Journal be dispensed with, no resolutions come over under the rule, the call of the calendar be dispensed with, and following the time allocated to the two leaders under the standing order, there be a period for the transaction of routine morning business not to exceed 30 minutes, with Senators permitted to speak therein for not to exceed 5 minutes each.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **BAKER**. Mr. President, as I indicated earlier, I anticipate there will be no substantive votes on Tuesday. That would not preclude the possibility, of course, of procedural votes, such as a vote requiring the attendance of Senators in order to make a quorum.

I do not anticipate substantive business being transacted on Tuesday and, therefore, no votes on substantive matters.

VOTING RIGHTS EXTENSION

I do expect on Wednesday, the following day, that is to say June 9, that a motion will be made to proceed to the consideration of the Voting Rights Act extension. Other items of business may be taken up in the course of that week and votes should be expected on Wednesday, Thursday, and perhaps on Friday.

EXPRESSIONS OF APPRECIATION

Mr. **BAKER**. Mr. President, I have no further business to transact. I inquire of the minority leader if there is any other matter he wishes to bring to the attention of the Senate at this time.

Mr. **ROBERT C. BYRD**. Mr. President, I have no other matters.

I shall take this occasion, however, to congratulate the majority leader on his skill, diplomacy, tact, and good judgment in getting the urgent supplemental appropriations bill passed today.

Mr. **BAKER**. Mr. President, I express my deep appreciation to the minority leader for his kind remarks, and I wish to express to him my appreciation for his cooperation and coordination in presenting complex matters on both sides of the aisle and seeing that every Senator had his opportunity to express his particular concerns or his particular aspirations and to translate all of that into the schedule that proved useful in that we finally concluded action on this bill.

I could not have done it without the active cooperation of the minority leader.

At the same time, Mr. President, I wish to express my deep appreciation to the chairman of the Appropriations Committee and the ranking minority member. They, as always, have worked as a team and in the best interest of the Senate. They have acted skillfully and in concert. Their staff has been exemplary and the good work done by the Senate and now concluded well before midnight on this Thursday is an example for all of us to follow.

Mr. **ROBERT C. BYRD**. Mr. President, if the distinguished majority leader will yield, I add my commendation to those he has expressed with respect to the work that has been done by the manager of the bill, Mr. HATFIELD, and the ranking minority manager, Mr. PROXMIRE.

Mr. **BAKER**. I thank the minority leader.

ADJOURNMENT UNTIL TUESDAY, JUNE 8, 1982

Mr. **BAKER**. Mr. President, if there is nothing further, I move, in accordance with the provisions of Senate Concurrent Resolution 102 that the Senate stand in adjournment until 12 noon on Tuesday, June 8, 1982.

The motion was agreed to; and at 11:32 p.m., the Senate adjourned until Tuesday, June 8, 1982, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate May 27, 1982:

Department of State

Arthur H. Davis, Jr., of Colorado, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Paraguay.

Energy-Expo 82

Dortch Oldham, of Tennessee, to be Commissioner General of the U.S. Government for Energy-Expo 82, vice Charles E. Fraser, resigned.

Diplomatic and Foreign Service

The following-named persons in the Department of State for appointment as Career Members of the Senior Foreign Service to the classes stated, and also for any other appointments indicated:

For appointment as a Career Member of the Senior Foreign Service, class of Minister-Counselor, a Consular Officer, and a Secretary in the Diplomatic Service of the United States of America:

Clayton E. McManaway, Jr., of South Carolina.

For appointment as a Career Member of the Senior Foreign Service of the United States of America, class of Counselor:

Thomas J. Fitzpatrick, of Idaho.

The following-named persons for appointment in the Foreign Service of the agencies indicated as Foreign Service Officers or Foreign Service Information Officer of the classes stated, and also for the other appointments indicated herewith:

For reappointment in the Foreign Service as a Foreign Service Officer of class 2, a Consular Officer, and a Secretary in the Diplomatic Service of the United States of America:

Department of State

Stevenson McIlvaine, of Virginia.

For appointment as Foreign Service Officers of class 2, Consular Officers, and Secretaries in the Diplomatic Service of the United States of America:

Department of State

Frank E. Rhinehart, of California.

Department of Commerce

Dale V. Slaght, of Florida.

For appointment as a Foreign Service Information Officer of class 2, a Consular Officer, and a Secretary in the Diplomatic Service of the United States of America:

International Communication Agency

Robert W. Hauseman, of Florida.

For appointment as Foreign Service Officers of class 4, Consular Officers, and Secretaries in the Diplomatic Service of the United States of America:

Department of State

Isaiah M. Aldridge, of North Carolina
Burton O. Allen, of Minnesota
Terry Alan Breese, of California
Claudia A. Brown, of Washington
Roland W. Bullen, of California
Matthew James Burns III, of Florida
Roberta L. Chew, of California
Joy F. Churchill, of Virginia
Robert John Clarke, of New York
James Gray Davis, of Virginia
Margaret Balthazar Elliott, of California
Roland G. Estrada, of New Jersey
Robert Patrick John Finn, of New York
Hugo Carl Gettinger, of California
Kenneth Jefferson Grasty, of Pennsylvania
Norma Ruth Harms, of California
June Elizabeth Heil, of Missouri
Robyn Elaine Hinson, of New York
Willis Paley Hume, of the District of Columbia
Anthony John Interlandi, of Connecticut
James George Jatras, of Pennsylvania
Gary Dean Lindsay, of California
Karen Marie Milliken, of Colorado
Evangeline O. Monroe, of Virginia
Tibor P. Nagy, Jr., of Texas
Ronald Scott Parson, of Virginia
Steven Karl Pifer, of California
Dianna Ritter, of South Carolina
Douglas Carl Rohn, of Oregon
Julia Stuart Rose, of Delaware
Janet A. Sanderson, of Virginia
Daniel Santos, Jr., of Florida
Stanley Howard Specht, of the District of Columbia
Paul A. Trivelli, of Connecticut
Richard Hamilton Weeks, of California

The following-named Members of the Foreign Service of the Departments of State and Commerce, and the International Communication Agency to be Consular Officers and/or Secretaries in the Diplomatic Service of the United States of America, as indicated:

Consular Officers and secretaries in the Diplomatic Service of the United States of America:

Richard Alan Albright, of Ohio.
Clarissa Jean Aldridge II, of California.
Paul John Andersen, Of California.
Roselyn H. Anderson, of Maryland.
Michael A. Barber, of Virginia.
Geoffrey H. Barnes, of Virginia.
Leslie A. Bassett, of California.
Davis Cortelyou Becker, of Washington.
Christopher J. Beede, of New York.
Elizabeth Rhea Beyene, of New York.
Gary I. Blakely, of Virginia.
Janet L. Bogue, of Washington.
Paul Lawrence Boyd, of New Mexico.
John O. Brennan, of Virginia.
Douglas A. Burk, of Virginia.
Wayne Jeffrey Bush, of Oregon.
Christine G. Chambers, of Virginia.
Dana L. Clouatre, of California.
Hanni M. Cordes, of the District of Columbia.
Charles O. Coudert, of Virginia.
Michael J. Delaney, of Illinois.
Stephen J. Del Rosso, Jr., of Massachusetts.
J. Raymond DePaulo, of Maryland.
Christina Rozelle Pfund Dewey, of California.
Catherine E. Dick, of Virginia.
John J. Duggan, of Virginia.
Mary F. Dunham, of the District of Columbia.
Robert C. Eaton, of Virginia.
Deborah Leslie Elliott, of Florida.
Harold David Foster, of California.
Constance J. Freeman, of New York.
Adrian R. Gan, of Virigina.
Jeffrey Louis Goldstein, of California.
Richard F. Gonzalez, of Colorado.
George Grafeld, of Virginia.
Gordon Gray III, of New York.
Deborah E. Graze, of Virginia.
Richard L. Griffin, of Virginia.
Blair Parks Hall, Jr., of the District of Columbia.
Anne Wing Hamilton, of the District of Columbia.
Lillian Craig Harris, of Virginia.
L. Scott Harrison, of Virginia.
John Ashwood Heffern, of Missouri.
Billy B. Huff, of Virginia.
David A. Hughes, of Washington.
Thomas V. Huse, of Virginia.
Gerard J. Jackson, of Pennsylvania.
Margaret N. Jackson, of Utah.
Robert P. Jackson, of Tennessee.
Kenneth H. Jarrett, of New York.
Wayne A. Jennings, of Maryland.
Deborah K. Jones, of California.
Jerry W. Jones, of Virginia.
Stephen G. Kaminski, of Maryland.
Stephen R. Kappes, of Virginia.
Craig Mallory Karp, of Washington
Edward K. Kimmel, of the District of Columbia.
Anthony W. Kiraly, of Florida.
Richard P. Kleffman, of Virginia.
Edward William Kloth, Jr., of Virginia.
Larry R. Kohler, of Virginia.
Sharon A. Lavorel, of California.
Joyce Ellen Leader, of Maryland.
Victor Y. Lee, of Virginia.
James F. Lewis, of Virginia.
Frank Stephen Malott, of Alaska.
LaMoyne Mason Matthews, of Maryland.
Patrick D. McHugh, of Virginia.
Murray J. McMann, of Virginia.
Stephen D. Mull, of Pennsylvania.
Harold J. Nicholson, of Virginia.
David R. Ostroff, of California.
Deborah Perrie Park, of Pennsylvania.
Ernest Johnstone Parkin, Jr., of Maine.
Julio Trejo Perez, of Texas.
Jerald G. Peterson, of Virginia.
Dwight L. Plymale, of West Virginia.
D. Bryan Powell III, of the District of Columbia.
Sheri S. Ridl, of Virginia.
Jacqueline A. Rinn, of Virginia.
James Milnor Roberts III, of Florida.
Alfred F. Robinson, of Virginia.
Ermila L. Rodriguez, of Virginia.
M. Allen Saunders, of Virginia.
William P. Schofield, of Georgia.
Michael H. Schwartz, of Virginia.
Melvin W. Searls, Jr., of New York.
Stuart M. Seldowitz, of New York.
Laurel M. Shea, of Virginia.
Robert M. Shipley, of Florida.
Joan G. Silverlieb, of Massachusetts.
Michele Jeanne Sison, of Maryland.
Frederick Albert Smith, of California.
Louis F. Steinkuehler, of Virginia.
John Christopher Stepanchuk, of the District of Columbia.
Dean Jay Storm, of Virginia.
Donald J. Suda, of Virginia.
Anne Hiroko Takemoto, of Hawaii.
Lucy Tamlyn, of New York.
Theodore Tanoue, of California.
Eric R. Terzuolo, of Minnesota.
Thomas Joseph Tiernan, of Illinois.
Felix Turel, of Ohio.
Terry P. Vomocil, of Virginia.
Albert D. Wedemeyer, of Maryland.
Robert Weisberg, of New Hampshire.
Arthur W. Wentland, Jr., of Maryland.
Peter Whaley, of Massachusetts.
Michael K. Winograd, of Virginia.
Diana Lynn Worthen, of Virginia.
Claud R. Young, Jr., of Michigan.
Harold R. Zassenhaus, of Maryland.
Jack M. Zetkulic, of New Jersey.

Consular Officers of the United States of America:

Louis V. Riggio, of Florida.
Maria A. Rodgers, of New Jersey.

Secretary in the Diplomatic Service of the United States of America:

Ronald R. Nelson, of South Dakota.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 27, 1982:

DEPARTMENT OF STATE

Gregory J. Newell, of Virginia, to be an Assistant Secretary of State.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Thursday, May 27, 1982*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O God, help us to focus on the purpose of life so Your work may be done on Earth as it is in heaven. Our gracious God, we are conscious of how You have given the promise of light in the midst of darkness and You have shown hope in the midst of struggle. We pray that we may be open to Your light and to Your hope and thus walk with courage and faith. Shed upon us, O God, Your Spirit, enlighten us with Your gifts, forgive us by Your mercy, and surround us with Your love, this day and every day. Amen.

THE JOURNAL

The **SPEAKER**. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. **GREGG**. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Chair's approval of the Journal.

The **SPEAKER**. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. **GREGG**. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 322, nays 55, answered "present" 1, not voting 54, as follows:

[Roll No. 115]

YEAS—322

Addabbo
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Archer
Aspin
Atkinson
Bafalis
Bailey (MO)
Bailey (PA)
Barnard
Beard
Bedell
Beilenson
Benedict
Benjamin
Bennett
Bereuter
Bethune
Bevill
Biaggi
Blanchard
Bliley
Boggs
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Brinkley
Brodhead
Brooks
Broomfield
Brown (OH)
Broyhill
Burgener
Burton, Phillip
Byron
Carman
Carney
Chappell
Cheney
Clausen
Clinger
Coats
Coelho
Collins (IL)
Collins (TX)
Conable
Conte
Corcoran
Courter
Coyne, James
Coyne, William
Craig
Crane, Daniel
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daschle
Daub
Davis
de la Garza
Deckard
Dellums
DeNardis
Dicks
Dingell
Dixon
Dorgan
Dornan
Dowdy
Downey
Duncan
Dunn
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emery
English
Erdahl
Erlenborn
Ertel
Evans (DE)
Evans (IN)
Fary
Fascell
Fazio
Ferraro
Fiedler
Findley
Fish
Fithian
Flippo
Florio
Foglietta
Foley
Fowler
Frank
Frost
Fuqua
Gaydos
Gephardt
Gilman
Gingrich
Ginn
Glickman
Gonzalez
Gore
Gradison
Gramm
Gray
Green
Grisham
Guarini
Hagedorn
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hatcher
Hefner
Heftel
Hertel
Hightower
Hiler
Hillis
Holland
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hyde
Ireland
Jeffries
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kindness
Kogovsek
Kramer
Lagomarsino
Lantos
Latta
Leath
Lehman
Leland
Lent
Levitas
Livingston
Loeffler
Long (LA)
Lott
Lowry (WA)
Lujan
Lundine
Madigan
Markey
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Matsui
Mattox
Mavroules
Mazzoli
McClory
McCurdy
McDade
McDonald
McEwen
McKinney
Mica
Michel
Mikulski
Miller (CA)
Mineta
Minish
Mitchell (NY)
Moakley
Moffett
Molinari
Mollohan
Montgomery
Moore
Moorhead
Mottl
Murtha
Myers
Natcher
Nelligan
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Oxley
Panetta
Parris
Pashayan
Patman
Patterson
Paul
Pease
Pepper
Perkins
Petri
Peyser
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Rahall
Railsback
Rangel
Ratchford
Regula
Rinaldo
Ritter
Roberts (SD)
Robinson
Rodino
Roe
Rostenkowski
Roth
Roukema
Roybal
Rudd
Russo
Sawyer
Scheuer
Schneider
Schulze
Schumer
Shamansky
Shannon
Shaw
Shelby
Shumway
Shuster
Siljander
Simon
Skeen
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (OR)
Snowe
Snyder
Solarz
Spence
St Germain
Stangeland
Stark
Staton
Stokes
Stratton
Studds
Stump
Swift
Synar
Tauke
Tauzin
Taylor
Thomas
Vento
Volkmer
Walgren
Wampler
Waxman
Weaver
Weber (MN)
Weber (OH)
Weiss
White
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wirth
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yatron
Young (MO)
Zablocki
Zeferetti

NAYS—55

Badham
Barnes
Breaux
Brown (CO)
Butler
Coleman
Conyers
Coughlin
Crane, Philip
Derwinski
Dickinson
Dreier
Edgar
Emerson
Evans (IA)
Fields
Forsythe
Frenzel
Goodling
Gregg
Hall, Sam
Harkin
Hartnett
Hawkins
Heckler
Hendon
Hollenbeck
Holt
Jacobs
Johnston
LaFalce
LeBoutillier
Lee
Lewis
Luken
Lungren
McCollum
McGrath
Miller (OH)
Mitchell (MD)
Napier
Roberts (KS)
Roemer
Sabo
Schroeder
Sensenbrenner
Sharp
Skelton
Smith (AL)
Solomon
Stenholm
Walker
Washington
Yates
Young (FL)

PRESENT—1

Ottinger

NOT VOTING—54

Albosta
Applegate
AuCoin
Bingham
Brown (CA)
Burton, John
Campbell
Chappie
Chisholm
Clay
Crockett
Derrick
Donnelly
Dougherty
Edwards (AL)
Evans (GA)
Fenwick
Ford (MI)
Ford (TN)
Fountain
Garcia
Gejdenson
Gibbons
Goldwater
Gunderson
Hutto
Jeffords
Leach
Long (MD)
Lowery (CA)
Marks
McCloskey
McHugh
Morrison
Murphy
Neal
Reuss
Rhodes
Richmond
Rogers
Rose
Rosenthal
Rousselot
Santini
Savage
Seiberling
Smith (PA)
Stanton
Traxler
Trible
Udall
Vander Jagt
Watkins
Young (AK)

☐ 1015

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1231. An act for the relief of the Washington Post, the Washington Star, the Dispatch (Lexington, N.C.), the Brooklyn Times, Equity Advertising Agency, Inc., the Seattle Post-Intelligencer, and the News Tribune; and

H.R. 1608. An act for the relief of Mrs. Frieda Simonson.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2317. An act to recognize the organization known as the National Federation of Music Clubs; and

S. 2332. An act to amend the Energy Policy and Conservation Act to extend cer-

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☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

tain authorities relating to the international energy program, to provide for the Nation's energy emergency preparedness, and for other purposes.

FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1983

Mr. JONES of Oklahoma. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution (H. Con. Res. 345) revising the congressional budget for the U.S. Government for the fiscal year 1982 and setting forth the congressional budget for the U.S. Government for the fiscal years 1983, 1984, and 1985.

The SPEAKER. The question is on the motion offered by the gentleman from Oklahoma (Mr. JONES).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution, House Concurrent Resolution 345, with Mr. BOLLING in the chair.

The Clerk read the title of the concurrent resolution.

The CHAIRMAN. When the Committee of the Whole rose earlier today, pending were the following three amendments in the nature of a substitute:

Amendment offered by the gentleman from Ohio (Mr. LATTA);

Amendment offered by the gentleman from Wisconsin (Mr. ASPIN); and

Amendment offered by the gentleman from Oklahoma (Mr. JONES).

Pending was an amendment offered by the gentlewoman from Ohio (Ms. OAKAR), perfecting amendment No. 22, to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA).

The Chair will recognize the gentlewoman from Ohio (Ms. OAKAR) for 5 minutes in support of her amendment.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I will be happy to yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Mr. Chairman, I asked the gentlewoman to yield to make two unanimous-consent requests in the hope that we can complete action on this budget by late afternoon. We can do it if we will limit debate.

Mr. Chairman, I ask unanimous consent that the debate on the Oakar amendment be limited to 1 hour, divided 30 minutes for the author of the amendment and 30 minutes for those opposed to the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

Mr. MOFFETT. Mr. Chairman, reserving the right to object, if I might inquire of the distinguished chairman of the Budget Committee, would the 30 minutes actually be allocated to the gentlewoman from Ohio, and she would then parcel it out?

Mr. JONES of Oklahoma. If the gentleman will yield, Mr. Chairman, my intention in this request would be that the author of the amendment, the gentlewoman from Ohio (Ms. OAKAR), would have the control of the 30 minutes, and the minority would control 30 minutes.

Mr. MOFFETT. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

Mr. LATTA. Mr. Chairman, reserving the right to object, and I shall not object, the chairman has been discussing this with this side of the aisle, and we feel that there has been sufficient discussion on this already, that it is a reasonable request, and we do not object.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

Mr. MITCHELL of Maryland. Mr. Chairman, reserving the right to object, and I will not object, I merely wanted to make an inquiry of the chairman. Does he intend to attempt to set a time limit on all debates from this point on? I realize it would not be an hour in some cases, that it might be more or less.

Mr. JONES of Oklahoma. Mr. Chairman, if the gentleman will yield, if we are successful with this unanimous-consent request, I would intend to come back with another unanimous-consent request to limit debate per amendment for the remaining amendments. I have tried to check around with the leadership on both sides and Members who have discussed their commitments with me, and there seems to be an agreement on that.

Mr. MITCHELL of Maryland. I thank the gentleman.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

Mr. SHARP. Mr. Chairman, reserving the right to object, the subject we are debating is extremely important, but the fact is that we are intelligent human beings, and an hour seems to be too excessive. I will not object, but I just think that we are intelligent enough to have understood hours and hours of discussion on defense, hours and hours of discussion on medicare and social security, all of those things.

I think we can make our decisions without having an hour. I will not object since the gentleman seems to have an agreement, but I just think we ought to stop the nonsense and vote.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. JONES of Oklahoma. Mr. Chairman, if the gentlewoman will yield again, I agree with the gentleman from Indiana (Mr. SHARP). The remaining amendments and the information on the remaining amendments have been before the Members for well over a week now. I know that all of us have stayed up late and studied those amendments carefully, and all of us know the pros and cons. So, with that work already behind us, I ask unanimous consent that for each of the remaining amendments after the Oakar amendment time be limited to 20 minutes divided equally, with 10 minutes going to the author of the amendment and 10 minutes going to the opposition.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

Mr. WEISS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The gentlewoman from Ohio (Ms. OAKAR) is recognized for 30 minutes.

Ms. OAKAR. Mr. Chairman, finally people will have a chance to vote to restore the medicare funding. When we left last night there was a lot of talk about disappointment in not having the Waxman amendment offered, and I just want everybody to know that we are going to be offering this amendment to restore medicare funding on the various budget proposals.

I want to especially thank my colleague, HENRY WAXMAN, for his outstanding leadership in the health field. Everyone realizes that there is no question about it, and I really thank him for his deep concern and advice.

□ 1030

Mr. Chairman, my amendment does not add to the deficit or increase revenues, and I will have more to say about that in a few minutes. But before discussing the merits of my specific amendment, I would ask all of you to envision who the recipients of medicare are, why they are on it, and why there is a need for it.

In the 1960's the Congress and the President saw a need for medicare because most older Americans and disabled Americans had literally no medical coverage or access to medical coverage. Today 29 million people receive medicare, 26 million are older Americans; 3 million are disabled; and 40 percent of these people are between 70 and 90 years old; 60 percent are older women.

When you are no longer gainfully employed, such as those who are disabled, you lose a valuable benefit, access to health insurance coverage. You are not a dependent child; you fit nowhere in the insurance coverage area. Medicare fills a gap, and it gives you access to coverage if you are disabled. There is no other way to have at least some of your health needs covered. For those who are elderly, there is no access. They are no longer a part of a group policy even though they or their spouses were once part of a group insurance policy eligible for benefits.

But what happens to the man who retires or the widow who survives? I will tell you what happens. Most elderly and disabled would have absolutely no health benefits if it were not for medicare, and even medicare covers only between one-third and 40 percent of their needs. Private insurance policies pay only 6.6 percent of older persons' health needs, and older persons health needs are between 2½ and 4 times greater than other age groups. And the older person knows that he or she must pay 25 percent of out-of-pocket expenses for health needs beyond medicare.

Medicare does not cover certain medical expenses—eye, ear, or foot care, to name a few areas. But what it does cover is important to 29 million Americans.

Part A is covered through social security benefits. Now, remember, if you cut a nickel of medicare, you are cutting social security benefits for older Americans. And part B is paid for in part by the elderly persons. They pay $12.20 a month, and think of what that means when a person is living on a fixed income.

I do not think I should have to remind the Members that the average female 65 years of age or over lives on $240 a month, and she takes $12.20 out of that each month just for that minimal coverage. And a man does not do too much better. He lives on $380 a month.

So why do we continually assault our poorest and most vulnerable, the elderly and disabled?

Nobody wants to acknowledge that this is the easy way out, that we would rather fund an additional submarine or tolerate enormous cost overruns on, let us say, a helicopter subcontract than provide a minimal insurance policy for 29 million Americans.

I appeal to the Members in a bipartisan way because the bipartisan effort passed medicare in the 1960's. I appeal to the President, who is 71 years old, and I ask him what his bills would be if he did not have coverage.

Mrs. ROUKEMA. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. No; I will not yield until I have finished. The gentlewoman has time on her side, and I will try to yield to her in a few seconds.

I appeal to the President. What would his bills be and what would his care be if he did not have comprehensive health coverage? Now, the President was victimized by crime, and one of my constituents, an elderly woman of 71, was beaten and robbed, also victimized by crime. She was hospitalized. In 7 days her bills amounted to about $7,000. She lives on $280 a month. Where would she be if she had not had medicare insurance coverage, which is indeed minimal?

I ask the Members of Congress who have comprehensive health coverage, what would your plight be if you did not have medical coverage?

So now we have the budget proposal under the guise of reduction of doctors' fees and hospital costs which substantially decrease medicare coverage. What will be the result? Older people will receive less coverage and other supplemental policies are way out of line for them. In my city and other cities across the country they have raised the supplemental insurance rates between 70 and 120 percent.

Mrs. ROUKEMA. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. Not at this time.

I say to my colleagues that if you want to cut medicare, it is inhumane, it is indecent, and I say it is immoral; I say we have lost our national conscience for the value of our elderly people and our disabled. I say to my colleagues we have lost a sense of our civilization which we so value and our sense of a democratic decent history and, yes, our sense of morality, when we say that the cost overruns of a submarine are more important, than the health benefits of older Americans.

My amendment would fully restore the proposed cuts in medicare for fiscal year 1983 in the Latta proposal. It would restore the recommended $4.85 billion. The increase in medicare, yes, would be offset by a reduction in defense outlays. But let me tell you, these reductions in defense spending will not jeopardize our national security, and I want to comment on this just briefly because I think that it is high time that this Congress faced the fact that there are billions and billions of dollars in wasteful spending and abuse in varieties of departments, and one in particular is defense.

Now, let me just show you a few dozen ways we could offset the $4.85 billion in medicare expenses and transfer it in the defense area. Let me show the Members something. This is a computerized list of 132 reports, and in each report there are at least 15 or 20 examples of cost overruns. This is from the GAO, and the title is "Defense Spending Cost Overruns." Look at this report. I am going to show you, this one report. This is 132. They will just stretch it across there. All right. Now, let me give you a couple of examples of what is in these reports. These are just a few of the cost overruns. I am glad my colleague, the gentleman from Texas, is concerned about this because it is about time somebody is.

Now, let me just show you this. Let us take, for example, the Black Hawk helicopter project adding $5.4 billion as a cost overrun from the original contract. That is more than the proposed cuts in medicare.

For the Army bowling team, the taxpayers pay $106,000 to send them from one State to another to participate in a tournament.

They said that with proper accounting for contracts, if they just used standardized accounting, which apparently they do not, we would save $4 billion, and one of these reports alone cited $16 billion in cost overruns. If you are on the Armed Services Committee, you probably received the report in March from the Pentagon. Because of the Nunn amendment to the fiscal 1982 defense authoriztion bill, we finally have a provision that if the cost of a weapon goes between 15 and 25 percent or more in a year, then, of course, they have to report back to Congress.

Well, since March of this year there are at least 18 weapons systems that have 25 percent or more in cost overruns.

Mr. MOTTL. Mr. Chairman, will the gentlewoman yield time to me?

Ms. OAKAR. I am going to yield time in a few seconds.

So, Mr. Chairman, the bottom line is this: Medicare is part of the social security system. Do the Members want to cut social security benefits for older people?

If you want to do this, vote against my amendment. However, if you support putting the Defense Department on notice that they cannot just issue all these contracts and not have any kind of a hold on their cost overruns, then vote for my amendment. If you are for older people and for providing this compensation, vote for my amendment.

They are not a strong lobbying group; they are not contributors to campaigns, and so forth. They are just decent people who made this country what it is.

So if you are for older Americans having at least one-third to 40 percent of their health benefits covered then you should support this amendment.

I wish to submit the following for the RECORD. It includes letters from some of the organizations supporting the amendment, a list of the organizations in support and the cosponsors of the amendment.

THE CATHOLIC HEALTH ASSOCIATION
OF THE UNITED STATES,
Washington, D.C., May 26, 1982.
Hon. MARY ROSE OAKAR,
Cannon House Office Building,
Washington, D.C.

DEAR CONGRESSWOMAN OAKAR: The Medicare and Medicaid programs have sustained substantial cuts in each of the two preceding budget years. This year these programs are again targeted for substantial cuts.

In enacting these cuts Congress will break, if not shatter, the promise it made to the elderly and the providers of care in 1965. The cuts directed at the beneficiaries will require the beneficiaries to pick up substantially more of the financial burden of the program.

Medicare currently pays providers much less than it costs to care for Medicare patients. In order to stay financially solvent providers shift Medicare's unpaid costs to private sector patients. Medicare's proposed fiscal year 1983 cuts directed at providers will cause providers to shift more of these costs to the private sector. Once again, Medicare will have reneged on its promise to providers and private sector patients to pay its fair share of the cost of caring for the program's beneficiaries.

The Catholic Health Association, its 632 member hospitals and its 232 nursing homes, fully supports your efforts to exempt these programs from cuts in the fiscal year 1983 budget.

Sincerely,

PATRICIA A. CAHILL, J.D.,
Vice President,
Government Services.

DISTRICT OF COLUMBIA OFFICE ON
AGING, COMMISSION ON AGING,
Washington, D.C., May 26, 1982.
Hon. MARY ROSE OAKAR,
House of Representatives, Cannon House Office Building, Washington, D.C.

DEAR CONGRESSWOMAN OAKAR: The District of Columbia Commission on Aging supports your Amendment No. 22 to the First Concurrent Resolution on the 1983 Budget. We feel that it is fair, just and necessary that Medicare funds be restored and that such cuts, if necessary, should be made in the defense budget.

The over 100,000 elders of the District of Columbia and the huge aging population of this nation have served this country well and therefore deserve the right to good health care that they can afford. Our country owes this to the mothers and fathers of this great nation. Many are now living in an atmosphere of distress and must be given some immediate relief. Let us not turn our backs on these disadvantaged citizens.

Again, we congratulate you for your leadership in protecting our elderly and we wholeheartedly support your Amendment.

Sincerely,

JUANITA THORNTON,
Chairperson.

NATIONAL COUNCIL
OF SENIOR CITIZENS,
Washington, D.C., May 26, 1982.
Hon. MARY ROSE OAKAR,
House of Representatives,
Washington, D.C.

DEAR CONGRESSWOMAN OAKAR: I am enclosing a copy of the National Council of Senior Citizens' Statement reflecting our concern over the deep cuts proposed in Medicare by the Michel/Latta alternative budget. As the statement makes clear, there is simply no conceivable way to come up with $23.3 billion in Medicare savings without a large portion coming out of beneficiaries' pockets.

We appreciate your sensitivity to the difficulty many older people face, even today, in paying their health care bills and support all efforts to restore this money.

Sincerely,

WILLIAM R. HUTTON,
Executive Director.

MEDICARE BUDGET CUTS WILL HURT THE ELDERLY AND THE DISABLED

Over the past few days there has been a great deal of discussion about cutting the Medicare budget. It seems that since the proposed cuts in Social Security were correctly recognized as a direct threat to the elderly's income security, such proposals were withdrawn. In their place, however, cuts as deep as $23.3 billion over three years have been proposed for the Medicare program. These cuts are no less a threat to the elderly's income and health security than were the misguided Social Security proposals. The will hurt the beneficiaries.

The President and many members of Congress are not willing to recognize the Medicare proposals for what they really are and they would have us do the same. The President and the Congressional proponents of deep Medicare cuts are telling us and the American people that these cuts will not impact the 29 million elderly and disabled Medicare beneficiaries. This cannot possibly be true! There is no way that we can cut the $23.3 billion from Medicare recommended by the Michel/Latta budget without hurting the beneficiaries.

As responsible members of Congress we must understand the implications of the proposal that we have before us today: It is a devastating proposal that will erode the health insurance protection as well as the health status and income of elderly and disabled persons. It is a proposal which will strike at the very essence of security for the elderly and disabled—their health—and yet it is a proposal which is being disguised, protected, and shrouded in lies.

Think about it. $23.3 billion—the deepest cuts to the Medicare program that have ever been proposd are a part of the Michel-Latta budget. Where will these cuts come from? The proponents of this budget tell us that most of the savings will come from reform of current hospital reimbursement regulations and from instituting changes in hospital reimbursement, perhaps a prospective system and limits on certain services. Other savings may come from altering the eligibility date for Medicare coverage. These savings, they tell us, will not come from the beneficiary. This simply cannot be true. In fact, billions of dollars in cuts will be aimed at elderly beneficiaries.

Another important question we must ask is: Do these suggestions for savings, or others which are not directly beneficiary-oriented, add up to $23.3 billion dollars? Many experts and those of us who understand the mechanisms which prevail in our health care system believe that the proposals will fall far short of achieving $23.3 billion. For example, the Senate Finance Committee which struggled with many of the same savings proposals concluded that only $2.25 billion could be saved through regulatory reform; the CBO said that only about $1.75 billion could be saved in this manner. Even adding a prospective reimbursement system to regulatory reform would still not achieve the magnitude of savings claimed by the proponents of this cut. Consequently, estimates which suggest that as much as 70 percent of the cuts, or $16 billion, would have to come from proposals aimed directly at the Medicare beneficiaries are more credible than are the claims that the proposals will not hurt beneficiaries.

How can we as responsible members of the Congress allow ourselves to be fooled into thinking that we can accept a $23.3 billion cut in Medicare without hurting the elderly and disabled people whom we represent? How can we vote today without asking Mr. Latta or Mr. Michel to detail where they will get $23.3 billion from Medicare without hurting the elderly or disabled?

Finally I ask all of you, if we accept Medicare cuts of $23.3 billion or even less, where will we go to achieve these savings after we realize that we have allowed ourselves to be duped? By then it will be too late to do anything else but to take it from health care benefits of the elderly and the disabled when we assured them that we would not and should not do so. Is this really what the budget process is all about?

AMERICAN FEDERATION OF
TEACHERS—AFL-CIO,
Washington, D.C., May 24, 1982.
Hon. MARY ROSE OAKAR,
House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE OAKAR: The American Federation of Teachers-Federation of Nurses and Health Professionals supports your amendment to House Concurrent Resolution 345 to restore the proposed cuts in Medicare for Fiscal Year 1983. We believe it is a vital amendment to the Budget Resolution.

Further reductions in Medicare funding would mean the denial of essential health services to many elderly and disabled citizens. This cannot be countenanced in the name of budget and tax reductions.

Sincerely,

GREGORY A. HUMPHREY,
Director of Legislation.

GRAY PANTHERS PROJECT FUND,
Washington, D.C., May 26, 1982.
Hon. MARY ROSE OAKAR,
House of Representatives,
Washington, D.C.

DEAR CONGRESSWOMAN OAKAR: On behalf of our many members who are Medicare beneficiaries, and of all of us who are concerned about access to health care in this country, I want to express our gratitude to you for introducing the amendment to the 1983 budget resolution calling for no new cuts in Medicare.

The proposals offered by the Republican leadership in the Michel-Latta resolution would be disastrous to Medicare beneficiaries. The increased copayments and deductibles called for in that resolution would prevent many Medicare beneficiaries from seeking needed health care. The proposal to lower reimbursement to doctors and other providers under Medicare Part B would almost surely kill consumer efforts to increase commitment of providers to accept Medicare assignment under Medicare Part B, a campaign in which we have been very active.

You have our full support in this fight to save Medicare from further slashing, which would inevitably make it of little use to many beneficiaries who would be inhibited from seeking needed health services because of increased out-of-pocket costs.

Sincerely,

FRANCES KLAFTER,
Cochairman, National Health Task Force.

N4A,
Washington, D.C., May 26, 1982.
Congresswoman MARY ROSE OAKAR,
Cannon House Office Building,
Washington, D.C.

DEAR CONGRESSWOMAN OAKAR: The National Association of Area Agencies on Aging (N4A), would like to register its strong support for Amendment 22, which maintains Medicare at the current level and in its current format. The recommendation to cut Medicare funding and benefits would cause a profound change in the capacity of older Americans to pay for life-sustaining health care.

In a time of shrinking resources and high inflationary cost, older persons cannot afford out-of-pocket health care costs. N4A appeals to the Congress to maintain a high quality health care program for our nation's elderly by supporting Amendment No. 22.

Sincerely,

ROBERT DOLSEN,
Chairman, N4A Legislative Committee.

[Mailgram]

May 21, 1982.
Hon. MARY ROSE OAKAR,
House of Representatives,
Washington, D.C.

The 13.3 million member National Retired Teachers Association and the American Association of Retired Persons are alarmed by the size of the cuts in the medicare and medicaid programs projected in the Latta budget alternative. The Latta budget cuts medicare by $4.85 billion and medicaid by $483 million in fiscal year 1983 and by a total $25.1 billion over the next three fiscal years.

Proponents of the Latta budget claim such large savings will come from "reform" of the medicare/medicaid reimbursement systems for hospitals and physicians. However, in the absence of comprehensive, across-the-board reform (which the Latta package lacks), these cuts will be shifted to medicare/medicaid beneficiaries and private pay patients. Cuts of this magnitude will undoubtedly require the Nation's elderly to pay huge new out-of-pocket costs for medical care.

The Latta budget alternative cuts medicare by more than the administration's original budget and by more than the Senate Budget Committee's budget resolution as modified recently on the Senate floor. Requiring such deep cuts fails to recognize that the elderly's out-of-pocket costs for medicare increased by 27 percent (as a result of last year's budget cuts). This comes at a time when medicare pays only 38-44 percent of older persons total health care costs.

To achieve the cuts proposed in the Latta budget requires a 60-percent increase in beneficiaries' out-of-pocket expenditures for hospital care alone in fiscal year 1983, and even more in the out years. Moreover, the Latta alternative requires substantial new out-of-pocket costs for physician care (part B deductible and premiums), and a 100-percent increase in home health care costs.

The Latta budget marks for medicare and medicaid are unfair, unbalanced, and arbitrary. The associations strongly oppose these cuts and urge the Congress not to adopt the Latta substitute which would savage the medicare and medicaid programs.

PETER W. HUGHES,
Legislative Counsel.

[Mailgram]

OAK BROOK, ILL.,
May 20, 1982.
Hon. MARY ROSE OAKAR,
House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE: The Illinois Hospital Association, representing 300 hospitals in the State of Illinois, strongly urges you to oppose the Latta amendment to H. Con. Res. 345 (1st Budget Resolution for fiscal year 1983).

Such drastic, unfair and insensitive cutbacks in the medicare program would severely reduce the quality of services to the beneficiaries most in need of health care.

DAVID M. MCCONKEY,
Chairman, Illinois Hospital Association.

STATEMENT BY WOMEN'S ECONOMIC EQUITY LEAGUE

WEAL supports Representative Oakar's budget amendment to fully fund Medicare at the current level. This program was cut last year by over $1 billion, and any additional cuts will cripple this program that's so vital to America's aging citizens, most of whom are women.

As it stands, medicare doesn't cover ½ the total health care costs of elderly recipients and with the cost of health care increasing at an annual rate of 16 percent, most aged citizens will have to rely more than ever on private insurance and personal funds to stay well.

Proposals to save money by reducing hospital reimbursement rates and by adding out of pocket "co-payments" for hospital stays and home health care visits will severely hurt elderly women who make up 60 percent of all medicare recipients. The median income of women over 65 is below $5,000 which is considered "near poverty" level. Requiring them to ante-up additional money from limited resources will increase their impoverished status and may preclude them from health care at all.

Nearly ⅔ of all home health care visits to the elderly are made to women. Requiring co-payment could result in increased institutionalization since women with limited incomes will be unlikely to afford even minimal, additional out-of-pocket costs.

Increased insurance costs to employers by requiring them to pay for health insurance for workers over 65 could force employed seniors completely out of the workplace. As it is, only 8.1 percent of women over 65 work, but this new proposal could jeopardize their jobs and financial security.

No one denies that the nation's health care delivery systems need to be revised and made more cost-effective, medicare included . . . but short-term economies that don't address the real problem and hurt the low-income person (mostly women) will hurt all of us in the long run.

MEDICARE AMENDMENT COSPONSORS

Berkley Bedell, Walter Fauntroy, William Gray, Toby Moffett, Frederick Richmond, Paul Simon, Joseph Smith, Clement Zablocki, Barney Frank, Richard Ottinger, Ted Weiss, George Crockett, William Lehman.

Steny Hoyer, Ronald Mottl, William Ratchford, Edward Markey, Christopher Smith, Barbara Mikulski, Baltasar Corrada, Geraldine Ferraro, Joseph Addabbo, Dennis Eckart, Shirley Chisholm, Patricia Schroeder.

LIST OF SUPPORTING ORGANIZATIONS

American Federation of Teachers, Catholic Health Association, Commission on Aging, District of Columbia Office on Aging, Gray Panthers, National Association of Area Agencies on Aging, National Association of Retired Teachers and the American Association of Retired Persons, National Center of Black Aged, National Council for Senior Citizens.

National Council on Aging, National Education Association, Office of Legislative Affairs, Women's Division, the General Board of Global Ministries, United Methodist Church, Older Women's League, Urban Elderly Coalition, Women's Equity Action League, National Organization for Women, Coalition on Block Grants and Human Needs, Center for Community Change.

Mr. Chairman, I yield 1 minute to my good friend, the gentleman from Ohio (Mr. MOTTL).

Mr. MOTTL. Mr. Chairman, I rise in support of the amendment being offered by my distinguished colleague, the gentlelady from Ohio.

To almost 29 million elderly and disabled beneficiaries of the medicare program, the vote on this amendment assumes a role of historic importance. With this vote, the Congress will decide whether or not this Nation will uphold its commitment to provide a basic minimum level of protection against the catastrophic impact of skyrocketing health care costs. The Senate has already passed a budget which would cut medicare by $17.5 billion during the next 3 years. Thus, the elderly of America are looking to us at this moment to stand with them and defend the vital services they depend on.

Medicare beneficiaries already experience health care costs which are 2½ times greater than those of the rest of the population. In fact, elderly people already have to pay more out of their own pockets for health care than prior to the enactment of medicare. Poverty rates for the elderly have increased the last 2 years. How can we therefore expect the elderly to empty their pockets when they are fast running out of pockets to empty?

Proposals to cut medicare to balance the budget really propose a sickness levy, squeezing the most from those who are the most seriously ill. The amendment before us today would protect the elderly from what they fear most: increases in the costs of vital medical services. The dollar loss from fraud, waste, and mismanagement that can be ferreted out of the Pentagon budget alone would more than offset the costs of the medicare program and retain its vital protections.

I want to commend my colleague from Ohio for offering this amendment. I join with her in declaring that this House cannot turn its back and allow the brutal rape of the medicare program. I urge the passage of this amendment.

Ms. OAKAR. Mr. Chairman, may I make an inquiry as to how much time I have consumed?

The CHAIRMAN. The gentlewoman from Ohio (Ms. OAKAR) has 16 minutes remaining.

Ms. OAKAR. Mr. Chairman, I reserve the balance of my time.

Mr. LATTA. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri (Mr. COLEMAN).

Mr. COLEMAN. Mr. Chairman, I rise in support of the amendment.

Let me speak to my colleagues on my side of the aisle. This is the only amendment that we are going to have the opportunity to vote on to show the senior citizens of this country that we are not going to make budget savings at the expense of the elderly.

I rose last night and said that I was very disappointed that the gentleman from California (Mr. WAXMAN) was not offering his amendment. He was very forthright and honest in indicating he was not offering his amendment for political purposes, that he wanted to make sure that no budget passed this House, or at least the Latta budget not pass the House, but if the Latta budget did pass the House, then senior citizens are going to have to pay for it. I assume that means there is going to be a great fire storm of protest and concern from our senior citizens for which the gentleman wants to utilize for his party's political advantage. He admitted it on the floor, and he was very forthright in that.

I am afraid, Mr. Chairman—and I now speak to members of my party—that we are about to substitute a $40 billion stick of dynamite, which is what we had, with all the discussion about the savings in social security earlier this year with a $23 billion fire storm that is going to hit every one of you and hit our party in November.

I think we have an opportunity right now to address that. I do not support cutting national defense. Look at my record. I have never reduced spending for national defense when I felt it was necessary.

This is the only amendment that we are going to get to today to address the medicare issue. I tell my friends that we still have to go to conference. If you are really concerned about the defense cut, that can be restored or at least partially restored in conference, but there is no other way we can restore this money to medicare except through this amendment.

Let me point out exactly where all the budgets fall on medicare. When the President submitted his budget earlier this year for fiscal year 1983, he was going to have savings of $2.4 billion for medicare in 1983, with a cumulative savings of $15.3 billion over 3 years. The Senate budget proposal which passed that body would save $4.1 billion in 1983 and a cumulative $18.4 billion over 3 years. The Latta proposal now comes to us, and it is going to save $4.8 billion in 1983 and $23.3 billion over 3 years.

☐ 1045

It is obvious that this proposal cuts more in medicare than any other proposal that has been discussed.

I am saying why do we have to face that? If it is such a great idea why did the President not submit it in his budget to us in February? If it is such a great idea why did not the other body, controlled by our party, put the same thing in their budget?

Well, they did not and for good reason. But now it has been left up to us to make this decision. I think that the decision ought to be to eliminate these cuts in medicare with this amendment. That is all we have available to us right now.

I know that my friends are going to get up after I leave here and say much of this saving is going to come out of hospital cost containment, that two-thirds of the savings that are going to come from hospital cost containment. OMB Director David Stockman personally told me this.

The fact of the matter is if we ever had the political fortitude to pass the hospital cost containment legislation, the estimates are not that we are going to save $12 billion over 3 years or anything like that, but it is closer to $3 billion or maybe $2 billion.

So I do not think we are really going to be able to save it in hospital cost containment.

Let us just envision what is going to happen if and when we do get to the point of bringing up legislation to keep hospital costs in line. Who is going to be pitted against each other? We are going to have the doctors and the hospital boards of trustees descend upon us—leaders of our community—telling us why we should not do it on the one hand and, on the other hand, we are going to have the senior citizens standing out there saying that we should do it.

I am not sure who is going to win in that political confrontation but I will tell you one thing, we are standing up here making a decision for elderly people who are caught in the middle, caught between the high cost of providing health services through hospitals or doctors and being caught through the budgetary process.

All I am saying is I would like to have any of us stand up here and tell people that we are putting them right in the middle and we cannot do anything about it.

I think we can do something about it. We can do something about it by passing this amendment.

This does not increase the deficit. There will be some who will say they are actually increasing aid to medicare in the Latta proposal. But the fact remains the elderly are still going to have to pay more out of pocket for hospital bills if this amendment fails.

Mr. LATTA. Mr. Chairman, I yield 1 minute to the gentlewoman from New Jersey (Mrs. ROUKEMA).

Mrs. ROUKEMA. Mr. Chairman, I would like to ask the gentlewoman from Ohio—I am most sympathetic to her request and her effort here, but the fact is that the gentleman from Missouri has emphasized an important point. This is in fact the last opportunity to make a meaningful effort on behalf of the elderly and those who are medicare recipients.

Therefore, would the gentlewoman consider a unanimous consent request to modify the proposal to the amount of $2.1 billion, for the purpose of assuring passage?

The $4.85 billion is in jeopardy and I would urge the gentlewoman to understand that, as applied to the Latta amendment, this may be the last time that we have the opportunity to make this meaningful improvement for the elderly in this country.

Ms. OAKAR. Will the gentlewoman yield?

Mrs. ROUKEMA. I yield to the gentlewoman from Ohio.

Ms. OAKAR. I thank the gentlewoman for her proposal. I know she is sympathetic to my proposal.

I think cutting medicare a nickel is a nickel too much so, therefore, I will not accept the gentlewoman's unanimous-consent request.

Mrs. ROUKEMA. But you understand the consequences, that we may then ultimately end up with a budget that makes extraordinary cuts?

Mr. LATTA. Mr. Chairman, I yield 2 minutes to the gentleman from Mississippi (Mr. MONTGOMERY).

Mr. MONTGOMERY. Mr. Chairman, I rise in opposition to the amendment really for two reasons. It cuts too much out of defense outlays on the Latta proposal.

The Latta proposal cuts $7.5 billion from defense. This would cut an additional $4.8 billion, which would be around $12 billion, out of outlays for defense of this country.

The second reason is because the amendment is really unworkable the way the gentlewoman from Ohio (Ms. OAKAR) has drawn up the amendment.

She cuts on outlays $4.8 billion. Under the amendment, on reconciliation, she only says the committee would have to take out $400 million in authority. That is impossible the way the defense account is handled.

I would point out that you would have to take out much more under the House Armed Services Committee in budget authority. If you take it out of the account in the cut she is making in the military you would have two ways to take it out. You would have to take it out of the personnel account active duty pay and retired pay. That is matching one to one.

You have to take out $4.8 billion in budget authority if you take it out in outlays. $400 million in budget authority in the amendment is not enough.

The other account you would have to take out this $4.8 billion in budget authority or outlays would have to be the procurement account which are supplies, fuels, and weapons.

You would have to multiply either 3 or 4 times $5 billion, which would mean you would have to take out $15 to $25 billion in budget authority, anyway you look at it, and that is a lot of authority to be taking out of this account.

So the amendment, I repeat, the way it is drawn up, is unworkable. You cannot take $400 million out of the budget authority. You would have to take, if you take it out of personnel, you would have to take as much as $5 billion under the authority. If you take it out of procurement you would have to take at least $15 billion out of budget authority.

So, therefore, I would hope that the committee would oppose the amendment.

Mr. LATTA. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Chairman, in this remarkable form of Russian roulette which the leaders of the House have forced on us here we have a most unhappy conjunction of medicare and defense. I am not going to talk about that although I think it is a terrible way to make both medicare policy and defense policy, and I want to express my resentment that we are having to make this choice.

I would like to say, Mr. Chairman, that there are several points that ought to be addressed in what we heard last night from the chairman of the Subcommittee on Health and the Environment, the gentleman from California, Mr. WAXMAN.

The first is that he said we have decimated the medicare program in the Latta amendment. The figures show quite the contrary. They show that medicare is going to grow by 6.2 percent next year, 10.5 percent the following year, and 11.7 percent the following year, for a total of 31.3 percent.

If that is decimation, let me tell my colleagues that there are many program directors who would love to be decimated in the same way in the course of this fiscal crisis. Medicare is in fact a very dynamic part of our budget and it needs to be dealt with.

We cannot assume that the social contract is cast in brass and cannot be changed in any way, or we are going to have bankruptcy not only in this program but in the total Government. We simply have to have a degree of reform from time to time if we are to keep not just our Government under control but meet our obligation to our elderly citizens.

There is a second thing the gentleman from California Mr. WAXMAN, said which I believe needs to be addressed. I do not know if I heard him correctly, Mr. Chairman, but I understood him to say last night that if the House in its wisdom were to direct, through the adoption of the Latta amendment, the cutback in the growth of medicare that is proposed therein, that in fact, his committee would not bring reconciliation to the floor of the House, that they would defy the instructions of the House.

The thing that confuses me about that is that gentleman from California's subcommittee does not have control of medicare. In fact, it is the Ways and Means Committee that has that jurisdiction.

I would like to ask my distinguished chairman of the Ways and Means Committee, the gentleman from Illinois, Mr ROSTENKOWSKI, if he is part and parcel of any such agreement that our committee would defy the orders of the House in a reconciliation instruction.

Whether or not my chairman agrees with the instruction, it seems to me that that is close to contempt for the institution if, in fact, the committees are going to resist the instructions of the House as a whole, adopted here on the floor of the House.

May I ask my chairman if he is part of such an agreement?

Mr. ROSTENKOWSKI. Will the gentleman yield?

Mr. CONABLE. I yield to my chairman.

Mr. ROSTENKOWSKI. I am happy that my colleague on the Ways and Means Committee has addressed this question to me. I am part of no arrangement, no deal, no understanding with respect to the numbers.

I think it is going to be our obligation, if we are going to believe in the budget process, to do everything we can to meet our obligations as directed by the budget resolution, and I intend to do that.

I do, however, question whether or not we can meet the numbers that are directed to us in the Latta amendment.

Mr. CONABLE. I thank the gentleman for clarifying that.

There is one other point that I want to make. We are being forced to accept either the Latta amendment figure for medicare or to cut back defense by the same amount.

Let me say if the Latta amendment is adopted that I personally will try to use whatever influence I have to go no further than the figure in the other body's budget on this issue, the $4.1 billion that is cut this year rather than the $4.8 billion reduction in growth of the Latta budget.

I deem that figure too hard to achieve myself.

But I am being forced in the choice that is presented to me now to assume that the House will have to work its will through such sort of an arrangement.

In talking with the conferees that ultimately will be trying to resolve any budget differential that is adopted, I want to say that my influence will be used in that direction, for whatever good that is, to the Members who are concerned about this depth of cut back in growth of medicare.

I want to repeat, though, Mr. Chairman, this cut is a cut in the growth of benefits. It is not a decimation, as has been said, and it is a restraint in growth which I believe we must consider.

It is my personal view that the elderly people are terribly insecure about their medical costs and I understand why, because medical costs are figuring very sharply in the cause of the growth in this very program. The current program covers the first 60 days of illness. It is absolutely essential that we find some way of rationalizing our support of the elderly so that the long-term deteriorative illness which is not covered by medicare will be in some way picked up in a reform which this House has too long delayed.

We cannot continue to cover the first 60 days only, and totally, and expect our costs to stay under control. We must give some reassurance to the elderly on that account.

Ms. OAKAR. Mr. Chairman, I yield 3 minutes to the distinguished chairman of the Ways and Means Committee, the gentleman from Illinois (Mr. ROSTENKOWSKI).

Mr. ROSTENKOWSKI. Mr. Chairman, I am somewhat disappointed that we seem to be dealing with medicare in the same way that we have dealt with social security in the political arena. I hope we will not find ourselves in the sad situation—as we are for social security—in which the political sensitivities make constructive action nearly impossible.

We have a reconciliation direction in the Latta substitute that is far in excess of what I think the Ways and Means Committee can accomplish with respect to medicare cuts.

One has to understand and recognize that the medicare system is facing a serious financial problem. The hospital insurance trust fund is expected to run out in 1987. Under intermediate economic projections, between now and 1995 the hospital insurance trust fund will need some $500 billion in increased revenues or reduced expenditures, or some combination thereof.

I realize major changes are coming in the medicare program and I am not resisting the consideration of them over the next several years.

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Both the Jones and Latta substitutes demand high cuts right now in perhaps the most sensitive programs of the Federal budget, health care for the elderly. The Jones resolution calls for $2.15 billion in fiscal year 1983, or an aggregate of $9.4 billion in the next 3 years. The Latta substitute asks for $4.8 billion next year and $23 billion in the next 3 years.

For the record, I would like to clarify precisely what the Latta resolution means in relation to the hospital cost containment bill that was voted on the floor on November 15, 1979. The Latta resolution seeks medicare hospital reimbursement changes of some $12.3 billion in the 3-year period from fiscal year 1983 to 1985. According to the Congressional Budget Office, the Hospital Cost Containment Act, by comparison, would only have saved the medicare program $2.23 billion in the first 3 years after its enactment and only $6.7 billion in the 5-year period from fiscal year 1980-84.

The difference between the Latta and Jones resolutions for fiscal year 1983 is in the neighborhood of $2.7 billion. That is a lot of money. That is a lot of pain. I am afraid that cuts of this size cannot be made without harming about 29 million people receiving medicare. However, I also believe that the budget process is necessary and that we are going to have to follow it. But I think we have to be realistic. I, just like you, read the colloquies and exchanges that take place in the other body. Let me quote what the chairman of the Senate Finance Committee said during debate on the budget:

> The Senator from Kansas is not enthusiastic about making the level of cuts in the medicare and medicaid programs that the Senate budget resolution would require but I believe these numbers represent a good negotiating position. The House Budget Committee proposal seeks savings of $2 billion in 1983, $3.2 billion in 1984 and $4.8 billion in 1985. I would hope and expect that we will emerge from the conference with figures closer to $3 to $4 billion 1983, approximately $5 billion in 1984, and somewhere in the range of $6 billion in 1985.

I also recognize that we are going to go to conference. I certainly hope that the Latta amendment is defeated. The only reason I support the Oakar amendment is so that we can come to some arrangement in the budget process that is realistic with respect to medicare reductions. The House conferees need numbers that can be compromised to reach some reasonable reduction.

The Ways and Means Committee has committed itself and has sincerely participated in the budget process, and I am proud of that committee. We have never failed to make a committed effort to comply with instructions that direct us to make budget cuts or raise revenues. But I honestly believe that the budget process is becoming a mockery if we are given impossible instructions. There is no way we can lower expenditures in medicare by $4.8 billion in fiscal year 1983.

The Senate resolution proposed to reduce medicare by $4.1 billion. The Jones amendment is $2.1 billion. Compromising in the area between $2.1 billion and $4.1 billion will force me to march my Members into a swamp that we cannot get out of.

So what I intend to do—and I am not doing this because I am disappointed or discouraged, but because I am realistic—is follow the budget process. We will make as many cuts as we can reasonably make. But should we not meet the obligation that is given us, I intend to come back to the floor of the House of Representatives, and give to those people who voted for the Latta amendment and the $4.8 billion cut in medicare a chance to follow through on that commitment. I am going to expect you to support amendments in the Ways and Means bill that will cut medicare to the degree that you advocate today.

Mr. LATTA. Mr. Chairman, I yield 30 seconds to the gentleman from Illinois (Mr. ROSTENKOWSKI) so that he may respond to a question.

Did I understand the chairman of the Ways and Means Committee to say that he was supporting the Oakar amendment, in view of the fact that he well knows that there is $200 billion waiting for the gentleman's committee out there for the next 3 years?

Mr. ROSTENKOWSKI. I am supporting the Oakar amendment mainly because the figure that is set in the Senate is $4.1 billion, and if you are going to go to conference and look for a compromise, you might come out with $2.1 billion in medicare reduction, which is the realistic number in the Jones resolution. We cannot meet your numbers

Mr. LATTA. The gentleman is also saying to the chairman of the committee that you are not going to take anything.

Mr. ROSTENKOWSKI. I would prefer to have my chairman of the Budget Committee go to conference and come back with the 2.1 figure.

Ms. OAKAR. Mr. Chairman, I yield 1 minute to my colleague, the gentleman from Connecticut (Mr. RATCHFORD).

Mr. RATCHFORD. Mr. Chairman, there are a number of compelling reasons to support the Oakar amendment. The prime reason is the cuts in aging services that you imposed in 1981—social security cuts (minimum benefits, disability benefits, sick benefits) all under social security. Fuel assistance cuts imposed upon the aging, legal service cuts imposed upon the aging, title XX health cuts imposed upon the aging, transportation cuts imposed upon the aging, housing cuts imposed upon the aging, and, yes, medicare and medicaid cuts imposed upon the aging.

We must not repeat the mistake of 1981. The only way we can avoid this mistake is to support the Oakar amendment.

Mr. LATTA. Mr. Chairman, I yield 1 minute to the chairman of the committee, the gentleman from Oklahoma (Mr. JONES).

Mr. JONES of Oklahoma. Mr. Chairman, let me clarify the issue involving the reconciliation process. Whatever both bodies of Congress use as a target to reconcile, the Budget Committee intends to come to the floor of the House and to allow amendments to be made in order to reach that amount provided for in reconciliation if the appropriate committees do not meet the targets agreed to by Congress. I don't believe that this issue will be reached because the standing committees will meet their obligations, but if a problem arises, the Budget Committee will meet its obligations. Nevertheless, if the Latta substitute passes, which calls for cuts greatly above that which can be accomplished in the medicare area, then it is going to be incumbent upon the minority and the administration to recommend specifically how those cuts are to be made. If they do that, we will work to insure that those particular amendments will be made in order. I want that clarified.

Regarding the Oakar amendment, it has good intentions; but I must oppose this amendment for a variety of reasons.

In the first place, all of the entitlement programs should be subject to reform, and I believe what we have suggested in the Budget Committee is a proper reform. Some savings in that area can be achieved without hurting basic benefits of retired persons. But in order to offset that, the amount of cuts in defense would clearly be unconscionable. In order to get budget authority to match the budget authority loss in medicare in defense, you would either have to wipe away all COLA increases or you would have to cut $40 billion in budget authority from weapons systems, and that simply is not feasible.

Mr. Chairman, I hope the amendment will be defeated.

Mr. LATTA. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, we have had a number of discussions of a theoretical nature this morning about our elderly citizens and the impact of medicare. As one who has just recently become eligible for medicare, let me say that I certainly do not want to see that program cut. It is bad enough at the present time. If you want to get something back from medicare, you have got to fill out about 10 pages of forms, send them in, and wait 4 or 5 months to get maybe 30 percent or 40 percent of what you spent. If there is any Federal program which does not benefit from having money thrown at it, as the gentleman from New York (Mr. DOWNEY) indicated yesterday, it is medicare. But there is a lot that has to be straightened out in that program. I have supported it from the outset and certainly I do not want to see the program damaged. But as the gentleman from Oklahoma (Mr. JONES) has indicated, this is the not the way to run a railroad. We are gravely jeopardizing our national defense if we try to correct the problems in medicare simply by taking money out of the defense budget. Under the Oakar amendment, $4.8 billion must be reconciled by the Armed Services Committee, and that would force us to go below the defense posture of the Carter budget at a time when supposedly we are trying to show the Soviet Union that we intend to rebuild our defenses. I believe the amendment is well-intentioned, but it ought not be done in this particular way.

Mr. JONES of Oklahoma. Mr. Chairman, the chairman of the subcommittee who has to write this medicare legislation does not have any time at all because of the commitments that are already made. I have checked with the minority and I have checked with the author.

I ask unanimous consent for 4 additional minutes for the chairman of the subcommittee and, to be fair, for 4 minutes to the opposition.

Mr. LATTA. Mr. Chairman, we have no objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN. The gentleman from Indiana (Mr. JACOBS) is recognized for 4 minutes.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman from New York.

Mr. BIAGGI. Mr. Chairman, I rise in support of the amendment.

As an original and I might say proud member of the House Select Committee on Aging—I rise to denounce the cruel efforts of the authors of the Latta substitute to slash some $23 billion from medicare over the next 3 years. This cut angers me because it once again demonstrates the basic contempt that the administration's economic program has for the poor and needy elderly of this Nation.

I will not stand here and say that medicare is an exemplary Federal program for it is not. In many respects the medicare program—born out of the euphoria of the Great Society—has matured against the realities of our present society of economic limits. More specifically—when medicare was first devised in the mid-1960's it was intended to cover about 80 percent of the average health care bill of a poor person over the age of 65. Today according to our Select Committee on Aging—medicare covers something like 40 percent of the average senior citizen health care bill.

The 1982 Budget Reconciliation Act which I voted against unleashed the first frontal attack on medicare. Perhaps the most onerous feature of this legislation—the implementing tool of the President's economic plan, called for a dramatic $100 increase over 3 years in the amount of out of pocket expenses an older person would have to pay before medicare could be of any help. On January 1—the millions of elderly on medicare got the first taste of this bitter medicine—the out of pocket obligation rose from $228 to $256.

The Latta substitute before us—would plunge the cruel sword of economy even deeper into the heart of medicare. If medicare is in fact cut by $23 billion over the next 3 years—who suffers? Not the hospitals or doctors who are reimbursed by medicare—not the nursing homes and intermediate care facilities who have seen their incomes rise thanks to generous medicare reimbursements. No ladies and gentleman—the ones who will suffer will be the elderly citizens who rely so desperately on medicare to protect them in the event of illness.

The proponents of these cuts contend that they will be accomplished simply by switching hospitals to a prospective reimbursement system. In theory I support this idea—it makes commonsense and might even provide incentives to lower hospital costs. However it is beyond my comprehension how prospective reimbursement can produce $23 billion in savings over 3 years and if it does not how will it be accomplished—yes by slashing what medicare pays for and charging needy seniors more to get less.

We are in the second year of Reaganomics. Again in concept the idea of cutting Federal spending—and taxes and regulations makes good commonsense in terms of economic recovery. However we are now in the practical phases of the plan—not the theoretical. We are seeing human suffering as a result of these cuts in Federal spending. We are seeing a hoax being perpetrated on our seniors—promising them a safety net—only to have it be so porous as to be of no value.

I reiterate—we cannot approve $23 billion in cuts under medicare without having it produce loss in critical services to our needy elderly. One estimate I have seen points to the fact that as much as 70 percent of the total savings called for in the Latta substitute will have to be paid directly by the elderly in the form of higher medicare insurance payments—additional out-of-pocket physician and hospital payments and additional payments for home health care and other services.

Finally let me point out that even the Senate in their budget resolution did not ask for as high a cut as does the Latta substitute. In fact what we are being asked to support in Latta is fully $6 billion more than what the Senate approved.

Do we want to be party to a proposal which will cause reductions in health care for 29 million elderly? Do we want to be a party to a proposal which will make an older person pay more in out-of-pocket expenses the sicker they are? Do we want to be a party to a proposal which continues to drive elderly citizens deeper into poverty and despair? I hope the answer is reflected in a no vote for the Latta substitute and support for all those amendments which seek to restore funds for medicare.

Mr. JACOBS. Mr. Chairman, I support the Oakar amendment. The Oakar amendment essentially provides that we will spend less money killing people in other countries and more money curing people in this country.

I hear it said that if this amendment passes there is some sort of scheme to scuttle the military cuts in conference. I shall be a member of the medicare conference committee, and I shall keep faith with what I say on the floor.

None of these resolutions cuts the rising costs of medicare. All three of the resolutions simply shift those costs to those least able to pay them. Because of the cruelty of the budget resolution and reconciliation legislation of last year, in some States Medi-Gap insurance premiums have risen 70 percent.

I hear brave speeches here about how someone is willing to vote to cut the cost of the medicare program. But I do not hear those speeches taking on the AMA. I do not hear those speeches taking on the Hospital Association. I do not hear those speeches taking on those who are literally robbing the poor box and taking advantage of this program to do so. I hear those speeches taking on our mothers and fathers and our grandmothers and grandfathers.

The big hero, the lion tamer, also specializes in kitty cats.

Billions for defense waste and not 1 cent for what we are supposed to be defending.

I hear the administration saying that we should go to grade B movies and bring back World War II battleships at a cost of $2 or $3 or $5 billion, claims that those defense systems can defend this country, claims that are being falsified in the South Atlantic at this very moment.

Watch it on weddings. Watch it on funerals. And watch it on national defense, because they will rip you off on all three. You are not supposed to ask how much. The purpose is good, and anything done in the name of the purpose, including ripping off the taxpayers and the least of the little ones who can least afford it, is all right.

Mr. Chairman, this Government has no obligation to the dictators of this world who are destroying their countries. It does have obligations to the retirees who helped build this country.

Mrs. MARTIN of Illinois. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. DAN DANIEL).

Mr. DAN DANIEL. I thank the gentleman for yielding. Mr. Chairman, the effect of this amendment on the defense posture of this country would be devastating. It would seriously impair the preparedness plans that we have so carefully put together.

General Eisenhower said once that unpreparedness is well nigh as criminal as war itself. Preparedness, Mr. Chairman, is the responsibility of the Congress. It is not the responsibility of the President, or the Secretary of Defense, but constitutionally it is the responsibilty of the Congress. If we do not fight for preparedness here, where do we expect it to be fought? The purpose of our foreign policy is to identify and advance American interests in world affairs. And the purpose of our defense establishment is to enforce that interest in the event diplomacy fails. We are not prepared to do that today. Maybe we have too many commitments around the world. I am in favor of modifying or even repealing some of them. But so long as we have the commitments they should be honored.

Of course we have a responsibility to our elderly. We also have a responsibility to others in our society. I do not want to go home and tell a gold star mother that her son died in vain because we failed to provide for the defense of that for which he died. Too many have given too much to now tear ourselves apart on the shoals of internal disent. We will observe Memorial Day this weekend. Forty million Americans have fought in wars in which this country has been involved, and over a million did not return to enjoy the fruits of their sacrifice.

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I would say to you that those who died for our country can fail only to the extent that we, the living, fail them. They gave their all and we can do no less than to give our best. Because when we fail them, we fail our country. We desecrate our heritage and we betray our posterity.

Ms. OAKAR. Mr. Chairman, I yield 1 minute to my friend, the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Ohio (Ms. OAKAR) to restore in the Latta budget medicare funds for the next 3 years.

I am opposed to placing the substantial burdens on our eldery and sick that would be imposed by the $23 billion in medicare reductions proposed in the Latta budget.

Even though the medicare program is projected to increase by 33 percent over the next 3 years even under the Latta amendment, it will be difficult to hold the increase even to that level under the current economic conditions.

In prior years, I supported a program of hospital cost containment that would have helped to keep us out of the situation now confronting our Nation. However, my views did not prevail, and here we are faced with skyrocketing obligations to hospitals and physicians under this program.

We recognize that there may be waste in this program, and I will be working with the committee to help to eliminate waste and fraud and to direct the funds in the medicare trust fund to the best possible use.

The fact remains, however, that this may be our only opportunity to correct the Latta budget's excessive medicare cuts. It is for these reasons that I support this amendment, even though it is not a wholly satisfactory amendment by taking all of the funds from defense.

I urge my colleagues to support this medicare funding amendment and I hope that in conference we will be able to rationalize the situation and pass out a budget resolution which we all can support and which does not place any severe and undue burdens upon our Nation's sick, disabled, and elderly.

Mr. SMITH of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I am pleased to yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Chairman, I rise to support the Oakar amendment to restore full funding for medicare in the fiscal year 1983 bipartisan substitute. I am opposed to the $4.85 billion cut in medicare as contained in the substitute proposal.

Mr. Chairman, medicare now serves approximately 29 million Americans—26 million senior citizens 65 or older and 3 million disabled persons—at an estimated cost of $49.8 billion in fiscal year 1982.

Enacted in 1965, medicare is today the largest individual health care financing program in the country. It is composed of two major parts—part A, the hospital insurance program, and part B, the supplementary medical insurance program. The goal of medicare has remained the same over the years and that is simply to provide basic health care protections for our elderly.

Mr. Chairman, while I concede that a case can be made that some cost containment initivatives may save some medicare dollars—while not cutting the elderly's benefits—I remain unconvinced that the bipartisan figure of $4.85 billion is sound. I would like to point out to my colleagues on both sides of the aisle that CBO estimates maximum savings of only $1.75 billion through hospital cost containment and apparently the most the Senate Finance Committee could come up with was $2.25 billion over 3 years. In contrast, the bipartisan budget claims that it can find savings of some $12.3 billion over 3 years in the area of hospital cost containment, a figure that I believe simply cannot be justified.

Additionally, Mr. Chairman, let me point out that the House Select Committee on Aging asserts in a backgrounder that even if all the reductions from hospitals and doctors were enacted, they would total only $1.2 billion in savings leaving $3.65 billion in fiscal year 1983 to come from direct benefits to the elderly.

Mr. Chairman, if this cut is included in the final budget product produced by the Congress, I am concerned about how Congress would be required to implement these cuts. Mr. Chairman, just what form will these cuts ultimately take if they are indeed sustained in the budget? If the House Select Committee on Aging is right in its projections and analysis, if the Senate Finance Committee is right in its estimates, if the Congressional Budget Office is right in theirs, we will then be forced to directly cut medicare beneficiaries. Or, perhaps, we will again be faced with the option of taking corrective action—to nullify a bad law—as we did when we amended last year's omnibus budget reconciliation package to restore the minimum benefit for three million social security recipients.

Furthermore, Mr. Chairman, I am concerned about the adverse effect on our aged if some of the specific cost-saving items included in the substitute pass this body.

I am concerned that the measure includes provisions that would index part B deductible to the Consumer Price Index.

I am concerned that establishing medicare eligibility at the beginning of the first full month after attaining the age of 65 will adversely affect many persons who are not working when they turn 65 or are employed by companies which do not provide extended medical coverage. During this period of up to a month, elderly Americans who get sick, need medical care or require hospitalization, could find their life's savings literally wiped out over night.

I am also concerned about the potential adverse impact that new copayments for home health care might have on services like skilled nursing care. The copayment may discourage more utilization of this highly desirable and cost effective medical option.

I think it should also be pointed out in the debate that our senior citizens are not getting a free ride with medicare. With each passing year, the elderly person is bearing more and more responsibility for the cost of his or her total health care bill. In 1982, our seniors will pay more than last year, more than 5 years ago, more than 10 years ago. The facts speak plainly to this. In 1970, the average elderly patient paid $854 for total health care, medicare paid $351 while the patient paid $503 out of his or her own pocket. According to the Health Care Financing Administration, the average personal income in 1970 was $2,991 which translates to 16.8 percent of the elderly persons income being used to pay health care costs. Mr. Chairman, 10 years later, in 1980, the average elderly patient paid $2,638 for total health care, medicare paid $1,201 while the patient paid $1,436 out of his or her own pocket. The average senior citizen income in 1980 was $7,512, which means on the average 19.1 percent of the elderly's income was being used to pay for health care. That means that more—not less—but more of a senior citizen's personal income is being used to pay for total health care.

Also, Mr. Chairman, let us not lose sight of the fact that the elderly today, are paying over 43 percent of their annual health care bills out-of-pocket.

Mr. Chairman, while it is true that the cost of medicare has skyrocketed from $3.2 billion in 1967 to close to $50 billion this year, it is also true that the number of medicare recipients has greatly increased as well as the scope of available medical services rendered.

Also, I am happy to note that our senior citizens are living longer and that requires additional expenditures. In 1970 life expectancy was 70.9 years. Ten years later the life expectancy in the United States jumped to 73.8 years.

Finally, Mr. Chairman, in our operating rooms, physicians are saving cardiac patients, removing tumors and performing incredible feats with sophisticated, complex, and expensive tools. Advance medical equipment is expensive—but they save lives. State-of-the-art medical machines like CAT scanners are expensive, but they save lives. Mobile heart units are expensive, but they save lives.

Mr. Chairman, it seems clear to me that, good medical care for our elderly and disabled, while expensive, is a justified and humane expenditure. I believe the corresponding reduction in the proposed defense increase for fiscal year 1983 as required by the amendment can be absorbed without adversely affecting our national defense capability.

I urge support for the Oakar amendment and yield back the balance of my time.

Mr. COLEMAN. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I would be pleased to yield to the gentleman.

Mr. COLEMAN. Mr. Chairman, all this discussion about cutting defense is a smokescreen, because we can restore defense in conference if this amendment passes. To say that defense is being hurt is not an argument that holds water. We are going to have a strong national defense at the same time we continue medicare benefits.

Mrs. MARTIN of Illinois. Mr. Chairman, I yield 30 seconds to the gentleman from Texas (Mr. GRAMM).

Mr. GRAMM. Mr. Chairman, the distinguished chairman of the Ways and Means Committee has been quoted on this floor many times in the last few days as saying that he cannot report the revenue figures that are contained in the Jones budget and the Aspin budget from his committee. He has said here today that if we pass the Latta amendment, he is not willing to lead his committee into the swamp to try to bring out $4.8 billion of savings to limit the growth of medicare to 11 percent a year.

I submit that unless we are willing to take the committees of this Congress into the swamp, we are never going to get the country out of the swamp.

Ms. OAKAR. Mr. Chairman, I yield such time as he may consume to the gentleman from Massachusetts (Mr. MOAKLEY).

Mr. MOAKLEY. Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Ohio (Ms. OAKAR). Mr. Chairman, all the budget substitutes propose some medicare reductions. Certainly, the most damaging of these is the substitute proposed by the gentleman from Ohio (Mr. LATTA) which would cut medicare by $23.2 billion over the next 3 years. In the name of cutting hospital costs, this proposal will instead pass the costs onto the backs of the elderly. There are 29 million elderly and sick medicare recipients who will endure reductions in health care because of the Latta substitute. This would have a devastating effect on these people.

The purpose of the medicare program is to protect the elderly against the high costs of medical care. Now, at a time when medical costs are at their highest level, we would be casting these people out to fend for themselves. This is not fair and it is not rational. We have created a system to provide money to aid those who cannot afford to pay for their own medical costs. A person's health care is not a luxury. We are not discussing money for a new weapons system which our Defense Department wishes to add to our arsenal. We are talking about the health and safety of our elderly citizens. These people desparately need our help. That is the purpose of the Federal Government, to provide for those who cannot provide for themselves.

Health care costs are expensive enough, and they are rising at rates well ahead of inflation.

The elderly must have the assistance of the Federal Government in order to meet these costs. As it is now, medicare only pays for 40 percent of the cost of the elderly's health care. The Latta substitute would not even provide assistance at that level, and would make further reductions. Let us not forsake our obligations to our elderly citizens.

Mr. Chairman, I urge my colleagues to join in adopting this amendment proposed by the gentlewoman from Ohio.

Ms. OAKAR. Mr Chairman, I yield such time as he may consume to the gentleman from Puerto Rico (Mr. CORRADA).

Mr. CORRADA. Mr. Chairman, I rise in support of the amendment offered by Representative OAKAR which seeks to maintain the current medicare funding level.

The Jones resolution calls for a $2.15 billion cut in the medicare program for fiscal year 1983 and $9.4 billion reduction over the next 3 years. The Latta substitute would cut much more deeply by reducing $4.8 billion from medicare in 1983 and a harsh $23.2 billion in 3 years. These cuts are unfair and I strongly oppose them.

Our senior citizens are among the most needed and defenseless individuals of our society. Most of them are usually subject to a fixed income which in most instances is not enough to cover their basic needs. No other sector of our society has been more affected by inflation than our elderly whom during the last few years have suffered the agony of seeing every month their retirement check reduced by the rising cost of living.

The medicare program is for most of them the only relief against the high cost of hospital and medical bills. It is the only program that guarantees our elderly that their basic health necessities will be satisfied adequately.

If we accept the reductions proposed by the Jones amendment or the even more serious and unfair reductions proposed in the Latta substitute, it would be impossible to retain the current levels of health services provided under medicare and it will be necessary either to curtail the services to a degree we should not allow or to pass on the cost to elderly people who should not be saddled with this additional burden.

I urge my colleagues to vote in support of the Oakar amendment to maintain the medicare expenditures at its current levels. We owe this to the men and women who once worked and contributed to the well-being of our Nation. They deserve it.

Ms. OAKAR. Mr. Chairman, I yield 1 minute to my colleague from Cleveland, the gentleman from Ohio (Mr. STOKES).

Mr. STOKES. Mr. Chairman, I rise in strong support of the Oakar amendment which would fully restore funding for medicare in fiscal year 1983.

Mr. Chairman, over 26 million elderly Americans depend upon the Federal Government so that they can meet their basic health care needs. Over one in four of these elderly persons, are poor or marginally poor. For these individuals, the fear of becoming ill and destitute is a recurring nightmare. For most elderly, becoming sick means economic ruination.

The elderly in our society incur a higher proportion of medical expenses than any other segment of the population. They are sick more frequently and for more prolonged periods of time than the rest of the population. Of every 100 persons age 65 and older, 80 suffer some kind of chronic ailment, 10 impaired vision, and 17 have hearing impairments. Sixteen are hospitalized one or more times annually. The elderly require three times as many days of hospital care every year as persons under the age of 65.

Senior citizens have the highest percentage of heart attacks, the greatest number of strokes. They are the individuals, who for the most part, have the greatest incidence of cancer, they suffer the greatest incidence of crippling and debilitating disease. Older persons often have multiple medical problems requiring multiple drugs.

Yet, it is this segment of the population, who once again, are being asked to pay more for their medical care at a time when more and more aged are being pushed over the edge of poverty and despair. The Oakar amendment would insure that this tragic situation does not continue.

Despite the fact that medicare has assisted the elderly in meeting their health needs, medicare increasingly has paid less of the older person's health bill. In 1980, the aged spent over $68 million in health care expenditures, yet medicare paid for only 45 percent of this amount. The elderly remain at risk for the rising costs of those health services which medicare does not cover and also face increasing physician costs.

Through the inclusion of deductibles, coinsurance and copayments, medicare is not totally, or even adequately, paying the cost of care for elderly Americans. In 1980, the average out-of-pocket health care expenditure for a senior citizen amounted to $1,436. This amount represents nearly 20 percent of the total income which was available to the average elderly person in 1980. For most elderly, who are poor or on the margin of being poor, any policy requiring them to pay more is simply unjustifiable and irresponsible.

Budget reductions implemented last year through the Reconciliation Act already have imposed a devastating burden on the aged. Benefits to our most needy senior citizens under the food stamp program, medicaid and housing assistance have already been slashed. Eighty percent of last year's cuts in medicare were imposed directly on the backs of medicare beneficiaries—not the doctor's, not the hospitals, not other health providers—but on the 26 million aged Americans.

As a result of last year's budget, the part A hospital insurance deductible was increased. The part B deductible was also increased. We have already told the people who are the oldest and in the poorest health that they must sacrifice even further by picking up these additional costs.

It is cruel and heartless to betray our senior citizens even more with additional budget cuts of the magnitude contained in the Latta substitute and in the President's budget. Thus, I would urge you to adopt the Oakar amendment. When millions of Americans are in the twilight of their life—in their most vulnerable and anxious years, I would hope that this Congress will act to prevent more human suffering and misery which will occur if budget cuts in medicare are implemented.

Mrs. MARTIN of Illinois. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina (Mr. BROYHILL).

Mr. BROYHILL. Mr. Chairman, I thank the gentlewoman for yielding.

I rise in opposition to this amendment.

Mr. Chairman, I would characterize this amendment as the business as usual amendment. It would ignore the exploding cost to the taxpayer of this medicare program. If we do nothing, the program is going to cost $200 billion over the next 3 years, which is more than the total program cost in the first 16 years of the program.

The Latta amendment does not cut the medicaid figure. I would repeat that. The medicare figure in the Latta budget does not provide for any decreases in spending. The 1982 baseline is $49.4 billion.

The Latta amendment calls for $53 billion in 1983, and $58.6 billion in 1984; $65.5 billion in 1985, a 31.3-percent increase over the 3-year period.

I would repeat again, the Latta figures do not cut the medicare budget figure.

I would dispute that with those who have tried to characterize the Latta figures as a cut in medicare.

I would reply to those who have spoken here today, reforms are needed. In fact, that is the conversation you hear on both sides of the aisle, reforms are needed in this program and reforms can be accomplished with no impact on the beneficiaries.

It seems to me that if we do nothing here today, we are going to send the wrong signals not only to the health care industry, but we are going to send the wrong signals to the committees of the Congress that have a responsibility for writing reform legislation.

Adoption of the Latta budget figures will give us the mechanism to get reforms initiated and started, so let us not adopt this do-nothing amendment. Let us adopt the amendment that will get us started on the road toward reform.

Ms. OAKAR. Mr. Chairman, I yield 1 minute to my friend, the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, I thank the gentlewoman from Ohio for offering her amendment.

I think she has done people on the other side of the aisle a favor. There were complaints last night that they would not have a chance to show that they disagreed with the Latta proposal on medicare because the gentleman from California (Mr. WAXMAN) withdrew his amendment. It is curious that no Republicans offered a promedicare amendment when the opportunity existed, but now they are eager to support one. Apparently, the refusal of older people to accept the President's attack on medicare has influenced our Republican friends.

But we need not dwell on the events of last night. After all, the gentleman from Pennsylvania (Mr. GOODLING) told us yesterday to stop milking a dead horse. With a similar kind of metaphoric freedom, I would advise my Republican friends that this is their chance to avoid putting all their spilt milk in one basket, because they have a chance today to show that they do, in fact, want to increase medicare funding.

I welcome what the gentleman from New York (Mr. CONABLE) deplored, that this amendment forces us to make a choice. Budgets are for choosing. The principal that we should go to general revenues for part of medicare, that succoring 80-year-old women is more important than reconstructing 40-year-old battleships is an important statement that we have a chance to make here today. That is the issue that has been framed and it is one we should decide gladly. By voting for this amendment, we say we will provide for the health needs of the elderly and we will provide the funds for this by sensible economies in military spending.

Of course there should be reform which will slow the rate of growth of medicare spending. But we must achieve this by changes in program administration and structure which do not punish sick, elderly people for being ill. Nor can we arbitrarily deny to honest providers a reasonable return for their services. I will work to achieve cost-containing reforms—but I will not work or vote to deny needed health care to older Americans and I, therefore, strongly support the Oakar amendment.

Mrs. MARTIN of Illinois. Mr. Chairman, I yield 4 minutes to my colleague, the gentleman from Illinois (Mr. MADIGAN), make that 5 minutes. He is worth it.

Mr. MADIGAN. Mr. Chairman, I was very interested in the remarks of the gentlewoman from Ohio when she said that any reduction or any savings in medicare would be something that could only be characterized as being immoral.

In 1979, the gentlewoman voted for some $16.7 billion in reductions or savings in medicare outlays. I am curious to know how something that is immoral now could have been moral in 1979 and how such a quick change could have come about.

My very good friend and distinguished colleague, the gentleman from Illinois (Mr. ROSTENKOWSKI) said that we are demanding high cuts here.

Ms. OAKAR. Will the gentleman yield? I want to know what vote the gentleman is talking about. Name the vote. You are distorting the truth and you know it.

Mr. MADIGAN. The gentlewoman voted——

Ms. OAKAR. Name the vote.

Mr. MADIGAN. Well, give me a chance. The gentlewoman voted for the Carter hospital cost containment bill——

Ms. OAKAR. The gentleman is wrong. I voted for a bill to establish voluntary limits on the limits on annual increases in hospital revenues.

Mr. MADIGAN. The record shows the gentlewoman voted for it on November 15, 1979, as did the gentleman from Illinois (Mr. ROSTENKOWSKI).

Ms. OAKAR. Will the gentleman yield further?

Mr. MADIGAN. I will when I finish my remarks.

Ms. OAKAR. The gentleman has attacked my voting record.

Mr. MADIGAN. I will yield when I finish my remarks.

The gentleman from Illinois (Mr. ROSTENKOWSKI) said that we are demanding high cuts and that he believes there is no way that we can do it. The gentleman is a very distinguished and very capable Member of this body, but apparently in 1979 he thought we could do it, because he voted for the hospital cost containment bill, which the sponsor characterized as having in it $16.7 billion in savings in Federal outlays over the following 3-year period of time.

The gentleman from Ohio (Mr. LATTA) is asking for a more modest savings than was contemplated being done at that time by the people who were voting for it at that time.

With regard to this argument as to whether or not these are things that could be done, some of the measures which could be considered to achieve the savings are that if we would reimburse radiologists and pathologists at the same rate that we reimburse all other doctors under medicare, we could save $145 million a year right there.

If we would ask Federal employees to pay the FICA taxes so that they would contribute for the benefits that they will later enjoy, like everyone else has to do, we could pick up $683 million a year there.

If we would eliminate the nursing differential that is paid on the basis of the age of the patient, we could save $100 million a year there.

If we would reduce, not eliminate, but reduce the medicare return on equity payment made to proprietary hospitals to make it consistent with the language of the conference report when that was first done by this Congress, we could save $100 million a year there.

If we would deal with the problem that people hospitalized in the Northeast stay on the average, for the same illness or disease, 40 percent longer than people hospitalized in the West, we could save $338 million there.

If we would deal with the problem that only reimbursement for room and board to hospitals is limited under medicare, and if we would limit laboratory services and things like that in the same way, we could save $500 million a year there.

Those are just some of the savings that could be made if the committees of this Congress and this Congress was willing to make what may be some tough political decisions that might offend some hospital administrators and some investors in proprietary hospitals; but instead of having the courage to do that, we are going to be asked to increase medicare outlays an average of 15 percent a year for the next 3 years, maybe as much as three times the rate of inflation, sending a signal to every hospital administrator that the Congress expects those hospital administrators to raise their costs at least 15 percent a year.

Now, we have heard a lot of rhetoric about whether or not we care about poor people. The poor people in this whole debate are the people who are not able to be insured because of their medical history or not able to be insured because they are unemployed and cannot afford an insurance premium. Those are the poor people in this debate and nobody has said a word about them. Those people are going into the hospitals without any insurance, and by this amendment you would say to every hospital in the country, we want you to increase your costs at least 15 percent a year for the next 3 years. Well, who is going to say something in behalf of those people that do not have any hospital insurance?

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mrs. MARTIN of Illinois. Mr. Chairman, I yield an additional 30 seconds to the gentleman.

Mr. MADIGAN. Let me just say in summary, Mr. Chairman, that Mr. LATTA is not asking us to cut any money out of this program at all. He is asking that we limit the increase in this program over the next 3 years to roughly 33 percent. I believe the gentleman from New York (Mr. CONABLE) said 31.3 percent. That is twice the anticipated rate of inflation for the next 3-year period of time. If that is not a reasonable thing to do, then this Congress will never be asked to make a reasonable decision.

Ms. OAKAR. Mr. Chairman, I yield 1 minute to my colleague, the gentlewoman from New York (Ms. FERRARO).

Ms. FERRARO. Mr. Chairman, I rise in support of the Oakar amendment. We have heard over and over again the two arguments defending the proposed medicare cuts. We have been told the cuts can be made without any reductions in health care for the elderly, and we have been told that the magnitude of the deficits facing us require that those reductions be made even in health care for the elderly.

Let me address those two arguments. The Latta substitute strongly supported by the President, as we know, cuts $4.8 billion from medicare in 1983 and $23.3 billion over the next 3 years. No realistic analysis can conclude that cuts of that size can be made without increasing out-of-pocket expenses for senior citizens.

Make no mistake, if those cuts are adopted, medicare beneficiaries will see their premiums rise for doctors' care. They will be required to pay more out of their own pockets for doctors' visit before medicare pays anything. The 1.1 million medicare beneficiaries who will need home health care in fiscal year 1983 could be forced to pay as much as $1,584 of their own money.

By one estimate, $16 billion of the $23.3 billion that would be cut would come from benefit reductions, rather than from administrative savings. People are going to be hurt and let me say to the distinguished dean of my delegation (Mr. STRATTON) who is newly eligible for medicare, if each of my constituents had a salary of $60,000 per year, I would not be evidencing this amount of concern for the cuts that are being asked of this program at this time.

The second argument that has been raised is that we must reduce the deficit, and not even medicare can be spared. Unfortunately, however, those who raise this argument also support huge, unnecessary increases in the defense budget.

It is hard to accept the need for $23 billion in medicare cuts in a budget that increases defense spending by $24 billion in 1983 alone and by over $80 billion over the same 3-year period during which we are told we must cut medicare to hold down the deficits.

We have an obligation to our Nation's senior citizens to provide adequate health care. With doctor and hospital fees continuing to rise much faster than the general rate of inflation, we cannot make the cuts proposed by these budgets and keep that obligation.

I urge my colleagues to join supporting this amendment to protect America's senior citizens.

Mr. Chairman, I want to take this opportunity to address some questions raised during the debate on the three subsititues we have before us. While listening to our colleague from Ohio (Mr. LATTA) discuss his substitute, I had a real sense of deja vu.

He said his budget would rebuild our national defense, raise less taxes, and protect programs for the poor, the elderly, and the unemployed. He did not mention that there were many more unemployed than there were the last time he gave this speech in defense of a Republican budget.

Actually, he told us, there are not cuts but increases in spending. the proposal has the support of the President. It gains control of Federal spending. It is truly a bipartisan economic package that will lead us to economic recovery.

The first time I heard that speech, we were promised a $42 billion deficit this year. The unemployment rate was around 7½ percent. One year later, after passage of last year's Latta budget, what we are trying to recover from is the effects of the $182 billion deficit created by Gramm-Latta I and II and the Kemp-Roth tax cut. Unemployment is now almost 9½ percent, and still rising.

Yet here is my colleague from Ohio, saying if at first you do not succeed, try, try again. What concerns me is that he wants to try more of the same approach that got us into this mess.

During the course of debate Tuesday, the gentleman from Illinois (Mr. MADIGAN) said that Chairman JONES must be feeling bad because Democrats were rising not to praise his budget and the Aspin budget, but to criticize the Latta substitute. Well, I would like to say a few things about the committee and the Aspin budgets, and I hope my colleague from Illinois is listening.

Probably the question that has been most on Members' minds during this debate is "What's the size of the deficit?" With respect to the three budget alternatives we now have before us, there is very little difference in the size of the deficit projected in each. But there is quite a bit of difference in how they get there.

The Aspin and committee budgets raise more taxes than does the Latta budget. Approximately $50 billion more over 3 years. Two questions need to be asked. Where do they raise the taxes? And what do they do with the money?

The committee bill suggests raising the additional moneys through a delay of the third year of the tax cuts. Poll after poll in this country shows that the American people could not care less about the third year of the tax cut, because the majority of them, the middle and working classes, are getting so little benefit from it. The response may be different on Rodeo Drive, but in Queens, the tax cut is not helping most Americans enough to matter. They would much rather see the deficits reduced, interest rates brought down, and the economy restored to a healthy condition.

The second question is, What do they do with the money? The Aspin budget and the committee budget put it into programs that will increase productivity. They do something positive about spurring our staggering economy. They put money into housing, emergency job creation, employment training, education, agriculture, transportation, research and development, and hazardous waste management. If we ignore these programs that look to our country's future, we are only fooling ourselves. Like the commercial says, you can pay me now, or you can pay me later.

In addition, they put money into programs that help people. I heard our colleague from Louisiana (Mr. ROEMER), in a very impassioned speech, say that with the minimum tightening in the Latta budget, food stamps will still be increased by $300 million this year; and that with the minimum tightening in the Latta budget, supplemental security income will still be increased by $500 million; and medicaid will still by increased by $550; and medicare will still be increased $4 billion.

But surely he knows that those so-called increases do not even allow those programs to keep up with inflation. Surely he is aware that there is no way to cut medicare by $23 billion over the next 3 years, as the Latta budget does, without cutting health care for the elderly.

There is no question that those who support the Latta budget understand the effects of inflation on program budgets when it comes to defense. The Latta budget increases defense by $24 billion in outlays over this year, which is a 7-percent increase in real terms, after the effects of inflation are counted. Given the total failure to maintain funding for rebuilding America's economy and providing the basic needs for the elderly and the poor, this increase is outrageous.

So if you want to know what's positive about the Aspin budget and the Budget Committee resolution, let me suggest two things. They are more fair and more humane; and they look to the long-term economic growth of this country.

Let me return to the question of deficits. We are all involved in this debate over the perceptions of the financial community and the business community and what effects the actions we take will have on them. We want to bring down the deficits to get the Federal Government out of the credit markets so interest rates will come down and allow the surge in private borrowing needed to get the economy going again.

Yesterday our colleague from California (Mr. DANNEMEYER) pointed out that in 1981 the Federal Government used 78.8 percent of the available funds in the credit markets. He did not mention that the Reagan economic recovery program was fully in place at the time.

I would like to point out that the chart used by the gentleman from California showed that in the 4 previous years, under the Carter administration, the Federal Government had used 55.1 percent of the available credit. Let me also point out that had the 1981 rate been 55.1 percent instead of 78.8 percent there would have been an additional $46 billion available for private investment to create jobs, or for lower home mortgage rates, or for lower interest rates for automobile loans.

Again, on the subject of the previous administration, another colleague mentioned that there were deficits of $181 billion. Actually, there were $194 billion, but that was a 4-year total. The highest Federal deficit in the pre-Reagan era, in fact, was $66 billion under President Ford, and that was just over one-third of the $182 billion deficit we face in 1983.

With regard to the three budget substitutes we have before us today, and indeed, of the seven substitutes we have considered this week, the one with the largest deficits over the 3 years covered is the Latta substitute, which is supported by President Reagan. It has deficits that are tens of billions of dollars larger than any other substitute we have considered.

How long do you think the Amercan people are going to buy the story the President keeps telling that it is not his fault?

Finally, let me comment on the statement by my dear friend from North Carolina (Mr. HEFNER), when he said how can you go back home and tell your people you voted for a budget with a $110 billion deficit, which is close to the level of all three proposals we are considering today.

Let me suggest to you that what I will do is go home to my constituents and tell them that I voted for a budget with a deficit that size in order to save them and the man they elected President from the $182 billion deficit that his economic plan would have produced. And that my major concern is the economy of this country. Let us hope the Republican minority can get their members to do as much for the man they have so much confidence in.

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Ms. OAKAR. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. WEISS).

Mr. WEISS. Mr. Chairman, unless the Oakar amendment is adopted, those already making every sacrifice of their health will be asked to make inhuman sacrifices.

Mr. Chairman, I rise in support of the amendment introduced by our distinguished colleague from Ohio (Congresswoman OAKAR) which would restore funding for medicare by reducing the excessive defense budget by a comparable amount. Transferring excessive and wasteful defense funds to a program that provides fundamental health care for 29 million elderly and disabled Americans represents a responsible and compassionate direction for the 1983 budget.

The new proposals to slash medicare come on top of a $1.5 billion cut imposed last year and another $1 billion reduction already enacted for 1983 by the 1982 Reconciliation Act. As a result of last year's Reagan budget, medicare patients have been confronted with excessive and unaffordable increases in deductible and coinsurance payments. These sharp increases in out-of-pocket expenses, scheduled to climb again in 1983, will force many elderly and disabled, most of whom are on fixed incomes, to play a dangerous game of Russian roulette with their health. Many will have to postpone essential hospital or medical care for lack of adequate funds to cover this rise in the front-end charge.

The cuts proposed in the House Budget Committee and the Reagan-backed Latta proposals would exact cruel and inhumane sacrifices from those who have nothing left to sacrifice, except possibly their health. Each plan would directly increase the financial burden for those sick and most in need. The House budget plan recommends shifting the responsibility for health insurance for the working aged to employers and the older workers.

Not only would this proposal jeopardize the quality and affordability of health care for older workers, it would also serve to discourage employers from hiring or retaining senior citizens. Moreover, the Budget Committee proposes to delay medicare eligibility by 1 month for many of the 1.9 million Americans who turn age 65 each year. Many of these individuals would be left completely vulnerable to illness as they would have no insurance to fall back on for this short period of time.

The administration-supported Latta budget contains proposals to cut medicare by a staggering $4.85 billion next year and $23 billion by 1985. This all-out assault on medicare patients would dramatically increase their out-of-pocket hospital, physician, and home health care expenses as well as shift tremendous costs to local governments and private patients. The Latta recommendations represent another dangerous and telling step in the administration's plan to systematically dismantle programs which meet the needs of the elderly and disabled.

Over the years, the gap between actual medical costs and medicare reimbursements has been increasing at a shocking rate. Consequently, the elderly and disabled, find themselves caught in an unrelenting trap of paying higher and higher costs as a result of gaps in medicare coverage. Because medicare only covers 44 percent of health care expenditures for its patients, the elderly find themselves spending 19 percent of their income on medical care. In 1980, this amounted to a per capita bill of $1,436 for senior citizens, 20 percent of whom have incomes below the poverty line.

Mr. Chairman, there can be no justification for even considering additional cuts in medicare when we know the devastating consequences. Increasing an already unmanageable health care burden will drive millions of additional seniors into poverty. It will force many of our elderly and disabled to forgo needed medical attention. And tragically, it will deprive those in their twilight years of the dignity and peace of mind they so deserve.

While it is clear that Congress must find a comprehensive way of containing skyrocketing medical and hospital costs, our solution must not sever the lifeline of the elderly, the poor, and the disabled. I therefore urge my colleagues to vote for this amendment which would prevent any further cuts in the medicare program.

Ms. OAKAR. Mr. Chairman, I yield 1 minute to my colleague, the gentlewoman from Baltimore, Md. (Ms. MIKULSKI).

Ms. MIKULSKI. Mr. Chairman, I rise in support of the Oakar amendment and thank the gentlewoman from Ohio for highlighting this backdoor cut in social security.

Probably one of the cruelest hoaxes we were about to play on the American people is to cut medicare, because senior citizens organized around social security cuts. And make no mistake, a cut in medicare is a backdoor cut to social security recipients. This Congress has to stop making backdoor cuts on people and giving itself backdoor benefits.

My mother just came out of the hospital. She was admitted approximately 10 days ago, maybe only hours away from a coronary. She now faces heart catheterization, a heart bypass. Not everybody has a 60-grand-a-year daughter who can say, "Don't worry, mom, I will pick up the tab." I am worried about all those other mothers and fathers who have unemployed sons and daughters who really want to take care of their own.

I urge the adoption of the Oakar amendment.

Mrs. MARTIN of Illinois. Mr. Chairman, I yield 5 minutes to the distinguished minority leader, the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Chairman, I rise obviously in opposition to the Oakar amendment.

I am going to kick off my argument by picking up on the observation made by the gentleman from New York, Mr. STRATTON, who says he either becomes qualified now or next year for medicare. I think he makes a minimum of $60,000. He is not a poor individual.

I look over here and I see the gentleman from Florida, Mr. PEPPER, the senior Member of this House. He is pretty well heeled. He is a beneficiary of social security.

In other words, not everybody getting social security is in abject poverty. In fact, only 15 percent of the elderly fall below the poverty level. Many older Americans are in reasonably decent financial condition. Medicaid is the program aimed at the poor, not medicare.

Discarding the ridiculous swap proposed under this amendment between defense and medicare, we have three basic issues involved. The first and most important is the financial solvency of the medicare program. The second is the political harvest the Democratic leadership expects to reap from the medicare funding question. The third is one of the availability of Federal funds.

First, the matter of medicare's financial condition. Medicare, like social security, is in serious trouble. Let us face it. The problems are serious enough that the level of benefits provided to American senior citizens is indeed threatened in the future, and during the next 3 years, as the gentleman from Illinois pointed out yesterday, this cost is going to be in excess of $200 billion, more than it has cost throughout the life of this program.

Medicare outlays are increasing now at a rate of 15 percent a year, 9 percent over and above the anticipated inflation rate. Even with the measures and figures contained in the bipartisan substitute proposal, medicare funding next year will actually go up by 11 percent.

Now, the reason costs are going through the roof is that the costs of medical care in this country are going through the roof, and the medical programs themselves are riddled with waste and fraud.

Last year, for example, after a couple of good years of voluntary cost containment, hospital costs increased, as my colleagues well know, at the alarming rate of 19 percent. Next year they are expected to rise 15 percent, while the cost of the goods and the services hospitals purchase will increase at only 8 percent.

Now, what is the justification for that? How can we let that kind of thing go on? Those Members concerned about cost-plus contracts in defense have the same thing here in medical care. If my colleagues will just look at it very closely, our total health care system, to say nothing of medicare, cannot tolerate such massive and excessive cost increases.

Notwithstanding the remarks of the gentleman from Indiana about taking on those who ought to be taken on, I do not shy away from that responsibility.

During the last 3 months alone, when the Consumer Price Index was running at less than 1 percent overall, health care costs were rising at an annual rate of 10 percent.

The other problem with medicare is waste. We are paying more in some parts of the country than we are in others, just as the gentleman from Illinois pointed out—widely varying costs.

For instance, there are 48 percent more days of care per capita in the Northeastern States than in the West, which costs an extra $330 million a year. Now, you tell me what the difference is between San Francisco, Mr. DELLUMS, and New York—the cost relationship. But those are the figures that do not lie.

Some of my colleagues have expressed concern that rural hospitals would be penalized by our substitute. The fact is that most rural hospitals currently have lower costs than urban hospitals. I have a rural hospital in my district getting reimbursement for medical care at $100 a day, while several urban hospitals are getting $200 a day, in that same geographical area.

What is right about that? It ought to be corrected. There ought to be some answers for that. But you cannot sweep it under the rug and say it really is not there. It is absolute nonsense to state that any effort to correct this kind of abuse is automatically hurting the elderly. When are we going to come to our senses around here. We have to deal with this very urgent problem. Goodness sakes.

Some 30 percent of all hospitals receiving medical care payments are charging medicare for costs in excess of 110 percent of the mean cost of similar hospitals, even after adjustment is made for wage rates, for complexity of cases treated, teaching status, and size. We need to reform the system to cut reimbursements for these excessive charges.

Physicians operating out of hospitals are getting reimbursed for overhead payments they do not incur. That is costing us $163 million a year.

The CHAIRMAN. The time of the gentleman has expired.

Mrs. MARTIN of Illinois. Mr. Chairman, I yield 1 additional minute to the gentleman from Illinois, Mr. MICHEL.

Mr. MICHEL. I thank the gentlewoman. I am sorry to transgress so long.

Radiologists, for example, and pathologists, are getting paid more than other physicians for their services. Is that right?

You know who you are subsidizing by this program—some pretty wealthy people out there. There is no justification for that. But we are clouding this whole issue by the fact that we are doing something that is going to cost my friend, the gentleman from New York, Mr. STRATTON, maybe $7 a month next year. I think he can pay for it. I think he can afford it if it means restoring the solvency of the entire program. That is what we have got to start thinking about one of these days around here.

All this talk about what we are going to do to the money markets and this overall budget process, the most important thing they are looking to is, what is this Congress willing to do in the entitlement area? Will they take one little smidgin of a step in the right direction? It does not look like it. Do you think that is going to convince those money market people we have any guts around here to do the right thing? Of course not. They are going to laugh at us.

All we have heard from the Democratic leadership is the same old political haymaking we heard on the social security issue. All they have contributed to this great national debate is rhetoric deliberately designed to inflame, confuse, anger, and mislead the elderly and then prod them into contributing to Democratic campaign coffers.

The issue for the Democratic leadership is the upcoming elections and how well senior citizens can be mobilized on their behalf. We have witnessed this year and last the most aggressive and the most irresponsible exploitation of America's elderly and the issues affecting them that I can remember. Make no mistake about it. Those political considerations are very much a part of what is going on here.

Ms. OAKAR. Mr. Chairman, I yield 1 minute to my distinguished colleague, the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Chairman, I, as a father of an 8-year-old son, had to explain to him when we watched national TV this morning what a particular gesture that he had seen on TV meant when it was made in response to the fact that I would not offer an amendment to make a bad proposal a little better, albeit still a very bad proposal. I told him it was an Italian expression made to relieve anger.

I can understand why some of my Republican friends are angry, but they ought to be angry at themselves, because their proposal is going to make a $23 billion cut in the medicare program. If they pass that proposal, they will have 30 days to advise us how to achieve that cut.

The gentleman from Illinois (Mr. MICHEL) says there are pretty fat people on social security and medicare. There are 23 million Americans who are aged or disabled, and are thus on medicare. I suppose the senior citizens Mr. MICHEL sees at the country club are different from those in my district.

I will look forward to reviewing his party's proposal that would place the burden of the cuts in an equitable manner; but I suspect that in the 30 days he will have to achieve such goals he will do a great deal of damage to many of the poor elderly.

Ms. OAKAR. Mr. Chairman, I yield 1 minute to my colleague, the gentleman from Ohio (Mr. ECKART).

Mr. ECKART. Mr. Chairman, members of the Committee: I could not help but be somewhat chagrined by the distinguished minority leader's castigation and protestation of what we are doing here today. It was just a day or two ago when we were criticized for offering amendments to that finely tuned Michel-Latta substitute. But last night we were criticized for not offering amendments to that badly flawed substitute.

Now, let me tell the gentleman from Illinois (Mr. MICHEL), this is not Burger King. You cannot have it both ways. Pick or choose. Do you want us to bail you out or do you not? Do you want us to speak to the major issues that the American people are so deeply concerned about, or do you want us to continue to run and hide from the tough issues and tough choices?

Heaven forbid that we actually make a hard choice in this budget debate. Heaven forbid that we stand up and be counted on what is really concerning the American people—fear of being sick.

Let us take a hard look at where our nuclear weapons program is going. Let us look at a safety net that is more holes than net. Let us take a look at what has actually been done in the Latta substitute to deny to millions of Americans an opportunity to retire in the peace, health, and dignity to which they are otherwise entitled. Let us not forget what is going on. Let us not turn our backs on the elderly of America. They deserve better treatment than Reagan-Latta-Michel have in store for them.

Support the Oakar amendment.

The CHAIRMAN. The Chair will state that the gentlewoman from Ohio (Ms. OAKAR) has 5 minutes remaining and the gentlewoman from Illinois (Mrs. MARTIN) has 1 minute remaining.

Ms. OAKAR. Mr. Chairman, I yield 1 minute to my colleague, the gentleman from Connecticut (Mr. MOFFETT).

Mr. MOFFETT. Mr. Chairman, I wonder if the distinguished minority leader is proposing everyone over $60,000 be cut off medicare and social security? Perhaps that is his proposal. We will await that with great interest.

I wonder what the minority leader means by 90 percent of the people on medicare being pretty well heeled? He left that pretty much undefined.

I come from the highest per capita expenditure on defense State in the Union, and I also come from the higher per capita out-of-pocket costs for medicare State in the Union. I have no problem supporting this amendment.

I also have a father who had a heart attack 2 years ago downstairs in the dining room, and that was followed by a quadruple by-pass, and then cancer of the bladder and all sorts of chemotherapy. My parents are not wealthy. They have no holdings. They are going to have to make it on medicare and social security primarily.

There are other Members here who come from that kind of background. The gentleman from Virginia, Mr. DAN DANIEL, says on Memorial Day let us honor those who gave their lives. I am all for that. But let us also honor those giving their dignity and their pride for a change, as they slip down the economic ladder into poverty. What the Republicans who say cut billions from medicare—across the board—do not tell us is that countless people now on medicare are slipping down the ladder so fast that they will soon become officially poor rather than just actually poor. And guess who will pick up the tab? We will end up charging the taxpayers more and the elderly will have less dignity and pride.

Ms. OAKAR. Mr. Chairman, I yield 3 minutes to the distinguished chairman of the Select Committee on Aging, the gentleman from Florida (Mr. PEPPER).

Mr. PEPPER. Mr. Chairman and Members of the House, I rise in support of this amendment and commend the gentlewoman from Ohio for offering it.

In more than a third of a century, as a Member of this Congress in both Houses, on many occasions I have seen the battle between money and people, and tragically, too often I have seen the people lose.

I have never seen a more dramatic instance of that issue than is presented to this House today.

But these are not just ordinary people. Three million of these people have been adjudicated totally and permanently disabled. Twenty-six million of them are over 65 years of age. Of those on social security, 29 percent of them have not a nickel from any other source but social security. In addition to that, 3 million of them, many over 80 years of age, are dependent upon the little $122 a month they derive from social security.

So I say today we are determining whether or not we are going to keep the pledge the President made when he addressed this House in February of 1981 and said, "medicare will not be cut."

□ 1145

And when a month later he was speaking to the National League of Cities and he said, "the medicare program will not be cut."

Why does the President's party then today ask us to cut $23 billion in 3 years off of medicare? What kind of consistency, faithfulness to public promise, is that?

I ask you, my colleagues in this House, to remember those people out there. Are they asking for luxury, affluence? They just ask us, insofar as medical science can do it, that they may be permitted to live a little longer. They ask us, as far as medical science can do it, that the anguish and the pain they daily endure may partially be ameliorated. They ask you to let them, for the money that they have partially contributed, have an opportunity to live out their last days accorded to them with a measure of dignity and peace. They ask you to honor the commandment to honor thy father and thy mother.

Mrs. MARTIN of Illinois. Mr. Chairman, I yield 1 minute to the distinguished gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Chairman, I want to repeat again, we are not cutting medicare. We are cutting the growth in medicare. I cannot buy the arrogance of social planners who think, because they have put a program together, it is perfect and never needs reform. It is benefiting in many cases the providers and administrators, and not the people who were intended to be benefited. In fact, since this program began, the elderly are paying more of their spendable income for medical care than they were before the program was begun. So, the program is far from a success, and it needs reform.

I would like to say, Mr. Chairman, in closing, that with the concurrence of the distinguished gentleman from Ohio, I intend, if the Latta amendment is adopted, before this matter goes to conference, to move to instruct the conferees to accept the Senate figure of $4.1 billion rather than the $4.8 billion, which we are being forced to accept in this amendment at this point by the procedures of this House.

● Mr. RODINO. Mr. Chairman, I want to add my voice in support of the amendment offered by the gentlelady from Ohio, MARY ROSE OAKAR, to restore full funding to the medicare program. Health care costs are rising for all Americans, but perhaps no single group of Americans feels the pinch more than the 26 million elderly and 3 million disabled Americans who benefit from the medicare program. For the Congress to ignore the basic health care needs of these citizens is unconscionable—and that is what we would be doing if we pass a budget resolution that cuts funds in medicare. The Latta substitute is such a budget. It would force medicare savings of $4.9 billion 1983, meaning that nearly 2 million Americans who turn 65 in 1983 could have to wait an extra month for medicare eligibility. This would leave those without jobs in a terribly vulnerable position.

The Latta substitute also could force older Americans to pay more out-of-pocket costs before medicare even begins to pay their doctors' bills. Hospitals in my home State of New Jersey would lose $20 million in medicare benefits next year; and this would translate into human suffering for those elderly who rely on health services in those hospitals.

The amendment offered by the gentlelady from Ohio does not provide massive increases for the medicare program. Nor does it waste funds on a program that has proven ineffective or unnecessary. Rather, it seeks to restore the minimum amount of funds needed to continue at a meaningful level a program that is basic to our national commitment to our senior citizens.

This is an amendment for decency and compassion. I urge my colleagues to support it.●

● Mr. MARKEY. Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Ohio (Ms. OAKAR).

Today, we are considering budget alternatives for fiscal year 1983. We are all being driven by a desire to reduce the Federal deficit to a manageable level. I share that desire. The amendment before us now will not increase the deficit $1. The question before us right now is —Are we going to reduce the deficit by turning our backs on this Nation's senior citizens?

The medicare program is intended to provide protection for the elderly against the high cost of being ill—just as social security is intended to provide a floor of financial protection for our elderly retirees. The Reagan administration seems to consistently forget this. He not only proposes cut after cut in social security and medicare, but he then turns around and claims that he did no such thing.

Tell the 650,000 children of retired, disabled, and deceased workers who will not receive social security benefits to attend college this year that there were no cuts in social security. Tell the thousands of retirees this year who will not receive a minimum benefit that there were no cuts in social security. Tell the 29 million medicare beneficiaries who must pay a deductible that increased 25 percent this year before medicare will begin to help pay their doctor bills that no cuts were made in medicare. Tell those 29 million people who must pay an additional $56 this year before medicare will begin to help pay their hospital bill that no cuts were made in medicare.

Let us look at the facts. Last year President Reagan's budget cut medicare by $2.8 billion. This year he proposed an additional $5 billion in health cuts. The Republican controlled Senate has passed a budget resolution that would cut medicare by $18.2 billion over the next 3 years. The Latta budget supported by the Republican leadership in the House would cut medicare by $23.3 billion over the same period.

How would these cuts be made? They would not be made, as some here would have us believe, solely by reducing payments to hospitals. In fact, the Latta substitute proposes higher premiums for medicare doctor insurance (at a cost to medicare beneficiaries of more than $1.7 billion over the next 3 years) and then proposes to increase the amount a patient must pay the doctor before medicare even begins to help pay (at a cost of more than $65 million in the first year alone). That is to say, our senior citizens are being asked to pay more for their insurance, yet they will receive less in benefits.

The Latta proposal would require payments for home health care that is currently provided free by medicare to over 26,000 elderly persons in my own State of Massachusetts each year. Home health care provides skilled nursing care, physical therapy, and/or speech therapy for people confined to their homes because of illness or injury. Oftentimes, these home health visits help to avoid a more costly stay in a hospital or confinement in a nursing home.

The Latta proposal would also delay medicare entitlement for our senior citizens, simply shifting over $545 million in medical bills over the next 3 years from medicare to the 1.9 million Americans who turn 65 each year. It would also mandate coverage of the working aged under employer health plans. This particularly insidious proposal would greatly increase the cost of employing senior citizens and would therefore make it extremely unattractive for employers to keep employees on the payroll after age 65. Of course, this is consistent with the Reagan administration policy that seniors should not work. After all, the administration has also proposed ending the Older Americans Act employment program.

Each of the budget proposals before us today would result in direct out-of-pocket expenses for many senior citizens. I will not tolerate attempts to balance the budget by dipping into the pockets of the elderly. There are over 340,000 persons over the age of 65 in the Boston area alone. Some 20 percent of them live in households with incomes under $5,000. I will not go home and tell them that I voted to require them to pay more for medical care because Congress needed to balance the budget. I urge your support for the gentlewoman from Ohio's amendment which would restore every dollar that each of the budgets we are considering would cut from the medicare program.●

● Mr. **SANTINI**. Mr. Chairman, I rise in support of the Oakar amendment. I would like to make a few brief comments on how the budgets we have debated here today affect older Americans.

Reductions in medicare, medicaid, food stamps, SSI, and title XX service programs ask major concessions of the very persons who made the most sacrifices last year. What kind of nation are we, that we would ask our senior citizens to suffer the brunt of the budget cuts? We have all heard the line before, about "balancing the budget on the backs of the poor and elderly," so I do not have to go through all that again. Or do I?

If we all know about how these cuts affect the elderly and we all care about the cuts that affect the elderly, then I say it is time we turn from attacking these senior programs and look to budget reductions in other areas.●

Ms. **OAKAR**. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, let us not kid ourselves and let us not lie to the American people. When we cut funding for medicare we are going to cut the benefits of the elderly just as was done in the Reagan budget resolution last year, when we cut medicare funding by $1.1 billion.

Now, no one has mentioned that the elderly have paid for this benefit. For the most part, it is part of their social security insurance program, and in addition they also pay $12.20 per month for portions of this benefit. How dare we take that benefit away from them?

Now, you have a choice, my friends, you have a choice in deciding between the price of a submarine and the health care of 29 million older and disabled Americans, the average person of which lives on $5,000 a year. You have a choice. You have a choice of choosing between our older and disabled people in this country and the price of a cost overrun of a helicopter.

The **CHAIRMAN**. All time has expired.

The question is on the amendment offered by the gentlewoman from Ohio (Ms. OAKAR) to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Ms. **OAKAR**. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 228, noes 196, not voting 8, as follows:

[Roll No. 116]

AYES—228

Addabbo
Akaka
Albosta
Anderson
Annunzio
Anthony
Applegate
Atkinson
AuCoin
Barnes
Bedell
Benjamin
Bereuter
Bevill
Biaggi
Blanchard
Boggs
Boland
Bolling
Boner
Bonior
Brinkley
Brodhead
Brown (CA)
Brown (CO)
Brown (OH)
Burton, Phillip
Byron
Clay
Coelho
Coleman
Collins (IL)
Conte
Conyers
Courter
Coyne, William
D'Amours
Daschle
Daub
Davis
de la Garza
Deckard
Dellums
DeNardis
Derrick
Dingell
Dixon
Dorgan
Dougherty
Dowdy
Downey
Duncan
Dwyer
Dymally
Dyson
Early
Eckart
Edgar
Edwards (CA)
Emery
Ertel
Evans (DE)
Evans (IA)
Evans (IN)
Fary
Fascell
Fazio
Fenwick
Ferraro
Findley
Fish
Fithian
Flippo
Florio
Foglietta
Ford (MI)
Ford (TN)
Forsythe
Fowler
Frank
Frost
Gaydos
Gejdenson
Gilman
Gonzalez
Gore
Gray
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Harkin
Hawkins
Heckler
Heftel
Hertel
Holland
Hollenbeck
Holt
Hopkins
Horton
Howard
Hoyer
Hughes
Jacobs
Jeffords
Jones (NC)
Jones (TN)
Kastenmeier
Kennelly
Kildee
Kogovsek
LaFalce
Lantos
Leach
LeBoutillier
Lee
Lehman
Leland
Lent
Long (LA)
Lowry (WA)
Lujan
Luken
Lundine
Markey
Marks
Marlenee
Matsui
Mattox
Mavroules
McDade
McGrath
McHugh
McKinney
Mica
Mikulski
Miller (CA)
Minish
Mitchell (MD)
Moakley
Moffett
Molinari
Mollohan
Mottl
Murphy
Natcher
Nelligan
Nowak
Oakar
Oberstar
Obey
Ottinger
Parris
Pashayan

Patterson
Pease
Pepper
Perkins
Petri
Peyser
Pickle
Porter
Pursell
Quillen
Rahall
Railsback
Rangel
Ratchford
Reuss
Richmond
Rinaldo
Ritter
Rodino
Roe
Rostenkowski
Roukema
Roybal
Russo
Sabo
Santini
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shamansky
Shannon
Sharp
Shuster
Simon
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (PA)
Snowe
Snyder
Solarz
St Germain
Stangeland
Stark
Stokes
Studds
Tauke
Traxler
Udall
Vento
Volkmer
Walgren
Wampler
Washington
Waxman
Weaver
Weber (OH)
Weiss
Whitten
Williams (MT)
Williams (OH)
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Zablocki
Zeferetti

NOES—196

Alexander
Andrews
Archer
Aspin
Badham
Bafalis
Bailey (MO)
Bailey (PA)
Barnard
Beard
Beilenson
Benedict
Bennett
Bethune
Bliley
Bonker
Bouquard
Bowen
Breaux
Brooks
Broomfield
Broyhill
Burgener
Butler
Campbell
Carman
Carney
Chappell
Chappie
Cheney
Clausen
Clinger
Coats
Collins (TX)
Conable
Corcoran
Coughlin
Coyne, James
Craig
Crane, Daniel
Crane, Philip
Daniel, Dan
Daniel, R. W.
Dannemeyer
Derwinski
Dickinson
Dicks
Donnelly
Dornan
Dreier
Dunn
Edwards (AL)
Edwards (OK)
Emerson
English
Erdahl
Erlenborn
Evans (GA)
Fiedler
Fields
Foley
Fountain
Frenzel
Fuqua
Gephardt
Gibbons
Gingrich
Ginn
Glickman
Goldwater
Goodling
Gradison
Gramm
Gregg
Grisham
Hagedorn
Hall, Ralph
Hall, Sam
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hefner
Hendon
Hightower
Hiler
Hillis
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Jeffries
Jenkins
Johnston
Jones (OK)
Kazen
Kemp
Kindness
Kramer
Lagomarsino
Latta
Leath
Levitas
Lewis
Livingston
Loeffler
Long (MD)
Lott
Lowery (CA)
Lungren
Madigan
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Mazzoli
McClory
McCloskey
McCollum
McCurdy
McDonald
McEwen
Michel
Miller (OH)
Mineta
Mitchell (NY)
Montgomery
Moore
Moorhead
Morrison
Murtha
Myers
Napier
Neal
Nelson
Nichols
O'Brien
Oxley
Panetta
Patman
Paul
Price
Pritchard
Regula
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Rogers
Rose
Roth
Rousselot
Rudd
Sawyer
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Siljander
Skeen
Skelton
Smith (AL)
Smith (OR)
Solomon
Spence
Staton
Stenholm
Stratton
Stump
Swift
Synar
Tauzin
Taylor
Thomas
Trible
Vander Jagt
Walker
Watkins
Weber (MN)
White
Whitehurst
Whitley
Whittaker
Wilson
Winn
Wirth
Wortley
Wright
Young (AK)
Young (FL)
Young (MO)

NOT VOTING—8

Bingham
Burton, John
Chisholm
Crockett
Garcia
Rhodes
Rosenthal
Stanton

□ 1200

Mr. LONG of Maryland and Mr. EVANS of Georgia changed their votes from "aye" to "no."

Messrs. JONES of Tennessee, FROST, ANTHONY, and WHITTEN changed their votes from "no" to "aye."

Messrs. JAMES K. COYNE, DICKINSON, DANIEL B. CRANE, and COLLINS of Texas changed their votes from "present" to "no."

So the amendment to the Latta amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

□ 1210

The CHAIRMAN. Does the gentlewoman from Ohio (Ms. Oakar) desire to offer her amendment to the other substitutes?

Ms. OAKAR. Mr. Chairman, I do. I have an amendment to the Aspin substitute at the desk.

PARLIAMENTARY INQUIRIES

Mr. LOTT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. LOTT. My inquiry, Mr. Chairman, is: Is this the same amendment that we just voted on to the Latta substitute which is now being offered to the Aspin substitute?

The CHAIRMAN. Would the gentlewoman from Ohio (Ms. Oakar) care to answer?

Ms. OAKAR. Will the gentleman yield?

Mr. LOTT. I yield to the gentlewoman from Ohio.

Ms. OAKAR. In spirit it is the same. However, because the Aspin substitute cut medicare by $2.35 billion, our amendment corresponds with that in terms of full restoration.

Mr. LOTT. The answer, Mr. Chairman, is this not the same amendment and, therefore——

Ms. OAKAR. It is the same. It is the same amendment.

The CHAIRMAN. Does it have the same intent and result?

Ms. OAKAR. Absolutely.

Mr. LOTT. Mr. Chairman, it does not have the same numbers.

The CHAIRMAN. It does not have the same numbers. It has the same intent.

Was it printed in the Record of the 19th?

Ms. OAKAR. Absolutely.

The CHAIRMAN. And the 21st?

Ms. OAKAR. That is right. It is identical, Mr. Chairman, because it calls for full restoration of medicare funding.

The CHAIRMAN. It does not have the same numbers.

Mr. LOTT. We deal with functions, not specifics. If it does not have the same numbers it would not be the same amendment.

If the gentlewoman is not offering the same amendment to the Aspin substitute as was offered on the Latta substitute then my understanding of the rule is that any other Member would be able to claim that amendment and offer it to either one of the two remaining substitutes.

The CHAIRMAN. In this case, if it was printed in the Record, of May 21, this is a different situation than the situation confronting the Chair yesterday.

Mr. LOTT. Mr. Chairman, May 21 or May 14, printed in the Record May 21?

The CHAIRMAN. The 21st, May 21. It is in order under the rule. The gentlewoman has the right to offer the amendment as printed.

Mr. LOTT. To offer the same amendment.

The CHAIRMAN. That is correct.

Mr. LOTT. To the Aspin substitute.

The CHAIRMAN. Under the circumstances, it was printed in the Record, it is the same amendment that was printed in the Record.

Mr. LOTT. I have a further parliamentary inquiry, Mr. Chairman, and I have two questions in this parliamentary inquiry.

No. 1, if it has different numbers than the amendment just offered, it is a different amendment and could be claimed by other Members.

The second part of the question is, Does it still take the numbers out of defense and put them into medicare?

The CHAIRMAN. It is the same. It is the same amendment that was printed in the Record.

Mr. LOTT. Is it the same amendment that was just offered and voted on, Mr. Chairman?

The CHAIRMAN. Not identical in form, but it is the same amendment in substance and effect.

If the gentleman will allow the Chair to explain, there was a different situation when the Chair ruled otherwise. The point made yesterday was a good point in that situation. This is a different situation.

Mr. LOTT. Mr. Chairman, could I inquire as to specifically what is the ruling of the Chair in this instance?

The CHAIRMAN. Under the rule this amendment is in order as the same amendment that just disposed of.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. LOTT. I yield to the gentleman.

Mr. ASPIN. If the gentleman can understand it, it seems to me the amendment of the gentlewoman from Ohio is to restore full funding for the medicare program. That meant a bigger restoration in the case of the Latta amendment than in the case of the coalition amendment or in the case of the Jones amendment.

Mr. LOTT. Two comments on that. First of all, that is not stated in the amendment that is printed in the RECORD, and it seems to me, fundamentally, if you change the basic features of an amendment, which is to change the numbers, you have a different amendment. That is traditional understanding around here.

The CHAIRMAN. The only point the Chair would like to make is that under the rule this amendment is in order because it was printed in the RECORD and it is in order for the gentlewoman to first seek recognition to offer it.

Mr. MADIGAN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. MADIGAN. The parliamentary inquiry, Mr. Chairman, I am not disputing the issue as to whether or not the gentlewoman has a right under the rule to offer this amendment.

The question I would ask the Chair is would not someone else have the opportunity to offer her previous amendment prior to her having the opportunity to offer this amendment?

The CHAIRMAN. The Chair will have to state that the answer is "No" and the situation is different from yesterday. On this amendment it is different. This amendment was properly printed in the RECORD as amendment No. 22 and drafted to conform to all three substitutes. In the case of the gentleman from Illinois (Mr. SIMON) the same was not true. That was why the minority leader was correct on yesterday evening and that is why the gentlemen who now question the statement of the Chair are simply in error.

Mr. MADIGAN. Mr. Chairman, further pursuing my parliamentary inquiry, is the message of the Chair that the amendment of the gentlewoman is printed in the RECORD but it is in a different form than the amendment which the House just voted upon?

The CHAIRMAN. The amendment that was just voted upon was to a particular substitute. To achieve the same purpose and substance it offered to another substitute it was necessary to change the numbers, just the numbers.

The gentlewoman pursued the same intent, changed the numbers, and arrived at an amendment that she put in the RECORD in proper form.

If the gentleman will think back, the situation on the Simon amendments was different. The Simon amendments were substantively different from each other and had a different effect.

Mr. MADIGAN. Mr. Chairman, further pursuing my parliamentary inquiry, and I will read to the Chairman from the rule, and I quote:

> After the disposition of a perfecting amendment to the category B substitute to which originally offered, the perfecting amendment may then be offered separately to each or both of the other category B substitutes by any Member prior to the offering of another of the perfecting amendments.

The CHAIRMAN. The Chair has already established and the committee has acquiesced in this consistently, that the author of the amendment who printed them first had the right first to offer the succeeding amendments. That has been the case in every case, except, to the best of the Chair's knowledge, the situation in the amendment of the gentleman from Illinois (Mr. SIMON).

Mr. MADIGAN. Mr. Chairman, further pursuing the parliamentary inquiry, I am not belaboring the position of the Chair that the gentlewoman has the right to offer any amendment that she had printed in the RECORD. What I am concerned about is the fact that the amendment, although printed in the RECORD, is not the same in form or in substance as the amendment which we just voted upon.

The rule would seem to clearly indicate that somebody or anybody has the opportunity to offer that exact same amendment, that upon which the House just voted, to the other category B sustitutes.

The CHAIRMAN. The Chair will simply say that under the rule the gentlewoman has the right to offer the amendment and she has a priority to offer the amendment.

There is no point of order that lies. The gentlewoman is recognized to offer her amendment.

Mr. MADIGAN. Mr. Chairman, I would reserve a point of order against the amendment.

□ 1220

The Chair will advise the gentleman that the rule waives all points of order against the amendment.

The Clerk will report the amendment.

AMENDMENT OFFERED BY MS. OAKAR TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ASPIN

Ms. OAKAR. Mr. Chairman, I offer an amendment to the amendment in the nature of a subsititue offered by the gentleman from Wisconsin (Mr. ASPIN).

The Clerk read as follows:

Amendment offered by Ms. OAKAR to the amendment in the nature of a substitute offered by Mr. ASPIN: Page , line , (relating to functional category 050) decrease new budget authority for fiscal year 1983 by $200,000,000, and decrease budget outlays for such fiscal year by $2,350,000,000.

Page , line , (relating to functional category 550) increase new budget authority for fiscal year, 1983 by $200,000,000, and increase budget outlays for such fiscal year by $2,350,000,000.

In the reconciliation instructions to the House Committee on Ways and Means, decrease the reduction in budget authority by $200,000,000 in fiscal year 1983 and decrease the reduction in outlays by $2,350,000,000 in such fiscal year.

In the reconciliation instructions to the Senate Committee on Finance, decrease the reduction in budget authority by $200,000,000 in fiscal year 1983 and decrease the reduction in outlays by $2,350,000,000 in such fiscal year.

In the reconciliation instructions to the House Committee on Armed Services, increase the reduction in budget authority by $200,000,000 in fiscal year 1983 and increase the reduction in outlays by $2,350,000,000 in such fiscal year.

In the reconciliation instructions to the Senate Committee on Armed Services, increase the reduction in budget authority by $200,000,000 in fiscal year 1983 and increase the reduction in outlays by $2,350,000,000 in such fiscal year.

Ms. OAKAR (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Ohio?

Mr. WALKER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk continued the reading of the amendment.

Ms. OAKAR (during the reading). Mr. Chairman, I again ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Ohio?

Mr. SOLOMON. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk concluded the reading of the amendment.

PARLIAMENTARY INQUIRY

Mr. WALKER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WALKER. Mr. Chairman, is the amendment that was just read exactly similar to the amendment that was previously offered before the House?

The CHAIRMAN. It is not in form.

Mr. WALKER. It is not.

Mr. Chairman, I have a further parliamentary inquiry. Does another Member now have the opportunity, since this is not the same amendment, to offer the amendment that was offered to the House just previously?

The CHAIRMAN. The Chair will explain, so that the gentleman will understand it, the difference between this situation and the situation yesterday.

The answer to the gentleman is that the gentlewoman has control of her amendment. She has been recognized and she has offered a proper amendment.

To put it in simple language, what happened with the gentleman from Illinois (Mr. SIMON), he had a variety of amendments printed, and what he did was, he moved from one kind of an amendment to another kind of an amendment, in one case changing the deficit figure, and the other case not.

This is not the case in this situation.

Mr. WALKER. A further parliamentary inquiry, Mr. Chairman.

The rule seems to clearly state, however, that another Member has a chance to offer identically the same amendment as was previously offered to the House.

My question is: Since this is not identically the same amendment, does another Member have the opportunity to offer that same identical amendment before we go on to the gentlewoman's new amendment?

The gentlewoman has a new amendment before this House. It seems to me that the rule very clearly establishes that another Member should be allowed to offer that identical amendment from her previous offering to this House.

The CHAIRMAN. The gentlewoman has been recognized to offer an amendment which was printed in the RECORD under the rule that is in its intent, substance, and effect, proper. It is numerically not identical because of necessity it may have a different form to achieve the same result on another substitute. This specific possibility was discussed with the minority during debate on the rule last Friday.

It is proper, in order, and not a change of direction, as was the situation with the gentleman from Illinois (Mr. SIMON).

Mr. WALKER. I have a further parliamentary inquiry, Mr. Chairman.

Ms. OAKAR. Regular order, Mr. Chairman.

The CHAIRMAN. The Chair chooses to hear the parliamentary inquiry.

Mr. WALKER. Mr. Chairman, I have listened very carefully to the Chair, and I think I understand precisely what the Chair is saying.

But my parliamentary inquiry, Mr. Chairman, is: Is it not true, if we go on to the gentlewoman's next amendment, the newest amendment, that that will preclude any Member from offering identically the same langauge as she offered previously to the Latta amendment?

The CHAIRMAN. That is correct, for the reasons stated.

Mr. WALKER. Parliamentary inquiry: Why is it not permissible under the rule, as the rule is stated, for some other Member to take the identical language and offer that?

Even though the application might not be precise and even though it might have some problems with it, it seems to me that the rule clearly states that the Member should have that opportunity.

The CHAIRMAN. The reason is that the gentlewoman in her process is fully in order, and the situation the other time was not the same.

Mr. WALKER. A further parliamentary inquiry, Mr. Chairman.

The gentlewoman controls the time, so long as she is offering identically the same amendment, which she is not now doing.

My question is: Why does she continue to control the time when she moves on to a new amendment if in fact the rule clearly states:

> After the disposition of a perfecting amendment to the category B substitute to which originally offered, the perfecting amendment may then be offered separately to either or both of the other category B substitutes by any Member prior to the offering of another of the perfecting amendments . . .

This is another perfecting amendment.

The CHAIRMAN. This is not, in the Chair's view, a different perfecting amendment. It is an identical amendment in purpose and result.

Mr. WALKER. A further parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The Chair has, I believe, answered a good many parliamentary inquiries, and the Chair has no way of improving on his explanation.

Mr. WALKER. Mr. Chairman, a further parliamentary inquiry. It does seem to me——

The CHAIRMAN. Parliamentary inquiries do not go on except at the Chair's discretion, and the Chair's discretion is that he has given adequate time for parliamentary inquiries.

Mr. WALKER. I have a further parliamentary inquiry, Mr. Chairman, and I beg the indulgence of the Chair for one final question.

The CHAIRMAN. The Chair will listen to the final question.

Mr. WALKER. The final question is, Mr. Chairman: How is this amendment identical when the revenue side of the amendment, which is a key in all of these amendments, is not similar? It is a very different revenue figure; so, therefore, the amendment becomes different not only in numbers, but in substance.

And that is the question of the gentleman. I do not understand, quite, the ruling of the Chair, when that is the question.

The CHAIRMAN. Under the budget process, an amendment on occasion must be drafted in different form, to achieve the same end when offered to different substitutes. If drafted to achieve the same increase or decrease in categories contained in different substitutes, it may have to be adjusted by figures to achieve the same result.

The Chair does not believe that the Oakar amendment affects the revenue figure at all.

That is what the Chair has been trying to say for quite some time and has just read it and the debate on the rule to be sure that he said it correctly.

Mr. WALKER. I thank the Chair for its indulgence.

The CHAIRMAN. The reading of the amendment has been completed. The gentlewoman from Ohio (Ms. OAKAR) will be recognized for 5 minutes. The gentleman from Wisconsin will be recognized for 5 minutes in opposition to the amendment.

Is the gentleman from Wisconsin (Mr. ASPIN) opposed to the amendment?

Mr. ASPIN. Yes; I am, Mr. Chairman.

Mr. LATTA. Mr. Chairman, how about the minority? We are opposed to that amendment. Is the Chair going to completely ignore the minority?

The CHAIRMAN. The Chair is correct in his decision because the gentleman was standing, seeking recognition.

The rule says, quite simply "in support" and "opposed," not necessarily by party.

The Chair recognizes the gentlewoman from Ohio (Ms. OAKAR).

Ms. OAKAR. Mr. Chairman, let me just begin by saying, in substance, the amendment is identical.

□ 1230

The amendment is identical in the sense that the intent is to fully restore medicaid benefits.

Now, I am very proud to say that the majority of Members of Congress voted to fully restore medicare benefits and I am sure they will want to be consistent in their desire to fully restore medicare benefits.

Now, Mr. Chairman, this would take the $2.35 billion recommended by the Aspin substitute for cuts in medicare and again transfer that amount of money to the defense spending category and take it out of defense spending.

Again, I do not think I have to repeat the problems with cost overruns. There are plenty of places to go for that amount of money.

Now, Mr. Chairman, I would like to mention several things that I did not get the opportunity to mention in the last reading, and that is this. In the last budget resolution, we cut medicare by over $2 billion. Now, when people say that really does not have an effect on benefits, I just want to tell you exactly what the last budget resolution did.

Medicare part A beneficiaries, our elderly now are required to pay the first $256, instead of $228.

The deductible increases from $292 in fiscal year 1983 to $328.

We repealed the alcohol detoxification reimbursement program.

There was a repeal of continuous open enrollment so that if an older person is not enrolled immediately, they have to wait for a certain period of time. Under the prior law, they could enroll at any time they saw fit.

We reduced the nursing care differential.

Naturally we did that because nurses are paid so much more cheaply than other health providers.

Mr. Chairman, we did something really outrageous in my judgment, because there is a crucial need for savings in the health area, and what did the last budget cut provide for medicare beneficiaries? Well, we cut the reimbursement for home health care. Now, if there is one thing that we ought to really have a comprehensive approach in, it is home health care so that many older Americans and disabled, instead of being institutionalized, which costs so much more money, they could provide for the form of visits by nurses and therapists, et cetera, which would be much cheaper; but that is what we cut.

Then we limited the in and out patient kinds of coverage for our people.

So let us not fool anybody and say that when you cut medicare you do not really cut benefits. You cut benefits. You do not get at the actual providers and so forth. You cut the persons who are the most vulnerable, our elderly.

Now, I received and I am sure most of the Members of Congress, if not all the Members of Congress, received a letter or a telegram from organizations that represent millions of older and disabled people. Now, what they ask for is the full restoration in every single budget resolution. They do not want us to be wishy-washy or inconsistent. They want our vote every step of the way on this issue. Let me mention a few: The American Federation of Teachers; the Catholic Health Association; the National Commissions on Aging; the District of Columbia Office on Aging; the Gray Panthers; the National Association of Area Agencies; the National Association of Retired Teachers and the American Association of Retired Persons; the National Center for Black Aged; the National Council for Senior Citizens; the National Council on Aging; the National Education Association; the Older Women's League; the Urban Elderly Coalition.

The **CHAIRMAN**. The time of the gentlewoman has expired.

The Chair recognizes the gentleman from Wisconsin (Mr. Aspin).

Mr. **ASPIN**. Mr. Chairman, I voted no on applying the Oakar amendment to the Latta substitute, and in this case it does not nearly do the same amount of changes that it would do to the Latta substitute. The changes are relatively minor because the coalition budget did not have the cuts in medicare that the Latta substitute had and so the changes would be not nearly so dramatic.

At this point I yield 2 minutes to the gentleman from Washington (Mr. Pritchard).

Mr. **PRITCHARD**. Mr. Chairman, we are getting down to the time when we are going to make a decision to drag this thing out and get stuck in concrete.

Now, I know a lot of people on my side are not happy with what has happened and I am sure there are people over here that are not happy.

The question is, do we have any vehicle that will make it to conference?

I happen to feel it is imperative for this country that we get a vehicle and get it into conference. If we do not get to conference, it will be a drag on this economy and send the worst signals to the financial centers.

Now, remember this about the conference. The same people are going to be on the conference no matter what goes out of this House. You may think that they are going to go there and support the position from the House, but I have been around here long enough to know what happens. The same people are going to go over there and fight for the position that they hold, no matter what amendments are passed.

I think we take a terrible risk to the economy of America if you fail to move this to conference.

The Aspin bill is a middle ground. It is not what a lot of people want, but I think it is the best vehicle we can get. I believe if you stay around here for 2 or 3 or 4 weeks more, you are not going to get something that is much different from the Aspin coalition approach.

I would appeal to you people, this is I think the last chance we have to get something to the conference this week and I think you serve your country poorly if you do not get to conference this week.

Mr. **ASPIN**. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri (Mr. Gephardt).

Mr. **GEPHARDT**. Mr. Chairman, I want to add my voice to the gentleman from Washington and say that it is very important that we focus on the need to come out of here with a package that we can get 218 votes to pass. There has been a lot of symbolism in the last few hours and the last day on various votes on trying to do things to different packages. I wish, if you would, if you would just listen to me a minute and listen to the substance and the facts that relate to this amendment as it affects the Aspin-Pritchard proposal.

☐ 1240

If the Members would just focus with me for a moment on the facts that surround this amendment, in the Latta substitute there was a cut in medicare of $4.8 billion. The Oakar amendment took that $4.8 billion to zero.

In the Aspin substitute, the cut in medicare is $2.3 billion, and the Oakar amendment would take that $2.3 billion down to zero.

On defense, Latta was at about $7 billion, and Latta is now up at about $11 billion in outlay cuts in 1983. If this amendment passes on Aspin, Aspin in defense will go from $9.2 billion to a little over $11 billion.

The point is that the Aspin substitute has been put together with balance, balance in terms of what it is trying to do in defense reductions, balance in terms of what it is trying to do in medicare reductions, and in other areas. It has purposely been put together so that it achieves a reasonable balance.

I urge my colleagues to vote against the amendment so that balance can be preserved.

The **CHAIRMAN**. The gentleman from Wisconsin (Mr. Aspin) has 30 seconds remaining.

Mr. **ASPIN**. Mr. Chairman, I yield my remaining 30 seconds to the gentleman from Colorado (Mr. Wirth).

Mr. **WIRTH**. I thank the gentleman for yielding to me.

Mr. Chairman, I want to again underline to my colleagues how important this vote is in terms of our ability as an institution to report out a budget. We are being watched with extraordinary care, and our No. 1 responsibility is to make a budget come out of this institution today.

I would hope that we would vote no on this amendment and maintain a budget that has clear balance that can be reported out of this institution.

The **CHAIRMAN**. The question is on the amendment offered by the gentlewoman from Ohio (Ms. Oakar) to the amendment in the nature of a substitute offered by the gentleman from Wisconsin (Mr. Aspin).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. **ASPIN**. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 328, noes 94, not voting 10, as follows:

[Roll No. 117]

AYES—328

Addabbo
Akaka
Albosta
Anderson
Andrews
Annunzio
Anthony
Applegate
Atkinson
AuCoin
Badham
Bafalis
Bailey (MO)
Bailey (PA)
Barnard
Barnes
Bedell
Benedict
Benjamin
Bereuter
Bethune
Bevill
Biaggi
Blanchard
Boggs
Boland
Boner
Bonior
Bowen
Breaux
Brinkley
Brodhead
Broomfield
Brown (CO)
Brown (OH)
Burgener
Burton, Phillip
Byron
Campbell
Carman
Carney
Chappell

Chappie
Cheney
Clausen
Clay
Coats
Coelho
Coleman
Collins (IL)
Conable
Conte
Conyers
Coughlin
Courter
Coyne, James
Coyne, William
D'Amours
Daub
Davis
Deckard
Dellums
DeNardis
Derrick
Dingell
Dixon
Dorgan
Dornan
Dougherty
Dowdy
Downey
Duncan
Dunn
Dwyer
Dyson
Early
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Emerson
Emery
Erdahl
Ertel
Evans (DE)
Evans (GA)
Evans (IA)
Evans (IN)
Fary
Fascell
Fenwick
Ferraro
Fiedler
Findley
Fish
Fithian
Flippo
Florio
Foglietta
Ford (MI)
Ford (TN)
Forsythe
Fountain
Frank
Frenzel
Frost
Garcia
Gaydos
Gejdenson
Gilman
Gingrich
Ginn
Goldwater
Goodling
Gore
Gradison
Gramm
Gray
Green
Gregg
Guarini
Gunderson
Hagedorn
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Harkin
Hawkins
Heckler
Hefner
Heftel
Hendon
Hertel
Hightower
Hiler
Hillis

Holland
Hollenbeck
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Hutto
Hyde
Jacobs
Johnston
Jones (NC)
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kindness
Kogovsek
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
LeBoutillier
Lee
Lehman
Leland
Lent
Levitas
Lewis
Livingston
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Madigan
Markey
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Matsui
Mattox
Mavroules
Mazzoli
McCloskey
McCollum
McDade
McEwen
McGrath
McHugh
McKinney
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Minish
Mitchell (MD)
Mitchell (NY)
Moakley
Moffett
Molinari
Mollohan
Montgomery
Moore
Moorhead
Morrison
Mottl
Murphy
Myers
Napier
Natcher
Neal
Nelligan
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Ottinger
Oxley
Parris
Pashayan
Patterson

Pease
Pepper
Perkins
Petri
Peyser
Porter
Pursell
Quillen
Rahall
Railsback
Rangel
Ratchford
Regula
Reuss
Richmond
Rinaldo
Ritter
Rodino
Roe
Roemer
Rostenkowski
Roybal
Rudd
Russo
Sabo
Santini
Savage
Sawyer
Scheuer
Schroeder
Schulze
Schumer
Seiberling
Sensenbrenner
Shamansky
Shannon
Sharp
Shaw
Shumway
Shuster
Siljander
Simon
Skelton
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (PA)
Snowe
Snyder
Solarz
Solomon
Spence
St Germain
Stangeland
Stark
Staton
Stenholm
Stokes
Studds
Stump
Swift
Tauzin
Taylor
Thomas
Traxler
Trible
Udall
Vander Jagt
Vento
Volkmer
Walgren
Walker
Wampler
Washington
Weaver
Weber (MN)
Weber (OH)
Weiss
White
Whitley
Whitten
Williams (MT)
Williams (OH)
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zablocki
Zeferetti

NOES—94

Alexander
Archer
Aspin
Beard
Beilenson
Bennett
Bliley
Bolling
Bonker
Bouquard
Brooks
Brown (CA)
Broyhill
Butler
Clinger
Collins (TX)
Corcoran
Craig
Crane, Daniel
Crane, Philip
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daschle
Derwinski
Dickinson
Dicks
Donnelly
Dreier
Dymally
Edwards (OK)
English

Erlenborn
Fazio
Fields
Foley
Fowler
Fuqua
Gephardt
Gibbons
Glickman
Gonzalez
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Huckaby
Hughes
Hunter
Ireland
Jeffords
Jeffries
Jenkins
Jones (OK)
Jones (TN)
Lungren
McClory
McCurdy
McDonald
Mineta
Murtha
Nelson
Panetta

Patman
Paul
Pickle
Price
Pritchard
Roberts (KS)
Roberts (SD)
Robinson
Rogers
Rose
Roth
Roukema
Rousselot
Schneider
Shelby
Skeen
Smith (AL)
Smith (OR)
Stratton
Synar
Tauke
Watkins
Waxman
Whitehurst
Whittaker
Wilson
Winn
Wirth
Wright
Young (MO)

NOT VOTING—10

Bingham
Burton, John
Chisholm
Crockett

de la Garza
Grisham
Marks
Rhodes

Rosenthal
Stanton

☐ 1250

Mr. FIELDS and Mr. LONG of Maryland changed their votes from "aye" to "no."

Messrs. LEVITAS, ROSTENKOWSKI, VOLKMER, MAZZOLI, WHITLEY, and GINN, Mrs. MARTIN of Illinois, and Messrs. HUTTO, CHAPPELL, EVANS of Georgia, and BARNARD changed their votes from "no" to "aye."

Mr. LONG of Maryland changed his vote from "no" to "aye."

So the amendment to the Aspin amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

☐ 1300

AMENDMENT OFFERED BY MS. OAKAR TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OKLAHOMA

Ms. OAKAR. Mr. Chairman, I offer an amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. JONES).

The CHAIRMAN. The Chair will inquire, was the amendment printed in the RECORD of May 21?

Ms. OAKAR. Yes, Mr. Chairman, the same as the previous amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Ms. OAKAR to the amendment in the nature of a substitute offered by Mr. JONES of Oklahoma: Page 13, line 9 (relating to functional category 050), strike out "$242,850,000,000" and insert in lieu thereof "$242,750,000,000".

Page 13, line 10 (relating to functional category 050), strike out "$212,300,000,000" and insert in lieu thereof "$210,150,000,000".

Page 14, line 16 (relating to functional category 550), strike out "$77,300,000,000" and insert in lieu thereof "$77,400,000,000".

Page 14, line 17 (relating to functional category 550), strike out "$80,100,000,000" and insert in lieu thereof "$82,250,000,000".

In the reconciliation instructions to the House Committee on Ways and Means, decrease the reduction in budget authority by $100,000,000 in fiscal year 1983 and decrease the reduction in outlays by $2,150,000,000 in such fiscal year.

In the reconciliation instructions to the Senate Committee on Finance, decrease the reduction in budget authority by $100,000,000 in fiscal year 1983 and decrease the reduction in outlays by $2,150,000,000 in such fiscal year.

In the reconciliation instructions to the House Committee on Armed Services, increase the reduction in budget authority by $100,000,000 in fiscal year 1983 and increase the reduction in outlays by $2,150,000,000 in such fiscal year.

In the reconciliation instructions to the Senate Committee on Armed Services, increase the reduction in budget authority by $100,000,000 in fiscal year 1983 and decrease the reduction in outlays by $2,150,000,000 in such fiscal year.

Ms. OAKAR (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The CHAIRMAN. Under the rule, debate on this amendment is limited to 10 minutes.

The Chair recognizes the gentlewoman from Ohio (Ms. OAKAR) for 5 minutes in support of her amendment and the gentleman from Oklahoma (Mr. JONES) for 5 minutes in opposition to the amendment.

Mr. LATTA. Mr. Chairman, will the gentlewoman from Ohio yield to me?

Ms. OAKAR. I am happy to yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, in the interest of time, the House has already voted on this twice, and in order to save some time, we will accept the gentlewoman's amendment.

Ms. OAKAR. Mr. Chairman, I appreciate that. I would like to make a very brief statement. I appreciate the gentleman's accepting the amendment.

The CHAIRMAN. The gentlewoman from Ohio (Ms. OAKAR) is recognized for 5 minutes.

Ms. OAKAR. Mr. Chairman, I do want to say to my friend from my own State, the gentleman from Ohio (Mr. LATTA), how grateful I am and how pleased I am that more and more Members are voting to restore medicare. It is very, very fine. Maybe it is because we are a little older than we were when the first amendment was adopted.

I do want to commend my friend, the chairman of the Budget Committee, because at least his budget resolution had the least amount of cuts in medicare. There were too many cuts, but it did have the least amount of cuts, $2.1 billion. And I certainly think that, while that is not as much as the Latta amendment or the Aspin amendment, it is still $2.1 billion too much.

I would like to tell the Members this, though: I know of their concerns about defense. I think we all want our country to be strong. I am pleased to say that if my amendment carries, the Jones budget will not only restore medicare fully but it will be the budget, for those of you who are so concerned about defense, that will also have the highest defense figures.

So I certainly hope that my colleagues will support my amendment, be consistent, as our older Americans want us to be consistent in our votes, and be consistent in voting to provide medicare to our needy, disabled people.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Oklahoma (Mr. Jones) is recognized for 5 minutes in opposition to the amendment.

Mr. JONES of Oklahoma. Mr. Chairman, I can understand the gentleman from Ohio, the author of the Latta substitute, wanting to accept the Oakar amendment to the Jones substitute; that again, theoretically, puts all three substitutes on an equal basis. A lot of Members on my side of the aisle have suggested that I should accept it also, particularly in light of the fact that we have had two overwhelming votes in favor of the Oakar amendment. But in good conscience and in trying to put forth a budget resolution that is realistic and enforceable and fair, I could not merely accept this amendment.

I have no quarrel with the gentlewoman's right to offer this amendment, and I understand she feels very strongly that there should be no reform and no reduction in the medicare program. I feel very strongly that the benefits for elderly citizens should not be cut. I think that is a promise that the President made to senior citizens, and it is one we should try to uphold in looking at this whole medicare program.

However, I think all of us recognize that this is one of several entitlement programs that does need to be looked at from time to time, and that there are legitimate reforms that can save money in the program and can make the program financially sound next year and into the future. The recommendations that we made in the Budget Committee resolution were, I think, fair. They could be enforced. And they would help solve the long-range problems of the Social Security trust fund—not totally, but they would help solve them. So I think those savings are fair and could be achieved.

But even if you come to the conclusion there should be no savings in medicare, I think a number of Members did not focus on the other half of that amendment; the other half of that amendment, in order to remain deficit neutral, took the money out of defense expenditures.

I know that this budget process is sometimes minute and arcane, but we are dealing with two categories. One is budget authority, and one is outlays. In order to restore $4.8 billion in outlays under the health function under medicare to the Latta substitute, or restore $2.1 billion to the Jones substitute in outlays, the budget authority only needs to be changed about $400 million. In order to offset defense outlays of $2.1 or $4.85 billion under a reconciliation instruction, the Armed Services Committee will have to be directed to cut budget authority in defense by about $7 to $8 billion. If they do not touch the pay areas and look only at the weapons systems areas, they are going to have to cut budget authority for defense weapons systems something like $40 billion.

Now, we are not about to do that. We are not going to weaken the military security to that extent.

So once again we find ourselves in a situation of saying that we are going to do this on paper, but we are not going to follow through with it. It seems to me that if one of the purposes of the budget resolution is to look at macroeconomic policy and try to send some signal to the financial markets that we are doing our best to get control of the deficits, tighten up fiscal policy, harmonize it with monetary policy and get interest rates down, we ought to be trying to pass a budget document that can be enforced.

Mr. Chairman, I think what we have done so far may have been done with good intentions, but it cannot be carried out, and I have to oppose the gentlewoman's amendment to the Jones substitute.

□ 1310

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Ohio (Ms. Oakar) to the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. Jones).

The amendment to the Jones amendment in the nature of a substitute was agreed to.

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time to make I hope what will be 5 minutes of absolutely nonpolitical remarks because I believe that what we have gone through the last few hours defines for us with tremendous clarity what the problem is with the budget process.

I simply take time to urge Members to review the possibility of accepting a change in that process which a number of us have been trying to bring to the attention of the House for some time.

What has happened here on the medicare issue and on the defense issue today is simply this: because we are dealing with resolutions rather than real budgets and real programs we really do not have any idea what the specific results of our actions will be.

It means that we are largely voting on symbols. Liberals are generally more comfortable if defense is somewhat lower and conservatives are more comfortable if social spending is somewhat lower.

But neither one of us is forced to test those prejudices against specifics. The only way that we can bring this House to do that is if we significantly and radically change the existing budget process.

Right now, as my colleagues know, the Budget Committee—and this is no criticism of the committee, it is required under the process—the Budget Committee simply brings to the floor a description of what they think ought to happen down the line.

People talk about the effect that these reductions are going to have on the financial markets. None of these resolutions in and of themselves are going to have any effect on the financial markets, because even if we passed all three of them we still would not have passed the budget. That is the next step. That comes next on the specific appropriation programs; it comes next on specific revenue actions; it comes next on whatever entitlement adjustments are made down the line.

I would suggest, therefore, that because we are debating generalities, mere goals, mere descriptions of what we later hope to accomplish, that virtually every dollar in this budget means different things to different Members, and that is the reason we have these tremendous arguments about whether or not an actual reduction in medicare is going to take place, for instance.

We most certainly do need to reform medicare. We need to reform virtually every entitlement program. The problem is that you are not going to be able to do it on a budget resolution if you cannot tie the dollar shrinkage to the specific changes so that people actually know what those reforms are going to be when they are voting on them and can judge them for fairness.

So I would urge you to simply take a look at supplemental views I filed in the committee report.

This process is not working because we are not voting on actual programs.

It is also not working because it has now come to take so much time that it destroys the ability of every authorization committee, it destroys the ability of the Appropriations Committee to actually get on with their work.

The time has come for us, on a bipartisan basis, to recognize the need to radically change this process. I would ask my colleagues to look at my minority views, although they are outdated because I put them in 2 years ago and there are some references which are no longer accurate, but I have put them in every year for 3 years to try to bring Members' attention to this problem.

I would suggest that we ought to have a process under which the following would happen:

The Budget Committee would perform just as it does now. It would bring out a resolution laying out what it believes the overall game plan on the economy ought to be for the year.

I would suggest that ought to go not to the floor but to the Rules Committee. I would suggest then that the Appropriations Committee ought to be required to take its 13 appropriations and put them together in 1 bill so that you have 1 appropriation bill rather than 13 separate items and those ought to go collectively in 1 package to the Rules Committee.

I would suggest that the Ways and Means Committee ought to take whatever revenue actions it believes are appropriate for the year and that ought to go to the Rules Committee.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. Obey) has expired.

Mr. OBEY. Mr. Chairman, I ask unanimous consent that I be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. SOLOMON. I object, Mr. Chairman.

Mr. FRENZEL. Mr. Chairman, I ask unanimous consent that the gentleman be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. SOLOMON. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. FRENZEL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to the gentleman from Wisconsin (Mr. Obey).

Mr. OBEY. I thank the gentleman. It is obvious he understands that this is a serious procedural problem that needs some discussion in the midst of chaos.

I will try to take only about 2 minutes. What I have in mind is that those 13 appropriations titles would become the first 13 titles of an actual omnibus budget, not a budget resolution, but a real live budget with real live programs so that you make choices that really impact on specific programs.

I would suggest that the revenue items out of the Ways and Means Committee become title 14 so that you are doing specific things on the revenue item at the same time that you are dealing with the appropriations.

I would suggest that entitlement actions brought out by the appropriate Committees become title 15 and 16, et cetera.

I would then suggest that the Budget Committee would have the right under that process to first recognition in order to offer a substitute for all or a portion of that budget. I think that would force informal accommodation between the Budget Committee and the other committees around here and it would have two virtues, in my estimation.

It would force us to deal with the problems on real programs and it would force us to make choices.

Under the existing system we make choices on the budget resolution, then we make them again on the appropriations bill and we make them again on the continuing resolution and again on the last budget resolution.

We never make a final choice around here and we have got to get to a position in which we do.

Under the new process, after the House had worked its will in that actual budget, then you could bring the Budget Committee resolution out of the Rules Committee, and the House would have to adjust that budget resolution or adjust the product of its action on the omnibus budget to that resolution.

I would suggest that something like this would give us an opportunity to shrink the time required to consider the issues, to make the choices, to deal with real choices, and I would hope, take at least some of the confusion out of it.

We will never take the politics out, but we at least ought to be dealing on concrete items and take the confusion out of it to the extent that it is humanly possible.

I thank the gentleman for his courtesy.

Mr. FRENZEL. I thank the gentleman for his statement.

Mr. Chairman, the gentleman is correct that what we are witnessing may not be a disintegration, but it is at least a deterioration in the process. The process screams for improvement.

Thankfully, there is a committee which is charged with making recommendations on improvements to the budget process. The gentleman serves on it and so do I and maybe with luck, because it looks like we are not going to get there with skill or determination, we may be able to devise some real improvements to the budget procedure.

But I would say we now find ourselves in the situation where the three principle budget resolutions pending before this House are no longer the products of their sponsors. They have been altered by this House in such a way that it is going to be extraordinarily difficult for us to pin a rose on any one of the three.

Perhaps none of the three will prevail.

I must take some credit for that. I went to the Rules Committee and asked the Rules Committee to give the maximum latitude possible for amendments. I am sure the Rules Committee was not overwhelmed by the brilliance of my logic, but certainly it and I were both wrong in making all these amendments in order.

But we do have a long way yet to go. I think the gentleman has made a series of suggestions worthy of close study. There may be others. But we are in trouble and we must do something quickly. We have much work to do.

Mr. RUDD. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to my friend from Arizona (Mr. Rudd).

Mr. RUDD. I thank the gentleman for yielding and compliment the gentleman in the well for making this statement and the gentleman from Minnesota for supporting it.

There is no question about what is happening here. We must find a vehicle to do something about the Budget Act itself in order to bring order out of this chaotic situation.

We cannot deal in line items with the Budget Committee, and that is what the Budget Committee is attempting to do. Line item considerations must be the prerogative of the Appropriations and Ways and Means Committees. Chaos is being created here today.

I agree with the gentleman and I hope maybe we can have some sort of vehicle, like repeal of the act itself, to bring this subject to the floor for considerations or reconsideration.

I thank the gentleman for yielding.

Mr. FRENZEL. The gentleman is correct. We have been voting in the last 48 hours for ghosts and shadows, based on moonbeams, smoke, and rainbow dust.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Florida.

□ 1320

Mr. YOUNG of Florida. I thank the gentleman for yielding.

Mr. Chairman, this may come as a surprise to the gentleman in the well, because most of our colleagues know that he and I have differed very strongly so many times over the years. But he has brought attention to a serious problem.

The CHAIRMAN. The time of the gentleman from Minnesota (Mr. Frenzel) has expired.

Mr. FRENZEL. Mr. Chairman, I ask unanimous consent that I may be allowed to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. SOLOMON. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Florida (Mr. Young).

Mr. YOUNG of Florida. I think it is important that we do air this at this point, and I regret that some of our colleagues have determined to object before the conversation is completed. I think it is important. The process that the gentleman from Wisconsin (Mr. Obey) describes is not working, and everyone knows that. When we walk in the corridors, in the Halls, in the elevators, we say to each other that it is not working. The fact is that it is not working. We have been coming to the end of our fiscal years without meeting our budgetary deadlines. We are not appropriating on time. The use of continuing has become the rule rather than the exception. The budget resolution we consider today is already past the date by which it was to be considered. We have gone months beyond our second budget resolution, which is binding. The process is just not workable and needs to be corrected. I want to again offer my compliments to the gentleman from Wisconsin (Mr. Obey) for bringing this to our attention at this time. It is something that we have all been talking about. I hope that the gentleman does not allow this effort to just fizzle out at this point. I want to offer him my assistance in attempting to work out a recommendation that we could all make, to try to get some organization and some responsible approach to how we handle the budgetary affairs of our great Nation in the future.

Mr. ROUSSELOT. Mr. Chairman, I think our colleague, the gentleman from Wisconsin, is absolutely correct. As an individual who has served previously on the Budget Committee, I do not think all Members really truly appreciate the tremendous task that is undertaken either by the members of the Budget Committee or those who try to bring this total package to the floor. I know that I have discussed our colleague's recommendation on one or two occasions. He may not have a perfect solution to the problem that obviously faces us now. But he is absolutely correct in stating that the process is not working in the way that it was originally intended, with good intention as our Budget Act was passed in 1974, and we worked diligently to bring all of these elements together under one umbrella. But I hope that my colleagues in this House will listen, as our colleague has mentioned, for the need for correcting and improving this process, because it clearly is not working.

I yield to my colleague, the chairman of the Budget Committee, Mr. Jones of Oklahoma.

Mr. JONES of Oklahoma. I thank the gentleman for yielding, and I thank my colleague in the well, the gentleman from Wisconsin (Mr. Obey).

Mr. Chairman, I firmly believe that this process has to be improved, and what the gentleman has offered us is a very good suggestion. I do not necessarily agree with all parts of it. I think it is a very sound suggestion. There are other suggestions that have to be made in reconciliation and in the whole process in making the budget resolution binding.

I think we have been going through a charade. In the years past it has not always meant that much. We have missed deadlines before. The process has been messed up. And sometimes we have lost sight that the purpose of the Budget Act itself was economic policy, setting overall economic policy, and we have lost sight of that and we have gotten buried in the process of it.

I am pleased that there is a committee, as the gentleman from Minnesota pointed out, to which he and the gentleman from Wisconsin and I, and others, belong, to look at this process, look at the Budget Act and to make recommendations. I hope that will be a central part of our attention this fall before we organize for the new Congress.

What we are doing here today is getting into line items that cannot be resolved. These amendments may constitute a statement of principle, but they cannot achieve the desired result. I would hope that all of us would turn our attention to the process and the act. I hope that we can move along here this afternoon. It is 1:30 now, and there is a gentleman who has an amendment pending. I am going to ask for unanimous consent to limit debate on the pending amendments. I think we can conclude them. We are in a different posture now. We will have to move along rather rapidly.

I commend the gentleman for taking this time, and I think it is something that we are going to do this year.

Mr. ROUSSELOT. I appreciate my colleague's comments.

Mr. Chairman, I yield to my colleague, the gentleman from Wisconsin (Mr. Obey).

Mr. OBEY. I thank the gentleman for yielding, and I thank everyone for their comments.

Mr. Chairman I would simply like to say that I believe the budget process as it exists today has been a useful transition from our former experiences to a more orderly process by which we deal with the most important issues facing this country. So we need to get on to having a budget as opposed to one more resolution.

The CHAIRMAN. The Chair is going to recognize the gentleman from California (Mr. Panetta) and then go to regular order.

Mr. PANETTA. I thank the Chairman.

Mr. Chairman, I move to strike the last words.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. PANETTA. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. WALKER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard. The gentleman from California (Mr. Panetta) is recognized for 5 minutes.

Mr. PANETTA. Mr. Chairman, I agree, obviously, with the views that have been expressed, and I think we all share the frustrations of the budget process. Unfortunately, we do not have the convenience right now of being able to change the budget process. We are in the middle of dealing with the budget resolution that is before the House. Whether we like it or not, the budget resolution that we are working on has taken on proportions that probably are beyond the original intent of the budget resolution, which was to establish general targets. But whether you like it or not, the reality is that today a budget resolution adopted by the Congress is being looked at by the investment markets, it is being looked at by the Federal Reserve, it is being looked at by the people of the United States, to determine whether we have the discipline to try to deal with the problems in our economy. It has an impact that goes out far beyond what this institution, I think, originally intended in the budget resolution. But for that reason, it is most important that we roll up our sleeves and continue to work at the budget resolution that is before the House.

I know there is a great deal of frustration about some of the amendments that have been adopted, but the reality is that not all is lost. We are going to proceed, it seems to me, to be able to vote on these amendments and these substitutes, as revised. We have the opportunity in conference to work out an agreement that will be somewhere in the middle. That is the essence of our democratic process.

So I hope that Members do not lose all hope, just because a few amendments have or have not been adopted in the democratic process. That is, after all, what this House is all about—Members having the opportunity to offer amendments and Members having the opportunity to vote on those amendments as they wish.

So we have gone through that process, and it has been good and it has been healthy. But the ultimate thing is for us not to be so discouraged that we decide we are going to do away with the entire process or we are going to do away with all of the resolutions. We have to come together on one of these substitutes, and I hope that we can pull together behind one of these substitutes to insure that the House is able to get something adopted. Ultimately, our responsibility is to the American people and to the preservation of our economy.

□ 1330

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I thank the gentleman for yielding.

I am leaving this body to go back either to a business or another political responsibility—the real world—and in the business that I still operate, we make budgets annually, but the gentleman used a word that sort of drifted in and out of his phrasing that I think is the key to the whole process.

When we make that budget in our little newspaper business it has to be realistic. We do not make up sources of money. We have to know whether we are going sell the advertising or sell the subscriptions to the paper, and if they tell me they are going to double the budget on how much they are going to take in, I know somebody has not done his homework.

If they tell me that they are going to be able to do it without cutting expenses, in these times, I know somebody is not a very good manager. I really hope that the markets that are looking at what we are trying to do here still have some hope for the process. I must say that watching us sort of imagine how much money we can bring in in taxes, that we are not going to vote for, or how much more we can spend and still have a balanced budget, when we know that we are not going to raise the money for it, does not give you a lot of heart about the realism in this body or the fact that we have done our homework.

I must say to the Members that as I watch this process today, I do not feel too bad about leaving. I think we are going to have to get a lot more serious about what we are doing and there are people out there who are going to lose confidence not only in the system but the process that we are going through. I hope we can come up with something that is realistic. Frankly I do not see it yet.

Mr. PANETTA. If I may take back my time, I have enough confidence in this institution, having been a part of it for 6 years and having gone through some of the same depressing situations in the past, whether it is this resolution or other bills, to feel confident that Members can pull together and be responsible when it counts. I am hoping that will be the case in this situation.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. I only say to the gentleman from Ohio, I agree totally with the gentleman that whatever we do should be realistic and should be believable and credible. That was a major problem that occurred last year and occurred to different degrees in previous years.

The CHAIRMAN. The time of the gentleman from California (Mr. PANETTA) has expired.

Mr. BROWN of Ohio. Mr. Chairman, I ask unanimous consent that the gentleman from California (Mr. PANETTA) be allowed to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio.

Mr. WEISS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

AMENDMENT OFFERED BY MR. HEFNER TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OKLAHOMA

Mr. HEFNER. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. JONES).

The CHAIRMAN. This is amendment No. 24?

Mr. HEFNER. Yes, Mr. Chairman.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. HEFNER to the amendment in the nature of a substitute offered by Mr. JONES of Oklahoma: To the matter concerning function 700, veterans' benefits and services:

Increase budget authority by $300,000,000 in fiscal year 1983, by $500,000,000 in fiscal year 1984, and by $700,000,000 in fiscal year 1985;

Increase outlays by $250,000,000 in fiscal year 1983, by $350,000,000 in fiscal year 1984, and by $600,000,000 in fiscal year 1985;

Increase the aggregate budget authority level by $300,000,000 in fiscal year 1983, by $500,000,000 in fiscal year 1984, and by $700,000,000 in fiscal year 1985;

Increase the aggregate outlay level by $250,000,000 in fiscal year 1983, by $350,000,000 in fiscal year 1984, and by $600,000,000 in fiscal year 1985;

Increase the deficit by $250,000,000 in fiscal year 1983; by $350,000,000 in fiscal year 1984, and by $600,000,000 in fiscal year 1985.

Mr. HEFNER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

Mr. CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. WALKER. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk concluded the reading of the amendment.

Mr. HEFNER. Mr. Chairman, I rise today to offer an amendment to House Concurrent Resolution 345 and more specifically to function 700 of that resolution, veterans' benefits and services. This amendment was printed in the CONGRESSIONAL RECORD as ordered and has the effect of adding $300 million in budget authority and $250 million in outlays to function 700 totals in fiscal year 1983. Similar increases are requested in 1984 and 1985 and those figures were also printed in the CONGRESSIONAL RECORD.

Mr. Chairman, when I was elected to Congress in 1974, I took a seat on the Veterans' Affairs Committee. Since that time, I have remained very interested and active in matters pertaining to our veterans and share with them an abiding concern for the defense structure of this Nation and the men and women who serve in it. There is to my mind no greater sacrifice than to lay down one's life for the defense of your country and to those who risked death, endured hardship and deprivation, we as a nation owe a great debt.

One way we as a people pay this debt is to compensate veterans for disabilities they incur as a result of their service to the Nation. I was very pleased that as a result of an amendment adopted within our Budget Committee, all service-connected disabled veterans will receive their full cost-of-living increase in their compensation this fall.

However, another way in which we pay this debt is to maintain the finest system of medical care for our veterans and their dependents. Our VA hospitals' outpatient clinics, research facilities, manpower training, and so forth, are among the best in the world. It takes only simple commonsense to realize that medical care is even more important now in 1982 as the veterans of World War II and Korea reach the age at which time they begin to have increasing physical problems and as we learn more about the special needs of our Vietnam-era soldiers. To cut back on our efforts in this area at this time would be a disaster.

Estimates from experts within the Veterans' Administration and such reputable organizations as the VFW, the DAV, Amvets, and so forth, indicate that failure to pass this amendment could result in the closure of wards in some hospitals and complete hospital closings in some parts of the country. As many as 13,000 employees could join the ranks of the unemployed and anyone who has visited a VA hospital recently knows well that this is a loss we can ill afford. The number of patients treated in VA hospitals is projected to rise by about 5,300 and outpatient visits will increase by 92,000. Operating beds in nursing homes will be about 9,600, up from 1982.

The need to serve these veterans is well known to many of us who have worked with veterans' organizations over the years and was recognized by the administration in their budget request of this year. My amendment will bring our budget effort for medical programs to that requested by the administration and has the endorsement of the Veterans' Affairs Committee. I urge my colleagues to join in supporting this amendment.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. HEFNER. I yield to the chairman of the committee, the gentleman form Oklahoma (Mr. JONES).

Mr. JONES of Oklahoma. I thank the gentleman for yielding. I have discussed this with the ranking minority member, the gentleman from Ohio (Mr. LATTA) and he indicated to me he would accept the amendment. We would accept the amendment. I was going to ask unanimous consent to limit the debate to 5 minutes which the gentleman from Ohio (Mr. LATTA) had already agreed to.

Ms. FIEDLER. Mr. Chairman, will the gentleman yield?

Mr. HEFNER. I yield to the gentlewoman from California.

Ms. FIEDLER. I thank the gentleman for yielding.

The minority would be happy to accept this amendment and I would like to offer my commendation to the maker of the motion.

Mr. WALKER. I object.

The CHAIRMAN pro tempore (Mr. BEILENSON). Objection is heard.

Mr. HEFNER. I am certainly agreeable to speeding this process along and I would comment this is a very important amendment and something that is very needed to our medical facilities throughout this country, and I appreciate the minority accepting this and working with us and I have a couple of requests for time and we are certainly going to stay within those time constraints.

Mr. Chairman, I yield to the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Chairman, I thank the gentleman from North Carolina for yielding and I appreciate the initiative he has taken in offering this amendment. I rise in support of the amendment.

As a veteran and as the elected Representative of thousands of veterans, I rise in support of the amendment offered by my colleague from North Carolina (Mr. HEFNER) to increase the funding level which may be appropriated for keeping our national commitment to serve the medical needs of the men and women veterans who have responded to our Nation's need for a strong national defense system.

We have heard reference to the "truly needy" veterans are the "truly deserving." There are more than 28.5 million men and women across the Nation who have answered the call to service in the defense of their own national freedoms and those of the other 83.2 percent of our American citizens. Of these men and women who have earned the right and honor to be known as veterans 2.3 million have suffered service-connected disabilities.

The people of our Nation not only owe a debt of gratitude to the men and women who have served in the military services, we owe a special debt to those men and women whose membership in the military forces resulted in their having a continuing need for medical services.

It is my understanding that should we fail to allow for the appropriation of the additional $300 million for medical services which this proposal before us would make possible, the result would be the turning away from Veterans' Administration hospitals across the Nation of literally thousands of veterans.

We as a nation have a responsibility to make good on the commitment that we made to our veterans of military service. Studies show that our veteran population is growing older and as this happens their needs for medical services increases. It would be a breach of faith for us to fail to respond in an adequate and effective way to these needs.

Therefore, I urge my colleagues to join in our efforts to honor our commitment to our veterans and to vote for the passage of this amendment allowing the appropriation of urgently needed funds to help insure that the doors to veterans health care are not closed to those in need of it and to insure that health care personnel required for providing these services are nor further diminished.

Mr. HEFNER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from North Carolina?

Mr. WALKER. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. MOTTL. Mr. Chairman, will the gentleman yield?

Mr. HEFNER. I yield to the gentleman from Ohio, who is chairman of the subcommittee.

Mr. MOTTL. I thank the gentleman for yielding.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio.

Mr. WALKER. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. MOTTL. Mr. Chairman, I rise to support the amendment offered by the gentleman from North Carolina (Mr. HEFNER). I must say that the gentleman understands the veterans health care system and knows that a devastating budgetary action would spell the end to this outstanding program that has contributed so much to veterans and the Nation.

I regret that the Budget Committee recommended freezing these programs at the fiscal year 1982 level, and I want all of my colleagues to fully understand what will occur if we accept function 700 as it is proposed by the Budget Committee.

First, if we enact the Budget Committee's proposal, it would require a reduction of over 13,000 employees throughout the system. The staff-to-patient ratio in the VA health care delivery system is already ridiculously low—about 2.2 employees per patient as compared to 4 to 6 employees per patient in the private sector.

Second, it would force the VA to close at least 4,200 hospital beds—maybe even a much larger number—in order to come within the constraints the budget resolution would place on the system. Just how many hospitals would have to be closed to meet this reduction is hard to say at this time. I can advise you, however, that the number would be large—very large.

Third, it would cancel new construction projects scheduled for activation in fiscal year 1983. This includes replacement hospitals and urgently needed nursing home care units. There are 76 such construction projects which are located in 56 VA medical facilities throughout the country. A concurrent reduction of an additional 1,200 employees would be required.

Fourth, thousands of sick and disabled veteran patients, as well as VA employees will have to be relocated. The cost of relocating these individuals will have to be borne by the medical programs. I am sure all of you can visualize the inconvenience to the patients and their families, to say nothing of the anxiety they will all experience.

Fifth, there will be a drastic reduction in the provision of outpatient care to eligible veterans. This will adversely affect the Vietnam era veterans and those veterans who are 65 years of age and older who have no alternative for obtaining essential medical care, drugs, and medications.

Veterans benefits, especially the medical program, are just as essential to our national defense as a new weapons system. This is the price our people must pay if we are to continue to depend on our young men and women to serve in the Armed Forces, particularly in time of war or national emergency.

Members can be sure that if the veterans medical program is frozen at the fiscal year 1982 level of funding, the cutbacks I have outlined will occur. Most, if not all, VA medical centers will be adversely affected.

My fellow colleagues, we are not just talking about dollars spent. We are talking about men and women who depend upon the VA for their medical care. They have no other place to turn. Can we turn our backs on the sick and disabled, especially on those who now suffer because they fought to preserve our freedom? Colleagues, now more than any other time in our history, we are faced with the choice of accepting or rejecting the credo of Abraham Lincoln, "To care for him who shall have borne the battle and for his widow, and his orphan."

I urge adoption of the amendment.

Mr. JONES of Oklahoma. Mr. Chairman, a point of order.

The CHAIRMAN pro tempore. The gentleman will state his point of order.

Mr. JONES of Oklahoma. Mr. Chairman, I believe at the beginning of the debate I asked unanimous consent that all Members be able to revise and extend their remarks, so there is no need to ask or to object.

The CHAIRMAN pro tempore. The Chair thanks the gentleman for making that comment.

Mrs. HECKLER. Mr. Chairman, will the gentleman yield?

Mr. HEFNER. Mr. Chairman, I yield to the gentlewoman from Massachusetts.

Mrs. HECKLER. I congratulate the gentleman on this amendment which I strongly support. I feel without this amendment that the quality of medical care in the veterans' hospital system will deteriorate to the detriment of the best interests of the veterans of this country. The amendment adds $300 million in budget authority fiscal year 1983, $500 million in fiscal year 1984 and $700 million in fiscal year 1985. Outlays would be increased $250 million in fiscal year 1983, $500 million in fiscal year 1984 and $600 million in fiscal year 1985.

These increases are considerable but not enormous when considered against the base provided in the budget resolution, $24.1 billion for budget authority and $23.4 billion for outlay. The highest percentage of increase falls well below 4 percent. That is a small margin of increase, but it is an essential margin if veterans hospitals are to provide the quality of service and care that has been their hallmark for so many years.

The demands on the hospital system administered by the Veterans' Administration are great and growing greater. World War II veterans, the largest group in America today, have an average age of 63, and can be expected to make greater demands on the system. We must anticipate those demands and prepare to meet them effectively. Recognizing that, I strongly support the gentleman's amendment.

We cannot be content to honor veterans just on Memorial Day. We should honor them with our votes and actions.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. HEFNER. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, I rise in support of the gentleman's amendment.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield?

Mr. HEFNER. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Chairman, I want to compliment my colleague, the distinguished gentleman from North Carolina, Bill Hefner, for offering this amendment to add $300 million to the budget reported by the committee for veterans' health care programs. The gentleman from North Carolina served for a number of years as a member of the Committee on Veterans' Affairs, and no one in this Chamber is more dedicated to helping our veterans. We are fortunate to have him as a member of the Committee on the Budget.

Mr. Chairman, as the gentleman from North Carolina has already stated, the amount being added by the Hefner amendment will provide the level of funding requested by the President for fiscal year 1983. It does not attempt to add money for construction, general operating expenses or any other subfunction.

The amendment offered by the gentleman from North Carolina is reasonable in every sense of the word and should be adopted. The adoption of the amendment will assure our Nation's veterans, especially those with service-connected disabilities, that they can rely on the Veterans' Administration hospital system for their health care and that medical care and services will continue to be provided at the high level to which they are accustomed. Congress has established a high standard of health care for veterans, and the adoption of this amendment will assure that this standard of health care shall continue in the future.

I hope every Member of this House will join me in supporting this amendment.

● Mr. ROBERTS of South Dakota. Mr. Chairman, I rise in support of the Hefner amendment to restore adquate funding levels for the veterans medical programs.

It is my understanding that the committee budget for fiscal year 1983 recommended $23.4 billion in outlays, $1 billion less than the President had originally recommended, $700 million less than the current fiscal year and 3 percent of the Federal budget, the least it has been in recent history.

The message contained in the committee request weakens the very defense of our Nation. How can we ask our young men and women to serve their country, offer their lives for America, to fight for freedom, when we show them that we might not wish to honor their sacrifice in the future?

I have met at length with veterans in my State. Their concern is that the medical facilities provided by the Veterans' Administration will be closed in light of this tremendous cut. The Hefner amendment restores $267 million to the Veterans' Administration medical care account, and while it is not all I feel America's veterans deserve, it will keep necessary facilities open, and necessary medical care programs will remain available to our disabled veterans.

Freezing the Veterans Administration medical account at the current low levels over a 3-year period would do irreparable damage to Veterans' Administration hospitals across the Nation. For that reason, I strongly support the Hefner amendment.●

● Mr. MATTOX. Mr. Chairman, I rise in favor of the amendment offered by my good friend and Budget Committee colleague, Bill Hefner.

It is my understanding that the level of funding for Veterans' Administration health care programs in the resolution we have before us would require the VA to close down services and turn away untold numbers of veterans from its hospitals and clinics. According to one estimate, the VA would have to reduce medical care employees by more than 13,000 from the current base employment levels.

Rather than forcing such drastic actions and dealing such a crippling blow to the VA medical system, I urge my colleagues to join me in supporting the Hefner amendment, which restores some $300 million to the program, bringing its funding up to the amount originally proposed for medical care.

In just a few days, Mr. Chairman, this Nation will pause to reflect on the sacrifices of those Americans who have laid down their lives in battle. We can honor their memory today by assuring that their surviving comrades in arms continue receiving the medical care that they earned.●

● Mr. MOFFETT. Mr. Chairman, I would like to take a moment to voice my support for the Hefner amendment which would restore funding for Veterans' Administration medical care. This amendment represents an increase of about 7 percent over current year funding for medical care, in order to keep pace with inflation. I believe that the amendment is a sound and fair one, and should send the right message to our Nation's veterans—that we will not abandon our commitment to insuring that their health needs are met, and their well-being protected.

I have stressed repeatedly the importance of an economic game plan that contains a sense of vision for the future. We must look beyond the immediate, the here and now, to focus on the Nation's future economic and social needs. We must recognize the fact that our World War II veterans are approaching an age when their health care needs are particularly pressing. We still have a long way to go to adequately provide health care services for the special needs of Vietnam veterans. We must look ahead to the needs of aging Korean war veterans. If we are to address the needs of all these veterans, we must prepare now for sound VA medical care.

American war veterans, brave men and women, interrupted their lives to serve the Nation. We remember the countless veterans who died in this service, protecting the ideals upon which America was founded—freedom, justice, and equality. We cannot forget or turn out backs on present day veterans. We owe them a very large debt of gratitude. We can discharge that debt by remembering them today, tomorrow, and every day and insuring that their needs are met. Right now, we have a golden opportunity to make good on our debt—we can support a Federal budget plan that provides adequate veterans health, pension, and compensation assistance.

While discharging our responsibility to present day veterans, we will also be sending a positive message to those who are currently in the armed services or who are contemplating enlistment. That message is, "We will not forget your sacrifice."

The Hefner amendment asks no more than VA medical care respond adequately to the needs of American veterans. The veterans organizations I have heard from are not asking for special treatment nor benefits greater then they believe they deserve. Theodore Roosevelt once said, "A man who is good enough to shed his blood for his country is good enough to be given a square deal afterwards."

Providing responsible health care for our veterans, both male and female, is a square deal we must all uphold.●

Mr. HEFNER. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from North Carolina (Mr. HEFNER) to the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. JONES).

The amendment to the Jones amendment in the nature of a substitute was agreed to.

The CHAIRMAN pro tempore. Does the gentleman from North Carolina desire to offer his amendment to any of the others? Does any other Member desire to offer an amendment?

Mr. FORD of Michigan. Mr. Chairman, at the time that I printed the amendments that we have now reached in the RECORD I did not know of the intention of the gentleman from New York (Mr. DOWNEY) to introduce his amendment.

Since the amendment of the gentleman from New York (Mr. DOWNEY) in a single amendment covers all of the subject matter of my amendment, plus the military pensions, I would like to withdraw my amendments at this point and urge the support of the Downey amendment which will be presented at a later time.

AMENDMENTS OFFERED BY MR. HOYER TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA, THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ASPIN, AND THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OKLAHOMA

Mr. HOYER. Pursuant to the rule, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA), to the amendment in the nature of a substitute offered by the gentleman from Wisconsin (Mr. ASPIN), and the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. JONES).

I think, Mr. Chairman, it would expedite the proceedings if we offer the amendment to all three.

Mr. Chairman, for the purpose of explanation I have had printed in the RECORD 12 amendments. Those amendments were presented, however, when I was not sure exactly what the status of each of the substitutes was going to be. There are effectively now but two amendments, Mr. Chairman.

The amendment I now offer is amendment No. 32, which is to raise Federal employees civilian salaries, both in the Defense Department and in the civilian sector, to 7 percent from the 4 percent proposals incorporated in each of the substitutes.

The CHAIRMAN pro tempore. Does the gentleman ask unanimous consent that his amendments be offered en bloc with the three substitutes?

Mr. HOYER. I do, Mr. Chairman.

The CHAIRMAN pro tempore. And one vote?

Mr. HOYER. That is correct, Mr. Chairman.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Maryland (Mr. HOYER)?

Mr. WALKER. Mr. Chairman, reserving the right to object, do I understand that what the gentleman is doing is offering the same amendment to all three of the substitutes?

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Maryland.

Mr. HOYER. Yes, at one time.

□ 1340

The CHAIRMAN pro tempore (Mr. BEILENSON). Is there objection to the request of the gentleman from Maryland?

Mr. WALKER. Mr. Chairman, reserving the right to object, I am not interested in delaying the proceedings, but I have been objecting to make a point and that is that we create a problem when we start fooling around with the rules. We need to realize that the business of the House is helped by an adherence to the rules.

I think that should be true throughout this process and I am disappointed that in my opinion it has not always been true of the process here today.

I am going to stop objecting and allow this process to go forward, because I think it would be wrong to continue to delay the House by making the gentleman offer his amendment to all three substitutes; but I would hope that we recognize that the rules here are for purpose and that is to obey them so that the process can move forward.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Maryland (Mr. HOYER)?

There was no objection.

The CHAIRMAN pro tempore. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. HOYER to the amendment in the nature of a substitute offered by Mr. LATTA, the amendment in the nature of a substitute offered by Mr. JONES of Oklahoma, and the amendment in the nature of a substitute offered by Mr. ASPIN:

In the matter relating to the level of total new budget authority for fiscal year 1983, increase the amount by $1,146,000,000.

In the matter relating to the level of total budget outlays for fiscal year 1983, increase the amount by $1,153,000,000.

In the matter relating to the amount of the deficit in the budget for fiscal year 1983, increase the amount by $1,153,000,000.

In the matter relating to new budget authority for functional category 050 for fiscal year 1983, increase the amount by $459,000,000.

In the matter relating to budget outlays for functional category 050 for fiscal year 1983, increase the amount by $445,000,000.

In the matter relating to new budget authority for functional category 920 for fiscal year 1983, increase the amount by $687,000,000.

In the matter relating to budget outlays for functional category 920 for fiscal year 1983, increase the amount by $708,000,000.

In the matter relating to the level of total new budget authority for fiscal year 1984, increase the amount by $1,677,000,000.

In the matter relating to the level of total new budget authority for fiscal year 1985, increase the amount by $1,751,000,000.

In the matter relating to the level of total budget outlays for fiscal year 1984, increase the amount by $1,706,000,000.

In the matter relating to the level of total budget outlays for fiscal year 1985, increase the amount by $1,819,000,000.

In the matter relating to the amount of the deficit in the budget for fiscal year 1984, increase the amount by $1,706,000,000.

In the matter relating to the amount of the deficit in the budget for fiscal year 1985, increase the amount by $1,819,000,000.

In the matter relating to new budget authority for functional category 050 for fiscal year 1984, increase the amount by $752,000,000.

In the matter relating to budget outlays for functional category 050 for fiscal year 1984, increase the amount by $743,000,000.

In the matter relating to new budget authority for functional category 050 for fiscal year 1985, increase the amount by $789,000,000.

In the matter relating to budget outlays for functional category 050 for fiscal year 1985, increase the amount by $788,000,000.

In the matter relating to new budget authority for functional category 920 for fiscal year 1984, increase the amount by $925,000,000.

In the matter relating to budget outlays for functional category 920 for fiscal year 1984, increase the amount by $963,000,000.

In the matter relating to new budget authority for functional category 920 for fiscal year 1985, increase the amount of $962,000,000.

In the matter relating to budget outlays for functional category 920 for fiscal year 1985, increase the amount by $1,031,000,000.

Mr. HOYER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read, and that it be considered as read for all the amendments, and printed in the Record.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. HOYER. Mr. Chairman, for the last week, we in this House have been debating and deciding on the funding levels for programs run by the Federal Government. It is now time to talk about the funding levels for the people who run those programs.

I have offered what are essentially two amendments on employee pay. One calls for a 7-percent pay hike, the other for a 5-percent pay hike. I have done so because the budgets we see here today fall woefully short in providing a fair day's pay for a fair day's work within the Federal Government.

There are some very serious morale and productivity problems in the Federal work force today—problems that could have long-term and irreversible effects upon the operations of the Federal Government. The problems have come from one very simple source—that is we have created a situation in which the incentive for talented, efficient, and productive individuals to remain in the civil service is almost nonexistant.

Let me talk a minute about incentives.

This administration has placed great emphasis on incentives and rightfully so—incentives are the very bedrock of our capitalistic democracy. But pay and benefit incentives for Federal employees have been decreasing since 1978, and were severely eroded in 1981.

This Congress enacted a comparability in Federal Pay Act, a New Year's Eve present in 1970. The intent of the statute was to compensate Federal employees at a level comparable—that is on an equal level with—their counterparts in the private sector. That law, unfortunately, has been circumvented since 1978.

In 1978, comparability law dictated that Federal employees get a 8.4-percent raise. Employees got a 5.5-percent increase. In 1979, comparability called for a 10.3-percent raise, employees got 7 percent. In 1980, comparability was 12.6 percent; employees received 9.1 percent. And again, in 1981, comparability would have meant that our Federal workers should have received a 15.1-percent increase just to stay even with the salaries offered in the private sector. They got a 4.8-percent raise—a raise that later came to nothing because of benefit cuts in other areas.

This year comparability calls for anywhere from a 16-percent to an 18-percent raise. Again, this is not to bring them up to the levels of corporate executives, or movie moguls, but just to bring them up to the same levels that their counterparts get in the private sector—secretaries, file clerks, programers, managers, and professionals.

What we are talking about here is fairness, and fair pay for the workers who implement the programs that we create here in this body.

I will go back a moment to incentives. The Reagan administration offered a 4.8-percent pay raise for 1982 because, and I quote, "Federal employee job security and benefits are superior to those found in the private sector."

Immediately after receiving their 4.8-percent pay increase, they received the news that their health benefits were going to be reduced by 6.5 percent, their premiums were going to increase an average of 31 percent and their health deductibles would rise up to 150 percent.

When I asked executives of Blue Cross/Blue Shield and Aetna Life Insurance Cos. if Federal employees have health benefits comparable to employees in the private sector, they replied:

> They may have been comparable before these benefit cuts and premium increases, but they are certainly below private sector benefit levels now.

The notion that Federal employees were secure in their jobs disappeared after thousands of Federal employees were fired in reductions in force. And any pay increase left over after these actions will probably be eaten up by the loss in pay workers face because of the furloughs now being implemented across the board.

Incentives. Where are they in the Federal Government?

Where are the incentives for a cost cutter, a hard worker, a creative, productive, and efficient individual—and we need them in the Federal Government—where is the incentive for that kind of worker to stay in the Federal Government?

Are there any incentives in a zero-percent pay increase, as advocated by the Senate? Are there any incentives in a 4-percent pay raise as suggested by each of the substitutes? I suggest not, since 4 percent will not even put employees back where they should have been last year.

The 7-percent pay raise in my amendment will still not bring Federal employees in line with their private sector counterparts. But it is a step.

The 5-percent pay hike represents the figure that the President recommended in his budget message. It should be regarded as the absolute minimum pay increase acceptable for the Federal work force.

How can we tell the people who work for us that they must settle for less than that offered by the President? It would be reneging on our responsibility to insure efficient, cost-conscious and responsive Government.

This year, civil servants should be entitled to anywhere from 16 to 18 percent in order to achieve comparability. That is not going to happen and we all know it. However, the House should emerge with a budget that contains, at the very least, the 5-percent figure offered by the President. To do less will invite a massive flight of our brightest, our most talented, our most capable employees. With the economic challenges facing this Nation, we cannot afford to lose these individuals.

There has been much discussion among my colleagues that other segments of the work force are suffering—then, why should not the Federal workers? My answer is that not only do Federal workers suffer under the same monetary constraints, such as high interest rates, and a depressed economy, as others do, but they also suffer under the cuts in Government programs and have become easy scapegoats for cost-cutting measures.

It is true that others in the labor pool are suffering. But Federal employees have fallen to the bottom of that pool. For instance, the loss in buying power among the work force in general averages $4.77 per week. Federal employee buying power has fallen by $8.46 per week. That loss in buying power is worse than that experienced by auto workers and construction workers who are among the hardest hit in the private sector.

Even if we enact the 7-percent pay amendment, Federal employees will still average less take-home pay than brewery workers, aircraft mechanics, auto workers, metal can workers, and a host of other employee groups.

If the House passes the 5-percent amendment, Federal employees will receive an average of $22 more per week. That $22 will help in recovering some of the losses incurred during the past years. And there have been many—the loss of the twice a year cost-of-living adjustment for Federal retirees, the drastic changes proposed for Federal employees who are injured on the job, the proposal to add a new medicare tax onto Federal employees. This has had the effect of devastating our work force.

Talk about incentives—there are not any.

The Government has a certain responsibility to meet—a responsibility to see that the programs it funds are run fairly, efficiently, and economically. If we want to cut programs, let us cut them. If we want to cut Government in half—then do it. But make sure that what is left is running properly. And to keep it running properly, we need a fairly compensated, talented personnel force. Federal employee pay should not be treated like a Government program, but as a line item.

Mr. Chairman, we are on our way to Government managed by the mediocre, untalented, and uninventive. Only this Congress can stop the brain drain.

Incentives. That is what we all operate on. That is what this amendment is all about. We must demand creativity, production, efficiency, and dedication from our employees. It is impossible to ask this of them, or to expect it, unless they are compensated fairly.

The **CHAIRMAN** pro tempore. The time of the gentleman from Maryland has expired.

(By unanimous consent, Mr. HOYER was allowed to proceed for an additional 5 minutes.)

□ 1350

Mrs. **SCHROEDER**. Mr. Chairman, will the gentleman yield to me?

Mr. **HOYER**. I yield to the gentlewoman from Colorado.

Mrs. **SCHROEDER**. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Maryland (Mr. HOYER) to the budget resolution.

While the Hoyer amendment would provide Federal employees with substantially less than half of the pay comparability adjustment to which they are entitled under law, it is a good deal better than provided by the resolutions before us. Further, it provides the military with the same adjustment.

Although the Hoyer amendment falls far short of keeping Federal pay even with that of the private sector, it is a step above that provided by the resolutions before us. Both the Jones and Latta proposals provide 4 percent pay adjustment for both military and civil service. For civil servants, full comparability would require an increase of nearly 18 percent. The Hoyer amendment would provide 7 percent.

I fully believe that sacrifices have to be made and shared by all to reduce the deficit. I do not think Federal employees should be immune from these sacrifices. Unfortunately, they have borne an inordinate share of the sacrifice so far.

Far more important, however, is the effect of pay adjustments on the productivity and integrity of the Federal Government. Over the long run, if Federal pay is below that of comparable jobs in the private sector, the best people will migrate out of Federal service or will never take jobs there in the first place. Less qualified people will assume the people's work. As a result, jobs will be performed less efficiently; waste, fraud, abuse, and mismanagement will increase. And, inexorably, the cost of government to the taxpayer will increase.

While this process takes some time, Federal employee pay has been capped, and not permitted to keep pace with the private sector, for a number of years. Making Federal employment less finally attractive, together with the bigotry this administration has exhibited against civil servants, is beginning to take its toll.

It is late, but not too late, to reverse this decline. If we do not switch gears now, the efficiency and effectiveness of the Federal Government will decline and the promise of a balanced budget will fade. I urge adoption of the Hoyer amendment.

Mr. **HOYER**. I thank the gentlewoman for her comments.

Mr. **FORD** of Michigan. Mr. Chairman, will the gentleman yield?

Mr. **HOYER**. I will be glad to yield to my distinguished chairman, the gentleman from Michigan.

(On request of Mr. FORD of Michigan and by unanimous consent, Mr. HOYER was allowed to proceed for 3 additional minutes.)

Mr. **FORD** of Michigan. Mr. Chairman, I would like to associate myself with the remarks of the gentleman in the well and to observe, as the chairman of the Committee on Post Office and Civil Service, that this is the most understandable and comprehensive presentation of the real issues involved in Federal employee compensation and the background and the commitment involved in Federal pay comparability that I have ever seen presented on the floor in my 18 years here.

The gentleman from Maryland is a relatively new Member of this body, and a new member of our committee, but as has been indicated by the chairman of one of our subcommittees just before me, the gentleman from Maryland is certainly making his mark as one of the most articulate and effective spokespersons for a rational policy with respect to Federal employees and their service to the American people.

I do hope the gentleman succeeds with his amendment, because we have an opportunity here to set the record straight, as you are doing, and have this Congress do the right thing for a change toward Federal employees.

Mr. **HOYER**. I thank the gentleman for his gracious remarks.

Mr. **BARNES**. Mr. Chairman, will the gentleman yield?

Mr. **HOYER**. I yield to the gentleman from Maryland.

Mr. **BARNES**. I thank the gentleman for yielding.

Mr. Chairman, I am very pleased to join my friend from Maryland in supporting this amendment. As the gentleman knows, I chair the Federal Government Service Task Force, which is a group of Members on both sides of the aisle in the House and on both sides of the aisle in the Senate that has been working on the problems of our Federal military and civilian employees.

One of the biggest issues that our military personnel and our civilian personnel face is the ability to attain for themselves and for their families a dignified lifestyle when the Congress continually fails to provide adequate compensation for their services.

Let me simply make one point on this. I met this past weekend with a large group of military personnel who serve the Defense Establishment of the United States and who provide the service that every American asks and expects them to provide for us. The most important point that they made—and this was a very large group of military personnel on active duty in the United States—was that increasingly, nobody wants to make a career out of military service because they know that the Congress is not going to provide adequate compensation for them.

The military personnel in the United States have learned that Congress is not prepared to assure them that they are going to be provided adequate pay for the service they are providing.

Those key midlevel NCO's and those key midlevel officers in the American military are leaving. They cannot afford to stay in. They are getting out. We are losing our best people. We need top personnel to maintain the kind of Defense Establishment that we must have.

It is crucial that we pass the amendment that is being offered in order to maintain the kind of defense that the United States wants. If my colleagues do not believe me, just talk to the military personnel from your districts. They will confirm the importance of what we are trying to do this afternoon.

I commend the gentleman for offering the amendment. I am very pleased to join him in support of it and I urge our colleagues, if for no other reason than to maintain the defense of the United States, to support what we voted for last year when Gramm-Latta was adopted, to support what President Reagan urged us to do last year. It is a perfectly reasonable and responsible amendment, and we ought to have a unanimous vote for it.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I would be glad to yield to the chairlady.

(On request of Ms. OAKAR and by unanimous consent, Mr. HOYER was allowed to proceed for 5 additional minutes.)

Ms. OAKAR. Mr. Chairman, I want to commend the gentleman for his very excellent and comprehensive treatment of this issue.

Mr. Chairman, I rise in strong support of the amendment to provide a 5-percent pay raise for Federal employees in fiscal year 1983. What this amendment tries to do is to reaffirm a commitment to the principle of pay comparability as the basis on which Federal pay is determined in comparison with the private sector. The Federal Pay Comparability Act of 1970 was passed precisely to establish a standard whereby Federal pay would be set on a level equal to that of a private sector employee doing comparable work. Unfortunately, in at least 6 of the last 10 years, since passage of the act, pay comparability has been honored more in the breach than in the observance.

A 4-percent cap on Federal pay would only aggravate the disparity that now exists between Federal employee and private sector pay and further penalize Federal workers who have been singled out time and again as easy targets for discriminatory budget cuts. If we were to observe the principle of pay comparability, the pay raise for Federal employees in fiscal year 1983 should be 18.6 percent—and this figure does not include the $5 billion cut in pay and benefits imposed on Federal employees last year. Approving the 4-percent pay freeze would merely allow Federal employee pay to fall farther behind private sector pay and the Consumer Price Index.

The General Accounting Office has done a study that shows the CPI increasing 57.4 percent in the last 6 years, while Federal pay has increased only 39 percent—a gap of more than 18 percent. Moreover, the GAO found that from 1970 to 1980, the CPI increased 113 percent while Federal pay increased just 72 percent. What these figures plainly suggest is that Federal employees have, in fact, been the only group of employees under de facto wage controls—at the same time that other workers were being granted cost-of-living adjustments to keep pace with inflation.

Although the Federal Pay Comparability Act of 1970 sought to equate Federal salaries with those of comparable private sector counterparts, Presidentially imposed caps on the annual adjustment have kept increases in Federal pay artificially low in each of the past 4 years and 6 of the last 8. One deplorable result of these artificial pay limitations has been the pervasive and serious breakdown in employee morale and the exodus from Government service of thousands of highly qualified and dedicated career servants who have taken better-paying jobs in the private sector or who have chosen early retirement.

In fact, employee morale within the Federal Government has reached an all-time low, what with pay caps, benefit cuts, reductions in force, and furloughs. Recruitment and retention of competent personnel have become increasingly more difficult.

Only recently, the chairman of the Advisory Committee on Federal Pay—Mr. Jerome Rosow—has warned that, quote, "the quality of Government administration is almost certain to suffer if the gap between civil service pay and private sector pay continues to widen." Implicit in Mr. Rosow's warning is the very real possibility in the not too distant future that middle- and upper-level managerial positions in the Government may go begging for qualified personnel because of the continuing lag of white-collar pay scales behind the private sector.

It should be made very clear that the 4-percent pay freeze would not only weaken the morale and purchasing power of Federal employees but also would have little real impact on the budget itself.

The House budget resolution assumes that civilian agencies will absorb 20 percent of the pay raise costs, so that actual savings would be less than what has been projected. Specifically, with a 20-percent absorption rate by the agencies, actual outlay savings with a 4-percent cap in fiscal year 1983 would be $1.6 billion instead of $1.45 billion—a difference of $334 million. In fact, CBO estimates that the actual absorption rate has been 40 percent each year for the last 10 years. Therefore, it would seem logical to award the pay increase in the knowledge that 40 percent of the raise will be absorbed by agencies.

Mr. Chairman, I would urge my colleagues to support this amendment in order to restore a measure of fairness and fair play to a badly demoralized Federal work force that has served this Government faithfully and efficiently but has been compelled to incur discriminatory cuts in pay and benefits each time the battle of the budget is fought.

Mr. PARRIS. Mr. Chairman, will the gentleman yield to me?

Mr. HOYER. I yield to the gentleman from Virginia.

Mr. PARRIS. I appreciate the gentleman yielding to me.

As vice president of the Federal Government Services Task Force, I rise in strong support of the gentleman's amendment.

This amendment would increase the pay adjustment from 4 percent to 5 percent for Federal employees. Quite simply, this amendment would place the Federal pay ceiling at 5 percent as originally recommended by the President rather than the 4 percent contained in the various budget proposals.

Last year, the President's own pay advisors stated that Federal workers would need a 15.1-percent pay increase to be comparable with their counterparts in the private sector. In spite of this recommendation, Federal employees only received a 4.8-percent cost-of-living increase.

To make matters worse, drastic changes have been made in the Federal employee health benefits program. Benefits have been reduced significantly while the premiums have been increased. For over 5 months, employees and their families were locked into their health insurance plans without any opportunity to switch plans or make changes in their plans. Last year's 4.8 percent increase did not come close to making up for the changes made in the health benefits.

In addition, a great number of Federal workers have had their incomes reduced significantly because reductions in agency budgets have made it necessary to implement furloughs.

When all these factors are considered in light of the reduction-in-force process, it is easy to see why morale among Federal employees is at an all time low. Congress has failed to recognize the seriousness of this situation and the adverse impact these actions might have on productivity.

While a 5-percent cost-of-living increase is still less than is required to bring Federal workers up to where they should be, I believe it is a positive signal to these people that they have our support. These amendments are critical. If we are going to be able to attract and retain qualified individuals to serve in Government, we must insure that they receive adequate compensation. I hope my colleagues will join in supporting this amendment.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I rise in support of the amendment offered by my colleague, the gentleman from Maryland (Mr. HOYER) increasing the pay adjustment for Federal employees from the proposed 4 percent to 7 percent.

As the gentleman has indicated, pay increases for Federal employees in past years has fallen far short of what they would have been provided by current pay comparability statutes. The gentleman has pointed out that his amendment does not provide for full comparability. The amendment does recognize, however, that the loss of high caliber Federal employees needed for efficient Government may result from continued pay raise caps.

Accordingly, I urge my colleagues to support the Hoyer amendment.

Mr. HOYER. I thank the gentleman.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I rise in support of this amendment to provide a more adequate compensation increase for Federal employees while still recognizing budget constraints.

As we all know, Federal employees have had their pay adjustments artificially capped below comparability standards for each of the last 5 years. The result is that today, in order to return to comparability levels, pay increases on the order of 18 percent would be needed.

I strongly support the comparability principle and believe it should form the basis of a fair pay program. It is supposed to under current law. But it seems that every year we face a budget "emergency" that throws the principle aside in order to achieve an "easy" budget cut.

Certainly Federal employees should play their part in our belt tightening efforts. This amendment recognizes that fact by placing a cap on increases that will be well below true comparability requirements. But we cannot use the Federal workers as scapegoats for the serious budget problems we face. I know there is a temptation to take the easy way out in the short term. But in the long term such an action is penny wise and pound foolish.

For all practical effects, Federal employees had their pay frozen last year, because an average 31 percent increase in health insurance premiums offset the 4.8 percent increase that was provided.

Federal employee morale is at an all time low. They face threatened RIF's, enforced furloughs, threats to their retirement system, and major changes in their health insurance program. We are finding it exceedingly difficult to attract and retain quality managers and skilled technicians. I know in my own area at Puget Sound Naval Shipyard the ability to perform the critical national defense tasks assigned is being severely strained.

Only the severe economic recession separates us from a total disaster. When we do not have the best managers, programs are run less efficiently. When we do not have quality technicians, productivity suffers. The overall effect substantially reduces any supposed savings calculated on wages alone, and in the long term the net impact may well add to costs.

Finally, we must recognize that the other body has voted to freeze Federal salaries. Thus any level approved by the House will likely be reduced in conference. This amendment would provide for a restrained increase in Federal employee wages that will allow us a better chance that the final budget product will at least provide some protection against inflation for Federal workers. Further, it will be a signal that this House recognizes the important role played by public servants, and believes that service deserves just rewards.

Mr. HOYER. I thank the gentleman for his comments.

Mr. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from California.

Mr. CLAUSEN. I thank the gentleman for yielding.

Mr. Chairman, I would like to take this opportunity to join with my colleagues in supporting the amendment which restores full COLA cap for Federal civilian and military employees.

Last month, I had the opportunity to meet with a cross section of Federal civil service and military retired employees in Santa Rosa, Calif. As a result of that meeting and subsequent suggestions made by this group, who agreed to serve as an Ad Hoc Committee to advise me on matters of particular interest to all Federal civil service retirees and survivors, I have reached the conclusion that the credibility of our previous commitments to these dedicated retired Federal employees is at stake. I believe that this is a matter of fairness and equity and that this principle must be carried forward in our consideration of the so-called COLA amendments before us today. I also believe that this goes straight to the issue of the integrity of the Federal Government as an employer.

In addressing the issue of fairness and equity it should be pointed out that last year approximately 60 percent of retired Federal employees received less than $10,000 per year and that these retirement programs are the only entitlement benefits subject to full Federal and State taxation. Another inequity, known as Catch-62, adversely affects military retirees upon reaching age 62. These veterans have civil service annuity automatically recomputed, omitting all credit for their military service after December 31, 1956.

I have reached the conclusion that this constitutes an unfair financial penalty on retired workers who have served in this Nation's Armed Forces and I have since joined many of my colleagues in cosponsoring corrective legislation.

As we proceed through this budget process, I have attempted to be mindful of many of these inequities in selecting the various perfecting amendments which provide the maximum amount of fairness for those most adversely affected by the budget decisions. We in the Congress must remind ourselves of what our basic and fundamental responsibilities are toward the dedicated retired Federal employee—if we do not, we stand to contribute to the already existing problem of losing our most talented, efficient, and productive Government employees. It is no wonder that Federal employee morale and productivity are becoming adversely affected. If this trend is not reversed and the Congress is not willing to address these inequities, not only with our retired Federal employees, but with those who chose to follow a career within the various jurisdictions of the Federal Government, then we must also be prepared to face the consequences of our neglect.

Mr. Chairman, I urge my colleagues to consider these inequities and join me in a firm resolve to address these issues through the various perfecting amendments under consideration.

Mr. HOYER. I thank the gentleman for his support.

Ms. FERRARO. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentlewoman from New York.

(On request of Ms. FERRARO and by unanimous consent, Mr. HOYER was allowed to proceed for 3 additional minutes.)

Ms. FERRARO. I thank the gentleman for yielding to me.

Mr. Chairman, I want to congratulate the gentleman and commend him on the work he has done on the Human Resources Subcommittee of the Committee on Post Office and Civil Service. His work has been phenomenal on behalf of the Federal employee.

Mr. Chairman, I rise in support of the Hoyer amendment. I do so because I believe that while this budget imposes sacrifices, those sacrifices must be shared, and shared fairly. Each of the budgets before us, however, asks Federal employees to bear more than their share of sacrifice.

Over the past few years, Federal employees have become the butt of abuse for everybody who is dissatisfied with any aspect of the Government, or, more generally, of the economy. If things are not going well, blame it on the Federal employee.

The Reagan administration has carried this tactic to new lengths. Furloughs, RIF's, and hiring freezes hang like a dark cloud over the Federal work force, keeping morale low and hindering agency performance.

These Reagan policies have aggravated the already serious problem of the most talented and efficient Federal employees leaving Government service. The failure of Federal pay to keep pace with private sector pay as intended by the Pay Comparability Act and the reduction in Federal employee benefits have resulted in a growing exodus, as the best people find it increasingly hard to maintain their families' standard of living on Government salaries.

The short-sightedness of this policy is especially grievous in a time when we are all trying to find ways to increase Government efficiency. Pushing your best people out is clearly not the way to achieve that end.

The Hoyer amendments will not solve all these problems by any means. But they will provide a more equitable pay raise for Federal employees than is provided in any of the budgets before us. The 5- and 7-percent increases that are being offered in this and the next amendment are less than half the raise that would be necessary to bring Federal workers up to full comparability with private sector workers.

But it is a start.

Let me reinforce the point made by the author of this amendment, that there is a basis in administration-approved documents for the Hoyer provisions. Last year's Gramm-Latta budget provided for a 7-percent pay raise this year, and the Reagan budget submitted this February provided 5 percent. Let us not back away from those commitments. Let us provide a pay raise for our Federal employees which is neither reasonable nor fair in view of how little they have gotten over the last several years in relation to inflation but which is better than that offered in the budget substitutes.

□ 1400

Ms. FERRARO. Mr. Chairman, I would just end by saying that the gentleman has done outstanding work in this measure, and I support the amendment.

Mr. HOYER. I thank the gentlewoman for her comments and for her leadership on issues involving Federal employees.

Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Virginia.

Mr. WOLF. Mr. Chairman, I rise in support of the amendment to increase Federal employee pay raises in these budget substitutes.

I urge you to take time to consider the men and women whose daily jobs fulfill the important and vital role of keeping the U.S. Government functioning.

It was a Federal employee who blocked the certification of Thalidomide in the United States. If you recall, Thalidomide was a prenatal drug used widely in Western Europe during the late 1950's and was reponsible for crippling babies through gross birth defects and deformities. Dr. Frances O. Kelsey saved us from a generation of babies crippled by this drug and Dr. Kelsey is still on staff at the Food and Drug Administration.

It was a Federal employee who first set foot on the moon. Neil Armstrong capped a 15-year career as a civil servant when he took "one small step for man, one giant step for mankind" on July 20, 1969.

It was a Federal employee who invented the heat process for meat canning.

It was a Federal employee who invented the aerosol spray can.

It was a Federal employee who invented the radio proximity fuse which allowed six Americans to hoist the American flag on Iwo Jima on February 23, 1945.

And at various times during their lives, Clara Barton, founder of the American Red Cross; Nathanial Hawthorne, author; Walt Whitman, poet; James Whistler, artist; Lillian Russell, actress; and Knute Rockne, football coach, were all civil servants.

As a Member of Congress and as a former Federal employee, I have become increasingly concerned that employees of the Federal Government have become the favorite targets of some politicians, newspaper editors, and congressional budget-cutters. I am also concerned that the Federal work force is being singled out in our budget consideration for greater sacrifice than others in our society will be called upon to make.

Congress is responsible for the Federal work force. We have legislated and ordained Federal programs, agencies, and departments and we have thus created the need for individuals to implement these policies. Only by accepting its responsibility to respect the people or positions we have created, insuring the integrity of a sound and secure structure of Federal employee benefits such as comparable pay increases, secure health benefits, cost-of-living adjustments, and so forth, can Congress insure that its mandates are carried out in the most efficient manner possible.

I believe we all agree that the size of Government must be reduced, but wielding a reckless budget ax that swings first and unfairly at the Federal employee is neither responsible nor cost effective.

At its most basic level, Government is people. No matter how much we legislate, mandate or resolve, our Government will only be as good as the quality of people we are able to attract and retain in Government service. Only by making the necessary investment in effective Government can we achieve the quality of Government we and the American people want. That investment lies in recognizing the contributions of Federal employees and showing these employees through this amendment, that we recognize the jobs they perform.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I thank the gentleman from Maryland for yielding. I was very much impressed in the cloak room just a moment ago with the very eloquent remarks of the gentleman from Maryland (Mr. BARNES) who was pointing out the problems that career individuals in the military face because they cannot be guaranteed that their pay will continue or that they can expect benefits in the future to which they were told they were going to receive.

I wonder if the gentleman from Maryland (Mr. BARNES) and the gentleman in the well (Mr. HOYER) will recall just a short while ago, that when the Oakar amendment was presented to the House it involved a rescission of $4.8 billion all taken out of the defense budget. As the gentleman from Mississippi (Mr. MONTGOMERY) pointed out, half of that rescission is going to have to come out of military pay. Yet the Members of the House who say they are concerned about military pay rushed in droves to support that reconciliation of a cut of over $2 billion in military pay. I think sometimes we do not realize in this House that we are taking away with one hand what we are presumably offering to give with the other.

Mr. HOYER. I thank the gentleman for his comments.

Mrs. HOLT. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to my colleagues from Maryland.

Mrs. HOLT. Mr. Chairman, I thank the gentleman for yielding. I rise in strong support of the amendment by the gentleman from Maryland. I certainly commend him for his effort today. I want to associate myself with his remarks.

Federal pay has been capped far below the cost of living since 1978, and I do appreciate the gentleman's efforts here today.

Over the past year we have heard much talk about being fair as we develop the Federal budget. The Federal employees have been treated unfairly for years, and we should not let it continue.

Since 1978, increases in Federal pay have been capped far below the rate of inflation. The pay increases have also been substantially less than the average in private industry.

In terms of real income, Federal workers have lost more than the national work force during years of high inflation. I believe it is wrong for this Congress to continue a policy of fixing artificially low pay caps on Federal employees.

If we want the Government to operate efficiently and with high productivity, it can not be done with a policy that causes our workers to lose income every year. Measured against the policies we have pursued in recent years, the amendment by the gentleman from Maryland is eminently reasonable.

I would remind the House that it was willing to spend handsomely and even execessively on most functions of Government in recent years, but the one place it chose to impose discipline was on the pay of Federal employees. They were singled out to carry the burden. It is time to move toward fair compensation for Federal workers.

Some opponents of this amendment have claimed that it would raise congressional pay. That is simply not true, and let us set the record straight on that matter.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from California.

Mr. FAZIO. Mr. Chairman, I would like to commend the gentleman for his excellent presentation today. From a very practical standpoint, unless we adopt the gentleman's amendment, we are going to find an entirely inadequate figure agreed to by the conferees on the budget resolution. We need to go into conference at a high level, a level that, by the way, has been agreed to by this Congress in prior years, one that we all know to be a good 10-percent less than the Federal pay comparability studies show.

If we do not go in at this level, we are going to find an inadequate 1- or 2-percent raise this year in spite of an inflation rate of 60 percent over the last 5 years.

I think every Member here, regardless of whether or not they find this figure to be totally satisfactory, should stand with the gentleman from Maryland in order to give this House the bargaining leverage that it is going to need in conference.

I once more will reiterate my great satisfaction at the very fine job this gentleman has done today to bring forth the problems that the Federal employees have had, and continue to have.

Mr. HOYER. I thank the gentleman.

The CHAIRMAN pro tempore. The time of the gentleman from Maryland has again expired.

(At the request of Mr. Dicks and by unanimous consent, Mr. Hoyer was allowed to proceed for 3 additional minutes.)

Mr. HOYER. I might observe that the gentleman from California has made a very good point. This amendment is at 7 percent; the Senate is at zero notwithstanding the recommendation of the President, Gramm-Latta II, and the Jones budget last year that the Federal employee pay raise ought to be 7 percent in fiscal year 1983.

The Senate is at zero, so if we are going to go into conference and compromise, if we compromise between 4 percent and zero, one does not need to be much of a mathematician to know that it is going to be less than 4 percent.

Mr. NELLIGAN. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Pennsylvania.

Mr. NELLIGAN. Mr. Chairman, I thank the gentleman for yielding. I rise in strong support of the gentleman's amendment. I wish to associate myself with his remarks.

I also wish to commend the gentleman for his explanation of the problems of Federal employees, something that for too long has not been understood by too many people in this body with regard to Federal employees, both military and civilian.

Mr. PHILLIP BURTON. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from California.

Mr. PHILLIP BURTON. Mr. Chairman, I would like to commend our colleague in the well, Congressman Hoyer. This is a very, very important amendment and deserves the support of all of us.

Our Federal employees should not be required to bear an unfair burden in terms of our economy. They should be dealt with equitably. It is a good amendment, and I hope it succeeds. The data makes clear that our Federal employees are dropping behind the comparability requirement provided in the Federal Pay Comparability Act.

Further, in the event this amendment is approved, I do intend to support the deletion of the congressional pay increase for this year when the matter comes up. It would be most unfair that our underpaid Federal employees be held hostage to the issue of whether or not Members of Congress deserve a pay increase.

Mr. REGULA. Mr. Chairman, will the gentleman yield for two questions?

Mr. HOYER. I yield to the gentleman from Ohio.

Mr. REGULA. No. 1, the Members of Congress are built into the step pay raise on October 1, 1982. Now, my question to the gentleman is, so that everybody understands what they are voting on, Would this increase—from 4 to 7 percent—include the Members of Congress on October 1, 1982, along with all other Federal employees?

Mr. HOYER. As I understand the previous process, that has also been true, but the Congress has taken action every year to exempt itself from the operation of that statute.

The CHAIRMAN. The time of the gentleman from Maryland has again expired.

(At the request of Mr. Regula and by unanimous consent, Mr. Hoyer was allowed to proceed for 2 additional minutes.)

Mr. HOYER. The gentleman, of course, is an expert, and I am brand new, but as I understand the process it will automatically affect congressional salaries. To that extent, Federal employee pay raises will also affect us if we do not take other action.

Mr. REGULA. I think the facts ought to be clear to all who are voting on this, because we went through this type of action last December. This increase will include the funds for the Members of this body and the other body along with Federal civilian employees effective October 1, 1982, and we will get the 7 percent if recommended by the President along with Federal employees.

My second question is, Would this be on top of step raises that the employees of the Federal Government will receive by virtue of moving up in grade, and would that be added on top of that?

Mr. HOYER. Yes; as it has been in every year that it has ever been granted.

Mr. REGULA. I thank the gentleman for yielding.

Mr. JONES of Oklahoma. Mr. Chairman, I am rising in opposition to the amendment. Before I do that, I ask unanimous consent that all debate close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

Mr. COLLINS of Texas. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. JONES of Oklahoma. Mr. Chairman, I will move that all debate close in 10 minutes.

Mr. FRENZEL. Mr. Chairman, could the gentleman wait 4 or 5 minutes?

Mr. JONES of Oklahoma. Mr. Chairman, I will withdraw the motion at this time.

I would point out that I have cleared it with the minority earlier as to a 20-minute limitation on these amendments.

Mr. FRENZEL. The minority has had no time as yet. We do not mind agreeing to limitations.

Mr. JONES of Oklahoma. Mr. Chairman, I rise in opposition to the Hoyer amendment. I commend the gentleman from Maryland for a very vigorous defense of the Federal work force. He has done an excellent job in that regard, but from the budget point of view, this amendment simply cannot pass.

What it does is to add $5 billion nearly to the deficits of the Federal budget between fiscal year 1983 and 1985.

It would increase the fiscal year 1983 pay raise for civilian employees from 4 to 7 percent, and that would cost the Government $1.2 billion. It would cost the Government in terms of having to borrow the money to add to the deficit.

The Hoyer amendment, even though it assumes the 4-percent pay raise for Federal employees in 1984 and 1985, would still add $1.7 billion to the 1984 deficit and $1.8 billion to the 1985 deficit. So, I think this amendment should be defeated merely on the grounds that this deficit, already standing in the $110 billion range, simply cannot be sustained.

□ 1410

We are not doing the Federal employees or anyone any favors by adding to the amount we have to borrow and driving up the cost of interest, and I believe that Federal employees, with a 4-percent pay increase, have a fair increase, particularly when we relate it to the general economic conditions.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. I am happy to yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I want to be sure that I understand the gentleman correctly.

Is the gentleman saying that, the way this amendment is structured, the money to pay for these increases, including the congressional pay raise that is in this package, would be borrowed from the American people at whatever the Treasury bill rate is at the present time?

Mr. JONES of Oklahoma. The gentleman is correct.

First of all, as I said before, it would add $5 billion to the deficit, $5 billion which we would have to borrow, from fiscal year 1983 through fiscal year 1985.

Second, this amendment goes only to civilian employees. The military would not receive the pay raise, and, therefore, they would have a 4-percent pay increase versus a civilian increase of 7 percent.

Mr. REGULA. Mr. Chairman, if the gentleman will yield, to be sure I understand this correctly, the gentleman is saying that the civilian force in the Federal employment would get 7 percent under this amendment but the military would only get 4 percent?

Mr. JONES of Oklahoma. The gentleman is correct.

Mr. REGULA. Mr. Chairman, if the gentleman will yield again, I do not want to be repetitious, but we are asking the children and future taxpayers and the workers of this Nation who have just negotiated contracts without pay raises and in many instances givebacks where they have given back COLA's that were already in the contracts to assume this deficit? We are going to saddle their children with the cost of this amendment in the form of a deficit?

Mr. JONES of Oklahoma. Mr. Chairman, this amendment or any amendment that adds spending at this point is going to add to the deficit. In terms of its effect on the deficit, the costs in this amendment are not any greater than in any other.

The point is that from an overall budget point of view, we simply have to draw the line sometimes. I think the committee resolution is fair, and it is responsible. It has a deficit larger than I would like, but clearly we should not go beyond that deficit.

Mr. REGULA. Mr. Chairman, will the gentleman yield further?

Mr. JONES of Oklahoma. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, the previous speaker, the gentleman from Maryland, pointed out that last year's budget resolution provided for 7 percent.

What was the assumption of inflation at the time that resolution was passed, and what is the actual inflation rate today?

Mr. JONES of Oklahoma. I cannot remember what the assumption for inflation was last year, but it was somewhere around 8 percent, I believe.

Mr. REGULA. I beg your pardon?

Mr. JONES of Oklahoma. I believe it was somewhere in the 8-percent range. The gentleman asked what the inflation rate assumption was last year when they received a 7-percent raise.

Mr. HOYER. Mr. Chairman, if the gentleman will yield, they did not receive a 7-percent increase. The President proposed a 5.5-percent increase which he said was 3 percent less than comparability. If equal comparable is somewhere in the neighborhood of 8.6 percent, the number he used, that was for comparability under the reform in order to equal the private sector income at 8.6 percent

Mr. REGULA. Mr. Chairman, if the chairman of the committee will yield further, to my recollection, when we gave the usual 7 percent, at that time the CPI was about 8.9 percent, and today the annualized rate is down in the neighborhood of 4 to 6 percent. The point I am making is that whatever projection was made in last year's resolution was predicated on an entirely different rate of inflation.

The CHAIRMAN pro tempore. The time of the gentleman from Oklahoma (Mr. Jones) has expired.

(On request of Mr. Ford of Michigan, and by unanimous consent, Mr. Jones of Oklahoma was allowed to proceed for 2 additional minutes.)

Mr. FORD of Michigan. Mr. Chairman, will the gentleman yield?

Mr JONES of Oklahoma. I yield to the gentleman from Michigan.

Mr. FORD of Michigan. Mr. Chairman, the gentleman has just illustrated what is wrong. The gentleman on the other side is talking as if what the CPI is today has something to do with what Federal employees are paid today. It is what the CPI was last year that tells us what the adjustment made this year is going to amount to.

So the adjustment provided by law is somewhere in excess of 7 percent, and the gentleman's amendment is actually below what the market would do if it was not meddled with. It actually represents a cut below what the law would provide if it were uninterrupted.

You do not on a month-to-month basis or on a day-to-day basis keep track of what inflation is. Next year this figure will come down because it will reflect this year's inflation rate. There is a lag time involved there.

The gentleman is creating, although I am sure not intentionally, the impression that somehow the gentleman's amendment exceeds what the law would have provided absent the amendment. It is below what the law will provide.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, the gentleman is not talking about the law. The law says nothing about cost-of-living increases; the law says nothing about CPI. The law says, comparability with the private sector, what private sector personnel are being paid.

The chart to which I did not refer indicates that many workers have received a plus factor while the purchasing power of the Federal worker has gone down $8.45 since February 1981, the past year.

CPI is not a factor here. Comparability says that in order to keep our employees that we expect to accomplish all the ends we have discussed on the floor in this process, we ought to bring their salaries up 8.6 percent to be comparable. It has nothing to do with CPI. That is not what we are talking about; we are talking about what the private-sector employees receive so we do not lose our best people from public service and we are not able to compete.

Mr. JONES of Oklahoma. Mr. Chairman, I urge the defeat of the amendment.

The CHAIRMAN pro tempore. The time of the gentleman from Oklahoma (Mr. JONES) has expired.

Mr. DERWINSKI. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, I wish to apologize for breaking up the eulogy to STENY HOYER that we have been going through. Let me say that I realize the gentleman from Maryland was a legislative powerhouse in Annapolis, the State Capital, during the golden era of Maryland legislative history.

However, I would like to inject a few necessary practical points into this debate this afternoon. In so doing I hope I can say things that people are expressing outside the beltway, outside of this artificial atmosphere that we have in Washington.

The facts of life are that Federal civilian pay and the intangibles such as job security within the civil service make Federal employment most attractive. For that reason, whenever you have an economic slump, which we are now suffering from, you have thousands and thousands of people hoping to achieve the goal of Federal employment. They are not at all deterred by the miserly wage scales that are supposedly being paid; they want the security of Federal employment.

Mr. FAZIO. Mr. Chairman, will the gentleman yield on that point?

Mr. DERWINSKI. Not yet.

Now, the facts are that at the lower level Federal employees are probably overpaid. The middle echelon and the highest level Federal employees are probably underpaid. That is why we have an exodus of the top level administrators who do much better in private industry.

When this administration came in 18 months ago, the Carter administration was willing to give a substantial pay adjustment to the top level bureaucracy. The suggestion was rejected, and now this administration finds it cannot entice enough people into the top levels of Government because the pay is not adequate.

What you are doing is compounding the existing problem, which is to overcompensate the GS-8 and the GS-9 and to undercompensate the top level Federal employee.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. In just a minute, as soon as I complete my point.

The point is, though—and this is what I would like to direct to my dear friends who represent the Federal Establishment—that if there is such a thing as public indignation against the bureaucracy or a possible taxpayer revolt against Government, it is in large part stimulated by the perception of the average citizen that Federal employees are overpaid and underproductive, and when their articulate, dedicated spokesmen become overgenerous at pay periods and add to that attractiveness of Federal employment, they actually in the long-run create problems. They are not really helping their constituents.

Now, my personal judgment is that we should follow the figures in the Jones and Latta substitutes as presented. I think, given the recent adjustment in the cost of living, given the number of people who seek Federal employment, the people who are on the waiting list, there is no justification for a 7-percent pay raise when unemployed people would take the present Federal positions, for all I know, at even a pay cut.

There is a budget savings to be achieved here, and I would like to just make this one point again. That is that Federal employment by and large is attractive.

Mr. FAZIO. Mr. Chairman, will the gentleman now yield?

Mr. DERWINSKI. In just a moment.

Federal employment is sought after. You do not need a 7-percent pay increase to either keep or attract the middle and lower echelon Federal employee.

□ 1420

Mr. FAZIO. Will the gentleman yield?

Mr. DERWINSKI. I now yield to the gentleman.

Mr. FAZIO. From a very practical standpoint, a 7-percent raise here may result in a 3-percent or 4-percent rate by the time this budget process compromises this figure.

So to say that we are going to 7-percent now is a bit of subterfuge.

Mr. DERWINSKI. No; let me respond to the gentleman.

Mr. FAZIO. As for beyond the beltway, let me make a point about security of Federal service. We have 12,000 people that have been RIF'd within the last several months by this administration. We have furloughs in almost every Federal agency all across this country, beyond the beltway. So to say that Federal employment translates immediately into security is really something that I think is an old canard that we must lead our constituents to understand is something from the past.

Federal security in the work force is just a myth.

Mr. DERWINSKI. May I reclaim my time?

The RIF of 12,000 out of 2,100,000 people is hardly a disaster in terms of numbers.

Mr. FAZIO. We really do not have any idea how many.

Mr. DERWINSKI. We have an administration that is dedicated to decentralization. Decentralization results in less paper work and less work means fewer employees.

The CHAIRMAN pro tempore. The time of the gentleman from Illinois (Mr. DERWINSKI) has expired.

(At the request of Mr. BEARD and by unanimous consent Mr. DERWINSKI was allowed to proceed for 2 additional minutes.)

Mr. BEARD. Will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman.

Mr. BEARD. I am sorry, but I am a little confused.

I heard as I came in the gentleman saying that to say this would result in a 7-percent increase is subterfuge. I was trying to get a clarification on that.

Mr. DERWINSKI. Will the gentleman direct his question to me?

I think the gentleman from California (Mr. FAZIO) was underestimating the effectiveness of the House conferees. I know the gentleman from Oklahoma, (Mr. JONES), and the gentleman from Ohio, (Mr. LATTA), will more than hold their own with the other body and they will very definitely hold the 4 percent in their resolution.

Mr. BEARD. Will the gentleman yield further?

Mr. DERWINSKI. I yield to the gentleman.

Mr. BEARD. I thank the gentleman. I understand, in other words, the gentleman is just assuming that 7 percent is going to get knocked down to 4 percent?

Mr. FAZIO. Will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman.

Mr. FAZIO. I will be happy to tell the gentleman my assumption. When the administration supported the Senate Budget Committee's version of zero for military and zero for Federal civilian pay increase I think that it was important for us to conclude that that would be a pretty rock hard position to bargain from in any conference committee.

Despite the respect and admiration I have for the conferees from our Budget Committee, the practical reality would be that this kind of issue ultimately gets split down the middle and if we do not go in with a strong bargaining position all of this talk about 7 percent is absolute fiction.

Mr. BEARD. If the gentleman will yield for one additional question, I was somewhat concerned about, I heard the colloquy between yourself and the gentleman from Ohio (Mr. REGULA) or the sponsor of the amendment which concerns me a great deal.

Someone said this is going to result in a $4,200 a year pay raise for Members of Congress, and I just think everybody is quite aware of the beating everyone is taking for the way the tax break was slipped through this Congress. But if this is a $4,200 increase, if this passes, this means our opponents in November's election can go out and say you voted, after the tax break, you voted for another $4,200 pay increase.

The **CHAIRMAN** pro tempore. The time of the gentleman from Illinois (Mr. Derwinski) has again expired.

(At the request of Mr. Parris and by unanimous consent Mr. Derwinski was allowed to proceed for 2 additional minutes.)

Mr. DERWINSKI. Let me just say in answer to the question I hope that the Members would vote against this amendment, but not using the red herring of congressional pay. That really is not at issue in this amendment.

The facts of life are that this would do a disservice to the budget resolutions before us and it is an exhorbitant expenditure of funds directed at a Federal civilian work group that is very satisfied with their employment.

Mr. PARRIS. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the distinguished spokesman for the northern Virginia Federal employees.

Mr. PARRIS. I thank the gentleman for yielding.

I would like to associate myself with the gentleman's remarks in part, and specifically dissociate myself with that portion of his remarks when he talks about the overcompensation of the GS-8's and the GS-9's in Federal Employment Service. But I would extend to him my sincere appreciation for his leadership as the ranking Republican on the Post Office and Civil Service Committee in helping to remove the Senior Executive Service pay cap in this fiscal year. It was a great tribute to the gentleman to achieve this equity for our top levels of Government management personnel.

I congratulate the gentleman for his leadership, his assistance in these efforts, and for his contribution to this Nation.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Washington.

Mr. DICKS. I appreciate the gentleman yielding.

I want to say the gentleman has had a distinguished career in this body and is someone that we have a great deal of respect for and he has done a great deal for Government employees throughout a long and thoughtful career.

I happen to disagree with what the gentleman said but I would like to enlighten my friend from Tennessee so that he will not be under any misimpression.

Even if this amendment is adopted, the Appropriations Committee in every single recent year has put on a pay cap and said there will be no pay increase for the Members of Congress. That has emanated out of the House Appropriations Committee.

I would not anticipate there would be any difference this year. That is part of the appropriations process and we have always done it whether the cap for Federal employees was 4 percent or 7 percent that has gone forward but we have capped ourselves. That has been the recent experience.

Mr. BEARD. Will the gentleman yield?

Mr. DERWINSKI. I yield to the future Member of the other body.

Mr. BEARD. I thank the gentleman and would ask the gentleman from the State of Washington to please come down to the State of Tennessee and explain to the people down there what the black lung vote was last December.

The gentleman can talk about appropriations, but I think here we are dealing with political realities.

The **CHAIRMAN** pro tempore. The time of the gentleman from Illinois (Mr. Derwinski) has again expired.

(At the request of Mrs. Roukema and by unanimous consent Mr. Derwinski was allowed to proceed for 2 additional minutes.)

Mrs. ROUKEMA. Will the gentleman yield?

Mr. DERWINSKI. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. Hopefully this will take only 1 minute. But I have a question I would like to direct to the author of the amendment. It is more in the nature of an inquiry.

It is my understanding that the gentleman has another amendment that goes to the issue with a figure of a 5-percent increase; is that correct? Does the gentleman intend to introduce that amendment?

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Maryland.

Mr. HOYER. As I expect to win this one, I probably will not introduce it. But in the extraordinary event that the 7 percent did not pass, the answer to the question is yes.

Mrs. ROUKEMA. What would be the additional deficit under a 5-percent increase?

Mr. HOYER. Approximately $370 million.

Mrs. ROUKEMA. For 1 year; and in the 3-year period?

Mr. HOYER. As I pointed out in my opening presentation, we do not affect the outyears in either this amendment or the following amendment. So the chairman's comment about the $5 billion cost, unless he was computing on the compounding of the rate for this year only, but it seemed to me he was talking about all 3 years, we do not affect the outyears.

Mrs. ROUKEMA. Since there has been so much discussion about going into conference with the other body I think we should understand that there is an alternative here to the extent of a 5-percent amendment and I think the Members should understand that.

Mr. DERWINSKI. Summing up, Mr. Chairman, so we do not forget the basic issue here, may I reemphasize that, in my humble opinion, that in this amendment you are overcompensating Federal employees who are more than adequately compensated in comparison to the present civilian work force, and keeping in mind the high unemployment rates in parts of the country it is obvious that Federal employment is vigorously sought after.

This proposed 7-percent increase is not justified by either budget, political, regional, or any other consideration.

The **CHAIRMAN** pro tempore. The time of the gentleman from Illinois (Mr. Derwinski) has again expired.

(At the request of Mr. Dicks and by unanimous consent Mr. Derwinski was allowed to proceed for 1 additional minute.)

Mr. DICKS. Will the gentleman yield to me?

Mr. DERWINSKI. I am happy to yield to the gentleman.

Mr. DICKS. I think the gentleman makes an important point, but I would enlighten the gentleman on one other aspect of this.

In the area that I represent we have the necessity to hire nuclear engineers to work on our nuclear aircraft carriers, submarines, ships, and things of that nature.

We cannot get a top-level engineer any more out of the University of Washington Engineering School or any other engineering school in the country and this is starting to take a real toll on our ability to do a good job maintaining these important naval assets.

So I have to reiterate to my good friend that these pay caps every single year, and reductions of benefits, are taking a toll on some of the skilled people that we have to have in the Federal work force.

Mr. DERWINSKI. We are not in disagreement. I made the point earlier that at the highest echelons of the Federal civilian structure you are losing talented people because they are in fact underpaid.

□ 1430

We are really not in disagreement.

Mr. DICKS. So there is some damage being done by these continued pay caps.

Mr. DERWINSKI. Yes, because the entire structure is artificial, and it is created more by political pressure than by commonsense.

Mr. COLLINS of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is the fifth full day that we have been engaged in this most extensive and comprehensive discussion and votes on the budget. As I listened to the comments on the subject of salaries, it raised, basically, this one issue, and that is: Should we try to plan all of the financial affairs of this country through the budget process? In other words, what I wondered was: How did all of this budget system get started?

For instance, let us review this subject of comparable pay. We talked about comparability of pay back home. We discussed it at great length 2 weeks ago, and I was interested to learn back in Texas that people working in civilian jobs wanted comparability in pay like the Washington area. They told me the highest pay in America is in Farifax County, Va., and Montgomery County, Md. And they kept saying, "Why can we not get pay in our area up to their Washington level?"

Now, comparability is a real problem. But we cannot solve it here in Congress with 435 viewpoints.

I went back and looked up the background on how Congress got started in this budget business, because I was one who voted for this budget process. I had been in business all my life, and I thought, "Now, this is a highly desirable thing to do, to draw up a budget, because we can do two things when we draw up the budget." If the Members will recall, this was the Budgetary Impoundment and Control Act of 1974. It passed 401 to 6. Everybody in Congress wanted to see it work for two big reasons. The first one, was that we would get our budget done very early every year. We would know exactly where we were going.

The first thing that this law mandated was that by April 15 of every year Congress would have completed the budget. That was April 15. Now we are out here knocking on the door of June. And we have not yet passed or gone to conference.

The second thing is, they said we would be able to effect tremendous savings in cutting spending because by doing all of this planning that we would be able to do, we would be able to make its operation much more efficient. We would be able to cut spending everywhere.

I looked back then to see where we were in 1974, when we started this budget process. Congress was spending $270 billion, I think, $269.8 billion, or something like that, to be exact—$270 billion we were spending at that time. Now we are talking about $750 billion. So obviously the budget process was a complete failure in cutting spending or in planning.

Now, last night we were here in session until 1 o'clock. Our group has been working. We have all worked hard. Chairman JONES, the distinguished leaders on our side, including the gentleman from Ohio (Mr. LATTA), and so many have worked, worked, worked. We were here until 1 o'clock last night. We have stayed on. We have deliberated. But what is the fallacy of the budget system? Well, it is very obvious. You cannot accomplish anything through a large committee. I knew that when I was in business. You know that when you are in the Government. And the bigger the committee, not only causes confusion, you have complete chaos. We have 435 Members trying to work out the complete financial plans of America.

I was thinking about our situation, and compared it to a football team, because I love football. When they have football games, usually the quarterback calls the plays, sometimes the coach calls the plays. But I tell you, if you had 11 men trying to run that team at the same time, it would be just like this congressional budget. A 435-person committee is a certain, complete, and total disaster.

What we need, we need to go back to fundamentals. We need to go back to our basic committee system. We have a good Ways and Means Committee, and they should work on taxes. We have an excellent Appropriations Committee. When I heard the gentleman from Mississippi, the chairman, say that he thought it might be a good idea to strike the enacting clause, I thought that is the most logical statement I have heard.

When we talk about education, it ought to be done by the Education Committee, and when we talk about commerce and business, it ought to be done by those committees. But to have 435 people think they can talk continuously and come out with anything other than utter confusion or financial bankruptcy for America is beyond comprehension.

We do not need this budget. Our procedures provide that we can go right into our normal appropriation system.

Mr. HAGEDORN. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. I yield to the gentleman from Minnesota.

Mr. HAGEDORN. I want to join the gentleman in the well in expressing the frustration of this whole process, but in particular, this amendment that is before us now, because I think there is something very unique. When we look at the Federal employees structure and talk about giving COLA adjustments to the tune of 7 percent a year, when the American people are finding themselves increasingly out of work, when the small business people and the farmers are not only just holding their own but finding themselves going backwards to the tune of thousands and thousands of dollars, many of them no longer in business, we go forward in this body with business as usual, paying the tax consumers rather than the tax producers this kind of a proposed increase. I think we would be much better supported by the American people if we put a freeze on all of these COLA adjustments for everybody, whether they are receiving a salary or a pension, and that this country would begin to realize we have taken hold of what the real problems have been, and that is runaway spending.

Mr. FAZIO. Mr. Chairman, I move to strike the requisite number of words.

PARLIAMENTARY INQUIRY

Mr. FRENZEL. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore (Mr. BEILENSON). The gentleman will state it.

Mr. FRENZEL. Is the Chair recognizing Members in sequence and members of the committee, may I ask?

The CHAIRMAN pro tempore. The Chair cannot hear the gentleman from Minnesota.

Mr. FRENZEL. I think the Chair cannot see me either, Mr. Chairman. My inquiry was whether the Chair was recognizing Members in sequence and giving the normal precedence to members of the committee in question.

The CHAIRMAN pro tempore. The gentleman is correct in that the Chair was not following that ordinary sequence. The Chair was trying to follow the sequence of alternating between those favoring and opposing the amendment before the Committee.

The Chair has the option.

The Chair recognizes the gentleman from California (Mr. FAZIO), and the Chair will soon recognize the gentleman from Minnesota.

Mr. FRENZEL. I thank the Chairman for his explanation and tell him that my feet are getting sore.

Mr. FAZIO. I thank the Chair for recognizing me.

Mr. Chairman, my reason for speaking is to rebut an argument that has been brought to light in this debate by the gentleman from Tennessee and the gentleman from Ohio. I think it is a very effective device to try to develop opposition to this amendment, but I think it sows some seeds for disaster in the future, and that is to say that we are going to somehow use the fact that there is the desire on the part of Members of the Congress to get an occasional pay raise based on whatever Federal employees are granted, to undermine every effort every year to get Federal employees the kind of pay they deserve.

Now, in most every year that anybody here can remember, Members of Congress have found a way somehow to prevent themselves from getting raises, regardless of whether or not we gave Federal employees a raise, or whatever percentage rate we chose to give them. And I would not be surprised if that is not what will occur again in the next fiscal year. I have no great hope that this Congress will begin to provide pay raises for itself in lieu, perhaps, of things that have become so unpopular, like tax deductions and other things that the general public sees as unwarranted ways of gaining additional compensation.

It seems to me that we would be far better off if we would simply deal with the issue of pay the way all other Federal employees deal with it, have good years and bad, fall behind the rate of inflation but make some movement in the direction of trying to adjust to it. I have no great hope that we will see the light, but I would urge the Members, as they debate this issue, not to penalize Federal employees because of any decisions that we may make about our own pay. It seems to me it was a constructive effort to try to tie the two together, but it should not at any point serve as a way of retarding a fair, equitable approach to Federal pay increases in the future. I would hope that we would all refrain from using this rhetorical device to hold them down under the guise of limiting our pay. Our pay is determined by whatever is recommended by the President in his August pay evaluation after receiving the comparability study of the Federal pay manager. The amount cannot be increased.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I yield to the gentleman from Washington.

Mr. DICKS. I want to commend the gentleman. It would be, I think, just totally irresponsible to discriminate against Government employees on this basis. I think we ought to make a judgment about what Government employees deserve in terms of compensation. The gentleman, who is the chairman of our Legislative Subcommittee, I think is the right Member to point out this important fact.

Mr. FAZIO. I appreciate the gentleman's comments.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I yield to the gentleman from Ohio.

Mr. REGULA. First, I would like to make a statement. I want to make it clear again, I simply asked the question: Does this include congressional Members as well as Federal employees?

The answer is "Yes."

The Members will have to draw their own conclusions as to what the gentleman's committee might do.

Mr. FAZIO. This is an issue that has to be resolved each year.

Mr. REGULA. I understand that.

Mr. FAZIO. This is a budget amendment. This has nothing to do with what the Appropriations Committee might do, what the Post Office and Civil Service Committee might do, or any other entity that has a role in whatever determination we make on pay for Federal employees.

Mr. REGULA. If the gentleman will yield further, I would point out that that is what happened last December, and Members said, "Well, I did not know that it was in there." Any number of the Members said that. I just want to make it clear that the funds for statutory pay raises for Members of Congress are included.

Now, my question is this: In addition to the cost of living, what is the average increase that Federal employees receive in the step increases? We have to keep in mind that we are adding that to the cost of living, and here we are talking about putting 7 percent on top of the percentage that each receives in annual step increases.

□ 1440

Mr. FAZIO. That figure would be less than 1 percent. Of course it is an average so it would not apply to all Federal employees by any means.

Mr. REGULA. I thank the gentleman.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN pro tempore. The Chair apologizes to the gentleman from Minnesota (Mr. FRENZEL) for not having recognized him sooner.

Mr. FRENZEL. I thank the Chair and I apologize right back for my unseemly behavior in addressing the Chair previously.

Mr. Chairman, we are talking here about an increase to an increase to an increase. The Hoyer amendment adds $1,678 billion to the budget, to extra spending and to the deficit. It affects all three budget resolutions making each of them nearly $5 billion extra into the red.

We are told that we must do this because it will maintain the credibility of our commitment. I suppose commitment means that we can never change a tax law or never change any Federal program at all. We have been told we have an endless commitment. That is, of course, nonsense.

People in the private sector, employees in the private sector, have no guarantees, no commitments. Many of them are laid off today, a good deal larger percentage than are laid off in the Federal Establishment.

This alleged flight of Federal employees to the private sector is one that I have not observed lately. In fact, I find the private sector recessed and distressed. I find public employees very grateful to have a job and hopeful that they will hold it.

I do not deny that they are hard working, productive, splendid people. We are fortunate to have them.

But the fact remains if we do not make this minimal attempt to control our Federal expenditures, we are just going to see that budget go out of wack. And I repeat, it will go out of wack by almost $5 billion over 3 years in each one of these budgets.

I would also invite the body's attention to the fact that at least in my memory we have not lately given more than a 5-percent increase, but somehow now the standard has been raised to 7.

As I recall, when the Congress last got a cost-of-living raise, I cannot remember when that was, I think it was 4½ or 5 percent; 4½ and 5 have been the rule, rather than the exception.

We are not reducing from 7, we are making a minimal step to exercise some control from 5 to 4.

I think if we cannot defeat this amendment it will prove conclusively that we are not interested in stopping the rivers of red ink. Save billion dollars in extra deficits and vote down the Hoyer amendment.

Mr. HAGEDORN. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Minnesota.

Mr. HAGEDORN. I thank the gentleman for yielding. I believe my observation of the flight of people moving for employment opportunities is the same as his. It is not a flight from the Government, it is a flight to the Government sanctuary where we have a great deal of protectionism. We have seen how the RIF system works, where we have the higher salaried Federal employees on the way down, and oftentimes we end up with people who are not qualified to do the very job they are attempting to bump somebody from taking, and I share the observation as to what is happening in the private sector.

I cannot believe that this body can seriously consider giving a 7-percent cost-of-living to all of the Federal employees in this country, with the exception of even Members of Congress, and say that this is being fair to the rest of America, when we are finding people going backward as far as they are in the economy today.

Mr. CRAIG. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Idaho.

Mr. CRAIG. I thank the gentleman for yielding.

I join with the gentleman in opposition to this amendment. It is uniquely interesting at a time when we are asking the private sector of this economy to tighten its belt, when we have observed that for the last 12 months, as unions have decided to adjust, to protect their jobs, to save the businesses for which they work, farmers and ranchers have not had a pay increase in 3 years, small business bankruptcies are at their highest level, small businessmen have not had a pay increase in reality in the last 3 years, more people are out of work, and yet in the Federal sanctuary we are trying to perpetuate it at the rate of 7 percent.

If there is an exodus out of the Federal sanctuary I trust that this action will create a reverse.

This is not only irresponsible fiscal action, it flies in the face of every one who produces the very base by which we provide the money, the private producer.

The CHAIRMAN pro tempore. The time of the gentleman from Minnesota (Mr. Frenzel) has expired.

(At the request of Mr. Craig and by unanimous consent, Mr. Frenzel was allowed to proceed for 1 additional minute.)

Mr. CRAIG. If the gentleman will yield further, I think it is time we recognize that this body has been irresponsible, irresponsible in its action in reflection of those who are trying to be responsible at this moment in the private sector to save their businesses and their jobs and I stand fully in opposition to this amendment.

Ms. FERRARO. Mr. Chairman, I move to strike the requisite numer of words.

Mr. HOYER. Mr. Chairman, will the gentlewoman yield?

Ms. FERRARO. Mr. Chairman, I yield to the gentleman from Maryland, the author of the amendment.

Mr. HOYER. I thank the gentlewoman for yielding.

I want to make a number of observations.

First of all, before I offered this amendment one of the Members objecting to this amendment rose, not one, to tell us that under the Latta substitute each Member of Congress is going to get a $2,400 raise. Not one of my colleagues rose until we talked about the Federal worker. Because he is very easy to pick on. Not one person on this floor rose to tell anybody about the $2,400 raise in Latta, and in Jones and in Aspin. Not one person rose. Were my colleagues trying to hide it?

It is easy to pick on the Federal employee, and they do it at the State level, they do it at the county level, they do it at the city level and they do it right here. It is easy to demagog on Federal employees.

Let me respond to the gentleman from Minnesota's question on Federal pay increases in past years. In 1977, a 7.5-percent raise. In 1978, 5.5 percent. In 1979, a 7.2-percent raise. In 1980, a 9.11-percent raise. In 1981, a 4.8-percent raise which the President of the United States said was even 3 percentage points low at a 5.5-percent raise he recommended.

The gentleman was asking about COLA. This has nothing to do with COLA. This has to do with comparability. It has to do with whether our employees are comparable with the private sector. Comparability says 18.6 percent is the figure to bring our people, the people we employ, the people we ask to deliver the services to the American public, the people we ask to bring us efficient effective cost-cutting measures on par with the private sector. Those are the people the gentleman is talking about. Cutting waste, mismanagement, inefficiency and fraud does not come about by our talking about it on this floor. It comes about by conscientious, well-motivated people working for your establishment. You are the managers. You are the board of directors. You are underpaying your people and your pay comparability board says so; 18.6 percent is what they are owed, and I offer 7 percent, 11.6 percent under what they ought to get.

I ask for support of this amendment because it is fair, just, and equitable.

□ 1450

Mr. CRAIG. Mr. Chairman, I move to strike the requisite number of words.

I find it unique and interesting at a time when we talk about equality we look across this country to see who is equal and who is not equal. I choose not to demagog the Federal employee, not at all. I choose to treat Federal employees equal to the rest of Americans. I choose in a time of financial disaster in this country to try to tighten the reins on that disaster that started here in this body.

I challenge the gross income of the area you represent, which is made up largely of Federal employees, to be the highest gross income in this Nation.

Mr. HOYER. I will invite the gentleman to my district.

Mr. CRAIG. Now, Mr. Hoyer is that to the farm communities and business communities across this country that are going bankrupt, that have experienced declining incomes over the last 3 years? Is that equitability? Not at all.

I suggest at this moment that when we talk about bringing equitability into the economy of this country, that we freeze the outflow from this body from Government, to bring down those prime interest rates. This will allow the Federal employees to live in a noninflated environment so that the money they receive can go a great deal further than it goes today.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. CRAIG. I would be happy to yield.

Mr. HOYER. First of all, is the gentleman aware that there are more Federal employees living outside by far the Washington area than there are Federal employees living within the Washington area; is the gentleman aware of that fact?

Mr. CRAIG. Of course, I am. I talk about concentration. I talk about gross income levels and I suggest that the gentleman's area is one of the very highest in the Nation.

Mr. HOYER. Well, the gentleman does not mean my area. The gentleman means generally the Washington area.

Mr. CRAIG. I am talking about the gentleman's congressional district.

Mr. HOYER. I represent the poor county in the Washington area and I am proud of it.

Did the gentleman vote for the tax program last year?

Mr. CRAIG. Yes, I did.

Mr. HOYER. Is the gentleman aware that the President of the United States said that we were going to have at that point in time a $41.5 billion deficit and the only way to give a tax cut, the only way, was to borrow what now looks to be about $102 billion to $105 billion or $106 billion, on which we paid interest; so the gentleman indicates to me that it is going to cost some money. It is, because we need to effectively operate this engine; but the gentleman borrowed much more than I did for purposes of bringing a tax cut to the American public.

Mr. CRAIG. Mr. Chairman, I take back the balance of my time, only to respond that the solution to the problem is not to add more to the problem.

I suggest that the gentleman's amendment does just exactly that. It adds more to the problem.

The CHAIRMAN pro tempore. The question is on the amendments offered by the gentleman from Maryland (Mr. Hoyer) to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. Latta), the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. Jones), and the amendment in the nature of a substitute offered by the gentleman from Wisconsin (Mr. Aspin).

The question was taken, and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. HOYER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 143, noes 281, not voting 8, as follows:

[Roll No. 118]

AYES—143

Addabbo
Akaka
Albosta
Annunzio
Bailey (PA)
Barnes
Beilenson
Biaggi
Boner
Bonior
Brinkley
Brodhead
Brown (CA)
Burton, Phillip
Carney
Clay
Coelho
Collins (IL)
Conyers
Courter
Coyne, William
Daniel, R. W.
Davis
Dellums
Dicks
Dingell
Dixon
Donnelly
Dougherty
Downey
Dwyer
Dymally
Dyson
Eckart
Edgar
Ertel
Evans (IN)
Fary
Fazio
Ferraro
Fish
Fithian
Florio
Foglietta
Ford (MI)
Frank
Garcia
Gejdenson

Gilman
Gonzalez
Goodling
Gray
Green
Guarini
Harkin
Hawkins
Heckler
Heftel
Hollenbeck
Holt
Howard
Hoyer
Jones (NC)
Kastenmeier
Kazen
Kennelly
Kildee
Kogovsek
Lantos
Lehman
Leland
Lent
Lewis
Markey
Matsui
Mavroules
McDade
McEwen
McGrath
McHugh
Mikulski
Miller (CA)
Minish
Mitchell (MD)
Moakley
Moffett
Murphy
Murtha
Nelligan
Nowak
Oakar
Oberstar
Ottinger
Parris
Patterson
Pease
Pepper
Perkins
Peyser
Price
Rahall
Rangel
Ratchford
Richmond
Rinaldo
Rodino
Roe
Roukema
Roybal
Sabo
Santini
Savage
Scheuer
Schroeder
Schumer
Seiberling
Shannon
Simon
Smith (IA)
Smith (NJ)
Smith (PA)
Solarz
St Germain
Stark
Stokes
Studds
Swift
Traxler
Trible
Vento
Washington
Waxman
Weiss
Whitehurst
Williams (MT)
Wirth
Wolf
Wolpe
Wright
Wyden
Yates
Young (AK)
Zeferetti

NOES—281

Alexander
Anderson
Andrews
Anthony
Applegate
Archer
Aspin
Atkinson
AuCoin
Badham
Bafalis
Bailey (MO)
Barnard
Beard
Bedell
Benedict
Benjamin
Bennett
Bereuter
Bethune
Bevill
Blanchard
Bliley
Boggs
Boland
Bolling
Bonker
Bouquard
Bowen
Breaux
Brooks
Broomfield
Brown (CO)
Brown (OH)
Broyhill
Burgener
Butler
Byron
Campbell
Carman
Chappell
Chappie
Cheney
Clausen
Clinger
Coats
Coleman
Collins (TX)
Conable
Conte
Corcoran
Coughlin
Coyne, James
Craig
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Dannemeyer
Daschle
Daub
de la Garza
Deckard
DeNardis
Derrick
Derwinski
Dickinson
Dorgan
Dornan
Dowdy
Dreier
Duncan
Dunn
Early
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
Emery
English
Erdahl
Erlenborn
Evans (DE)
Evans (GA)
Evans (IA)
Fascell
Fenwick
Fiedler
Fields
Findley
Flippo
Foley
Ford (TN)
Forsythe
Fountain
Fowler
Frenzel
Frost
Fuqua
Gaydos
Gephardt
Gibbons
Gingrich
Ginn
Glickman
Goldwater
Gore
Gradison
Gramm
Gregg
Grisham
Gunderson
Hagedorn
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hefner
Hendon
Hertel
Hightower
Hiler
Hillis
Holland
Hopkins
Horton
Hubbard
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jeffries
Jenkins
Johnston
Jones (OK)
Jones (TN)
Kemp
Kindness
Kramer
LaFalce
Lagomarsino
Latta
Leach
Leath
LeBoutillier
Lee
Levitas
Livingston
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Madigan
Marks
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Mattox
Mazzoli
McClory
McCloskey
McCollum
McCurdy
McDonald
McKinney
Mica
Michel
Miller (OH)
Mineta
Mitchell (NY)
Molinari
Mollohan
Montgomery
Moore
Moorhead
Morrison
Mottl
Myers
Napier
Natcher
Neal
Nelson
Nichols
O'Brien
Obey
Oxley
Panetta
Pashayan
Patman
Paul
Petri
Pickle
Porter
Pritchard
Pursell
Quillen
Railsback
Regula
Reuss
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Rogers
Rose
Rostenkowski
Roth
Rousselot
Rudd
Russo
Sawyer
Schneider
Schulze
Sensenbrenner
Shamansky
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Skeen
Skelton
Smith (AL)
Smith (NE)
Smith (OR)
Snowe
Snyder
Solomon
Spence
Stangeland
Staton
Stenholm
Stratton
Stump
Synar
Tauke
Tauzin
Taylor
Thomas
Udall
Vander Jagt
Volkmer
Walgren
Walker
Wampler
Watkins
Weaver
Weber (MN)
Weber (OH)
White
Whitley
Whittaker
Whitten
Williams (OH)
Wilson
Winn
Wortley
Wylie
Yatron
Young (FL)
Young (MO)
Zablocki

NOT VOTING—8

Bingham
Burton, John
Chisholm
Crockett
Huckaby
Rhodes
Rosenthal
Stanton

□ 1500

Messrs. **LAGOMARSINO**, **EDWARDS** of California, **FROST**, and **SHAMANSKY** changed their votes from "aye" to "no."

Mr. **TRAXLER** changed his vote from "no" to "aye."

So the amendments to the Latta amendment in the nature of a substitute, the Jones amendment in the nature of a substitute, and the Aspin amendment in the nature of a substitute were rejected.

The result of the vote was announced as above recorded.

□ 1510

Mr. **OBEY**. Mr. Chairman, I move to strike the last word.

I take this time, Mr. Chairman, to correct a series of misstatements which were made during the previous debate on the question of whether or not Members of Congress pay could be adjusted by the amendment offered by the gentleman from Maryland. The fact is, they cannot.

What happens in this resolution has no impact whatsoever on congressional pay and I would like to explain that I voted against this last amendment simply because I disagreed with it on the merits, but on the question of congressional pay I want to read to the Members the language in the statute that was adopted last year.

It says:

> Effective beginning with fiscal year 1983, and continuing each year thereafter, such sums as hereafter may be necessary for "Compensation of Members" (and administrative expenses related thereto) as authorized by law and at such level recommended by the President for Federal employees for that fiscal year are hereby appropriated. . . .

What that language means, I am told by staff, and I have checked it out with the Appropriations Committee staff as well to be certain it is correct, what that language means is that Members of Congress salaries would be adjusted by whatever amount the President recommends, but if Federal employee salaries are increased above that amount, that increase does not apply to Members of Congress. So, what the gentleman's amendment was doing was to raise the amount of room in the resolution for an increase in Federal employees' salaries, excluding Members of Congress because members of Congress salaries under this language are not tied to the amount that Congress votes on the budget resolution or on the appropriations bill.

Members of Congress salaries are tied to the amount recommended by the President, and I think it is important that we understand that.

Mr. **REGULA**. Mr. Chairman, will the gentleman yield?

Mr. **OBEY**. Certainly.

Mr. **REGULA**. I simply raised the question in the last debate as to whether or not they were, and apparently there is a misunderstanding between myself and at least the information provided by the sponsor of the amendment. But, I would ask the question of the gentleman from Wisconsin. If I understand him correctly, the President will recommend—in fact he has recommended that there be a 5-percent pay increase for Federal employees effective October 1, 1982. Is that correct?

Mr. **OBEY**. That is correct.

Mr. **REGULA**. Well, if that were true, then why do we need to raise the amount of money in the budget to 7 percent?

Mr. **OBEY**. Look the gentleman is asking a question totally unrelated to congressional pay. I voted with the gentleman against the previous amendment simply because I do not think this resolution can carry a 7-percent pay raise for Federal employees. So I vote against it. But the fact is that the gentleman's amendment was an attempt simply to make additional room for Federal employees. One can vote whichever way one prefers on the merits on that question, but even if Federal employees would be provided 7-percent in this resolution, and if they would later be provided 7-percent by subsequent congressional action, congressional salaries would be limited to the 5-percent increase recommended by the President, because that is in the President's initial recommendation.

The President would have to change his recommendation in order to effect up or down the congressional entitlement.

Mr. REGULA. Will the gentleman yield further?

Mr. FORD of Michigan. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Michigan.

Mr. FORD of Michigan. Mr. Chairman, I would like to respond to the gentleman's question directly with respect to Federal employees, reiterating what the gentleman has already said about the fact that Mr. Hoyer's amendments do not affect the compensation in any way at all. But, it is important to understand—the gentleman raises a good question as to why do we have to do anything.

Why we have to do anything is because when Gramm-Latta was passed last year it imposed a 7-percent cap on the amount that the President or anybody else could give as a pay raise this year. In January the President sent us his budget message in which he recommended a pay increase of 5 percent. We assume that he is still with it.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. Obey) has expired.

Mr. FORD of Michigan. Mr. Chairman, I ask unanimous consent that the gentleman from Wisconsin (Mr. Obey) be allowed to proceed for an additional 2 minutes.

The CHAIRMAN. The Chair intends now to return to the regular order.

The CHAIR recognizes for purpose of proposing an amendment the gentleman from Maryland (Mr. Hoyer).

AMENDMENTS OFFERED BY MR. HOYER TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA, THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ASPIN, AND THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OKLAHOMA

Mr. HOYER. Mr. Chairman, I offer an amendment, and I would ask unanimous consent that this amendment, which goes from 4 to 5 percent—the last amendment went from 4 to 7 percent—that this amendment may be offered simultaneously to all pending substitute amendments.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

Mr. PARRIS. Mr. Chairman, reserving the right to object, and I do not intend to object, but it is my understanding that my friend, the gentleman from Maryland, would apply this amendment to the Jones, to the Aspin, and to the Latta substitutes?

Mr. HOYER. That is correct.

Mr. PARRIS. And do I understand further, reserving the right to object, that this amendment would raise compensation of current Federal employees from 4 to 5 percent, and is identical to amendment No. 46 that I have previously filed and printed in the Record?

Mr. HOYER. That is correct.

Mr. PARRIS. Mr. Chairman, I withdraw my reservation of objection.

□ 1520

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The CHAIRMAN pro tempore. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. Hoyer to the amendment in the nature of a substitute offered by Mr. Jones of Oklahoma, the amendment in the nature of a substitute offered by Mr. Latta, and the amendment in the nature of a substitute offered by Mr. Aspin: In the matter relating to the level of total new budget authority for fiscal year 1983 increase the amount by $396,000,000.

In the matter relating to the level of total budget outlays for fiscal year 1983, increase the amount by $398,000,000.

In the matter relating to the amount of the deficit in the budget for fiscal year 1983, increase the amount by $398,000,000.

In the matter relating to new budget authority for functional category 050 for fiscal year 1983, increase the amount by $167,000,000.

In the matter relating to budget outlays for functional category 050 for fiscal year 1983, increase the amount by $162,000,000.

In the matter relating to new budget authority for functional category 920 for fiscal year 1983, increase the amount by $229,000,000.

In the matter relating to budget outlays for functional category 920 for fiscal year 1963, increase the amount by $236,000,000.

In the matter relating to the level of total new budget authority for fiscal year 1984, increase the amount by $559,000,000.

In the matter relating to the level of total new budget authority for fiscal year 1985, increase the amount by $584,000,000.

In the matter relating to the level of total budget outlays for fiscal year 1984, increase the amount by $576,000,000.

In the matter relating to the level of total budget outlays for fiscal year 1985, increase the amount by $607,000,000.

In the matter relating to the amount of the deficit in the budget for fiscal year 1984, increase the amount by $576,000,000.

In the matter relating to the amount of the deficit in the budget for fiscal year 1985, increase the amount by $607,000,000.

In the matter relating to new budget authority for functional category 050 for fiscal year 1984, increase the amount by $251,000,000.

In the matter relating to budget outlays for functional category 050 for fiscal year 1984, increase the amount by $248,000,000.

In the matter relating to new budget authority for functional category 050 for fiscal year 1985, increase the amount by $263,000,000.

In the matter relating to budget outlays for functional category 050 for fiscal year 1985, increase the amount by $263,000,000.

In the matter relating to new budget authority for functional category 920 for fiscal year 1984, increase the amount by $308,000,000.

In the matter relating to budget outlays for functional category 920 for fiscal year 1984, increase the amount by $328,000,000.

In the matter relating to new budget authority for functional category 920 for fiscal year 1985, increase the amount by $321,000,000.

In the matter relating to budget outlays for functional category 920 for fiscal year 1985, increase the amount by $344,000,000.

Mr. HOYER (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the Record.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the chairman of the committee.

Mr. JONES of Oklahoma. Mr. Chairman, we have had a rather extensive debate already of the whole Federal pay and COLA issue. I have discussed this with the author of the amendment, the minority side, and our side, and I ask unanimous consent for a 10-minute limitation on each of the remaining amendments dealing with the COLA and the Federal pay issue, the time to be divided equally between the author of the amendments and the opposition.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. FORD of Michigan. Mr. Chairman, reserving the right to object, I do this because, as has frequently happened on the floor before, there is more misinformation than information involved, and while it is fair game, whenever given the opportunity to kick hell out of the Federal employees, we ought to at least know what we are doing, and in all due respect to the committee chairman, I cannot let this debate conclude without saying this. I was trying to let the gentleman from Ohio (Mr. Regula) ask the question he had and get the answer that would have cleared up the confusion for the Members. We are not going to get the information unless we do this, and I am not going to consent to a limitation until we get some understanding of what we are voting on.

I think the gentleman from Ohio (Mr. Regula) would join me in that concern, and I think the committee chairman would join me as well.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. SNYDER. Mr. Chairman, reserving the right to object, if I could have the chairman's attention, is it his intention that the unanimous-consent request go to the issue of COLA's for retirees? Is that a part of his request?

Mr. JONES of Oklahoma. Mr. Chairman, if the gentleman will yield, it includes amendment No. 47.

Mr. SNYDER. I do not have the list in front of me.

Mr. JONES of Oklahoma. It goes down through amendment No. 47.

Mr. SNYDER. Does that include the retiree issue, which is a little different?

Mr. JONES of Oklahoma. The gentleman is correct.

Mr. SNYDER. Then, Mr. Chairman, I would be constrained to object. If the gentleman wants to limit it to current employees, I would not object.

Mr. JONES of Oklahoma. Mr. Chairman, I will amend the unanimous consent request and ask for a 10-minute limitation on this amendment before us.

The **CHAIRMAN** pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. FORD of Michigan. Mr. Chairman, reserving the right to object, I shall not object, but I take this opportunity to answer the question of the gentleman from Ohio (Mr. REGULA).

The reason we are dealing with this in the resolution today is that what we are setting here is a different level for the cap than that set by Gramm-Latta. Absent any action here, the adoption of any resolution here today, the cap presently in the law under the reconciliation adoped last year is 7 percent, which means that under comparability the Federal employees could receive this year anything up to an including 7 percent.

If we adopt a resolution that freezes pay, that would impose a new cap at zero. The committee recommendation is to impose a new cap at 4 percent. If none of the substitutes are adopted, the cap will revert to 7 percent.

The gentleman from Maryland is now offering an amendment to revise the existing 7 percent cap to 5 percent, which can be viewed in one of two ways. It is either down from the existing 7 percent provided in Gramm-Latta or up from the proposed 4 percent in the Jones resolution. In any event, that would be the ceiling above which the President could not proceed in raising Federal pay.

The one additional factor is that it does not guarantee that anybody will get a 1-percent pay increase because all it does is say to the President, "You can't go any further than this." It does not compel him to give them a penny.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. FORD of Michigan. Yes, I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I think this is a very important issue, and it goes to the heart of the budget process.

I think probably what has happened is that too often, on the amendments in particular, we think we are changing substantive law when in fact we are actually setting ceilings or targets.

If I understand the gentleman correctly, what we would be doing in this amendment is going from 4 to 5 would be to say in effect that the Congress, however responsive to the President's recommendation, could not exceed 5 percent because there would not be capacity in the budget resolution. And if this body were to legislate beyond 5 percent, we would be subject to a point of order, unless we were to adopt 5 or 4, as the case might be, as the cap.

Is that the gentleman's understanding?

Mr. FORD of Michigan. Mr. Chairman, the gentleman is correct, but indeed it is not necessary for Congress to do anything because under the existing law, between now and October 1 the President can determine the level that he is willing to recommend based on the recommendations he has for comparability this year. In his budget message in January he said he was going to recommend 5 percent. We have no reason to believe he is not going to do that.

Mr. REGULA. Mr. Chairman, will the gentleman yield further?

Mr. FORD of Michigan. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I think there is one other point that also needs clarification. I understood the gentleman to say that in the Gramm-Latta reconciliation of last year we put in a 7-percent pay cap.

Mr. FORD of Michigan. That is correct.

Mr. REGULA. And today we are proposing to go to 5. Is this a reduction or is this 5 plus step pay which would be held to the 7-percent cap?

Mr. FORD of Michigan. Mr. Chairman, I heard the gentleman's discussion a little while ago. At whatever level, you have to think about it in terms of a promotion rather than a pay increase.

Mr. REGULA. I understand.

Mr. FORD of Michigan. You actually change your status, and as a result of changing your status within step levels, those are pay increases. It is like being promoted between grades. So that is not a pay adjustment that comparability has anything to do with.

Mr. REGULA. Mr. Chairman, will the gentleman yield further?

The **CHAIRMAN** pro tempore. If the Chair may interject pending before the committee is a unanimous consent request by the gentleman from Okhahoma (Mr. JONES) that the time for debate on the amendment presently before the committee be limited to 10 minutes, 5 minutes on either side.

Is there objection to the request of the gentleman from Oklahoma?

Mr. FORD of Michigan. Mr. Chairman, further reserving the right to object, we will get rid of our 10 minutes here in a moment, I say to the Chair.

Mr. REGULA. Mr. Chairman, if the gentleman will yield further, I think the question should be clarified as to why you want to reduce the Gramm-Latta ceiling of 7 to 5 percent.

Mr. FORD of Michigan. Well, because the alternatives before us include Latta, which is zero.

Mr. REGULA. No, Latta is 4.

Mr. FORD of Michigan. Is it 4?

Mr. REGULA. Right.

Mr. FORD of Michigan. Jones is 4, and in the other amendment, the coalition amendment, it is 4. The Senate is zero.

If we go to conference with 4, we are going to be someplace between 4 and zero. Hopefully if we go to 5, we can end up with all the resolutions considered here at 4.

Mr. REGULA. So if we do not act at all, we will have it at 7?

Mr. FORD of Michigan. If we do not adopt a budget resolution that changes the existing reconciliation levels of Gramm-Latta, it is 7.

Mr. REGULA. Mr. Chairman, I thank the gentleman for yielding.

Mr. PARRIS. Mr. Chairman, I have a parliamentary inquiry.

The **CHAIRMAN** pro tempore. The Chair will inquire, does the gentleman from Michigan (Mr. FORD) withdraw his reservation of objection?

Mr. FORD of Michigan. Yes, I do, Mr. Chairman.

The **CHAIRMAN** pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. PARRIS. Mr. Chairman, reserving the right to object, do I understand, if the committee chairman would enlighten me, that the time limitation would apply to this amendment only, not to the subsequent amendments, to the cost of living and the others?

Mr. JONES of Oklahoma. Mr. Chairman, if the gentleman will yield, the gentleman is correct.

However, I would point out to the gentleman that I have discussed with the leadership our plans, and we are going to try to complete this budget resolution tonight. The faster we can move along, the better it is going to be for everybody, including the country and the people who might be watching this.

Mr. PARRIS. Mr. Chairman, further reserving the right to object, I appreciate the gentleman's observation. But, we have been here for 5 days now, and I do not think another 5 minutes is going to hurt us all that terribly.

I would just like to know if the gentleman would tell me who is going to control the time.

Mr. JONES Of Oklahoma. The gentleman from Ohio (Mr. REGULA) and the gentleman from Maryland (Mr. HOYER) equally will control the time.

Mr. PARRIS. Mr. Chairman, I withdraw my reservation of objection.

The **CHAIRMAN** pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The gentleman from Maryland (Mr. Hoyer) is recognized for 5 minutes in support of his amendment.

Mr. HOYER. Mr. Chairman, I think we have had a full discussion on what my previous amendment did and what this amendment does.

I would like to yield, if I might, to the gentleman from Wisconsin (Mr. Obey) to explain once again for everybody in attendance what I think is a critical issue to the consideration of this amendment.

Mr. OBEY. Mr. Chairman, I thank the gentleman for yielding.

I simply want to make it clear that Members ought to vote on this question on the basis of what level of salaries they believe Federal employees ought to receive or what level of increase they ought to receive. The question of congressional salaries is not involved.

When you vote on this amendment, you will not be voting for or against an adjustment in congressional salaries.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from California.

Mr. FAZIO. Mr. Chairman, I appreciate the gentleman's yielding.

I just checked with the chairman of the Military Personnel Subcommittee of the Committee on Armed Services, Mr. Nichols of Alabama, and I would like to clarify one other point that I believe was somewhat confused in the debate which just ended a few minutes ago.

The question was whether the military pay and civilian pay were tied together, and we have had that question answered. Yes, they are. So when we consider this amendment, we are talking about both groups, and I would hope that those Members who were confused and may have voted against the first amendment because they felt it did not apply to our men and women in the armed services will reconsider when they have a second opportunity to vote.

☐ 1530

Mr. HOYER. I thank the gentleman for his remarks.

I was in error only to the extent that the money is not included but by law it must follow. So effectively the uniformed personnel are, as I understand it, affected by this amendment.

In response to the gentleman's question, clearly on the assumption if we adopt one of the budgets proposed as is, we will set a cap of 4 percent. I believe that is far too low. I believed 7 percent was not even equitable.

But the President of the United States in his budget message to us said, "For 1983, allowances of $700 million in outlays are to cover an overall increase of 5 percent."

This is the President's proposal, 5 percent.

It is simply my suggestion that this be the appropriate level.

Mr. DICKS. Will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Washington.

Mr. DICKS. I want to commend the gentleman. I think we have finally gotten the case clear here. This is 5 percent for all Government employees, this will also mean a 5-percent increase for the military, and also there is nothing here to do with congressional pay.

Mr. BARNES. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Maryland.

Mr. BARNES. Mr. Chairman, as chairman of the Federal Government service task force, I just want to note that we polled the members of the task force, Republicans and Democrats, in the Senate and the House. They were unanimous in support of this 5-percent pay raise for our military personnel, our active duty military personnel, and for our civilian employees.

There was unanimity in support of this, and I commend the gentleman for his amendment.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Ohio.

Mr. REGULA. I have two questions. One, if we hold to the Jones, Aspin, or Latta 4 percent, will this override the President's recommendation of 5 percent?

The second question is, does this amendment include military or does it just include civilian, including those who do work as civilians for the military?

Mr. HOYER. It includes civilians, whether they work in military establishments or not.

Mr. REGULA. But not the military.

Mr. HOYER. In terms of dollars, it does not. But by law the military pay follows the level of funding set for employee salaries.

Mr. REGULA. But the funding for military is not in this particular amendment; is that correct?

Mr. HOYER. That is how I understand it.

Mr. FORD of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Michigan.

Mr. FORD of Michigan. I think it is a fair response to the gentleman that if you establish a cap here that amounts to an increase for the civilian employees that that will be applied automatically to the military or the uniformed employees of the DOD as well.

Mr. HOYER. If I might in closing, I would like to call attention to these graphs. We are talking about comparability, not the cost of living. We are going to consider that in another amendment.

We are talking about comparability, the red line versus the blue line, which is the private sector pay.

Clearly they are diverging. In the private sector—and forget here about the cost of living, whatever it is—is being treated better than our public personnel, and, therefore, we are losing our best public personnel at whatever levels because of the fact we are not paying comparable wages.

I urge the Members of this body to consider this. Comparability would be 18.6 percent and we are asking for 5 percent. This is 1 percent above the arbitrary figure of 4 percent adopted in the three alternatives and 5 percent above that offered by the other body, which was zero.

We will hopefully go to conference on at least the 5 percent.

Mr. REGULA. Mr. Chairman, I am opposed to the amendments.

Mr. PARRIS. Will the gentleman yield?

Mr. REGULA. And I yield to the gentleman from Virginia (Mr. Parris).

Mr. PARRIS. Mr. Chairman, I appreciate the gentleman yielding. I would like to debate this subject for an hour, but I think extended debate is inimicable to the prospect of successful passage of this legislation, and in the interest of time I would simply indicate that I rise in support of this proposal and would ask my colleagues to support this amendment.

Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Virginia (Mr. Wolf).

Mr. WOLF. I thank the gentleman and rise in support of this amendment. This is really only what the administration asked.

I reluctantly say I listened to the debate before about Federal salaries and what the gentleman from Maryland (Mr. Hoyer) said is true, we have lost the best people in the space program and many other programs.

I might say that senior executive Government employees do not have the right to go out and make honorariums and speeches. They are under tight control and I think this is a fair and equitable amendment.

Mr. TRIBLE. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Virginia (Mr. Trible).

Mr. TRIBLE. I thank the gentleman and rise in support of this amendment.

Mr. Chairman, I rise in strong support of this amendment and oppose an arbitrary cap on Federal pay.

The Federal Government cannot hope to attract and retain qualified employees if the pay it offers is not comparable. Capping pay destroys comparability, impairs worker morale and productivity and deprives our Federal Government of many qualified employees.

Federal pay has been capped for a number of years in an unsuccessful effort to hold down Government spending. Federal employees have done their part and should not be further prejudiced.

Let me also address the budget impact of approving this amendment.

It is my understanding that raising the pay cap to 5 percent—from 4 percent—would still provide substantial budget savings, which can be applied to reducing the Federal deficit.

According to CBO, we can save $884 million in outlays, and reduce the prospective deficit by that amount in fiscal year 1983, even if the pay cap is lifted from 4 to 5 percent. Those savings can be achieved because the economic summit at the Capitol assumed that Federal civilian agency pay would increase 8 percent in October.

The higher 5 percent pay cap still produces substantial budget savings compared to the baseline deficit. A 5 percent pay cap would be fairer to Federal employees, and would be consistent with reducing the budget dificit.

I also note that the President's own February budget recommended a 5 percent raise in October for Federal civilians. Agreeing to that figure is the least we can do.

I urge my colleagues to vote to raise the Federal pay cap.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Maryland (Mr. HOYER), increasing Federal employees comparability pay from 4 to 5 percent.

Let us bear in mind that this is not a cost of living adjustment—it is a comparability pay increase—comparable to the prevailing rates of pay for the same levels of work in the private sector and at a rate recommended by the President.

Accordingly, I urge support of the Hoyer amendment.

Mr. DOUGHERTY. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Pennsylvania.

Mr. DOUGHERTY. I would ask the gentleman from Michigan (Mr. FORD) to answer a question so I could clarify something.

Under your prior discussion on the question of congressional pay, is it conceivable that if this amendment is defeated the Members of Congress would get a 5-percent pay increase based on the President's recommendation, while public employees would only get a 4-percent increase?

Mr. FORD of Michigan. Will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Michigan.

Mr. FORD of Michigan. Yes, it is. If you are looking ahead to the next quadrennial commission report, and that is not until the end of this President's term of office.

Mr. DOUGHERTY. I thank the gentleman.

Mr. REGULA. Mr. Chairman, I think we ought to make clear that what we are talking about here is not a change in the law. We are talking about a budget resolution that provides the financial capacity within the budget to do whatever this body chooses to do in response to the President's recommendations.

The President presently has recommended a 5-percent pay raise. This recommendation includes the Federal employees and it includes Members of Congress, it includes all of the Federal employees with the exception of the military, as I understand it, from the response to the questions.

The issue here is whether or not are we leaving capacity in the budget to respond to that Presidential recommendation.

Mr. JONES of Oklahoma. Mr. Chairman, with the gentleman yield?

Mr. REGULA. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. I rise in opposition to this amendment.

The 4-percent across-the-board was established in consultations, negotiations, with the administration on a bipartisan basis. If you go to 5 percent it will add nearly $1.6 billion to the Federal deficit over the next 3 years.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Minnesota.

Mr. FRENZEL. I thank the gentleman for yielding.

If we pass this amendment we will have to borrow money at whatever the current rate is, to pay for $400 million of additional deficit in 1983, $560 million of additional deficit in 1984, and $580 million in additional deficit in 1985. That makes a total of about $1.5 billion that will have to be borrowed to pay for this amendment.

In my judgment, the amendment should be defeated.

Mr. REGULA. Mr. Chairman, I yield back the balance of my time.

● Mr. MATSUI. Mr. Chairman, I rise in complete support of the Hoyer amendment.

Since I have been in Congress, I have seen policies in our country which tend to drive the best of our civil servants out of public employment. Since 1977, Congress has increased Federal pay by only two-thirds of the increases in the private sector. When related to inflation, we have actually permitted an appalling decrease in real income.

Along with effectively reducing pay, we have also reduced other benefits. We have permitted increases in Federal employees' health program premiums while allowing benefits to be reduced. Historically, one of the offsetting benefits of public employment has been job security. In the last year, that has been shown to be a myth. With RIF's and downgrading of positions, the Federal Government has become one of the harshest employment environments in our economy.

Making scapegoats of Federal employees involves a self-fulfilling prophecy. If you degrade a work force by unjustified criticism if you punish them with real cuts in pay and erosion of benefits, if you destroy morale with uncertainty, you will wind up with what you misperceived in the first place: Only the least bright, the least ambitious, and the least talented will remain.

In Sacramento, Mr. Chairman, we have some of the finest Federal workers in the country. At McClellan Air Force Base, we have departments which are so efficient and where backlogs on repair of airplanes have been so minimized that they are out like aggressive businessmen soliciting work from other jurisdictions. And the very best of the managers and workers at that base are the same ones who talk to me about getting out.

Mr. Chairman, we are in an economic mess that in some ways is even worse than the Great Depression because it is more complicated and enigmatic. If we are going to get ourselves out of that mess, I do not think we should expect to do it by promoting mediocrity. We will get, the American people will get, what they pay for of their Government. We cannot expect that the best of our civil servants will stay with Government if we continue to abuse them. Many have already left. Let us reverse the unwise, self-defeating policy of the last 5 years. Let us provide a pay increase for Federal employees which is not another insult.

I encourage all of my colleagues to support the Hoyer amendment.●

The CHAIRMAN pro tempore. The question is on the amendments offered by the gentleman from Maryland (Mr. HOYER) to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA), the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. JONES), and the amendment in the nature of a substitute offered by the gentleman from Wisconsin (Mr. ASPIN).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. HOYER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 259, noes 159, not voting 14, as follows:

[Roll No. 119]

AYES—259

Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Atkinson
AuCoin
Bailey (PA)
Barnard
Barnes
Beilenson
Benjamin
Bennett
Bereuter
Bethune
Bevill
Biaggi
Blanchard
Boland
Boner
Bonior
Bonker
Bowen
Brinkley
Brodhead
Brooks
Brown (CA)
Burton, Phillip
Byron
Carney
Chappell
Chappie
Clausen
Clay
Clinger
Coelho
Collins (IL)
Conyers
Coughlin
Courter
Coyne, James
D'Amours
Daniel, R. W.
Daub
Davis
de la Garza
Dellums
DeNardis
Dickinson
Dicks
Dingell
Donnelly
Dorgan
Dougherty
Dowdy
Downey
Duncan
Dwyer
Dymally
Dyson
Early
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Evans (DE)
Evans (GA)
Evans (IN)
Fary
Fascell
Fazio
Ferraro
Fiedler
Fish
Fithian
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gilman
Gingrich
Ginn
Goldwater
Gonzalez
Goodling
Gore
Gray
Green
Guarini
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hansen (UT)
Harkin
Hatcher
Hawkins
Heckler
Hefner
Hertel
Hollenbeck
Holt
Horton
Howard
Hoyer
Hubbard
Hughes
Hutto
Jacobs
Jones (NC)
Kastenmeier
Kazen
Kennelly
Kildee
Kogovsek
LaFalce
Lagomarsino
Lantos
Leach
Lehman
Leland
Lent
Levitas
Long (LA)
Long (MD)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Markey
Marlenee
Marriott
Martin (NY)
Matsui
Mattox
Mavroules
McCurdy
McDade
McEwen
McGrath
McHugh
Mica
Mikulski
Miller (CA)
Mineta
Minish
Mitchell (MD)
Mitchell (NY)
Moakley
Moffett
Molinari
Mollohan
Mottl
Murphy
Murtha
Napier
Natcher
Neal
Nelligan
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Ottinger
Parris
Patterson
Pease
Pepper
Perkins
Peyser
Price
Rahall
Railsback
Rangel
Ratchford
Reuss
Richmond
Rinaldo
Rodino
Roe
Rogers
Rose
Rosenthal
Roukema
Roybal
Russo
Sabo
Santini
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shamansky
Shannon
Sharp
Shelby
Simon
Skeen
Skelton
Smith (IA)
Smith (NJ)
Smith (PA)
Snyder
Solarz
Spence
St Germain
Stangeland
Stark
Stokes
Studds
Swift
Tauzin
Taylor
Traxler
Trible
Udall
Vento
Volkmer
Walgren
Washington
Waxman
Weaver
Weiss
White
Whitehurst
Whitley
Williams (MT)
Wilson
Wirth
Wolf
Wolpe
Wright
Wyden
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zablocki
Zeferetti

NOES—159

Archer
Aspin
Badham
Bafalis
Bailey (MO)
Beard
Bedell
Benedict
Bliley
Bouquard
Breaux
Broomfield
Brown (CO)
Brown (OH)
Broyhill
Burgener
Butler
Campbell
Carman
Cheney
Coats
Coleman
Collins (TX)
Conable
Conte
Corcoran
Craig
Crane, Daniel
Crane, Philip
Daniel, Dan
Dannemeyer
Daschle
Deckard
Derrick
Derwinski
Dornan
Dreier
Dunn
Edwards (OK)
Emerson
Emery
English
Erdahl
Erlenborn
Evans (IA)
Fenwick
Fields
Findley
Forsythe
Fountain
Frenzel
Gephardt
Gibbons
Glickman
Gradison
Gramm
Gregg
Grisham
Gunderson
Hagedorn
Hance
Hansen (ID)
Hartnett
Hendon
Hightower
Hiler
Hillis
Holland
Hopkins
Huckaby
Hunter
Hyde
Ireland
Jeffords
Jeffries
Jenkins
Johnston
Jones (OK)
Jones (TN)
Kemp
Kindness
Kramer
Latta
Leath
LeBoutillier
Lee
Lewis
Livingston
Loeffler
Lott
Lowery (CA)
Madigan
Martin (IL)
Martin (NC)
Mazzoli
McClory
McCloskey
McCollum
McDonald
McKinney
Michel
Miller (OH)
Montgomery
Moore
Moorhead
Morrison
Myers
O'Brien
Oxley
Panetta
Pashayan
Patman
Paul
Petri
Pickle
Porter
Pritchard
Pursell
Quillen
Regula
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Rostenkowski
Roth
Rousselot
Rudd
Sawyer
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Siljander
Smith (AL)
Smith (NE)
Smith (OR)
Snowe
Solomon
Staton
Stenholm
Stratton
Stump
Synar
Tauke
Thomas
Vander Jagt
Walker
Wampler
Watkins
Weber (MN)
Weber (OH)
Whittaker
Whitten
Williams (OH)
Wortley
Wylie

NOT VOTING—14

Bingham
Boggs
Bolling
Burton, John
Chisholm
Coyne, William
Crockett
Dixon
Ertel
Heftel
Marks
Rhodes
Stanton
Winn

☐ 1550

Messrs. KRAMER, PETRI, EDWARDS of Oklahoma, and McCOLLUM changed their votes from "aye" to "no."

Messrs. ZABLOCKI, ROGERS, and WALGREN changed their votes from "no" to "aye."

So the amendments to the Latta amendment in the nature of a substitute, the Jones amendment in the nature of a substitute, and the Aspin amendment in the nature of a substitute were agreed to.

The result of the vote was announced as above recorded.

Mr. HOYER. Mr. Chairman, as thanks for the last vote, I will now withdraw 10 of the 68 amendments.

The CHAIRMAN pro tempore. On behalf of the committee, the Chair thanks the gentleman.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I use this time and and would like to address a question to the distinguished chairman of the Budget Committee.

Section 307 of the Latta substitute says, "It is the sense of Congress that reductions in Federal employment should be accomplished by attrition only." As chairwoman of the Subcommittee on Civil Service, I know that involuntary methods of reducing the cost of the workforce, such as through reductions in force, more commonly known as RIF's, and furloughs are tremendously costly, both in dollars and in employee productivity.

Mr. Chairman, I agree with section 307 of the Latta substitute and think this administration's war against Federal employees gives the lie to its professed desire to cut costs.

Because section 307 repudiates the actions of this administration, should those of us who are concerned about the productivity of the Federal workforce support Latta?

Mr. REGULA. Mr. Chairman, would the gentlewoman repeat her remarks. I do not think many on our side were able to hear them.

Mrs. SCHROEDER. I would be happy to reread it, but I would be delighted to yield to the gentleman from Oklahoma (Mr. JONES).

Mr. JONES of Oklahoma. I think a close reading of the Latta substitute will reveal that, despite section 307, it really is a disaster and very bad for the Federal work force. The Latta budget calls for a 1-percent cut in the number of Federal employees, and that is 20,000 workers. Since the Department of Defense and Veterans' Administration have been essentially immune from personnel reductions, the cut would really be 2 or 3 percent of the remainder of the Federal work force.

Further, since the savings attributable to the 1-percent cut are 1 percent of personnel costs, unless the reductions are made on day one of the fiscal year, more than 20,000 will have to be removed.

And finally, the other deficiency is that the Latta budget assumes a 50-percent pay absorption rate. Since many agencies have been cut to the bone in the last year, this absorption rate may well force more cost-cutting personnel reductions.

So taking all of this into account, section 307 is nice. It is essentially a meaningless gesture.

Mrs. SCHROEDER. I thank the gentleman for that response.

I understand further that the Latta budget also takes a number of programs below their current frozen level to the President's proposed budget.

Programs such as fossil fuels and energy, the Environmental Protection Agency, the Bureau of Land Management, and the Soil Conservation Service are cut between 6 and 30 percent. I doubt these cuts can be made without eliminating employees. To do this by attrition would take far more management skill than any agency has ever shown.

Mr. DERWINSKI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think we must correct the record a bit here.

I was not quite sure that I was listening correctly to the gentlewoman from Colorado and the gentleman from Oklahoma, because I understood both of them to express great indignation that anybody would think of a single Federal employee being RIFed.

□ 1600

Now, if you want to go back home to your constituents and tell them that you join in this position, that once a person has Federal employment they have an absolute guarantee to lifetime security and that it is against the public interest to think of reducing a swollen Federal payroll, I would like to be there when you give that scenario. That is exactly what I heard a moment ago.

PARLIAMENTARY INQUIRY

Mrs. SCHROEDER. Mr. Chairman, a parliamentary inquiry.

The **CHAIRMAN** pro tempore. The gentlewoman will state it.

Mrs. SCHROEDER. Mr. Chairman, I do not think I yielded back my time.

The **CHAIRMAN** pro tempore. The Chair recognized the gentleman from Illinois (Mr. DERWINSKI) and it is the time of the gentleman from Illinois.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I will yield to the gentleman from Ohio.

Mr. REGULA. I thank the gentleman for yielding. The gentleman is entirely correct.

I have read this colloquy and the thrust of it is that you should not have one Federal employee RIFed, that we should not, through attrition, reduce the number of Federal employees.

I would point out to the Members that the Latta substitute provides that we will allow, through attrition, a reduction of 1 percent—1 percent in the total number of Federal employees.

Now, those of you who choose to keep the swollen numbers—the staff has advised me that that is in a 3-year period—any of you that would like to keep it at 100 percent over the next 3 years would agree with the thrust of the policy.

What is being suggested in this Latta substitute is that over the next 3 years through attrition we will allow the total Federal employment to be reduced by 1 percent.

I thank the gentleman for yielding.

Mr. DERWINSKI. I wanted to be sure that we all understand that the purpose of our little colloquy here was that since the Latta substitute has over the last few days innocently, and sometimes not innocently been misinterpreted, I think it is only fair that we have a good reading of the record at this point on the subject of the Federal work force.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Louisiana.

Mr. ROEMER. Mr. Chairman, I thank the gentleman for yielding.

Let me make sure that I understand that under this so-called Draconian Latta substitute Federal employees will be reduced in number by 1 percent next year when the attrition rate is 5 to 7 times that rate per year. Is that the Draconian measure that the gentleman on this side is talking about?

Mr. DERWINSKI. The gentleman's statistics are basically correct. These is an attrition rate slightly over 5 percent—1 percent, obviously, is a minimum.

Mr. ROEMER. Well, if the gentleman will yield further, as I understand the language of the substitute, it points out that it was from the attrition rate that the reduction was to be made. It is not a reduction in excess of the attrition rate. The reduction is part of that attrition rate that is going to be there regardless of which budget is passed in this House.

Mr. DERWINSKI. That is right.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, I thank the gentleman from Illinois. I am still not quite sure what happened in the time allotment here; but what I was trying to make clear, and I am delighted that the gentleman has joined in the colloquy, is that while the Latta budget is saying there should be no RIF's in section 307, the Latta budget cannot guarantee that. Some of the budgets for different functions are way below current levels and so as a consequence there will be a squeeze and RIF's will follow. Passing Latta does not give insurance against RIF's.

I commend the Republican side for saying they prefer cuts to be by attrition. I am only saying that that is not what has happened in some agencies in the past year. RIF's have been found to be very expensive, and some of the target levels in Latta means that more RIF's will happen in the future, no matter what section 307 says. Latta is not a guarantee against RIF's, in fact it will cause more. I think we are on the same track. I just wanted to make that clear. That was the point of my colloquy with the Budget Committee chairman.

Mr. DERWINSKI. But let us get to the basic point of our concern here. You do not perform a service for the Federal employee when you overembrace them. You do create a situation where there is public resentment against what is considered the favorable status of the Federal bureaucracy. If the Congress by virtue of cooperating with deregulation or direct action in which Congress takes the initiative, if the workload of theFederal officialdom is reduced and fewer numbers are needed to conduct the business of Government, then there is nothing unholy about a RIF.

Mr. GRAMM. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Texas.

Mr. GRAMM. So a fundamental difference between Jones budget and the Latta budget is that the Latta budget does not grandfather either people or their positions and it tries to put a squeeze on Government, since the American economy and the American worker and the people that are pulling this wagon that so many are riding in are in a squeeze every day, and I think that is important.

AMENDMENTS OFFERED BY MR. DOWNEY TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA AND TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OKLAHOMA

Mr. DOWNEY. Mr. Chairman, I offer an amendment that was printed in the RECORD on May 21.

The Clerk read as follows:

Amendment offered by Mr. DOWNEY to the amendment in the nature of a substitute offered by Mr. JONES of Oklahoma: In title II, section 201 (relating to functional category 050), strike out "the budget authority level for fiscal year 1983" and increase the level by $200,000,000, strike out "the outlay level for fiscal year 1983" and increase the level by $200,000,000.

In title II (relating to functional category 600), strike out "the outlay level for fiscal year 1983" and increase the level by $300,000,000.

In title II, section 205 (relating to functional category 050), increase the budget authority level for fiscal year 1984 by $700,000,000; and increase the outlay level for fiscal year 1984 by $700,000,000; and increase the budget authority level for fiscal year 1985 by $1,200,000,000; and increase the outlay level for fiscal year 1985 by $1,200,000,000.

Page 27, line 14 (relating to functional category 600), increase the budget authority level for fiscal year 1984 by $250,000,000; and increase the outlay level for fiscal year 1984 by $950,000,000; and increase the budget authority level for fiscal year 1985 by $600,000,000; and increase the outlay level for fiscal year 1985 by $1,700,000,000.

Title III, section 301, all reconciliation instructions to the House Committee on Armed Services. Strike the reconciliation instruction to Energy and Commerce Committee and insert in lieu thereof "$59,000,000" budget authority for fiscal year 1983, and insert in lieu thereof "$59,000,000" for fiscal year 1983 outlays, and insert in lieu thereof "$65,000,000" budget authority for fiscal year 1984, and insert in lieu thereof "$65,000,000" outlays for fiscal year 1984, and insert in lieu thereof "$72,000,000" outlays and budget authority for fiscal year 1985.

Strike reconciliation instructions to Foreign Affairs Committee.

Strike reconciliation Instructions to Post Office and Civil Service.

Strike reconciliation instructions to Senate Armed Services.

Adjust reconciliation to Senate committees accordingly.

Page 12, line 14, increase the amount of budget authority by $200,000,000.

Page 12, line 16, increase the amount of total budget outlays by $500,000,000.

Page 12, line 18, increase the amount of the deficit in the budget $500,000,000.

Page 13, line 9 (relating to functional category 050), strike out "$242,850,000,000" and insert in lieu thereof "$243,050,000,000", and on line 10, strike out "$212,300,000,000" and insert in lieu thereof "$212,500,000,000".

Page 14, line 21 (relating to functional category 600), strike out "$273,800,000,000" and insert in lieu thereof "$274,100,000,000".

Page 22, line 12, increase the amount of budget authority by $950,000,000.

Page 22, line 13, increase the amount of budget authority by $1,800,000,000.

Page 22, line 15, increase the amount of budget outlays by $1,650,000,000.

Page 22, line 16, increase the amount of budget outlays by $2,900,000,000.

Page 23, line 12, (relating to functional category 050) strike out "$268,150,000,000" and insert in lieu thereof "$268,850,000,000", and on line 13, strike out "$235,350,000,000" and insert in lieu thereof "$236,050,000,000", and on line 16, strike out "$295,950,000,000" and insert in lieu thereof "$297,150,000,000", and on line 17, strike out "$265,950,000,000" and insert in lieu thereof "$267,150,000,000".

Page 27, line 14 (relating to functional category 600) strike out "$314,500,000,000" and insert in lieu thereof "$314,750,000,000", and on line 15, strike out "$290,050,000,000" and insert in lieu thereof "$291,000,000,000", and on line 18, strike out "$344,550,000,000" and insert in lieu thereof "$345,150,000,000", and on line 19, strike out "$312,400,000,000" and insert in lieu thereof "$314,100,000,000".

Page 31, strike out lines 1 through 11.

Page 32, line 10, strike out "$60,000,000" and insert in lieu thereof "$59,000,000", and on line 11, strike out "$60,000,000" and insert in lieu thereof "$59,000,000", and on line 14, strike out "$68,000,000" and insert in lieu thereof "$65,000,000", and on line 15, strike out "$68,000,000" and insert in lieu thereof "$65,000,000", and on line 16, strike out "$77,000,000" both times it appears and insert in lieu thereof "$72,000,000".

Page 32, strike out line 18 and all that follows through page 33, line 24.

Page 36, strike out lines 14 through 24.

Page 37, strike out line 12 and all that follows thereafter through page 38, line 17 and insert in lieu thereof "and".

Mr. DOWNEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DOWNEY. Mr. Chairman, I would further ask unanimous consent that my amendment, which is simply to lift the cap on the COLA for Federal retirees and military retirees, also apply to the Latta amendment as well.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

Mr. PARRIS. Mr. Chairman, reserving the right to object, it is my understanding that as printed in the Record, the gentleman's amendment applied solely to the Jones substitute.

Mr. DOWNEY. That is correct.

Mr. PARRIS. And the gentleman's request now is that it be permitted to apply to the Latta substitute as well.

Mr. DOWNEY. That is correct.

Mr. PARRIS. It is my understanding that it is not in order or necessary to apply the amendment to the Aspin substitute because it does not now contain a COLA cap; is that correct?

Mr. DOWNEY. That is correct.

Mr. PARRIS. Would the gentleman just respond to one other question? It is my understanding that this amendment is identical to an amendment No. 45 filed by myself and a similar amendment filed by my colleague, the gentleman from Virginia (Mr. Wolf).

Mr. DOWNEY. That is further correct.

Mr. PARRIS. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York (Mr. Downey)?

Mr. ASPIN. Mr. Chairman, reserving the right to object, I yield to the chairman of the committee.

Mr. JONES of Oklahoma. Mr. Chairman, I have checked with the minority. We know this issue. I think we even know the outcome of this issue. Twenty minutes is a good time for the author of the amendment, that is fine with him, so I am going to move that all debate on this amendment close in 20 minutes.

The CHAIRMAN pro tempore. The Chair would advise the gentleman from Oklahoma that there is presently a unanimous consent request pending that the amendments be considered en bloc.

Is there objection to that request which was made by the gentleman from New York?

Mr. ASPIN. Mr. Chairman, reserving the right to object, just to check with the gentleman what his amendment does, as it is now the unanimous consent request is to apply to the Jones and the Latta substitutes?

Mr. DOWNEY. That is correct.

Mr. ASPIN. In both cases it just adds the comparable amount to the deficit; is that correct?

Mr. DOWNEY. That is correct.

Mr. ASPIN. Is it the same in both cases?

Mr. DOWNEY. That is correct.

Mr. ASPIN. How much does it add to the deficit in both cases in 1983, 1984, and 1985?

Mr. DOWNEY. For outlays for fiscal year 1983 it is $500 million.

For fiscal year 1984, it is $1.65 billion.

For fiscal year 1985, it is $2.9 billion. These are in outlays.

Mr. ASPIN. In outlays?

Mr. DOWNEY. Yes.

Mr. ASPIN. That is in both cases, so the numbers are the same and the result is the same in both cases?

Mr. DOWNEY. That is correct.

Mr. ASPIN. It does not apply to the coalition substitute because there is no cap in the coalition?

Mr. DOWNEY. That is correct.

Mr. ASPIN. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York (Mr. Downey)?

Mr. REGULA. Mr. Chairman, reserving the right to object, I would ask the gentleman in the well, since the unanimous-consent request is to add the impact of the gentleman's amendment on the Latta substitute, would the fiscal impact of the gentleman's amendment on the Latta substitute be identical to that of the gentleman from Virginia (Mr. Parris)?

Mr. DOWNEY. I think that question might be more appropriately addressed to the gentleman from Virginia (Mr. Parris), but I believe the answer is also yes.

Mr REGULA. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York (Mr. Downey) that the amendments be considered en bloc?

There was no objection.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the committee chairman.

Mr. JONES of Oklahoma. Mr. Chairman, I ask unanimous consent that all debate on the Downey amendment close in 20 minutes, and that the time be equally divided between the author for 10 minutes and those in opposition for 10 minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from New York (Mr. Downey) is recognized for 10 minutes.

Mr. DOWNEY. Mr. Chairman, I will be brief.

I offer this amendment on behalf of a number of my colleagues who have worked long and hard on this.

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Mr. Chairman, I offer this amendment on behalf of a number of my colleagues—Mr. Dicks, Mr Hoyer, Ms. Oakar, Mr. Chappell, Mrs. Byron, Mr. Hutto, Mr. Dyson, and Mr. Wolf—who have all worked very hard on this and feel very strongly, as do I, that it is unfair to single out Federal civil servants and military retirees for an arbitrary 4 percent cap when, indeed, the Budget Committee has decided that for social security recipients, for railroad retirees, and for veterans there shall be no cap.

Mr. Chairman, let me just quickly point out some of the numbers and try to dispel some of the myths with respect to who these people are. Unfortunately, we listen to more anecdotes than is good for us when we talk about civil service retirees, and in particular, former Members of Congress.

We are all no doubt familiar with the fact that Mr. Albert, the former Speaker, earns more than the current Speaker of the House because of his cost-of-living increases. While certainly that is not a desired result of any retirement system, it is unique and should not be used to explain the problems that the current retirees have.

Mr. Chairman, the average annuity for a Federal civil servant retired is about $962 a month. Fifty percent of these people receive less than that. More importantly, there were, as of September of 1981, some 450,000 survivors receiving a monthly annuity of $419. This amounts to about $5,000 per year. This group primarily consists of elderly women whose average age is 69.8 years, and whose husbands worked for the Federal Civil Service for 23 years.

Any attempt to reduce the COLA for these people, and many of them are not vested in social security, works a severe hardship on them.

We have already heard ad nauseam today, Mr. Chairman, about comparability. I happen to think that Federal civil servants do not have it. One of the old adages about working in the Federal Government was that you never earn very much money, but you could rely on the retirement benefits and the security of the job. Well, I daresay both of those elements, Mr. Chairman, have been undermined significantly in the last few years. Both the security of the job is being called into question with the RIF's, and with the last year removal of the twice-a-year COLA.

There is just no question that there will be real problems of good faith if we decide to single out these people. I hope we do not do that, and it is my intention with this amendment that that not be done.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I want to commend my good friend and colleague from New York for his leadership on this very important amendment. The gentleman has made some very important points.

Mr. Chairman, I rise in wholehearted support of this amendment. Its passage is critical to fair treatment of Federal civilian and military retirees against the ravages of inflation.

Contrary to what some have asserted, a majority of Federal retirees do not receive any other form of pension, including social security. Over 31 percent receive less than $600 a month, and 75 percent of annuitants' survivors receive less than $500 a month. Only 1 percent of all annuitants receive in excess of $30,000 a year. Clearly, we are not talking about an affluent group when we discuss Federal retirees.

In addition, widespread early retirement among Federal workers is a myth, 80 percent of Federal annuitants retire at age 62 or later and two thirds at 65 or later.

A few years ago, we eliminated the so-called 1-percent kicker that compensated for the delay in cost-of-living adjustments. Last year we eliminated the semiannual cost-of-living adjustment. In addition, civil service annuitants were hit with an average 31 percent increase in health program premiums while at the same time having their benefits substantially reduced.

I sincerely feel that inflation protection for retired citizens is critically important. All the budget subsitutes recognize this for social security. What we must decide then is whether we can make Federal retirees second-class citizens. I know some in this body are tempted to make Federal workers and retirees scapegoats when it comes to cutting the budget, rather than make the tough choices.

Well, I for one am convinced we cannot balance the budget solely on the back of the Federal worker and retiree. They will do their part, but will not tolerate abuse. Morale in the Federal work force is already at an all-time low, and attacks such as capping cost-of-living adjustments, or freezing Federal pensions as the Senate recommends, only drive that morale lower. Our only protection against a disintegration of the Federal work force at this time is double-digit unemployment, and that is far too high a price to pay.

I urge this House to have the common decency to approve this amendment and fulfill our commitment to those who gave long years of public service.

Mr. DOWNEY. I thank the gentleman.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Chairman, I commend the gentleman for bringing this amendment to the floor, representing as he does a broad cross-section of Members.

Mr. Chairman, when you slice through the multiple layers of politics burdening our ongoing battle of the budget, the cost-of-living adjustment (COLA) for retired Federal annuitants emerges as an issue involving only one question—simple equity.

Commonsense logic proves you do not make a program more equitable by an infusion of additional inequities. We are compounding, rather than solving, a problem when we selectively target Federal retirees for a denial of the proper COLA adjustment. What is at stake here is not preferential treatment, but outright discrimination.

As a long-time member of the Post Office and Civil Service Committee, I am totally familiar with the numerous retirement programs for Federal personnel, and the many differences in each program. Many of the differences should and could be corrected through the adoption of a uniform Federal retirement program. That positon has been supported by numerous studies by the General Accounting Office.

Through some convoluted logic, we are being asked to support a proposal which says, in effect, that long-term Federal employees are less deserving of the proper COLA adjustment than pensioners in other Federal programs. It is a position which is inconsistent and illogical.

As I pointed out last week, Congress provided for a contributory retirement system—not an income insurance plan as in the case of social security.

The civil service retirement program always has operated on the premise that a long-term career employee would earn an annuity, which would provide a standard of living in retirement reasonably close to the standard enjoyed by the employee during his working years, taking into account level of pay and length of service.

Our retired Federal employees have contributed toward COLA benefits throughout their Federal careers. We should not break a commitment we made to them in return for their dedicated service. To continue what amounts to a piecemeal approach on our policy on pensions exacerbates, rather than corrects, the problem.

Mr. BARNES. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to my friend from Maryland (Mr. BARNES).

Mr. BARNES. Mr. Chairman, I just want to make one point, if I may, very briefly.

The elderly people in the United States today are scared. I think we all see that when we talk to our social security recipients, when we talk to Federal retirees. They are scared. There are about a half a million survivor annuitants out there who receive less than $500 a month. Many of us represent these people.

Let us make sure that we pass the gentleman's amendment and take away at least some of that fear of these people who are living right on the very edge of poverty.

Mr. DOWNEY. I thank the gentleman.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the gentleman from Kentucky.

Mr. SNYDER. Mr. Chairman, am I correct that this applies to both military and civilian retirees?

Mr. DOWNEY. That is correct.

Mr. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the gentleman from California.

Mr. CLAUSEN. Mr. Chairman, I want to associate myself with this bipartisan effort to support what I think is a creditable approach on the part of this House to address the comparability feature all the way through the retirees for both civilian and military.

Mr. DOWNEY. I thank the gentleman.

Mr. GILMAN. Mr. Chairman, will the gentleman yield to me?

Mr. DOWNEY. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I commend the gentleman for bringing this measure to the floor.

Mr. Chairman, I rise in support of the amendment offered by my colleague, the gentleman from New York (Mr. DOWNEY), which would restore the full cost-of-living adjustment (COLA) for Federal civilian and military retirees.

As a member of the Committee on Post Office and Civil Service, I previously voted to recommend to the Budget Committee that no changes be made to the Federal retirees' COLA program. I believe that our Federal retirees, who are generally living on fixed incomes, have made more than a significant contribution to our Nation's economic recovery effort by shouldering the affects of recent changes in the procedure by which their COLA is calculated.

Accordingly, I urge my colleagues to support the amendment offered by the gentleman from New York, restoring the full cost-of-living adjustment for Federal civilian and military retirees.

Mr. DOWNEY. I thank the gentleman.

Mrs. BYRON. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the gentlewoman from Maryland.

Mrs. BYRON. Mr. Chairman, I rise in support of the Downey amendment and I am, in fact, proud to be a chief cosponsor of this very important proposed revision to the Jones substitute.

The purpose of this amendment is to correct an injustice which is present in the Jones bill as presently written. While veterans, railroad retirees, and social security recipients would receive the full cost-of-living increase under the Jones substitute, Federal civilian and military retirees would not. Instead, the bill places a 4-percent cap on cost of living increases for this group.

I firmly believe that it is unfair to discriminate in this manner against one retired segment of our population. They have worked just as hard as other retired Americans and experience the same financial difficulties as others attempting to live on fixed incomes. I think that it is also important to remember that these retired men and women dedicated their working years to bettering the welfare and security of this country.

In short, Mr. Chairman, I join with the gentleman from New York to urge the adoption of this important amendment so that all retirees will be treated in an equitable manner under the Jones substitute.

Ms. FERRARO. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the gentlewoman from New York.

Ms. FERRARO. I thank the gentleman for yielding.

Mr. Chairman, I would like to commend the gentleman for this amendment.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from New York.

On May 1, I responded to President Reagan's radio address on the budget. At that time I asked the American people to write the President with just one message: Be fair, Mr. President, be fair.

I stand here today to urge my colleagues: Be fair.

The amendment offered by the gentleman from New York is very simple. It eliminates the unequal burden placed on one group of annuitants—Federal and military retirees. As a member of both the Aging Committee and the Post Office and Civil Service Committee, and as someone who represents a large number of retirees, I have witnessed the uncertainty and disruption in the lives of all of our retired citizens.

Last year's successful administration action eliminated the twice-a-year COLA which was part of the retirement benefits received by retired Federal, postal, and military retirees. I opposed that proposal, as did many other Democrats, because it unfairly singled out one group of retirees in order to achieve budget savings. During periods of high inflation and rising medical costs, those least able to afford it should not be forced to lose purchasing power. Unfortunately, the President prevailed.

This year the President proposed major cuts in the benefits received by almost all retired Americans. The Democrats on the House Budget Committee have rejected most of these cruel reductions. The budget we are now considering does not cap the COLA for those receiving social security; it does not cap the COLA for those receiving a pension from the railroad retirement system; it caps the COLA for only one group—Federal and military retirees. I do not think that this House intends to single out retired members of our armed services for an unequal burden. I hope this House does not mean to tell those who have spent a career protecting our borders in the Immigration and Naturalization Service or in the Customs Service that they should now be willing to sacrifice disproportionately. I am not willing to ask that from them.

I think the budget we pass must be fair. That is why I support the amendment of the gentleman from New York. I urge my colleagues to join us.

Mr. DOWNEY. I thank the gentlewoman.

Mr. DYSON. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the gentleman from Maryland.

Mr. DYSON. Mr. Chairman, I rise in support of the amendment offered by the gentleman from New York which would eliminate the cap on cost-of-living adjustments for retired Federal workers. This cap is contained in both the Jones and Latta substitute which are before us today.

Granted, the cost-of-living increases, as measured by the Consumer Price Index, have indeed moderated. However, inflation still persists and most of the Members of this body will agree that this is the worst enemy of individuals living on a fixed income. The 4-percent cap on COLA which is contained in both substitutes would ask those retired Federal workers living on fixed incomes to pretend that inflation has vanished.

The authors of the respective substitutes have wisely decided not to cap social security COLA, understanding that to do so would severely impact upon the beneficiaries of such entitlement. Where, may I ask, is the equity in this proposal which caps civil service annuities?

The President's February budget for 1983, which has provided the impetus for this prolonged debate, clearly presented the Congress with some fundamental questions about our national priorities. One of our highest priorities as a nation—and this is clearly reflected in this important amendment—is to continue in our strong commitment to this Nation's retirees. Unfortunately, in considering such matters during the course of this budget process, it is difficult to argue for additional revenues that would naturally increase the budget deficit for fiscal year 1983. But can we, in good faith, attempt to restore this Nation's economic well-being on the backs of one sector of our society? I find it difficult to understand the rationale that says some people need to have their retirement incomes protected while others do not. This kind of reasoning makes no sense at all for me.

Last year, at the impetus of the present administration, the Congress ignored a contractual obligation and decided, in the name of budget restraint, to eliminate the twice-a-year COLA payment to retired Federal workers. I am sure I do not have to recount for each of you the process which led to the reduction in COLA in last year's reconciliation budget, but I would be remiss if I did not offer one important observation: We have already asked Federal employees and retirees alike to bear a significant burden of the responsibility of restoring this Nation's economic well-being. We cannot look to this one sector and hope to solve this Nation's economic woes. But this administration has tried in so many ways to create the illusion that we can. I think the time has come for us to draw the line in the sand. It is foolish to pretend that cutting back on benefits and pay for Federal employees and retirees is going to make this Nation economically strong. It is not. Such actions will only further erode the economic security of retirees, and will impact adversely upon the morale of our civil servants who are day-to-day making tremendous contributions to this Nation's well-being. In my opinion, we are imperiling the quality and performance of this valuable national asset. Should we not pause and reflect on what effect this will have on those still in the workforce and those contemplating entering it?

There was a time during President John F. Kennedy's administration when public service was perceived as an honorable place in this society. It was looked upon by many as a privilege to be a part of this Nation's destiny. This feeling still dominates the Federal work force today. Just 20 years ago on February 20, 1962 President Kennedy stated, "If our civil servants are to fulfill with skill and devotion, their obligations to the Nation, the Nation must fulfill its obligations to the career service." The present administration seems to have overlooked the value of such public service.

On a corresponding occasion last year when this house debated the omnibus reconciliation budget for 1982, I proudly joined many of my colleagues—although unsuccessfully—in opposing the so-called Gramm-Latta substitute which reduced the twice-a-year COLA to an annual adjustment.

Mr. Chairman, when Congress in 1976 last revised the inflation adjustment mechanism eliminating the one percent kicker and providing twice-a-year COLA instead, it made a commitment that there would be no further changes in those provisions of law intended to protect these elderly from the impact of inflation. The administration-backed substitute known as Gramm-Latta II broke that commitment.

There are 3.1 million Federal civilian and military retirees. In Maryland's First Congressional District alone there are 12,494 civilian retirees, survivors and their families in addition to military retirees and their families. Contrary to popular belief, their retirement benefits just barely keep pace with inflation. The average civilian retiree receives only $11,000 annually, and the average survivor—widows, widowers, and children—receives less than $400 per month. Any further reduction in these adjustments would immediately affect the retirees and their families and clearly would be unfair.

We made a contract. They performed their work and retirees have a right to expect that their Government will keep its end of the bargain. I am pleased to be associated with my colleague's amendment and I urge the Members of this House to give it their strong endorsement.

Mr. DOWNEY. I thank the gentleman.

Mr. CRAIG. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the gentleman from Idaho.

Mr. CRAIG. Mr. Chairman, I stand in support of the gentleman's effort. Although I support a freeze, I also support equality. This is an equitable amendment.

Mr. DOWNEY. I thank the gentleman.

Mr. STUMP. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the gentleman from Arizona.

Mr. STUMP. Mr. Chairman, I rise in support of the gentleman's amendment.

Mr. Chairman, no one has been a stronger opponent of budget deficits than I. Since first coming to Congress, I have continually worked and voted for steep cuts in spending, for a balanced budget, and against increases in the national debt.

However, there are some duties and obligations that this country has which I believe it is honorbound to keep. One of those obligations is to those who have given their working life in military and civilian careers to the United States and its citizens.

We asked those people to serve our country, and they did. We promised them that if they did those jobs, they could depend on certain retirement benefits. We are obligated to live up to our part of the contract; they did the work, this country accepted it.

In last year's budget, the United States reneged on its promises to those who have served us. We made a moral contract with them that we would adjust their retirement twice a year for the increases in the cost of living. No one forced the majority in Congress to make that promise, but it was done. The employees of the United States relied on it. They gave us their years. Last year, after we had those years of work, Congress turned around and eliminated one of the cost-of-living adjustments that it had committed this country to deliver to its retired employees.

It is unconscionable that such a breach of contract and honor should occur again, but this budget proposes just such an action in further limiting the one remaining cost-of-living adjustment. I must oppose that action.

We have a special duty to people who have worked for us. They must be treated fairly. When promises are made to them, they must be kept. Congress has the power to cut their retirement benefits, but that does not mean that it is fair or right to do so. Perhaps the promises were not wise, and should not have been made, but they were. The time to change the terms of an agreement is before it is relied on. Congress did not do that.

The country and the Congress would not tolerate a huge private employer that made a contract for retirement benefits with his employees to get them to do their work, and then took those benefits away after the employees became too old to continue working. Why should the United States have a lesser standard of honor and duty toward its own responsibilities?

If we need to make any changes, then the obligation of Congress to our Federal retirees dictates that the changes apply to those now entering the system, and that we grandfather those retirees currently in the system.

Mr. DOWNEY. I thank the gentleman.

I wish I had this support when I moved by amendment on armed services.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the gentleman from Massachusetts.

Mr. FRANK. I thank the gentleman and congratulate him.

Mr. Chairman, I am pleased to support my colleague from New York (Mr. Downey) in his effort to provide fairness for retired Federal employees. The budget provisions which put an arbitrary, unfair 4-percent limit on their cost-of-living increases are discriminatory and unjustified.

The cost of living goes up just as much for retired Federal employees as for anyone else. Nor is it fair to point to a few exceptional cases of distorted pensions as reasons to deny pension fairness to the vast majority of Federal retirees, who are not wealthy and who were not, on the whole, highly paid during their working years.

Last year, the Stockman budget, supported by the Republican-Southern Democratic coalition took away one of the cost-of-living adjustments these retirees previously had—even though the President had promised in his campaign not to take away their twice-annual adjustments.

To single out Federal retirees now for a further penalty—and it is a penalty to limit their COLA's when every other retiree category gets a full cost-of-living adjustment—would be to further penalize people who deserve better of their Government.

These employees worked hard for years on behalf of their fellow citizens. It would be unfair to break faith with them now by cutting their cost-of-living adjustments, and I am very pleased that the gentleman from New York has given us a chance to vote a full COLA for Federal retirees.

Mr. DOWNEY. I thank the gentleman.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the distinguished majority leader.

Mr. WRIGHT. Mr. Chairman, I want to commend the gentleman. It seems to be very nearly unanimous. The gentleman from New York certainly deserves our thanks for having seized the initiative and corrected this disparity that otherwise would have existed, assuring all of those who have served faithfully and long that they will be treated equitably and fairly in their retirement years and not made the scapegoats of our budgetary maneuvers.

Mr. DOWNEY. I thank the gentleman.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the gentleman from Texas.

Mr. WHITE. Mr. Chairman, I want the gentleman in the well to know I commend him for his action.

The House Armed Services Committee already took this action this time. They are in accord with you.

Mr. DOWNEY. I thank the gentleman.

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Chairman, I would like to congratulate the gentleman on getting an incredible bandwagon rolling here. I view it with great dismay.

Mr. DOWNEY. I thank my friend from New York.

Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the gentleman from Virginia.

Mr. WOLF. Mr. Chairman, I commend the gentleman and I rise in support of the amendment to lift any arbitrary caps placed on the cost-of-living adjustments for Federal and military retirees. There is an inequity in our budget process. We would single out this group of retirees by placing a cap on the cost-of-living adjustments to their retirement income when COLA's for no other Federal annuitants have even been addressed.

My amendment on COLA seeks to insure that we treat Federal civil service and military retirees with the same consideration as other Federal annuitants such as those who receive social security, veterans and railroad retirement benefits.

Cost-of-living adjustments for these other groups have not been considered for cuts and I am particularly concerned by efforts to target civilian and military retirees and these retirees only for denial of full COLA benefits.

As the representative of a large constituency of retired Federal and military employees, I have a particular concern over such issues as Federal annuity compensation. Many of my retired constituents have contacted me expressing the sentiment that "we're willing to participate in the budget-cutting process but we resent being asked to make COLA and benefits sacrifices that other Federal annuitants are not asked to make."

I would also point out that the issue of cost-of-living adjustments is one of national concern. There are 1.28 million civil service retirees and 1.32 million military retirees across the country who receive COLA's to their Federal annuities. Of that total, though, only 100,000 of these people live in the Washington metropolitan area.

Federal retirees have performed important and vital jobs throughout their careers for the U.S. Government. These retirees do not have the option of seeking other employment. They do not have the opportunity to change to other jobs which may be more consistent in compensation programs and policy. These people are completely and totaly dependent on the actions we, as a body, take regarding their retirement incomes—income they have earned through their years of service to the American public and income on which they pay taxes, unlike other Federal annuitants.

We must treat these individuals fairly. I urge my colleagues to consider the national importance of this amendment and join me in supporting this amendment to lift the cap on COLA for Federal and military retirees.

Mr. FORD of Michigan. Mr. Chairman, I rise to support the amendment of my colleague from New York that would preserve cost-of-living adjustments. Capping COLA's would be grossly unfair to millions of civil service and military retirees whose purchasing power would be painfully eroded.

It would ask those retirees living on fixed incomes to pretend that inflation has vanished. I think there is enough fiction to Reaganomics already.

Wisely the Budget Committee decided not to cap social security COLA, understanding that to do so would work a severe hardship on those retired Americans who have no other protection from the ravages of inflation.

Neither does the resolution propose to cap pensions of veterans and railroad retirees.

To single out some retirees for special treatment in the name of economy is offensive to the American tradition of fair play.

I find it difficult to understand the rationale that says some people need to have their retirement incomes protected while others do not. This kind of reasoning makes no sense at all to me.

It seems to me we are witnessing dangerous contempt for those who make up the Federal work force and those who have retired from it. We seem to feel they are fair game any time the Federal Government needs to economize. We have come to regard them as sacrificial lambs at the budget altar.

Last year we ignored a contractual obligation and decided, in the name of budget restraint, to eliminate the twice-a-year COLA payment to retired Federal workers. Having so easily done that, some of my colleagues now cavalierly say, "let us take it all away; it's the politically safe and expedient thing to do."

This is playing recklessly with the future. We have asked Federal workers to bear too much of the burden of the Reagan economic experiment.

By treating Federal workers as second-class citizens—and believe me that this is what we are doing—we are imperiling the quality and performance of this valuable national asset.

The record is clear that we are having trouble recruiting and holding on to the best peoople to fill important jobs. At some of our most respected institutions we cannot fill key positions. Good people are leaving every day, either opting for early retirement or being lured away by the private sector. Anyone who thinks this is an exaggeration should read the testimony presented before the Post Office and Civil Service Committee or go back and read some of the articles in major publications like the New York Times and Newsweek.

There is a false belief that all is well with the Federal work establishment because workers are secure in their jobs, are well paid, and can look forward to generous pensions.

Today this picture is a false one. This administration has made a farce of job security. Federal workers from Washington to California fear RIF actions. Comparability in pay, which is supposed to be guaranteed under law, has become a joke. Moreover, benefits that were supposed to lure and keep Federal workers, have declined below those in the private sector. Benefit reductions work a special hardship for the elderly retired, whose medical costs are soaring out of sight.

This proposal to cap COLA is both unfair and shortsighted. To allow it to stand would inflict unnecessary pain on the one hand and exacerbate serious morale problems on the other.

If we continue to make Federal employees economic scapegoats, we will create the kind of second-rate work force that the demagogues say we have now.

It will be a self-fulfilling prophecy.

Ms. FIEDLER. Mr. Chairman, may I inquire, what is the status of the time remaining on either side?

The CHAIRMAN. The gentleman from New York (Mr. DOWNEY) has 1 minute remaining, and there is also remaining 10 minutes to Members who wish to oppose the gentleman's amendment.

Mr. DOWNEY. Mr. Chairman, I at this point reserve my 1 minute.

The CHAIRMAN. Does any member of the Budget Committee or the Committee of the Whole seek recognition to oppose the amendment?

Ms. FIEDLER. I do, Mr. Chairman.

The CHAIRMAN. The gentlewoman from California is recognized.

Ms. FIEDLER. Mr. Chairman, I yield to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, this love-in, or whatever it is, is going to add another $6 billion to our deficit. If there is any group of employees anywhere who have not been on fixed income but have been on an escalator, it is this particular group.

We simply cannot control our spending if we yield on this item. We have been warned that control of entitlements is the key to control of the budget. If we vote for this amendment, we are giving away the key.

We will have told the world, the credit markets, and our constituents, that we are continuing on the same profligate course as before.

Mr. CONABLE. Mr. Chairman, will the gentlewoman yield?

Ms. FIEDLER. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Chairman, I would like to associate myself with the remarks of the gentleman from Minnesota (Mr. FRENZEL).

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Somewhere this has got to stop. I thought we were determined to resist "business as usual." We certainly are in a "business as usual" mood this afternoon. Not only are we in unseemly fiscal retreat, but we are shameless in rationalizing that retreat. This program is out of control, and a modest effort to limit its growth will not result in widespread hardship.

Ms. FIEDLER. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina (Mr. JOHNSTON).

Mr. JOHNSTON. Mr. Chairman, I have never stood on the floor of this House to recommend any more spending, and I never thought the first time would be in connection with the military and civilian retirement system, which is already generous, in my opinion. When we have a situation where retired generals are making more than the Army's Chief of Staff, something is wrong. But, the way to correct it is to put some parameters, some rational parameters on retirement benefits and not create a two-tier system in COLA.

To single out civilian and military retirees for the elimination of COLA increases offends my sense of fairness.

I do not understand how we can have one group of COLA recipients allowed to continue to receive increases in their nontaxable income—and I am talking about social security recipients as well as others—and I might add that I have no group of civilian or military retirees of any consequences in my district, and I am perfectly prepared to vote to freeze COLA's on everyone, but I am not prepared to single out civilian and military retirees just because it is politically easy and this is one way of trying to save a little bit of money, but it is simply not fair.

Let us put some limits on retirement pay. Let us say that one cannot make more than 75 percent of what the current pay is for active service so that the retired Speaker of the House cannot make more than the current Speaker of the House, but let us not do it by starting to single out a group of politically vulnerable people because they are concentrated in a few areas, and start creating a two-tier system of COLA's.

The elimination or limitation of COLA increases in the case of these retirees will impact the lower income recipients most severely, but will do nothing to correct the problems heretofore mentioned and will do nothing about double and triple dippers. Let us solve the problem, but do it fairly.

Ms. FIEDLER. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. PARRIS).

Mr. PARRIS. Mr. Chairman, just so we do not have any misunderstanding in regard to this matter, this amendment restores the full cost-of-living adjustment to military and Federal civilian retirees. The cost is civilian, $273 million, and military, $217 million. That is the outlay, in spite of the arguments of my good friend from Minnesota. The outlay is $488 million in 1983. I, too, would like to congratulate the gentleman from New York (Mr. DOWNEY), for having the good judgment to introduce an amendment identical to mine, and I am delighted to support his amendment in order to get this job done.

Mr. Chairman, I rise in support of the gentleman's amendment and congratulate him for offering an identical amendment to my amendment No. 45. This amendment would restore the full cost-of-living adjustment to military and Federal civilian retirees. If the House does not take action to restore the COLA, 1.2 million military retirees and 1.7 million civilian retirees will have their COLA capped at 4 percent.

Military and Federal civilian retirees should not be treated any differently than those retirees who receive social security benefits. These individuals have earned their benefits and the Federal Government has a contractual and moral obligation to see that these COLA's are protected from any reductions.

These individuals living on fixed incomes are especially hard hit by the high cost of living. I am sure you have heard from many military and civilian retirees in your districts who were outraged by the loss of their COLA's due to last year's budget. If we do not act now to restore their full COLA, they will be facing the possibility of having their benefits reduced even further.

I submit that these people do not object to making their contribution to society but they have already done more than has been required of any other group of citizens. Their well-thought-out plans for retirement will be severely disrupted if their COAL's are reduced further.

By removing the 4-percent cap on their cost-of-living adjustments, this amendment would merely have the effect of treating these retirees in the same manner as we are treating social security recipients. We are only asking for equity, and fairness.

Like most of my colleagues, I believe that we must do something about the size of the budget deficit projected for 1983. But we can reduce the deficit in a responsible manner without jeopardizing the security of military and Federal civilian retirees. I hope that you will support this amendment.

Ms. FIEDLER. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee (Mr. BEARD).

Mr. BEARD. Mr. Chairman, if I may ask the author of the amendment a question, could he give me any idea of the unfunded liability of the Federal system now? I was told that last year we had $15 billion to pay for the retirement, and only $3 billion was paid for out of employees' contributions, and $12 billion was not.

Mr. DOWNEY. I am advised by staff that it is over $50 billion.

Mr. BEARD. Over $50 billion. Total unfunded of over $50 billion.

Ms. FIEDLER. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana (Mr. ROEMER).

Mr. ROEMER. Mr. Chairman, it has been said here that this proposed amendment is one based on equality. This is the equality of the profligate.

It is like a terrorist who has captured four taxpayers and kept them in a cave, and decided after killing three of them—and that is what we do when we refuse to deal with cost of living on other programs—decides he must kill the other taxpayer he holds hostage so that he can treat all four of them equally.

This amendment will cost the taxpayers $5 billion to $6 billion in the next 3 years. The terrorists in this House, who specialize in spending money our Nation does not have, should stop killing the hostage taxpayers.

We know that the cost of living as measured by CPI is overstated, and we know that the rate of inflation is down, and down sharply. The 4-percent cap represents very little, but with this amendment, we lose even that. This is not equality. It might be good politics, but it is lousy economics.

Ms. FIEDLER. Mr. Chairman, I yield 30 seconds to the gentleman from Illinois (Mr. ERLENBORN).

Mr. ERLENBORN. Mr. Chairman, I thank the gentlewoman for yielding.

My colleague from Tennessee (Mr. BEARD) asked what the unfunded liabilities of these pension funds are. I have conducted a study and issued the information before. The civil service pension fund has an unfunded liability in excess of $300 billion; together with the military and the other Federal plans there is over $1 trillion in unfunded pension liabilities in Federal pension funds.

Ms. FIEDLER. Mr. Chairman, I yield 30 seconds to the gentleman from Pennsylvania (Mr. NELLIGAN).

Mr. NELLIGAN. Mr. Chairman, I rise in support of the amendment. I would like to commend the gentleman from New York for this amendment, and associate myself with his remarks and with the remarks of the gentleman from Virginia (Mr. PARRIS).

Mr. DOWNEY. Mr. Chairman, I yield 30 seconds to the gentleman from New York (Mr. GARCIA).

Mr. GARCIA. Mr. Chairman, a redefinition of the Consumer Price Index has more long lasting implications for the American taxpayer than might be anticipated. Debate over the CPI ranges from its effect on inflation to the impact it has on the cost-of-living adjustment. Retired Federal workers have been asked to accept an artificial limit on a cost-of-living adjustment of their pensions. Those who have served the Government should be remembered after retirement.

We are more willing to throw an excessive amount of funds into unnecessary defense spending and one-sided tax reductions. Yet, we cannot support a simple cost-of-living adjustment for our retired Federal workers.

Last November, the Subcommittee of Census and Population, which I chair, held a hearing on changes in the Consumer Price Index. We explored the effect of these changes on the common taxpayer. Now, the House is examining the impact of a COLA on the average American citizen. The CPI and COLA's are linked inexorably to the well being of American taxpayers and Federal employees.

I feel it is my responsibility to support the working men and women of this country, and this includes those who are now retired but have spend their lives serving the public.

● Mrs. SCHROEDER. Mr. Chairman, I rise in support of the Downey amendment.

The Downey amendment is based on the simple notion that we should not balance the budget by picking on the weakest groups in society. The budget resolutions we are considering attempt to save money by capping the cost-of-living adjustments for retired military and retired civil servants at the same 4-percent figures used to adjust pay. I do not support this 4-percent figure for pay and I do not support it for retirement COLA's either.

The issue, however, is greater than that. It used to be that retired civil servants received a 1-percent kicker on top of a full consumer price index adjustment each year. The theory was that those who had devoted their careers to public service ought to share in the productivity gains of society as a whole. For budget reasons, that 1-percent kicker was removed and we went to twice a year cost-of-living adjustments. Last year, for budget reasons, Congress, over my objections, voted to eliminate the twice a year COLA and pay the adjustment only once a year.

Now, we seem to have discovered a new way to kick retirees. Why not cap their COLA at some artificial level? The unmistakable effect of this action is to reduce how much retirees get. Inflation will erode their pensions.

It seems to me that if the cost of COLA's is too high, we ought to reduce inflation. We can reduce inflation by balancing the budget. And, as I have said, we can balance the budget by cutting defense spending and eliminating the excesses of last year's tax bill.

In the meanwhile, we should adopt the Downey amendment and not take out our failure to control inflation on the group in society least able to make adjustments for inflation.●

Mr. TRIBLE. Mr. Chairman, I rise in support of the Downey amendment.

Every year, would-be budget cutters renew their attack on Federal retirement benefits and this year is no exception.

The budget resolution before us provides for a 4-percent cap on Federal retiree's cost-of-living adjustments. I urge my colleagues to reject this arbitrary and unreasonable provision.

There is broad agreement that social security recipients should receive their full 7.4-percent cost-of-living adjustment because it is their sole protection against inflation.

I support a full COLA for Federal retirees for precisely the same reason. Federal retiree's incomes are fixed and they have only the COLA to keep pace with inflation. Federal retirees will lose purchasing power they will never regain, if their COLA's are capped.

Unlike social security, Federal retirement benefits are taxed. The Federal Government takes a share of the benefits paid to retired Federal employees. In fact, Federal retirees pay more than $2.5 billion in Federal taxes.

The budget resolution would require Federal retirees to pay for congressional economic errors. We all know that Federal spending, more than any other factor, is responsible for inflation. Congress has gone astray by permitting deficits to mount, and we now want to force Federal retirees to compensate for our mistakes.

Last year, over my objections and the objections of many of my colleagues, the semiannual COLA for Federal retirees was eliminated. Now we find those who have served the Federal Government wondering if Congress will shatter their expectations and their hopes.

Last year's action was not unique. Between 1976 and 1981, Federal retiree's benefits have been reduced in seven areas:

1. One percent adjustment (add-on)	1976
2. Retiremnent income credit	1977
3. Sick pay exclusion	1977
4. Social security spouse offset	1978
5. Elimination of the look-back COLA	1980
6. Pro-ration of the initial COLA for new retirees	1980
7. Twice-a-year COLA reduced to one a year	1980

I would point out to my colleagues that no one gets rich on a Federal retiree's pension. The average monthly payment is$992 and three-quarters of Federal retirees receive less than $1,000 a month. These people of modest means believe their retirement system amounts to a moral contract between them and the Federal Government.

The congressional response to the years of dedicated service provided by Federal retirees is to strike at their very source of livelihood. We must reject this course of action.

I urge my colleagues to adopt this amendment.

BEST

Ms. **OAKAR.** Mr. Chairman, I rise in support of the amendment to restore the full cost-of-living adjustment for retired Federal workers. The House Budget Committee's proposal arbitrarily caps Federal retired workers' cost-of-living adjustment at 4 percent, regardless of what the CPI requires, while at the same time provides the full COLA indexing to continue for all other Federal retirement programs; such as, social security, railroad retirement, and veterans programs. The House Budget Committee, in its recommendations, has relegated almost 2 million retired civilian Federal workers to second-class citizenry by singling them out for unfair and discriminatory treatment.

I applaud the action of the Budget Committee in recognizing the justice and fairness of allowing the full indexing of these other programs, but I cannot for the life of me understand the committee's action in denying equal treatment to our retired Federal workers.

What is it about a retired Federal or postal worker that makes them better able to withstand the ravages of inflation? Does the Budget Committee anticipate that these retirees will receive an exemption from any price increase over 4 percent next year? Certainly, if the House recognizes the wisdom of protecting elderly Americans from inflation, then it ought to protect all retirees and not exclude Federal retirees from this protection.

I know in the report accompanying the Budget Committee resolution there is a mention of parity as a justification for capping Federal retirees COLA at 4 percent—the same figure as the 4 percent the Budget Committee assumes as the Federal pay raise in fiscal year 1983. I assume this parity argument refers to a parity of injustice.

As chair of the House Subcommittee on Compensation and Employee Benefits, I know Federal pay, under the Pay Comparability Act, ought to increase by over 18 percent this year. So, what the Budget Committee proposes to do is to grant an unfair pay raise of 4 percent and then link an unfair COLA for Federal retirees and justify one with the other.

I must say I am absolutely opposed to this kind of treatment of our Federal workers and retirees. I know some critics of the Federal retirement program delight in telling horror stories about how lucrative are Federal retirement benefits. Allow me to set the record straight with a few statistical facts.

There are approximately 1.4 million Federal civilian retirees receiving an average annuity of $1,046 a month. There are also approximately 500,000 surviving spouses receiving a Federal annuity that averages $455 a month.

Of course, Federal retirees, unlike social security beneficiaries, pay State and local and Federal income tax on these benefits so the net annuity is considerably less. Can any Member of the House tell me how they expect a surviving spouse to live on less than $450 a month? Is it fair to deny these elderly Americans, who served their Government with distinction, the same kind of COLA protection that we provide to all others?

Incidentally, of the 500,000 surviving spouses who receive less than $450 per month, almost all of them are elderly women. In fact, over 100,000 or 20 percent of the surviving spouses are 80-year-old women, and 50 percent or 250,000 surviving spouses are women over 70 years of age.

Why does the House Budget Committee recognize the fairness of a full COLA for social security recipients, for railroad retirees, and for veterans, but not for these other needy retirees?

Mr. Chairman, all retirees need protection from inflation—not just the politically powerful, not just a select group—but all retirees; and, therefore, I urge adoption of the amendment restoring the full COLA for Federal retirees.

Mr. **DOWNEY.** Mr. Chairman, I yield back the balance of my time.

The **CHAIRMAN.** All time has expired.

The question is on the amendments offered by the gentleman from New York (Mr. DOWNEY) to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA), and the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. JONES).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. **BADHAM.** Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 327, noes 94, not voting 11, as follows:

[Roll No. 120]

AYES—327

Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Atkinson
AuCoin
Bafalis
Bailey (MO)
Bailey (PA)
Barnard
Barnes
Bedell
Beilenson
Benjamin
Bennett
Bereuter
Bethune
Bevill
Biaggi
Blanchard
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Brinkley
Brodhead
Brooks
Brown (CA)
Brown (OH)
Burton, Phillip
Byron
Campbell
Carney
Chappell
Chappie
Clausen
Clay
Clinger
Coelho
Coleman
Collins (IL)
Conyers
Corcoran
Courter
Coyne, James
Coyne, William
Craig
D'Amours
Daniel, R. W
Daschle
Davis
de la Garza
Deckard
Dellums
DeNardis
Derrick
Derwinski
Dicks
Dingell
Dixon
Donnelly
Dorgan
Dougherty
Dowdy
Downey
Duncan
Dwyer
Dymally
Dyson
Early
Eckart
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Evans (DE)
Evans (GA)
Evans (IA)
Evans (IN)
Fary
Fascell
Fazio
Ferraro
Fiedler
Findley
Fish
Fithian
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gilman
Gingrich
Ginn
Glickman
Goldwater
Gonzalez
Goodling
Gore
Gray
Green
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Harkin
Hatcher
Hawkins
Heckler
Hefner
Heftel
Hendon
Hertel
Hightower
Hillis
Holland
Hollenbeck
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jeffries
Johnston
Jones (NC)
Jones (TN)
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kogovsek
Kramer
LaFalce
Lagomarsino
Lantos
Leach
Leath
LeBoutillier
Lee
Lehman
Leland
Lent
Levitas
Lewis
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Madigan
Markey
Marlenee
Marriott
Martin (NC)
Martin (NY)
Matsui
Mattox
Mavroules
Mazzoli
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
Mica
Mikulski
Miller (CA)
Mineta
Minish
Mitchell (MD)
Mitchell (NY)
Moakley
Moffett
Molinari
Mollohan
Montgomery
Morrison
Mottl
Murphy
Murtha
Myers
Napier
Natcher
Neal
Nelligan
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Ottinger
Oxley
Panetta
Parris
Pashayan
Patman
Patterson
Pease
Pepper
Perkins
Peyser
Price
Pritchard
Quillen
Rahall
Railsback
Rangel
Ratchford
Regula
Reuss
Richmond
Rinaldo
Rodino
Roe
Rogers
Rose
Rosenthal
Roth
Roukema
Roybal
Russo
Sabo
Santini
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shamansky
Shannon
Sharp
Shaw
Shelby
Shuster
Simon
Skeen
Skelton
Smith (IA)
Smith (NJ)
Smith (PA)
Snyder
Solarz
Spence
St Germain
Stangeland
Stark
Stokes
Studds
Stump
Swift
Synar
Tauke
Taylor
Traxler
Trible
Udall
Vento
Volkmer
Walgren
Walker
Wampler
Washington
Watkins
Waxman
Weaver
Weber (OH)
Weiss
White
Whitehurst
Whitley
Whitten
Williams (MT)
Williams (OH)
Wilson
Wirth
Wolf
Wolpe
Wortley
Wright
Wyden
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zablocki
Zeferetti

NOES—94

Archer
Aspin
Badham
Beard
Benedict
Bliley
Breaux
Broomfield
Brown (CO)
Broyhill
Burgener
Butler
Carman
Cheney
Coats

Collins (TX)
Conable
Conte
Coughlin
Crane, Daniel
Crane, Philip
Daniel, Dan
Dannemeyer
Daub
Dickinson
Dornan
Dreier
Dunn
Edwards (AL)
Emery
Erdahl
Erlenborn
Fenwick
Fields
Forsythe
Fountain
Frenzel
Gibbons
Gradison
Gramm
Gregg
Grisham
Hagedorn
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hiler
Huckaby
Jenkins
Jones (OK)
Kindness
Livingston
Martin (IL)
McClory
McCloskey
McDonald
McKinney
Michel
Miller (OH)
Moore
Moorhead
Paul
Petri
Pickle
Porter
Pursell
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Rostenkowski
Rousselot
Rudd
Sawyer
Schulze
Sensenbrenner
Shumway
Siljander
Smith (AL)
Smith (NE)
Smith (OR)
Snowe
Staton
Stenholm
Stratton
Tauzin
Thomas
Vander Jagt
Weber (MN)
Whittaker
Winn
Wylie

NOT VOTING—11

Bingham
Boggs
Burton, John
Chisholm
Crockett
Ertel
Latta
Marks
Rhodes
Solomon
Stanton

□ 1640

Messrs. ROGERS, STANGELAND, WALKER, EMERSON, KEMP, JEFFRIES, PASHAYAN, and REGULA changed their votes from "no" to "aye."

So the amendments to the Jones amendment in the nature of a substitute and the Latta amendment in the nature of a substitute were agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. Does the gentleman from New York seek recognition to offer a perfecting amendment to the Aspin amendment in the nature of a substitute? If not, does any other Member seek recognition for that purpose?

For what purpose does the gentleman from Virginia (Mr. Parris) seek recognition?

Mr. PARRIS. Mr. Chairman, as the author of the next two pending amendments, both of which have been previously adopted on this day, which is a pretty good day by anybody's barometer, I ask unanimous consent to withdraw both amendments.

The CHAIRMAN pro tempore. The gentleman does not need unanimous consent.

AMENDMENTS OFFERED BY MR. HUGHES TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA, THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OKLAHOMA, AND THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ASPIN

Mr. HUGHES. Mr. Chairman, I have an amendment at the desk.

The CHAIRMAN pro tempore. To which substitute is the gentleman's amendment offered?

Mr. HUGHES. Mr. Chairman, I ask unanimous consent to offer my amendment en bloc to each of the substitutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey that his amendment be offered en bloc?

Mr. WALKER. Reserving the right to object, Mr. Chairman, I do so to ask the gentleman, is the impact of his amendment the same on each of the budgets to which he is amending?

Mr. HUGHES. If the gentleman will yield, it is exactly the same. The impact would be to raise the level of funding in each of the budgets to what in fact is the OMB current service budget level, which is about $4.85 billion. So the impact is the same.

Mr. WALKER. Further reserving the right to object, would the figures on the gentleman's amendment be different for each of the different budgets then?

Mr. HUGHES. They would have to be because the Latta budget is below Jones, for instance, by about $220 million.

Mr. WALKER. Further reserving the right to object, then do I understand that the impact to the deficits at the end of each of the budgets would be different?

Mr. HUGHES. It would be different. The Aspin and the Jones budgets are essentially the same. The Latta budget is basically about $220 million below the Jones and Aspin budgets and about $420 million below OMB current service figures.

Mr. WALKER. Further reserving the right to object, then the gentleman, in making his unanimous-consent request, is asking for a little bit different kind of application as it pertains to each amendment, but the effect on the overall budget for the Department of Justice will be the same; is that right?

Mr. HUGHES. That is right. I am just trying to save some time. Instead of offering the amendments sequentially, which I would do, I am trying to save us the grief and aggravation of going through three different debates on the issue. It essentially raises the Justice budget to what in fact is the OMB current service budget. So the impact is the same on all of the budgets. But because the Latta budget is about $220 million below the Jones budget in this particular category, the figures are different. That is all.

Mr. WALKER. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey?

□ 1650

Mr. ASPIN. Reserving the right to object, Mr. Chairman, I would like just to clarify the situation.

How much does the gentleman's amendment add to the deficit in the case of each of the three different subsitutes? How much does it add to the Latta, for example.

Mr. HUGHES. $250 million for Jones and Aspin and $450 million roughly for Latta.

Mr. ASPIN. That is the outlay figure?

Mr. HUGHES. That is the outlay figure.

Mr. ASPIN. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey (Mr. Hughes) that the amendments be considered en bloc?

There was no objection.

The CHAIRMAN pro tempore. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. Hughes to the amendment in the nature of a substitute offered by Mr. Latta, the amendment in the nature of a substitute offered by Mr. Jones of Oklahoma, and the amendment in the nature of a substitute offered by Mr. Aspin:

Increase budget authority by $451,000,000 in fiscal year 1983, by $561,000,000 in fiscal year 1984, and by $621,000,000 in fiscal year 1985;

Increase outlays by $501,000,000 in fiscal year 1983, by $511,000,000 in fiscal year 1984, and by $621,000,000 in fiscal year 1985;

Increase the aggregate budget authority level by $451,000,000 in fiscal year 1983, by $511,000,000 in fiscal year 1984, and by $621,000,000 in fiscal year 1985;

Increase the aggregate outlay level by $501,000,000 in fiscal year 1983, by $511,000,000 in fiscal year 1984, and $621,000,000 in fiscal year 1985;

Increase the deficit by $501,000,000 in fiscal year 1983, by $511,000,000 in fiscal year 1984 and by $621,000,000 in fiscal year 1985.

To the matter concerning Function 750: Administration of Justice:

Increase Budget Authority by $251,000,000 in fiscal year 1983, by $261,000,000 in fiscal year 1984, and by $271,000,000 in fiscal year 1985;

Increase outlays by $251,000,000 in fiscal year 1983, by $261,000,000 in fiscal year 1984, and by $271,000,000 in fiscal year 1985;

Increase the aggregate budget authority level by $251,000,000 in fiscal year 1983, by $261,000,000 in fiscal year 1984, and by $271,000,000 fiscal year 1985;

Increase the aggregate outlay level by $251,000,000 in fiscal year 1983, by $261,000,000 in fiscal year 1984, and $271,000,000 in fiscal year 1985;

Increase the deficit by $251,000,000 in fiscal year 1983; by $261,000,000 in fiscal year 1984, and by $271,000,000 in fiscal year 1985.

Mr. HUGHES (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the Record.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Mr. Chairman, I thank the gentleman for yielding.

I checked with the author of the amendment and with the minority, and there is agreement to limit debate on this amendment to 30 minutes, divided 15 minutes for the author and 15 minutes for the opposition.

Mr. Chairman, I ask unanimous consent that the debate be so limited.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma that discussion and debate on this amendment be limited to 30 minutes?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from New Jersey (Mr. Hughes) is recognized for 15 minutes.

Mr. HUGHES. Mr. Chairman, first of all, let me say I think some very important statements were made today on the budget process. I think my colleague from Wisconsin (Mr. Obey) made a very important statement. The process is flawed. We need to overhaul it. But I think that given the problems we have and the limited resources, I do not care what process we had in place, this debate would be painful because we have to make cuts in areas that are important to the country.

I want to be candid with my colleagues, I am really disappointed because I have listened here attentively for roughly 4 days now, and I have yet to hear anybody mention the word justice or the criminal justice system or crime, except for the times when I have risen to speak and ask questions about it.

I just want to say to my colleagues that they are not reading the public opinion polls very clearly because crime is No. 4 on the list of concerns of people. They put crime above their concerns for national defense. They put crime above their concerns for balancing the budget.

A recent survey showed that 23 percent of the American people put crime ahead of controlling inflation. All the public opinion polls show the same thing.

I ask my colleagues this question. Is our criminal justice system working very well? I submit to the Members that I worked in it for 10 years and we have problems all along the line and how are we treating the criminal justice system in this budget?

Well, anybody who takes a look at the budget comparisons will see that in order to maintain current services, according to OMB, and I might say that the CBO base line figures are comparable, we have to have $4.82 billion in this next fiscal year. That means just to provide the present services we have to have $4.82 billion.

Now the Budget Committee has in its budget $4.6 billion. That means that under the Budget Committee's aggregates we are not going to be able to maintain existing services. Under the Latta budget, that figure drops down to something like $4.4 billion, a drop of $420 million in authority in 1 fiscal year, and in outlays about the same.

I say to my colleagues where are we going to pick that up?

The gentleman from Ohio (Mr. Latta) would target legal services. Well, as my colleague from Texas (Mr. Gramm) said last year, we are shooting real bullets but who is shooting the bullets? I submit the criminals are at all of us.

I realize we are not talking about programs, we are talking about financial categories. But let me just suggest to my colleagues that if we send to our committee a budget of this magnitude and we are going to have to achieve reconciliation, do the Members really think it is going to be legal services that is going to get the ax? I will tell this body where it is going to come out. It is going to come out of the hides of drug enforcement agents, out of the FBI, out of BATF, out of the border patrol, out of customs, out of the marshals, out of the U.S. attorneys. We have inadequate resources now given our crime epidemic. We are even below the President's request. The President requested for this fiscal year $799 million for the FBI. The Budget Committee in its estimates allocates $769 million for the FBI. The President's budget is already eliminating 408 positions. Where? Criminal field programs, white-collar crime programs, record management, fingerprint identification. We now cannot process applications for States because the FBI does not have the capability. We are often not turning around record checks right now within 30 days and felons are loose to commit other crimes because we do not have the personnel right now to expeditiously process record checks.

In the area of the Drug Enforcement we are moving drug agents around this country at a loss of manhours, resources and efficiency.

I was in Wichita with my colleague, the gentleman from Kansas (Mr. Glickman) recently and talked with a special agent in charge and they were moving an undercover agent to Florida. He was going to drive to Florida from Wichita, Kans., to save money. That left just one agent—the agent in charge.

In Florida we are moving agents from investigation to investigation because we do not have the resources.

What are we going to do to cope with increasing crime? We are going to cut back more of the FBI, DEA, BATF resources at a time when the economy is starting to take a nose dive, when bankruptcy filings are up 29 percent, according to the Wall Street Journal just recently—over 150 percent over 1979. Arson tracks bankruptcy filings. As we create more idleness and unemployment, larcenies and burglaries go up; illicit interstate trafficking goes up; the drug problems are going up, because we are just loaded to the gills right now with heroin, cocaine, and marijuana. We are retreating. I do not think that is what the American public wants us to do.

Mr. RODINO. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from New Jersey (Mr. Rodino).

Mr. RODINO. Mr. Chairman, I rise in support of amendment No. 48 offered by Mr. Hughes, chairman of the Subcommittee on Crime. This amendment adds $250 million to the 750 function—administration of justice in 1983. As Mr. Hughes explained, the funds would restore cuts in law enforcement activities which underlie the assumptions in the budget substitutes we are now considering.

The budget substitutes cut back in law enforcement although the evidence is clear that crime is rising. Criminals are not going to cut back their activities if the Congress reduces law enforcement activities.

The funds called for in the Hughes amendment would restore funding to the authorized levels. H.R. 6297, the Department of Justice authorization for 1983 reported by the Committee on the Judiciary authorizes the FBI at $799 million, but the House Concurrent Resolution 345 assumes an appropriation $30 million less than that. The authorization for the Drug Enforcement Administration is $256 million but the resolution assumes an appropriation $17 million less than that. H.R. 4481, which passed the House in February by a 289 to 73 vote authorizes the Office of Justice Assistance at $190 million, but the resolution assumes no money will be appropriated for the important crime fighting programs it authorized. The authorization for the Bureau of Alchohol, Tobacco and Firearms which passed the House last summer authorized BATF at $150 million but the resolution assumes an appropriation of $5 million less than that.

For those who say the cost is too high to spend money on the fight against crime—I say that to do nothing at all would mean a far greater cost to society.

The Attorney General of the United States has repeatedly stated that the citizens of this country would rather spend money on defense against crime than national defense.

The authorized levels for these law enforcement agencies are arrived at in these budget-conscious times only after a very careful review of the agencies' responsibilities and the minimum levels available to carry out those responsibilities. I urge the House to vote for this amendment in order to restore funds for those vital Federal law enforcement agencies to their authorized levels.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from Illinois (Mr. McCLORY), the ranking minority member of the full committee.

Mr. McCLORY. I thank the gentleman for yielding.

The gentleman's amendment focuses on an extremely important problem in our Nation today. Certainly for us to ignore the problem of crime and to ignore the problem of domestic security, of our domestic tranquility, when we give such emphasis to national security, seems to me to confuse the priorities that we should be giving attention to.

This whole exercise that we are going through today indicates that we are yielding to political pressures instead of to needs of the country. I applaud the gentleman for his initiative. I agree with him that at least some of these needs are embodied in the gentleman's amendment.

Mr. Chairman, I want to commend the distinguished chairman of the Subcommittee on Crime for offering his amendment which seeks to restore certain funds to the important law enforcement functions of the Federal Government.

The gentleman from New Jersey and I agree on the fundamental principle that it is absolutely imperative that we provide for our domestic security with the same vigor that we protect our shores from outside attack. Crime in this country has become absolutely intolerable and, although the jurisdiction of the Federal Government is somewhat limited in the area of violent crime, we must insure that, within that limited sphere, the Federal Government is able to perform its responsibilities ably and effectively.

Mr. Chairman, the gentleman from New Jersey is to be highly congratulated for the particular law enforcement functions that he has singled out for special attention in his amendment. As I understand it, he intends to add money for the Federal Bureau of Investigation and the Drug Enforcement Administration. In addition, he would add a modest amount to the Bureau of Alcohol, Tobacco, and Firearms, which is responsible for the effective enforcement of our Federal firearms laws and which operates a highly successful antiarson program. The BATF has, in my view, suffered more than its share in recent budget cuts and I congratulate the gentleman for attempting to rectify this situation.

I am pleased, above all, to see that the gentleman intends by his amendment to include $190 million to implement the Justice Assistance Act that recently passed this body by an overwhelming majority and which I had the privilege to support wholeheartedly. As a supporter of Federal law enforcement assistance to the States and localities since its inception in the 1960's, I firmly believe that such assistance is imperative, particularly in this period of unacceptably high crime rates. There is simply no other entity which can bring the various elements of our society together—including individual citizens, the business community, church groups, and the Government—in the war against crime. This type of assistance enjoys wide, bipartisan support and should be continued.

Mr. Chairman, again, I commend the gentleman from New Jersey for focusing attention on those Federal law enforcement agencies that are so vitally needed in the war against crime.

□ 1700

Mr. HUGHES. Mr. Chairman, I yield to the distinguished gentleman from Michigan (Mr. SAWYER), the ranking minority member of the Crime Subcommittee and really one of the champions of justice and law enforcement in the Congress.

Mr. SAWYER. Mr. Chairman, I thank the gentleman from New Jersey. I want to congratulate him on this amendment.

You know, I am a firm believer, and I intend to support the Latta budget, I am a firm believer in curtailing some of these runaway Federal expenditures; but I think we ought to start really with those programs that are not of primary Government authority. As it has been said the Government should do for people that which cannot do for themselves. One of those prime things in addition to international defense is domestic defense, or namely, law enforcement.

I think when we start cutting law enforcement instead of such things as capping COLA's and various other things that are nice to have and painful to cut, we are putting our priorities in the wrong place.

The gentleman and I know how hard pressed the law enforcement authorities are now with the drug traffic what it is, a $64 billion industry.

I may just say that it is kind of a pleasure to see that we are accomplishing some things other than just throwing some money at problems, which too often happens. The gentleman from Florida (Mr. BENNETT), the gentleman in the well from New Jersey, myself, and several others, fought the battle on posse comitatus and I am now talking with the head of the Drug Enforcement Adminstration and through the use now of some military search planes and Cobra helicopters have virtually dried up the incoming drugs into the State of Florida virtually overnight with the additional assistance and equipment and it makes one feel good to see that we can do something; so I am all with the gentleman.

Mr. HUGHES. I thank the gentleman. The gentleman is a leader in that area.

I yield to my colleague, the gentleman from Florida (Mr. NELSON).

Mr. NELSON. Mr. Chairman, as dramatic evidence to support the gentleman's argument is the recent Federal task force in south Florida where the drug traffic has been brought almost to a standstill.

I thank the gentleman for yielding.

Mr. HUGHES. Mr. Chairman, I yield to the gentleman from New York (Mr. ZEFERETTI).

Mr. ZEFERETTI. Mr. Chairman, I thank the gentleman for yielding. I want to compliment him and congratulate him for his amendment and join with him in support and ask that every Member support him as well.

Mr. HUGHES. Mr. Chairman, I yield to the distinguished chairman of the Merchant Marine Committee, the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Chairman, I rise in full support of this amendment to restore much needed funding to the justice function of the budget, which largely consists of Federal law enforcement agencies. I would also like to applaud its author, the distinguished House Crime Subcommittee Chairman (Mr. HUGHES), for his deep commitment to fighting crime in this country.

Specifically, this amendment would raise funding levels for the Federal Bureau of Investigation, the Drug Enforcement Administration, the Bureau of Alcohol, Tobacco, and Firearms, and the Office of Justice Assistance by a total of $251 million more than the Jones substitute in fiscal year 1983, $261 million in fiscal year 1984, and $271 million in fiscal year 1985.

Let me emphasize, however, that after adjustments for inflation this amendment will only provide enough money to maintain Federal law enforcement efforts at their current levels.

Much has been made about the need to increase our Nation's defense spending in order to improve our military preparedness. President Reagan has proposed a $44 billion increase in defense spending for fiscal year 1983. Although I do not believe such a massive increase is justified, I do agree that peace is only assured through a strong national defense posture.

However, that same logic also applies here on the homefront. While we are justifiably concerned about improving our national defense to preserve world peace we are neglecting a comparable need to bolster our front line of defense against crime—our Nation's law enforcement personnel. As a result, the war on crime—which is being fought on every street in the Nation—is raging. In fact, violent

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crime has risen an average of 5 percent per year since 1971.

In my home city of New York, there were more murders and robberies during the past year than ever before. The number of murders averaged more than 5 a day, and the number of rapes was even more shocking, an average of more than 10 a day.

Yet, amazing as it may be, crime prevention resources at the Federal, State and local levels have actually diminished during recent years. In New York City, for example, there is only one police officer for every 2,570 people; or one for every 2.34 miles of city streets. This is just not enough. Now, if this amendment is not adopted, we will be cutting back on the fight against crime still further.

For example, without this amendment, funding for the FBI will be reduced by $39 million. This will mean drastic cuts in manpower levels and diminished services in such vital areas as the compilation of criminal history information and nationwide fingerprint checks, both of which are crucial elements in the effective administration of criminal justice.

Without this amendment, the Drug Enforcement Administration would be cut by $17 million at a time when that agency is making significant gains against major drug traffickers.

The amendment would restore $5 million for the Bureau of Alcohol, Tobacco, and Firearms, which has been highly successful in the fight against violent crimes involving firearms, explosives, and arson. The BATF has been responsible for seizing over 700 machineguns in Florida during the last 18 months, and during fiscal year 1981 their arson investigations saved over $25 million in fradulent insurance claims.

Finally, this amendment would provide $190 million to fund the Office of Justice Assistance, which would help to prosecute career criminals, arsons, white-collar crime, crime against the elderly, and serious juvenile offenders. The House overwhelmingly voted to establish and fund the Office of Justice Assistance at the $190 million level earlier this year, but that money would be lost if this amendment is not adopted.

Mr. Chairman, as a 23-year veteran of the New York City Police Department, I fully recognize what resources it takes to effectively fight the war against crime. Simply stated, the States and localities do not have those resources today, and without this amendment we will be depriving them of the valuable assistance they so desperately need.

The amount of money restored by this amendment is only the bare minimum we need to fight our Nation's serious crime problem. But let us not even consider this amendment in terms of the dollars it would be costing the Federal Government, but rather in terms of the number of lives it would be saving—the lives of potential crime victims who are depending on the passage of this amendment. I urge its approval.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from New York (Mr. Gilman).

Mr. GILMAN. Mr. Chairman, I rise in support of the worthy amendment offered by the gentleman from New Jersey (Mr. Hughes), increasing budget authority and outlays for the administration of justice functions by $251 million in budget for the Jones and Aspin substitutes and $451 million in budget authority and $501 million and outlays for the Latta substitute and providing additional funds for our drug law enforcement authorities.

Mr. Chairman, narcotics trafficking and drug abuse have reached epidemic proportions both in this country and abroad. In just the United States alone, it has reached an escalating $90 billion activity. At a time when our drug law enforcement authorities are reporting massive increased seizures of heroin, cocaine, marihuana, and other dangerous drugs by the planeload and boatload, at a time when increased numbers of our citizens are succumbing to drug overdoses and are being reported to hospital emergency rooms, this administration is cutting back on vital resources urgently needed for our drug law enforcement authorities.

Although the South Florida Drug Task Force headed by our Vice President has made significant progress in plugging a hole through which so much of the illicit marihuana and cocaine is entering our shores, that task force has been forced to draw upon vitally needed equipment and personnel from other parts of the country, thereby exposing those areas to increased drug trafficking. The South Florida Drug Task Force must be an ongoing operation backed by sufficient equipment, personnel, and resources to sustain its operations. But task forces comparable to the South Florida Task Force are urgently needed throughout the country.

Mr. Chairman, if we truly mean what we say about waging war on drug abuse, then we must provide our drug law enforcement authorities with the resources and wherewithall for them to perform their dangerous tasks . . . resources for them to effectively interdict the drug traffickers whose multibillion dollar business transactions are undermining the health of our citizens, aiding an untaxed, underground economy, and undermining our political, economic, and social institutions. The amendment before us today helps accomplish that objective. Accordingly, Mr. Chairman, I urge my colleagues to support this amendment.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from New York.

Mr. FISH. Mr. Chairman, I thank the chairman of the Crime Subcommittee for yielding, and as one who serves with him I certainly have a vital concern in the same interest and matters.

There seems to be one problem that I would like to clear up. When the gentleman put these three amendments en bloc, is the gentleman talking about an increase in House Concurrent Resolution 345, the Jones bill, of $250 million?

Mr. HUGHES. $250 million.

Mr. FISH. But what the gentleman is talking about in the Latta substitute would be $501 million for fiscal year 1983?

Mr. HUGHES. It would be roughly $450 million for 1983.

Mr. FISH. $450 million?

Mr. HUGHES. Yes; I thank the gentleman for his contribution.

I reserve the balance of my time.

The **CHAIRMAN** pro tempore. Does some member of the Budget Committee seek recognition to control the time in opposition to the amendment?

Mr. FRENZEL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, how much time does the gentleman from New Jersey (Mr. Hughes) have left?

The **CHAIRMAN** pro tempore. The gentleman from New Jersey (Mr. Hughes) has 1½ minutes remaining, and the gentleman from Minnesota has 15 minutes remaining.

Mr. FRENZEL. Mr. Chairman, the gentleman has had great difficulty presenting his amendment in a short time. I am prepared to offer the gentleman some time.

I yield 3 additional minutes to the gentleman from New Jersey (Mr. Hughes).

Mr. HUGHES. Mr. Chairman, I thank the gentleman for yielding more time to me. That is very kind.

Mr. Chairman, I yield to the gentlewoman from Ohio (Ms. Oakar).

Ms. OAKAR. Mr. Chairman, I thank the gentleman. I want to commend the gentleman for this amendment. Crime is a devastating problem in this country. It is truly a national issue. The Federal Government has an obligation to effectively deal with the protection of its citizens. I sincerely hope we give our law enforcement agencies the tools with which to work.

Ms. MIKULSKI. Mr. Chairman, will the gentleman yield?

Mr. Chairman, I rise in support of the gentleman's amendment. We need an adequately funded Justice Department to fight crime.

Mr. SHAW. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I would be happy to yield to the gentleman from Florida.

Mr. SHAW. Mr. Chairman, I want to also join those in support of this most important amendment and compliment the gentleman for it.

We have seen today, I think, and the last few days the opening of an endless candy store which has put amendment after amendment on all of the budget requirements, which has really severely hurt most of them, if not completely destroyed them; however, I think that we have a significant exception here.

We have heard that drugs in this country is a $64 billion business. This means an untapped source of revenue of some $30 billion that this industry is costing this country just simply in lost taxes.

We have proved in south Florida that we can make a difference. I think that here we have a program that we can help the elderly, the poor, and the young, who are the primary victims of drugs and drug trafficking in this country.

I support the amendment and I compliment the gentleman from New Jersey for his fine efforts.

Mr. HUGHES. Mr. Chairman, I reserve the balance of my time.

Mr. FRENZEL. Mr. Chairman, I yield such time as he may consume to the distinguished chairman of the Budget Committee, the gentleman from Oklahoma (Mr. JONES).

Mr. JONES of Oklahoma. Mr. Chairman, I thank the gentleman for yielding. I rise in opposition to the amendment offered by the gentleman from New Jersey.

I think this amendment has great emotional appeal. It is an amendment to supposedly fight crime, but essentially this is a line item amendment. This amendment would do the job the Appropriations Committee is supposed to do and I suggest it is not appropriate for that reason.

I certainly recognize the attraction of providing more funding for law enforcement and if we had an economy roaring full speed ahead with little or no deficit, I would not hesitate to recommend more money for our law enforcement programs; but the House faces disastrous deficits and an economy that has been accurately described as dead in the water. If we continue to open the floodgates for every one of these good sounding, well intentioned amendments that add, as Everett Dirksen used to say, a few million here and a few million there, it soon adds up to a larger and larger deficit and higher and higher interest rates.

I think it is important to point out that the committee resolution has already provided for growth in these law enforcement activities, a growth of 6 percent over the 1982 levels.

I know the Appropriations Committee will exercise its will in deciding how these funds are to be allocated, but I think there is a sufficient growth increase of 6 percent to allow for the law enforcement activities to carry on and I think we have to continue to keep in mind that this deficit is what is really grinding this economy to a halt and driving interest rates up. We have got to stop the floodgates of continuing to increase the deficit.

I oppose the amendment.

□ 1710

Mr. FRENZEL. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Texas (Mr. GRAMM).

Mr. GRAMM. I thank the gentleman for yielding to me. I will not take the 3 minutes.

The gentleman from Oklahoma has said it well. We have heard a lot of good speeches here today. The only trouble is that this is not an appropriation bill. We are back on the same issue that comes up over and over again, which is why we are bleeding the Nation to death by spending money.

It has been like a candy store today. We spent money on all these bad add-ons, but this is a good add-on. Who is for drugs? Who is for criminals? I do not think anybody here wants to hold up his hand and say yes, but this is exactly the kind of priority argument we ought to have within an appropriation not busting the top out of the budget. This is the kind of debate we ought to have on an appropriations bill, not on a budget.

There are literally thousands of issues that we can force Members to vote on individually and put people in a position where they do not want to go and say they voted to let criminals loose on the street, and they did it by controlling spending.

If we are ever to stop the spending spree, if we are ever to put the Federal Government on a budget, if we are ever to revitalize the American economy, we are going to have to stop this kind of thing. I hope my colleagues will vote this down, and when we have the Appropriations Committee come forward with its bills, if you think we ought to have all this money, and I am willing to support it and vote for it, take it away from somebody else, deny somebody else the money, but do not take it away from those who would borrow money to build new homes, new farms, new factories, to generate new economic growth, which is what is being done by this amendment, by driving up the deficit.

Do not take it away from those who would like to keep a little more of their money, which is what we are doing with the tax increase built into all these budgets.

So I urge my colleagues to vote down this very worthy amendment which would in every way be justified if it were to an appropriation bill, but which in no way is justified to the budget.

Mr. FRENZEL. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, today and yesterday we have had a large number of amendments offered and passed. We have shot enough holes in our economic dike so that all the Dutch boys in the whole world cannot defend us from the red ink that is coming through.

Sure, this is a good amendment. Those are worthy purposes. Who is for drugs? Who is against the FBI? I do not think anybody is.

But nobody was against education when Mr. SIMON raised our spending by three-quarters of a billion dollars; and nobody was against medicare when Ms. OAKAR pumped us up over $4 billion; nobody was against the public employees when we added another half a billion dollars; and nobody was against the retired public employees when we put another half a billion in.

Now the gentleman from New Jersey asks us to add another half a billion.

Where are we going to stop? Where can we draw the line?

The Latta budget to which the gentleman from New Jersey will add a half billion dollars in the first year, and a total of a little over a billion and a half in 3 years, was structured to provide the 1982 spending level for the Department of Justice, or for the Justice function, less $150 million which we hoped would come out of the Legal Services Corporation, which would leave LSC with $100 million for its operation. We left $4½ billion for the Justice function. Now that is not exactly poverty.

Yes, the FBI does good work. And yes, the Drug Enforcement Administration does good work. And no, I do not want to live in Florida and be harassed by drug peddlers and Haitians and incoming Cubans. But nevertheless, we cannot have everything in this budget.

Three major budgets versions have been presented to you. Every one of them had too large a deficit for this country to afford. Did we respond by culling those budgets to reduce the deficit? Those budgets have been greeted by reducing the deficit? We increased them. This only numbers 48 of 65 amendments and we have already added billions to our spending.

I suspect this body is going to accept the amendment of the gentleman from New Jersey I will be monumentally disappointed, if that happens. I have been disappointed every time we have accepted these additional amendments, not because of their substance but because we cannot stand the deficits. I hope we will defeat the amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FRENZEL. Mr. Chairman, I yield myself 1 additional minute.

Mr. CAMPBELL. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from South Carolina.

Mr. CAMPBELL. I thank the gentleman for yielding.

Mr. Chairman, I think there is another point that needs to be made here.

I am in agreement with the thrust of the expenditures. However, in the Appropriations Committee and on the Subcommittee on the Treasury, the Appropriations Committee in the urgent supplemental put through half of the money for the task force in Florida. We also in the regular supplemental put in money for the other half of the task force in Florida.

We have made the changes for BATF, to fund them through the end of the year.

So we have addressed some of these problems in the appropriations processes where they ought to be addressed.

Mr. FRENZEL. I thank the gentleman for the contribution. I have to agree that we are still equating gross dollars with quality of product or some kind of betterment of society.

I am not wholly convinced that we achieve less crime by pouring more dollars into the Department of Justice, just as I am not convinced that every one of our education programs, every one of our health programs, every one of our welfare programs, and every one of our military programs gives us better results simply from extra dollars appropriated.

Mr. Chairman, I hope the House rejects this amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. HUGHES. Mr. Chairman, does the gentleman from Minnesota (Mr. FRENZEL) have any more requests for time? If not, I would like to close debate.

Mr. FRENZEL. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The gentleman from New Jersey (Mr. HUGHES) is recognized for 1½ minutes.

Mr. HUGHES. Mr. Chairman, let me just say to my colleague that many of us that serve on the House Committee on the Judiciary are very concerned about the morale and shortages of resources for the law enforcement community. They are in trouble today.

The Preamble to the Constitution guarantees our citizens domestic tranquility. Are we really providing our people with adequate protection from the criminal element? The evidence is clear that we are not.

Where does the gentleman want to take that $450 million from—from the courts, Secret Service, Customs, INS, DEA, general administration of the Department of Justice? Does he want to take it from the Civil Rights Commission? Maybe from the Supreme Court or the bankruptcy courts? Perhaps the Federal judicial center? Or fees of witnesses? From legal assistance? From antitrust? From the marshals?

Where is the gentleman going to cut $450 million? Perhaps we can ask the criminals to lay low for 3 years because we do not have money to deal with them.

I say to my colleague, it is not going to come out of legal services. You may have targeted legal services. But the authorizing and appropriating committees are going to decide. It is going to come out of law enforcement once again, and we are going to be in worse shape than today. The trend is in the opposite direction. Crimes are going to go up, particularly property crimes.

We are kidding ourselves if we think we can run this budget on $450 million less than we ran it for last year. Even the President's budget requests more than both the Jones, Latta, and Aspin budgets. They are obviously inadequate.

I hope my colleagues will support my amendment.

● Mr. MARKEY. Mr. Chairman, I rise to speak in favor of the amendment offered by the gentleman from New Jersey (Mr. HUGHES) which increase budget authority and outlays for the administration of justice function. I agree with the author of this amendment that it is important that we restore some of the cuts that have been made in Federal law enforcement agencies in recent years and that the substitutes before us propose to carry forward.

The passage of this amendment will allow the funding of H.R. 4481, passed by this House on February 10, 1982, by a vote of 289 to 73. At that time, a number of my colleagues rose to point out the continuing need to fund State and local anticrime assistance programs despite the recommendations of the Reagan administration to reduce such assistance to zero. I agreed with my colleagues then and supported the efforts to write a targeted and efficient program which eliminated the bureaucratic mess of the LEAA and placed all efforts of anticrime assistance functions in one new Office of Justice Assistance within the Department of Justice. Now I urge my colleagues to back that commitment by providing adequate funding for this endeavor.

Mr. Chairman, the need for targeted anticrime assistance such as provided by H.R. 4481 is of great importance in today's troubled times. Because of the impact of the Reagan administration's budget and the failure of its trickle down economic policy the socioeconomic factors which foster crime are increasing more quickly than any response can be mounted. In my own Commonwealth of Massachusetts, the restraints of measures such as proposition 2½ are placing more and more financial burdens upon the State's and localities' ability to redress this danger.

It is my contention, Mr. Chairman, that we cannot afford to wait and see if the obvious necessity to curtail some activities on the State and local level due to the increasing burden of responsibility and diminishing revenues results in even higher crime costs and burdens upon the society as a whole.

The sums at stake in the pending amendment are small indeed when compared to the tremendous cost overruns at the Pentagon and at administration-sacred-cow projects such as the outrageously expensive and dangerous Clinch River breeder reactor project. The sums provided by the pending amendment would be distributed to the States and localities for initiatives against crime—on a 50-50 matching basis—in statutorily designated areas in which anticrime efforts have a proven track record. These areas include swift prosecution of career criminals, community anticrime programs, Sting operations, arson, victim-witness programs and alternatives to jail. Twenty percent of the funds would be set aside for discretionary support of research, training, and technical assistance, and aid for States and localities that face emergency crime situations without a matching requirement.

Mr. Chairman, the Federal Government must provide this assistance, because it alone has the resources and the responsibility to attack the problems of distrust and disillusionment with our criminal justice system. We must equip our States and localities with means that can assist them in redressing the rising tide of socioeconomic factors which foster crime. We must assist in the training of those officers who daily battle crime. Peripheral attacks on the fringes of the problem are no substitute. Neither are the decimation and abandonment of Federal agencies that are a necessary link in our federalist network of law enforcement.●

The CHAIRMAN. The question is on the amendments offered by the gentleman from New Jersey (Mr. HUGHES) to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA), the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. JONES), and the amendment in the nature of a substitute offered by the gentleman from Wisconsin (Mr. ASPIN).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. HUGHES. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 152, noes 264, answered "present" 1, not voting 15, as follows:

[Roll No. 121]

AYES—152

Addabbo
Akaka
Anderson
Annunzio
Bafalis
Bailey (PA)
Barnes
Bedell
Beilenson
Benjamin
Bennett
Biaggi
Bouquard
Brinkley
Brodhead
Brooks
Brown (CA)
Burton, Phillip
Carney
Coelho
Coleman
Collins (IL)
Coyne, William
D'Amours
Dellums
Derrick
Dicks
Dougherty
Downey
Duncan
Dwyer
Eckart
Edgar
Edwards (CA)
Evans (GA)
Evans (IN)
Fary
Fascell
Ferraro
Fish
Fithian
Flippo
Florio
Foglietta
Foley
Frank
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt

Gilman
Gonzalez
Gray
Green
Guarini
Hagedorn
Hall, Ralph
Hall, Sam
Harkin
Hatcher
Hawkins
Hertel
Hillis
Horton
Howard
Hoyer
Hughes
Hutto
Jones (NC)
Kastenmeier
Kennelly
Kildee
Kramer
LeBoutillier
Lee
Lehman
Leland
Lent
Levitas
Livingston
Long (LA)
Long (MD)
Lowry (WA)
Markey
Matsui
Mattox
McClory
McEwen
McGrath
Mica
Mikulski
Miller (CA)
Minish
Moffett
Molinari
Mottl
Murtha
Napier
Nelson
Nowak
Oakar

Ottinger
Pashayan
Patman
Patterson
Pease
Pepper
Peyser
Price
Rahall
Railsback
Rangel
Richmond
Rinaldo
Rodino
Roe
Rosenthal
Roybal
Russo
Sawyer
Scheuer
Schroeder
Schumer
Seiberling
Shamansky
Shaw
Shelby
Simon
Smith (IA)
Smith (NJ)
Smith (PA)
Solarz
Spence
St Germain
Stark
Studds
Vander Jagt
Vento
Walgren
Waxman
Weiss
Whitten
Williams (OH)
Wright
Wyden
Wylie
Yates
Yatron
Young (FL)
Zablocki
Zeferetti

NOES—264

Albosta
Alexander
Andrews
Anthony
Applegate
Archer
Aspin
Atkinson
AuCoin
Badham
Bailey (MO)
Barnard
Beard
Benedict
Bereuter
Bethune
Bevill
Blanchard
Bliley
Boland
Bolling
Boner
Bonker
Bowen
Breaux
Broomfield
Brown (CO)
Brown (OH)
Broyhill

Burgener
Butler
Byron
Campbell
Carman
Chappell
Chappie
Cheney
Clausen
Clay
Clinger
Coats
Collins (TX)
Conable
Conte
Conyers
Corcoran
Coughlin
Courter
Coyne, James
Craig
Crane, Daniel
Crane, Philip
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daschle
Daub
Davis

de la Garza
Deckard
DeNardis
Derwinski
Dickinson
Dingell
Dixon
Donnelly
Dorgan
Dornan
Dowdy
Dreier
Dunn
Dymally
Dyson
Early
Edwards (AL)
Edwards (OK)
Emerson
Emery
English
Erdahl
Erlenborn
Evans (DE)
Evans (IA)
Fazio
Fenwick
Fiedler
Fields

Findley
Ford (TN)
Forsythe
Fountain
Fowler
Frenzel
Frost
Gingrich
Ginn
Glickman
Goldwater
Goodling
Gore
Gradison
Gramm
Gregg
Grisham
Gunderson
Hall (OH)
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Heckler
Hefner
Heftel
Hendon
Hightower
Hiler
Holland
Hollenbeck
Holt
Hopkins
Hubbard
Huckaby
Hunter
Hyde
Ireland
Jacobs
Jeffords
Jeffries
Jenkins
Johnston
Jones (OK)
Jones (TN)
Kazen
Kemp
Kindness
Kogovsek
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
Lewis
Loeffler

Lott
Lowery (CA)
Lujan
Luken
Lundine
Lungren
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McDonald
McHugh
McKinney
Michel
Miller (OH)
Mineta
Mitchell (MD)
Mitchell (NY)
Moakley
Mollohan
Moore
Moorhead
Morrison
Myers
Natcher
Neal
Nelligan
Nichols
O'Brien
Oberstar
Obey
Oxley
Panetta
Parris
Paul
Petri
Pickle
Porter
Pritchard
Pursell
Quillen
Ratchford
Regula
Reuss
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Rogers
Rose

Rostenkowski
Roth
Roukema
Rousselot
Rudd
Sabo
Santini
Savage
Schneider
Schulze
Sensenbrenner
Shannon
Sharp
Shumway
Shuster
Siljander
Skeen
Skelton
Smith (AL)
Smith (NE)
Smith (OR)
Snowe
Snyder
Solomon
Stangeland
Staton
Stenholm
Stokes
Stratton
Stump
Swift
Synar
Tauke
Tauzin
Taylor
Thomas
Traxler
Trible
Udall
Volkmer
Walker
Wampler
Washington
Watkins
Weaver
Weber (MN)
Weber (OH)
White
Whitehurst
Whitley
Whittaker
Williams (MT)
Wilson
Winn
Wirth
Wolf
Wolpe
Wortley
Young (MO)

ANSWERED "PRESENT"—1

Gibbons

NOT VOTING—15

Bingham
Boggs
Bonior
Burton, John
Chisholm

Crockett
Ertel
Ford (MI)
Marks
Montgomery

Murphy
Perkins
Rhodes
Stanton
Young (AK)

☐ 1730

Mr. OBERSTAR and Mr. DAVIS changed their votes from "aye" to "no."

Mr. McGRATH changed his vote from "no" to "aye."

So the amendments to the Latta amendment in the nature of a substitute, the Jones amendment in the nature of a substitute, and the Aspin amendment in the nature of a substitute were rejected.

The result of the vote was announced as above recorded.

AMENDMENTS OFFERED BY MR. ZEFERETTI TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA, THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OKLAHOMA, AND THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ASPIN

Mr. ZEFERETTI. Mr. Chairman, I have an amendment at the desk.

The CHAIRMAN pro tempore (Mr. BEILENSON). The Chair will inquire, is this amendment No. 49 that was printed in the RECORD of May 19 and May 21?

Mr. ZEFERETTI. Yes, Mr. Chairman.

The CHAIRMAN pro tempore. To which substitute is the gentleman's amendment directed?

Mr. ZEFERETTI. Mr. Chairman, I ask unanimous consent that my amendment be offered simultaneously to all three substitutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York that all amendments be placed en bloc to all three substitutes?

Mr. WALKER. Mr. Chairman, reserving the right to object I do so only to ask the gentleman whether or not the impact of his amendments that he is seeking to put en bloc will be precisely the same on each of the budget resolutions that are before us.

Mr. ZEFERETTI. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from New York.

Mr. ZEFERETTI. Mr. Chairman, the intent is the same on all three amendments, but the figures would be different. On the Jones amendment it would be $300 million, on the Latta amendment $350 million, and on the Aspin substitute $450 million. But the intent is the same.

Mr. WALKER. Mr. Chairman, further reserving the right to object, the gentleman states the impact finally will be the same, but this adds up to higher deficits?

Mr. ZEFERETTI. Yes.

Mr. WALKER. Mr. Chairman, I thank the gentleman for his explanation, and I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN pro tempore. Does the gentleman from New York (Mr. ZEFERETTI) ask unanimous consent to dispense with the reading of the amendments, and that they be printed in the RECORD?

Mr. ZEFERETTI. I do, Mr. Chairman. I make that unanimous-consent request.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The amendments offered by Mr. ZEFERETTI to the amendment in the nature of a substitute offered by Mr. LATTA, the amendment in the nature of a substitute offered by Mr. JONES of Oklahoma, and the amendment in the nature of a substitute offered by Mr. ASPIN are as follows: To the matter concerning function 400: Transportation

Increase new budget authority by $1,150,000,000 in fiscal year 1983, by $1,000,000,000 in fiscal year 1984, and by $1,200,000,000 in fiscal year 1985;

Increase outlays by $100,000,000 in fiscal year 1983, by $600,000,000 in fiscal year 1984, and by $1,000,000,000 in fiscal year 1985;

To the matter concerning function 750: Administration of Justice

Increase new budget authority by $225,000,000 in fiscal year 1983, by $325,000,000 in fiscal year 1984, and by $375,000,000 in fiscal year 1985;

Increase outlays by $175,000,000 in fiscal year 1983, by $275,000,000 in fiscal year 1984, and by $375,000,000 in fiscal year 1985;

Increase the aggregate budget authority level by $1,375,000,000 in fiscal year 1983, by $1,325,000,000 in fiscal year 1984, and by $1,575,000,000 in fiscal year 1985;

Increase the aggregate outlay level by $275,000,000 in fiscal year 1983, by $875,000,000 in fiscal year 1984, and by $1,375,000,000 in fiscal year 1985;

Increase the deficit by $275,000,000 in fiscal year 1983, by $875,000,000 in fiscal year 1984, and by $1,375,000,000 in fiscal year 1985.

On page 12, line 14, strike "$823,000,000,000" and insert "$828,325,000,000";

On page 12, line 16, strike "$780,550,000,000" and insert "$780,775,000,000";

On page 12, line 18, strike "$103,850,000,000" and insert "$104,075,000,000";

On page 14, line 6, strike "$22,300,000,000" and insert "$22,600,000,000";

On page 14, line 7, strike "$20,400,000,000" and insert "$20,600,000,000";

On page 15, line 1, strike "$4,600,000,000" and insert "$4,625,000,000";

On page 15, line 2, strike "$4,650,000,000" and insert "$4,675,000,000";

On page 22, line 12, strike "$888,400,000,000" and insert "$888,725,000,000";

On page 22, line 13, strike "$952,850,000,000" and insert "$953,175,000,000";

On page 22, line 15, strike "$826,400,000,000" and insert "$826,675,000,000";

On page 22, line 16, strike "$881,200,000,000" and insert "$881,525,000,000";

On page 22, line 18, strike "$72,750,000,000" and insert "$73,025,000,000";

On page 22, line 19, strike "$34,650,000,000" and insert "$34,975,000,000";

On page 26, line 2, strike "$22,400,000,000" and insert "$22,700,000,000";

On page 26, line 3, strike "$20,050,000,000" and insert "$20,300,000,000";

On page 26, line 6, strike "$22,950,000,000" and insert "$23,250,000,000";

On page 26, line 7, strike "$20,250,000,000" and insert "$20,550,000,000";

On page 28, line 7, strike "$4,600,000,000" and insert "$4,625,000,000";

On page 28, line 8, strike "$4,600,000,000" and insert "$4,625,000,000";

On page 28, line 11, strike "$4,600,000,000" and insert "$4,625,000,000"; and

On page 28, line 12, strike "$4,600,000,000" and insert "$4,625,000,000".

To the matter concerning function 400: Transportation—

Increase new budget authority by $450,000,000 in fiscal year 1983, by $125,000,000 in fiscal year 1984, and by $125,000,000 in fiscal year 1985;

Increase outlays by $350,000,000 in fiscal year 1983, by $50,000,000 in fiscal year 1984, and by $100,000,000 in fiscal year 1985;

To the matter concerning function 750: Administration of Justice:

Increase new budget authority by $25,000,000 in fiscal year 1983, by $25,000,000 in fiscal year 1984, and by $25,000,000 in fiscal year 1985;

Increase outlays by $25,000,000 in fiscal year 1983, by $25,000,000 in fiscal year 1984, and by $25,000,000 in fiscal year 1985;

Increase the aggregate budget authority level by $475,000,000 in fiscal year 1983, by $150,000,000 in fiscal year 1984, and by $150,000,000 in fiscal year 1985;

Increase the aggregate outlay level by $375,000,000 in fiscal year 1983, by $75,000,000 in fiscal year 1984, and by $125,000,000 in fiscal year 1985;

Increase the deficit by $375,000,000 in fiscal year 1983, by $75,000,000 in fiscal year 1984, and by $125,000,000 in fiscal year 1985.

The **CHAIRMAN** pro tempore. The gentleman from New York (Mr. ZEFFRETTI) is recognized for 5 minutes in support of his amendments.

Mr. **JONES** of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. **ZEFERETTI**. I yield to the chairman of the committee.

Mr. **JONES** of Oklahoma. Mr. Chairman, once again we are going to try to limit debate. I have discussed this with the author of the amendments and with the minority.

Mr. Chairman, I ask unanimous consent that we limit debate on these amendments to 15 minutes, 10 minutes to be controlled by the author of the amendments and 5 minutes to be controlled by the minority.

The **CHAIRMAN** pro tempore. Is there objection to the request of the gentleman from Oklahoma?

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Mr. **FRENZEL**. Mr. Chairman, reserving the right to object, the minority has agreed to this allocation of time because we know the gentleman needs a little time to explain this.

We are going to oppose the amendment, and it is, I think, in all of our interests to move along as promptly as we can.

Mr. Chairman, I thank the gentleman, and I withdraw my reservation of objection.

The **CHAIRMAN** pro tempore. Would the gentleman be kind enough to restate his unanimous consent request?

Mr. **JONES** of Oklahoma. I ask unanimous consent, Mr. Chairman, that there be 15 minutes to close debate on the Zeferetti amendment, 10 minutes to be controlled by the author of the amendment, the gentleman from New York, Mr. ZEFERETTI, and 5 minutes by the opposition, the gentleman from Minnesota, Mr. FRENZEL.

The **CHAIRMAN** pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The **CHAIRMAN** pro tempore. The Chair recognizes the gentleman from New York (Mr. ZEFERETTI) for 10 minutes.

Mr. **ZEFERETTI**. Mr. Chairman, I rise in support of the amendment that I have offered to House Concurrent Resolution 345 (the Jones substitute). This amendment is intended to raise budget authority and outlay targets to levels that would permit appropriations for our chief drug law enforcement agencies, the Drug Enforcement Administration, the Federal Bureau of Investigation, the Customs Service and the Coast Guard to be made up to the amounts approved by the House authorizing committees for 1983.

I think that we can all agree that drug trafficking and drug related-crime is one of our Nation's most serious problems. The operation of the estimated $90 billion illicit drug trafficking industry in this country undermines our Nation's health, our economy, and the readiness of our Armed Forces. The social costs of drug abuse have been estimated to exceed $16 billion annually and is destroying our youth who represent the future of our country. In addition, we have all witnessed the serious crime that drug abuse and trafficking spawns. Due to the high profits and risks that attend the drug trade, hijacking, murder, other violent acts and illegal financial transactions are commonly committed by drug dealers and traffickers. Our own budgetary posture must be on the same strength and magnitude of the grave drug problem we face. Unfortunately, that is not the case under the administration's proposal or the Budget Committee's proposal.

Although administration officials have used strong language in outlining their commitment to narcotics control, this administration has not made drug law enforcement a high budgetary priority. The administration's 1983 budget proposal is barely sufficient to allow the Drug Enforcement Administration and the Federal Bureau of Investigation to continue operations at or near current levels. The Coast Guard will require a large supplemental appropriation in fiscal year 1982 just to maintain its operational capabilities and the administration's 1983 request for the Coast Guard is woefully inadequate. The administration's budget for 1983 calls for substantial cuts in the resources of the customs service which would result in the loss of 2,300 to 2,600 customs personnel including 900 to 1,200 inspectors and nearly 100 patrol officers.

The amounts authorized for DEA, FBI, customs and the Coast Guard by the House committees represent a conscientious effort to give to these vital law enforcement agencies sufficient resources to carry out their very important missions. The targets established by the Budget Committee in the first budget resolution for these agencies, however, are below the authorization levels approved by the House committees and, in the case of the FBI and DEA, below that requested by the administration. This is unacceptable. While I recognize the economic requirements of fiscal restraint, the control of narcotics trafficking and drug-related crime must be given high budgetary priority, as is our Nation's defense. The discretionary program freezes and spending reductions proposed by the Budget Committee will only serve to impede our narcotics control efforts.

Under my amendment, total new budget authority for 1983 would increase by $400 million. Total budget outlays, and the proposed budget deficit, would each be increased by $300 million. Corresponding increases are included for 1984 and 1985. I have also filed similar amendments to the Latta and Aspin substitutes which would raise the level of budget authority and outlays for the transportation and administration of justice functions to the levels provided in my amendment to House Concurrent Resolution 345—the Jones substitute.

It should be noted that the Senate has recognized the seriousness of the drug problem by providing for an increase of $300 million in fiscal year 1983 for Federal law enforcement agencies, including DEA and FBI, over what their Budget Committee had recommended.

Mr. Chairman, as chairman of the Select Committee on Narcotics Abuse and Control, I strongly urge my colleagues to support this amendment. We can ill afford to freeze or reduce the budgets of our drug law enforcement agencies. Unless we are willing to make a strong budgetary commitment to narcotics control, we will never be able to control this most serious crime problem.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. ZEFERETTI. I yield to the gentleman from New York.

Mr. GILMAN. I thank the gentleman for yielding.

I rise in support of this amendment and commend the gentleman for bringing this measure to the floor.

Mr. Chairman, if we are going to ask our law enforcement officials to stem the tide of narcotics flowing on to our shores, if we are going to try to decrease the high crime rate that we have, then we must provide our drug agencies with the wherewithal to do the job. We must not tie the hands of our drug law enforcement officials with antiquated equipment. Our Coast Guard, customs service, and Drug Enforcement Administration must be beefed up. They urgently need additional equipment, personnel, and funds to perform their dangerous tasks and to help prevent the dangerous drugs from being sold on our streets, from entering our schools and from undermining our political, social and economic institutions.

This amendment does just that and accordingly I urge my colleagues to support this measure.

Mr. STARK. Mr. Chairman, will the gentleman yield?

Mr. ZEFERETTI. I yield to the gentleman from California.

Mr. STARK. Mr. Chairman, I want to commend the gentleman from New York (Mr. Zeferetti) for his amendment. As chairman of the Select Committee on Narcotics Abuse and Control, he knows better than anyone the importance of increased funds to intercept narcotics trafficking.

I would also like to point out that if we adopt the President's budget for the customs service, it will mean laying off 2,300 customs officers or 1 out of every 6 officers—which will make this country even more vulnerable to drug smuggling.

But if we layoff these officers, we will also lose more in customs revenues and receipts than we will save in lower salaries.

In response to an inquiry from me, customs has written that if they had an additional 1,000 officers, they would collect an additional $100 million from those violating and evading our Nation's trade laws. That is a favorable benefit to cost ratio of $3 for every $1 spent on customs' salaries.

Well, we are not asking for an increase in customs officers—we are just asking that they not be cut by 2,300. Adopting the President's budget figures for customs would cost at least $200 million in revenues but save only $66 million in salaries.

If, however, we go with the budget figures recommended by the Ways and Means Committee and provided for by the gentleman from New York, we can cut the deficit by about $130 million. I urge the adoption of this amendment.

Mr. ZEFERETTI. Mr. Chairman, I reserve the balance of my time.

Mr. FRENZEL. Mr. Chairman, I rise in opposition to the amendment, and I yield myself 2 minutes.

This amendment is very much like the last one except it is broader. Therefore, it is worse. I take great heart from the fact that the House was thoughtful enough to reject the last amendment which would have added enormously to our deficit.

This particular amendment adds even more enormously to our deficit, in the case of the Jones amendment $1 billion over 3 years; in the case of the Latta amendment nearly $3 billion.

I hope it will be rejected.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the chairman of the Budget Committee.

Mr. JONES of Oklahoma. I thank the gentleman for yielding.

I think this amendment should be defeated for at least two reasons.

First, once again we are appropriating on a budget resolution. This should not be. This should be left to the Appropriations Committee.

This is a line item type of appropriation that the other committee should have.

Second, the Justice Department under the committee's resolution already receives a 6-percent increase over 1982. If you look at the Coast Guard, it fares even better. Under House Concurrent Resolution 345, the committee resolution, it assumes $1,654,000,000 for Coast Guard operating expenses and that is $181 million more than the CBO baseline.

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The CBO baseline is current policy. In other words the Government being put on automatic pilot or indexed for inflation. Under the committee resolution, the Coast Guard receives $181 million more than the CBO baseline in operating expenses and $230 million more than is assumed in the Latta resolution or the one passed by the Senate.

The **CHAIRMAN** pro tempore. The time of the gentleman from Minnesota (Mr. Frenzel) has expired.

Mr. FRENZEL. Mr. Chairman, I yield myself 1 additional minute, and I yield to the gentleman from Oklahoma (Mr. Jones).

Mr. JONES of Oklahoma. Mr. Chairman, the committee recommendation also assumes $538 million for Coast Guard capital expenses, and this certainly would be an adequate level for the capital needs for the Coast Guard.

So I think that the committee resolution already deals adequately with the Justice Department and with the Coast Guard, and this amendment should be defeated. If we do not start drawing the line somewhere, we are just going to inch up and inch up, a little bit more debt, a little bit more deficit and a little bit higher interest rates, and we do a disservice to the people of this country.

Mr. FRENZEL. I thank the gentleman.

Mr. CAMPBELL. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from South Carolina.

Mr. CAMPBELL. Mr. Chairman, this again is getting into an area that sounds extremely good and one that I always support and like to support.

But I would like to point out that we have funded and are operating a drug enforcement task force, trying to cut off about 80 percent of the flow of drugs that are coming into the country.

The CHAIRMAN pro tempore. The time of the gentleman from Minnesota (Mr. FRENZEL) has again expired.

Mr. FRENZEL. Mr. Chairman, I yield myself 1 additional minute, and I yield further to the gentleman from South Carolina.

Mr. CAMPBELL. The task force is concentrated in the Florida area, and is a joint effort of the various agencies. Further, in the supplemental, and in the urgent supplemental, there were funds appropriated for the operation of the task force to deal with the drug problem. This measure just adds another $3 billion to our deficit, and however noble the intentions, it should not pass at this time.

Mr. FRENZEL. I thank the gentleman from South Carolina for his observation.

Mr. Chairman, I think the House performed wisely on the last amendment. I hope it will do as wisely this time.

Mr. Chairman, I yield my remaining time to the gentleman from Texas (Mr. GRAMM).

The CHAIRMAN pro tempore. The gentleman from Texas (Mr. GRAMM) is recognized for 1 minute.

Mr. GRAMM. Mr. Chairman, the argument on this amendment is exactly the same argument as on the last amendment. This is an excellent amendment, very strong argument, very worthy cause. When and if this amendment is offered during the appropriations process I pledge to support it. But we are here trying to set some aggregate level on expenditures. The Senate did not add $300 million to a specific line item. They added it to the budget. We have set out a figure here that grows faster than current services. Virtually no other area of the budget outside of entitlements can make that claim. I think it is imperative that we begin to draw the line. Every program must be worthy, to some degree, because it is in the budget. And if we have to vote on each individual program and say we need more money for that area, we are literally going to destroy the budget process and, in the process, we are going to destroy our ability to deal with the deficit and bring interest rates down.

So this is a good amendment. It is a good cause, but it is simply being offered to the wrong bill.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from New York (Mr. ZEFERETTI), who has 5 minutes remaining.

Mr. ZEFERETTI. Mr. Chairman, I am going to yield to the gentleman from Massachusetts (Mr. STUDDS), the chairman of the Coast Guard Committee, but before he begins I would just like to speak to one part of what was just said by the gentleman from Texas (Mr. GRAMM).

Mr. Chairman, I welcome the gentleman's support when this kind of amendment comes before the Appropriations Committee, but I would hope that the next time the Budget Committee meets that these agencies and all others fighting drugs and crime be given priority. For all too long a period of time those who have the front-line job of enforcing the law and the responsibility of stopping drugs from coming into this country have not been given any priority. And that is all we are looking for, that the Budget Committee through the budget process give them priority.

I yield to the gentleman from Massachusetts (Mr. STUDDS).

Mr. STUDDS. Mr. Chairman, if I might have the attention of the Members, I regret that we have only 3 minutes. I suspect, Mr. Chairman, that most Members would agree with me that the U.S. Coast Guard merits more than 3 minutes of our attention, even in the consideration of a budget of this magnitude. At the risk of appearing simply the most recent in a series of special pleaders, let me warn the Members of something.

Earlier this year the Members of this House who have coastal districts which, believe it or not, is a substantial majority of the Members, when you consider the Great Lakes and the Mississippi River, were appalled to find that one of the results of our having adopted Gramm-Latta last year was the announcement by the Secretary of Transportation that Coast Guard search and rescue stations were being closed around this country, some 16 of them; that 3 Coast Guard air stations were being closed; that 4,000 uniformed military personnel were being drummed out of 1 of the armed services of the United States, 8 percent of the military personnel of the Coast Guard; and that 250 cadets were being drummed out of the U.S. Coast Guard Academy, because, unbeknownst to us, those were the consequences mandated by the adoption of the budget last year.

I believe Members who said to us at the time, "Gosh, I did not know that was going to happen. I support the Coast Guard." Imagine the surprise and the dismay and the embarrassment of the Members of this House who had search and rescue stations closed in their own constituencies, in some instances in their own hometowns.

Let me alert the Members who genuinely are concerned about the U.S. Coast Guard that, in the absence of this amendment, that will happen again, only this time you will have had ample warning. If this amendment is defeated, search and rescue stations will be closed, air stations will be closed, the uniformed personnel of the U. S. Coast Guard will be further and significantly reduced, and, even if this does not matter at OMB, I suspect it matters to the men and women on both sides of this aisle, human lives, substantial numbers of human lives which otherwise would have been saved, will have been lost.

Perhaps they only thing that will have been gained is that Members of this House will refrain from any further speeches on the importance of the interdiction of illicit narcotics, because the agency charged with the interdiction of narcotices primarily is the U.S. Coast Guard, and it will not be there. And perhaps the Members will refrain from giving speeches about the importance of stopping the flow of illegal aliens, because the agency charged with that is the U.S. Coast Guard, and they will not be there. Maybe even Members will come to realize that the Coast Guard is one of the uniformed military services of the United States and has a critical mission with respect to the defense of this country and, according to the Secretary of the Navy, it is utterly unprepared to respond in time of war or national emergency.

So the House is at risk and at warning. In the absence of this amendment, the Coast Guard, which has been severely cut and whose funds in the Senate budget already adopted and with which we will go to conference have been straight lined for 3 consecutive years, you might as well forget the Coast Guard and you might as well forget the environmental, the search and rescue, the aids to navigation, and all of the other responsibilities, including law enforcement and military preparedness, which this Congress, through statutes enacted in this Chamber, has asked the Coast Guard to assume.

I implore the Members of the House to adopt this amendment.

Mr. Chairman, I rise in strong support of the amendment.

As chairman of the Subcommittee on Coast Guard and Navigation, I would not be doing my job if I did not take this floor today to issue a warning to all those in this Chamber whose constituents expect the Coast Guard to be there when needed—whether for law enforcement, search and rescue, aids to navigation, or cleaning up oil spills. The Coast Guard is in deep trouble and unless Congress does something about it, beginning today, the slogan which traditionally has characterized the Coast Guard—"Always Prepared"—will become little more than an ironic joke.

I believe there is enormous support for the Coast Guard in this country, and in this Congress. Vice President Bush has made several visits to Florida in recent months declaring the administration's undying support for the war against those seeking illegally to smuggle drugs into this country. The Secretary of the Navy, John Lehman, recently testified before our subcommittee concerning the vital contributions which the Coast Guard makes—or is supposed to be able to make—to our national defense. The Coast Guard is recognized as perhaps the most versatile and cost-effective agency in the entire Federal Government. A vote in its behalf will not be difficult for any Member of this body to justify to his constituents—a vote in opposition may be extremely difficult to explain.

The Zeferetti amendment is a modest amendment, but it will, at least, provide the Coast Guard with the minimum amount of funds it must have to do its job. President Reagan has requested a budget for the Coast Guard in 1983 which is 25 percent below the amount Congress appropriated in 1982. The pending budget proposal in the Senate would freeze Coast Guard expenditures at the 1982 level for the next 3 years. Unless this House acts more intelligently than our brethren in the Senate and in the executive branch, let me assure you that the Coast Guard will not be able to adequately enforce our drug laws. Coast Guard search and rescue stations in many parts of the country will be forced to close—this means, incidentally that people will die—and the Coast Guard will have to drastically cut back its role in military readiness, aids to navigation, marine safety, and environmental protection.

Along with the ranking minority member of the subcommittee, Mr. Young of Alaska, I have been working with other members of the committee, with the Coast Guard, and with the administration to devise a strategy that will make the Coast Guard even more efficient, and which will permit the service to concentrate its efforts far more on at-sea operational missions than on its regulatory responsibilities. We have made some progress in this direction, but this effort will become meaningless if the Coast Guard is virtually crippled in the interim.

Both the President and many Members of this Congress were elected with the promise that they would get Government off the backs of the people. But no one was elected promising to get the Coast Guard off the backs of drug smugglers, polluters, and foreign fishermen.

I, for one, am tired of stories about Coast Guard vessels so decrepit they cannot be put to sea. I am tired of stories about coastguardsmen being killed when their 52-year-old vessel sinks. Let us remember that the Coast Guard last year alone saved more than 5,000 human lives and rescued $1.4 billion in property from destruction at sea. It will be to no one's advantage if the next time the alarm bell sounds, the distress call emanates from the Coast Guard, itself.

I urge your support for the Zeferetti amendment.

SUPPORT THE ZEFERETTI AMENDMENT—SUPPORT THE U.S. COAST GUARD

THE COAST GUARD IS IN TROUBLE

The Administration has requested 25% less in funds for the Coast Guard in 1983 than Congress appropriated in 1982.

The Coast Guard has proposed the elimination of one-fourth of all aids to navigation off the northeast and mid-Atlantic coasts because it can no longer afford to maintain them.

The Coast Guard is seeking to close its only research and development facility, in Connecticut, and one of its two recruit training centers, in California.

Coast Guard recruiting detachments are being closed in dozens of communities throughout the United States.

Eighteen newly-procured jet aircraft are expected to be put immediately into storage because the Coast Guard cannot afford to operate them.

The average Coast Guard cutter is 27 years old; the average Navy ship is 14.

The number of cutters has declined from 339 to 246 over the past decade.

The cutter Cuyahoga, which sank in 1978 at a cost of 11 lives, was 52 years old.

The Coast Guard is able to meet only 20% of its goals for intercepting drugs smuggled into the United States.

The Coast Guard is fulfilling only about 38% of its goal for military readiness training.

Due to lack of new procurement, the retirement of aged cutters, and the renovation of existing vessels, the Coast Guard will have significantly fewer high and medium endurance cutters available to it during the latter half of the 1980s than it has had at any time since before World War II.

The number of days required for maintenance, compared to the number of days available for operations, has increased for cutters by 32% between 1976 and 1980 indicating the government is deriving less and less benefit from existing Coast Guard vessels.

Numerous scheduled Coast Guard patrols have had to be cancelled, delayed, or prematurely terminated due to vessel condition or maintenance problems.

Coast Guard training, particularly in marine law enforcement, is seriously deficient.

On May 1, 1981 the Coast Guard shut down all marine environmental patrols, 90% of its Pacific drug law enforcement, 20% of its Pacific fisheries law enforcement, and 60% of its Atlantic law enforcement because it could not afford to buy fuel. Operational capabilities have declined even further since that time.

2. COAST GUARD MISSIONS ARE IMPORTANT AND COST-EFFECTIVE

Coast Guard search and rescue saves 6,000 lives a year plus an amount of property equal in value to its entire operating budget.

The Coast Guard also annually seizes an amount of marijuana equal in value to its entire operating budget.

Coast Guard law enforcement prevents the theft of America's vast fisheries resources by foreign fishermen.

Coast Guard aids to navigation and commercial vessel safety programs prevent an enormous amount of damage to life, property, and the environment each year.

The Coast Guard has played an active role in every foreign war and most other significant military operations in U.S. history.

More and more, the oceans are becoming the scene of military, diplomatic, and economic competition; Coast Guard skills will grow steadily more vital in future years.

3. COAST GUARD DUTIES ARE GROWING AS COAST GUARD RESOURCES SHRINK

The Reagan immigration policy requires the use of Coast Guard cutters to halt illegal immigration from Haiti while no funds have been requested to pay for them.

A Navy-Coast Guard Task Force recently identified three new and five expanded military missions for the Coast Guard.

Expanded oil drilling operations in the Arctic and on the Outer Continental Shelf, deep seabed mining, and the likely expansion of ocean dumping will all require new Coast Guard resources.

The Administration has ordered a reduction in civilian personnel amounting t[illegible] 20 percent cut over three years.

The General Accounting Office reported in 1980 that "The Coast Guard's responsibilities have increased without a commensurate growth in its resources."

The Coast Guard has already been reduced in size by 500 civilians and 1,000 military personnel. Another 2,000 military positions are targeted for elimination.

The Coast Guard will not for long be able to save lives, bust drug smugglers, halt illegal immigration, maintain aids to navigation, clean up oil spills, maintain military readiness, and keep an eye on foreign fishermen if it can't buy fuel, operate safely, or train its personnel.

Mr. ZEFERETTI. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Maryland (Ms. Mikulski).

Ms. MIKULSKI. Mr. Chairman, I rise in support of the Zeferetti amendment.

Mr. ZEFERETTI. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. Peyser).

Mr. PEYSER. Mr. Chairman, I rise in support of this effort.

Mr. ZEFERETTI. Mr. Chairman, I yield such time as he may consume to the gentleman from Maine (Mr. Emery).

Mr. EMERY. Mr. Chairman, I rise in support of the amendment.

Mr. ZEFERETTI. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. Davis).

Mr. DAVIS. Mr. Chairman, I strongly support the amendment. Everything that was said by the gentleman from Massachusetts (Mr. Studds) will happen if the Members do not support this amendment, and you will be back here with a supplemental again next year.

Mr. ZEFERETTI. Mr. Chairman, I yield such time as he may consume to the gentleman from Hawaii (Mr. Akaka).

Mr. AKAKA. Mr. Chairman, I rise in strong support of the amendment offered by my colleague from New York. It is one of only two amendments that will be offered to aid law enforcement in this country.

There can be no doubt that the Federal Government has a major responsibility to assist in the fight against drug abuse and the illegal drug trade. The States cannot fight the war against the traffic in drugs and the resulting abuse of drugs alone. To believe that to be possible is foolish.

This Federal responsibility can only be met if we fund the Drug Enforcement Agency (DEA), the FBI, the Coast Guard and the Customs Office at reasonable levels. Each one of these agencies has done an outstanding job in the past in meeting its statutory duties aimed at halting illegal drug trafficking. But, the cutbacks in funding approved by this Congress last year have made a mockery of the efforts of those employed in the drug enforcement agencies. At times, the lack of funds has been so critical that DEA agents have had to pay their own travel expenses. Incredible as it may seem, the New York DEA Office ran out of funds last year and was unable to send an agent to Florida to testify in a drug case. The result was that the court was forced to drop the case. Is this truly a savings? I think not. By cutting back on our enforcement agencies, we are virtually inviting the increase of drug trafficking.

We not only see increases in the drug trade itself but increases in the criminal violence that inevitably results from the use and abuse of drugs. There can be no doubt that there is a strong link between drug abuse and crime. A study of 237 addicts found that these addicts were responsible for committing more than 500,000 crimes over an 11-year period. Another University of Delaware study found that 356 active heroin users in Miami had committed 118,134 crimes in 1 year. Clearly, drugs lead to the commission of criminal acts. We cannot afford to cut back on Federal law enforcement efforts when the evidence linking drugs and violent crime is so clear.

States cannot do this job alone and the Federal Government cannot just abrogate its responsibility. I, therefore, strongly urge my colleagues not to turn their backs on these agencies and to joing in this effort against crime by voting for the Zeferetti amendment.

Mr. ZEFERETTI. Mr. Chairman, I yield such time as he may consume to the gentleman from Delaware (Mr. EVANS).

Mr. EVANS of Delaware. Mr. Chairman, I strongly support the amendment.

● **Mr. YOUNG of Alaska.** Mr. Chairman, I rise in support of the amendment offered by Mr. ZEFERETTI to House Concurrent Resolution 345. This amendment would restore funding to the Coast Guard, among other law enforcement agencies, to the level of the authorization for the Coast Guard reported by the Merchant Marine and Fisheries Committee this year.

The driving force behind this year's Coast Guard authorization was to provide for adequate funding and personnel to carry out all essential Coast Guard programs, to permit procurement of needed platforms and facilities and to underwrite research and development to improve the efficiency of this service. This commitment of resources is needed and long overdue.

As the Representative from the State of Alaska you have heard me repeat over and over that the services of the Coast Guard are extremely valuable and essential in that region. However, as all of us here know, they are required throughout the entire maritime community and ultimately by the Nation as a whole. We in Alaska need both effective fisheries law enforcement and search and rescue coverage to protect both the livelihood and lives of our people. Other areas of the country depend equally on specific Coast Guard services. I remember when the recent cutbacks were announced and the loud outcry from the Members of Congress and others across the Nation. All of us were alarmed at their breadth and depth. I began to wonder what would really be left of the Coast Guard and whether needed services would be provided to the American public.

Without adequate funding, lives would go unsaved, laws would go unenforced, and our national security would be impaired. Fortunately, the administration reconsidered its actions on cutbacks and restored most of what they proposed to eliminate. But what that leaves us facing is the need for more funding for this function. The administration recognizes this, the Congress recognizes this, and we should act by adopting this amendment to overcome this serious deficiency in funding.

Mr. Chairman, I and the rest of the Members here know the services of the Coast Guard are extremely valuable and essential not only to the maritime community but to the entire Nation. I have long been a supporter of fiscal and budgetary restraints, but safety of life and property, and the security of our Nation should not be pawns in the budget process.

The well-being of our country requires that we not stand idly by and let this happen. I believe our full efforts should be behind additional funding for the services provided by the Coast Guard so that search and rescue, law enforcement, military prepardness, drug interdiction as well as other needed responsibilities are preserved. Therefore I urge all of you to support this amendment.●

The CHAIRMAN pro tempore. All time has expired.

The question is on the amendments offered by the gentleman from New York (Mr. ZEFERETTI) to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA), the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. JONES), and the amendment in the nature of a substitute offered by the gentleman from Wisconsin (Mr. ASPIN).

The question was taken; and the Chairman pro tempore announced that the noes appear to have it.

RECORDED VOTE

Mr. ZEFERETTI. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 182, noes 237, not voting 13, as follows:

[Roll No. 122]

AYES—182

Addabbo
Akaka
Anderson
Annunzio
Applegate
AuCoin
Bafalis
Bailey (PA)
Barnes
Bedell
Beilenson
Benjamin
Bennett
Bevill
Biaggi
Blanchard
Bolling
Bonior
Bonker
Bouquard
Brinkley
Brodhead
Brooks
Broomfield
Brown (CA)
Burton, Phillip
Carney
Chappell
Clay
Collins (IL)
Coyne, William
D'Amours
Daschle
Davis
de la Garza
Deckard
Dellums
DeNardis
Dicks
Dingell
Dixon
Donnelly
Dornan
Dougherty
Downey
Dwyer
Dymally
Dyson
Early
Eckart
Edgar
Emery
English
Evans (DE)
Evans (GA)
Evans (IN)
Fary
Fascell
Ferraro
Fiedler
Florio
Foglietta
Forsythe
Frank
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gilman
Gonzalez
Gray
Green
Guarini
Harkin
Hatcher
Hawkins
Heckler
Heftel
Hollenbeck
Holt
Howard
Hoyer
Hughes
Hutto
Jones (NC)
Kastenmeier
Kazen
Kennelly
Kildee
LaFalce
Lantos
LeBoutillier
Lee
Lehman
Leland
Lent
Long (LA)
Long (MD)
Lowry (WA)
Markey
Marks
Mattox
Mavroules
McClory
McCollum
McGrath
Mica
Mikulski
Miller (CA)
Mineta
Minish
Mitchell (MD)
Moakley
Moffett
Molinari
Mollohan
Mottl
Murtha
Napier
Nelson
Nowak
O'Brien
Oakar
Oberstar
Ottinger
Parris
Patman
Patterson
Pease
Pepper
Peyser
Price
Rahall
Railsback
Rangel
Ratchford
Richmond
Rinaldo
Rodino
Roe
Rosenthal
Roybal
Russo
Sabo
Scheuer
Schneider
Schumer
Seiberling
Shannon
Sharp
Shaw
Simon
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spence
St Germain
Stark
Stokes
Stratton
Studds
Swift
Vander Jagt
Vento
Walgren
Waxman
Weaver
Weiss
Williams (MT)
Wilson
Wirth
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zablocki
Zeferetti

NOES—237

Albosta
Alexander
Andrews
Anthony
Archer
Aspin
Atkinson
Badham
Bailey (MO)
Barnard
Beard
Benedict
Bereuter
Bethune
Bliley
Boland
Boner
Bowen
Breaux
Brown (CO)
Brown (OH)
Broyhill
Burgener
Butler
Byron
Campbell
Carman
Chappie
Cheney
Clausen
Clinger
Coats
Coelho
Coleman
Collins (TX)
Conable
Conte
Corcoran
Coughlin
Courter
Coyne, James
Craig
Crane, Daniel
Crane, Philip
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daub
Derrick
Derwinski
Dickinson
Dorgan
Dowdy
Dreier
Duncan
Dunn
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
Erdahl
Erlenborn
Evans (IA)
Fazio
Fenwick
Fields
Findley
Fish
Fithian
Flippo
Foley
Ford (TN)
Fountain
Fowler
Frenzel
Frost
Gibbons
Gingrich
Ginn
Glickman
Goldwater
Goodling
Gore
Gradison
Gramm
Gregg
Grisham
Gunderson
Hagedorn
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hefner
Hendon
Hertel
Hightower
Hiler
Hillis
Holland
Hopkins
Horton
Hubbard
Huckaby
Hunter
Hyde
Ireland
Jacobs
Jeffords
Jeffries
Jenkins
Johnston
Jones (OK)
Jones (TN)
Kemp
Kindness
Kogovsek
Kramer
Lagomarsino
Latta
Leach
Leath
Levitas
Lewis
Livingston
Loeffler
Lott
Lowery (CA)
Lujan
Luken
Lundine
Lungren
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Matsui
Mazzoli
McCloskey
McCurdy
McDade
McDonald
McEwen
McHugh
McKinney
Michel
Miller (OH)
Mitchell (NY)
Montgomery
Moore
Moorhead
Morrison
Myers
Natcher
Neal
Nelligan
Nichols
Obey
Oxley
Panetta
Pashayan
Paul
Perkins
Petri
Pickle
Porter
Pritchard
Pursell
Quillen
Regula
Reuss
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Rogers
Rose
Rostenkowski
Roukema
Rousselot
Rudd
Santini
Savage
Sawyer
Schroeder
Schulze
Sensenbrenner
Shamansky
Shelby
Shumway
Shuster
Siljander
Skeen
Skelton
Smith (AL)
Smith (NE)
Smith (OR)
Snyder
Solomon
Stangeland
Staton
Stenholm
Stump
Synar
Tauke
Tauzin
Taylor
Thomas
Traxler
Trible
Udall
Volkmer
Walker
Wampler
Washington
Watkins
Weber (MN)
Weber (OH)
White
Whitehurst
Whitley
Whittaker
Whitten
Williams (OH)
Winn
Wolf
Wolpe
Wortley
Wright

NOT VOTING—13

Bingham
Boggs
Burton, John
Chisholm
Conyers
Crockett
Ertel
Ford (MI)
Murphy
Rhodes
Roth
Smith (PA)
Stanton

□ 1810

Mr. VENTO, Mr. MATTOX, Mrs. HECKLER, and Messrs. McCOLLUM, YATES, and BLANCHARD changed their votes from "no" to "aye."

So the amendments to the Latta amendment in the nature of a substitute, the Jones amendment in the nature of a substitute, and the Aspin amendment in the nature of a substitute were rejected.

The result of the vote was announced as above recorded.

AMENDMENTS OFFERED BY MR. PERKINS TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OKLAHOMA AND THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ASPIN

Mr. PERKINS. Mr. Chairman, I offer an amendment to the Jones substitute.

The Clerk read as follows:

Amendment offered by Mr. PERKINS to the amendment in the nature of a substitute offered by Mr. JONES of Oklahoma and the amendment in the nature of a substitute offered by Mr. ASPIN:

Strike the paragraph beginning on line 21, page 31, and ending on line 6, page 32, and the paragraph beginning on line 18, page 38, and ending on line 3, page 39. On page 12, line 14, increase the level of total new budget authority by $73,000,000, on line 16, increase the level of total budget outlays by $73,000,000, and on line 18, increase the deficit in the budget by $73,000,000.

Strike the paragraph beginning on line 21, page 31, and ending on line 6, page 32, and the paragraph beginning on line 18, page 38, and ending on line 3, page 39. On page 12, line 14, increase the level of total new budget authority by $73,000,000, on line 16, increase the level of total budget outlays by $73,000,000, and on line 18, increase the deficit in the budget by $73,000,000.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that the same amendment apply to the Aspin substitute.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Kentucky?

Mr. FRENZEL. Mr. Chairman, reserving the right to object, would the gentleman tell us what his intentions are? Does the gentleman intend to make an amendment to each of the pending resolutions, or is the gentleman just going to the Aspin substitute?

□ 1820

Mr. PERKINS. Mr. Chairman, the same language is in all three bills. My amendment is only applicable to the Jones substitute. I intended to ask unanimous consent that it apply to the other two, but I understand there was objection on your part over there, and for that reason I only ask that it apply to Aspin.

If there is no objection, I will now ask that it apply also to the Latta substitute.

Mr. FRENZEL. Again reserving the right to object, Mr. Chairman, I had understood that it was acceptable to both the Aspin and the Jones promoters, but not to us. We stand for Latta.

Further reserving the right to object, I would think that you would make it to Jones and Aspin and have it accepted, and then make it to us, and we can debate.

Mr. PERKINS. If the gentleman will accept it, I will be delighted.

Mr. FRENZEL. I certainly will not accept it.

I object to any request that includes it in the Latta substitute.

The CHAIRMAN. Does the gentleman or any other Member object to this amendment being considered en bloc with respect both to the Jones and the Aspin amendments?

There was no objection.

Mr. PANETTA. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from California.

Mr. PANETTA. I thank the gentleman for yielding.

Mr. Chairman, I would like to have a unanimous consent with regard to this particular amendment as it applies to the committee's proposal and to the Aspin proposal. I ask unanimous consent for a 20-minute limitation, 10 minutes on each side.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. FRENZEL. Reserving the right to object, Mr. Chairman, the gentleman wants to take 10 minutes to debate it as it relates to your two substitutes?

Mr. PANETTA. I think the gentleman would like to at least have a few minutes to explain it. I will be happy to limit it to 10 minutes.

Mr. FRENZEL. Further reserving the right to object, why does the gentleman not just accept it, get that out of the way, and then take the 10 minutes on the Latta substitute, which is the only one in contention, as I understand it?

Mr. PERKINS. Mr. Chairman, if the gentleman will yield, let me make this observation. I think the Members would like to know that this language in the substitutes, all of them, directs the Committee on Education and Labor to reduce their budget authority and spending outlays by $73 million for fiscal year 1983 in the Office of Workmen's Compensation in the Department of Labor.

Mr. PANETTA. Mr. Chairman, if the gentleman would yield again, I would like to renew my unanimous-consent request for 20 minutes, 10 minutes on each side. The reason I do that is that I think if the gentleman would like to refer to the arguments, I think this is an appropriate time to engage in those arguments, because it may be possible the gentleman will not offer it to the Latta proposal.

Mr. FRENZEL. The gentleman is asking unanimous consent for 10 minutes for proponents and opponents?

Mr. PANETTA. That is correct.

Mr. FRENZEL. For Aspin and Jones only?

Mr. PANETTA. That is correct.

Mr. FRENZEL. May I ask the gentleman who he contemplates will be leading the opponents' charge in this matter?

Mr. PANETTA. I would think that the minority may want to lead that charge.

Mr. FRENZEL. We would accept with humility.

Mr. Chairman, I withdraw my reservation of objection.

The **CHAIRMAN.** Is there objection to the request of the gentleman from California?

There was no objection.

The Chair recognizes the gentleman from Kentucky (Mr. PERKINS) for 10 minutes.

Mr. PERKINS. Mr. Chairman, I urge that the amendment I have offered to the Jones substitute and to the Aspin substitute be accepted.

Mr. PANETTA. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from California.

Mr. PANETTA. Mr. Chairman, on behalf of the chairman of the committee, he does not oppose the amendment by the honorable chairman of the Committee on Education and Labor to delete the reconciliation instructions requiring the Education and Labor Committee to achieve savings of $73 million in budget authority and outlays in fiscal year 1983. The Budget Committee assumed that savings of this magnitude could be achieved in the Federal Employee Compensation Act (FECA) program, the worker compensation program for Federal civilian employees. These savings were proposed by OMB during the negotiations with the Gang of 17.

It is my understanding that the Subcommittee on Labor Standards under the leadership of its chairman, the Honorable GEORGE MILLER, is already working on a compromise bill which would effect needed reforms to this program. I further understand that within that subcommittee, there is bipartisan opposition to any reductions in benefits to people already on the rolls. About half of the savings proposed by the administration and included in the committee reported resolution and the Latta substitute would come from benefit reductions to persons already on the rolls.

Since it would be difficult to achieve the level of savings assumed in both the committee reported resolution the Aspin substitute, and the Latta substitute without reducing benefits to people already on the rolls, the chairman would not want to tie the hands of the Education and Labor Committee on this issue.

Therefore, because of that, the gentleman from Oklahoma does not oppose the amendment offered by the gentleman from Kentucky to delete these savings from the reconciliation instructions.

Therefore, on behalf of the chairman of the committee, we would accept the gentleman's amendment. Speaking also on behalf of the Aspin substitute, we would accept the gentleman's amendment.

Mr. PERKINS. Let me say in conclusion, I would strike paragraph (D) of section 301.

That paragraph directs the Committee on Education and Labor to report changes in law within its jurisdiction that would reduce spending in an amount sufficient to reduce both budget authority and outlays by $73 million in fiscal year 1983. The Budget Committee's report on page 132 indicates that its recommendation related to the Federal Employees' Compensation Act and we are, in effect, directed to save the moneys indicated—rounded off to $0.05 billion at this point—by adopting the President's proposal for amending that act.

On March 30 of this year, the administration sent us a new FECA proposal, incorporating most of last year's provisions and adding some that are new. All of this we are now asked to accept in unseemly haste without adequate hearings, consideration or thought.

The administration would have us substantially rewrite the Federal Employees' Compensation program. It would depart from the traditional calculation of disability benefits at 66⅔ percent of gross pay. It would extend the waiting period after an injury from 3 to 7 days. What is worse, it would pay the injured worker for only part of that waiting period even when the disability is of longer duration. There is no State compensation system that does not repay the victim for the entire waiting period once it has expired and the substantial character of the disability has been established.

The administration would get rid of the so-called continuation of pay provision. A General Accounting Office report released in September of last year said the 98 percent of the payments for wage loss were not being made in a timely fashion. The average processing time for an injury claim was found to be 129 days. The average time in disease cases was 270 days. That is the average number of days. It was such unreasonable delays in the processing of claims that caused us to include the continuation of pay provisions in the 1974 amendments to FECA. The situation has not substantially improved. Nonetheless, the administration would eliminate the continuation of pay. In its place is proposed a very dubious advance compensation procedure dependent entirely upon the discretion of the victim's employing agency. That agency must find that medical evidence clearly establishes that total disability will last at least 4 weeks and have no interest in contesting the claim. The delays of the employing agency in reporting injuries and disabilities to the Department of Labor are the chief reason for the untimely payment of compensation now. Can anyone believe they will act faster with additional administrative burdens placed upon them? I think not.

The administration proposes to convert FECA beneficiaries at age 65 to the civil service retirement system. This would result in a savings in the FECA column. It would, of course, result in increased costs for the retirement system. The savings are, in some respects, more apparent than real. The Post Office and Civil Service Committee has jurisdiction over who is covered by the retirement system. They should have a reasonable opportunity to contribute to this decision.

Virtually every part of the administration's proposal will result in an increase in the amount of paperwork and administrative burden to the people administering the program. We all know that it is already overburdened and has demonstrated an inability to get itself current with the existing administrative burdens. The administration's proposal would compound that problem.

The findings of the Subcommittee on Labor Standards in hearings on last year's bill demonstrate, I think, the erroneous character of the administration's proposal and the heartless, cynical treatment that the administration would give the disabled. This is another example of the insensitivity of the administration to human suffering and need—its willingness to strike out at a group of people who for the most part are unable to defend and protect themselves. I hope that the Congress will defeat their efforts by supporting my amendment.

It is my understanding that Chairman MILLER of our Subcommittee on Labor Standards has some ideas he is presently having costed out by the Congressional Budget Office. He indicates that his proposals will save money and improve the program. He should not be driven under the gun of this so-called reconciliation process to accept the administration's ill-considered proposal.

The amount of money is small and certainly not worth the damage that may be done if we act in haste. If my amendment is permitted and it prevails, we will do the job right.

Mr. GILMAN. Mr Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I rise in support of the amendment offered by the distinquished chairman of the Committee on Education and Labor striking the reconciliation instructions concerning FECA changes, as I share his concern about those proposed changes to the Federal Employees Compensation Act program.

Proposals to restrict FECA were considered last year by Congress and rejected. Changes in the benefit formula would increase paperwork in processing claims by requiring a computation based not on gross pay, but on spendable pay based on moneys remaining after applicable withholdings are calculated. The General Accounting Office last year underscored the inordinate delays already experienced in processing such claims and I doubt we would wish to contribute to further paperwork and the concomitant delays.

Other proposed changes to FECA include penalizing the employee by eliminating the continuation of pay period, eliminating a portion of that compensation credited to the waiting period for benefits, and converting FECA beneficiaries to civil service retirement at the age of 65, thereby reducing benefits provided because of the individual's disability.

Mr. Chairman, I think the magnitude and intent of such changes warrant more important consideration than the reconciliation procedure through which they would be made provides.

Accordingly, I urge my colleagues to support the amendment of the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I yield back the balance of my time.

Mr. FRENZEL. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Illinois, the ranking minority member of the Committee on Education and Labor (Mr. ERLENBORN).

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I will be happy to yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I support Chairman PERKINS' amendment to strike the reconciliation instruction to the Committee on Education and Labor contained in House Resolution 345, and the technical conforming changes in the budget outlays and authority. The instruction is based on the Budget Committee's assumption that the Congress will enact certain amendments to the Federal Employees' Compensation Act—changes that have been proposed by the Reagan administration—changes which purport to "save" some $50 million, but which accomplish such savings by punishing Federal employees who have been injured on the job.

A year ago this time the administration's FECA proposals were removed from the reconciliation bill because the conferees agreed that the budget process was not the appropriate forum for enacting sweeping changes in the FECA program. At that time I made a commitment to this Congress and the injured Federal employees to hold hearings into the practices of the FECA program and to examine proposals—the administration's and others—that were offered to attempt to correct the massive problems at FECA and the Office of Workers' Compensation Programs. I also committed myself and the Subcommittee on Labor Standards to protect the interests of injured Federal workers. I stated then and I repeat today:

We will not eliminate current provisions which serve to protect disabled workers from interruption in income until we can be sure that there are viable alternatives to take their place;

We will not change the formulas for determining compensation benefits until we can be sure that the alternatives which are offered are adequate to the needs of disabled workers; and

We will not punish Federal employees because they have been injured on the job.

The subcommittee has examined the administration's proposals and we have found them to be unworkable, unadministerable, and punitive to Federal workers. Let us look at the administration's proposals and their effect on disabled employees:

First, the administration's stated purpose is to lower people's benefits—not only in the future but retroactively as well. Workers who were injured on the job and have been existing on fixed incomes based on their compensation benefits would, under the administration's proposals, have their benefits readjusted, downward.

In addition, the administration proposes to merge the FECA workers' compensation payments with civil service retirement. Here again, payments to injured workers or their survivors would be lowered. Again the administration would change the rules in the middle of the game for disabled workers who would be forced to "retire" from their compensation payments, retire to an income that is fixed at a lower level. While at the same time being unable to retire from their disability, a disability that was earned on the job and does not just disappear at age 65.

Second, the administration's stated purpose is to decrease the paperwork burden of OWCP. Yet, virtually every element of the administration's proposals, including the elimination of the continuation of pay provisions and their complicated substitution "advance compensation" program will increase the paperwork and administrative burdens of the beleaguered OWCP. The additional administrative responsibilities cannot be absorbed by OWCP without even greater processing delays and longer interruption of service to disabled workers. The average processing time for injury cases is presently 129 days. I shudder to think how much worse it will be if the administration's proposals are accepted.

Third, in a punitive measure, the administration's proposals force the injured worker to pay a portion of his or her work-related injury. The worker will be forced to pay directly through the increase in the waiting period from 3 to 7 days, directly through the failure of the administration to repay the worker for all of the days, directly through the administration's proposals to round down compensation payments to the nearest dollar, and directly through reductions in compensation payments.

As I think back over the 3 days of hearings held by my subcommittee what I am struck by most was the widespread agreement that there are severe claims processing problems at OWCP. You need only speak to the caseworker in your office who handles FECA claims and you will quickly realize the unbelievable problems that a claimant faces when he or she is injured on the job and attempts to file a claim for benefits. Delays, mistakes, unanswered correspondence, unreturned phone calls are all facts of life when dealing with OWCP. Many claimants are forced to hire attorneys to handle what should be a simple claim filing.

The administration should be making proposals to improve the operating of OWCP—not to make it worse. But in its frenzy to save what is truly a very small amount of money the administration has proposed to reduce benefits to disabled workers and to complicate a tremendously cumbersome, slow, and inefficient program.

We learned that much at our hearing on the administration's proposals. That is why the Committee on Education and Labor explicitly recommended to the Committee on the Budget that the budget resolution should not contain savings based on the administration's proposals—because we found them to be unworkable and we were not willing to enact them into law.

The Budget Committee disregarded our recommendations and based their budget on the assumption that the Education and Labor Committee will adopt the administration's FECA proposals. We cannot do this and keep faith with thousands of disabled Federal workers.

There is much that can be done to improve the effectiveness of the FECA program, to reduce its cost, and to eliminate waste. We will do what needs to be done, but we should not do it by making dramatic and damaging changes to the workers' compensation law for the United States as part of some hastily slapped together budget resolution in order to save a lot in this context can only be viewed as an insignificant amount of money. We must not punish Federal workers and saddle them and their survivors with harsh, cost-cutting measures that will have little effect on the overall budget figures but will have a real, damaging impact on the day-to-day lives of injured and disabled workers. I have made this commitment to these workers, you have made this commitment to these workers when you established the FECA program and when you reaffirmed it in 1974. Let us not break our commitments, let us not injure these workers further, let us not single these workers out.

Mr. ERLENBORN. I thank the gentleman for his contribution.

Mr. Chairman, this matter of FECA amendments was before the Congress last year in the reconciliation bill. It was in the bill as it passed the House. It was not in the version from the other body.

In conference, the conferees from the other body were willing to accept the House FECA amendments. However, since the conference was composed of a majority of Members who were not in favor of the House version of the bill, the House conferees moved to recede from the House, did not allow the Senate to even consider the Senate receding, and the language was removed from the bill.

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But at that time there was a promise made by the members of the Budget Committee that if the Federal Employees Compensation Act amendments were not reported from the House by the time we had the budget completed, it would be included in this year's reconciliation. That promise seems now to be forgotten as the amendment of the gentleman from Kentucky is now being accepted. But in the interim, Mr. Chairman, I must say that we have had extensive hearings on this subject. We have had hearings; the hearings really are concluded. We have the basis for marking up a bill. I think there is a good opportunity to have a compromise bipartisan bill, and I look forward to that and look forward to working with the gentleman from California and the gentleman from Kentucky to achieve that end. I would much rather that we do that in a compromise, nonpartisan way.

I have assurances from the chairman that he intends to do that, and I think that working together we will accomplish what we all want.

There is no question that this is a necessary step for this body to take. The Carter administration had made recommendations very similar to those contained in my bill for FECA amendments. They were held up only because it was close to election time and they were controversial. I think we can achieve the bipartisan kind of bill that is desired by all of us.

I would like to be able to hold their feet to the fire. That would be accomplished by having reconcilation instructions. It appears we may not have those unless the Latta subsititute is adopted. In any event, I look forward to working with my chairman.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I will be happy to yield to the gentleman.

Mr. PERKINS. Mr. Chairman, let me say to the distinguished gentleman from Illinois that we can do a much better job working together, all of us.

The **CHAIRMAN** pro tempore. The time of the gentleman from Illinois (Mr. ERLENBORN) has expired.

Mr. FRENZEL. Mr. Chairman, I wonder if the gentleman from Kentucky would yield some of his time.

Mr. PERKINS. Mr. Chairman, I yield 2 additional minutes to the gentleman from Illinois.

The **CHAIRMAN.** The gentleman from Illinois (Mr. ERLENBORN) is recognized for 2 additional minutes.

Mr. PERKINS. I think the gentleman from Illinois will agree that we should not have this gun pointed at our heads as we work on these problems. We want to work deliberately and make some changes and report out the best bill possible. I have never sat on any bill or tried to delay any bill from our committee. I want to work with the gentleman. We will work together, but FECA amendments have no business in this resolution. For that reason, I would hope that everybody here would vote against it. The administration proposal would take a man under total disability, a postal employee, a clerk-carrier, when he reaches 65, and put him under retirement, in the regular retirement system.

I think the committee should go into all the problems and consider all the changes proposed. The committee will not be shooting from the hip if we do that. We will not put any burden on the Budget Committee because there is only $73 million involved here. I think Congressman MILLER and myself will be delighted to work with the gentleman.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman.

Mr. MILLER of California. Mr. Chairman, I would just like to say, following on the remarks of both individuals, the minority member, Mr. ERLENBORN, and the chairman, Mr. PERKINS, that since reconciliation last year, the subcommittee has not been inactive. In fact, we have had hearings, we have had constant meetings with both the employee organizations, with the administration, with members of the minority, trying to come up with a proposal. This is a complicated matter. The administration of this program has been desperate over the last 5 or 6 years. It has not been working the way it should. We think we have finally come to the point where we have some suggestions that can be made, but the one thing we tried to steer clear of is the retroactivity part, to take away benefits from individuals who are already on the program and have already been injured and already receiving benefits. But, I do think there are some procedural aspects to this program that we can clean up, limit the programs in terms of workload down there, and result in some substantial savings. But, that is an ongoing process, and we hope to be able to complete it in the relatively near future.

The **CHAIRMAN** pro tempore. The gentleman from Kentucky (Mr. PERKINS) has 2 minutes remaining, and the gentleman from Minnesota (Mr. FRENZEL) has 7 minutes remaining.

Mr. PERKINS. Mr. Chairman, I yield back the balance of my time.

Mr. FRENZEL. Mr. Chairman, I yield myself 1 minute, and I rise in opposition to the amendment.

Mr. Chairman, the reconciliation instruction in the Latta budget resolution asks the Education and Labor Committee to reduce its budget authority in entitlements by $183 million and its outlays by $155 million. As I understand the gentleman's amendment, it is to take out $73 million of the $155 million outlays.

The gentleman's committee has really $8 billion in entitlement authority, and he is seeking to remove 1 percent. He can take it out of anything in his $8 billion entitlement group. He does not need a special dispensation, and there is no reason to weaken the reconciliation instruction. We should defeat the amendment.

Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Texas (Mr. GRAMM).

Mr. GRAMM. Mr. Chairman, I thank the gentleman for yielding. I would like to talk a little bit about reconciliation. Reconciliation is the only way that we can gain control of spending in the 40 percent of the budget called entitlements. Only if we mandate changes through reconciliation do we have any hope of gaining control of those spending growth areas.

We are going to reconcile in the Jones budget increases of about $30 billion in 1983. We are going to put on the books in 1983 through reconciliation taxes that will increase the take from the pockets of the American people by $146.9 billion over the next 3 years, $146.9 billion of tax increases.

Now, after the Oakar amendment, what are we doing on the spending side? What are we getting in reciprocity for putting $146.9 billion, that burden, on the backs of working Americans? What are we getting in mandating entitlement cuts? If you assume we are not going to reconcile cuts in defense that take us below the Carter budget, you are left with $0.85 billion of reconciled entitlement cuts. I want to repeat that figure. With over 40 percent of the budget in reconciliation in the Jones budget, assuming that we do not reconcile cuts below the Carter budget, we get $0.85 billion of reconciliation in return for $146.9 billion in taxes.

That is before this amendment because what the distiguished gentleman from Kentucky, one of the most respected Members of this body is saying, is that in education and labor we do not want to have to reconcile $73 million. So, in other words, we are getting a clear indication at all times about who is and who is not serious about entitlements.

The two budgets that are being amended here today roughly have entitlement savings of $0.85 billion. A committee with significant jurisdiction over entitlements says, "We can't save $73 million. Let us out from under it."

We on final passage are going to make a decision here tonight, if one of these two budgets prevails, that we want to commit ourselves to raise taxes $146.9 billion to try to deal with the deficit problem, and in turn the burden of automatic spending entitlements that are 40 percent of the budget, are only $0.85 billion. We have heard a lot of talk about fairness. I submit that is not fair.

☐ 1840

Mr. FRENZEL. Mr. Chairman, to close debate, I yield my final 3 minutes to the distinguished gentleman from North Carolina (Mr. JOHNSTON), a member of both the Budget Committee and the Committee on Education and Labor.

Mr. JOHNSTON. Mr. Speaker, I rise with a sense of deja vu because it was only last year that we were engaged in this same exercise. In the meantime the American taxpayer continues to subsidize one of the most outrageously rewarding compensation schemes ever devised.

The maximum benefit under FECA is $829 a week tax free. Let us see how a citizen of Virginia would fare. He can collect $231 a week; in North Carolina it could be $228 a week; and in New York it is $215 a week.

There have been thousands of pages of testimony on FECA's problems dating back to 1977. The Compensation, Health and Safety Subcommittee held 8 days of hearings in the 95th Congress. The Labor Standards Subcommittee held 7 days of hearings in the 96th Congress. We have held 3 more days of hearings in the 97th Congress.

Added to this record are hearings by the Manpower and Housing Subcommittee of the Government Operations Committee. We have had seven GAO reports and two reports by the Labor Department's Inspector General.

Against this record and the promise, so far unkept, of the Labor Standard Subcommittee's chairman during last summer's subconference to move FECA legislation, the chairman of the full committee now comes before the House and can ask seriously that Mr. MILLER "be given a reasonable opportunity to perfect his own legislation."

Mr. Chairman, if this reconciliation instruction is stricken, we will be back here next year with nothing done to FECA.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendments offered by the gentleman from Kentucky (Mr. PERKINS) to the amendment in the nature of a substitute offered by the gentleman from Wisconsin (Mr. ASPIN) and the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. JONES).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. PERKINS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 193, noes 225, not voting 14, as follows:

[Roll No. 123]

AYES—193

Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
AuCoin
Bailey (PA)
Barnes
Bedell
Bevill
Biaggi
Blanchard
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Brinkley
Brodhead
Brooks
Brown (CA)
Burton, Phillip
Carney
Clay
Coelho
Collins (IL)
Coyne, William
Daschle
Daub
Davis
de la Garza
Deckard
Dellums
DeNardis
Derwinski
Dicks
Dingell
Dixon
Dorgan
Dougherty
Dowdy
Downey
Dwyer
Dymally
Dyson
Early
Eckart
Edgar
Edwards (CA)
Evans (GA)
Evans (IN)
Fary
Fascell
Fazio
Ferraro
Fithian
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gilman
Glickman
Gonzalez
Gore
Gray
Guarini
Hall (OH)
Hamilton
Harkin
Hawkins
Heckler
Heftel
Hertel
Hollenbeck
Howard
Hubbard
Jacobs
Jones (OK)
Kastenmeier
Kennelly
Kildee
Kogovsek
LaFalce
Lantos
Lehman
Leland
Long (LA)
Lowry (WA)
Luken
Lundine
Markey
Marks
Matsui
Mavroules
Mazzoli
McDade
McHugh
Mica
Mikulski
Miller (CA)
Mineta
Minish
Mitchell (MD)
Mitchell (NY)
Moakley
Moffett
Molinari
Mollohan
Mottl
Natcher
Neal
Nelligan
Nowak
Oakar
Oberstar
Obey
Ottinger
Panetta
Parris
Patterson
Pepper
Perkins
Peyser
Price
Pursell
Rahall
Rangel
Ratchford
Reuss
Richmond
Rinaldo
Rodino
Roe
Rogers
Rose
Rosenthal
Roybal
Sabo
Santini
Savage
Sawyer
Scheuer
Schroeder
Schumer
Seiberling
Shannon
Simon
Smith (IA)
Smith (NJ)
Solarz
St Germain
Stark
Stokes
Stratton
Studds
Swift
Synar
Traxler
Trible
Udall
Vento
Volkmer
Walgren
Washington
Waxman
Weaver
Weiss
Whitten
Williams (MT)
Wirth
Wolf
Wolpe
Wright
Wyden
Yates
Yatron
Young (AK)
Zablocki
Zeferetti

NOES—225

Archer
Atkinson
Badham
Bafalis
Bailey (MO)
Barnard
Beard
Beilenson
Benedict
Benjamin
Bennett
Bereuter
Bethune
Bliley
Breaux
Broomfield
Brown (CO)
Brown (OH)
Broyhill
Burgener
Butler
Byron
Campbell
Carman
Chappell
Chappie
Clausen
Clinger
Coats
Coleman
Collins (TX)
Conable
Conte
Corcoran
Coughlin
Courter
Coyne, James
Craig
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Derrick
Dickinson
Donnelly
Dornan
Dreier
Duncan
Dunn
Edwards (AL)
Edwards (OK)
Emerson
Emery
English
Erdahl
Erlenborn
Evans (DE)
Evans (IA)
Fiedler
Fields
Findley
Fish
Forsythe
Fountain
Fowler
Frenzel
Fuqua
Gephardt
Gibbons
Gingrich
Ginn
Goldwater
Goodling
Gradison
Gramm
Green
Gregg
Grisham
Gunderson
Hagedorn
Hall, Ralph
Hall, Sam
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hefner
Hendon
Hightower
Hiler
Hillis
Holland
Holt
Hopkins
Horton
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jeffords
Jeffries
Jenkins
Johnston
Jones (NC)
Jones (TN)
Kazen
Kemp
Kindness
Kramer
Lagomarsino
Latta
Leach
Leath
LeBoutillier
Lee
Lent
Levitas
Lewis
Livingston
Loeffler
Long (MD)
Lott
Lowery (CA)
Lujan
Lungren
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Mattox
McClory
McCloskey
McCollum
McCurdy
McDonald
McEwen
McGrath
McKinney
Michel
Miller (OH)
Montgomery
Moore
Moorhead
Morrison
Murtha
Myers
Napier
Nelson
Nichols
O'Brien
Oxley
Pashayan
Patman
Paul
Pease
Petri
Pickle
Porter
Pritchard
Quillen
Railsback
Regula
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Rostenkowski
Roth
Roukema
Rousselot
Rudd
Russo
Schneider
Schulze
Sensenbrenner
Shamansky
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Skeen
Skelton
Smith (AL)
Smith (NE)
Smith (OR)
Snowe
Snyder
Solomon
Spence
Stangeland
Staton
Stenholm
Stump
Tauke
Tauzin
Taylor
Thomas
Vander Jagt
Walker
Wampler
Watkins
Weber (MN)
Weber (OH)
White
Whitehurst

Whitley
Whittaker
Williams (OH)
Wilson
Wirth
Wortley
Wylie
Young (FL)
Young (MO)

NOT VOTING—14

Bingham
Boggs
Burton, John
Cheney
Chisholm
Conyers
Crockett
Ertel
Fenwick
Hoyer
Murphy
Rhodes
Smith (PA)
Stanton

☐ 1900

Mr. SNYAR, Mrs. BOUQUARD, and Mssrs. FROST, WRIGHT, and GLICKMAN changed their votes from "no" to "aye."

So the amendments to the Jones amendment in the nature of a substitute and the Aspin amendment in the nature of a substitute were rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. Does the gentleman from Kentucky (Mr. PERKINS) seek recognition to offer his perfecting amendment to the other pending amendment in the nature of a substitute? If not, does any other Member seek recognition for that purpose?

AMENDMENTS OFFERED BY MR. FOWLER TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA, THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OKLAHOMA, AND THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ASPIN

Mr. FOWLER. Mr. Chairman, I am offering printed amendment No. 51, and I ask unanimous consent to offer it simultaneously to all three of the pending substitutes.

The CHAIRMAN pro tempore. The gentleman from Georgia (Mr. FOWLER) asks unanimous consent that his amendment No. 51 be considered en bloc to all three of the substitute amendments.

Is there objection to the request of the gentleman from Georgia?

Mr. WALKER. Mr. Chairman, reserving the right to object. I do so only to ask the gentleman whether or not the impact is the same on all three. Is it the same amendment in terms of its impact on all three budget proposals?

Mr. FOWLER. If the gentleman will yield, I think I can say categorically, yes. It is a revenue neutral amendment. It is basically a transfer amendment. It takes money out of certain functions and moves them into other functions. It would have the same application to all three substitutes.

Mr. WALKER. Mr. Chairman, I thank the gentleman, and I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Ms. FIEDLER. Mr. Chairman, could the Chair advise us as to the division of the time?

The CHAIRMAN pro tempore. The Committee is proceeding under the 5-minute rule. There is no limitation.

Ms. FIEDLER. I thank the Chair.

The CHAIRMAN pro tempore. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. FOWLER to the amendment in the nature of a substitute offered by Mr. LATTA, the amendment in the nature of a substitute offered by Mr. JONES of Oklahoma, and the amendment in the nature of a substitute offered by Mr. ASPIN: On page 12, line 14, strike "$828,000,000,000" and insert in lieu thereof "$826,290,000,000."

On page 13, line 9, strike "$242,850,000,000" and insert in lieu thereof "$238,750,000,000", and on line 10, strike "$212,300,000,000" and insert in lieu thereof "$210,500,000,000."

On page 13, line 19, strike "$5,300,000,000" and insert in lieu thereof "$5,490,000,000", and on line 20 strike "$5,000,000,000" and insert in lieu thereof "$5,100,000,000."

On page 14, line 13, strike "$27,550,000,000" and insert in lieu thereof "$29,750,000,000", and on line 14, strike "$27,450,000,000" and insert in lieu thereof "$29,150,000,000."

Section 201(2): strike "$805,200,000,000" and insert in lieu thereof "$803,490,000,000".

Section 202(1)(A): strike "$253,850,000,000" and insert in lieu thereof "$249,750,000,000;" (B): strike "$213,250,000,000" and insert in lieu thereof "$211,450,000,000".

Section 202(4)(A): strike "$3,600,000,000" and insert in lieu thereof "$3,790,000,000;" (B): strike "$3,900,000,000" and insert in lieu thereof "$4,000,000,000".

Section 202(10)(A): strike "$27,250,000,000" and insert in lieu thereof "$29,450,000,000;" (B): strike "$26,800,000,000" and insert in lieu thereof "$28,500,000,000".

Section 201(2), decrease budget authority by $1,710,000,000.

Section 201(1)(A), decrease budget authority by $4,100,000,000.

Section 201(1)(B), decrease outlays by $1,800,000,000.

Section 202(4)(A), increase budget authority by $190,000,000.

Section 202(4)(B), increase outlays by $100,000,000.

Section 202(10)(A), increase budget authority by $2,200,000,000.

Section 202(10)(B), increase outlays by $1,700,000,000.

Mr. FOWLER (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. FOWLER. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. I thank the gentleman for yielding.

Mr. Chairman, I have consulted with the author of the amendment and with the minority. We would like to limit debate to 20 minutes, divided equally, 10 minutes to the author and 10 minutes to the minority in opposition, and I make such a unanimous-consent request.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN pro tempore. The debate on these amendments will be limited to 20 minutes, 10 minutes to be controlled by the gentleman from Georgia (Mr. FOWLER) and 10 minutes by an opponent of his amendments.

The gentleman from Georgia (Mr. FOWLER) is recognized for 10 minutes.

Mr. FOWLER. Mr. Chairman, while much of the debate on the budget will center on the overall aggregates for outlays, revenues and the deficit, I believe that it is at least equally important for the Congress to focus here and now on the priorities to be set in the fiscal year 1983 budget. When the new congressional budgetary process was created back in 1974 it was envisaged not only as a method for imposing greater fiscal discipline but also as providing the one time when we as the elected representatives of the American people could take a wholistic view of all of the responsibilities and resources of the Federal Government and, in so doing, better define the role and the limits of our National Government.

In my opinion, up to this point the new budget process has provided a small but significant check on fiscal irresponsibility. I say this in spite of the staggering deficits that our actions of last year created because I believe that without the new budgetary framework we probably would have done a lot worse over the past 8 years.

On the other hand, I feel that the priority-setting aspect of the budget process has been, on the whole, a failure. What priorities, aside from cutting Government spending, did the 1981 budget process truly reflect, and what Federal responsibilities, apart from providing for the national defense through military forces, did it unequivocally enunciate? Of course, similar criticisms could be applied to earlier budgets as well.

Though we have tolerated this state of affairs for many years, in 1982 it is imperative that we pursue the setting of budget priorities with the same diligence being applied to a reduction in the Federal deficit. We have finally reached the point where the general public and those in Government realize that taxpayer dollars are not limitless and that Federal programs will never again be allowed virtually open-ended growth. In this new world, hard choices between worthy, and not so worthy, competing claims must and will be made. My concern is that we make these choices consciously and in full public view rather than by default or bureaucratic dictate.

It is essential not only to reduce the deficit but to do so in a way that will fulfill national objectives, and promote economic growth. It is important to be concerned not only with the bottom line but with what goes in to making that bottom line.

In the spirit of these remarks, I have three amendments that I will offer to the Jones and Latta substitutes during House action on the first concurrent budget resolution for fiscal year 1983. Briefly stated, the first amendment is intended to reorder somewhat our national security priorities; the second aims to reassert a strong role for our National Government in investing in the future; and the final amendment seeks to better define the limits of Federal responsibility in the maintenance of our basic economic infrastructure. In each case, the goal is both to articulate what the Federal Government should, and should not, be involved in and to establish certain priorities in a time of finite Federal resources.

My first amendment is based on this more comprehensive view of national security and it makes the following adjustments in the fiscal year 1983 budget:

First. Cancel the MX missile program, except for $200 million in research and development funds for additional study of survivable basing modes, and reduce funding for defense atomic energy activities to reflect this cancellation.

The primary purpose of our strategic nuclear forces is to deter aggression against ourselves, and our interests. The problems that do or will exist in the nuclear triad stem not from insufficient numbers of warheads or too little firepower but from the perceived survivability of our missiles and bombers—that is, their ability to ride out potential attack and to inflict unacceptable damage to any aggressor. The MX program, as it stands today does not adequately address the survivability issue and I can think of few more destabilizing armaments than a vulnerable, countersilo nuclear weapons system. Unless and until a survivable basing mode is presented to Congress, in my opinion additional funding of the MX will do nothing to augment national security and in fact will weaken our security.

Second. Terminate Federal support for the Clinch River breeder reactor.

This is not a judgment against nuclear energy nor even against further research on breeder technology. It is a vote against further Federal financing of this particular project at this time. I quote from then-Congressman Stockman's Dear Colleague letter of September 9, 1977.

> I urge you to support the amendment (to halt construction of the Clinch River Breeder Reactor) in order to spare our economy the multibillion dollar penalty that we may otherwise inflict upon it through the premature, heavily subsidized commercial deployment of breeder reactors.

Third. Add funding for research and development of solar and renewable energy and fossil fuels, for energy conservation, and for the strategic petroleum reserve.

In spite of recent improvements, we still are dependent on foreign sources of supply for about one-third of our petroleum needs. This continued dependency makes us vulnerable to supply interruptions and to potential OPEC-inspired price hikes. However large we make our Rapid Deployment Forces, they can do little to protect Middle East Oil fields or oil tankers against destruction. Therefore, our national security requires that we take affirmative action to reduce our dependence on imported fuel, both in the short term (through funding of conservation programs and the strategic petroleum reserve) and in the long term (through additional R. & D. on solar and renewable energy and fossil fuels to bring our support for these potential sources of supply closer to the level of Federal assistance we have provided for the other long-range energy option, nuclear energy).

Fourth. Increase funding for job training programs.

With the number of unemployed (10.3 million) at its highest point since 1938 and the unemployment rate (9.4 percent) at its highest level since 1941, the national interest in alleviating the unemployment problem would seem quite clear.

Admittedly, there were problems within several of the Federal employment programs. I have fully supported efforts both before and during the Reagan administration to eliminate fraud and abuse and to better target Federal job assistance to those who truly need it. However, it is patently untrue that all of these programs were ineffective or unnecessary. They have given invaluable, and otherwise unobtainable, work experience and training to millions of low-income Americans. Whether in providing job counseling and remedial training to disadvantaged high school graduates, or long-term work/study opportunities to school dropouts, or job location assistance and work training for mothers of children receiving welfare, there is ample evidence of success.

This is not to suggest that past Federal employment efforts were without fault. Clearly, they were inadequate to make such headway in either our structural or cyclical unemployment problems. It is equally clear that American taxpayers will, and should, demand the strongest possible measures to weed out waste, administrative foulups, and abuses within all Federal assistance programs. Unless we are prepared to remain indifferent to permanent, widespread unemployment and underemployment, however, we cannot abandon the national comitment to provide job training aid to those who need it. Unless we are willing to tolerate diminished productivity and an economy which is facing a shortage of at least 2.5 million technically skilled workers over the next decade at a time when 10.3 million Americans were unemployed, the Federal Government must involve itself in providing job training assistance.

□ 1910

Mr. WOLPE. Mr. Chairman, will the gentleman yield?

Mr. FOWLER. I yield to the gentleman from Michigan.

Mr. WOLPE. I thank the gentleman for yielding.

I want to commend the gentleman from Georgia for offering what I regard to be one of the most important amendments that has been offered in the discussion on the budget because it focuses on the question of priorities.

I want to briefly discuss the issue of the Clinch River breeder reactor project, although I would like to emphasize that a more extensive debate on this controversial project will occur during the appropriations process.

I would like to remind the Members of this body that the amendment that has been offered is entirely consistent with last year's action of the authorizing committee, the Science and Technology Committee, which voted after extensive debate and hearings to deauthorize that project on a bipartisan vote. We did so because of a recognition that, first of all, the original cost of the project has soared from $669 million to $3½ billion.

Second, while the original project costs were allocated on a roughly 50-50 basis between the private sector and the taxpayer, now it is the taxpayers who would pick up 90 percent of the burden of that increased cost that has just soared over the years.

Third, none of the economic assumptions used to justify the project when it was originally conceived have turned out to be valid. The expected demand for electricity has grown at a much slower rate than anticipated, and maximum turns out to be in more plentiful supply than originally thought. Significantly, a recent study by the DOE nuclear laboratory in Los Alamos has concluded that uranium would have to rise to $165 a pound, more than eight times its present cost, before breeder reactors would become an economical replacement for light water reactors.

Mr. Chairman, all we will be doing in going ahead with the Clinch River breeder reactor is to divert precious dollars away from investments in other technologies, in other energy programs, that will far more quickly and effectively reduce our dangerous dependence on foreign petroleum, and I congratulate the gentleman in the well on his initiative.

Mr. **FOWLER**. I thank the gentleman very much.

Let me say in conclusion of my time that this amendment ought not to have any ideological base to it, it ought not to have any party base to it. I offer it sincerely as an attempt to have a more comprehensive view of what national security is all about.

I ask for the Members' support.

The **CHAIRMAN** pro tempore. The gentleman from Georgia (Mr. FOWLER) has 1 minute remaining.

Mr. **FOWLER**. Mr. Chairman, I would like to reserve 1 minute.

PARLIAMENTARY INQUIRY

Mr. **REGULA**. Mr. Chairman, I have a parliamentary inquiry.

The **CHAIRMAN** pro tempore. The gentleman will state his parliamentary inquiry.

Mr. **REGULA**. Mr. Chairman, how has the time been divided?

The **CHAIRMAN** pro tempore. Ten minutes on either side, 10 minutes to be controlled by the gentleman from Georgia (Mr. FOWLER), the proponent or the author, who has used up 9 minutes, and 10 minutes by a member of the Budget Committee or other member of the Committee of the Whole to control the time.

Does the gentleman from Ohio (Mr. REGULA) desire to control the time for the opposition?

Mr. **REGULA**. I do Mr. Chairman.

The **CHAIRMAN** pro tempore. The gentleman from Ohio (Mr. REGULA) is recognized for 10 minutes.

Mr. **REGULA**. Mr. Chairman, I yield such time as he may consume to the gentleman from Kansas (Mr. WINN).

Mr. **WINN**. Mr. Chairman, I rise in opposition to the Fowler amendment. In the explanatory materials accompanying the amendment, the stated purpose of one portion is to eliminate funding for the Clinch River Breeder Reactor. I wish to point out that while the floor of the House may be the correct place to raise such an issue, this is hardly the correct time to do so. I would like to remind my colleagues that the amendments we consider here today are to budget function totals, and not for individual projects. No specific programmatic decisions concerning the Energy budget function (Function 270) are being made here. Therefore, no decision is being made on any specific project, such as the Clinch River Breeder Reactor.

I urge my colleagues to remember that even rejecting this amendment, we are making no final decision concerning the fate of any one project. During this debate Members may suggest various reductions or additions, commensurate with amendments that are accepted, but such recommendations can only be finalized through the authorizing process or the appropriating process.

I have no doubt that this body will be asked again to consider an amendment during the appropriations process to delete funding for the Clinch River breeder reactor. We have been faced with just such an amendment every year since the inception of this project. And every year, both the House of Representatives and the Senate have turned down all such requests.

Mr. Chairman, I urge my colleagues to reject the Fowler amendment, and to reject the proposition that we are now making final decisions on individual projects.

Mr. **REGULA**. Mr. Chairman, I yield 3 minutes to the distinguished majority leader, the gentleman from Texas (Mr. WRIGHT).

Mr. **WRIGHT**. I thank the gentleman for yielding and I rise somewhat reluctantly in opposition to this amendment because I have an extremely high regard for its author. It makes me wish, as once was suggested in the Texas Legislature many years ago, that you could have two votes on each amendment, one on the amendment's substance and one on the author of the amendment. Unfortunately that choice does not lie with us.

I think the gentleman from Georgia (Mr. FOWLER) does a good thing by offering revenue neutral amendments in order that we may have choices in relative priorities. But in this instance I think it would be mischievous and a mistake for us to embrace this amendment. For one thing, we have debated the Clinch River breeder reactor on this House floor so many times that I would hesitate to estimate the number, and in every instance it has prevailed. Let us not burden the budget process tonight with another laborious debate on that subject.

The second thought I have in mind is this: I ask all my colleagues to think about it. I know many of you, as I, are dedicated to education and job training. Many of you, as I, are dedicated to energy research and development. Many of you, as I, have a strong belief in the strategic petroleum reserve. For some of those reasons I prefer the committee bill to the Latta substitute but I do not want to burden any of these bills further with additional cuts in defense.

Let us face it. We have cut all three of these propositions very starkly in defense and this would cut another $1.8 billion off all three of them.

To say that we do not need the MX missile indulges, it seems to me, a very dangerous presumption at the time when the Soviet Union has deployed seven new missile systems, intercontinental ballistic missiles, since we have deployed any.

We have not deployed a new missile system in the entire decade of the 1970's, nor thus far in the 1980's.

So for those reasons it seems inadvisable to me for us at this late moment to make a hasty decision that might spell the end to the MX missile system or to open once again the wounds of the Clinch River breeder reactor argumentation. So I ask a "no" vote on this amendment.

Mr. **REGULA**. I want to emphasize what the gentleman just mentioned in terms of defense.

We have already taken $4.8 billion out of our defense number and what is proposed here to take another $1.8 billion.

Mr. Chairman, I yield 2 minutes to the gentlewoman from Tennessee (Mrs. BOUQUARD.)

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Mrs. **BOUQUARD**. Mr. Chairman, I rise in opposition to the amendment for two major reasons. First, it cuts our defense budget for the MX missile back to a very low R. & D. funding level in order to start up a new jobs program which has not been well thought out. Cuts in the defense budget have been made and this cut of an additional $4.1 billion is simply ill-advised. Second, with regard to the energy element of the amendment, I am curious what worthwhile projects would be funded which have not been covered by the Jones and Aspin substitutes. The gentleman's amendment to add money for energy programs seems to me a "Johnny-come-lately" initiative which overlooks the great efforts myself, my committee chairman, and other members, on and outside the Budget Committee, have made to restructure the President's fiscal year 1983 request to fund a balanced energy R. & D. program.

When the budget was submitted in late January, I began to work in devising a balanced energy program to correct the disparity in energy R. & D. funding posed by the Reagan request. Three months ago I recommended a critical level, balanced energy budget to the Budget Committee chairman, Mr. JONES, and the chairman of the Science and Technology Committee, Mr. FUQUA. This approach recommended gross add-ons of $550 million for energy R. & D. programs to make fossil, solar and conservation programs viable for fiscal year 1983 and beyond. Combined with modest reductions in nuclear fission, particularly through use of uranium enrichment revenues, the overall budget add-on amounted to a net of less than $500 million. I am pleased to say that the caps for energy function 270 in both the Jones and Aspin substitutes comfortably accommodate my proposal by recommending a freeze at fiscal year 1982 levels for R. & D. programs plus the availability of a large fraction of $434 million in fiscal year 1982 deferrals in fiscal year 1983. I feel certain that the energy function is well taken care of at a level of $5 to $5.3 billion and, in fact, some additional money for Mr. FOWLER's

SPRO construction activity could be accommodated within both the Jones and Aspin substitutes. However, I cannot believe that the addition of funds for solar, conservation, and fossil programs by this amendment to the Jones or Aspin level is anything but a hollow gesture which will have no meaning to the Appropriations Committee, and in the final analysis, no effect. Both Mr. FUQUA and I believe that the Jones and Aspin recommendations allow for all the meaningful activity which DOE can staff in fiscal year 1983.

Let me illustrate the magnitude of the increases which I have proposed and which the Jones and Aspin recommendations embrace without the addition of further funds as contemplated by my friend from Georgia.

In fossil energy R. & D. the administration requested $107 million. I have added an additional $213 million to that amount for a total of $320 million in fossil energy research and development. In the area of solar energy R. & D., the administration requested $72 million. To that I have recommended an add-on of $137 million. In the area of conservation R. & D. the administration proposed $22 million. My recommendation was to increase that amount by $131 million directly, and beyond that addition, to earmark a major portion of the deferral funds to bring this amount to a total of $387 million. Similar provisions were made for such crucial technology developments as electric energy systems and storage, geothermal, and other alternative technologies. I might also add that the funding was reduced for the nuclear fission program by my recommendation.

My point to my friend from Georgia, and to the supporters of his amendment is simply this: I can understand your desire to see greater progress made in the development of these technologies. What you have failed to take into account, however, is the question of whether or not the results you seek are attainable even with your additions in funding. I say to you in all sincerety, they are not. If you have inquired of the authorizing committees, or the Appropriations Committee or of the Budget Committee as to what the ability of the Department of Energy is to accommodate your suggested increases, then you are aware that these programs simply cannot expand at the rate you request.

I am curious, however, as to just what energy programs will be enhanced by the gentleman's level for function 270?

Let me review for the committee the intent of the proposed funding package I have discussed.

Fossil energy.—The Committee has recommended an increase of $213 million for fossil energy R&D initiatives based on the recognition that clean efficient fossil technologies require continuing R&D. This vital R&D work will support ongoing initiatives and operation of selected, existing projects in liquefaction (such as the Wilsonville, Alabama pilot plant); surface coal gasification (such as the Westinghouse fluidized-bed gasifier); and peat carbonization efforts. Our plan also restores funding for advanced research and technology development to continue productive work at institutions such as the Oak Ridge and Argonne National Laboratories. $31 million is included in the Committee recommendation to keep the important efforts alive in the Magnetohydrodynamics (MHD) program. Finally, necessary R&D initiatives are maintained for combustion systems, fuel cells, oil shale and oil recovery work, as well as enhanced gas recovery.

Solar.—Also included in our recommendations is an increase of $137 million above the President's request for solar energy to continue important initiatives in the wind program—such as construction of two prototype 6- and 7-Megawatt machines (the largest and most cost effective wind machines ever built)—the continued operation of existing test facilities and demonstrations in solar thermal, photovoltaics, biomass and OTEC programs.

Geothermal.—$25 million in additional funding is recommended for geothermal research and development including funding for the Second Geothermal Demonstration project to develop binary cycle conversion technology. The important joint effort with Japan and Germany in the hot dry rock program is also supported by our balanced plan.

Conservation.—Our recommendation for conservation R&D is $135 million above the President's $17 million request to support important RD&D work at about the FY 1982 levels for building energy systems, industrial energy conservation, multi-sector, the Energy Extension Service and transportation R&D.

Although our Science Committee has jurisdiction for only the R&D activities in conservation, I strongly support continued funding for the weatherization and state and local grants activities.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentlewoman from Rhode Island (Mrs. SCHNEIDER).

Mrs. SCHNEIDER. Mr. Chairman, I rise in strong support of the amendment. I think we should recognize that this is the first of many debates that we will have on this floor on these issues. The gentleman from Georgia should be congratulated for producing such a commonsense proposal. The amendment gives us a clear opportunity to shift Federal spending away from costly pork-barrel projects that benefit a few special interests, and into selected energy and employment training programs that benefit the taxpaying public.

The amendment cuts funding for two multibillion-dollar boondoggles that have come to symbolize waste in Government—the Clinch River breeder reactor and the MX missile program. Liberals and conservatives have united in opposing both projects, which are also on the hit list of the National Taxpayers Union. The House Science Committee last year voted to terminate the Clinch River project for the first time—this year, new evidence has emerged that I believe will convince the House to finally act to strike appropriations for the project. The Department of Energy's own Energy Research Advisory Board has recommended postponing construction of the project. DOE's Los Alamos Laboratory suggests the same conclusion in its finding that uranium prices would have to rise to about $165 a pound—eight times its present cost—before breeder reactors could ever become not economical. Finally, the General Accounting Office has found that DOE withheld key documents from the House Energy and Commerce Oversight Subcommittee investigation last year into the scandalous overruns that have plagued the Clinch River project.

If we proceed now with construction of the MX missile system, I believe we will spend the next 10 years throwing billions of dollars at an overpriced, cumbersome weapons system that will make no contribution to our national security. It makes little sense to commit massive sums of public money to build the MX when we are still waiting for a decision as to how and where the system would be based. It is impossible for legislators and the public alike to properly analyze the worth of such an enormously expensive system until the entire plan is presented. While eliminating funding for construction of the MX, the amendment does allow for continued study of the basing mode, so that we can have the information we need to make a final decision about the strategic value of the project.

This country needs a strong defense, but we can ill afford to substitute overpriced gadgetry for the kind of targeted expenditures we need to enhance the readiness of our conventional forces, to improve our stockpile of spare parts, to provide for better pay and a higher educational level for our troops, and for other important investments in our national security.

Both the MX and the Clinch River projects are capital intensive programs with a high price tag. Both have provoked the scorn and the opposition of the public. Both would tie the Federal Government to long-term expenditures for projects for which the economic and strategic justification have never been explained. Both the MX and Clinch River have been predicted to lead us into embarrassing cost overruns. Indeed, if the experience with the Clinch River project is any guide—1,000 percent cost overruns on procurement of components—these projects will become budgetary fiascos within several years. The MX and Clinch River are exactly the kind of programs that will swell the out-year deficits that have become a major concern of the financial community.

The amendment also proposes three very positive measures that deserve our support. First, the amendment provides a modest increase in funding for solar, fossil, and conservation research, all of which have been decimated by recent budget cuts. The amendment also provides for some additional funding to speed up oil purchases for the Strategic Petroleum Reserve, which makes sense—we should be increasing the fill rate at the SPR while oil prices are temporarily low. Finally, the amendment would restore funding for employment and training, providing for an investment in the productivity of our labor force and the revitalization of our economy.

It is worth noting that the amendment would result in no net increase in spending. In that way, the proposal offers us a clear choice—we can vote against the special interest groups and their pork barrel projects, and vote for the people. I hope the House will stand up for the public and accept this amendment.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the distinguished chairman of the Budget Committee.

Mr. JONES of Oklahoma. Mr. Chairman, I just want to make very clear to the Members of this body that the chairman of the Budget Committee strongly opposes this amendment.

Had the gentleman been able to offer this amendment earlier in the day, it should have received consideration, because he has brought an important policy decision to this House that is deficit neutral; but if this amendment were to pass now, it would literally devastate the defense budget.

I might point out that from the defense baseline the Aspin substitute has already cut $14,150 million from defense; the Latta substitute, $11,350 million from defense, and the committee bill $11,150 million from defense.

I just do not believe that another cut from defense, even if it is transferred somewhere else, is in order or would be proper; so I hope that the committee will vote this amendment down.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. Gramm).

Mr. GRAMM. Mr. Chairman, I thank the gentleman for yielding.

I have looked at the defense figures after the Oakar amendment and added the $1.8 billion of cuts and it is not clear to me whether these cuts would take us below the pre-Pearl Harbor Roosevelt defense budget or not; but I think it is clear that they will decimate defense.

I heard the gentleman talk about times of very tight budgets, and given the option before us I thought about coming and asking where it was, but on the way up I remember that in the Jones budget we are talking about $146.9 billion in new taxes; $0.85 billion in new reconciliation, assuming we do not reconcile the defense cuts that have already been made and obviously the tight budgets or the budgets of the people who are going to pay all these taxes.

Mr. Chairman, this amendment cannot add money to the private sector or any job training. It cannot add money to fossil fuel research. It cannot eliminate the MX missile, because we are debating the budget.

Mr. FOWLER. Mr. Chairman, I have 1 minute left. All I say to the gentleman from Texas (Mr. Gramm) is that if you cannot fund job training as he says, if you cannot fund alternate energy sources, then it could not take any money from defense, which just shows the emptiness of the gentleman's argument.

Secondly, I say to the distinguished majority leader, whom I thank for his responsible participation, that my amendment would not eliminate all the new missile systems that we do so desperately need. Unlike the Senate, the Fowler amendment would eliminate MX missile research and development, because the long-term basing study may reveal that the MX is not the proper missile to be deployed in a survivable basing mode.

Conclusion: It is essential to reduce the deficit, but it is also important to be concerned not only with the bottom line, but what goes into making up the bottom line.

This amendment would provide for enhanced national security on all its pillars.

The CHAIRMAN pro tempore. All time has expired.

The question is on the amendments offered by the gentleman from Georgia (Mr. Fowler) to the amendment in the nature of a substitute offered by the gentleman from Ohio, Mr. Latta, the amendment in the nature of a substitute offered by the gentleman from Oklahoma, Mr. Jones, and the amendment in the nature of a substitute offered by the gentleman from Wisconsin, Mr. Aspin.

The amendments to the Latta amendment in the nature of a substitute, the Jones amendment in the nature of a substitute, and the Aspin amendment in the nature of a substitute were rejected.

Mr. FOWLER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this will be brief. I have two other amendments and if the Members will listen to me for 3 minutes, I will not offer them. I expect good attention now. I thank you.

What I have tried to do here today, and I appreciate the attention of not only so many of you who have contacted me about these amendments, but also of the leadership on both sides, even in opposition, is to try to focus our attention in tough times not only on fiscal discipline, which we are all, some grudgingly, accepting, but also what our priorities are to be in times of fiscal discipline.

One of my amendments that I am not going to offer is structured to try to provide ways for cooperation with the private sector to invest in our future. Despite all the claims about supply side magic, despite all the claims of various economic theories, the short term imperative of private enterprise, which we all support, the absolute necessity to turn a quick profit, to reward the shareholders, makes it impossible for private enterprise and private enterprise alone to invest in the future of our country, in our agricultural policies, in our educational policies, in our infrastructure, in our space policy, with all the spinoff of medical and research and development that comes from the Government's investment in our future through space; so I invite your attention to not only what our Government should do, but what is it that our Government, our national Government should not do.

Until we sort out those priorities and find where we can cooperate, then we are not going to make any progress by this constant juggling of the numbers and debating of economic theories without the hard choices that go from looking within a limited budget.

Finally, the President of the United States has called for something called New Federalism. I do not know whether it is new federalism. I do not know whether it is creative federalism. I do not know what the art term is. All I know is that those of us who support federalism can only have federalism if it is real federalism and real federalism means giving not only the responsibilities to the States, but the resources to implement those responsibilities. There are some things that only the National Government can do best. There are some things, I happen to think transportation and water projects are two of them, that the States could do better; but we have got to find a way as we debate federalism for the rest of this year and the next decade to match responsibilities and the resources to exercise those responsibilities.

Thank you very much for your close attention. I withdraw these last two amendments.

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AMENDMENT OFFERED BY MR. WEISS TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA

Mr. WEISS. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. Latta).

The Clerk read as follows:

Amendment offered by Mr. Weiss to the amendment in the nature of a substitute offered by Mr. Latta: Strike out Section 301, Section 302, and Section 303. Redesignate the succeeding sections accordingly.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Mr. Chairman, I want to thank the gentleman.

I have discussed this amendment with the gentleman from New York (Mr. Weiss), and he has agreed, in an effort to finish this evening, to limit time on this amendment to 30 minutes, 15 minutes controlled by the author and 15 minutes controlled by the minority.

I ask unanimous consent to that effect.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN. The gentleman from New York (Mr. Weiss) is recognized for 15 minutes.

Mr. WEISS. Mr. Chairman, this amendment is nonpartisan in nature, perhaps bipartisan would be a better word, and does not cost anything.

It occurs to me that in the discussion that we have been having on process, we have managed to forget some very recent history.

Last year we adopted a piece of legislation that the majority leader the other day held in his hand and shook into our faces with justification, and reminded us all how that piece of legislation, running over 800 pages, was adopted by this House without having been seen or read by practically anybody, including the sponsors. That was able to be done because of the so-called reconciliation provision of the Budget Act.

It is not only Members of this body who understand what an awful thing we did last year, and how we totally perverted the legislative process. For what we proudly talk about as the people's House kept the people totally in the dark as to what it was that we were doing in the dead of night.

Time magazine, on April 26 of this year, described our action a year ago in this way:

> Unfortunately, the result was a bill that whatever its economic merit or lack of same ranks as one of the sloppiest pieces of legislation ever approved by Congress. It was a shambles of bits and pieces containing unnumbered pages and handwritten notes, yet Congress was awed by a President who claimed a mandate for change and had a gift for persuading the public. It tamely adopted a budget that made a mockery of recent reforms and insulted the legislative process.

Now, what the Budget Committee did last year, as it did the year before under the Carter administration—and that is why I say this is really bipartisan—is to come to this House with a recommendation that as part of the first budget resolution we provide for the adoption of a so-called reconciliation bill which would mandate the adoption of legislation forcing the cuts which were incorporated in the first budget resolution.

Now, what is wrong with that? What is wrong with it is that as the Budget Act was first adopted in 1974, under the management of our distinguished Rules Committee chairman, the gentleman who is now presiding as Chairman of the Committee of the Whole House, it was intended that the first budget resolution would be simply a target, would set goals for us. There was to be nothing final or fixed about it. That was supposed to come later, when we knew what the economic conditions were of the year, to see whether the assumptions of the spring still held in the fall.

Last year, for example, by the time we got around to the second budget resolution, we were $40 billion more in deficit than we had anticipated we would be in the springtime, and yet we were stuck; we had already adopted the reconciliation bill.

The distortion that has taken place with a $40 billion mandated cut last year, and I believe about $8 billion the year before, has led some to suggest that if that process continues, we will not have the constitutional separation of powers that was intended by the founders of this Nation, nor would we have this Congress composed of equal Members doing their jobs as equal Members.

Indeed, look at the situation that we face today.

We came here this week after a select group of people having spent some 3 months on all kinds of numbers and assumptions and projections. They had meetings among themselves, and they held meetings with the executive branch, and then they held meetings with the Senate, and they came to an impasse. But they came to the House with a resolution, and it, too, is tied in now this year to a reconciliation bill.

And with that reconciliation bill normal legislative process goes out the window. There will be no hearings on bills. It is what the Budget Committee brings to you that will matter, and that, I suggest to you, is wrong; it is not what was intended when the Budget Act was adopted. Pretty soon there will be no need for 435 Members. All you will need will be perhaps the 30, 35 members of the Budget Committee, and they will do the job for us.

Mr. STRATTON. Mr. Chairman, will the gentleman yield to me?

Mr. WEISS. I would be pleased to yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I want to commend the gentleman for the statement that he is making. I think he is pointing out a very profound, important item of the budget process, which the ignorance or refusal to abide by has led to the legislative morass that we have been involved in in the last week.

What we are in effect doing, and have been doing since Monday, is to operate as various individual committees dealing with the various provisions of the budget in our particular areas. But we happen to be, as a body, without the necessary expertise to deal with all those things.

If the budget resolution were properly observed, in my view, what should have emerged from the Budget Committee would be a general statement of the rough totals that would be provided for each particular category, and then the individual committees themselves would have gone into the nitty-gritty to find out whether the MX was more important than the Clinch River breeder reactor, for example, and we would have emerged in the fall with some understanding of what the needs were for the particular year, and then, as the gentleman has said, these could be reconciled into law.

I hope that this lesson will be learned by the House, because we certainly do not want to repeat the kind of thing that we have been doing here this week, where we have been operating as a Committee of the Whole House on the State of the Union, trying to deal with labor legislation, trying to deal with energy, trying to deal with defense.

I think the gentleman from New York (Mr. Weiss) is making a very important point.

Mr. WEISS. I very much appreciate that.

I also want to point out that the reason that perhaps this year at this time we can act intelligently and adopt the amendment which I have offered is because there really is not very much being suggested for reconciliation purposes.

This year we are only talking about entitlements, and because of some of the amendments that have already been offered, we are talking about perhaps, $2 billion, $2½ billion for fiscal year 1983 under the Latta budget.

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One of the reasons that I think this amendment ought to be adopted is that, as it pertains to the Latta substitute, if we do not do so, then by June 30 the Ways and Means Committee is mandated to come back with $20.8 billion of tax cuts. Members already heard the chairman of that committee state on this floor that he does not see how he can march the members of that committee into that swamp and come out of it with any kind of meaningful legislation. I hope the Members will take that into account and vote in favor of this amendment. I think it gives the Members the hope of reviving the kind of legislative process that was intended for us.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from New York (Mr. WEISS) has 7 minutes remaining.

The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

Is the gentleman opposed to the amendment?

Mr. FRENZEL. I am opposed to the amendment, Mr. Chairman.

The CHAIRMAN. The gentleman qualifies.

Mr. FRENZEL. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Texas (Mr. GRAMM).

Mr. GRAMM. Mr. Chairman, I thank the gentleman for yielding.

The gentleman from New York said that last year we perverted the legislative process. I think that is a bum rap, but I will admit that we turned it upside down because for the first time in 15 years, we cut something. I am sure the gentleman does not support reconciliation, and were I promoting his viewpoint I would be adamantly opposed to it, because without it we are never going to get any control over Government spending.

But, I would like to submit that in opposing reconciliation, the gentleman does not have to take the action of his amendment. He has the option to vote for the Jones substitute or for the Aspin substitute, because now in nondefense areas we have reconciliation requirements of spending reductions in entitlements of $0.85 billion.

In addition, there is no reporting date for the committees to comply with this requirement. So, I submit to the gentleman that if he opposes reconciliation, he can make his will known by the substitute for which he votes when, hopefully, we move to that vote. I think it is important for those of us who want to gain control of Federal spending, who recognize that reconciliation is the only important innovation available to us in changing the process by which we bleed the country and the taxpayers to death with continued spending, a million or a billion here and there, that we preserve reconciliation and oppose this amendment.

I thank the gentleman very much for yielding to me.

Mr. FRENZEL. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Massachusetts (Mr. DONNELLY).

Mr. DONNELLY. Mr. Chairman, I thank the gentleman for yielding.

Let me at the outset congratulate the gentleman from New York for offering this amendment. Of the 68 amendments that will be offered to this first concurrent budget resolution, this is one of the first that would have a substantive impact on the fiscal policies that this country will adopt in the next fiscal year. Whether one rejects or accepts this amendment, I think it is important that the amendments that were debated, rejected or accepted, in the long run will have very little impact on what the authorizing and appropriating and Ways and Means Committees will do.

In regard to the substance of the amendment, reconciliation is the only discipline that we can have on the growth of spending policies in this Nation. As painful as it is, until we come up with something better, I do not think that this is the time or the place to set aside the whole reconciliation process. The chairman of the Rules Committee has put together a task force to look at the budget situation. Clearly there are problems with the Budget Act, but it seems to me that what we ought to do at this time, at this late hour after a very long week of debate, is to set this aside, look to the future, work out the problems in the whole Budget Act and go forward.

Unless we keep reconciliation in the Budget Act at this present time, all the speeches that we have made to our chambers of commerce and our Rotaries about restraining Federal spending, about balancing budgets, will actually be the height of hypocrisy. Today is the time and now is the time to keep this section in the Budget Act. I think we will be giving the wrong message to the American people, certainly the wrong message to the financial markets of this Nation, if we step back from an albeit painful process, but it is the only process under which at this present time we can have any restraint in Federal spending.

I thank the gentleman for yielding.

Mr. FRENZEL. Mr. Chairman, I now yield 4 minutes to the distinguished gentleman from California (Mr. PANETTA), the Chairman of the Budget Committee Task Force on Reconciliation.

Mr. PANETTA. Mr. Chairman, as chairman of the Reconciliation Task Force, I sympathize with the concerns the gentleman from New York has raised, because there were scars, there were distortions, and there was a great deal of pain that was involved. But reconciliation was not the villain. The amendment focuses at the wrong villain. The resolution that the House adopted last year was the villain.

Reconciliation itself is a tool of enforcement. It is a tool of enforcement that is designed to enforce what the House of Representatives and the Senate have adopted as a budget resolution. In 1980 it was used for the first time to implement about $10 billion in savings. Committees worked together. They were very cooperative because they supported the resolution that had been adopted. In 1981 the Gramm-Latta resolution came into place and there was no question but that it involved distortions. But the House adopted it, and the Congress adopted the basic essence of Gramm-Latta.

The tool is not the problem. Enforcement is not the problem. The resolution that is adopted may very well be the problem, because the fact is that reconciliation does not drive the resolution, the budget resolution we adopt drives reconciliation.

So, I urge the Members to focus on the resolution. If they do not like what they want to enforce, then change it in the resolution. Adopt the resolution that makes the most sense in terms of the priorities that one is concerned about, but do not go after the basic tool that enforces the will that is contained in the budget resolution itself.

Second, there is talk about credibility of the process, credibility of the resolution. The only credibility we have in a budget process really is reconciliation and the enforcement that is available to the Budget Committee. If we do not have that, if we do get rid of that, then truly the last 3 days we have engaged in debate are not worth very much. It is important, if we are going to have any kind of credibility to what is adopted by this House, and hopefully there will be a resolution adopted, that we maintain reconciliation because it is the only tool of enforcement available.

Mr. STRATTON. Mr. Chairman, will the gentleman yield briefly?

Mr. PANETTA. I will be delighted to yield.

Mr. STRATTON. Is it not true that the proper time for reconciliation would be not only after the first budget resolution has been adopted and the individual committees have considered the legislation, and a second budget resolution comes along—is that not the time for reconciliation? Is that not the issue which Mr. WEISS is posing here in this case?

Mr. PANETTA. It was basically established that after the first budget resolution we could implement reconciliation because it was meaningful to do it at that time.

Mr. STRATTON. But Mr. GRAMM says it turned budget legislation on its head.

Mr. PANETTA. If I could retain my time, to do it after the second budget resolution simply was not the way to go in terms of the ability of the House of Representatives and the Congress to respond to those instructions, so that is why we do it after the first budget resolution.

But, the issue is this: Vote for the resolution that makes the most sense. That is the driving force that is involved here. Do not go after the enforcement tool, go after the basic resolution.

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Mr. WEISS. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, the gentleman from California says that it is not the reconciliation tool that we ought to be concerned about but the budget resolution. The fact is that everybody who has read the legislative history of the adoption of the Budget Act, everybody who has commented on what happened last year has pointed out that what has perverted the process is precisely tying reconcilitation to the first budget resolution rather than keeping it attached to the second budget resolution which is where the legislation intended it.

The gentleman from Wisconsin (Mr. Obey) who talked earlier today about a new process, to replace the current budget process wrote a letter to the Washington Post last year in which he said that we were setting a dangerous precedent for the Congress.

The distinguished gentleman who is presiding now and who managed the Budget Impoundment and Control Act at the time of its adoption, made it very clear from the beginning that reconciliation legislation was to be attached to the second budget resolution.

Last year he said, and I quote the headline from the New York Times, "Rules Chairman Says Reagan Uses Budget as a Method To Tyrannize."

In an article by the gentleman (Mr. Bolling) and Mr. John E. Barriere in the Washington Post of June 28, 1981, they said:

> If Congress is to be reduced to automatons permitted only to ratify a presidential legislative agenda . . . the American people may ask: Why should we support this expensive anachronism?

So it seems to me it should be fairly clear that what the Budget Committee and what this House did under the pressure of both the Budget Committee and the President last year was to pervert the process.

The gentleman from Texas said that because of my philosophy, because I guess, in his opinion I am too liberal, or I am too much in favor of programs for people, of course I would be opposed to reconciliation.

I am a liberal. I do support programs which he does not. But if he knew me he would also know that I am fairly much of a traditionalist. He should be reminded that reconciliation cuts both ways.

Maybe he thinks it applies only when you have got a Ronald Reagan in the White House. The fact is that reconciliation will apply just as well when you have somebody much more liberal than Ronald Reagan in the White House, and when this legislative body is filled not with people from the far right as we have had over the course of the last year or two, but people who are much more to the center and to the left of center.

At that point I suspect the gentleman from Texas will wish that reconciliation had not applied the way it did.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I yield to the gentleman from Minnesota.

Mr. VENTO. I thank the gentleman for yielding.

I would like to commend the gentleman for his statement. I think he has put his finger on it. We are not talking about the ideal circumstances I think in terms of what and how reconciliation works. We are talking about the pragmatic and the practical effect of what happened last year.

As a Member that serves on an authorizing committee, and others that serve on appropriations committees, we are concerned about playing our role in the legislative process. We are not concerned about concentrating the power in small groups in this Congress and especially in the executive.

We really operate, I think, in a balanced type of constitutional system and really reconciliation, for all of its merits and the arguments that have been made with respect to it, has unforeseen consequences in terms of what happened last year.

I think we learned by that experience. We go forth. What we really have now is we have authorizing committees, we have appropriations committees, and we have the budget process. It is like a three-ring circus in terms of what we are competing against.

I think we have to evaluate the impact of reconciliation. The budget process has been subverted in terms of what it is supposed to do in terms of setting ceilings. It is all or nothing.

This is all of the marbles or all of the jellybeans in the case of this particular administration.

I think the gentleman has put his finger on a problem and I think we ought to vote for his amendment.

Mr. WEISS. Mr. Chairman, I reserve the balance of my time.

Mr. FRENZEL. Mr. Chairman, I yield 2 minutes to the distinguished chairman of the Budget Committee, the gentleman from Oklahoma (Mr. Jones).

Mr. JONES of Oklahoma. I thank the gentleman.

I hope very much that the committee will vote down the gentleman's amendment. I have been the first to recognize and admit that the reconciliation process was abused and subverted last year by the proponents of Gramm-Latta I and II. We tried to point this out when the administration's steamroller was moving through this body last year.

But the fact is the reconciliation process is a good process. It sends out signals that we have the capacity and the discipline to control fiscal policy.

The budget process is supposed to set aggregate amounts of money. Some of which may be reconciled and the proper committees then deal with those instructions in an appropriate manner.

Reconciliation was subverted last year when a majority voted to reconcile authorizations instead of uncontrollable entitlement programs.

Entitlements and revenues are the areas where reconciliation is supposed to take its aim. This year's budget resolution takes aim at the proper target.

The reconciliation instructions in this budget resolution are proper, they are correct, and they do send out a signal to this country that we have the capacity and the discipline to deal with fiscal policy and get it under control.

To take reconciliation out of these substitutes and out of the budget resolution would truly be a very bad signal to send out and I hope that this amendment will be defeated.

Mr. FRENZEL. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Oregon (Mr. Weaver).

Mr. WEAVER. I thank the gentleman for yielding.

Mr. Chairman, I believe very deeply in the budget process. I believe we should set a ceiling on spending, we should set a ceiling on taxation.

The budget process should deal, however, only with fiscal policy. The budget process should affect the spending and revenues which are fiscal policy but not on how the money is raised or spent.

The budget process has now degenerated into a charade in this House. We vote on everything under the Sun.

The budget process should be changed into a process wherein we bring in one aggregate number and we vote on that, and that is all. That vote then binds us to a ceiling where in all of the other committees of the Congress will be bound simply to stay under that ceiling, but not on exactly how the money is spent or raised.

Mr. FRENZEL. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. WEISS. Mr. Chairman, in talking about the process I think it is important to also note that we do so not just for the sake of the process itself. I am not interested in mechanics for the sake of mechanics, but I think that all of us ought to be concerned about how the process thwarts or furthers the opportunity to do a job that is prescribed by the Constitution.

The thing that bothers me about this reconciliation process at the first budget resolution stage is that it allows people to ignore and hide the harm that they may be causing. Look what happened last year.

I serve on the Education and Labor Committee and that committee went through weeks and weeks of agonizing to make the determination as to where the various cuts ought to be made pursuant to reconciliation. We cut about $12 billion out of a total of programs valued at about $30 billion.

All of the other committees of the House did the same thing.

We then came to this floor and as my colleagues will recall, we did not adopt the reconciliation bill that was brought back by the various committees and given to the Budget Committee. A substitute was offered on the floor and it was that substitute, unread, unseen by anyone except David Stockman and his people, which was finally adopted.

Some 11 or more bills or pieces of legislation were totally wiped off the books, some 50 pieces of legislation were seriously affected and modified, all done without the benefit of hearings, all without anyone, including ourselves, or even its sponsors, knowing what kind of hurt or harm or consequences we were putting upon the heads of the people of this Nation.

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So it seems to me if we really want to be honest with ourselves, and with our constituents, we ought not to permit adoption of a provision that allows that kind of thing to take place. I would urge adoption of this amendment, to get us back into the process of open hearings, open deliberations, open markups, open adoption of legislation, back to the original intent that the creators of this legislation had back in 1973 and 1974.

I urge the Members to vote for the amendment.

The **CHAIRMAN**. The question is on the amendment offered by the gentleman from New York (Mr. WEISS) to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA).

The question was taken; and the Chairman announced that the noes appear to have it.

RECORDED VOTE

Mr. **WEISS**. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 60, noes 357, not voting 15, as follows:

[Roll No. 124]

AYES—60

Addabbo
Anderson
Brodhead
Brown (CA)
Burton, Phillip
Clay
Collins (IL)
Conyers
Dellums
Dingell
Dwyer
Dymally
Early
Edgar
Edwards (CA)
Fascell
Florio
Foglietta
Ford (TN)
Frank
Garcia
Gejdenson
Gonzalez
Gray
Guarini
Hawkins
Howard
Kastenmeier
Kildee
Lehman
Leland
Marks
Mikulski
Minish
Mitchell (MD)
Oberstar
Ottinger
Rangel
Richmond
Rodino
Roe
Rosenthal
Roybal
Savage
Scheuer
Schumer
Seiberling
Shannon
Smith (IA)
St Germain
Stark
Stokes
Stratton
Vento
Washington
Waxman
Weiss
Whitten
Williams (MT)
Yates

NOES—357

Akaka
Albosta
Alexander
Andrews
Annunzio
Anthony
Applegate
Archer
Aspin
Atkinson
AuCoin
Badham
Bafalis
Bailey (MO)
Bailey (PA)
Barnard
Barnes
Beard
Bedell
Beilenson
Benedict
Benjamin
Bennett
Bereuter
Bethune
Bevill
Biaggi
Blanchard
Bliley
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Breaux
Brinkley
Brooks
Broomfield
Brown (CO)
Brown (OH)
Broyhill
Burgener
Butler
Byron
Campbell
Carman
Carney
Chappell
Chappie
Cheney
Clausen
Clinger
Coats
Coelho
Coleman
Collins (TX)
Conable
Conte
Corcoran
Coughlin
Courter
Coyne, James
Coyne, William
Craig
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daub
Davis
de la Garza
Deckard
DeNardis
Derrick
Derwinski
Dickinson
Dicks
Dixon
Donnelly
Dorgan
Dornan
Dougherty
Dowdy
Downey
Dreier
Duncan
Dunn
Dyson
Eckart
Edwards (AL)
Edwards (OK)
Emerson
Emery
English
Erdahl
Erlenborn
Ertel
Evans (DE)
Evans (GA)
Evans (IA)
Evans (IN)
Fary
Fazio
Ferraro
Fiedler
Fields
Findley
Fish
Fithian
Flippo
Foley
Forsythe
Fountain
Fowler
Frenzel
Frost
Fuqua
Gaydos
Gephardt
Gibbons
Gilman
Gingrich
Ginn
Glickman
Goldwater
Goodling
Gore
Gradison
Gramm
Green
Gregg
Grisham
Gunderson
Hagedorn
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Harkin
Hartnett
Hatcher
Heckler
Hefner
Heftel
Hendon
Hertel
Hightower
Hiler
Hillis
Holland
Hollenbeck
Holt
Hopkins
Horton
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jeffries
Jenkins
Johnston
Jones (NC)
Jones (OK)
Jones (TN)
Kazen
Kemp
Kennelly
Kogovsek
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
LeBoutillier
Lee
Lent
Levitas
Lewis
Livingston
Loeffler
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Madigan
Markey
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Matsui
Mattox
Mavroules
Mazzoli
McClory
McCloskey
McCollum
McCurdy
McDade
McDonald
McEwen
McGrath
McHugh
McKinney
Mica
Michel
Miller (CA)
Miller (OH)
Mineta
Mitchell (NY)
Moakley
Moffett
Molinari
Mollohan
Montgomery
Moore
Moorhead
Morrison
Mottl
Murtha
Myers
Napier
Natcher
Neal
Nelligan
Nelson
Nichols
Nowak
O'Brien
Oakar
Obey
Oxley
Panetta
Parris
Pashayan
Patman
Patterson
Paul
Pease
Pepper
Perkins
Petri
Peyser
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Rahall
Railsback
Ratchford
Regula
Reuss
Rinaldo
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rousselot
Rudd
Russo
Sabo
Santini
Sawyer
Schneider
Schroeder
Schulze
Sensenbrenner
Shamansky
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Simon
Skeen
Skelton
Smith (AL)
Smith (NE)
Smith (NJ)
Smith (OR)
Smith (PA)
Snowe
Snyder
Solarz
Solomon
Spence
Stangeland
Staton
Stenholm
Studds
Stump
Swift
Synar
Tauke
Tauzin
Taylor
Thomas
Traxler
Trible
Vander Jagt
Volkmer
Walgren
Walker
Wampler
Watkins
Weaver
Weber (MN)
Weber (OH)
White
Whitehurst
Whitley
Whittaker
Williams (OH)
Wilson
Winn
Wirth
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yatron
Young (AK)
Young (FL)
Young (MO)
Zablocki
Zeferetti

NOT VOTING—15

Bingham
Boggs
Burton, John
Chisholm
Crockett
Daschle
Fenwick
Ford (MI)
Hoyer
Kindness
Long (LA)
Murphy
Rhodes
Stanton
Udall

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The Clerk announced the following pairs:

On this vote:

Mr. Crockett for, with Mr. Daschle against.

Mrs. Chisholm for, with Mrs. Boggs against.

Mr. **GLICKMAN** changed his vote from "aye" to "no."

Mr. **ROYBAL** changed his vote from "no" to "aye."

So the amendment to the Latta amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The **CHAIRMAN**. Does the gentleman from New York (Mr. WEISS) wish to offer his amendment to any other substitute?

Mr. **WEISS**. I do, Mr. Chairman. I want to offer it to the Jones and to the Aspin substitutes en bloc.

AMENDMENTS OFFERED BY MR. WEISS TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OKLAHOMA AND TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ASPIN

Mr. **WEISS**. Mr. Chairman, I offer an amendment, and I ask unanimous consent that it be offered to both the Aspin and the Jones substitutes, en bloc.

The **CHAIRMAN**. Is there objection to the request of the gentleman from New York?

Mr. **JONES** of Oklahoma. Reserving the right to object, Mr. Chairman, may I ask the author, is this the same amendment that was just voted on?

Mr. **WEISS**. It is, indeed.

Mr. JONES of Oklahoma. And the gentleman is offering this to the Aspin substitute and to the Jones substitute?

Mr. WEISS. Yes, en bloc.

Mr. JONES of Oklahoma. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

> Amendments offered by Mr. Weiss to the amendment in the nature of a substitute offered by Mr. Jones of Oklahoma and the amendment in the nature of a substitute offered by Mr. Aspin: Strike out section 301, section 302, and section 303.
>
> Redesignate the succeeding sections accordingly.

Mr. WEISS (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WEISS. Mr. Chairman, I think that we had a full and lengthy discussion of the amendment as it was offered to the Latta substitute, and I really have nothing further to add.

I yield back the balance of my time.

The CHAIRMAN. The question is on the amendments offered by the gentleman from New York (Mr. Weiss) to the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. Jones) and the amendment in the nature of a substitute offered by the gentleman from Wisconsin (Mr. Aspin).

The amendments to the Jones amendment in the nature of a substitute and the Aspin amendment in the nature of a substitute were rejected.

AMENDMENT OFFERED BY MR. WHITTEN TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ASPIN

Mr. WHITTEN. Mr. Chairman, I offer an amendment, which is designated as amendment No. 56, to the Aspin substitute.

The Clerk read as follows:

> Amendment offered by Mr. Whitten to the amendment in the nature of a substitute offered by Mr. Aspin: Strike out section 304 relating to deferred enrollment and renumber the following sections accordingly.

PARLIAMENTARY INQUIRIES

Mr. PANETTA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman from Mississippi (Mr. Whitten) will have to yield for a parliamentary inquiry.

Mr. PANETTA. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from California.

Mr. PANETTA. Mr. Chairman, I thank the gentleman for yielding.

As I understand, the gentleman is offering his amendment No. 56 and not No. 55; is that correct?

Mr. WHITTEN. Yes. It deals with section 304 and it bypasses No. 55 for No. 56.

Mr. PANETTA. I thank the gentleman.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the majority leader.

Mr. WRIGHT. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WRIGHT. Mr. Chairman, if the gentleman from Mississippi offers amendment No. 56 prior to No. 55, does that foreclose the possibility of offering amendment No. 55?

Mr. WHITTEN. My understanding is that that eliminates No. 55 as far as consideration is concerned.

The CHAIRMAN. The Chair will answer in the affirmative.

Mr. WRIGHT. And the author understands that. I just wanted to be certain that the gentleman understood that situation.

Mr. WHITTEN. Yes.

Mr. Chairman, may I say to my colleagues that my purpose in rising here tonight has many reasons behind it.

First, I think our Committee on Appropriations has a splendid track record for holding down appropriations. We have been under the budgets submitted by the administration in 37 of the last 39 years. I might tell you that the origin of the Budget Committee was because our joint study committee on budget control showed that 58 percent of our expenditures bypassed the annual appropriation process—58 percent. That was because we were passing entitlements, backdoor spending, and contract authority without any control. Not only that, but I was cochairman of the study group that made the recommendations that led to the Budget Act. The gentleman from Arizona was senior minority member.

The Budget Act, which actually came under the jurisdiction of the Committee on Rules, provided that we set targets, work toward them and after hearings and gathering of information, then we would have the second resolution making those figures final and then we would have reconciliation bringing together income and outgo if necessary.

It made sense then, it makes sense now, but we never have tried it as written. Its intent has been circumvented.

In 1980 they reversed the intent of the Budget Act. Let me tell you another thing that was done that I think was a mistake to have changed. The original proposition was five members from the Ways and Means Committee, because they knew the tax situation, and five members from the Appropriations Committee because they were experienced in dealing with appropriations and had all the facts and figures and the staff already, and five Members from the rest of the Congress to keep them advised of this, that and the other, because this is money, or was supposed to be a money handling, fiscal committee.

I supported that and at that time, let me read to you what the chairman, the presiding chairman tonight, the chairman of the Committee on Rules, and the author of the Budget Act had to say. The Rules Committee decided not to employ these unworkable and restrictive procedures. Here is what the distinguished chairman said:

> *First* has been the commitment to find a workable process. Not everything that carries the label of a legislative budget can be made to work . . .
>
> *Second,* budget reform must not become an instrument for preventing Congress from expressing its will on spending policy . . . The objective of budget reform should be to make Congress informed about and responsible for its actions, not to take away its power to act . . .
>
> *Third,* budget reform must not be used to concentrate the spending power in a few hands. All Members must have ample opportunity to express their views and to vote on budget matters. While it is necessary to establish new budget committees, they must not be given extraordinary power in the making of budget policies.
>
> *Fourth,* the congressional budget must operate in tandem with and not override the well-established appropriations process. Through its power of appropriations, Congress is able to maintain control over spending. That power has been exercised responsibly and effectively over the years and it should not be diluted by the imposition of a new layer of procedures.
>
> *Fifth,* the budget control procedures should deviate only the necessary minimum from the procedures used for the preparation and consideration of other legislation. Undue complexity could only mean the discrediting of any new reform drive. We must not load the congressional budget process with needless and questionable details.

Now, that is the voice and the words of the presiding officer tonight, the present chairman of the Rules Committee, as to what this procedure meant.

I just ask you, has it worked that way? Has it worked like we all intended?

For 2 years you have had to ask our committee to keep the Government in business through a continuing resolution, which is as far from the normal process of appropriation as you can imagine.

We still have not received any relief from the unrealistic budget resolution of May a year ago; May 1981. On March 23, our Committee on Appropriations brought you an urgent supplemental bill. In it you have student loans, funds to keep the waste water treatment program going, funds for Coast Guard services, and other needed programs. We finally got this up in the House on May 12 because we were handcuffed by an unrealistic budget resolution and had received no relief. A while ago I got a call from the transportation people—airlines—the gentleman said, "unless we get that urgent supplemental through, you are going have airlines go bankrupt."

May I say that your committee, as distinguished as it is, has not been able to pull its horses together. You see it when we have seven different resolutions on the floor. To anybody who has watched this process it has been apparent that there has been no agreement within the folks on the committee. They are independent. They are able and as bright as we have in the Congress, but they have not been able to do the very thing that they were created to do, that is, to improve the appropriations and overall process and the operations of the Congress.

Now, I do not complain as an individual. But it never was intended that any one committee run the Congress.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

(By unanimous consent, Mr. WHITTEN was allowed to proceed for 5 additional minutes.)

Mr. WHITTEN. There have been many deadlines which have not been met. The final conference agreement was supposed to have been done by May 15. It is not here yet as you see now.

Under this provision it says that each bill must be within the targets of a particular subcommittee. Our committee and other committees allocate to each subcommittee what appears to be its share of the total committee allocation in view of its situation. This is within a target allocation proceeding within the overall total that has been allocated to the entire committee early in the game. It is very important to leave it to the committees that work with it, that know what it is all about.

One of the problems that our friends have had, they have fixed firm figures at the beginning before hearings. They have reconciled before differences arose. We have been trying to straighten it out ever since, and if there is an agreement it was not apparent in the last few years.

Now, what this section 304 says is that each bill cannot be enrolled unless it is within the limits that we fix before we even start the legislative process or hear testimony from thousands of witnesses. It would mean that in enrolling a bill, in effect that the chairman of the Budget Committee would have to sign it before the Speaker could sign it and you could send it to the President. It is as bad as the urgent supplemental which is still tangled up. We will have to go back to the Rules Committee and then go to the Budget Committee.

Now, nobody ever intended to set up any group, including me or you or anybody else, to have that kind of control. So let me tell you what I am asking you.

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Let us proceed to handle your business until our friends get their ducks in a row and get it straightened out.

I have been asked by some to move to strike the enacting clause. I have not intended to. We need the Budget Committee, if it will perform the function for which the act was written, if they will do as the chairman of the Rules Committee, the presiding officer, explained they were supposed to do.

Why am I approaching it this way? So we can go ahead about your business and keep the Government going while other things hopefully get straightened out.

Throughout this debate we have heard about great reductions. That will help, we all know that. However, personally I believe the answer to our problem and it is a severe problem, lies in creating productive work and increasing business activity. The figures we have all heard tonight, many of them, result from assumptions of economists from the Congressional Budget Office. These various assumptions yield to change each day and sometimes each hour.

Expenditures can be figured a little more exactly, I admit that, but with $24 billion to be spent this year in unemployment compensation, any increase in unemployment, even by only 1 percent, increases expenditures as well as decreases our productive capacity, and decreases incomes. It follows that we must work to produce productive jobs. It is productive jobs that lessen the burden of unemployment compensation, and thus Federal expenditures; add to the income of those productively employed who contribute to the wealth of our country; and remember, productive jobs produce productive goods for us all.

There are four or five other committees caught in this same trap. I say it is time we said we are for you, take over your place, perform. But let the Congress go ahead and handle its business.

I just ask my colleagues to go along with the committee. Let us perform our function. Look after the Government's business and your legislative business. If we do not, we are going to be in trouble.

I could tell my colleagues a whole lot of things about the figures they have. Of course, they rely on the figures. It was kind of amusing when they agreed the figures you had were wrong. They agreed if all of them used wrong figures, it would be all right. I could tell you other things, but it is that kind of thing I wish to give my friends on this committee the time to straighten out.

All I am asking is to get rid of section 304, where they try to tie bill after bill on figures we set up at the beginning of the session. Let us see what we can do after hearings. We will be all right as long as we stay within the overall. That is it.

I am just asking you to help them help us, and let us do like the chairman and the presiding officer said: Let us improve the operation of Congress.

This process has been from 90 to 80 days behind. We do not have the real second budget resolution for the present year. They merely stuck a No. 2 on top of No. 1. But it is the same old thing under a different number.

I am just saying, while they work it out—and you have seen for 4 days they have not yet worked it out let alone with the other body—let us keep the regular process going. Let us give them time to get it straightened out.

Mr. REGULA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to this amendment with great reluctance. I have the greatest respect for my chairman, the chairman of the Appropriations Committee. I have served as a member of this committee for the past 8 years, and 6 years as a member of the Budget Committee representing the Appropriations Committee. Because of the leadership of the chairman, Mr. WHITTEN, at the time the Budget Act was written it required members of the Appropriations Committee as well as members of Ways and Means to be part of the Budget Committee.

But I would have to point out that if we were to adopt this amendment, we really defang the Budget Act. The only way we can achieve the targets of the budget resolution is to have teeth in the resolution that will effect fiscal discipline on the committee system; not discipline in making priority choices, but discipline from the standpoint of adhering to the total fiscal policy that is embodied in the budget resolution.

Let me emphasize that the budget resolution that hopefully we will adopt tonight, or within the next few hours or days, will set the policy for the U.S. Government as viewed by this House. And let me also emphasize that that policy is not the result of the activity of the 30 members of the Budget Committee, but it will be the result of the collective will of this body.

We have been working for the last several days with a whole series of amendments, with a whole series of substitutes in an effort to finally establish a fiscal policy for this Government. And to effect that policy, we need to have some mechanism to allocate and to enforce the goals that we set in the budget resolution.

Any deviation from the budget numbers is not something that is addressed by the Budget Committee, but addressed by the will of this House, as this will be finally embodied in whatever we adopt as a budget resolution.

Now, what the chairman is proposing, the chairman of the Appropriations Committee, in this amendment is, in effect, to allow spending bills to move along, to be enrolled, to be signed, and become law even though they may violate the budget totals. I think this probably flows in part from the fact that with the 60-some amendments we have somewhat lost sight of what the budget process really is designed to do, and that is simply to allocate within 19 functions—such as transportation, education, defense, discretionary spending, and others—spending that affects the goals of this Government. Through this process the resources of this Nation are allocated on behalf of providing services to the people.

Government is simply a device in which we provide a delivery system for services, and we have to decide at the outset what our priorities are.

We have had a beautiful example. While some may be dismayed by the past several days, let me point out that in this activity we have really been through including speeches, through voting, we are determining what our priorities are: Should there be more on defense and less in something else; or less in defense, more revenues? We will sort it all out in the course of the next several hours or days, whatever it takes.

But once we establish these priorities, once we establish this policy, then we need to follow it.

Now, if we say to one of the committees; namely, Appropriations, that once we have set up these 19 functions and set up our priorities as a Nation that we can choose to ignore them, we will lose the impact and the effect of the Budget Act. That is the problem we had and the reason we drafted a Budget Act to start with.

In the past, each committee would sort of ride off into the horizon each year on its own, spend whatever they thought might be necessary, and then add it up at the end of the process. Finally we would borrow whatever deficit total resulted.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Mississippi.

Mr. WHITTEN. The point I make is that we cannot do any of these things until you agree with the other side. You were supposed to have a conference agreement adopted by May 15.

What I am saying is, if your committee met its deadlines, we would not have these troubles. But time has shown your committee does not meet the deadlines. We have had to operate as I say behind schedule and under continuing resolutions.

I was called this afternoon about possible bankruptcies in the airline industry. So the very fact I am asking this is because you have been unable to let us perform. You have not straightened out last year let alone this year. So that deadline and a failure to meet it is the reason we need some relief to go ahead and run our business so that the obligations of government can be met.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

(By unanimous consent, Mr. REGULA was allowed to proceed for 5 additional minutes.)

Mr. REGULA. I thank the chairman. I understand what he is saying.

The distinguished chairman of the Rules Committee has appointed a task force under the gentleman from California (Mr. BEILENSON) to deal with this problem.

Mr. WHITTEN. Let us go ahead while he does that, instead of having it tangled up as we have had it for 2 years.

Mr. REGULA. Well, Mr. Chairman, the problem is if we do not have some mechanism within the Budget Act, we are simply not going to achieve our goals. We will end up with supplementals, with waivers, and we will be going far beyond what we establish as a deficit in this resolution that is soon to be adopted.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Mississippi.

Mr. WHITTEN. We reported an urgent supplemental on the 23d of March. Here it is the last of May. Bad problems get worse when Congress misses its self-imposed deadlines. And may I say that I have smiled and gone ahead as have others. But everything that has been done, and not been done, has delayed us. If everybody met their deadlines, maybe if you give us a chance to handle it this year, you will find a way to meet your deadlines. But you realize you have not done it yet. It seems to get worse.

Mr. REGULA. I thank the chairman for his contribution. But I would have to point out to the Members that if we accept this amendment, we are, in effect, taking all of the tools out of the Budget Act, and we are back to square 1 where we were 8 years ago.

If you believe that we, as a body, have to accept fiscal discipline and have to do it in a way that we can achieve those goals, we simply have to leave in the language of reconciliation and the language of the Budget Act as it stands.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the chairman of the Budget Committee.

Mr. JONES of Oklahoma. I thank the gentleman for a very important statement.

The best effect of a budget resolution is the ability to implement it. If we can implement a budget resolution, we send out a very positive signal that can have a positive impact on financial markets and on the economy.

The problem last year, quite frankly, is that it was a phony budget. We tried to say it at the time. It could not be implemented. And it did create a great deal of frustration and havoc in this body. This year's budget resolutions are realistic and can be implemented if we have the discipline to do it.

□ 2040

To take away this particular disciplinary tool I think would be a mistake, and I hope the amendment is defeated.

Mr. LEWIS. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from California.

Mr. LEWIS. Mr. Chairman, I appreciate my colleague yielding to me. I am not certain the gentleman will be happy that I asked him to yield because I am asking for the time simply to express concern of a new member of the Appropriations Committee and a new Member of the House.

As I gather the history of this, the chairman of the Appropriations Committee, along with others, came together and suggested that we ought to try to coordinate the committees somewhat, and thought there was a need for some advice and counsel from Ways and Means and Appropriations. Eventually, that led to the development that involved lots of other Members coming together and forming a new committee, creating some association.

Back in my district I thought a lot about the subcommittees. We create committees to solve these problems, and in my brief experience here it seems to me that we have been doing the same thing within the House. We are taking the work of each committee, duplicating that in the Budget Committee, overlapping another bureaucracy, a brand new staff of 150 new people working, and we end up not meeting our deadlines, undermining the expertise of individual committees, and indeed producing very little in terms of new savings and new efficiency.

I really wonder. It seems to me that maybe we should go back and undo what we did before and start all over again. It may be that the Chairman has a point.

Mr. REGULA. Let me respond to the gentleman that if we had not had the Budget Act last year, and if we had not had reconciliation, the deficit for fiscal year 1982 would be $35 billion higher than it is going to be, and the deficit for the 3-year period would be $135 billion more than it is going to be, so I think that was a substantial saving.

Mr. LEWIS. If my colleague would yield further, I am not certain that is the case. I understand what he is saying in terms of pure statistics from last year's fiscal year, but if the budget process had not been in the middle the committees may have worked their will in their standard fashion, and we might have been where we were in the first place, maybe. Instead, we hired more staff and exerted ourselves for nothing.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

(At the request of Mr. LEWIS and by unanimous consent, Mr. REGULA was allowed to proceed for 5 additional minutes.)

Mr. LEWIS. It is a question I have in my mind. I am not certain of this, but it seems to me that maybe we have overdone ourselves by creating another bureaucracy that we do not really need.

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Michigan.

Mr. PURSELL. Mr. Chairman, as I read the amendment I tend to support the amendment. I have an outstanding colleague on the Appropriations Committee from the State of Ohio who I think is a leader in the budget process second to none. I wanted to ask the question, what would the gentleman in his position posing this amendment, what effect would this have on the continuing resolution process which in my opinion is probably the greatest weakness in the entire appropriation-budgetary process, the fact that the Congress, because of the delay, it is our fiscal responsibility, it is our responsibility of not meeting our deadline. That creates havoc from a planning and budgetary standpoint throughout the country. We have all the agencies using Federal dollars, and the continuing resolution to me is very bad public policy.

I wanted to ask the gentleman what effect of opposing this would that have on the continuing resolution history.

Mr. REGULA. I appreciate the gentleman asking the question, because I think it perfectly illustrates the point the chairman of the Appropriations Committee, the distinguished gentleman from Mississippi, has pointed out, that part of the problem is our failure as a body to stay on target with dates. Let me point out that the Appropriations Committee does not have a super track record of meeting its targets either, and the reason we end up with a continuing resolution is not because of the Budget Act, but because of the failure of the subcommittees in some instances, and the full committee in some instances, to agree on numbers in an appropriation.

Therefore, we have to go to the continuing resolution, which is simply a reflection of the same indecision that causes us to be here after May 15 on the Budget Act.

But, I have to again emphasize that in the final analysis, if we intend to have a fiscal policy for this Government, we have to have the ability to enforce it. We have to be able to say to the committees that appropriate, and in effect spend the money, that this is the amount allocated to them as a result of the 19 functions. It does not usurp their authority.

For example, the Interior Subcommittee, under Chairman Yates, decides whether to spend more on Indian affairs, less on territories, more on parks, less on the Smithsonian, whatever.

The Appropriations Subcommittees retain all of their jurisdiction in making internal spending policy decisions.

These line item amendments would lead one to believe that we are, in effect, legislating tonight and yesterday, but that is not true. What we are dealing with is functional totals, and we in turn allocate those totals as they apply to the 19 functions to the Appropriations Committee subcommittees, and the subcommittees work against those targets.

I am on Military Construction. If we know what is available to our committee, we have to decide between housing, between a base in Europe or expansion of some other facility, and so the Budget Committee is not taking away the decisionmaking apparatus.

But again, I come back to the fact that we have to see the big picture. The Budget Act is a fiscal policy. All of us do it in our own personal lives, and those of us here who are in business, establish a budget and we work against it. One cannot run and manage any efficient organization without a budget.

Mr. PURSELL. The problem, it seems to me, is because of the delays of the budget process and because of the delays of the deadline, you put the Appropriations Committee in a very difficult position. Those 13 appropriation bills should be at the President's desk by October 1 in a comprehensive package similar to what the gentleman from Wisconsin said last night. I think we have complicated this process so much that even most of the Members do not understand it. We cannot get those 13 appropriation bills to the Executive, who has the veto power to veto them if they are too high. So, we do have the check and balance system, but because a budget committee has been late on their deadlines, consequently the Appropriations Committee cannot effectively do its job by getting those appropriations bills back to the floor, into conference, and to the President by October 1.

Mr. REGULA. If everybody met their deadlines we would not have continuing resolutions.

Mr. CHENEY. Mr Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Wyoming.

Mr. CHENEY. Mr. Chairman, I rise with great respect for the distinguished chairman of the Appropriations Committee, but I must say that I think the amendment he suggested is at times—as has been mentioned by the gentleman in the well, the gentleman from Ohio, the chairman of the Rules Committee, Mr. BOLLING, has established a group, a task force.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

(At the request of Mr. CHENEY and by unanimous consent, Mr. REGULA was allowed to proceed for 2 additional minutes.)

Mr. CHENEY. I think it would be extremely unwise at this point for us to take a step that would convey the notion to the country that we are gutting the budget process. I am fearful, given the events of the last few days, that we are going to find ourselves already in difficult straits in part because I think the country seriously doubts our ability to produce a budget.

Whether one supports the Latta or the Aspin or the Jones alternatives, I think it would be a terrible signal to send at this time that, simultaneously with the difficulty we are obviously having to produce a budget, to take a step that would make the entire process for the most part meaningless. So I would urge the defeat of the amendment.

As a member of the task force, I am pledged to do everything I can to see to it that we do everything we can to improve the process. Lord knows it is not perfect, but I think it is time for us to talk about fundamental reform in the budget process in relationship to the Budget Committee and Appropriations Committee, either at the end of this session or the beginning of the next session.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I think what is wrong here is, there are 19 functions and there are 13 subcommittees with jurisdiction and the functional level does not coincide. I am chairman of one subcommittee that gets money out of probably three different functions, or maybe four. The committee gets the total amount of dollars to be used, to reallocate under 302 to the various subcommittees early in the year, like now it is supposed to be.

By the time the summer is over we may find out we need to do some shifting back and forth. We are not talking about violating the total amount within functions.

□ 2050

We are not talking about violating the total amount that is to be appropriated. What you are trying to do is to tie us in early May to a very rigid schedule within each subcommittee, that we found out during the summer we cannot meet.

It has nothing whatever to do with the total amount of dollars that are spent in this Government and all you are doing is assuring that we are going to have more continuing resolutions if you do this.

The **CHAIRMAN** pro tempore (Mr. ZEFERETTI). The time of the gentlemen from Ohio (Mr. REGULA) has expired.

(By unanimous consent Mr. REGULA was allowed to proceed for 1 additional minute.)

Mr. **REGULA**. I can understand the gentleman's frustration but just let me close by saying if we are serious about establishing a fiscal policy, if we are serious about saying to the people of these United States that we are going to get interest rates down, that we are going to lower deficits, and that we are going to get spending under control, we must absolutely have a Budget Act.

That Budget Act has to have the tools of enforcement.

This amendment will remove that one very important tool that is part of that act.

Mr. **SMITH** of Iowa. Will the gentleman yield?

Mr. **REGULA**. I yield to the gentleman from Iowa.

Mr. **SMITH** of Iowa. We are not talking about the total number of dollars to be appropriated. We are talking about whether or not you tie subcommittees, and it happens to be appropriations we are talking about now but it can be authorizing committees into a rigid schedule early in May and not shifting.

We are not talking about the total number of dollars to be appropriated at all.

Mr. **OBEY**. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it is I think unfortunate that the debate seems to take on the tone of an argument between two of the major committees of this House, the Budget Committee and the Appropriations Committee. I serve on both and I think the problem is that in a sense both committees are wrong.

The problem, as I see it, is this: I think that there is a strong resentment on the part of a good many committees in the House about the budget process itself and I think there is a frustration about the way the process impinges on the ability of those committees to do their job because of the maddening schedule that the budget process imposes on all of us.

As a result, I think there is just by nature much more tension between authorizing committees and the Appropriations Committee and the Budget Committee than is healthy.

But the problem is that, in a sense, the remedy being proposed in the Budget Committee resolution really does put us in a straitjacket which does give an appropriations subcommittee trying to do its job a very difficult time.

What this language in the resolution says is that even though 12 of the 13 appropriation subcommittees might be under their allocations, if the other subcommittee is over its allocation, in response to an emergency, whether it be the airline situation the gentleman has mentioned, whether it be an emergency unemployment situation, whether it be an emergency disaster situation, that one bill must be held at the desk rather than going on to the President.

I think that is the point to which the gentleman for Mississippi (Mr. WHITTEN) is raising an objection. There does have to be discipline.

But I would suggest if my colleagues take a look at the amounts by which various committees have exceeded their budget authority allocation last year, they will see that the Appropriations Committee is not above its budget authority allocation; it is below by some $21 billion.

Even if you take in to account virtually all of the entitlements laying around which have yet to be enacted, the Appropriations Committee is still $12 billion below its budget authority allocations.

This language, in contrast to the last year's, as I understand it, only applies to budget authority as opposed to both budget authority and outlays.

I think all the gentleman from Mississippi is saying is that if this budget process hangs up, the Appropriations Committee is going to have to continue on doing its job, keeping the Government running, and it is going to be very difficult for that committee to respond to the exigencies of the moment if they are placed in that kind of a straitjacket.

I do wish the gentleman from Mississippi had offered the other amendment that he had scheduled before this which would at least have reconciled the Jones proposal with the Latta proposal because the Latta proposal, at least in this instance, is somewhat more flexible than the Jones proposal because the Latta proposal has, as the overall limitation on appropriations, ability to function the overall target as opposed to the target for each of the subcommittees.

I think that is preferable to the Jones resolution in this instance. It is not enough to make me vote for it, but I think it is preferable in this instance to the one on this side of the aisle.

But I fear that if this amendment does go down it will mean in effect that the Appropriations Committee will be extremely limited in its ability to respond to emergency situations.

I think that is all the gentleman from Mississippi is saying. If we do not succeed in eliminating this, I would hope that there would be some way in conference to adjust the situation.

The **CHAIRMAN** pro tempore. The time of the gentleman from Wisconsin has expired.

(At the request of Mr. WHITTEN and by unanimous consent Mr. OBEY was allowed to proceed for 3 additional minutes.)

Mr. **WHITTEN**. Will the gentleman yield to me?

Mr. **OBEY**. I yield to the gentleman from Mississippi.

Mr. **WHITTEN**. The gentleman from Wisconsin is a very valued member of our Committee on Appropriations and also of the Budget Committee.

But it has been said if you give up any of the power that you have been exercising, though it is not in line with the law as defined in the Budget Act, that you may lose what you have.

I am saying if you go through 3 or 4 days like this I am more afraid you will lose it all than if you let us go ahead and run our business while the new study committee tries to straighten things out.

I have decided to take this action where we could draw the line plainly as to whether you will let us go ahead and handle our business before the Congress. I am not talking as a committee chairman. It is a hard job that we have and I do wish to thank the gentleman. But I do think we are right to lay it on the line and ask this of the Budget Committee which has gone far beyond the intent of the Budget Act, has been late in meeting its obligations timewise, and they are causing our situation.

I think the gentleman made it quite plain, as did the gentleman from Iowa (Mr. SMITH), that our problem is that they do not let us run the internal affairs of appropriations which is essential if we are going to get the job done for the Congress.

Mr. **OBEY**. I think the problem is both committees have a job to do and by nature one committee's role impinges upon another's. In this instance I will admit it is a very close question because the Budget Committee has a strong point in the necessity for it to be able to limit the tendency of committees to all run their own way.

All I would suggest is that in this instance the remedy suggested in the resolution which the gentleman from Mississippi is trying to eliminate is, I think, somewhat excessive.

As I say, I wish that we were able to have the other amendment before us so that all resolutions would contain the same provisions of Latta because I think that would be a more happy compromise.

Mr. **ANDERSON**. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Mississippi (Mr. WHITTEN). Should it be decided that somewhere between $90 billion and $150 billion in additional revenues be raised, and should some part of this requirement be met through an increase in highway user fees, any other transportation user fee, or by some other means, the amendment at the desk will become immeasurably important.

Without it, the American traveling public could be required to pay increasing amounts to travel, without receiving the commensurate benefits they should rightfully expect. If increased user fees are levied, they should result in better surface transportation of aviation networks.

Absent the Whitten amendment, section 304 of the Budget Act would require that any authorizing legislation which would place a committee's authorization totals in excess of its section 302 allocations be not enrolled. Ordinarily, that is a fine rule. But, ordinarily, we do not issue instructions as part of this first budget resolution to raised large amounts of new funding. If—subsequent to the adoption of this resolution—legislation is enacted to increase transportation user fees, I want to make certain that the user paying those fees benefit.

Mr. Chairman, I urge all our colleagues—in the interest of equality and fairness—to support the amendment at the desk.

□ 2100

Mr. **PANETTA**. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

First of all, Mr. Chairman, I have the greatest respect for the gentleman from Mississippi. He is really one of the few individuals who sticks by the targets that are provided to the committee and has really fought within his subcommittees to try to keep the subcommittees and the full committee within the targets that have been established by the budget resolution.

So it is a tribute to him and his willingness to really abide by the budget targets that I think we have been able, with the appropriations process, to stick to the goals established by the resolution.

There are 2 enforcement tools that are provided by the Budget Act. It is not something that the Budget Committee picks out of thin air. It is provided by the Budget Act adopted by the Congress. One of the tools is reconciliation. We had in the prior amendment an effort to do away with the reconciliation enforcement tool, and that was defeated overwhelmingly. The second tool deals with appropriations, and that is the deferral tool that we have under section 301 of the Budget Act. What that basically does is that it says if the House and the Senate in a conference exceed the ceilings that are established for that particular subcommittee of the Appropriations Committee, that that will be held at the desk and it will not be sent to the President.

Now, there are ways to bypass that. One is with a rule and a resolution that directs the Enrolling Clerk to go ahead and exceed those limits and direct it to the President. The House, if it judges that that should be the case, can in fact vote on that kind of resolution to bypass the process. So there is a vehicle, if indeed we as a group here decide that we want to exceed those limits, to in fact do that. But do not get rid of the basic enforcement tool itself. This amendment would entirely strike out our ability to hold those amendments at the desk, and it is for that reason that I would strongly oppose this amendment because, again, the only thing we have going for us in terms of what we are doing here is the credibility of being able to enforce the targets that are established. That means that we have to have reconciliation, and it means that we have to have a deferral process. Without that, we do not have any kind of credibility in terms of the resolution itself.

Mr. **HOWARD**. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment of the gentleman from Mississippi, the distinguished chairman of the Committee on Appropriations and the dean of this House. This amendment properly would strike the so-called deferred enrollment requirement in section 304 of the concurrent resolution. Section 304 is based on an apparent presumption that committees reporting spending measures need a parliamentary straitjacket in order to follow the will of the Congress as set forth in this concurrent resolution. The provision is so intrusive that it requires adherence to suballocations of spending targets to the subcommittees within a committee. In the case of a committee such as the one I chair, the deferred enrollment mechanism fails completely to recognize the complexities inherent in contract authority programs supported by trust funds which are themselves accorded special status under the 1974 Budget Act. The Committee on Public Works and Transportation must make its spending recommendations in light of and in tandem with the Committee on Ways and Means which has jurisdication over the taxes which this Congress has so wisely earmarked for these fundamental national transportation programs. Delayed enrollment puts a "chill" on this cooperative committee process, actually preventing the committees from carrying out their most basic funtions under the rules of the House. In conclusion, Mr. Chairman, delayed enrollment is unnecessary and intrudes so severely into the committee process as to disable the basic operation of the committee system. I therefore urge every Member to vote in support of the gentleman from Mississippi.

The **CHAIRMAN** pro tempore. The question is on the amendment offered by the gentleman from Mississippi (Mr. WHITTEN) to the amendment in the nature of a substitute offered by the gentleman from Wisconsin (Mr. ASPIN).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. **REGULA**. Mr. Chairman, I demand a recorded vote.

The **CHAIRMAN** pro tempore. A recorded vote is demanded.

All those in favor of taking this vote by a recorded vote will rise and be counted.

Twenty-four Members, an insufficient number.

So a recorded vote was refused.

Mr. **REGULA**. Mr. Chairman, I make the point of order that a quorum is not present, and pending that, I demand a recorded vote.

The **CHAIRMAN** pro tempore. The Chair has already announced an insufficient number.

The gentleman can make a point of order but he cannot ask for a recorded vote.

Mr. **REGULA**. Mr. Chairman, I demand a division.

On a division (demanded by Mr. REGULA) there were—ayes 42, noes 43.

Mr. **HOWARD**. Mr. Chairman, I demand tellers.

Tellers were ordered and the Chairman pro tempore appointed as tellers Mr. WHITTEN and Mr. JONES of Oklahoma.

The Committee again divided, and the tellers reported that there were—ayes 72, noes 72.

The **CHAIRMAN** pro tempore. The Chair votes "aye."

So the amendment to the Aspin amendment in the nature of a substitute was agreed to.

□ 2110

The **CHAIRMAN** pro tempore (Mr. ZEFERETTI). Does the gentleman from Mississippi (Mr. WHITTEN) wish to offer his amendment to other substitutes?

AMENDMENT OFFERED BY MR. WHITTEN TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OKLAHOMA

Mr. WHITTEN. Mr. Chairman, pursuant to the rule, I have an amendment at the desk designated amendment No. 56, duly printed in the Record on Friday, May 21, 1982, and I offer that amendment to the Jones substitute.

The **CHAIRMAN** pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. Whitten to the amendment in the nature of a substitute offered by Mr. Jones of Oklahoma: Strike out section 304 relating to deferred enrollment and renumber the following sections accordingly.

The **CHAIRMAN** pro tempore. The gentleman from Mississippi (Mr. Whitten) is recognized for 5 minutes. Debate is limited to 10 minutes.

Mr. WHITTEN. Mr. Chairman, this is the same amendment which was just agreed to on the Aspin substitute. I take the floor again to answer some of the questions that were raised in the earlier debate.

In the first place, the Committee on Appropriations is well below its allocation under section 302 of the Budget Act. Second, we have retarded and prevented the committees from proceeding with the business of the House. Our Committee on the Budget has not met the deadlines stipulated in the Budget Act. Until they do we are strangled in trying to look after the business of the Congress.

We are in a very serious situation at the moment. There seems to be no improvement on meeting the deadlines this year. We were supposed to have had the conference report on the first budget resolution adopted by both Houses of Congress by May 15. It has been said here that there is a special committee appointed—a task force to look at budget reform.

I am asking the Members again to support the position they just took on this amendment to the Aspin substitute. Support the committee and let us go ahead with our business while the Members study what to do to help the Budget process because we do need it. But we cannot live with it unless we do get things together.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Would the gentleman ask unanimous consent to offer this to the remaining two substitutes, both Latta and Jones.

Mr. WHITTEN. If the gentleman would explain to me what he thinks we would gain by that I might do it. At the present time I think we will proceed as is.

I ask the members to stay with their Appropriations Committee. We have lived, as was testified here, with the Budget Act. It has not always been easy to do so. It does not embarrass me personally but it does embarrass the Congress. Information is circulating in my district concerning missing budget deadlines. I'm sure similar information is making the rounds in many of your districts. It says the Congress missed the second budget resolution deadline by 74 days in 1980, 66 days in 1981 and by 85 days for fiscal year 1982.

So I say, let us go ahead and let us continue with the business of Congress while we straighten things out. I hope the Members will stay with the committee.

Mr. JONES of Oklahoma. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I know the hour is getting late and we are just about to the end of the line with the amendments and I regret that we are having this jurisdictional squabble when we ought to be talking about economic policy.

I do think it would be a mistake if we were to take off this disciplinary tool to enforce the budget resolution.

I think the resolutions we have before the House this year can be enforced, I think they are realistic, and I hope very much that the House will vote down this amendment and retain the symbol and methodology needed to discipline ourselves after we pass a budget resolution and implement it.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. I yield to the gentleman from Ohio.

Mr. REGULA. I thank the gentleman for yielding.

Let me make it clear to the Members here that if we incorporate this language in the budget resolution the result will be that the spending can go beyond the budget resolution by the process of taking one bill at a time. For example, if you bring up the defense bill as the last appropriation bill, obviously, we have to have it so we in effect break the budget because the last bill is the defense bill.

All this language in the resolution does is to effect some fiscal discipline.

Fortune magazine that came out today with a cover page said how to bring interest rates down. The answer is to get a fiscal policy that will get the United States out of the credit markets so it can quit competing with the people who need money for housing, for automobiles, for appliances, for airplanes, for whatever their needs might be.

If we cannot discipline ourselves in this Government to control spending, we are going to have high-interest rates and unemployment and all of the things that are creating the problems today.

We have to make a choice. We either have to have the tools and the ability to make a budget resolution meaningful or, if we adopt this amendment to the resolution, we have eliminated one of the most effective parts of the Budget Act.

I want to caution the Members to think carefully before they adopt this kind of language in a Budget Act.

Mr. GRAMM. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. I yield to the gentleman from Texas.

Mr. GRAMM. I thank the gentleman for yielding.

I would like to remind the Members that in none of the budgets that now stand before us do we have much in reconciliation.

The only thing we are going to have when we adopt these budgets is some limited ability to force spending to stay within those constraints.

We have had a lot of debate here about deficits. We have all worked hard to try to get these deficits down. We have bent over backwards. We used all kinds of mechanisms to try to get down below $100 billion, or down below $50 billion in 1985.

□ 2120

If we adopt this amendment, the budget will be totally unenforced. It will not matter what figures we have in there because the Appropriation Committee can go ahead and spend the money, so I urge my colleagues here, do not let a jurisdictional dispute destroy the budget process. Do not let the annoyance with a slow budget to come forward and make us the laughing stock of the whole country and show that not only can we not bring spending under control, but that we want to destroy the only process we have to do it.

I think the American people, forget Wall Street and forget Main Street, I am talking about Mulberry Street now, the American people are going to say not only can Congress not say no to every spending program that comes along, but they have even stopped trying. They are not even willing to bind their spending committees by any kind of bottom line figure that they have to at least get a vote saying we are going to violate the Budget Act and we want people to be on record saying they know it and they want to do it.

I think it is imperative that we defeat this amendment.

Mr. JONES of Oklahoma. Mr. Chairman, I yield to the gentleman from Ohio (Mr. Brown).

Mr. BROWN of Ohio. Mr. Chairman, as we approach the end of this long budget debate, the question that confronts us—embarrassingly so—is, "Who does Congress think it is fooling?" Last year it passed a budget that was supposed to contain large tax decreases and large budget cuts. The truth of the matter is that Congress diminished and delayed proposed tax cuts and increased spending for this fiscal year by an historically high real rate. But at least we were disciplined by a reconciliation process. And now 1 year later Congress is increasing taxes and, instead of cutting Government spending, it is trying to rearrange it and trying to gut the reconciliation system in the process.

Congress is not fooling the public, as the folks at home watch on C-Span the circus that the budget process has become. After months of negotiations, Congress is giving the American people a budget that increases taxes higher and higher to pay for more and more Government spending. In other words, after all the debate we are giving Americans exactly what they voted against in the last elections. And now the Whitten amendment takes out of the process of reconciliation what discipline there has been. Do you really think they see Congress as leaders? Do you really think they see Congress as people who have a clear vision of how to lead this country?

The people of this country are worried about our economic condition. But their biggest worry is what we are doing and failing to do in this Congress. They have no idea what Congress will do to solve the Nation's economic problems. They are losing confidence that Congress will act with reason or even that it will act in the best comprehension interests of the Nation.

If you think our leadership crisis and our economic problems are separate and distinct, think again. At this time, all of us agree that the major threat to economic growth is high interest rates. Well, colleagues, here we are in a recession—the proof is that inflation is running at between 1 to 4 percent—but where are interest rates? They are stuck at very high levels—10 percentage points or more above the cost of living. Part of the reason they are stuck up there is that the public is scared to death by the lack of disciplined reality in this body. In the past, the folks at home have been burned too many times by the contradictory friction between our rhetoric and our actions.

Those interest rates are not coming down until Congress show the people of this country that the days of spending and printing our way out of recessions are finally over.

This is what the people have asked Congress to do. Last year, we made them a promise. This year we had best keep that promise, lest they lose faith in the entire process.

Mr. WHITTEN. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa (Mr. SMITH).

Mr. SMITH of Iowa. Mr. Chairman, I would like to point out that what we are talking about here is not the total number of dollars to be appropriated. We are not talking about changing the total amount for any functional level. What the Budget Committee is trying to do is to cast the Appropriation Committee and the authorizing committees' subcommittees into rigid limitations early in May that they cannot change during the balance of the year by shifting funding needs from one subcommittee to another. It has nothing to do with the total amount of money to be appropriated. It is just whether each subcommittee is given an inflexible allocation early in May when we still do not know yet what the Senate is going to do and all the considerations, after all, the Senate limitations by subcommittee levels do not match ours. If you vote for the Whitten amendment to strike section 304, there is a better opportunity to satisfy the highest priorities within the total budget and if you vote "no," the Congress will be unable to enact final bills and therefore end up with more continuing resolutions. I ask you to vote for the Whitten amendment.

Mr. WHITTEN. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey.

Mr. HOWARD. Mr. Chairman, I thank the gentleman for yielding.

Let me say this about spending, if this amendment does not pass, the Ways and Means Committee could vote an increase in the gasoline taxes; the tax money could be eligible for the highway trust fund but it could not be used to repair our streets and roads. The limitation in the budget bill is a ceiling beyond which any authorizing legislation could not pass. Thus, if the tax money became a higher figure than the budget ceiling then the legislative action is null and void.

This is not the way to legislate.

This is not the way to fund needed programs. Let us restore the due process of the House and give the Legislative and Appropriation Committees their proper roles. Pass this amendment.

The CHAIRMAN pro tempore (Mr. ZEFERETTI). All time has expired.

The question is on the amendment offered by the gentleman from Mississippi (Mr. WHITTEN) to the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. JONES).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. JONES of Oklahoma. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 212, noes 205, not voting 15, as follows:

[Roll No. 125]

AYES—212

Addabbo
Akaka
Albosta
Anderson
Andrews
Annunzio
Applegate
Atkinson
AuCoin
Bailey (PA)
Barnard
Barnes
Bedell
Beilenson
Benjamin
Bennett
Bevill
Biaggi
Blanchard
Boland
Boner
Bonior
Bonker
Bouquard
Bowen
Breaux
Brinkley
Brodhead
Brooks
Broomfield
Brown (CA)
Burton, Phillip
Campbell
Chappell
Clausen
Clay
Coelho
Collins (IL)
Collins (TX)
Conte
Coughlin
Coyne, William
Daschle
Davis
de la Garza
Dellums
Derwinski
Dicks
Dingell
Dixon
Dowdy
Downey
Duncan
Dwyer
Dymally
Dyson
Early
Edwards (CA)
Edwards (OK)
Ertel
Evans (GA)
Evans (IN)
Fary
Fascell
Fazio
Ferraro
Fithian
Flippo
Florio
Foglietta
Ford (MI)
Ford (TN)
Fowler
Frank
Fuqua
Garcia
Gaydos
Gejdenson
Gibbons
Ginn
Gonzalez
Gore
Gray
Guarini
Hagedorn
Hall, Ralph
Hall, Sam
Hammerschmidt
Harkin
Hatcher
Hawkins
Heckler
Hefner
Heftel
Hertel
Hightower
Holland
Hollenbeck
Hopkins
Howard
Hoyer
Huckaby
Hughes
Hutto
Jenkins
Jones (NC)
Jones (TN)
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Lantos
Lehman
Leland
Levitas
Lewis
Livingston
Loeffler
Long (LA)
Long (MD)
Luken
Markey
Matsui
Mavroules
McClory
McDade
McDonald
McGrath
McHugh
Mica
Mikulski
Miller (CA)
Miller (OH)
Minish
Mitchell (MD)
Mitchell (NY)
Moakley
Moffett
Mollohan
Montgomery
Mottl
Murtha
Myers
Napier
Natcher
Nichols
Nowak
Oakar
Oberstar
Obey
Ottinger
Patterson
Pepper
Perkins
Porter
Price
Purcell
Rahall
Rangel
Ratchford
Reuss
Richmond
Rinaldo
Rodino
Roe
Rosenthal
Rostenkowski
Roybal
Rudd
Russo
Sabo
Savage
Scheuer
Schneider
Schumer
Seiberling
Shamansky
Shannon
Skelton
Smith (IA)
Smith (NE)
Smith (PA)
Snyder
Spence
St Germain
Stangeland
Stark
Stokes
Stratton
Swift
Taylor
Traxler
Udall
Vento
Volkmer
Washington
Watkins
Waxman
Weiss
White
Whitley
Whitten
Williams (OH)
Wilson
Wyden
Yates
Yatron
Young (FL)
Young (MO)
Zablocki
Zeferetti

NOES—205

Alexander
Anthony
Archer
Aspin
Badham
Bafalis
Bailey (MO)
Beard
Benedict
Bereuter
Bethune
Bliley
Brown (CO)
Brown (OH)
Broyhill
Burgener
Butler
Byron
Carman
Carney
Chappie
Cheney
Clinger
Coats
Coleman
Conable
Corcoran
Courter
Coyne, James
Craig
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daub
Deckard
DeNardis
Derrick
Dickinson
Donnelly
Dorgan
Dornan
Dougherty
Dreier
Dunn
Eckart
Edgar
Edwards (AL)
Emerson
Emery
English
Erdahl
Erlenborn
Evans (DE)
Evans (IA)
Fenwick
Fiedler
Fields
Findley
Fish
Foley
Forsythe
Fountain
Frenzel
Frost
Gephardt
Gilman
Gingrich
Glickman
Goldwater

Goodling
Gradison
Gramm
Green
Gregg
Grisham
Gunderson
Hamilton
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hendon
Hiler
Hillis
Holt
Horton
Hubbard
Hunter
Hyde
Ireland
Jacobs
Jeffords
Jeffries
Johnston
Jones (OK)
Kindness
Kogovsek
Kramer
LaFalce
Lagomarsino
Latta
Leach
Leath
LeBoutillier
Lee
Lent
Lott
Lowery (CA)
Lowry (WA)
Lujan
Lundine
Lungren
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Mattox
Mazzoli
McCloskey
McCollum
McCurdy
McEwen
Michel
Mineta
Molinari
Moore
Moorhead
Morrison
Neal
Nelligan
Nelson
O'Brien
Oxley
Panetta
Parris
Pashayan
Patman
Paul
Pease
Petri
Pickle
Pritchard
Quillen
Railsback
Regula
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Rogers
Roth
Roukema
Rousselot
Santini
Sawyer
Schroeder
Schulze
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Simon
Skeen
Smith (AL)
Smith (NJ)
Smith (OR)
Snowe
Solarz
Solomon
Staton
Stenholm
Studds
Stump
Synar
Tauke
Tauzin
Thomas
Trible
Vander Jagt
Walgren
Walker
Wampler
Weaver
Weber (MN)
Weber (OH)
Whitehurst
Whittaker
Williams (MT)
Winn
Wirth
Wolf
Wolpe
Wortley
Wright
Wylie
Young (AK)

NOT VOTING—15

Bingham
Boggs
Bolling
Burton, John
Chisholm
Conyers
Crockett
Hall (OH)
Marks
McKinney
Murphy
Peyser
Rhodes
Rose
Stanton

☐ 2130

Mr. ALEXANDER and Mr. ROEMER changed their votes from "aye" to "no."

Mr. VENTO, Mrs. HECKLER, and Messrs. ANDREWS, McDONALD, HAGEDORN, LOEFFLER, and LIVINGSTON changed their votes from "no" to "aye."

So the amendment to the Jones amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

☐ 2140

AMENDMENT OFFERED BY MR. WHITTEN TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA

Mr. WHITTEN. Mr. Chairman, pursuant to the rule, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Ohio, Mr. Latta. This is the amendment designated as amendment No. 56, which has been duly printed in the Record of Friday, May 21, 1982.

The Clerk read as follows:

Amendment offered by Mr. Whitten to the amendment in the nature of a substitute offered by Mr. Latta: Strike out section 304 relating to deferred enrollment and renumber the following sections accordingly.

The CHAIRMAN pro tempore. Under the rule, debate on this amendment is limited to 10 minutes.

Mr. REGULA. Mr. Chairman, how will the time be divided on this amendment?

The CHAIRMAN pro tempore. Is the gentleman opposed to the amendment?

Mr. REGULA. Yes; I am, Mr. Chairman.

The CHAIRMAN pro tempore. Then the gentleman will be recognized for 5 minutes.

Mr. REGULA. I thank the Chairman.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Mississippi (Mr. Whitten) for 5 minutes.

Mr. WHITTEN. Mr. Chairman, I would like to mention two things. First, we have already adopted this amendment on the two other substitutes, and I hope it will be agreed to on the Latta substitute.

What we voted on was to keep the Committee on the Budget from dictating the action of subcommittees within a committee. The Appropriations Committee has always managed to live within its total discretionary budget authority amounts determined pursuant to section 302 of the Budget Act. We respectfully submit that with the experience we have had and the interest we have in the Members and in our country, we have stayed within the allocations to the committee. We have cooperated with the Budget Committee and operated within the budget process even when it had not met the legislated deadlines, and we are in that situation once again.

So, I ask the Members to stay with us on this one, and I assure them that we will hold things within the budget but try our best to keep the Government from having to continue to operate under a continuing resolution. I thank the Members for their support.

Mr. Chairman, I reserve the balance of my time.

Mr. REGULA. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. Frenzel).

Mr. FRENZEL. Mr. Chairman, the deferred enrollment feature of the budget resolution is one of the very, very few solid controls we have over spending in this budget resolution.

It provides that the spending bills cannot be moved forward if they exceed the budget resolution. That is, they cannot be enrolled until a new resolution is passed or until the Budget Act is waived. Deferred enrollment is a defense against breaches of the budget resolution by overenthusiastic committees. It is a restraint against our basic urges to get around the strictures of the budget resolution.

The amendment offered by the gentleman from Mississippi guts that provision. It deletes deferred enrollment. If it prevails bills can move forward regardless of whether or not they violate the budget ceilings.

In my judgment, the deferred enrollment is really the best safeguard the Congress and the people of the United States have that we are going to live up to the budget resolution. It ought to be preserved.

Now, if the Members think the budget resolution is just a joke, and that we came here to play games, then they should vote for the Whitten amendment. Those Members do not want any enforcement. But, if Members want to insure control in the Budget Act, then I think they will want to defeat the amendment, and I do urge its defeat.

Mr. REGULA. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. Gramm).

Mr. GRAMM. Mr. Chairman, I thank the gentleman for yielding. I am sure there are Members here tonight who think this is a jurisdictional dispute. I am sure there are Members here tonight who think the budget is a nuisance, but I want to tell the Members what this vote is about and how it is going to play back home.

Those who voted "aye" on the last two votes and who will vote "aye" on this vote are saying, "Not only do we not want to do anything about spending, but we want to make it impossible for anybody else to do anything about it."

☐ 2150

We talk about trying to gain control of the deficit, we talk about balancing the budget, but without a budget, unless you have binding constraints, you cannot balance it. No matter what we do here tonight in terms of numbers, no matter what we do here tonight in terms of targets, if thegentleman's amendment passes, none of it is binding, none of it is enforceable, none of it is meaningful, and what we say to the American people is, "We think the budget is a sham. We are not willing to live by a budget. You have to live by one in your home, but we are not willing to live by one in the Congress."

Mr. Chairman, I assert that this is going to be the most significant vote of the 97th Congress because now we know who is for balancing the budget and who wants to have a budget and who is serious about spending.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentleman from Arkansas (Mr. Bethune), a member of the Budget Committee.

Mr. WHITTEN. Mr. Chairman, the gentleman from South Carolina has been seeking recognition for 1 minute.

The CHAIRMAN pro tempore. The gentleman is recognized for 1 minute.

Mr. WHITTEN. The gentleman from South Carolina?

Mr. BETHUNE. Do I have the time, Mr. Chairman? Who has the time?

The CHAIRMAN pro tempore. The gentleman has the time. The gentleman has 1 minute.

Mr. WHITTEN. Mr. Chairman, I yield myself 1 minute.

The CHAIRMAN pro tempore. The gentleman from Arkansas has the time. He may proceed for 1 minute.

Mr. BETHUNE. Mr. Chairman, I would like to propound a question for the gentleman from Mississippi (Mr. WHITTEN), the chairman of the Appropriations Committee.

Mr. WHITTEN. I would be happy to respond to the gentleman.

Mr. BETHUNE. Mr. Chairman, let me ask the gentleman, is it not so that Latta proposition had a different feature with respect to allocation and with respect to enrollment than the others?

Mr. WHITTEN. I believe, as the gentleman says, it does have such a provision. I would like to say this to the gentleman——

Mr. BETHUNE. Mr. Chairman, please. It is my time.

So the fact is that our provision was more flexible, our provision preserves the strength and enforcement feature, and now what you are trying to do is, having messed up the other two resolutions, what you are trying to do is mess up the enforcement features of the only one on the floor that has any teeth in it?

Mr. WHITTEN. Mr. Chairman, the gentleman could not be any more wrong.

Mr. REGULA. Mr. Chairman, may I inquire, how much time do I have remaining?

The CHAIRMAN pro tempore. The gentleman from Ohio (Mr. REGULA) has 1½ minutes remaining.

Mr. REGULA. Mr. Chairman, in the time I have left let me say to the Members that if we are going to have fiscal discipline, if we are going to say to the American people that we can control spending, we have to vote "no."

If you want to gut the budget process, if you want to have unlimited spending, if you want to take off the ceiling, then your vote is "aye," but you have to make the choice.

Many of us have given speeches saying that we want to get to a balanced budget in order to restrain the growth of government, and that we want to cut spending. If you really believe that tonight, you are going to have to vote "no" on this amendment and say to the American people, "We are serious about bringing discipline into the spending process; we are serious about getting control over spending in this government."

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The gentleman from Mississippi (Mr. WHITTEN) is recognized.

Mr. WHITTEN. Mr. Chairman, may I say, if you listen to me, your Committee on Appropriations has held the line; we are below the budget, and we will try to continue to be below the budget, and by this section you would stop the group that does its best to meet deadlines by establishing controls on the subcommittees within the committee.

Mr. BETHUNE. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. Mr. Chairman, I yield 1 minute to the gentleman——

Mr. CAMPBELL. A point of order, Mr. Chairman, I cannot hear.

The CHAIRMAN pro tempore. The gentleman is correct. The gentleman will withhold.

Mr. WHITTEN. Mr. Chairman, I yield 1 minute to the gentleman from South Carolina (Mr. CAMPBELL).

The CHAIRMAN pro tempore. The gentleman from South Carolina (Mr. CAMPBELL) is recognized for 1 minute.

Mr. CAMPBELL. Mr. Chairman, may I inquire if the intent of the Appropriations Committee would be, under the chairman, as we deal with these matters, if this amendment should prevail, that we would deal in the areas of both budget authority and outlay, which, of course, impacts our expenditures, and that we would seek restraint in both areas as we come to the floor?

Mr. WHITTEN. Mr. Chairman, I know of the gentleman's deep interest in this matter. It is my belief that we can. I assure you I think we can. We learned of his interest and we have been working to find some way to develop reliable figures. The gentleman is very concerned about this matter. So am I. I am concerned that outlays are estimates and any group can make estimates. I know the gentleman wants to improve control and have the best figures possible. He has and is making valuable contributions. At his urging as well as the gentleman from Texas we have already started to work on this. We have contacted the executive branch and the Congressional Budget Office and think we can work this out.

In addition to that, we will assure you that we will try to stay within any realistic outlay allotment that is granted to the full committee. We are trying here to keep from handcuffing the various subcommittees, including those of which the distinguished gentleman is a member.

Mr. Chairman, I appreciate and respect the gentleman's interest and concern.

The CHAIRMAN pro tempore. The time of the gentleman from South Carolina (Mr. CAMPBELL) has expired.

The Chair will state that the gentleman from Mississippi (Mr. WHITTEN) has 3 minutes remaining.

Mr. LOEFFLER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Texas.

Mr. LOEFFLER. Mr. Chairman, I thank my distinguished chairman for yielding.

I join with the gentleman from South Carolina (Mr. CAMPBELL) in expressing my concern about the fact that, particularly as we have moved through the appropriation process for fiscal year 1982, we were unable to look at numbers that properly reflected outlays, and as our distinguished chairman knows, both the gentleman from South Carolina and I have raised this point during the committee process.

Again, I would like to ask, as we move through the subcommittee and the full committee, will we be able to look at outlays as well as budget authority, both in the subcommittee and the full committee?

I think that is vitally important as we try to get a grip on deficit spending, and to this date we have not had adequate figures. First of all, we had none at all in the subcommittee, and we had inadequate figures in the full committee.

Could the distinguished chairman respond to that particular situation?

Mr. WHITTEN. Mr. Chairman, as I have stated to our distinguished colleague from South Carolina (Mr. CAMPBELL) I know of the interest and concern of the gentleman from Texas. The gentleman had stated his concern last year. At that time there were no valid figures available. It is my belief that this can be done. The gentleman in very properly concerned about this matter. I assure the gentleman that in response to the concern he has expressed we are working on a solution. Outlays are nothing but estimates about when checks will be written and they are subject to factors beyond anyone's control. We need to find the most reliable system possible and I assure the gentleman that I believe his concern can be addressed.

Mr. Chairman, what I am saying is it would be better if you let us run the internal affairs of the committee and keep the Government operating while we work out this and other difficult problems.

But I say to my friend from Texas and my friend from South Carolina (Mr. CAMPBELL), it may help if the committee could secure estimated outlays associated with budget requests and that any change presents the expected effect of such change on outlays.

Even this approach would of necessity be a best guess.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Mississippi (Mr. WHITTEN) to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. REGULA. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 212, noes 206, not voting 14, as follows:

[Roll No. 126]

AYES—212

Addabbo
Akaka
Albosta
Alexander
Anderson
Annunzio
Anthony
Applegate
Aspin
Atkinson
AuCoin
Bailey (PA)
Barnard
Barnes
Bedell
Beilenson
Benjamin
Bennett
Bevill
Biaggi
Blanchard
Boland
Boner
Bonior
Bonker
Bouquard
Bowen
Breaux
Brinkley
Brodhead
Brooks
Brown (CA)
Burton, Phillip
Chappell
Clay
Coelho
Collins (IL)
Conte
Coyne, William
Daschle
Davis
de la Garza
Derrick
Dicks
Dingell
Dixon
Dorgan
Dowdy
Downey
Dwyer
Dymally
Dyson
Early
Eckart
Edgar
Edwards (CA)
Ertel
Evans (GA)
Evans (IN)
Fary
Fascell
Fazio
Ferraro
Fithian
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Ginn
Glickman
Gonzalez
Gore
Gray
Grisham
Guarini
Hall (OH)
Hall, Ralph
Harkin
Hatcher
Hawkins
Heckler
Hefner
Heftel
Hertel
Hightower
Holland
Hollenbeck
Howard
Hoyer
Hughes
Hutto
Jacobs
Jenkins
Jones (NC)
Jones (TN)
Kastenmeier
Kazen
Kennelly
Kildee
Lantos
Lehman
Leland
Levitas
Lewis
Long (LA)
Long (MD)
Luken
Markey
Matsui
Mavroules
McCurdy
McDade
McDonald
McHugh
Mica
Mikulski
Miller (CA)
Miller (OH)
Mineta
Minish
Mitchell (MD)
Mitchell (NY)
Moakley
Moffett
Mollohan
Mottl
Murtha
Myers
Napier
Natcher
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Ottinger
Patterson
Pepper
Perkins
Peyser
Price
Pursell
Rahall
Rangel
Ratchford
Reuss
Richmond
Rinaldo
Rodino
Roe
Rogers
Rosenthal
Rostenkowski
Roybal
Rudd
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shamansky
Shannon
Simon
Skelton
Smith (IA)
Smith (NE)
Smith (PA)
Snyder
Solarz
St Germain
Stangeland
Stokes
Swift
Traxler
Udall
Vento
Volkmer
Walgren
Washington
Watkins
Waxman
Weiss
White
Whitley
Whitten
Williams (MT)
Williams (OH)
Wilson
Wirth
Wright
Wyden
Yates
Yatron
Young (FL)
Young (MO)
Zablocki
Zeferetti

NOES—206

Andrews
Archer
Badham
Bafalis
Bailey (MO)
Beard
Benedict
Bereuter
Bethune
Bliley
Broomfield
Brown (CO)
Brown (OH)
Broyhill
Burgener
Butler
Byron
Campbell
Carman
Carney
Chappie
Cheney
Clausen
Clinger
Coats
Coleman
Collins (TX)
Conable
Corcoran
Coughlin
Courter
Coyne, James
Craig
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daub
Deckard
DeNardis
Derwinski
Dickinson
Donnelly
Dornan
Dougherty
Dreier
Duncan
Dunn
Edwards (AL)
Edwards (OK)
Emerson
Emery
English
Erdahl
Erlenborn
Evans (DE)
Evans (IA)
Fenwick
Fiedler
Fields
Findley
Fish
Forsythe
Fountain
Frenzel
Gilman
Gingrich
Goldwater
Goodling
Gradison
Gramm
Green
Gregg
Gunderson
Hagedorn
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hendon
Hiler
Hillis
Holt
Hopkins
Horton
Hubbard
Huckaby
Hunter
Hyde
Ireland
Jeffords
Jeffries
Johnston
Jones (OK)
Kemp
Kindness
Kogovsek
Kramer
LaFalce
Lagomarsino
Latta
Leach
Leath
LeBoutillier
Lee
Lent
Livingston
Loeffler
Lott
Lowery (CA)
Lowry (WA)
Lujan
Lundine
Lungren
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Mattox
Mazzoli
McClory
McCloskey
McCollum
McEwen
McGrath
McKinney
Michel
Molinari
Montgomery
Moore
Moorhead
Morrison
Neal
Nelligan
O'Brien
Oxley
Panetta
Parris
Pashayan
Patman
Paul
Pease
Petri
Pickle
Porter
Pritchard
Quillen
Railsback
Regula
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Roth
Roukema
Rousselot
Santini
Sawyer
Schulze
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Skeen
Smith (AL)
Smith (NJ)
Smith (OR)
Snowe
Solomon
Spence
Stanton
Staton
Stenholm
Stratton
Studds
Stump
Synar
Tauke
Tauzin
Taylor
Thomas
Trible
Vander Jagt
Walker
Wampler
Weaver
Weber (MN)
Weber (OH)
Whitehurst
Whittaker
Winn
Wolf
Wolpe
Wortley
Wylie
Young (AK)

NOT VOTING—14

Bingham
Boggs
Bolling
Burton, John
Chisholm
Conyers
Crockett
Dellums
Madigan
Marks
Murphy
Rhodes
Rose
Stark

□ 2210

Messrs. LOEFFLER, KEMP, EDWARDS of Oklahoma, HAMMERSCHMIDT, WILLIAMS of Montana, CAMPBELL, HUCKABY, SAM B. HALL, JR., CLINGER, and LIVINGSTON changed their votes from "aye" to "no."

Messrs. FROST, DERRICK, ANTHONY, McCURDY, DORGAN of North Dakota, WILLIAMS of Montana, MINETA, and WIRTH changed their votes from "no" to "aye."

So the amendment to the Latta amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

Mr. ROE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, before I get into a discussion of the substance of my amendment, I would like to explain briefly for the benefit of all Members what I propose to do and why.

Under the rule, eight amendments have been made in order, amendment 59 through 66, which I could offer to any or all of the three pending substitutes. In addition, the rule also makes in order two amendments, Nos. 67 and 68, which could be offered by the distinguished gentleman for California, the Honorable DON H. CLAUSEN. Together, these 10 amendments could be offered at least 30 times to the various budget resolutions. Obviously, in view of the late hour, I have no intention of doing that.

In recognition of this, I propose to offer a modification of my amendment No. 61. I will not offer my remaining seven amendments if we can agree to this unanimous-consent request.

The purpose of my doing this is threefold: To expedite consideration of these matters in a timely and responsible manner; to present language formulated in conjunction with and supported by the Ways and Means Committee chairman as well as numerous authorizing committees; and to address a procedural issue of great concern to all Members of this body.

Therefore, Mr. Chairman, I ask unanimous consent to modify my amendment No. 61 by combining it with amendment No. 62. Both appeared in the CONGRESSIONAL RECORD of May 19 and 21, as required. The modified amendment was also resubmitted in yesterday's RECORD as a matter of courtesy and information to all Members of this body.

The modified amendment basically combines the intent of amendments Nos. 61 and 62. It does not go beyond the scope of either of the original amendments.

The amendment which is at the desk has been provided to Members on both sides of the aisle.

AMENDMENTS OFFERED BY MR. ROE, AS MODIFIED, TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA, THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF OLKAHOMA, AND THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ASPIN

Mr. ROE. Mr. Chairman, I ask unanimous consent to offer amendment No. 61, as modified, to all three substitutes simultaneously, en bloc.

The CHAIRMAN. The Clerk will report the modified amendment.

The Clerk read as follows:

Amendment offered by Mr. ROE, as modified, to the amendment in the nature of a substitute offered by Mr. LATTA, the amendment in the nature of a substitute offered by Mr. JONES of Oklahoma, and the amendment in the nature of a substitute offered by Mr. ASPIN: (Amendment to Jones substitute.)

In section 303 of the resolution insert the following new language: "If the changes in laws reported to the House by the House Committee on Ways and Means pursuant to section 301(K) of this resolution contain changes involving the imposition of new or expanded taxes to directly finance programs within the jurisdiction of any other Committee of the House (including, but not limited to, inland waterways or deep draft ports) or the imposition of any new or expanded user fees within the jurisdiction of any other Committee of the House, an appropriate referral pursuant to rule X of the Rules of the House should be considered."

(Amendment to Aspin substitute.)

In section 303 of the resolution insert the following new language: "If the changes in laws reported to the House by the House Committee on Ways and Means pursuant to section 301(G) of this resolution contain changes involving the imposition of new or expanded taxes to directly finance programs within the jurisdiction of any other Committee of the House (including, but not limited to, inland waterways or deep draft ports) or the imposition of any new or expanded user fees within the jurisdiction of any other Committee of the House, an appropriate referral pursuant to rule X of the Rules of the House should be considered."

(Amendment to Latta substitute.)

In section 303 of the resolution insert the following new language: "If the changes in laws reported to the House Committee on the Budget by the House Committee on Ways and Means pursuant to section 301(K) of this resolution contain changes involving the imposition of new or expanded taxes to directly finance programs within the jurisdiction of any other Committee of the House (including, but not limited to, inland waterways or deep draft ports) or the imposition of any new or expanded user fees within the jurisdiction of any other committee of the House, an appropriate referral pursuant to rule X of the Rules of the House should be considered."

□ 2220

The **CHAIRMAN.** Is there objection to the modification?

Mr. **FRENZEL.** Reserving the right to object, Mr. Chairman, the minority believes that the distinguished chairman has been very cooperative in working out his long list of amendments and that amendment No. 61, as modified, is consistent with the rules of the House and we are prepared to accept it on this side.

Mr. Chairman, I withdraw my reservation of objection.

The **CHAIRMAN.** Is there objection to the modification?

Mr. **JONES** of Oklahoma. Reserving the right to object, Mr. Chairman, I do so just to ask a question of the author.

Is this the exact same language on which the gentleman reached agreement with the chairman of the Ways amd Means Committee and the ranking member?

Mr. **ROE.** Mr. Chairman, will the gentleman yield?

Mr. **JONES** of Oklahoma. I yield to the gentleman from New Jersey.

Mr. **ROE.** Precisely.

Mr. **ROSTENKOWSKI.** Mr. Chairman, will the gentleman yield?

Mr. **JONES** of Oklahoma. I yield to the gentleman from Illinois.

Mr. **ROSTENKOWSKI.** Mr. Chairman, I want to state, for the RECORD, my understanding of this amendment and to express my sympathy for the frustration expressed by the gentleman from New Jersey with the budget reconciliation process. I realize that the authorizing committees are concerned about their prerogatives and fear that the budget process is impinging on the jurisdiction of these committees.

First, I want to assure the gentleman that it is the intention of this chairman, on behalf of the Committee on Ways and Means to continue our long history of working constructively with the Committee on Public Works and Transportation on matters of mutual concern to our committees.

The amendment before us would insure that consideration would be given, under rule X of the House, to a sequential referral in the event the Committee on Ways and Means reported legislation that imposed new or expanded taxes to directly finance programs within the jurisdiction of another committee, such as the Public Works and Transportation Committee. Similar consideration under rule X would be given to a sequential referral on legislation imposing new or expanded user fees within the joint jurisdiction of Ways and Means and an authorizing committee.

In my opinion, sequential referral to another committee is appropriate when, for example, in passing tax legislation designed to increase the revenues going into the highway trust fund, the Ways and Means bill goes on into areas more properly the responsibility of the Public Works Committee; then the other committee's rights should be protected. However, if the Committee on Ways and Means simply raises taxes alone—even if those taxes go into the highway or some other trust fund—no such sequential referral would lie.

In my view, this amendment is consistent with the present rules of the House, in that it specifies that consideration be given to sequential referrals in cases where sequential referral would be in order under rule X. While I question the necessity for it, I certainly do not object to the amendment if it provides sorely needed reassurance to the authorizing committees of the House.

Mr. **JONES** of Oklahoma. Mr. Chairman, I withdraw my reservation of objection.

The **CHAIRMAN.** Is there objection to the modification?

There was no objection.

The **CHAIRMAN.** Is there objection to the unanimous-consent request of the gentleman from New Jersey (Mr. ROE) that the amendments be considered en bloc to all three substitutes?

There was no objection.

Mr. **ROE.** Mr. Chairman, this amendment would add language to section 303 of the budget resolution to provide that if any of the increased revenues which the Committee on Ways and Means is directed to develop involve the imposition of new or expanded taxes to directly finance programs within the jurisdiction of any other committee of the House—including, but not limited to, inland waterways or deep draft ports—or the imposition of any new or expanded user fees within the jurisdiction of any other committee of the House, an appropriate referral pursuant to rule X of the House should be considered.

The intent of this amendment is to protect the prerogatives of all the authorizing committees of the House which have jurisdiction over the imposition of any new or expanded user fees. This is not a Public Works Committee amendment, nor a specific type of user fee amendment. Rather, it speaks "across the board" to all committees, to all user fees and, most importantly, to the very essence of the legislative process.

In addition, my amendment has the support of the chairman of the Ways and Means Committee as well as the membership of a number of authorizing committees.

Section 301 of the resolution directs the House Committee on Ways and Means to report changes in laws within the jurisdiction of the committee sufficient to increase revenues for fiscal year 1983. Pursuant to section 310 of the Congressional Budget Act, this directive is silent as to what specific programs should be considered for an increase.

However, the report accompanying House Concurrent Resolution 345 states the following:

> While the committee does not make specific revenue increases, the recommendation could accommodate * * * higher energy taxes * * * and increased user fees.

It states further that—

> The committee recommends offsetting receipts from user fees totaling $2.9 billion over 3 years.

In addition, in its discussion of revenue options, the committee specifically indicates possible changes in such user fee areas as deep draft, inland waterways, airport and airway, passport and visa, Coast Guard, and so forth.

Given this and the flexibility of the section 301 language, it is of concern to me and should be to many other affected committees and Members of the House, that in achieving the aggregate revenue total, increases could be imposed on new or expanded user fees involving programs within the jurisdiction of committees other than the Ways and Means Committee.

Therefore, Mr. Chairman, my amendment is technical in nature and has no budgetary impact. It is intended solely to preserve and insure the integrity of the legislative process. It does not seek to undermine the prerogatives of the Ways and Means Committee.

In general, it would simply state that if the changes in laws reported by the Ways and Means Committee contain changes involving the imposition of new or expanded user fees within the jurisdiction of any other committee of the House, then an appropriate referral pursuant to rule X of the House should be considered.

This language, I might add, is consistent with current House practice and the intent of the Budget Committee-reported resolution, which states in the report accompanying it that:

> It is also the intent of the committee that the Committee on Ways and Means consult with other appropriate committee or committees of jurisdiction in developing user fee legislation which recovers Federal expenditures for programs and activities under the authorizing jurisdiction of those committees.

As I mentioned earlier, this could have a significant impact on a number of programs which span the jurisdiction of numerous committees. However, as chairman of the Subcommittee on Water Resources of the Committee on Public Works and Transportation, I would like to address the situation with regard to inland waterways and deep-draft ports.

The administration has proposed legislation which would provide for 100 percent cost recovery of operation and maintenance costs as well as future construction costs. This represents a drastic change in present policy. Since the country's inception, the construction, operation, and maintenance of an inland waterway navigation system and of deep-draft ports has been considered to be properly the responsibility of the Federal Government because the benefits associated with water transportation are so widespread.These benefits accrue not only to vessel owners and shippers, but to the Nation as a whole. Consumers benefit by availability of goods at lower prices because of the energy efficiency of water transportation. This efficiency also enables the country to compete more efficiently in the world market, especially in the areas of grain and coal exports and, thereby, benefits our balance-of-payments situation. Moreover, our water transportation system serves other purposes as well such as recreation, water supply, and hydroelectric power. Finally, I would point out that over $5 billion a year is collected at U.S. ports in customs revenues.

The imposition of added user fees could have a substantial impact on not only the Nation's water transportation system, but on vast segments of its economy. On the inland waterways, the increased shipping costs associated with user fees would result in a certain amount of cargo diversion to other modes. There is the possibility that these other modes might then increase their rates commensurately, thereby adding even more to transportation costs. Vessels utilizing deep-draft ports would also have to increase their rates. For commodities such as grain and coal, the increases in shipping costs could have a severe impact on their competitive position in the world market. Farmers would not be able to pass on their increased shipping costs for exported grain because the price of that grain is fixed by world market prices. This would have a further depressing effect on the Nation's agriculture. The U.S. steel industry would be made even less competitive in relation to foreign steel because of increased shipping costs both for raw materials and for finished products. These matters were fully brought out in 4 weeks of hearings which our Water Resources Subcommittee held on the water transportation system.

Because of the significant impacts associated with user charges on the water transportation system, its users, and the Nation as a whole, we feel it is imperative that our committee, as the authorizing committee for this system, have an opportunity to consider any proposals made as part of the reconciliation process to recover new or increased revenues related to inland waterways and deep-draft ports.

Mr. Chairman, my amendment is intended to insure that the legislative process works in an effective and meaningful manner.

I call upon all to join me in supporting a matter of mutual interest to all of us.

Mr. HOLLENBECK. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from New Jersey.

Mr. HOLLENBECK. Mr. Chairman, I rise in support of my colleague from New Jersey's amendments. They are well thought out and necessary and in keeping with the quality of the gentleman's legislative efforts.

Mr. Chairman, I want to take this opportunity while I have the time to share with my colleagues in this Chamber some of my observations with respect to the budget alternatives before us and relate these thoughts to the needs of my constituents in the Ninth Congressional District of New Jersey.

While I agree with the President that the Federal deficit must be lowered, that we must reduce the tax burden, and that we should move in the direction of smaller Government, I deeply feel that many of the President's proposals to reach these goals will be achieved largely at the expense of the Northeast. I have supported the President in the past, but believe that many aspects of his budget are this year detrimental to the essential needs of New Jersey and the entire Northeastern region.

President Reagan's February budget was meant to be the next step in the administration's program to reduce Federal spending, cut taxes, and provide for certain necessary increases in defense expenditures. The President stated publicly that if his budget were fully enacted into law our Federal deficit would be held to $91.5 billion in fiscal year 1983 and would decline steadily in the years to follow. While the President had the best of intentions, it was widely recognized by economists and business leaders that the adoption of the administration budget would lead to unacceptably higher deficits. In addition, I heard sincere concern being expressed over the economic and technical assumptions underlying the administration package. I have reviewed predictions which state that when the proposals prepared for the President were costed out on a more realistic basis, the resulting deficit would be far higher than previously projected. Financial leaders argued that the large budget deficits—with the prospect of even higher deficits to come in the future—would create severe pressures in the Nation's credit markets, keeping interest rates at unfortunately high levels, and thereby preventing recovery from the current recession.

Under the administration's first proposal, medicaid cuts total $57 million for New Jersey. Of this amount approximately $4 million would be taken from residents of New Jersey's Ninth Congressional District. Food stamp cuts would be $66 million from New Jersey recipients and particularly hit hard families of the working poor; 32,000 recipients who try to work would lose eligibility or have benefits severely reduced. Welfare (AFDC) cuts totaling $47 million in New Jersey would tighten eligibility still further.

The President's first budget states that our basic welfare standard is,

> To help the poor work their way out of need rather than fostering dependence on government assistance.

The administration's budget proposals, however, would simply continue those policies initiated last year which in fact, eliminated most incentives to encourage the poor to seek and hold jobs. These policies are a direct consequence of the administration's view that welfare should serve the extreme poor. It was bad policy last year to achieve much of the welfare savings at the expense of the working poor. It is surely misguided to make deeper cuts this year. Supplementing the marginal incomes of the working poor is a legitimate and necessary part of a sensible welfare policy. Neither New Jersey nor the Nation can afford a set of welfare programs which drive the poor out of the work force.

Now, in place of the initial proposal, the House Republican leadership "compromise" being offered by Mr. LATTA places unacceptable cuts on entitlement programs. For example, entitlement cuts detrimentally affect medicare, medicaid, and nutrition programs. Under the original Latta proposal nearly 69 percent of the entitlement cuts were out of the medicare program in the amount of $4.85 billion. The Oakar amendment restored some of these funds. Medicaid is reduced to $483 million in fiscal year 1983 and by a total of $2.51 billion over the next 3 fiscal years.

Proponents of this package claim that such large savings will come from reform of the medicare/medicaid reimbursement systems for hospitals and physicians. However, in the absence of comprehensive, across-the-board reform, these cuts will be shifted to medicare/medicaid beneficiaries and private pay patients. I believe that cuts of this nature will undoubtably require the Nation's elderly to pay huge new out-of-pocket costs for medical care.

I feel that requiring such cuts fails to recognize that the elderly's out-of-pocket costs for medicare increased by 27 percent as a result of last year's cuts. I do not believe that such a cut can be justified when medicare pays only 38 to 44 percent of older persons total health care costs.

In order to achieve the cuts proposed in the Latta budget, it would require a further increase in beneficiaries' out-of-pocket expenditures for hospital care alone in fiscal year 1983 and even more in the outyears. Moreover, the Latta package requires substantial new out-of-pocket costs for physician care and a 100-percent boost in home health care costs.

The Latta substitute represents a loss of $2.1 billion in housing for the State of New Jersey during the next 3 fiscal years. Section 8 subsidies would be reduced so that 106 planned housing units for senior citizens in Hackensack, N.J., could no longer be afforded. Statewide it is my understanding that 1,715 dwelling units intended for both families and senior citizens could not be constructed. I find these cutbacks under the Latta substitute unacceptable especially in light of the fact that this funding instead of going toward human needs has been misdirected to an already bloated defense budget, which I addressed in my earlier amendment.

The proponents of the Latta substitute have claimed that education is provided a $397 million add-on over fiscal year 1982 levels. This assertion ignores several fundamental facts that seem to me to add to education cuts in the Latta package. I direct the attention of my colleagues to the fact that $700 million in deferrals are not included in the fiscal year 1983 function 500 baseline thus lowering the base to which the additions are made. Latta reduces funding for the guaranteed student loan program. Latta reduces need-based student aid programs and reduces funding for science research. This will detrimentally effect the National Science Foundation, NASA, and space research. With tuition costs increasing as Federal support programs decrease, we face the very real danger of sacrificing the most important investment in our future—educational opportunity for all our citizens—in the name of short-term budget savings.

Even with adoption of the Simon amendment to add to education and training programs, I do not believe that the Latta package is any more attractive. I say this because funding for education even with the Simon additions fails short even of levels previously contained within both the Aspin and Jones substitutes.

In addition the Latta energy budget is $550 million below the administration request and $1.7 billion below fiscal year 1982 program levels in budget authority. Under these provisions, I am afraid Congress will be taking additional steps to abandon its attempt to establish a national energy policy that pursues a balanced and broad-based range of energy programs. Relieving our dependence on foreign oil is vital to our Nation's economic recovery and the deep cuts or total elimination of many conservation and renewable energy programs will not serve to foster U.S. energy independence. On the other hand the Jones and Aspin substitutes propose a budget ceiling that at least freezes spending for energy at fiscal year 1982 levels and thus continue vital energy programs.

Similarly, Jones and Aspin freeze spending for environment and natural resources at fiscal year 1982 program levels, while allowing necessary addbacks for the Environmental Protection Agency (EPA) and the Soil and Conservation Service. Latta reduces the natural resources and environment function by $400 million below fiscal year 1982 program levels. It cuts the EPA budget by $40 million and reduces the Soil Conservation Service by $90 million. These last figures illustrate the plight of the EPA. At a time when EPA's responsibilities are increasing, the resources allocated under Latta for the achievement of its tasks will not be adequate. Simply stated, the environmental laws that protect the health of the American public and the integrity of the environment should not be abrogated through the budget process by this Congress.

Mr. Chairman, on Monday during House consideration of the Obey substitute I cast my vote in favor of this substitute measure. I did so because the Obey substitute is designed to sharply reduce the Federal deficit while providing funding for emergency job creation efforts and maintaining other domestic spending at approximately the same level in real terms as it was in fiscal year 1982. The Obey proposal would have provided for an immediate economic stimulus program, including jobs programs for workers who have exhausted unemployment benefits, and granted for maintenance and repair of local facilities.

The Obey substitute would have increased funding for medicare by $200 million in fiscal year 1983 over the levels contained in the Jones budget proposal. It also provided for an additional $700 million in budget authority in fiscal year 1983 for extended unemployment insurance benefits to those areas most severely affected by the current recession.

In terms of discretionary spending, the Obey substitute took as a starting point the freeze on domestic spending at fiscal year 1982 levels recommended in the Jones proposal. It then incorporated all of the Jones resolution recommendations for spending increases above the freeze level for specific programs. Included in the major programs to have benefited from this increase were housing, transportation, rental rehabilitation, social security, and NASA.

Finally, the Obey substitute would have provided for additional fiscal year 1983 funding above the levels in the Jones proposal. I embraced the Obey substitute with the knowledge that this additional funding would be used for investment infrastructure, job creation programs, and measures to improve productivity including mass transit, the Economic Development Administration, elementary, secondary, and vocational education, summer youth employment, job training for displaced workers, veterans' medical care, local revitalization grants, jobs for unemployment benefits exhaustees, bridge repair, and wastewater treatment construction.

Finally, tax cuts for a typical family of four under the Obey proposal would have been progressively adjusted to gross income. Families with adjusted gross incomes of $10,000 or less would currently receive $78 under the 1983 Reagan tax cut proposal. While the Obey substitute provides $313 in tax cuts to a family of four with an adjusted gross income of below $10,000. Similarly, families of four with adjusted gross incomes of $20,000 would receive $371 under Reagan and $323 under Obey. Families with adjusted gross incomes of $100,000 would receive $4,683 under Reagan's fiscal year 1983 tax cut proposal and $1,787 under Obey's tax package.

Mr. Chairman, I believe it should be obvious that the Obey substitute which I have supported would not only help to reduce the deficit but also functions to eliminate some of the inequities contained within the President's proposal. I deeply regret that the majority of my colleagues in the Chamber did not see fit to join me in my vote to approve the Obey substitute. Of the three budget alternatives that remain, it is clear in my mind that Jones and Aspin more closely resemble Obey than does the Latta proposal.

Mr. Chairman, as I stated at the outset, I agree with the President that our Federal deficit must be lowered. I share the hope that this will mark the beginning of our Nation's return to economic prosperity. It is imperative that the Government promote a stable economy to protect the value of wages and savings as well as to provide assurances to the American people in planning for future economic security. What is more, we need not accomplish these mutual goals at the expense of one region or group over another.

For this reason, I am impressed with the equitability contained in the Aspin budget substitute. Under the Aspin proposal a deficit for $95.1 billion which is lower than either of the remaining two alternatives is offered. In addition, it provides for a 5 percent real growth rate in defense expenditures, entitlement reform, revenue increases not to exceed $29.8 billion, no cuts in retirement COLA's, and investments in the future of our economy with additional funds for primary and secondary education, student aid, university research and development, and transportation infrastructure. The Aspin substitute is a viable alternative which adequately addresses our Nation's needs in an equitable fashion and, at the same time, substantially reduces the Federal deficit.

The Aspin budget is the product of a great deal of bipartisan dialog and effort. I feel it is satisfactory both in the short term and for the future. It is, as is often said, one which started its negotiations in the middle and worked outward.

I am drawn to it as well by its attention to many other vital needs in addition to those stated above. In a period of rising job shortages it contains funds for a 13-week extension of unemployment benefits, an emergency housing stimulus package, and a productivity package. In a time of increasing environmental concern it addresses hazardous waste problems and provides necessary EPA funding.

The Aspin-Pritchard coalition budget is, Mr. Chairman, not perfect but it is a beginning, a beginning I hope of an awareness on the part of the Members of this body that there are no easy answers, there is not one perfect way, and that we are dealing with people at the bottom line, not numbers. But more than that, Mr. Chairman, I hope that this is the beginning of an awareness on the part of the Members that these complex domestic times, and disturbed and complicated world, dictate a bipartisan, openminded approach.

We have been locked in a budget stalemate which is dividing and polarizing the Congress and the Nation—liberal versus conservative, north versus south, black versus white, rich versus poor, haves versus have-nots, O'Neill versus Reagan, guns versus butter, and so on, and so on.

Long experience has shown that there are no easy answers, and that to blame it on the other guy pushes us further from an answer. The liberals have to learn that just throwing money at a social problem will not make it disappear. Conservatives must be aware that it is one thing to create a social safety net and another to take away a dignified escape route to the mainstream. Doves have to learn that there is a Russian threat, especially in this emerging new generation of Soviet leadership. Hawks have to recognize that it is possible to force a nation such as Russia to spend itself to war. And we can go on and on in a litany of areas where true reconciliation is necessary.

I ask, would not a simple reminder to the politicians of the principles of reconciliation and brotherhood be a start toward that reconciliation, and a step away from deadlock, confrontation, and polarization? Look at each other's strongest points, emphasize agreements, and give credit for sincerity. Hopefully the Aspin-Pritchard coalition effort may be the first use of those principles, and lead the way to fairness and balance in later budget efforts.

Mr. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from California.

Mr. CLAUSEN. Mr. Chairman, this amendment does not change a single number in the resolutions before us. It is purely procedural in nature and is intended to do nothing more than assure that our current House rules relating to committee jurisdiction will be scrupulously followed with respect to any new user charge legislation proposed pursuant to this concurrent resolution.

Under our House rules and normal legislation procedures, there would be no need for this amendment. House rule 10 requires that all matters relating to subjects within the assigned jurisdiction of a particular committee be referred to that committee so it can consider the matter and report to the House with respect thereto. When, in the course of developing legislation, one committee includes a provision or provisions under the jurisdiction of a second committee, that second committee has a right under rule 10 to receive a sequential referral of the matter involving its jurisdiction.

I do not believe that anything about either the budget-setting process or the concurrent resolutions we have here before us today should negate the applicability of rule 10 to this legislation. However, these are not normal times, reconciliation is not a normal procedure, and the form of the reconciliation instructions before us today is unique. Thus, someone could somehow argue, because of all this unusualness we are caught up in, that authorizing committees having legitimate expertise and unquestioned jurisdiction are precluded from exercising their rights under House rule 10 should the Ways and Means Committee choose to respond to its reconciliation instructions by recommending the establishment of new user fees or taxes under the jurisdiction of those authorizing committees.

There is no doubt in my mind, and I cannot imagine that there is serious doubt in anyone's mind, that the authors of the Budget Act ever intended to produce such a result.

Let me give an example of the kind of situation this amendment is trying to address. The administration has twice this Congress submitted proposed legislation calling for the imposition of new deepwater port user fees. Both administration bills were introduced by request in the House and both bills, H.R. 2959 and H.R. 5073, were referred only to the Committee on Public Works and Transportation. The House Budget Committee report accompanying House Concurrent Resolution 345 states at page 43 that:

> The committee recommends offsetting receipts from user fees totaling $2.9 billion over 3 years. These user fee proposals represent the current versions of proposals originally included in the President's February budget. In addition, the recommendation assumes enactment of legislation to increase Government receipts from new or expanded user fees which would increase total savings up to about $6 billion over 3 years.

The table following this discussion in the report indicates that exactly half of the $2.9 billion referred to is expected to come from the deepwater port fees proposed in the two bills referred only to the Public Works Committee. Neverthless, the reconciliation instructions contained in House Concurrent Resolution 345 instruct only the Ways and Means Committee to raise revenues and, in fact, do not provide any instructions at all to the Public Works Committee.

There are similar but somewhat different problems with respect to current administration legislative proposals calling for new inland waterway user fees. And I suspect that other authorizing committees may be in a similar position concerning other types of user fees, such as Coast Guard fees.

Mr. Chairman, all three major versions of this concurrent resolution contain the same user fee flaw: Latta, Aspin, and Jones. While each has different amounts assumed, all recommend enactment of new user fee legislation, all contain reconciliation instructions only to the Ways and Means Committee to raise revenues, and none contains language in the resolution providing assurance to the authorizing committees with jurisdiction over programs covered by the new fees or taxes that their rights under House rule 10 will be preserved.

This amendment would provide that assurance. It does nothing more. It neither requires new user fees, nor does it prevent them. Rather, the amendment merely provides that if, in responding to the reconciliation instructions contained in this budget resolution, the Ways and Means Committee chooses to recommend new or expanded user fees or taxes within the jurisdiction of any other committee of the House, then the latter committee's rights to a sequential referral under rule 10 of the House would be assured.

Mr. Chairman, this is a good amendment, a procedural amendment only, and I urge its adoption.

Mr. ANDERSON. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from California.

Mr. ANDERSON. Mr. Chairman, I rise in support of the gentleman's amendment. It requires simply, that if subsequent to the adoption of this resolution any new or expanded user fee is reported by our tax-writing committee, that it be submitted to—and approved by—the appropriate authorizing committee.

The House Public Works and Transportation Committee last year spent 5 days here in hearings investigating this Nation's surface transportation needs. We have spent 6 additional days this year studying the same issue. We have had four field hearings in locations around the country to hear local people tell us what they feel these needs are.

Frankly, I feel that our Public Works and Transportation Committee has increased its understanding of the great transportation problems that are facing this country, and on solutions to those problems. It would be a tragic mistake if this expertise were not utilized.

Mr. Chairman, I urge our colleague to recognize this fact and support the gentleman's amendment.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Chairman, I rise in support of the gentleman's amendment.

Mr. HAMMERSCHMIDT. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. Mr. Chairman, I rise in strong support of my good friend and Public Works Committee colleague's amendment.

I want it clearly understood from the beginning that this consolidated amendment does not change any numbers and does not have a budgetary impact.

As has already been explained, the amendment is intended to preserve the integrity of the legislative process and of the House rules. It insures that new or increased waterway user fees or taxes, if proposed, will be subject to action by the authorizing committees. I want to stress that it involves the authorizing committees only to the extent that action is proposed or new or expanded waterway charges.

Our system of House committees with assigned subject matter jurisdiction was established for a reason and I believe that it has functioned and is functioning exceptionally well. It has produced a collection of reservoirs of knowledge and expertise, an invaluable bank of corporate memory which can be drawn on rapidly and effectively to address the wide variety of national needs that we face.

It is inconceivable to me that the drafters of the 1974 Budget Act or, for that matter, any of us who took part in making the act a law ever intended to upset or circumvent the jurisdictional rights of the House committees. If anything, it seems to me that exactly the opposite is true, that the whole structure of the Budget Act was designed in a way intended to recognize and reinforce the jurisdictional rights of the various committees. I am most certain that the Budget Act's language in section 301(b) concerning "any other procedure which is considered appropriate to carry out the purposes of this act" was never intended to be a tool to negate the rights and protections that relate to the jurisdiction of the House committees.

Nevertheless, it is pursuant to section 301(b) that the concurrent resolutions before us contain reconciliation instructions and, as you have heard, it is these instructions as they potentially could impact on new or expanded waterway user charges or taxes that have created the legitimate need for this amendment.

Mr. Chairman, enough explanation has been given for why we should all support the amendment. Allow me though, in closing, to bring to the attention of the House two comments that were made just last week by two of our counterparts in the other body concerning the issue of user charges. Senator Hollings, ranking Democrat on the Senate Budget Committee, suggested that:

> The key point here is that we in the budget process never infringe upon the jurisdiction of the particular authorizing committees or even indicate to any committee that we are directing them how to do their business by way of line itemizing.

Senator McClure, from the other side of the aisle, made the same point when he said:

> * * * I think it is necessary to clarify for the Record so far as the Senate is concerned that we are not going to get into the business, through the reconciliation process or the budget resolution, of changing the authority of committees with respect to their legislative authority.

Mr. Chairman, like our Senate counterparts and my colleagues here today, I do not think the House should be getting in the business of using the reconciliation process or the budget resolution to change the jurisdictional rules that have worked so well in the past. The amendment before us provides for appropriate involvement of the authorizing committees only if there are changes in waterway user fees and taxes.

The amendment is proper and clearly warranted, and I urge the adoption of the amendment.

Mr. YOUNG of Missouri. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Missouri.

Mr. YOUNG of Missouri. Mr. Chairman, I rise in support of the amendment offered by my distinguished colleague from New Jersey (Mr. Robert Roe).

Mr. Chairman, it is evident that throughout the history of this great Nation that a network of waterways provided for the early exploration and commerce that led to the growth and prosperity of the United States. Our coastal ports and rivers have helped to unify and bind together a vast and diverse Nation.

The waterways are an integral part of the national transportation system, including highways, railroads, and airlines, that is unsurpassed in the world. From the beginning, the Federal Government assumed responsibility for developing, improving, and maintaining the national waterway system.

Our waterways must play an equally important role in the future in building a strong and prosperous America. The Nation's 25,543 miles of navigable waterways provide routes for the transportation of food, fuel, raw materials, and other products that are essential to an advanced and interdependent society.

They also provide the means to export the products of our farms, factories, and coal mines to overseas markets. Coal its the largest single commodity shipped by water. With 31 percent of the world's coal reserves under its soil, the United States is in a highly advantageous position to help meet the world's growing need for energy.

Our system of waterways has been neglected. U.S. port technology is at least 30 years out of date and cannot efficiently handle current levels of exports. Between 1976 and 1981 Congress did not authorize any deep water channels.

Twenty proposed channels are awaiting congressional approval. Deficiencies in ports and inland waterways result in the loss of export sales and in more losses to shippers due to delays in the movement of cargo.

Mr. Chairman, after weeks of hearings in our committee, it was firmly established that additional user fees would have a devastating impact on the Nation's water transportation network, as well as on vast segments of the economy. Because of the substantial impacts associated with user fees on our waterways and the Nation as a whole, I believe that the authorizing committee, Public Works and Transporation, should have every opportunity to evaluate any proposals that will increase user fees on our inland waterways and deep draft ports.

I strongly feel that it is inequitable to single out the waterways and ports to reimburse the Federal Government while other transporation modes receive substantial Federal subsidies.

Further, Mr. Chairman, I believe for purposes of reconciliation, it is inappropriate for the budget proposals to specify which taxes must be raised or increased in order to reach the total amount of revenue increases. What I am suggesting is that the Budget Committee and the other committees have no business in telling the tax writing committee which taxes to raise or what kind of user fees to establish. That is why we have other committees.

As I have stated, I firmly believe that any user charges imposed on the water transportation system should be fully reviewed by the authorizing committee which has jurisdiction over the inland waterways and deep draft ports. I would also remind the Members of this Chamber, that a similar discussion on user fees occurred about a week ago between Senator HATFIELD, Senator DOLE, and Senator LONG in deliberations in the Senate.

Mr. Chairman, I strongly encourage my fellow colleagues to support the amendment and preserve the integrity of the legislative process.

● Mr. ALEXANDER. Mr. Chairman, I support the Roe amendment for a number of reasons. First, it will correct the administration's proposal to increase fees that will add to the load of production costs our American farmers must bear.

Second, we in the Congress have already approved the levying of new charges on inland waterways transportation and the impact of those charges on our economy, and particularly on our farmers, is not yet known, thus it would be unwise to further increase the burden.

Third, the administration's proposal to increase user fees carries with it the strong probability that it would further erode the competitive position of American agriculture in the international marketplace.

Fourth, it appears, based on the information available to me, that the administration continues to propose that inland waterways transportation bear a heavier cost burden than would be justified if only those operation, maintenance, and new construction costs stemming directly and solely from navigation needs were considered.

Last year, I also opposed the administration's proposal to increase user fees since it penalized some regions of the Nation while giving the advantage to others through a segmented charge. While, as I understand it, the administration is proposing that the user charge be the same for all parts of the Nation, the effects of its proposal, at least in the short and midterm, are inequitable. Already before the Committee on Appropriations is a proposal that dredging operations essential to operation of shallow draft harbors and less heavily traveled waterways be stopped or reduced until the user charges start bringing in money. But, operations and maintenance funding for heavily used ports is requested. In other words, the big cities and big ports are to continue to get help while the small cities and ports get little or none.

If the administration's proposal were adopted, it would, at a minimum, increase the cost of moving an eight-barge tow on the Mississippi River from Osceola, Ark., to New Orleans from an average of about $1,500 to between $10,000 and $11,000. The cost of moving a similar tow from Helena to New Orleans would rise from an average of about $1,200 to about $9,000. These cost estimates are based on data available from the Arkansas Waterways Commission, the U.S. Corps of Engineers and the Reagan administration proposal.

I urge my colleagues to support the amendment.●

● Mrs. SCHNEIDER. Mr. Chairman, I rise in support of the amendment offered by Mr. ROE which preserves the right of authorizing committees to review and/or act on any new or expanded user fee proposals reported by Ways and Means pursuant to reconciliation instructions.

Users fees can be a very attractive alternative to a general revenue hike, especially to groups not subjected to the user fee. However, user fees often profoundly affect the industries or other user groups who do have to pay the additional fee. Authorizing committees are knowledgeable about the effects specific user fees will have, and authorizing committees should have input into the decisionmaking process.

Furthermore, user fees can take many forms, each of which distributes the burden of the fee differently. Many authorizing committees, such as the Merchant Marine and Fisheries Committee on which I serve, have devoted a great deal of time and effort to the consideration of user fee proposals. We have carefully considered the effects different fee schedules would have on different user groups. This expertise should be factored into the final proposal in order to achieve the fairest and least disruptive fee system that is possible.

Mr. Chairman, I strongly support this amendment which preserves the right of the authorizing committees to review user fee proposals. I urge my colleagues to vote for it.●

Mr. ROE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendments offered by the gentleman from New Jersey (Mr. ROE), as modified, to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA), the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. JONES), and the amendment in the nature of a substitute offered by the gentleman from Wisconsin (Mr. ASPIN).

The amendments, as modified, to the Latta amendment in the nature of a substitute, the Jones amendment in the nature of a substitute, and the Aspin amendment in the nature of a substitute were agreed to.

● Mr. MOFFETT. Mr. Chairman, we should not make Federal employees the scapegoats for the Federal deficit.

Over the last 5 years, Federal employee pay rose by only 31.3 percent, even though the Consumer Price Index rose by 46.6 percent and private sector pay rose by 41.7 percent. In the last year, Federal employees have seen their health benefits substantially reduced. And job security for Federal employees has virtually evaporated, as RIF's and furloughs have hit many Federal agencies.

The amendment offered by my colleague from Maryland, Mr. HOYER, addresses the issue of Federal pay in a reasonable and fair manner. The budget proposals now pending before this body, which limit salary increases to 4 percent for fiscal year 1983, seek to force civil servants to bear a disproportionate share of the burden of cutting the Federal deficit. By raising the cap on Federal pay to a modest 7 percent, the amendment provides some badly needed relief to Federal employees without busting the budget.

The President came into office promising to make Government more efficient and more productive. Yet his policies have achieved the opposite result. RIF's, inadequate pay increases and cuts in Federal benefits have all served to reduce morale, and thus, lower productivity in the Federal work force. We cannot expect to maintain a competent, efficient civil service unless we show a little more evenhandedness in helping Federal pay keep up with inflation.

I understand very well the need to reduce the Federal deficit. We cannot expect the economy to recover if the Federal Government is squeezing private enterprise out of the credit market. But there are ways of reducing the deficit that are much more effective and productive than attacking Federal employees. We could cut much of the wasteful spending in the Pentagon budget. We could eliminate costly and wasteful tax loopholes currently enjoyed by the oil industry. And these are just a few examples.

If we go along with the President's proposal to place severe limits on Federal pay increases, we will expose our shortsighted willingness to abandon our commitment to fairness and efficiency in our rush to cut the budget. I urge my colleagues to resist this temptation, and to show their commitment to responsible government by supporting the Hoyer amendment.●

● Mr. McGRATH. Mr. Chairman, I rise in support of the amendment offered by the gentlelady from Ohio. I am quite discouraged and disappointed that the amendment before us is the only vehicle through which medicare will receive a realistic funding level for 1983. It is a sad day when this House must consider a continuous string of trade-offs of one pressing national responsibility against another.

It is clear that we must act to control the cost of medicare before it consumes the entire trust fund and creates another in the long list of troubles which lie ahead in our entitlement programs. I am well aware of the facts as described by my distinguished leader from Illinois earlier in this debate, particularly his point that in the next 3 years we will spend as much as we have through the entire history of the program, which is 16 years old.

However, with all due respect to my good friends who have drawn the medicare provisions of the Latta substitute, I must in all candor state that their reductions go too far. Cutting the growth of medicare by $4.8 billion in 1 year is unreasonable and unachievable.

I would like to get away from the discussion of who is out to hurt senior citizens. I do not believe there is a single member in this body who want to prevent older Americans from receiving proper medical care. So let us examine what the Latta substitute proposes to change in medicare. First, a series of regulatory reforms is suggested along with specific changes in reimbursement rates. I have few problems with those proposals, and I wish they would have been included in the amendment offered by the gentlelady from Ohio. The most significant savings in the Latta substitute—over half of the reductions in the next 3 years—is gained through a system of prospective reimbursement of hospitals for services covered under section 223.

During my tenure in the New York State Legislature, where I served as ranking Republican on the health committee, I spent the better part of 4 years working out a comprehensive prospective reimbursement formula for medicaid. The idea works, and I am confident that we can obtain strong support for such an initiative, however, we will not be able to save money in the first year of such a system, and we cannot implement such a significant reform within the available time and with the available information.

The very nature of a prospective reimbursement system requires money up front thereby changing the cash flow for the Federal Government in the medicare program. That is why it will cost more in the first year of such a plan, and the savings suggested in the Latta substitute simply cannot be realized. By mandating reductions, which cannot be achieved, we will be forcing hospitals to reduce services, since the impact of changes in section 223 regulations applies to routine services provided to patients. Hospitals would also have to contend with sudden major changes in accounting principles and regulations with little or no phase in period to adjust to the new system. Auditors and intermediaries will face similar problems.

There are many hospitals in this Nation currently operating at or close to the margin. Since there is no provision to hold hospital reimbursement rates harmless from reductions in the 1982 reimbursement levels, they face the prospect of receiving less in 1983. Throughout the Northeast, this could lead to many bankruptcies of hospitals and harm not only the elderly, but everyone.

We recently witnessed a situation in the Federal end stage renal disease (ESRD) program where hastily conceived regulations were drawn up which were to achieve a mandated savings. The result was a confusing and totally unrealistic product. Since the figure was previously arrived at, the methodology of determining reimbursement rates was tailored to meet it. Thus we had a meaningless and seriously defective policy, which the administration is now hard pressed to defend. I forsee a similar situation ahead if we do not reform medicare properly.

The Health Care Financing Administration will once again be pressured to draw up new regulations to achieve a set amount. Since that agency does not possess up to date cost reports, any new regulations will fail to accurately reflect the true cost of health care at the present time. Furthermore, a plan developed with great urgency will certainly overlook potential savings. In summary, we will continue operating without a well reasoned methodology for controlling the spiraling cost of health care. I submit that the administrative wrangling will go on long into fiscal year 1983 if the savings outlined in the Latta plan are mandated. I wish to ask all of my colleagues on both sides of the aisle and the administration to thoroughly investigate and develop a system of prospective reimbursement for hospitals. However a prospective system is not a quick fix.

Again, I wish to say that I am not fully satisfied with this amendment, but I feel it would be dishonest and harmful to assume that the Latta medicare provisions are workable for fiscal 1983.●

● Mr. BIAGGI. Mr. Chairman, I rise in full support of the amendment to restore the full cost-of-living increase for the almost 3 million Federal civilian and military retirees. The alternative to passage of this amendment will be the imposition of an arbitrary cap on the COLA at 4 percent.

There is clearly an issue of equity involved here. Under the substitute proposed by the chairman of the Budget Committee—Federal retirees are the only group denied the full COLA. We just witnessed the outcry which was registered when it was contemplated that social security recipients might have their 1982 COLA's either reduced or frozen. Yet, the question is who represents the Federal retiree when they are threatened with an almost 50-percent reduction in their scheduled 1982 COLA. I contend that passage of this amendment will send the signal to the Federal retiree that this Congress does not in fact consider them to be second-class citizens.

To approve a limitation of the 1982 COLA would mean that Federal employees will be dealt still another blow to their economic security. Last year Congress approved a key revision in the determination of the COLA's awarded to retirees. We went from twice a year to once a year COLA's. This has created great hardships among Federal retirees and to further penalize the Federal retiree borders the cruel and callous.

Federal retirees, like many other elderly in this Nation, need every cent of their annual cost-of-living increase. Many live on fixed incomes and make definitive plans based on a reasonable and realistic COLA each year. If inflation has in fact increased by more than 7 percent in the past year, than this should be reflected in the COLA awarded this year to the Federal retiree. It should not be capped at 4 percent for all we do is simply place the

Federal retiree with one less level of protection against high living costs.

The Reagan administration has proven itself to be no friend of the workingman who chose to do his work in the Federal Government. The morale sapping policy of RIF's and furloughs has demeaned the value of Federal service for many thousands in this Nation. In addition—the assault on the basic right of a Federal retiree to live free from poverty has been launched by this administration and in fact would be perpetuated with the adoption of the pending substitute.

I fully support this amendment and believe strongly that it must be adopted or we will once again reveal that in our passion for economy—we are showing no compassion for those in need.●

● Mr. OXLEY. Mr. Chairman, I supported the balanced budget concept embraced by the amendment offered by the gentleman from California (ROUSSELOT). It is imperative that Federal spending be brought under control and fiscal sanity restored to the budget process. Setting a balanced budget as a goal would go a long way toward accomplishing that objective. This goal should not, however, be achieved through tax increases.

Of the remaining alternatives left for us to consider, I would strongly urge my colleagues to adopt the bipartisan substitute offered by my colleague from Ohio (LATTA). While it does not go so far as to require a balanced budget in fiscal year 1983, it does go a long way toward restraining Federal spending and curbing the spiraling deficits that continue to plague our economy.

We are right now seeing the effects of the runaway spending that has controlled Federal fiscal policy for too many years now. Unemployment is at its highest level since the Great Depression. Interest rates are unacceptably high, deterring investment and maintaining the current state of economic stagnation in which this Nation finds itself. We are in a recession, and a major one at that.

An article in the Wall Street Journal stated that:

> (I)n the first 3 months of this year, businesses filed for bankruptcy at the rate of 36 for every hour of the business day. At that pace, the total for the year would be 74,676, the largest in American History.

Add to this figure the staggering number of personal bankruptcies that have been filed and it indeed paints a bleak picture.

We cannot continue to stand by and watch the U.S. economy collapse before our very eyes. The free-spending ways of the past have not worked and they will not work now. We need a budget that will decrease spending and decrease the deficit, thereby lowering interest rates, increasing employment, and spurring economic recovery. I therefore urge my colleagues to support the bipartisan substitute and to reject the other two proposals that are before us.●

● Mr. CLAY. Mr. Chairman, as we continue the debate on the various budget substitutes for fiscal year 1983, I would like to offer some comments for my colleagues to seriously consider regarding these budget proposals. Specifically, I stand in opposition to the Latta substitute.

This budget substitute will have a profound adverse effect upon the Nation in general and the poor and minorities of this Nation in particular.

It is most disquieting and troubling to me that the present administration as well as my fellow colleagues in the Congress are continuing to recommend cuts in programs which adversely affect the poor of this Nation. At a time when approximately 50 million people are reeling from the debilitating consequences of inflation and unemployment, this budget proposal has every indication of consigning this group to a position of permanent underclass in our Nation.

It has become clear to me that the current administration had declared an all-out war on our Nation's poor and middle class.

The hopeful and compassionate socioeconomic programs that were generated in the 1930's and 1960's have been scuttled by these budget proposals. A determination has been made to support defense needs as a priority rather than human needs as reflected in the disparate conditions of the Nation's average citizen.

The litany of sorrows and national frustrations already engulf the urban centers and rural areas of our Nation. Added to these frustrations, budget proposals continue to include cuts which fall most heavily on aid to families with dependent children, supplemental security income, food stamps, child nutrition programs, energy aid to the poor, and support programs for the elderly.

The misery index has swelled beyond all conceivable dimensions. How many Americans feel that they are better off now than they were just 2 years ago? It was just 2 years ago when this question was asked by our current President, then-candidate Reagan.

I suggest that we ask the same question to the over 10 million unemployed. I suggest to you now that we ask the same question to the family farmers who are bankrupt. I suggest that we ask the same question to the factory workers, the steelworkers, the autoworkers, the Government workers, educators, senior citizens, consumers, construction workers, transportation workers. I suggest that we ask the white collar the blue collar, the no-collar working poor that same question. I suggest that we ask ourselves what the answer would be. I put this question to my colleagues in this Chamber: Is our country better off today than it was yesterday? If you examine your conscience and your heart, you and I both realize that the answer is no.

The strategy of the current administration is to combat inflation at the expense of jobs by deliberately creating unemployment. There are currently 10.3 million Americans out of work. Not since June of 1941, when the United States was still suffering from the effects of the Great Depression has the Nation experienced an unemployment level as high as the level for April 1982 reported by the Labor Department.

I find the Latta budget proposal to be totally unacceptable and incompatible with the American ideal of equality of opportunity for all.

Mr. Chairman, I have some specific examples to share with this body regarding the impact of past budget cuts on Federal employees of our Nation as well as the impact on postal employees and services.

Since, January 1981, 8,914 Federal employees have been separated from their jobs, with another 18,000 Federal workers displaced by RIF procedures. Thousands of Federal employees have been unilaterally furloughed without pay for 1 day per pay period resulting in nothing less than a 10-percent reduction in salary for those Federal employees. Nor have Federal retirees escaped the budget knife. The reconciliation bill passed by Congress last July reduced their semiannual cost-of-living adjustments to just one per year.

In light of the above, Federal workers are wondering whether the administration's goal is austerity or . . . extinction.

The President wants to eliminate totally the public service subsidy which supports uneconomical postal activities such as door-to-door service, 6-day delivery, rural mail service, and so forth. Last year, Congress reduced this subsidy by $452 million to $100 million for fiscal year 1983. Now, the administration would erase this subsidy entirely for fiscal year 1983.

Further significant reductions of this subsidy will inevitably contribute to deterioration of the quality of postal services and will significantly contribute to further postal rate increases.

The idea of a self-supporting postal service is ill-advised and unrealistic. The idea of a Postal Service whose revenue will equal its operating expenses is simply incompatible with a Postal Service which provides efficient service at uniform, economical rates to all citizens of this Nation. The Postal Service cannot be treated as if it were a private business. To maintain a quality of service which Americans need and rightfully expect . . . to stem the increase of postal rates, the Postal Service needs an infusion of funds provided by the public service subsidy.

The other category of postal appropriations which the administration wishes to cut dramatically is the revenue foregone appropriation—the direct subsidy of the rates paid by certain categories of mailers.

The administration last year succeeded in cutting this subsidy to the point that rates paid by mailers have risen by anywhere from 50 to 110 percent. And now, the subsidy would be cut even more for fiscal year 1983. If this happens, the rates will go still higher. It is ironic that the same administration that is urging private charities to pick up the slack caused by cuts in social programs is now depriving these organizations of the wherewithal to do the job.

Mr. Chairman, the situation is bad and getting worse, and I say to you that the proposed Latta substitute will compound the problems we face.

This fierce attack directed against the needy is continuing in full force in this Chamber. This group is reeling from a national administration that has terminated the war on poverty and declared war against the poor.

I believe it to be fitting and appropriate at this time to refer to Hubert H. Humphrey, a warrior for justice, who, during the dedication of the Hubert H. Humphrey Building in 1977, said:

> The moral test of government is how it treats those who are in the dawn of life—the children; those who are in the twilight of life—the aged; and those in the shadows of life—the sick, the needy and the handicapped.

The Latta substitute before this body shows only insensitivity toward the plight of these groups. The assault continues on the children, the old, the sick, and the handicapped and this is evidence enough that we are failing the moral test of government.

Mr. Chairman, in April 1886, Frederick Douglass stated:

> Where justice is denied, where poverty is enforced, where ignorance prevails, and where any one class is made to feel that society is an organized conspiracy to oppress, rob, and degrade them, neither persons nor property will be safe.

This was written almost 100 years ago. However, the message conveyed still speaks loud and clear in relation to the increased military buildup at the expense of badly needed moneys for socioeconomic programs. The philosophy, the mind set, the mentality of the administration and a majority of the Members of this body are ones of a determination to misdirect our resources toward a massive war machine.

Mr. Chairman, the Fauntroy substitute was not about race for the effects of the substitute transcended race in our society. Suffering, pain, and deprivation cannot be equated with race. Swollen bellies in all white rural Nebraska are just as debilitating as they are in all black Harlem; illiteracy in all white eastern Kentucky and mental retardation in all white Joplin, Mo., are just as crippling as they are in mostly Hispanic San Jose. Suffering is a human condition which transcends consideration of race and color.

The Latta substitute, specifically with regard to social programs as well as in the areas of general government, is callous and appalling. This budget will eliminate resources which provide food, shelter, clothing, jobs, and health care to many of the poor and minorities in our Nation.

I urge my colleagues to join me in defeating the Latta substitute.●

● Mrs. SCHROEDER. Mr. Chairman, I rise in opposition to the Latta substitute. The Latta substitute is the least realistic alternative before us. It will do the least to bring down interest rates. It will do the most to hurt the poor, the unemployed, and those on fixed incomes. It has priorities which do not reflect the interests of my constituents.

Let me list just a few of the areas in which the Latta budget is unacceptable:

THE DEFICIT

The Latta budget has the highest deficits of the three budgets. The amendments adopted on medicare, COLA, and education assure growing, rather than diminishing, outyear deficits. Passage of this budget will send out a message that we do not intend to control Government borrowing. There will be no incentives for the lowering of interest rates.

DEFENSE

The Latta amendment essentially contains the entire Pentagon wish list. No restraint is placed on the growth of defense spending. The budget subscribes to the philosophy that the way to meet our defense needs is to throw larger and larger sums of money at the Pentagon. What is needed is a larger contribution from our allies and a careful analysis of what spending will make us stronger. The Latta budget engages in no such analysis, preferring unthinking spending on defense.

FEDERAL PRODUCTIVITY

The Latta amendment makes meat ax cuts in Federal programs. The Federal bureaucracy, contrary to so much of what has been said on the floor over the last week, is the strongest defense we have against waste, fraud, abuse, and mismanagement in the programs we fund. Cutting out, without careful management, large chunks of the bureaucracy will mean that our payments to States, contractors, and individuals will be made without appropriate checks and balances. The language in section 307 about RIF's is a cosmetic nullity. The Latta budget will mean large cuts in the Federal work force and increased waste of Federal dollars.

HOUSING

The Latta budget ignores the strong congressional mandate for action to revive our depressed housing industry. The Latta budget does not contain room to pay for the housing assistance program we passed just a couple of weeks ago.

MEDICARE

Despite adoption of the Oakar amendment, the Latta amendment makes deep cuts in the medicare program in the outyears. I do not think we should take out our inability to balance the budget on the senior citizens, a majority of whom are women.

There are obviously numerous other areas, such as student aid, nutrition, and public assistance which are woefully deficient in the Latta budget. It is a flawed, inequitable, and unworkable package.●

● Mr. GOLDWATER. Mr. Chairman, I rise in support of the substitute offered by the gentleman from Ohio, **Delbert Latta**, and the gentleman from Illinois, **Robert Michel**. I do this for reasons I will go into shortly; however, in brief, this proposal is clearly preferable to either the Aspin substitute or the House Budget Committee bill. I had hoped this body would approve a balanced budget proposal; accordingly, I supported the Rousselot substitute earlier this week. It is clear this would have resolved most of our country's economic problems by its continued commitment to Federal spending cuts and retention of the second and third years of the tax cuts. I spoke to this in more detail on Monday, so I won't go into the details again.

The Michel-Latta substitute is a fair compromise. Passage of this will permit us to get on with the business of the Congress, as well, which in my mind is one telling reason to vote for this measure. I find it an abomination that we are almost into the second half of the year—only 4 months from the beginning of the fiscal year whose budget we have under consideration now—and we are still bickering among ourselves.

This body has got to begin realizing that the mood of our Nation is changing. Americans, by an overwhelming margin, want to keep more of what they earn. They want to see a new direction—less Government; not a return to the days of free-wheeling big spending. Today we have an educated electorate who realize that those expensive Government spending programs which are not paid for by tax revenues are paid for by inflation and money that, like our currency 200 years ago, "isn't worth a Continental." We have all heard time and again that our dollar is worth about 20 cents compared to what it was at the end of World War II. It is unfortunately true. The American people want statesmen today; not a Congress that continues to spend money we do not have to spend. Even the partial reductions contained in the measures before us today are not sufficient; halfway measures only bring halfway results. This economy needs drastic measures.

The Latta substitute is best because it is only a change in degree in the economic recovery program. It still looks toward tax cuts and Federal spending cuts as the means to restore fiscal responsibility, lower inflation, and full employment. The Democratic proposals are a denial of supply-side theory; they return to the failed Keynesian theories of spend and spend and tax and tax.

The Latta proposal maintains a steady growth in the rate of defense spending, so that we can begin to rebuild our deteriorated Armed Forces. On the other hand, the Democratic proposals would eliminate over 90 percent of the Reagan administration's proposed increase over the Carter budget.

The Latta substitute seeks to reduce the deficit by reductions in spending. The total budget for fiscal year 1983 under this proposal will be $767.5 billion with $20.9 billion in tax increases. The basic individual tax and business tax cuts will be preserved. The Democratic proposals would mandate Federal spending at $780.6 billion with $31.7 billion in new tax increases: Repeal of the individual tax cuts and major cutbacks in the business tax incentives for investment, productivity, and jobs.

In the final analysis, the Democrat leadership is proposing a return to failed liberal policies. Almost half of the leadership's deficit reductions would result from increased taxes and cuts in defense spending. We have tried these policies and where are we today? Double-digit unemployment, stagnant economy, sky-high interest rates—all the signs of impending economic disaster. The American people are told by the Democrats that we, as a nation, will have to get used to "less"—a lowered standard of living, lowered international prestige, secondrate everything. The American people will not accept that and Congress has to recognize this, or the American people will surely replace us with a Congress more attuned to the economic and political realities of the 1980's.

For these reasons, I urge my colleagues to support the Michel-Latta substitute budget for fiscal year 1983.●

● Mrs. SCHNEIDER. Mr. Chairman, I rise in strong support of the Oakar amendment and its worthy purpose of restoring badly needed medicare funding to the Latta substitute. The commitment to proper health care for the elderly in this country must remain unblemished, and I urge all my colleagues to lend their full support to the effort to insure that the elderly need never live in fear that they can not receive a reasonable level of care.

However, Mr. Chairman, I will not stand for the use of the Oakar amendment, by opponents of proper medicare funding, to gut the credibility of the Aspin substitute, of which I am a coauthor. I can not stand with those who would use the Oakar amendment in an attempt to defeat the Aspin substitute which is, in the final analysis, the fairest, most equitable, and responsible proposal on the table. Therefore, I will vote against the amendment to the Aspin substitute—and for that reason alone.●

● Mr. BEDELL. Mr. Chairman, I rise in support of the bipartisan Aspin-Pritchard budget resolution. I am delighted to note that this is truly a bipartisan proposal enjoying the support of a number of Democrats and Republicans.

During this time of extreme economic difficulty existing throughout the country, I believe it is absolutely essential that we put aside our partisan differences and join together to find the solutions to our economic crisis. The economy can no longer tolerate the existing uncertainty and turmoil. This budget hardly begins to satisfy all of the needs of our country, but it represents a workable and practical solution to our economic dilemma and does so in the best tradition of compromise.

Mr. Chairman, I would like to point out during this debate a significant fact I believe needs to be made. The Congress will, to a greater or lesser extent, provide for the necessary midcourse corrections to the President's economic program that need to be made. It is essential to stress that all of the fiscal year 1983 budget resolutions pending before us attempt to achieve the same goal: To reduce the massive, unprecedented deficits which are keeping interest rates so devastatingly high. And each plan does it in the same manner by slowing down the unwarranted planned increase in defense expenditures; making additional cuts in domestic programs; and narrowing the massive revenue gap resulting from the largest tax cut in our history.

Mr. Chairman, the country is in trouble today. I contend that it is in trouble primarily because of the high interest rates caused by record Federal deficits. In my opinion, no one should have expected that we could institute massive increases in defense spending and create massive tax cuts, and not expect the problems we have encountered.

Since the passage of last year's budget, and last year's tax cut Wall Street has become almost paranoid and the stock market has fallen 100 points; interest rates have remained neurotically high; and many segments of our economy, including: agriculture, small business, homebuilding, thrifts, the auto industry, the airlines, and other industries have become severely depressed. Since this time last year, unemployment has shot up from 7.3 to 9.4 percent, and the administration expects it to top 10 percent in the very near future; mortgage rates have increased from 15.5 to 17.4 percent; business failures are 49 percent above 1981 levels; new housing starts have fallen 40 percent, farm income is down 33 percent to depression era levels; and savings and loans have lost $6 billion already this year. Without doubt, the current prescription for our economic malady has been both defective and ineffective. Mr. Chairman, I think we ought to seek a second opinion for our very ill patient who is seized by a chronic case of high interest rates.

My colleagues agree with me. This year we have several budget resolutions to decide upon, and all seek to reduce the size of the deficit in order to reduce interest rates.

Mr. Chairman, additional spending cuts need to be made and additional revenue needs to be raised in order to reduce the unacceptable deficit stalling the economy. All of the proposals before us recognize this fact. The question remaining is to what extent we will do each, and to what extent will we continue to demand inordinate sacrifices from those segments of our society that are already contributing much more than others to our economic recovery.

Under the Aspin-Pritchard resolution, defense savings of $45 billion would be achieved, and would still provide for a very solid 5-percent real growth above inflation in military outlays. Domestic spending would be frozen at 1982 levels resulting in a savings of $47 billion over 3 years; and $147 billion in revenues would be raised.

Looking at the botton line of these various plans shows that the bipartisan Aspin-Pritchard substitute has the lowest 1983 deficit of the choices before us.

None of these plans is perfect, Mr. Chairman, but it is imperative that one of them pass. With this necessity in mind, I encourage support for the bipartisan Aspin-Pritchard plan, which I believe will get us back on the road to economic recovery, and will do so in the most equitable manner.●

● Mr. MOFFETT. Mr. Chairman, I rise in strong support of the amendment offered by my good friend and colleague, Mr. DOWNEY, which would restore the cost-of-living adjustment (COLA) for the nearly 3 million Federal and military retirees in this country.

It is unconscionable to me that the President is attempting to offset his massive tax cuts and defense spending increases by cutting programs of vital importance to elderly Americans. It is even more disturbing that the House Budget Committee has gone along with his proposal to place a 4-percent cap on the COLA for Federal and military retirees.

While this cut in benefits will save less money than the cost of the two massive, nuclear-powered aircraft carriers which the Pentagon has requested for fiscal year 1983, it will be devastating for many of our Nation's retirees. For example, there are 385,000 widows in this country receiving an average survivor's annuity of little more than $5,000 per year. And more than half of all Federal retirees receive annuities of less than $800 per month.

The financial problems of retired civil servants and their survivors are compounded, moreover, by the fact that they are subject to Federal, State, and local income taxes. A study conducted for the National Association of Retired Federal Employees found that approximately 10 percent of annuity disbursements were returned to the Federal Treasury through the Federal income tax, while 6 percent of the disbursements were paid to State and local governments.

It is simply unfair that the 10,500 Federal retirees in my home State of Connecticut, and the 2.9 million Federal and military retirees around the country, should be singled out to bear the burden of the burgeoning Federal deficit. These people, who have worked hard to earn their retirement benefits, deserve protection from inflation. I urge my colleagues to support the Downey amendment.●

● Mr. GONZALEZ. Mr. Chairman, earlier today the gentleman from Wisconsin (Mr. OBEY), made a number of wise observations about the congressional budget process. I associate myself with those remarks, and say that the situation we are in, and have been in these past several days, bears out the worst fears I had about the budget reform bill. I was one of the very few Members of the House to oppose the Budget Act when it passed in 1973. As I recall, there were only 23 of us opposed to the bill.

At the time, the Nation was in a wrenching crisis. It was a year in which the dollar was devalued, a year in which Congress was determined to raise its image, a year in which finally, the Vice President was forced to resign. It was in the midst of these crises that the House moved to create the process that we confront now.

When the Budget Act was being debated, I said this:

> This bill seems to have originated from congressional self-flagellation. . . . I do not believe that this bill will accomplish its objectives. It will, in my opinion, further erode the prerogatives of Congress and vastly undercut the authority of many of our Committees, and will contribute to the aggrandizement of power by the Executive.

And what happened? Last year, the Congress was presented with a budget that took power completely away from all its authorizing and appropriations committees. We were presented with a budget bill that not only prescribed what all the laws would be, prescribed what the funding levels would be, but a bill that committed us to the tax program that today has the Federal Government in the most incredible fiscal mess of all time. It was by use of this very Budget Act that all legislative power flowed from the Congress and to the triumphant executive.

To be sure, it was a neat package. There was no struggle over details, just one paroxysm of power struggle. But the consequences were dire. I have already said that the budget program last year created the fiscal nightmare that we face today. It also wrecked the national economy.

Back in 1973, during the debate on the Budget Act, I said that it would set up a situation in which a President could—

> Submit a wholly unrealistic budget proposal, requiring Congress, if it be responsible, to set a ceiling higher than his request. In that case, he could denounce the Congress as irresponsible. Or the reverse could happen. Or the President and Congress could become engaged in a match to see who could set the lowest ceiling, regardless of what the country's real needs may be.

And that is exactly what happened this year. President Reagan sent up a budget that had absolutely no relationship to economic reality, and a budget that absolutely failed to meet some of the Nation's most critical needs. Inevitably, when Congress adjusted the budget to reflect economic realities, and when it rejected his unrealistic and unacceptable program cuts, he denounced us as irresponsible. And indeed, some of the alternatives that have been bruited about here on the floor have simply been parts of a bidding war. This is exactly what I said would happen, and these were my words:

> The (budget) bill puts the Congress in a bidding match with the President.

Last year's budget fight was in fact a bidding match. To attract the votes he needed, the President made any number of deals, of the most sordid kind. In describing one such deal, one of my colleagues bragged that:

> My vote isn't for sale, but it can be rented.

We would be engaged in exactly that kind of contest this year, if the President's economic program were not the disaster that it is.

But my colleague, the gentleman from Kentucky (Mr. PERKINS) and others have said that much of the trouble with this process is that it forces us to do all the legislation for a session of Congress in a matter of a few days—manifestly an impossible task. This was also at the heart of my objection to the Budget Act when it passed so overwhelmingly in 1973. I said that:

> The bill would simply emasculate and make meaningless the entire authorizing process.

In fact, that is what has happened. Committees that take careful and expert looks at how programs operate, what there funding needs are, and how they should be changed, find that through the budget resolution, vast parts of that careful work is simply thrown out. Not because it makes sense, but because certain arbitrary targets have been set, and equally arbitrary actions are ordered in order to meet those targets. The process has nothing to do with equity or reason, and the results show it: This year we are working to undo some of the massive damage that was done last year, when through this process we enacted a reconciliation act that no one had even read, which was not even properly bound and printed, which not even its putative authors had real knowledge of. It was not only an economic calamity, it was a legislative nightmare. The problem then, as it is today, was that the object was to win on the crucial vote, no matter what the consequences for the country would be. It was bad process and bad law.

Here we are again, only this year we are mired in a hopeless tangle of competing resolutions, none of which would make the basic economic policy changes that the country really needs. The President, so certain and skilled last year, is this year as far away as he can be, and still remain in the continental United States. He abandoned his own budget, will not accept any reasonable advice to change course, and no one in the Congress has offered a program that would change that course in any essential way. And so my colleagues say that the votes are meaningless, that this whole thing is an exercise in shame.

We blame ourselves for this dilemma, but we should in fact be blaming the faulty process that fated us to it. I am glad to note that a group is being named to consider how to improve the budget process.

But I suggest that the whole assumption of the Budget Act is at fault.

It assumes, for example, that the economy would be relatively stable, relatively predictable. It assumes that a forecaster can tell with some degree of certainty what the economy will actually do. But as we saw last year, the forecasts upon which we acted were not only faulty, but phony. The Budget Act never assumed that the Office of Management and Budget would cook its books, send up phony information, or become a political clubhouse—but that is what happened. The Budget Act never took into account the powerful effects of such a thing as OPEC's fourfold increases in oil prices—actions that set our economy into a maelstrom of inflation. The Budget Act never assumed that interest rates might become as incredibly high as they have, that interest rates would become perhaps the most volatile element in the economy, or that the President and Federal Reserve would engage in diametrically opposed policies. But all those things have happened. The world is not the rational and orderly place that the Budget Act assumed it to be. Events are not as predictable as the act assumes. Economic policy will not always be in the hands of moderate, careful, pragmatic people, as the act assumes, and as we learned last year. The budget is not a scholarly discussion in an academic setting. It is in fact the most basic kind of political struggle.

The Budget Act did not foresee the kind of economic world that has come to exist in the past 10 years. It creates a process that cannot cope with that kind of volatile and disorderly world, a world that may lie largely outside our power to influence or control. And so we are set with an impossible task: To legislate, in a few days time, hundreds of priorities, all in numbers that are beyond the power of man to comprehend. We do this in the full knowledge that last year, when the act was used to its fullest, all the targets were missed by the farthest ever, and with the prospect that this year the result may be even further from the mark.

We need to reexamine the whole premise on which we are operating in this discussion.

We came closer to hitting budget targets before the Budget Act was written. We did so, because as I said at the time:

> It takes no special genius to know what the total of a full employment budget ought to be.

In other words, the Committee on Appropriations knew what a prudent spending level was, and worked to stay within that level. Authorizing committees might exceed that level, but the reconciliation process occurred in the appropriations bills. It was not a grand and neat scheme, but it worked. It was a system that allowed time to operate, allowed expertise to count for something, and allowed legislation to be written with care and thought.

I have not always been right in my reservations about the Budget Act. The Congressional Budget Office, for example, has turned out to be exceptionally useful, because it is scrupulously honest. It is instructive that it is the numbers of that office that are accepted as the only reliable ones in town, for purposes of budget discussion.

But the process under which we are operating today is fundamentally flawed. We saw last year how disastrous the results can be. We are seeing this year that the process does more to frustrate than encourage reasonable economic policy adjustments. It is time, long past time, to find a better way.●

● Mr. BIAGGI. Mr. Chairman, I rise to propound my thoughts on the budget resolution in general and my opposition to the Latta substitute in particular. It is impossible for any one Member in this House to find total agreement with any of the substitutes before us. It is our responsibility as Members to pass the most responsible budget proposal which will have as a dual goal—to rescue this Nation from the throws of the great recession—and to rescue the human victims of this recession from a year-old harshness caused by our actions on the budget last year.

We are in the second year of the great Reagan economic experiment—known to many as Reaganomics. It is a plan with three major components—reduced Federal spending—reduced individual and corporate taxes—and reduced regulatory burdens. In concept one can hardly find fault with the plan—however, as we know and as our constituents have told us—there is a tremendous difference between theory and practical realities. In theory the slashing of Federal spending was to bring down our deficits and consequently our interest rates. Yes, we have slashed Federal spending to the tune of some $40 billion in the past year—but no, we have not done anything to the deficit but increase it to record levels, and consequently our interest rates remain dangerously high.

In theory cutting individual and business taxes was supposed to stimulate our economy. Yet we in fact voted for a 25-percent 3-year tax cut and made other major cuts in many business taxes—but no—our economy has not been stimulated. The industries that were depressed prior to the passage of the tax cut bill are still depressed—all one has to do is look at the unemployment rates in cities such as Detroit or Youngstown to realize how the automobile and steel industry has suffered. In fact, look carefully at one very revealing statistic released last week, corporate profits, plunged by 17 percent in the first quarter of this year, a testimonial to the futility of the current economic plans of this administration.

At this juncture in history, one can look to one tangible accomplishment of the current economic plans: inflation has been reduced dramatically in the past year. Yet, tragically, it has come at a cost perhaps far greater than we could have ever imagined. It seems to be an ironic fact of economic life that a dramatic reduction in inflation is normally accompanied by the beginnings of a recession for, by definition, a recession is a period of reduced economic activity. We have the added burden of having been in the beginning phases of our current recession when the administration plan took hold. Consequently, today the decline in inflation has merely aggravated the recession.

Finally, in these general comments, let me address what to me is the single and most harsh consequence of the current economic plan: the 10.3 million men, women, and young adults who today have the label "Unemployed." This number is dramatic in terms of the fact that the number of unemployed has grown by more than 2.5 million since the administration plan took effect. Consider there are at least another 6 million Americans who want full-time work and can only—and in some cases can barely—find part-time work. Then, of course, there are the estimated 1.5 million Americans we are too discouraged to look for work because none are available.

Remember, the advocates who advanced so-called supply-side economics contended that tax cuts would in fact produce millions of new jobs. The fact is it has not produced even one new job and instead business investment has declined by 1 percent since July 1981.

The last time inflation was this low was during the administration of Herbert Hoover and we know what economic calamity occurred under his Presidency.

Based on these disturbing if not alarming economic indicators one would sense that the proper course of action for this House to take would be to make a midcourse adjustment in the basic economic plans of this Nation. That is what we would have achieved with the adoption of any of the substitutes voted on yesterday or could be achieved with the approval of either the Aspin or Jones budget proposal. It will not be accomplished by adopting the Latta substitute, in fact, all that will do is perpetuate the worst aspects of the administration's economic game plan.

To use a sports analogy, it is time to lift the starting pitcher and get some relief in before the game is irrevocably lost. The pitcher in this case—the original Reagan plan had a lot of promise—its pitches came in straight, fast, and true. Yet, it was almost as though the starter only planned to last a few innings before turning it over to a reliever. However, what the starter did not bargain for was the fact that he would be hit so hard so soon. Now the poor relief pitcher is inheriting a disaster and the real question is—can the economy be saved.

I contend that the last thing we need as a budget is one which continues triple-digit deficits. Despite this administration's aversion to high deficits, the simple fact is the Republican budget plan does call for the highest fiscal year 1983 deficit of all the various proposals. I contend that this last thing the suffering poor and elderly of this Nation need is a further shredding of the already precarious safety net promised by this administration. Yet the kind of cuts proposed in this substitute will sever whatever little protection the net offered.

Consider cuts totaling $4.9 billion in medicare, $483 million in medicaid, $528 million in AFDC and SSI programs, cuts in food stamps and veterans benefits of almost $1 billion, additional cuts in transportation totaling $631 million, health $433 million.

Notwithstanding the absolute severity of our unemployment problems, the Latta substitute proposes additional cuts in employment and training programs of more than one-half billion dollars. I summarily reject the proposition that the Federal Government should be removed from the role of employer especially at this particular time in our economic history. I applaud the objective of trying to motivate the private sector to become more involved in the employment areas but it is unrealistic to assume that the transition from public or private sector jobs can take place that quickly. We saw funding for the CETA slashed by more than $2 billion last year—did we see the private sector coming along to pick up the thousands of individuals laid off as a result of the demise of CETA. The time may come when we can forge the proper type of partnership between the public and private sectors. However, with unemployment closing in on 10 percent we must maintain a proper role between the two sectors and work for a reduction in unemployment. Let me add that my support for additional funds for public service employment comes with the clear caveat that I want to see a new public service employment program which is targeted for specific purpose jobs such as infrastructure work. The charge is made that public service employment jobs are inflationary. One of the reasons they were in the past was because of their failure of employees to be productive, there were far too many make-work type of jobs. I support a new commitment of funds for public service employment as well as new funds to subsidize jobs in the private sector. The key is, we must recognize the fact that for each point the unemployment rate rises, it adds billions of dollars to our deficit, and takes its toll on the human psyche of millions of Americans.

Another area where I believe the Latta substitute calls for draconian cuts in the area of housing. Consider that in 1982, housing sustained the single largest cut of all Federal programs, some $9 billion out of a total of $40 billion cut. The Latta substitute would make additional drastic reductions in subsidized housing to the tune of $22 billion in fiscal year 1983, as compared to the Budget Committee propoal which would maintain spending at current levels. In practical terms, the Latta substitute would eliminate some 300,000 units of housing currently in the pipeline and for all practical purposes would provide no additional commitments for subsidized housing units in fiscal year 1982 at a time when those who need the housing continue to grow and while the housing industry itself continues its downward slide. Other onerous features of the Latta plan in housing include reductions in operating subsidies for public housing—it would limit section 8 assistance to a miniscule portion of those poor people in need. Perhaps the most oppressive feature is the provision to count food stamps as income for the purposes of calculating tenant rent in subsidized housing units. This perpetuates another of the very real aspects of the Reagan economic plan; it hurts the truly needy.

The litany of specific cuts proposed in the Latta substitute if adopted would represent the height of cruelty. There must be a time when we say enough is enough. We cannot turn back the hands of time and progress. Just 2 years ago a Congress in which I was proud to serve passed legislation guaranteeing every student who wanted to the opportunity to attend college. Today we find the net effect of the cuts of the 1981 Reconciliation Act dashing the aspirations of many of the same students who we promised an education 2 years ago. The adoption of the Latta amendment would simply deprive thousands more students an opportunity for a better life through college and postgraduate education.

Congress over the past several years have enacted numerous bills aimed at improving the quality of life for our senior citizens. In December, Congress passes and the President signs into law a bill to extend the various programs of the Older Americans Act for an additional 3 years. These are programs which over a 16-year history have proven themselves to be efficient and effective. Yet just 6 weeks after he signed it into law, President Reagan proposes to cut all programs in the act and even calls for the elimination of one program. The Latta substitute barely allows these programs the opportunity to exist. It basically endorses a 3-year freeze based on fiscal year 1982 levels for all programs except the employment program. The Latta substitute would extend the block grant programs which have perpetrated a cruel hoax on millions of Americans. Block grants were presented as an idea to consolidate and make more efficient government services. Yet the real message of block grants is that they served as a convenient excuse to impose cruel and substantial reductions in various programs.

Mr. Chairman, perhaps the only redeeming factor in the Latta budget was the adoption earlier today of the Oakar amendment restoring some $23 billion in medicare funds which were to be cut under the proposition. However this in and of itself is not sufficient grounds for me to support this package. Clearly it calls for the continuation of a regressive economic and social policy. Clearly it calls for the continuation of an era of human suffering unprecedented in this country since the Great Depression. I, as one Member of Congress, will have nothing to do with this substitute and I urge my colleagues to join with me in opposition.●

● Mr. OTTINGER. Mr. Chairman, I genuinely do not think either the Aspin or the Jones budgets meet the needs of our country at this critical time. They do nothing to rectify the enormous drain on our economy or the horrendous inequities of the $750 billion tax cut passed last year. They do far too little to cut back the irrational and dangerous defense provisions of $1.6 trillion over the next 5 years. They do not provide the education, jobs or job training needed to revitalize our economy. They do not rectify the serious damage done to senior citizens and low- and middle-income citizens by Reagan's callous budget last year.

I do not think it is politically wise to support these budgets either. Really, President Reagan should be required to stew in his own with his ideological intransigence.

But I think it is best for the Nation that we have a budget. The Aspin and Jones versions do make substantial inroads on the deficits in the outyears. So, very reluctantly, I opt to do what I think is best for the Nation—to give us a chance to get interest rates down and start on the road to economic recovery.

For these reasons, I have supported these very unsatisfactory alternatives.●

● Mrs. BOUQUARD. Mr. Chairman, although I fully support the intent of the amendment offered by my good friend from Ohio, Representative OAKAR, to the Jones substitute, it was neccessary that I vote in opposition.

I simply cannot agree with those who say that reductions in medicare will not ultimately be passed on to those least able to bear them. Cutting medicare will not solve its problems. But unfortunately, this amendment to restore minimum funding to medicare was tied to defense cuts to the degree of which I cannot support. I regret this important issue could not have been considered independent of defense. We had expected another opportunity to address this matter through other amendments, but regrettably, the Oakar amendment became the only vehicle.

The distinguished chairman of the Ways and Means Committee has assured us of his intention to produce medicare legislation which will meet the needs of the elderly while dealing as well with escalating costs of the program. That, I feel, is the only way to proceed, not through a defense reducing amendment to the first budget resolution.●

Mr. JONES of Oklahoma. Mr. Chairman, I have discussed with the minority the framework for closing the debate and I ask unanimous consent that we allow 20 minutes for debate on each of the substitutes, equally divided, 10 by the majority, 10 by the minority. We would debate and then vote on the first substitute; then we would have the debate on the second substitute and vote, 20 minutes of debate; and the same procedure for the third substitute, in the order stated in the rule.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PARLIAMENTARY INQUIRY

Mr. LATTA. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. LATTA. Mr. Chairman, I heard nothing in the unanimous-consent request by the gentleman from Oklahoma (Mr. Jones) about who closes the debate. I think that is quite important.

It would seem to me that the proponents of each of the substitutes would have the opportunity to close debate.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Certainly that was my intention.

Mr. LATTA. I thank the gentleman.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield to me so that I may speak out of order, briefly?

Mr. Chairman, I ask unanimous consent to speak out of order briefly.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WRIGHT. Mr. Chairman, the purpose is my seeking this time is to announce to all of us, on both sides of the aisle, that if the House is successful, as I earnestly hope and trust it will be, in producing and passing a budget resolution, be it the Latta version, be it the Aspin version, the committee version, the Jones version. Whatever it be, if we succeed as I trust we will in passing a resolution that may go to conference with the resolution passed by the other body, then there will be no need actually for Members of the House to be in session at all next week, inasmuch as the Senate is out of session. Since there would be no possibility of our achieving any necessary objective, inasmuch as the White House has announced that the time remaining for enactment of the emergency supplemental has been extended, and I am suggesting that all of us have, of course, a far greater interest than that, the interest of the Nation, in passing one of these resolutions tonight and letting the country know that we have performed our business.

If we are not successful, if for any reason the final product, whatever it be, were voted down, which I hope is not the case, then we will be back in session next week, back in session on Wednesday, Thursday, and Friday, in an effort to try to perfect something that can be passed by this House.

The CHAIRMAN. The gentleman from Ohio (Mr. Latta) is recognized for 10 minutes.

Mr. LATTA. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. Conable).

□ 2230

Mr. CONABLE. Mr. Chairman, I would like to urge my colleagues to vote for the Latta substitute as we go through the final stages of this very difficult process.

Incidentally, Mr. Chairman, I would like to commend you on your patience and the absolute fair handedness with which you approached your duties.

[Applause, Members rising.]

Mr. CONABLE. I trust that well earned but protracted tribute does not come out of my time.

The CHAIRMAN. It will be arranged.

Mr. CONABLE. As we look at the figures as they finally emerged, Mr. Chairman, I must say that there is not a great deal of choice among these substitutes in terms of deficit. They are all within $8 billion of each other; however, there is a clear choice, as I see it, in the Latta substitute on the issue of taxes, which is my particular concern.

The Latta substitute adds only $20 billion in additional revenues, while the committee bill adds $30.7 billion and the Aspin substitute adds $29.8 billion.

Now, I will tell you again, as we have told you a number of times during this procedure, the Ways and Means Committee is going to have great difficulty, first of all in coming up with as much as $30 billion of tax increases and the Members of this House are going to have a great deal of difficulty in swallowing anything the Ways and Means Committee is able to come up with ultimately as we go down the road in the later procedures that we know we must follow.

With respect to defense, the fact is that there I think there is a clear edge for the Latta substitute as well.

Although the expenditure level is about the same as the others, thanks to the Oakar substitute having been adopted, the budget authority, the item which drives defense, remains substantially higher with the Latta substitute.

For that reason and because many of us have been concerned about the future and present growth in defense, it seems to me there is good reason to support the Latta substitute from that point of view also.

I would like to urge my colleagues to consider these facts seriously and to support Latta.

Mr. JONES of Oklahoma. Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. Hertel).

Mr. HERTEL. Mr. Chairman, I thank the gentleman from Oklahoma.

Mr. Chairman, unemployment has increased greatly in this Nation since Gramm-Latta was passed last year. We are talking now about 10 million Americans unemployed. We are talking now in the State of Michigan of over 16 percent of the people unemployed, over 700,000 people unemployed in the State of Michigan alone.

I oppose Latta this year, as I opposed Gramm-Latta last year for the same reason. These policies have bankrupted our resources and our country.

We see no relief, no relief at all under Latta for these people that are unemployed.

I listened the other night to people in this House argue about a tax cut and who would get a tax cut under whatever proposals. The unemployed get no tax cut and now under Latta they get no extension of benefits for their unemployment. It is not their fault they are unemployed. It is the national policies of Reaganomics.

I ask you to vote "no."

Mr. LATTA. Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. Pursell).

Mr. PURSELL. Mr. Chairman, I yield to the gentleman from Pennsylvania (Mr. Coughlin).

Mr. COUGHLIN. Mr. Chairman, I rise in support of the Michel-Latta bipartisan recovery budget resolution. By lowering the fiscal year 1983 deficit by $77 billion, by preserving the basic tax rate reductions enacted last year, and by maintaining essential domestic programs, the Michel-Latta budget proposal charts a reasonable and moderate course between the unacceptable alternatives of rising deficits and huge tax increases.

As a sponsor of the tax limitation and balanced budget constitutional amendment proposal, I would like to see a balanced budget this year, Mr. Speaker, as much as any Member of the House. President Reagan would like to see a balanced budget this year. But there is a word called responsible. It is simply not responsible to say we can achieve a balanced budget this year.

On a current basis, the Michel-Latta budget is in balance. In fact, there is a surplus. The $101 billion deficit is less than the $115 billion we are spending on interest on the national debt. We are paying for the sins of the past. We are paying for a decades-long fiscal binge. We are paying for 30 years of Democratic Congresses.

Economic recovery is currently stalled by high interest rates which have been the response of the financial markets to increasing budget deficits and Government borrowing required to finance them. We must send a clear signal to the financial markets that the fiscal year 1983 deficit will be substantially reduced and that succeeding deficits will be even lower in order to convince them that Congress is committed to fiscal responsibility.

A few days ago a bipartisan group of five former Secretaries of the Treasury announced support for a budget plan that would cut defense spending by $25 billion by fiscal year 1985, increase revenues by $60 billion by 1985, and lower the deficit by $145 billion in fiscal 1985. It should be pointed out that the Michel-Latta bipartisan recovery budget would meet or exceed all of those goals.

In order to achieve deficit reductions over the next 3 fiscal years aggregating $393 billion, the Michel-Latta budget would reduce spending by a total of $298 billion and increase revenues a total of $95 billion. The deficit would be cut to $101 billion in fiscal year 1983, $77 billion in fiscal year 1984, and $49 billion in fiscal year 1985. The share of net private savings that would be absorbed by the deficit would be cut significantly from 42 percent in fiscal year 1983, to 15 percent in fiscal year 1985. As a result, considerable additional private savings would be freed up for job-producing private sector investment.

Under the Michel-Latta bipartisan recovery budget spending would be reduced by $57 billion—fiscal year 1983, $100 billion—fiscal year 1984, and $141 billion—fiscal year 1985. The domestic spending reductions include a total of $28.1 billion in defense cutbacks from the President's initial requests for the next 3 fiscal years. Real growth in the defense budget, however, would still occur. In the domestic spending area, the Michel-Latta budget proposal would restore $6.4 billion that the President had originally proposed to cut in fiscal year 1983 with the largest increases in education, mass transit operating funds, economic development, and energy conservation. Funds would also be added back under Michel-Latta to means-tested entitlement programs like medicaid, AFDC, SSI, food stamps, school lunch, and student loans.

On the revenue side, Michel-Latta would increase revenues by $20 billion in fiscal year 1983, $35 billion in fiscal year 1984, and $40 billion in fiscal year 1985. The third year of the personal income tax reduction program enacted last year—a 10-percent rate cut—would be preserved under the Michel-Latta budget plan.

Mr. Chairman, the Budget Committee alternative before us today is a variation on an old theme. It is a theme which has been played in this Chamber for nearly 50 years and has brought us double-digit inflation, $1 trillion deficit, the highest peacetime tax rate in our Nation's history, declining productivity and low savings rates. It is a budget plan that is backed by a worn out and discredited philosophy which says that the Government should take an increasing share of the income of Americans in taxes in order to turn it back to them through hundreds of programs as the Government sees fit rather than allowing working Americans to keep more of their own money to provide for their own needs. It is a philosophy which says that a larger Government bureaucracy is needed to run those programs and that the Federal role in our national life should be an expanding one at the expense of the private sector and individual initiative.

The Federal Government, certainly, has important ongoing responsibilities to the needy, the sick, the elderly, and the disadvantaged of our society. The Michel-Latta bipartisan recovery budget provides for them. In fact, it would provide for more overall social spending in fiscal year 1983 than in the current fiscal year.

The Jones proposal would promise even more generous social spending by raising taxes more than the Michel-Latta proposal, over 50 percent more taxes. Over a 3-year period, the Jones budget would increase revenues by $146.9 billion compared to the $95 billion increase under Michel-Latta. In order to meet the revenue targets established under the Jones budget proposal, the third year of the tax cut would have to be repealed, tax indexing set for 1984 would have to be eliminated, excise taxes would have to be doubled, and numerous individual and business tax deductions would have to be abolished. Given inflation-induced bracket creep and rising social security taxes, middle-income families would end up paying more in taxes under the Jones budget than they do now. There is no getting around it.

Those of us who have fought for years to begin removing the punishing tax burden on American working people are not about to give up on the program we began last year, that has been in existence barely 8 months, and which has major elements still to be implemented. To do so would be to return us to the previous path of higher taxes, lower productivity and growth, declining incentives for savings and investment, and an economy increasingly tied to Government spending and subsidies. We must not turn back to the failed policies of the past before the economic recovery program has had a chance to work. I urge adoption of the Michel-Latta bipartisan recovery budget so that we can give it that chance.

Mr. PURSELL. Mr. Chairman, having come from a State that does have the highest unemployment, I would like to suggest that the Latta bill will produce the greatest number of jobs and the quickest economic recovery alternative tonight, because we are spending $10 billion less taxes. We spent a great deal of time strengthening this Latta proposal in education, research, public transportation, and other basic issues.

I think it is a very delicately crafted budget that is good for the American public and good for the free world.

I would like to suggest that all Republicans and Democrats alike support the Latta proposal.

Mr. JONES of Oklahoma. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. SCHUMER).

Mr. SCHUMER. Mr. Chairman, I rise in opposition to the Latta amendment on many bases, but one I think that bears special attention is housing. Last week, and throughout last month, both sides of the aisle joined together in an effort to revitalize our ailing, sick housing industry.

The Latta budget, unlike the other two alternatives before us, does nothing—nothing for housing. The only new money that is in the Latta budget for housing is money that was recinded from last year.

For all the people who voted "yes" on the housing initiative 2 weeks ago who will vote "yes" on later housing initiatives, it would simply be completely contrary to vote for the Latta budget.

Mr. LATTA. Mr. Chairman, I yield 1½ minutes to the gentleman from Texas (Mr. GRAMM).

Mr. GRAMM. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I would like to address the real conservatives here. I would like to address those who say none of these budgets are any good, they all stink, we have no binding constraints, we are spending too much money, the deficit is too high.

I want to reiterate a point that I have said to all of you a dozen times, looking you in the face and in the eye.

There are big differences among these budgets; $50 billion higher taxes with Jones; $40 billion higher budget authority for defense with Latta; $15 billion bigger outlays for defense with Latta; $50 billion spending cuts over 3 years with Latta.

We are not voting "yes" or "no" on Latta. We are voting whether or not in this legislative process we want to move to the next hurdle with Latta or with Jones.

If you want $50 billion more in taxes at the next step, if you want $50 billion less in spending cuts, if you want $40 billion less in budget outlays for defense, then you vote against Latta, because you will be saying move the Jones budget forward, move the tax increases forward, move the free spending forward; but if you want to go forward with the best budget that remains, vote "aye" on Latta and then decide on final passage whether it is good enough or not; but do not vote "no" thinking you are voting no on every budget, because there is no double "no" vote here.

Mr. JONES of Oklahoma. Mr. Chairman, I yield 1 minute to the gentleman from Indiana (Mr. FITHIAN).

Mr. FITHIAN. Mr. Chairman, I thank the gentleman for yielding time to me.

I have been deeply saddened for the American people by this week's budget battle in the House of Representatives. I do not believe that any of the three budget alternatives before us—Democratic or Republican—will solve our Nation's economic problems.

Why do I feel this way? Because none of these budgets repudiates trickle-down economics. Each is a pale shadow of last year's budget. Each says that a $100 billion deficit and 10 million Americans out of work is economically acceptable.

The bottom line is that the American economy cannot survive another year on a $100 billion deficit. The American economy cannot survive another year on 16-percent interest rates. The American economy cannot survive another year of 10 million people without jobs.

I do not use the word "survive" lightly. If Congress does not bring our country's economic policies back from the "Alice in Wonderland" world of trickle-down economics, the American economy will not survive.

All three budgets before the House of Representatives have accepted the two basic claims of trickle-down economics. Those claims are dangerously wrong.

First, trickle-down economics claims that if Government quits asking large corporations and wealthy individuals to pay their share of taxes, their wealth will trickle down to middle- and lower-income Americans.

Second, this brand of economics claims that budget deficits do not matter. That the United States can afford to go tens of billions of dollars into debt in order to give the rich a tax cut. That the deficits which hurt our economy today will help it tomorrow by stimulating economic growth.

We have seen, after a year's time, that huge budget deficits stimulate only one thing—high interest rates.

Trickle-down economics has crippled the auto and housing industry, has thrown thousands of Hoosiers out of work, and has done damage to the American economy which will take years to repair.

I had hoped to see a budget which follows these principles:

The Government will not give tax cuts to the wealthy when it has to borrow billions to do so.

The Government will only give targeted tax cuts to business. Business gets the tax cut only if it uses the money to create new jobs or to increase productivity. No more blank check tax cuts which let businesses use their money on corporate mergers or excess profits instead of jobs.

On behalf of the people I represent and Americans everywhere, I ask that Congress make some real changes in its budget before this year is out.

□ 2240

Mr. JONES of Oklahoma. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. PEYSER).

Mr. PEYSER. Mr. Chairman, while the integrity of the gentleman from Ohio would never be and has never been in doubt in this House, the integrity of the figures in the budget that bear the gentleman's name are very much in doubt.

I would like to say, Mr. Chairman, for my colleagues on the Republican side who have spoken in support of this Latta amendment, the only one of the issues I am addressing, and it is the issue we have been talking about a long time, the guaranteed student loan program.

It is clear beyond a shadow of a doubt that if the Latta amendment passes, the urgent supplemental that you passed in this House authorizing $1,300 million for guaranteed student loans cannot survive. It would be subject to a point of order. It would be cut by over $400 million, and that is something you have to remember. Nearly 750,000 students would be eliminated. Is this really what you want?

Mr. LATTA. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Chairman, one subject that has not been addressed during this entire budget debate is the fact that except for one thing, all of these budgets are balanced. The one thing is the $118 billion that American taxpayers are going to pay in fiscal year 1983 for interest on the national debt.

Now, for years and years our fiscal policies brought us this national debt that will cost us $118 billion in fiscal 1983 just interest on the national debt. Last year the Gramm-Latta proposal was the first step toward correcting that fiscal folly. This year the Latta proposal is the second step. If you stick with us long enough, we are going to get hold of this system and balance your budget for you, and you are not going to have to spend $118 billion a year just to pay the interest on the national debt, but only if we change the unsound fiscal policies which have brought us to this day of reckoning.

Mr. JONES of Oklahoma. Mr. Chairman, I yield myself such time as I may consume.

The **CHAIRMAN.** Does the gentleman wish to be recognized for the balance of his time?

Mr. JONES of Oklahoma. Yes, Mr. Chairman.

The **CHAIRMAN.** The gentleman is recognized for 6 minutes.

Mr. JONES of Oklahoma. Mr. Chairman, Members of this body, I think there are a lot of similarities between these substitutes after the few days we have spent together. However, I think there are still some very significant differences.

Obviously 1983 through 1985 fiscal years are going to require a lot of work even if we have the courage to pass a budget resolution tonight and go to conference. If we have the courage to tell the American people we are willing to swallow some pride and drop some political posturing, we can go to conference and try to get this budget under control.

There is a very significant difference, however, between the Latta substitute and the Jones substitute, or the committee resolution. Most of that difference centers around fiscal year 1982. This is something that we face now. It is not something we are going to promise to do in 1983, but it is something we are going to have to enforce between now and election day in November.

If the Latta substitute is adopted and prevails, we will not be able to accommodate some programs that are very dear to the American people and have passed overwhelmingly in this body.

Again, I remind my colleagues, the emergency housing program that passed by an overwhelming vote in this body will be coming back from conference as part of an urgent supplemental bill, we hope in the next few days. If we pass the Latta substitute and if we want to enforce that kind of budget, the emergency supplemental appropriations which contain $1 billion for housing cannot be enacted into law because it would be subject to a point of order.

Once again, that would put us in a situation where we tell the American people one thing, but we do something else. I think that would be a further sham to what we have done here today.

We have talked about medicare. Now, the Oakar amendment has leveled the playing field, so to speak, as far as medicare is concerned in fiscal year 1983, but it has nothing to do with fiscal year 1984 or 1985. If we compare the Jones substitute to the Latta substitute in medicare cuts in 1984 and 1985, we find that the Jones substitute saves $7.2 billion in medicare and the Latta substitute under reconciliation would cut $18.5 billion from medicare in fiscal years 1984 and 1985.

Finally, with regard to the deficits, let me remind my colleagues that the deficits do have some bearing on why we are here. If we can get the deficits on a downward slope and get them into a manageable level, I think we have a good opportunity to put pressure on the Fed and thus put monetary policy in harmony with fiscal policy, and get interest rates down.

If we look at the Latta substitute as it now exists, and the Jones substitute as it now exists over a 3-year period, we find that the deficits are $24 billion lower under the Jones substitute than under the Latta substitute.

It is not unusual to assume that a number of organizations have come out against the Latta substitute and have come out in favor of the Jones substitute. The National Association of Homebuilders, the American Council of Education, the Mortgage Bankers of America, the American Association of Retired Persons, the National Rural Electric Cooperative Association have all come out for the Jones substitute and against the Latta substitute, because the Latta substitute is deficient. It is deficient in housing; it is deficient in education; it is deficient in the way it treats the elderly citizens, and it is deficient in its effect on rural electrification programs.

So I urge you to vote against the Latta substitute and to support the Jones substitute. I urge you to pass a budget that we can take to conference. It is the best position for the House to be in.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. I yield to the gentleman from Florida.

Mr. MICA. I thank the gentleman for yielding.

Mr. Chairman, I would like to take my first opportunity on the floor this year to speak about the budget process.

I came here as president of a freshman Democratic class, and we proposed a balanced budget. My first bill to be introduced in the Congress was a balanced budget.

I supported Ronald Reagan 100 percent of the time last year, and I make no excuses for it. I have a great deal of respect for my colleague, the gentleman from Texas (Mr. Gramm) and my colleague, the gentleman from Oklahoma (Mr. Jones).

I want to see President Reagan succeed. Some of my colleagues do not think that way in this body, but I think that I might think a little bit more like the American people. They do not think so much in terms of Democrat and Republican. They want to see their children educated, they want to own a home, they want to have a job, and they do want to see their President succeed.

I prayed that Jimmy Carter would succeed. I pray that Ronald Reagan will succeed, and it just has not worked.

We cannot simply pursue ideological goals. We must fairly and equitably address current problems. I feel the Jones budget is fair and equitable and deserves a chance—we have tried everything else. Why not give fairness a chance?

The CHAIRMAN. The time of the gentleman has expired.

The gentleman from Ohio (Mr. Latta) is recognized to close debate.

□ 2250

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman from Ohio yield?

Mr. LATTA. I would love to, but I do not have sufficient time.

Mr. Chairman, I yield 1½ minutes to the gentleman from Louisiana, (Mr. Roemer).

Mr. ROEMER. Mr. Chairman, I thank the gentleman for yielding.

I am tired, I guess, like most of you, and like a few of you—15, 20, 30, 40 or 50 of you—I have been looking for a real budget for several months and so tonight I am not just tired for the last couple of pitiful days that we put in but for those 4 months.

I am still looking for a budget that I can take home and be truly proud of. Unfortunately, we do not have that choice. But we have got two decisions tonight. One is whether to pass one of these three on final. And before that we most decide which of these three to put up for the final decision.

I talk now to those who consider yourselves conservatives and moderates on fiscal matters. We hear a lot of conversation about that, but in the last 2 days on vote after vote, I have seen those conservative principles trampled beneath our political feet. Our first decision is which of the three budgets is best to lower interest rates and bring fiscal sanity to America.

The Latta budget, because of its tax policy, the Latta budget because of its national defense policy, the Latta budget because it is the only one of the three, however, pitiful, that takes one baby step to restrain our spending is our first decision.

Regardless of what you do on final passage, remember that America looks at us tonight, and of the three choices we have, Latta is the best.

Mr. LATTA. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I was hoping that I would not have to use any of my time to correct some of the statements which have been made, but I am afraid that I have to do so. The gentleman from New York brought up his favorite subject, student loans under section 500. The figures are now identical—the same in all three substitutes.

Let me also say to my chairman that he well knows that on medicaid, in the outyears, are merely projections. We will be back next year for a budget for 1984.

Let me also say something to the gentleman who mentioned housing. We have already cleared that red herring. There is money in the budget for housing and let us stop fooling the House.

Let me also say that we want to pass a budget. Let us talk a little bit seriously. I have spoken with several in this Chamber today on both sides of the aisle and we must pass a budget. I am convinced the one before us right now will come closest to passage of any of the three, so we ought to support it.

The CHAIRMAN. The gentleman from Ohio (Mr. Latta) has 2 minutes remaining.

Mr. LATTA. Mr. Chairman, I yield 2 minutes to the minority leader, the gentleman from Illinois (Mr. Michel).

Mr. MICHEL. May I, at the very outset, Mr. Chairman, join in that accolade to you for the superlative job you have done chairing the Committee of the Whole, taking us through this legislative thicket as well as you have done.

I would certainly join with the gentleman from Louisina, Mr. Roemer, in saying that we are all probably personally very, very tired. I am sure I feel rather emotionally drained. Having hashed and rehashed all these figures over the last several months, I guess I am also sick and tired of the figures.

When this whole process began, it was quite apparent that we were in real trouble, so I went to the Speaker to see how we might work together to fashion something that would pass this House. Out of that discussion came the Gang of Seventeen—three from this side, three from that side, three from the White House, and four from the other body.

Through a month's negotiations of over 13 meetings, you know the result.

When all those deliberations went for nought, when the President and the Speaker agreed to disagree, I tried again, this time with Chairman Jones.

When it was clear to me that we could not agree, the appeal was made across the aisle to see if once again there would be a significant number who might consider joining us in a truly bipartisan effort. There was a positive response, and then a number of meetings followed with Members of divergent philosophy, giving and taking, all in the interest of coming to some agreement.

That is what this legislative process is all about, and I want to pay special tribute to those on the other side of the aisle who participated so actively and effectively to fashion a bipartisan recovery budget.

We do not claim that our substitute is the best piece of work fashioned since the Creation. Everyone playing a role in it had his likes or dislikes, and since none of us had our way, there was always a temptation to throw up our hands and walk away from it all. But we did not feel, as responsible legislators, that we could do that.

Some of us, and I would like to think it is still a majority of the Members of this House, feel that we have an obligation to the American people to do the best we can to try and reach some consensus.

Earlier in the day I felt badly after we lost on the Oakar amendment, because it did significantly alter our substitute, but I have to tell you, if the good Chair will indulge me, I got to reflecting on a good old song I sang once, "Invictus." The rules do not permit me to sing the line, but—

In the fell clutch of circumstance
I have not winced nor cried aloud
Under the bludgeonings of chance
My head is bloody, but unbowed.

I have to tell you that notwithstanding that, I feel good again. I feel good again because I think everyone has that desire somewhere, somehow to end this evening with some product that we can all pass this House.

● Mr. FRENZEL. Mr. Chairman, the three budget choices confronting the House now are similar, but far from identical.

Each has been amended. So none is the budget its authors intended to present. None satisfies me. They all have too large a deficit.

But one is clearly superior to the others. The Latta version has less taxes. It is the best.

It takes $95 billion out of the private economy in 3 years, while the Jones version sucks up nearly $150 billion and the Aspin edition nearly $140 billion.

Our economy cannot stand as much additional taxation as Jones and Aspin would inflict. We cannot nurture the fragile recovery through extra tax burdens. The additional tax load, no matter how is is distributed, will smother the recovery.

All the spending cuts are painful. All the deficits are too high. But we have to have a budget. We should pass the low-tax budget, the Latta budget resolution. Latta is the version with the brightest prospects for economic recovery. It is the best budget to take into conference negotiations with the Senate. I urge the passage of the Latta amendment.●

The CHAIRMAN. All time has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA), as amended.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. LATTA. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 192, noes 235, not voting 5, as follows:

[Roll No. 127]

AYES—192

Archer
Atkinson
Badham
Bafalis
Bailey (MO)
Beard
Benedict
Bereuter
Bethune
Bliley
Breaux
Broomfield
Brown (CO)
Brown (OH)
Broyhill
Burgener
Butler
Byron
Campbell
Carman
Carney
Chappie
Cheney
Clausen
Clinger
Coats
Coleman
Collins (TX)
Conable
Conte
Corcoran
Coughlin
Courter
Coyne, James
Craig
Crane, Daniel
Crane, Philip
Daniel, Dan
Daniel, R. W.
Daub
Deckard
Derwinski
Dickinson
Dornan
Dreier
Duncan
Dyson
Edwards (AL)
Edwards (OK)
Emerson
Emery
Erdahl
Erlenborn
Evans (DE)
Evans (GA)
Evans (IA)
Fenwick
Fiedler
Fields
Findley
Fish
Forsythe
Frenzel
Gingrich
Goldwater
Goodling
Gradison
Gramm
Gregg
Grisham
Gunderson
Hagedorn
Hall, Ralph
Hall, Sam
Hammerschmidt
Hansen (ID)
Hansen (UT)
Hartnett
Hendon
Hightower
Hiler
Hillis
Holt
Horton
Hunter
Hutto
Hyde
Ireland
Jeffries
Johnston
Kemp
Kindness
Kramer
Lagomarsino
Latta
Leath
LeBoutillier
Lee
Lent
Lewis
Livingston
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
McClory
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
Michel
Miller (OH)
Mitchell (NY)
Montgomery
Moore
Moorhead
Morrison
Myers
Napier
Nelligan
Nichols
O'Brien
Oxley
Parris
Pashayan
Paul
Petri
Porter
Pritchard
Pursell
Quillen
Railsback
Regula
Rhodes
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Rogers
Roth
Roukema
Rousselot
Rudd
Sawyer
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Skeen
Smith (AL)
Smith (NE)
Smith (NJ)
Snowe
Solomon
Spence
Stangeland
Stanton
Staton
Stenholm
Stump
Tauke
Tauzin
Taylor
Thomas
Trible
Vander Jagt
Walker
Wampler
Weber (MN)
Weber (OH)
White
Whitehurst
Whittaker
Winn
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOES—235

Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
AuCoin
Bailey (PA)
Barnard
Barnes
Bedell
Beilenson
Benjamin
Bennett
Bevill
Biaggi
Blanchard
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Brinkley
Brodhead
Brooks
Brown (CA)
Burton, Phillip
Chappell
Clay
Coelho
Collins (IL)
Conyers
Coyne, William
D'Amours
Dannemeyer
Daschle
Davis
de la Garza
Dellums
DeNardis
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan
Dougherty
Dowdy
Downey
Dunn
Dwyer
Dymally
Early
Eckart
Edgar
Edwards (CA)
English
Ertel
Evans (IN)
Fary
Fascell
Fazio
Ferraro
Fithian
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fountain
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Ginn
Glickman
Gonzalez
Gore
Gray
Green
Guarini
Hall (OH)
Hamilton
Hance
Harkin
Hatcher
Hawkins
Heckler
Hefner
Heftel
Hertel
Holland
Hollenbeck
Hopkins
Howard
Hoyer
Hubbard
Huckaby
Hughes
Jacobs
Jeffords
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kastenmeier
Kazen
Kennelly
Kildee
Kogovsek
LaFalce
Lantos
Leach
Lehman
Leland
Levitas
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
Markey
Marks
Matsui
Mattox
Mavroules
Mazzoli
McDonald
McHugh
McKinney
Mica
Mikulski
Miller (CA)
Mineta
Minish
Mitchell (MD)
Moakley
Moffett
Molinari
Mollohan
Mottl
Murphy
Murtha
Natcher
Neal
Nelson
Nowak
Oakar
Oberstar
Obey
Ottinger
Panetta
Patman
Patterson
Pease
Pepper
Perkins
Peyser
Pickle
Price
Rahall
Rangel
Ratchford
Reuss
Richmond
Rinaldo
Rodino
Roe
Rose
Rosenthal
Rostenkowski
Roybal
Russo
Sabo
Santini
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shamansky
Shannon
Sharp
Simon
Skelton
Smith (IA)
Smith (OR)
Smith (PA)
Snyder
Solarz
St Germain
Stark
Stokes
Stratton
Studds
Swift
Synar
Traxler
Udall
Vento
Volkmer
Walgren
Washington
Watkins
Waxman
Weaver
Weiss
Whitley
Whitten
Williams (MT)
Williams (OH)
Wilson
Wirth
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)
Zablocki
Zeferetti

NOT VOTING—5

Bingham
Boggs
Burton, John
Chisholm
Crockett

□ 2310

Mr. STARK and Mr. GARCIA changed their votes from "aye" to "no."

So the Latta amendment in the nature of a substitute, as amended, was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The gentleman from Wisconsin (Mr. Aspin) will be recognized for 10 minutes, and the gentleman from Ohio (Mr. Latta) will be recognized for 10 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. Aspin).

Mr. ASPIN. Mr. Chairman, a group of us have put together an alternative budget which we would like to present to the House now at this time. It has two advantages. One is that it is perhaps nobody's first choice, but it is maybe the second choice of a bunch of Members; and, second, it has the lowest deficit of any of the alternatives going.

Mr. Chairman at this time I yield 2 minutes to the gentleman from California (Mr. Mineta).

Mr. MINETA. Mr. Chairman, we have now seen the Latta substitute defeated. Yet all of us have heard throughout this debate many of our colleagues, including the distinguished minority leader, say that we need to adopt a budget before we leave here this evening.

Several weeks ago a coalition began meeting in an effort to fashion a bipartisan compromise budget, with the goal of avoiding a partisan standoff and the collapse of the budget process in the Congress, which could have disastrous consequences for the Nation. We now know what the Senate will be bringing to the budget conference table. Therefore, as all of us are making decisions on the various budget alternatives currently before the House, it is critical that everyone factor in what the Senate-passed resolution contains.

The Senate-passed resolution proposes a cumulative 3-year deficit of $273 billion. It contains medicare reductions of $18.3 billion over the next 3 years, and reduces other targeted entitlements by $26 billion over the same time period.

We recommend that the House go into conference with a more centrist budget, a budget which truly reflects the consensus of the views of House Members on both sides of the aisle.

☐ 2330

For the past several weeks, a coalition of Democrats and Republicans has been meeting to fashion just that kind of a bipartisan budget. The budget alternatives developed by the coalition reduces the cumulative 3-year deficit figure by some $20 billion below the deficits in the Senate passed resolution, and I urge the Members to vote for the Aspin-Pritchard coalition compromise.

Mr. ASPIN. Mr. Chairman, I yield 5 minutes to the Republican side, particularly to the gentleman from Washington (Mr. Pritchard).

Mr. PRITCHARD. Mr. Chairman, I yield 1 minute to the gentleman from Iowa (Mr. Tauke).

Mr. TAUKE. Mr. Chairman, it is very difficult at this hour to come before the body and make a plea for yet another budget substitute.

During the last several weeks, as the gentleman from California mentioned, we have been meeting in a sincere effort not to undermine any other budget but in a sincere effort to try to deal with the circumstance that I think we are in right now, and that is a circumstance where there seems to be no alternative that could muster the votes necessary to pass the House.

I know all of us have our items that we would like in the budget that are not there. All of us have things that are in the budget that we think should not be there. But the fact of the matter is that the worst thing that can happen for everyone is if we pass no budget this evening and if we go home sending a signal to the money markets that we are unable to reach a conclusion through the process, that we are unable to reach a conclusion through the process.

It is increasingly apparent that the citizens of this Nation understand that economic recovery cannot be achieved without a resolution of the fiscal crisis confronting the Federal Government. During the past several months, the pressure on Congress has mounted as the public called for prompt and responsible action on the budget.

Several weeks ago, the budget process was apparently bogged down by partisan wrangling and finger pointing. Recognizing the necessity of passing a budget, several of us began meeting in an attempt to reach a consensus on a possible budget compromise. The proposal we are offering today is the culmination of our work.

I do not agree with all aspects of this proposal. Nor does my support for this plan preclude me from voting for another proposal which may be offered. But I do believe that this proposal has five vital characteristics:

First. It can pass the House. Because this is a centrist approach to the budget, we believe it can gain the support of a substantial majority of the people and the majority of the men and women who represent them in Congress.

Second. It is fair. Defense is not spared from budget cuts. Social programs are held in check, but not axed.

Third. It is compassionate. This proposal meets the legitimate needs of senior citizens, the disabled, and the low-income American.

Fourth. It is future-oriented. This budget contains new commitments to basic research, education, and the Nation's environment.

Fifth. It is frugal. It reduces the deficit more than $85 billion in 1983 and more than $400 billion over the next 3 years.

The bottom line is this: The passage of this budget means that the Federal Government will cut its demand for borrowed money. That leaves more money at cheaper rates for the home buyer, the person who wants to buy a new car, the farmer, the small businessperson. It means more jobs.

That does not suggest that I think this proposal is the answer or that it will instantly solve all our problems. It does suggest that I strongly believe this represents a giant stride in the right direction.

Mr. PRITCHARD. Mr. Chairman, I yield 1 minute to the gentleman from Iowa (Mr. Leach).

Mr. LEACH of Iowa. Mr. Chairman, I want to speak to two issues, the process and priorities.

The coalition budget represents a unique effort to arrive at a consensus working from the center out. It is an effort to be pragmatic rather than ideological, to be balanced rather than philosophically tilted.

As for priorities, the budget contains greater support for education, greater support for basic science, a unique productivity package. It also contains the least deficit.

To those who support greater deficit spending and lower revenue increases it can only be stressed that when this package goes to conference the likely result will be $115 billion over 3 years in revenue increases, which is $7 billion less than the President indicated to the Speaker he could accept. It will also result very likely in a 6-percent real growth in defense, which is high by some standards, low by others, but certainly not unrealistic.

Mr. PRITCHARD. Mr. Chairman, I yield back the balance of my time.

Mr. ASPIN. Mr. Chairman, I yield 1 minute to the gentleman from Colorado (Mr. Wirth).

Mr. WIRTH. Mr. Chairman, Mark Twain once said, "Always do the right thing, you will gratify some people and astonish the rest."

I think we can do the right thing with this budget in the area of looking at the future of our economy. It is the only budget that has in it a major package for research and development, science, productivity, and the university community.

We can do the right thing on the environment in this budget.

It is the only budget that makes room for continuing efforts to clean up the very significant hazardous waste problems in the country. And it is the first time that we have had an effective coalition, as the gentleman from Iowa said, moving from the center going out—a precedent that is extremely important for the future of the budget process.

I urge the Members to vote for the Aspin-Pritchard substitute.

Mr. ASPIN. Mr. Chairman, I yield such time as he may consume to the gentleman from Connecticut (Mr. Moffett).

Mr. MOFFETT. Mr. Chairman. This is a great body with a rich history. But this has been a sad budget debate, a very sad debate indeed.

For Republicans and other supporters of President Reagan, this budget debate has been a disaster because it has reaffirmed the bankruptcy of the Reagan approach.

Some things are obvious. The Government's revenues are too slight to support its extravagant spending plans. The quickest growing parts of the budget are defense, social security, medicare, medicaid and interest payments on an enormous debt. These represent about two-thirds of the entire budget this year. They will represent three-fourths next year and probably four-fifths by 1987.

In order to pay for all of these, we are gouging the poor, the politically powerless. And we are stealing from our future and the future of our children by slashing education, environmental protection, important scientific research, transportation and other important areas.

The deficit forecasts are frightening. They are frightening even if you take the rosy administration assumptions about economic growth and increases in national wealth. They are even more frightening when you consider that those estimates probably won't materialize.

This debate is sad for the Reagan people because their President is being stubborn. That is a polite word for it. He is digging in his heel and, in the face of expert economic advice from liberals and conservatives alike, he is refusing to back off his tax cut and his defense increase. He is trying to swim upstream with Jack Kemp and downstream with Milton Friedman at the same time. It won't work.

Let us face it: The Reagan administration has thrown in the towel on the balanced budget. There is no serious discussion within the administration about achieving it in the next several years.

Much of this is happening because the administration needs a way to finance its unwise supply-side experiment and its crazy policy of "more" on defense without asking "why?"

This has been a sad debate for most Democrats too., Many of us have supported this budget process. We have supported procedural changes over the years to put more fiscal discipline in the process. We have looked forward to some planning, priority setting and order in the process.

We have not found it. Many are disillusioned to say the least. And many are feeling that the Democratic Party has, in many instances, made the mistake of trying to emulate administration approaches that it, at other times, criticizes as unwise.

We engaged on our own supply side effort last year when we took part in a bidding war on the tax bill. Many of us opposed it. We thought it was unwise. We felt there was too much emphasis on "winning" rather than representing principles and people. We have seen our Party try to out-do the President by severely cutting programs.

So now we have three budget proposals. The Latta alternative is clearly unacceptable. The other two are not very different from one another. I favor the Aspin alternative over Jones, but there is not much difference. Both are major disappointments.

I will be leaving this body in a short time. But I hope that in the future, in the years to come, my party will have the courage and foresight to stress human capital in its budgets. I hope we will have the courage to go to the American people and say that there are certain wise social investments in the future that must be made. I hope that we will go to the people and tell them that until we reach important agreements on arms reductions and nuclear proliferation and on reduction of arms sales abroad, we will not have the resources to do what is right at home.

I am not pleading for a return to the New Deal. We must have new approaches. We must help our firms compete in world markets. We must have an economic game plan for the next 20 years.

But these budgets represent tragic retreats instead. It is too bad. The American people deserve better. Perhaps when we face up to the disastrous role being played by money in politics, we will feel more inclined to do the right thing.

Until then, the unemployed, the underemployed, the poor, the elderly, the young and others who need an opportunity will wait not so anxiously for our response.

The CHAIRMAN. The gentleman from Ohio (Mr. Latta) has 10 minutes remaining, and the gentleman from Wisconsin (Mr. Aspin) has 3 minutes remaining.

Mr. LATTA. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. Stratton).

Mr. STRATTON. Mr. Chairman, I know many of us in the years that the budget process has been in effect have felt that there was some truth to the statement that the only thing that the budget process has accomplished over the years is to take money out of defense and put it into social programs.

We have seen that process in effect these past few days. A number of assaults have been made against the defense budget by some. Some of those have succeeded, as we have seen today. A number of others fortunately have been rebuffed.

I think it is clear that no responsible world power in today's dangerous situation can deliberately and conscientiously try to undermine its defense. Certainly not the United States of America.

One of the grave deficiencies in the so-called coalition Aspin budget is the fact that it makes the greatest cut in our defense establishment over the next 3 years—$55 billion of reduction. That is the biggest cut of the three alternatives.

The Jones budget is $50 billion and the Latta budget was $35 billion.

We cannot certainly at this point accept that kind of a budget and expect to play a responsible role that we have tried to play not only in defending our own interests, but in trying to establish peace and stability in the world, and I think this budget should be rejected.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from New York.

Mr. SOLOMON. I thank the gentleman for yielding.

I want to commend the gentleman on his statement. Not only is it outrageous but also we just finished tabulating the increased taxes in the Aspin bill. It now comes, as of the last amendment at 10 o'clock, to an increase in taxes of $134.8 billion, and now we are cutting defense by that amount.

I think this country is going down the drain.

Mr. STRATTON. I thank the gentleman for his contribution.

Mr. LATTA. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. Marks).

Mr. MARKS. Mr. Chairman, this budget contains for 1983 a $98.2 billion deficit. May I say respectfully to my colleagues that if they think for one moment they can go back and suggest to their constituents that they did them a favor by voting for a $98.2 billion deficit for 1983, then if that is not political suicide I do not know what is.

May I respectfully suggest that there will not be chaos if a budget does not come out of this Chamber tonight. We will be here next week, no one will be at a great loss, and we will have the opportunity perhaps of forcing those people in the White House to finally take the leadership position that they owe us and the country.

I beg my colleagues not to vote for this or any other budget.

□ 2330

Mr. LATTA. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Rhode Island (Mrs. Schneider).

Mrs. SCHNEIDER. Mr. Chairman, I rise in support of the coalition budget because it represents one of the lowest deficits. It is equitable and fair and I believe this body needs a budget.

Mr. LATTA. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia (Mr. GINGRICH).

Mr. GINGRICH. Mr. Chairman, someone speaking for this budget said earlier, "The worst thing that can happen is that we have no budget this evening."

Now, why do we need to pass a budget tonight? I think there are three reasons. First, so that the President can meet with our NATO allies with a sense of strength in breaking the deadlock in Congress.

Second, so the money markets can lower interest rates because Congress has proven it can discipline its spending.

Third, so consumers can start buying because they know what the economic future holds, because we have broken the political deadlock over the budget.

So for the President, for the money markets and for consumers, we need a budget tonight.

But where are we? All those are arguments for a budget tonight, but after 2 days of the most narrow pork barrel reelection oriented spending spree, with interest group after interest group rolling through this Congress, we are now on the verge of passing a budget that will lead to a bigger welfare state, higher inflation, a bigger deficit, higher interest rates and a weaker defense.

If we pass this budget, we will tell the American consumers not to buy anything, because we are going to raise their taxes so high that they will not have the take-home pay to pay off any new purchases.

If we pass this budget we will tell the money markets to raise interest rates because the amendments of the gentleman from Mississippi have gutted the budget process.

Think of it, when the Nation cries for control over spending, we tonight amended the Budget Act to weaken our ability to control spending.

The chairman of the Appropriations Committee may have won tonight, but the American people and the Nation have lost.

Finally, if we pass this budget, we are sending our President to a European meeting with weaker defense, weaker budget control and a clear signal that this Congress lacks the courage to face up to its Nation's needs.

The only correct course tonight is to defeat the two remaining budgets. The Nation will not collapse with a 2 week wait, but the Nation and the economy may well collapse if in a moment of panic and a desire to avoid working next week we adopt a high tax, high inflation, high interest rate, big bankruptcy, pork barrel budget.

Mr. ASPIN. Mr. Chairman, I yield 1½ minutes to the gentleman from Washington (Mr. PRITCHARD).

Mr. PRITCHARD. Mr. Chairman, everything that the last gentleman said could have been said against all of the proposals that we are looking at tonight. This is an imperfect world and it certainly is an imperfect process we are in.

The question you have to decide tonight is, are you going to pass a budget here and send it on to conference, or are you going to go back to the Budget Committee and do you think you will get anything better out of this process.

I know some of you do.

As you know, I supported the Latta budget tonight, but I got into this process with this bipartisan effort because I was convinced we were going to end with no budget.

Now, the question is can we send something over to conference and see what can come out of it?

Remember this, no matter what you pass here, the same people are going to be on the conference and when they get into conference and you think of the Members, just think, you know what they are going to do, they are going to work hard for what they believe.

Now, I just believe that they can come out of conference with something we can work with. I plead with you, do not let this thing get stuck in concrete. Let us not get in a position where we cannot pass anything.

I believe this bill has the best chance of getting out of here tonight.

I urge the adoption of this amendment.

Mr. LATTA. Mr. Chairman, I yield 1 minute to the gentleman from Iowa (Mr. HARKIN).

Mr. HARKIN. Mr. Chairman, with all the talk about multibillions of dollars for defense and everything in these budgets, I almost hate to bring up an insignificant item like $2.1 billion; but in the Aspin budget, if you will look at it, there is $2.1 billion that they are taking out of direct loans, subsidized loans, made by the Federal Government. They have exempted housing, which leaves the big ticket items of agriculture and energy. Seventy percent of those loans are in agriculture and energy, are farm loans and loans to rural electric cooperatives.

That may seem like a small ticket item to my urban friends, but let me tell you this, you take $2 billion out of those loans for our crops, you take $2 billion out of our loans for low cost electrical power to our rural citizens and you have taken away the crutch on which they are leaning right now. Our rural people are bleeding to death and that $2.1 billion is going to send them down the drain.

Mr. LATTA. Mr. Chairman, I yield 1½ minutes to the gentleman from Arkansas (Mr. BETHUNE).

Mr. BETHUNE. Mr. Chairman, I would like to speak to the issue of the deficit, because many Members tend to look at that. This particular proposition that is before us now is said to have a deficit of some $98 billion. That figure is just not realistic.

It has been said over and over again here in this Chamber that it is just practically impossible for this Congress, the Ways and Means Committee, to raise more than $18 or $20 billion in the first year. This budget calls for $30 billion in taxes in the first year.

□ 2340

That amount can just not be raised unless Members here are prepared to vote for a laundry list of taxes that would choke anyone, and I read them the other night. But we are going to have to repeal the student exemption, repeal the State and local sales tax deduction, the State and local personal property tax deduction, and on and on through the list of personal taxes.

We are going to have to double the distilled spirits excise tax, double the tax on tobacco, on beer and wine and telephones and motor fuels, and the 10-percent excise tax on luxuries, and all of that is going to bring us up short of the mark. We are not going to raise that kind of revenue in the first year.

It has been said over and over. For those who entertain the idea of repealing the third year of the tax cut, that is not realistic. We had two votes on that here in the Chamber. The other body has spoken to that issue. So we cannot raise that kind of revenues. We are going to fall short. The deficit is going to be more like $110 billion or $120 billion under this proposal.

● Mr. FRENZEL. Mr. Chairman, the Aspin budget resolution has also been modified beyond the intent of its sponsors. Nevertheless, it remains a high spending budget, especially in the outyears of fiscal years 1984 and 1985.

But spending is not its worst liability. The real flaw is that it taxes too much. It increases taxes by about $140 billion, $30 billion of that total in the first year. I expect that the House will not approve new tax increases of that magnitude.

The out-year tax increases are astounding, $67 billion in new or increased taxes in 1985 cannot be done. Neither can $45 billion in new taxes in 1984.

I am not wedded to high defense spending figures, but in my judgment, ASPIN is a little too tough on defense. Over the 3-year period it gives $45 billion less to national defense than was given in the Latta substitute.

All things considered, I think the Aspin substitute is not worthy of passage.●

The **CHAIRMAN**. The gentleman from Ohio (Mr. Latta) has one-half minute remaining.

Mr. **LATTA**. Mr. Chairman, certainly we cannot take this budget—$87 billion will be taken out of budget authority for the Defense Department. The gentleman goes $47 billion further in budget authority reductions than does the bipartisan recovery substitute.

The Oakar amendment really would have crippled us in defense going to the Senate. With this kind of a reduction of $87 billion, we would be laughed out of the Senate. We cannot go to conference with this kind of a budget. I urge its defeat.

The **CHAIRMAN**. The gentleman from Wisconsin (Mr. Aspin) is recognized for 2 minutes to close debate.

Mr. **ASPIN**. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. Panetta) to close the debate.

Mr. **PANETTA**. First of all, Mr. Chairman, I want to thank all the Members for their patience during this budget debate, and to thank the Members who worked on the budget that is before you now.

I think there are four basic tests that I ask the Members to look at. I would remind you of those tests again.

The first is the issue of the deficit. While the Republicans may complain about the size of the deficit, the reality is that this budget has the lowest deficit of all of the plans that are before you. It is the only deficit that is below $100 billion in 1983, and it has the lowest deficit over the next 3 years. I think that is an extremely important point to remember for all Members.

Second, it is a fair budget. It does include a fair approach to entitlements, to discretionary programs, to defense, yes to defense, because we need to take a figure into conference so that we can come out at a rational level in the conference. It also contains a fair figure on revenues which is $12 billion less in total revenue raisers than what the committee proposes and very close to what the President himself recommended, the figure of $122 billion in the negotiations with the Speaker.

Third, it is the only package that has a productivity piece that looks to the future, and that it is important if this body is going to look to the country and to our society for the future.

And last, and I think very important, this is the only plan that is now before the House that does join Members from both sides of the aisle in an effort to try to arrive at some kind of bipartisanship in terms of a budget resolution. That, I think, is extremely important in terms of the message we want to send to the country, that we do want to join hands in trying to develop a budget resolution that meets the needs of the country.

This is the only alternative that I believe is right. It is right in terms of the deficit, it is right in terms of compassion, it is fiscal minded, and it provides for the future. I urge your vote in support of the Aspin amendment.

The **CHAIRMAN**. All time has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from Wisconsin, Mr. Aspin, as amended.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. **ASPIN**. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 137, noes 289, not voting 6, as follows:

[Roll No. 128]

AYES—137

Addabbo
Akaka
Alexander
Anderson
Anthony
Aspin
AuCoin
Barnes
Bedell
Beilenson
Bereuter
Blanchard
Boland
Bolling
Boner
Bonker
Bouquard
Brodhead
Brooks
Brown (CA)
Clinger
Coelho
Coughlin
Coyne, James
Coyne, William
Davis
DeNardis
Dingell
Donnelly
Dowdy
Downey
Dwyer
Dyson
Early
Eckart
Edgar
Erdahl
Ertel
Evans (DE)
Evans (IA)
Evans (IN)
Fascell
Fazio
Ferraro
Findley
Fish
Florio
Foglietta
Foley
Frank
Frost
Gejdenson
Gephardt
Gilman
Glickman
Gonzalez
Gore
Guarini
Hall (OH)
Hamilton
Heckler
Heftel
Hertel
Hollenbeck
Howard
Hoyer
Jeffords
Jones (OK)
Jones (TN)
Kastenmeier
Kennelly
Kogovsek
LaFalce
Lantos
Leach
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
Markey
Mavroules
Mazzoli
McCloskey
McDade
McHugh
McKinney
Mikulski
Mineta
Minish
Moakley
Moffett
Mottl
Nowak
O'Brien
Oakar
Ottinger
Panetta
Patterson
Pease
Pepper
Petri
Peyser
Pickle
Porter
Pritchard
Rahall
Railsback
Ratchford
Richmond
Rinaldo
Roe
Rostenkowski
Sabo
Santini
Scheuer
Schneider
Seiberling
Shannon
Sharp
Simon
Smith (NJ)
St Germain
Studds
Swift
Synar
Tauke
Vento
Walgren
Williams (MT)
Williams (OH)
Wirth
Wolpe
Wright
Wyden
Zablocki
Zeferetti

NOES—289

Albosta
Andrews
Annunzio
Applegate
Archer
Atkinson
Badham
Bafalis
Bailey (MO)
Bailey (PA)
Barnard
Benedict
Benjamin
Bennett
Bethune
Bevill
Biaggi
Bliley
Bonior
Bowen
Breaux
Brinkley
Broomfield
Brown (CO)
Brown (OH)
Broyhill
Burgener
Burton, Phillip
Butler
Byron
Campbell
Carman
Carney
Chappell
Chappie
Cheney
Clausen
Clay
Coats
Coleman
Collins (IL)
Collins (TX)
Conable
Conte
Conyers
Corcoran
Courter
Craig
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daschle
Daub
de la Garza
Deckard
Dellums
Derrick
Derwinski
Dickinson
Dicks
Dixon
Dorgan
Dornan
Dougherty
Dreier
Duncan
Dunn
Dymally
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
Emery
English
Erlenborn
Evans (GA)
Fary
Fenwick
Fiedler
Fields
Fithian
Flippo
Ford (MI)
Ford (TN)
Forsythe
Fountain
Fowler
Frenzel
Fuqua
Garcia
Gaydos
Gibbons
Gingrich
Ginn
Goldwater
Goodling
Gradison
Gramm
Gray
Green
Gregg
Grisham
Gunderson
Hagedorn
Hall, Ralph
Hall, Sam
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Harkin
Hartnett
Hatcher
Hawkins
Hefner
Hendon
Hightower
Hiler
Hillis
Holland
Holt
Hopkins
Horton
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffries
Jenkins
Johnston
Jones (NC)
Kazen
Kemp
Kildee
Kindness
Kramer
Lagomarsino
Latta
Leath
LeBoutillier
Lee
Lehman
Leland
Lent
Levitas
Lewis
Livingston
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Madigan
Marks
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Matsui
Mattox
McClory
McCollum
McCurdy
McDonald
McEwen
McGrath
Mica
Michel
Miller (CA)
Miller (OH)
Mitchell (MD)
Mitchell (NY)
Molinari
Mollohan
Montgomery
Moore
Moorhead
Morrison
Murphy
Murtha
Myers
Napier
Natcher
Neal
Nelligan
Nelson
Nichols
Oberstar
Obey
Oxley
Parris
Pashayan
Patman
Paul
Perkins
Price
Pursell
Quillen
Rangel
Regula
Reuss
Rhodes
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Rodino
Roemer
Rogers
Rose
Rosenthal
Roth
Roukema
Rousselot
Roybal
Rudd
Russo
Savage
Sawyer
Schroeder
Schulze
Schumer
Sensenbrenner
Shamansky
Shaw
Shelby
Shumway
Shuster
Siljander
Skeen
Skelton
Smith (AL)
Smith (IA)
Smith (NE)
Smith (OR)
Smith (PA)
Snowe
Snyder
Solarz
Solomon
Spence
Stangeland
Stanton
Stark
Staton
Stenholm
Stokes
Stratton
Stump
Tauzin
Taylor
Thomas
Traxler
Trible
Udall
Vander Jagt
Volkmer
Walker
Wampler
Washington
Watkins
Waxman
Weaver
Weber (MN)
Weber (OH)
Weiss
White
Whitehurst
Whitley
Whittaker
Whitten
Wilson
Winn
Wolf
Wortley
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)

NOT VOTING—6

Beard
Bingham
Boggs
Burton, John
Chisholm
Crockett

☐ 2400

The Clerk announced the following pairs:

On this vote:

Mrs. Boggs for, with Mr. Crockett against.

Messrs. ROSENTHAL, YATES, BIAGGI, WAXMAN, ANNUNZIO, DICKS, ANDREWS, SHAMANSKY, MATSUI, FARY, MICA, and FITHIAN changed their votes from "aye" to "no."

Mr. SYNAR changed his vote from "no" to "aye."

So the Aspin amendment in the nature of a substitute, as amended, was rejected.

The result of the vote was announced as above recorded.

PARLIAMENTARY INQUIRIES

Mr. REGULA. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. REGULA. Mr. Chairman, could the Chair state as to what the parilamentary situation would be as far as the vote on the next substitute and, if this fails, what position we will be in?

As I understand it, there would then reoccur a vote in the House on the committee bill as it left the committee?

The CHAIRMAN. The Chair would entertain a motion in the committee that the committee rise and report the base resolution to the House.

Then there would be a vote in the House on the original resolution.

Mr. REGULA. Further inquiring, Mr. Chairman, the vote that then would occur on the committee resolution would be as it left the committee and without any amendments that were added in the committee on the floor; is that correct?

The CHAIRMAN. That is correct.

Mr. REGULA. I thank the gentleman.

Mr. MADIGAN. Mr. Chairman, pursuing that parliamentary inquiry of the gentleman from Ohio just one step further, in the event that the Jones substitute is not successful and we then rise and report Jones as originally reported from the committee, is it correct that there would then be no debate or no discussion at that point?

The CHAIRMAN. Under the statute, the previous question is ordered.

Mr. MADIGAN. I thank the gentleman.

The CHAIRMAN. The gentleman from Oklahoma (Mr. Jones) will be recognized for 10 minutes and the gentleman from Ohio (Mr. Latta) will be recognized for 10 minutes.

The Chair recognizes the gentleman from Oklahoma (Mr. Jones).

Mr. JONES of Oklahoma. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin, Mr. Obey.

Mr. OBEY. Mr. Chairman, I think all of us on this side of the aisle know how deeply I dislike all of the budgets we have dealt with the last 2 days. I think they are all lousy budgets.

But the fact is that conservatives and liberals alike need to recognize that we have both been licked. The fact is that this is a product that nobody likes but we have a responsibility to pass something because all of our people, Republicans and Democrats, rich and poor, need a decision out of this House.

For those who think compromise is too much to bear at this moment, even at the end of the process, I would simply commend to you George Bernard Shaw's statement upon hearing that the Honorable Joseph Burgess had given up his seat in the House rather than compromise on an important issue. This is what he said:

> When I think of my own character, smirched with compromise, rotted with opportunism, mildewed by expediency—dragged through the mud of borough council and battersea elections, stretched out of shape with wire-pulling, putrified by permeation, worn out by twenty-five years pushing to gain an inch here, or straining to stem a backrush. I do think Joe might have put up with just a speck or two on those white robes of his for the sake of the millions of poor devils who cannot afford any character at all because they have no friend in parliament.

I would suggest that the country needs a yes vote, the House needs a yes vote from both sides of the aisle.

I think at this point what is required above all else is that we all of us show a humility about our own belief, put aside our differences for the moment, and do our duty, which is to pass the only vehicle which remains which can demonstrate to the Nation our collective sense of responsibility.

I would urge Members on both sides of the aisle to support both this amendment and, if it fails, when we go into the House to vote for the original committee bill because it is the only product left to continue the process by which we must make a decision if we care about our country.

The CHAIRMAN. The gentleman from Ohio (Mr. Latta) is recognized for 10 minutes.

Mr. LATTA. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana (Mr. Moore).

Mr. MOORE. My colleagues, I think I have come to the conclusion that I believe the House will come to and hopefully so in a very few minutes.

It is time to vote down the Jones substitute, vote down the bill, and come back next week with something better.

□ 0010

Of the six votes we have cast so far, the one that got the most votes also had the least amount of revenue raised. That was the Latta substitute; 192 of us agreed to raise taxes 20 billion dollars' worth, and that was not good enough to win. But I submit it may be the best you can do. The one we have before us now is 150 billion dollars' worth of taxes, $55 billion more than the measure that has already gotten the most votes of any of the seven substitutes to appear before the House. You are putting us in a very difficult position. We are going to have to come back with the legislation to give meaning to these numbers we are deciding on tonight. If you have got a rough time picking out a budget, think how rough it is going to be when we have to vote on that legislation.

Therefore, we had better come back next week with something that is realistic in the tax area, or we are not going to accomplish anything. I submit that is a lot worse than not voting for a budget resolution tonight.

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the gentleman from North Carolina.

Mr. MARTIN of North Carolina. Mr. Chairman, I think that the gentleman is quite right. The rule under which we have operated this past week has been indeed a testiment to democracy. It has allowed everyone to exercise their priorities, to reassure they are faithful, but not to come up with a budget that can reduce the deficit to where we can stimulate the economy.

Certainly if the Jones proposal succeeds, then it succeeds, and congratulations. But if it does not, we need to swiftly, Mr. Chairman, have something on the move to reassure the people that we will have a rule that will allow 2 proposals, not 7, not 145, not 3, but 2 proposals, the best from each philosophic side, to see if we can rally, to get a majority that will bring the deficits down and get the economy going again. This one is not going to do it.

Mr. JONES of Oklahoma. Mr. Chairman, I yield 1 minute to the gentleman from Illinois (Mr. Simon).

Mr. SIMON. Mr. Chairman, we face three choices: The Jones budget, as amended, the committee process, or no budget.

While I hear a clap or two, let me tell you the country will not cheer that third choice.

What is the difference between the Jones budget, as amended, and the committee product? In military, it is about a wash. There is some increase in budget authority, reduction in outlay. The biggest change is one this body accepted overwhelmingly last night. We increased education. We increased medicare slightly. We increased COLA's. By a voice vote we overwhelmingly said we want to maintain veterans' programs at the present level.

That, my friends, is the difference.

Mr. LATTA. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. Fiedler).

Ms. FIEDLER. Mr. Chairman, $150 billion; that is the tax base that you will be passing if you pass the Jones budget, $150 billion; $50 billion over the Latta budget; $50 billion will buy a lot of education, it will buy a lot of homes, it will put a lot of people to work in the private economy. $50 billion; that is what you are really talking about in terms of the differences.

I would have thought that at this point I would have been extemely depressed and upset, after having spent so much time working on this budget—all of us—but, instead, I feel renewed vigor, a hope for the future, because I feel that we have an opportunity in defeating this bill and defeating in the final passage, to start again and come up with a product that is worthwhile.

Mr. LATTA. Mr. Chairman, I yield 30 seconds to the gentleman from California (Mr. PASHAYAN).

Mr. PASHAYAN. Mr. Chairman, the American people have always been a people of commonsense and have been somewhere in the middle. The deficit is very important. Nobody stands for a balanced budget more than I do. But the deficit is not the only subject we are discussing here. We are discussing the level of taxes, the amount of spending, the amount of the deficit.

Speaking of being in the middle on these things, the other side is so concerned that the President is asking for too much for defense. I should like to remind the committee that the Latta substitute spends less money in defense outlays next year than the Jones substitute by about $2 billion.

Mr. LATTA. Mr. Chairman, I yield 30 seconds to the gentleman from Oklahoma (Mr. EDWARDS).

Mr. EDWARDS of Oklahoma. Mr. Chairman, for the last week we have debated in the this House three turkeys, and this is the granddaddy of all turkeys. This is the highest level of spending. This is the biggest deficit for the first year. This is the biggest tax increase. And I will tell you that doing nothing is better than doing this. If you pass Jones, you are sending a message to Wall Street that is more of the same, and we will have higher interest rates and higher interest rates, and it will not be Paul Volcker's fault. It will be our fault.

Mr. LATTA. Mr. Chairman, I yield 1 minute to the gentleman from Louisiana (Mr. ROEMER).

Mr. ROEMER. I thank the gentleman for yielding.

Mr. Chairman, look at the numbers. Out of $356 billion of entitlements, the Jones budget cuts $850 million. Out of the rest of discretionary spending, the Jones budget cuts less than $3 billion, and yet raises taxes nearly $31 billion in the first year. The Jones budget is not the best that we can do.

Yes, we can send a message to America by defeating the Jones budget. We are closer than you think. I have talked to the Speaker of the House and asked him, if we turn all of these budgets down, that we continue to meet, work on a compromise with a bold strike, and pass a budget that will help America and not be more business as usual.

Mr. JONES of Oklahoma. Mr. Chairman, I will take 30 seconds to correct the record, and we will produce the quotation if necessary.

The point is, as I have said here, and in Oklahoma, and elsewhere, and as the gentleman from Ohio has said, if our vote were the only vote, we would make changes in these budgets. I would certainly make some changes in this substitute, especially after some of the votes we have taken. But I still believe that this budget has more positive things, is more fair, and can take us into conference in the best shape of any of the budgets before the House. I urge its adoption.

Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. DOWNEY).

Mr. DOWNEY. Mr. Chairman, I address my friends, my progressive friends from the Northeast, in particular my black friends. I have supported the Black Caucus votes in the years that I have been in the Congress. And I ask you: What will we accomplish if we wait another week, my friends? Very, very little. The numbers will change in a very small way. We do more for children and we do more for people in the Jones budget than the other budgets do. We recognize, most of the Democrats do, that the Government can be a force for change and good in this country. I am not pleased at all with the compromises we have made in the Jones budget. I happen to think we should be doing more for jobs, we should be doing more for the elderly, we should be doing more in the way of education. But if we wait another week we will send the worst possible signal to the country. We will accomplish very, very little and, in the long run, we will see very, very little change.

I urge the Members to support the Jones amendment, give this process an opportunity to work. We will work in conference and come out with something that is not what we all want, but something we can live with.

☐ 0020

Mr. LATTA. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. GRAMM).

Mr. GRAMM. I thank the gentleman.

It has been a long road. Conservation Democrats met with the Speaker over 1 month ago. I had over 12 meetings with the gentleman from Oklahoma (Mr. JONES) to try to work out a compromise. As the gentleman from Oklahoma (Mr. JONES) said in his hometown paper, he was pushed to the left. He adopted a budget he does not himself support. That is in his hometown.

Let me make this point. If we vote down these budgets today, that is not the committee process collapsing. We go back to the committee.

The question is, Is this good enough? We have had a lot of people talking about signals, we are going to send signals. Are we really going to impress Wall Street, even with a committee budget, by cutting entitlements $4.2 billion? Out of almost $400 billion in entitlements and raising taxes $32 billion in 1981, an 8-to-1 tax-to-spending-cut ratio? Is that going to impress Wall Street?

Mr. JONES of Oklahoma. Mr. Chairman, I yield 1 minute to the gentleman from Kansas (Mr. GLICKMAN).

Mr. GLICKMAN. Mr. Chairman, after watching the House I believe only Houdini could come up with a lower deficit than the gentleman from Oklahoma (Mr. JONES) can come up with.

My colleagues on the left said let us come back with another product. What are you going to do—cut COLA's? Of course not. Are you going to cut medicare? Of course not. Are you going to cut education? Of course not. Are you going to cut defense? Of course not. Are you going to raise taxes dramatically? Of course not.

We are arguing and arguing. We cannot come up with anything much better than this that will pass this House. So many of my colleagues came to be for this balanced budget but voted for all those amendments to raise money, and I claim this is the only budget that can pass. I urge its adoption.

Mr. LATTA. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. KEMP).

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. KEMP. I yield to my friend, the gentleman from North Carolina (Mr. MARTIN).

Mr. MARTIN of North Carolina. I thank my friend for yielding so that I might make a unanimous-consent request as to whether the gentleman who preceded him in the well will give us an opportunity to show that we can do better—and the answer is the same as he gave—of course not.

Mr. KEMP. Mr. Chairman, there have been several statements made from the floor tonight that those who are in favor of the committee budget think it is the best compromise that can be achieved. Those who are opposed are opposed in the main because they think the tax increase of $150 billion is excessive.

I just want to remind my colleagues that this is not just a $150 billion tax increase over the next 3 years. The combination of social security tax increases and bracket creep built into the progressive income tax system combine for an increase of $238 billion. The total tax increase on the American people in the next 3 years if the Jones budget is accepted will be close to $388 billion. These increases so overwhelm the tax reductions enacted last year that by 1985 the net tax reduction would be but $1 billion, $1 billion is what by then will be a $4.5 trillion economy.

What does this mean to an American family? What will it take to raise an extra $31 billion in 1983? Repeal of major deductions such as consumer interest, student exemptions, State and local sales and property tax, and capping the health insurance deduction—repeal of the final year of rate reductions and indexing—imposition of oil import fees, doubling of excise taxes, repeal of safe harbor leasing. These are the measures necessary to reach the Jones figure. The personal income tax changes would raise less than $10 billion in 1983 but raise the tax on a family earning $24,000 by $1,002. Is this the equity we seek?

I say to my friend the chairman of the Budget Committee that it is not the equity which I seek or which he seeks. It is a false step—a step made because our entire debate began in a false premise of the 1982 deficit.

I frankly think that the assumptions and the baseline which we have received from the Congressional Budget Office have been wrong in many instances. They told us the deficit in 1982 was going to be $119.5 billion. Frankly, according to revenues and outlays so far, the deficit, according to the Treasury Department, is closer to $95 billion. The assumptions are wrong in 1982, they are equally wrong in 1983, it is a dangerous climate in which to make decisions tonight that will reverse, indeed impede, the ability of us to get an economic recovery.

The one way to get the deficit down, I think everyone agrees, left, right, and center is to make this economy grow again—jobs, employment, growth, productivity. And you are not going to get that if you put an increased tax burden on the American people and American cities to the extent of $150 billion or even $95 billion in the next 3 years.

Neither Wall Street nor Main Street will be impressed with raising taxes. Interest rates do not fall with rising taxes; American families do not save with rising taxes. The reaction which we all hope to see in the markets will come as total spending and credit demands of the Federal Government fall.

Many of my colleagues will say that keeping taxes low results in higher deficits. During the recession that is true. But the taxes they would raise are a permanent drain on the economy. A temporary deficit, induced by recession, can be financed temporarily by borrowing without destroying incentives and long-term growth.

The high tax approach further ignores the entire issue of monetary policy. Debasement of the currency is the single greatest cause of high interest rates in this country. Failure to establish the value of the dollar, relying on impossible measures of monetary aggregates, has led to instability and chaos.

Earlier tonight I voted for the Latta substitute. I did not vote for it because I supported its contents. It too was a high tax budget. It too made unwise reductions in national defense, even before the Oakar amendment.

I voted for the Latta substitute because it gave the House an opportunity to assume control of the budget process. It failed.

Now I ask my colleagues to vote down the Jones substitute. Vote "no" here and on the committee resolution in the full House. Let us send the Budget Committee back to the table with a new baseline, with a new starting point free of the idea that higher taxes will buy prosperity.

There is no way you can get from here to there.

We raised taxes $300 billion from 1976 to 1980. Did the deficit go down? I would say to my friends on both sides of the aisle, it did not go down, it went up.

Did interest rates go down with the huge tax increase? They went up. I beg my colleagues, do not make the mistake of panicking tonight. We can come back here next week. Let us not put the burden on the American people. The deficit is not caused by the American people being undertaxed.

The CHAIRMAN. The gentleman from Ohio (Mr. LATTA) has 1 minute remaining, and the gentleman from Oklahoma (Mr. JONES) has 3½ minutes remaining.

Does the gentleman from Oklahoma have more than one speaker?

Mr. JONES of Oklahoma. Mr. Chairman, I just have one speaker. Is the Chair certain that is not 4½ minutes?

The CHAIRMAN. The gentleman has 3½ minutes remaining.

Mr. JONES of Oklahoma. We have just one speaker left.

Mr. LATTA. Mr. Chairman, in all fairness to our chairman, he has been quoted in the Tulsa World on May 18 here tonight. I kind of think we ought to lay it on the record as to what he said and what he did not say.

Quoting from the paper.

"House Budget Committee Chairman JIM JONES said Monday, the $700 billion budget he steered through the committee last week lists too far to the left to suit him."

Let me say the product that now he brings before us lists further to the left.

Let me say, continuing.

"I had to go to the left, JONES said, at the press conference at his local office. If he had the deciding vote on the budget, JONES added, he would junk the committee plan."

Now we have an opportunity to do just that with his listing product.

Then he continues in the interview, and I quote, "What I would hope to do is come back to the middle." That is what we would hope for him to do, come back to the middle.

When we come back to the middle we have an opportunity to pass a budget, otherwise we do not have an opportunity.

Mr. JONES of Oklahoma. Mr. Chairman, I yield my remaining time to the distinguished majority leader, the gentleman from Texas (Mr. WRIGHT).

(Applause, Members rising).

Mr. WRIGHT. Mr. Chairman, before the first vote on the Latta amendment, I went to my friend, the minority leader, the gentleman from Illinois (Mr. BOB MICHEL) and I said that whatever ultimately came out I was prepared to support.

I told him if the Latta amendment should prevail in the end I would vote for it in order that we could send something to conference and that the legislative process could work. Thus the American people could be assured that we were moving in the direction of adopting a budget—maybe not one that each of us would approve, maybe not one that any of us would approve in all its particulars. You cannot produce a budget that will be made in the personal image of each of 435 people, because each of us is different. That is what has been great about our country, that we have been able to achieve unity out of our diversity.

That is my plea tonight. Are we able to do that? Are we able, once we have had our say, and maybe not always gotten our way—that is what was guaranteed to us—then to coalesce around what the majority has decided. Are we able to send to the other body something, admittedly imperfect, and sit down and compromise then with them?

I would say to my friends on the Republican side that a Republican Senate produced a bill. If what you really want is a bipartisan compromise, then let us take this bill and sit down and compromise with them. It will be a bipartisan compromise when it comes out, if you vote to approve and thus to send this committee bill to conference.

The Senate bill must be pretty close to some of the things you believe in, if you are a Republican.

I want to ask my friends in the Black Caucus, and my liberal Democratic friends, if you want to hold out and try to get something better, do you not understand there are people on the Republican side who are diametrically opposed to what you believe in and who also are holding out. Some of the most conservative Members on the Republican side seem to feel they should be able to vote as they did last year for a $400 billion cut in taxes over these 3 years, and still not have to face higher deficits, or not ever have to raise any revenues to compensate for the loss. You simply cannot do it, of course mathematics will not let you have all those choices. So let us face that fact.

☐ 0030

Let us send a bill to conference and see what the conferees can do. Let us demonstrate to the American people that we have the capacity to give and take, to compromise a little bit.

Benjamin Franklin, while they were working out the greatest compromise of all, the Constitution of the United States, pleaded with his colleagues that each "trust a little less in his own infallibility." Henry Clay said "Do not despise compromise. It is the cement that holds the Union together."

What are we doing, each of us holding out for the very last scintilla of every item that he or she individually and arrogantly demands? We cannot legislate that way. If there is no coalescing, we could not have a nation.

What does this say of our nationhood? Was Kevin Philips right when he wrote 4 years ago in Harper's magazine of the "Balkanization of America," that we have fallen apart into smaller and smaller groups, owing our first allegiance not the country, but to some ideological flag or to some small social or ethnic or geographic group and only second to the country as a whole?

We have done our best. It is a long, long process we have come through. It is time now that we come together and coalesce and fulfill that prayer, "confirm our soul in self control, our liberty in law."

PARLIAMENTARY INQUIRY

Mr. LATTA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LATTA. Mr. Chairman, should this substitute that is now before us be defeated, will we then go back into the House and have an opportunity to vote on the Jones proposal as it came from the committee?

The CHAIRMAN. The Chair would entertain that motion in the committee that we go back into the House.

Mr. LATTA. I thank the Chair.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Oklahoma (Mr. JONES), as amended.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. JONES of Oklahoma. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 171, noes 253, answered "present" 1, not voting 7, as follows:

[Roll No. 129]

AYES—171

Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews
Annunzio
Anthony
Aspin
AuCoin
Bailey (PA)
Barnes
Bedell
Beilenson
Benjamin
Bevill
Biaggi
Blanchard
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Brodhead
Brooks
Brown (CA)
Coelho
Coyne, William
Daschle
de la Garza
Derrick
Dicks
Dingell
Donnelly
Dorgan
Dowdy
Downey
Dwyer
Dyson
Early
Eckart
Edgar
Edwards (CA)
Ertel
Evans (GA)
Fary
Fascell
Fazio
Ferraro
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gore
Guarini
Hall (OH)
Hawkins
Hefner
Heftel
Hertel
Hightower
Holland
Howard
Hoyer
Hubbard
Hutto
Jones (NC)
Jones (OK)
Jones (TN)
Kastenmeier
Kazen
Kennelly
Kildee
Kogovsek
LaFalce
Lantos
Lehman
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
Markey
Matsui
Mavroules
Mazzoli
McHugh
Mica
Mikulski
Miller (CA)
Mineta
Minish
Moakley
Moffett
Mollohan
Mottl
Murtha
Natcher
Nichols
Nowak
Oakar
Oberstar
Obey
Ottinger
Panetta
Patterson
Pease
Pepper
Perkins
Peyser
Pickle
Price
Rahall
Ratchford
Reuss
Richmond
Rodino
Roe
Rose
Rosenthal
Rostenkowski
Roybal
Sabo
Scheuer
Schroeder
Schumer
Seiberling
Shamansky
Shannon
Sharp
Simon
Smith (PA)
Solarz
St Germain
Stratton
Studds
Swift
Synar
Traxler
Udall
Vento
Walgren
Watkins
Waxman
Weaver
White
Whitten
Williams (MT)
Wilson
Wirth
Wolpe
Wright
Wyden
Yates
Yatron
Zablocki
Zeferetti

NOES—253

Applegate
Archer
Atkinson
Badham
Bafalis
Bailey (MO)
Barnard
Beard
Benedict
Bennett
Bereuter
Bethune
Bliley
Breaux
Brinkley
Broomfield
Brown (CO)
Brown (OH)
Broyhill
Burgener
Burton, Phillip
Butler
Byron
Campbell
Carman
Carney
Chappell
Chappie
Cheney
Clausen
Clay
Clinger
Coats
Coleman
Collins (IL)
Collins (TX)
Conable
Conte
Conyers
Corcoran
Coughlin
Courter
Coyne, James
Craig
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daub
Davis
Deckard
Dellums
DeNardis
Derwinski
Dickinson
Dixon
Dornan
Dougherty
Dreier
Duncan
Dunn
Dymally
Edwards (AL)
Edwards (OK)
Emerson
Emery
English
Erdahl
Erlenborn
Evans (DE)
Evans (IA)
Evans (IN)
Fenwick
Fiedler
Fields
Findley
Fish
Fithian
Forsythe
Fountain
Frenzel
Garcia
Gilman
Gingrich
Ginn
Goldwater
Goodling
Gradison
Gramm
Gray
Green
Gregg
Grisham
Gunderson
Hagedorn
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Harkin
Hartnett
Hatcher
Heckler
Hendon
Hiler
Hillis
Hollenbeck
Holt
Hopkins
Horton
Huckaby
Hughes
Hunter
Hyde
Ireland
Jacobs
Jeffords
Jeffries
Jenkins
Johnston
Kemp
Kindness
Kramer
Lagomarsino
Latta
Leach
Leath
LeBoutillier
Lee
Leland
Lent
Levitas
Lewis
Livingston
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Madigan
Marks
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Mattox
McClory
McCloskey
McCollum
McCurdy
McDade
McDonald
McEwen
McGrath
McKinney
Michel
Miller (OH)
Mitchell (MD)
Mitchell (NY)
Molinari
Montgomery
Moore
Moorhead
Morrison
Myers
Napier
Neal
Nelligan
Nelson
O'Brien
Oxley
Parris
Pashayan
Patman
Paul
Petri
Porter
Pritchard
Pursell
Quillen
Railsback
Rangel
Regula
Rhodes
Rinaldo
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Rogers
Roth
Roukema
Rousselot
Rudd
Russo
Santini
Savage
Sawyer
Schneider
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Skeen
Skelton
Smith (AL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (OR)
Snowe
Snyder
Solomon
Spence
Stangeland
Stanton
Stark
Staton
Stenholm
Stokes
Stump
Tauke
Tauzin
Taylor
Thomas
Trible
Vander Jagt
Volkmer
Walker
Wampler
Washington
Weber (MN)
Weber (OH)
Whitehurst
Whitley
Whittaker
Williams (OH)
Winn
Wolf
Wortley
Wylie
Young (AK)
Young (FL)
Young (MO)

ANSWERED "PRESENT"—1

Weiss

NOT VOTING—7

Bingham
Boggs
Burton, John
Chisholm
Crockett
Murphy
Schulze

☐ 0040

The Clerk announced the following pairs:

On this vote:

Mrs. Boggs for, with Mr. Crockett against.

Mr. Bingham for, with Mr. Weiss against.

Mr. WEISS. Mr. Chairman, I have a live pair with the gentleman from New York (Mr. BINGHAM). If he were here, he would have voted "aye." I voted "no." I withdraw my vote and vote "present."

So the Jones amendment in the nature of a substitute, as amended, was rejected.

The result of the vote was announced as above recorded.

☐ 0050

Mr. JONES of Oklahoma. Mr. Chairman, I ask unanimous consent to speak for 10 minutes.

The **CHAIRMAN.** The Chair understood that the request was going to be for 10 minutes, to be equally divided.

Mr. **JONES** of Oklahoma. To be equally divided.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Oklahoma.

Mr. **McKINNEY.** Mr. Chairman, reserving the right to object, I have been told by my leadership to let everyone have 5 minutes. What we can learn in 5 minutes on either side that we have not learned in these foolish days we have been through, I will never understand.

Mr. Chairman, I withdraw my reservation of objection.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Oklahoma?

Mr. **ROEMER.** Mr. Chairman, reserving the right to object, I take this time for 20 seconds only to clear up one matter of misunderstanding that happened just a few minutes ago that I cannot let stand between the chairman of the Budget Committee and myself. There is no Member of this House for whom I have higher respect than I have for the gentleman from Oklahoma, Jim Jones. He is first class and we are lucky to have him.

I just wanted to clear that up for the record, Mr. Chairman.

Mr. Chairman, I withdraw my reservation of objection.

The **CHAIRMAN.** Is there objection to request of the gentleman from Oklahoma?

Mr. **MICHEL.** Mr. Chairman, reserving the right to object, and I shall not, I think earlier in the proceedings, under a parliamentary inquiry, the question was put to the Chair as to whether or not there was any debatable time once we got back in the House, and of course the Chair responded in the negative.

While the vote was going on one of the Speaker's representatives asked me whether or not I would be willing to agree to a unanimous-consent request to permit the Speaker to be heard for 5 minutes, and if time was required on this side for another 5 minutes, and I agreed to that request.

So, I want to make it clear that is why I intervened for anyone who wanted to object for whatever reason. It is a good, honorable purpose, to respect the Speaker, and when he makes a request of this kind, this gentleman has got to accede to it.

Mr. Chairman, I withdraw my reservation of objection.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. **JONES** of Oklahoma. Mr. Chairman, I yield to the Speaker.

Mr. **O'NEILL.** Mr. Chairman, I would like first of all to pay tribute to a man who has chaired this Committee through difficult and strenuous debate with authority, dignity and fairness, the Chairman of the Committee of the Whole, Dick Bolling of Missouri.

One month ago, Dick Bolling spoke on national television on the state of the economy. He appeared as the spokesman for his party, but his message and appeal went far beyond party and beyond faction. He said that the problems of our country are not Democratic problems, they are not Republican problems; they are American problems. If that was true a month ago, it is even more true tonight.

Our Nation is in a crisis. We see that crisis in the unemployment lines; we see it on the farms; we see it in our neighborhoods. People are worried, and we are all worried. Tonight, here, we are not here to lay the blame on anyone. There is plenty of blame to go around to all of us, but our frustrations will have no match for the frustrations of the American people if we leave here. We are all tired and frustrated, and I appreciate that, but what a frustration will be out there tomorrow when we leave without a budget.

We have a final opportunity, we have a final vote to turn that frustration into hope; to demonstrate to the American people that this elected body can perform its duty; that we are able to act in their best interests. The budget before us is nobody's first choice. Surely it is not my first choice. No first choice could win the support of the majority of this House, and I ponder how we can come back a week from now or 2 weeks from now and meet a fire any different than what it has been for the last 5 days. We must now choose between everyone's second choice or we get no budget at all.

To my liberal friends, you all know that I have been a liberal most of my lifetime. The Budget Committee, I know it takes too much from the social programs, it hurts them—medicare, housing, education, the nutrition programs, programs that I fought for all my life. I say to them, let us look at the alternative. If this budget is defeated, are we ready to face a struggle to save even as much as this budget preserves? Ask yourselves that. Where are you going to go to?

Additional cuts are to many of the programs that provide for the basic needs, of all the basic needs that brought my party together: my party of conservatives and ultraconservatives and moderates and progressives and liberals and ultraliberals. What brought us together were the basic needs of this country that happened in the 1930's: the problem of food, the problem of housing, the problem of education, the problem of health.

I say to my liberal friends, this is not the time to take the chance that you are going to get less than you get tonight.

To my conservative friends, this budget takes too much from defense and it raises taxes far too much. Earlier today, this committee passed an amendment which further reduced defense spending. I say the same thing to my conservative friends. By defeating this budget you risk even deeper defense cuts and larger deficits. You know, I believe in the budget system; you know if we did nothing, we know the budget will be $184 billion. We all acted in good faith today. Sure, we argue within our own philosophies. We all in our hearts and minds thought we were acting right. I do not see how we can get together, and that is one of the things that bothers me at this particular time.

I know the Senate has passed a budget. Now, we come to the moment of decision. And to my conservative friends and to my liberal friends, I do not know how you get together. It is a long road. I do not know how you put the fire out, to be perfectly truthful. There is a wide difference among us make no mistake, but we can get to the conference table. The hour is late. Most Americans are retired for the evening. Tomorrow when they wake up and they find out the Congress did not do its job and did not pass a budget, I wonder what their feeling of frustration will be out there.

I wonder what it will do to the financial markets. I wonder what it will do to the interest rates. I think we have a golden opportunity. The opportunity is to take the basic budget as it came out of committee, and in decency on both sides of the aisle, send it to the conference committee and see if we can do the right thing for America.

Truly, I think that is the right thing for America. I do not speak as a Democrat; I do not speak as a partisan; I do not speak as a liberal. I just say to you, I think this is the best for America that we go and sit down at the conference table.

□ 0100

The **CHAIRMAN.** The gentleman from Illinois (Mr. Michel) is recognized for 5 minutes.

Mr. **MICHEL.** Mr. Chairman, and my colleagues, first I cannot refrain from saying that it has been many, many a year that I have served in this body and looking at the hour, 1 o'clock I believe it is, and having this institution as orderly and as packed as it is gives you something to be very doggone proud about.

I have seen times in the past when this has been, indeed, a very unruly House and it tends to get more unruly as the hour wears along. But I think all of us have just a little bit something extra special to thank ourselves about the way we have conducted and acquitted ourselves in this very historic debate.

To you, Mr. Speaker, I can share your frustration. I sit over here on this side of the aisle with 51 fewer votes to begin with.

As I look at my wife in the morning over my cup of coffee I generally say "You know, even before starting, I have lost even before I get out of the box."

So we knew that whenever we were attempting to win anything in this House we obviously had to have the support from the Democratic side. In that bipartisan substitute which we put together and worked doggone hard on, we had 192 affirmative votes. That is the largest number of any of those three substitutes that were presented today.

The closest was Jones with 171. Aspin only got 137.

What does that tell you? My colleagues know the makeup of that 192 was, in a general sense, a more conservative approach to all of these issues.

I contend that we could have won this issue had not that one amendment been adopted, as I alluded to earlier. That was that margin of difference on the margin that I was talking about. We lost it and that is the legislative process.

I would like to see, yes, something go over to the other body. By the same token, I am not altogether that proud of what the other body did when the final figures came in. I thought they were going to, frankly, be doing better.

So then we get to that point of what we do really comes out in conference, and I just happen to feel that there are those who think it would not be all that tragic if the process does not quite reach that attainable number for passage.

If that is the situation that exists, then, of course, we have an obligation to go back and try again. I would suggest that it maybe means moving just a few more degrees to the right.

There are several people around here who have talked in terms of a freeze, to some degree, not a total one, a variable from that, and maybe that is an option that has to be explored.

But it just seems to me that we have worked the process as best we can and we do the best we can on the final vote.

If perchance it passes, obviously we will go to conference. If it fails, we have got to come back to work.

But I suggest, in view of the kind of votes we have had on those three test votes, the only way there is going to be an ultimate agreement in this House, if it does not come on this one while we are in the House, is to move several more degrees to the right.

Having said that, Mr. Chairman, I yield back the balance of my time.

PARLIAMENTARY INQUIRY

Mr. **LEVITAS**. Mr. Chairman, I have a parliamentary inquiry.

The **CHAIRMAN**. The gentleman will state his parliamentary inquiry.

Mr. **LEVITAS**. Mr. Chairman, is it in order at this time to make a unanimous-consent request before a motion is made by the gentleman from Oklahoma?

The **CHAIRMAN**. The Chair will hear the gentleman.

Mr. **LEVITAS**. Mr. Chairman, in light of everything that has transpired in the last several days and reflecting on what things we did and did not do, I ask unanimous consent that the Committee reconsider its disapproval of the Miller substitute, as modified.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Georgia?

Mr. **CAMPBELL**. Mr. Chairman, I object.

The **CHAIRMAN**. Objection is heard.

Mr. **JONES** of Oklahoma. Mr. Chairman, I move that the Committee do now rise and report the concurrent resolution back to the House, with the recommendation that the concurrent resolution be areed to.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. **BOLLING**, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the concurrent resolution (H. Con. Res. 345) revising the congressional budget for the U.S. Government for the fiscal year 1982 and setting forth the congressional budget for the U.S. Government for the fiscal years 1983, 1984, and 1985, had directed him to report the concurrent resolution back to the House with the recommendation that the concurrent resolution be agreed to.

The **SPEAKER**. Under the statute, the previous question is ordered.

The question is on the concurrent resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. **LATTA**. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 159, nays 265, not voting 8, as follows:

[Roll No. 130]

YEAS—159

Akaka
Albosta
Alexander
Anderson
Andrews
Annunzio
Anthony
Aspin
AuCoin
Bailey (PA)
Barnes
Bedell
Beilenson
Benjamin
Bennett
Bevill
Blanchard
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Brodhead
Brooks
Brown (CA)
Coelho
Conte
Coyne, William
Daschle
de la Garza
Derrick
Dicks
Dingell
Donnelly
Dorgan
Dougherty
Dowdy
Downey
Dwyer
Dyson
Early
Edwards (CA)
Ertel
Evans (GA)
Evans (IN)
Fary
Fascell
Fazio
Flippo
Florio
Foglietta
Foley
Ford (MI)
Fowler
Frost
Fuqua
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gore
Hall (OH)
Hamilton
Hawkins
Heftel
Hertel
Hightower
Holland
Horton
Howard
Hoyer
Hubbard
Hutto
Jeffords
Jones (NC)
Jones (OK)
Jones (TN)
Kazen
Kennelly
Kildee
Kogovsek
LaFalce
Lantos
Lehman
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
Markey
Matsui
Mattox
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Murtha
Natcher
Nelson
Nichols
Nowak
Oberstar
Obey
Ottinger
Panetta
Patman
Patterson
Pease
Pepper
Perkins
Peyser
Pickle
Price
Rahall
Reuss
Rose
Rostenkowski
Roukema
Roybal
Sabo
Scheuer
Schroeder
Seiberling
Shamansky
Shannon
Sharp
Simon
Smith (PA)
Solarz
St Germain
Stratton
Studds
Swift
Synar
Traxler
Udall
Vento
Walgren
Watkins
Weaver
White
Whitten
Williams (MT)
Wilson
Wirth
Wolpe
Wright
Wyden
Yates
Zablocki

NAYS—265

Addabbo
Applegate
Archer
Atkinson
Badham
Bafalis
Bailey (MO)
Barnard
Beard
Benedict
Bereuter
Bethune
Biaggi
Bliley
Breaux
Brinkley
Broomfield
Brown (CO)
Brown (OH)
Broyhill
Burgener
Burton, Phillip
Butler
Byron
Campbell
Carman
Carney
Chappell
Chappie
Cheney
Clausen
Clay
Clinger
Coats
Coleman
Collins (IL)
Collins (TX)
Conable
Corcoran
Coughlin
Courter
Coyne, James
Craig
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daub
Davis
Deckard
Dellums
DeNardis
Derwinski
Dickinson
Dixon
Dornan
Dreier
Duncan
Dunn
Dymally
Eckart
Edgar
Edwards (AL)
Edwards (OK)
Emerson
Emery
English
Erdahl
Erlenborn
Evans (DE)
Evans (IA)
Fenwick
Ferraro
Fiedler
Fields
Findley
Fish
Fithian
Ford (TN)
Forsythe
Fountain
Frank
Frenzel
Garcia
Gaydos
Gilman
Gingrich
Ginn
Goldwater
Goodling
Gradison
Gramm
Gray
Green
Gregg
Grisham
Guarini
Gunderson
Hagedorn
Hall, Ralph
Hall, Sam
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Harkin
Hartnett
Hatcher
Heckler
Hefner
Hendon
Hiler
Hillis
Hollenbeck
Holt
Hopkins
Huckaby
Hughes
Hunter
Hyde
Ireland
Jacobs
Jeffries
Jenkins
Johnston
Kastenmeier
Kemp
Kindness
Kramer
Lagomarsino
Latta
Leach
Leath
LeBoutillier
Lee
Leland
Lent
Levitas
Lewis
Livingston
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Madigan
Marks
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
McClory
McCollum
McDade
McDonald
McEwen
McGrath
McKinney
Michel
Mikulski
Miller (OH)
Minish

Mitchell (MD)
Mitchell (NY)
Moffett
Molinari
Montgomery
Moore
Moorhead
Morrison
Mottl
Myers
Napier
Neal
Nelligan
O'Brien
Oakar
Oxley
Parris
Pashayan
Paul
Petri
Porter
Pritchard
Pursell
Quillen
Railsback
Rangel
Ratchford
Regula
Rhodes
Richmond
Rinaldo
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Rodino
Roe
Roemer
Rogers
Rosenthal
Roth
Rousselot
Rudd
Russo
Santini
Savage
Sawyer
Schneider
Schumer
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Skeen
Skelton
Smith (AL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (OR)
Snowe
Snyder
Solomon
Spence
Stangeland
Stanton
Stark
Staton
Stenholm
Stokes
Stump
Tauke
Tauzin
Taylor
Thomas
Trible
Vander Jagt
Volkmer
Walker
Wampler
Washington
Waxman
Weber (MN)
Weber (OH)
Weiss
Whitehurst
Whitley
Whittaker
Williams (OH)
Winn
Wolf
Wortley
Wylie
Yatron
Young (AK)
Young (FL)
Young (MO)
Zeferetti

NOT VOTING—8

Bingham
Boggs
Burton, John
Chisholm
Conyers
Crockett
Murphy
Schulze

☐ 0120

So the concurrent resolution was rejected.

The result of the vote was announced as above recorded.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 2535. An act to regulate the operation of foreign fish processing vessels within State waters.

The message also announced that the Senate had passed a bill and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 2575. An act to extend the expiration date of section 252 of the Energy Policy and Conservation Act;

S. Con. Res. 96. Concurrent resolution reaffirming Senate resolution (S. Res. 179) and House resolution (H. Res. 177) and urging the President to seek agreement at the Versailles Summit Conference that nuclear supplier nations should export nuclear fuel and equipment only to nations that permit full-scope safeguards; and

S. Con. Res. 102. Concurrent resolution providing for an adjournment of the Senate from May 27, 1982, May 28, 1982, or May 29, 1982, until June 8, 1982, and giving the consent of the Senate to an adjournment of the House for more than 3 days.

PROVIDING FOR ADJOURNMENT OF THE SENATE AND GIVING CONSENT FOR ADJOURNMENT OF THE HOUSE

The **SPEAKER** laid before the House a privileged Senate concurrent resolution (S. Con. Res. 102) providing for an adjournment of the Senate from May 27, 1982, May 28, 1982, or May 29, 1982 until June 8, 1982, and giving the consent of the Senate to an adjournment of the House for more than 3 days.

The Clerk read the Senate concurrent resolution, as follows:

S. Con. Res. 102

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Thursday, May 27, 1982, Friday, May 28, 1982, or Saturday, May 29, 1982, pursuant to a motion made by the Majority Leader in accordance with this resolution, it stand adjourned until 12:00 noon on Tuesday, June 8, 1982.

Sec. 2. That the consent of the Senate is hereby given to an adjournment of more than three days to a day certain by the House of Representatives to begin on May 27, 1982, or any day thereafter and terminating on June 8, 1982 or any day before that day as determined by the House of Representatives.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. **WRIGHT**. Mr. Speaker, I rise for a unanimous-consent request with respect to next week, and to answer the question that my distinguished friend, the minority leader, was getting ready to ask me.

I yield to the gentleman from Illinois (Mr. Michel) for the question.

Mr. **MICHEL**. As a matter of fact, I appreciate the gentleman yielding.

I would inquire of the distinguished majority leader as to what we are going to do next week.

Mr. **WRIGHT**. I wondered if that was not on the gentleman's mind.

We adjourn as per the schedule that was announced early this year for the Memorial Day home district work period, returning on Wednesday, June 2 at noon, if the unanimous-consent request which I seek shall be granted.

Then, we will have on Wednesday two bills on suspension and possibly the conference report on H.R. 4, the Intelligence Identities Protection Act, but votes will be postponed until Thursday.

The House will meet at 10 on Thursday and Friday.

Votes, if any, are held over from the day before.

Then we will take up the Housing and Urban-Rural Recovery Act of 1982, subject to the granting of a rule; the authorization of nonperforming arts functions of the Kennedy Center, subject to the granting of a rule; and the authorizations for Smithsonian Museums of African Art and Eastern Art, subject to the granting of a rule.

The house will adjourn by 3 p.m. on Friday, assuming that there would be a Friday session.

Adjournment times on other days would be announced daily. Conference reports could be brought up at any time and any further program will be announced later.

Mr. **MICHEL**. I thank the gentleman.

MAKING IN ORDER CALL OF THE SUSPENSION CALENDAR ON WEDNESDAY NEXT

Mr. **WRIGHT**. Mr. Speaker, I ask unanimous consent that the call of the Suspension Calendar be in order on Wednesday next.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. **WRIGHT**. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesdat next.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZING THE SPEAKER TO ACCEPT RESIGNATIONS AND TO APPOINT COMMISSIONS, BOARDS, AND COMMITTEES, NOTWITHSTANDING ADJOURNMENT

Mr. **WRIGHT**. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until Wednesday, June 2, 1982, the Speaker be authorized to accept resignations, and to appoint commissions, boards, and committees authorized by law or by the House.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

There was no objection.

ADJOURNMENT TO WEDNESDAY, JUNE 2, 1982

Mr. **WRIGHT**. Mr. Speaker, pursuant to the provisions of Senate Concurrent Resolution 102, and clause 4, rule XVI, I move that when the House adjourns today it adjourn to meet at noon on Wednesday, June 2, 1982.

The motion was agreed to.

A motion to reconsider was laid on the table.

EXTENDING EXPIRATION DATE OF SECTION 252 OF ENERGY POLICY AND CONSERVATION ACT

Mr. SHARP. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2575) to extend the expiration date of section 252 of the Energy Policy and Conservation Act and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. BROYHILL. Reserving the right to object, Mr. Speaker, I would ask the gentleman from Indiana if he would give the Members an explanation of the bill.

Mr. SHARP. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Indiana.

Mr. SHARP. Mr. Speaker, Members of the House are quite familiar with the issue since the House has voted on it many times. It simply is a temporary extension of the 30 days of the antitrust defense for our companies that participate with the American Government's participation in the International Energy Agency which will be having a couple of meetings in June. The Senate passed it early today.

The necessity for this temporary extension is that other legislation in which the permanent extension is involved simply could not get to the floor partly because of the budget consideration and we will be taking it up later. There has not been any substantive dispute on either side of the aisle with this issue at all. It would be somewhat of an embarrassment to the U.S. Government and potentially damaging if turmoil should erupt in the Middle East in the next 2 weeks and so the wisest thing I think is for us to pass this temporary 30-day extension and I think that everyone ought to be able to agree to that.

Mr. BROYHILL. Continuing my reservation of objection, Mr. Speaker, I would point out that this bill is a simple 30-day extension of this so-called antitrust defense which does permit all companies to work in cooperation with our Government with this international oil program and this will give us an opportunity to pass the legislation for a longer period of extension with amendments in the House and also consider the amendments that have been adopted in the Senate. And I would hope that the House would give approval to this extension tonight since the law does expire on June 1.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2575

An act to extend the expiration date of Section 252 of the Energy Policy and Conservation Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 252(j) of the Energy Policy and Conservation Act (42 U.S.C. 6272(j)) is amended by striking "June 1, 1982" and inserting in lieu thereof "July 1, 1982".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 0130

STARTING OVER

(Mr. MOFFETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOFFETT. Mr. Speaker, I wonder if the membership might have some indication from the leadership of the Budget Committee on both sides, both majority and minority, or from the leadership itself of whether or not there will be action immediately to begin to try to put the pieces back together.

I think Members are going to be going home for the weekend, hopefully, and are going to want to report to their people as to what is in store, perhaps not specifically, but we would like to assure our people on both sides that the committee will begin consideration.

Mr. JONES of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. MOFFETT. I yield to the gentleman.

Mr. JONES of Oklahoma. Mr. Speaker, I think it is obvious from the actions tonight that there is quite a bit of polarization, some of it political, some of it regional, some of it philosophical. I have asked our Budget Committee staff to notify all members of the Budget Committee, Democratic and Republican, for a meeting tomorrow, informal, off the record, to see if we can begin to build a bipartisan approach toward a budget. I think it is terribly important and I have asked members of the Budget Committee to do that and if we can reach some bipartisan consensus, we are going to try to bring out a budget next week.

Mr. MICHEL. Mr. Chairman, would the gentleman yield?

Mr. MOFFETT. I would be happy to yield to the distinguished minority leader.

Mr. MICHEL. And what time would the gentleman be thinking about tomorrow?

Mr. JONES of Oklahoma. Well, not 8 o'clock.

Mr. MICHEL. Well, there are some Members who would be involved, obviously in plane schedules and all the rest. Could we give them some kind of idea? That might be helpful.

Mr. JONES of Oklahoma. Well, we have the staff calling. I was thinking somewhere around midday, around noon. I have asked the staff to call and check the schedules and see if we can work this out at the convenience of the Members.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. MOFFETT. I would be happy to yield.

Mr. KEMP. I was wondering if the chairman could tell us what he plans to talk about tomorrow, the plans for next week, is that correct, or is it just an informal meeting to discuss where we go from here?

Mr. JONES of Oklahoma. It is an informal agenda to see if there is a basis for building a truly bipartisan approach toward this budget.

I keep thinking there should be, because the country is crying out for a bipartisan budget, a bipartisan approach toward helping this economic crisis and I want to take one more time tomorrow and see if there is not a chance to do that. We will meet informally and see if we cannot have a frank exchange of views.

COMMUNICATION FROM THE HON. JOHN JOSEPH MOAKLEY

The SPEAKER laid before the House the following communication from the Hon. JOHN JOSEPH MOAKLEY:

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 27, 1982.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker,
U.S. House of Representatives
Washington, D.C.

DEAR MR. SPEAKER: Pursuant to clause 4 of rule L of the Rules of the House of Representatives, I am writing, with reference to my letter of May 25th, to advise you that I have made the determinations required by the rule. Pursuant to the rule, I am today complying with the subpoena for certain records relating to the official function of the Personnel Committee.

Sincerely,

JOHN JOSEPH MOAKLEY.

H.R. 5158: IMPACT ON ILLINOIS' AND AMERICA'S ECONOMIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CORCORAN) is recognized for 10 minutes.

● **Mr. CORCORAN.** Mr. Speaker, there is growing interest in H.R. 5158, which incredibly given its controversial nature was reported unanimously by the House Telecommunications Subcommittee to the full Energy and Commerce Committee, on which I serve. I am interested, personally, in the Bell System's manufacturing arm, Western Electric, which is a major high technology industry and which also has a large facility in my district and others in my home State of Illinois. It is a major employer in my district; in fact, over the last several years it was one of the few plants where employment increased rather than decreased. Western Electric has 2,965 employees living in the new 14th Congressional District, and they may well be adversely affected by several provisions in H.R. 5158.

Before I cite those provisions, I want to tell you a little about this technologically advanced company. It was the world's first major producer of the 64K random access memory chip which stores 65,536 bits of information. Within a few months' time, Western Electric will begin production of the 256K silicon chip that will store 262,144 bits of information. These very chips are the backbone of the dataphone II modems produced at the Montgomery Works, a Western Electric plant in my district employing about 3,000 people.

Western Electric's technology has given us the capacity for cellular mobile telephone service. It is ironic that, though the technology for this cellular mobile phone service was developed at the Bell Laboratories 13 years ago, it is now available in more cities in Japan than in the United States. The transceiver unit of this service is currently planned to be manufactured at Western Electric's Montgomery Works and could mean approximately 1,000 additional jobs for Illinois in the year 1986. H.R. 5158 would slow the introduction of this service, which is in great demand; that would delay and jeopardize the creation of new American jobs. It would be an injustice to the people of Illinois to have a product that was introduced and put in trials in our State not provide jobs in the State.

Western Electric also has the technology to produce alarm and environmental sensing services—systems that can protect our homes and offices from illegal entry and from fire, and which can provide substantial savings in energy.

Western Electric is a leading producer of Lightguide. Bell Labs and Western Electric joined to develop and produce Lightguide systems, those systems that carry communications on beams of laser lights in hair-thin fibers.

Technologically, then, Western Electric along with the Bell System, is a national resource. We need to encourage that resource to grow and expand in a marketplace unfettered by artificial and needless restrictions and unnecessary Government regulation. Western Electric has a 113-year history of success. In their hundreds of letters to me, Western Electric employees ask for nothing more than the ability to compete fairly—an ability which I believe will be undermined by H.R. 5158 in its present form.

For example, H.R. 5158 stipulates that if Long Lines were to purchase equipment from Western Electric it would have to file the contracts of sale, in advance, with the FCC and make them available to the public. This would make the terms of such contracts available to Western's competitors. Those competitors would be exempt from this requirement.

The Western Electric plant in my district sells 50 percent of its data products, either directly or indirectly, to Long Lines—a business that would be put at risk if the company had to provide information to its competitors. I am skeptical that this requirement is essential.

Similarly Long Lines would be prohibited from providing commercial information or information on specifications and technical standards to Western Electric without also providing it simultaneously and subject to the identical terms and conditions to Western Electric's competitors. Again, however, Long Lines could provide this information to other manufacturers without having to share it with all.

H.R. 5158 would mandate A.T. & T. to report regularly to the FCC any significant change in any technical requirement resulting from the specific design or development of any telecommunications facility or product. This, of course, necessitates the disclosure of Western's technical data, and since it is prominent in this industry that information would be most useful to its competitors.

The bill would mandate Western Electric to license its patents and technical information. Any company, including those which are foreign owned, with manufacturing facilities here in the United States, could acquire such licenses. Yet, it would not require them to reciprocate to Western Electric. This is more restrictive than the terms of the 1956 consent decree under which A.T. & T. now operates. As you can imagine, this would enable a foreign company with a very modest facility in the States to acquire Western Electric's newest technology, for instance Dataphone II, and to export it back to the United States. Of course, with its own low-priced labor it could compete with Western Electric and other domestic manufacturers overseas as well as here at home, endangering many jobs, not only in Illinois but also in other States.

My overriding concern is that these provisions and the cumulative effect of H.R. 5158, by design or not, would benefit Western Electric's foreign competition. That could jeopardize the jobs of its employees who live in my district, my State, and elsewhere in our country. At a time when our leading domestic industries are in fierce competition with foreign firms this seems to be reckless disregard for the needs of this Nation.

This bill is not in the interest of Western Electric or its 151,500 employees throughout the country, nor is it in the best interest of the major telephone system which touches the lives of a major portion of the Nation's population at one time or another. Surely, this is no way to reward a company that has based its success on its own leading edge technology.

We cannot afford to put unnecessary and artificial restrictions on one of our most productive and successful companies. If we want competiton, and I do, let us make it competition of an even nature. I believe H.R. 5158 as it now stands does not do so, and therefore it should be seriously amended or dropped.

RELIEF AND COMPASSION FOR VICTIMS OF CRIME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. FISH) is recognized for 10 minutes.

● Mr. FISH. Mr. Speaker, as President of the National Victims of Crime, I have had occasion over the last year to discuss with innumerable victims of crime the frustrations and horrors that they have suffered in our criminal justice system. The urgent need for the Federal Government to address these problems, which has been recognized by President Reagan and the Attorney General's Task Force on Violent Crime, was amply and unanimously demonstrated in testimony before the Senate Subcommittee on Criminal Law this morning. The message from all witnesses was clear: The time to act is now. Further delay is simply intolerable.

Mr. Speaker, in an attempt to provide relief on the Federal level, I am today introducing the Omnibus Victim-Witness Protection Act of 1982. This bill is a companion measure to legislation that was the subject of this morning's hearing and which is cosponsored by 41 Senators from both sides of the aisle (S. 2420). It is nearly identical, not only to that bill, but to the provisions included in the bipartisan omnibus violent crime bill introduced yesterday, in that it includes the following major elements:

First, it requires that the presentence investigation report provided to the judge include an assessment of the harm done to, or loss suffered by, the victim.

Second, it creates new offenses relating to victim/witness tampering and retaliation to supplement and strengthen existing offenses in chapter 73 of title 18.

Third, it requires the judicial officer to impose a mandatory condition on pretrial release that the defendant refrain from engaging in victim/witness intimidation and retaliation.

Fourth, it enhances the witness relocation and protection programs.

Fifth, it permits the Attorney General to file for a restraint against victim/witness intimidation.

Sixth, it authorizes the courts to impose a sentence of restitution for title 18 offenses.

Seventh, it creates a cause of action against the United States for damages resulting from the grossly negligent release of a dangerous offender by Federal custodial officials.

Eighth, it establishes standards for the fair treatment of victims of crime in the Federal criminal justice system.

Ninth, it requires the Attorney General to report to Congress on the need for victim compensation legislation and legislation to prohibit criminals from profiting from their misdeeds.

Mr. Speaker, my bill does contain some differences from S. 2430, which I submit for my colleagues' consideration.

First, it requires that the presentence report include information that will be helpful in evaluating the restitution needs of the victim and the ability of the defendant to make restitution, including information describing programs which would facilitate his ability to make restitution.

Second, it makes it an offense to attempt to retaliate against victims and witnesses.

Third, my bill would impose an additional penalty for obstruction of justice offenses committed while a defendant is on release pending trial, sentencing or appeal. This is similar to a provision in H.R. 4362 as it was reported by the Courts Subcommittee and should provide an additional deterrent to this particularly reprehensible type of bail crime.

Fourth, in order to issue a restraint against victim or witness tampering, the court must consider whether the prospect of injury to the victim or witness in the absence of a restraint outweighs any injury that such relief may inflict on the defendant's ability to conduct his defense. The court must also consider whether other means of protecting the victim or witness would be inadequate. Because these situations are generally emergencies, I do not believe that the courts should have to make specific findings with respect to these concerns prior to granting relief. However, I believe that the court, at a minimum, should be required to give some consideration to these concerns in exercising its discretion.

Fifth, my bill would also bring within the tampering and retaliation offense conduct aimed at hindering an individual from communicating information to a law enforcement officer about parole, probation or release violations. I believe that individuals who report this kind of information should be protected like those who report information about the commission of an offense.

Mr. Speaker, because of the controversy that victims' compensation has generated in the House in prior Congresses in terms of budget concerns, my package at this point does not include a Federal victims' compensation program. However, as a strong supporter of such programs in the past, I am currently studying various funding alternatives in this area in the hope that any budgetary obstacles to the implementation of a Federal program might be removed. I would like, however, to note my opposition to various proposals which would finance victims' compensation programs from the excise tax on handguns and other weapons. Such proposals not only introduce into the debate an extraneous and unnecessarily controversial element, but they are based on a thoroughly unfair premise—that law-abiding citizens who pay these taxes are responsible for the criminal misuse of firearms.

Mr. Speaker, I believe that the Omnibus Victim-Witness Protection and Assistance Act of 1982 provides a workable and bipartisan solution to the problems encountered by victims of crime in the Federal criminal justice system. I urge my colleagues to join me in the effort to protect victims of crime by cosponsoring my bill.●

SAFE HARBOR LEASING REFORM ACT OF 1982

The **SPEAKER** pro tempro. Under a previous order of the House, the gentlemen from New York (Mr. CONABLE) is recognized for 15 minutes.

● Mr. **CONABLE**. Mr. Speaker, I am today introducing legislation to reform the safe harbor leasing rules created by the Economic Recovery Tax Act of 1981. This legislation will address matters that have been widely characterized as abuses, while leaving intact the structure of safe harbor leasing that was designed to allow our basic capital intensive industries to benefit from the tax depreciation rules we enacted in 1981 for needed new plants and equipment.

Since last fall, we have been inundated with sensational press accounts of a few extraordinary leasing transactions. These perceived abuses generated many calls to repeal the safe harbor rules.

The rhetoric has waned sufficiently to allow the purpose and results of the safe harbor rules to be more fully examined. As a result, recent discussion has centered on how best to reform the rules to eliminate abuses, rather than to repeal the rules.

Even more recently, there have been suggestions that safe harbor leasing can be "reformed" by codifying into law a series of bureaucratically created IRS requirements for a leverage lease transaction that existed prior to 1981. Such an action—even if one or two of the old IRS rules were modified—would mean repeal—not reform—of the safe harbor leasing rules, and a return to old law and damage to those industrial corporations which need to lease-finance their capital equipment.

In deciding to introduce this measure, I took into account the following major factors:

First leasing is not new. The traditional leverage lease that involves the lessee, the equity lessor, and a debt lender, has been a widely used means for transferring tax benefits for many years. Therefore, the 1981 act did not create the ability to shift tax depreciation deductions from one company to another.

Second, safe harbor leasing is substantially more beneficial to an intended beneficiary—the lessee which is the industrial or transportation company investing in capital equipment. The old IRS rules on leverage leasing imposed a series of strigent requirements that often resulted in the lessee, the real operating company, having a relatively small portion of the financial benefit of the transaction that involved its assets. A range of 20 percent to 40 percent of such benefits was common. As much as 50 percent was virtually unseen. Large percentages conversely went to equipment lessors, brokers, lawyers, and accountants.

Treasury's intitial analysis of information returns for 1981 safe harbor transactions indicates that as much as 84 percent of the financial benefit went to lessees, 15 percent to lessors and only 1 percent to brokers, lawyers, and accountants. Thus, under the safe harbor leasing rules the intended beneficiaries are receiving major benefits while the transaction is still sufficiently attractive to create a large pool of lessors.

Third, as I emphasized earlier, a return to the old rules would be repeal, not reform. By definition, replacing the existing safe harbor rules with prior rules is a repeal of the current rules. Proposals to codify the IRS revenue procedures on this matter—even those making modifications—constitute a return to old law.

Lessees who need to finance their capital equipment purchases, plus some companies that are using safe harbor leasing to sell their products on an installment basis to farmers and small businesses at low-interest rates, are supporting actively the bill I am offering today.

I urge my colleagues to review this legislation and to join me in eliminating the abuses while retaining the structure of safe harbor leasing.

A brief summary of the bill follows.

SUMMARY OF THE "SAFE HARBOR LEASING REFORM ACT OF 1982"

SECTION 2—LIMITATION ON LESSORS

New Code section 59 limits to 50 percent the amount of a safe harbor lessor's preleasing tax liability that could be offset for the year by tax benefits acquired through safe harbor leases.

The tax benefits of safe harbor leases for property are determined by adding—

(1) the investment tax credit on the property, plus

(2) the corporate tax rate multiplied by the excess of ACRS deductions over rent income for the property.

The preleasing tax liability is computed by determining taxable income and tax credit amounts as filed on the lessor's return and then adjusting those figures by the amounts of ACRS deductions, rent income and investment tax credits acquired through safe harbor leasing.

To the extent that a lessor has leasing tax benefits in excess of the 50 percent limitation for the year, the lessor pays an additional tax equal to that excess. This tax is then available as a credit to reduce taxes in future years when the leasing tax benefits are less than the 50 percent limitation. Thus, a lessor is denied the current benefit of excessive leasing, but still realizes the benefit on a deferred basis.

SECTION 3—AT RISK RULES

The at risk rules currently applied to closely held corporations that are safe harbor lessors will be removed. However, this will affect only the activity of safe harbor leasing. The rules will continue to apply to all other activities of the closely held corporation.

SECTION 4—LIMITATION ON LESSEES WITH FOREIGN SOURCE INCOME

The safe harbor rules will be amended to limit the extent to which lessees with substantial foreign source income can engage in safe harbor leasing. The rules exclude from the total of otherwise eligible property an amount that is the excess of foreign source income over the total eligible property. Thus, firms that have substantial income-producing foreign investments will risk hitting the limitation.

SECTION 5—MAXIMUM INTEREST RATE

The Treasury's regulations allowing interest rates on the debt obligations of leases to exceed certain rates by up to 3 percent will be superceded by a statutory limitation that disallows the 3 percent leeway.

SECTION 6—EFFECTIVE DATES

The amendments made by this Act will be effective for leases that begin after the effective date of the Act.●

FOREIGN AID TO EL SALVADOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska (Mr. Bereuter), is recognized for 5 minutes.

Mr. BEREUTER. Mr. Speaker, this Member noted, with considerable interest, reports in today's newspapers that key committees of the House and Senate have been critically reviewing the situation in El Salvador with reference to continued U.S. aid. Many of the concerns being voiced by these committees are totally appropriate and should be shared by every Member of this body

The newly elected Constituent Assembly of El Salvador last week passed legislation which would seriously jeopardize a major element of the land reform program which is so vital to the establishment of a stable and viable democratic government in that strife-torn country. Continuing progress toward meaningful land reform was a central element in this Congress willingness to continue to provide economic and military assistance to the government which was elected in March, and now that reform is being threatened by the coalition of rightists which controls the assembly.

Mr. Speaker, this administration and this Congress must send a firm message to the ruling coalition in El Salvador that we fully intend to stand behind the requirement for land and economic reforms. Further U.S. aid will be contingent upon continued assurances on the part of the administration that land reform is progressing, as required by the legislation which provided that assistance last year. Also the required certification must be more than cosmetic. It must be a realistic assessment of the extent to which true reform is progressing.

Mr. Speaker, if this action by the El Salvador Constituent Assembly is any indication of the controlling majority's intentions with regard to the needed programs of social and economic reform in El Salvador, I regret to say that I am less than optimistic over the prospects for peace, stability, democracy, and economic justice in El Salvador.

IMMIGRATION REFORM AND CONTROL ACT OF 1982

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Kentucky (Mr. Mazzoli) is recognized for 5 minutes.

● Mr. MAZZOLI. Mr. Speaker, today I am introducing as a clean bill the Immigration Reform and Control Act of 1982, as it was reported unanimously from the Subcommittee on Immigration, Refugees, and International Law on May 19. This new bill replaces the version that I introduced on March 17.

I want to extend my thanks and commendation to my six subcommittee colleagues—Congressmen Sam Hall, Barney Frank, George Crockett, Hamilton Fish, Dan Lungren, and Bill McCollum—for their extraordinarily hard work constructing this balanced piece of legislation. I have been accused by some of being a taskmaster because of all the hearings and investigative trips we have taken as a subcommittee, but our hard work has been worthwhile as evidenced by this legislation.

The bill emerged from subcommittee as it entered—a fair, balanced, and humane bill which will bring order out of our present chaotic immigration policy. It remains, in the words of the New York Times, "not nativist, not racist, not mean."

That our subcommittee, with all of its diversity, was able to report this bill unanimously indicates even more strongly what I told the House when I introduced the original bill: The issue of immigration is so important to our Nation and the need to reform our laws is so pressing that all party and regional loyalties, as well as differences, must be transcended. I know that some of my subcommittee colleagues still have reservations about some portions of the bill. But, to their credit, they decided that even with those concerns, the bill, on balance, is one they could support.

I know that many of my colleagues are being importuned by spokespeople for various special interests. These spokespeople oppose this bill citing they have a problem with one particular part of it or another.

Many of the so-called informed spokespeople, perhaps because of the emotional nature of the subject of immigration, have criticized the bill without actually knowing what is in it. Your Immigration Subcommittee, to a person, has worked too hard on this bill not to be entitled to a full and fair hearing and an opportunity to make improving amendments to the measure as it proceeds through the legislative process.

All I ask is that my colleagues study the bill carefully before reaching any final conclusions on it.

I also ask my colleagues to keep in mind that in order to pass immigration reform legislation—and, frankly, I know of no one who argues that today's law is working well—a balanced bill—balanced substantially and politically—is essential. This is the exact kind of bill your subcommittee has drafted.

Your subcommittee has crafted a balanced bill which gives no interested party everything but gives all interested parties something.

The bill takes into account the needs and desires of all groups in our society, while resisting the absolutist positions and solutions pushed upon it.

Your subcommittee has crafted a balanced measure which preserves the best traditions of our country while coming to grips successfully with one of the most vexing problems facing the United States today: Immigration.

Finally, I ask my colleagues this rhetorical question: What do those who oppose the subcommittee's bill intend to offer in its stead?

After the most exhaustive set of hearings ever held on immigration by a subcommittee, after the profoundly detailed study of the subject conducted by the Select Commission on Immigration and Refugee Policy, chaired by my good friend Father Theodore M. Hesburgh, of Notre Dame, and after extensive analysis by three successive administrations—those of Presidents Ford, Carter, and Reagan—my subcommittee has drafted a bill which incorporates and blends together harmoniously all the elements common to each of these examinations. Many have groped for an alternative to today's failed immigration system but none has found one that is as fair and workable as is that one produced by our subcommittee.

The administration, religious leaders, business leaders, State and local governmental officials, ethnic group leaders, labor leaders, and just plain Americans from all across the country support our efforts to reform the Nation's immigration laws.

For the benefit of my colleagues, I am including in the RECORD a summary of the Immigration Reform and Control Act of 1982 as it passed the subcommittee and is being introduced today. My able subcommittee staff is at Member's disposal to conduct briefings on the bill or to answer specific constituent inquires. Call them at X5-5727.

I welcome the support of my colleagues for this bill.

SUMMARY.—IMMIGRATION REFORM AND CONTROL ACT OF 1982

(As Reported by House Subcommittee on Immigration, Refugees, and International Law—May 19, 1982)

A. EMPLOYER SANCTIONS

Makes it unlawful for any employer having four or more employees to knowingly hire, recruit or refer for employment, after the date of enactment, any alien not authorized to work in the United States.

Requires employers to have all prospective employees show them, as a condition of hiring, either: (1) a U.S. passport, or (2) a U.S. birth certificate or social security card and a driver's license, or a state issued I.D. card, or an alien identification document.

Requires the employer, to attest in writing, under penalty of perjury, that he has seen the necessary documentation; requires the employee, to attest in writing, under penalty of perjury, that he or she is authorized to work in the United States.

Any employer of four or more employees who does not meet the requirements for checking documents, signing the appropriate form, and retaining the appropriate form is liable to a civil fine of $500 per employee hired.

States that within three years of enactment the President shall make such changes "as may be necessary" to make the system more secure.

Establishes a graduated penalty structure for hiring unauthorized aliens—first offense: $1,000 civil fine per unauthorized alien hired; second and subsequent offenses: $1,000 civil fine per unauthorized alien hired; pattern or practice violations: up to six (6) months in jail or $1,000 fine, or both. Also, Attorney General may seek an injunction to stop pattern or practice violators.

Requires an extensive outreach program to inform employers, unions, and the general public of this new law. Allows violations occurring during the first six (6) months after enactment to go unpunished; during the second six (6) month period the first violation will result in only a warning.

Gives violators a right to a hearing before a Department of Justice Administrative Law Judge. (See below.)

Creates an affirmative defense for employers who have complied with the attestation requirements in good faith.

Makes it a felony to produce or use fraudulent documents in order to obtain employment or other benefits under the immigration laws.

B. INCREASED BORDER AND OTHER ENFORCEMENT; USER FEES

Creates criminal penalty for bringing an alien to the United States, knowing, or in reckless disregard of the fact, that the alien had not received prior official authorization to enter.

States the sense of Congress that resources for border patrol and other immigration enforcement activities should be increased.

Allows Attorney General to impose fees for the use by aliens of border and other immigration facilities and services in an amount commensurate with cost.

C. ADJUDICATION PROCEDURES AND ASYLUM

Creates United States Immigration Board, an independent agency within the Department of Justice. Six member Board is appointed by the President with the advice and consent of the Senate, with members serving six year terms. It may meet en banc or in panels of three or more. It hears all appeals from decisions made by the Administrative Law Judges.

Chairman of Board appoints up to seventy Administrative Law Judges to hear all exclusion and deportation cases (including those involving asylum), challenges to fines imposed under the employer sanctions provisions, and all other matters heard by the present Board of Immigration Appeals. Some of the Administrative Law Judges are specially trained to hear asylum cases.

Decisions by Administrative Law Judges would be reversible by the board if not supported by substantial evidence.

No judicial review in exclusion cases (except to the extent of the constitutional right of habeus corpus).

No judicial review of asylum matters (whether they be exclusion or deportation cases, except to the extent of constitutional right of habeus corus).

Judical review of non-asylum deportation cases available in Circuit Court of Appeals.

At asylum hearings, alien is entitled to an open hearing, representation by counsel, and the right to call witnesses.

Aliens who attempt to enter the United States without proper documents can be summarily excluded unless he or she asserts some reasonable basis for entering the United States or claims asylum, in which case the alien is entitled to go before an Administrative Law Judge.

D. ADJUSTMENT OF STATUS

Adjustment of status procedure would not be available to aliens who have violated the terms of their nonimmigrant visa.

II. The Bill reforms legal immigration in order to better serve the national interest

A. Immigrants

Annual ceiling:

"Immediate relatives" of U.S. citizens and "special immigrants" remain numerically unlimited in accordance with our historical commitment;

The overall yearly ceiling on legal immigrants is 450,000.

The ceiling on numerically limited family reunification immigrants is 375,000, minus the number of "immediate relatives" in prior year. (For various categories and allocations, see attached chart)

The ceiling on numerically limited independence immigrants is 75,000, minus the number of "special immigrants" in prior year. (For the various categories and allocations, see attached chart)

Unused independent immigrant numbers are transferred to the family reunification category.

Except for our contiguous neighbors, Mexico and Canada, the "per-country ceiling" for a country will remain 20,000, minus the number of "immediate relatives" and "special immigrants" admitted from such country in the prior year in excess of 20,000, to a maximum of 10,000. For Mexico and Canada, each country will have a ceiling of 40,000.

The ceiling for colonies is increased from 600 to 3,000.

New family reunification preference categories, along with their share of the total ceiling for such categories, are as follows:

(A)(1) unmarried adult sons and daughters of U.S. citizens (present first preference) 15 percent;

(A)(2) spouses and minor children of lawful permanent residents (present second preference, minus adult sons and daughters) 65 percent;

(A)(3) married adult sons and daughters of U.S. citizens (present fourth preference) 10 percent;

(A)(4) unmarried brothers and sisters of adult U.S. citizens (present fifth preference, minus married brothers and sisters) 10 percent;

Unmarried children up to the age of 26 can accompany permanent resident aliens at the time they immigrate.

Adult sons and daughters of permanent resident alien who have petitions filed by date of enactment will be allowed to immigrate.

Married brothers and sisters of U.S. citizens who have petitions filed by the date of enactment will be allowed to immigrate.

New independent preference categories, along with their share of the total ceiling for such categories, are as follows:

(B)(1) aliens of exceptional ability will be allowed up to the ceiling;

(B)(2) skilled workers needed in the United States: numbers unused in (B)(1);

(B)(3) investors of $250,000 in a new enterprise creating at least ten jobs in high unemployment areas, to the extent practicable: numbers unused in (B)(1) and (B)(2) to a maximum of 10 percent of the total.

(B)(4) unskilled workers needed in the United States: numbers unused in (B)(1) through (B)(3);

(B)(5) nonpreference workers, numbers unused in (B)(1) through (B)(4) to a maximum of 10 percent of the total.

Labor certification can be granted on the basis of nationwide job market data or on a case by case basis. Certification must include a finding that sufficient U.S. workers could not be trained within a reasonable time.

Unmarried Amerasian children under the age of 21 at date of enactment fathered by U.S. servicemen in Korea, Laos, Vietnam, or Kampuchea, have three years to come forward to register. They can come to the United States in unlimited numbers if adopted (for those under 16) or sponsored, sponsorship requiring financial commitment. Program runs for 10 years and requires report from Attorney General after two years of operation.

Relief provisions are provided for certain children and widowed spouses of employees of international organizations.

B. Nonimmigrants

Special procedure established for H-2 seasonal workers in agriculture:

The employer must apply to the Secretary of Labor no more than 50 days in advance of need, asking for foreign workers; employer then must attempt to recruit domestic workers.

The Secretary of Labor must provide a decision on the certification no later than 20 days in advance of need; if the petition is denied, a review is provided.

If the Secretary of Labor determines that a certain number of qualified U.S. workers will be available at the time needed, but at the determined time those workers are not qualified and available, an expedited procedure to determine need would be available.

After the Immigration and Naturalization Service has implemented a system to track the entry and exit of nonimmigrants, the State Department may establish a three year pilot nonimmigrant visa waiver program for five countries which provide or will provide a similar benefit to the United States. The visa refusal and visa abuse rates for the nationals of such countries must be minimal, and the visitors must have nonrefundable, roundtrip tickets.

Foreign students who enter the United States after date of enactment will not be allowed to adjust status or return to the United States until they have resided in their home countries for two years, unless such a student is an immediate relative of a U.S. citizen. Foreign students who entered before date of enactment will not be permitted to adjust status, and must leave the U.S. to seek a visa if they wish to return.

III. Legalization

Permanent resident status (not citizenship) for aliens who have continuously resided in the United States since January 1, 1978, and who are not excludable. (See below.)

Temporary legal status for (a) aliens who have continuously resided in the United States since January 1, 1980, and (b) "Cuban/Haitian entrants" who were previously given special legal status, and who are not excludable. (See below.)

Persons receiving temporary status will be able to adjust to permanent resident status two years from date of enactment. If they have not done so 2½ years after date of enactment, their temporary resident status expires.

Federally funded public assistance (other than medical care, aid to aged, blind, or disabled, and for serious injury or in the interest of public health) will not be available to those in the 2 year temporary status (other than "Cuban/Haitian entrants").

Persons will not be eligible for legalization who:

Have been convicted of a felony or 3 misdemeanors committed in the United States;

Have assisted in political persecution;

Have been convicted of a crime involving moral turpitude, or 2 or more offenses for which sentences aggregating 5 or more years were imposed;

The government has reason to believe seek to enter for activities inimical to the welfare, safety or security of the United States;

Are, or have been, anarchists, Communists, or who advocate the overthrow of the government;

Are Nazis;

Would engage in subversive activities;

Have been convicted of a drug violation, other than simple possession of 30 grams or less of marijuana;

Are nonimmigrant exchange aliens subject to a two year foreign residency requirement.

NUMBERS AND TYPES OF LEGAL IMMIGRANTS TO THE UNITED STATES

	Existing law		Reform bill
Immediate relatives (spouses, unmarried minor children, parents of adults) of U.S. citizens	Unrestricted		Unrestricted
Special immigrants (ministers of religion, permanent residents)	Unrestricted		Unrestricted
Preference categories:			Family
(1) Unmarried adult sons and daughters of citizens	20 pct. of 270,000	A1 (same)	15 pct. of 375,000 minus immediate relatives in prior year plus unused in A4 plus unused independents from prior year
(2) Spouses plus unmarried sons and daughters of permanent residents	26 pct. of 270,000 plus unused in (1)	A2 (excluding adult sons and daughters)	65 pct. of 375,000 minus immediate relative in prior plus unused in A1
(4) Married adult sons and daughters of citizens	10 pct. of 270,000 plus unused in (1), (2).	A3 (same)	10 pct. of 375,000 minus immediate relative in prior year plus unused in A1 and A2
(5) Brothers and sisters of adult citizens	24 pct. of 270,000 plus unused in (1), (2), (4)	A4 (excluding married brothers and sisters)	10 pct. of 375,000 minus immediate relative in prior unused in A1 through A3
			Independent
(3) Exceptional ability in arts, sciences and professions	10 pct. of 270,000	B1 (exceptional ability)	Up to 75,000 minus special immigrants
(6) Needed unskilled workers	10 pct. of 270,000	B2 (needed skilled workers)	Not needed by B1.
		B3 (investors)	Not needed by B1 and B2 (not to exceed 10 pct.)
		B4 (needed unskilled workers)	Not needed by B1 to B3
Nonpreference	Not needed by (1) to (6)	B5 (nonpreference)	Not needed by B1 to B4 (not to exceed 10 pct.) ●

WHAT HAPPENED TO THE SAFETY NET?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. WILLIAM J. COYNE) is recognized for 10 minutes.

Mr. WILLIAM J. COYNE. Mr. Speaker, President Ronald Reagan has designated May 1982 as "Older Americans Month." I fully support this action and have consponsored a resolution in the House of Representatives which recognizes the contributions of the senior citizens who make up an ever-increasing segment of our society. Eighteen percent of Pennsylvania's population is over 60 years of age.

Thanks to better health care, better housing, better nutrition, and better community services, Americans are living longer today than at any other time in our history. These improvements in the quality of life for older Americans were brought about to a large degree by the Federal Government. Previous administrations realized that the Federal Government, along with society, had a moral obligation to insure that the elderly could lead safe and productive lives. These programs are indeed necessary since, according to the 1980 census, one out of six older Americans lives on an income below the poverty level.

When President Reagan outlined his "Program for Economic Recovery" before a joint session of Congress and the American people on February 18, 1981, he stated, "we will continue to fulfill the obligations which spring from our national conscience. Those, who through no fault of their own must depend on the rest of us, the poverty stricken, the disabled, the elderly, all of those with true need, can rest assured that the social safety net of programs they depend on are exempt from any cuts."

What has happened to that promise?

Only 4 months after President Reagan made that pledge the administration-backed Omnibus Reconciliation Act was passed. The effect of this legislation on senior citizen's programs was severe.

Food stamps were cut 16 percent.

Social security and railroad, civil service and military retirement were cut 20 percent.

Medicare and medicaid were cut 10 percent.

Sharp reductions planned for social security were shelved only after a massive protest by recipients.

However, the administration was not content to make life harder for those to whom hardship was no stranger. It set out to comfort the already comfortable through a tax bill which favors the wealthy. The American people were assured by the administration that this program of reductions in funds for social programs and tax-breaks for the wealthy would pull the economy out of its slump and provide benefits for all Americans.

Where are we nearly 1 year after this program was enacted?

The jobless rate now stands at 9.4 percent nationwide—the highest rate since the Great Depression. This figure represents an increase of 2.5 million people on the jobless roles since last July when the Republican program was enacted.

Instead of reevaluating a program that obviously is not working, the administration is simply offering the American people more of the same in its budget proposals for fiscal year 1983. The sum of the new budget proposals would mean further misery, particularly for the elderly poor.

Let me cite a few examples of the impact of some of these proposals.

According to the Congressional Budget Office, 2.5 million elderly who now receive food stamps would lose their benefits altogether, while another 66 percent would have their benefits reduced.

Food stamp assistance would be considered as income when determining eligibility for housing assistance.

Similarly, energy assistance would be counted as income when determining eligibility for food stamps.

The cumulative effect of these three proposals alone would leave many low-income elderly with a catch-22 dilemma. Do they choose to eat, stay warm or have adequate housing?

Unfortunately, the litany of hardships the administration's proposals, if enacted, would impose continues:

Medicare would be cut by another $2.4 billion;

Medicaid would be cut by an additional $1.9 billion;

Supplemental security income would be reduced $286 million in 1982 and $1.1 billion in 1987.

Programs which are funded under the Older Americans Act would have their funding levels reduced from $986 million in 1982 to $652.1 million in 1983. The title V employment program would be abolished. According to the National Council on Aging this would cause 80,000 low-income, elderly individuals to lose jobs which enable them to be independent as well as provide valuable community service.

Apparently undaunted by massive public support for social security, the administration appears ready to push for cuts in the program once again. It supported a measure adopted by the Senate Budget Committee which called for $40 billion in unspecified cuts in social security. The administration prefers to leave pinpointing exactly where the reductions will be to a special commission which will make its report after the November election.

The message that has been coming through to me loud and clear from the senior citizens in my district is that they simply cannot sustain any further cutbacks in the programs on which they rely—some for the basic necessities of life—food, shelter, and health care. This administration has not kept its promise to protect the social safety net of programs which benefit the needy and the elderly. This pledge has apparently been lost in the enthusiasm for a stronger defense, a stubborn commitment to an economic program that is not working, and the need to lower the huge deficit brought about as a result of the administration's economic policies.

I, too, favor a strong national defense and a lowered deficit. However, these goals can be achieved in ways other than by making further cuts in needed social programs. In my view, an essential first step in lowering the deficit is to cancel the third year of the Kemp-Roth-Reagan tax cut. The military budget also needs to be given as careful scrutiny as the social programs which have already borne their share of budget cuts.

We must restore the American people's shaken faith in their Government as a vehicle for social and economic justice. We cannot abandon the elderly and truly needy members of our socitey. It would be unconscionable to attempt to balance the Federal budget at the expense of America's elderly citizens.

LEGISLATION TO ESTABLISH JOINT REGIONAL STRATEGIC PETROLEUM RESERVE FOR UNITED STATES AND CANADA

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 10 minutes.

● Mr. **ST GERMAIN**. Mr. Speaker, late last year, I introduced House Joint Resolution 355, calling for the President to direct the Secretary of Energy and the Secretary of State to begin discussions with appropriate officials of the Government of Canada on the feasibility of establishing a joint regional strategic petroleum reserve for the United States and Canada.

It is my intention to reintroduce this resolution on June 15, and I urge my colleagues to join in its bipartisan cosponsorship at that time. In the interest of providing my fellow Members with some essential background on the regional reserve question, I ask consent that the following background information memorandum prepared for me, be entered in the RECORD.

The memorandum follows:

MEMORANDUM

To Chairman Fernand J. St Germain.

Re background information on a Regional SPR.

The following memorandum concerns the statutory basis for the establishment of a regional petroleum reserve along with a brief description of the level of regional imports and consumption patterns of crude oil, residual fuel oil, and petroleum products for several state areas. In addition, a brief discussion is provided regarding regional reserve oil storage and capacity options for these areas, and note is made of factors instrumental to the consideration of various long-term leasing options.

STATUTORY BASIS FOR A REGIONAL PETROLEUM RESERVE

Section 157 of the Energy Policy and Conservation Act (1975) authorizes the creation of a Regional Petroleum Reserve. Subsection 157(a) states:

"The Strategic Petroleum Reserve Plan shall provide for the establishment and maintenance of a Regional Petroleum Reserve in, or readily accessible to, each Federal Energy Administration (FEA) Region * * * in which imports of residual fuel oil or any refined petroleum product, during the 24-month period preceding the date of computation, equal more than 20 percent of the demand * * *".

This authority is clarified further by subsection 157 (b) and (c). Subsection 157(b) states that:

"* * * the level of any such Regional Petroleum Reserve shall not exceed the aggregate volume of imports of such oil or product into such region during the period of the 3 consecutive months, during the 24-month period * * *, in which average monthly import levels were the highest * * *".

Subsection 157(c) of the law permits the Administrator of FEA added flexibility in complying with the requirements for a Regional Petroleum Reserve:

"The Administrator may place in storage crude oil, residual fuel oil, or any refined petroleum products in substitution for all or part of the volume of residual fuel oil * * * stored in any Regional Petroleum Reserve * * * if he finds that such substitution (1) is necessary or desirable for purposes of economy, efficiency, or for other reasons and (2) may be made without delaying or otherwise adversely affecting the fulfillment of the purpose of the Regional Petroleum Reserve.

According to the Joint Explanatory Statement of the Committee of the Conference, this subsection allows substitute storage of crude oil or petroleum products without express restriction on the location of substitute storage facilities, provided that the substitute petroleum products and the location of the storage facilities will be adequate to provide substantial protection against an interruption or reduction in imports.

Note: The FEA successor agency is DOE.

1981 STUDY OF REGIONAL IMPORTS

Subsection 157(a) of the 1975 Energy Policy and Conservation Act requires DOE to compute annually the level of regional imports and consumption of crude oil, residual fuel oil, and petroleum products. DOE's 1981 study, which is not yet final, is based on 1978 and 1979 data, because 1980 data were not available. In the latter case, DOE has found that imports exceeds 20 percent of consumption only for residual fuel oil. This occurred in the four DOE regions in the following table, thus each would legally qualify for a regional reserve.

RESIDUAL FUEL OIL

[Millions of barrels]

DOE region	1978 imports	1978 consumption	1979 imports	1979 consumption	24-mo imports as a percent of consumption
1. New England	97.7	130.5	80.0	105.8	73
2. New York, New Jersey, Puerto Rico, Virgin Islands	188.3	214.8	154.0	191.3	84
3. Pennsylvania, Delaware, Maryland, District of Columbia, Virginia, West Virginia	104.7	143.6	88.0	117.1	74
4. North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Tennessee, Kentucky	82.3	174.3	66.6	172.6	43
Total	468.0	663.2	388.6	586.8	

Under the requirement of subsection 157(b), using 1979 residual fuel oil imports, the maximum size for the regional petroleum reserves would be about 100 million barrels. The oil could be stored at one large site on the East Coast, or it could be divided among several smaller sites. When 1981 data become available, the DOE regions which qualify and the maximum size of the regional reserves involved could be reduced. Similarly, it is not anticipated that DOE regions other than these four will qualify for a regional reserve under EPCA.

REGIONAL RESERVE OIL STORAGE OPTIONS

1. Crude oil.
2. Petroleum products.

FACTORS AFFECTING PETROLEUM PRODUCT STORAGE

Some of the lighter petroleum products, particularly gasoline and jet fuel, deteriorate over time. Storage of these products appears likely to require product turnover which could get the Federal Government into the oil business. This would not be the case with residual fuel oil, however.

To store residual fuel oil, DOE would have to specify that the residuals have a low pour point, of perhaps 20 degrees Fahrenheit. If the pour point were higher, DOE would have to heat the tanks. Similarly, in order to keep the residual fuel oil sufficiently warm to maintain the flow rate through pipelines, residual fuel oil storage tanks normally have mixers to homogenize the tank's contents and the pipelines have insulation jackets and electronic equipment.

According to the Committee Report on H.R. 7014 (the precursor to EPCA):

"* * * about 70 percent of the Nation's imported refined products is residual fuel oil which cannot be moved in a pipeline more than a few miles. Therefore, product storage should be near areas of heavy consumption (i.e. Northeastern States) or existing marine (ship or barge) terminals." (emphasis added)

FACTOR AFFECTING CRUDE OIL STORAGE

Crude oil storage facilities would need access to marine terminals and/or refineries.

REGIONAL RESERVE STORAGE CAPACITY OPTIONS

1. Purchase existing storage capacity.
2. Construct new salt caverns.
3. Construct above ground steel tank farms.
4. Long-term lease of existing storage capacity.

A regional petroleum reserve could accelerate DOE's planned oil fill rate for the final 250 million barrel segment of the 750 million barrel SPR, if above ground steel tanks are constructed or existing storage capacity is purchased or leased. Barring a crisis that substantially reduces world oil production, many oil experts expect oil prices to remain soft through the mid-1980s, when this regional storage capacity would be available.

FACTORS AFFECTING PURCHASING EXISTING STORAGE CAPACITY

1. It is not known whether sufficient existing storage capacity is available. Large-scale storage facilities would be preferable.
2. There are no reliable cost estimates at this time.

FACTORS AFFECTING DEVELOPMENT OF NEW SALT CAVERNS

It is not known whether appropriate geological formations are available in or near the regions.

According to the Committee Report on H.R. 7014:

"Some products such as heavier grades of residual oil are difficult to store in salt dome caverns or mines due to heating requirements. Therefore, above-ground steel tank storage may have to be used for storage of this oil."

It takes five to seven years to develop a new storage cavern to the point of readiness for oil fill.

FACTOR AFFECTING ABOVE GROUND STEEL TANK FARMS

In its July 1981 acceleration study, DOE estimated that the site acquisition, facility design, and construction costs would be more than twice as expensive for an above-ground steel tank farm than for a salt cavern facility—$9.37 per barrel as opposed to $4.04 per barrel, in real 1981 dollars. According to DOE estimates, the cost in real 1981 dollars of four above-ground tank farms with a total of 140 million barrels of capacity would be about $1.3 billion. DOE estimated the cost of the 140 million barrel Big Hill salt cavern facility to be $566 million in real 1981 dollars. In an October 19, 1981 fact sheet provided by the Army Corps of Engineers, the estimated construction costs were $7.23 per barrel for steel tanks and $4.04 for underground salt caverns.

FACTOR AFFECTING LONG-TERM LEASING

After about five years, leasing generally becomes more expensive than ownership. DOE and industry sources have stated that steel tank leasing would cost about $2 per barrel per year. In contrast, the DOE acceleration report used $9.37 per barrel, and the Army Corps of Engineers used $7.23 per barrel for constructing above ground steel tanks.●

VOLUNTEERS HONORED AT CHICAGO'S NORTHWEST HOSPITAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, on May 15, the Medical Center of Northwest Hospital, located in the 11th Congressional District of Illinois, which I have the privilege to represent, gave volunteer service awards to the following outstanding individuals:

VOLUNTEER SERVICE AWARDS

16,500-Hour Guard: Kay Kehoe; 14,000-Hour Guard: Chris Callahan; 10,000-Hour Guard: Lou Zoelle;[1] 8,500-Hour Guard: Joan Carracio; 7,500-Hour Guard: Mary Kurfirst, Anne Markussen; 7,000-Hour Guard: Mary Roggetz; 5,000-Hour Guard/4th Diamond: Frances Plezia; 4,500-Hour Guard: Elizabeth Karzis, Hazel McClement, Agnes Pradzinski; 4,000-Hour Guard/3rd Diamond: Evelyn Hahn, Irene Karas, Hazel McClement, Alice Nelson; 3,500-Hour Guard: Marie Hince, Anna Hovde, Irene Mandrake, Sophie McGrath, Virginia Sobolewski; 3,000-Hour Guard/2nd Diamond: Betty Pullan, Mike Ross.

2,500-Hour Guard: Evelyn Gruetering, Frances Huth, Rose Margentina, Mary Mascari; 2,000-Hour Guard/1st Diamond: Julia Feindt, Cornelia Rembowski; 1,500-Hour Guard: Lyndell Ayres, Sally Baier, Lillian Gents, Mary Hane, Ethel Hempel, Lucille Iversen, Corinne Timko; 1,000-Hour Guard: Josephine Cannone, Albina Dempewolf, Helen Flink, Marian Lischalk, Ruth Meindl, Britta Soderlund, Roberta Weber, Anne Zolik; 500-Hour Pin: Lea Betti, Marian Casper, Antionette DeGroot, Lillian Gurke, Irene Hemphill, Marian Lischalk, June Mathisen, Florence Nelson, Kay Norton, Dorothy Petersen, Margaret Watson.

VOLUNTEER HONOR ROLL

Martha Agnes, Anna Andersen, Antoinette Arini, Lyndell Ayres, Sally Baier, Lucille Bauter, Lorraine Belstner, Myrna Bernard, Dee Bernhauser, Gene Betti, Lea Betti, Genevieve Beverage, Josephine Bochenek, Margaret Bonner, William Bonner, Frances Bram, Jeanne Buchholz, Chris Callahan, Josephine Cannone, Josephine Carlina, Joan Carracio, Marian Casper, Joann Cassata, May Chada, Lillian Chase, Angeline Christie, Mary Conley, Alice Corrigan, Anna Dachtler, Leona Davis, Philomena Dechristopher, Antionette DeGroot, Helen DeMarco, Albina Dempewolf, Fran Denardo, Melanie Dubiel, Gertrude Fabach, Loretta Fay, Julia Feindt, Loretta Ficht, Clare Fitko, Helen Flink, Marie Galbreath, Lillian Gentz.

Antonette Giovannoni, Dorothy Gosmann, Johanna Grabow, Clara Gramann, Evelyn Gruetering, Lillian Gurke, Evelyn Hahn, Margarete Haines, Mary Hane, Ethel Hempel, Irene Hemphill, Joyce Hill, Mary Hill, Marie Hince, Coletta Hitzelberger, Dorothy Hogan, Beth Hogstrom, Elizabeth Holt, Anna Hovde, Frances Huth, Lucilie Iversen, Marie Interrante, Irene Johanson, Naomi Johnson, Josephine Kall, Irene Karas, Betty Karzis, Kay Kehoe, Celia Kirstein, Mary Kolle, Priscilla Konecki, Mary

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[1] Denotes inscription on 10,000 hour honor plaque.

Kopec, Norma Kraszewski, Adeline Kuczma, Mary Kurfirst, Ann LaMantia, Bernice Lawler, Gerald Leonard, Mary Lewald, Marian Lischalk, Vito Loiacono, Beatrice Lundean, Patricia Majean, Louise Malanga.

Josephine Malinowski, Irene Mandrake, Rose Margentina, Ann Markussen, Mary Mascari, June Mathisen, Ruth Meindl, Louise Mendicino, Alberta Metz, Erika Metzger, Ruth Milich, Mary Mitchell, Joan Moore, Dorothy Mueller, Cynthia Mulcare, Helen Mundo, Edna Murray, Hazel McClement, Dorothy McGovern, Sophie McGrath, Catherine Naughton, Agnes Nellis, Alice Nelson, Florence Nelson, Kay Norton, Kevin O'Donnell, Mary O'Kane, Mary Papa, Ella Parelius, Betty Paullan, Toni Pawlowski, Mary Pelton, Sam Perrone, Dorothy Peterson, Frances Plezia, Bessie Posn[illegible], Agnes Pradzinski, Bessie Rasiarmos, Mar[illegible] Rebel, Cornelia Rembowski, Vicky Riche, Loretta Rock, Mary Roggetz, Mike Ross.

Mabel Rupany, Margaret Salce, Irene Salerno, Mary Sanders, Laura Schultz, Geri Seaton, Eleanor Seurbom, Lorraine Smith, Jeanette Snyder, Virginia Sobolewski, Britta Soderlund, Lyn Sologub, Molly Steward, Ron Tabert, Debra Till, Corinne Timko, Rosalie Todd, Irene Tumbarello, Ida Ullo, Kay Ulrich, Florence Urban, Georgann Vandurme, Margaret Watson, Roberta Weber, Doris Webster, Julie Weidenhoff, Elmira Welhaven, Bernice Willing, Helen Zaczynski, Lou Zoelle, Anne Zolik.

4 Volunteers will receive 3 Stars (300 Hours), 17 Volunteers will receive 2 Stars (200 Hours), 23 Volunteers will receive 1 Star (100 Hours), 24 Volunteers will receive Certificates for Service under 100 Hours.

During the past year our senior volunteers have served approximately 40,500 hours. Their dedication and loyalty is sincerely appreciated by everyone at The Medical Center of Northwest Hospital.

Our sincere sympathy to the family of Hulda Davis who passed away October 16th, 1981. She will be missed by her fellow volunteers.

I attended the luncheon at Di Leo's Restaurant in Chicago and had the honor of distributing pins to those who had earned them. I would like to call to the attention of my colleagues in the Congress that there are literally thousands of volunteers, such as those who are mentioned above, who have been working selflessly and with dedication in behalf of the sick and the needy in communities throughout America. The services of these volunteers help to reduce the cost of hospital care and are rendered in the time-honored American tradition of individuals helping on a voluntary basis their fellow citizens who may be in need.

Again, I congratulate these volunteers, the officers and members of the women's auxiliary, Peter Rusin, the administrator of Northwest Hospital; along with his staff, on their inspirational service to their community. The program of the 13 annual volunteer awards presentations follows:

PROGRAM

WELCOME ADDRESS

Mrs. Lyn Kearns, Director of Volunteers.

INVOCATION

Father Elder Senesac, Hospital Chaplain.

GUEST SPEAKER

Honorable Frank Annunzio, U.S. Congressman.

HONORED GUESTS

Mr. Peter Rusin, Administrator; Dr. Manu Khodadad, President, Medical Staff; Dr. Leon Gershbein, Director of Research Institute & Member, Board of Trustees; Mrs. Lucy Wolski, RN, Director of Nursing; Mr. Jerome Salzman, Architect; Members, Board of Women's Auxiliary; Members, Executive Nursing Staff.●

AN ABUSE OF THE LEGISLATIVE REVIEW PROCESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York, Mr. LaFalce is recognized for 15 minutes.

● Mr. LaFALCE. Mr. Speaker, I take the floor today to explain to the Members of this House what transpired in the Committee on Banking, Finance and Urban Affairs relating to a resolution of disapproval which would seek to delay the implementation of proposed regulations of the Department of Housing and Urban Development.

By way of background, I should point out that in 1978, the Banking Committees of both Houses of Congress were granted the authority to delay the implementation of HUD's regulations for a period of 90 calendar days if, within 30 days of continuous session of Congress after the regulations are published in their final form, either committee reported out a resolution of disapproval. The committee were also authorized to select various rules or regulations to be submitted to the committees 15 days prior to publication in the Federal Register in order that a preliminary review could be undertaken. This authority was developed as a compromise between the House passed legislative veto, sponsored by our former colleague from Michigan, Garry Brown, and the position of the other body which merely required HUD to publish an agenda of regulations expected to be considered during the fiscal year.

The conference report on the 1978 act sets forth the rationale for the legislative review process as follows:

> In adoption this provision, the conferees did not include the principle of a legislative veto of administrative actions. Instead, the amendment formalizes a procedure designed to assure a constructive consultative relationship between Congress and the executive branch. The intent is to encourage cooperation and to develop a spirit of comity. The conferees expect that the formality of this procedure will not stand in the way of such cooperation but will increase it. The conferees also expect that the 90-day deferral provision will only be followed where either committee believes that the proposed regulations violate the intent of Congress. Since the 15-day consultative period is designed to provide an opportunity for misinterpretations to be resolved, the conferees expect that the 90-day deferral period will rarely be invoked.

Of particular importance is the statement that "The conferees also expect that the 90-day deferral provision will only be followed where either committee believes that the proposed regulations violate the intent of Congress."

That statement was our pledge of responsible implementation of legislative review, Mr. Speaker, It was our pledge that we would use the deferral process only as a means fo insuring the integrity of the legislative process.

With that in mind I would like to go back to the action taken by the Banking Committee on May 26. At that time, two resolutions of disapproval were brought up for consideration. Both resolutions were originally considered the day before but could not be reported out due to the lack of a quorum.

One of the resolutions, House Joint Resolution 480, disapproved regulations that dealt with increases in rents for tenants of HUD assisted housing. The provisions expressly authorizing these increases were adopted last year as part of the Omnibus Budget Reconciliation Act of 1981.

I voted against last year's Omnibus Budget Reconciliation Act. Nontheless, there is no doubt that the Department's regulations are consistent with the law. In fact, the sponsors of the resolution never seriously contended that the regulations violated the intent of Congress. The argument for adoption of the resolution was on the grounds that what the House did last year was wrong, and since we are attempting to change those provisions this year, the regulations should be deferred.

I personally favor changing the law to prevent scheduled increases in tenants' rents, but I believe the use of the legislative review is inappropriate and a violation of trust delegated to the committee by the Congress.

In this case, the committee, which under the law is to act in a quasi-judicial manner as the agent of the House, is acting in a way which ignores the expressed will of the House in last year's vote. I think last year's legislative process was terrible, but the fact is that a certain provision did pass, and become law. Until the law is changed, we should not be using the legislative review process as a rear-guard action.

If it appeared likely that the House and the other body would repeal the tenant contribution provisions made last year, I would agree that we should ask HUD to voluntarily delay implementation of the provisions. In fact, however, the other body is adamantly opposed to any such changes and the housing bill reported out of the Banking Committee in the other body is clear evidence of that opposition. Unless the other body yields, which is unlikely, current law would remain in effect and this resolution will only delay the inevitable for 90 days.

At this point, I would like to complement the gentleman from Ohio, Mr. SEIBERLING for his farsightedness. During the floor debate on the House's original legislative veto provision, Mr. SEIBERLING predicted that this situation would arise. He predicted that after there had been an accommodation of differences between House and Senate, after the President had signed a law, "Either body can hold up the implementation of that legislation, reassert its original position, and completely frustrate the compromises reflected in the legislation."

During that same debate, the gentleman from Georgia, Mr. LEVITAS spoke strongly in favor of the legislative veto as he has many times since. Denying that reviewing all HUD regulations would be a burdensome task, Mr. LEVITAS argued that every regulation would not require review. "It is only those which are the most devasting, the most wrong minded, the most excessive that have to be dealt with." Later Mr. LEVITAS complained about the "unelected bureaucrats" who "take what we thought we had written into law and turn it upside down on its head." Legislative review he said, is the "means by which we can return to certainty what we thought we had to begin with."

Mr. Speaker, we do not have to disagree with the principles of legislative review to question its applicaiton in this case. Oh, certainly, we are following the statutory process set out in the legislative review procedure, but we are abusing it in precisely the same way that we have complained that executive agencies abuse and distort the will of Congress in regulations.

Mr. Speaker, at this point in time, both Houses of Congress and both sides of the aisle, are agreed that the legislative review procedure has worked well. Taking the type of action the Banking Commitee did on House Joint Resolution 480 is an abuse of the review power. I believe that the surest way to build opposition to a legitimate power is to abuse it.

We should also be mindful that we will be presenting to HUD an ideal case upon which it can challenge the whole legislative review procedure. We would be foolish to think that a court would not take cognizance of the fact that such an abuse has occurred in considering the validity of the provision.

As I said earlier, our HUD authorizations bill for this year proposes that rent levels for assisted housing be returned to the 25 percent of adjusted income level. I personally support this provision. If we can persuade a sufficient number—in both Houses—this will become law. But until the law is changed, Mr. Speaker, House Joint Resolution 480 must be considered a gross distortion of the legislative review process.●

RABBI SEYMOUR COHEN OPPOSES CONSTITUTIONAL PRAYER AMENDMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. YATES) is recognized for 5 minutes.

● Mr. YATES. Mr. Speaker, President Reagan's recent proposal for a constitutional amendment permitting voluntary prayer in public schools is a dangerous infringement upon the first amendment rights of all Americans, as well as another attempt by this administration to politicize and destroy the independence of the Federal judiciary. I am opposed to it. It should be summarily rejected.

The principle of religious freedom is one deeply engrained in and cherished by the American people. It was and remains a chief reason why people fled from Europe to the shores of the United States. One of the major purposes of the first amendment was to build, in the words of Thomas Jefferson, "a wall of separation between Church and State." As the Supreme Court of the United States said in 1962:

> The constitutional prohibition against laws respecting an establishment of religion must at least mean that in this country it is no part of the business of government to compose official prayers for any group of the American people to recite as a part of a religious program carried on by government. . . . Neither the fact that the prayer may be nondenominationally neutral nor the fact that its observance on the part of the students is voluntary can serve to free it from the limitations of the Establishment Clause. . . .

President Reagan's proposal is opposed not only by lay persons, but also by clergy of every religion. One of the most eloquent statements in opposition to the school prayer amendment is that of my good friend Rabbi Seymour J. Cohen, rabbi of the Anshe Emet Synagogue of Chicago, and a national leader in Conservative Judaism who has just completed a term as international president of the Rabbinical Assembly. His thoughtful remarks appeared in the Chicago Sun-Times of May 27, 1982, and I am pleased to insert them in the RECORD for the consideration of the Congress.

KEEP PRAYER OUT OF SCHOOLS

(By Rabbi Seymour J. Cohen)

As a clergyman, I believe in prayer. I pray both publicly and privately. In terms of the total human experience, men and women have always prayed: It is part of our existence, both in good times and in periods of crisis.

But there is a time and place for prayer. The schoolhouse, attended by children of every faith and no faith, is not the proper locale.

In the early 1960s, landmark Supreme Court decisions ruled that prayers in public school violate the principle of separation of church and state. Since then, there have been numerous proposals, ranging from congressional bills to suggested constitutional amendments, toward undoing the court's actions.

And now the Reagan administration has moved to support school prayer, challenging the historic proclamation in the Bill of Rights that "Congress shall make no law respecting the establishment of religion or prohibiting the free exercise thereof."

Leading the forces for turning back the clock have been Sen. Jesse Helms (R-N.C.) and the Moral Majority, which would like to impose its minority religious opinions on the majority of the nation. All people of conscience must resist their efforts to threaten the enforcement of the Bill of Rights by limiting the jurisdiction of the Supreme Court.

Like most Americans, I cannot view calmly any effort to diminish our Bill of Rights. The remarkable thing is that those first 10 amendments, particularly the First Amendment, assured a climate in this country for the unparalleled growth of religious affiliation and activity.

America's founders were not indifferent to religion. Roger Williams wanted the separation of church and state to keep the state from imposing a religion. Thomas Jefferson wanted separation because he felt religion might impose on the state. But the separation principle was not worked out to merely keep from getting into each other's way.

The First Amendment was adopted because the Founding Fathers believed that religion flourished best when it is the responsibility of the church and family, when it is voluntary and not dependent on the power of the state.

When the Constitution was being formulated, the Baptists of Rhode Island and New Jersey went on record supporting voluntary religious activity, unsupported by the state.

In a plural society, it is not and should not be the business of government to aid or hurt religion. Giving constitutional sanction to prayer in the schools would result in prayers being offered in a coerced routine.

The inherent danger that all kinds of infractions will slip in is ever-present.

"Voluntary" prayer, for example, is a deceptive thing. What is voluntary today becomes compulsory tomorrow. In 1965, Sen. Everett M. Dirksen (R-Ill.) also proposed a constitutional amendment calling for prayer in the schools. At that time, I appeared before the Senate Judiciary Committee and observed that the whole authority of the school establishment would be placed behind an activity that was supposedly voluntary.

Another disturbing element in Reagan's recommendations is that the "compulsion which comes from circumstances can be as real as compulsion which comes from command." A child who does not wish to pray may find himself or herself in a compromised position with his peers.

Further, I believe that prayer not rooted in specific faith and not grounded in distinctive religious commitment is a meaningless, empty exercise. The Roman Catholic Church also has advanced the argument that voluntary prayer is not proper prayer.

Back in 1910, an important case before the Illinois Supreme Court dealt with the recitation of the Lord's Prayer in our state's schools. The Catholic petitioners were opposed to this activity because the Protestant

King James version of the prayer was being used. The court said, "The school, like the government, is simply a civil institution. It is secular and not religious in its purposes."

To those who say a one- or two-minute activity is nothing to get overwrought about, I quote the historic words of Justice Tom Clark in 1963: "It is no defense to urge that the religious practices here may be relatively minor encroachments on the First Amendment. The breach of neutrality that is today a trickling stream may all too soon become a raging torrent, and, in the words of Madison, 'It is proper to take alarm at the first experiment on our liberties.' "

As a religionist, I pray for the day when religion will have a true and effective role in our society—when law, morality and ethics will pervade our living, when religious commitment will truly be deep and firm. But the road to that expectation is not through voluntary school prayers.●

PROJECT ON MILITARY PROCUREMENT

(Mr. DICKS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

● **Mr. DICKS.** Mr. Speaker, when the House considers the Defense authorization bill, H.R. 6030, Congressman Rhodes, myself, and 26 of our colleagues will be submitting an amendment to delete funds for the C-5 aircraft and providing a portion of those funds for procurement of wide-bodied cargo aircraft. This amendment will result in a fiscal year 1983 budget authority reduction of $450 million and a savings of over $6 billion over the life of the program.

I include a list of the text of the amendment and its sponsors in the Record. We fully expect other Members will be joining us in this effort during the weeks ahead.

In addition, I include in the Record an analysis of the airlift alternatives issue done by the project on military procurement. This analysis provides an easy-to-understand discussion of the real airlift requirements and how well the C-5 and wide-bodied commercial aircraft alternatives meet these requirements, and at what cost. The conclusion is that the commercial option is far preferable.

It should be noted that the cost figures used in the analysis are for new aircraft. Procurement and conversion of used aircraft as voted by the Senate make the cost difference even more dramatic. The Air Force in responses for the record to the Defense Appropriations Subcommittee admit that the current market prices for surplus 747's are $30 million per aircraft, with $10.7 million required to convert them to Air Force requirements. This results in a total cost of $40.7 million per aircraft, well under the $72-million estimate for new aircraft used in the project's analysis.

I urge my colleagues to examine the issues on this important matter closely, and feel that when the complete picture is considered, this amendment offers an excellent opportunity to make difficult but necessary reductions in defense spending while still meeting real needs.

Amendments to H.R. 6030, as reported, offered by Mr. Rhodes, Mr. Dicks, Mr. Glickman, Mr. Gephardt, Mr. Downey, Mr. Edgar, Mr. Pritchard, Mr. Whittaker, Mr. Foley, Mr. Clay, Mr. Wyden, Mr. Bailey of Missouri, Mr. Bedell, Mr. Young of Missouri, Mr. Winn, Mr. Lowry of Washington, Mr. Leach, Mr. Swift, Mr. Miller of California, Mr. Morrison, Mr. Roberts of Kansas, Mr. Volkmer, Mrs. Schroeder, Mr. AuCoin, Mr. Bonker, Mr. Skelton, Mr. Dellums, Mr. Smith of Oregon, and Mr. Jeffries.

Page 6, line 13, strike out "$18,116,300,000" and insert in lieu thereof "$17,566,300,000".

Page 8, after line 12, insert the following new section:

PROCUREMENT OF COMMERCIAL CARGO AIRCRAFT

Sec. 109. (a) None of the funds authorized to be appropriated under this Act or any prior authorization act may be obligated or expended after the date of enactment of this Act for the reestablishment of production facilities for manufacturing additional C-5 aircraft or for the procurement of any additional C-5 aircraft.

(b) Of the amount authorized to be appropriated in section 103 for procurement of aircraft for the Air Force, $350,000,000 is authorized for procurement of the most cost-effective commercial wide-body cargo aircraft. In procuring commercial wide-body cargo aircraft, priority shall be given to procurement, through competitive bidding, of the most cost-effective commercial wide-body aircraft which are available as surplus to the requirements of their present owners. The commercial wide-body aircraft procured under the preceding sentence shall be (1) suitable for conversion to military cargo configurations, and (2) owned by domestic companies on the date of enactment of this Act.

(c) Notwithstanding any other provision of law, the $120,900,000 which is authorized by law for the Civil Reserve Air Fleet enhancement program, is hereby authorized for procurement, through competitive bidding, of the most cost-effective commercial wide-body aircraft which are available as surplus to their present owners. The aircraft procured with funds under the preceding sentence shall be (1) suitable for conversion to military cargo configurations, and (2) owned by domestic companies on the date of enactment of this Act.

ASSESSMENT OF C-5N VS KC-10 AND 747F

What is the C-5N?

The C-5N is a C-5A incorporating the new $1.5 billion wing-fix, a sizable number of not yet implemented fixes (known as Engineering Change Proposals), and omitting several of the least useful and most troublesome subsystems of the C-5A.

Subsystems removed are: the complex and unreliable multimode radar; the failure-prone cross-wind landing gear drives, intended for the short, bare strip landing capability that has proven unusuable.

Fixes for currently troublesome components, requiring extensive engineering to implement, include: A new model of the existing TF-39 engine; all-new flight control electronics; new navigation electronics (TACAN, VOR/ILS); new radio equipment (UHF, ADF, HF, IFF); modified landing gear door drives.[1]

The new C-5N specifications proposed by Lockheed are significantly less demanding than the existing specifications for the C-5N. No meaningful guarantees or warranties are being offered by Lockheed.

The C-5N has essentially the same payload (and range) as the C-5A with the wing fix, about 100 tons (2.5 g structural limit) and emergency overload payload (2.25 g structural limit) is 120 tons.

What is the KC-10?

The KC-10 is a derivative of the DC-10-30CF commercial convertible airliner/freighter, modified to carry 18,000 gallons more fuel at the cost of 40 percent reduction in cargo floor area.

The KC-10 has eliminated the windows and passenger provisions of the commercial DC-10, eliminated the lower level cargo deck and installed fuselage fuel tanks, added a refueling boom and a refueling receptacle, installed military avionics, and strengthened the structure to increase maximum takeoff weights by 18,000 pounds.

The KC-10 can be used either as an inflight refueling tanker or as an airlifter intermediate in capacity between the C-141 and the C-5. The KC-10 has one side door, 8½ feet high, for loading cargo. Its maximum normal payload is 89 tons with an emergency overload capacity of 102 tons.

What is the 747F?

The 747F is the commercial 747-200F airfreighter now in airline use, with several military options offered, including: Military radios, TACAN and IFF; in-flight refueling receptacle; onboard nose loading ramp and nose-lowering jack.

The 747F is compatible with current USAF pallets and USAF loading equipment. The USAF has loaded and used 747 airfreighters (provided through CRAF) to carry military cargoes to Military Aircraft Command bases in the Pacific area since 1973. The 747F is also compatible with commercial airfield loading equipment now available at 120 airports around the world.

The 747 has a nose door for loading vehicles and equipment up to 8 feet high, a side door for 10 feet vehicles and equipment, and two lower deck doors for pallets and bulk cargo.

The aircraft has a normal maximum payload of 135 tons (2.5 g) and an emergency payload (2.25 g) of 175 tons.

What is the real need for intercontinental military airlift?

The 1981 Pentagon CMMS studies to determine the "requirement" for strategic airlift assume: Large forces of 2 to 4 divisions or more ready to move immediately as soon as airlift or sealift arrives; a hard and fast requirement to deliver the entire large force very early, usually in 25 or 28 days; artificially high requirements to deliver most (two-thirds) of the bulkiest and heaviest equipment in the first 6.5 days.

These assumptions are unrelated to real deployments. First, in actual deployments of our forces—whether Korea, Lebanon, Dominican Republic, or Vietnam—the time to get troop units ready to move and to load has always been far longer than the actual transportation time,[2] no matter how constrained our airlift and sealift were at the time. Twenty-five or 30 day deployments of even a two-division mechanized force to the

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[1] Footnotes at end of article.

Persian Gulf are unrealistic given current and foreseeable U.S. unit readiness—even with unconstrained airlift and sealift availability.

Second, moving entire mechanized or armored divisions by air is, in fact, slow and impractical simply because each airplane carries so little tonnage compared to a ship. To move a mechanized division by sea takes only 7 to 8 roll-on, roll-off ships, but by air it requres at least 800 C-5 round trips.

The practical and essential need for strategic airlift is quite different than the role assumed by "requirements" studies; it is: To move people and to lift units tailored for air deployment, that is, airborne divisions; to provide emergency deliveries to overcome critical item shortages created by the inevitable deployment planning oversights and by the inevitable unforeseen crises of combat. Critical items that could jeopardize an entire RDF expedition range from fuzes to spare engine to antitank ammunition, to move high value items—ones too expensive to permit large forward stockpiles—whether jet engines or guided missiles or computers.

This was the primary way airlift was used in Vietnam. During the 1973 Arab-Israeli war, airlift was used mainly for high value spares and critically short supplies such as special purpose ammunition. Little outsize cargo was carried. Only 14 pieces of outsize equipment (four of them tanks) were among the 8,950 tons of material delivered before the cease fire.[3]

How do the KC-10, 747F and the C-5N compare?

The 747F carries substantially more tonnage over longer distances than the C-5N, as shown below:

	747F	C-5N	KC-10
Maximum payload (tons)	135	100	89
Payload at 3100 n.m.[4] (tons)	126	94	88
Payload at 5400 m.m.[5] (tons)	77	47	48
Payload at 5400 n.m. (hot day, 7500 field)[6] (tons)	37	3	21
Maximum range (n.m.)	7,850	6,800	9,600
Maximum no. of USAF pallets	50	36	27
Number of jeeps	40	28	14
Number of 2½ ton trucks at 3100 n.m.	10	5	0
Number of 2½ ton trucks at 5400 n.m.	10	6	0
Number of M2 IFV's @ 3100 n.m.	4	3	0
Number of M2 IFV's @ 5400 n.m.	2	1	0
Speed on average trip (knots)	430	400	425

At relatively short distances, the 747F carries 35 percent more tonnage than the C-5N; the KC-10 carries almost as much as the C-5. As distances get longer, or as the takeoff field gets hotter and shorter, the 747F and KC-10 advantage increases markedly.

USABLE AIRFIELDS

The 747F, the KC-10 and the C-5N cannot land on dirt strips nor on temporary runway matting. The C-5 was designed to do so, but tests show that its landing gear suffers serious damage when landing on runway mats. Nor is it conceivable that a $100 million aircraft would be risked in wartime landing on a remote strip where one $75 mortar shell could send it up in flames.

For practical operations from existing bases or commercial fields, the 747F can take off from somewhat shorter fields than the C-5N at equal tonnage or lift greater tonnage from a given length field. The KC-10 also takes off from shorter fields than the C-5, but generally at slightly lower payloads than the C-5.

	747F (feet)	C-5N (feet)	KC-10	
			Feet	Tons
Critical field length required for 94 tons load with enough fuel for 3,100 n.m. (59° day)	7,700	9,800	9,400	89
Same (90° day)	8,300	14,000	11,200	89
Max payload from a 10,000' runway with enough fuel for 4,400 n.m. (80° day) (tons)	91	46		62

At the receiving end, the 747F can deliver a 100 ton payload—and the KC-10 can deliver about a 65 ton payload—into a field 4,750 feet long (distance over a 50 foot obstacle, 90°F). Here, the C-5N can land with the same 100 ton payload on a field 1000 feet shorter. But very few fields of under 7,500 feet have the necessary 150 foot wide runways necessary for C-5N, KC-10, or 747F operations, so this is not a major advantage.

In most areas of the world there are vital resources or facilities that the United States might wish to defend, there are surprisingly many airfields with runways suitable for KC-10 or 747F operations with at least 50 tons of payload. In the Middle East, for instance, between Egypt and Pakistan there are at least 130 such airfields.

FLYING HOURS PER DAY AND MAINTENANCE

The C-5A has had the poorest maintenance and reliability record of any airlifter in USAF service, with only a 48 percent mission capable rate[7] and 75.6 maintenance manhours per flying hour. An acceptable, reliable airlifter of equal size would have at least 85 percent mission capable rates and no more than 30 to 35 maintenance manhours per flying hour.

The C-5 fleet has yet to average more than 2½ hours per day utilization for any year period. Few with experience maintaining the C-5 would believe that the fleet could ever substain a 1 month wartime surge at 8 hours per day.

The 747 and DC-10, by contrast, have satisfactorily met the maintenance and reliability standards set by commercial airlines, standards that are much more stringent than those of military aircraft. Three major operators of 747 freighters are averaging annual (not surge) utilization rates of over 12 hours per day with a 98 percent schedule reliability. DC-10's in long haul passenger service do even better. Total maintenance costs (including labor and overhead) for these 747 freighters averaged $920 per hour for 1980; for DC-10's airliners, they averaged $540 per hour.

In comparison, the Air Force's hourly cost for C-5A maintenance (*excluding* base-level labor) was $2,950 per hour in 1981.

The following table presents maintenance and reliability comparisons for the KC-10, 747F, and the C-5N, taking into account for the KC-10 and the 747 the lower skills of Air Force maintenance (compared with commercial standards) and the C-5N's elimination of several of the most troublesome components.

	747F	C-5N	KC-10
Mission capable rate (percent)	85	60	85
Maintenance manhours per flying hour	[8] 30	65	[9] 25
Achievable hours/day for a one month fleet-wide surge	14	[10] 10	14
USAF total hourly maintenance cost (fiscal year 1981 dollars)	$1,100	[11] $2,600	$700
Hourly fuel cost (fiscal year 1981 dollars)	$3,900	[11] $3,900	[12] $2,750

COST AND SCHEDULE

The C-5N is at least 64 percent more expensive to acquire than the 747F, and at least 114 percent more expensive than the KC-10, based on official USAF estimates for all three and assuming no overruns. Specifically, the USAF estimate for the 747F with spares is $72 million per aircraft in fiscal year 1981. The comparable KC-10 cost is $55 million. the C-5N is estimated by the USAF at $118 million per aircraft if 137 aircraft are bought.[13]

If, as claimed by the DOD, there is an urgent need to enhance U.S. airlift as quickly as possible, the additional KC-10's over and above the 44 proposed, provide that enhancement 2 years earlier than the C-5N. The 747F provides enhanced airlift 3 years earlier than the C-5N (since the entire C-5N production line must be reconstructed). Boeing can deliver its first 747F from the existing production line in 12 months after contract go-ahead with 14 delivered over the subsequent year. The USAF estimates that Lockheed's first C-5N delivery will be after September 1986 with the first 12 delivery of add-on KC-10's above the present program within 18 to 24 months after contract go-ahead.

Does the taxpayer and the DOD get more airlift with the C-5N or the commercial widebodies?

Under the easiest Middle East airlift conditions—a longest leg of 3,100 miles through the Azores—each 747F delivers more 2.0 times as many tons per day as the C-5N while each KC-10 delivers 1.4 times as many tons per day.[14]

As the lift conditions become more trying, the 747F advantage increases. For a 5400 mile direct delivery to Tel Aviv (with no runway constraints), each 747F delivers 2.5 times more tons per day then the C-5N and each KC-10 delivers 1.5 times more tons. If the loading point is the 7500 foot runway at Pope AFB under summertime conditions, then the 747F advantage increases to 19 to 1 in tons per day and the KC-10's advantage reaches 10 to 1.

At the receiving end, there is not much difference in the airfields that all three aircraft can deliver to—all require well-secured, established fields with wide concrete runways and large concrete unloading areas. The KC-10 can use runways and unloading areas about 20 percent narrower than the other two.

The C-5N has a real advantage in carrying essentially all the Army's outsize equipment. But the 747F carries over 15,000 of the 19,750 vehicles in the DOD's Heavy Deployment Force, including about 1300 in the outsize category. The KC-10 has a disadvantage in that it carries only about 8,000 of the Heavy Deployment Force's vehicles.

The "requirement" for outsized lift is inflated in the DOD deployment studies by the artificial expedient of requiring two-thirds of the outsize tonnage to the delivered in the first 6½ days. The urgency of this early delivery is questionable: the outsize equipment includes less than essential items such as bakery trailers and asphalt driers, easily-deferred items such as heavy engineer dump trucks and graders, and equipment that may never be procured at all such as the failure-ridden M2 Infantry Fighting Vehicle. Once these artificialities are taken into account, it becomes clear that the existing 77 C-5's together with some new commercial wide body airlifters provide more than enough outsize capability to meet the deployment "requirement".

In addition, the airlift "requirements" approach needs to be tempered to two facts:

In a real crisis situation, many of the troop units and much of their heavy equipment won't be ready to deploy for at least several months—particularly so in view of current and projected spending on readiness.

In actual wars, most heavy, bulky, low-value equipment has always been carried by high tonnage ships while strategic airlift was properly reserved for light airborne units, high value spares and ordinance, and emergency lift to correct unanticipated, crippling shortages. The reasons for this are as sound today as they were during the Vietnam and Yom Kippur War.

Given these considerations it appears to be a serious mistake to forego the possibility of buying more airfreighters and many times more tonnage.

Just how much capability is the DOD forgoing for each C-5N it buys? For each $118 million C-5N, the taxpayer could be getting 1 and ⅔ 747F's or over two KC-10's. These KC-10's would deliver three times as much tonnage per day, assuming the lowest possible C-5 price and an easy 3100 n.m. deployment leg.

Considering a 5400 n.m. deployment and the more likely C-5N price of $137 million,[13] the KC-10's advantage grows to 3.8 times as much tons per day at equal investment cost. The 747's advantage is 4.7 times as many tons delivered as an equal cost buy of C-5.

Between the 747F and the KC-10A, the 747 appears to be a somewhat better choice, in part because it carries slightly more tonnage per dollar and because it has the door and floor space to carry a substantially wider variety of vehicles than the KC-10.

But between the two commercial widebodies and the C-5N the choice is much clearer: for every C-5N bought, the Department of Defense loses a factor of 3.0 to 4.7 in tonnage delivered per day—a disservice to the taxpayer and to the Nation.

FOOTNOTES

[1] Above details based on 20 Jan. 1982 *Draft Report, Ad Hoc Airlift Enhancement Committee*, USAF.

[2] Excepting Airborne Division.

[3] *Airlift Operations of the Military Airlift Command During the 1973 Middle East War*, GAO, April, 1975

[4] 3100 n.m. is the longest leg on a deployment to the Middle East if Portugal permits a refueling stop in the Azores.

[5] 5400 n.m. is the nonstop distance to Tel Aviv, assuming refueling in the Azores is denied.

[6] This represents a summer deployment from Pope Air Force Base (94° F) to Tel Aviv, nonstop.

[7] During the 1973 Israeli airlift, C-5's had only a 40 percent mission capable rate (GAO).

[8] USAF official statements.

[9] Based on USAF figures of 24 for the C-130 and 25 for the larger C-141.

[10] The USAF claims 12.5 hours/day is feasible with extra spares and extra maintenance personnel. Given the current C-5 maintenance experience, 10 hours/day appears optimistic for an improved C-5.

[11] USAF official statements.

[12] Excludes base level military labor costs.

[13] All costs based on the USAF airlift options briefing presented by the Secretary of the Air Force to the DOD. The USAF estimate is $14.3 billion to $15.4 billion for 137 C-5N's, plus 5 percent for engineering change order costs and management reserve. If these figures were adjusted for the currently-proposed smaller 50 aircraft buy, then the $118 million should be increased to $137 million assuming a 90 percent cumulative learning curve.

[14] Ten miles per day equals tons × hours/day ÷ n.m./hour. The 747F carries 126/94 more tons, flies 14/10 more hours per day and flies 430/400 times as fast (using accepted average or "block" speeds in n.m. per hour). The corresponding KC-10 to C-5 ratios are 88/94 × 14/10 × 425/400.●

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. CARNEY) to revise and extend their remarks and include extraneous material:)

Mr. GREGG, for 60 minutes, on June 2.

Mr. CORCORAN, for 10 minutes, today.

Mr. LENT, for 30 minutes, on June 2.

Mr. FISH, for 10 minutes, today.

Mr. CONABLE, for 15 minutes, today.

Mr. BEREUTER, for 5 minutes, today.

Mrs. HECKLER, for 20 minutes, today.

(The following Members (at the request of Mr. KOGOVSEK) to revise and extend their remarks and include extraneous material:)

Mr. MAZZOLI, for 5 minutes, today.

Mr. WILLIAM J. COYNE, for 10 minutes, today.

Mr. ST GERMAIN, for 10 minutes, today.

Mr. STARK, for 5 minutes, today.

Mr. GONZALEZ, for 15 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. COELHO, for 5 minutes, today.

Mr. LAFALCE, for 15 minutes, today.

Mr. YATES, for 5 minutes, today.

Mr. BAILEY of Pennsylvania, for 60 minutes, on June 3.

Mr. BAILEY of Pennsylvania, for 60 minutes, on June 7.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. FORD of Michigan, to revise and extend his remarks on Mr. DOWNEY's amendent immediately following the remarks of Mr. DOWNEY in the Committee of the Whole today.

Ms. OAKAR, immediately following the vote on the Downey amendments to the Jones and Latta substitutes to House Concurrent Resolution 345 in the Committee of the Whole today.

Mr. TRIBLE, immediately prior to the vote on the Downey amendments to the Jones and Latta substitutes to House Concurrent Resolution 345 in the Committee of the Whole today.

Mr. BEDELL, on House Concurrent Resolution 345, in the Committee of the Whole today.

(The following Members (at the request of Mr. CARNEY) and to include extraneous matter:)

Mr. PARRIS.

Mr. DENARDIS.

Mr. MOORE.

Mr. YOUND of Florida.

Mr. THOMAS.

Mr. ROUSSELOT.

Mr. DANNEMEYER.

Mr. BROOMFIELD in two instances.

Mr. LEE.

Mr. PETRI.

Mr. WILLIAMS of Ohio in four instances.

Mr. MCGRATH.

Mr. PORTER in three instances.

Mr. SMITH of New Jersey.

Mr. HORTON.

Mrs. SCHNEIDER.

Mr. GINGRICH.

Mr. LENT.

Mr. DREIER in two instances.

Mr. FIELDS in two instances.

Mr. PAUL.

Mr. RUDD.

Mr. MCDADE.

Mr. BEREUTER.

Mr. GILMAN.

Mr. FISH.

Mr. COURTER.

Mr. EMERSON.

Mr. RITTER in three instances.

Mr. WOLF.

Mr. LOWERY of California.

Mr. OXLEY.

(The following Members (at the request of Mr. KOGOVSEK) and to include extraneous matter:)

Mr. DAN DANIEL.

Mr. KILDEE.

Mr. ZABLOCKI in two instances.

Mr. TRAXLER.

Mr. GAYDOS in two instances.

Mr. STARK in three instances.

Mr. GORE.

Mr. BREAUX.

Mr. RODINO.

Mr. SANTINI in two instances.

Mr. MAZZOLI in four instances.

Mr. MOFFETT in two instances.

Mr. BENJAMIN.

Mr. ECKART.

Mr. HARKIN.

Mr. FARY.

Mr. WON PAT.

Mr. AKAKA.

1Mrs. SCHROEDER in two instances.

Mrs. CHISHOLM.

Mr. OTTINGER.

Mrs. KENNELLY.

Mr. BROOKS.

Mr. FLORIO.

Mr. AUCOIN in two instances.

Mr. JONES of North Carolina.

Mr. SCHUMER.

Mr. CLAY.

Mr. MCDONALD in five instances.

Mr. FORD of Tennessee in two instances.

Mr. DORGAN of North Dakota in two instances.

Mr. LUNDINE.

Mr. HUBBARD.

Mr. RATCHFORD.

Mr. BENJAMIN.

Mr. SKELTON.

SENATE BILL AND CONCURRENT RESOLUTION REFERRED

A bill and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2317. An act to recognize the organization known as the National Federation of Music Clubs; to the Committee on the Judiciary; and

S. Con. Res. 96. Concurrent resolution reaffirming Senate resolution (S. Res. 179) and House resolution (H. Res. 177) and urging the President to seek agreement at the Versailles Summit Conference that nuclear supplier nations should export nuclear fuel and equipment only to nations that permit full-scope safeguards; to the Committee on Foreign Affairs.

ENROLLED BILLS SIGNED

Mr. HAWKINS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1231. An act for the relief of the Washington Post, the Washington Star, the Dispatch (Lexington, N.C.), the Brooklyn Times, Equity Advertising Agency, Inc., the Seattle Post-Intelligencer, and the News Tribune; and

H.R. 1608. An act for the relief of Mrs. Frieda Simonson.

BILL PRESENTED TO THE PRESIDENT

Mr. HAWKINS, from the Committee on House Administration, reported that that committee did on May 26, 1982 present to the President, for his approval, a bill of the House of the following title:

H.R. 4769. An act to recognize the organization known as the American Council of Learned Societies.

ADJOURNMENT

Mr. KOGOVSEK. Mr. Speaker, pursuant to the provisions of Senate Concurrent Resolution 102 and the previous order of the House, I move that the House adjourn until 12 o'clock noon on Wednesday, June 2, 1982.

The motion was agreed to; accordingly (at 1 o'clock and 41 minutes a.m.), under its previous order, the House adjourned until Wednesday, June 2, 1982, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4041. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee, and insurance transactions supported by Eximbank during March 1982 to Communist countries; to the Committee on Banking, Finance and Urban Affairs.

4042. A letter from the Chairman, National Diabetes Advisory Board, transmitting the Board's fourth annual report, pursuant to section 436A(j) of the Public Health Service Act, as amended; to the Committee on Energy and Commerce.

4043. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Navy's intention to offer to sell certain defense articles and services to Belgium (Transmittal No. 82-55), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

4044. A letter from the Secretary of Transportation, transmitting the semiannual report of the Department's Inspector General for the period covering October 1, 1981, through March 31, 1982, pursuant to section 5(b) of Public Law 95-452; to the Committee on Government Operations.

4045. A letter from the Deputy Assistant Secretary of Defense (Comptroller-Administration), transmitting notice of a proposed new records system for the Defense Logistics Agency, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

4046. A letter from the Deputy Assistant Secretary of Defense (Comptroller-Administration), transmitting notice of proposed changes in an existing record system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

4047. A letter from the Inspector General, Department of Health and Human Services, transmitting a report of serious and flagrant problems in accordance with 42 U.S.C. 3524(c); to the Committee on Government Operations.

4048 A letter from the Secretary of Interior, transmitting the final study on the proposed Pacific Northwest National Trail, pursuant to Public Law 90-543; to the Committee on Interior and Insular Affairs.

4049. A letter from the Director, Administrative Office of the U.S. Courts, transmitting his annual report for fiscal year 1981, pursuant to 28 U.S.C. 604(a)(4), together with the reports of the sessions of the Judicial Conference of the United States held in 1981; to the Committee on the Judiciary.

4050. A letter from the Secretary of Health and Human Services, transmitting the annual report on the operation of the title XX program, pursuant to section 2006 of Public Law 93-647; to the Committee on Ways and Means.

4051. A letter from the Fiscal Assistant Secretary of the Treasury, transmitting the 26th annual report on the financial condition and results of the operations of the highway trust fund, pursuant to section 209(e)(1) of the Highway Revenue Act of 1956, as amended; to the Committee on Ways and Means, and ordered to be printed.

4052. A letter from the Acting Assistant Secretary of the Interior for Land and Water Resources, transmitting a report on the general condition of the lands classified as arid or semiarid in the continental United States; jointly, to the Committees on Agriculture and Interior and Insular Affairs.

4053. A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to provide Federal payments to certain jurisdictions to finance food and nutrition assistance for needy persons; jointly, to the Committees on Agriculture, Education and Labor, and Interior and Insular Affairs.

4054. A letter from the Comptroller General of the United States, transmitting a report on Federal efforts and activities directed at cleaning up nuclear facilities and sites once they are no longer needed (EMD-82-40, May 25, 1982); jointly, to the Committees on Government Operations, Energy and Commerce, Interior and Insular Affairs and Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. de la GARZA: Committee on Agriculture. H.R. 3863. A bill to amend the Poultry Products Inspection Act to increase the number of turkeys which may be slaughtered and processed without inspection under such act, and for other purposes; with amendment (Rept. No. 97-589). Referred to the Committee of the Whole House on the State of the Union.

SUBSEQUENT ACTION ON A BILL SEQUENTIALLY REFERRED UNDER A TIME LIMITATION

Under clause 5 of rule X, the following action was taken by the Speaker:

Consideration of H.R. 5617 by the Committee on Public Works and Transportation extended for an additional period ending not later than June 8, 1982.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. STARK:

H.R. 6503. A bill to amend the Internal Revenue Code of 1954 with respect to the limitations on the flow through of the investment tax credit in the case of certain regulated companies; to the Committee on Ways and Means.

By Mr. JAMES K. COYNE:

H.R. 6504. A bill to increase the tariff on injection and compression molds made in Canada in order to offset the subsidy provided with respect to such articles by the Canadian Government; to the Committee on Ways and Means.

By Mr. BENJAMIN, (for himself, Mr. Gaydos, Mr. Annunzio, Mr. Applegate, Mr. Atkinson, Mr. Bailey of Pennsylvania, Mr. Bevill, Mr. Brown of California, Mr. Clinger, Mr. William J. Coyne, Mr. Davis, Mr. Derwinski, Mr. Eckart, Mr. Donnelly, Mr. Dwyer, Mr. Ertel, Mr. Evans of Indiana, Mr. Fithian, Mr. Flippo, Mr. Ford of Michigan, Mr. Gephardt, Mr. Hillis, Mr. Holland, Mr. Jacobs, Mr. Kogovsek, Mr. Luken, Mr. Lehman, Mr. Matsui, Mr. Mavroules, Ms. Mikulski, Mr. Perkins, Mr. Mollohan, Mr. Mottl, Mr. Murphy, Mr. Murtha, Mr. Nichols, Mr. Nowak, Ms. Oaker, Mr. Oberstar, Mr. Rahall, Mr. Roe, Mr. Russo, Mr. Savage, Mr. Sharp, Mr. Shelby, Mr. Shuster, Mr. Smith of Pennsylvania, Mr. Stokes, Mr. Volkmer, Mr. Walgren, Mr. Washington, Mr. Williams of Ohio, Mr. Yatron, Mr. Jones of North Carolina, Mr. Gray, Mr. Young of Missouri, and Mr. Blanchard):

H.R 6505. A bill to provide for orderly trade in certain carbon and alloy steel and stainless steel products, to reduce unemployment and for other purposes; to the Committee on Ways and Means.

By Mr. DANNEMEYER (for himself, Mr. Shumway, Mr. Burgener, Mr. Pashayan, Mr. Lowery of California, Mr. Fazio, Mr. Coelho, Mr. Clausen, and Mr. Panetta):

H.R. 6506. A bill to amend the Immigration and Nationality Act to require consent of a warrant before entering onto farm property; to the Committee on the Judiciary.

By Mr. DASCHLE:

H.R. 6507. A bill to amend title 38, United States Code, to clarify the applicability with respect to State governments of the section providing for veterans' employment emphasis under Federal contracts; to the Committee on Veterans' Affairs.

By Mr. FISH:

H.R. 6508. A bill to improve the protection of, and assistance to, victims of Federal offenses and witnesses in Federal criminal cases; to the Committee on the Judiciary.

By Mr. FRENZEL (by request):

H.R. 6509. A bill to amend the Trade Act of 1974 to eliminate trade adjustment allowances for workers not enrolled in approved training on July 1, 1982, and for other purposes; to the Committee on Ways and Means.

By Mr. CONABLE:

H.R. 6510. A bill to amend the Internal Revenue Code of 1954 to limit the benefit of accelerated cost recovery system deductions and investment tax credits obtained by safe harbor lessors, to exclude safe harbor lessors from the at risk limitations, to limit the availability of safe harbor leasing in the case of certain lessees with foreign source income, and to limit the interest deduction of safe harbor lessors; to the Committee on Ways and Means.

By Mr. LEE:

H.R. 6511. A bill to recognize the organization known as the National Women's Hall of Fame, Inc.; to the Committee on the Judiciary.

By Mr. MARLENEE:

H.R. 6512. A bill to reduce interest rates by limiting the rate of interest which the U.S. Government may pay on debt obligations issued by the United States and by establishing a national indexed usury ceiling jointly, to the Committees on Banking, Finance and Urban Affairs and Ways and Means.

By Mr. MARLENEE (for himself, Mr. Young of Alaska, and Mr. Huckaby):

H.R. 6513. A bill to amend title 28, United States Code, regarding venue, and for other purposes; to the Committee on the Judiciary.

By Mr. MAZZOLI (for himself and Mr. Fish):

H.R. 6514. A bill to revise and reform the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. MINISH:

H.R. 6515. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income dividends and interest received by individuals who have attained age 62; to the Committee on the Ways and Means.

By Mr. MOORE (for himself and Mr. Frenzel) (by request):

H.R. 6516. A bill to amend the Internal Revenue Code of 1954 to limit the amount of unemployment compensation payable for 1 week of unemployment, and for other purposes; to the Committee on Ways and Means.

H.R. 6517. A bill to amend title 5, United States Code, to limit eligibility for unemployment compensation for ex-servicemembers, and for other purposes; to the Committee on Ways and Means.

By Mrs. SCHNEIDER:

H.R. 6518. A bill to amend title 5, United States Code, to assure that benefits under the Federal employees health benefits program for retired Federal employees are not reduced below the level in effect at the time of retirement, and for other purposes; to the Committee on Post Office and Civil Service.

By Mrs. SCHROEDER:

H.R. 6519. A bill to amend title 5, United States Code, to permit student internships at the Internal Revenue Service; to the Committee on Post Office and Civil Service.

By Mr. STUDDS (for himself, Mr. Jones of North Carolina, Mr. Young of Alaska, Mr. Breaux, and Mr. Tauzin):

H.R. 6520. A bill to transfer the authority of the Secretary of Transportation under the act commonly known as the Truman-Hobbs Act to the Secretary of the Army; jointly, to the Committees on Merchant Marine and Fisheries and Public Works and Transportation.

By Mr. TAYLOR:

H.R. 6521. A bill to prevent from taking effect any law enacted during 1981 which provided special tax benefits with respect to the living expenses of Members of Congress; to the Committee on Ways and Means.

By Mr. UDALL (by request):

H.R. 6522. A bill to repeal certain obsolete provisions of law relating to Indian affairs that contain sex-discriminatory terminology; to the Committee on Interior and Insular Affairs.

By Mr. DORGAN of North Dakota:

H.R. 6523. A bill to repeal section 603 of the Public Utility Regulatory Policies Act of 1978; to the Committee on Energy and Commerce.

By Mr. ROSENTHAL:

H.R. 6524. A bill to amend the Internal Revenue Code of 1954 to allow individuals a refundable income tax credit for expenditures to remove formaldehyde foam insulation from their homes, and for other purposes; jointly, to the Committees on Ways and Means and Banking, Finance and Urban Affairs.

By Mr. LOWERY of California:

H.J. Res. 496. Joint resolution to provide for the designation of the week beginning on November 21, 1982, as "National Alzheimer's Disease Week"; to the Committee on Post Office and Civil Service.

By Mr. BROOMFIELD:

H. Con. Res. 350. Concurrent resolution expressing the sense of the Congress that the member countries of the North Atlantic Alliance must pool their resources for their common defense; to the Committee on Foreign Affairs.

By Mr. HORTON:

H. Con. Res. 351. Concurrent resolution urging that negotiations be initiated between the United States and the Soviet Union with the purpose of freezing and then reducing nuclear weapons arsenals to an equal and verifiable level; jointly, to the Committees on Armed Services and Foreign Affairs.

By Mr. ADDABBO:

H. Res. 485. Resolution to assure Israel's security, to oppose advance arms sales to Jordan, and to further peace in the Middle East; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

402. The SPEAKER presented a memorial of the Legislature of the State of Michigan, relative to a National Academy of Peace and Conflict resolution; jointly, to the Committees on Foreign Affairs and Education and Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. YOUNG of Florida introduced a bill (H.R. 6525) for the relief of Dr. Walter J. Moser and Dr. Angrit G. Moser-Mahncke, which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 444: Mr. Kogovsek and Mr. Wyden.

H.R. 808: Mr. Evans of Iowa.

H.R. 3298: Mr. Ertel and Mr. Howard.

H.R. 4063: Mr. Stump.

H.R. 4147: Mr. Shamansky and Mr. Bafalis.

H.R. 4309: Mr. Roe and Mr. Oberstar.

H.R. 4519: Mr. Quillen.

H.R. 4576: Mr. de Lugo, Mr. Coelho, and Mr. Stump.

H.R. 4808: Mr. Hendon, Mr. Fascell, Mr. Whittaker, Mr. Collins of Texas, Mr. Deckard, Mr. Miller of Ohio, Mr. Williams of Ohio, Mr. Paul, Mrs. Bouquard, Mr. Rahall, Mr. Tauzin, Mr. Snyder, Mr. Carman, Mr. Murtha, Mr. Grisham, Mr. Hansen of Utah, Mr. Dan Daniel, Mr. Loeffler, Mr. Price, Mr. Hagedorn, Mr. Pursell, Mr. Regula, Mr. White, Mr. Lent, and Mr. Lowery of Califorina.

H.R. 5531: Mr. Kindness.

H.R. 5600: Mr. Bowen, Mr. Brooks, Mr. Daniel B. Crane, Mr. Evans of Delaware, Mr. Garcia, Mr. Sam B. Hall, Jr., Mrs. Kennelly, Mr. Kramer, Mr. Loeffler, Mr. McCollum, Mr. Patman, Mr. Ritter, Mr. Roe, Mr. Swift, Mr. Weaver, Mr. AuCoin, and Mr. Lantos.

H.R. 5762: Mr. Dwyer, Mr. Beard, Mr. Stokes, and Mrs. Heckler.

H.R. 5853: Mr. Bingham, Mr. Washington, and Mr. Waxman.

H.R. 6036: Mr. Bingham, Mr. Rangel, and Mr. Weaver.

H.R. 6048: Mr. Smith of Pennsylvania, Mr. Pepper, Mr. Murphy, Mr. Eckart, Mr. Richmond, Mr. Rosenthal, Mr. Edgar, Mr. Foglietta, Mr. Washington, Mr. Hughes, Mr. Lundine, Mr. Bingham, Mr. Ford of Michigan, Mr. Ottinger, Mr. Smith of Iowa, Mr. Rahall, Mr. Fary, Mr. Solarz, Mr. Nowak, Mr. Seiberling, and Mr. Mitchell of Maryland.

H.R. 6098: Mr. Shamansky and Mr. Smith of New Jersey.

H.R. 6187: Mr. Daschle and Mr. Roberts of South Dakota.

H.R. 6311: Mr. Gunderson, Mr. Fountain, Mr. DeNardis, Mr. Panetta, Mr. Corrada, Mr. Butler, Mr. Moore, Mr. Barnes, Mr. D'Amours, and Mr. Jenkins.

H.R. 6312: Mr. Fary and Mr. Mitchell of Maryland.

H.R. 6375: Mr. Smith of New Jersey.

H.R. 6461: Mr. Whitten.

H.R. 6465: Mr. Breaux.

H.J. Res. 125: Mr. Barnard.

H.J. Res. 225: Mr. Bevill, Mr. Hatcher, Mr. Smith of Iowa, Mr. Tauke, Mr. Fields, Mr. Young of Alaska, Mr. Dannemeyer, Mr. Coats, Mr. Waxman, Mr. Bedell, Mr. Leath of Texas, and Mr. Jones of Tennessee.

H.J. Res. 359: Mr. Roberts of South Dakota and Mr. Stratton.

H.J. Res. 456: Mr. Nelligan, Mr. Bliley, Mr. Sabo, Mr. Daub, Mr. Akaka, Mr. Corcoran, Mr. Hyde, Mr. Bennett, Mr. Hansen of Utah, Mr. Daschle, Mr. Oberstar, Mrs. Chisholm, Mr. White, Mr. Ginn, Mr. Erdahl, Mr. Horton., Mr. Rostenkowski, Mr. Dornan of California, Mr. Roberts of

South Dakota, Mr. Fish, Mr. Jones of Tennessee, and Mr. Boner of Tennessee.

H.J. Res. 494: Mr. Gilman.

H. Con. Res. 297: Mr. Fields, Mr. Shuster, Mr. Goodling, Mr. Williams of Ohio, Mr. Martin of North Carolina, Mr. Fish, Mr. Coleman, Mr. Burgener, Mr. Sam B. Hall, Jr., Mr. Shelby, Mr. Hightower, Mr. Tauzin, Mr. McClory, Mr. Breaux, Mr. Atkinson, Mr. Fuqua, Mr. Johnston, Mr. Philip M. Crane, Mr. McDonald, Mr. Daniel B. Crane, Mr. Bailey of Pennsylvania, and Mr. Latta.

H. Con. Res. 334: Mr. Rudd, Mr. Dreier, Mr. Grisham, and Mr. Young of Florida.

H. Con. Res. 335: Mr. Clinger, Mrs. Fenwick, and Mr. Trible.

H. Con. Res. 341: Mr. Rinaldo.

H. Con. Res. 343: Mr. Mitchell of Maryland.

H. Res. 393: Mr. Walgren.

H. Res. 422: Mr. Wolpe, Mr. Shannon, Mr. Heftel, Mr. Gilman, Mr. Nowak, Mr. Hefner, Mr. Rinaldo, Mr. Traxler, Mr. Hutto, Mr. Johnston, Mrs. Fenwick, Mr. Courter, Mr. Smith of New Jersey, Mr. Conte, Mr. Oxley, Mr. Tauke, Mr. Fithian, Mr. Markey, Mr. Nelligan, Mr. Blanchard, Mr. Brinkley, and Mr. Traxler.

H. Res. 426: Mr. Smith of Alabama.

H. Res. 427: Mr. Boner of Tennessee.

H. Res. 456: Mr. Ireland.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

455. By the SPEAKER: Petition of Gene W. Davis, et al, Burlington, N.C. relative to homeownership to the Committee on Banking, Finance and Urban Affairs.

456. Also, petition of the United Community Centers, Inc., Brooklyn, N.Y., relative to social programs in the Federal budget; to the Committee on Education and Labor.

457. Also, petition of Municipal Council of the Township of Wayne, N.J., relative to supporting the nuclear freeze coalition; to the Committee on Foreign Affairs.

458. Also, petition of Beaver, Pa., relative to steel import limitations; to the Committee on Ways and Means.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS

The following registrations were submitted for the first calendar quarter 1982:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19..........

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

A. A-K Associates, Inc., 1225 Eighth Street, Suite 590, Sacramento, Calif. 95814.

B. California Air Tanker Operators Association, 1225 Eighth Street, Suite 590, Sacramento, Calif. 95814.

A. Herbert Allen Ailsworth, Sandoz, Inc., 1050 17th Street NW., No. 1101, Washington, D.C. 20036.

B. Sandoz, Inc., Route 10, East Hanover, N.J. 07936.

A. Michael A. Aisenberg, Digital Equipment Corp., 8300 Professional Place, Landover, Md. 20785.

B. Digital Equipment Corp., 111 Powdermill Road, Maynard, Mass. 01754.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036

B. Desert Grape Growers League of California, P.O. Box 68, Coachella, Calif. 92236.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036

B. Marlex Petroleum, Inc., 666 East Ocean Boulevard No. 2208, Long Beach, Calif. 90802.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036

B. National Football League, 410 Park Avenue, New York, N.Y. 10022.

A. H. Meade Alcorn, Jr., Alcorn, Bakewell & Smith, 1 American Row, Hartford, Conn. 06103.

B. Helen Wodell Halbach Estate, John Poinier, Gladstone, N.J.

A. Susan Alexander, The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Robert G. Allen, 511 C Street NE., Washington, D.C. 20002.

B. Continental Association of Resolute Employers (CARE), 511 C Street NE., Washington, D.C. 20002.

A. American Business Conference, Suite No. 209, 1025 Connecticut Avenue NW., Washington, D.C.

A. Morris J. Amitay, P.C., 400 North Capitol Street NW., Suite 168, Washington, D.C. 20001.

B. Pan American World Airways, Inc., 1660 L Street NW., Suite 901, Washington, D.C. 20036.

A. Arne Anderson, American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

A. Anderson, Hibey, Nauheim & Blair, 1605 New Hampshire Avenue NW., Washington, D.C. 20009.

B. Communication Industries Association of Japan, Sankei Building-annex, 7-2, Ohtemachi, 1-chome, Chiyoda-ku, Tokyo 100, Japan.

A. Anderson, Hibey, Nauheim & Blair, 1605 New Hampshire Avenue NE., Washington, D.C. 20009.

B. Computer Sciences Corp., 650 North Sepulveda Boulevard, El Segundo, Calif. 98245.

A. Andrews & Kurth, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006

B. Space Services, Inc., P.O. Box 4, Houston, Tex. 77001.

A. Arent, Fox, Kintner, Plotkin & Kahn, Federal Bar Building, 1815 H Street NW., Washington, D.C. 20006.

B. Central States Southeast and Southwest Areas Health and Welfare and Pension Funds, 8550 West Bryn Mawr Avenue, Chicago, Ill. 60631.

A. Arent, Fox, Kintner, Plotkin & Kahn, Federal Bar Building, 1815 H Street NW., Washington, D.C. 20006.

B. INTELSAT, 590 L'Enfant Plaza, SW., Washington, D.C. 20024.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.

B. Uranerzbergbau-GmbH, Kolnstrasse 367, 5300 Bonn 1.

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Building & Construction Trades Department, AFL-CIO, 815-16th Street NW., Washington, D.C. 20006.

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Federation Suisse des Associations de Fabricants d'Horlogerie, 6 Rue d'Argent, 2501 Bienne, Switzerland.

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.

B. The London Commodity Exchange Company, Ltd., Cereal House, 58 Mark Lane, London EC3R 7NE, England.

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.

B. The London Gold Futures Market Ltd., 3d Floor, E Wing, Plantation House, Fenchurch Street, London EC3M-3AP, England

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.

B. The London International Financial Futures Exchange, Ltd., 66 Cannon Street, London EC4N 6AE, England.

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Metal Market & Exchange Co., Ltd., (London Metal Exchange), Plantation House, Fenchurch Street, London EC3M-3AP, England.

A. Nan Aron, 600 New Jersey Avenue NW., Washington, D.C. 20001.

B. Alliance for Justice, 600 New Jersey Avenue NW., Washington, D.C. 20001.

A. Asbill & Junkin, 419 Seventh Street NW., Suite 401, Washington, D.C. 20004.

B. Coalition on Smoking OR Health, 419 Seventh Street N.W., Suite 401, Washington, D.C. 20004.

A. Thomas Ludlow Ashley, P.C., 1730 Pennsylvania Avenue NW., No. 1050, Washington, D.C. 20006.

B. Federal Home Loan Mortgage Corp., 1776 G Street NW., Washington, D.C. 20013.

A. Paul C. Bailey, Jr., 1545 18th Street NW., Washington, D.C. 20036.

B. Southern Co. Services, Inc., 1101 17th Street NW., Suite 405, Washington, D.C. 20036.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Daily Express, Inc., P.O. Box 39, Carlisle, Pa. 17113.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Geosource, Inc., 2700 South Post Oak Road, Houston, Tex. 77056.

A. Barbara J. Balch, Ther-A-Pedic Midwest, Inc., 2350 Fifth Street, Rock Island, Ill. 61201.

B. Ther-A-Pedic Midwest, Inc., 2350 Fifth Street, Rock Island, Ill. 61201.

A. W. Allen Ball, Kiawah Island Co., Ltd., P.O. Box 12910, Charleston, S.C. 29412.

B. Kiawah Island Co., Ltd., P.O. Box 12910, Charleston, S.C. 29412.

A. Ballard, Spahr, Andrews & Ingersoll, 1850 K Street NW., Suite 1100, Washington, D.C. 20006.

B. American Can Co., American Lane, Greenwich, Conn. 06830.

A. Ballard, Spahr, Andrews & Ingersoll, 1850 K Street NW., Suite 1100, Washington, D.C. 20006.

B. West Virginia Industrial Development Association, c/o Hardy County Rural Development Authority, P.O. Box N, Moorefield, W. Va. 26836-0528.

A. Baraff, Koerner, Olender & Hochberg P.C., 2033 M Street NW., Suite 203, Washington, D.C. 20036.

B. National Basketball Association, Olympic Tower, 645 Fifth Avenue, New York, N.Y. 10022.

A. Baraff, Koerner, Olender & Hochberg P.C., 2033 M Street NW., Suite 203, Washington, D.C. 20036.

B. North American Soccer League, 1133 Avenue of the Americas, 35th Floor, New York, N.Y. 10036.

A. Barnes, Richardson & Colburn, 1819 H Street NW., Washington, D.C.20006.

B. Stratton Hats, Inc., 3200 Randolph, Bellwood, Ill. 60104.

A. Barnett & Alagia, 1627 K Street NW., Washington, D.C. 20006.

B. National Milk Producers Federation, 30 F Street NW., 2d Floor, Washington, D.C. 20001.

A. Barnett & Alagia, 1627 K Street NW., Washington, D.C. 20006.

B. Publicker Industries, Inc., 777 West Putnam Avenue, Greenwich, Conn. 06830.

A. Barrett, Smith, Schapiro, Simon & Armstrong, 26 Broadway, New York, N.Y. 10004.

B. CSC Clearing Corp., 4 World Trade Center, New York, N.Y. 10048.

A. Harvey Barrison, 291 Broadway, New York, N.Y. 10007.

B. C. A. Shea & Company, Inc.

A. Catharine R. Batky, Burlington Northern Inc., 600 Maryland Avenue SW., Washington, D.C. 20024.

B. Burlington Northern Inc., 1111 Third Avenue, Seattle, Wash. 98101.

A. Beard & Associates, P.O. Box 2394, Columbia, Md. 21045.

B. Seneca & Associates, Inc., 1140 Connecticut Avenue NW., Suite 302, Washington, D.C. 20036.

A. Daniel P. Beard, Beard & Associates, P.O. Box 2394, Columbia, Md. 21045.

B. Seneca & Associates, Inc., 1140 Connecticut Avenue NW., No. 302, Washington, D.C. 20036.

A. Beckel, Finchem, Torricelli & Associates, Inc., 1731 21st Street NW., Washington, D.C. 20009.

B. Westinghouse Electric, 2119 Gateway Center, Pittsburgh, Pa. 15222.

—

A. Robert G. Beckel, 609 G Street SE., Washington, D.C. 20003.

B. National Coalition of Telecommunications Users & Providers, 115 D Street SE., Suite 108, Washington, D.C. 20003.

—

A. Trisha Bennett, Burlington Northern Inc., 600 Maryland Avenue SW., Washington, D.C. 20024.

B. Burlington Northern Inc., 1111 Third Avenue, Seattle, Wash. 98101.

—

A. George L. Berg, Jr., American Farm Bureau Federation, 600 Maryland Avenue SW., Washington, D.C. 20024.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.

—

A. Robert E. Bernier, Communications Satellite Corp., 950 L'Enfant Plaza SW., Washington, D.C. 20024.

B. Communications Satellite Corp., 950 L'Enfant Plaza SW., Washington, D.C. 20024.

—

A. Frank S. Besson III, 1129 20th Street NW., Washington, D.C. 20036.

B. AM General Corp., 14250 Plymouth Road, Detroit, Mich. 48232.

—

A. William M. Beute, 25 Broadway, Clark, N.J. 07066.

—

A. Beveridge & Diamond, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Dow Chemical Co., 1800 M Street, NW., Suite 700, South, Washington, D.C. 20036.

—

A. Barbara L. Bezdek, Center for Auto Safety, 1223 Dupont Circle Building, Washington, D.C. 20036.

B. Center for Auto Safety, 1223 Dupont Circle Building, Washington, D.C. 20036.

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A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., No. 1100, Washington, D.C. 20036.

B. Cook Inlet Regional, Inc., 2525 C Street, P.O. Drawer 4N, Anchorage, Alaska 99509.

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A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., No. 1100, Washington, D.C. 20036.

B. Highly Enterprise Corp., 2208 143d Place SE., Vine-Maple, Bothell, Wash. 98011.

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A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., No. 1100, Washington, D.C. 20036.

B. Jim Jomes, Government Research & Development Corp., 1601 18th St. NW. No. 406, Washington, D.C. 20009; 309 Main Street, Blanco, Tex. 78606.

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A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., No. 1100, Washington, D.C. 20036.

B. St. George Tanaq Corp., 110 East Third Avenue, Anchorage, Alaska 99501.

—

A. William H. Birtcil, Jr. TRW Inc., Suite 2700, 1000 Wilson Boulevard, Arlington, Va. 22209.

B. TRW Inc. 23555 Euclid Avenue Cleveland, Ohio 44117.

—

A. Barbara S. Blaine, P.C. 901 16th Street NW., Washington, D.C. 20006.

B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

—

A. Ellen Block, 2030 M Street NW., 3d Floor, Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

—

A. Boasberg, Klores, Feldesman & Tucker 2101 L Street NW., Suite 906, Washington, D.C. 20037.

B. Committee For Farmworker Programs Suite 906, 2101 L Street NW., Washington, D.C. 20037.

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A. Robert N. Borens, Getty Oil Company, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Getty Oil Company, 3810 Wilsnire Boulevard, Los Angeles, Calif. 90010.

—

A. Stephen S. Boynton, 1901 North Ft. Myer Drive, Suite 1204, Arlington, Va. 22209.

B. The American Fur Resources Institute, P.O. Box 550, Sutton, Nebr. 68979.

—

A. Margueritte Bracy, 1625 L Street NW., Washington, D.C. 20036.

B. American Federation of State, County and Municipal Employees, AFL-CIO, 1625 L Street NW., Washington, D.C. 20036.

—

A. Terrence L. Bracy 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036.

B. Bracy Williams & Company, 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036 (for California Nickel Corp.).

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A. Terrence L. Bracy 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036.

B. Bracy Williams & Co. 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036 (for City of Tucson).

—

A. Terrence L. Bracy, 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036.

B. Bracy Williams & Co. 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036 (for Pratt & Whitney Aircraft Group).

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A. Bracy Williams & Co. 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036.

B. California Nickel Corporation, 2550 Via Tejon, Suite 3C Palos Verdes Estates, Calif. 90274.

—

A. Bracy Williams & Co. 1730 Rhode Island Avenue NW., No. 1200 Washington, D.C. 20036.

B. City of Tucson P.O. Box 27210 Tucson, Ariz. 85726.

—

A. Bracy Williams & Co. 1730 Rhode Island Avenue NW., No. 1200 Washington, D.C. 20036.

B. Employee Owned Airlines P.O. Box 913 Leesburg, Va. 22075.

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A. Bracy Williams & Co. 1730 Rhode Island Avenue NW., No. 1200 Washington, D.C. 20036.

B. Humana, Inc. 10170 Linn Station Road Louisville, Ky. 40223.

—

A., Bracy Williams & Co. 1730 Rhode Island Avenue NW., No. 1200 Washington, D.C. 20036.

B. Nike International Ltd. 8285 SW., Nimbus Beaverton, Or. 97005.

—

A. Bracy Williams & Co. 1730 Rhode Island Avenue NW., Suite 1200 Washington, D.C. 20036.

B. Pratt & Whitney Aircraft Group, 400 Main Street East Hartford, Conn. 06108.

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A Bracy Williams & Co. 1730 Rhode Island Avenue NW., Suite 1200 Washington, D.C. 20036.

B. Quixote Corp. One East Wacker Drive Chicago, Ill. 60601.

—

A. Roy S. Bredder 1101 17th Street. NW., Washington, D.C. 20036.

B. American Dental Association 1101 17th Street NW., Washington, D.C. 20036.

—

A. Bregman, Abell & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.

B. Ryder Systems, Inc. 3600 NW. 82d Avenue, Miami, Fla. 33152.

—

A. Carolyn Brickey, Food Research and Action Center, 1319 F Street NW., No. 500, Washington, D.C. 20004.

B. Food Research and Action Center, 1319 F Street NW., No. 500, Washington, D.C. 20004.

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A. Ellen B. Brown, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.

B. Associated Builders and Contractors, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.

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A. Brown & Finn, 1920 N Street NW., Suite 510, Washington, D.C. 20036.

B. S.P.A.C.E., 1920 N Street NW., Suite 510, Washington, D.C. 20036.

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A. Brown & Roady, 1333 New Hampshire Avenue, NW., Washington, D.C. 20036.

B. Metropolitan Transit Authority, 347 Madison Avenue, New York N.Y. 10017.

—

A. Terrance J. Brown Associates, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

B. Eastern Band of Cherokee Indians, P.O. Box 455, Cherokee, N.C. 28791.

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A. Terrance J. Brown Associates, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

B. Red Lake Band of Chippewe Indians, P.O. Box, Red Lake, Minn.

—

A. Terrance J. Brown Associates, 1200 New Hampshire Avenue NW., No. 320, Washington, D.C. 20036.

B. Seneca Nation of New York, 1500 Route No. 438, Irving, N.Y. 14081.

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A. Terrance J. Brown Associates, 1625 Massachusetts Avenue NW., Suite 505, Washington, D.C. 20036.

B. United South and Eastern Tribes, 1101 Kermit Drive, Suite 800, Nashville, Tenn. 37217.

—

A. Walter W. Brudno, 1800 First National Bank Building, Dallas, Tex. 75202.

B. Texasgulf, Inc., High Ridge Park, Stamford, Conn. 06904

—

A. William K. Brunette, National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

B. National Retired Teachers Association-American Association or Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

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A. Buchanan, Ingersoll, Rodewald, Kyle & Buerger, P.C. 1333 New Hampshire Avenue, NW., Washington, D.C. 20036.

B. International District Heating Association, 1735 I Street NW., Washington, D.C. 20006.

A. Darrel D. Bunge, Minnesota Petroleum Council, 300 Northern Federal Building, St. Paul, Minn. 55102.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Thomas L. Burgum & Associates, 499 South Capitol Street SW., Suite 420, Washington, D.C. 20003.
B. Belridge Capital Corp., 342 Madison Avenue, New York, N.Y. 10017.

A. Thomas L. Burgum & Associates, 499 South Capitol Street SW., Suite 420, Washington, D.C. 20003.
B. Fruitdale Telephone Co., P.O. Box 617, Peakesville, Miss. 39451.

A. Thomas L. Burgum & Associates, 499 South Capitol Street SW., No. 420, Washington, D.C. 20003.
B. E. M. Graves & Company, Inc., P.O. Box 604, Southport, Conn. 06490.

A. Thomas L. Burgum & Associates, 499 South Capitol Street SW., Suite 420 Washington, D.C. 20003.
B. Publicker Industries, Inc., 777 West Putnam Avenue, Greenwich , Conn. 06830.

A. Arkie Byrd, 2000 P Street NW., No. 400, Washington, D.C. 20036.
B. Women's Legal Defense Fund, 2000 P Street NW., No. 400, Washington, D.C. 20036.

A. C & B Associates, Suite 210, 1750 New York Avenue, NW., Washington, D.C. 20006.
B. Washington Psychiatric Society, 1700 18th Street NW., Washington, D.C. 20009.

A. Cadwalader, Wickersham & Taft, 1333 New Hampshire Avenue, NW., Washington, D.C. 20036.
B. Kwajalein Atoll Corp. P.O. Box 5220, Kwajalein, Ebeye, Marshall Islands 96970.

A. Cadwalader, Wickersham & Taft, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Philadelphia Stock Exchange, Inc., 1900 Market Street, Philadelphia, Pa. 19103.

A. Alan Caldwell, RJR Industries, Inc., 2550 M Street NW., Suite 770, Washington, D.C. 20037.
B. RJR Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.

A. Califano, Ross & Heineman, 1575 I Street NW., Washington, D.C. 20005.
B. Fluor Corp., 3333 Michelson Drive, Irvine, Calif.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. George K. Baum & Co., Kansas City, Mo.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. Blyth Eastman Paine Webber, Inc., New York, N.Y.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. Chapman & Cutler, Chicago, Ill.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. Cumberland Securities, Knoxville, Tenn.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. Essex, Montgomery, Ala.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. The Frazer Lanier Co., Montgomery, Ala.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. Goldman Sachs & Co., New York, N.Y.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. Kidder, Peabody, New York, N.Y.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. King & Spaulding, Atlanta, Ga.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. Lehman Brothers, New York, N.Y.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. McDonald & Co., Cleveland, Ohio.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. North, Haskell, Slaughter, Young and Lewis, Birmingham, Ala.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. Rauscher Pierce Refsnes, Dallas, Tex.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. Stern, Agee & Leach, Birmingham, Ala.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. Wheat First Securities, Inc., Richmond, Va.

A. Dave Cannard, 113 West 1st, Vancouver, Wa. 98660.
B. Friends of the Columbia Gorge, 519 Southwest Third, Room 303, Portland, Oreg. 97204.

A. David L. Cantor, 1133 15th Street NW., No. 1200, Washington, D.C. 20005.
B. Porter, Wright, Morris & Arthur, 1133 15th Street NW., No. 1200, Washington, D.C. 20005.

A. Carole R. Carlin, 15th & M Streets, NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th & M Streets NW., Washington, D.C. 20005.

A. Carmody, Syrdal, Danelo & Klein, P.S., 24th Floor, Fourth & Blanchard Bldg., Seattle, Wash. 98121.
B. Washington State Center Boat Association, P.O. Box 696, Westport, Wash. 98595.

A. George D. Carpenter, 7162 Reading Road, Cincinnati, Ohio 45222.
B. The Procter & Gamble Company, 301 East Sixth Street, Cincinnati, Ohio 45202.

A. Jim Casey, 3470 Mildred Drive, Falls Church, Va.
B. The Leaffer Co., Inc., 7 Town Lyne Road, Sherborn, Mass. 02054.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue, NW., Suite 810, Washington, D.C. 20006.
B. Independent Gas Producers Committee ("IGPC"), 6441 NW., Grand Boulevard, Oklahoma City, Okla. 73116.

A. G. Thomas Cator, 1050 17th Street, NW., Washington, D.C. 20036.
B. Government Guaranteed Loan Committee, One Liberty Plaza, 165 Broadway, New York, N.Y. 10080.

A. G. Thomas Cator, 1050 17th Street, NW., Washington, D.C. 20036.
B. National Association of Development Companies (NADCO), 1025 Connecticut Avenue, NW., Washington, D.C. 20036.

A. G. Thomas Cator, 1050 17th Street, NW., Washington, D.C. 20036.
B. Neece, Cator & Associates, Inc. (for Southern Lumber Manufacturers Association, P.O. Box 1606, Forest Park, Ga. 20050), 1050 17th Street NW., Washington, D.C. 20036.

A. Barbara Ann Cebuhar, 2734 Olive Street, NW., Washington, D.C. 20007.
B. National Coalition of Telecommunications Users and Providers, 115 D Street, SE., Suite 108, Washington, D.C. 20003.

A. Center for Environmental Education, Inc., 624 9th Street, NW., Suite 500, Washington, D.C. 20001.

A. Charles M. Chafer, Space Services, Inc., 2550 M Street, NW., Washington, D.C.
B. Space Services, Inc., P.O. Box 4, Houston, Tex. 77001.

A. Durwood Chalker, Central and South West Corp., 2700 One Main Place, Dallas, Tex. 75250.
B. Central and South West Corp., 2700 One Main Place, Dallas, Tex. 75250.

A. William J. Chandler; W. J. Chandler Associates, 1717 Massachusetts Avenue, NW., Suite 300, Washington, D.C. 20036.
B. The Nature Conservancy, 1800 North Kent Street, Suite 800, Arlington, Va. 22209.

A. B. H. Cherry, 100 Interpace Parkway, Parsippany, N.J. 07054.
B. GPU Service Corp., 100 Interpace Parkway, Parsippany, N.J. 07054.

A. Brian J. Chiasson 1600 Wilson Boulevard, No. 1000, Arlington, Va. 22209.
B. American Waterways Operators, Inc., 1600 Wilson Boulevard, No. 1000, Arlington, Va. 22209.

A. Blair G. Childs, Senior Executives Association, P.O. Box 7610, BF STN, Washington, D.C. 20044.
B. Senior Executives Association, P.O. Box 7610, Ben Franklin Station, Washington, D.C. 20044.

A. Larry E. Christensen, Buchanan, Ingersoll, Rodewald, Kyle & Buerger, P.C., 1333 New Hampshire Avenue, NW., Washington, D.C. 20036.
B. Buchanan, Ingersoll, Rodewald, Kyle & Buerger, P.C., 600 Grant Street, Pittsburgh, Pa. 15219.

A. Mark A. Clark, IFG Leasing Co., 511 Central Avenue, Great Falls, Mont. 59403.

B. IFG Leasing Co., 511 Central Avenue, Great Falls, Mont. 59403.

A. Scott Charles Clarkson, Waste Management, Inc., 600 Maryland Avenue, SW., Suite 607, Washington, D.C. 20024.

B. Waste Management, Inc., 600 Maryland Avenue SW., Suite 607, Washington, D.C. 20024.

A. Joan Claybrook, 1346 Connecticut Avenue NW., Suite 1209, Washington, D.C. 20036.

B. Public Citizen Inc., 1346 Connecticut Avenue NW., Suite 1209, Washington, D.C. 20036.

A. Jacqueline W. Clements, InterNorth, 1015 15th Street NW., Suite 900, Washington, D.C. 20005.

B. InterNorth, 2223 Dodge Street, Omaha, Nebr. 68102.

A. Coalition for Uniform Product Liability Law, 1901 L Street NW., No. 303, Washington, D.C. 20036.

A. Ann Cole, 311 First Street NW., Washington, D.C. 20001.

B. National Restaurant Association, 311 First Street NW., Washington, D.C. 20001.

A. Cole & Corette, P.C., 1200 17th Street NW., Suite 501, Washington, D.C. 20036.

B. Government of the Netherlands Antilles, Fort Amsterdam 15, Curacao, Netherlands Antilles.

A. Cole & Corette, P.C., 1200 17th Street NW., Suite 501, Washington, D.C. 20036.

B. Minpeco S.A., Av. Aviacion, 2401, Urb. San Borja; Lima, Peru.

A. Collier, Shannon, Rill & Scott, 1055 Thomas Jefferson Street NW., Suite 308, Washington, D.C. 20007.

B. CSX Corp., 1500 Federal Reserve Bldg., 701 East Byrd Street, Richmond, Va.

A. Committee for Farmworker Programs, Suite 906, 2101 L Street NW., Washington, D.C. 20037.

A. Carole K. Cones, 1515 N. Courthouse Road, Suite 301, Arlington, Va. 22201.

B. The DCM Group, 1515 N. Courthouse Road, Suite 301, Arlington, Va. 22201 (for the Ad Hoc Committee for American Silver).

A. Robert J. Conlan, National Consumer Cooperative Bank, 2001 S Street NW., Washington, D.C. 20009.

B. National Consumer Cooperative Bank, 2001 S Street NW., Washington, D.C. 20009.

A. David Conrad, 530 7th Street SE., Washington, D.C. 20003.

B. Friends of the Earth, Inc., 530 7th Street SE., Washington, D.C. 20003.

A. Continental Association of Resolute Employers, (C.A.R.E.) 511 C Street NE., Washington, D.C. 20002.

A. John A. Conway, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

A. Emery S. Conyers, Dow Chemical Co., P.O. Box 1706, Midland, Mich. 48640.

B. Dow Chemical Co., Midland, Mich. 48640.

A. Ernest J. Corrado, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.

B. American Institute of Merchant Shipping, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.

A. Marty Corry, National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

B. National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

A. Council of State Hospital Finance Authorities, 35 East Wacker Drive, Suite 2188, Chicago, Ill. 60601.

A. Rae Cronmiller, 1920 N Street NW., Suite 300, Washington, D.C. 20036.

B. American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.

A. Crowell & Moring, 1100 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.

B. ASARCO Inc., 120 Broadway, New York, N.Y. 10271.

A. John C. Culver, Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.

B. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006 (for Uranerzbergbau-GmbH, Kolnstrasse 367, 5300 Bonn 1).

A. John C. Culver, Federal Bar Building, 1815 H Street., Washington, D.C. 20006.

B. Central States Southeast and Southwest Areas Health and Welfare and Pension Funds, 8550 West Bryn Mawr Avenue, Chicago, Ill., 60631.

A. John C. Culver, Federal Bar Building, 1815 H Street NW., Washington, D.C. 20006.

B. INTELSAT, 590 L'Enfant Plaza SW.,Washington, D.C. 20024.

A. Damrell, Damrell & Nelson, P.C., 911 13th Street, P.O. Box 3489, Modesto, Calif. 95353.

B. Desert Grape Growers League of California, P.O. Box 68, Coachella, Calif. 92236.

A. Alice Daniel, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Christopher L. Davis, 1920 N Street NW., Suite 650, Washington, D.C. 20036.

B. American Bureau of Collections, Inc., The Rand Building, Buffalo, N.Y. 14202.

A. Christopher L. Davis, 1920 N Street NW., Suite 650, Washington, D.C. 20036.

B. National Skeet Shooting Association, P.O. Box 28188, San Antonio, Tex. 78228.

A. Christopher L. Davis, 1920 N Street NW., Suite 650, Washington, D.C. 20036.

B. Technology Center, Inc., Route 309, P.O. Box 6, Montgomeryville, Pa. 18936.

A. Dealer Bank Association, 1800 K Street NW., Suite 1014, Washington, D.C. 20006.

A. John Russell Deane III, 1607 New Hampshire Avenue NW., Washington, D.C. 20009.

B. American Metal Detectors Manufacturers Inc., 2814 National Drive, Garland, Tex. 75401.

A. John Russell Deane III, 1607 New Hampshire Avenue NW., Washington, D.C. 20009.

B. National Outdoor Coalition, 8387 Tamarind Avenue, Fontana, Calif. 92335.

A. Edward S. DeBolt, 1515 North Courthouse Road, Suite 301, Arlington, Va. 22201.

B. The DCM Group (for the Ad Hoc Committee for American Silver, 1515 North Courthouse Road, Suite 301, Arlington, Va. 22201), 1515 North Courthouse Road, Suite 301, Arlington, Va. 22201.

A. Deminex U.S. Oil Company, Suite 840, Lock Box 340, Plaza of the Americas, North Tower, Dallas, Tex. 75201.

A. Alphonse DeRosso, Exxon Corp., 1899 L Street, Suite 1100, Washington, D.C. 20036.

B. Exxon Corporation, 1251 Avenue of the Americas, New York, NY, 10020.

A. William Barrows Doggett, Standard Oil Co. (Ohio), 1050 17th Street NW., Suite 650, Washington, D.C. 20036.

B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.

A. Michael Donaghue, National Cable Television Association, 1724 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Cable Television Association, Inc., 1724 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Gordon Jack Dover, 1718 Dogwood Drive, Alexandria, Va. 22302.

B. The Rendon Co., 1321 Pennsylvania Avenue SE. Washington, D.C. 20003.

A. L. Michael Dowling, 1901 L Street NW., Suite 320, Washington, D.C. 20036.

B. Ogilvy & Mather Public Relations, 1901 L Street NW., Suite 320, Washington, D.C. 20036.

A. Patrick L. Doyle, 210 Seventh Street SE., Suite A-3, Washington, D.C. 20003.

B. Federal Employees Political Action Committee (FEDPAC), 210 Seventh Street SE., Suite A-3, Washington, D.C. 20003.

A. Stephen D. Driesler, National Multi Housing Council, 1800 M Street NW., Suite 285-N, Washington, D.C. 20036.

B. National Multi Housing Council, 1800 M Street NW., Suite 285-N, Washington, D.C. 20036.

A. Laurie Duker, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Robert B. Duncan, Schwabe, Williamson, Wyatt, Moore & Roberts, 1000 Potomac Street NW., Suite 302, Washington, D.C. 20007.

B. Mountain Fir Lumber Co., Inc., 3000 Market Street NE., Salem, Oreg. 97301.

A. H. Stewart Dunn, Jr., 1700 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. The Journal Co., 333 West State Street, Milwaukee, Wis. 53201.

A. Edward J. Durkin, 815 16th Street NW., Suite 408, Washington, D.C. 20006.

B. Food and Beverage Trades Department, AFL-CIO, 815 16th Street NW., Suite 408, Washington, D.C. 20006.

A. Harold F. Eberle, O'Brien, Fierce & Eberle, 1828 L Street NW., No. 201, Washington, D.C. 20036.

B. American Electronics Association, 1612 K Street NW., No. 1101, Washington, D.C. 20006.

A. Harold F. Eberle, O'Brien, Fierce & Eberle, Inc., 1828 L Street NW., No. 201, Washington, D.C. 20036.

B. Committee for Title XI Vessel Financing, c/o Kominers, Fort Shlefer & Boyer, 1776 F Street NW., Washington D.C. 20006.

A. Patricia K. Economos, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th & M Streets NW., Washington, D.C. 20005.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Whittaker Corp., 10880 Wilshire Boulevard, Los Angeles, Calif. 90024.

A. Michael D. Edwards, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D C. 20036.

A. Eighth Pro-Life Congressional District Action Committee, 6308 Midnight Pass Road, Sarasota, Fla. 33581.

A. C. M. Elkins Associates, 1100 17th Street NW., Washington, D.C. 20036.

B. Missouri, Kansas, Texas Railroad, 701 Commerce Street, Dallas, Tex. 75202.

A. C. M. Elkins Associates, 1100 17th Street NW., Washington, D.C. 20036.

Pittsburgh & Lake Erie R.R., P. & L.E. Terminal, Pittsburgh, Pa. 19215.

A. Employers Council on Flexible Compensation, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

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B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.

A. Thomas J. Lee, Jr., Entex, Inc., P.O. Box 2628, Houston, Tex. 77001.

B. Entex, Inc., P.O. Box 2628, Houston, Tex. 77001.

A. A. Donald Evans, 418 C Street NE., Carriage House, Washington, D.C. 20002.

B. Christian Voice Moral Government Fund, 418 C Street NE., Carriage House, Washington, D.C. 20002.

A. Ky P. Ewing, Jr., 1101 Connecticut Avenue NW., Washington, D.C. 20036.

B. Vinson & Elkins (for GATX Terminals Corp.), 1101 Connecticut Avenue NW., Washington, D.C. 20036.

A. Marcus G. Faust, 2000 L Street NW., Suite 200, Washington, D.C. 20036.

B. Kennecott Corp., 1111 19th Street NW., Washington, D.C. 20036.

A. Marcus G. Faust, 2000 L Street NW., Suite 200, Washington, D.C. 20036.

B. Kirton, McConkie & Bushnell, 330 South 300 East, Salt Lake City, Utah 84111.

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A. Stuart A. Lewis, Suite 300, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. United California Bank, 707 Wilshire Boulevard, Los Angeles, Calif. 90017.

A. Judith Lichtman, Woman's Legal Defense Fund, 2000 P Street NW., No. 400, Washington, D.C. 20036.
B. Woman's Legal Defense Fund, 2000 P Street NW., No. 400, Washington, D.C. 20036.

A. Ross W. Lillard, Stinson, Mag & Fizzell, 2100 CharterBank Center, Kansas City, Mo. 64105.
B. Stinson, Mag & Fizzell (for Farmland Industries, Inc.), 2100 CharterBank Center, Kansas City, Mo. 64105.

A. David A. Litvin, Standard Oil Co. (Ohio), 1111 19th Street NW., No. 310, Washington, D.C. 20036.
B. The Standard Oil Co. (Ohio), Cleveland, Ohio 44115.

A. Charles H. Lockwood II, Motor Vehicle Manufacturers Association of the United States, Inc., 300 New Center Building, Detroit, Mich. 48202.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 300 New Center Building, Detroit, Mich. 48202.

A. Kenneth T. Lopatka, Foley, Hoag & Eliot, One Post Office Square, Boston, Mass. 02109.
B. C. & S. Wholesale Grocers, Inc., Ferry Road, Brattleboro, Vt., 05301.

A. David S. Lott, Foley & Lardner, 777 East Wisconsin Avenue, Milwaukee, Wisc. 53202.
B. Foley & Lardner, 777 East Wisconsin Avenue, Milwaukee, Wisc. 53202 (for National Gypsum Co./Cement Division).

A. Charles M. Loveless, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County and Municpal Employees, AFL-CIO, 1625 L Street NW., Washington, D.C. 20036.

A. Timothy P. Lynch, Roadway Express, Inc., 1501 Wilson Boulevard, Suite 910, Arlington, Va. 22209.
B. Roadway Express, Inc., 1501 Wilson Boulevard, Suite 910, Arlington, Va. 22209.

A. James Lyon, 317 Pennsylvania Avenue, SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue, SE., Washington, D.C. 20003.

A. Mark J. Mackey, 1775 K Street NW, Washington, D.C. 20006.
B. Investment Co. Institute, 1775 K Street NW, Washington, D.C. 20006.

A. Edward Maguire, Buchanan, Ingersoll, Rodewald, Kyle & Buerger, P.C., 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Buchanan, Ingersoll, Rodewald, Kyle & Buerger, P.C., 600 Grant Street, Pittsburgh, Pa. 15219.

A. Steven R. Maimon, 2303 William & Mary Drive, Alexandria, Va. 22308.

A. Manatt, Phelps, Rothenberg & Tunney, 1200 New Hampshire Avenue NW., Suite 200, Washington, D.C. 20036.
B. Latham, Watkins & Hills, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Richard Mark, 2030 M Street NW., Third Floor, Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Patricia Markey, 1899 L Street NW., Suite 505, Washington, D.C. 20036.
B. United Distribution Cos., 159 Town Hall Square, Falmouth, Mass. 02540.

A. Patricia A. Marks, National Women's Political Caucus, 1411 K Street NW., Suite 1110, Washington, D.C. 20005.
B. National Women's Political Caucus, 1411 K Street NW., Suite 1110, Washington, D.C. 20005.

A. James D. Martin, 4600 72d Avenue, Landover Hills, Md. 20784.

B. Communications Satellite Corp., 950 L'Enfant Plaza SW., Washington, D.C. 20024.

A. John M. Martin, Jr., 6909 Fort Hunt Road, Alexandria, Va. 22307.

B. Tenneco, Inc., 490 L'Enfant Plaza SW., Washington, D.C. 20024.

A. Mike M. Masaoka, Suite 520, 900 17th Street NW., Washington, D.C. 20006.

B. Matsushita Electric Corp. of America, 1 Panasonic Way, Secaucus, N.J. 07094.

A. Colin D. Mathews, 1101 Connecticut Avenue NW., Washington, D.C. 20036.

B. Vinson & Elkins (for GATX Terminals Corp.), 1101 Connecticut Avenue NW., Washington, D.C. 20036.

A. Dawson Mathis & Associates, 6712 Old McLean Village Drive, McLean, Va. 22101.

B. American Cyanamid Co., 1 Cyanamid Plaza, Wayne, N.J. 07470.

A. Dawson Mathis & Associates, 6712 Old McLean Village Drive, McLean, Va. 22101.

B. Georgia Agricultural Commodity Commission for Peanuts, P.O. box 967, Tifton, Ga. 31794.

A. Dawson Mathis & Associates, 6712 Old McLean Village Drive, McLean, Va. 22101.

B. Refrigerated Transport, Inc., P.O. Box 308, Forest Park, Ga. 30050.

A. Dawson Mathis & Associates, 6712 Old McLean Village Drive, McLean, Va. 22101.

B. SAFT America, Inc., 711 Industrial Boulevard, Valdosta, Ga. 31601.

A. C. V. & R. V. Maudlin, 1334 G Street NW., Washington, D.C. 20005.

B. Brass & Bronze Ingto Institute, 33 North La Salle Street, Chicago, Ill.

A. Samuel L. Maury, The Business Roundtable, 1828 L Street NW., Washington, D.C. 20036.

B. The Business Roundtable, 1828 L Street NW., Washington, D.C. 20036.

A. Walter R. May, 7004 Park Terrace Drive, Alexandria, Va. 22307.

B. Yellow Freight System, Inc., 10990 Roe Avenue, Shawnee Mission, Kans. 66207.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.

B. GATX Corp., 120 Riverside Plaza, Chicago, Ill. 60606.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.

B. JMB Realty Corp., 875 North Michigan Avenue, Chicago, Ill 60611.

A. Larry D. McBennett, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

A. Carolyn Kim McCarthy, 7901 Westpark Drive, McLean, Va. 22102.

B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22102.

A. David F. McDermitt, National Utility Contractors Association, 1235 Jefferson Davis Highway, Suite 606, Arlington, Va. 22202.

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A. Norris McDonald, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

A. Gale W. McGee Associates, 1201 Pennsylvania Avenue NW., Suite 700, Washington, D.C. 20004.

B. DGA International, 1225 19th Street NW., Washington, D.C. 20036.

A. McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble, P.A., 18th floor, Bankers Trust Towers, Columbia, S.C.

B. Airco, Inc., 85 Chestnut Ridge Road, Montvale, N.J.

A. McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble, P.A., 1155 15th Street NW., Washington, D.C. 20005.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble, P.A., 1155 15th Street NW., Washington, D.C. 20005.

B. The Business Roundtable, 1828 L Street NW., Washington, D.C. 20036.

A. McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble, P.A., 18th floor, Bankers Trust Towers, Columbia, S.C.

B. General Telephone & Electronics Corp., 1 Stamford Forum, Stamford, Conn. 06904.

A. McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble, P.A., 18th floor, Bankers Trust Towers, Columbia, S.C.

B. Georgia Pacific Corp., 900 Southwest Fifth Avenue, Portland, Oreg. 97204.

A. McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble, P.A., 18th floor, Bankers Trust Towers, Columbia, S.C.

B. Kline Iron & Steel Co., P.O. Box 1013, Columbia, S.C. 29202.

A. McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble, P.A., 1155 15th Street NW., Washington, D.C. 20005.

B. National Association of Realtors, 777 14th Street NW., Washington, D.C. 20005.

A. McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble, P.A., 1155 15th Street NW., Washington, D.C. 20005.

B. Pharmaceutical Manufacturers' Association, 1155 15th Street NW., Washington, D.C. 20005.

A. McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble, P.A., 1155 15th Street NW., Washington, D.C. 20005.

B. Sony Corp. of America, 9 West 57th Street, New York, N.Y. 10019.

A. McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble, P.A., 1155 15th Street NW., Washington, D.C. 20005.

B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.

A. Peter F. McNeish, NASBIC, 618 Washington Building, Washington, D.C. 20005.

B. National Association of Small Business Investment Companies, 618 Washington Building, Washington, D.C. 20005.

A. Meehan & Stoelker, 2200 Two Girard Plaza, Philadelphia, Pa. 19102.

B. Milliken Research Corp., P.O. Box 1926, Spartanburg, S.C. 29304.

A. Patrick L. Mellon, National Cable Television Association, 1724 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Cable Television Association, Inc., 1724 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Stepthen J. Melman, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

A. Metzger, Shadyac & Schwarz, 1 Farragut Square South, Washington, D.C. 20006.

B. Moldow Dust Control, Inc., 3220 Edwardia Drive, Greensboro, N.C. 27409.

A. Larry Meyers, 412 First Street SE., Suite 214, Washington, D.C. 20003.

B. North Carolina Peanut Growers, P.O. Box 1709, Rocky Mount, N.C. 27810.

A. Milbank, Tweed, Hadley & McCloy, 1747 Pennsylvania Avenue NW., Suite 950, Washington, D.C. 20006.

B. Joint Task Force on Federal Financial Assistance for Law Students c/o Law School Admission Council, 11 Dupont Circle NW., Washington, D.C. 20036.

A. Miles & Stockbridge, 1701 Pennsylvania Avenue NW., No. 500, Washington, D.C. 20006.

B. Pepsico, Inc., Purchase, NY. 10577.

A. Miller & Chevalier, Chartered, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Aerospace Industries Association, 1725 DeSales Street NW., Washington, D.C. 20036.

A. Miller & Chevalier, Chartered, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Wheelabrator-Frye, Inc., Liberty Lane, Hampton, N.H. 03842.

A. Robin Miller, Alliance to Save Energy, 1925 K Street NW., Suite 507, Washington, D.C. 20006.

B. Alliance to Save Energy, 1925 K Street NW., Suite 507, Washington, D.C. 20006.

A. C. G. Pete Milligan, 4360 NE. Joe's Point, Stuart, Florida 33494.

B. Illinois Bell Telephone Co., 225 West Randolph Street, Chicago, Ill. 60606.

A. Richard M. Millman, P.C., 1730 M Street NW., Suite 908, Washington, D.C. 20036.

B. House of Representatives, San Juan, Puerto Rico.

A. Mintz, Levin, Cohn, Ferris, Glovsky & Popeo, P.C., 1015 15th Street NW., Suite 1025, Washington, D.C. 20005.

B. Home Recording Rights Coalition, 1825 K Street NW., Suite 210, Washington, D.C.

A. Jill A. Moline, The Circle K Corp., P.O. Box 20230, 4500 South 40th Street, Phoenix, Ariz. 85036.

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A. Robert E. Moss, 1819 H Street NW., Suite 950, Washington, D.C. 20006.

B. Dilworth, Paxson, Kalish & Kauffman (for Westinghouse Corp., 1801 K Street NW., Suite 900, Washington, D.C.); 1819 H Street NW., Suite 950, Washington, D.C. 20006.

A. Nancy A. Nagy, Suite No. 209, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
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A. Linda K. Naida, National Grange, 1616 H Street NW., Washington, D.C. 20006.
B. National Grange, 1616 H Street NW., Washington, D.C. 20006.

A. National Alliance for Hydroelectric Energy, 1050 17th Street NW., Washington, D.C. 20036.

A. National Coalition of Telecommunications Users & Providers, a/k/a National Coalition for Fair Rates & Competition, 115 D Street SE., Suite 108, Washington, D.C. 20003.

A. National Counsel Associates, Inc., 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Geneva Pacific Corp., 1807 Glenview Road, Glenview, Ill. 60025.

A. National Counsel Associates, Inc., 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. TOSCO, 2000 L Street NW., Washington, D.C. 20036.

A. National Passenger Traffic Association, 310 Madison Avenue, New York, N.Y. 10017.

A. Allen Neece, Jr., 1050 17th Street NW., Washington, D.C. 20036.
B. Neece, Cator & Associates, Inc. (for National Venture Capital Association, 1225 19th Street NW., Washington, D.C. 20036), 1050 17th Street NW., Washington, D.C. 20036.

A. Allen Neece, Jr., 1050 17th Street NW., Washington, D.C. 20036.
B. Neece, Cator & Associates, Inc. (for Small Business Development Center Directors Association, 1050 17th Street NW., Washington, D.C. 20036), 1050 17th Street NW., Washington, D.C. 20036.

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B. Government Guaranteed Loan Committee, 1 Liberty Plaza, 165 Broadway, New York, N.Y. 10080.

A. Neece, Cator & Associates, Inc., 1050 17th Street NW., Washington, D.C. 20036.
B. National Association of Development Cos. (NADCO), 1025 Connecticut Avenue NW., Washington, D.C. 20036.

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B. National Venture Capital Association (NVCA), 1225 19th Street NW., Suite 750, Washington, D.C. 20036.

A. Neece, Cator & Associates, Inc., 1050 17th Street NW., Washington, D.C. 20036.
B. Small Business Development Center Directors Association, 1050 17th Street NW., Washington, D.C. 20036.

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B. Small Business United, 69 Hickory Drive, Waltham, Mass. 02154.

A. Neece, Cator & Associates, Inc., 1050 17th Street NW., Washington, D.C. 20036.
B. Southeastern Lumber Manufacturers Association (SLMA), P.O. Box 1606, Forest Park, Ga. 30050.

A. C. B. Neely, Jr., P.O. Box 829, Raleigh, N.C. 27602.
B. Beneficial Management Corp. of America, 1100 Carr Road, Wilmington, Del. 19899.

A. Neill & Mullenholz, 1100 17th Street NW., Suite 410, Washington, D.C. 20036.
B. National Farm & Power Equipment Dealers Association, 10877 Watson Road, St. Louis, Mo. 63127.

A. Kimberly Ann Neilsen, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperatives Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.

A. Nonprofit Mailers Federation, 2550 M Street NW., Suite 405, Washington, D.C. 20037.

A. Edward M. Norton, Jr., The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Joe M. Norton, Jr., 400 Madison Street, 1605, Alexandria, Va. 22314.
B. National Coalition of Telecommunication Users and Providers, 115 D Street SE., Suite 108, Washington, D.C. 20003.

A. Nossaman, Krueger & Marsh, 1140 19th Street NW., Suite 600, Washington, D.C. 20036.
B. California Student Loan Finance Corp., 9570 West Pico Boulevard, Los Angeles, Calif. 90035.

A. David D. O'Brien, O'Brien, Pierce & Eberle, 1828 L Street NW., No. 20, Washington, D.C. 20006.
B. Committee for Title XI, Vessel Finance, c/o Kominers Fort, Shipper & Boyer, 1776 F Street NW., Washington, D.C. 20006.

A. James J. O'Connell, 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.
B. Control Data Corp., 8100 34th Avenue South, P.O. Box O, Minneapolis, Minn. 55440.

A. Terrence M. O'Connell II, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for American Family Life Assurance Co.), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

A. Terrence M. O'Connell II, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for the Commonwealth of Pueto Rico), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

A. Terrence M. O'Connell II, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Knoxville International Energy Expo), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

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B. The Keefe Co. (for Public Employees Benefit Services Co.), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

A. Terrence M. O'Connell II, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Riviana Foods), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

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B. The Keefe Co. (for Tennessee Valley Authority), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

A. Terrence M. O'Connell II, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Westinghouse Electric Corp.), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., No. 800, Washington, D.C. 20006.
B. Borden, Inc., 277 Park Avenue, New York, N.Y. 10017.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., No. 800, Washington, D.C. 20006.
B. Competitive Telecommunications Coalition, 1707 L Street NW., Washington, D.C. 20036.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., No. 800, Washington, D.C. 20006.
B. R. M. Singer & Associates, Inc., Rockland Grist Mill, Box 2998, Brooklandville, Md. 21022.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., No. 800, Washington, D.C. 20006.
B. Tennessee Tombigbee Waterway Development Authority, Drawer 671, 500 Court Square Towers, Columbus, Miss. 39701.

A. P. C. O'Connor, Kent & O'Connor, Inc., 1919 Pennsylvania Avenue NW., Suite 300, Washington, D.C. 20006.
B. Motor Carrier Lawyers Association, 500 West 16th Street, P.O. Box 1945, Austin, Tex. 78767.

A. Ogilvy & Mather, 1901 L Street NW., Suite 320, Washington, D.C. 20036.

A. Austin P. Olney, LeBoeuf, Lamb, Leiby & MacRae, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. LeBoeuf, Lamb, Leiby & MacRae, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Dennis M. Olsen, 485 E Street, Idaho Falls, Idaho 83402.
B. Aetna Insurance Co., O'Hare Plaza, 5735 East River Road, Chicago, Ill. 60631.

A. Dennis M. Olsen, 485 E Street, Idaho Falls, Idaho 83402.
B. American Banker's Insurance Co. of Florida, P.O. Box 119, First Security Building, 405 South Main, Salt Lake City, Utah 84110.

A. Dennis M. Olsen, 485 E Street, Idaho Falls, Idaho 83402.

B. Centennial Insurance Co., Norton Building, Suite 616, Seattle, Wash. 98104-1581.

A. Dennis M. Olsen, 485 E Street, Idaho Falls, Idaho 83402.
B. Charter Oak Insurance, 675 East 500 South, Salt Lake City, Utah 84102.

A. Dennis M. Olsen, 485 E Street, Idaho Falls, Idaho 83402.
B. Florists' Mutual Insurance Co., 500 St. Louis Street, Edwardsville, Ill. 62025.

A. Dennis M. Olsen, 485 E Street, Idaho Falls, Idaho 83402.
B. National Farmers Union Property & Casualty Insurance Co., P.O. Box 39251, Denver, Colo. 80252.

A. Dennis M. Olsen, 485 E Street, Idaho Falls, Idaho 83402.
B. Foremost Insurance Co., 5800 Foremost Drive SE., P.O. Box 2450, Grand Rapids, Mich. 49501.

A. Dennis M. Olsen, 485 E Street, Idaho Falls, Idaho 83402.
B. Great American Insurance Co., 400 South Jefferson Street, Spokane, Wash. 99204.

A. Dennis M. Olsen, 485 E Street, Idaho Falls, Idaho 83402.
B. Minnehoma Insurance Co., P.O. Box 45185, Tulsa, Okla. 74145.

A. Dennis M. Olsen, 485 E Street, Idaho Falls, Idaho 83402.
B. State Farm Insurance Co., 4600 25th Avenue NE., Salem, Oreg. 97313.

A. Dennis M. Olsen, 485 E Street, Idaho Falls, Idaho 83402.
B. The Travelers, 675 East 500 South, Salt Lake City, Utah 84102.

A. Dennis M Olsen, 485 E Street, Idaho Falls, Idaho 83402.
B. Traveler's Indemnity of Rhode Island, 675 East 500 South, Salt Lake City, Utah 84102.

A. O'Neal & Claassen, Chartered, 600 New Hampshire Avenue NW., No. 952, Washington, D.C. 20037.
B. International Precious Metals Corp., 6451 North Federal Highway, Fort Lauderdale, Fla. 33308.

A. Kathleen A. O'Neill, 1208 F. North Wayne Street, Arlington, Va.
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A. Paraho Development Corp., 300 Enterprise Building, Grant Junction, Colo. 81501.

A. Parent Advocate Lobby, Inc., 2346 South Lynhurst Avenue, Suite E-101, Indianapolis, Ind. 46241.

A. Prudence H. Parks, 1100 H Street NW., Washington, D.C. 20080.
B. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20080.

A. Parrish & Chambers, Inc., 1300 North 17th Street, Suite 1510, Arlington, Va. 22209.
B. Association of Night Vision Manufacturers, Washington, D.C.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Akai America, Ltd., 800 West Artesia Boulevard, Compton, Calif. 90220.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. American Express Co., 1700 K Street NW., Suite 702, Washington, D.C. 20036.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. American President Lines, 1101 17th Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Asociacion de Amigos del Pais, 6A. Avenida "A" 10-38 Zona 9, AP Postal 291, Guatemala City, Guatemala.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Asociacion de Azucareros de Guatemala, 6A Calel 6-38 Zona 9, 7° Nivel Edificio Tivoli Plaza, Guatemala City, Guatemala.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20007.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Duty Free Shoppers, Ltd., 2255 Kuhio Avenue, World Trade Center, Suite 1505, Honolulu, Hawaii 96815.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Energy Research Corp., 3 Great Pasture Road, Danbury, Conn. 06810.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Hampton-Winsor Corp., 745 Fifth Avenue, Suite 1400, New York, N.Y. 10151.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Hitachi Sales Corp. of America, 401 West Artesia Boulevard, Compton, Calif. 90220.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Mitsushita Electric Corp. of America, 1 Panasonic Way, Secaucus, N.J. 07094.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Mitsubishi Electric Sales America, Inc., 3030 East Victoria Street, Compton, Calif. 90221.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. NEC Electronics (USA) Inc., 1401 Estes Avenue, Elk Grove Village, Ill. 60007.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. St. Joe Minerals, 1730 Rhode Island Avenue NW., Washington, D.C. 20005.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Sansui Electronics Corp., 1250 Valley Brook Avenue, Lyndhurst, N.J. 07071.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Sanyo Electric, Inc., 200 Riser Road, Little Ferry, N.J. 07643.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Sharp Electronics Corp., 10 Keystone Place, Paramus, N.J. 07652.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Sony Corp. of America, 9 West 57th Street, New York, N.Y. 10019.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Toshiba American, Inc., 82 Totowa Road, Wayne, N.J. 07470.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. US JVC Corp. 41 Slater Drive, Elmwood Park, N.J. 07407.

A. Paul, Hastings, Janofsky & Walker, 1050 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. AM General, Inc., 1129 20th Street NW., Suite 408, Washington, D.C. 20036.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y. 10154.
B. New York State Tax Commission, State Campus, Albany N.Y. 12227.

A. Peabody, Lambert & Meyers, P.C., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Council of Energy Resource Tribes, 1140 Connecticut Avenue NW., Washington D.C. 20036.

A. Peabody, Lambert & Meyers, P.C., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Guardian Ad Litem, Air Crash, Disaster Near Saigon.

A. Elin Peltz, Hawaiian Sugar Planter's Association, 723 Investment Building, Washington, D.C. 20005.
B. Hawaiian Sugar Planters' Association, Aiea, Hawaii 96701.

A. Pepper, Hamilton & Scheetz, 1777 F Street NW., Washington, D.C. 20006.
B. Direct Broadcast Satellite Corp., 7315 Wisconsin Avenue, Bethesda, Md.

A. Pepper, Hamilton & Scheetz, 1777 F Street NW., Washington, D.C. 20006.
B. Turner Broadcasting System, Inc., 1050 Techwood Drive NW., Atlanta, Ga. 30318.

A. Elinor Peretsman, 55 Tain Drive, Great Neck, N.Y. 11021.
B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.

A. Perito, Duerk, Carlson & Pinco, P.C. 1140 Connecticut Avenue NW., Suite 400 Washington, D.C. 20036.
B. National Association of Alcoholism Treatment Programs, Inc., 17861 Cartwright Road, Irvine, Calif. 92714.

A. Perkins, Coie, Stone, Olsen & Williams, 1110 Vermont Avenue NW., Suite 1200, Washington, D.C. 20005.
B. Burlington Northern, Inc., 1111 Third Avenue, Seattle, Wash. 98101.

A. Perkins, Coie, Stone, Olsen & Williams, 1110 Vermont Avenue NW., Suite 1200, Washington, D.C. 20005.
B. General Public Utilities Corp., 100 Interpace Parkway, Parsippany, N.J. 07054.

A. Mark A. Permar, Kiawah Island Co., Ltd., P.O. Box 12910, Charleston, S.C. 29412.

B. Kiawah Island Co., Ltd., P.O. Box 12910, Charleston, S.C. 29412.

A. Edward B. Petersen, Gulf Oil Corp., 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.

A. Lars E. Peterson, 1750 K Street NW., Washington, D.C. 20006.

B. Food Marketing Institute, 1750 K Street NW., Washington D.C. 20006.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. Competitive Telecommunications Coalition, c/o Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. International Futures Exchange (Bermuda) Ltd., P.O. Box 1179, Hamilton 5, Bermuda.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. Intex Holdings (Bermuda) Ltd., P.O. Box 1179, Hamilton 5, Bermuda

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. National Association of Casualty & Surety Agents, 5454 Wisconsin Avenue, Washington, D.C. 20815.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. National Music Publishers Association, 110 East 59th Street, New York, N.Y. 10022.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. Daniel J. Piliero II, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Ad Hoc Committee of Mutual Fund Managers, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Lillian M.S. Pitcaithly, Suite 209, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Business Conference, Suite 209, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

A. Michael Podhorzer, 1300 Connecticut Avenue NW., Room 401, Washington, D.C. 20036.

B. Citizen/Labor Energy Coalition, 1300 Connecticut Avenue NW., Room 401, Washington, D.C. 20036.

A. Sherman S. Poland, Ross, Marsh & Foster, 888 16th Street NW., Washington, D.C. 20006.

B. Dorchester Gas Producing Co., Dorchester Place, 5735 Pineland Drive, P.O. Box 31049, Dallas, Tex. 75231.

A. Carol Alice Porter, 1050 17th Street NW., Suite 560, Washington, D.C. 20036.

B. Wildlife Legislative Fund of America, 50 West Broad Street, Columbus, Ohio 43215.

A. Powell, Goldstein, Frazer & Murphy, Suite 1050, 1110 Vermont Avenue NW., Washington, D.C. 20005.

B. Ahrens Aircraft, Inc., P.O. Box 432, Ramey, Puerto Rico (USA).

A. Powell, Goldstein, Frazer & Murphy, Suite 1050, 1110 Vermont Avenue NW., Washington, D.C. 20005.

B. Coalition for Employment Through Exports, 1801 K Street NW., Ninth Floor, Washington, D.C. 20006.

A. Powell, Goldstein, Frazer & Murphy, Suite 1050, 1110 Vermont Avenue NW., Washington, D.C. 20005.

B. Federal National Mortgage Association, 3900 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Powell, Goldstein, Frazer & Murphy, Suite 1050, 1110 Vermont Avenue NW., Washington, D.C. 20005.

B. GATX Corp. 120 South Riverside Plaza, Chicago, Ill. 60606.

A. Powell, Goldstein, Frazer & Murphy, Suite 1050, 1110 Vermont Avenue NW., Washington, D.C. 20005.

B. National Association of Real Estate Developers, 140 South Dearborn Street, Chicago, Ill. 60603.

A. Powell, Goldstein, Frazer & Murphy, Suite 1050, 1110 Vermont Avenue NW., Washington, D.C. 20005.

B. National Council for Industrial Innovation, 767B Concord Avenue, Cambridge, Mass. 02138.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.

B. American President Lines, 1950 Franklin Street, Oakland, Calif. 94612.

A. Proskauer Rose Goetz & Mendelsohn, 1150 Connecticut Avenue NW., Washington, D.C. 20036.

B. Toronto Stock Exchange, 234 Bay Street, Toronto, Ontario M5J 1R1.

A. Law Offices of John V. Rainbolt, 1800 K Street NW., Suite 429, Washington, D.C. 20006.

B. The London Commodity Exchange Co., Ltd., Cereal House, 58 Mark Lane, London EC3R 7 NE, England.

A. Law Offices of John V. Rainbolt, 1800 K Street NW., Suite 429, Washington, D.C. 20006.

B. The London Gold Futures Market, Plantation House, Fenchurch Street, London EC 3M 3AP England.

A. Law Offices of John V. Rainbolt, 1800 K Street NW., Suite 429, Washington, D.C. 20006.

B. The London International Finance Futures Exchange, Ltd., 66 Cannon Street, London EC 4N 6AE, England.

A. Law Offices of John V. Rainbolt, 1800 K Street NW., Suite 429, Washington, D.C. 20006.

B. Metal Market & Exchange Co., Ltd., Planation House, Fenchurch Street, London EC3M 3AP, England.

A. Lani Hummel Raleigh, Communications Satellite Corp., 950 L'Enfant Plaza SW., Washington, D.C. 20024.

B. Communications Satellite Corp., 950 L'Enfant Plaza SW., Washington, D.C. 20024.

A. Dennis M. Reardon, Federal Employees Political Action Committee (FEDPAC), 210 Seventh Street, SE., Suite A-3, Washington, D.C. 20003.

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A. John Daniel Reaves, 910 16th Street NW., Washington, D.C. 20006.

B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. Reavis & McGrath, 1776 F Street NW., Washington, D.C. 20006.

B. The Business Roundtable, 200 Park Avenue, No. 2222, New York, N.Y. 10017.

A. Jo Reed, National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

B. National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

A. Pauline B. Reeping, New York Shipping Association, Inc., 1750 New York Avenue NW., Suite 825, Washington, D.C. 20006.

B. New York Shipping Association, Inc., 80 Broad Street, New York, N.Y. 10004 and 1750 New York Avenue NW., Suite 825, Washington, D.C. 20006.

A. Joseph M. Rees, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

B. The Keefe Co. (for Cordage Institute), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

A. Joseph M. Rees, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

B. The Keefe Co. (for Young Drug Products), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

A. Michael W. Reid, Alliance to Save Energy, 1925 K Street NW., Suite 507, Washington, D.C. 20006.

B. Alliance to Save Energy, 1925 K Street NW., Suite 507, Washington, D.C. 20006.

A. Wolfgang Reinecke, Deminex U.S. Oil Co., Suite 840, Lock Box 340, Plaza of the Americas, North Tower, Dallas, Tex. 75201.

B. Deminex U.S. Oil Co., Suite 840, Lock Box 340, Plaza of the Americas, North Tower, Dallas, Tex. 75201.

A. The Rendon Co., 1321 Pennsylvania Avenue SE., Washington, D.C. 20003.

A. John W. Rendon, Jr., 1458 T Street NW., Washington, D.C. 20009.

B. The Rendon Co., 1321 Pennsylvania Avenue SE., Washington, D.C. 20003.

A. Lois D. Rice, 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.

B. Control Data Corp., 8100 34th Avenue South, Minneapolis, Minn. 55440.

A. Judy Noel Riddle, Lawyers Title Insurance Corp., 6630 West Broad Street, Richmond, Va. 23230.

B. Lawyers Title Insurance Corp., 6630 West Broad Street, Richmond, Va. 23230.

A. Robin Risso, 511 C Street NE., Washington, D.C. 20002.

B. Continental Association of Resolute Employers (CARE), 511 C Street NE., Washington, D.C. 20002.

A. Rivkin Sherman & Levy, 900 17th Street NW., Washington, D.C. 20006.

B. Toyota Motor Co., Ltd., 1 Toyota-Cho, Toyota-Shi, Aichi-Ken, 471 Japan.

A. Rogers & Wells, 200 Park Avenue, New York, N.Y. 10166.

B. Desert Palace, Inc., d.b.a. Caesars Palace & Caesars Tahoe, 3570 Las Vegas Boulevard South, Las Vegas, Nev. 89109.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.

B. Magic Pantry Foods, Inc., 26 Buford Road, Hamilton, Ontario L8E 3C7, Canada.

A. Rogers & Wells, 200 Park Avenue, New York, N.Y. 10166.

B. Merrill Lynch & Co., One Liberty Plaza, 165 Broadway, New York, N.Y. 10006.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.

B. Merrill Lynch Commodities, Inc., Two Broadway, New York, N.Y. 10004.

A Martin H. Rogol, 200 East 90th Street, New York, N.Y. 10028.

B. National Coalition of Telecommunications Users & Providers, 115 D Street SE., Suite 108, Washington, D.C. 20003.

A. Fred B. Rooney, 1050 Thomas Jefferson Street NW., Sixth Floor, Washington, D.C. 20007.

B. Paul, Hastings, Janofsky & Walker, 1050 Thomas Jefferson Street NW., Sixth Floor, Washington, D.C. 20007.

A. Ropes & Gray, 1200 New Hampshire Avenue NW., Suite 360, Washington, D.C. 20036.

B. Dow Corning Corp., P.O. Box 1592, Midland, Mich. 48640.

A. Louise Ruth Ropog, 7703 Maritime Lane, Springfield, Va. 22153.

B. Moral Majority, Inc., 499 South Capitol Street, Suite 101, Washington, D.C. 20003.

A. Louise L. Roseman, Visa U.S.A., Inc., 1620 I Street NW., Suite 603, Washington, D.C. 20006.

B. Visa U.S.A., Inc., P.O. Box 8999, San Francisco, Calif. 94128.

A. Roger C. Rosenthal, Migrant Legal Action Program, Inc. (MLAP), 806 15th Street NW., Suite 600, Washington, D.C. 20005.

B. Migrant Legal Action Program, Inc. (MLAP), 806 15th Street NW., Suite 600, Washington, D.C. 20005.

A. Kevin P. Rowland, 511 C Street NE., Washington, D.C. 20002.

B. Continental Association of Resolute Employers (CARE), 511 C Street NE., Washington, DC 20002.

A. Clarke Rupert, National Coalition To Ban Handguns, 100 Maryland Avenue NE., Washington, D.C. 20002.

B. National Coalition to Ban Handguns, 100 Maryland Avenue NE., Washington, D.C. 20002.

A. John R. Russell—Johnson, Smith and Hibbard, 220 North Church Street, Suite 6, P.O. Box 5524, Spartangurg, S.C. 29304.

B. Milliken & Co., P.O. Box 1926, Spartanburg, S.C. 29304.

A. Nancy Russell, Friends of the Columbia Gorge, 4921 Southwest Hewett Boulevard, Portland, Oreg. 97221.

B. Friends of the Columbia Gorge, 519 Southwest 3d, Room 303, Portland, Oregon 97204.

A. John G. Ryan, 1700 K Street NW., Washington, D.C. 20006.

B. Squibb Corp., 40 West 57th Street, New York, N.Y. 10019.

A. Charles W. Sandford, 11202 Farmland Drive, Rockville, Md. 20852.

B. Bechtel Power Corp., 15740 Shady Grove Road, Gaithersburg, Md. 20877.

A. Charles Sapp, 3400 Texas Commerce Tower, Houston, Tex. 77002.

B. Houston Endowment, Inc., Bankers Mortgage Building, Houston, Tex. 77002.

A. Save Our Security, Suite 222, 1201 16th Street NW., Washington, D.C. 20036.

A. Victoria V. Schaff, 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.

B. Enserch Corp., 300 South St. Paul Street, Dallas, Tex. 75201.

A. Jay T. Scheck, Jr., American Hoechst Corp., 1101 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.

B. American Hoechst Corp., Route 202-206 North, Somerville, N.J. 08876

A. Michael M. Schoor, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.

B. Associated Builders and Contractors, Inc., 444 North Capitol Street NW., Suite 409 Washington, D.C. 20001.

A. Jack J. Schramm, Waste Management, Inc., 600 Maryland Avenue SW., Suite 607, Washington, D.C. 20024.

B. Waste Management, Inc., 600 Maryland Avenue SW., Suite 607, Washington, D.C. 20024.

A. Carl W. Schwarz, Metzger, Shadyac & Schwarz, 1 Farragut Square South, Washington, D.C. 20006.

B. Metzger, Shadyac & Schwarz, 1 Farragut Square South, Washington D.C. 20006 (for Moldow Dust Control, Inc., 322C Edwardia Drive, Greensboro, N.C. 27409).

A. Bernard M. Shapiro, 1801 K Street NW., Washington, D.C. 20006.

B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, DC. 20036.

B. Farmers for Fairness P.O. Box 6288, Camilla, Ga. 31730.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., 900-S, Washington, D.C. 20036.

B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Kathleen Sheekey, 2030 M Street NW., 3d Floor, Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Lois Burke Shepard, 8602 Hidden Hill Lane, Potomac, Md. 20854.

B. Republicans Abroad, 310 First Street SE., Washington, D.C. 20003.

A. John J. Sheppard, 267 Westervelt Place, Englewood Cliffs, N.J. 07632.

B. C. A. Shea & Co., Inc., I.W.T.E., Suite 1525, New York, N.Y. 10048.

A. Elizabeth Shipley-Moses, 1107 Jackson Court, Falls Church, Va. 22046.

B. Society for Nutrition Education, 1736 Franklin Street, Oakland, Ca. 94612.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.

B. Jacques Borel, Tour Maine Mont Parnasse, 33 Avenue Du Maine; 75755 Paris Cedex 15 France

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.

B. F. W. Woolworth Co., 233 Broadway, New York, N.Y. 10007.

A. Simon, Deitch, Siefman, & Tucker, 4000 Town Center, Suite 1500, Southfield, Mich. 48075.

B. First National Monetary Corp., 4000 Town Center, Southfield, Mich. 48075.

A. Don Simon, 2030 M Street NW., 3d Floor, Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Sisk, Foley, Hultin & Driver, Suite 380, 2501 M Street NW., Washington, D.C. 20037.

B. Tosco Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.

A. John H. Slayton, Metzger, Shadyac & Schwarz, 1 Farragut Square South, Washington, D.C. 20006.

B. Metzger, Shadyac & Schwarz, 1 Farragut Square South, Washington, D.C. 20006, (for Moldow Dust Control, Inc., 322C Edwardia Drive, Greensboro, N.C. 27409).

A. Scott L. Slesinger 7105 Oakridge Avenue, Chevy Chase, Md. 20815.

B. National Apartment Association, 1825 K Street NW., Suite 604, Washington, D.C. 20006.

A. Smathers, Symington & Herlong, 1700 K Street NW., Suite 400, Washington, D.C. 20006.

B. Florida East Coast Railway Co., 1 Malaga Street, St. Augustine, Fla. 32084.

A. Smith Dawson Associates Inc., 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036.

B. Metropolitan Transportation Authority, 347 Madison Avenue, New York, N.Y. 10017.

A. Del Smith, 5218 Kings Park Drive, Springfield, Va. 22151.

B. Del Smith & Co., 5218 Kings Park Drive, Springfield, Va. 22151.

A. Del Smith & Co., 5218 Kings Park Drive, Springfield, Va. 22151.

A. Julian H. Smith, Jr., Alabama Power Co., 600 North 18th Street, Birmingham, Ala. 35291.

B. Alabama Power Co., 600 North 18th Street, Birmingham, Ala. 35291.

A. Patrick F. Smith, Jr., National Treasury Employees Union, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.

B. National Treasury Employees Union, 1730 K Street NW, Suite 1101, Washington, D.C. 20006.

A. Robert N. Smith, 21 East Long Lake Road, Suite 211, Bloomfield Hills, Mich. 48013.

B. United Distribution Co., 159 Town Hall Square, Falmouth, Mass. 02540.

A Leigh Snell, David Vienna & Associates, 510 C Street NE., Suite 100, Washington, D.C. 20002

B. National Association of American Minority Contractors & Consulting Engineers of Indian Origin, P.O. Box 493, Sterling Heights, Mich. 45078-0493.

A. Steven S. Snider, 1700 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. The Journal Co., 333 West State Street, Milwaukee, Wis. 53201.

A. Society for Nutrition Education, 1736 Franklin Street, Oakland, Calif. 94612.

A. Charles R. Sonnier, Sonnier & Hebert, P.O. Box 1101, Abbeville, La. 70510.

A. William Lincoln Spoor, Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Washington, D.C. 20007.
B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Washington, D.C. 20007.

A. Squires & Foote, 1000 Potomac Street NW., Washington, D.C. 20007.
B. National Constructors Association, 1101 15th Street NW., Washington, D.C. 20005.

A. David P. Stang, P.C., 1629 K Street NW., Washington, D.C. 20006.
B. American Truck Dealers, 8400 Westpark Drive, McLean, Va. 22101.

A. David P. Stang, P.C., 1629 K Street NW., Washington, D.C. 20006.
B. International Association of Drilling Contractors, 499 South Capitol Street SW., Suite 417, Washington, D.C. 20003.

A. David P. Stang, P.C., 1629 K Street NW., Washington, D.C. 20006.
B. Rowan Companies, Inc., 1900 Post Oak Tower Building, 5051 Westheimer, Houston, Tex. 77056.

A. Jean C. Statler, Chamber of Commerce, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

A. Robert H. Steel, American Society of Association Executives, 1575 I Street NW., Washington, D.C. 20005.
B. American Society of Association Executives, 1575 I Street NW., Washington, D.C. 20005.

A. Stein, Davidoff, Malito, Katz & Hutcher, 1775 Broadway, New York, N.Y. 10019.
B. National Passenger Traffic Association, 310 Madison Avenue, New York, N.Y. 10017.

A. Steptoe & Johnson Chtd., 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Coalition for Uniform Product Liability Law, 1901 L Street NW., No. 303, Washington, D.C. 20036.

A. Walter J. Stewart, 1133 15th Street NW., Suite 1225, Washington, D.C. 20005.
B. Sonat Inc., P.O. Box 2563, Birmingham, Ala. 35202-2563.

A. Steven F. Stockmeyer, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.

A. Jack Mark Stolier, Food Research & Action Center, 1319 F Street NW., No. 500, Washington, D.C. 20004.
B. Food Research & Action Center, 1319 F Street NW., No. 500, Washington, D.C. 20004.

A. Ros Stovall, Jr., 451 South Indiana Street, Mooresville, Ind. 46158.
B. Parent Advocate Lobby, Inc., 2346 South Lynhurst Drive, Suite E-101, Indianapolis, Ind. 46241.

A. Joel B. Stronberg, Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22102.
B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22102.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.
B. Puerto Rico Federal Affairs Administration, 734 15th Street NW., Washington, D.C. 20005.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.
B. Warner Communications, Inc., 2020 K Street NW., Suite 250, Washington, D.C. 20006.

A. Sullivan & Cromwell, 125 Broad Street, New York, N.Y. 10004 and 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Security Life of Denver, 1616 Glenarm Place, Denver, Colo. 80202.

A. Judy M. Sullivan, Northwest Pipeline Corp., 1120 20th Street NW., Suite S-700, Washington, D.C. 20036.
B. Northwest Pipeline Corp., 315 East 200 South, Salt Lake City, Utah 84110.

A. Marcia Z. Sullivan, Suite 1200, 1300 North 17th Street, Arlington, Va. 22209.
B. The Consumer Bankers Association, Suite 1200, 1300 North 17th Street, Arlington, Va. 22209.

A. Gary R. Summers, 900 17th Street NW., No. 1014, Washington, D.C. 20006.
B. Kaiser Foundation Health Plan

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Loyal Trust, 1401 Elm Street, Dallas, Tex.

A. Sutherland, Asbill & Brennan, 3100 First Atlanta Tower, Atlanta, Ga. 30383.
B. Olgethorpe Power Corp., 2888 Woodcock Boulevard, P.O. Box 105033, Atlanta, Ga. 30348.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Stock Information Group, Suite 800, 1666 K Street NW., Washington, D.C. 20006.

A. William F. Sutherland, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

A. Tricia L. Swift, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Elaine J. K. Legas Swope, 3907 Minden Road, Wheaton, Md. 20906.

A. Gerald M. Syrkett, 617 Hamlin Street NE., Washington, D.C. 20017.

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister (for Ohio Association of Community Action Agencies, 33 North High Street, Columbus, Ohio 43215), First National Bank Center, Cincinnati, Ohio 45202.

A. Joe Tallakson, Suite 421, 1010 Vermont Avenue NW., Washington, D.C. 20005.
B. Sense, Inc. (For Oneida Tribe of Wisconsin), Suite 421, 1010 Vermont Avenue NW., Washington, D.C. 20005.

A. Norman R. Taylor, International District Heating Association, 1735 I Street NW., Suite 611, Washington, D.C. 20006.
B. International District Heating Association, 1735 I Street NW., Suite 611, Washington, D.C. 20006.

A. Paul M. Tendler, 1899 L Street NW., Suite 1001, Washington, D.C. 20036.
B. Paul Tendler Associates, Inc. (for Schoeneman, Inc., 1290 Avenue of Americas, New York, N.Y., 1899 L Street NW., Suite 1001, Washington, D.C. 20036.

A. Betty-Grace Terpstra, Furniture Manufacturers Association, 918 16th Street NW., No. 402, Washington, D.C. 20006.
B. Southern Furniture Manufacturers Association, P.O. Box 2436, High Point, N.C. 27261.

A. Texasgulf, Inc., High Ridge Park, Stamford, Conn. 06904.

A. Mary Kay Thatcher, American Farm Bureau Federation, 600 Maryland Avenue, SW., Washington, D.C. 20024.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.

A. Ther-A-Pedic Midwest Inc., 2350 5th Street, Rock Island, Ill. 61201.

A. Meshall Thomas, 2000 P Street NW., No. 400, Washington, D.C. 20036.
B. Women's Legal Defense Fund, 2000 P Street NW., No. 400, Washington, D.C. 20036.

A. Fred D. Thompson, Thompson & Crawford, 1575 Eye Street NW., Suite 325,Washington, D.C. 20005.
B. Central States Southeast and Southwest Areas, Health & Welfare & Pension Funds, 8550 West Bryn Mawr Avenue, Chicago, Ill. 60631.

A. Terence H. Thorn, Houston Natural Gas Corp., 1700 North Moore Street, Suite 919, Arlington, Va. 22209.
B. Houston Natural Gas Corp., 1700 North Moore Street, Suite 919, Arlington, Va. 22209

A. Robert O. Tiernan, 1015 18th Street NW., Suite 601, Washington, D.C 20036.
B. The Penn Central Corp., 1776 G Street, NW., Suite 502, Washington, D.C. 20006.

A. Tietz & O'Connell, 107 West Jefferson Street, Rockville, Md. 20850.
B. Y & M Steel Contractors, Inc., P.O. Box 394, 124 Maryland Route 3 North, Millersville, Md. 21108.

A. Roger Tilles, 1111 19th Street NW., Suite 1050, Washington, D.C. 20036.
B. Cities in Schools, Inc., 465 Boulevard SE., Atlanta, Ga. 30312.

A. Patti A. Tilson, 900 17th Street NW., Suite 520, Washington, D.C. 20006.
B. Matsushita Electric Corp. of America, 1 Panasonic Way, Secaucus, N.J. 07094.

A. Patti Tilson, 900 17th Street NW., Suite 520, Washington, D.C. 20006.
B. Toyota Motor Sales, U.S.A., Inc., 919 18th Street NW., Suite 600, Washington, D.C 20006.

A. David A. Trick, 210 Seventh Street SE., Suite A-3, Washington, D.C. 20003.
B. Federal Employees Political Action Committee, 210 Seventh Street SE., Suite A-3, Washington, D.C. 20003.

A. Sally A. Triplett, 1100 17th Street NW., Suite 302, Washington, D.C. 20036.
B. Samuel E. Stavisky and Associates Inc. (for Broadcast Music Inc., 320 West 57th Street, New York, N.Y.), 1100 17th Street NW., Suite 302, Washington, D.C. 20036.

A. Alexander B. Trowbridge, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. St. Clair J. Tweedie, American Cyanamid Co., 1575 I Street NW., Suite 220 Washington, D.C. 20005.
B. American Cyanamid Co., 1 Cyanamid Plaza, Wayne, N.J. 07470.

A. Lewis K. Uhler, P.O. Box 513, Loomis, Calif. 95650.
B. National Tax Limitation Committee, 1523 L Street NW., Suite 600, Washington, D.C. 20005.

A. UNIFI, Inc., 7201 West Friendly Road, P.O. Box 21368, Greensboro, N.C. 27420.

A. United Services Automobile Association, USAA Building, San Antonio, Tex. 78288.

A. Jennifer Vasilott, 530 Seventh Street SE., Washington, D.C. 20003.
B. National Clean Air Coalition, 530 Seventh Street, SE., Washington, D.C. 20003.

A. Sadami Wada, Sony Corp. of America, 9 West 57th Street, New York, N.Y. 10019.
B. Sony Corp. of America, 9 West 57th Street, New York, N.Y. 10019.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue, NW., Washington, D.C. 20006.
B. Aerospace Industries Association of America, 1725 DeSales Street, NW., Washington, D.C. 20036.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Airlines, Inc., P.O. Box 61616, Dallas/Ft. Worth Airport, Tex. 75261.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Guild of Authors & Composers, 40 West 57th Street, New York, N.Y. 10019.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Inland Steel Corp., 30 West Monroe Street, Chicago, Ill. 60603.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Steel Corp., 2800 Grant Building, Pittsburgh, Pa. 15219.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Potlatch Corp., 1090 Vermont Avenue NW., Washington, D.C. 20005.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Republic Steel Corp., P.O. Box 6778, Cleveland, Ohio 44101.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Scott Paper Co., Scott Plaza, Philadelphia, Pa. 19113.

A. John X. Ward, 2001 S Street NW., Washington, D.C. 20009.
B. National Consumer Cooperative Bank, 2001 S Street NW., Washington, D.C. 20009.

A. Douglas M. Webb, Standard Oil Co. (Ohio), 1111 19th Street NW., Suite 310, Washington, D.C. 20036.
B. The Standard Oil Co. (Ohio), Cleveland, Ohio 44115.

A. Webster & Sheffield, 1200 New Hampshire Ave NW., Washington, D.C. 20036.
B. Adams County, Colo., Administration Building, 450 South 4th Avenue, Brighton, Colo.

A. Don Welch, P.O. Box 841, Abilene, Tex. 79604.
B. West Texas Utilities Co., P.O. Box 841, Abilene, Tex. 79604.

A. Wellford, Wegman, Krulwich, Gold & Hoff, 1015 18th Street NW., Washington, D.C. 20036.
B. Petro-Lewis Corp., Petro-Lewis Building, 717 17th Street, P.O. Box 2250, Denver, Colo. 80201.

A. Wexler & Associates, Inc., 1616 H Street NW., Suite 400, Washington, D.C. 20006.
B. Independent Gas Producers Committee, 6441 Northwest Grand Boulevard, Oklahoma City, Okla. 73116.

A. Wexler & Associates, Inc., 1616 H Street NW., Suite 400, Washington, D.C. 20006.
B. The National Football League, 410 Park Avenue, New York, N.Y. 10022.

A. Dale J. Wheeler, 15th and M Streets, NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets, NW., Washington, D.C. 20005.

A. Stephen M. Wheeler, 530 Seventh Street, SE., Washington, D.C. 20003.
B. Friends of the Earth, 530 Seventh Street, SE., Washington, D.C. 20003.

A. White & Case, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Republic of Indonesia, c/o Embassy of the Republic of Indonesia, 2020 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Whitman & Ransom, 522 Fifth Avenue, New York, N.Y. 10036; 1333 New Hampshire Avenue NW., Suite 650, Washington, D.C. 20036.
B. American Friends of Kiryat Sanz Laniado Hospital, 580 Fifth Avenue, New York, N.Y. 10036.

A. Whitman & Ransom, 522 Fifth Avenue, New York, N.Y. 10036; 1333 New Hampshire Avenue NW., Suite 650, Washington, D.C. 20036.
B. The Belz Institute of Israel, 1369 45th Street, Brooklyn, N.Y. 11219.

A. Williams & Connolly, 839 17th Street NW., Washington, D.C. 20006.
B. Council of State Hospital Finance Authorities, 35 East Wacker Drive, Suite 2188, Chicago, Ill. 60601.

A. Williams & Connolly, 1000 Hill Building, Washington, D.C. 20006.
B. Twentieth Century-Fox Film Corp., 10201 West Pico Boulevard, Los Angeles, Calif. 90035.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Century 21 Real Estate Corp., 18872 MacArthur Boulevard, Irvine, Calif. 92715.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Competitive Telecommunication Coalition, 1707 L Street NW., Washington, D.C. 20036.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Higher Education Assistance Foundation, 34 Corporate Woods, 10950 Grandview, Overland Park, Kans. 66210.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Recording Industry of America, Inc., 888 7th Avenue, Ninth Floor, New York, N.Y. 10106.

A. Susan J. Williams, 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036.
B. Bracy Williams & Co. (for Employee Owned Airlines), 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036.

A. Susan J. Williams, 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036.
B. Bracy Williams & Co. (for Humana Inc.), 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036.

A. Susan J. Williams, 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036.
B. Bracy Williams & Co. (for NIKE International), 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036.

A. Susan J. Williams, 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036.
B. Bracy Williams & Co. (for Quixote Corp.), 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036.

A. Willkie Farr & Gallagher, 818 Connecticut Avenue, NW., Washington, D.C. 20006.
B. Reliance Group, Inc., Park Avenue Plaza, New York, N.Y. 10055.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. CPC International, Inc., International Plaza, Englewood Cliffs, N.J. 07632.

A. Robert C. Wilson, 216 South Carolina Avenue SE., Washington, D.C. 20003.
B. Southwest Marine, Inc., Foot of Sampson Street, San Diego, Calif. 92113.

A. Windels, Marx, Davies & Ives, 51 West 51st Street, New York, N.Y. 10019; 1800 M Street NW., No. 625N, Washington, D.C. 20036.

A. Robert V. Witeck, The Power House, 3255 Grace Street NW., Washington, D.C. 20007.
B. Gray & Co. (for the Minimum Tax Coalition), The Power House, 3255 Grace Street NW., Washington, D.C. 20007.

A. Bruce Wolpe, National Public Radio, 2025 M Street NW., Washington, D.C. 20036.
B. National Public Radio, 2025 M Street NW., Washington, D.C. 20036.

A. John L. Wood, Box 1, Central & Southwest Services, Inc., 2700 Main Place, Dallas, Tex. 95202

B. Central & South West Corp., 2700 Main Place, Dallas, Tex. 75202.

A. John L. Wood, Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.

B. Edison Electric Institute, 1111 19th Street, NW., Washington, D.C. 20036.

A. Dee Workman, Valkyric Enterprises, Inc., 405 Lexington Avenue, Suite 524, New York, N.Y. 10017.

B. Valkyric Enterprises, Inc., 405 Lexington Avenue, Suite 524, New York, N.Y. 10017.

A. W. Robert Worley, Southern Company Services, 1736 Creek Crossing Road, Vienna, Va.

B. Southern Company Services, Inc., 1101 17th Street NW., Suite 405, Washington, D.C. 20036.

A. Steven M. Worth, The Power House, 3255 Grace Street NW., Washington, D.C. 20007.

B. Gray & Co. (for Thyssen Nordseewerke GMBH), The Power House, 3255 Grace Street NW., Washington, D.C. 20007.

A. Wyman, Bautzer, Rothman, Kuchel & Silbert, 600 New Hampshire Avenue, Suite 580, Washington, D.C. 20037.

B. Automotive Dismantlers & Recyclers Association, 1000 Vermont Avenue, Washington, D.C. 20005.

A. T. Albert Yamada, Suite 520, 900 17th Street NW., Washington, D.C. 20006.

B. Matsushita Electric Corp. of America, 1 Panasonic Way, Secaucus, N.J. 07094.

A. Patricia D. Yoder, 1600 Wilson Boulevard, No. 1000, Arlington, Va. 22209.

B. American Waterways Operators, Inc., 1600 Wilson Boulevard, No. 1000, Arlington, Va. 22209.

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the first calendar quarter 1982:

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19..........◆

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◆

AFFIDAVIT

[Omitted in printing]

PAGE 1◆

NOTE ON ITEM "D."—(*a*) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(*c*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $..............Dues and assessments
2. $..............Gifts of money or anything of value
3. $..............Printed or duplicated matter received as a gift
4. $..............Receipts from sale of printed or duplicated matter
5. $..............Received for services (e.g., salary, fee, etc.)

6. $..............TOTAL for this Quarter (Add items "1" through "5")
7. $..............Received during previous Quarters of calendar year

8. $..............TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $..............TOTAL now owed to others on account of loans
10. $..............Borrowed from others during this Quarter
11. $..............Repaid to others during this Quarter

12. $..............“Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": ....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and address of Contributor* (*"Period"* from Jan. 1 through.............................., 19.......)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(*a*) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $..............Public relations and advertising services
2. $..............Wages, salaries, fees, commissions (other than item "1")
3. $..............Gifts or contributions made during Quarter
4. $..............Printed or duplicated matter, including distribution cost
5. $..............Office overhead (rent, supplies, utilities, etc.)
6. $..............Telephone and telegraph
7. $..............Travel, food, lodging, and entertainment
8. $..............All other expenditures

9. $..............TOTAL for this Quarter (Add "1" through "8")
10. $..............Expended during previous Quarters of calendar year

11. $..............TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $..............TOTAL now owed to person filing
13. $..............Lent to others during this Quarter
14. $..............Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

A. Robert J. Aagre. Chamber of Commerce of the U.S.. 1615 H Street NW.. Washington. D.C. 20062.
B. Chamber of Commerce of the U.S.. 1615 H Street NW.. Washington. D.C. 20062.
D. (6) $1.642. E. (9) $229.60.

A. Paul C. Abenante. 2020 K Street NW.. Suite 850. Washington. D.C. 20006.
B. American Bakers Association. 2020 K Street NW.. Suite 850. Washington. D.C. 20006.
D. (6) $596.25. E. (9) $4.30.

A. Sherman R. Abrahamson. Control Data Corp.. 1201 Pennsylvania Avenue NW.. Washington. D.C. 20004
B. Control Data Corp.. 8100 34th Avenue South. P.O. Box O. Minneapolis. Minn. 55440.

A. ACLI International Inc.. 717 Westchester Avenue. White Plains. N.Y. 10604.

A. Action. Inc.. 713 D Street SE.. Washington. D.C. 20003.
B. American Home Economics Association. 2010 Massachusetts Avenue NW.. Washington. D.C.
D. (6) $850. E. (9) $440.85.

A. Action. Inc.. 713 D Street SE.. Washington. D.C. 20003.
B. American Indian Higher Education Consortium. 1582 South Parker Road. Suite 210. Denver. Colo. 80231.
D. (6) $3.125. E. (9) $2.364.62.

A. Action. Inc.. 713 D Street SE.. Washington. D.C. 20003.
B. National Congress of American Indians. 202 E Street SE.. Washington. D.C. 20002.
D. (6) $467.47. E. (9) $125.56.

A. Action for Children's Television. 46 Austin Street. Newtonville. Mass. 02160.
D. (6) $75.249.50. E. (9) $617.51.

A. Charles F. Adams. American Association of Advertising Agencies. 1899 L Street NW.. Washington. D.C. 20036.
B. American Association of Advertising Agencies. 666 Third Avenue. New York. N.Y. 10017.
D. (6) $2.500. E. (9) $750.

A. John J. Adams. 1919 Pennsylvania Avenue NW.. Suite 700. Washington. D.C. 20006.
B. VEPCO. One James River Plaza: Richmond. Va.
D. (6) $1.257.48.

A. Kenneth R. Adams. Volkswagen of America. Inc.. 475 L'Enfant Plaza SW.. Suite 2450. Washington. D.C. 20024.
B. Volkswagen of America. Inc.. 27621 Parkview Boulevard. Warren. Mich. 48092.
D. (6) $300.

A. Thomas L. Adams. Jr.. Republic Steel Corp.. 1101 15th Street NW.. Washington. D.C. 20005.
B. Republic Steel Corp.. Republic Building. Cleveland. Ohio 44101.

A. V. J. Adduci. Motor Vehicle Manufacturers Association of the U.S.. Inc.. 1909 K Street NW.. Suite 300. Washington. D.C. 20006.
B. Motor Vehicle Manufacturers Association of the U.S.. Inc.. 300 New Center Building. Detroit. Mich. 48202.
D. (6) $42.

A. Advocates to Save Legal Services. Inc.. 1625 K Street NW.. Eigth Floor. Washington. D.C. 20006.
D. (6) $220.

A. Aerospace Industries Association of America. Inc.. 1725 DeSales Street NW.. Washington. D.C. 20036.
D. (6) $17.645.49. E. (9) $17.645.49.

A. AFL-CIO Maritime Committee. 100 Indiana Avenue NW.. Washington. D.C. 20001.
D. (6) $7.120. E. (9) $7.360.86.

A. Elizabeth Agle. 530 Seventh Street SE.. Washington. D.C. 20003.
B. National Clean Air Coalition. 530 Seventh Street SE.. Washington. D.C. 20003.
D. (6) $7.392.27. E. (9) $134.37.

A. Robert S. Agman. 100 Indiana Avenue NW.. Washington. D.C. 20001.
B. Labor-Management Maritime Committee. 100 Indiana Avenue NW.. Washington. D.C. 20001.
D. (6) $1.736.80. E. (9) $4.08

A. Herbert Allen Ailsworth. Sandoz. Inc.. 1050 17th Street NW.. No. 1101. Washington. D.C. 20036.
B. Sandoz. Inc.. Route 10. East Hanover. N.J. 07936.
E. (9) $28.

A. Air Products & Chemicals. Inc.. 1800 K Street NW.. Suite 1016. Washington. D.C. 20006.
E. (9) $792.

A. Air Transport Association of America. 1709 New York Avenue NW.. Washington. D.C. 20006.
D. (6) $34.792.82. E. (9) $34.792.82.

A. Air-Conditioning & Refrigeration Institute. 1815 North Fort Myer Drive. Arlington. Va. 22209.
D. (6) $21.000. E. (9) $17.000.

A. Randolf H. Aires. Sears. Roebuck and Co.. 1211 Connecticut Avenue NW.. No. 802. Washington. D.C. 20036.
B. Sears. Roebuck and Co.. Sears Tower. Chicago. Ill. 60684.
D. (6) $5.100. E. (9) $312.78.

A. Akin. Gump. Strauss. Hauer & Feld. 1333 New Hampshire Avenue. NW.. Suite 400. Washington. D.C. 20036.
B. Ag-Energy Resources. Inc.. 7346A South Alton Way. Englewood. Colo. 80112.
D. (6) $500.

A. Akin. Gump. Strauss. Hauer & Feld. 1333 New Hampshire Avenue. NW.. Suite 400. Washington. D.C. 20036.
B. Archer Daniels Midland. 4666 Faries Parkway. Decatur. Ill. 62526.
D. (6) $2.500.

A. Akin. Gump. Strauss. Hauer & Feld. 1333 New Hampshire Avenue. NW.. Suite 400. Washington. D.C. 20036.
B. The Coastal Corp.. 9 Greenway Plaza. Houston. Tex. 77046.
D. (6) $4.700

A. Akin. Gump. Strauss. Hauer & Feld. 1333 New Hampshire Avenue. NW.. Suite 400. Washington. D.C. 20036.
B. E & J Gallo Winery. P.O.Box 1130. Modesto. Calif. 95353.
D. (6) $500.

A. Akin. Gump. Strauss. Hauer & Feld. 1333 New Hampshire Avenue. NW.. Suite 400. Washington. D.C. 20036.
B. Amerada Hess Corp.. 1185 Avenue of the Americas. New York. N.Y. 10036.
D. (6) $1.100.

A. Akin. Gump. Strauss. Hauer & Feld. 1333 New Hampshire Avenue. NW.. Suite 400. Washington. D.C. 20036.
B. MAPCO. Inc.. 1800 South Baltimore Avenue. Tulsa. Okla. 74119.
D. (6) $500.

A. Akin. Gump. Strauss. Hauer & Feld. 1333 New Hampshire Avenue. NW.. Suite 400. Washington. D.C. 20036.
B. Marlex Petroleum. Inc.. 666 E. Ocean Boulevard No. 2208. Long Beach. Calif. 90802.
D. (6) $1.150.

A. Akin. Gump. Strauss. Hauer & Feld. 1333 New Hampshire Avenue NW.. Suite 400. Washington. D.C. 20036.
B. Metropolitan Transit Authority of Harris County. P.O Box 61429. Houston. Tex. 77208.
D. (6) $7.000.

A. Akin. Gump. Strauss. Hauer & Feld. 1333 New Hampshire Avenue NW.. Suite 400. Washington. D.C. 20036.
B. Motion Picture Association of America. Inc.. 1600 I Street NW.. Washington. D.C. 20006.
D. (6) $16.700. E. (9) $54.33.

A. Akin. Gump. Strauss. Hauer & Feld. 1333 New Hampshire Avenue NW.. Suite 400. Washington. D.C. 20036.
B. National Football League. 410 Park Avenue. New York. N.Y. 10022.
D. (6) $4.700. E. (9) $54.32.

A. Akin. Gump. Strauss. Hauer & Feld. 1333 New Hampshire Avenue NW.. Suite 400. Washington. D.C. 20036.
B. New Energy Corp. of Indiana. 915 15th Street NW.. Suite 200. Washington. D.C. 20005.
D. (6) $600.

A. Akin. Gump. Strauss. Hauer & Feld. 1333 New Hampshire Avenue NW.. Suite 400. Washington. D.C. 20036.
B. Tom Reidy. Inc.. 110 Milam. Suite 2170. Houston. Tex. 77002.

A. Akin. Gump. Strauss. Hauer & Feld. 1333 New Hampshire Avenue NW.. Suite 400. Washington. D.C. 20036.
B. Richard Suman. 2444 Times Boulevard. Suite 101. Houston. Tex. 77005.

A. Joan H. Albert. National Association of Casualty & Surety Agents. 600 Pennsylvania Avenue SE.. No. 211. Washington. D.C. 20003.
B. National Association of Casualty & Surety Agents. 5454 Wisconsin Avenue. No. 1625. Chevy Chase. Md. 20815.
D. (6) $1.600. E. (9) $851.55.

A. James J. Albertine. Interstate Natural Gas Association of America. 1660 L Street NW.. Suite 601. Washington. D.C. 20036.
B. Interstate Natural Gas Association of America. 1660 L Street NW.. Suite 601. Washington. D.C. 20036.
D. (6) $300.

A. John M. Albertine. 1025 Connecticut Avenue NW.. No. 209. Washington. D.C. 20036.
B. The American Business Conference. Inc.. 1025 Connecticut Avenue NW.. No. 209. Washington. D.C. 20036.
D. (6) $1.562.50. E. (9) $245.90.

A. Alcaide. Henderson & O'Bannon. 1901 North Fort Myer Drive. 12th Floor. Rosslyn. Va. 22209.

B. American Fishing Tackle Manufacturers Association, 2625 Clearbrook Drive, Arlington Heights, Ill. 60005.
D. (6) $1,500.

A. Alcalde, Henderson & O'Bannon, 1901 North Fort Myer Drive, 12th Floor, Rosslyn, Va. 22209.
B. Associated Industries of Florida, 203 South Adams Street, Tallahassee, Fla. 23202.
D. (6) $600.

A. Alcalde, Henderson & O'Bannon, 1901 North Fort Myer Drive, 12th Floor, Rosslyn, Va. 22209.
B. Brunswick Corp., One Brunswick Plaza, Skokie, Ill. 60076.
D. (6) $3,000.

A. Alcalde, Henderson & O'Bannon, 1901 North Fort Myer Drive, 12th Floor, Rosslyn, Va. 22209.
B. California Nickel Corp., 23828 Hawthorne Boulevard, Torrance, Calif. 90503.

A. Alcalde, Henderson & O'Bannon, 1901 North Fort Myer Drive, 12th Floor, Rosslyn, Va. 22209.
B. City of Tucson, Tucson, Ariz.

A. Alcalde, Henderson & O'Bannon, 1901 North Fort Myer Drive, 12th Floor, Rosslyn, Va. 22209.
B. Coalition for Energy Efficient Transportation, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.

A. Alcalde, Henderson & O'Bannon, 1901 North Fort Myer Drive, 12th Floor, Rosslyn, Va. 22209.
B. Computer Sciences Corp., 650 North Sepulveda Boulevard, El Segundo, Calif. 90245.
D. (6) $1,500.

A. Alcalde, Henderson & O'Bannon, 1901 North Fort Myer Drive, 12th Floor, Rosslyn, Va. 22209.
B. Continental Employee's Association, 323 Richmond Street, El Segundo, Calif. 90245.

A. Alcalde, Henderson & O'Bannon, 1901 North Fort Myer Drive, 12th Floor, Rosslyn, Va. 22209.
B. The Continental Group, Inc., One Harbor Plaza, Stamford, Conn.

A. Alcalde, Henderson & O'Bannon, 1901 North Fort Myer Drive, 12th Floor, Rosslyn, Va. 22209.
B. Dade County Aviation Department, P.O. Box 592075 AMF, Miami, Fla. 33159.
D. (6) $1,500.

A. Alcalde, Henderson & O'Bannon, 1901 North Fort Myer Drive, 12th Floor, Rosslyn, Va. 22209.
B. Dade County Seaport Authority, 1015 North America Way, Miami, Fla. 33132.
D. (6) $1,500.

A. Alcalde, Henderson & O'Bannon, 1901 North Fort Myer Drive, 12th Floor, Rosslyn, Va. 22209.
B. Newspaper Broadcaster Committee, P.O. Box 3412, San Francisco, Calif. 94119.
D. (6) $15,000.

A. Alcalde, Henderson & O'Bannon, 1901 North Fort Myer Drive, 12th Floor, Rosslyn, Va. 22209.
B. Pan Am World Airways, Inc., 200 Park Avenue, New York, N.Y. 10017.

A. Alcalde, Henderson & O'Bannon, 1901 North Fort Myer Drive, 12th Floor, Rosslyn, Va. 22209.
B. Pratt & Whitney Aircraft Group, 400 Main Street, East Hartford, Conn.

A. Alcalde, Henderson & O'Bannon, 1901 North Fort Myer Drive, 12th Floor, Rosslyn, Va. 22209.
B. Tampa Electric Co., P.O. Box 111, Tampa, Fla. 33601.
D. (6) $1,500.

A. Alcalde, Henderson & O'Bannon, 1901 North Fort Myer Drive, 12th floor, Rosslyn, Va. 22209.
B. Tampa Port Authority, P.O. Box 2192, Tampa, Fla. 33601
D. (6) $3,600

A. Alcalde, Henderson & O'Bannon, 1901 North Fort Myer Drive, 12th floor, Rosslyn, Va. 22209.
B. Jim Walter Corp., P.O. Box 22601, Tampa, Fla. 33622.
D. (6) $3,000

A. Claude D. Alexander, 2000 L Street NW., Suite 801, Washington, D.C. 20036.
B. Ralston Purina Government Affairs, Inc., 2000 L Street NW., Suite 801, Washington, D.C. 20036.
D. (6) $400. E. (9) $165.

A. Donald C. Alexander, Morgan, Lewis & Bockius, 1800 M Street NW., Washington, D.C. 20036.
B. Committee for Capital Formation Through Dividend Reinvestment, 1800 M Street, NW., Suite 800N, Washington, D.C. 20036.
D. (6) $40.

A. Willis W. Alexander, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,500. E. (9) $43.99.

A. Maxton M. Allcox, Brotherhood of Maintenance of Way Employes, 400 First Street NW., Room 801, Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.
D. (6) $11,403.

A. Joseph P. Allen, Intellectual Property Owners, Inc., 1899 L Street NW., Suite 400, Washington, D.C. 20036.
B. Intellectual Property Owners, Inc., 1899 L Street NW., Suite 400, Washington, D.C. 20036.
D. (6) $12,050. E. (9) $245.83.

A. Alliance for Cannabis Therapeutics, P.O. Box 23691, Washington, D.C. 20024.
D. (6) $2,172. E. (9) $823.72.

A. Alliance of American Insurers, 20 North Wacker Drive, Suite 2140, Chicago, Ill. 60606.
E. (9) $4,292.

A. Alliance to Save Energy, 1925 K Street NW., Suite 507, Washington, D.C. 20006.
E. (9) $1,378.97.

A. Peter Allstrom, 815 16th Street NW., Suite 408, Washington, D.C. 20006.
B. Food and Beverage Trades Dept., AFL-CIO, 815 16th Street NW., Suite 408, Washington, D.C. 20006.
D. (6) $2,406.24.

A. Harvey Alter, U.S. Chamber of Commerce, 1615 H Street NW., Washington, D.C. 20062.
B. U.S. Chamber of Commerce, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $200.

A. Richard H. Altman, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
D. (6) $1,260.

A. Ricardo R. Alvarado, 6108 Fort Hunt Road, Alexandria, Va. 22307.
B. Lockheed Corp., P.O. Box 551, Burbank, Calif. 91520.
D. (6) $2,520. E. (9) $303.

A. Robert Alvarez, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,499.99.

A. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.
D. (6) $8,912.11. E. (9) $8,912.11.

A. American Arts Alliance, 424 C Street NE., Washington, D.C.
D. (6) $38,148.55. E. (9) $75,637.10.

A. American Association of Foundations for Medical Care, 5410 Grosvenor Lane, Suite 210, Bethesda, Md. 20814.
E. (9) $225.

A. American Association of Homes for the Aging, 1050 17th Street NW., Suite 770, Washington, D.C. 20036.
D. (6) $3,410. E. (9) $3,410.

A. American Association of Meat Processors, P.O. Box 269, Elizabethtown, Pa. 17022.
D. (6) $799.44. E. (9) $2,493.03.

A. American Association of Port Authorities, 1612 K Street NW., No. 900, Washington, D.C. 20006.
E. (9) $17,858.31.

A. American Association of Professional Standards Review Organizations, 5410 Grosvenor Lane, Suite 210, Bethesda, Md. 20814.
E. (9) $10.20.

A. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.

A. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $38,806.93. E. (9) $38,806.93.

A. American Business Conference, Inc., 1025 Connecticut Avenue NW., No. 209, Washington, D.C. 20036.
D. (6) $3,900. E. (9) $2,526.83.

A. American Conservative Union, 38 Ivy Street SE., Washington, D.C. 20003.
E. (9) $1,800.

A. American Council for Capital Formation, 1850 K Street NW., Suite 520, Washington, D.C. 20006.
D. (6) $11,071. E. (9) $7,330.

A. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
E. (9) $27,834.68.

A. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068; 600 Maryland Avenue SW., Suite 800, Washington, D.C. 20024.
D. (6) $117,501. E. (9) $117,501.

A. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
E. (9) $140,778.07.

A. American Feed Manufacturers Association, 1701 North Fort Myer Drive, Arlington, Va. 22209
D. (6) $3,000. E. (9) $3,000.

A. American Frozen Food Institute, 1700 Old Meadow Road, Suite 100, McLean, Va. 22102.
E. (9) $841.52.

A. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $34,250. E. (9) $34,250.

A. American Health Industries Institute, Box 24200, Southwest Station, Washington, D.C. 20024.
E. (9) $2,285.

A. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $15,705.05. E. (9) $7,225.36.

A. The American Humane Association, 9725 East Hampden, Denver, Colo. 80231.
E. (9) $9,633.33.

A. American Institute of Merchant Shipping, 1625 K Street, NW., Washington, D.C. 20006.
E. (9) $1,419.35.

A. American Israel Public Affairs Committee, 444 North Capitol Street, NW., No. 412, Washington, D.C. 20001.
D. (6) $64,172. E. (9) $98,389.16.

A. American Insurance Association, 85 John Street, New York, N.Y. 10038.
D. (6) $652. E. (9) $652.

A. American Land Title Association, 1828 L Street, NW., Washington, D.C. 20036.
E. (9) $5,941.

A. American League for Exports and Security Assistance, Inc., Suite 4400, 475 L'Enfant Plaza, SW., Washington, D.C. 20024.
D. (6) $17,529.30. E. (9) $17,529.30.

A. American Library Association, 50 E. Huron Street, Chicago, Ill. 60611.
D. (6) $3,053.66. E. (9) $5,671.25.

A. American Maritime Association, 17 Battery Place, New York, N.Y. 10004; 1612 K Street NW., Washington, D.C. 20006.

A. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007; 1700 North Moore Street, Arlington, Va.
D. (6) $9,275.13. E. (9) $9,275.13.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $958.75. E. (9) $36,780.50.

A. American Movers Conference, 400 Army-Navy Drive, Arlington, Va. 22202.
E. (9) $101.08.

A. American Newspaper Publishers Association, Box 17407, Dulles International Airport, Washington, D.C. 20041.
D. (6) $20,139.35. E. (9) $20 139.35.

A. American Nuclear Energy Council, 410 First Street SE., Washington, D.C.
D. (6) $14,723.99. E. (9) $56,523.33.

A. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $18,701.84. E. (9) $18,701.84.

A. American Optometric Association, 395 Orchard Street, Antioch, Ill. 60002.
D. (6) $576.56. E. (9) $576.56

A. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $78.

A. American Paratransit Institute, Inc., P.O. Box 340276, Coral Gables, Fla. 33134.
E. (9) $800.

A. American Personnel & Guidance Association, 5203 Leesburg Pike, Falls Church, Va. 22041.
D. (6) $42,980.15. E. (9) $19,359.84.

A. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $300,997. E. (9) $223,799.

A. American Physical Therapy Association, 1156 15th Street NW., Washington, D.C. 20005.
D. (6) $3,369.14. E. (9) $3,369.14.

A. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
E. (9) $22,559.31.

A. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $4,566,960.01. E. (9) $223,316.73.

A. American Public Transit Association, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $13,673. E. (9) $13,67.

A. American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.
E. (9) $11,350.

A. American Surveys, Embassy Square, Suite 901, 2000 N Street NW., Washington, D.C. 20036.
B. National Customs Brokers & Forwarders Association of America, Inc., 1 World Trade Center, Suite 1109, New York, N.Y. 10048.
D. (6) $437.25. E. (9) $279.84.

A. American Trucking Association, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $10,290.06. E. (9) $78,412.05.

A. American Veterinary Medical Association, 1522 K Street NW., No. 828, Washington, D.C. 20005
E. (9) $140.

A. Morris J. Amitay, P.C., 400 North Capitol Street NW., Suite 168, Washington, D.C. 20001.
B. Air Florida, P.O. Box 592337, Miami, Fla. 33159.

A. Morris J. Amitay, P.C., 400 North Capitol Street NW., Suite 168, Washington, D.C. 20001.
B. ENI Cos., 110 110th Avenue NE., Call No. 21611, Bellevue, Wash. 98009.
D. (6) $7,500.

A. Morris J. Amitay, P.C., 400 North Capitol Street NW., Suite 168, Washington, D.C. 20001.
B. Hickory Association, 6 East Main Street, Ramsey, N.J. 07446.
D. (6) $1,000.

A. Morris J. Amitay, P.C., 400 North Capitol Street NW., Suite 168, Washington, D.C. 20001.
B. Luz International, Ltd., 1105 Burlingame Avenue, Burlingame, Calif. 94010.

A. Morris J. Amitay, P.C., 400 North Capitol Street NW., Suite 168, Washington, D.C. 20001.
B. Northrop Corp., 1000 Wilson Boulevard, Suite 2300, Arlington, Va. 22209.
D. (6) $3,000.

A. John G. Ams, National Association of Realtors, 777 14th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 777 14th Street NW., Washington, D.C. 20005.
D. (6) $1,750. E. (9) $132.25.

A. Edward Andersen, National Grange, 1616 H Street NW., Washington, D.C. 20006.
B. National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $785.

A. Anthony L. Anderson, Sun Co., Inc., 1800 K Street NW., Suite 820, Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.
D. (6) $4,934. E. (9)$26.

A. J. Lem Anderson, Time Inc., 888 16th Street NW., Washington, D.C. 20006.
B. Time Inc., Rockefeller Center, Time & Life Building, New York, N.Y. 10020.
D. (6) $2,500. E. (9) $14.80.

A. Jane K. Anderson, 1111 19th Street NW., Suite 310, Washington, D.C. 20006.
B. The Standard Oil Co. (Ohio), Cleveland, Ohio 44115.

A. Robert L. Anderson, Deere & Co., John Deere Road, Moline, Ill. 61265.
B. Deere & Co. John Deere Road, Moline, Ill. 61265.
D. (6) $43.75. E. (9) $53.89.

A. Steven C. Anderson, 1700 Old Meadow Road, Suite 100, McLean, Va. 22102.
B. American Frozen Food Institute, 1700 Old Meadow Road, Suite 100, McLean Va. 22102.
D. (6) $5,000.

A. Wayne C. Anderson, Nabisco, Inc., 1629 K Street NW., Washington, D.C. 20006.
B. Nabisco, Inc., East Hanover, N.J. 07936.
D. (6) $5,000. E. (9) $1,315.36.

A. William C. Anderson, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $110.

A. Jack O. Andresen, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Andrews & Kurth, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Space Services, Inc., P.O. Box 4, Houston, Tex. 77001.

A. Robert C. Angel, 1000 Connecticut Avenue NW., Washington, D.C. 20006.
B. Japan Economic Institute of America, 1000 Connecticut Avenue NW., Washington, D.C. 20006.

D. (6) $300.

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A. Jay Angoff, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Congress Watch, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,749.99

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A. J. Donald Annett, Texaco, Inc., 1050 17th Street NW., No. 500, Washington, D.C. 20036.
B. Texaco Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.
D. (6) $300.

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A. Tobias Anthony, Research-Cottrell, Inc., 100 K Street NW., Suite 720, Washington, D.C.
B. Research-Cottrell, Inc., P.O. Box 1500, Somerville, N.J. 08876.
D. (6) $3,000. E. (9) $155.

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A. John Archer, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.

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A. W. Stanley Armstrong, American Mining Congress, 1920 N Street NW., Suite 300, Washington, D.C. 20036.
B. American Mining Congress, 1920 N Street, NW., Washington, D.C. 20036.
D. (6) $90. E. (9) $9.50.

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A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Family Corp., 1902 Wynnton Road, Columbus, Ga. 31906.
D. (6) $480.

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A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Iron & Steel Institute, 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $1,000.

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A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $15,000.

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A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mortgage Guaranty Insurance Corp., P.O. Box 488, Milwaukee, Wis. 53201.
D. (6) $467.

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A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Realty Committee, 2033 M Street NW., Washington, D.C. 20036.
D. (6) $750.

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A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Quintana Petroleum Corp., P.O. Box 3331, Houston, Tex. 77253.
D. (6) $469.

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A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Quintana Refinery Co., P.O. 3331, Houston, Tex. 77253.
D. (6) $469.

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A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Securities Industry Association, 20 Broad Street, New York, N.Y. 10005.
D. (6) $467.

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A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Security First Group, Inc., 1800 Avenue of the Stars, Los Angeles, Calif. 90067.
D. (6) $500.

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A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Building & Construction Trades Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
E. (9) $14.

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A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Federation of Apparel Manufacturers, 450 Seventh Avenue, New York, N.Y. 10001.
E. (9) $5.90.

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A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Shelter Insurance Cos., 1817 West Broadway, Columbia, Mo. 65201.
D. (6) $115. E. (9) $3.52.

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A. Thomas Ludlow Ashley, P.C., 1730 Pennsylvania Avenue NW., No. 1050, Washington, D.C. 20006.
B. American International Group, Inc., 70 Pine Street, New York, N.Y. 10005.
D. (6) $4,042.50. E. (9) $43.06.

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A. Thomas Ludlow Ashley, P.C., 1730 Pennsylvania Avenue NW., No. 1050, Washington, D.C. 20006.
B. Federal Home Loan Mortgage Corp., 1776 G Street NW., Washington, D.C. 20013.

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A. Thomas Ludlow Ashley, 1730 Pennsylvania Avenue NW., No. 1050, Washington, D.C. 20006.
B. General Public Utilities Corp., 100 Interpace Parkway, Parsippany, N.J.
D. (6) $15,000. E. (9) $3,214.30.

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A. Thomas Ludlow Ashley, P.C., 1730 Pennsylvania Avenue NW., No. 1050, Washington, D.C. 20006.
B. Irving Trust Co., One Wall Street, New York, N.Y. 10015.
D. (6) $12,500. E. (9) $9.72.

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A. Thomas Ludlow Ashley, P.C., 1730 Pennsylvania Avenue NW., No. 1050, Washington, D.C. 20006.
B. Nationwide Mutual Insurance Co., 1 Nationwide Plaza, Columbus, Ohio 43216.
D. (6) $5,000. E. (9) $3.38.

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A. Thomas Ludlow Ashley, P.C., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Teledyne CAE, 1330 Laskey Road, Toledo, Ohio 43612.
D. (6) $2,400.

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A. Thomas Ludlow Ashley, P.C., 1730 Pennsylvania Avenue NW., No. 1050, Washington, D.C. 20006.
B. Toledo-Lucas County Port Authority, 241 Superior Street, Toledo, Ohio 43604.
D. (6) $8,400.

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A. Joseph Ashooh, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

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A. Associated Builders and Contractors, Inc., 444 North Capitol Street NE., Suite 409, Washington, D.C. 20001.
D. (6) $11,000.

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A. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

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A. Association for Biomedical Research, 400-2 Totten Pond Road, Suite 200, Waltham, Mass. 02154.
D. (6) $47,500. E. (9) $8,004.34.

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A. Association for the Improvement of the Mississipi River, 10 Broadway, St. Louis, Mo. 63102.
E. (9) $8,519.75.

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A. Association of American Foreign Service Women, P.O. Box 8068, Washington, D.C. 20024.
D. (6) $7,126.10.

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A. Association of American Publishers, 2005 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $8,181.25. E. (9) $8,181.25.

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A. Association of Amercian Railroads, American Railroads Building, 1920 L Street NW., Room 720, Washington, D.C. 20036.
D. (6) $37,955.68. E. (9) $37,955.68.

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A. Association of American Veterinary Medical Colleges, 1522 K Street NW., No. 828, Washington, D.C. 20005.
E. (9) $75.

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A. Association of Data Processing Services Organization, Inc., 1300 North 17th Street, Suite 300, Arlington, Va. 22209.

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A. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
E. (9) $2,841.07.

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A. Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20007.
D. (6) $14,527.50. E. (9) $14,527.50.

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A. Carl E. Atkinson, United States Steel Corp., 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.
D. (6) $200. E. (9) $25.

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A. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
E. (9) $2,010.

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A. Lloyd G. Ator, Jr., American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,500. E. (9) $615.59.

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A. Fritz E. Attaway, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.
D. (6) $88. E. (9) $3.80.

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A. George L. Atwood, Monsanto Co., 700 South Boulevard, Suite 500, Denver, Colo. 80222.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $1,177.54. E. (9) $2,738.03.

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A. Automotive Parts Rebuilders Association, 6849 Old Dominion Drive, McLean, Va. 22101.
D. (6) $4,762. E. (9) $4,761.88.

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A. John S. Autry, Sperry Corp., 2000 L Street NW., Suite 810, Washington, D.C. 20036.
B. Sperry Corp., 2000 L Street NW., Suite 810, Washington, D.C. 20036.
D. (6) $2,000. E. (9) $3,500.

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A. Aviation Consumer Action Project, 1346 Connecticut Avenue NW., Box 19029, Washington, D.C. 20036.

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A. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.

D. (6) $174.20. E. (9) $20.

A. William H. Axtman, 950 North Glebe Road, Suite 160, Arlington, Va. 22203.
B. American Boiler Manufacturers Association, 950 North Glebe Road, Suite 160, Arlington, Va. 22203.
D. (6) $44.79. E. (9) $1.70.

A. Walter C. Ayers, Virginia Petroleum Council, 1809 Staples Mill Road, Richmond, Va. 23230.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $300. E. (9) $115.68.

A. Craig H. Baab, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $67.25.

A. Jed L. Babbin, 4910 North 27th Street, Arlington, Va. 22207.
B. Shipbuilders Council of America, 1110 Vermont Avenue NW., Washington, D.C. 20005.
D. (6) $13,750.

A. Patti Jo Baber, 1737 H Street NW., Washington, D.C. 20006.
B. Diamond Shamrock Corp., 717 North Harwood Street, Dallas, Tex.
D. (6) $1,500.

A. Dale R. Babione, The Boeing Co., 1700 North Moore Street, Rosslyn, Va. 22209.
B. The Boeing Co., 1700 North Moore Street, Rosslyn, Va. 22209.
D. (6) $338.

A. Bache Halsey Stuart Shields, Inc., 100 Gold Street, New York, N.Y. 10272.
E. (9) $750.

A. Baer Marks & Upham, 299 Park Avenue, New York, N.Y. 10171.
B. Commodity Exchange, Inc., Four World Trade Center, New York, N.Y. 10048.

A. George F. Bailey, Jr., P.O. Box 21, Montgomery, Ala. 36101.
B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.
D. (6) $284.55. E. (9) $710.08.

A. William W. Bailey, 1050 17th Street NW., Suite 1050, Washington, D.C. 20036.
B. Merck & Co., Inc., Box 2000, Rahway, N.J. 07065.
D. (6) $1,000. E. (9) $313.73.

A. John M. Baines, 4707 Connecticut Avenue NW, Washington, D.C. 20008.
B. Johnson Oil Co., Inc., La Barge, Wyo. and Silver Eagle Refining Co., Inc., La Barge, Wyo.

A. Judith L. Baird, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $250.

A. Edward R. Bajer, 1015 15th Street NW., No. 802, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1015 15th Street NW., No. 802, Washington, D.C. 20005.
D. (6) $450.

A. Baker & Botts, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Houston Lighting & Power Co., P.O. Box 1700, Houston, Tex. 77001.

A. Baker & Botts, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pennzoil Co., Pennzoil Place, Box 2967, Houston, Tex. 77001.

A. Baker & Botts, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Rotan Mosle, Inc., 1500 South Tower, Pennzoil Place, Houston, Tex. 77002.
E. (9) $2.49.

A. Baker & Botts, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Texas International Airlines, Inc., Box 12788, Houston, Tex. 77017.

A. Baker & Botts, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Texasgulf, Inc., High Ridge Park, Stamford, Conn. 06904.

A. Dennis J. Baker, Norton Co., 1 New Bond Street, Worcester, Mass. 01606.
B. Norton Co., 1 New Bond Street, Worcester, Mass. 01606.
D. (6) $9,600.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C. 20036
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. J. R. Baker, P.O. Box 1806, Zephyr Cove, Nev. 89448.
B. Aircraft Technical Publishers, 655 Fourth Street, San Francisco, Calif. 94107.

A. James Jay Baker, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $675. E. (9) $126.49

A. Waldon L. Baker, 1015 15th Street NW., No. 802, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1015 15th Street NW., No. 802, Washington, D.C. 20005.
D. (6) $100.

A. Donald F. Bale, 7836 Chummley Court, Falls Church, Va. 20043.
B. Center to Protect Workers' Rights, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
D. (6) $9,999.99. E. (9) $645.82.

A. Jacqueline Balk-Tusa, 1625 Eye Street NW., No. 809, Washington, D.C. 20006.
B. Boise Cascade Corp., 1625 Eye Street NW., No. 809, Washington, D.C. 20006.
D. (6) $13,075.

A. H. R. Balikov, J. M. Huber Corp., Thornall Street, Edison, N.J. 08818.
B. J. M. Huber Corp., Thornall Street, Edison, N.J. 08818.
E. (9) $606.25

A. W. Allen Ball, Kiawah Island Co. Ltd., P.O. Box 12910, Charleston, S.C. 29412.
B. Kiawah Island Co. Ltd., P.O. Box 12910, Charleston, S.C. 29412.
D. (6) $75. E. (9) $159.09.

A. Ballard, Spahr, Andrews & Ingersoll, 1850 K Street, NW., Suite 1100, Washington, D.C. 20006.
B. Alaska, Industrial Development Authority, 1577 C Street, Suite 304, Anchorage, Alaska 99501.

A. Ballard, Spahr, Andrews & Ingersoll, 1850 K Street, NW., Suite 1100, Washington, D.C. 20006.
B. Delaware River Port Authority, Administration Building, Benjamin Franklin Bridge Plaza, Camden, N.J. 08101.
D. (6) $4,250. E. (9) $336.90.

A. Ballard, Spahr, Andrews & Ingersoll, 1850 K Street, NW., Suite 1100, Washington, D.C. 20006.
B. Pennsylvania Association of Industrial Development Authorities, Suite 302, 5 West 10th Street, Erie, Pa. 16501.

A. Ballard, Spahr, Andrews & Ingersoll, 1850 K Street NW., Suite 1100, Washington, D.C. 20006.
B. Philadelphia Port Corp., Suite 1020, Sixth and Chestnut Streets, Philadelphia, Pa. 19106.
D. (6) $4,250. E. (9) $336.90.

A. Michael Baly III, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $4,000. E. (9) $436.97.

A. Sheila Macdonald Bamberger, 311 First Street NW., Washington, D.C. 20001.
B. National Restaurant Association, 311 First Street, NW., Washington, D.C. 20001.
D. (6) $3,000.

A. Christine M. Bangert, International Telephone & Telegraph Corp., 1707 L Street NW., Washington, D.C. 20036.
B. International Telephone & Telegraph Corp., 320 Park Avenue, New York, N.Y. 10022.
E. (9) $120.

A. Richard K. Bank, Graham & James, Suite 1050, 1050 17th Street NW., Washington, D.C. 20036.
B. Neptune Orient Lines, Ltd., Neptune Building 13 Trafalgar Street, Singapore 0207.
D. (6) $2,712. E. (9) $318.58.

A. Samuel J. Baptista, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Aveune NW., Washington, D.C. 20036.
D. (6) $1,000.

A. William K. Barclift, 923 15th Street NW., Washington, D.C. 20005.
B. Transportation Institute, 923 15th Street NW., Washington, D.C. 20005.
D. (6) $4,500. E. (9) $697.25.

A. Robert O. Barker, 801 Northland Towers West, Southfield, Mich. 48075.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $20.

A. Thomas H. Barksdale, Jr., 2101 L Street NW., Suite 600, Washington D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Suite 600, Washington D.C. 20037.
D. (6) $5,300. E. (9) $349.07.

A. Barley and Malt Institute, 733 North Van Buren Street, Suite 610, Milwaukee, Wis. 53202.
D. (6) $30,355.10. E. (9) $5,350.

A. Donna R. Barnako, National Council of Health Centers, 2600 Virginia Avenue, Suite 1100, Washington, D.C. 20037.
B. National Council of Health Centers, 2600 Virginia Avenue, Suite 1100, Washington, D.C. 20037.
D. (6) $1,062. E. (9) $186.03.

A. Barnes, Richardson & Colburn, 1819 H Street NW., Suite 400, Washington, D.C. 20006.
B. Meat Importers Council of America, Inc.

A. Barnes, Richardson & Colburn, 1819 H Street, NW., Suite 400, Washington, D.C. 20006.
B. Stratton Hats, Inc., 3200 Randolph, Bellwood, Ill. 60104.
D. (6) $12,500. E. (9) $88.93.

A. Barnes, Richardson & Colburn, 1819 H Street, NW., Suite 400, Washington, D.C. 20006.
B. The United States Cantaloupe Growers & Importers Association, P.O. Box 336, Hidalgo, Tex. 78557.
E. (9) $149.97.

A. Barnett & Alagia, 1627 K Street NW., Washington, D.C. 20006.
B. American School Food Service Association, 4101 East Illit Avenue, Denver, Colo. 80222.
D. (6) $37,901. E. (9) $2,825.41.

A. Barnett & Alagia, 1627 K Street NW., Washington, D.C. 20006.
B. Dade County Farm Bureau, 1850 Old Dixie Highway, Homestead, Fla. 33033.
D. (6) $1,080.

A. Barnett & Alagia, 1627 K Street NW., Washington, D.C. 20006.
B. Florida Fruit & Vegetable Association, 4401 East Colonial Drive, Orlando, Fla. 32814.
D. (6) $17,162.93.

A. Barnett & Alagia, 1627 K Street NW., Washington, D.C. 20006.
B. Florida Tomato Exchange, 4401 East Colonial Drive, Orlando, Fla. 32814.
D. (6) $2,000.

A. Barnett & Alagia, 1627 K Street NW., Washington, D.C. 20006.
B. Hedged Portfolio Advisors, 500 Park Avenue, New York, NY. 10022.
D. (6) $22,020.

A. Barnett & Alagia, 1627 K Street NW., Washington, D.C. 20006.
B. Publicker Industries, Inc., 777 West Putnam Avenue, Greenwich, Conn. 06830.
D. (6) $20,000.

A. Larry Barnett, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $7,000.

A. Pamela H. Barnett, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. Religious Coalition for Abortion Rights, Inc., 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $4,999.98.

A. Barnett Yingling & Shay, P.C., 1090 Vermont Avenue, Suite 810, Washington, D.C. 20005.
B. Citibank, N.A., 399 Park Avenue, New York, N.Y. 10043.
D. (6) $710. E. (9) $8.

A. Barnett Yingling & Shay, P.C., 1090 Vermont Avenue, Suite 810, Washington, D.C. 20005.
B. Crocker National Bank, 1 Montgomery Street, San Francisco, Calif. 94104.
D. (6) $320. E. (9) $41.23.

A. Neil D. Baron, Booth & Baron, 122 East 42d Street, New York, N.Y. 10168.
B. Standard & Poor's Corp., 25 Broadway, New York, N.Y. 10004.

A. James C. Barr, Credit Union National Association, Inc., 1730 Rhode Island Avenue, Suite 810, Washington, D.C. 20036.
B. Credit Union National Association, Inc., 1730 Rhode Island Avenue NW., No. 810, Washington, D.C. 20036.
D. (6) $300. E. (9) $208.52.

A. David M. Barrett, Barrett Hanna Daly & Gaspar, Suite 475, 2550 M Street NW., Washington, D.C. 20037.
B. Energy Consumers and Producers Association, Petroleum Plaza, P.O. Box 1726, Seminole, Okla. 74868.
D. (6) $6,000. E. (9) $1,635.17.

A. David M. Barrett, Barrett Hanna Daly & Gaspar, Suite 475, 2550 M Street NW., Washington, D.C. 20037.
B. National Medical Enterprises, Inc., 11620 Wilshire Boulevard, Los Angeles, Calif. 90025.
D. (6) $6,775. E. (9) $2,002.13.

A. Barrett, Smith, Schapiro, Simon & Armstrong, 26 Broadway, Suite 1400, New York, N.Y. 10004.
B. Irving Trust Co., One Wall Street, New York, N.Y. 10015.

A. Barrett, Smith, Schapiro, Simon & Armstrong, 26 Broadway, Suite 1400, New York, N.Y. 10004.
B. Hugo Neu & Sons, Inc., 380 Madison Avenue, New York, N.Y. 10017.

A. Barrett, Smith, Schapiro, Simon & Armstrong, 26 Broadway, Suite 1400, New York, N.Y. 10004.
B. New York State Mortgage Loan Enforcement and Administration Corp., 11 West 42d Street, New York, N.Y. 10036.

A. Barrett, Smith, Schapiro, Simon & Armstrong, 26 Broadway, Suite 1400, New York, N.Y. 10004.
B. New York State Urban Development Corp., 1515 Broadway, New York, N.Y. 10036.

A. Robert W. Barrie, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $2,000.

A. Harvey Barrison, 291 Broadway, New York, N.Y. 10007.
E. (9) $200.

A. Thea Rossi Barron, 106 Little Falls Street, Falls Church, Va. 22046.
B. Right to Life Crusade, Inc., 1535 South Memorial, Tulsa, Okla. 74112.
D. (6) $3,000. E. (9) $139.27.

A. David S. Barrows, 1201 Southwest 12th, Suite 200, Portland, Oreg. 97205.
B. Association of Oregon and California Land Grant Counties, 486 Heydon Road, Roseburg, Oreg. 97470.
D. (6) $1,200.

A. Linda Leigh Bartlett, Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.
B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

A. Richard A. Barton, Direct Mail Marketing Association, 1730 K Street NW., Washington, D.C. 20006.
B. Direct Mail Marketing Association, 1730 K Street NW., Washington, D.C. 20006.
E. (9) $1,400.

A. Weldon V. Barton, Independent Bankers Association of America, 1625 Massachusetts Avenue NW., No. 202, Washington, D.C. 20036.
B. Independent Bankers Association of America, 1168 South Main Street, Sauk Centre, Minn. 56378.
D. (6) $10,000. E. (9) $61.01.

A. James P. Bass, 1101 17th Street NW., Washington, D.C. 20036.
B. American Airlines, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $350.

A. Robert E. Bates, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,125.

A. Davis M. Batson, 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
B. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
D. (6) $1,500.

A. Laurie C. Battle, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. U.S. League of Savings Assocations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $3,250.

A. Lynne D. Battle, College Placement Council, Inc., 1101 Connecticut Avenue NW., Suite 705, Washington, D.C. 20036.
B. College Placement Council, Inc., 62 Highland Avenue, Uplands Business Park, Bethlehem, Pa.

A. John F. Battles, Massachusetts Petroleum Council, American Petroleum Institute, 11 Beacon Street, Boston, Mass. 02108.
B. American Petroleum Institute, 1201 L Street NW., Washington, D.C. 20037.

A. Batzell, Nunn & Bode, 1015 15th Street NW., No. 1100, Washington, D.C. 20005.
B. Independent Terminal Operators Association, 1015 15th Street NW., No. 100, Washington, D.C. 20005.
D. (6) $500.

A. Richard H. Bauer, Union Pacific Corp., 1120 20th Street NW., Suite 600-S, Washington, D.C. 20036-3446.
B. Union Pacific Corp., 345 Park Avenue, New York, N.Y. 10154-0137.
D. (6) $500. E. (9) $146.08.

A. Bayh, Tabbert & Capehart, 1575 I Street NW., Suite 1025, Washington, D.C. 20005.
B. Allied Fidelity, 6320 North Rucker Road, Suite A, Indianapolis, Ind. 46220.
E. (9) $10.

A. Bayh, Tabbert & Capehart, 1575 I Street NW., Suite 1025, Washington, D.C. 20005.
B. American Cancer Society, 777 Park Avenue, New York, N.Y. 10021.
D. (6) $13,000. E. (9) $1,775.

A. Bayh, Tabbert & Capehart, 1575 I Street NW., Suite 1025, Washington, D.C. 20005.
B. Cummins Engine Co., 432 Washington Street, Columbus, Ind. 47201.
D. (6) $12,000. E. (9) $975.

A. Bayh, Tabbert & Capehart, 1575 I Street NW., Suite 1025, Washington, D.C. 20005.
B. Georgia Pacific, 900 SW Fifth Avenue, Portland, Oreg. 97204.
D. (6) $25,000. E. (9) $2,629.15.

A. Bayh, Tabbert & Capehart, 1575 I Street NW., Suite 1025, Washington, D.C. 20005.
B. Mayflower Corp., 998 North Michigan Street, Indianapolis, Ind. 46268.

A. Tina Marts Beach, General Electric Co., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $84.

A. Bruce A. Beam, American Electric Power Service Corp., 1801 K Street NW., Suite 1041, Washington, D.C. 20006.
B. American Electric Power Service Corp., 180 East Broad Street, Columbus, Ohio 43215.
D. (6) $164.92. E. (9) $139.90.

A. Daniel P. Beard, Beard & Associates, P.O. Box 2394, Columbia, Md. 21045.
B. Seneca and Associates, Inc., 1140 Connecticut Avenue NW., Suite 302, Washington, D.C. 20036.
D. (6) $4,656.25. E. (9) $947.29.

A. Donald S. Beattie, Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $2,824.84.

A. Christine T. Beatty, 1730 Rhode Island Avenue NW., Suite 612, Washington, D.C. 20036.
B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.
D. (6) $6,000. E. (9) $339.76.

A. Hubert Beatty, 1957 E Street NW., Washington, D.C. 2006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Laura L. Beaty, 806 North Jefferson Street, Arlington, Va. 22205.
B. National Parks & Conservation Association, 1701 18th Street NW., Washington, D.C. 20009.
D. (6) $636.30. E. (9) $25.

A. Robert G. Beckel, 609 G Street SE., Washington, D.C. 20003.
B. National Coalition of Telecommunications Users & Providers, National Coalition for Fair Rates & Competition, 115 D Street SE., Suite 108, Washington, D.C. 20003.

A. William W. Beddow, 1101 15th Street NW., Washington, D.C. 20005.
B. National Constructors Association, 1101 15th Street NW., No. 1000, Washington, D.C. 20005.
D. (6) $925.

A. Jon Charles Bednerik, 499 South Capitol Street SW., Suite 417, Washington, D.C. 20003.
B. International Association of Drilling Contractors, 499 South Capitol Street SW., Suite 417, Washington, D.C. 20003.
D. (6) $2,700.

A. Edwin L. Behrens, 1801 K Street NW., Suite 230, Washington, D.C. 20006.
B. The Proctor & Gamble Co., 301 East Sixth Street, Cincinnati, Ohio 45201.
D. (6) $512.92.

A. Max J. Beilke, National Association for Uniformed Services, 5535 Hempstead Way, P.O. Box 1406, Springfield, Va. 22151.
B. National Association for Uniformed Services, 5535 Hempstead Way, P.O. Box 1406, Springfield, Va. 22151.
D. (6) $1,298.50.

A. Alexander B. Bell, 9618 Cottrell Terrace, Silver Spring, Md. 20903.
B. United Association of Journeyman & Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, 901 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $3,750. E. (9) $229.50.

A. Winston Everett Bell, P.O. Box 26543, Las Vagas, Nev. 89126.

A. C. Thomas Bendorf, 3615 Overcreek Road, Columbia, S.C. 29206.
B. Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20007.
D. (6) $5,000. E. (9) $950.

A. C. Robert Benedict, 643 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. American Osteopathic Hospital Association, 930 Busse Highway, Park Ridge, Ill. 60068.

A. Beneficial Management Corporation of America, 1100 Carr Road, Wilmington, Del. 19899.
E. (9) $227.18

A. Bruce Benefield, TRW Inc., 1000 Wilson Boulevard, Suite 2600, Arlington, Va. 22209.
B. TRW Inc. 1000 Wilson Boulevard, Suite 2600, Arlington, Va. 22209.
D. (6) $1,000.

A. Kenneth U. Benjamin, Jr., 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,887. E. (9) $176.

A. W. M. Benkert, American Institute of Merchant Shipping, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.
D. (6) $1,250. E. (9) $4.35

A. William C. Bennett, Jr., 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $400.

A. John C. Bennison, 1300 19th Street NW., Washington, D.C. 20036.
B. American Society of Travel Agents, Inc., 711 Fifth Avenue, New York, N.Y. 10022.
D. (6) $6,000.

A. Nancy C. Benson, 1575 I Street NW., No. 220, Washington, D.C. 20005.
B. American Cyanamid Co., Wayne, N.J. 07470.
D. (6) $300. E. (9) $85.10.

A. James E. Benton, N.J. Petroleum Council, 170 West State Street, Trenton N.J. 08608.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $32. E. (9) $18.67

A. David A. Beren, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufactures & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.

A. Rebecca J. Berg, 2550 M Street NW., Suite 770, Washington, D.C. 20037.
B. RJR Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.
D. (6) $400. E. (9) $53.90.

A. Edwin M. Bergsmark, Three SeaGate, Toledo, Ohio 43603.
B. The Toledo Trust Co., Three SeaGate, Toledo, Ohio 43603.

A. Paul C. Bergson, 2550 M Street NW., Washington, D.C. 20037.
RJR Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.
D. (6) $766. E. (9) $36.

A. Jane W. Bergwin, Consumers Power Co., 1050 17th Street NW., Suite 290, Washington, D.C. 20036.
B. Consumers Power Co., 212 W. Michigan Avenue Jackson, Miss. 49201.
D. (6) $200

A. David Berick, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,500.01.

A. Jason S. Berman, Warner Communications, Inc., 2020 K Street NW., No. 250, Washington, D.C. 2006.
B. Warner Communications, Inc., 75 Rockefeller Plaza New York, N.Y. 10019.
D. (6) $16,000 E. (9) $61,071.90.

A. William R. Berman, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.
B. American Automobile Association 8111 Gatehouse Road, Falls Church, Va. 22047

A. Mary E. Bernhard, Flexible Packaging Association, 1090 Vermont Avenue NW., Suite 500, Washington, D.C. 20005.
B. Flexible Packaging Association, 1090 Vermont Avenue NW., Suite 500, Washington, D.C.

A. Charles Bernhardt, National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $38.58.

A. Rachelle B. Bernstein, 1615 H Street NW., Washington, D.C. 20026.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $2,065. E. (9) $80.57.

A. Max N. Berry, 3213 O Street NW., Washington, D.C. 20007.
B. Centre National Interprofessionnel De L'Economic Laitiere, 8, rue Danielle Casanova, 75002 Paris, France.

A. Max N. Berry, 3213 O Street NW., Washington, D.C. 20007.
B. Cheese Importers Association, 460 Park Avenue, New York, N.Y. 10022.
E. (9) $14.95.

A. Max N. Berry, 3213 O Street NW., Washington, D.C. 20007.

B. Committee to Assure the Availability of Casein, 3213 O Street NW., Washington, D.C. 20007.

A. Max N. Berry, 3213 O Street NW., Washington, D.C. 20007.
B. Meat Products Group, American Importers Assoc., 11 West 42d Street, New York, N.Y. 10036.

A. Frank S. Besson III, 1129 20th Street NW., Washington, D.C. 20036.
B. AM General Corp., 14250 Plymouth Road, Detroit, Mich. 48232.
D. (6) $483.

A. Robert A. Best, Suite 4400, 475 L'Enfant Plaza, SW., Washington, D.C. 20024.
B. American League for Exports and Security Assistance, Inc. (ALESA), Suite 4400, 475 L'Enfant Plaza, SW., Washington, D.C. 20024.
D. (6) $5,000.

A. Robert A. Best, Suite 4400, 475 L'Enfant Plaza, SW., Washington, D.C. 20024.
B. Archer Daniels Midland Co., Decatur, Ill. 62525.
D. (6) $500.

A. Robert L. Bevan, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Assoc., 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $950. E. (9) $44.75.

A. Beveridge & Diamond, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Beveridge & Diamond, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Dow Chemical Co., 1800 M Street NW., Suite 700 South, Washington, D.C. 20036.
D. (6) $210. E. (9) $5.

A. Beveridge & Diamond, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $831.25. E. (9) $18.

A. Beveridge & Diamond, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. New England Electric System, 20 Turnpike Road, Westborough, Mass. 01581.
D. (6) $1,221.25. E. (9) $19.58.

A. Beveridge & Diamond, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Union Camp Corp., Suite 390, International Square, Washington, D.C. 20006.

A. Beveridge & Diamond, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Union Mines, 1212 Avenue of the Americas, New York, N.Y. 10036.

A. James N. Bierman, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs, (for Independent Refiners Association of America, 1775 Pennsylvania Avenue NW., Washington, D.C.), 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Moe Biller, American Postal Worker Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Worker Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $7,482.72.

A. Billig, Sher & Jones, P.C., 2033 K Street NW., Washington, D.C. 20006.
B. State of South Dakota Department of Transportation, Division of Railroads, Pierre, S. Dak. 57501.
E. (9) $3,110.98.

A. Billig, Sher & Jones, P.C., 2033 K Street NW., Washington, D.C. 20006.
B. Steamship Conferences.
E. (9) $12,270.

A. Billig, Sher & Jones, P.C., 2033 K Street NW., Washington, D.C. 20006.
B. Transportation Committee, Alaska State Senate, Pouch V, State Capitol, Juneau, Alaska 99811.
E. (9) $38,068.79.

A. Leon G. Billings, Inc., 1660 L Street NW., Suite 713, Washington, D.C. 20036.
B. State of Montana, Office of the Governor, Helena, Mont. 59620.
D. (6) $9,750. E. (9) $9,750.

A. Bingham, Dana & Gould, 1724 Massachusetts Avenue NW., Washington D.C. 20036.
B. Consumer Bankers Association, 1300 North 17th Street, Suite 1200, Arlington, Va. 22209.
D. (6) $755.07. E. (9) $81.32.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., Suite 1100, Washington, D.C. 20036.
B. Alaska Power Authority, 333 West Fourth Avenue, Anchorage, Alaska 99501.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., Suite 1100, Washington, D.C. 20036.
B. Calista Corp., 516 Denali Street, Anchorage, Alaska 99501.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., Suite 1100, Washington, D.C. 20036.
B. The Coastal Corp., Nine Greenway Plaza, Houston, Tex. 77046.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., Suite 1100, Washington, D.C. 20036.
B. Cook Inlet Regional, Inc., 2525 C Street, P.O. Drawer 4N, Anchorage, Alaska 99509.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., Suite 1100, Washington, D.C. 20036.
B. Highly Enterprise Corp., 2208 143d Place SE., Vine-Maple, Bothell, Wash. 98011.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., Suite 1100, Washington, D.C. 20036.
B. Jim Jones, Government Research & Development Corp., 309 Main Street, Blanco, Tex. 78606; 1601 18th Street NW., No. 406, Washington, D.C. 20009.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., Suite 1100, Washington, D.C. 20036.
B. MAPCO, Inc., 1800 South Baltimore Avenue, Tulsa, Okla. 74119.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., Suite 1100, Washington, D.C. 20036.
B. St. George Tanaq Corp., 110 East Third Avenue, Anchorage, Alaska 99501.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., Suite 1100, Washington, D.C. 20036.
B. Sealaska Corp., One Sealaska Plaza, Juneau, Alaska 99801.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., Suite 1100, Washington, D.C. 20036.
B. Teamsters Local 959, 1200 Airport Heights Road, Anchorage, Alaska 99504.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., Suite 1100, Washington, D.C. 20036.
B. Westinghouse Electric Corporation, 1801 K Street NW., Washington, D.C. 20006.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., Suite 1100, Washington, D.C. 20036.
B. Wien Air Alaska, 4100 International Airport Road, Anchorage, Alaska 99502.

A. Bonnie G. Bird, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. William J. Birkofer, 1015 15th Street NW., No. 802, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1015 15th Street NW., No. 802, Washington, D.C. 20005.
D. (6) $875.

A. H. Radford Bishop, National Health Care Financing Association.
B. National Health Care Financing Association.
E. (9) $4,111.42.

A. Phil M. Bitter, Chevron U.S.A. Inc., 1700 K Street NW., Suite 1204, Washington, D.C., 20006.
B. Chevron U.S.A. Inc., 1700 K Street NW., Suite 1204, Washington, D.C., 20006.
D. (6) $460.

A. Neal R. Bjornson, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $2,500 E. (9) $68.80.

A. Black, Manafort & Stone, 435 North Lee Street, Alexandria, Va. 22314.
B. American Newspaper Publishers Association, The Newspaper Center, Reston, Va.
D. (6) $15,000. E. (9) $20.35.

A. Black, Manafort & Stone, 435 North Lee Street, Alexandria, Va. 22314.
B. Tosco Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.
D. (6) $2,700 E. (9) $156.30.

A. Brent Blackwelder, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennslyvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,500.01.

A. Bev D. Blackwood, 1899 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.

A. Barbara S. Blaine, P.C., 910 16th Street NW., Washington, D.C. 20006.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $5,215. E. (9) $24.37.

A. Helen Blank, 1520 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Children's Defense Fund.
D. (6) $2,244.89. E. (9) $268.90.

A. Paul M. Blanton, P.O. Box 970, Fort Worth, Tex. 76101.
B. Texas Electric Service Co., P.O. Box 970, Fort Worth, Tex. 76101.
D. (6) $87.50. E. (9) $34.95.

A. Blatchford, Epstein & Brady, 1000 Potomac Street NW., Washington, D.C. 20007.
B. Constructora Nacional de Carros de Ferrocarril, S.A., San Lorenzo No. 925, 5 piso, Mexico, D.F., Mexico.

A. Blatchford, Epstein & Brady, 1000 Potomac Street NW., Washington, D.C. 20007.
B. National Association of Private Enterprise (Asociacion Nacional de la Empresa Privada-ANEP) Alameda Roosevelt 2827—San Salvador, El Salvador.
D. (6) $3,350

A. Glenn E. Blitgen, 1920 N Street NW., Suite 300, Washington, D.C. 20036.
B. American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
D. (6) $30.

A. Ellen Block, 2030 M Street NW., Third Floor, Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $825.

A. L. Thomas Block, Irving Trust Co., One Wall Street, New York, N.Y. 10015.
B. Irving Trust Co., One Wall Street, New York, N.Y. 10015.
D. (6) $1,000. E. (9) $713.

A. Peter L. Blocklin, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $400.

A. H. E. Blomgren, National Manufactured Housing Federation, 1700 Pennsylvania Avenue NW., Suite 745, Washington, D.C. 20006.
B. National Manufactured Housing Federation, 1700 Pennsylvania Avenue NW., Suite 745, Washington, D.C. 20006.
D. (6) $12,501.81.

A. Douglas M. Bloomfield, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
D. (6) $14,454.96.

A. Mark Bloomfield, American Council for Capital Formation, 1850 K Street NW., Washington, D.C. 20006.
B. American Council for Capital Formation, 1850 K Street NW., Washington, D.C. 20006.
D. (6) $718.80.

A. Jack A. Blum, 1015 18th Street NW., No. 408, Washington, D.C. 20036.
B. Independent Gasoline Marketers Council, 1015 18th Street NW., No. 408, Washington, D.C. 20036.
D. (6) $25,000. E. (9) $560.00.

A. Jared O. Blum, 1730 M Street NW., Washington, D.C. 20036.
B. Direct Selling Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $300. E. (9) $255.15.

A. Blum & Nash, 1015 18th Street NW., Washington, D.C. 20036.
B. National Association of Truckstop Operators, 700 North Fairfax Street, No. 505, Alexandria, Va. 22313.

A. Blum & Nash, 1015 18th Street NW., Suite 408, Washington, D.C. 20036.
B. Twin Coasts Newspaper, Inc., The Journal of Commerce, 110 Wall Street, New York, N.Y. 10005.

A. Charles R. Blumenfeld, Bogle & Gates, The Bank of California Center, Seattle, Wash. 98164.
B. Pacific Seafood Processors Association, 1620 Jackson Street, Seattle, Wash. 98144.
D. (6) $10,585. E. (9) $1,475.50.

A. Wayne F. Boan, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,300.

A. Boat Owners Association of The United States, 880 South Pickett Street, Alexandria, Va. 22304.
B. Boat Owners Association of The United States, 880 South Pickett Street, Alexandria, Va. 22304.
D. (6) $20,000. E. (9) $18,989.88.

A. David A. Bockorny, 777 14th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 777 14th Street NW., Washington, D.C. 20005.
D. (6) $2,500. E. (9) $564.42.

A. Helen Bogolubov, 1015 15th Street NW., No. 802, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1015 15th Street NW., No. 802, Washington, D.C. 20005.
D. (6) $375.

A. Robert Z. Bohan, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $26.84.

A. Patricia M. Boinski, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Robert J. Bolger, National Association of Chain Drug Stores, Inc., P.O. Box 1417-D49, Alexandria, Va. 22313.
B. National Association of Chain Drug Stores, Inc., P.O. Box 1417-D49, Alexandria, Va. 22313.
D. (6) $1,650.

A. Bernadette Bolton, Brotherhood of Railroad Signalmen, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Railroad Signalmen, P.O. Box U, Mount Prospect, Ill. 60056.
D. (6) $300.

A. A. Dewey Bond, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007; 1700 North Moore Street, Arlington, Va.
D. (6) $500.

A. Edward N. Bond, 1700 North Moore Street, Rosslyn, Va. 22209.
B. Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $915. E. (9) $441.68.

A. Sharon Lee Bonitt, Shell Oil Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., One Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Bonsib, Inc., Box 1807, Washington, D.C. 20013.

A. Gaylon B. Booker, 1918 North Parkway, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

A. Edward T. Borda, 1625 I Street, NW., Washington, D.C. 20006.
B. Association of General Merchandise Chains, 1625 I Street, NW., Washington, D.C. 20006.
D. (6) $4,000.

A. Ann L. Bornstein, National Farmers Organization, 475 L'Enfant Plaza SW., No. 2250, Washington, D.C. 20024.
B. National Farmers Organization, Corning, Iowa 50841.
D. (6) $2,416. E. (9) $109.64.

A. Laurence D. Bory, 1015 15th Street, NW., No. 802, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1015 15th Street, NW., No. 802, Washington, D.C. 20005.
D. (6) $750.

A. G. Stewart Boswell, American Apparel Manufacturers Association, Inc., 1611 North Kent Street, No. 800, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, No. 800, Arlington, Va. 22209.
D. (6) $5,416.66. E. (9) $220.95.

A. Charles G. Botsford, Botsford Co., 1730 M Street NW., Washington, D.C. 20036.
B. Colt Industries, Inc., 430 Park Avenue, New York, N.Y. 10022.
D. (6) $1,500. E. (9) $121.

A. Mary M. Bourdette, 733 Fifteenth Street NW., Washington, D.C. 20005.
B. Legal Services Corp., 733 15th Street NW., Washington, D.C. 20005.

A. A. D. Bourland, 1660 L Street NW., Suite 800, Washington, D.C. 20036.
B. General Motors Corp. 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $4,546.65.

A. Frank J. Bowden, Jr., Associated Petroleum Industries of Pennsylvania, P.O. Box 925, Harrisburg, Pa. 17108.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. M. Stephanie Bower, United Farm Workers of America, AFL-CIO, 102 Lynmoor Drive, Silver Spring, Md. 20901.
B. United Farm Workers of America, AFL-CIO, P.O. Box 62, Keene, Calif. 93531.
D. (6) $2,250. E. (9) $479.65.

A. David W. Bowers, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $1,000.

A. Robert R. Bowers, West Virginia Petroleum Council, Suite 714, Atlas Building, Charleston, W.Va. 25301.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $400. E. (9) $274.95.

A. Randal R. Bowman, 1050 17th Street, NW., Washington, D.C. 20036.

B. Wildlife Legislative Fund of America, 50 West Broad Street, Columbus, Ohio 43215.

D. (6) $4,478.

A. Bowmer, Courtney, Burleson & Pemberton, P.O. Box 844, Temple, Tex. 76503.

E. (9) $103.68.

A. Jim D. Bowmer, P.O. Box 844, Temple, Tex. 76503.

B. Tribal Council of The Coushatta Tribe of Louisiana, c/o Ernest Sickey, P.O. Box 988, Elton, La. 70532.

A. Joan Costain Bowyer, Phelps Dodge Corp., 1015 15th Street NW., Washington, D.C. 20005.

B. Phelps Dodge Corp. 300 Park Avenue, New York, N.Y. 10022.

D. (6) $150.

A. John G. Boyd, International Business Machines, 1801 K Street NW., Washington, D.C. 20006.

B. International Business Machines, Old Orchard Road, Armonk, N.Y. 10504.

D. (6) $182.50. E. (9) $14.05.

A. Robert K. Boyd, American Gas Association, 1515 Wilson Boulvard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulvard, Arlington, Va. 22209.

D. (6) $3,500. E. (9) $301.

A. Van R. Boyette, American Petroleum Refiners Association, 1200 18th Street NW., Suite 607, Washington, D.C. 20036.

B. American Petroleum Refiners Association, 1200 18th Street NW., Suite 607, Washington, D.C. 20036.

D. (6) $75.

A. J. Patrick Boyle, United Fresh Fruit and Vegetable Association, 727 North Washington Street, Alexandria, Va. 22314.

B. United Fresh Fruit and Vegetable Association, 727 North Washington Street, Alexandria, Va. 22314.

D. (6) $950. E. (9) $47.99.

A. Stephen S. Boynton, 1901 North Ft. Myer Drive, Suite 1204, Arlington, Va. 22209.

B. American Fur Resources Institute, P.O. Box 550, Sutton, Nebr. 68979.

A. Bracewell & Patterson, 1850 K Street, NW., Suite 400, Washington, D.C. 20006.

B. American Petroleum Refiners Association, 1200 18th Street NW., 607 Ring Building, Washington, D.C. 20036.

A. Bracewell & Patterson, 1850 K Street, NW., Suite 400, Washington, D.C. 20006.

B. CLC of America, Inc., 1655 Des Peres Road, St. Louis, Mo. 63131.

A. Bracewell & Patterson, 1850 K Street, NW., Suite 400, Washington, D.C. 20006.

B. Southdown/Pelto Oil Co., Two Greenspoint Plaza, Suite 400, 16825 Northchase, Houston, Tex. 77060.

A. Bracewell & Patterson, 1850 K Street, NW., Suite 400, Washington, D.C. 20006.

B. Valero Energy Corp., 530 McCullough Avenue, San Antonio, Tex. 78292.

D. (6) $1,400. E. (9) $558.60.

A. Terrence L. Bracy, 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036.

B. Bracy Williams & Co., (for California Nickel Corp.), 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036.

D. (6) $7,000.

A. Terrence L. Bracy, 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036.

B. Bracy Williams & Co., (for City of Tuscon), 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036.

D. (6) $3,000.

A. Terrence L. Bracy, 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036.

B. Bracy Williams & Co., (for Pratt & Whitney Aircraft Group), 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20036.

D. (6) $7,000.

A. Bracy Williams & Co., 1730 Rhode Island Avenue NW., Suite 1200, Washington, D.C. 20036.

B. California Nickel Corp., 2550 Via Tejon, Suite 3C, Palos Verdes Estates, Calif. 90274.

D. (6) $7,000.

A. Bracy Williams & Co., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

B. City of Tucson, P.O. Box 27210, Tucson, Ariz. 85726.

D. (6) $3,000.

A. Bracy Williams & Co., 1730 Rhode Island Avenue NW., Suite 1200, Washington, D.C. 20036.

B. Employee Owned Airlines, Inc., P.O. Box 913, Leesburg, Va. 22075.

D. (6) $1,000.

A. Bracy Williams & Co., 1730 Rhode Island Avenue NW., Suite 1200, Washington, D.C. 20036.

B. Humana Inc., 10170 Linn Station Road, Louisville, Ky. 40223.

D. (6) $1,000.

A. Bracy Williams & Co., 1730 Rhode Island Avenue NW., Suite 1200, Washington, D.C. 20036.

B. Nike International Ltd., 8285 South West Nimbus, Beaverton, Oreg. 97005.

D. (6) $500.

A. Bracy Williams & Co., 1730 Rhode Island Avenue NW., Suite 1200, Washington, D.C. 20036.

B. Pratt & Whitney Aircraft Group, 400 Main Street, East Hartford, Conn. 06108.

D. (6) $7,000.

A. Bracy Williams & Co., 1730 Rhode Island Avenue NW., Suite 1200, Washington, D.C. 20036.

B. Quixote Corp., One East Wacker Drive, Chicago, Ill. 60601.

D. (6) $1,000.

A. Dennis R. Braddock, 4660 Kenmore Avenue, Suite 1018, Alexandria, Va. 22304.

B. Livestock Marketing Association, 301 East Armour Boulevard, Kansas City, Mo. 64111.

D. (6) $7,500.

A. Dan J. Bradley, 733 15th Street NW., Washington, D.C. 20005.

B. Legal Services Corp., 733 15th Street NW., Washington, D.C. 20005.

A. Frank W. Bradley, 1700 K Street NW., Washington, D.C. 20006.

B. Chevron U.S.A., Inc., 1700 K Street NW., Washington, D.C. 20006.

D. (6) $2,500.

A. Gene M. Bradley, 1700 North Moore Street, Rosslyn, Va. 22209.

B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.

D. (6) $525. E. (9) $77.

A. Mitchell Bradley, American Society of Mechanical Engineers, 2029 K Street NW., Washington, D.C. 20006.

B. The American Society of Mechanical Engineers, 345 East 47th Street, New York, N.Y. 10017.

A. Wayne W. Bradley, 1776 K Street NW., Washington, D.C 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $625. E. (9) $110.25.

A. Dennis M. Bradshaw, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Charles N. Brady, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.

B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.

A. Theresa M. Brady, Joint Maritime Congress, 444 North Capitol Street NW., Suite 801, Washington, D.C. 20001.

B. Joint Maritime Congress, 444 North Capitol Street NW., Suite 801, Washington, D.C. 20001.

D. (6) $589.60.

A. Charles G. Bragg, P.O. Box 12285, Memphis, Tenn. 38112.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $625. E. (9) $53.14.

A. Raymond F. Bragg, Jr., American Petroleum Refiners Association, 1200 18th Street NW., Suite 607, Washington, D.C. 20036.

B. American Petroleum Refiners Association, 1200 18th Street NW., Suite 607, Washington, D.C. 20036.

D. (6) $100.

A. Stuart J. Brahs, American Council of Life Insurance, 1850 K Street NW., Washington, D.C. 20006.

B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.

D. (6) $1,622.40. E. (9) $740.12.

A. David C. Branand, 1920 N Street NW., Washington, D.C. 20036.

B. American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.

D. (6) $50. E. (9) $2.95.

A. Robert M. Brandon, 1300 Connecticut Avenue NW., Room 401, Washington, D.C. 20036.

B. Citizen/Labor Energy Coalition, 1300 Connecticut Avenue NW., Room 401, Washington, D.C. 20036.

D. (6) $1,850. E. (9) $175.70.

A. Roy Braunstein, American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.

B. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.

D. (6) $11,168.64. E. (9) $100.

A. Peter Elliot Braveman, 500 Newport Center Drive, Suite 555, Newport Beach, Calif.

B. Loeb & Loeb, One Wilshire Boulevard, 16th Floor, Los Angeles, Calif. 90017 (for Joan Irvine Smith).

D. (6) $15,750. E. (9) $100.

A. Edward T. Breathitt, Southern Railway Co., 920 15th Street NW., Washington, D.C. 20005.
B. Southern Railway Co., 920 15th Street NW., Washington, D.C. 20005.
D. (6) $1,000.

A. John Henry Brebbia, Alston, Miller & Gaines, 1800 M Street NW., Suite 1000N, Washington, D.C. 20036.
B. Northern Solar Systems, Inc., 30 Pond Park Road, Hingham, Mass. 02043.

A. Breed, Abbott & Morgan, 1875 I Street NW., Washington, D.C. 20006.
B. Handy & Harman, 850 Third Avenue, New York, N.Y. 10022.
D. (6) $25,500. E. (9) $10.

A. Breed, Abbott & Morgan, 1875 I Street NW., Suite 1000, Washington, D.C. 20006.
B. Donald C. Lubick, Hodgson, Russ, Andrews, Woods & Goodyear, 1776 F Street NW., Washington, D.C. (for Talisman Fund, 330 Washington Street, Suite 610, Marina Del Rey, Calif. 90291).
E. (9) $11.

A. Breed, Abbott & Morgan, 1875 I Street NW., Suite 1000, Washington, D.C. 20006.
B. Panhandle Eastern Pipe Line Co., 3000 Bissonnet Avenue P.O. Box 1642, Houston, Tex. 77001.
E. (9) $10.

A. Bregman, Abell & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $800.

A. Bregman, Abell & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. American Car Rental Association (ACRA), 1750 Pennsylvania Avenue NW., Suite 1303, Washington, D.C. 20006.
D. (6) $1,250.

A. Bregman, Abell & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Committee for Effective Tax Incentives, 1634 I Street NW., 8th Floor, Washington, D.C. 20006.

A. Bregman, Abell & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Consolidated Freightway Corp., 175 Lynfield Drive, Menlo Park, Calif. 94025.
D. (6) $1,000.

A. Bregman, Abell & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Hilton International, Inc., 301 Park Avenue, New York, N.Y. 10022.

A. Bregman, Abell & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Norton Simon Inc., 277 Park Avenue, New York, N.Y. 10017.

A. Bregman, Abell & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Broadway Express, Inc., P.O. Box 471, Akron, Ohio 44309.

A. Bregman, Abell & Kay, 1900 L Street, NW., Suite 610, Washington, D.C. 20036.
B. Trans World Corp., 605 Third Avenue, New York, N.Y. 10158.
D. (6) $1,000.

A. Bregman, Abell & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Trans World Airlines, 1000 16th Street, NW., Suite 704, Washington, D.C. 20036.
D. (6) $2,000.

A. Bregman, Abell & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Truck Renting and Leasing Association (TRALA), 1750 Pennsylvania Avenue, NW., Suite 1303, Washington, D.C. 20006.
D. (6) $1,250.

A. Brenda I. Bregman, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. Religious Coalition for Abortion Rights, Inc., 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $3,150.

A. Richard M. Brennan, Union Carbide Corp., 1100 15th Street NW., Washington, D.C. 20005.
B. Union Carbide Corp., Old Ridgebury Road, Danbury, Conn. 06817.

A. John B. Brewer, American Movers Conference, 400 Army-Navy Drive, P.O. Box 2303, Arlington Va. 22202.
B. American Movers Conference, 400 Army-Navy Drive, P.O. Box 2303, Arlington, Va. 22202.

A. Andrea L. Bridgeman, Finley, Kumble, Wagner, Heine, Underberg & Casey, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Finley, Kumble, Wagner, Heine, Underberg & Casey, 1120 Connecticut Avenue NW., Washington, D.C. 20036 (for Stewart Environmental Systems, Inc., 485 Madison Avenue, New York, N.Y. 10022).

A. Bill Brier, CF Industries, Inc., Salem Lake Drive, Long Grove, Ill. 60047.
B. CF Industries, Inc., Salem Lake Drive, Long Grove, Ill. 60047.
D. (6) $500.

A. Claude S. Brinegar, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
D. (6) $425.

A. Belva B. Brissett, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $1,500. E. (9) $502.

A. Elizabeth Y. Britton, 2550 M Street NW., Suite 770, Washington, D.C. 20037.
B. RJR Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.
D. (6) $377.46. E. (9) $161.47.

A. Ellen Broadman, Consumers Union, 1511 K Street NW., Suite 1033, Washington, D.C. 20005.
B. Consumers Union, 256 Washington Street, Mt. Vernon, N.Y. 10550.
D. (6) $40. E. (9) $2.60.

A. David A. Brody, Anti-Defamation League of B'nai B'rith, 1640 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Anti-Defamation League of B'nai B'rith, 823 UN Plaza, New York, N.Y. 10017.
D. (6) $1,275.

A. Michael D. Bromberg, 1111 19th Street NW., Washington, D.C. 20036.
B. Federation of American Hospitals, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $4,500.

A. Michael R. Bromwich, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for Independent Refiners Association of America, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006).

A. E. R. Brooks, P.O. Box 841, Abilene, Tex. 79604.
B. West Texas Utilities Co., P.O. Box 841, Abilene, Tex. 79604.
D. (6) $600. E. (9) $968.

A. Phillip W. Brooks, Volunteer State Oil Committee, 18th Floor, Third National Bank Building, Nashville, Tenn. 37219.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $275. E. (9) $610.28.

A. David W. Broome, 1800 M Street NW., No. 870-South, Washington, D.C. 20036.
B. Burlington Industries, Inc., 1800 M Street NW., No. 870-South, Washington, D.C. 20036.
D. (6) $2,500. E. (9) $9,460.

A. Carol L. Bros, National Women's Political Caucus, 1411 K Street NW., Suite 1110, Washington, D.C. 20005.
B. National Women's Political Caucus, 1411 K Street NW., Suite 1110, Washington, D.C. 20005.
D. (6) $4,899.23. E. (9) $277.73.

A. Daniel T. Bross, 1101 17th Street NW., Suite 704, Washington, D.C. 20036.
B. United Gas Pipe Line Co., P.O. Box 1478, Houston, Tex. 77001.
D. (6) $950. E. (9) $464.66.

A. Donald G. Brotzman, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $10,000.

A. Charles B. Brown, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.
D. (6) $368. E. (9) $4.

A. Charles T. Brown, Cities Service Co., Box 100, Miami, Ariz. 85539.
B. Cities Service Co., Box 100, Miami, Ariz. 85539.
E. (9) $90.

A. David S. J. Brown, 1101 17th Street NW., Suite 604, Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $450. E. (9) $57.12.

A. Doreen L. Brown, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Consumers for World Trade (CWT), 1346 Connecticut Avenue NW., Washington, D.C. 20036.

A. Ellen Brown, 1140 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.
B. Council of Energy Resource Tribes, 1140 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.

A. J. D. Brown, 2301 M Street NW., Washington, D.C. 20037.
B. American Public Power Association, 2301 M Street NW., Washington, D.C. 20037.

A. James F. Brown, 410 First Street SE., Washington, D.C.
B. American Nuclear Energy Council, 410 First Street SE., Washington, D.C.
D. (6) $143.75.

A. Jesse B. Brown, Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20068.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20068.

D. (6) $111.92.

A. Jesse P. Brown, Jr., 1918 North Parkway, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

A. Ralph Brown, 701 South 22, Suite 107, Omaha, Nebr.
B. MOA/AIOA and Subs, Inc., 701 South 22, No. 107, Omaha, Nebr. 68102.

A. Brown, Todd & Heyburn, 1600 Citizens Plaza, Louisville, Ky. 40202.
B. Brown & Williamson Tobacco Corp., 1600 West Hill Street, Louisville, Ky. 40232.
E. (9) $585.05.

A. Vincent D. Brown, Nebraska Petroleum Council, P.O. Box 95063, Lincoln, Nebr. 68509.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D (6) $1,000. E. (9) $120.

A. William E. Brown, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $471.75. E. (9) $211.43.

A. William R. Brown, 499 South Capitol Street SW, Suite 412, Washington, D.C. 20003.
B. Council of State Chambers of Commerce, 499 South Capitol Street SW., Suite 412, Washington, D.C. 20003.
D. (6) $916.40. E. (9) $218.36.

A. Thomas H. Brownell, Boeing Aerospace Co., P.O. Box 3999, m/s 8A-04, Seattle, Wash. 98124.
B. Boeing Aerospace Co., P.O. Box 3999, m/s 8A-04, Seattle, Wash. 98124.
D. (6) $97.42. E. (9) $97.42.

A. Brownstein Zeidman and Schomer, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Foodservice Manufacturers Association, 875 North Michigan Avenue, Chicago, Ill. 60611.

A. Brownstein Zeidman and Schomer, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Franchise Association, 1025 Connecticut Avenue NW., Suite 1005, Washington, D.C. 20036.

A. Brownstein Zeidman and Schomer, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Mortgage Guaranty Insurance Corp., MGIC Plaza, Milwaukee, Wis. 53201.

A. Brownstein Zeidman and Schomer, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. National Housing Rehabilitation Association, 1025 Connecticut Avenue NW., Suite 507, Washington, D.C. 20036.

A. Brownstein Zeidman and Schomer, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. New York State Urban Development Corp., 1515 Broadway, New York, N.Y. 10036.

A. James W. Bruner, Jr., P.O. Box 10110, South Lake Tahoe, Calif. 95731.
B. League To Save Lake Tahoe, 2197 Lake Tahoe Boulevard, P.O. Box 10110, South Lake Tahoe, Calif. 95731.
D. (6) 9,000.

A. Kathryne M. Bruner, 2021 K Street NW., Suite 709, Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $500. E. (9) $64.25.

A. Robert O. Bruner, National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $7,269.24 E. (9) $43.86.

A. J. Charles Bruse, 1700 Pennsylvania Avenue NW., No. 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. J. Charles Bruse, 1700 Pennsylvania Avenue NW., No. 750, Washington, D.C. 20006.
B. Allstate Insurance Co., Allstate Plaza, Northbrook, Ill. 60062.

A. John S. Buckley, National Tax Limitation Committee, 1523 L Street NW., Suite 600, Washington D.C. 20005.
B. National Tax Limitation Committee, 1523 L Street NW., Suite 600, Washington, D.C. 20005.
D. (6) $3,000. E. (9) $50.

A. Robert D. Buehler, 1800 K Street NW., Suite 929, Washington, D.C. 20006.
B. The BF Goodrich Co., Akron, Ohio 44318.
D. (6) $400.

A. Douglas W. Bulcao, American Textile Manufacturers Institute, Inc., 1101 Connecticut Avenue NW., No. 300, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Inc., 1101 Connecticut Avenue NW., No. 300, Washington, D.C. 20036.
D. (6) $1,000. E. (9) $24.60.

A. Darrel D. Bunge, Minnesota Petroleum Council, 300 Northern Federal Building, St. Paul, Minn. 55102.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Lawrence E. Burch, 1735 Jefferson Davis Highway, Suite 903, Arlington, Va. 22202.
B. Potato Chip/Snack Food Association.

A. Norman D. Burch, College of American Pathologists, 1101 Vermont Avenue NW., Suite 401, Washington, D.C. 20005.
B. College of American Pathologists, 7400 North Skokie Boulevard, Skokie, Ill. 60077.
D. (6) $5,220. E. (9) $83.40.

A. Paul F. Burdett, 10 Emerson Court, Severna Park, Md. 21146.
B. Merrell Dow Pharmaceuticals, Inc., Cincinnati, Ohio 45215.
E. (9) $34.

A. William J. Burhop, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $10,000.

A. J. J. Burke, Jr., 40 East Broadway, Butte, Mont. 59701.
B. The Montana Power Co., Butte, Mont. 59701.
E. (9) $404.10.

A. Burley & Dark Leaf Tobacco Export Association, 1100 17th Street NW., Washington, D.C.
D. (6) $32,276.65. E. (9) $1,000.47.

A Bill D. Burlison, Suite 102, 499 South Capitol Street SW., Washington, D.C. 20003.
B. Emerson Electric Co., St. Louis, Mo.
D. (6) $3,750. E. (9) $146.48.

A. Bill D. Burlison, Suite 102, 499 South Capitol Street SW., Washington, D.C. 20003.
B. McDonnell Douglas Corp., St. Louis, Mo.
D. (6) $8,750. E. (9) $293.54.

A. Bill D. Burlison, Suite 102, 499 South Capitol Street SW., Washington, D.C. 20003.
B. Planning Research Corp., Washington, D.C.
D. (6) $2,500. E. (9) $146.48.

A. David G. Burney, United States Tuna Foundation, Suite 208, 2040 Harbor Island Drive, San Diego, Calif. 92101.
B. United States Tuna Foundation, 2040 Harbor Island Drive, Suite 208, San Diego, Calif. 92101.
D. (6) $6,000. E. (9) $3,000.

A. Charles S. Burns, Phelps Dodge Corp. 1015 15th Street NW., Washington, D.C. 20005.
B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.
D. (6) $1,200.

A. Gerrie Bjornson Burns, 1800 K Street NW., Suite 929, Washington, D.C. 20006.
B. The B. F. Goodrich Co., Akron, Ohio 44318.
D. (6) $100.

A. Timothy F. Burns, Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.
B. Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.
D. (6) $300.

A. B. Kent Burton, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $8,000. E. (9) $319.

A. Busby, Rehm and Leonard, P.C., 1629 K Street NW., Suite 1100, Washington, D.C. 20006.
B. Automobile Importers of America, Inc., 1735 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $140. E. (9) $5.

A. Busby, Rehm and Leonard, P.C., 1629 K Street NW., Suite 1100, Washington, D.C. 20006.
B. Bacardi Imports Inc., 2100 Biscayne Boulevard, Miami, Fla. 33137.
D. (6) $75.

A. Business Executives Move for New National Priorities, 901 North Howard Street, Baltimore, Md. 21201.
D. (6) $11,413. E. (9) $1,895.17.

A. Business Products Council Association, P.O. Box 53964, Fayetteville, N.C. 28305.

A. James J. Butera, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.
B. National Association of Mutual Savings Banks 200 Park Avenue, New York, N.Y. 10166.
D. (6) $3,593.75.

A. Butler, Binion, Rice, Cook & Knapp, 1747 Pennsylvania Avenue NW., Suite 900, Washington, D.C. 20006.

B. City of Houston, Department of Aviation, P.O. Box 60106, AMF, Houston, Tex. 77205.

D. (6) $5,618. E. (9) $190.

A. Butler, Binion, Rice, Cook & Knapp, 1747 Pennsylvania Avenue NW., Suite 900, Washington, D.C. 20006.

B. City of Philadelphia, 1600 Municipal Service Building, Philadelphia, Pa. 19107.

D. (6) $46,145. E. (9) $1,799.

A. Butler, Binion, Rice, Cook & Knapp, 1747 Pennsylvania Avenue NW., Suite 900, Washington, D.C. 20006.

B. Delaware River Port Authority, World Trade Division, P.O. Box 1949, Camden, N.J. 08101.

D. (6) $4,018. E. (9) $642.

A. Butler, Binion, Rice, Cook & Knapp, 1747 Pennsylvania Avenue NW., Suite 900, Washington, D.C. 20006.

B. People Express Airlines, Inc., Room 205, North Terminal, Newark International Airport, N.J. 07114.

D. (6) $900.

A. William A. Butler, 645 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. National Audubon Society, 950 Third Avenue, New York, N.Y. 10022.

D. (6) $5,000. E. (9) $150.

A. John W. Byrnes, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue, NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs (for Independent Refiners Association of America), 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue, NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs (for Insurance Association of Connecticut) 1775 Pennsylvania Avenue, NW., Washington, D.C. 20006.

A. John F. Byset, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

D. (6) $2,500. E. (9) $87.10

A. C & B Associates, 1750 New York Avenue NW., Washington, D.C. 20006.

B. Alcalde, Henderson, O'Bannon, Bracy & Williams, 1901 Fort Meyer Drive, Rosslyn, Va. 22209

A. C & B Associates, 1750 New York Avenue NW., Suite 210, Washington, D.C. 20006.

B. The Boeing Co., 1700 North Moore Street, Rosslyn, Va. 22209

A. C & B Associates, 1750 New York Avenue NW., Suite 210, Washington, D.C. 20006.

B. Washington Psychiatric Society, 1700 18th Street, Washington, D.C. 20009.

D. (6) $100.

A. Cable, McDaniel, Bowie & Bond, 900 Blaustein Building, Baltimore, Md. 21201.

B. Crown Central Petroleum Corp., North Charles Street, P.O. Box 1168, Baltimore, Md. 21203.

A. Cadwalader, Wickersham & Taft, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Ad Hoc Committee of Floor Brokers, c/o Cadwalader, Wickersham & Taft, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Cadwalader, Wickersham & Taft, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Kwajalein Atoll Corp., P.O. Box 5220, Kwajalein, Ebeye, Marshall Islands 96970.

E. (9) $5.60

A. Cadwalader, Wickersham & Taft, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Mocatta Metals Corp., 4 World Trade Center, Suite 5200, New York, N.Y. 10048.

D. (6) $270. E. (9) $3.

A. Cadwalader, Wickersham & Taft, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Philadelphia Stock Exchange, Inc., 1900 Market Street, Philadelphia, Pa. 19103.

D. (6) $364. E. (9) $328.

A. Morrison Cain, 1625 I Street NW., Washington, D.C. 20006.

B. Association of General Merchandise Chains, 1625 I Street NW., Washington, D.C. 20006.

D. (6) $6,250.

A. Alan Caldwell, 2550 M Street NW., Suite 770, Washington, D.C. 20037.

B. RJR Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.

D. (6) $1,200. E. (9) $104.25

A. Califano, Ross & Heineman, 1575 I Street NW., Washington, D.C. 20005.

B. The Coca-Cola Co., 310 North Avenue, Atlanta, Ga. 30301

A. Califano, Ross & Heineman, 1575 I Street NW., Washington, D.C. 20005.

B. Federal National Mortgage Association, 3900 Wisconsin Avenue NW., Washington, D.C. 20016.

D. (6) $3,365.50.

A. Califano, Ross & Heineman, 1575 I Street NW., Washington, D.C. 20005.

B. Fluor Corp., 3333 Michelson, Irvine, Calif.

A. Califano, Ross & Heineman, 1575 I Street NW., Washington, D.C. 20005.

B. General Tire and Rubber Co., One General Street, Akron, Ohio 44329.

A. Califano, Ross & Heinman, 1575 I Street NW., Washington, D.C. 20005.

B. National Association of Public Hospitals, 1575 I Street NW., Washington, D.C. 20005.

D. (6) $1.040.

A. Califano, Ross & Heinemen, 1575 I Street NW., Washington, D.C. 20005.

B. Senior Corp., Flagship Bank Building, 1111 Lincoln Road Mall, Miami Beach, Fla. 33139.

A. Peter E. Callanan, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Honeywell Inc., Honeywell Plaza., Minneapolis, Minn.

D. (6) $275. E. (9) $325.

A. Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.

E. (9) $1,579.

A. Arthur E. Cameron, 499 South Capitol Street SW., Suite 110, Washington, D.C. 20003.

B. American Greyhound Track Operators Association, 1065 Northeast 125th Street, Suite 219, North Miami, Fla. 33161.

D. (6) $4,500.

A. Arthur E. Cameron, 499 South Capitol Street SW., Suite 110, Washington, D.C. 20003.

B. Cataphote Division, Ferro Corp., P.O. Box 2369, Jackson, Miss. 39205.

D. (6) $6,562.

A. Arthur E. Cameron, 499 South Capitol Street S.W., Suite 110, Washington, D.C. 20003.

B. Ferro Corp., Cataphote Division, P.O. Box 2369, Jackson, Miss. 39205.

D. (6) $1,500.

A. Arthur E. Cameron, 499 South Capitol Street SW., Suite 110, Washington, D.C. 20003.

B. Gulf & Western Industries, Inc., 600 New Hampshire Avenue NW., Washington, D.C. 20037.

D. (6) $4,000.

A. Arthur E. Cameron, 499 South Capitol Street SW., Suite 110, Washington, D.C. 20003.

B. Safetran Systems Corp., P.O. Box 1037, Louisville, Ky. 40201.

D. (6) $5,138.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street, NW., Suite 275, Washington, D.C. 20037.

B. Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW. Suite 275, Washington, D.C. 20037.

B. Eastern Central Motor Carrier Association, Inc., P.O. Box 3600, Akron, Ohio 44310.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.

B. Mobile Oil Corp., 150 East 42d Street, 30th Floor, New York, N.Y. 10017.

D. (6) $300.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.

B. Natural Gas Supply Association, 1025 Connecticut Avenue NW., Suite 402, Washington, D.C. 20036.

D. (6) $2,382.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.

B. Pennzoil Co., 1155 15th Street NW., Suite 602, Washington, D.C. 20037.

D. (6) $550.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.

B. PPG Industries, Inc., One Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $1,275.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.

B. Thornton, Farish & Gauntt, P.O. Box 196, Montgomery, Ala. 36195.

D. (6) $1,012.50.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.

B. Union Pacific Railroad, 345 Park Avenue, New York, N.Y. 10022.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.

B. U.S. League of Savings Association, 111 East Wacker Drive, Chicago, Ill. 60610.

A. C. Russell Campbell, Jr., Suite 900, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. General Telephone & Electronics Corp., One Stamford Forum, Stamford, Conn. 06904.

D. (6) $3,000.

A. Carl C. Campbell, 1030-15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $461.54.

A. Charles Argyll Campbell, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. Jerry L. Campbell, 831 Chestnut Street, Chattanooga, Tenn. 37402.

B. Tennessee Valley Public Power Association, 831 Chestnut Street, Chattanooga, Tenn. 34702.

A. Kevin B. Campbell, 101 Constitution Avenue NW., Washington, D.C. 20001.

B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.

D. (6) $5,100. E. (9) $3,031.73.

A. Thomas D. Campbell, 1000 16th Street NW., Suite 500, Washington, D.C. 20036.

B. Standard Oil Co., 200 East Randolph Drive, Chicago, Ill. 60680.

D. (6) $1,500. E. (9) $1,188.57.

A. Canadian Coalition on Acid Rain, 105 Davenport Road, Suite 201, Toronto, Ontario, M5R 1H6 Canada.

D. (6) $26,945. E. (9) $22,902.77.

A. Robert P. Canavan, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Stree NW., Washington, D.C. 20036.

D. (6) $2,123.45. E. (9) $52.33.

A. Sharon M. Canavan, Mortgage Bankers Association of America, 1125 15th Street, NW., Washington, D.C. 20005.

B. Mortgage Bankers Association of American, 1125 15th Street NW., Washington, D.C. 20005.

D. (6) $4,800. E. (9) $106.

A. Dave Cannard, 113 West First Vancouver, Wash. 98660.

B. Friends of the Columbia Gorge, 519 Southwest Third, Room 303, Portland, Oreg. 97204.

E. (9). $229.

A. W. Dean Cannon, Jr., 9800 South Sepulveda Blvd., Suite 500, Los Angeles, Calif. 90045.

B. California Savings & Loan League, 9800 South Sepulveda Boulevard, Suite 500, Los Angeles, Calif. 90045.

D. (6) $3,000. E. (9) $3,678.34.

A. David L. Cantor, 1133 15th Street NW., Suite 1200, Washington, D.C. 20005.

B. Porter, Wright, Morris & Arthur, 1133 15th Street NW., Suite 1200, Washington, D.C. 20005.

D. (6) $155. E. (9) $265.14

A. Ronald A. Capone, Kirlin, Campbell & Keating, 1150 Connecticut Aveune NW., No. 800, Washington, D.C. 20036.

B. Council of European & Japanese National Shipowners' Association, 30/32 St. Mary Axe, London, EC3A 8ET England.

D. (6) $34,800 E. (9) $486.33

A. Arnold P. Caputo, 1970 Hopewood Drive, Falls Church, Va. 22043.

B. National Concrete Masonry Association, 2302 Horse Pen Road, Herndon, Va. 22070.

D. (6) $40. E. (9) $32.05.

A. Constantine G. Caras, 2344 South Rolfe Street, Arlington, Va. 22202.

B. Ogden Corp., 277 Park Avenue, New York, N.Y. 10172.

D. (6) $1,000. E. (9) $640.

A. Denise A. Cardman, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.

B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.

D. (6) $400. E. (9) $50.

A. Norval E. Carey, 2021 K Street NW., Suite 709, Washington, D.C. 20006.

B. General Atomic Co. San Diego, Calif.

D. (6) $5,200. E. (9) $197.45.

A. Peter Carlson, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $2,750.01.

A. Daniel P. Carmichael, 1901 L. Street NW., Washington, D.C. 20036.

B. Eli Lilly & Co., 307 East McCarty Street, Indianapolis, Ind. 46285.

D. (6) $3,000. E. (9) $14.

A. Carmody, Syrdal, Danelo & Klein, P.S., 24th Floor, Fourth and Blanchard Building, Seattle, Wash. 98121.

B. Washington State Charter Boat Association, P.O. Box 696, Westport, Wash. 98595.

D. (6) $875. E. (9) $220.45.

A. Chapin Carpenter, Jr., Magazine Publishers Association, 1629 K Street NW., No. 603, Washington, D.C. 20006.

B. Magazine Publishers Association, 575 Lexington Avenue, New York, N.Y. 10022.

D. (6) $1,500.

A. George D. Carpenter, 7162 Reading Road, Cincinnati, Ohio 45222.

B. The Procter & Gamble Co., 301 East Sixth Street, Cincinnati, Ohio 45202.

D. (6) $357.03.

A. Jack Carpenter, 1920 N Street NW., Suite 300, Washington, D.C. 20036.

B. American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.

D. (6) $60. E. (9) $13.75.

A. Lawrence W. Carroll, Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.

B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.

D. (6) $750. E. (9) $1,543.

A. Patricia B. Carroll, National Cable Television Association, Inc., 1724 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Cable Television Association, Inc., 1724 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $312.50.

A. John R. Carson, 20 Chevy Chase Circle NW., Washington, D.C. 20015.

B. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.

D. (6) $16,000.

A. Hans L. Carstensen III, 1625 I Street NW., Suite 902, Washington, D.C. 20006.

B. Weyerhaeuser Co., Tacoma, Wash. 98477.

D. (6) $1,372. E. (9) $151.99.

A. Harlon B. Carter, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $1,875.

A. John R. Carter, Jr., 1000 Wilson Boulevard, No. 2600, Arlington, VA 22209.

B. TRW, Inc., 1000 Wilson Boulevard, No. 2600, Arlington, Va. 22209.

D. (6) $1,000.

A. Joseph L. Carter, Jr., Association of American Railroads, 412 First Street SE, Suite 200, Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $824.25. E. (9) $327.81.

A. James P. Carty, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $500.

A. Susan Carver, National Coal Association, Coal Building, Washington, D.C. 20036.

B. National Coal Association, 1130 17th Street NW., Washington, D.C. 20036.

D. (6) $232. E. (9) $956.59.

A. John S. Casey, P.O. Box 266, Heflin, Ala. 36024.

B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.

A. James B. Cash, Jr., 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $2,000.

A. Eugene I. Casraiss, Jr., United Automobile Aerospace & Agricultural Implement Workers of America (UAW), 1757 N Street NW., Washington, D.C. 20036.

B. International Union, United Automobile Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.

D. (6) $9,348.66. E. (9) $136.50.

A. John J. Castellani, TRW Inc., Suite 2700, 1000 Wilson Boulevard, Arlington, Va. 22209.

B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.

D. (6) $1,000.

A. Rita L. Castle, Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.

B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.

D. (6) $1,500. E. (9) $959.

A. G. Thomas Cator, 1050 17th Street NW., Washington, D.C. 20036.

B. Government Guaranteed Loan Committee, One Liberty Plaza, 165 Broadway, New York, N.Y. 10080.
D. (6) $2,000. E. (9) $2,000.

A. G. Thomas Cator, 1050 17th Street NW., Washington, D.C. 20036.
B. National Association of Development Companies (NADCO), 1025 Connecticut Avenue NW., Washington, D.C. 20036
D. (6) $200. E. (9) $200.

A. G. Thomas Cator, 1050 17th Street NW., Washington, D.C.
B. Southeastern Lumber Manufacturers Association, P.O. Box 1606, Forest Park, Ga. 20050.
D. (6) $1,800. E. (9) $1,800.

A. Joseph E. Cavanagh, International Brotherhood of Electrical Workers, 1125 15th Street NW., Washington, D.C. 20005.
B. International Brotherhood of Electrical Workers, AFL-CIO-CLC, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $2,675.

A. Barbara Ann Cebuhar, 2734 Olive Street NW., Washington, D.C. 20007.
B. National Coalition of Telecommunications Users & Providers, National Coalition for Fair Rates & Competition, 115 D Street SE., Suite 108, Washington, D.C. 20003.
D. (6) $7,000.

A. Dorothy Cecelski, 2030 M Street NW, 3d Floor, Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20003.
D. (6) $4,125. E. (9) $154.76

A. Cederberg & Associates, 7100 Sussex Place, Alexandria, Va. 22307.
B. Grumman Corp., 1000 Wilson Boulevard, Arlington, Va.
D. (6) $200.

A. Cederberg & Associates, 7100 Sussex Place, Alexandria, Va. 22307.
B. Martin Marietta Corp., Rockville, Md.
D. (6) $200.

A. Cederberg & Associates, 7100 Sussex Place, Alexandria, Va 22307.
B. United Technologies, 1125 15th Street NW., Washington, D.C.
D. (6) $150.

A. Cederberg & Associates, 7100 Sussex Place, Alexandria, Va. 22307.
B. RCA, 1901 North Moore Street, Arlington, Va.
D. (6) $150.

A. Center for Auto Safety, 1223 Dupont Circle Building, Washington, D.C. 20036.
E. (9) $142.

A. Center for Environmental Education, Inc., 624 9th Street NW., Suite 500, Washington, D.C. 20001.
D. (6) $938,000. E. (9) $19,761.05.

A. Central States Resource Center, P.O. Box 577, Urbanna, Ill. 61801
D. (6) $10,000. E. (9) $4,416.86.

A. CF Industries, Inc., Salem Lake Drive, Long Grove, Ill. 60047.
E. (9) $1,000.

A. Charles M. Chafer, Space Services, Inc., 2550 M Street NW., Washington, D.C.
B. Space Services, Inc., P.O. Box 4, Houston, Tex. 77001.

A. Henry Chajet, 1920 N Street NW., Suite 300, Washington, D.C. 20036.

B. American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
D. (6) $150.

A. Elizabeth Prewitt Chalmers, American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $750.

A. Charles E. Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Committee for 806.30 and 807, Inc., 1611 Kent Street, Arlington, Va. 22209.
D. (6) $750.

A. Henry Chamberlain, Priest & Fine, Inc., 1725 K Street NW., Washington, D.C. 20006.
B. National Technical Schools of Los Angeles, 4000 Figueroa, Los Angeles, Calif. 90037.

A. Ed Chandler, 7901 Westpark Drive, McLean, Va. 22102.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22102.
D. (6) $7,623. E. (9) $500.

A. J. W. Chandler, York International, Borg-Warner Corp., 1575 I Street NW., Suite 1075, Washington, D.C. 20005.
B. York Division, Borg-Warner Corporation, South Richland Avenue, York, Pa. 17405.
E. (9) $17.20.

A. William J. Chandler; W. J. Chandler Associates, 1717 Massachusetts Avenue NW., Washington, D.C. 20036.
B. The Nature Conservancy, 1800 N. Kent Street, Suite 800, Arlington, Va. 22209.
D. (6) $4,537.50. E. (9) $5,084.55.

A. William U. Chandler, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,499.99.

A. Foster Chapman—Johnson, Smith and Hibbard, 220 North Church Street, Suite 6, P.O. Box 5524, Spartanburg, S.C. 29304.
B. Milliken & Co., P.O. Box 1926, Spartanburg, S.C. 29304.

A. William C. Chapman, General Motors Corp., 1660 "L" Street NW., Suite 805, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $3,137.35.

A. Richard M. Charlton, 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. EDS Corp., 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $192. E. (9) $41.15.

A. Leslie Cheek III, Crum & Forster Insurance Co., 1120 Connecticut Avenue NW., Suite 1142, Washington, D.C. 20036.
B. Crum & Forster Corp., Madison Avenue at Canfield Road, Morristown, N.J. 07960.
D. (6) $16,250. E. (9) $1,035.

A. Jane Cheever, The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.

A. Jane Cheever, First National Boston Corp. 100 Federal Street, Boston, Mass. 02110.

B. First National Boston Corp., 100 Federal Street, Boston, Mass. 02110.

A. Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.
D. (6) $5,000. E. (9) $3,000.

A. Chemical Specialties Manufacturers Association, 1001 Connecticut Aveune NW., Suite 1120, Washington, D.C. 20036.
E. (9) $2,044.17.

A. B. H. Cherry, 100 Interpace Parkway, Parsippany, N.J. 07054.
B. GPU Service Corp., 100 Interpace Parkway, Parsippany, N.J. 07054.
D. (6) $1,722. E. (9) $179.

A. Hal M. Christensen, 1101 17th Street NW., Washington, D.C. 20036.
B. American Dental Association, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. William T. Christian, Atlantic Richfield Co., 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $250.

A. Jack E. Christy, National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $6,807.71.

A. Chugach Electric Association, Inc., P.O. Box 3518, Anchorage, Alaska 99501.
E. (9) $4,214.04.

A. John Chwat, 5301 Inver Chapel Road, Springfield, Va. 22151.
B. Comsat Corp., 950 L'Enfant Plaza SW., Washington, D.C. 20024.

A. Cigar Association of America, Inc., 1100 17th Street NW., Suite 1201, Washington, D.C. 20036.
B. Cigar Association of America, Inc., 1100 17th Street NW., Suite 1201, Washington, D.C. 20036.
E. (9) $527.65.

A. Citizen/Labor Energy Coalition, 1300 Connecticut Avenue NW., Room 401 Washington, D.C. 20036.
D. (6) $4,529. E. (9) 4,529.70.

A. Citizens Committee for the Right To Keep and Bear Arms, 1601 114th SE., Suite 151, Bellevue, Wash. 98004
D. (6) $583,266.20. E. (9) $183,812.17.

A. Citizens for Government Fairness, P.O. Box 1336, Brawley, Calif. 92227.
E. (9) $7,500.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.
B. Smigh Barney Harris Upham & Co., 1345 Avenue of the Americas, New York, N.Y. 10019.

A. Anne Harrison Clark, Population Resource Center, 110 Maryland Avenue, NE., Washington, D.C. 20002.
B. Population Resource Center, 622 Third Avenue, New York, N.Y. 10017.
D. (6) $7,134.

A. James W. Clark, Jr., 600 Maryland Avenue SW., Suite 400, Washington, D.C. 20024.

B. American Optometric Association, c/o Albert A. Bucar, 395 Orchard Street, Antioch, Ill. 60002.

D. (6) $49.02. E. (9) $145.64.

A. Julie Clark, National Legal Aid & Defender Association, 1625 K Street NW., 8th Floor, Washington, D.C. 20006.

B. National Legal Aid & Defender Association, 1625 K Street NW., 8th Floor, Washington, D.C. 20006.

D. (6) $9,080. E. (9) $205.15.

A. Kimball Clark, Association of American Railroads, 412 First Street SE., Suite 200, Washington, D.C. 20003.

B. Association of of American Railroads, 1920 L Street SW., Washington, D.C. 20036.

D. (6) $534.15. E. (9) $170.74.

A. Thomas R. Clark, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

A. Vernon A. Clark, 1899 L Street, NW., Suite 403, Washington, D.C. 20036.

B. Outdoor Advertising Association of America, Inc., 1899 L Street, NW., Suite 403, Washington, D.C. 20036.

D. (6) $2,150. E. (9) $5,257.

A. Donald M. Clarke, Collins & Smith Associates, Inc., 6269 Franconia Road, Alexandria, Va. 22310.

B. International Harvester Co., 401 North Michigan Avenue, Chicago, Ill. 60611.

D. (6) $2,250.

A. Wade P. Clarke, Deere & Co., John Deere Road, Moline, Ill. 61265.

B. Deere & Co., John Deere Road, Moline, Ill. 61265.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Industrial Health Council, 1075 Central Park Avenue, Scarsdale, N.Y. 10583.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Securities Clearing Corp., 55 Water Street, New York, N.Y. 11041.

D. (6) $2,995. E. (9) $19.15.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Sporting Arms & Ammunition Manufacturers Institute, 104 Turnpike Road, Wallingford, Conn. 01492.

A. Ronald D. Clements, Edison Electric Institute, 1111 19th Street, NW., Washington, D.C. 20036.

B. Edison Electric Institute, 1111 19th Street, NW., Washington, D.C. 20036.

D. (6) $1,950. E. (9) $540.

A. The Cleveland Electric Illuminating Co., 55 Public Square, Cleveland, Ohio 44113.

E. (9) $903.50.

A. Clifford & Warnke, 815 Connecticut Avenue, Washington, D.C. 20006.

B. Joint Corporate Committee on Cuban Claims, c/o Lone Star Industries, Inc., P.O. Box 5050, Greenwich, Conn. 06830.

D. (6) $600. E. (9) $180.

A. Dexanne B. Clohan, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, IL. 60610.

D. (6) $3,769. E. (9) $44.42.

A. Christopher E. Clouser, 25th & McGee, Kansas City, Mo. 64108.

B. Hallmark Cards, Inc., 25th & McGee, Kansas City, Mo. 64108.

D. (6) $500.

A. The Coalition for Full Nuclear Accountability, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $8,415. E. (9) $8,415.

A. Coalition for Uniform Product Liability Law, 1901 L Street NW., No. 303, Washington, D.C. 20036.

D. (6) $2,373.55. E. (9) $2,373.55.

A. Thomas B. Coates, Connecticut Petroleum Council, 410 Asylum Street, Hartford, Conn. 06103.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $400. E. (9) $354.30.

A. Joe Cobb, Cobb Green & Associates, Postal Box 974, Las Vegas, Nev. 89125.

A. Richard B. Cobb, Petroleum Council of Georgia, 230 Peachtree Street NW., Suite 1500, Atlanta, Ga. 30303.

American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $598. E. (9) $1,537.20.

A. John J. Coffey, 1700 K Street NW., Washington, D.C. 20006.

B. Chevron U.S.A. Inc., a subsidiary of Standard Oil Co. of California, 1700 K Street NW., Washington, D.C. 20006.

D. (6) $650. E. (9) $46.50.

A. Don V. Cogman, Mapco, Inc., 1100 Connecticut Avenue NW., Suite 820, Washington, D.C. 20036.

B. Mapco, Inc., 1800 South Baltimore Avenue, Tulsa, Okla. 74119.

D. (6) $3,750. E. (9) $409.31.

A. Cohen & Uretz, 1775 K Street NW., Washington, D.C. 20006.

B. Estate of Sylvia Buring, 1837 Harbor Avenue, Memphis, Tenn. 38113.

E. (9) $92.99.

A. Cohen & Uretz, 1775 K Street NW., Washington, D.C. 20006.

B. Northwest Energy Co., 315 East 200 South, Salt Lake City, Utah 84110.

E. (9) $134.50.

A. Herbert B. Cohn, Morgan, Lewis & Bockius, 1880 M Street NW., Washington, D.C. 20036.

B. Committee for Capital Formation Through Dividend Reinvestment, 1800 M Street NW., Suite 800 N., Washington, D.C. 20036.

A. Elizabeth A. Coker, Seafarers International Union, 815 16th Street NW., Suite 510, Washington, D.C. 20006.

B. Seafarers International Union, 815 16th Street NW., Suite 510, Washington, D.C. 20006.

D. (6) $3,000. E. (9) $294.27.

A. Cole & Corette, P.C., 1200 17th Street NW., Washington, D.C. 20036.

B. American Petroleum Refiners Association, Ring Building, Washington, D.C.

A. Cole & Corette, P.C., 1200 17th Street NW., Washington, D.C. 20036.

B. Dow Chemical Co., 2030 Dow Center, Midland, Mich. 48640.

A. Cole & Corette, 1200 17th Street NW., Washington, D.C. 20036.

B. Minpeco S.A., Av. Aviacion 2401, Urb. San Borja; Lima, Peru.

E. (9) $33.

A. E. William Cole, 1100 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.

D. (6) $600. E. (9) $96.

A. Robert E. Cole, 900 17th Street NW., Washington, D.C. 20006.

B. Kaiser Aluminum Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.

D. (6) $200.

A. Stacey W. Cole, New Hampshire Petroleum Council, 23 School Street, Concord, N.H. 03301.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $196.54. E. (9) $202.29.

A. John M. Collier, 4436 Perrier, New Orleans, La. 70115.

B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.

D. (6) $10,232.52.

A. Collier, Shannon, Rill & Scott, Suite 308, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.

B. American Meat Institute, 1700 North Moore Street, Arlington, Va. 22209.

D. (6) $1,656.25. E. (9) $29.85.

A. Collier, Shannon, Rill & Scott, 1055 Thomas Jefferson Street NW., Suite 308, Washington, D.C. 20007.

B. CSX Corp., 1500 Federal Reserve Building, 701 East Byrd Street, Richmond, Va.

D. (6) $1,525. E. (9) $50.

A. Collier, Shannon, Rill & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.

B. Independent Lubricant Manufacturers Association, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.

A. Collier, Shannon, Rill & Scott, 1055 Thomas Jefferson Street NW., Suite 308, Washington, D.C. 20007.

B. Norris Industries, Vernon Division, 5215 South Boyle Avenue, Los Angeles, Calif. 90058.

A. Collier, Shannon, Rill & Scott, 1055 Thomas Jefferson Street NW., Suite 308, Washington, D.C. 20007.

B. Outdoor Power Equipment Institute, 1901 L Street NW., Washington, D.C. 20036.

A. Collier, Shannon, Rill & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.

B. Society of Independent Gasoline Marketers of America, 1010 Wisconsin Avenue, Suite 400, Washington, D.C. 20007.

D. (6) $2,000.

A. George R. Collins, IUE-AFL-CIO, 1126 16th Street NW., Washington, D.C.

B. IUE-AFL-CIO, 1226 16th Street NW., Washington, D.C. 20036.

D. (6) $600. E. (9) $300.

A. Marvin Collins, American Council of Life Insurance, 1850 K Street NW., Washington, D.C. 20006.

B. American Council of Life Insurance, 1850 K Street NW., Washington, D.C. 20006
D. (6) $2,975. E. (9) $20.

A. Mary M. Collins, Shell Oil Co., 1025 Connecticut Avenue, NW., Suite 200, Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Geri Colombaro, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $6. E. (9) $30.

A. W. Kent Combs, IBM Corp., 1801 K Street NW., Washington, D.C. 20006.
B. International Business Machines Corp., Old Orchard Road, Armonk, NY 10504.
D. (6) $1,344. E. (9) $77.90.

A. Committee for Capital Formation Through Dividend Reinvestment, 1800 M Street NW., Suite 800, Washington, D.C. 20036.
D. (6) $80. E. (9) $80.

A. Committee for Effective Capital Recovery, 1901 L Street NW., No. 303, Washington, D.C. 20036.
D. (6) $3,592.92. E. (9) $3,592.92.

A. Committee for Effective Tax Incentives, One Farragut Square, 8th Floor, Washington, D.C. 20006.

A. Committee for Humane Legislation, Inc., 11 West 60th Street New York, N.Y. 10023.
D. (6) $34,471.94 E. (9) $8,812.88.

A. Committee for Proposition Thirty, P.O. Box 915, Hartselle, Ala. 35640.
E. (9) $547.04.

A. Committee of Urban Program Universities, 1346 Connecticut Avenue NW. No. 228, Washington, D.C. 20036.
D. (6) $38,200. E. (9) $10,956.62.

A. Community to Assure the Availability of Casein, 3213 O Street NW., Washington, D.C. 20007.
D. (6) $15,500.

A. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,937,806. E. (9) $274,109.84.

A. Community Nutrition Institute, 1146 19th Street NW., Washington, D.C. 20036.
E. (9) $908.90

A. Lance Compa, United Electrical, Radio & Machine Workers of America, 1411 K Street NW., Suite 410, Washington, D.C. 20005.
B. United Electrical, Radio & Machine Workers of America (UE) 11 East 51 Street, New York, N.Y. 10022.
D. (6) $4,877.42. E. (9) $4.69.

A. Computer & Communications Industry Association, 1500 Wilson Boulevard, Suite 512, Arlington, Va. 22209.
D. (6) $56,464.05. E. (9) $15,836.48.

A. Edward C. Cone, Jr., P.O. Box 1606, Forest Park, Ga. 30051.
B. Southeastern Lumber Manufacturers Association, P.O. Box 1606, Forest Park, Ga. 30051.

A. Carole K. Cones, 1515 North Courthouse Road, Suite 301, Arlington, Va. 22201.
B. The DCM Group, 1515 North Courthouse Road, Suite 301, Arlington, Va. 22201 (for the Ad Hoc Committee for American Silver, 1515 North Courthouse Road, Suite 301, Arlington, Va. 22201).
D. (6) $4,000. E. (9) $149.97.

A. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
E. (9) $2,429.33.

A. Congress Watch, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $52,479.32. E. (9) $52,922.08.

A. Congressional District Action Committee No. 7, care or Joe Tomaino, 2735 Ivy Street, Tampa, Fla, 33607.
D. (6) $50.

A. Raymond F. Conkling, Texaco Inc., 1050 17th Street NW., Washington, D.C. 20036.
B. Texaco Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.
D. (6) $200.

A. Robert J. Conner, Chrysler Corp., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corp., 12000 Lynn Townsend Drive, Highland Park, Mich.
D. (6) $500. E. (9) $1,616.40.

A. John P. Connoly, Suite 802, 2000 L Street NW., Washington, D.C. 20036.
B. Popham, Haik, Schnobrich, Kaufman & Doty, Ltd., 4344 IDS Center, Minneapolis, Minn. 55402. Glenrock Refinery, Inc., P.O. Box 2553, Casper, Wyo. 82602.

A. Richard J. Conner, Jr., Distilled Spirits Council of the U.S., Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.
B. Distilled Spirits Council of the U.S., Inc., Washington, D.C. 20004.
D. (6) $1,725. E. (9) $150.

A. Jerry C. Connors, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.

A. Lori C. Consadori, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Consumers for World Trade (CWT), 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $40.

A. Consolidated Natural Gas Service Co., Inc., Four Gateway Center, Pittsburgh, Pa 15222.
D. (6) $4,000.

A. Consolidated Rail Corp., P.O. Box 23451, L'Enfant Plaza, Washington, D.C. 20024.
E. (9) $11,075.

A. Constructora Nacional de Carros de Ferrocarril, S.A., San Lorenzo, No. 925, Mexico, D.F., Mexico.

A. Consumers for World Trade, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $104. E. (9) $104.

A. Consumers Union of the United States, Inc., 256 Washington Street, Mount Vernon, N.Y. 10550.
E. (9) $10,577.

A. Container Corp. of America, 1100 Connecticut Avenue NW., Suite 540, Washington, D.C. 20036.
D. (6) $9,750. E. (9) $4,950.

Control Data Corp., 8100 34th Avenue South, Minneapolis, Minn. 55440.
E. (9) $1,899.

A. John T. Conway, American Nuclear Energy Council, 410 First Street SE, Washington, D.C.
B. American Nuclear Energy Council, 410 First Street SE., Washington, D.C.
D. (6) $6,562.50. E. (9) $1,306.37.

A. Alexandra W. Cook, 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. EDS Corp., 229 Pennsylvania Avenue SE, Washington, D.C. 20003.
D. (6) $608. E. (9) $733.

A. Charles F. Cook, 1920 N Street NW., Suite 300, Washington, D.C. 20036.
B. American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
D. (6) $180. E. (9) $20.

A. Frederick N. Cook, Vermont Petroleum Association, P.O. Box 566, Montpelier, Vt. 05602.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $600. E. (9) $11.

A. Harry N. Cook, The National Waterways Conference, Inc., 1130 17th Street NW., Washington, D.C. 20036.
B. The National Waterways Conference, Inc.

A. K. Richard Cook, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Ct. 06431.
D. (6) $375.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Suite 1100, Washington, D.C. 20036.
B. American Motorcyclist Association, P.O. Box 141, Westerville, Ohio 43081.
D. (6) $1,520.50. E. (9) $54.50.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Suite 1100, Washington, D.C. 20036.
B. B.A.T. Industries, p.l.c., P.O. Box 345, Windsor House, 50 Victoria Street, London SW1H ONL, England.
D. (6) $33,972.50. E. (9) $881.85.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Suite 1100, Washington, D.C. 20036.
B. Guam Airport Authority, P.O. Box 8770, Tamuning, Guam 96911.
D. (6) $1,650.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Suite 1100, Washington, D.C. 20036.
B. Harley-Davidson Motor Co., P.O. Box 652, Milwaukee, Wis. 53201.
D. (6) $894.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Suite 1100, Washington, D.C. 20036.
B. Republic Airlines, Inc., 7500 Airline Drive, Minneapolis, Minn. 55450.
D. (6) $500.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Suite 1100, Washington, D.C. 20036.
B. USAir, Inc., National Airport, Washington, D.C. 20001.
D. (6) $500.

A. Thomas M. Cook, National Cattlemen's Association, 425 13th Street NW., Suite 1032, Washington, D.C. 20004.
B. National Cattlemen's Association, 5420 South Quebec Street, P.O. Box 3469, Englewood, Colo., 80155.
D. (6) $1,000.

A. Eileen D. Cooke, 110 Maryland Avenue NE., Box 54, Washington, D.C. 20002.
B. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.
D. (6) $1,131.

A. Bernard J. Cooney, 1730 Pennsylvania Avenue NW., Suite 900, Washington, D.C. 20006.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $1,320. E. (9) $64.

A. Paul E. Cooney, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Suite 1000, Washington, D.C. 20006.
B. First Wisconsin National Bank of Milwaukee, 777 East Wisconsin Avenue, Milwaukee, Wis. 53202.

A. Paul E. Cooney, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Suite 1000, Washington, D.C. 20006.
B. Phosphate Rock Export Association, 1311 North West Shore Boulevard, Tampa, Fla. 33607.

A. Benjamin Y. Cooper, Jr., 1730 North Lynn Street, Arlington, Va. 22209.
B. Printing Industries of America, Inc., 1730 North Lynn Street, Arlington, Va. 22209.
D. (6) $7,500.

A. Edward Cooper, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. Jess Cooper, 1115 15th Street NW., Suite 314, Washington, D.C. 20005.
B. Rocky Mountain Oil and Gas Association, 345 Petroleum Building, Denver, Colo. 80202.
D. (6) $900. E. (9) $743.01.

A. Joshua W. Cooper, 626 S. Lee Street, Alexandria, Va. 22314.
B. Portsmouth-Kittery Armed Services Committee, Inc., Box 1123, Portsmouth, N.H. 03801.
D. (6) $2,800. E. (9) $424.27.

A. Kathy J. Cooper, Chevron U.S.A., Inc., 1700 K Street NW., Suite 1204, Washington, D.C. 20006.
B. Chevron U.S.A., Inc., a subsidiary of Standard Oil Co. of California, 1700 K Street NW., Suite 1204, Washington, D.C. 20006.
D. (6) $100.

A. Mitchell J. Cooper, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Council of Forest Industries, 1055 Hastings Street, Vancouver 1, Canada.
D. (6) $3,000.

A. Mitchell J. Cooper, 1001 Connecticut Avenue NW., Washington D.C. 20036.
B. Footwear Division, Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $11,550. E. (9) $5.20.

A. Darrell Coover, National Association of Independent Insurers, 499 South Capitol Street SW., No. 401, Washington, D.C. 20003.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $2,000. E. (9) $379.

A. James M. Copeland, Jr., Chicago Mercantile Exchange, 1101 Connecticut Avenue NW., Suite 801, Washington, D.C. 20036.
B. Chicago Mercantile Exchange, 444 West Jackson Boulevard, Chicago, Ill. 60606.
D. (6) $6,999.

A. William C. H. Coppola, The Committee to Safeguard Prisoner's Rights, Inc. 283650 Ellis Unit, Huntsville, Tex. 77340.
B. The Committee to Safeguard Prisoner's Rights, Inc., 283650 Ellis Unit, Huntsville, Tx. 77340.
D. (6) $50. E. (9) $135.

A. Constance E. R. Corbino, 1015 15th Street, NW., No. 802, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1015 15th Street, NW., No. 802, Washington, D.C. 20005.
D. (6) $375.

A. Corcoran, Hardesty, et al., 1575 I Street NW., Suite 510, Washington, D.C. 20005.
B. Continental Resources Co., P.O. Box 44, Winter Park, Fla. 32790.
D. (6) $14,900. E. (9) $6,346.11.

A. John F. Corcoran, Southern Railway Co., 920 15th St., NW., Washington, D.C. 20005.
B. Southern Railway Co., 920 15th St., NW., Washington, D.C. 20005.
D. (6) $1,000.

A. Corcoran, Youngman & Rowe, 1511 K Street NW., Suite 1100, Washington, D.C. 20005.
B. Frank G. Kingsley, 285 Canoe Road, New Caanan, Conn. 06840.
D. (6) $3,000. E. (9) $101.

A. Corcoran, Youngman & Rowe, 1511 K Street NW., Suite 1100, Washington, D.C. 20005.
B. Milliken & Co., P.O. Box 1927, Spartanburg, S.C. 29304.
D. (6) $5,000. E. (9) $185.

A. Corn Refiners Association, Inc., 1001 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,458. E. (9) $1,692.

A. Richard L. Corrigan, 1090 Vermont Avenue NW., Suite 560, Washington, D.C. 20005.
B. CH2M Hill, Inc., 1600 S.W. Western Boulevard, Corvallis; Oreg. 97330.
D. (6) $1,200.

A. Marty Corry, National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $5,740. E. (9) $90.75.

A. Allan D. Cors, Corning Glassworks, 1800 K Street NW., Washington, D.C. 20006.
B. Corning Glass Works, Corning, N.Y.
D. (6) $500.

A. Glen S. Corso, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $3,840. E. (9) $329.

A. R. H. "Dick Cory, 1510 American Bank Tower, Austin, Tex. 78701.
B. Central and South West Services, Inc., One Main Place, Suite 2700, Dallas, Tex. 75250.
D. (6) $570. E. (9) $6,495.62.

A. Tom Cosgrove, 530-7th Street SE., Washington, D.C. 20003.
B. National Clean Air Coalition, 530 7th Street SE., Washington, D.C. 20003.
D. (6) $3,838.20. E. (9) $70.14.

A. Clark R. Cosse III, 2900 Indiana Ave., Kenner, La. 70062.
B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.
D. (6) $7,675.03.

A. James R. Costello, Jr., American Textile Manufacturers Institute, 1101 Connecticut Avenue NW., No. 300, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 1101 Connecticut Avenue NW., No. 300, Washington, D.C. 20036.
D. (6) $500. E. (9) $56.20.

A. Michael E. Costello, 1090 Vermont Avenue NW., Suite 600, Washington, D.C. 20005.
B. Texas Eastern Transmission Corp., P.O. Box 2521, Houston, Tex. 77001.
E. (9) $665.01.

A. Coudert Brothers, 1 Farragut Square South, Washington, D.C. 20006.
B. U.S. Telephone Communications, Inc., 108 South Akard Street, Dallas, Tex. 75202.
D. (6) $87,000. E. (9) $1,044.72.

A. J. Barry Coughlin, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $1,530. E (9) $1,158.79.

A. Craig A. Coulter, 1660 L Street NW., Suite 207, Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
D. (6) $1,562.50.

A. Council for Languages and Other International Studies, 11 Dupont Circle NW., Suite 210, Washington, D.C. 20036.
D. (6) $6,416.65. E. (9) $3,758.68.

A. Council of State Chambers of Commerce, 499 South Capital Street SW., Suite 412, Washington, D.C. 20003.
D. (6) $2,945. E. (9) $2,199.91.

A. James H. Cousins, National Savings & Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
B. National Savings & Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
D. (6) $2,000. E. (9) $70.

A. Covington & Burling, 1201 Pennsylvania Avenue NW., P.O. Box 7566, Washington, D.C. 20044.
D. (6) $492.50.

A. Covington & Burling, 1201 Pennsylvania Avenue NW., P.O. Box 7566, Washington, D.C. 20044.
B. American Watch Association, Inc., 10 East 40th Street, New York, N.Y. 10016.

A. Covington & Burling, 1201 Pennsylvania Avenue NW., P.O. Box 7566, Washington, D.C. 20044.
B. Facet Enterprises, Inc., 7030 South Yale Avenue, Tulsa, Okla. 74177.

E. (9) $30.60.

A. Covington & Burling, 1201 Pennsylvania Avenue NW., P.O. Box 7566, Washington, D.C. 20044.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $9,000.

A. Covington & Burling, 1201 Pennsylvania Avenue NW., P.O. Box 7566, Washington, D.C. 20044.
B. Irving Trust Co., 1 Wall Street, New York, N.Y. 10015.

A. Covington & Burling, 1201 Pennsylvania Avenue NW., P.O. Box 7566, Washington, D.C. 20044.
B. National Football League, 410 Park Avenue, New York, N.Y. 10022.
E. (9) $30.

A. Covington & Burling, 1201 Pennsylvania Avenue NW., P.O. Box 7566, Washington, D.C. 20044.
B. New York State Urban Development Corp., 1515 Broadway, New York N.Y. 10036.

A. Covington & Burling, 1201 Pennsylvania Avenue NW., P.O. Box 7566, Washington, D.C. 20044.
B. Reichhold Energy Corp., P.O. Box 1482, Tacoma, Wash., 98401.
D. (6) $1,000. E. (9) $77.68.

A. Covington & Burling, 1201 Pennsylvania Avenue NW., P.O. Box 7566, Washington, D.C. 20044.
B. Securities Industry Association, 489 L'Enfant Plaza East SE., Washington, D.C. 20024.

A. Eugene S. Cowen, 2759 Unicorn Lane NW., Washington, D.C. 20015.
B. American Broadcasting Co., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $48.

A. Archibald Cox, 2030 M Street NW., Third Floor, Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,492.50. E. (9) $2,304.25.

A. Kenneth A. Cox, 1133 19th Street NW., Washington, D.C. 20036.
B. MCI Communications Corp., 1133 19th Street NW., Washington, D.C. 20036.
D. (6) $397.07. E. (9) $2.

A. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. Canaveral Port Authority, P.O. Box 267, Cape Canaveral, Fla.
D. (6) $13,500. E. (9) $307.48.

A. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. City of Miami, Miami, Fla.
D. (6) $4,000. E. (9) $52.97.

A. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW. Suite 200, Washington, D.C. 20036.
B. Dade County, Miami, Fla.
D. (6) $10,000. E. (9) $225.60.

A. Cramer, Hoffman & Haber, Orlando P.A., 215 East Central Boulevard, Orlando Fla. 32801.
B. Global Exploration & Development Corp., 1414 Collins Avenue, Lakeland, Fla. 33801.
E. (9) $1,399.85.

A. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. Hobbs Construction & Development Co. Inc., 3711 North Highway 231, Panama City, Fla. 32401.
D. (6) $15,000.

A. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. Hoffman, Hendry, Stoner, Sims & Sawicki, 215 East Central Boulevard, Orlando, Fla. 32801. (for Global Exploration & Development Corp., 1414 Collins Avenue, Lakeland, Fla. 33801.)

A. William C. Cramer, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW., Suite 200, Washington, D.C. 20036. (for Canaveral Port Authority, P.O. Box 267, Cape Canaveral, Fla. 32920.)

A. William C. Cramer, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW., Suite 200, Washington, D.C. 20036. (for City of Miami, Miami, Fla.)

A. William C. Cramer, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW., Suite 200, Washington, D.C. 20036. (for Dade County, Miami, Fla.)

A. William C. Cramer, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW., Suite 200, Washington, D.C. 20036 (for Hobbs Construction & Development Co., Inc., 3711 North Highway 231, Panama City, Fla. 32401).

A. William C. Cramer, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. Hoffman, Hendry, Stoner, Sims & Sawicki, 215 East Central Boulevard, Orlando, Fla. 32801 (for Global Exploration & Development Corp., 1414 Collins Avenue, Lakeland, Fla. 33801).

A. Joseph S. Crane, American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $437.50.

A. Charles S. Crawford, The Power House, 3255 Grace Street NW., Washington, D.C. 20007.
B. Gray and Co., The Power House, 3255 Grace Street NW., Washington, D.C. 20007 (for Beretta Corp.).
D. (6) $375.

A. Charles S. Crawford, The Power House, 3255 Grace Street NW., Washington, D.C. 20007.
B. Gray & Co., The Power House 3255 Grace Street NW., Washington, D.C. 20007 (for HTB Corp.).

A. Charles S. Crawford, The Power House, 3255 Grace Street NW., Washington, D.C. 20007.
B. Gray and Co., The Power House, 3255 Grace Street NW., Washington, D.C. 20007 (for The Joint Maritime Congress).
D. (6) $625.

A. Charles S. Crawford, The Power House, 3255 Grace Street NW., Washington, D.C. 20007.
B. Gray & Co., The Power House, 3255 Grace Street NW., Washington, D.C. 20007 (for Tera Corp.).

A. William D. Crawford, Brotherhood Railway Carmen of the U.S. and Canada, 400 First Street NW., Suite 820, Washington, D.C. 20001.
B. Brotherhood Railway Carmen of the U.S. and Canada, 4929 Main Street, Kansas City, Mo. 64112.
D. (6) $2,032.53.

A. Credit Union National Association, Inc., 1730 Rhode Island Avenue, Suite 810, Washington, D.C. 20036.

A. Richard C. Creighton, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $5,000. E. (9) $500.

A. Joseph M. Cribben, 6900 Valley Brook Drive, Falls Church, Va. 22042.
B. United Association of Journeyman & Apprentices of the Plumbing & Pipe Fitting Industry of the United States and Canada, 901 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $1,750. E. (9) $30.

A. Richard E. Cristol, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.
B. The Robert H. Kellen Co., 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342 (for Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.
D. (6) $35.

A. Robert W. Cromartie, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Charles H. Cromwell, Inc., 6709 Georgia Street, Chevy Chase, Md. 20815.
B. Vought Corp., 1725 Jeff Davis Highway, Suite 900, Arlington, Va. 22202.

A. James H. Cromwell, 4701 Duncan Drive, Annandale, Va. 22003.
B. Med-E-Jet Corp., 12900 Triskett Road, Cleveland, Ohio 44111.
E. (9) $575.

A. James H. Cromwell, 4701 Duncan Drive, Annandale, Va. 22003.
B. Worldgate Office Park, Dulles International Airport, P.O. Box 17287, Washington, D.C. 20041.
E. (9) $500.

A. James H. Cromwell, Sr., 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $3,000. E. (9) $500.

A. Donald A. Crosier, Nebraska Petroleum Council, P.O. Box 95063, Lincoln, Nebr. 68509.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Crowell & Moring, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. ASARCO Inc., 120 Broadway, New York, N.Y. 10271.
D. (6) $1,955. E. (9) $10.

A. Crowell & Moring, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Associated Gas Distributors, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

A. Crowell & Moring, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.
D. (6) $144. E. (9) $10.

A. Crowell & Moring, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Brooklyn Union Gas Co., 195 Montague Street, Brooklyn, N.Y. 11201.

A. Crowell & Moring, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Control Data Corp., Greenwich, Conn. 06830.
D. (6) $350.

A. Crowell & Moring, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Eli Lilly & Co., 307 East McCarty Street, Indianapolis, Ind. 46285.
D. (6) $8,245. E. (9) $10.

A. Crowell & Moring, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Helicopter Association International, Suite 430/1110 Vermont Avenue NW., Washington, D.C. 20005.

A. Crowell & Moring, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Wholesaler-Distributors, 1725 K Street NW., Washington, D.C. 20036.
D. (6) $11,645. E. (9) $10.

A. Crowell & Moring, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Regional Airline Association, 1101 Connecticut Avenue NW., Washington, D.C. 20036.

A. Crowell & Moring, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Sierra Pacific Power Co., P.O. Box 10100, Reno, Nev. 89502.

A. Charles T. Cudlip, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corp., 12000 Lynn Townsend Drive, Highland Park, Mich. 48288.
D. (6) $2,000. E. (9) $90.

A. Barry M. Cullen, International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $35.

A. William E. Cumberland, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

A. Richard C. Cunan, California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
B. California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
D. (6) $5,000. E. (9) $1,228.29.

A. John T. Curran, Laborers' International Union of N.A., AFL-CIO, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of N.A., AFL-CIO, 905 16th Street NW., Washington, D.C. 20006.
D. (6) $13,282.50. E. (9) $223.80.

A. Sharon Allen Currens, American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,400.

A. Carl T. Curtis, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20006.
B. Don Rich Co., 372 Franklin Avenue, Redlands, Calif. 92373.

A. Edward P. Curtis, Jr., Genesee Public Affairs, Inc., 36 West Main Street, Rochester, N.Y. 14614.
B. Ministry of the Environment, 135 St. Clair Avenue West, Toronto, Ontario M4V 1P5, Province of Ontario, Canada.
D. (6) $5,800. E. (9) $3,050.96.

A. M. Rupert Cutler, 950 Third Avenue, New York, N.Y. 10022.
B. National Audubon Society, 950 Third Avenue, New York, N.Y. 10022.
D. (6) $600. E. (9) $390.

A. William K. Dabaghi, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $650.

A. William Kay Daines, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $450. E. (9) $27.80.

A. Lewis I. Dale, Air Products & Chemicals, Inc., 1800 K Street NW., Suite 1016, Washington, D.C. 20006.
B. Air Products & Chemicals, Inc., 1800 K Street NW., Suite 1016, Washington, D.C. 20006.
D. (6) $170. E. (9) $27.

A. Terese C. D'Alessio, 2020 North 14th Street, Suite 402, Arlington, Va. 22201.
B. American Newspaper Publishers Association, P.O. Box 17407, Dulles International Airport, Washington, D.C. 20041.
D. (6) $3,335.

A. Terese C. D'Alessio, 2020 North 14th Street, Suite 402, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.
D. (6) $125. E. (9) $59.85.

A. Donald W. Dalrymple, American Cyanamid Co., 1575 I Street NW., Suite 220, Washington, D.C. 20005.
B. American Cyanamid Co., Wayne, N.J. 07470; Lederle Laboratories, Pearl River, N.Y. 10965.
D. (6) $3,150. E. (9) $633.33.

A. James G. Dalton, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $2,500.

A. John M. Damgard, ACLI International, Inc., 1735 I Street NW., Washington, D.C. 20006.
B. ACLI International, Inc., 717 Westchester Avenue, White Plains, N.Y. 10604.

A. Damrell, Damrell & Nelson, P.C., 911 13th Street, P.O. Box 3489, Modesto, Calif. 95353.
B. The Coastal Corp., 9 Greenway Plaza, Houston, Tex. 77046.
D. (6) $1,140. E. (9) $219.39.

A. Tracy Danese, P.O. Box 529100, Miami, Fla. 33152.
B. Florida Power & Light Co., P.O. Box 529100, Miami, Fla. 33152.
D. (6) $718. E. (9) $478.65.

A. Alice Daniel, 2030 M Street NW., Third Floor, Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $450.

A. Daniels, Houlihan & Palmeter, P.C., 1819 H Street NW., Washington, D.C. 20006.
B. Japan Lumber Importers' Association, Tokyo, Japan.

A. Daniels, Houlihan & Palmeter, P.C., 1819 H Street NW., Washington, D.C. 20006.
B. Korean Traders Association 10-1, 2-KA Hoehyun-Dong, Chung Ku, Seoul, Korea.

A. Michael P. Daniels, Daniels, Houlihan & Palmeter, P.C., 1819 H Street NW., Washington, D.C. 20006.
B. American Association of Exporters & Importers, 11 West 42d Street, New York, N.Y. 10036.

A. William H. Darden, Association of American Railroads, 412 First Street SE., Suite 200, Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $727.50. E. (9) $53.90.

A. Oneida L. Darley, 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.
B. National Limestone Institute, 3251 Old Lee Highway, Suite 500, Fairfax, Va 22030.

A. Richard C. Darling, J. C. Penney Co. Inc., 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $600. E. (9) $50.

A. Diane Davenny Darneille, Schering-Plough Corp. 1100 17th Street NW., Suite 1206, Washington D.C. 20036.
B. Schering-Plough Corp., 2000 Galloping Hill Road, Kenilworth, N.J. 07033.
D. (6) $561.54. E. (9) $426.77.

A. Thomas Roger Dart, Alabama Petroleum Council, P.O. Box 4220, Montgomery, Ala. 36195.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $156.50. E. (9) $129.40.

A. Datapoint Corp., 9725 Datapoint Drive, San Antonio, Tex. 78284.
E. (9) $4,780.15.

A. Philip J. Daugherty, Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $6,282. E. (9) $228.49.

A. John B. Davenport, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $180.

A. Larry C. Davenport, Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342
B. Robert H. Kellen Co 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.

D. (6) $35.

A. Daniel I. Davidson, Spiegel & McDiarmid, 2600 Virginia Avenue, NW., Washington, D.C. 20037.
B. Northern California Power Agency, 770 Kiely Boulevard, Santa Clara, Calif. 95051, and the cities of Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, Santa Clara, Ukiah, Calif. and Plumas-Sierra Rural Electric Cooperative.

A. Christopher L. Davis, 1920 N Street NW., Suite 650, Washington, D.C. 20036.
B. Erie County Industrial Development Agency, 170 Franklin Street, Buffalo, N.Y. 14202.
D. (6) $2,058.50. E. (9) $110.35.

A. Christopher L. Davis, 1920 N Street NW., Suite 650, Washington, D.C. 20036.
B. National Skeet Shooting Association, P.O. Box 28188, San Antonio, Tex. 78228.

A. David R. Davis, Indiana Petroleum Council, Division of API, 714 Harrison Office Building, Indianapolis, Ind. 46204.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $539.68. E. (9) $414.71.

A. Drew M. Davis, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $35.

A. Edward M. Davis, American Nuclear Energy Council, 410 First Street SE., Washington, D.C.
B. American Nuclear Energy Council 410 First Street SE., Washington, D.C.
D. (6) $3,742.51. E. (9) $473.69.

A. Fred G. Davis, Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $1,290. E. (9) $601.14.

A. Davis, Graham & Stubbs, 2600 Colorado National Building, P.O. Box 185, Denver, Colo. 80201.
B. Integrity Oil & Gas Co., 410 17th Street, Suite 1670, Denver, Colo. 80202.
D. (6) $2,013.50. E. (9) $1,706.

A. Davis, Graham & Stubbs, 2600 Colorado National Building, P.O. Box 185, Denver, Colo. 80201.
B. Snyder Oil Co., 410 17th Street, Suite 1300, Denver, Colo. 80202.
D. (6) $1,719. E. (9) $1,458.19.

A. Davis, Graham & Stubbs, 2600 Colorado National Building, P.O. Box 185, Denver, Colo. 80201.
B. Tenneco Oil Co., 126 North Point Drive, P.O. Box 2888, Houston, Tex. 77001.
D. (6) $2,614. E. (9) $2,212.28.

A. Kenneth E. Davis, 1899 L Street NW., No. 807, Washington, D.C. 20036.
B. Rohm & Haas Co., Independence Mall West, Philadelphia, Pa. 19105.
D. (6) $500.

A. Ovid R. Davis, The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.

A. Davis, Polk & Wardwell, 1 Chase Manhattan Plaza, New York, N.Y. 10005.
B. International Paper Co., 77 West 45th Street, New York, N.Y.
D. (6) $255. E. (9) $597.41.

A. Davis, Polk & Wardwell, 1575 I Street NW., Washington, D.C. 20005.
B. Morgan Guaranty Trust Co. of New York, 23 Wall Street, New York, N.Y. 10015.
D. (6) $765.

A. Davis, Polk & Wardwell, 1575 I Street NW., Washington, D.C. 20005.
B. Societe Generale, 8, Rue Auber, 75009 Paris, France (for Hudson Securities, Inc., 630 Fifth Avenue, New York, N.Y. 10111).

A. R. Hilton Davis, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $468. E. (9) $30.

A. Robert W. Davis, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $720. E. (9) $640.

A. William Lee Davis, Westvaco Corp., 299 Park Avenue, New York, N.Y. 10171.
B. Westvaco Corp., 299 Park Avenue, New York, N.Y. 10171.
D. (6) $1,729.17 E. (9) $1,165.37.

A. Davis, Wright, Todd, Riese & Jones, 1050 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. Southern Pacific Communications Co., P.O. Box 974, Burlingame, Calif. 94010.
D. (6) $1,300. E. (9) $60.

A. Donald S. Dawson, Washington Building, Suite 723, Washington, D.C. 20005.
B. Opticians Association of America, 1250 Connecticut Avenue NW., Suite 602, Washington, D.C. 20036.

A. Donald S. Dawson, 723 Washington Building, Washington, D.C. 20005.
B. U.S. Brewers Association, Inc., 1750 K Street NW., Washington, D.C. 20006.

A. Donald S. Dawson, 723 Washington Building, Washington, D.C. 20005.
B. Virgin Islands Gift & Fashion Shop Association, P.O. Box 2232, St. Thomas, V.I.

A. Donald S. Dawson, 723 Washington Building, Washington, D.C. 20005.
B. Virgin Islands Merchants Association, St. Thomas, V.I. 00201.

A. J. Edward Day, Squire, Sanders & Dempsey, Fifth Floor, 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.
B. Electronic Industries Association, Consumer Electronics Group, 2001 Eye Street NW., Washington, D.C. 20006.
D. (6) $2,000.

A. The DCM Group, 1515 North Courthouse Road, Suite 301, Arlington, Va. 22201.
B. The Ad Hoc Committee for American Silver, 1515 North Courthouse Road, Suite 301, Arlington, Va. 22201.
D. (6) $6,250. E. (9) $362.77.

A. Dealer Bank Association, 1800 K Street NW., Suite 1014, Washington, D.C. 20006.
D. (6) $5,137.16. E. (9) $5,137.16.

A. John Russell Deane III, 1607 New Hampshire Avenue NW., Washington, D.C. 20009.
B. American Metal Detectors Manufacturers, Inc., 2814 National Drive, Garland, Tex. 75401.

A. John Russell Deane III, 1607 New Hampshire Avenue NW., Washington, D.C. 20009.
B. Coalition of Automotive Associations, 1607 New Hampshire Avenue NW., Washington, D.C. 20009.

A. John Russell Deane III, 1607 New Hampshire Avenue NW., Washington, D.C. 20009.
B. National Outdoor Coalition, 8387 Tamarind Avenue, Fontana, Calif. 92335.

A. John Russell Deane III, 1607 New Hampshire Avenue NW., Washington, D.C. 20009
B. Specialty Equipment Market Association, 11540 East Slauson Avenue, Whittier, Calif. 90606.
D. (6) $7,407.17. E. (9) $4,424.52.

A. Gaston de Bearn, Hoffmann-La Roche Inc., 1775 K Street NW., Suite 300, Washington, D.C. 20006.
B. Hoffman-La Roche Inc., 340 Kingsland Street, Nutley, N.J. 07110.

A. Robert L. Debo, Missouri Oil Council, A Division of API, 428 East Capitol, Suite 203, Jefferson City, Mo. 65101.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Edward S. DeBolt, 1515 N. Courthouse Road, Suite 301, Arlington, Va. 22201.
B. The DCM Group, 1515 North Courthouse Road, Suite 301, Arlington, Va. 22201 (for Ad Hoc Committee for American Silver, 1515 North Courthouse Road, Suite 301, Arlington, Va. 22201).
D. (6) $2,250. E. (9) $30.65

A. Mark Decker, National Oil Jobbers Council, 1707 H Street NW., Washington, D.C. 20006.
B. National Oil Jobbers Council, 1707 H Street NW., Washington, D.C.
D. (6) $230.

A. Winston M. Decker, AVMA, Suite 828, 1522 K Street NW., Washington, D.C. 20005.
B. American Veterinary Medical Association, 1522 K Street NW., Suite 828, Washington, D.C. 20005.
D. (6) $125.

A. Winston M. Decker, AAVMC, Suite 828, 1522 K Street NW., Washington, D.C. 20005.
B. Association of American Veterinary Medical Colleges, Suite 828, 1522 K Street NW., Washington, D.C. 20005.
D. (6) $75.

A. Brian Deery, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Donald H. Defoe, Caterpillar Tractor Co., 100 NE. Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 NE., Adams Street, Peoria, Ill. 61629.
D. (6) $287.67. E. (9) $587.32.

A. George K. Degnon Associates, 1311-A Dolley Madison Boulevard, Suite 3A, McLean, Va. 22101.
B. Association of State & Territorial Health Officials, 1311-A Dolley Madison Boulevard, Suite 3A, McLean, Va. 22101.

A. George K. Degnon Associates, 1311-A Dolley Madison Boulevard, Suite 3A, McLean, Va. 22101.
B. The National Association of Children's Hospitals & Related Institutions, Suite 34, Independence Mall, 1601 Concord Pike, Wilmington, Del. 19803.

A. DeHart Associates. Inc.. 1505 22nd Street NW.. Washington. D.C. 20037.
B. Recording Industry Association of America. Inc.. 888 Seventh Avenue. New York. N.Y. 10106.
D. (6) $4.502.50. E. (9) $1.020.04.

A. John P. De Kany. 201 I Street SW.. Suite 823. Washington. D.C. 20024.
B. Manufacturers of Emission Controls Association. 1800 K Street NW.. Washington. D.C. 20006

A. John W. Delaney. The First National Bank of Boston. 100 Federal Street. Boston. Mass. 02110.
B. The First National Bank of Boston. 100 Federal Street. Boston. Mass. 02110.
D. (6) $450. E. (9) $192.50.

A. John W. Delaney. First National Boston Corp.. 100 Federal Street. Boston. Mass. 02110.
B. First National Boston Corp.. 100 Federal Street. Boston. Mass. 02110.

A. Robert B. Delano. American Farm Bureau Federation. 225 Touhy Avenue. Park Ridge. Ill. 60068.
B. American Farm Bureau Federation. 225 Touhy Avenue. Park Ridge. Ill. 60068.
D. (6) $2.500.

A. Dell. Craighill. Fentress & Benton. Suite 1200. 888 17th Street NW.. Washington. D.C. 20006.
B. Consejo Estatal de Desarrollpo. Carretera A. Tecate No. 1. Apartado 1798. Tijuana. Baja. Calif.

A. Dell. Craighill. Fentress & Benton. Suite 1200. 888 17th Street NW.. Washington. D.C. 20006.
B. Governor Roberto de la Madrid. Gobernador de Baja. California. P.O. Box 286. San Ysidro. Calif. 92073.

A. Michael J. DeLoose. Conference of State Bank Supervisors. 1015 18th Street NW.. Washington. D.C. 20036.
B. Conference of State Bank Supervisors. 1015 18th Street NW.. Washington. D.C. 20036.
D. (6) $967. E. (9) $56.51.

A. Susan C. DeMarr. 1615 H Street NW.. Washington. D.C. 20062.
B. Chamber of Commerce of the United States. 1615 H Street NW.. Washington. D.C. 20062.
D. (6) $2.500.

A. Tania L. Demchuk. 499 South Capitol Street SW.. Suite 401. Washington. D.C. 20003.
B. National Association of Independent Insurers. 2600 River Road. Des Plaines. Ill. 60018.
D. (6) $100.

A. George H. Denison. 4837 Del Ray Avenue. Washington. D.C. 20014.
B. Westinghouse Electric Corp.. 1801 K Street NW.. Washington. D.C. 20006.
D. (6) $375.

A. Ray Denison. 815 16th Street NW.. Washington. D.C. 20006.
B. American Federation of Labor & Congress of Industrial Organizations. 815 16th Street NW.. Washington. D.C. 20006.
D. (6) $15.219.75. E (9) $367.14.

A. John H. Denman. Missouri Oil Council. 428 East Capitol. Suite 203. Jefferson City. Mo. 65101.
B. American Petroleum Institute. 2101 L Street NW.. Washington. D.C. 20037.

A. Wells Denyes. Eastman Chemical Products. Inc.. 1919 Pennsylvania Avenue NW.. Washington. D.C. 20006.
B. Eastman Chemical Products. Inc.. P.O. Box 431. Kingsport. Tenn. 37662.
D. (6) $540. E (9) $69.98.

A. Department for Professional Employees. AFL-CIO. 815 16th Street NW.. Washington. D.C. 20006.
D. (6) $11.236.10. E (9) $11.236.10.

A. Samuel L. Devine. Bricker & Eckler. 1301 Pennsylvania Avenue NW.. Suite 1150. Washington. D.C. 20004.
B. Dilworth. Paxson. Kalish & Levy. 1819 H Street NW.. Washington. D.C. 20006.
D. (6) $337.50.

A. Samuel L. Devine. Bricker & Eckler. 1301 Pennsylvania Avenue NW.. Suite 1150. Washington. D.C. 20004.
B. Grocery Manufacturers of America. Inc.. 1010 Wisconsin Avenue NW.. Suite 800. Washington. D.C. 20007.
D. (6) $1196.25.

A. Samuel L. Devine. Bricker & Eckler. 1301 Pennsylvania Avenue NW.. Suite 1150. Washington. D.C. 20004.
B. Occidental Petroleum Corp.. 10889 Wilshire Boul.. Los Angeles. Calif. 90024.
D. (6) $19.999.98.

A. Samuel L. Devine. Bricker & Eckler. 1301 Pennsylvania Avenue NW.. Suite 1150. Washington. D.C. 20004.
B. O'Connor & Hannan. 1919 Pennsylvania Avenue NW.. Suite 800. Washington. D.C. 20006.
D. (6) $342.30.

A. Samuel L. Devine. Bricker & Eckler. 1301 Pennsylvania Avenue NW.. Suite 1150. Washington. D.C. 20004.
B. PepsiCo. Inc. Purchase. N.Y. 10577.
D. (6) $10.000. E (9) $21.50.

A. R. Daniel Devlin. TransWorld Airlines. Inc.. 1000–16th Street NW.. Washington. D.C. 20036.
B. Trans World Airlines. Inc.. 605 Third Avenue. New York. N.Y. 10158.
D. (6) $225.

A. Ralph B. Dewey. Pacific Gas & Electric Co.. 1050 17th Street. NW.. No. 1180. Washington. D.C.20036-5574
B. Pacific Gas and Electric Co.. 77 Beale Street. San Francisco. Calif. 94106.
D. (6) $939.25. E (9) $708.66.

A. Kendall P. Dexter. 9 Country Club Road. Mobile. Ala. 36608.
B. MacMillan Bloedel Inc.. P.O. Box 336. Pine Hill. Ala. 36769.
D. (6) $700. E (9) $712.

A. DGA International. Inc.. 1225 19th Street NW.. Washington. D.C. 20036.
B. Airbus Industrie. Avenue Lucien Servanty. 31700 Blagnac. France.
D. (6) $652.50. E. (9) $126.18.

A. DGA International. Inc.. 1225 19th Street NW.. Washington. D.C. 20036.
B. Sofreavia. 75 rue la Boetie. Paris 8eme. France.
D. (6) $310. E. (9) $57.68.

A. Diamond Shamrock Corp.. 717 North Harwood St.. Dallas. Tex.
E. (9) $50.91.

A. Charles J. DiBona. 2101 L Street NW.. Washington. D.C. 20037.
B. American Petroleum Institute. 2101 L Street NW.. Washington. D.C. 20037.
D. (6) $1.875.

A. John M. Dickerman. John Dickerman & Associates. Inc.. 1730 Rhode Island Avenue NW.. Washington. D.C. 20036.
B. National Lumber & Building Material Dealers Association. 40 Ivy Street SE.. Washington. D.C. 20003.
D. (6) $4.999.98. E. (9) $249.52.

A. Chester T. Dickerson. Jr.. Monsanto Co.. 1101 17th Street NW.. Suite 604. Washington. D.C. 20036.
B. Monsanto Co.. 800 North Lindbergh Boulevard. St. Louis. Mo. 63167.
E. (9) $271.80.

A. Ann Sanders Dickey. 1615 H Street NW.. Washington. D.C. 20062.
B. Chamber of Commerce of the United States. 1615 H Street NW.. Washington D.C. 20062.
D. (6) $6.500.

A. William E. Dickinson. 206 North Washington Street. Suite 300. Alexandria. Va. 22314.
B. Salt Institute. 206 North Washington Street. Suite 300. Alexandria. Va. 22314.
D. (6) $3.000. E. (9) $250.

A. Dickinson. Wright. Moon. Van Dusen & Freeman. 1901 L Street NW.. Suite 801. Washington. D.C. 20036.
B. General Motors Corp.. 3044 West Grand Boulevard. Detroit. Mich. 48202.
D. (6) $13.725. E. (9) $381.42.

A. Dickinson. Wright. Moon. Van Dusen & Freeman. 1901 L Street NW.. Suite 801. Washington. D.C. 20036.
B. Royal Hawaiian Cruises. Inc.. World Trade Center. Suite 1050. San Francisco. Calif. 94111.
E. (9) $41.79.

A. Dickstein. Shapiro & Morin. 2101 L Street NW.. Washington. D.C. 20037.
B. Custom Automotive Sound Association. Inc.. Suite 1000. 2101 L Street NW.. Washington. D.C. 20037.
D. (6) $1.000.

A. Dickstein. Shapiro & Morin. 2101 L Street NW.. Washington. D.C. 20037.
B. National Federation of Societies for Clinical Social Work. 167 Arcar Road. Babylon. N.Y. 11702.
D. (6) $509.

A. John R. Dierker. 1150 17th Street NW.. No. 500. Washington. D.C. 20036.
B. McDonnell Douglas Corp.. P.O. Box 516. St. Louis. Mo. 63166.

A. Nancy Dietz. 45 Everett Street. Newton Centre. Mass. 02159.
B. Action for Children's Television. 46 Austin Street. Newtonville. Mass. 02160.
D. (6) $500.

A. Timothy V. A. Dillon. 1850 K Street NW.. Washington. D.C. 20006.
B. Westlands Water District. P.O. Box 6056. Fresno. Calif. 93703.
D. (6) $2.382.03. E. (9) $132.03.

A. Thomas A. Dine. 444 North Capitol Street NW.. No. 412. Washington. D.C. 20001.
B. American Israel Public Affairs Committee. 444 North Capitol Street NW.. No. 412. Washington. D.C. 20001.
D. (6) $11.293.74.

A. Michael F. Dineen. Lumbermens Mutual Casualty Co.. Suite 206. 600 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.

D. (6) $1,800.

A. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.

D. (6) $78,635.52. E. (9) $78,635.52.

A. Dennis C. Dix, Outdoor Power Equipment Institute, 1901 L Street NW., Washington, D.C. 20036.

B. Outdoor Power Equipment Institute, 1901 L Street NW., Washington, D.C. 20036.

A. Patsy B. Dix, National Education Association, 1201 16th Street NW., Washington, D.C. 20026

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036

D. (6) $1,660.10. E. (9) $42.50.

A. O. L. Dixon III, Gulf Power Co., P.O. Box 1151, Pensacola, Fla. 32520.

B. Gulf Power Co., P.O. Box 1151, Pensacola, Fla. 32520.

D. (6) $1,640. E. (9) $1,256.47

A. William H. Dodds, United Autombile, Aerospace and Agricultural Implement Workers of America (UAW), 1757 N Street NW., Washington, D.C. 20036.

B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.

D. (6) $11,538.90. E. (9) $79.30.

A. Steven P. Doehler, 1725 K Street NW., Suite 1405, Washington, D.C. 20006.

B. Mortgage Insurance Companies of America, 1725 K Street NW., Suite 1405, Washington, D.C. 20006.

D. (6) $2,500. E. (9) $125.10.

A. Robin C. Dole, 1000 16th Street NW., Suite 704, Washington, D.C. 20036.

B. Century 21 Real Estate Corp., 18872 MacArthur Boulevard, Irvine, Calif. 92715.

D. (6) $745.

A. Julie Domenick, Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $1,982.50. E. (9) $1,345.65.

A. Domestic Wildcatters Association, P.O. Box 4394, Houston, Tex. 77120.

D. (6) $6,000. E. (9) $5,186.08.

A. Brian J. Donadio, 499 South Capitol Street NW., No. 104, Washington, D.C. 20003.

B. American Osteopathic Association, 499 South Capitol Street NW., No. 104, Washington, D.C. 20003.

D. (6) $1,650.

A. Richard M. Donaldson, 1738 Guildhall Building, Cleveland, Ohio 44115.

B. The Standard Oil Co., Midland Building, Cleveland, Ohio 44115.

A. Thomas J. Donohue, 1615 H Street NW., Washington, D.C. 20062.

B. Citizen's Choice, Inc., 1615 H Street NW., Washington, D.C. 20062.

D. (6) $5,000.10.

A. William J. Donovan, National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington Va. 22209.

B. National Association of Federal Credit Unions, 1111 North, 19th Street, Suite 700, Arlington, Va. 22209

D. (6) $2,500. E. (9) $446.83.

A. Ira Dorfman, Suite 850, 2020 K Street NW., Washington, D.C. 20006.

B. American Baker Association, 2020 K Street NW., Suite 850, Washington, D.C. 20006.

D. (6) $866.25. E. (9) $8.45.

A. Dean R. Dort II, Deere & Co., 910 17th Street NW., Suite 808, Washington, D.C. 20006.

B. Deere & Co., John Deere Road, Moline, Ill. 61265.

D. (6) $402.50.

A. Joseph K. Doss, 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.

B. National Limestone Institute, 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.

A. Theodore Douglas, 2501 59th Street, St. Louis, Mo. 63110.

B. Painters District Council No. 2, 2501 59th Street, St. Louis, Mo. 63110.

A. Gordon Jack Dover, 1718 Dogwood Drive, Alexandria, Va. 22302.

B. Rendon Co., 1321 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $500. E. (9) $300.

A. Dow, Lohnes & Albertson, 1225 Connecticut Avenue, NW., Washington, D.C. 20036.

B. Advance Publications, Inc., 950 Fingerboard Road, Staten Island, N.Y. 10305. (For: Palmer Communications, Inc., 110 Walnut Street, Des Moines, Iowa 50308.)

D. (6) $2,614.

A. Dow, Lohnes & Albertson, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

B. Central California Educational Television, Inc., et al., P.O. Box 6, Sacramento, Calif. 95801.

D. (6) $36,367.50.

A. Dow, Lohnes & Albertson, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

B. Hampton Roads Energy Co., Security Marine Terminal Co., 709 Court Street, Portsmouth, Va 23707.

A. Charles P. Downer, 7901 Westpark Drive, McLean, Va. 22102.

B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22102.

D. (6) $800.01 E. (9) $250.

A. Jane Lind Downey, American Movers Conference, 400 Army-Navy Drive (P.O. Box 2303), Arlington, Va. 22202.

B. American Movers Conference, 400 Army-Navy Drive (P.O. Box 2303), Arlington, Va. 22202.

D. (6) $17.42.

A. John C. Doyle, Jr., 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $2,499.99.

A. John P. Doyle, Jr., Bell Helicopter Textron, Suite 1100, 1090 Vermont Avenue NW., Washington, D.C. 20005.

B. Bell Helicopter Textron, Suite 1100, 1090 Vermont Avenue NW., Washington, D.C. 20005.

D. (6) $3,479.62. E. (9) $1,867.18.

A. Robert H. Doyle, 1130 17th Street NW., Washington, D.C. 20036.

B. Water Quality Association, 477 East Butterfield Road, Lombard, Ill. 60148.

D. (6) $2,660.

A. Nancy Drabble, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Congress Watch, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $4,250.

A. James E. Drake, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $4,300.

A. Jerome L. Dreyer, 1300 North 17th Street, Suite 300, Arlington, Va. 22209.

B. Association of Data Processing Services Organizations, Inc. [ADAPSO], 1300 North 17th Street, Suite 300, Arlington, Va. 22209.

A. Kevin J. Driscoll, American Bar Association, 1800 M Street, NW., Washington, D.C. 20036.

B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.

D. (6) $400. E. (9) $50.

A. Edwin Jason Dryer, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. (for: Independent Refiners Association of America, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.)

A. Evelyn Dubrow, International Ladies Garment Workers Union, 1710 Broadway, New York, N.Y. 10019.

B. International Ladies Garment Workers Union, 1710 Broadway, New York, N.Y. 10019.

D. (6) $8,916. E. (9) $4,006.95.

A. Morgan D. Dubrow, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $130.

A. Barbara S. Dudeck, 955 L'Enfant Plaza North, SW., Suite 905, Washington, D.C. 20024.

B. American Honda Motor Co., Inc., 100 West Alondra Boulevard, Gardena, Calif. 90247.

D. (6) $200. E. (9) $69.22.

A. Jane McPike Dudley, 1101 15th Street NW., Suite 1000, Washington, D.C. 20005.

B. National Constructors Association, 1101 15th Street NW., Suite 1000, Washington, D.C. 20005.

D. (6) $375.

A. Doulgas Duerr, Credit Union National Association, Inc., 1730 Rhode Island Avenue, Suite 810, Washington, D.C. 20036.

B. Credit Union National Association, Inc., 1730 Rhode Island Avenue, Suite 810, Washington, D.C. 20036.

D. (6) $300. E. (9) $76.24.

A. Ann Anderson Duff, National Association of Manufacturers, 222 South Prospect Avenue, Park Ridge, Ill. 60608.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $1,200.

A. Francis J. Duggan, Association of American Railroads, 412 First Street SE., Suite 200, Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $50.78. E. (9) $408.20.

A. Laurie Duker, 2030 M Street NW., Washington, D.C.
B. Common Cause, 2030 M Street NW., Washington, D.C.
D. (6) $4,950.

A. Mervin E. Dullum, 1629 K Street NW., Room 204, Washington, D.C. 20006.
B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga. 30320.
D. (6) $200. E. (9) $57.25.

A. Robert B. Duncan, Schwabe, Williamson, Wyatt, Moore & Roberts, 1000 Potomac Street NW., Suite 302, Washington, D.C. 20007.
B. Eugene Water & Electric Board, P.O. Box 10148, Eugene, Oreg. 97401.
D. (6) $1,411.24. E. (9) $128.47.

A. Robert B. Duncan, Schwabe, Williamson, Wyatt, Moore & Roberts, 1000 Potomac Street NW., Suite 302, Washington, D.C. 20007.
B. Helicopter Loggers Association, P.O. Box 206, Wilsonville, Oreg. 97070.
D. (6) $1,624.17. E. (9) $147.90.

A. Robert B. Duncan, Schwabe, Williamson, Wyatt, Moore & Roberts, 1000 Potomac Street NW., Suite 302, Washington, D.C. 20007.
B. Litchstreet Co., 32 Cherry Lawn Lane, Northport, L.I., New York 11768.
E. (9) $9.93.

A. Robert B. Duncan, Schwabe, Williamson, Wyatt, Moore & Roberts, 1000 Potomac Street NW., Suite 302, Washington, D.C. 20007.
B. Mountain Fir Lumber Co., Inc., 3000 Market Street, NE., Salem, Oreg. 97301.
D. (6) $7,740.93. E. (9) $704.48.

A. Robert B. Duncan, Schwabe, Williamson, Wyatt, Moore & Roberts, 1000 Potomac Street NW., Suite 302, Washington, D.C. 20007.
B. Mountain States Energy, Inc., P.O. Box 3662, Butte, Mont. 59702.
D. (6) $4,281.77. E. (9) $389.63.

A. Robert B. Duncan, Schwabe, Williamson, Wyatt, Moore & Roberts, 1000 Potomac Street NW., Suite 302, Washington, D.C. 20007.
B. Otis Elevator Co., Transportation Technology Division, P.O. Box 7293, Denver, Colo. 80207.
D. (6) $3,010.06. E. (9) $273.83.

A. Robert B. Duncan, Schwabe, Williamson, Wyatt, Moore & Roberts, 1000 Potomac Street NW., Suite 302, Washington, D.C. 20007.
B. State of Oregon, City of Portland, Oreg., METRO-Metropolitan Service District.
D (6) $5,481.54. E. (9) $498.86.

A. Robert B. Duncan, Schwabe, Williamson, Wyatt, Moore & Roberts, 1000 Potomac Street NW., Suite 302, Washington, D.C. 20007.
B. Mr. Faye Stewart, P.O. Box 10051, Eugene, Oreg. 97440.
D. (6) $3,500.

A. Duncan, Weinberg & Miller, P.C., 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Dayton-Montgomery County Park District, 1375 E. Silbenthaler Avenue, Dayton, Ohio 45414.

A. Duncan, Weinberg & Miller, P.C., 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. East Bay Regional Park District, 11500 Skyline Boulevard, Oakland, Calif. 94169.

A. Duncan, Weinberg & Miller, P.C., 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006
B. Iva May Harvey, Route 7, Box 117, Blythe, Calif. 92225.

A. Duncan, Weinberg & Miller, P.C., 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Huron-Clinton Metropolitan Authority, 3050 Penobscot, Detroit, Mich. 48226.

A. Duncan, Weinberg & Miller, P.C., 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Adolph Kizas, 5715 Timothy Place, Alexandria, Va. 22303.

A. Duncan, Weinberg & Miller, P.C., 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Koniag, Inc., P.O. Box 746, Koniag, Alaska.

A. Duncan, Weinberg & Miller, P.C., 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Mid-West Electric Consumer Association, P.O. Box 5089, Evergreen, Colo.

A. Duncan, Weinberg & Miller, P.C., 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. State of North Dakota, c/o Robert O. Wefald, State Capitol, Bismarck, N. Dak. 58505.

A. Duncan, Weinberg & Miller, P.C., 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Western Fuels Association, Inc., 1225 19th Street, NW., Suite 500, Washington, D.C. 20036.

A. Louise C. Dunlap, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,541.67.

A. Mari Lee Dunn, American Council for Capital Formation, 1850 K Street NW, Washington, D.C. 20006.
B. American Council for Capital Formation, 1850 K Street NW., Suite 520, Washington, D.C. 20006.
D. (6) $281.25.

A. James A. Dupree, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $3,650. E. (9) $1,006.75.

A. B. J. Durham, Central Power & Light Co., P.O. Box 2121, Corpus Christi, Tex. 78403.
B. Central Power & Light Co., P.O. Box 2121, Corpus Christi, Tex. 78403.
D. (6) $405. E. (9) $423.41.

A. Daniel A. Dutko, 412 First Street, SE., Suite 214, Washington, D.C. 20003.
B. Beneficial Management Corp. of America, 200 South Street, Morristown, N.J.
D. (6) $2,499

A. Denis J. Dwyer, Railway Progress Institute, 700 N. Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 700 N. Fairfax Street, Alexandria, Va. 22314.
D. (6) $342.

A. Jack D. Early, Suite 514, 1155 15th Street NW., Washington, D.C. 20005.
B. National Agricultural Chemicals Association, 1155 15th Street NW., Suite 514, Washington, D.C. 20005.
D. (6) $385. E. (9) $52.35.

A. Roy W. Easley, Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. Robert E. Ebel, ENSERCH Corp., 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C.
B. ENSERCH Corp., 300 South St. Paul Street, Dallas, Tex. 75201.
D. (6) $1,450. E. (9) $924.

A. N. Boyd Ecker, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500. E. (9) $52.25.

A. Jack Eckerd Corp., P.O. Box 4689, Clearwater, Fla. 33518.
E. (9) $472.

A. Robert C. Eckhardt, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Consolidated Natural Gas Co., 4 Gateway Center, Pittsburgh, Pa. 15222.

A. Robert C. Eckhardt, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Consumer Federation of America, 1314 14th Street NW., Washington, D.C. 20006.

A. Robert C. Eckhardt, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $4,583.69.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Suite 460, Washington, D.C. 20006.
B. American Seat Belt Council, P.O. Drawer F, Jamesburg, N.J. 08831.
D. (6) $2,250 E. (9) $9.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Suite 460, Washington, D.C. 20006.
B. Toyota Motor Sales, U.S.A., Inc., 2055 W. 190th Street, Torrance, Calif. 90504.
D. (6) $7,500. E. (9) $50.

A. Edelman International Corp., 1730 Pennsylvania Avenue NW., Suite 460, Washington, D.C. 20006.
B. Electronic Industries Association of Japan, 2-2, 3 Chome Marunouchi, Chiyoda-ku, Tokyo, Japan.
D. (6) $5,000. E. (9) $13.50.

A. Peter B. Edelman, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for City of Minneapolis), 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Peter B. Edelman, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for Independent Refiners Association of America, 1775 Pennsylvania Avenue NW., Washington, D.C.), 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. William R. Edgar, Gates Learjet Corp., 815 Connecticut Avenue NW., No. 401, Washington, D.C. 20006.
B. Gates Learjet Corp., 8220 West Harry, Wichita, Kans. 67277

A. Helen H. Edge, Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $391.25.

A. Arthur B. Edgeworth, Jr., 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $3,750.

A. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $257,783. E. (9) $125,943.63.

A. Stephen L. Edmiston, 807 Maine Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $11,463.20. E. (9) $3,113.69.

A. EDS Corp., 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
E. (9) $2,542.65.

A. Edwards Associates, Inc., 507 Second Street NE., Washington, D.C. 20002.
B. Blue Ribbon Sports, Inc., 3900 Southwest Murray Boulevard, Beaverton, Oreg. 97005.

A. Christine A. Edwards, 1211 Connecticut Avenue NW., No. 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $199.50. E. (9) $69.81.

A. J. Rodney Edwards, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $78.

A. Macon T. Edwards, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $1,050. E. (9) $10.69.

A. William A. Edwards, 250 Old Country Road, Mineola, N.Y. 11501.
B. Long Island Lighting Co., 250 Old Country Road, Mineola, N.Y. 11501.
D. (6) $1,925. E. (9) $1,148.61.

A. Paul S. Egan, National Legislative Commission, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 N. Pennsylvania Street, Indianapolis, Ind.
D. (6) $5,532. E. (9) $240.41.

A. Eggers & Greene, P.C., 1407 Main Street, Suite 335, Dallas, Tex. 75202.
B. The LTV Corp., P.O. Box 225003, Dallas, Tex. 75265.
D. (6) $3,000. E. (9) $1,460.53.

A. Charles E. Ehrhart, 2000 L Street NW., Suite 801, Washington, D.C. 20036.
B. Ralston Purina Government Affairs, Inc., 2000 L Street NW., Suite 801, Washington, D.C. 20036.
D. (6) $500. E. (9) $165.

A. Sara Ehrman, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
D. (6) $6,946.54.

A. Mary Ann Eichenberger, The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,800. E. (9) $2,800.

A. 8th Pro-Life Congressional District Action Committee, S. C. Michaelis, 6308 Midnight Pass Road, Villa 10, Sarasota, Fla. 33581.
D. (6) $141.93.

A. Carl W. Ek, 1012-14th Street NW., Suite 600, Washington, D.C. 20005.
B. The Farmers' Educational and Co-Operative Union of America (National Farmers Union), Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $3,173.09. E. (9) $85.91.

A. Jonathan P. Ela, Sierra Club, 142 W. Gorham Street, Madison, Wis. 53703.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $1,377. E. (9) $3,014.17.

A. H. J. Elam III, 1201 Maple Street, Greensboro, N.C. 27405.
B. Cone Mills Corp., 1201 Maple Street, Greensboro, N.C. 27405.

A. Jane F. Elder, Sierra Club, 142 W. Gorham Street, San Francisco, Calif. 94108.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $1,282.50.

A. George K. Eliades, Society of American Wood Preservers, Inc., 1401 Wilson Boulevard, Suite 205, Arlington, Va. 22209.
B. Society of American Wood Preservers, Inc., 1401 Wilson Boulevard, Suite 205, Arlington, Va. 22209.
D. (6) $65. E. (9) $255.

A. J. Burton Eller, Jr., 425 13th Street NW., Suite 1032, Washington, D.C. 20004-1886.
B. National Cattlemen's Association, 5420 South Quebec Street, P.O. Box 3469, Englewood, Colo. 80155.
D. (6) $1,000.

A. Charles W. Elliott, Wisconsin Petroleum Council, 25 West Main Street, Room 703, Madison, Wis. 53703.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $102.30. E. (9) $110.30.

A. John Doyle Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.
D. (6) $151.98. E. (9) $153.15.

A. John Ellis, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Keith H. Ellis, Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $1,238. E. (9) $167.82.

A. Dorothy A. Ellsworth, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists & Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $11,747.18. E. (9) $224.35.

A. Perry R. Ellsworth, National Council of Agricultural Employers, 435 Southern Building, 1425 H Street NW., Washington, D.C. 20005.
B. National Council of Agricultural Employers, 435 Southern Building, 1425 H Street NW., Washington, D.C. 20005.
D. (6) $1,500. E. (9) $5.

A. Joseph T. Elvove, 54 Surfwatch Drive, Kiawah Island, S.C. 29455.
B. Publicker Industries, Inc., 777 West Putnam Avenue, Greenwich, Conn. 06830.
D. (6) $28,450. E. (9) $7,607.03.

A. Carl F. Emde, Air Products & Chemicals, Inc., 1800 K Street NW., Suite 1016, Washington, D.C. 20006.
B. Air Products & Chemicals, Inc., P.O. Box 538, Allentown, Pa. 18105.
D. (6) $595.

A. Emergency Committee for American Trade, 1211 Connecticut Avenue NW., Suite 801, Washington, D.C. 20036.
D. (6) $22,421.52. E. (9) $44,115.82.

A. Emerson Electric Co., 8000 West Florissant, St. Louis, Mo. 63136.
E. (9) $1,044.80.

A. Employee Relocation Council, 1627 K Street NW., Suite 600, Washington, D.C. 20006.
E. (9) $4,779.75.

A. Employers Council on Flexible Compensation, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $2,872.61. E. (9) $2,872.61.

A. Irene R. Emsellem, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $50.

A. Lowell J. Endahl, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $180.

A. Energy Consumers & Producers Association, P.O. Box 1726, Seminole, Okla. 74868.
D. (6) $45,005. E. (9) $25,146.75.

A. Ralph Engel, 1001 Connecticut Avenue NW., Washington, D.C. 20026.
B. Chemical Specialties Manufacturers Association, 1001 Conneticut Avenue, Suite 1120, Washington, D.C. 20036.
D. (6) $209.61. E. (9) $33.

A. Lewis A. Engman, 1155 15th Street NW., Suite 900, Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $2,500.

A. Patricia Hanahan Engman, 345 Park Avenue, New York, N.Y. 10154.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10154.
D. (6) $1,500.

A. Christopher Engquist, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. M. Dale Ensign, 1100 17th Street NW., Suite 406, Washington, D.C. 20036.

B. Sinclair Oil Corp., P.O. Box 1677, Englewood, Colo. 80150.

D. (6) $500. E. (9) $162.70.

A. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $93,309.15. E. (9) $93,149.51.

A. Paul A. Equale, 1120 19th Street NW., Suite 503, Washington, D.C. 20036.

B. Independent Insurance Agents of America, Inc., 100 Church Street, New York, N.Y. 10007.

D. (6) $8,000.

A. Vickie L. Erickson, National Home Furnishings Association, 900 17th Street NW., Suite 514, Washington, D.C. 20006.

B. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.

D. (6) $1,000.

A. Sam J. Ervin, Jr., P.O. Box 69, Morganton, N.C. 28655.

B. Mead Corp., Anheuser-Busch, and Westvaco Howrey & Simon, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. George T. Esherick, United States Steel Corp., 818 Connecticut Avenue NW., Washington, D.C. 20006.

B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.

D. (6) $480. E. (9) $84.

A. Jane B. Esterly, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

D. (6) $255. E. (9) $82.

A. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.

E. (9) $4,500.

A. Stephen E. Eure, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.

B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007 (1700 North Moore Street, Arlington, Va.).

D. (6) $2,000. E. (9) $478.81.

A. Rae Forker Evans, 1201 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20004.

B. Hallmark Cards, Inc., 25th and McGee, Kansas City, Mo. 64108

D. (6) $500.

A. Robert D. Evans, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.

B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.

D. (6) $400 E. (9) $50

A. Fawn K. Evenson, 1611 North Kent Street, Suite 900, Arlington, Va. 22209.

B. Footwear Industries of America, 1611 North Kent Street, Suite 900, Arlington, Va. 22209.

D. (6) $4,000 E. (9) $50.35.

A. Jeffrey P. Eves, Scott Paper Co., Scott Plaza, Philadelphia, Pa. 19113.

B. Scott Paper Co., Scott Plaza, Philadelphia, Pa. 19113.

D. (6) $1,500 E. (9) $2,007.58.

A. Ky P. Ewing, Jr., 1101 Connecticut Avenue NW., Washington, D.C. 20036.

B. Vinson & Elkins, 1101 Connecticut Avenue NW., Washington, D.C. 20036 (for American General Investment Corp.).

D. (6) $31,662.20 E. (9) $1,025.29.

A. Ky P. Ewing, Jr., 1101 Connecticut Avenue NW., Washington, D.C. 20036.

B. Vinson & Elkins, 1101 Connecticut Avenue NW., Washington, D.C. 20036 (for GATX Terminals Corp.).

D. (6) $15,000. E. (9) $119.65.

A. Michael E. Faden, Union of Concerned Scientists, 1346 Connecticut Avenue NW., Suite 1101, Washington, D.C. 20036.

B. Union of Concerned Scientists, 1384 Massachusetts Avenue, Cambridge, Mass. 02238.

D. (6) $4,950.

A. Thomas L. Fagan, General Electric Co., 777 14th Street NW., Washington, D.C.

B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.

D. (6) $250

A. Robert R. Fahs, Suite 205, 1101 15th Street NW., Washington, D.C. 20005.

B. Cargill, Inc., P.O. Box 9300, Minneapolis, Minn. 55440.

D. (6) $2,500. E. (9) $14.25.

A. Fair Opportunities for Competition in the United States, 1777 F Street NW., Washington, D.C. 20006

A. Dale W. Fallat, Counsel for Government Affairs, First Federal Building, 5740 Southwyck Boulevard, Toledo, Ohio 43614.

B. The Andersons, P.O. Box 119, Maumee, Ohio 43537.

E. (9) $375.

A. Robert C. Farber, 6712 Old McLean Village Drive, McLean, Va. 22101.

B. TOSCO Corp., 2000 L Street NW., Washington, D.C. 20036.

D. (6) $8,850. E. (9) $332.64

A. Thomas B. Farley II, American Petroleum Institute, Washington, D.C. 20037.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $6,750. E. (9) $112.55.

A. The Farmers' Educational & Co-Operative Union of America, Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.

D. (6) $121,851.60. E. (9) $60,954.77.

A. Robert S. Faron, LeBoeuf, Lamb, Leiby & MacRae, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.

B. LeBoeuf, Lamb, Leiby & MacRae, 1333 New Hampshire Avenue NW., Washington, D.C. 20036; 140 Broadway, New York, N.Y.

A. John W. Farquhar, 1750 K Street NW., Washington, D.C. 20006.

B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

D. (6) $300.

A. Dagmar T. Farr, 1750 K Street NW., Washington, D.C. 20006.

B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

D. (6) $450.

A. Dolores L. Farr, American Nurses' Association, 1101 14th Street NW., Suite 200, Washington, D.C. 20005.

B. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.

D. (6) $4,051.36. E. (9) $357.54.

A. Penelope S. Farthing, American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.

B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.

D. (6) $260.

A. Clinton B. Fawcett, The Coastal Corp., 888A, Nine Greenway Plaza, Houston, Tex. 77046.

B. The Coastal Corp., Nine Greenway Plaza, Houston, Tex. 77046.

A. Jane Fawcett-Hoover, 1801 K Street NW., Suite 230, Washington, D.C. 20006.

B. The Procter & Gamble Mfg. Co., 301 East Sixth Street, Cincinnati, Ohio 45202.

D. (6) $4.17.

A. Kevin J. Fay, Air-Conditioning & Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.

B. Air-Conditioning & Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.

D. (6) $3,000. E. (9) $1,000.

A. Federal Express Corp., P.O. Box 727, Memphis Tenn. 38194

E. (9) $45,845.35.

A. Federation of American Controlled Shipping, 50 Broadway, New York, N.Y. 10004.

D. (6) $4,815.89. E. (9) $4,815.89.

A. Federation of American Hospitals, 1111 19th Street NW., No. 402, Washington, D.C. 20036.

D. (6) $9,000. E. (9) $9,000.

A. Federation of American Scientists, 307 Massachusetts Avenue NE., Washington, D.C. 20002.

E. (9) $1.235.28.

A. John W. Feist, 1629 K Street NW., No. 401, Washington, D.C. 20006.

B. Government Relations Associates, Inc., 1629 K Street NW., No. 401, Washington, D.C. 20006.

A. Kenneth E. Feltman, National Association of Manufacturers, 3845 FM 1960 West, Suite 401, Houston, Tex. 77068.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $400.

A. Edward T. Fergus, Bache Halsey Stuart Shields, Inc., 100 Gold Street, New York, N.Y. 10272.

B. Bache Halsey Stuart Shields, Inc., 100 Gold Street, New York, N.Y. 10272.

D. (6) $750.

A. James H. Ferguson, 1140 Connecticut Avenue, Suite 609, Washington, D.C. 20036.

B. American Society for Personnel Administration, 30 Park Drive, Berea, Ohio 44017.

D. (6) $7,500. E. (9) $4,483.

A. John T. Ferguson II, Georgia-Pacific Corp., 1875 Eye Street NW., Suite 470, Washington, D.C. 20006.

B. Georgia-Pacific Corp., 900 SW. Fifth Avenue, Portland, Oreg. 97204.

D. (6) $600. E. (9) $20.

A. Fred C. Fielding, AM General Corp., 1129 20th Street NW., Washington, D.C. 20036.

B. AM General Corp., 14250 Plymouth Road, Detroit, Mich. 48232.

D. (6) $800. (9) $84.

A. Gary W. Fields, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20035.

D. (6) $200. E. (9) $30.20.

A. Edith U. Fierst, 1140 Connecticut Avenue NW., Suite 712, Washington, D.C. 20036.
B. Association of Foreign Service Women, 6372 31st Place NW., Washington, D.C. 20015.
D. (6) $65.

A. Herbert A. Fierst, 610 Ring Building, 1200 18th Street NW., Washington, D.C. 20036.
B. Council of Forest Industries of British Columbia, 1500/1055 West Hastings Street, Vancouver, British Columbia, Canada V6E 2H1.
D. (6) $13,125. E. (9) $590.

A. Samuel Fine, Priest & Fine, Inc., 1725 K Street NW., Washington, D.C. 20006.
B. National Technical Schools of Los Angeles, 4000 Figueroa, Los Angeles, Calif. 90037.

A. Matthew P. Fink, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $248. E. (9) $10.

A. Mark Finkelstein, Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $400. E. (9) $70.

A. Finley, Kumble, Wagner, Heine, Underberg & Casey, 1120 Connecticut Avenue NW., 10th Floor, Washington, D.C. 20036.
B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.
D. (6) $340.

A. Finley, Kumble, Wagner, Heine, Underberg & Casey, 1120 Connecticut Avenue NW., 10th Floor, Washington, D.C. 20036.
B. Population Crisis Committee, 1120 19th Street NW., Washington, D.C. 20036.
D. (6) $1,112.50.

A. Finnegan, Henderson, Farabow, Garrett & Dunner, 1775 K Street NW., Washington, D.C. 20006.
B. International Communications Association, 9550 Forest Lane, No. 319, Dallas, Tex. 75243.
D. (6) $4,000. E. (9) $600.

A. Jill Finsen, 923 15th Street NW., Washington, D.C. 20005.
B. Transportation Institute, 923 15th Street NW., Washington, D.C. 20005.
D. (6) $3,000. E. (9) $267.68.

A. Fiocco, M. J., 1090 Vermont Avenue NW., No. 410, Washington, D.C. 20005.
B. National Industrial Traffic League, 1090 Vermont Avenue, NW., No. 410, Washington, D.C. 20005.
D. (6) $3,000. E. (9) $40.

A. Laurie A. Fiori, National Retired Teachers Association—American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association—American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $8,007.67. E. (9) $147.

A. First Class Mailers Association, 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.
E. (9) $86.

A. First Congressional District Action Committee, 6 Maxfield Court, Barrington, R.I. 02806.
D. (6) $4,549.01. E. (9) $3,782.40.

A. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
E. (9) $3,408.86.

A. First National Boston Corp., 100 Federal Street, Boston, Mass. 02110.

A. Richard L. Fischer, 1000 16th Street NW., Suite 500, Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $677. E. (9) $25.10.

A. Donald W. Fisher, 3814 Ivanhoe Lane, Alexandria, Va. 22310.
B. American Group Practice Association, 20 South Quaker Lane, Alexandria, Va. 22314.
D. (6) $2,908. E. (9) $97.

A. Mary Clare Fitzgerald, 900 17th Street NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10081.
D. (6) $225. E. (9) $15.82

A. Victor E. Fitzmaurice, 1100 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
D. (6) $2,000. E. (9) $386.41.

A. Hilliard J. Floyd, 602 Main Street, Room 600, Cincinnati, Ohio 45202.
B. The Ohio River Co., 580 Walnut Street, Suite 1400, Cincinnati, Ohio 45202.
D. (6) $1,500. E. (9) $1,285.82.

A. Susan Garber Flack, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $24.25.

A. James J. Flanagan, 25 Research Drive, Westborough, Mass. 01581.
B. New England Power Service Co., 25 Research Drive, Westborough, Mass. 01581.
D. (6) $225.36. E. (9) $37.45.

A. Ruth Flower, 245 Second Street NE., Washington, D.C. 20002.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C. 20002.
D. (6) $3,047.64.

A. Howard W. Fogt, Jr., Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Suite 1000, Washington, D.C. 20006.
B. Phosphate Rock Export Association, 1311 North West Short Boulevard, Tampa, Fla. 33607.

A. L. J. Foley III, 267 Cape St. John Road, Cape St. John, Md. 21401.
B. Campaign For Community Economic Development, 734 15th Street NW., Washington, D.C. 20005.
D. (6) $10,000. E. (9) $5,000.

A. L. J. Foley III, 267 Cape St. John Road, Cape St. John, Md. 21401.
B. National Federation of Community Development Credit Unions, 16 Court Street, Brooklyn, N.Y. 11201.
D. (6) $2,500. E. (9) $1,250.

A. L. J. Foley III, 267 Cape St. John Road, Cape St. John, Md. 21401.
B. National Rural Development & Finance Corp., 1300 19th Street NW., Washington, D.C. 20036.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. City of Minneapolis, 301M City Hall, Minneapolis, Minn 55415.
D. (6) $5,907.71. E. (9) $482.71.

A. Foley, Lardner, Hollabaugh & Jacobs, Suite 1000, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. First Wisconsin National Bank of Milwaukee, 777 East Wisconsin Avenue, Milwaukee, Wis 53202.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Independent Refiners Association of America, 1775 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $27,364.50. E. (9) $323.01.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Insurance Association of Connecticut, 60 Washington Street, Hartford, Conn. 06160.
D. (6) $4,500. E. (9) $8.11.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Gypsum Co./Cement Division, P.O. Box 887, Southfield, Mich. 48037.
E. (9) $1,087.96.

A. Foley, Lardner, Hollabaugh & Jacobs, Suite 1000, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Phosphate Rock Export Association, 1311 North West Shore Boulevard, Tampa, Fla. 33607.
D. (6) $2,175. E. (9) $3.85.

A. R. D. Folsom, National Council On Synthetic Fuels Production, 1875 Eye Street NW., Suite 960, Washington, D.C. 20006.
B. National Council on Synthetic Fuels Production, 1875 I Street NW., Suite 950, Washington, D.C. 20006.

A. Food and Beverage Trades Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $11,525.22. E. (9) $11,525.22.

A. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
E. (9) $4,750.

A. Foodservice & Lodging Institute, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Laurence S. Fordham, Foley, Hoag & Eliot, 1 Post Office Square, Boston, Mass. 02109.
B. C & S Wholesale Grocers, Inc. Ferry Road, Brattleboro, Vt. 05301.
E. (9) $1,333.34.

A. Donald D. Foreman, 4600 West 77th Street, Suite 343, Minneapolis, Minn. 55437.
B. Standard Oil Co. (Indiana), 100 East Randolf Drive, Chicago, Ill. 60680.
D. (6) $1,050.

A. Forest Farmers Asociation, P.O. Box 95385, Atlanta, Ga. 30347.
E. (9) $913.19.

A. Forest Industries Committee on Timber Valuation and Taxation, 1250 Connecticut Avenue NW., Washington, D.C. 20006.

A. Edward H. Forgotson, 1627 K Street NW., 10th Floor, Washington, D.C. 20006.
B. Texas Oil & Gas Corp., Fidelity Union Tower, Dallas, Tex. 75201.

A. Mark A. Forman, 1120 20th Street NW., Suite 600S, Washington, D.C. 20036-3446.
B. Union Pacific Corp., 345 Park Avenue, N.Y. 10154-0137.
D. (6) $625. E. (9) $ 98.21.

A. Sallie H. Forman, 1825 K Street NW., Washington, D.C.
B. National Broadcasting Co., Inc., 1825 K Street NW., Washington, D.C. 20006
D. (6) $1,923. E. (9) $78.39.

A. Ebert E. Fournace, 3706 Eaton Road NW., Canton, Ohio 44708.
B. American Electric Power Service Corp., 180 East Broad Street, Columbus, Ohio 43215.

A. David E. Franasiak, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $1,332.40 E. (9) $58.60

A. Douglas L. Francisco, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $83.00

A. Walter L. Frankland, Jr., 1717 K Street NW., Washington, D.C. 20006.
B. Silver Users Association, Inc., 1717 K Street NW., Washington, D.C. 20006.
D. (6) $1,799.40. E. (9) $132.76.

A. George Franklin, Kellogg Co., 235 Porter Street, Battle Creek, Mich. 49016.
D. (6) $3,000. E. (9) $325.

A. Thomas C. Franks, National Association of Realtors, 777 14th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 777 14th Street NW., Washington, D.C. 20005.
D. (6) $1,500. E. (9) $763.97

A. Charles W. Franz, 1133 19th Street NW., Washington, D.C. 20036.
B. MCI Communications Corp., 1133 19th Street, NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $86.

A. Charles L. Frazier, National Farmers Organization, 475 L'Enfant Plaza SW., Washington, D C. 20024.
B. National Farmers Organization, Corning, Iowa 50841.
D. (6) $3,500. E. (9) $2,509.46.

A. Donald A. Frederick, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1800 Massachusetts Avenue NW., Washington, D.C. 20036
D. (6) $225.33.

A. Robert M. Frederick, National Grange, 1616 H Street NW., Washington, D.C. 20006.
B. National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $4,625.

A. James O. Freeman, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $3,575. E. (9) $24

A. Linda J. Freeman, National Cable Television Association, Inc., 1724 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Cable Television Association, Inc., 1724 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $353.08 E. (9) $368.19.

A. Pamela B. Freer, International Ladies Garment Workers Union, 1710 Broadway, New York, N.Y. 10019.
B. International Ladies Garment Workers Union, 1710 Broadway, New York, N.Y. 10019.
D. (6) $3,699. E. (9) $23.65.

A. Paula D. Freer, Marathon Oil Co., 1800 M Street NW., Washington, D.C. 20036.
B. Marathon Oil Co., Findlay, Ohio 45840.

A. Ronna Freiberg, The Power House, 3255 Grace Street NW., Washington, D.C. 20007.
B. Gray & Co., (for Warner Communications), The Power House, 3255 Grace Street NW., Washington, D.C. 20007.
D. (6) $115.

A. Verrick O. French, National Retail Merchants Association, 1000 Connecticut Avenue NW., No. 700, Washington, D.C. 20036.
B. National Retail Merchants Association, 100 West 31st Street, New York N.Y. 10001.
D. (6) $550. E. (9) $15.

A. George L. Frick, Delaware Oil Men's Association, 20 East Division Street, Dover, Del. 19901.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Susan Fridy, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1,925.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Suite 1000 Washington, D.C. 20037.
E. (9) $61.80.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Suite 1000, Washington, D.C. 20037.
B. Agrigenetics Corp., 14142 West 26th Avenue, Denver, Colo. 80401.
D. (6) $438.30. E. (9) $130.92.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Cheyenne River Sioux Tribe, Box 100, Eagle Butte, S. Dak.
D. (6) $2,553. E. (9) $9.80.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B The Makah Tribe of Indians, P.O. Box 115, Neah Bay, Wash. 98357.
D. (6) $121.50. E. (9) $8.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Metlakatla Indian Community, P.O. Box 8, Metlakatla, Alaska 99926.
D. (6) $1,493. E. (9) $11.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Miccosukee Tribe of Indians, P.O. Box 44021, Tamiami Station, Miami, Fla.
D. (6) $1,088. E. (9) $9.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. National Association of Pension Funds, Sunley House, Bedford Park, Croyden, England.
D. (6) $8,027. E. (9) $15.92.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Nez Perce Tribe, Lapwai, Idaho.
E. (9) $13.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Norton Sound Health Corp., P.O. Box 966, Nome, Alaska 99762.
D. (6) $282.50. E. (9) $2.50.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Pueblo of Laguna, Laguna, N. Mex.
D. (6) $2,588.40. E. (9) $9.70.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Suite 1000, Washington, D.C. 20037.
B. Schenley Industries, Inc., 888 Seventh Avenue, New York, N.Y. 10019.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Seneca Nation of Indians, Box 231, Salamanca, N.Y. 14779.
E. (9) $6.40.

A. Philip P. Friedlander, Jr., 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers & Retreaders Association, Inc., 1343 L Street NW., Washington, D.C. 20005.
D. (6) $1,500.

A. Gay H. Friedmann, 1150 Connecticut Avenue NW., Suite 717, Washington, D.C. 20036.
B. Southern California Gas Co., 720 West 8th Street—M.L. 1208, Los Angeles, Calif. 90017.
D. (6) $7,075. E. (9) $110.23.

A. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C. 20002.
E. (9) $27,401.67.

A. Friends of the Columbia Gorge, 519 SW. Third, Room 303, Portland, Oreg. 97204.
D. (6) $8,482. E. (9) $2,349.

A. Owen V. Frisby, 900 17th Street NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, N.A., 1 Chase Manhattan Plaza, New York, N.Y. 10081.
D. (6) $600. E. (9) $112.76.

A. Gustave Fritschie, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. National Fisheries Institute, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
D. (6) $6,000. E. (9) $40.

A. Charles H. Fritts, 2009 North 14th Street, Suite 600, Arlington, Va. 22201.
B. New Bedford Seafood Council, Inc., 17 Hamilton Street, New Bedford, Mass. 02740.
D. (6) $6,600. E. (9) $362.08.

A. Charles H. Fritzel, 499 S. Capitol Street SW., Suite 401, Washington, D.C.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $300. E. (9) $200.

A. Jeffrey A. Fritzlen, Tenneco, Inc., 490 L'Enfant Plaza East SW., Suite 2202, Washington, D.C. 20024.
B. Tenneco, Inc., P.O. box 2511, Houston, Tex. 77001.
D. (6) $1,000.

A. Friedman & Mann, P.C., 810 18th Street NW., Suite 202, Washington, D.C. 20006.
B. Coushatta Tribe of Louisiana, Elton, La. 70532.

A. Robert F. Froehlke, American Council of Life Insurance, 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1850 K street NW., Washington, D.C. 20006.
D. (6) $3,000.

A. Richard L. Fruchterman III, U.S. Telephone Communications, Inc., 108 South Akard Street, Dallas, Tex. 75202.
B. U.S. Telephone Communications, Inc., 108 South Akard Street, Dallas, Tex. 75202.
D. (6) $6,000.

A. Gordon H. Fry, 1100 17th Street NW., Suite 1201, Washington, D.C. 20036.
B. Cigar Association of America, Inc., 1100 17th Street NW., Suite 1201, Washington, D.C. 20036.

A. Fulbright & Jaworski, Suite 400, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Petro Lewis Corp., 717 17th Street, Denver, Colo. 80201.
D. (6) $55,614.81. E. (9) $1,888.94.

A. Ronald K. Fuller, 1150 Connecticut Avenue NW., No. 517, Washington, D.C. 20036.
B. San Diego Gas & Electric Co., 101 Ash Street, San Diego, Calif. 92112.
D. (6) $1,675. E. (9) $1,58[illegible].07.

A. Claudia R. Fuquay, National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
B. National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $8.25.

A. David H. Fyock, 600 Maryland Avenue SW., Suite 520, Washington, D.C. 20024
B. GPU Service Corp., 100 Interpace Parkway, Parsippany, N.J. 07054.
D. (6) $5,700. E. (9) $894.43.

A. G4 Children's Coalition, 1666 K Street NW., Washington, D.C. 20006.
D. (6) $4,868.92. E. (9) $8,762.05

A. Marc P. Gabor, Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016
B. Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
E. (9) $159.95.

A. Terry Gabrielson, Transcontinental Gas Pipe Line Corp., 490 L'Enfant Plaza SW., No. 3202, Washington, D.C. 20024.
B. Transcontinental Gas Pipe Line Corp., 2700 South Post oak Road, Houston, Tex. 77251.
d. (6) $450.

A. Gadsby & Hannah, 1129 20th Street NW., Suite 511, Washington, D.C. 20036.
B. Government of Belize, Belize City, Belize (Central America).
E. (9) $6.47.

A. Gadsby & Hannah, 1129 20th Street NW., Suite 511, Washington, D.C. 20036.
B. Government of Republic of Panama, Compania Azucarera La Estrella, S.A., and Azucarera Nacional, S.A., Panama City, Panama.
E. (9) $56.14.

A. Gadsby & Hannah, 1129 20th Street NW., Suite 511, Washington, D.C. 20036.
B. Sugar Association of the Caribbean, Port of Spain, Trinidad.
E. (9) $61.12.

A. James E. Gaffigan, American Hotel & Motel Association, 1101 Connecticut Avenue NW., Suite 1006, Washington, D.C. 20036.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $1,005.22.

A. Norman S. Gaines, RJR Industries, Inc., 2550 M Street NW., Suite 770, Washington, D.C. 20037.
B. RJR Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.
D. (6) $2,200.54. E. (9) $189.15.

A. Michael R. Gale, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
D. (6) $9,343.74.

A. Ann E. Gallagher, National Association of Federal Credit Unions, 1111 North 19th Street, Arlington, Va. 22209.
B. National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.
D. (6) $600. E. (9) $70.

A. Linda Gallagher, Alliance to Save Energy, 1925 K Street NW., Suite 507, Washington, D.C. 20006.
B. Alliance to Save Energy, 1925 K Street NW., Suite 507, Washington, D.C. 20006.
D. (6) $141.25.

A. William R. Ganser, Jr., 4804 Folse Drive, Metairie, La. 70002.
B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.
D. (6) $2,006.25.

A. Nicole Gara, American Academy of Physician Assistants, 2341 Jefferson Davis Highway, Suite 700, Arlington, Va. 22202.
B. American Academy of Physician Assistants, 2341 Jefferson Davis Highway, Suite 700, Arlington, Va. 22202.
D. (6) $5115.32. E. (9) $96.27.

A. Michael N. Garabedian, Sierra Club, 228 East 45th Street, 10th Floor, New York, N.Y. 10017.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $1,174.34 E. (9) $780.02.

A. Sherwin Gardner, 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.
B. Grocery Manufacturers of America, 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

A. Garvey, Schubert, Adams & Barer, 1000 Potomac Street NW., Washington, D.C. 20007.
B. Cominco American Inc., 818 West Riverside Avenue, Spokane, Wash. 99201.
D. (6) $570.

A. Garvey, Schubert, Adams & Barer, 1000 Potomac Street NW., Washington, D.C. 20007.
B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Washington, D.C. 20007.

A. Garvey, Schubert, Adams & Barer, 1000 Potomac Street NW., Washington, D.C. 20007.
B. GTE Service Corp., 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,515.

A. Garvey, Schubert, Adams & Barer, 30th Floor, Bank of California Center, Seattle, Wash. 98164.
B. Japan Fisheries Association, 9-13, Alaska 1, Minato-Ku, Tokyo, 107, Japan.
D. (6) $7,000. E. (9) $48.50.

A. Garvey, Schubert, Adams & Barer, 1000 Potomac Street NW., Washington, D.C. 20007.
B. Noranda Mining Inc., 986 Atherton Drive, Suite 220, Salt Lake City, Utah 84107.
D. (6) $7,301.50.

A. Garvey, Schubert, Adams & Barer, 1000 Potomac Street NW., Washington, D.C. 20007.
B. Northwest Marine Iron Works, P.O. Box 3109, Portland, Oreg. 97208.
D. (6) $388.

A. Garvey, Schubert, Adams & Barer, 1000 Potomac Street NW., Washington, D.C. 20007.
B. Totem Ocean Trailer Express, Inc., 1100 Olive Way, Seattle, Wash. 98101.
D. (6) $1,620.

A. Garvey, Schubert, Adams & Barer, 1000 Potomac Street NW., Washington, D.C. 20007.
B. Trailways, Inc., 1200 I Street NW., Washington, D.C. 20005.
D. (6) $3,855.

A. E. June Garvin, Ohio Petroleum Council, 88 East Broad Street, Suite 1960, Columbus, Ohio 43215.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $3,500. E. (9) $1,381.95.

A. Gas Appliance Manufacturers Association, Inc., 1901 North Fort Myer Drive, Arlington, Va. 22209.
E. (9) $90.

A. Lillian B. Gaskin, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $50.

A. Philip Gasteyer, U.S. League of Savings Associations, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $2,350.

A. Louis A. Gatti, Anheuser-Busch Cos., Inc., 1211 Connecticut Avenue NW., Suite 502, Washington, D.C. 20036.
B. Anheuser-Busch Co., Inc., One Busch Place, St. Louis, Mo. 63118.

A. John A. Gauthier, 923 15th Street NW., Washington, D.C. 20005.
B. Transportation Institute, 923 15th Street NW., Washington, D.C. 20005.
D. (6) $3,000. E. (9) $331.38.

A. John R. Geiger, Goulds Pumps, Inc., 1660 L Street NW., No. 506, Washington, D.C. 20036
B. Goulds Pumps, Inc., 240 Fall Street, Seneca Falls, N.Y. 13148.
D. (6) $500.

A. Robert C. Gelardi, Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.
B. The Robert H. Kellen Co., 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342. For: Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.
D. (6) $180.

A. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036
E. (9) $3,342.

A. Generic Pharmaceutical Industry Association, 600 Third Avenue, 18th Floor, New York, N.Y. 10016
D. (6) $15,661. E. (9) $15,661.

A. John Gentille, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. George & George, PC, 499 South Capitol Street SW., Suite 400, Washington, D.C. 20003.
B. Continental Resources Co., P.O. Box 44, Winter Park, Fla. 32790.

A. George & George, PC, 499 South Capitol Street SW., Suite 400, Washington, D.C. 20003.
B. Pepsico, Inc., Purchase, N.Y. 10577.

A. George & George, PC, 499 South Capitol Street SW., Suite 400, Washington, D.C. 20003.
B. Riss International, 215 Perishing Road, Kansas City, Mo. 64108.
D. (6) $500.

A. Georgia Association of Petroleum Retailers, Inc., 315 West Ponce de Leon Avenue, 933 First National Bank Building, P.O. Box 789, Decatur, Ga. 30031.
B. Georgia Association of Petroleum Retailers, Inc./Service Station Dealers of America, 2021 K Street NW., Washington, D.C. 20006.

A. Joseph G. Gerard, Furniture Manufacturers Associations, 918 16th Street NW., No. 402, Washington, D.C. 20006.
B. Southern Furniture Manufacturers Association, P.O. Box 2436, High Point, N.C. 27261.
D. (6) $1,500. E. (9) $1,080.81.

A. Louis Gerber, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
D. (6) $6,092.37. E. (9) $123.50.

A. Llewellyn Gerson, Distilled Spirits Council of the United States, 1300 Pennsylvania Building, Washington, D.C. 20004.
B. Distilled Spirits Council of the United States, 1300 Pennsylvania Building, Washington, D.C. 20004.
D. (6) $2,000. E. (9) $300.

A. Dorothy F. Gevinson, Procter & Gamble Manufacturing Co., 1801 K Street NW., Suite 230, Washington, D.C. 20006.
B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45202.
D. (6) $29.70.

A. Robert N. Giaimo, 499 South Capitol Street SW., Suite 110, Washington, D.C. 20003.
B. Insurance Association of Connecticut, 60 Washington Street, Suite 1304, Hartford, Conn. 06106.
D. (6) $11,500.

A. Wayne Gibbens, Mid-Continent Oil & Gas Association, 1919 Pennsylvania Avenue NW., Suite 503, Washington, D.C. 20006.
B. Mid-Continent Oil & Gas Association, 711 Adams Office Building, Tulsa, Okla. 74103.
D. (6) $5,620.87. E. (9) $124.50.

A. Anne Marie Gibbons, 2301 M Street NW., Third Floor, Washington, D.C. 20037.
B. American Public Power Association, 2301 M Street NW., Third Floor, Washington, D.C. 20037.
D. (6) $500.

A. Clifford S. Gibbons, Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.
B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.
D. (6) $2,333.50.

A. William G. Giery, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foodservice & Lodging Institute, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Michael Gildea, 815 16th Street NW., Washington, D.C. 20006.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $12,829.50. E. (9) $96.56

A. John Giles, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.
D. (6) $2,145. E. (9) $982.90.

A. Neal P. Gillern, American Cotton Shippers Association, 1707 L Street NW., Suite 460, Washington, D.C. 20036.
B. American Cotton Shippers Association, 1707 L Street NW., Suite 460, Washington, D.C. 20036.
D. (6) $18,000. E. (9) $1,026.13.

A. William Gilmartin, 1220 19th Street NW., Suite 303, Washington, D.C. 20036.
B. Planned Parenthood Federation of America, Inc., 1220 19th Street NW., Suite 303, Washington, D.C. 20036.
D. (6) $406.17. E. (9) $33.

A. Marla F. Gilson, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
D. (6) $718.75.

A. Ginsburg, Feldman, Weil & Bress, 1700 Pennsylvania Avenue NW., Suite 300, Washington, D.C. 20006.
B. Belcher Towing Co., P.O. Box 525500, Miami, Fla. 33152.
D. (6) $750. E. (9) $33.88.

A. Ginsburg, Feldman, Weil & Bress, 1700 Pennsylvania Avenue NW., Suite 300, Washington, D.C. 20006.
B. Coal Oil Producers Association, Inc., 1700 Pennsylvania Avenue NW., Suite 300, Washington, D.C. 20006.
D. (6) $750. E. (9) $51.48.

A. Gerard Giovaniello, 777 14th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 777 14th Street NW., Washington, D.C. 20005.
D. (6) $2,500. E. (9) $974.04.

A. Brenda M. Girton, Sears, Roebuck & Co., 1211 Connecticut Avenue NW., No. 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $135. E. (9) $187.69.

A. Jonah Gitlitz, Direct Mail/Marketing Association, 1730 K Street NW., No. 905, Washington, D.C. 20006.
B. Direct Mail/Marketing Association, 6 East 43d Street, New York, N.Y. 10017.

A. Michael J. Giuffrida, The Capital Gallery, East Wing, 600 Maryland Avenue SW., Suite 450, Washington, D.C. 20024.
B. National Fozen Food Association, 604 West Derry Road, P.O. 398, Hershey, Pa. 17033.
D. (6) $2,462.

A. Sol Glasner, Sperry Corp., 2000 L Street NW., Suite 810, Washington, D.C. 20036.
B. Sperry Corp., 2000 L Street NW., Suite 810, Washington, D.C. 20036.

A. George L. Gleason, American Nuclear Energy Council, 410 First Street SE., Washington, D.C.
B. American Nuclear Energy Council, 410 First Street SE., Washington, D.C.
D. (6) $4,416.73. E. (9) $149.76.

A. John P. Gleason, Jr. 1750 Old Meadow Road, McLean, Va. 22102.
B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22102.

A. Robert E. Gleason, International Longshoremen's Association, AFL-CIO, 815 Sixteenth Street NW., Washington, D.C. 20006.
B. International Longshoremen's Association, AFL-CIO, 17 Battery Place, New York, N.Y. 10004.
D. (6) $6,756.88. E. (9) $375.47.

A. Law Offices of Thomas W. Gleason, One State Street Plaza, New York, N.Y. 10004.
B. International Longshoremen's Association, AFL-CIO, 17 Battery Place, New York, N.Y. 10004.

A. The Glenmede Trust Co., 229 South 18th Street, Philadelphia, Pa. 19103.

A. Godfrey Associates, Inc., 918 16th Street NW., No. 6-1, Washington, D.C. 20006.

A. Judith M. Goff, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $756.67.

A. James Golato, H. & R. Block, Inc., 1701 K Street NW., Washington, D.C. 20006.

B. H. & R. Block, Inc., 4410 Main Street, Kansas City, Mo. 64111.

D. (6) $303. E. (9) $9.20.

A. Harvey S. Gold, Velsicol Chemical Corp., 1015 15th Street NW., Washington, D.C. 20005.

B. Velsicol Chemical Corp., 341 East Ohio Street, Chicago, Ill. 60611.

D. (6) $6,625. E. (9) $157.18.

A. Howard S. Goldberg, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc. 1225 19th Street NW., Washington, D.C. 20036. (for Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac, France).

A. Jane A. Golden, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs 1775 Pennsylvania Avenue NW., Washington, D.C. 20006. (for National Gypsum Co.).

A. Jack Golodner, 815 16th Street NW., Washington, D.C. 20006.

B. Department for Professional Employees, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $3,916.33.

A. Ruth Gonze, 2301 M Street NW., Third Floor, Washington, D.C. 20037.

B. American Public Power Association, 2301 M Street NW., Third Floor, Washington, D.C. 20037.

D. (6) $500.

A. Charles E. Goodell, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc. 19th Street NW., Washington, D.C. 20036. (for Sofreavia, 75 rue la Boetie, Paris 8eme, France), 1225.

A. Vance V. Goodfellow, 307 4th Avenue South, P.O. Box 15047, Minneapolis, Minn.

B. Crop Quality Council, 307 4th Avenue South, P.O. Box 15047, Minneapolis, Minn. 55415.

D. (6) $10,201.29.

A. Robert F. Goodwin, Meredith Corp., 1850 K Street NW., No. 275, Washington, D.C. 20006.

B. Meredith Corp., 1850 K Street NW., No. 275, Washington, D.C. 20006.

D. (6) $40. E. (9) $23.75.

A. Beth Gordon, Air Products & Chemicals, Inc., 1800 K Street NW., Suite 1016, Washington, D.C. 20006.

B. Air Products & Chemicals, Inc., P.O. Box 538, Allentown, Pa. 18105.

A. Douglas B. Gordon, National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.

B. National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.

D. (6) $375. E. (9) $42.65.

A. Brenda J. Gore, 1000 Wilson Boulevard, No. 2600, Washington, D.C. 22209.

B. TRW, Inc., 1000 Wilson Boulevard, No. 2600, Arlington, Va. 22209.

D. (6) $1,000.

A. James D. Gormley, 1025 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036.

B. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036.

D. (6) $2,186.

A. Peter J. Gossens, 1717 Massachusetts Avenue NW., Suite 503, Washington, D.C. 20036.

B. National Association of Independent Colleges and Universities, 1717 Massachusetts Avenue NW., Suite 503, Washington, D.C. 20036.

D. (6) $7,000.

A. John T. Gould, Jr., St. Regis Paper Co., 1625 I Street NW., Suite 805, Washington, D.C. 20006.

B. St. Regis Paper Co., 150 East 42d Street, New York, N.Y. 10017.

D. (6) $500. E. (9) $700.

A. Government Relations Associates, Inc., 1629 K Street NW., No. 401, Washington, D.C. 20006.

B. Kaiser Steel Corp., P.O. Box 217, Fontana, Calif. 92335.

A. Edmond Graber, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Donald E. Graham, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $670.

A. Lawrence T. Graham, American Hotel & Motel Association, 1101 Connecticut Avenue NW., Suite 1006, Washington, D.C. 20036.

B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.

D. (6) $1,005.22.

A. Luis L. Granados, Law Offices of Sheldon I. London, 1725 DeSales Street NW., Suite 401, Washington, D.C. 20036.

B. The ESOP Association of America, 1725 DeSales Street NW., Suite 400, Washington, D.C. 20036.

D. (6) $6,000. E. (9) $1,144.11.

A. Edward Shawn Grandis, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Environmental Policy Center 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $2,499.99.

A. Wm. W. Grant, Utah International, Inc., 1150 Connecticut Avenue NW., Suite 710, Washington, D.C. 20036.

B. Utah International, Inc., 550 California Street, San Francisco, Calif. 94104.

E. (9) $478.04.

A. James L. Granum, Southern Railway Co., 920 15th Street NW., Washington, D.C. 20005.

B. Southern Railway Co., 920 15th Street NW., Washington, D.C. 20005.

D. (6) $1,000.

A. Michael R. Graul, Law Offices of Sheldon I. London, 1725 DeSales Street NW., Suite 401, Washington, D.C. 20036.

B. American Hardware Manufacturers Association, 931 North Plum Grove Road, Schaumburg, Ill. 60195.

D. (6) $1,000.

A. Michael R. Graul, Law Offices of Sheldon I. London, 1725 DeSales Street NW., Suite 401, Washington, D.C. 20036.

B. Cutting Tool Manufacturers Association & Metal Cutting Tool Institute, 1230 Keith Building, Cleveland, Ohio 44115.

D. (6) $1,260.

A. James A. Gray, 7901 Westpark Drive, McLean, Va 22102.

B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22102.

D. (6) $725.01. E. (9) $25.

A. Robert K. Gray, The Power House, 3255 Grace Street NW., Washington, D.C. 20007.

B. Gray & Co., The Power House, 3255 Grace Street NW., Washington, D.C. 20007 (for Beretta Corp.).

D. (6) $87.50.

A. Robert K. Gray, The Power House, 3255 Grace Street NW., Washington, D.C. 20007.

B. Gray & Co., The Power House, 3255 Grace Street NW., Washington, D.C. 20007 (for the Minimum Tax Coalition).

D. (6) $87.50.

A. Robert K. Gray, The Power House, 32555 Grace Street NW, Washington, D.C. 20007.

B. Gray & Co., The Power House, 3255 Grace Street NW, Washington, D.C. 20007 (for Quixote Corp.)

A. Robert K. Gray, The Power House, 3255 Grace Street NW., Washington, D.C. 20007.

B. Gray & Co., The Power House, 3255 Grace Street NW., Washington, D.C. 20007 (for Warner Communications, Inc.).

D. (6) $525.

A. Mark E. Grayson, Hill and Knowlton, Inc., 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.

B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Greater Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.

A. James R. Greco, P.O. Box 3151, Houston, Tex. 77001.

B. Browning-Ferris Industries, P.O. Box 3151, Houston, Tex. 77001.

A. Donald R. Greeley, Celanese Corp., 1101 17th Street NW., Suite 307, Washington, D.C. 20036-4776.

B. Celanese Corp., 1211 Avenue of the Americas, New York, N.Y. 10036.

D. (6) $1,000. E. (9) $224.70.

A. George R. Green, 1750 K Street NW., Washington, D.C. 20006.

B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

D. (6) $450.

A. James W. Green, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $2,536.20. E. (9) $243.25.

A. John K. Green, 800 Nebraska Savings Building, Omaha, Nebr. 68102.

B. Papillion Nebraska School District, 420 South Washington, Papillion, Nebr. 68046.

D. (6) $357.50 E. (9) $330.05.

A. Micah S. Green, 777 14th Street NW., Washington, D.C. 20005.

B. National Association of Realtors, 777 14th Street NW., Washington, D.C. 20005.

D. (6) $2,500. E. (9) $453.44.

A. Jane E. Greenbaum, 25th and McGee, Kansas City, Mo. 64108.
B. Hallmark Cards, Inc., 25th and McGee, Kansas City, Mo. 64108.

A. Allen Greenberg, 2000 P Street NW., Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Washington, D.C. 20036.
D. (6) $67.

A. Calvin Reginald Greene, Jr., 1434 Duncan Street SE., Washington, D.C. 20003.
B. National Coalition of Telecommunications Users & Providers, National Coalition for Fair Rates and Competition, 115 D Street SE., Suite 108, Washington, D.C. 20003.
D. (6) $3,000.

A. Robert Greenstein, 236 Massachusetts Avenue NE., Washington, D.C. 20002.
B. Center on Budget & Policy Priorities, 236 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $726.24. E. (9) $1,589.44.

A. Saunders Gregg, Entex, Inc., P.O. Box 2628, Houston, Tex. 77001.
B. Entex, Inc., P.O. Box 2628 Houston, Tex. 77001.

A. Chellis O. Gregory, Hill & Knowlton, Inc., 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.
B. Hill & Knowlton, Inc., 635 Third Avenue, New York, N.Y. 10017 (for Motion Picture Association of America).
D. (6) $1,500. E. (9) $72.20.

A. William G. Greif, Bristol-Myers Co., 1155 15th Street NW., Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10154.
D. (6) $35,000. E. (9) $252.35.

A. Ellen Griffee, National Organization for Women, 425 13th Street NW., Suite 1048, Washington, D.C. 20004.
B. National Organization for Women, 425 13th Street, NW., Suite 1048, Washington, D.C. 20004.
D. (6) $2,575. E. (9) $113.15.

A. Joan M. Griffin, 1717 Massachusetts Avenue NW., Suite 503, Washington, D.C. 20036.
B. National Association of Independent Colleges & Universities, 1717 Massachusetts Avenue NW., Suite 503, Washington, D.C. 20036.

A. L. George Griffin, National Association of Realtors, 777 14th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 777 14th Street NW., Washington, D.C. 20005.
D. (6) $2,000. E. (9) $74.95.

A. Mark N. Griffiths, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $200.

A. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.
E. (9) $9,336.19.

A. Groom & Nordberg, Chartered, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Ad Hoc Group on Life Insurance Company Taxation of Pension Funds, c/o Groom & Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.

A. Groom & Nordberg, Chartered, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Aetna Life & Casualty, 151 Farmington Road, Hartford, Conn. 06115.
D. (6) $100. E. (9) $2.

A. Groom & Nordberg, Chartered, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Bally Manufacturing Corp., 2640 West Belmont Avenue, Chicago, Ill. 60618.

A. Groom & Nordberg, Chartered, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Connecticut General Insurance Co., Hartford, Conn. 06115.

A. Groom & Nordberg, Chartered, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Eli Lilly & Co., 307 East McCarty Street, Indianapolis, Ind. 46206.

A. Groom & Nordberg, Chartered, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. The Equitable Life Assurance Society of the United States, 1285 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $100. E. (9) $2.

A. Groom & Nordberg, Chartered, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $200. E. (9) $4.

A. Groom & Nordberg, Chartered, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. John Hancock Mutual Life Insurance Co., P.O. Box 111, Boston, Mass. 02117.
D. (6) $100 E. (9) $2.

A. Groom & Nordberg, Chartered, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Phillips Petroleum, 656 Information Center, Bartlesville, Okla. 74004.

A. Groom & Nordberg, Chartered, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Phoenix Mutual Life Insurance Co., One American Row, Hartford, Conn. 06115.
D. (6) $100. E.(9) $2.

A. Groom & Nordberg, Chartered, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. The Prudential Insurance Co. of America, Prudential Plaza, Newark, N.J. 07101.
D. (6) $500. E. (9) $8.

A. Groom & Nordberg, Chartered, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. The Travelers, One Tower Square, Hartford, Conn. 06115.

A. Groom & Nordberg, Chartered, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Western Conference of Teamsters Pension Trust Fund, P.O. 7880, San Francisco, Calif. 94102.
D. (6) $100. E. (9) $2.

A. Groom & Nordberg, Chartered, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.

A. David B. Gross, 7490 Brompton, No. 108, Houston, Tex. 77025.
B. Shell Oil Co.
D. (6) $500.

A. Nina G. Gross, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $750. E. (9) $491.60.

A. Frank N. Grossman, Santa Fe Industries, Inc., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Santa Fe Industries, Inc., 224 South Michigan Avenue, Chicago, Ill. 60604.
D. (6) $1,500.

A. John R. Groundwater, Jr., 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.
B. National Limestone Institute, 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.

A. Gail P. Grubb, 2101 L Street NW., Suite 800, Washington D.C. 20037.
B. Dickstein, Shapiro & Morin, (For Home Health Services & Staffing Association), 2101 L Street NW., Suite 800, Washington D.C. 20037.
D. (6) $2,500.

A. Richard F. Guay, 1101 15th Street, NW., No. 1000, Washington, D.C. 20005.
B. National Constructors Association, 1101 15th Street NW., No. 1000, Washington, D.C. 20005.
D. (6) $3,375.

A. Jerome R. Gulan, National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.
B. National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.
D. (6) $4,500.

A. Jerome R. Gulan, Small Business Legislative Council, 1604 K Street NW., Washington, D.C. 20006.
B. Small Business Legislative Council, 1604 K Street NW., Washington, D.C. 20006.
D. (6) $2,500.

A. Gun Owners of America, Inc., 101 South Whiting Street, Alexandria, Va. 22301.
D. (6) $188,966.58. E. (9) $154,269.95.

A. David Gusky, National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $8,954.40.

A. Susan L. Gustafson, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.

A. Ned H. Guthrie, American Federation of Musicians, 209 Hayes Avenue, Charleston, W. Va. 25314.
B. American Federation of Musicians, 1500 Broadway, New York, N.Y. 10036.
D. (6) $680. E. (9) $556.71.

A. Robert F. Guthrie, 815 16th Street NW., Washington, D.C. 20006.
B. Department for Professional Employees, AFL-CIO, 815 16th Street NW. Room 606, Washington, D.C. 20006.
D. (6) $5,827.62

A. Ellen Haas, Community Nutrition Institute, 1146 19th Street NW., Washington, D.C. 20036.
B. Community Nutrition Institute, 1146 19th Street NW., Washington, D.C. 20036.
E. (9) $42.12.

A. James M. Hacking, National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $11,076.91. E. (9) $353.

A. Craig Hackler, 412 First Street SE., Suite 214, Washington, D.C. 20003.
B. Beneficial Management Corp. of America, 200 South Street, Morristown, N.J.
D. (6) $1,000.

A. Craig Hackler, 412 First Street SE., Suite 214, Washington, D.C. 20003.
B. Cadilac Fairview, c/o The Corporation Trust Co., 100 West 10th Street, Wilmington, Del. 19801.
D. (6) $5,000.

A. Craig Hackler, 412 First Street SE., Suite 214, Washington, D.C. 20003.
B. California Westside Farmers, 955 L'Enfant Plaza North SW., Room 1101, Washington, D.C. 20024.

A. Craig Hackler, 412 First Street SE., Suite 214, Washington, D.C. 20003.
B. Guam Oil & Refining Co., 3400 Southland Center, Dallas, Tex. 75201.

A. Craig Hackler, 412 First Street SE., Suite 214, Washington, D.C. 20003.
B. National Living Centers, 777 South Post Oak Road, Suite 600, Houston, Tex. 77056.
D. (6) $2,000.

A. Craig Hackler, 412 First Street SE., Suite 214, Washington, D.C. 20003.
B. Stichting Philips Pensionenfonds A and B, Tramstraat 62, Eindhoven, The Netherlands.

A. Loyd Hackler, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street, Washington, D.C. 20006.
D. (6) $2,0000. E. (9) $38.25.

A. William F. Haddad, 322 West 57th Street, New York, N.Y. 10019.
B. Generic Pharmaceutical Industry Association, 600 Third Avenue, 18th Floor, New York, N.Y. 10016.
D. (6) $4,320. E. (9) $1,113.96.

A. Thomas M. Hagan, Central and South West Services, Inc., 1510 American Bank Tower, Austin, Tex. 78701.
B. Central and South West Services, Inc., 2700 One Main Place, Dallas, Tex. 75250.
D. (6) $1,539. E. (9) $2,062.87.

A. Bruce N. Hahn, 9300 Livingston Road, Fort Washington, Md. 20744.
B. National Tooling & Machining Association, 9300 Livingston Road, Fort Washington, Md. 20744.
D. (6) $9,939.78.

A. Donald M. Haines, American Federation of Government Employees, 1325 Massachusetts Avenue, NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $7,387.80. E. (9) $38.15.

A. Thomas F. Hairston, Union Oil Co. of California, 1100 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
E. (9) $1,100.88.

A. Hale and Dorr, 1201 Pennsylvania Avenue NW., Suite 807, Washington, D.C. 20004.
B. The GHK Companies, 6441 NW Grand Boulevard, Oklahoma City, Okla. 73116.
D. (6) $7,440.13. E. (9) $6,052.79.

A. Haley, Bader & Potts, 1730 M Street NW., Suite 700 Washington, D.C. 20036.
B. Pilots Rights Association, P.O. Box 7000-365, Redondo Beach, Calif. 90277.
D. (6) $133.75. E. (9) $206.44

A. The Martin Haley Companies Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. Agri-Business Inc., 11411 Rendezvous, San Antonio, Tex. 78216.

A. The Martin Haley Companies, Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. American Energy, Inc., Forman, N. Dak. 58032.

A. The Martin Haley Companies, Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. Central Texas Grain Products Marketing Cooperative, Box 184, Hutto, Tex. 78634.

A. The Martin Haley Companies, Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. The Louis Dreyfus Corp., 24 Richmond Hill Avenue, Stamford, Conn. 06904.

A. The Martin Haley Companies, Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. Grain Products Alcohol Cooperatives, One Pleasant Valley Plaza, 2200 Hidden Valley Drive, Little Rock, Ark. 72212.

A. The Martin Haley Companies, Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. High Plains Grain Products Cooperative, Muleshoe, Tex. 79347.

A. The Martin Haley Companies, Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. M&M/Mars Division of Mars, Inc., High Street, Hackettstown, N.J. 07840.

A. The Martin Haley Companies, Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. Marion Laboratories, Inc., 9221 Ward Parkway, Kansas City, Mo. 64114.

A. The Martin Haley Cos., Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. The New England Council, Inc., Statler Office Building, Boston, Mass. 02116.

A. The Martin Haley Cos., Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. New England Mutual Life Insurance Co., 501 Boylston Street, Boston, Mass. 02117.

A. The Martin Haley Cos., Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. North Plains Grain Products Cooperative, Box 133, Canby, Minn. 56220.

A. The Martin Haley Cos., Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. Northwest Texas Grain Products Cooperative, Dumas, Tex. 79029.

A. The Martin Haley Cos., Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. Operation Independence, 406 San Jacinto Building, Auston, Tex. 78701.

A. The Martin Haley Cos., Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. Power Authority of the State of New York, 10 Columbus Circle, New York, N.Y. 10019.

A. The Martin Haley Cos., Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. Telephone & Data Systems, Inc., 79 Monroe Street, Chicago, Ill. 60603.

A. The Martin Haley Cos., Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. The Tobacco Tax Council, P.O. Box 8269, 5407 Patterson Avenue, Richmond, Va. 23226

A. The Martin Haley Cos., Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. West Alabama Grain Products Cooperative, Inc., P.O. Box 237, Uniontown, Ala. 36786.

A. Hall, Estill, Hardwick, Gable, Collingsworth & Nelson, P.C., 1750 K Street NW., Suite 350, Washington, D.C. 20006.
B. The Williams Co., P.O. Box 2400, Tulsa, Okla. 74101.
D. (6) $100.

A. Harry L. Hall, National Multiple Sclerosis Society, 1120 20th Street NW., Suite S 520, Washington, D.C. 20036.
B. National Multiple Sclerosis Society, 205 East 42d Street, New York, N.Y. 10017.
D. (6) $4,500.

A. John F. Hall, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $600.

A. Richard F. Hall, Union Oil Co. of California, 1100 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
D. (6) $2000. (9) $714.30.

A. Maurice E. Halsey, Northern Illinois Gas Co., 1627 K Street NW., Suite 202, Washington, D.C. 20006.
B. Northern Illinois Gas Co., P.O. Box 190, Aurora, Ill. 60507.
D. (6) $2500.

A. Paul T. Haluza, 1120 19th Street NW., Suite 333, Washington, D.C. 20036.
B. Motor and Equipment Manufacturers Association, 1120 19th Street NW., Suite 333, Washington, D.C. 20036.
D. (6) $3,000. E. (9) $583.87.

A. Jerald V. Halvorsen, National Coal Association, 1130 17th Street NW., Washington, D.C. 20036.
B. National Coal Association, 1130 17th Street NW., Coal Building, Washington, D.C. 20036.
D. (6) $7,000 E. (9) $1,287.15.

A. Hamel, Park, McCabe & Saunders, 888 16th Street NW., Washington, D.C. 20006.
B. Beneficial Foundation, 1300 Market Street, Wilmington, Del.

A. Hamel, Park, McCabe & Saunders 888 16th Street NW., Washington, D.C. 20006.
B. State of Alaska.
D. (6) $1,407.

A. Hamel, Park, McCabe & Saunders 888 16th Street NW., Washington, D.C. 20006.
B. Tandy Corp., 1900 One Tandy Center, Fort Worth, Tex. 76102.
D. (6) $450.

A. Hamel, Park, McCabe & Saunders, 888 16th Street NW., Washington, D.C. 20006.
B. United Student Aid Funds, Inc., 200 East 42d Street, New York, N.Y. 10017.

A. Bruce Hamilton, Sierra Club, Box 1078, Lander, Wyo. 82520.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $2,070. E. (9) $1,463.30.

A. James L. Hamilton III, United States Steel Corp., 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.
D. (6) $770. E. (9) $20.21.

A. Philip W. Hamilton, 1901 L Street NW., Suite 711, Washington, D.C. 20036.
B. Hamilton & Associates, Inc., 1901 L Street NW., Suite 711, Washington, D.C. 20036. (For the National Labor-Management Foundation, Louisville, Ky.).

A. Stanley Hamilton, Common Carrier Conference-Irregular Route, 1616 P Street NW., Suite 204, Washington, D.C.
B. Common Carrier Conference-Irregular Route, 1616 P Street NW., Suite 204, Washington, D.C. 20036.
D. (6) $500. E. (9) $50.

A. William W. Hamilton, Jr., 1220 19th Street, NW., Suite 303, Washington, D.C. 20036.
B. Planned Parenthood Federation of America, Inc., 1220 19th Street NW., Suite 303, Washington, D.C. 20036.
D. (6) $580.59 E. (9) $137.36.

A. Susan W. Hamlin, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Amy Renee Hammer, Exxon Corp., 1899 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $797.02.

A. Robert N. Hampton, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $822.92.

A. Nolan W. Hancock, Oil, Chemical & Atomic Workers International Union, 1126 16th Street NW., Washington, D.C. 20036.
B. Oil, Chemical & Atomic Workers International Union, 1636 Champa Street, Denver, Colo. 80201.
D. (6) $4,787.50.

A. Ted M. Handel, 2301 M Street NW., Third Floor, Washington, D.C. 20037.
B. American Public Power Association, 2301 M Street NW., Third Floor, Washington, D.C. 20037.
D. (6) $500.

A. Donald K. Hanes, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1800 Massachusetts Avenue, Washington, D.C. 20036.
D. (6) $145.75.

A. Elisabeth Hanlin, Sperry Corp., 2000 L Street NW., Suite 810, Washington, D.C. 20036.
B. Sperry Corp., 2000 L Street NW., Suite 810, Washington, D.C. 20036.

A. The Hannaford Co., Inc., 1225 19th Street NW., Suite 750, Washington, D.C. 20036.
B. American Society of Composers, Authors & Publishers, One Lincoln Plaza, New York, N.Y. 10023.
D. (6) $2,700. (9) $30.24.

A. The Hannaford Co., Inc., Suite 750, 1225 19th Street NW., Washington, D.C. 20036.
B. Baltic American Freedom League, P.O. Box 29657, Los Angeles, Calif. 90029.
D. (6) $6,000. E. (9) $791.16.

A. The Hannaford Co., Inc., Suite 750, 1225 19th Street NW., Washington, D.C. 20036.
B. Century 21 Real Estate Corp., 18872 MacArthur Boulevard, Irvine, Calif. 97215.
D. (6) $2,250. E. (9) $526.06.

A. The Hannaford Co., Inc., Suite 750, 1225 19th Street NW., Washington, D.C. 20036.
B. China External Trade Development Council, 10th Floor, 201 Tunhna North Road, Taipei, Taiwan, Republic of China.
D. (6) $4,500. E. (9) $82.52.

A. The Hannaford Co. Inc., Suite 750, 1225 19th Street NW., Washington, D.C. 20036
B. General Motors Corp., General Motors Building, Detroit, Mich. 48202.
D. (6) $1,250. E. (9) $92.91.

A. The Hannaford Co. Inc., Suite 750, 1225 19th Street NW., Washington, D.C. 20036.
B. National Venture Capital Association, Suite 750, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $8,400. E. (9) $580.28.

A. Hannaford International Inc., 905 16th Street NW., Suite 207, Washington, D.C. 20006.
B. Stablex Corp., Two Radnor Corporate Center, Radnor, Pa. 19087.
D. (6) $2,700. E. (9) $173.71.

A. Hansell, Post, Brandon & Dorsey, 1915 I Street NW., Fifth Floor, Washington, D.C. 20006.
B. Associated Builders & Contractors, Inc., 444 North Capitol Street NW., Washington, D.C. 20001.
D. (6) $5,678. E. (9) $8.70.

A. Hansell, Post, Brandon & Dorsey, 1915 I Street NW., Fifth Floor, Washington, D.C. 20006
B. Portman Properties, 1800 Peachtree Center South, 225 Peachtree Street NE., Atlanta, Ga. 30303.

A. Hansell, Post, Brandon & Dorsey, 1915 I Street NW., Fifth Floor, Washington, D.C. 20006.
B. Rockwell International Corp., 1745 Jefferson Davis Highway, Arlington, Va. 22202.
E. (9) $1,257.52.

A. J. E. Hansen, Brotherhood of Railroad Signalmen, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Railroad Signalmen, P.O. Box U, Mount Prospect, Ill. 60056.
D. (6) $350.

A. Peter J. Hayworth, 1511 K Street NW., Washington, D.C.
B. The Sugar Association, Inc., 1511 K Street NW., Washington, D.C. 20005.
D. (6) $500. E. (9) $233.12.

A. Harbison-Ford, Inc., Route 1, Morrisville, Pa. 19067.
E. (9) $1228.92.

A. William E. Hardman, 9300 Livingston Road, Fort Washington, Md. 20744.
B. National Tooling & Machining Association, 9300 Livingston Road, Fort Washington, Md. 20744.
D. (6) $26,055.32.

A. Helen S. Hargadon, 1155 15th Street NW., Suite 900, Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $4,000. E. (9) $18.75.

A. Charles N. Harkey, Beneficial Management of America, 1700 North Moore Street, 1925 Rosslyn Center Building, Arlington, Va. 22209.
B. Beneficial Management Corp. of America, 1100 Carr Road, Wilmington, Del. 19899

A. William G. Harley, National Utility Contractors Association, 1235 Jefferson-Davis Highway, Suite 606, Arlington, Va. 22202.
B. National Utility Contractors Association, 1235 Jefferson-Davis Highway, Suite 606, Arlington, Va. 22202

A. Dan R. Harlow, 1737 H Street NW., Washington, D.C. 20006.
B. Diamond Shamrock Corp. 717 North Harwood Street, Dallas, Tex.
D. (6) $3,000.

A. Donald L. Harlow, 310 Riley Street, Falls Church, Va. 22046.
B. Air Force Sergeants Association, 5211 Auth Road, Suitland, Md. 20746.

A. Charles E. Harman, Jr., Petroleum Council of Georgia, 230 Peachtree Street NW., Suite 1500, Atlanta, Ga. 30303.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $116.64. E (9) $536.68.

A. John L. Harmer, 50 South Main Street, Suite 1560, Salt Lake City, Utah 84144.
D. (6) $15,000. E. (9) $2,935.09.

A. Robert L. Harness, Monsanto Co., 1101 17th Street NW., Washington, D.C. 20030.
B. Monsanto Co., 800 N. Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $450. E. (9) $21.42.

A. Wiley C. Harrell, Jr., Anheuser-Busch Cos., Inc., 1211 Connecticut Avenue NW., Suite 502, Washington, D.C. 20036.
B. Anheuser-Busch Co., Inc., 1 Busch Place, St. Louis, Mo. 63118.

A. Toni Harrington, 955 L'Enfant Plaza SW., Suite 905, Washington, D.C. 20024.
B. American Honda Motor Co., Inc., 100 West Alondra Boulevard, Gardena, Calif. 90247.
D. (6) $200. E. (9) $197.37.

A. Harris, Beach, Wilcox, Rubin & Levey, 2 State Street, Rochester, N.Y. 14614, 1730 M Street NW., Washington, D.C. 20036.

B. United Societies of Physiotherapists, Inc., 163 Cold Spring Road, Syosset, N.Y. 11791.

A. Harris, Berg & Creskoff, 2033 M Street NW., Suite 200, Washington, D.C. 20036.

B. American Academy of Federal Civil Service Physicians, 2007 I Street NW., Washington, D.C. 20006.

A. Harris, Berg & Creskoff, 2033 M Street NW., Suite 200, Washington, D.C. 20036.

B. Association of Food Industries, Inc., 115 Broadway, New York, N.Y. 10006.

D. (6) $500. E. (9) $39.95.

A. Harris, Berg & Creskoff, 2033 M Street NW., Suite 200, Washington, D.C. 20036.

B. P. L. Thomas & Co., P. O. Box 449, 75 Claremont Road, Bernardsville, N.J. 07924.

D. (6) $200. E. (9) $1.48.

A. Harris Communications, Inc., 80 Trowbridge Street, Cambridge, Md. 02138.

B. Alarm Device Manufacturing Co., 165 Eileen Way, Syosset, N.Y. 11791.

A. Huberet L. Harris, 444 North Capitol Street NW., No. 409, Washington, D.C. 20001.

B. Associated Builders & Contractors, Inc., 444 North Capitol Street NW., No. 409, Washington, D.C. 20001.

D. (6) $2,500.

A. Robert L. Harris, 818 Connecticut Avenue NW., Washington, D.C. 20006.

B. The Aluminum Association, 818 Connecticut Avenue NW., Washington, D.C. 20006.

E. (9) $50.00.

A. Jim Harrison, Committee of Urban Program Universities, 1346 Connecticut Avenue NW., Suite 228, Washington, D.C. 20036.

B. Committee of Urban Program Universities, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $6,250. E. (9) $51.

A. Wm. H. Harsha, 1102 Delf Drive, McLean, Va., 22101.

B. Wm. H. Harsha & Associates, Inc., P.O. Box 24157, Washington, D.C. 20024. (For American Trucking Associates, 1616 P Street NW., Washington, D.C. 20036.)

D. (6) $7,500. E. (9) $230.89.

A. William H. Harsha, 1102 Delf Drive, McLean, Va. 22101.

B. Wm. H. Harsha & Associates, Inc., P.O. Box 24157, Washington, D.C. 20024. (For Commuter Airline Associates, of America, 1101 Connecticut Avenue NW., Washington, D.C. 20036.)

D. (6) $3,000.

A. William H. Harsha, 1102 Delf Drive, McLean, Va. 22101.

B. Wm. H. Harsha & Associates, Inc. (For: Grumman Flexible, 1000 Wilson Boulevard, Suite 2100, Arlington, Va. 22209.) P.O. Box 24157, Washington D.C. 20024.

D. (6) $4,500.

A. William H. Harsha, 1102 Delf Drive, McLean, Va. 22101.

B. Wm. H. Harsha & Associates, Inc. (For: Slurry Transport Association, 490 L'Enfant Plaza East, SW., Suite 3102, Washington, D.C. 20024) P.O. Box 24157, Washington, D.C. 20024.

D. (6) $12,000

A. William H. Harsha, 1102 Delf Drive, McLean, Va. 22101.

B. William H. Harsha & Associates, Inc. (For: Zantop International Airlines, Detroit Willow Run Airport, Ypsilanti Mich. 48197) 499 South Capitol Street SW., Washington, D.C. 20003.

A. Richard Hart, National Association of Manufacturers, 601 North Vermont Avenue, Los Angeles, Calif. 90004.

B. National Association of Manufacturers, 601 North Vermont Avenue, Los Angeles, Calif. 90004.

A. Hartford Fire Insurance Co., Hartford Plaza, Hartford, Conn 06115.

E. (9) $12,100.

A. Charles D. Hartman, Texaco Inc., 1050 17th Street NW., Suite 500, Washington, D.C. 20036.

B. Texaco Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.

D. (6) $1,245.50.

A. Mary L. Hartman, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.

B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.

A. Norman B. Hartnett, 807 Maine Avenue SW., Washington, D.C. 20024.

B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.

D. (6) $22,349.60. E. (9) $2,359.70.

A. Clifford J. Harvison, National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Walter A. Hasty, Jr., Procter & Gamble Mfg. Co., 1801 K Street NW., Suite 230, Washington, D.C. 20006.

B. The Procter & Gamble Mfg. Co., 301 East Sixth Street, Cincinnati, Ohio 45202.

D. (6) $757.50.

A. Barbara J. Haugh, Union Oil Co. of California, 1100 Connecticut Avenue NW, Suite 800, Washington, D.C. 20036.

B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.

E. (9) $1,444.31.

A. Rodney E. Haugh, Potato Chip/Snack Food Association, 1735 Jefferson Davis Highway, Suite 903, Arlington, Va. 22202.

B. Potato Chip/Snack Food Association, 1735 Jefferson Davis Highway, Suite 903, Arlington, Va. 22202.

D. (6) $600.

A. Mary W. Haught, Sun Co., Inc., 1800 K Street, NW., Suite 820, Washington, D.C. 20006.

B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.

D. (6) $700.

A. Sidney G. Hawkes, Mead Corp., 1000 Connecticut Avenue NW., Suite 715, Washington, D.C. 20036.

B. Mead Corp., Mead World Headquarters, Courthouse Plaza Northeast, Dayton, Ohio 45463.

D. (6) $3,000. E. (9) $249.18.

A. David G. Hawkins, Natural Resources Defense Council, Inc., 1725 I Street NW., Suite 600, Washington, D.C. 20006.

B. Natural Resources Defense Council, Inc., 1725 I Street NW., Suite 600, Washington, D.C. 20006.

D. (6) $5,906.04. E. (9) $52.30.

A. John H. Hawkins, Jr., Alabama Power Co., 600 North 18th Street, Birmingham Ala. 35291.

B. Alabama Power Co., 600 North 18th Street, Birmingham Ala. 35291.

D. (6) $12,058. E. (9) $1,920.54.

A. Wesley F. Hayden, International Association of Fish & Wildlife Agencies, 5224 Cherokee Avenue, Alexandria, Va. 22312.

B. International Association of Fish & Wildlife Agencies, 1412 16th Street NW., Washington, D.C. 20036.

D. (6) $6,979.17. E. (9) $40.90.

A. Health Research Group, 2000 P Street NW., Washington, D.C. 20036.

D. (6) $158.68. E. (9) $158.68.

A. Patrick B. Healy, 30 F Street, NW., Washington, D.C. 20001.

B. National Milk Producers Federation, 30 F Street, NW., Washington, D.C. 20001.

D. (6) $543.75.

A. Robert L. Healy, Atlantic Richfield Co., 1333 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

D. (6) $250.

A. James B. Hedlund, National Cable Television Association, Inc., 1724 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Cable Television Association, Inc., 1724 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $3,200.

A. Jay Hedlund, 2030 M Street NW., 3d Floor, Washington, D.C. 20036.

B. Common Cause 2030 M Street NW., Washington, D.C. 20036.

D. (6) $7,500. E. (9) $1,149.32.

A. Edward D. Heffernan, Shannon, Heffernan, Moseman & Goren, P.C., Suite 1025, 1875 I Street NW., Washington, D.C. 20006.

B. Ductile Iron Pipe Research Association, Oak Brook, Ill.

A. Edward D. Heffernan, Shannon, Heffernan, Moseman & Goren, P.C., Suite 1025, 1875 I Street NW., Washington, D.C. 20006.

B. Southern California Gas Co., Washington, D.C.

D. (6) $20,000. E. (9) $18.44

A. John Heffner, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. John F. Heilman, Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.

B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.

D. (6) $15,668.80. E. (9) $1,334.64.

A. Barbara M. Heller, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $1,749.99.

A. Hemisphere Associates, Inc., Suite 200, 2000 L Street NW., Washington, D.C. 20036.

B. Costa Rican Association of Businessmen and Entrepreneurs ("ACOGE"), P.O. Box 3343, San Jose, Costa Rica, Business and Professional Association.

A. Noel Hemmendinger, Arter Hadden & Hemmendinger, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Arter, Hadden & Hemmendinger, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006 (for Japan Iron & Steel Exporters' Association, Tokyo, Japan).

A. Scott Hempling, 1300 Connecticut Avenue NW., Room 401, Washington, D.C. 20036.
B. Citizen/Labor Energy Coalition, 1300 Connecticut Avenue NW., Room 401, Washington, D.C. 20036.
D. (6) $2,430. E. (9) $74.

A. B. Thomas Henderson, U.S. Telephone Communications, Inc., 108 South Akard Street, Dallas, Tex. 75202.
B. U.S. Telephone Communications, Inc., 108 South Akard Street, Dallas, Tex. 75202.
D. (6) $13,500. E. (9) $8,986.79.

A. Carol C. Henderson, American Library Association, 110 Maryland Avenue NE., Box 54, Washington, D.C. 20002.
B. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.
D. (6) $666.

A. John B. Henderson, Textron Inc., 1090 Vermont Avenue NW., Suite 1100, Washington, D.C. 20005.
B. Textron Inc., 40 Westminster Street, Providence, R.I. 02903.
D. (6) $1,990. E. (9) $295.

A. Richard D. Henderson, Private Truck Council of America, Inc., 1101 17th Street NW., Washington, D.C. 20036.
B. Private Truck Council of America, Inc., 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
E. (9) $40.

A. Elizabeth E. Hendrix, 311 First Street NW., Washington, D.C. 20001.
B. National Restaurant Association, 311 First Street NW., Washington, D.C. 20001.

A. Edmund P. Hennelly, 150 East 42d Street, New York, N.Y. 10017.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500.

A. George F. Hennrikus, Jr., The Retired Officers Association, 201 North Washington Street, Alexandria, Va. 22314.
B. The Retired Officers Association, 201 North Washington Street, Alexandria, Va. 22314.
D. (6) $5,534.

A. LeAnn Hensche, RJR Industries, Inc., 2550 M Street NW., No. 770, Washington, D.C. 20037.
B. RJR Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.
D. (6) $263.74. E. (9) $128.03.

A. Lawrence R. Herman, Independent Insurance Agents of America, Inc., 1120 19th Street NW., Suite 503, Washington, D.C. 20036.
B. Independent Insurance Agents of America, Inc., 100 Church Street, New York, N.Y. 10007.
D. (6) $8,803.90.

A. Lyla Hernandez, American Association of Professional Standards Review Organizations, 5410 Grosvenor Lane, Suite 210, Bethesda, Md. 20814.
B. American Association of Professional Standards Review Organizations, 5410 Grosvenor Lane, Suite 210, Bethesda, Md. 20814.
E. (9) $10.20.

A. Herrick, Allen, Davis & Bailey, 1701 K Street NW., Suite 706, Washington, D.C. 20006.
B. Amusement and Music Operators Association, 35 East Wacker Drive, Suite 1940, Chicago, Ill. 60601.
D. (6) $100. E. (9) $30.49.

A. Fred Hervey, The Reduce Our Debt Foundation, P.O. Box 29021, 2645 East Washington, Phoenix, Ariz. 85038.
B. Reduce Our Debt Foundation, P.O. Box 29021, 2645 East Washington, Phoenix, Ariz. 85038.
D. (6) $50,220. E. (9) $3,301.27.

A. Fred Hervey, The Circle K Corp., P.O. Box 20230, 4500 South 40th Street, Phoenix, Ariz. 85036.
B. The Circle K Corp., P.O. Box 20230, Phoenix, Ariz. 85036.

A. Heublein, Inc., Munson Road, Farmington, Conn. 06032.
E. (9) $20,652.26.

A. Ted A. Heydinger, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $2,500. E. (9) $154.58.

A. Andrew I. Hickey, Jr., Federal National Mortgage Association, 3900 Wisconsin Avenue, NW., Washington, D.C. 20016.
B. Federal National Mortgage Association 3900 Wisconsin Avenue NW., Washington, D.C. 20016.
D. (6) $15,750. E. (9) $1,359.48.

A. Paul T. Hicks, Rhode Island Petroleum Association, 154 Francis Street, Providence, R.I. 02903.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. J. Thomas Higginbotham, Mellon Bank N.A., Pittsburgh, Pa. 15230.
B. Mellon Bank N.A. and Mellon National Corp., Mellon Square, Pittsburgh, Pa. 15230.
D. (6) $2,000. E. (9) $1,238.58.

A. Allan D. Hill, Phillips Petroleum Co., 650 Information Center, Bartlesville, Okla., 74004.
B. Phillips Petroleum Co., Bartlesville, Okla.

A. J. Eldred Hill, Jr., UBA, Inc., 600 Maryland Avenue SW., Suite 603, Washington, D.C. 20024.
B. UBA, Inc., 600 Maryland Avenue SW., Suite 603, Washington, D.C. 20024.
D. (6) $2,000.

A. Robert B. Hill, Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.
B. Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.
D. (6) $300.

A. Cornish F. Hitchcock, 2000 P Street NW., Suite 700, Washington, D.C. 20036.
B. Aviation Consumer Action Project, Box 19029, Washington, D.C. 20036.

A. Lawrence S. Hobart, 2301 M Street NW., Washington, D.C. 20037.
B. American Public Power Association, 2301 M Street NW., Washington, D.C. 20037.
D. (6) $1,000.

A. Claude E. Hobbs, Westinghouse Electric Corp., 18091 K Street NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $3,700. E. (9) $95.

A. Robert J. Hobbs, National Consumer Law Center, 11 Beacon Street, Boston, Mass. 02108.
B. National Law Center, 11 Beacon Street, Boston, Mass. 02108.
D. (6) $20.50.

A. Jerald E. Hobson, El Paso Co., 1775 K Street NW., Suite 310, Washington, D.C. 20006.
B. El Paso Co., P.O. Box 2185, Houston, Tex. 77252.
D. (6) $2,500. E. (9) $244.80.

A. Hodgson, Russ, Andrews, Woods & Goodyear, 1776 F Street NW., Washington, D.C. 20006.
B. J. C. Brock Corp., 95 Kentucky, Buffalo, N.Y.

A. Charles L. Hoebel, 7306 Idylbrook Court, Falls Church, Va. 22034.
B. Carrier Corp., Carrier Tower, P.O. Box, Syracuse, N.Y. 13221.
D. (6) $3,300. E. (9) $118.65.

A. Howard E. Hoelter, Illinois Petroleum Council, P.O. Box 5034, Springfield, Ill. 62705.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Glen D. Hofer, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $2,016.67.

A. Ellen S. Hoffman, 1520 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Children's Defense Fund of the Washington Research Project, Inc., 1520 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $3,419. E. (9) $623.31.

A. Elmo R. Hoffman, 215 East Central Boulevard, Orlando, Fla. 32801.
B. Cramer, Hoffman & Haber, Orlando P.A., 215 East Central Boulevard, Orlando, Fla. 32801 (For Global Exploration & Development, 1414 Collins Avenue Lakeland, Fla. 33801.)
E. (9) $1,399.85.

A. William L. Hoffman, American University of Beirut, 516 First Street SE., Washington, D.C. 20003.
B. American University of Beirut, 380 Madison Avenue, New York, N.Y. 10017.
D. (6) $7,500. E. (9) $750.09.

A. F. Nordy Hoffman & Associates, Inc., 400 North Capitol Street NW., Suite 327, Washington, D.C. 20001.
B. Archer Daniels Midland Co., Box 1470, Decatur, Ill. 62525.
D. (6) $500.

A. F. Nordy Hoffman & Associates, Inc., 400 North Capitol Street NW., Suite 327, Washington, D.C. 20001.
B. EPIC, AFL-CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $400.

A. F. Nordy Hoffman & Associates, Inc., 400 North Capitol Street NW., Suite 327, Washington, D.C. 20001.
B. International Telephone & Telegraph, 320 Park Avenue, New York, N.Y. 10022.
D. (6) $800.

A. F. Nordy Hoffman & Associates, Inc., 400 North Capitol Street NW., Suite 327, Washington, D.C. 20001.
B. Marine Engineers Beneficial Association, 444 North Capitol Street NW., Suite 800, Washington, D.C. 20001.
D. (6) $500.

A. F. Nordy Hoffman & Associates, Inc., 400 North Capitol Street NW., Suite 327, Washington, D.C. 20001.
B. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $400.

A. F. Nordy Hoffmann & Associates, Inc., 400 North Capitol Street NW., No. 327, Washington, D.C. 20001.
B. Page Airways, 1265 Scottsville Road, Rochester, N.Y. 14624.
D. (6) $400.

A. F. Nordy Hoffmann & Associates, Inc., 400 North Capitol Street NW., No. 327, Washington, D.C. 20001.
B. Westinghouse Electric, 1801 K Street NW., Washington, D.C. 20036.
D. (6) $300.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. American Electronics Association, 1612 K Street NW., Washington, D.C. 20006.
D. (6) $2,161.66.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Computer & Business Equipment Manufacturers Association, 1828 L Street NW., Washington, D.C. 20036.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Council of European & Japanese National Shipowners' Associations, 30/32 St. Mary Axe, London EC3A 8ET, England.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Direct Selling Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $2,609.20.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Electronics Industries Association, 2001 I Street NW., Washington, D.C. 20006.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Energy Transportation Systems, Inc., 50 Beale Street, San Francisco, Calif. 94106.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Suite 600, Washington, D.C. 20006.
B. Florida State Hospice Organization, Inc., 111 Northwest 10th Avenue, Miami, Fla. 33128.
D. (6) $9,516.59. E. (9) $107.32.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Guam Oil & Refining Co., Inc., 3400 Southland Center, 400 North Olive, Dallas, Tex. 75201.
D. (6) $1,057.50.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Motorcycle Industry Council, Inc., 1001 Connecticut Avenue NW., Washington, D.C. 20036.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Farmers Organization, Corning, Iowa 50841.
D. (6) $625. E. (9) $.65.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $2,450. E. (9) $413.28.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Newspaper-Broadcaster Committee, P.O. Box 3412, San Francisco, Calif. 94119.
D. (6) $525.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Scientific Apparatus Makers Association, 1101 16th Street NW., Washington, D.C. 20036.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Semiconductor Industry Association, 20380 Town Center Lane, Cupertino, Calif. 95014.
D. (6) $4,945.58. E. (9) $359.55.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20036.
B. Toyota Motor Sales, USA, Inc., 2055 West 190th Street, Torrance, Calif. 90509.
D. (6) $3,806.25. E. (9) $156.77.

A. James F. Hogg, Control Data Corp., 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.
B. Control Data Corp., 8100 34th Avenue South, P.O. Box O, Minneapolis, Minn. 55440.

A. Richard F. Hohlt, U.S. League of Savings Associations, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $5,031.25.

A. Walter Holan, 20 North Wacker Drive, Chicago, Ill. 60606.
B. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. William J. Holayter, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists & Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $6,460.87. E. (9) $36.57.

A. Bruce E. Holbein, Digital Equipment Corp., 111 Powdermill Road, Maynard, Mass. 01754.
B. Digital Equipment Corp., 111 Powdermill Road, Maynard, Mass. 01754.
D. (6) $10,750.

A. Michele O'Donnell Holbrook, National Fuel Gas Distribution Co., 10 Lafayette Square, Buffalo N.Y. 14203.
B. National Fuel Gas Distribution Corp., National Fuel Gas Supply Corp., National Fuel Gas Co., Penn-York Energy Co., Seneca Resources Corp.
D. (6) $152. E. (9) $429.01.

A. Niels Holch, The Power House, 3255 Grace Street NW., Washington, D.C. 20007.
B. Gray & Co. for the Minimum Tax Coalition, The Power House, 3255 Grace Street NW., Washington, D.C. 20007.
D. (6) $27.50.

A. Marcus A. Hollabaugh, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Suite 1000, Washington, D.C. 20006.
B. Phosphate Rock Export Association, 1311 North West Shore Boulevard, Tampa, Fla. 33607.

A. Charlotte Holloman, 1220 19th Street NW., Suite 303, Washington, D.C. 20036.
B. Planned Parenthood Federation of America, Inc., 1220 19th Street NW., Suite 303, Washington, D.C. 20036.
D. (6) $139.29. E. (9) $47.04.

A. Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $2,490. E. (9) $2,223.10.

A. Lee B. Holmes, National Association of Realtors, 777 14th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 777 14th Street NW., Washington, D.C. 20005.
D. (6) $5,000. E. (9) $118.75.

A. Moses D. Holmes, Jr., National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $2,239.20. E. (9) $115.50.

A. Peter E. Holmes, 777 14th Street, Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $1,000.

A. Holt Cicatiello Neiswanger & Ross, Inc., 1441 Irving Street, Rahway, N.J. 07065.
B. New York Mercantile Exchange, Four World Trade Center.

A. E. Y. Holt, Jr., National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.
B. National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.

A. Linwood Holton, American Council of Life Insurance, 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, 1850 K Street NW., Washington, D.C. 20006.
D. (6) $200.

A. Harriet Holtzman, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,500.

A. Lois Holwerda-Hoyt, American Osteopathic Association, 499 South Capitol Street SW., No. 104, Washington, D.C. 20003.
B. American Osteopathic Association, 499 South Capitol Street SW., No. 104, Washington, D.C. 20003.
D. (6) $1,500.

A. Home Recording Rights Coalition, 1015 15th Street NW., Suite 1025, Washington, D.C. 20006.
D. (6) $140,000. E. (9) $89,070.95.

A. Karen C. Hontz, 600 New Hampshire Avenue NW., Suite 920, Washington, D.C. 20037.
B. Gulf & Western Management Co., 600 New Hampshire Avenue NW., Suite 920, Washington, D.C. 20037.
D. (6) $550. E. (9) $202.07.

A. Fortescue W. Hopkins, Box 218, Daleville, Va. 24083.
B. Graham-White Manufacturing Co., Graham-White Sales Corp., P.O. Box 1099, Salem, Va. 24153.
D. (6) $3,300.

A. Virginia E. Hopkins, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, First National Bank Center, Cincinnati, Ohio 45202 (for Machinery Dealers National Association, 1110 Spring Street, Silver Spring, Md. 20910).

A. Virginia E. Hopkins, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, First National Bank Center, Cincinnati, Ohio 45202 (for Miami Conservancy District, 38 East Monument Avenue, Dayton, Ohio 45402).

A. Virginia E. Hopkins, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, First National Bank Center, Cincinnati, Ohio 45202 (for National Association for Associated Political Action Committees, 1299 Woodside Drive, McLean, Va. 22102).

A. Virginia E. Hopkins, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, First National Bank Center, Cincinnati, Ohio 45202 (for Taft Broadcasting Co., 1718 Young Street, Cincinnati, Ohio 45210).

A. Virginia E. Hopkins, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, First National Bank Center, Cincinnati, Ohio 45202 (for Telephone and Data Systems, Inc., 79 West Monroe Street, Chicago, Ill. 60603).

A. Robert Jack Horn, Detroit Edison Co., 1990 M Street NW., Suite 480, Washington, D.C. 20036.
B. The Detroit Edison Co., 2000 Second Avenue, Detroit, Mich. 48226.
D. (6) $358. E. (9) $35.

A. Alison Horton, National Audubon Society, 645 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. National Audubon Society, 645 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,500. E. (9) $400.

A. William J. Hotes, Diamond Shamrock Corp., 1737 H Street NW., Washington, D.C. 20006.
B. Diamond Shamrock Corp., 717 North Harwood Street, Dallas, Tex.
D. (6) $1,000.

A. Thomas B. House, 1700 Old Meadow Road, Suite 100, McLean, Va. 22102.
B. American Frozen Food Institute, 1700 Old Meadow Road, Suite 100, McLean, Va. 22102.
D. (6) $1,000.

A. Jack W. Houston, 315 West Ponce de Leon Avenue, Decatur, Ga. 30031.
B. Georgia Association of Petroleum Retailers, Inc., 315 West Ponce de Leon Avenue, P.O. Box 639, Decatur, Ga. 30031.

A. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 70001.

A. Donald L. Howell, 2835 First City Tower, Houston, Tex. 77002.
B. Vinson & Elkins, First City Tower, Houston, Tex. 77002.
D. (6) $743.75. E. (9) $35.65.

A. J. William Howell, IBM, 1801 K Street NW., Washington, D.C. 20006.
B. International Business Machines Corp., Old Orchard Road, Armonk, N.Y. 10504.
D. (6) $3,605.70. E. (9) $422.38.

A. James P. Howell, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $901.67

A. Joe L. Howell, Allstate Enterprises, Inc., 1700 Pennsylvania Avenue NW., No. 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Joe L. Howell, Allstate Insurance Co., 1700 Pennsylvania Avenue NW., No. 750, Washington, D.C. 20006.
B. Allstate Insurance Co., Allstate Plaza, Northbrook, Ill. 60062.

A. Mary Lynch Howell, Textron, Inc., 1090 Vermont Avenue NW., Suite 1100, Washington, D.C. 20005.
B. Textron, Inc., 1090 Vermont Avenue NW., Suite 1100, Washington, D.C. 20005.
D. (6) $1,500. E. (9) $280.

A. John B. Howerton, ASARCO Inc., Suite 209, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. ASARCO Inc., 120 Broadway, New York, N.Y. 10271.
D. (6) $2,000.

A. Joanne Massey Howes, 1220 19th Street NW., Suite 303, Washington, D.C. 20036.
B. Planned Parenthood Federation of America, Inc., 1220 19th Street NW., Suite 303, Washington, D.C. 20036.
D. (6) $913.89. E. (9) $154.85.

A. Karl T. Hoyle, Credit Union National Association, Inc., 1730 Rhode Island Avenue, Suite 810, Washington, D.C. 20036.
B. Credit Union National Association, Inc., 1730 Rhode Island Avenue NW., No. 810, Washington, D.C. 20036.
D. (6) $300. E. (9) $301.43.

A. J. S. Hoyt, Professional Insurance Agents, 400 North Washington Street, Alexandria, Va. 22314.
B. Professional Insurance Agents, 400 North Washington Street, Alexandria, Va. 22314.
D. (6) $250. E. (9) $200.

A. Paul R. Huard, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $2,250.

A. Hudson, Creyke, Koehler & Tacke, 1744 R Street NW., Washington, D.C. 20009.
B. James P. Purvis, East 7404 Euclid Street, Spokane, Wash.
E. (9) $26.13.

A. David Emery Hughes, Union Mutual Life Insurance Co., 2211 Congress Street, Portland, Maine 04122.
B. Union Mutual Life Insurance Co., 2211 Congress Street, Portland, Maine 04122.
D. (6) $190. E. (9) $999.

A. Hughes Hubbard & Reed, 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.
B. Business Rountable, 1828 L Street NW., Washingon, D.C. 20036.
D. (6) $400. E. (9) $6.

A. Hughes Hubbard & Reed, 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.
B. Ford Motor Co., The American Road, Dearborn, Mich. 48121.

A. Hughes Hubbard & Reed, 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.
B. Pfizer, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Hughes Hubbard & Reed, 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.
B. Texas International Airlines, 3 Allen Center, Houston, Tex.

A. Peter W. Hughes, National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $13,153.86. E. (9) $42.90.

A. William G. Hughes, National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.
B. National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.
D. (6) $17.46

A. Edward L. Huie, Suite 415, Wheaton Plaza North, Wheaton, Md. 20902.
B. National Association of Air Traffic Specialists, Suite 415, Wheaton Plaza North, Wheaton, Md. 20902.
D. (6) $7,382.40. E. (9) $724.76.

A. David C. Hull, National Cotton Council of America, 1030-15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

A. Truman Hunt, Jr., Mississippi Petroleum Council, P.O. Box 42, Jackson, Miss. 39205.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $550. E. (9) $1,289.70.

A. David A. Hunt, Air-Conditioning & Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.
B. Air-Conditioning & Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $4,000. E. (9) $1,500.

A. Richard M Hunt, NL Industries, Inc., Suite 1009, Connecticut Building, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. NL Industries, Inc., 1230 Avenue of the Americas, New York, N.Y. 10020.
D. (6) $4,775.

A. Harriet Hunt-Burgess, 82 Second Street, San Francisco, Calif. 94105.
B. The Trust for Public Land, 82 Second Street, San Francisco, Calif. 94105.

A. James C. Hunter, 1660 L Street NW., Suite 207, Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
D. (6) $1,240.

A. Michael M. Hunter, International Telephone & Telegraph Corp., 1707 L Street NW., Washington, D.C. 20036.
B. International Telephone & Telegraph Corp., 320 Park Avenue, New York, N.Y. 10022.
D. (6) $3,000. E. (9) $90.

A. Milton F. Huntington, Maine Petroleum Association, 283 Water Street, Augusta, Maine 04330.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $50.

A. Hunton & Williams, P.O. Box 1535, Richmond, Va. 23212.
B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $28,568 E. (9) $844.68.

A. J. James Hur, Atlantic Richfield Co., 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Adele M. Hurley, 1825 K Street NW., Suite 206, Washington, D.C. 20006.
B. Canadian Coalition on Acid Rain, 105 Davenport Road, Suite 201, Toronto, Ontario M5R 1H6 Canada.
D. (6) $1,313.18 E. (9) $387.72.

A. B. Melvin Hurwtz, Mitchell Energy & Development Corp., 1925 K Street NW., No. 200, Washington, D.C. 20006.
B. Mitchell Energy & Development Corp., 1925 K Street NW., No. 200, Washington, D.C. 20006.

A. Geoffrey B. Hurwitz, Rohm & Haas Co., 1899 L Street NW., Suite 807, Washington, D.C. 20036.
B. Rohm & Haas Co., Independence Mall West, Philadelphia, Pa. 19105.
D. (6) $500. E. (9) $200.71.

A. Dewey M. Hutchins, Jr., Eastman Kodak Co., 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Eastman Kodak Co., 343 State Street, Rochester, N.Y. 14650.
D. (6) $450. E. (9) $197.

A. Philip A. Hutchinson, Jr., Volkswagen of America, Inc., 475 L'Enfant Plaza SW., Suite 2450, Washington, D.C. 20024.
B. Volkswagen of America, Inc., 27621 Parkview Boulevard, Warren, Mich. 48092.
D. (6) $250.

A. Robert E. Hutchinson, The Reduce Our Debt Foundation, P.O. Box 29021, 2645 East Washington, Phoenix Ariz. 85038.
B. Reduce Our Debt Foundation, P.O. Box 29021, 2645 East Washington, Phoenix Ariz. 85038.
D. (6) $50,220. E. (9) $3,301.27.

A. Robert E. Hutchinson, The Circle K Corp., P.O. Box 20230, 4500 South 40th Street, Phoenix, Ariz. 85036.
B. The Circle K Corp., P.O. Box 20230, 4500 South 40th Street, Phoenix, Ariz. 85036.
E. (9) $345.96.

A. Randy Huwa, 2030 M Street NW., 3d Floor, Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $1,501.19.

A. Gary Hymel, The Power House, 3255 Grace Street NW., Washington, D.C. 20007.
B. Gray & Co., The Power House, 3255 Grace Street NW., Washington, D.C. 20007.

A. Gary Hymel, The Power House, 3255 Grace Street, NW., Washington, D.C. 20007.
B. Gray & Co. (for Beretta Corp.), 3255 Grace Street, NW., Washington, D.C. 20007.
D. (6) $281.25.

A. Gary Hymel, The Power House, 3255 Grace Street, NW., Washington, D.C. 20007.
B. Gray & Co. (for the Minimum Tax Coalition), The Power House, 3255 Grace Street, NW., Washington, D.C. 20007.
D. (6) $56.25.

A. Robert D. Hynes, Jr., 1825 K Street NW., Suite 807, Washington, D.C. 20006.
B. National Broadcasting Co., Inc., 1825 K Street NW., Suite 807, Washington, D.C. 20006.
D. (6) $500. E. (9) $102.72.

A. Richard H. Ichord, 1140 Connecticut Avenue NW., Suite 201, Washington, D.C. 20036.
B. Emerson Electric Co., 8100 Florissant Avenue, St. Louis, Mo. 63136.
D. (6) $262.50. E. (9) $99.59.

A. Richard H. Ichord, 1140 Connecticut Avenue NW., Suite 201, Washington, D.C. 20036.
B. Magnavox Corp., 1700 North Moore Street, Suite 820, Arlington, Va. 22209.
D. (6) $312.50.

A. Richard H. Ichord, Room 400, 499 South Capitol Street SW., Washington, D.C. 20003.
B. Washington Industrial Team, Inc., Room 400, 499 South Capitol Street SW., Washington, D.C. 20003.
D. (6) $600.

A. Ronald K. Ikejiri, Japanese American Citizens League, 1730 Rhode Island Avenue NW., No. 204, Washington, D.C 20036.
B. Japanese American Citizens League, 1765 Sutter Street, San Francisco, Calif. 94115.
D. (6) $3,729.60.

A. Independent Data Communications Manufacturers' Association, Inc., 1735 New York Avenue NW., Washington, D.C.
D. (6) 9,771.50. E. (9) $182.19.

A. Independent Insurance Agent's of America, Inc., 100 Church Street, New York, NY. 10007
D. (6) $17,560.12. E. (9) $17,560.12.

A. Independent Local Newspaper Association, 1050 17th Street NW., Suite 701, Washington, D.C. 20036.

A. Independent Lubricant Manufacturers Association, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.

A. Independent Telecommunications Suppliers' Council, c/o Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.
D. (6) $53,500. E. (9) $47,314.41.

A. Industrial Union Department AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $18,409.59. E. (9) $18,409.59.

A. John H. Ingram, American Public Transit Association, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Public Transit Association, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,667. E. (9) $163.

A. Andrea L. Innes, Coal Building, Washington, D.C. 20036.
B. National Coal Association, 1130 17th Street NW., Washington, D.C. 20036.
D. (6) $4,625. E. (9) $531.01.

A. Interlake, Inc., 2015 Spring Road, Commerce Plaza, Oak Brook, Ill. 60521.
E. (9) $14,577.

A. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $23,907.50.

A. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C 20001.
E. (9) $34,855.64.

A. International Longshoremen's Association, 17 Battery Place, Suite 1530, New York, N.Y. 10004.
B. International Longshoremen's Association, AFL-CIO, 17 Battery Place, New York, N.Y. 10004.
E. (9) $33,486.60.

A. International Union, United Automobile Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson, Detroit, Mich. 48214.
D. (6) $96,435.80. E. (9) $96,435.80.

A. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
E. (9) $14,765.52.

A. Investment Counsel Association of America, Inc., 50 Broad Street, New York, N.Y. 10004.

A. Charles C. Irions, American Movers Conference, 400 Army-Navy Drive, P.O. Box 2303, Arlington, Va. 22202.
B. American Movers Conference, 400 Army-Navy Drive, P.O. Box 2303, Arlington, Va. 22202.
D. (6) $83.66.

A. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, St. Paul, Minn. 55101.
D. (6) $34,758.99. E. (9) $12,017.35.

A. ITEL Corp., No. 2 Embarcadero Center, 24th Floor, San Francisco, Calif., 94111.
E. (9) $116.22.

A. Joseph S. Ives, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $120.

A. Ivins, Phillips & Baker, Chartered, 1700 Pennsylvania Avenue NW., Washington, D.C.
B. The Employers Council on Flexible Compensation, 1700 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $2,841.25.

A. Robert A. Jablon, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Fort Pierce Utilities Authority of the City of Fort Pierce, Gainesville-Alachua County Regional Electric Water & Sewer Utilities, Sebring Utilities Commission, Cities of Homestead, Kissimmee, Lakeland, Starke, Tallahassee, Fla.

A. Mercer L. Jackson, National Association of Real Estate Investment Trusts, Inc., 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
B. National Association of Real Estate Investment Trusts, Inc., 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $200. E. (9) $28.

A. Robert S. Jackson, 1133 19th Street NW., Washington, D.C. 20036.
B. MCI Communications Corp., 1133 19th Street NW., Washington, D.C. 20036.
D. (6) $2,500. E. (9) $8,271.85.

A. Walter K. Jaenicke, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $4,500.

A. Jaffe, Squires & Foote, 1000 Potomac Street NW., Suite 103, Washington, D.C. 20007.
B. U.S. & Overseas Tax Fairness Committee, 1101 15th Street NW., Suite 1000, Washington, D.C. 20005.

A. Margo L. James, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $5,000. E. (9) $306.16.

A. Japan Economic Institute of America, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,726.20. E. (9) $2,726.20.

A. Japanese American Citizens League, 1765 Sutter Street, San Francisco, Calif. 94118.

A. Thomas Destry Jarvis, 529 Tennessee Avenue, Alexandria, Va. 22305.
B. National Parks & Conservation Association, 1701 18th Street NW., Washington, D.C. 20009.
D. (6) $1,656.54. E. (9) $87.15.

A. Jerry J. Jasinowski, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $2,000.

A. Patricia A. Jeffers, 1025 Connecticut Avenue NW., No. 209, Washington, D.C. 20036.
B. The American Business Conference, Inc., 1025 Connecticut Avenue NW., No. 209, Washington, D.C. 20036.
D. (6) $65. E. (9) $25.

A. Joseph A. Jeffrey, 1920 N Street NW., Suite 300, Washington, D.C. 20036.
B. American Mining Congress, 1920 N Street NW., Suite 300, Washington, D.C. 20036.
D. (6) $600.

A. Joseph S. Jenckes, Abbott Laboratories, 1730 M Street NW., Suite 808, Washington, D.C. 20036.
B. Abbott Laboratories, Abbott Park, North Chicago, Ill. 60064.
D. (6) $5,000. E. (9) $24.40

A. Jenkens & Gilchrist, 200 First National Bank Building, Dallas, Tex. 75202.
B. American College of Emergency Physicians, P.O. Box 61911, Dallas, Tex. 75261.
D. (6) $949. E. (9) $32.19.

A. James Jennings, The Power House, 3255 Gract Street NW., Washington, D.C. 20007.
B. Gray & Co., The Power House, 3255 Grace Street NW., Washington, D.C. 20007.

A. Jennings, Strouss & Salmon, 111 West Monroe, Phoenix, Ariz. 85003.
B. Shamrock Foods Co., 2228 North Black Canyon Road, Phoenix, Ariz. 85009.

A. Chris L. Jensen, Florida Petroleum Council, 111 North Gadsden Street, Tallahassee, Fla. 32301.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Jensen, Sanders & McConnell, 902 North Main Street, Santa Ana, Calif. 92701; 1875 I Street NW., Washington, D.C. 20006.
B. Carma-Sandling Group, 16592 Hale Avenue, Irvine, Calif. 92714.
D. (6) $665.

A. Jensen, Sanders & McConnell, 902 North Main Street, Santa Ana, Calif. 92701; 1875 I Street NW., Washington, D.C. 20006.
B. County of Orange, 10 Civic Center Plaza, Santa Ana, Calif. 92701.
D. (6) $9,500. E. (9) $333.

A. Jensen, Sanders & McConnell, 902 North Main Street, Santa Ana, Calif. 92701; 1875 I Street NW., Washington, D.C. 20006.
B. Orange County Transportation Commission, 1020 North Broadway, Santa Ana, Calif. 92701.
D. (6) $6,500. E. (9) $234.

A. Jensen, Sanders & McConnell, 902 North Main Street, Santa Ana, Calif. 92701; 1875 I Street NW., Washington, D.C. 20006.
B. Santa Ana River Flood Protection Agency, 811 North Broadway, Suite 600, Santa Ana, Calif. 92701.
D. (6) $300.

A. Jensen, Sanders & McConnell, 902 North Main Street, Santa Ana, Calif. 92701; 1875 I Street NW., Washington, D.C. 20006.
B. Santa Ana Valley Irrigation Co., 1900 Bank of America Tower, 1 City Boulevard, Orange, Calif. 92668.
D. (6) $1,500.

A. Nancy H. Jessick, Hiram Walker & Sons, Inc., 425 13th Street NW., Washington, D.C. 20004.
B. Hiram Walker & Sons, Inc., P.O. Box 33006, Detroit, Mich. 48232.

A. A. W. Jessup, Exxon Corp., 1899 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of Americas, New York, N.Y. 10020.
E. (9) $420.09.

A. Guy E. Jester, J. S. Alberici Construction Co., 2150 Kienlen Avenue, St. Louis, Mo. 63121.
B. Association for the Improvement of the Mississippi River, 10 Broadway, St. Louis, Mo. 63102.
E. (9) $447.50.

A. Charles E. Joeckel, Jr., 807 Maine Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $12,672.80. E. (9) $1,297.99.

A. Carl T. Johnson, Corning Glass Works, 1800 K Street NW., Washington, D.C. 20006.
B. Corning Glass Works, Corning, N.Y. 14831.
D. (6) $400.

A. David H. Johnson, Mississippi Petroleum Council, P.O. Box 42, Jackson, Miss. 39205.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. George Dean Johnson, Jr., Johnson, Smith & Hibbard, 220 North Chruch Street, P.O. Box 5524, Spartanburg, S.C. 29304.
B. Milliken & Co., P.O. Box 1926, Spartanburg, S.C. 29304.
D. (6) $6,945. E. (9) $2,882.67.

A. Jess Johnson, Jr., Shell Oil Co., Suite 200, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., 1 Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. John B. Johnson, Alabama Petroleum Council, P.O. Box 4220, Montgomery, Ala. 36195.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $1,175. E. (9) $934.67.

A. Linda Meyer Johnson, ROLM Corp., 7700 Little River Turnpike, Suite 500, Annandale, Va. 22003.
B. ROLM Corp., 7700 Little River Turnpike, Suite 500, Annandale, Va. 22003.
D. (6) $8,750. E. (9) $1,648.76.

A. Richard W. Johnson, Jr., 110 Maryland Avenue NW., Box 43, Washington, D.C. 20002.
B. Non Commissioned Officers Association of the USA, P.O. Box 33610, San Antonio, Tex. 78233.
D. (6) $3,153.15. E. (9) $126.15.

A. Stanley L. Johnson, Texaco, Inc., 1050 17th Street NW., Suite 500, Washington, D.C. 20036.
B. Texaco, Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.
D. (6) $125.

A. Johnson, Swanson & Barbee, 4700 First International Building, Dallas, Tex. 75270.
B. Harbison-Ford, Inc., Route 1, Morrisville, Pa. 19067.
D. (6) $1,170.33.

A. William L. Johnson, Consumers Power Co., 1050 17th Street NW., Suite 290, Washington, D.C. 20036.
B. Consumers Power Co., 212 West Michigan Avenue, Jackson, Mich. 49201.

A. Barbara W. Johnston, Utah International, Inc., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Utah International Inc., 550 California Street, San Francisco, Calif. 94104.
E. (9) $47.29.

A. David A. Johnston, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. James D. Johnston, GMC, 1660 L Street NW., Suite 801, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48303.
D. (6) $3,600. E. (9) $2,504.32.

A. T. Glenn Johnston, 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Stephens Overseas Services, Inc., 1101 Connecticut Avenue NW., Washington, D.C. 20036.

A. Joint Corporate Committee on Cuban Claims, c/o Lone Star Industries, Inc., P.O. Box 5050, Greenwich, Conn. 06830.
E. (9) $180.

A. Joint Maritime Congress, 444 North Capitol Street NW., Suite 800, Washington, D.C. 20001.
D. (6) $15,600.27. E. (9) $15,600.27.

A. Joint Task Force on Federal Financial Assistance for Law Students, c/o Law School Admission Council, 11 Dupont Circle NW., Washington, D.C. 20036.

A. Mary Kaaren Jolly, 1600 Rhode Island Avenue NW., Washington, D.C. 2003
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $750. E. (9) A$144.75.

A. Allan R. Jones, American Trucking Associations, INc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Association, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $9.000. E. (9) $1.437.39.

A. Charlie W. Jones, Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.
B. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $300. E. (9) $75.

A. Jones, Day, Reavis & Pogue, 1735 I Street NW., Washington, D.C. 20006.
B. American Greetings Corp., 10500 American Road, Cleveland, Ohio 44144.
D. (6) $862. E. (9) $1.02

A. Jones, Day, Reavis & Pogue, 1735 I Street NW., Washington, D.C. 20006.
B. Cities Service Co., Cities Service Building, Tulsa, Okla. 74102.

A. Jones, Day, Reavis & Pogue, 1735 I Street NW., Washington, D.C. 20006.
B. Marathon Oil Co., 539 South Main Street, Findlay, Ohio 45840.

A. Ernest W. Jones, Jr., 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Gerald Jones, Sperry Corp., 2000 L Street NW., Suite 810, Washington, D.C. 20036.
B. Sperry Corp., 2000 L Street NW., Suite 810, Washington, D.C. 20036.

A. James E. Jones, Appalachian Power Co., P.O. Box 2021, 40 Franklin Road SW., Roanoke, Va. 24022.
B. Appalachian Power Co., P.O. Box 2021, 40 Franklin Road SW., Roanoke, Va. 24022.

A. James E. Jones, Jr., Alliance of American Insurers, 1110 Vermont Avenue NW., Washington, D.C. 20005.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $185. E. (9) $27.50.

A. Jones, Jones, Bell, Close & Brown, 700 Valley Bank Plaza, 300 South Fourth Street Las Vegas, Nev. 89101.
B. The Mead Corp., Courthouse Plaza NE., Dayton, Ohio.
D. (6) $3,384.50. E. (9) $847.39.

A. Norvill Jones, Reynolds Metals Co., 1620 I Street NW., Washington, D.C. 20006.
B. Reynolds Metals Co., 6601 West Broad Street Richmond, Va. 23261.
D. (6) $250.

A. Randall T. Jones, National Cotton Council of America, 1030-15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $945. E. (9) $29.42.

A. Theodore L. Jones, 1140 19th Street NW., Washington, D.C. 20036.
B. The Chicago Board of Trade, Jackson and LaSalle Streets, Chicago, Ill.

A. De Soto Jordan, 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. EDS Corp., 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $231. E. (9) $75.17.

A. Jeffrey H. Joseph, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $54.

A. Ellen Josephson, National Legal Aid and Defender Association, 1625 K Street NW., 8th floor, Washington, D.C. 20006.
B. National Legal Aid and Defender Association, 1625 K Street NW., 8th floor, Washington, D.C. 20006.
D. (6) $9080. E. (9) $42.70.

A. Robert E. Juliano, Hotel Employees and Restaurant Employees International Union, AFL-CIO, 1875 I Street NW., Suite 450, Washington, D.C. 20006.
B. Hotel Employees and Restaurant Employees International Union, AFL-CIO, 120 East Fourth Street 13th floor, Cincinnati, Ohio 45202.
D. (6) $16,238.52 E. (9) $1,289.38.

A. Byron E. Kabot, International Paper Co., 77 West 45th Street, New York, N.Y. 10036.
B. International Paper Co., 77 West 45th Street, New York, N.Y. 10036.
D. (6) $2,800. E. (9) $906.46.

A. Kaiser Steel Corp., P.O. Box 217, Fontana, Calif., 92335.

A. Linda Heller Kamm, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for Independent Refiners Association of America, 1775 Pennslyvania Avenue NW., Washington, D.C.), 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Linda Heller Kamm, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for National Gypsum Co./Cement Division), 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Linda Heller Kamm, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Suite 1000, Washington, D.C. 20006.
B. Phosphate Rock Export Association, 1311 North West Shore Boulevard, Tampa, Fl. 33607.

A. Donald J. Kaniewski, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL-CIO, 905 16th Street NW., Washington, D.C. 20006.
D. (6) $5,747.49. E. (9) $199.40.

A. Charles W. Karcher, Room 850, Midland Building, Cleveland, Ohio 44115.
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.

A. Fred G. Karem, Shuffett, Kenton, Curry & Karem, 109 North Mill Street Lexington, Ky. 40507-1158.
B. Lincoln Property Co., 1500 East Tropicana Avenue Suite 216, Las Vegas, Nev. 89109.
D. (6) $300.

A. Joseph E. Karth, 102 West Boca Raton Road, Phoenix, Ariz. 85023.
B. Archer, Daniels, Midland Co., Decatur, Ill.
D. (6) $3,000.

A. Joseph E. Karth, 102 West Boca Raton Road, Phoenix, Ariz. 85023.
B. KBS Associates, Inc., Suite, 4400, 475 L'Enfant Plaza., Washington, D.C. 20024.
D. (6) $128,330. E. (9) $753.47.

A. Maryann M. Kaswell, Suite 1200, 1300 North 17th Street Arlington, Va. 22209.
B. The Consumer Bankers Association, Suite 1200, 1300 North 17th Street, Arlington, Va. 22209.
D. (6) $1,300. E. (9) $417.19.

A. Patricia L. Katson, 905 St. Stephens Road, Alexandria, Va. 22304.
B. Liberty Lobby, Inc., 300 Independence Avenue SE., Washington, D.C. 20003.
D. (6) $4,500.

A. Lawrence W. Katz, Satellite Business Systems, 8283 Greenboro Drive, McLean, Va. 22102.
B. Satellite Business Systems, 8283 Greensboro Drive, McLean, Va. 22102.
D. (6) $1,500. E. (9) $10.

A. Linda E. Katz, 1111 19th Street NW., Washington, D.C. 20036.
B. Edison Electric Institute 1111 19th Street NW., Washington, D.C. 20036.
D (6) $964.29. E. (9) $569.81.

A. Kaye, Scholer, Fierman, Hays & Handler, 1575 I Street NW., Suite 1150, Washington, D.C. 20005.
B. Dow Chemical Co. 2030 Dow Center, Midland, Mich. 48640.
E. (9) $325.50.

A. Kaye, Scholer, Fierman, Hays & Handler, 1575 I Streeet NW., Suite 1150, Washington, D.C. 20005.
B. Elsevier Science Publishers, BV, Overschiestratt 55-57, 1061 NH—Amsterdam, Slotervaart, THE NETHERLANDS.
E. (9) $2,150.

A. Richard F. Keating, 1211 Connecticut Avenue NW., Suite 502, Washington, D.C. 20036.
B. ANHEUSER-BUSCH COMPANIES, INC., One Busch Place, St. Louis, Mo. 63118.

A. William J. Keating, 725 15th Street NW., Washington, D.C. 20005.
B. National Grain and Feed Association, P.O. Box 28328, Washington, D.C. 20005.
D. (6) $25.

A. Howard B. Keck, 555 South Flower Street, Suite 4750, Los Angeles, Calif. 90071.
B. Superior Oil Co., 555 South Flower Street, Suite 4750, Los Angeles, Calif. 90071.
E. (9) $300.

A. Teresa A. Keefe, 1730 M Street NW., Washington D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington D.C. 20036.
D. (6) $3,004. E. (9) $3.

A. David A. Keene, 919 Prince Street, Alexandria, Va. 22314.
B. National Tax Limitation Committee, 1523 L Street NW., Suite 600, Washington D.C. 20005.
D. (6) $1,000. E. (9) 10.

A. Keith C. Keeney, Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.
B. The Robert H. Kellen Co. 5775 Peachtree-Dunwoody Road, Suite 500-D, Altanta, Ga. 30342
D. (6) $70.

A. Robert C. Keeney, United Fresh Fruit and Vegetable Association, 727 North Washington Street, Alexandria, Va. 22314.

B. United Fresh Fruit and Vegetable Association, 727 North Washington Street, Alexandria, Va. 22314.

D. (6) $927.34. E. (9) $143.43.

A. Keiki Kehoe, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $4,500.

A. Robert H. Kellen, Calorie Control Coucil, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.

B. The Robert H. Kellen Co., 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.

D. (6) $180.

A. Candace Keller, 624 9th Street NW., Suite 701, Washington, D.C. 20001.

B. Group Health Association of America, Inc., 624 9th Street NW., Suite 701, Washington, D.C. 20001.

D. (6) $4,271.

A. Keiler and Heckman, 1150 17th Street NW., Washington, D.C. 20036.

B. Specialty Advertising Assocation International, 1404 Walnut Hill Lane, Irving, Tex. 75062.

D. (6) $1,000. E. (9) $50.

A. John G. Keller, 1899 L Street, NW., Suite 1100, Washington, D.C. 20036.

B. Exxon Corp., 1251 Avenue of the Americs, New York, N.Y.

E. (9) $150.26.

A. John B. Kelley, 1025 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.

B. Avco Corp., 1275 King Street, Greenwich, Conn. 06830.

D. (6) $2,500.

A. Ty Kelley, National Association of Chan Drug Stores, Inc., P.O Box 1417-D49, Alexandria, Va. 22313.

B. National Association of Chain Drug Stores, Inc., P.O. Box 1417-D49, Alexandria, Va. 22313.

D. (6) $1,500.

A. Stephen S. Kellner, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

B. Chemical Specialties Manufacturers Association, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $514 92. E. (9) $90.36.

A. Brian F. Kelly, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.

B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.

A. Ernest B. Kelly III, Satellite Television Corp., 1301 Pennsylvania Avenue NW., Washington, D.C. 20004.

B. Communications Satellite Corp., 950 L'Enfant Plaza SW., Washington, D.C. 20024.

D. (6) $1,000. E. (9) $498.99.

A. Harold V. Kelly, 1101 15th Street NW., Washington, D.C. 20005.

B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. Michael J. Kelly. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs (for: National Gypsum Co., N 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Mark L. Kemmer, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.

D. (6) $2,500. (9) $1,564.25.

A. F. Ann Kenkel, 1202 Pennsylvania Avenue NW., Suite 340, Washington, D.C. 20004.

B. The Association of Private Pension & Welfare Plans, Inc., 1201 Pennsylvania Avenue NW., Suite 340, Washington, D.C. 20004.

D. (6) $1,750.

A. Joseph W. Kennebeck, 475 L'Enfant Plaza SW., Suite 2456, Washington, D.C. 20024.

B. Volkswagen of America, Inc., 27621 Parkview Boulevard, Warren, Mich. 48092.

D. (6) $300.

A. Michael E. Kennedy, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. William F. Kennedy, Fairfield, Conn. 06431.

B. General Electric Co., Fairfield, Conn. 06431.

A. Jeremiah J. Kenney, Jr., Union Carbide Corp., 1100 15th Street NW. (12th floor), Washington, D.C. 20005.

B. Union Carbide Corp., Old Ridgebury Road, Danbury, Conn. 06817.

A. Peter B. Kenney, National Broadcasting Co., Inc., 1825 K Street NW., Washington, D.C. 20006.

B. National Broadcasting Co., Inc., 1825 K Street NW., Washington, D.C. 20006.

D. (6) $2,050. E. (9) $426.

A. Brendan Kenny, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.

B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.

D. (6) $5,500.

A. Jonathan H. Kent, Kent & O'Connor, Inc., 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Supply Association, 211 North LaSalle Street, Chicago, Ill. 60601.

D. (6) $3,191.25 E. (9) $1,270.66

A. Jonathan H. Kent, Kent & O'Connor, Inc., 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Warehousemen's Association, 1165 North Clark, Chicago, Ill., 60616.

D. (6) $1,030. E. (9) $315.14.

A. Jonathan H. Kent, Kent & O'Connor Inc., 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Motor Carrier Lawyers Association, 500 West 16th Street, P.O. Box 1945, Austin, Tex. 78767.

D. (6) $425. E. (9) $295.57.

A. Jonathan H. Kent, Kent & O'Connor, Inc., 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Seniorcenters of America, 7602 Lee Highway, Suite III, Chattanooga, Tenn. 37421.

D. (6) $655. E. (9) $216.50

A. Paul A. Kerschner, National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

B. National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

D. (6) $680.77. E. (9) $100.55.

A. Frederick A. Kessinger, 1201 Fourth Street SW., Washington, D.C. 20025.

B. Animal Health Institute, Box 1417-D50, Alexandria, Va. 22313.

A. Earline A. Keyser, 7352 Lee Highway, Falls Church, Va. 22046.

B. Bechtel Power Corp., 1620 I Street NW., Washington, D.C. 20006.

A. Robert W. Kieman, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. William S. Kies, 1750 K Street NW., Washington, D.C. 20006.

B. Food Marketing Institute, 1750 L Street NW., Washington, D.C. 20006.

D. (6) $450.

A. Maryann Kilduff, 923 15th Street NW., Washington, D.C. 20005.

B. Transportation Institute, 923 15th Street NW., Washington, D.C. 20005.

D. (6) $3,000. E. (9) $275.58.

A. Roberta D. Kimball, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Kimberly-Clark Corp., 401 North Lake Street, Neenah, Wis. 54956.

E. (9) $785.18.

A. Richard H. Kimberly, Kimberly-Clark Corp., 1000 Wilson Boulevard, Suite 2200, Arlington, Va. 22209.

B. Kimberly-Clark Corp., 401 North Lake Street, Neenah, Wis. 54956.

D. (6) $433.86. E. (9) $785.18.

A. Gene Kimmelman, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Congress Watch, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $2,500.

A. Charles L. King, American Council of Life Insurance, 1850 K Street NW., Washington D.C. 20006.

B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.

D. (6) $160.

A. G. Jack King, US Air, Inc., Washington National Airport, Washington, D.C. 20001.

B. US Air, Inc., Washington National Airport, Washington, D.C. 20001.

D. (6) $1,000.

A. King & Spalding, 1915 I Street NW., Washington, D.C. 20006.

B. Georgia-Pacific Corp. 1875 I Street NW., Washington, D.C. 20006.

E. (9) $25,932.82.

A. W. Russell King, 1730 Rhode Island Avenue NW., No. 400, Washington, D.C. 20036.

B. Freeport-McMoRan Inc., 200 Park Avenue, New York, N.Y. 10166.

D. (6) $300. E. (9) $105.45.

A. Janie A. Kinney, Blum & Nash, 1015 18th Street NW., Suite 408, Washington, D.C. 20036.

B. Twin Coasts Newpaper, Inc. The Journal of Commerce, 110 Wall Street, New York, N.Y. 10005.

A. Kirby & Gillick, Suite 303, 600 Maryland Avenue SW., Washington, D.C. 20024.
B. American Bus Association, 1025 Connecticut Avenue NW., Suite 308, Washington, D.C. 20036.
D. (6) $1,200. E. (9) $15.

A. Kirby & Gillick, Suite 303, 600 Maryland Avenue SW., Washington, D.C. 20024.
B. Continental Resources Co., P.O. Box 44, Winter Park, Fla. 32790.
D. (6) $4,856. E. (9) $81.

A. Kirby & Gillick, Suite 303, 600 Maryland Avenue SW., Washington, D.C. 20024.
B. National Council of Farmer Cooperatives, 1800 Massachusetts Avenue NW., Suite 604, Washington, D.C. 20036.
D. (6) $5,875. E. (9) $95.76.

A. Kirby & Gillick, Suite 303, 600 Maryland Avenue SW., Washington, D.C. 20024.
B. Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20005.
D. (6) $3,266. E. (9) $73.

A. Carol Kirchner, 4598A Southwest Caldew, Portland, Oreg. 97219.
B. Friends of the Columbia Gorge, 519 Southwest Third, Room 303, Portland, Oreg. 97204.
D. (6) $690. E. (9) $141.

A. John R. Kirk, Bingham, Dana & Gould, 100 Federal Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.

A. Kirkland & Ellis, 1776 K Street NW., Washington, D.C. 20006.
B. American Newspaper Publishers Association, 11600 Sunrise Valley Drive, Reston, Va. 22090.
D. (6) $230.

A. Kirkpatrick, Lockhart, Hill, Christopher & Phillips, 1900 M Street NW., Suite 800, Washington, D.C. 20036.
B. Columbia Pictures Industries, Inc., 711 Fifth Avenue, New York, N.Y. 10022.
E. (9) $780.

A. Kirkpatrick, Lockhart, Hill, Christopher & Phillips, 1900 M Street NW., Suite 800, Washington, D.C. 20036.
B. Grocery Manufacturers of America, 1010 Wisconsin Avenue NW., Suite 800, Washington D.C. 20007.
E. (9) $25.

A. Kirkpatrick, Lockhart, Hill, Christopher & Phillips, 1900 M Street NW., Suite 800, Washington, D.C. 20036.
B. SEARCH Group, Inc., 925 Secret River Drive, Sacramento, Calif. 95831.

A. Kirkpatrick, Lockhart, Hill, Christopher & Phillips, 1900 M Street NW., Suite 800, Washington, D.C. 20036.
B. Southern Shipbuilding Corp., P.O. Box 1089, Slidell, La. 70458.

A. Sally Ann Kirkpatrick, 1110 Vermont Avenue NW., Washington, D.C. 20005.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $588. E. (9) $124.20.

A. Kirlin, Campbell & Keating, 1150 Connecticut Avenue NW., No. 800, Washington, D.C. 20036.
B. Council of European and Japanese National Shipowners Association, 30/32 St. Mary Axe, London, EC3A 8ET England.
D. (6) $34,800. E. (9) $486.33.

A. Ronald A. Kitlas, Kellogg Co., 235 Porter Street, Battle Creek, Mich. 49016.
B. Kellogg Co., 235 Porter Street, Battle Creek, Mich. 49016.

A. Ralph W. Kittle, 1620 I Street NW., Suite 700, Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $5,000. E. (9) $6,000

A. Saul B. Klaman, National Association of Mutual Savings Banks, 200 Park Avenue, New York 10166.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10166.
D. (6) $1,969.22.

A. Catherine B. Klarfeld, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Suite 1000, Washington, D.C. 20006.
B. Phosphate Rock Export Association, 1311 North West Shore Boulevard, Tampa, Fla. 33607.

A. Richard P. Kleeman, Association of American Publishers, 2005 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Association of American Publishers, Inc., 2005 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Kline, Knopf & Wojdak, Inc., 111 State Street, Harrisburg, Pa. 17101.
B. Hahnemann Medical College & Hospital, 230 North Broad Street, Philadelphia, Pa. 19102.
D. (6) $7,500. E. (9) $1,055.12.

A. Kline, Knopf & Wojdak, Inc., 111 State Street, Harrisburg, Pa. 17101.
B. The Medical College of Pennsylvania, 3300 Henry Avenue, Philadelphia, Pa. 19129.
D. (6) $500 E. (9) $758.35.

A. Kline, Knopf & Wojdak, Inc., 111 State Street, Harrisburg, Pa. 17101.
B. St. Christopher's Hospital for Children, 5th Street and Lehigh Avenue, Philadelphia, Pa. 19133.
D. (6) $6,000 E. (9) $1,382.61

A. Richard A. Kline, 650 Independence Avenue SE., Washington, D.C. 20003.
B. Council of Active Independent Oil & Gas Producers, 650 Independence Avenue SE., Washington, D.C. 20003.
D. (6) $7,629.

A. William J. Klinefelter, United Steelworkers of America, 815 16th Street NW., Washington, D.C. 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $9,520.06.

A. John J. Klocko III, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., Inc., 1007 Market Street, Wilmington, Del. 19898.
E. (9) $308.

A. Peter E. Knight, 777 14th Street NW., Washington, D.C.
B. National Association of Realtors, 430 North Michigan Avenue, Chicago, Ill. 60611, 777 14th Street NW., Washington, D.C. 20005.
D. (6) $1,875. E. (9) $201.37.

A. Daniel F. Knise, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Keith R. Knoblock, 1920 N Street NW., Suite 300, Washington, D.C. 20036.
B. American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
D. (6) $250. E. (9) $28.07.

A. Mary G. Knopke, P.O. Box 53369, Temple Heights Station, Washington, D.C. 20009.
B. The American Humane Association, 9725 East Hampden, Denver, Colo. 80231.
D. (6) $7,833.33. E. (9) $900.

A. John C. Knott, Burlington Northern Railroad Co., 6800 Powderhouse Road, Cheyenne, Wyo. 82009.
B. Burlington Northern Railroad Co., 176 East Fifth Street, St. Paul, Minn. 55101.

A. C. Neal Knox, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $1,575.

A. Ruth E. Kobell, 1012 14th Street NW., Suite 600, Washington, D.C. 20005.
B. The Farmers' Educational and Co-Operative Union of America, Denver, Colo. 80251, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $4,691.09. E. (9) $153.63.

A. Thomas G. Kobus, National Parking Association, 2000 K Street NW., Suite 350, Washington, D.C. 20006.
B. National Parking Association, 2000 K Street NW., Suite 350, Washington, D.C. 20006.
D. (6) $12,937.47.

A. Bradley R. Koch, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $135.60.

A. George W. Koch, 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.
B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.
D. (6) $60.

A. Stanley E. Kolbe, Jr., The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $3,000. E. (9) $573.

A. Michael S. Koleda, National Council on Synthetic Fuels Production, 1875 I Street NW., Suite 960, Washington, D.C. 20006.
B. National Council on Synthetic Fuels Production, 1875 I Street NW., Suite 960, Washington, D.C. 20006.

A. Stephen Koplan, 815 16th Street NW., Washington, D.C. 20006.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $13,616. E. (9) $296.66.

A. Eugene P. Kopp, 1120 20th Street NW., Suite 600 S, Washington, D.C. 20036-3446.
B. Union Pacific Corp., 345 Park Avenue, New York, N.Y. 10154-0137.
D. (6) $1,250.

A. Steven L. Kopperud, 1701 North Fort Myer Drive, Arlington, Va. 22209.

B. American Feed Manufacturers Association, 1701 North Fort Myer Drive, Arlington, Va. 22209.

D. (6) $3,000.

A. Horace R. Kornegay, 1875 I Street NW., Suite 800, Washington, D.C. 20006.

B. The Tobacco Institute, Inc., 1875 I Street NW., Washington, D.C. 20006.

D. (6) $650. E. (9) $36.50.

A. Peter H. Kostmayer, 1825 K Street NW., Washington, D.C.

B. John Adams Associates, 1825 K Street NW., Washington, D.C.

D. (6) $705.55. E. (9) $405.55.

A. Kenneth S. Kovack, United Steelworkers of America, 815 16th Street NW., Washington, D.C. 20006.

B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $9,520.06.

A. Jeanne P. Kowalski, Southern Pacific Communications Co., 1828 L Street NW., Suite 500, Washington, D.C. 20036.

B. Southern Pacific Communications Co., 1828 L Street NW., Suite 500, Washington, D.C. 20036.

D. (6) $3,449. E. (9) $298.59.

A. E. J. Krabacher, Cincinnati Milacron, Inc., 4701 Marburg Avenue, Cincinnati, Ohio 45209.

B. Cincinnati Milacron, Inc., 4701 Marburg Avenue, Cincinnati, Ohio 45209.

D. (6) $2,400. E. (9) $595.

A. Mylio S. Kraja, Washington Office, 1608 K Street NW., Washington, D.C.

B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.

D. (6) $10,338. E. (9) $476.50.

A. Amos Kramer, Kansas Petroleum Council, 1414 Merchants Bank Bldg., 8th & Jackson Streets, Topeka, Kans. 66612.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Raymond R. Krause, TRW Inc., Suite 2700, 1000 Wilson Boulevard, Arlington, Va. 22209.

B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.

D. (6) $1,000.

A. Lawrence E. Kreider, Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

A. The Kroger Co., 1014 Vine Street, Cincinnati, Ohio.

E. (9) $7,282.03.

A. James S. Krzyminski, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $762.09.

A. Lloyd R. Kuhn, Aerospace Industries Association, 1725 DeSales Street NW., Washington, D.C. 20036.

B. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.

D. (6) $13,272.

A. Thomas R. Kuhn, 410 First Street SE., Washington, D.C.

B. American Nuclear Energy Council, 410 First Street SE., Washington, D.C

D. (6) $4,062.51. E. (9) $195.16.

A. Judith Kunofsky, Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.

B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.

D. (6) $1,880.25. E. (9) $1,243.99.

A. Ester Kurz, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.

B. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.

D. (6) $8,333.30.

A. E. J. Kushan, Southern Pacific Communications Co., 1828 L Street NW., Suite 500, Washington, D.C. 20036.

B. Southern Pacific Communications Co., 1828 L Street NW., Suite 500, Washington, D.C. 20036.

D. (6) $1,500. E. (9) $22,103.02.

A. Kutak Rock & Huie, 1101 Connecticut Avenue NW., Washington, D.C. 20036.

B. Hayes, Inc., P.O. Box 1447, Port Arthur, Tex. 77640.

E. (9) $14.16.

A. Kwajalein Atoll Corp., P.O. Box 5220, Kwajalein, Ebeye, Marshall Islands 96970.

E. (9) $7,524.

A. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $7,873. E. (9) $7,829.

A. Laborers' International Union, AFL-CIO, 905 16th Street NW., Washington, D.C. 20006.

E. (9) $19,453.19.

A. Phillip Ray Lackey, 823 15th Street NW., Washington, D.C. 20005.

B. International Masonry Institute, 823 15th Street NW., Washington, D.C. 20005.

D. (6) $1,571.

A. John D. Lacopo, 229 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. EDS Corp., Office of Government Affairs, 229 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $184. E. (9) $92.33.

A. Robert A. Ladig, Scott Paper Co., Scott Plaza, Philadelphia, Pa. 19113.

B. Scott Paper Co., Scott Plaza, Philadelphia, Pa. 19113.

D. (6) $1,500. E. (9) $2,020.85.

A. Walter B. Laessig, 1115 Massachusetts Avenue NW., Suite 6, Washington, D.C. 20005.

B. National Association of Real Estate Investment Trusts, Inc., 1101 17th Street NW., Washington, D.C. 20036.

D. (6) $4,505. E. (9) $26.

A. Sandra L. LaFevre, Nationwide Insurance Co., 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. Nationwide Insurance Co., 1 Nationwide Plaza, Columbus, Ohio 43216.

D. (6) $500.

A. Sarah M. Laird, League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $4,169. E. (9) $112.

A. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. Robert Lamb, 2101 L Street NW., Washington, D.C. 20037.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $5,000. E. (9) $206.

A. David F. Lambert III, Automotive Occupant Protection Association, 2001 Jeff Davis Highway, Suite 1101, Arlington, Va. 22202.

B. Automotive Occupant Protection Association, 2001 Jeff Davis Highway, Suite 1101, Arlington, Va. 22202.

D. (6) $8,750.

A. David R. Lambert, American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington D.C. 20005.

B. American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington D.C. 20005.

D. (6) $5,000.

A. Lamon, Elrod & Harkleroad, P.C., 229 Peachtree Street NE., Suite 2500, Atlanta, Ga. 30043.

B. National Association of Pension Consultants and Administrators, Inc., Three Piedmont Center, Suite 300, Atlanta, Ga. 30305.

D. (6) $6,000.

A. Landis, Cohen, Singman and Rauh, 1019 19th Street NW., No. 500, Washington, D.C. 20036.

B. American Society of Composers, Authors and Publishers, One Lincoln Plaza, 6th Floor, New York, N.Y. 10023.

D. (6) $1,500.

A. Landis, Cohen, Singman and Rauh, 1019 19th Street NW., No. 500, Washington, D.C. 20036

B. Council of Creative Artists, Libraries and Museums, 250 West 57th Street, Suite 626, New York, N.Y. 10019.

D. (6) $1,000.

A. Landis, Cohen, Singman and Rauh, 1019 19th Street NW., No. 500, Washington, D.C. 20036

B. NFL Players Association, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $2,000.

A. Lane and Edson, P.C., 1800 M Street NW., 400 South, Washington, D.C. 20036.

B. City of Baltimore, 250 City Hall, Baltimore, Md. 21202.

D. (6) $2,500. E. (9) $700.

A. Lane and Edson, P.C., 1800 M Street NW., 400 South, Washington, D.C. 20036.

B. Council for Rural Housing and Development, 1800 M Street NW., Washington, D.C. 20036.

D. (6) $600. E. (9) $600.

A. Laurence F. Lane, 1050 17th Street NW., Washington, D.C. 20036.

B. American Association of Homes for the Aging, 1050 17th Street NW., Suite 770, Washington, D.C. 20036.

D. (6) $1,352. E. (9) $50.

A. Karl S. Landstrom, 510 North Edison Street, Arlington, Va. 22203.

B. Geothermal Resources International, Inc., 545 Middlefield Road, Menlo Park, Calif. 94025.

D. (6) $750. E. (9) $7.

A. Lanier & Co., Inc., 1900 M Street NW., Suite 320, Washington, D.C. 20036.

B. Shellfish Institute of North America, 1900 M Street NW., Suite 320, Washington, D.C. 20036.

D. (6) $9,000. E. (9) $6,900.

A. R. Josh Lanier, 1900 M Street NW., Suite 320, Washington, D.C. 20036.

B. Lanier & Co., Inc., 1900 M Street NW., Suite 320, Washington, D.C. 20036. (for Shellfish Institute of North America, 1900 M Street NW., Suite 320, Washington, D.C. 20036).

D. (6) $4,500.

A. Robin W. Lanier, National Retail Merchants Association, 1000 Connecticut Avenue NW., No. 700, Washington, D.C. 20036.

B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.

D. (6) $100. E. (9) $5.

A. Wayne R. LaPierre, 1600 Rhode Island Avenue NW., Washington, D.C. 20006.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $1,125. E. (9) $470.70.

A. Clifford C. LaPlante, General Electric Co., 777 14th Street NW., Washingtion, D.C.

B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.

D. (6) $1,000.

A. Michael J. Lashbrook, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $925.

A. LaSalle National Bank, 135 South LaSalle Street, Chicago, Ill. 60690.

A. Latham, Watkins & Hills, 1333 New Hampshire Avenue NW., Suite 1200, Washington, D.C. 20036.

B. Wilshire Terrace Cooperative Housing Corp., 10375 Wilshire Boulevard, Los Angeles, Calif. 90024.

D. (6) $1,800. E. (9) $125.53.

A. Theodore A. Lattanzio, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D.(6) $750.

A. Kathryn M. Lavriha, League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20006.

B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $2,532. E. (9) $73.

A. George H. Lawrence, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $415.

A. Henry J. Lawrence, Jr., American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

B. American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

D. (6) $2,500.

A. John Henry Leach II, P.O. Box 11125, Santa Ana, Calif. 92711.

B. Let the People be Heard Committee, P.O. Box 11125, Santa, Ana, Calif. 92711.

A. Lead-Zinc Producers Committee, 120 Broadway, Room 3415, Attention E. R. Bergin, New York, N.Y. 10271.

D. (6) $8,000. E. (9) $12,796.72.

A. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $28,634. E. (9) $27,634.

A. League to Save Lake Tahoe, 2197 Lake Tahoe Boulevard, P.O. Box 10110, South Lake Tahoe, Calif. 95731.

D. (6) $9,000.

A. John I. Le Berre, 900 17th Street NW., Washington, D.C. 20006.

B. Chemical Corp. 900-17th Street NW., Washington, D.C. 20006.

D. (6) $155. E. (9) $35.

A. Kerley LeBoeuf, National Association of Convenience Stores, Three Skyline Place, Suite 809, 5201 Leesburg Pike, Falls Church, Va. 22041.

B. National Association of Convenience Store, Three Skyline Place, Suite 809, 5201 Leesburg Pike, Falls Church, Va. 22041.

A. LeBoeuf, Lamb, Leiby & MacRae, 140 Broadway, New York, N.Y. 10005; 1333 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Underwriters at Lloyd's, London c/o Wm. G. Hockensmith, 409 McClure Building., Frankfort, Ky. 40601; c/o John Smith; Lord, Bissell & Brook, 115 South LaSalle Street, Chicago, Ill. 60603.

A. Anne Hall LeClair, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

D. (6) $700. E. (9) $47.60.

A. David A. Leff, Joint Maritime Congress, 444 North Capitol Street NW., Suite 801, Washington, D.C. 20001.

B. Joint Maritime Congress, 444 North Capitol Street NW., Suite 800, Washington, D.C. 20001.

D. (6) $3,605.40.

A. Caroline Mills LeGette, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Congress Watch, 215 Pennsylvania SE., Washington, D.C. 20003.

D. (6) $3,500.

A. Leighton, Conklin, Lemov, Jacobs, and Buckley, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. American Express Co., 1730 K Street NW., Washington, D.C. 20006.

A. Leighton, Conklin, Lemov, and Jacobs, Chtd., 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. The Clorox Co., 1221 Broadway, Oakland, Calif. 94612.

A. Leighton, Conklin, Lemov, Jacobs, and Buckley, 2033 M Street NW., Washington, D.C. 20036.

B. Federation of Apparel Manufacturers, 450 Seventh Avenue, New York, N.Y. 10001.

D. (6) $2,774.50. E. (9) $3,685.70

A. Leighton, Conklin, Lemov, Jacobs, and Buckley, 2033 M Street NW., Washington, D.C. 20036.

B. Fireman's Fund American Life Insurance Co., 1600 Los Gamos Road, San Rafael, Calif. 94911.

D. (6) $1,403.50. E. (9) $1,198.53

A. Leighton, Conklin, Lemov, Jacobs, and Buckley, 2033 M Street NW., Suite 800 Washington, D.C. 20036.

B. Fred Franzia, John G. Franzia, Joseph S. Franzia, Post Office Box 789, Ceres, Calif.

D. (6) $6,000. E. (9) $134.48.

A. Leighton, Conklin, Lemov, Jacobs, and Buckley, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. General Atomic Co., 2021 K Street NW., Washington, D.C. 20036.

D. (6) $1,473.63. E. (9) $1,279.86

A. Leighton, Conklin, Lemov, and Jacobs, Cht., 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

A. Leighton, Conklin, Lemov, Jacobs, and Buckley, 2033 M Street NW., Washington, D.C. 20036.

B. Kaiser Aluminum Chemical Co., 900 17th Street NW., Washington, D.C. 20006.

A. Leighton, Conklin, Lemov, Jacobs, and Buckley, Chtd., 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Kamehameh Schools/Bernice P. Bishop Estate, 567 South King Street P.O. Box 3466, Honolulu, Hawaii 96801.

D. (6) $16,554. E. (9) $1,534.

A. Leighton, Conklin, Lemov, Jacobs, and Buckley, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Mutual Savings Central Fund, Inc., 50 Congress Street Boston, Mass. 02109.

D. (6) $1,000. E. (9) $75.

A. Leighton, Conklin, Lemov, Jacobs & Buckley, 2033 M Street NW., Washington, D.C. 20036.

B. National Bulk Vendors Association, 125 South La Salle Street, Chicago, Ill. 60603.

D. (6) $3,718.75. E. (9) $3,120.28.

A. Leighton, Conklin, Lemov & Jacobs, Chtd., 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

A. Leighton, Conklin, Lemov & Jacobs, Chtd., 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Professional Air Traffic Controllers Organization, 444 North Capitol Street NW., Washington, D.C. 20001.

A. Leighton, Conklin, Lemov, Jacobs & Buckley, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Savings Bank Association of Massachusetts, 50 Congress Street, Boston, Mass. 02109.

D. (6) $2,000. E. (9) $150.

A. Leighton, Conklin, Lemov & Jacobs, Chtd., 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Turner Broadcasting System, Inc., 1018 West Peachtree Street NW., Atlanta, Ga. 30309.

A. Leighton, Conklin, Lemov & Jacobs, Chtd., 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Whey Products Institute, 130 North Franklin Street, Chicago, Ill. 60605.

A. Joseph L. Leitzinger, 900 Fourth Avenue, Seattle, Wash. 98164.

B. Simpson Timber Co., 900 Fourth Avenue, Seattle, Wash. 98164.

E. (9) $3,411.

A. Lynette B. Lenard, Dow Chemical Co., 1800 M Street NW., Suite 700 South, Washington, D.C. 20036.

B. The Dow Chemical Co., Midland, Mich. 48640.

D. (6) $125. E. (9) $62.50.

A. Betty Jane Leonard, UNIFI, Inc., P.O. Box 21368, Greensboro, N.C. 27420.

B. UNIFI, Inc., 7201 West Friendly Avenue, Greensboro, N.C. 27410.

D. (6) $2,036.30. E. (9) $442.96.

A. Earl T. Leonard, Jr., The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.

B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.

D. (6) $191. E. (9) $306.16.

A. Lloyd J. Leonard, League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $3,111. E. (9) $28.

A. Charles Leppert, Jr., The Procter & Gamble Manufacturing Co., 1801 K Street NW., Suite 230, Washington, D.C. 20006.

B. The Procter & Gamble Co., 301 East Sixth Street, Cincinnati, Ohio 45202.

D. (6) $104.

A. Richard L. Lesher, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the United States of America, 1615 H Street NW., Washington, D.C. 20062.

D. (6) $100.

A. LeSourd, Patten, Fleming, Hartung & Emory, 3900 Seattle-First National Bank Building, Seattle, Wash. 98154.

B. General Teamsters Local 959, State of Alaska, P.O. Box 2092, Anchorage, Alaska 99510.

D. (6) $75.

A. Dale Lestina, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $2,239.20. E. (9) $376.72.

A. Ernest M. LeSueur, Beneficial Management Corp. of America, 1700 North Moore Street, 1925 Rosslyn Center Building, Arlington, Va. 22209.

B. Beneficial Management Corp. of America, 1100 Carr Road, Wilmington, Del. 19899.

A. Joseph A. Letorney, National Education Association, 220 Forbes Road, Suite 3, Braintree, Mass. 02184.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $953. E. (9) $197.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. AIRCO, Inc., 85 Chestnut Ridge Road, Montvale, N.J. 07645.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. American Electric Power Service Corp., 2 Broadway, New York, N.Y. 10004.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Boston Edison Co., 800 Boylston Street, Boston, Mass. 02199.

E. (9) $11.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. The Business Roundtable, 1828 L Street NW., Suite 402, Washington, D.C. 20036.

D. (6) $855. E. (9) $6.88.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Commonwealth Edison Co., One First National Plaza, Chicago, Ill. 60603.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Consolidated Edison Co. of New York, Inc., 4 Irving Place, New York, N.Y. 10003.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. General Electric Co., Gas Turbine Division, One River Road, Building 500, Room 228, Schenectady, N.Y. 12345.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Glass Packaging Institute, 1800 K Street NW., Washington, D.C. 20006.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Holy Cross Hospital, 15031 Rinaldi Street, Mission Hills, Calif. 91345.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. National Association of Supermarket Shoppers, 591 Middle Neck Road, Great Neck, N.Y. 11023.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. National Council of Community Hospitals, 1735 I Street NW., Suite 710, Washington, D.C. 20006.

D. (6) $825.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. TOSCO, Inc., 1877 Broadway, Boulder, Colo. 80320.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Upper Humboldt River Water Users Association; Wilson, Wilson & Barrows, Box 380, Elko, Nev. 89801.

A. Samuel R. Levering, U.S. Committee for the Oceans, 100 Maryland Avenue NE., Washington, D.C. 20002.

B. U.S. Committee for the Oceans, 100 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $100.

A. Morris J. Levin, 1050 17th Street NW., Washington, D.C. 20036.

B. Association of American Railroads, American Railroad Building, Washington, D.C.

D. (6) $2,500.

A. Morris J. Levin, 1050 17th Street NW., Suite 701, Washington, D.C. 20036.

B. Independent Local Newspaper Association, 1050 17th Street NW., Suite 701, Washington, D.C 20036.

A. Barbara W. Levine, American Public Health Association, 1015 15th Street NW., Washington, D.C. 20005.

B. American Public Health Association, 1015 15th Street NW., Washington, D.C. 20005.

D. (6) $634.50. E. (9) $90.

A. Harry LeVine, Jr., General Electric Co., 777 14th Street NW., Washington, D.C.

B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.

D. (6) $175.

A. Roger N. Levy, Independent Insurance Agents of America, Inc., 1120 19th Street NW., Suite 503, Washington, D.C. 20036.

B. Independent Insurance Agents of America, Inc., 100 Church Street, New York, N.Y. 10007.

D. (6) $13,461.56.

A. Charles L. Lewis, APGA, 5203 Leesburg Pike, Falls Church, Va. 22041.

B. American Personnel & Guidance Association, 5203 Leesburg Pike, No. 400, Falls Church, Va. 22041.

D. (6) $214.

A. David Lewis, American Optometric Association, 600 Maryland Avenue SW., Suite 400, Washington, D.C. 20024.

B. American Optometric Association, 395 Orchard Street, Antioch, Ill. 60002.

D. (6) $59.60. E. (9) $101.30.

A. E. David Lewis, Society of American Wood Preservers, 1401 Wilson Boulevard, Arlington, Va. 22209.

B. Society of American Wood Preservers, Inc., 1401 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $115. E. (9) $250.

A. Michael R. Lewis, International Longshoremen's & Warehousemen's Union, 1133 15th Street NW., Suite 640, Washington, D.C. 20005.

B. International Longshoremen's & Warehousemen's Union, 1188 Franklin Street, San Francisco, Calif. 94109.

D. (6) $8,729. E. (9) $1,512.06

A. Stuart A. Lewis, Suite 300, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Manufacturers Hanover Corp., 350 Park Avenue, New York, N.Y. 10022.

D. (6) $400.

A. Stuart A. Lewis, Suite 300, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Bank of Detroit, P.O. Box 116, Detroit, Mich. 48232.

D. (6) $200.

A. Stuart A. Lewis, Suite 300, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Seattle First National Bank, P.O. Box 3586, Seattle, Wash. 98124.

D. (6) $200.

A. John F. Leyden, Public Employee Department, AFL-CIO, 815 16th Street NW., Suite 308, Washington, D.C. 20006.

B. Public Employee Department AFL-CIO, 815 16th Street NW., Suite 308, Washington, D.C. 20006.

D. (6) $3,058.26

A. Wm. J. Lhota, 301 Cleveland Avenue SW., Canton, Ohio 44702.

B. Ohio Power Co., 301 Cleveland Avenue SW., Canton, Ohio 44702.

D. (6) $1,534.40. E. (9) $1,473.60.

A. James B. Liberman, Debevoise & Liberman, 26 Broadway, New York, N.Y. 10004.
B. Public Service Electric & Gas Co., 80 Park Place, Newark, NJ. 07101.

A. Herbert Liebenson, National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.
B. National Small Business Association, 1604 K Street NW., Washington, DC. 20006.
D. (6) $5,625.

A. Herbert Liebenson, Small Business Legislative Council, 1604 K Street NW., Washington, D.C. 20006.
B. Small Business Legislative Council, 1604 K Street NW., Washington, D.C. 20006.

A. William C. Lienesch, 238 10th Street SE., Washington, D.C. 20003.
B. National Parks & Conservation Association, 1701 18th Street NW., Washington, D.C. 20009.
D. (6) $790.50. E. (9) $42.45.

A. Sylvester Ligsukis, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. Cramer, Hoffman & Haber, P.C. 1320 19th Street NW., Suite 200 Washington, D.C. 20036 (for Canaveral Port Authority, P.O. Box 267, Cape Canaveral, Fla. 32920.)

A. Sylvester Ligsukis, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW., Suite 200, Washington, D.C. 20036. (for City of Miami, Miami, Fla.)

A. Sylvester Ligsukis, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW., Suite 200, Washington, D.C. 20036 (for Dade County, Miami, Fla.)

A. Sylvester Ligsukis, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. Hoffman, Hendry, Stoner, Sims & Sawicki, 215 East Central Boulevard Orlando, Fla. 32801 (for Global Exploration & Development Corp., 1414 Collins Avenue Lakeland, Fla. 33801.)

A. Sylvester Ligsukis, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW., Suite 200, Washington, D.C. 20036 (for Hobbs Construction & Develop. Co., Inc., 3711 North Highway 231, Panama City, Fla. 32401.)

A. Lillick McHose & Charles, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Rotan Mosle, Inc., 1500 South Tower, Pennzoil Place, Houston, Tex. 77002.
D. (6) $21,000

A. Edward J. Lincoln, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Japan Economic Institute of America, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Kathleen M. Linehan, Gulf Oil Corp., 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $360.

A. Thomas L. Linton, Chevron U.S.A. Inc., 1700 K Street NW., Suite 1204, Washington, D.C. 20006.
B. Chevron U.S.A. Inc., a subsidiary of Standard Oil Co. of California, 1700 K Street NW., Washington, D.C. 20006.
D. (6) $425.

A. Thomas A. Lisk, 1600 Rhode Island Avenue NW., Washington D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $637.50.

A. Robert Litschert, 1111 19th Street NW., Washington, D.C. 20036.
B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $836.10. E. (9) $283.21.

A. Barbara A. Little, 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
B. Ethyl Corp. 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
D. (6) $1,000.

A. Charles B. Little, UBA, Inc., 600 Maryland Avenue SW., Suite 603, Washington, D.C. 20024.
B. UBA, Inc., 600 Maryland Avenue SW., Suite 603, Washington, D.C. 20024.
D. (6) $1,000.

A. William F. Little, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $362.50. E. (9) $504.20.

A. Roy Littlefield, 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers and Retreaders Association, Inc., 1343 L Street NW., Washington, D.C. 20005.
D. (6) $4,500. E. (9) $180.

A. David A. Litvin, 1111 19th Street NW., Suite 310, Washington, D.C. 20036.
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.
D. (6) $500. E. (9) $47.50.

A. E. F. Livaudais, Jr., Atlantic Richfield Co., 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $180.

A. Livestock Marketing Association, 301 East Armour Boulevard, Kansas City, Mo. 64111.
E. (9) $5,037.54.

A. H. Richard Lloyd, Jr., General Electric Co., 777 14th Street NW., Washington, D.C. 20005-3299.
B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005-3299.

A. Jim Lloyd, P.O. Box 943, 3240 Whitebirch Drive, West Covina, Calif. 91793.
B. Commuter Airlines Association of America, 1101 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $1391.94.

A. Lobel, Novins & Lamont, 1523 L Street NW., Suite 200, Washington, D.C. 20005.
B. Generic Pharmaceutical Industry Association, 600 Third Avenue, New York, N.Y. 10016.
D. (6) $9,305. E. (9) $449.20.

A. Leslie Loble, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
D. (6) $5,267.63. E. (9) $152.70.

A. Charles H. Lockwood II, Motor Vehicle Manufacturers Association of the United States, Inc., 300 New Center Building, Detroit, Mich. 48202.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 300 New Center Building, Detroit, Mich. 48202.
D. (6) $3,040. E. (9) $2,661.

A. Harold D. Loden, American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.
B. American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.
D. (6) $4,000.

A. Robert H. Loeffler, Morrison & Foerster, 1920 N Street NW., Washington, D.C. 20036.
B. State of Alaska, Department of Natural Resources, Pouch M, State Capitol, Juneau, Alaska 99811.
D. (6) $900.

A. Robert H. Loeffler, Morrison & Foerster, 1920 N Street NW., Washington, D.C. 20036.
B. State of Alaska, Department of Natural Resources, Pouch M, State Capitol, Juneau, Alaska 99811.
D. (6) $900.

A. Law Offices of Sheldon I. London, 1725 DeSales Street NW., Suite 401, Washington, D.C. 20036.
B. American Hardware Manufacturers Association, 931 North Plum Grove Road, Schaumburg, Ill. 60195.
D. (6) $1,500.

A. Robert W. Long, 1920 N Street NW., Suite 300, Washington, D.C. 20036.
B. American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
D. (6) $120. E. (9) $3.90.

A. Thomas R. Long, Westvaco Corp., 299 Park Avenue, New York, N.Y. 10171.
B. Westvaco Corp., 299 Park Avenue, New York, N.Y. 10171.
D. (6) $500. E. (9) $955.64.

A. John H. Lonnquist, Jr., Manville Corp., 1025 Connecticut Avenue NW., No. 214, Washington, D.C. 20036.
B. Manville Corp., P.O. Box 5108, Denver, Colo. 80217.
D. (6) $100. E. (9) $100.

A. Loomis, Owen, Fellman & Howe, 2020 K Street NW., Washington, D.C. 20006.
B. Association of Bituminous Contractors, 2020 K Street NW., Washington, D.C. 20006.

A. Loomis, Owen, Fellman & Howe, 2020 K Street NW., Washington, D.C. 20006.
B. Classroom Publishers Association, 2020 K Street NW., Washington, D.C. 20006.

A. Loomis, Owen, Fellman & Howe, 2020 K Street NW., Washington, D.C. 20006.
B. Industrial Diamond Association, 59 East Main Street, Moorestown, N.J. 08057.

A. Loomis, Owen, Fellman & Howe, 2020 K Street NW., Washington, D.C. 20006.
B. Optical Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.

A. Loomis, Owen, Fellman & Howe, 2020 K Street NW., Washington, D.C. 20006.
B. Textile Rental Services Association of America, 1250 Hallandale Beach Blvd., Hallandale, Fla. 33009.

A. Susan J. Loomis, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $500.

A. Kenneth T. Lopatka, Foley, Hoag & Eliot, One Post Office Square, Boston, Mass. 02109.
B. C&S Wholesale Grocers, Inc., Ferry Road, Brattleboro, Vt. 05301.
E. (9) $1,333.34.

A. Lord, Day & Lord, 25 Broadway, New York, N.Y 10004.
B. Bowater North America Corp., 1500 East Putnam Avenue, Old Greenwich, Conn. 06870.
D. (6) $1,456.87.

A. Lord, Day & Lord, 25 Broadway, New York, N.Y. 10004.
B. Phosphate Chemicals Export Association, Inc., 200 Park Avenue, New York, N.Y. 10166.

A. Philip J. Loree, 50 Broadway, New York, N.Y. 10004
B. Federation of American Controlled Shipping, 50 Broadway, New York, N.Y. 10004.
D. (6) $1,500. E. (9) $324.80

A. Robert E. Losch, P.C., 1716 New Hampshire Avenue, NW., Washington, D.C. 20009.
B. American Dredging Co., P.O. Box 190, Camden, N.J. 08101.
D. (6) $17,500. E. (9) $2,709.94.

A. Robert E. Losch, P.C., 1716 New Hampshire Avenue NW., Washington, D.C. 20009.
B. Pelican Terminal Corp., P.O. Box 937, Melville, N.Y. 11747 and Port of Galveston, P.O. Box 328, Galveston, Tex. 77550.
D. (6) $10,000. E. (9) $2,057.82.

A. David S. Lott, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006 (for National Gypsum Co.)

A. Claudia J. Louis, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. James F. Lovett, Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $500. E. (9) $200.

A. Richard J. Lovett, 1200 Northwestern Bank Building, Minneapolis, Minn. 55480.
B. Northwest Bancorporation, 1200 Northwestern Bank Building, Minneapolis, Minn. 55480.
D. (6) $1,000. E. (9) $1,075.80

A. Robert C. Lower, Alston, Miller & Gaines, 35 Broad Street, Suite 1200, Atlanta, Ga. 30335.
B. Board of Trade of the City of Chicago, 141 West Jackson Boulevard, Chicago, Ill. 60604.

A. William C. Lowery, Shell Oil Co. 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Gerald M. Lowrie, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C.
D. (6) $6,000.

A. Donald C. Lubick, 1776 F Street NW., Washington, D.C. 20006.
B. Talisman Fund, 330 Washington Street, Suite 610, Marina Del Ray, Calif., 90291.

A. Freddie H. Lucas, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $285.94.

A. Charles Emmet Lucey, McDermott, Will & Emery, 1850 K Street NW., Suite 500, Washington, D.C. 20006.
B. Catholic Press Association, 119 North Park Avenue, Rockville Centre, N.Y. 11570.

A. William F. Ludlam, Sr., P.O. Box 5282, Virginia Beach, Va. 23455.
B. American Revolution Bicential Ad. Licensees Association, P.O. Box 15, Cocoa Beach, Fla. 32931.
E. (9) $363.

A. Randolph C. Lumb, IBM, 1801 K Street NW., Washington, D.C. 20006.
B. International Business Machines, Old Orchard Road, Armonk, N.Y. 10504.
D. (6) $1,450. E. (9) $117.50.

A. Lumbermen's Mutual Casualty Co., Long Grove, Ill. 60049.
E. (9) $2,739.

A. Milton F. Lunch, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Christian J. Lund, United Technologies Corp., 1125 15th Street NW., Washington, D.C. 20005.
B. United Technologies Corp., United Technologies Building, Hartford, Conn. 06101.
D. (6) $13,975.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Federation of American Controlled Shipping, 50 Broadway, New York, N.Y. 10004.
D. (6) $600. E. (9) $23.69.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. National Product Liability Council, 600 New Hampshire Avenue, Suite 920, Washington, D.C. 20037.
D. (6) $500. E. (9) $14.92.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Pennsylvania Power & Light Co., Two North Ninth Street, Allentown, Pa. 18101.
D. (6) $1,155. E. (9) $76.07.

A. Edward Lyle, Alliance to Save Energy, 1925 K Street NW., Suite 507, Washington, D.C. 20006.
B. Alliance to Save Energy, 1925 K Street NW., Suite 507, Washington, D.C. 20006.

A. Timothy P. Lynch, American Natural Resources, 1899 L Street, Washington, D.C. 20036.
B. American Natural Resources, 1899 L Street, Washington, D.C. 20036.

A. Timothy P. Lynch, Roadway Express, Inc., 1501 Wilson Boulevard, Suite 910, Arlington, Va. 22209.
B. Roadway Express, Inc., 1501 Wilson Boulevard, Suite 910, Arlington, Va. 22209.
D. (6) $400. E. (9) $200.

A. James Lyon, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

A. William T. Lyons, 1747 Pennsylvania Avenue NW., Suite 700, Washington, D.C. 20006.
B. CIBA-GEIGY Corp., Ardsley, N.Y. 10502.
D. (6) $3,500. E. (9) $3,821.30.

A. Joseph Macaulay, Sperry Corp., 2000 L Street NW., Suite 810, Washington, D.C. 20036.
B. Sperry Corp., 2000 L Street NW., Suite 810, Washington, D.C. 20036.

A. Timothy C. MacCarthy, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Suite 300, Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 300 New Center Building, Detroit, Mich. 48202.
D. (6) $1,170.

A. Russell MacCleery, 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers & Retreaders Association, Inc., 1343 L Street NW., Washington, D.C. 20005.
D. (6) $400. E. (9) $12.

A. Jack A. MacDonald, National Council of Health Centers, 2600 Virginia Avenue NW., Suite 1100, Washington, D.C. 20037.
B. National Council of Health Centers, 2600 Virgina Avenue NW., Suite 1100, Washington, D.C. 20037.
D. (6) $1,125. E. (9) $173.35.

A. James H. Mack, 7901 Westpark Drive, McLean, Va. 22102.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22102.
D. (6) $11,451. E. (9) $500.

A. John P. Mackey, Ad Hoc Committee in Defense of Life, Inc., 605 14th Street NW., Suite 302, Washington, D.C. 20005.
B. Ad Hoc Committee in Defense of Life, Inc., 150 East 35th Street, New York, N.Y. 10016.
D. (6) $11,660. E. (9) $3,983.88.

A. Mark J. Mackey, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. W. Terry Maguire, American Newspaper Publishers Association, Box 17407, Dulles International Airport, Washington, D.C. 20041.
B. American Newspaper Publishers Association, Box 17407, Dulles International Airport, Washington, D.C. 20041.
D. (6) $1,500.

A. David L. Mahan, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036; (for Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac, France).

A. David L. Mahan, for DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036; (for Soreavia, 75 rue la Boetie Paris 8eme, France).

A. Thomas D. Maher, 1775 K Street NW., Washington, D.C. 20006.

B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $22.

A. John F. Mahoney, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $4,400. E. (9) $61.71.

A. F. Anthony Maio, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Suite 1000, Washington, D.C. 20006.

B. First Wisconsin National Bank of Milwaukee, 777 East Wisconsin Avenue, Milwaukee, Wis. 53202.

A. Andre Maisonpierre, 1110 Vermont Avenue NW., Washington, D.C. 20005.

B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.

D. (6) $520.

A. David L. Mallino, United Steelworkers of America, 815 16th Street NW., Washington, D.C. 20006.

B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $9,520.06.

A. J. Wilson Malloy, Jr., Eastman Chemical Products, Inc., 1919 Pennsylvania Avenue NW., Washington D.C. 20006.

B. Eastman Chemical Products, Inc., P.O. Box 431, Kingsport, Tenn. 37662.

D. (6) $650. E. (9) $29.

A. Mary Jo Malone, American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

B. American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

D. (6) $1,875.

A. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.

E. (9) $525.

A. Carter Manasco, 5932 Chesterbrook Road, McLean, Va. 22101.

B. National Coal Association, 1130 17th Street, NW., Washington, D.C. 20036.

D. (6) $6,774.01. E. (9) $128.75.

A. Manatt, Phelps, Rothenberg & Tunney, 1200 New Hampshire Avenue NW., No. 200, Washington, D.C. 20036.

B. CSL Energy Control, Inc., 2049 Century Park East, No. 800, Los Angeles, Calif. 90067.

A. Manatt, Phelps, Rothenberg & Tunney, 1200 New Hampshire Avenue NW., Suite 200, Washington, D.C. 20036.

B. GATX Corp., 120 S. Riverside Plaza, Chicago, Ill. 60606.

D. (6) $26,025. E. (9) $306.02.

A. Manatt, Phelps, Rothenberg & Tunney, 1200 New Hampshire Avenue NW., Suite 200, Washington, D.C. 20036.

B. General Telephone Co., of California, 100 Wilshire Boulevard, P.O. Box 889, Santa Monica, Calif. 90406.

D. (6) $1,625.

A. Manatt, Phelps, Rothenberg & Tunney, 1200 New Hampshire Avenue NW., Suite 200, Washington, D.C. 20036.

B. IBAR, 626 Wilshire Boulevard, No. 416, Los Angeles, Calif. 90017.

D. (6) $6,427.75.

A. Manatt, Phelps, Rothenberg & Tunney, 1200 New Hampshire Avenue NW., Suite 200, Washington, D.C. 20036.

B. Los Angeles Community Redevelopment Agency, 727 West Seventh Street, Los Angeles, Calif.

A. Manatt, Phelps, Rothenberg & Tunney, 1200 New Hampshire Avenue NW., Suite 200, Washington, D.C. 20036.

B. Luz International, Ltd., 110 Burlingame Avenue, Burlingame, Calif. 94010.

D. (6) $160.

A. Manatt, Phelps, Rothenberg & Tunney, 1200 New Hampshire Avenue NW., Suite 200, Washington, D.C. 20036.

B. Magana, Cathcart, McCarthy & Pierry, 301 North Avalon Boulevard, Wilmington, Calif. 90744; Industrial Union of Marine & Shipbuilding Workers of America—AFL-CIO, Local 9, 349 North Broad Avenue, Wilmington, Calif. 90744.

D. (6) $7,962.50. E. (9) $47.

A. Manatt, Phelps, Rothenberg & Tunney, 1200 New Hampshire Avenue NW., Suite 200, Washington, D.C. 20036.

B. Music Corporation of America, Inc., 100 Universal City Plaza, Universal City, Calif. 91608.

D. (6) $10,087.50. E. (9) $26.06.

A. Manatt, Phelps, Rothenberg & Tunney, 1200 New Hampshire Avenue NW., Suite 200, Washington, D.C. 20036.

B. National Restaurant Association, Stanton D. Anderson, 1605 New Hampshire Avenue NW., Washington, D.C. 20009.

D. (5) $375.

A. Manatt, Phelps, Rothenberg & Tunney, 1200 New Hampshire Avenue NW., Suite 200, Washington, D.C. 20036.

B. Northrop Corp., 1800 Century Park East, Los Angeles, Calif. 90067.

D. (6) $17,820. E. (9) $260.57.

A. Manatt, Phelps, Rothenberg & Tunney, 1200 New Hampshire Avenue NW., Suite 200, Washington, D.C. 20036.

B. Northwest Alaskan Pipeline Co., 1120 20th Street NW., Suite S-700, Washington, D.C. 20036.

D. (6) $11,100. E. (9) $113.63.

A. Manatt, Phelps, Rothenberg & Tunney, 1200 New Hampshire Avenue NW., Suite 200, Washington, D.C. 20036.

B. Penncorp Financial, Inc., 3130 Wilshire Boulevard, Santa Monica, Calif. 90406.

D. (6) $645.

A. Manatt, Phelps, Rothenberg & Tunney, 1200 New Hampshire Avenue NW., Suite 200, Washington, D.C. 20036.

B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $4,700.

A. Manatt, Phelps, Rothenberg & Tunney, 1200 New Hampshire Avenue NW., Suite 200, Washington, D.C. 20036.

B. James Schneider, 432 F Street, Suite 500, San Diego, Calif. 92101.

A. Manatt, Phelps, Rothenberg & Tunney, 1200 New Hampshire Avenue NW., Suite 200, Washington, D.C. 20036.

B. 20th Century Fox Film Corp., P.O. Box 900, Beverly Hills, Calif. 90213.

A. Forbes Mann, 1155 15th St. NW., Suite 1004, Washington, D.C 20005.

B. The LTV Corp., 1525 Elm Street, Dallas, Tex. 75222.

D. (6) $500. E. (9) $20.

A. Cynthia A. Mansfield, 600 Maryland Avenue SW., Suite 520, Washington, D.C. 20024.

B. GPU Service Corp., 100 Interpace Parkway, Parsippany, N.J. 07054.

D. (6) $2,816. E. (9) $198.99.

A. Armand G. Manson, 1090 Vermont Avenue NW., Suite 1100, Washington, D.C. 20005.

B. Bell Aerospace Textron, 1090 Vermont Avenue NW., Suite 1100, Washington, D.C. 20005.

D. (6) $2,760.

A. Manufacturers of Emission Controls Association, 1800 K Street NW., Suite 1104, Washington, D.C. 20006.

D. (6) $2,650. E. (9) $2,650.

A. March for Life, Inc., P.O. Box 2950, Washington, D.C.

D. (6) $90,090.57. E. (9) $85,375.39.

A. Charles T. Marck, 1800 M Street NW., Suite 700 South, Washington, D.C. 20036.

B. The Dow Chemical Co., Midland, Mich. 48640.

D. (6) $1,000. E. (9) $250.

A. Maritime Institute for Research and Industrial Development, 1133 15th Street NW., Suite 600, Washington, D.C. 20005.

A. Richard Mark, 2030 M Street NW., 3d Fl., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $4,400.01. E. (9) $434.36.

A. E. Vernon Markham III, 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.

B. Stephens Overseas Services, Inc., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.

D. (6) $44.10.

A. Lawrence D. Markley, P.O. Box 3518, Anchorage, Alaska 99510.

B. Chugach Electric Association, Inc., P.O. Box 3518, Anchorage, Alaska 99510.

D. (6) $1,890 E. (9) $2,324.04.

A. John Marlin, 307 W. Nevada, Urbana, Ill. 61801.

B. Central States Resource Center, P.O. Box 577, Urbana, Ill. 61801.

D. (6) $2,875. E. (9) $631.71.

A. Howard Marlowe, 815 16th Street NW., Washington, D.C. 20006.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $14,352.56. E. (9) $803.62.

A. C. Travis Marshall, 1776 K Street NW., Washington, D.C. 20006.

B. Motorola Inc., 1776 K Street NW., Washington, D.C. 20006..

D. (6) $1,500. E. (9) $165.18.

A. David S. Marshall, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

B. National Rifle Association, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $637.50.

A. David O. Martin, Kimberly-Clark Corp., North Lake Street, Neenah, Wis. 54956.

B. Kimberly-Clark Corp., North Lake Street, Neenah, Wis. 54956.

A. John B. Martin, National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

B. National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

D. (6) $3,203.84. E. (9) $1.75.

A. John M. Martin, Jr., 6909 Fort Hunt Road, Alexandria, Va. 22307.

B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

D. (6) $100.

A. Katherine E. Martin, Association of American Railroads, 412 First Street SE., Suite 200, Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $356.24. E. (9) $357.97.

A. Larry K. Martin, Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.

B. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.

D. (6) $150.

A. Thomas A. Martin, 2101 L Street NW., Washington, D.C. 20037.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $225.

A. Reynaldo L. Martinez, National Education Association, 3333 Quebec Street, Suite 7800, Denver, Colo. 80207.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

A. Joseph J. Martyak, Union Carbide Corp., 1100 15th Street NW., Washington, D.C. 20005.

B. Union Carbide Corp., Old Ridgebury Road, Danbury, Conn. 06817.

A. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.

A. Mike M. Masaoka, Suite 520, 900 17th Street NW., Washington, D.C. 20006.

B. Toyota Motor Sales, U.S.A., Inc., Suite 600, 919 18th Street NW., Washington, D.C. 20006.

D. (6) $750.

A. Mike M. Masaoka, Suite 520, 900 17th Street NW., Washington, D.C. 20006.

B. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.

D. (6) $500.

A. W. A. Mason, 442 Ontario, Shreveport, La.

B. Southwestern Electric Power Co., P.O. Box 21106, Shreveport, La. 71156.

D. (6) $126.

A. James D. Massie, The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.

B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.

D. (6) $5,000. E. (9) $910.67.

A. Colin D. Mathews, 1101 Connecticut Avenue NW., Washington, D.C. 20036.

B. Vinson & Elkins (For GATX Terminals Corp.), 1101 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $15,000. E. (9) $35.

A. Charles D. Matthews, 1050 17th Street NW., Suite 700, Washington, D.C. 20036.

B. National Ocean Industries Association, 1050 17th Street NW., Suite 700, Washington, D.C. 20036.

D. (6) $3,750. E. (9) $250.

A. Robert A. Matthews, Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.

B. Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.

D. (6) $937.50.

A. Joanne E. Mattiace, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.

B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.

D. (6) $160. E. (9) $62.55.

A. C. V. & R. V. Maudlin, 1334 G Street NW., Washington, D.C. 20005.

B. Joint Government Liaison Committee, 1334 G Street NW., Washington, D.C.

A. Anthony F. Mauriello, N.Y.S. Petroleum Council, 551 Fifth Avenue, Room 718, New York, N.Y. 10176.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Samuel L. Maury, United States Steel Corp., 818 Connecticut Avenue NW., Washington, D.C. 20006.

B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.

A. Thomas H. Maxedon, c/o Kentucky Petroleum Council, 612-A Shelby Street, Frankfort, Ky. 40601.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Albert E. May, Council of American-Flag Ship Operators, 1625 K. Street NW., Washington, D.C. 20006.

B. Council of American-Flag Ship Operators, 1625 K Street NW., Washington, D.C. 20006.

D. (6) $112.50. E. (9) $13.97.

A. James C. May, Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

D. (6) $200.55. E. (9) $1,543.99.

A. Walter R. May, Yellow Freight System, Inc., 7004 Park Terrace Drive, Alexandria, Va. 22307.

B. Yellow Freight System, Inc., 10990 Roe Avenue, Shawnee Mission, Kans. 66207.

D. (6) $3,079. E. (9) $348.21.

A. Arnold Mayer, 1775 K Street NW., Washington, D.C. 20006.

B. United Food and Commercial Workers International Union, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $18,846.17. E. (9) $452.29.

A. C. H. Mayer, Inc., 3421 North Causeway, Suite 701, Metairie, La. 70002.

E. (9) $1,690.58.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.

B. Aerospace Industries of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.

B. Brunswick Corp., One Brunswick Plaza, Skokie, Ill. 60077.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.

B. Comdisco, Inc., 6400 Shafer Court, Rosemont, Ill. 60018.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.

B. The ERISA Industry Committee, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $46.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.

B. GATX Corp., 120 South Riverside Plaza, Chicago, Ill. 60606.

D. (6) $457.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.

B. General Telephone & Electronics Corp., One Stamford Forum, Stamford, Conn. 06904.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.

B. The National Association of Manufacturers' FTC—Antitrust Subcommittee, 1776 F Street NW., Washington, D.C. 20006.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.

B. Northwest Alaskan Pipeline Co., 1120 20th Street NW., Washington, D.C. 20036.

A. Douglas McAllister, 1920 N Street NW., Suite 300, Washington, D.C. 20036.

B. American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.

D. (6) $105. E. (9) $5.25.

A. Jerry McAndrews, U.S. Telephone Communications, Inc., 108 South Akard Street, Dallas, Tex. 75202.

B. U.S. Telephone Communications, Inc., 108 South Akard Street, Dallas, Tex. 75202.

D. (6) $7,500. E. (9) $287.

A. Ann McBride, 2030 M Street NW., Third Floor, Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $9,750. E. (9) $68.

A. Martha L. McCabe, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.

B. Cooperative League of the USA, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.

D. (6) $6.249.99. E. (9) $118.12.

A. Julie P. McCahill, The Mead Corp., 1000 Connecticut Avenue NW., Suite 715, Washington, D.C. 20036.

B. The Mead Corp., Mead World Headquarters, Courthouse Plaza NE., Dayton, Ohio 45463.

D. (6) $275.

A. Katherine S. McCarter, American Public Health Association, 1015 15th Street NW., Washington, D.C. 20005.

B. American Public Health Association, 1015 15th Street NW., Washington, D.C. 20005.

D. (6) $2,566. E. (9) $2,689.

A. James R. McCarthy, 2101 L Street NW., Washington, D.C. 20037.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $200.

A. James W. McCarthy, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $3,000. E. (9) $962.

A. McCarty, Noone & Williams, 490 L'Enfant Plaza East, Suite 3306, Washington, D.C. 20024.
B. American Medical Technologists, 710 Higgins Road, Park Ridge, Ill. 60068.
D. (6) $225. E. (9) $22.08.

A. McClure & Trotter, Suite 600, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cigar Association of America, 1100 17th Street NW., Suite 1201, Washington, D.C. 20036.

A. McClure & Trotter, Suite 600, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cities Service Co., Box 300, Tulsa, Okla. 74102.
E. (9) $5.24.

A. McClure & Trotter, Suite 600, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Coca-Cola Co., P.O. Box 1734, Atlanta, Ga. 30301.
E. (9) $6.48.

A. McClure & Trotter, Suite 600, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Gulf Resources & Chemical Corp., 1100 Milam Building, Houston, Tex. 77002.
D. (6) $1,357.50.

A. McClure & Trotter, Suite 600, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Gulf & Western Industries, Inc., One Gulf & Western Plaza, New York, N.Y. 10023.
E. (9) $25.36.

A. McClure & Trotter, Suite 600, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Corp., 150 East 42d Street, New York, N.Y. 10017.
E. (9) $10.20.

A. McClure & Trotter, Suite 600, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Tracor, Inc., 6500 Tracor Lane, Austin, Tex. 78721.
D. (6) $2,108.25.

A. John L. McCormick, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,500.01.

A. Molly McCormick, Philadelphia Electric Co., 2301 Market Street S23-1, P.O. Box 8699, Philadelphia, Pa. 19101.
B. Philadelphia Electric Co., 2301 Market Street, P.O. Box 8699, Philadelphia, Pa. 19101.
D. (6) $1,875. E. (9) $157.99.

A. Sally McCormick, 2030 M Street NW., Third Floor, Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,800.

A. E. L. McCulloch, Brotherhood of Locomotive Engineers, 400 First Street NW., Suite 819, Washington, D.C. 20001.
B. Brotherhood of Locomotive Engineers, Engineers Building, Cleveland, Ohio 44114.
D. (6) 284.60 E. (9) $85.20.

A. David F. McDermitt, National Utility Contractors Association, 1235 Jefferson Davis Highway, Suite 606, Arlington, Va. 22202.
B. National Utility Contractors Association, 1235 Jefferson Davis Highway, Suite 606, Arlington, Va. 22202.
E. (9) $16[illegible].25.

A. Albert L. McDermott, American Hotel & Motel Association, 1101 Connecticut Avenue NW., Suite 1006, Washington, D.C. 20036.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $1,775.60.

A. Marianne McDermott 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Michael D. McDonald, Maryland Petroleum Association, Suite 403, 60 West Street, Annapolis, Md. 21401.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Norris McDonald 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $500.01.

A. Patrick J. McDonough, APGA, 5203 Leesburg Pike, Falls Church, Va. 22041.
B. American Personnel and Guidance Association, 5203 Leesburg Pike, Falls Church, Va. 22041.
D. (6) $3,483.

A. Susan K. McDowell, National Grange, 1616 H Street NW., Washington, D.C. 20006.
B. National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $937.

A. Darryl D. McEwen, Society of American Florists, 901 North Washington Street, Alexandria, Va. 22314.
B. Society of American Florists, 901 North Washington Street, Alexandria, Va. 22314.
D. (6) $2,500.

A. Robert H. McFadden, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Suite 300, Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 300 New Center Building, Detroit, Mich. 48202.
D. (6) $200. E. (9) $15.20.

A. Paul J. McGeady, 27 Hampton Place, Nutley, N.J. 07110.
B. Morality in Media, Inc., 475 Riverside Drive, Suite 239, New York, N.Y. 10115.
D. (6) $41.20.

A. Donna Lee McGee, 1800 M Street NW., No. 870-S, Washington, D.C. 20036.
B. Burlington Industries, Inc., 1800 M Street NW., No. 870-S, Washington, D.C. 20036.
D. (6) $1,760. E. (9) $75.

A. P. Anne McGhee, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $450.

A. John E. McGill, 1221 Southwest Yamhill, Suite 203, Portland, Oreg. 97205.
B. Telephone Utilities, Inc., 1221 Southwest Yamhill, Suite 203, Portland, Oreg. 97205.
D. (6) $810. E. (9) $1,239.85.

A. Robert M. McGlotten, 815 16th Street NW., Washington, D.C. 20006.
B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $14,103.50. E. (9) $364.15.

A. Jerome J. McGrath, Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $500.

A. Terrence G. McGreevy, First City Tower, Houston, Tex. 77002.
B. Vinson & Elkins (for Pelican Terminal Co., First City Tower, Houston, Tex. 77002).

A. Peter E. McGuire, National Association of Retired & Veteran Railway Employees, Inc., 400 First Street NW., Washington, D.C. 20001.
B. National Association of Retired & Veteran Railway Employees, Inc., P.O. Box 6060, Kansas City, Kans. 66106, Hotel & Restaurant International Union, 1875 I Street NW., Suite 450, Washington, D.C. 20006, and International Union of Police Association, 422 First Street NW., Washington, D.C. 20003.
D. (6) $5,999.98.

A. William P. McGuire, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $600.

A. Clarence M. McIntosh, Jr., Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $1,231.07.

A. Lyndley R. McIntosh, 410 First Street SE., Washington, D.C.
B. American Nuclear Energy Council, 410 First Street SE., Washington, D.C.
D. (6) $1,680. E. (9) $26.95.

A. Robert S. McIntyre, 2020 K Street NW., Washington, D.C. 20006.
B. Citizens for Tax Justice, 2020 K Street NW., Washington, D.C. 20006.
D. (6) $5,676.92. E. (9) $19.50.

A. Christine E. McKechnie, 2550 M Street NW., Suite 770, Washington, D.C. 20037.
B. RJR Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.
D. (6) $250. E. (9) $191.69.

A. Jean McKee, General Mills, Inc., 1200 New Hampshire Avenue NW., Suite 370, Washington, D.C. 20036.
B. General Mills Restaurant Group, Inc., P.O. Box 1431, Orlando, Fla. 32802.

A. Jan McKenzie, Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $1,320.60. E. (9) $228.04.

A. James D. McKevitt, National Federation of Independent Business.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $3,500. E. (9) $175.

A. C. A. Mack McKinney, 110 Maryland Avenue NE., Suite 304, Box 43, Washington, D.C. 20002.
B. Non Commissioned Officers Association of the U.S.A., P.O. Box 33610, San Antonio, Tex. 78233.
D. (6) $7,123.14. E. (9) $8,251.88.

A. James D. McLaughlin, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $850. E. (9) $103.05.

A. William F. McManus, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $570.

A. Jane Pierson McMichael, American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $11,296.32. E. (9) $87,130.25.

A. James D. McMillan, Exxon Corp., 1899 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $651.29.

A. McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble, P.A., 18th floor, Bankers Trust Towers, Columbia, S.C.
B. Airco, Inc., 85 Chestnut Ridge Road, Montvale, N.J.
D. (6) $586.

A. McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble, P.A., 1155 15th Street NW., Washington, D.C. 20005.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
E. (9) $131.52.

A. McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble, P.A., 1155 15th Street NW., Washington, D.C. 20005.
B. The Business Roundtable, 1828 L Street NW, Washington, D.C. 20036.
D. (6) $2,940. E. (9) $18.78.

A. McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble, P.A., 1155 15th Street NW., Washington, D.C. 20005.
B. General Telephone & Electronics Corp., One Stamford Forum, Stamford, Conn. 06904.
E. (9) $870.62.

A. McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble, P.A., 18th floor, Bankers Trust Towers, Columbia, S.C.
B. Georgia Pacific Corp., 900 South West Fifth Avenue, Portland, Oreg. 97204.
D. (6) $5,875. E. (9) $158.41.

A. McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble, P.A., 1155 14th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 777 14th Street NW., Washington, D.C. 20005.

A. McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble, P.A., 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $4,243.75. E. (9) $154.70.

A. McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble, P.A., 1155 15th Street NW., Washington, D.C. 20005.
B. Sony Corp. of America, 9 West 57th Street, New York, N.Y. 10019.
E. (9) $1,130.82.

A. McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble, P.A., 1155 15th Street NW., Washington, D.C. 20005.
B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.
D. (6) $4,290. E. (9) $643.

A. Francis J. McNamara, The Hale Foundation, 109 Fifth Street SE., Washington, D.C. 20003.
B. The Hale Foundation, 109 Fifth Street SE., Washington, D.C. 20003.
D. (6) $6,666.66.

A. Laramie Faith McNamara, TRW Inc., 1000 Wilson Boulevard, Suite 2700, Arlington, Va. 22209.
B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,000.

A. George G. Mead, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc. 1616 P Street NW., Washington, D.C. 20036.
D. (6) $10,000.

A. John K. Meagher, 1155 15th Street NW., Suite 1004, Washington, D.C. 20005.
B. The LTV Corp., 1525 Elm Street, Dallas, Tex. 75222.
D. (6) $2,500. E. (9) $610.

A. Joe J. Meder, Interlake, Inc., 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Interlake, Inc., 2015 Spring Road, Commerce Plaza, Oak Brook, Ill. 60521.
D. (6) $9,000. E. (9) $21.

A. David O. Meeker, Jr., American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Edward L. Menning, National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.
B. National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.
D. (6) $30.82.

A. William H. Megonnell, Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
B. The Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $1,939.61. E. (9) $136.17.

A. Richard A. Mehler, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. Automotive Parts Rebuilders Association, 6849 Old Dominion Drive, McLean, Va. 22101.
D. (6) $350.

A. Jack Menache, 7900 Callaghan, San Antonio, Tex. 78229.
B. Datapoint Corp., 9725 Datapoint Drive, San Antonio, Tex. 78284.
E. (9) $2,318.57.

A. Marilee Menard, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007 (1700 North Moore Street, Arlington, Va.).
D. (6) $2,000.

A. Ellis E. Meredith, American Apparel Manufacturers Association, 1611 North Kent Street, Suite 800, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, 1611 North Kent Street, Suite 800 Arlington, Va. 22209.

A. Charles L. Merin, National Rural Letter Carriers' Association, Suite 1204, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Rural Letter Carriers' Association, Suite 1204, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $10,600. E. (9) $563.46.

A. Edward L. Merrigan, 6000 Connecticut Avenue NW., Washington, D.C 20815.
B. Central Gulf Lines, Inc., International Trade Mart, No. 2 Canal Street, New Orleans, La. 70130.

A. Edward L. Merrigan, 6000 Connecticut Avenue NW., Washington, D.C. 20815.
B. National Association of Recycling Industries, Inc., 330 Madison Avenue, New York, N.Y. 10017.
D. (6) $11,250. E. (9) $153.35.

A. Harold E. Mesirow, Lillick McHose & Charles, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Foss Launch & Tug Co.; Foss Alaska Line; FL&T Co., 660 West Ewing Street, Seattle, Wash. 98119.
D. (6) $18,335. E. (9) $215.75.

A. Harold E. Mesirow, Lillick McHose & Charles, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Western Pioneer, Inc., 4601 Shilshole Avenue NW., Seattle, Wash. 98107.
D. (6) $3,400.

A. Sharon Messinger, 1600 Wilson Boulevard No. 500, Arlington, Va 22209.
B. Datapoint Corp., 9725 Datapoint Drive, San Antonio, Tex. 78284.
E. (9) $2,066.

A. M. Barry Meyer, The Aluminum Association, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. The Aluminum Association, 818 Connecticut Avenue NW., Washington, D.C. 20006.
E. (9) $12.50.

A. Larry Meyers, 412 First Street SE., Suite 214, Washington, D.C. 20003.
B. Beneficial Management Corp. of America, 200 South Street, Morristown, N.J.
D. (6) $2,499.

A. Larry Meyers, 412 First Street SE., Suite 214, Washington, D.C. 20003.
B. Independent Cattlemen's Association, 704 East Wonsley Avenue, Suite 202, Austin, Tex. 78753.
D. (6) $4,500.

A. Larry Meyers, 412 First Street SE., Suite 214, Washington, D.C. 20003.
B. North Carolina Peanut Growers, P.O. Box 1709, Rocky Mount, N.C. 27801.
D. (6) $250.

A. Larry Meyers, 412 First Street SE., Suite 214, Washington, D.C. 20003.
B. Southwestern Peanut Growers, Box 338, Gorman, Tex. 76544.
D. (6) $2,250.

A. Ronald A. Michieli, 425 13th Street NW., Suite 1032, Washington, D.C. 20004-1886.

B. National Cattlemen's Association, 5420 South Quebec Street, P.O. Box 3469, Englewood, Colo. 80155.

D. (6) $1,000.

A. Mid-Continent Oil & Gas Association, 711 Adams Office Building, Tulsa, Okla. 74103.

D. (6) $21,258.59. E. (9) $7,741.95.

A. Mid-Continent Wildcatters Association, 200 Douglas Building, Wichita, Kans. 67202.

D. (6) $66,250. E. (9) $7,729.

A. Joy Midman, National Association of Private Psychiatric Hospitals, 1319 F Street NW., Washington, D.C. 20004.

B. National Association of Private Psychiatric Hospitals, 1319 F Street NW., Suite 1000, Washington, D.C. 20004.

D. (6) $250.

A. Paul J. Mignini, Sr., 815 16th Street NW., Suite 310, Washington, D.C. 20006.

B. Amalgamated Clothing & Textile Workers Union, 15 Union Square, New York, N.Y. 10003.

D. (6) $2,595. E. (9) $24.85.

A. Milbank, Tweed, Hadley & McCloy, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Chase Manhattan Bank, One Chase Manhattan Plaza, New York, N.Y. 10005.

A. Milbank, Tweed, Hadley & McCloy, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Joint Task Force on Federal Financial Assistance for Law Students, c/o Law School Admission Council, 11 Dupont Circle NW., Washington, D.C. 20036.

A. Milbank, Tweed, Hadley & McCloy, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. LaSalle National Bank, 135 South LaSalle Street, Chicago, Ill. 60690.

A. Miles & Stockbridge, 1701 Pennsylvania Avenue NW., No. 540, Washington, D.C. 20006.

B. Continental Resources Co., 1575 I Street NW., Suite 510, Washington, D.C. 20005.

A. Fred Millar, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $999.99.

A. Roy H. Millenson, Association of American Publishers, 2005 Massachusetts Avenue NW., Washington, D.C. 20036.

B. Association of American Publishers, 2005 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $2,215. E. (9) $90.83.

A. Miller Associates, Inc., 2500 Que Street NW., Washington, D.C. 20007.

B. Tosco Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.

D. (6) $1,500. E. (9) $53.

A. Miller, Canfield, Paddock & Stone, 2555 M Street NW., Suite 300, Washington, D.C. 20037.

B. International Paper Co., 77 West 45th Street, New York, N.Y. 10036

D. (6) $5,028.93. E. (9) $430.81.

A. Miller, Cassidy, Larroca & Lewin, 2555 M Street NW., Washington, D.C. 20037.

B. National Public Radio, 2025 M Street NW., Washington, D.C. 20036.

D. (6) $60. E. (9) $2.75.

A. Miller & Chevalier, Chartered, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. The Association of Private Pension & Welfare Plans, Inc., 1201 Pennsylvania Avenue NW., Suite 340, Washington, D.C. 20004.

D. (6) $5,639.43

A. Miller & Chevalier, Chartered, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. General Dynamics, Pierre Laclede Center, St. Louis, Mo. 63105.

A. Miller & Chevalier, Chartered, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Lockheed Corp., Burbank, Calif. 91520.

A. Miller & Chevalier, Chartered, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Nuclear Fuel Services, Inc., Suite 600, 6000 Executive Boulevard, Rockville, Md. 20852.

D. (6) $450.

A. Daniel R. Miller, Truck Trailer Manufacturers Association, 2430 Pennsylvania Avenue NW., Washington, D.C. 20037.

B. Truck Trailer Manufacturers Association, 2430 Pennsylvania Avenue NW., Washington, D.C. 20037.

D. (6) $700. E. (9) $27.10.

A. Miller, Hamilton, Snider & Odom, P.O. Box 46, Mobile, Ala. 36601.

B. Thornton, Farish & Gauntt, P.O. Box 196, Montgomery, Ala. 36195.

A. Herbert J. Miller, Jr., Miller, Cassidy, Larroca & Lewin, 2555 M Street NW., Washington, D.C. 20037.

B. Mead Corp., Courthouse Plaza Northeast, Dayton, Ohio 45463.

D. (6) $3,350.

A. James C. Miller, National Grange, 1616 H Street NW., Washington, D.C. 20006.

B. National Grange, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $3,250.

A. John R. Miller, 1750 Midland Building, Cleveland, Ohio 44115.

B. The Standard Oil Co., Midland Building, Cleveland, Ohio 44115.

A. Linda B. Miller, Suite 405, 2550 M Street NW., Washington, D.C. 20037.

B. Volunteer Trustees of Not-for-Profit Hospitals, 2550 M Street NW., Suite 405, Washington, D.C. 20037.

D. (6) $3,000. E. (9) $175.80.

A. Robin Miller, Alliance to Save Energy, 1925 K Street NW., Suite 507, Washington, D.C. 20006.

B. Alliance to Save Energy, 1925 K Street NW., Suite 507, Washington, D.C. 20006.

D. (6) $101.72.

A. W. Kirk Miller, 733 North Van Buren Street, Suite 610, Milwaukee, Wis. 53202.

B. Barley & Malt Institute, 733 North Van Buren Street, Suite 610, Milwaukee, Wis. 53202.

D. (6) $4,250.

A. C. G. Pete Milligan, 4360 Northeast Joe's Point, Stuart, Fla. 33494.

B. Illinois Bell Telephone Co., 225 West Randolph Street, Chicago, Ill. 60606.

D. (6) $540. E. (9) $90.70.

A. Christine Topping Milliken, 1717 Massachusetts Avenue NW., Suite 503, Washington, D.C. 20036.

B. National Association of Independent Colleges & Universities, 1717 Massachusetts Avenue NW., Suite 503, Washington, D.C. 20036.

D. (6) $8,880. E. (9) $445.44.

A. John C. Milliner, Jr., P.O. Box 1606, Forest Park, Ga. 30051.

B. Southeastern Lumber Manufacturers Association, P.O. Box 1606, Forest Park, Ga. 30051.

D. (6) $242.32. E. (9) $163.

A. Richard M. Millman, P.C., 1730 M Street NW., Suite 908, Washington, D.C. 20036.

B. Senate of Puerto Rico, San Juan, Puerto Rico.

D. (6) $12,000. E. (9) $2,174.90.

A. John F. Mills, 1875 I Street NW., Washington, D.C. 20006.

B. The Tobacco Institute, 1875 I Street NW., Washington, D.C. 20006.

D. (6) $1,200. E. (9) $83.

A. Edward J. Milne, 1111 19th Street NW., Washington, D.C. 20036.

B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.

D. (6) $568. E. (9) $460.16.

A. Richard V. Minck, American Council of Life Insurance, 1850 K Street NW., Washington, D.C. 20006.

B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.

D. (6) $750.

A. Minerals Exploration Coalition, Inc., 790 West Tennessee Avenue, Suite 103, Denver, Colo. 80223.

D. (6) $34,000. E. (9) $856.57.

A. Mintz, Levin, Cohn, Ferris, Glovsky & Popeo, 1015 15th Street NW., Suite 1025, Washington, D.C. 20005; One Center Plaza, Boston, Mass. 02108.

B. General Telephone & Electronics Corp., 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $8,000.

A. Mintz, Levin, Cohn, Ferris, Glovsky & Popeo, 1015 15th Street NW., Suite 1025, Washington, D.C. 20005; One Center Plaza, Boston, Mass. 02108.

B. Graphic Scanning Corp., 99 West Sheffield Avenue, Englewood, N.J. 07631.

A. Mintz, Levin, Cohn, Ferris, Glovsky & Popeo, P.C. 1015 15th Street NW., Suite 1025, Washington, D.C. 20005; One Center Plaza, Boston, Mass. 02108.

B. Home Recording Rights Coalition, c/o 1015 15th Street NW., Suite 1025, Washington, D.C. 20005.

D. (6) $10,000.

A. Mintz, Levin, Cohn, Ferris, Glovsky & Popeo, 1015 15th Street NW., Suite 1025, Washington, D.C. 20005; One Center Plaza, Boston, Mass. 02108.

B. Lion Lines, Ltd.; c/o Leo Whitman, 1178 Millington Road, Schenectady, N.Y. 12309.

A. Mintz, Levin, Cohn, Ferris, Glovsky & Popeo, 1015 15th Street NW., Suite 1025, Washington, D.C. 20005; One Center Plaza, Boston, Mass. 02108.

B. Massachusetts Construction Industry Council Truck Weight Committee, c/o R. Barton; Rosenfeld Concrete Co.; Box E, Milford, Mass. 01757.

A. Mintz, Levin, Cohn, Ferris, Glovsky & Popeo, 1015 15th Street NW., Suite 1025, Washington, D.C. 20005; One Center Plaza, Boston, Mass. 02108.

B. SCA Services, Inc., 60 State Street, Boston, Mass. 02109.

A. Mintz, Levin, Cohn, Ferris, Glovsky & Popeo, 1015 15th Street NW., Suite 1025, Washington, D.C. 20005; One Center Plaza, Boston, Mass. 02108.

B. Securities Industry Association, 490 L'Enfant Plaza, Washington, D.C. 20024.

D. (6) $450. E. (9) $90.

A. Mintz, Levin, Cohn, Ferris, Glovsky & Popeo, 1015 15th Street NW., Suite 1025, Washington, D.C. 20005; One Center Plaza, Boston, Mass. 02108.

B. WNET/13, 356 West 58th Street, New York, N.Y. 10019.

A. Thom B. Miranda, 410 First Street SE., Washington, D.C.

B. American Nuclear Energy Council, 410 First Street SE., Washington, D.C.

D. (6) $1,875. E. (9) $86.01.

A. S. Michael Mishoe, National Pork Producers Council, 499 South Capitol Street, Suite 515, Washington, D.C. 20003.

B. National Pork Producers Council, P.O. Box 10383, Des Moines, Iowa 50306.

D. (6) $225. E. (9) $170.

A. Mark R. Misiorowski, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Sandra S. Mitchell, Air Florida, Inc., 1050 Thomas Jefferson Street NW., Suite 600, Washington, D.C. 20007.

B. Air Florida, Inc., 3900 Northwest 79th Avenue, Miami, Fla. 33166.

D. (6) $2,100. E. (9) $432.

A. Thomas F. Mitchell, Georgia-Pacific Corp., 1875 I Street NW., Suite 470, Washington, D.C. 20006.

B. Georgia-Pacific Corp., 900 Southwest 5th Avenue, Portland, Oreg. 97204.

E. (9) $456.

A. Stacey J. Mobley, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

E. (9) $84.

A. Michael S. Moe, Tenneco Inc., 490 L'Enfant Plaza East SW., Washington, D.C. 20024.

B. Tenneco Inc., P.O. Box 2511, Houston, Tex. 77001.

A. Jill A. Moline, The Reduce Our Debt Foundation, P.O. Box 29021, 2645 East Washington, Phoenix, Ariz. 85038.

D. (6) $50,220. E. (9) $3.301.27.

A. Jill A. Moline, The Circle K Corp., P.O. Box 20230, 4500 South 40th Street, Phoenix, Ariz. 85036.

B. The Circle K Corp., P.O. Box 20230, 4500 South 40th Street, Phoenix, Ariz. 85036.

E. (9) $345.96.

A. Robert A. Molofsky, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

B. Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

E. (9) $214.50.

A. Michael J. Molony, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $60.

A. C. Manly Molpus, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.

B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007; 1700 North Moore Street, Arlington, Va.

D. (6) $1,000.

A. Christopher S. Monek, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. John M. Monley, 1090 Vermont Avenue NW., Suite 600, Washington, D.C. 20005.

B. Texas Eastern Transmission Corp., P.O. Box 2521, Houston, Tex. 77001.

E. (9) $50.80.

A. Elizabeth Monro, 1709 New York Avenue NW., Washington, D.C. 20006.

B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.

D. (6) $5,000.

A. Michael Monroney, 1000 Wilson Boulevard, Suite 2700, Arlington, Va. 22209.

B. TRW, Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.

D. (6) $1,000.

A. Steven M. Moodie, 910 16th Street, Room 302, Washington, D.C. 20006.

B. Federation of American Controlled Shipping, 50 Broadway, New York, N.Y. 10004.

D. (6) $350.

A. G. Merill Moody, Association of American Railroads, 412 First Street SE., Suite 200, Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $119.68. E. (9) $116.27.

A. James P. Mooney, National Cable Television Association, Inc., 1724 Massachusetts Avenue NW., Washington D.C. 20036.

B. National Cable Television Association, Inc., 1724 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $5,700.

A. Alan J. Moore, The Atchison, Topeka & Santa Fe Railway Co., Suite 840, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill. 60604.

D. (6) $1,000.

A. Janis E. Moore, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $250.

A. Morality in Media, Inc., 475 Riverside Drive, Suite 239, New York, N.Y. 10115.

D. (6) $84.93. E. (9) $84.93.

A. Richard D. Moran, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.

B. Associated Builders and Contractors, Inc., 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.

D. (6) $1,000.

A. Vincent L. Morelli, 2550 M Street NW., Suite 225, Washington, D.C. 20037.

B. Congoleum Corp., Portsmouth, N.H.

D. (6) $399. E. (9) $236.42.

A. John Morgan, Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.

B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.

D. (6) $875. E. (9) $198.30.

A. Morgan, Lewis & Bockius, 1800 M Street NW., Suite 800 N, Washington, D.C. 20036.

B. Committee for Capital Formation through Dividend Reinvestment, 1800 M Street NW., Suite 800 N, Washington, D.C. 20036.

D. (6) $80. E. (9) $40.

A. Morgan, Lewis & Bockius, 1800 M Street NW., Washington, D.C. 20036.

B. Consolidated Natural Gas Co., Four Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $237.50.

A. James A. Morrill, Scott Paper Co., Scott Plaza, Philadelphia, Pa. 19113.

B. Scott Paper Co., Scott Plaza, Philadelphia, Pa. 19113.

D. (6) $2,250. E. (9) $3,590.14.

A. Martin S. Morris, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Morrison & Foerster, 1920 N Street NW., Washington, D.C. 20036.

B. The City and County of San Francisco, City Hall, San Francisco, Calif. 94102.

D. (6) $2,236. E. (9) $44.25.

A. William C. Morrison, 2001 North Adams Street, Arlington, Va. 22201.

B. Meat Importers Council of America, Inc., 1901 North Fort Myer Drive, Arlington, Va. 22209.

D. (6) $875.

A. Russell N. Mosher, 950 North Glebe Road, Suite 160, Arlington, Va. 22203.

B. American Boiler Manufacturers Association, 950 North Glebe Road, Suite 160, Arlington, Va. 22203.

D. (6) $39.58. E. (9) $1.70.

A. Sol Mosher, Crown Zellerbach, 1660 L Street, NW., Suite 215, Washington, D.C. 20036.

B. Crown Zellerbach Corp., One Bush Street, San Francisco, Calif. 94104.

A. Bernard Moss, 2440 Virginia Avenue NW., Washington, D.C. 20037.

B. Association of Bank Holding Companies, 730 15th Street, NW., Washington, D.C. 20005.

D. (6) $900.

A. Robert E. Moss, 1819 H Street NW., Suite 950, Washington, D.C. 20006.

B. Oilworth, Paxson, Kalish & Kauffman, 1819 H Street NW., Suite 950, Washington, D.C. 20006; (for Westinghouse Corp., 1801 K Street, Suite 900, Washington, D.C. 20006).

E. (9) $60.

A. Lynn E. Mote, InterNorth, 1015 15th Street NW., Suite 900, Washington, D.C. 20005.

B. InterNorth, 2223 Dodge Street, Omaha, Nebr. 68102.

D. (6) $2,000.

A. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.
D. (6) $28,000. E. (9) $27,103.93.

A. Motor Vehicle Manufacturers Association of the United States, Inc., 300 New Center Building, Detroit, Mich. 48202.
D. (6) $25,436.13. E. (9) $25,436.13.

A. Mountain West Associates, 2000 L Street NW., No. 200, Washington, D.C. 20036.
B. Finlinson & Finlinson, 721 Kearns Building, Salt Lake City, Utah 84101.
D. (6) $1,680.

A. Mountain West Associates, 2000 L Street NW., No. 200, Washington, D.C. 20036.
B. Great National Corp., 2320 South Tower L.B. 174, Plaza of the Americas, Dallas, Tex. 75201.
D. (6) $9,600. E. (9) $195.70.

A. Mountain West Associates, 2000 L Street NW., No. 200, Washington, D.C. 20036.
B. Utah Power & Light, 1407 West North Temple, Salt Lake City, Utah 84110.
D. (6) $14,398. E. (9) $3,746.84.

A. Harold P. Mueller III, P.O. Box 7755, Philadelphia, Pa. 19101.
B. Taxpayers for Federal Pension Reform, P.O. Box 7755, Philadelphia, Pa. 19101.
D. (6) $8,750. E. (9) $84.47.

A. William G. Mullen, 1725 K Street NW., Suite 607, Washington, D.C. 20006.
B. Third Class Mail Association, 1725 K Street NW., Suite 607, Washington, D.C. 20006.
D. (6) $600.

A. Richard J. Muller, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corp., 12000 Lynn Townsend Drive, Highland Park, Mich. 48288.
D. (6) $2,000. E. (9) $105.

A. John P. Mulligan, 1101 17th Street NW., Washington, D.C. 20036.
B. Tuna Research Foundation, Inc., 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $1,590.

A. Albert E. Mullin, Jr., Digital Equipment Corp., 111 Powdermill Road, Maynard, Mass. 01754.
B. Digital Equipment Corp., 111 Powdermill Road, Maynard, Mass. 01754.
D. (6) $4,000.

A. Tracy Mullin, National Retail Merchants Association, 1000 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
D. (6) $100. E. (9) $15.

A. Robert J. Mullins, 1012 14th Street NW., Suite 600, Washington, D.C. 20005.
B. The Farmers' Educational and Co-operative Union of America, Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $7,177.82.

A. Daniel J. Mundy, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
B. Building & Construction Trades Department, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
D. (6) $13,367.88. E. (9) $5,051.71.

A. K. R. Murphy, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Gulf Oil Corp., Pittsburgh, Pa. 15230.
D. (6) $1,000.

A. Richard E. Murphy, 2020 K Street NW., Suite 200, Washington, D.C. 20006.
B. Service Employees International Union, AFL-CIO, CLC, 2020 K Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $1,000. E. (9) $154.

A. Richard W. Murphy, National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
B. National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $169.97.

A. D. Michael Murray, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chicago, Milwaukee, St. Paul & Pacific Railroad, 516 West Jackson Boulevard, Chicago, Ill. 60606.
D. (6) $500.

A. D. Michael Murray, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Cleveland Cliffs Iron Co., 1460 Union Commerce Building, Cleveland, Ohio 44115.
D. (6) $200.

A. D. Michael Murray, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.
D. (6) $200.

A. D. Michael Murray, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Iron Ore Lessors Association, 1500 First National Bank Building, St. Paul, Minn. 55101.
D. (6) $250.

A. D. Michael Murray, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The LTV Corp., P.O. Box 5003, Dallas, Tex. 75222.
D. (6) $500.

A. D. Michael Murray, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Council of Coal Lessors, Inc., 1150 One Valley Square, Charleston, W. Va. 25301.
D. (6) $250.

A. Gordon L. Murray, Lear Siegler, Inc., 1911 Jefferson Davis Highway, Suite 1002, Arlington, Va. 22202.
B. Lear Siegler, Inc./Energy Products Division, 2040 East Dyer Road, Santa Ana, Calif. 92703.
E. (9) $37.50.

A. William E. Murray, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $179.50.

A. Frank Dominic Musica, American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,750.

A. Robert J. Muth, ASARCO Inc., 120 Broadway, New York, N.Y. 10271.
B. ASARCO Inc., 120 Broadway, New York, N.Y. 10271.
D. (6) $300. E. (9) $139.50.

A. Fred J. Mutz, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $10.

A. Gary D. Myers, The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $700.39.

A. J. Walter Myers, Jr., Forest Farmers Association, P.O. Box 95385, Atlanta, Ga. 30347.
B. Forest Farmers Association, Box 95385, Atlanta, Ga. 30347.
D. (6) $324. E. (9) $589.19.

A. Kenneth D. Naden, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $1,558.34.

A. Clifford M. Naeve, RJR Industries, Inc., 2550 M Street NW., Suite 770, Washington, D.C. 20037.
B. RJR Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.
D. (6) $125.46. E. (9) $35.

A. Gerald P. Nagy, National Home Furnishings Association, 900 17th Street NW., Suite 514, Washington, D.C. 20006.
B. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.
D. (6) $1,000.

A. Nancy A. Nagy, 1025 Connecticut Avenue NW., No. 209, Washington, D.C. 20036.
B. The American Business Conference, Inc., 1025 Connecticut Avenue NW., No. 209, Washington, D.C. 20036.
D. (6) $62.50. E. (9) $25.

A. Frances E. Nathan, The New York Public Library, 455 Fifth Avenue, New York, N.Y. 10016.
B. The New York Public Library, Fifth Avenue and 42d Street, New York, N.Y. 10016.
D. (6) $4,305.

A. Raymond Nathan, 4242 East-West Highway, Chevy Chase, Md. 20815
B. American Ethical Union, 2 West 64th Street, New York, N.Y. 10023.
D. (6) $550. E. (9) $274.50.

A. National Agricultural Chemical Association, 1155 15th Street, NW., Washington, D.C. 20005.
D. (6) $6,125.60. E. (9) $6,125.60.

A. National Air Carrier Association, 1730 M Street NW., Suite 710, Washington, D.C. 20036.

A. National Association of Neighborhood Schools, Inc., P.O. Box 14887, Columbus, Ohio 43214.
D. (6) $6,388.01. E. (9) $8,727.64.

A. National Association for Uniformed Services, 5535 Hempstead Way, P.O. Box 1406, Springfield, Va. 22151.
D. (6) $2,342.29. E. (9) $2,093.26.

A. National Association of Air Traffic Specialists, Suite 415, Wheaton Plaza North, Wheaton, Md. 20902.
D. (6) $127,756.59. E. (9) $8,107.16.

A. National Association of Aircraft & Communications Suppliers, Inc., 7360 Laurel Canyon Boulevard, P.O. Box 3925, No. Hollywood, Calif. 91609.
D. (6) $14,850. E. (9) $20,113.66.

A. National Association of Chain Drug Stores, Inc., P.O. Box 1417-D49, Alexandria, Va. 22313.
E. (9) $5,250.

A. National Association of Convenience Stores, Three Skyline Place, Suite 809, 5201 Leesburg Pike, Falls Church, Va. 22041.

A. National Association of Federal Veterinarians, Suite 836, 1522 D Street NW., Washington, D.C. 20005.
E. (9) $48.28.

A. National Association of Independent Colleges and Universities, 1717 Massachusetts Avenue NW., Suite 503, Washington, D.C. 20036.
D. (6) $26,211. E. (9) $183,227.59.

A. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $64,293.82. E. (9) $64,293.32.

A. National Association of Margarine Manufacturers, 1625 I Street NW., Suite 1024-A, Washington, D.C. 20006.

A. National Association of Mutual Insurance Companies, 3707 Woodview Terrace, P.O. Box 68700, Indianapolis, Ind. 46268.

A. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10166.
D. (6) $16,825.39. E. (9) $16,825.39.

A. The National Association of Pension Consultants and Administrators, Three Piedmont Center, Suite 300, Atlanta, Ga. 30305.
D. (6) $4,450. E. (9) $6,060.91.

A. National Association of Personnel Consultants, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $26,086.05. E. (9) $6,100.

A. National Association of Private Enterprise (Asociacion Nacional de la Empresa Privada-ANEP) Alameda Roosevelt 2827, San Salvador, El Salvador.

A. National Association of Real Estate Investment Trusts, Inc., 1101 Seventeenth Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $12,000. E. (9) $4,879.

A. National Association of Wheat Growers, 415 Second Street NE., Suite 300, Washington, D.C. 20002.
D. (6) $11,260. E. (9) 2,644.08.

A. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22031.
D. (6) $141. E. (9) $3,869.26.

A. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $1,750 E. (9) $1,750.

A. National Business Aircraft Association, One Farragut Square South, Washington, D.C. 20006.

A. National Cable Television Association, Inc., 1724 Massachusetts Avenue NW., Washington, D.C. 20006.
D. (6) $11,490.33 E. (9) $11,858.52.

A. National Cattlemen's Association, 5420 South Quebec Street, P.O. Box 3469, Englewood, Colo. 80155.
E. (9) $3,000.

A. National Clean Air Coalition, 530 7th Street SE., Washington, D.C. 20003.
D. (6) $66,697.53 E. (9) $54,458.01.

A. National Coal Association, Coal Building, Washington, D.C. 20036.
D. (6) $1,334,397.32. E. (9) $28,822.10.

A. National Coal Consumer Alliance, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $3,854.37. E. (9) $3,854.37.

A. National Coalition for Marine Conservation, Inc., P.O. Box 23298, Savannah, Ga., 31403.
D. (6) $12,684.69. E. (9) $18,660.15.

A. National Coalition of Telecommunications Users & Providers, 115 D Street SE., Suite 108, Washington, D.C. 20003.
D. (6) $195,000. E. (9) $193,071.76.

A. National Committee for Citizens in Education, 410 Wilde Lake Village Green, Columbia, Md. 21044.
D. (6) $2,433.90. E. (9) $3,372.52.

A. National Committee on Small Issue Industrial Development Bonds, Box 1, 1800 M Street NW., 900 South, Washington, D.C. 20036.
D. (6) $7,181. E. (9) $7,181.

A. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $4,931.41. E. (9) $4,931.41.

A. National Council of Agricultural Employers, 435 Southern Building, 1425 H Street NW., Washington, D.C. 20005.
D. (6) $7,908. E. (9) $1,844.

A. National Council of Farmer Cooperatives, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $30,843.93. E. (9) $40,348.43.

A. National Council of Health Centers, 2600 Virginia Avenue NW., Suite 1100, Washington, D.C. 20037.
D. (6) $4,915.91. E. (9) $3,289.35.

A. National Council of Technical Service Industries, 1850 K Street NW., Suite 1190, Washington, D.C. 20006.
D. (6) $83.76. E. (9) $1,016.42.

A. National Council on Synthetic Fuels Production, 1875 I Street NW., Suite 960, Washington, D.C. 20006.

A. National Counsel Associates, Inc., 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Geneva Pacific Corp., 1807 Glenview Road, Glenview, Ill. 60025.
D. (6) $1,700.

A. National Counsel Associates, Inc., 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Heublein, Inc., Farmington, Conn.
D. (6) $20,250. E. (9) $402.26.

A. National Counsel Associates, Inc., 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. North American Telephone Association, 511 Second Street NW., Washington, D.C. 20002.
D. (6) $12,156. E. (9) $1,090.29.

A. National Counsel Associates, Inc., 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Southern Railway System, P.O. Box 1808, Washington, D.C.
D. (6) $9,025. E. (9) $592.22.

A. National Counsel Associates, Inc., 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. TOSCO, 2000 L Street NW., Washington, D.C. 20036.
D. (6) $4,500. E. (9) $573.71.

A. National Electrical Manufacturers Association, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $10.97. E. (9) $10.97.

A. The National Federation of Business and Professional Women's Clubs Inc., 2012 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $60,354. E. (9) $10,757.36.

A. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $17,666.07. E. (9) $17,666.07.

A. National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
D. (6) $13,475. E. (9) $13,475.

A. National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
D. (6) $5,000. E. (9) $2,581.66.

A. National Grain and Feed Association, 725 15th Street NW., Washington, D.C. 20005.
D. (6) $25.

A. National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $12,500. E. (9) $9,597.

A. National Guard Association of the United States, 1 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $29,549.50. E. (9) $3,771.10.

A. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.
E. (9) $2,000.

A. National Industrial Traffic League, 1090 Vermont Avenue NW., No. 410, Washington, D.C. 20005.
D. (6) $4,125. E. (9) $3,660.

A. National Limestone Institute, 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.
D. (6) $121,953.05. E. (9) $121,953.05.

A. National Manufactured Housing Federation, 1700 Pennsylvania Avenue NW., Suite 745, Washington, D.C. 20006.

A. National Maritime Council, 1748 N Street NW., Washington, D.C. 20036.
D. (6) $151,000. E. (9) $397.31.

A. National Military Wives Association, Inc., 2666 Military Road, Arlington, Va. 22207.

D. (6) $4,707. E. (9) $90.63.

A. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $7,517.95. E. (9) $7,368.95.

A. National Motorsports Committee of ACCUS, 1701 K Street NW., Suite 1204, Washington, D.C. 20006.
D. (6) $5,000. E. (9) $5,000.

A. National Office Machine Dealers Association, 810 Lively Boulevard, P.O. Box 707, Wood Dale, Ill. 60191.

A. National Oil Jobbers Council, 1707 H Street NW., Washington, D.C. 20006.
D. (6) $214,284. E. (9) $14,951.33.

A. National Organization for Women, 425 13th Street, Suite 1048, Washington, D.C. 20004.
E. (9) $3,097.15.

A. National Parking Association, 2000 K Street NW., No. 350, Washington, D.C. 20006.
E. (9) $20,737.14.

A. National Product Liability Council, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $514.92.

A. National Public Affairs Corp., 1 Farragut Square South, Washington, D.C. 20006.
B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20036.
D. (6) $300.

A. National Realty Committee, Inc., 2033 M Street NW., No. 303, Washington, D.C. 20036.
D. (6) $1,946.50. E. (9) $1,946.50.

A. National Rehabilitation Association, 633 South Washington Street, Alexandria, Va. 22314.
E. (9) $4,500.

A. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
E. (9) $4,285.

A. National Right to Work Committee, 8001 Braddock Road, Springfield, Va. 22160.
D. (6) $5,004.02. E. (9) $5,004.02.

A. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
E. (9) $3,775.65.

A. National Rural Letter Carriers' Association, Suite 1204, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $15,363. E. (9) $9,872.

A. National Savings & Loan League, 1101 15th Street NW., No. 400, Washington, D.C. 20005.
D. (6) $424,155.50. E. (9) $70.

A. National School Transportation Association, 6213 Old Keene Mill Court, P.O. Box 2639, Springfield, Va. 22152.
D. (6) $731.32. E. (9) $731.32.

A. National Security Traders Association, One World Trade Center, Suite 4511, New York, N.Y. 10048.
E. (9) $3,333.68.

A. National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.
D. (6) $5,000. E. (9) $780.10.

A. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $12,500. E. (9) $12,200.

A. National Soft Drink Association, 1101 Sixteenth Street NW., Washington, D.C. 20036.
E. (9) $33,203.66.

A. National Tax Limitation Committee, 1523 L Street NW., Suite 600, Washington, D.C. 20005.
D. (6) $16,000. E. (9) $15,995.

A. National Tire Dealers & Retreaders Association, Inc., 1343 L Street NW., Washington, D.C. 20005.
D. (6) $6,592. E. (9) $6,592.

A. National Water Resources Association, 955 L'Enfant Plaza SW., Suite 1202, Washington, D.C. 20024.
D. (6) $13,421. E. (9) $8,781.

A. Susan Bingham Neal, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $2,250. E. (9) $200.

A. Karen J. Neale, Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.
B. Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.
D. (6) $300.

A. Alan M. Nedry, Southern California Edison Co., 1111 19th Street NW., Suite 303, Washington, D.C. 20036.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.
D. (6) $50. E. (9) $50.

A. Allen Neece, Jr., 1050 17th Street NW., Washington, D.C. 20036.
B. Neece, Cator & Associates, Inc., 1050 17th Street NW., Washington, D.C. 20036 (for Small Business Development Center Directors Association, 1050 17th Street NW., Washington, D.C. 20036).
D. (6) $1,400. E. (9) $1,400.

A. Allen Neece, Jr., 1050 17th Street NW., Washington, D.C. 20036.
B. Neece, Cator & Associates, Inc., 1050 17th Street NW., Washington, D.C. 20036 (for National Venture Capital Association, 1225 19th Street NW., Washington, D.C. 20036).
D. (6) $2,500. E. (9) $2,500.

A. Allen Neece, Jr., 1050 17th Street NW., Washington, D.C. 20036.
B. Neece, Cator & Associates, Inc., 1050 17th Street NW., Washington, D.C. 20036 (for Small Business United, 69 Hickory Drive, Waltham, Mass. 02154).
D. (6) $1,500. E. (9) $1,500.

A. Neece, Cator & Associates, Inc., 1050 17th Street NW., Washington, D.C. 20036.
B. Government Guaranteed Loan Committee, 1 Liberty Plaza, 165 Broadway, New York, N.Y. 10080.
D. (6) $2,000. E. (9) $2,000.

A. Neece, Cator & Associates, Inc., 1050 17th Street NW., Washington, D.C. 20036.
B. National Association of Development Companies (NADCO), 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $200. E. (9) $200.

A. Neece, Cator & Associates, Inc., 1050 17th Street NW., Washington, D.C. 20036.
B. National Venture Capital Association (NVCA), 1225 19th Street NW., Suite 750, Washington, D.C. 20036.
D. (6) $2,500. E. (9) $2,500.

A. Neece, Cator & Associates, Inc., 1050 17th Street NW., Washington, D.C. 20036.
B. Small Business Development Center Directors Association, 1050 17th Street NW., Washington, D.C. 20036.
D. (6) $1,400. E. (9) $1,400.

A. Neece, Cator & Associates, Inc., 1050 17th Street NW., Washington, D.C. 20036.
B. Small Business United, 69 Hickory Drive, Waltham, Mass. 02154.
D. (6) $1,500. E. (9) $1,500.

A. Neece, Cator & Associates, Inc., 1050 17th Street NW., Washington, D.C. 20036.
B. Southeastern Lumber Manufacturers Association (SLMA), P.O. Box 1606, Forest Park, Ga. 30050.
D. (6) $1,800. E. (9) $1,800.

A. C. B. Neely, Jr., P.O. Box 829, Raleigh, N.C. 27602.
B. Beneficial Management Corp. of America, 1100 Carr Road, Wilmington, Del. 19899.
D. (6) $200. E. (9) $27.18.

A. Frances E. Neely, 245 Second Street NE., Washington, D.C. 20002.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C. 20002.
D. (6) $3,628.14.

A. Mary Elizabeth Neese, National Savings & Loan League, 1101 15th Street NW., No. 400, Washington, D.C. 20005.
B. National Savings & Loan League, 1101 15th Street NW., No. 400, Washington, D.C. 20005.
D. (6) $1,000.

A. Neill & Co., Inc., 1100 17th Street NW., Suite 410, Washington, D.C. 20036.
B. Arab Republic of Egypt, Cairo, Egypt.
E. (9) $300.

A. Elizabeth Collette Nelson, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
B. Associated Builders & Contractors, Inc., 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.

A. Gordon E. Nelson, 12005 Millstream Drive, Bowie, Md. 20715.
B. Farm/Water Alliance, 329 C Street SE., Apt. 1, Washington, D.C. 20003.
D. (6) $28,800. E. (9) $3,023.81.

A. Mark D. Nelson, E. I. du Pont de Nemours & Co., Inc., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., Inc., 1007 Market Street, Wilmington, Del. 19898.
E. (9) $19.50.

A. Robert W. Nelson, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Michael A. Nemeroff, Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. De Kalb AgResearch, Inc., Sycamore Road, De Kalb, Ill. 60115.
D. (6) $1,550. E. (9) $100.

A. A. S. Nemir Associates, Suite 1230, Pennsylvania Building, Washington, D.C. 20004.
B. Brazilian Sugar & Alcohol Institute (IAA), Rio de Janeiro, Brazil.
E. (9) $339.19.

A. William D. Nesbeitt, 2655 Villa Creek Drive, Suite 150, Dallas, Tex. 75234.

B. Uni-Bell Plastic Pipe Association, 2655 Villa Creek Drive, Suite 150, Dallas, Tex. 75234.

D. (6) $240. E. (9) $283.

A. Mal Nestlerode, National Association of Federal Credit Unions, 1111 North 29th Street, Suite 700, Arlington, Va. 22209.

B. National Association of Federal Credit Unions, 1111 North 29th Street, Suite 700, Arlington, Va. 22209.

D. (6) $1,400. E. (9) $170.

A. Network, 806 Rhode Island Avenue NE., Washington, D.C. 20018.

D. (6) $23,340.96. E. (9) $24,013.04.

A. E. John Neumann, Baltimore Gas & Electric Co., 1100 Connecticut Avenue, No. 820, Washington, D.C. 20036.

B. Baltimore Gas & Electric Co., Gas & Electric Building, P.O. Box 1475, Baltimore Md. 21203.

D. (6) $1,727.91. E. (9) $484.94.

A. Carla B. Neuschel, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $2,400.

A. Robert Neville 311 First Street, NW. Washington, D.C. 20001.

B. National Restaurant Association, 311 First Street NW., Washington, D.C. 20002.

A. Louis H. Nevins, National Association of Mutual Savings Banks, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.

B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10166.

D. (6) $5,218.75

A. Bill Newbold, Bill Newbold & Associates, 1510 12th Street, No. 204, Arlington, Va. 22209.

B. Bill Newbold & Associates, Suite 311, 1 Woodfield Place (for American Protestant Hospital Association, 1701 East Woodfield Road, Schaumburg, Ill. 60195).

D. (6) $11,250.

A. Bill Newbold, Bill Newbold & Associates, 1510 12th Street, No. 204, Arlington, Va. 22209.

B. Bill Newbold & Associates (for Arkansas Hospital Association, 1500 North University, Suite 400, Little Rock, Ark. 72207).

D. (6) $1,500.

A. Bill Newbold, Bill Newbold & Associates, 1510 North 12th Street, No. 204, Arlington, Va. 22209.

B. Bill Newbold & Associates (for Texas Hospital Association, P.O. Box 15587, Austin, Tex. 78761).

D. (6) $4,500.

A. Kathryn L. Newman, Republic Steel Corp., 1101 15th Street NW., Washington, D.C. 20005.

B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. Thomas E. Newman, National Association of Manufacturers, 1719 Route 10, Parsippany, N.J. 07054.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $600. E. (9) $365.22.

A. William B. Newman, Jr., Conrail, 2234 North Columbus Street, Arlington, Va. 22207.

B. Consolidated Rail Corp., P.O. Box 23451, L'Enfant Plaza Station, Washington, D.C. 20024.

D. (6) $2,500.

A. Janet Newport, National Oil Jobbers Council, 1707 H Street NW., Washington, D.C. 20006.

B. National Oil Jobbers Council, 1707 H Street NW., Washington, D.C. 20006.

D. (6) $5,000. E. (9) $243.16.

A. Charles E. Nichols, 101 Constitution Avenue NW., Washington, D.C. 20001.

B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.

D. (6) $19,500. E. (9) $1,037.24.

A. Nicholas John Nichols, 1620 I Street NW., Washington, D.C. 20006.

B. American Institute of Certified Public Accountants, 1211 Avenue of the Americas, New York, N.Y. 10036.

D. (6) $750. E. (9) $1,734.05.

A. Robert W. Nichols, Consumers Union, 1511 K Street NW., Suite 1033, Washington, D.C. 20005.

B. Consumers Union, 256 Washington Street, Mount Vernon, N.Y. 10550.

D. (6) $7,500. E. (9) $30.

A. Patrick J. Nilan, American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.

B. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.

D. (6) $12,924.73. E. (9) $5,391.22.

A. Nissan Motor Co., Ltd., 560 Sylvan Avenue, P.O. Box 1606, Englewood Cliffs, N.J.

A. NL Industries, Inc., 1230 Avenue of the Americas, New York, N.Y. 10020.

E. (9) $7,546.94.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

D. (6) $100.

A. Walker F. Nolan, 1111 19th Street NW., Ninth Floor, Washington, D.C. 20036.

B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.

D. (6) $2,810.90. E. (9) $384.54.

A. H. Christopher Nolde, Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.

B. Chemical Manufacturers Association, 2501 M Street NW., Washington D.C. 20037.

D. (6) $300.

A. Charles M. Noone, 490 L'Enfant Plaza East SW., Suite 3306, Washington, D.C. 20024.

B. National Association of Small Business Investment Companies, 618 Washington Building, Washington, D.C. 20005.

D. (6) $1,800. E. (9) $176.82.

A. M. Kathryn Nordstrom, 1575 I Street NW., Suite 725, Washington, D.C. 20005.

B. Pacific Seafood Processors Association, 1620 South Jackson Street, Seattle, Wash. 98144.

D. (6) $3,750. E. (9) $55.49.

A. Julia J. Norrell, American Council of Life Insurance, 1850 K Street NW., Washington, D.C. 20006.

B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.

D. (6) $357. E. (9) $60.16.

A. Northeast Utilities Service Co., Selden Street, Berlin, Conn. 06037.

E. (9) $1,619.20.

A. Clifford R. Northup, Credit Union National Association, Inc., 1730 Rhode Island Avenue Street, Suite 810, Washington, D.C. 20036.

B. Credit Union National Association, Inc., 1730 Rhode Island Avenue NW., Suite 810, Washington, D.C. 20036.

D. (6) $300. E. (9) $529.09.

A. Joe M. Norton, Jr., 400 Madison Street, Apt. 1605, Alexandria, Va. 22314.

B. National Coalition of Telecommunications Users and Providers, a/k/a National Coalition for Fair Rates and Competition, 115 D Street SE., Suite 108, Washington, D.C. 20003.

D. (6) $9,000.

A. Morgan Norval, 1202 South Washington Street, No. 2, Alexandria, Va. 22314.

B. Citizens Committee for the Right To Keep and Bear Arms, 1601 114th SE., Suite 151, Bellevue, Wash. 98004.

D. (6) $300.

A. Nossman, Krueger & Marsh, 1140 19th Street NW., Suite 600, Washington, D.C. 20036.

B. Aetna Life & Casualty, 151 Farmington Avenue, Hartford, Conn. 06156.

E. (9) $200.

A. Nossman, Krueger & Marsh, 1140 19th Street NW., Suite 600, Washington, D.C. 20036.

B. Burlington Northern, 175 North 27th Street, Billings, Mont. 59101.

D. (6) $800.

A. Nossman, Krueger & Marsh, 1140 19th Street NW., Suite 600, Washington, D.C. 20036.

B. Dividend Support Group, c/o NWN Life Insurance Co., 20 Washington Avenue South, Minneapolis, Minn. 55440.

A. Nossaman, Krueger & Knox, 445 South Figueroa Street, Los Angeles, Calif. 90071; 1140 19th Street NW., Suite 600, Washington, D.C. 20036.

B. Helionetics, Inc., 17312 Eastman Street, Irvine, Calif. 92714.

A. Nossaman, Krueger & Marsh, 1140 19th Street NW., Suite 600, Washington, D.C. 20036.

B. Insurance Association of Connecticut, 60 Washington Street, Hartford, Conn. 06106.

E. (9) $200.

A. Nossaman, Krueger & Knox, 445 South Figueroa Street, Los Angeles, Calif. 90071; 1140 19th Street NW., Suite 600, Washington, D.C. 20036.

B. Joint Trawlers (North America), Ltd., P.O. Box 1209, 63 Main Street, Gloucester, Mass. 01930.

A. Nossaman, Krueger & Marsh, 1140 19th Street NW., Washington, D.C.

B. Mission Resources, Inc., 8000 Edgewater Drive, Oakland, Calif. 94601.

D. (6) $500.

A. Nossaman, Krueger & Marsh, 1140 19th Street NW., Suite 600, Washington, D.C. 20036.

B. New York Life Insurance Co., 51 Madison Avenue, New York, N.Y. 10010.

A. Nossaman, Krueger & Knox, 445 South Figueroa Street, Los Angeles, Calif. 90071; 1140 19th Street NW., Suite 600, Washington, D.C. 20036.
B. Ocean Energy Council, 1303 South Michigan Avenue, Chicago, Ill. 60605

A. Nossaman, Krueger & Marsh, 1140 19th Street NW., Suite 600, Washington, D.C. 20036.
B. Phoenix Mutual Life Insurance Co., One American Row, Hartford, Conn. 06115.

A. Nossaman, Krueger & Marsh, 1140 19th Street NW., Suite 600, Washington, D.C. 20036.
B. Texas International Airlines, Inc., P.O. Box 12788, Houston, Tex. 77017.

A. Nossaman, Krueger & Marsh, 1140 19th Street NW., Suite 600, Washington, D.C. 20036.
B. Western Union Telegraph Co., 1828 L Street NW., Suite 1001, Washington, D.C. 20036.

A. Ralph D. Nurnberger, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
D. (6) $9,296.70.

A. Frank W. Nutter, 1025 Connecticut Avenue NW., No. 512, Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., No. 512, Washington, D.C. 20036.

A. Mark J. Nuzzaco, 7901 Westpark Drive, McLean, Va. 22102.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22102.
D. (6) $5,000.01. E. (9) $500.

A. Philip S. Nyborg, 1133 19th Street NW., Washington, D.C. 20036.
B. MCI Communications Corp., 1133 19th Street NW., Washington, D.C. 20036.
D. (6) $4,000. E. (9) $45.

A. Hubert K. O'Bannon, Conrail, 1544 33d Street NW., Washington, D.C. 20007.
B. Consolidated Rail Corp., P.O. Box 23451, L'Enfant Plaza Station, Washington, D.C. 20024.
D. (6) $1,284.

A. George O'Bea, Jr., 815 16th Street NW., Suite 304, Washington, D.C. 20006.
B. United Paperworkers International Union, 815 16th Street NW., Suite 304, Washington, D.C. 20006.

A. Richard O'Brecht, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Coleman C. O'Brien, U.S. League of Savings Associations, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $4,593.75. E. (9) $55.10.

A. O'Brien, Fierce & Eberle, 1828 L Street NW., No. 201, Washington, D.C. 20006.
B. American Electronics Association, 1612 K Street NW., No. 1101, Washington, D.C. 20006.
D. (6) $1,000. E. (9) $25.

A. O'Brien, Fierce & Eberle, 1828 L Street NW., No. 201, Washington, D.C. 20006.
B. Committee for Title XI Vessel Financing, 1776 F Street NW., No. 501, Washington, D.C. 20006.
D. (6) $18,000. E. (9) $350.

A. John F. O'Brien, Connecticut Petroleum Council, 410 Asylum Street, Hartford, Conn. 06103.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Raymond V. O'Brien, ITT Corp., 1707 L Street NW., Washington, D.C. 20036.
B. International Telephone & Telegraph Corp., 320 Park Avenue, New York, N.Y. 10022.
D. (6) $700. E. (9) $50.

A. Rosemary L. O'Brien, CF Industries, Inc., 2550 M Street NW., Suite 640, Washington, D.C. 20037.
B. CF Industries, Inc., Salem Lake Drive, Long Grove, Ill. 60047.
D. (6) $500. E. (9) $112.94.

A. David S. O'Bryon, American Chiropractic Association, 1916 Wilson Boulevard, Arlington, Va. 22201.
B. American Chiropractic Association, 1916 Wilson Boulevard, Arlington, Va. 22201.
D. (6) $450. E. (9) $14.40.

A. G. H. Ochenrider, Grumman Aerospace Corp., 1000 Wilson Boulevard, Arlington, Va. 22209.
B. Grumman Aerospace Corp., Bethpage, N.Y. 11714.
D. (6) $2,500. E. (9) $1,193.65.

A. William B. O'Connell, 111 East Wacker Drive, Chicago, Ill. 60601.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill., 60601.
D. (6) $10,312. E. (9) $1,763.50.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Clinical Laboratory Association, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $625.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Family Life Assurance Co., P.O. Box 1459, Columbus, Ga. 31902.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Blyth Eastman Paine Webber, 140 Broadway, New York, N.Y. 10005.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Charles River Breeding Laboratories, Inc., 251 Ballardvale Street, Wilmington, Mass. 01887.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. CKLW Radio Broadcasting, Ltd., 1640 Oullette Avenue, Windsor, Ontario, Canada.
D. (6) $500.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Competitive Telecommunications Coalition, 1707 L Street NW., Washington, D.C. 20036.
D. (6) $810.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Electronic Data Systems Corp., 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $7,082.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Suite 800, Washington, D.C. 20006.
B. First National Monetary Corp., 4000 Town Center, Suite 1500, Southfield, Mich 48075.
D. (6) $614.63

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Glass Packaging Institute, 2000 L Street NW., Suite 815, Washington, D.C. 20036.
D. (6) $444.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Kimberly-Clark Corp., 1000 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $100.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Coal Consumers Alliance, 414 Nicollet Mall, Minneapolis, Minn. 55401.
D. (6) $5,247.31

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Neighborhood TV Co., Inc., P.O. Box 22073, Phoenix, Ariz. 85028.
D. (6) $1,839.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C.
B. J. C. Penney Co., Inc., 1156 15th Street NW., Washington, D.C. 20005.
D. (6) $1,222.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Suite 800, Washington, D.C. 20006.
B. Pfizer, Inc., 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Suite 800, Washington, D.C. 20006.
B. Police Association of the District of Columbia, 2701 Pennsylvania Avenue NE., Washington, D.C. 20020.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Suite 800, Washington, D.C. 20006.
B. Joseph E. Seagram & Sons, Inc., 375 Park Avenue, New York, N.Y. 10152.
D. (6) $1,554.32.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Suite 800, Washington, D.C. 20006.
B. Securities Industry Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
D. (6) $16,096.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Suite 800, Washington, D.C. 20006.
B. TELE-CAUSE (Telecommunications Competitive Alternatives for Users, Services and Equipment), 1200 18th Street NW., Washington, D.C. 20036.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Suite 800, Washington, D.C. 20006.
B. Transport Mutual Services, Inc., Two Broadway, New York, N.Y. 10004.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Suite 800, Washington, D.C. 20006.
B. The United Kingdom Mutual Steam Ship Assurance Association (Bermuda) Limited, Mercury House, Front Street, P.O. Box 665, Hamilton 5, Bermuda.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Suite 800, Washington, D.C. 20006.
B. The West of England Ship Owners Mutual Protection and Indemnity Association (Luxembourg), 33 Boulevard Prince Henri, Luxembourg.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Suite 800, Washington, D.C. 20006.
B. Wine & Spirits Wholesalers of America, 2033 M Street NW., Washington, D.C. 20036.
D. (6) $1,000.

A. Leonard F. O'Connor, The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.

A. Patrick C. O'Connor, Kent & O'Connor, Inc., 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Supply Association, 221 North La Salle Street, Chicago, Ill. 60[illegible].
D. (6) $3,191.25. E. (9) $1,270.66.

A. Patrick C. O'Connor, Kent & O'Connor, Inc., 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Warehousemen's Association, 1165 North Clark, Chicago, Ill. 60610.
D. (6) $1,030. E. (9) $315.14.

A. Patrick C. O'Connor, Kent & O'Connor, Inc., 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Motor Carrier Lawyers Association, 500 West 16th Street, P.O. Box 1945, Austin, Tex. 78767.
D. (6) $425. E. (9) $295.57.

A. Patrick C. O'Connor, Kent & O'Connor, Inc., 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Seniorcenters of America, 7602 Lee Highway, Suite 111, Chattanooga, Tenn. 37421.
D. (6) $655. E. (9) $216.50.

A. Thomas A. O'Day, Alliance of American Insurers, 1110 Vermont Avenue NW., Washington, D.C. 20005.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $450. E. (9) $302.30.

A. John A. O'Donnell, 4615 Fulton Street NW., Washington, D.C. 20007.
B. Philippine Sugar Commission, Manila, Philippines.

A. T. J. Oden, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $4,500.

A. Bradford C. Oelman, Owens-Corning Fiberglas Corp., 900 17th Street NW., Washington, D.C. 20006.
B. Owens-Corning Fiberglas Corp., Fiberglas Tower, Toledo, Ohio 43659.

A. Jane O'Grady, 815 16th Street, NW., Washington, D.C. 20006.
B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $13,616. E. (9) $266.49.

A. Barbara E. O'Hara, American Society of Travel Agents, Inc., 1300 19th Street NW., Washington, D.C. 20036.
B. American Society of Travel Agents, Inc., 711 Fifth Avenue, New York, N.Y. 10022.
D. (6) $100.

A. Bartley O'Hara, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $11,409.57.

A. Matthew D. O'Hara, General Mills, Inc., 1200 New Hampshire Avenue NW., Suite 370, Washington, D.C. 20036.
B. General Mills, Inc., P.O. Box 1113, Minneapolis, Minn. 55440.
D. (6) $85.12.

A. O'Keefe, Ashenden, Lyons & Ward, Suite 5100, One First National Plaza, Chicago, Ill. 60603.
B. American Invsco Corp., 120 South LaSalle Street, Chicago, Ill. 60603.

A. Harold E. O'Kelley, 7900 Callaghan Road, San Antonio, Tex. 78229.
B. Datapoint Corp., 9725 Datapoint Drive, San Antonio, Tex. 78284.
E. (9) $827.11.

A. R. Q. Old and Associates, Inc., 205 The Strand, Alexandria, Va. 22314.
B. General Electric Co., P.O. Box 2444, Daytona, Fla. 32015.
D. (6) $25.

A. R. Q. Old & Associates, Inc., 205 The Strand, Alexandria, Va. 22314.
B. Gould, Inc., 1745 Jefferson Davis Highway, No. 405, Arlington, Va. 22202.
D. (6) $458.04.

A. R. Q. Old & Associates, Inc., 205 The Strand, Alexandria, Va. 22314.
B. Gruman Aerospace Corp., 1600 Wilson Boulevard, 21st Floor, Arlington, Va. 22209.
D. (6) $110. E. (9) $832.30.

A. R. Q. Old & Associates, Inc., 205 The Strand, Alexandria, Va. 22314.
B. Sperry Division, 1725 South Jefferson Davis Highway, No. 401, Arlington, Va. 22202.
D. (6) $100. E. (9) $116.68.

A. Kathleen O'Leary, 1625 I Street NW., Washington D.C. 20006.
B. Columbia Gas Distribution Cos., 99 North Front Street, Washington D.C. 20006.
D. (6) $3,500. E. (9) $104.48.

A. Robert A. Olexy, Browning-Ferris Industries, 14701 St. Marys Street, Houston, Tex. 77079.
B. Browning-Ferris Industries, 14701 St. Marys Street, Houston, Tex. 77079.

A. Dennis M. Olsen, 485 E Street, Idaho Falls, Idaho 83402.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 83402.
D. (6) $5,265. E. (9) $1,491.41.

A. Dennis M. Olsen, 485 E Street, Idaho Falls, Idaho 83402.
B. State Farm Fire & Casualty Co., 4600 25th Avenue NE., Salem, Oreg. 97330.
D. (6) $32.82. E. (9) $2.90.

A. Dennis M. Olsen, 485 E Street, Idaho Falls, Idaho 83402.
B. State Farm Mutual Automobile Insurance Co., 4600 25th Avenue NE., Salem, Oreg. 97330.
D. (6) $443.50. E. (9) $39.28.

A. Nancy J. Olson, Manville Corp., 1025 Connecticut Avenue NW., No. 214, Washington, D.C. 20036.
B. Manville Corp., P.O. Box 5108, Denver, Colo. 80217.
D. (6) $400.

A. Alan M. Olszewski, The American Legion, 1608 K Street NW., Washington D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $4,920. E. (9) $60.60.

A. O'Melveny & Myers, 1800 M Street NW., Washington D.C. 20036.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington D.C. 20006.
D. (6) $8,500. E. (9) $274.

A. Donald K. O'Neill, TRW Inc., 1000 Wilson Boulevard, Suite 2600, Arlington, Va. 22209.
B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,000.

A. O'Neill & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Allegheny County, 119 Courthouse, Room 101, Pittsburgh, Pa. 15219.

A. O'Neill & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington D.C. 20036.
B. Chicago Board of Trade Clearing Corp., 144 West Jackson, Chicago, Ill. 60604.

A. O'Neill & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington D.C. 20036.
B. Commercial Union Insurance Cos., 1 Beacon Street, Boston, Mass. 02108.

A. O'Neill & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington D.C. 20036.
B. Glass Packaging Institute, 2000 L Street NW., Suite 815, Washington D.C. 20036.

A. O'Neill & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington D.C. 20036.
B. Holly Corp., 2001 Bryan Tower, Dallas, Tex. 75201.

A. O'Neill & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington D.C. 20036.
B. Houston Natural Gas Corp., 1700 North Moore Street, Suite 919, Arlington, Va., 22209.

A. O'Neill & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Legislative Alliance of Philatelists and Hard Asset Dealers and Collectors, 1270 Avenue of the Americas, New York, N.Y.

A. O'Neill & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Mahoning Valley Economic Development Corp., 3200 Belmont Avenue, Youngstown, Ohio 44405.

A. O'Neill & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Massachusetts Hospital Association, 1 Boston Place, Suite 1820, Boston, Mass. 02108.

A. O'Neill & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Panhandle Producing Co., 601 Northwest Loop 410, Suite 808, San Antonio, Tex. 78216.

A. O'Neill & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Santarelli & Gimer, 2033 M Street NW., Washington, D.C. 20036.

A. O'Neill & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Sugar Users Group, 910 17th Street NW., Suite 1100, Washington, D.C. 20006.

A. O'Neill & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Texas Utilities Service, Inc., 2001 Bryan Tower, Dallas, Tex. 75201.

A. O'Neill & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. The Western Union Telegraph Co., Suite 1001, 1828 L Street NW., Washington, D.C. 20036.

A. O'Neill & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.

A. Kathleen A. O'Neill, 1208-F North Wayne Street, Arlington, Va.
B. National Coalition of Telecommunications Users & Providers, 115 D Street SE., Suite 108, Washington, D.C. 20003.
D. (6) $8,200.

A. Philip C. Onstad, Control Data Corp., 500 West Putnam Avenue, Greenwich, Conn. 06830.
B. Control Data Corp., 500 West Putnam Avenue, Greenwich, Conn. 06830.
D. (6) $50. E. (9) $1,123.

A. Michel Orban, American Express Co., 1700 K Street NW., Suite 702, Washington, D.C. 20006.
B. American Express Co., American Express Plaza, New York, N.Y. 10004.

A. Organization for the Protection & Advancement of Small Telephone Cos., 1200 New Hampshire Avenue NW., Suite 320, Washington, D.C. 20036.
D. (6) $2,735. E. (9) $1,925.85.

A. Abraham Orlofsky, National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $1,025.43.

A. Elvira Orly, Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $753. E. (9) $261.49.

A. John L. Oshinski, United Steelworkers of America, 815 16th Street NW., Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $9,576.31.

A. J. Dennis O'Toole, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,020.

A. Stephen E. O'Toole, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $1,737.41

A. Roland A. Ouellette, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,600. E. (9) $4,159.84.

A. Cliff Ouse, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $37.50.

A. Outdoor Power Equipment Inst., 1901 L Street NW., Washington, D.C. 20036.

A. Joseph A. Overton III, TRW, 1000 Wilson Boulevard, Suite 2800, Arlington, Va. 22026.
B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,000.

A. Thomas J. Owens, P.O. Box 12266, Seattle, Wash. 98101.
B. Dollar Savings Bank, Fourth & Springfield, Pittsburgh, Pa. 15230; Merchants Savings Bank, One Hampshire Plaza, Manchester, N.H. 03105; Washington Mutual Savings Bank, P.O. Box 834, Seattle, Wash. 98111.
D. (6) $6,330. E. (9) $3,217.03.

A. William H. Owens, Jr., 1101 17th Street NW., Suite 1004, Washington, D.C. 20036.
B. American Dental Association, 1011 17th Street NW., Suite 1004, Washington, D.C. 20036.
D. (6) $1,000.

A. R. Ray Paabo, Santa Fe Industries, Inc., Suite 840, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Santa Fe Industries, Inc., 224 South Michigan Avenue, Chicago, Ill. 60604.
D. (6) $1,000.

A. Steven J. Paggioli, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company, Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Geri D. Palast, 2020 K Street NW., Washington, D.C. 20006.
B. Service Employees International Union, AFL-CIO, CLC, 2020 K Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $5,000. E. (9) $102.

A. John M. Palatiello, American Congress on Surveying & Mapping/American Society of Photogrammetry, 210 Little Falls Street, Falls Church, Va. 22046.
B. American Congress on Surveying & Mapping/American Society of Photogrammetry, 210 Little Falls Street, Falls Church, Va. 22046.
E. (9) $30,942.51.

A. Henry S. Palau, The Retired Officers Association, 201 North Washington Street, Alexandria, Va. 22314.
B. The Retired Officers Association, 201 North Washington Street, Alexandria, Va. 22314.
D. (6) $879.

A. Diane M. Palmer, 1200 Northwestern Bank Building, Minneapolis, Minn. 55480.
B. Northwest Bancorporation., 1200 Northwestern Bank Building, Minneapolis, Minn. 55480.

A. Fred Panzer, The Tobacco Institute, 1875 I Street NW., Suite 800, Washington, D.C. 20006.
B. The Tobacco Institute, 1875 I Street NW., Suite 800, Washington, D.C. 20006.
D. (6) $100. E. (9) $25.

A. G. Oliver Papps, N.J. Petroleum Council, 170 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Herschell E. Parent, Arkansas Petroleum Council, 302 Commercial National Bank, Little Rock, Ark. 72201.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Nancy L. Parke, Lone Star Industries, Inc., 1919 Pennsylvania Avenue NW., Suite 300, Washington, D.C.
B. Lone Star Industries, Inc., 1 Greenwich Plaza, Greenwich, Conn. 06830.
D. (6) $600. E. (9) $200.

A. John N. Parker, Mobil Oil Corp., 1100 Conecticut Avenue NW. No. 620, Washington, D.C. 20036.
B. Mobil Oil Corp. 150 East 42d Street, New York, N.Y. 10017.
D. (6) $375.

A. Kimberly C. Parker, American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 2005.
D. (6) $6,735.54. E. (9) $79.65.

A. Ken Parmelee, 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
B. Ethyl Corp. 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
D. (6) $2,000.

A. Tom E. Paro, Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
D. (6) $798.

A. Parrish & Chambers, Inc., 1300 North 17th Street NW., Suite 1510, Arlington, Va. 22209.
B. Aerospatiale Helicopter Corp., 2701 Forum Drive, Grand Prairie, Tex. 75051.
D. (6) $11,130. E. (9) $3,341.62.

A. Parrish & Chambers, Inc. 1300 N. 17th Street, Suite 1510, Arlington, Va. 22209.
B. Assn. of Night Vision Manufacturers, Washington, D.C.
D. (6) $5,500. E. (9) $2,895.33.

A. Parrish & Chambers, Inc., 1300 North 17th Street, Suite 1510, Arlington, Va. 22209.

B. Bangor & Aroostook Railroad, Northern Maine Junction, Bangor, Maine 04401.
D. (6) $3,600. E. (9) $2,930.65.

A. Parrish & Chambers, Inc., 1300 North 17th Street, Suite 1510, Arlington, Va. 22209.
B. Boston & Maine Railroad, Iron Horse Park, North Billerica, Mass. 01862.
D. (6) $4,751.49. E. (9) $3,027.07.

A. Parrish & Chambers, Inc., 1300 North 17th Street, Suite 1510, Arlington, Va. 22209.
B. Chicago & North Western Transportation Co., 1 North Western Center, Chicago, Ill. 60606.
D. (6) $21,000. E. (9) $3,140.52.

A. Parrish & Chambers, Inc., 1300 North 17th Street, Suite 1510, Arlington, Va. 22209.
B. Delaware Otsego System, 1 Railroad Avenue, Cooperstown, N.Y.
D. (6) $4,200. E. (9) $3,091.35.

A. Parrish & Chambers, Inc., 1300 North 17th Street, Suite 1510, Arlington, Va. 22209.
B. Genesee & Wyoming Corp., 71 Lewis Street, Greenwich, Conn.
D. (6) $2,250. E. (9) $2,895.33.

A. Parrish & Chambers, Inc., 1300 North 17th Street, Suite 1510, Arlington, Va. 22209.
B. Oy Wartsila Ab, Helsinki Shipyard, Helsinki, Finland.
D. (6) $16,666.66. E. (9) $2,895.33.

A. Parrish & Chambers, Inc., 1300 North 17th Street, Suite 1510, Arlington, Va. 22209.
B. Pittsburg & Shawmut Railroad, Middle St., Brookville, Pa.
D. (6) $2,100. E. (9) $2,895.33.

A. Jack Partridge, 1014 Vine Street, Cincinnati, Ohio 45201.
B. The Kroger Co., 1014 Vine Street, Cincinnati, Ohio 45201.
D. (6) $2,000. E. (9) $241.60.

A. Robert D. Partridge, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. $385.

A. Alan K. Parver, 1050 17th Street NW., Suite 770, Washington, D.C. 20036.
B. American Association of Homes for the Aging, 1050 17th Street NW., Suite 770, Washington, D.C. 20036.
D. (6) $1,308. E. (9) $50.

A. Paskus, Gordon & Hyman, 2005 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Music Publisher's Association, 110 East 59 Street, New York, N.Y. 10022.
D. (6) $6,000. E. (9) $311.50.

A. Richard M. Patterson, Dow Chemical Co., 1800 M Street, NW., Suite 700 South, Washington, D.C. 20036.
B. The Dow Chemical Co., Midland, Mich. 48640.
D. (6) $500. E. (9) $239.50.

A. Thomas Patterson, National Cable Television Association, Inc., 1724 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Cable Television Association, Inc., 1724 Massachusetts Avenue, NW., Washington, D.C. 20036.
D. (6) $231.

A. Kenton H. Pattie, National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22031.
B. National Audio-Visual Association, 3150 Spring Street, Fairfax, Va. 22031.
D. (6) $2,922. E. (9) $3,506.80.

A. Edward W. Pattison, 22 First Street, Troy, N.Y. 12180.
B. National Music Publishers Association, Inc., 110 East 59th Street, New York, N.Y. 10022.
D. (6) $2,000. E. (9) $725.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. American Congress of Surveyors & Mappers, 210 Little Falls Street, Falls Church, Va. 22046.
D. (6) $401.25.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. American Express Co., 1700 K Street NW., Suite 702, Washington, D.C. 20036.
D. (6) $1,055.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. American International Automobile Dealers Association, 1220 19th Street NW., Washington, D.C. 20035.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. American Maritime Association, 1612 K Street NW., Washington, D.C. 20006.
D. (6) $250.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. American Movers Conference, 1117 North 19th Street, Arlington, Va. 22209.
D. (6) $1,650. E. (9) $80.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. American Society of Association Executives, 1575 I Street NW., Washington, D.C. 20005.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Armco Inc., Middletown, Ohio 45052.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Asociacion de Amigos del Pais, 6A, Avenida "A" 10-38 Zona 9, AP Postal 291, Guatemala City, Guatemala.
D. (6) $850.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Asociacion de Azucareros de Guatemala, 6A Calel 6-38 Zona 9, 7° Nivel Edificio Tivoli Plaza Guatemala City, Guatemala.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20007.
D. (6) $6,477.50

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Burlington Industries, Inc., 1800 M Street NW., Washington, D.C. 20036.
D. (6) $17,915. E. (9) $16.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. The Business Roundtable, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $700.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. California Westside Farmers, 9555 L'Enfant Plaza North SW., Room 1101, Washington, D.C. 20024.
D. (6) $4,620.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Callery-Judge Grove, 612 Comeau Building, West Palm Beach, Fla. 33401.
D. (6) $975. E. (9) $114.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Castle & Cooke, Inc., P.O. Box 3928, San Francisco, Calif. 94119.
D. (6) $60.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Central American Sugar Council, 2550 M Street NW., Washington, D.C. 20037.

A. Patton, Boggs & Blow, 2550 M Street, NW., Washington, D.C. 20037.
B. Chrysler Corp., P.O. Box 1919, Detroit, Mich. 48288.
D. (6) $5,045.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Conoco, Inc., 1025 Connecticut Avenue, Washington, D.C. 20036.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Council of State Chambers of Commerce, Committee of State Taxation, 1028 Connecticut Avenue NW., Suite 1018, Washington, D.C. 20036.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Donaldson, Lufkin & Jenrette, Inc., 140 Broadway, New York, N.Y. 10005.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Dredging Industry Size Standards Committee, 2550 M Street, NW., Washington, D.C. 20037.
D. (6) $315.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Duty Free Shoppers, Ltd., 2255 Kuhio Avenue, World Trade Center, Suite 1505, Honolulu, Hawaii 96815.
D. (6) $5,995. E. (9) $80.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. E.G.G. Industries, 45 William Street, Wellesley, Mass.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Energy Research Corp., 3 Great Pasture Road, Danbury, Conn. 06810.
D. (6) $452.50.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Hampton-Windsor Corp., 745 Fifth Avenue, Suite 1400, New York, N.Y. 10151.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Hobby Industry of America, 319 East 54th Street, Elmwood, N.J. 07407.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Institute of Scrap Iron & Steel, Inc., 1627 K Street NW., Washington, D.C. 20006.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. International Cogeneration Society, 1111 19th Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Lasco Shipping Co., 3200 Northwest Yeon Avenue, Portland, Oreg. 97210.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Litton Industries, Inc., 360 North Crescent Drive, Beverly Hills, Calif. 90210.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. LOOP, Inc., 1010 Common Street, 250 Bank of New Orleans Building, New Orleans, La. 70112.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Los Angeles Olympic Commemorative Coin Committee, 1 Rockefeller Center, New York, N.Y. 10200.

D. (6) $3,050.00.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington D.C. 20037.

B. Los Angeles Olympic Organizing Committee, 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Loss Reserve Deduction Committee, 205 East 42d Street, New York, N.Y. 10017.

D. (6) $465.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Marathon Oil Co., 1800 M Street NW., Washington, D.C. 20036.

D. (6) $11,315. E. (9) $398.08.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Mars, Inc., 1651 Old Meadow Road, McLean, Va. 22101.

D. (6) $2,060.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. MCI Telecommunications, Inc., 1133 19th Street NW., Washington, D.C. 20036.

D. (6) $3,725. E. (9) $82.50.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Mocatta Metals Corp., 35 Broad Street, New York, N.Y., 10004

D. (6) $600.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Multi Mineral Corp., 330 North Belt East, Houston, Tex 77060.

D. (6) $2,862.50.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. National Association of Small Business Investment Companies, 618 Washington Building, 1435 G Street NW., Washington, D.C. 20005.

D. (6) $927.50

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. National Cable Television Association, 724 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $2,538.75.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C 20037.

B. National Marine Manufacturers Association, 401 Michigan Avenue, Chicago, Ill. 60601.

D. (6) $2,900.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. The National Multi-Housing Council, 1800 M Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Northwest Energy Corp., 315 East 200 South, Salt Lake City, Utah 84111.

D. (6) $705.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Ocean Minerals Co., 465 North Bernardo, Mountain View, Calif. 94040.

D. (6) $2,820.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. OSG Bulk Ships, Inc., 1114 Avenue of the Americas, New York, N.Y. 10036.

D. (6) $250.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Options Clearing Corp., 233 South Wacker Drive, Room 5950, Chicago, Ill. 60605.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Penn Central Corp., 2021 K Street NW., Washington, D.C. 20006.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Pepsico, Inc., Purchase, N.Y. 10577.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Reader's Digest Association, Inc., Pleasantville, N.Y. 10570.

D. (6) $1,000.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Redwood Industry Park Committee, 2750 Sand Hill Road, Menlo Park, Calif. 94025.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Retail Tax Committee, 2550 M Street NW., Washington, D.C. 20037.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Rockwell International Corp., 1745 Jefferson Davis Highway, Arlington, Va. 22202.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. St. Joe Minerals, 1730 Rhode Island Avenue NW., Washington, D.C. 20005.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Sheridan-Kalorama Neighborhood Council, 2543 Waterside Drive NW., Washington, D.C. 20008.

D. (6) $1,225.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. SSIE Council to Protect Earned Employment Rights, Smithsonian Science Information Exchange, 1730 M Street NW., Washington, D.C. 20037.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. State of Louisiana, Department of Conservation, P.O. Box 44275, Baton Rouge, La. 70804.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Sultanate of Oman, 2550 M Street NW., Suite 800, Washington, D.C. 20037.

D. (6) $3,120.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Wilshire Oil Co., of Texas, 250 Park Avenue, New York, N.Y. 10017.

D. (6) $1,175.

A. Andrew R. Paul, 600 New Hampshire Avenue NW., Suite 920, Washington, D.C. 20037.

B. Gulf & Western Management Co., 600 New Hampshire Avenue NW., Suite 920, Washington, D.C. 20037.

D. (6) $1,250. E. (9) $90.80.

A. Paul, Hastings, Janofsky & Walker, 1050 Thomas Jefferson Street NW., Washington, D.C. 20007.

B. AM General, Inc., 1129 20th Street NW., Suite 408, Washington, D.C. 20036.

D. $8,500.

A. Paul, Hastings, Janofsky & Walker, 1050 Thomas Jefferson Street NW., Sixth Floor, Washington, D.C. 20007.

B. Best Employer's Association, 4201 Birch Street, Newport Beach, Calif. 90226.

A. Paul, Hastings, Janofsky & Walker, 1050 Thomas Jefferson Street NW., Sixth Floor, Washington, D.C. 20007.

B. Capitol Oil Co., 650 Independence Avenue, SE., Washington, D.C. 20003.

D. (6) $822.93. E. (9) $1,230.37.

A. Paul, Hastings, Janofsky & Walker, 1050 Thomas Jefferson Street NW., Sixth Floor, Washington, D.C. 20007.

B. Council of Active and Independent Oil and Gas Producers, 650 Independence Avenue, SE., Washington, D.C. 20003.

A. Paul, Hastings, Janofsky & Walker, 1050 Thomas Jefferson Street NW., Sixth Floor, Washington, D.C. 20007.

B. Enserch Corp., 1025 Connecticut Avenue, NW., Suite 1014, Washington, D.C. 20036.

D. (6) $1,025. E. (9) $133.23.

A. Paul, Hastings, Janofsky & Walker, 1050 Thomas Jefferson Street NW., Sixth Floor, Washington, D.C. 20007.

B. Security Life of Denver, Security Life Building, Denver, Colo. 80202.

D. (6) $4,766.82. E. (9) $1,400.09.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y. 10154.

B. Nippon Electric Co., Ltd.

D. (6) $102,500. E. (9) $5,910.93.

A. William E. Peacock, 8000 West Florissant, St. Louis, Mo. 63136.

B. Emerson Electric Co., 8000 West Florissant, St. Louis, Mo. 63136.

A. Ronald W. Pearson, 103 West Cedar Street, Alexandria, Va. 22301.

B. Conservatives Against Liberal Legislation, 5707 Seminary Road, Baileys Crossroads, Va. 22041.

E. (9) $7.70.

A. Frank Pecquex, Seafarers International Union, 815 16th Street NW., Suite 510, Washington, D.C. 20006.

B. Seafarers International Union, 815 16th Street NW., Suite 510, Washington, D.C. 20006.

D. (6) $3,000. E. (9) $192.40.

A. James M. Peirce, Jr., National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

D. (6) $1,551.37.

A. Humberto R. Pena, Bristol-Myers Co., 1155 15th Street NW., Washington, D.C. 20005.

B. Bristol-Myers Co., New York, N.Y. 10154.

D. (6) $500

A. Pennsylvania Power & Light Co., 2 North Ninth Street, Allentown, Pa. 18101.

E. (9) $1,231.07.

A. Dominic V. Pensabene, 1700 K Street NW., Washington, D.C. 20006.

B. Chevron U.S.A. Inc., a Subsidiary of Standard Oil Co. of California, 1700 K Street NW., Washington, D.C. 20006.

D. (6) $1,000.

A. Gregory M. Pensabene, Santa Fe Industries, Inc., Suite 840, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Santa Fe Industries, Inc., 224 South Michigan Avenue, Chicago, Ill. 60604.

D. (6) $1,875.

A. Pepper & Corazzini, 1776 K Street NW., Suite 700, Washington, D.C. 20006.

B. Southern Satellite Systems, Inc., P.O. Box 45684, Tulsa, Okla. 74145.

D. (6) $2,445. E. (9) $55.

A. Pepper, Hamilton & Scheetz, 1777 F Street NW., Washington, D.C. 20006.

B. Alarm Device Manufacturing Co., 165 Eileen Way, Syosset, N.Y. 11791.

A. Pepper, Hamilton & Scheetz, 1777 F Street NW., Washington, D.C. 20006.

B. Alarm Industry Telecommunications Committee of the National Burglar & Fire Association, 1101 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $6,179.50.

A. Pepper, Hamilton & Scheetz, 1777 F Street NW., Washington, D.C. 20006.

B. Direct Broadcast Satellite Corp., 7315 Wisconsin Avenue, Bethesda, Md.

D. (6) $955.

A. Pepper, Hamilton & Scheetz, 1777 F Street NW., Washington, D.C. 20006.

B. Focus, 1777 F Street NW., Washington, D.C. 20006.

A. Pepper, Hamilton & Scheetz, 1777 F Street NW., Washington, D.C. 20006.

B. General Dynamics Corp., Pierre Laclede Center, St. Louis, Mo. 63105.

A. Pepper, Hamilton & Scheetz, 1777 F Street NW., Washington, D.C. 20006.

B. The Glenmede Trust Co., 222 South 18th Street, Philadelphia, Pa. 19103.

A. Pepper, Hamilton & Scheetz, 1777 F Street NW., Washington, D.C. 20006.

B. Hooker Investments, Ltd., Suite 1701, One Commerce Place, Nashville, Tenn. 37239.

A. Pepper, Hamilton & Scheetz, 1777 F Street NW., Washington, D.C. 20006.

B. Millicom Inc., Suite 5500, 153 53d Street, New York, N.Y. 10022.

D. (6) $787.50.

A. Pepper, Hamilton & Scheetz, 1777 F Street NW., Washington, D.C. 20006.

B. National Association of Retail Druggists, 1750 Street NW., Washington, D.C. 20006.

A. Pepper, Hamilton & Scheetz, 1777 F Street NW., Washington, D.C. 20006.

B. National Public Radio, 2025 M Street NW., Washington, D.C. 20036.

A. Pepper, Hamilton & Scheetz, 1777 F Street NW., Washington, D.C. 20006.

B. Southern Pacific Communication Co., 1828 L Street NW., Suite 500, Washington, D.C. 20036.

A. Pepper, Hamilton & Scheetz, 1777 F Street NW., Washington, D.C. 20006.

B. Sun Shipbuilding, Foot of Morton Avenue, Chester, Pa. 19113.

D. (6) $4,400.

A. Pepper, Hamilton & Scheetz, 1777 F Street NW., Washington, D.C. 20006.

B. TRT Telecommunications Corp., 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Pepsi Co. Inc., 700 Anderson Hill Road Purchase, N.Y. 10577.

A. Barbara K. Pequet, 1921 Kalorama Road NW., No. 103, Washington, D.C. 20009.

B. National Cousumers League, 1522 K Street NW., No. 406, Washington, D.C. 20009.

D. (6) $787.50 E. (9) $14.

A. Elinor Peretsman, 55 Tain Drive, Great Neck, N.Y. 11021.

B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.

A. Perito, Duerk, Carlson & Pinco, P.C., 1140 Connecticut Avenue NW., Suite 400, Washington, D.C. 20036.

B. Advanced Health Systems, Inc., 17861 Cartwright Road, Irvine, Calif. 92714.

D. (6) $5,000. E. (9) $24.78

A. Perito, Duerk, Carlson & Pinco, P.C., 1140 Connecticut Avenue NW., Suite 400, Washington, D.C. 20036.

B. National Association of Alcoholism Treatment Programs, Inc., 17861 Cartwright Road, Irvine, Calif. 92714.

D. (6) $300. E. (9) $4.

A. Perito, Duerk, Carlson & Pinco, P.C., 1140 Connecticut Avenue NW., Suite 400, Washington, D.C. 20036.

B. Society of Real Estate Appraisers, 645 North Michigan Avenue, Chicago, Ill. 60611.

D. (6) $90. E. (9) $24.05.

A. Tony Perkins, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $125.

A. Gary J. Perkinson, Beneficial Management Corp. of America, 1700 North Moore Street, 1925 Rosslyn Center Building, Arlington, Va. 22209.

B. Beneficial Management Corp. of America, 1100 Carr Road, Wilmington, Del. 19899.

A. Ernest Michael Periey, 105 Davenport Road, Suite 201, Toronto, Ontario M5R 1H6, Canada.

B. Canadian Coalition on Acid Rain, 105 Davenport Road, Suite 201, Toronto, Ontario M5R 1H6, Canada.

D. (6) $2,112. E. (9) $412.51.

A. Jeffry L. Perlman, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

D. (6) $2,420. E. (9) $263.13.

A. Leonard Perlman, American Personnel & Guidance Association, 5203 Leesburg Pike, Falls Church, Va. 22041.

B. American Personnel & Guidance Association, 5203 Leesburg Pike, Suite 400, Falls Church, Va. 22041.

D. (6) $3,750. E. (9) $95.65.

A. Mark A. Permar, Kiawah Island Co., Ltd., P.O. Box 12910, Charleston, S.C. 29412.

B. Kiawah Island Co., Ltd., P.O. Box 12910, Charleston, S.C. 29412.

D. (6) $70. E. (9) $200.86.

A. John P. Perrin, American Osteopathic Association, 499 S. Capitol Street SW., No. 104, Washington, D.C. 20003.

B. American Osteopathic Association, 499 S. Capitol Street SW., No. 104, Washington, D.C. 20003.

D. (6) $3,412.50.

A. Richard J. Perry Jr., California Savings & Loan League, 1575 I Street NW., Washington, D.C. 20005.

B. California Savings & Loan League, 9800 South Sepulveda Boulevard, Suite 500, Los Angeles, Calif. 90045.

D. (6) $13,125.

A. Susan Perry, American Bus Association, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bus Association, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $2,687.50. E. (9) $75.

A. Peterson, Engberg & Peterson, 1730 M Street NW., No. 907, Washington, D.C. 20036.

B. Federated Research Corp., 421 Seventh Avenue, Pittsburgh, Pa. 15219.

D. (6) $8,330. E. (9) $706.76.

A. Geoffrey G. Peterson, Distilled Spirits Council of the U.S., Inc., 1300 Pennsylvania Avenue, Washington, D.C. 20004.

B. Distilled Spirits Council of the U.S., Inc., 1300 Pennsylvania Avenue, Washington, D.C. 20004.

D. (6) $2,000. E. (9) $400.

A. Kenneth Peterson, 815 16th Street NW., Washington, D.C. 20006.

B. American Federation of Labor and Congress of Industrial Organization, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $14,103.50. E. (9) $263.66.

A. Lars E. Peterson, 1750 K Street NW., Washington, D.C. 20006.

B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

D. (6) $450.

A. Mary B. Peterson, General Motors Corp., 1660 L. Street NW., Washington, D.C. 20036.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.

D. (6) $3,000. E. (9) $721.30.

A. Russell W. Peterson, National Audubon Society, 950 Third Avenue, New York, N.Y. 10022

B. National Audubon Society, 950 Third Avenue, New York, N.Y. 10022

D. (6) $1,000. E. (9) $465.10.

A. Susan E. Petniunast, Manville Corp., 1025 Connectivut Avenue, NW., No. 214, Washington, D.C. 20036.

B. Manville Corp., P.O. Box 5108, Denver, Colo. 80217.

D. (6) $100. E. (9) $100.

A. Joseph J. Petrillo, P.C. National Association of Aircraft & Communications Supplies, Inc., 1625 K Street NW., No. 302, Washington, D.C. 20006.

B. National Association of Aircraft & Communications Supplies Inc., 7360 Laurel Canyon Boulevard, P.O. Box 3925, North Hollywood, Calif. 91605.

D. (6) $18,325. E. (9) $4,657.52.

A. Michael J. Petrina, Jr., 1155 15th Street NW., Suite 900, Washington, D.C. 20005.

B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $4,000. E. (9) $55.10.

A. Paul F. Petrus, Mobil Oil Corp., 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.

D. (6) $1,200.

A. H. William Petry, Milliken Research Corp., P.O. Box 1927, Spartanburg, S.C. 29304.

B. Milliken Research Corp., P.O. Box 1927, Spartanburg, S.C. 29304.

D. (6) $1,000. E. (9) $1,102.

A. John E. Pflieger, Time Inc., 888 16th Street NW., Washington, D.C. 20006.

B. Time Inc., Time & Life Building, Rockefeller Center, New York, N.Y. 10020.

A. James R. Phalen, MAPCO, Inc., 1100 Connecticut Avenue, NW., Suite 820, Washington, D.C. 20036.

B. MAPCO Inc., 1800 South Baltimore Avenue, Tulsa, Okla. 74119.

D. (6) $2,500.00. E. (9) $244.50.

A. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $32,299.49. E. (9) $32,299.49.

A. Marshall A. Pharr, 6103 Adirondack, Amarillo, Tex. 79106.

B. Southwestern Public Service Co., P.O. Box 1261, Amarillo, Tex 79170.

D. (6) $877.20. E. (9) $83.59.

A. John P. Philbin, Mobil Oil Corp., 1100 Connecticut Avenue, NW., Washington, D.C. 20036.

B. Mobil Oil Corp., 150 East 42nd Street, New York, N.Y. 10017.

D. (6) $1,500.

A. John D. Phillips, 1717 Massachusetts Avenue NW., Suite 503, Washington, D.C. 20036.

B. National Association of Independent Colleges and Universities, 1717 Massachusetts Avenue NW., Suite 503, Washington, D.C. 20036.

D. (6) $13,500. E. (9) $745.58.

A. Susan Phillips, Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.

B. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $2,640. E. (9) $9.10.

A. William G. Phillips, D.C. Associates, Inc., 402 Third Street SE., Washington, D.C. 20003.

B. Association of University Programs in Occupational Health & Safety, c/o Institute of Environmental Health, 3223 Eden Avenue, Cincinnati, Ohio 45267.

D. (6) $3,600. E. (9) $15.

A. Phosphate Chemicals Export, Association, Inc., 200 Park Avenue, New York, N.Y. 10166.

A. Sam Pickard, Monsanto Co., 1101 17th Street NW., Washington, D.C. 20036.

B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63167.

D. (6) $500. E. (9) $112.16.

A. Bill Pickens, 1111 19th Street, NW., Washington, D.C. 20036.

B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.

D. (6) $1,698. E. (9) $203.51.

A. W. D. Pickett, Brotherhood of Railroad Signalmen, 400 First Street NW., Washington, D.C. 20001.

B. Brotherhood of Railroad Signalmen, P.O. Box U, Mount Prospect, Ill. 60056.

D. (6) $350.

A. Mark M. Pierce, Standard Oil Co. (Ohio), 1050 17th Street NW., Suite 650, Washington, D.C. 20036.

B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. Community Psychiatric Centers, 517 Washington Street, San Francisco, Calif. 94111.

D. (6) $6,069.54.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. Competitive Telecommunications Coalition, 1200 18th Street NW., Washington, D.C. 20036.

D. (6) $2,229.61.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. Genentech, Inc., 460 Point San Brunco Boulevard, South San Francisco, Calif. 94080.

D. (6) $6,300.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. General Tire & Rubber Co., 1 General Street, Akron, Ohio 44329.

D. (6) $1,750.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. Independent Telecommunications Suppliers' Council, 1200 18th Street NW., Washington, D.C. 20036.

D. (6) $16,000.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. Infectious Diseases Society of America, University of Rochester School of Medicine, 601 Elmwood Avenue, Rochester, N.Y. 14642.

D. (6) $4,890.59.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. International Futures Exchange (Bermuda) Ltd., P.O. Box 1179, Hamilton 5, Bermuda.

D. (6) $2,500.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. Intex Holdings (Bermuda) Ltd., P.O. Box 1179, Hamilton 5, Bermuda.

D. (6) $2,50

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. National Association of Casualty & Surety Agents, 5454 Wisconsin Avenue, Washington, D.C. 208154.

D. (6) $4,312.38.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. National Music Publishers Association, 110 East 59th Street, New York, N.Y. 10022.

D. (6) $5,000.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. Satellite Business Systems, 8283 Greensboro Drive, McLean, Va. 22102.

D. (6) $2,500.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. Telecause, 1200 18th Street NW., Washington, D.C. 20036.

D. (6) $1,000.

A. Elizabeth Pierson, Sperry Corp., 2000 L Street NW., Suite 810, Washington, D.C. 20036.

B. Sperry Corp., 2000 L Street NW., Suite 810, Washington, D.C. 20036.

A. Pierson Semmes Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.

D. (6) $3,190. E. (9) $258.65.

A. Pilots Rights Association, P.O. Box 7000-367, Redondo Beach, Calif. 90277.

D. (6) $2,945. E. (9) $3,433.22.

A. Linda Pinegar, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C 20006.

B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.

D. (6) $3,000.

A. Piper & Marbury, 888 16th Street NW., Washington, D.C. 20006.

B. PHH Group, Inc., 11333 McCormick Road, Hunt Valley Road, Md. 21031.

E. (9) $2,350.

A. Michael Piper, Liberty Lobby, 514 19th Street NW., No. 740, Washington, D.C. 20006.

B. Liberty Lobby, 300 Independence Avenue SE., Washington, D.C. 20003.

D. (6) $270.

A. Lillian M. S. Pitcaithly, 1025 Connecticut Avenue NW., No. 209, Washington, D.C. 20036.

B. The American Business Conference, Inc., 1025 Connecticut Avenue NW., No. 209, Washington, D.C. 20036.

D. (6) $100. E. (9) $25.

A. Pitney Bowes, 69 Wheeler Drive, Stamford, Conn. 06926.

A. Plains Cotton Growers, Inc., P.O. Box 3640, Lubbock, Tex. 79452.
D. (6) $1,170.50. E. (9) $1,170.50.

A. Planned Parenthood Federation of America, Inc., 1220 19th Street NW., Suite 303, Washington, D.C. 20036.
D. (6) $2,861.57. E. (9) $2,861.57.

A. Ronald L. Plesser, Blum & Nash, 1015 18th Street NW., Suite 408, Washington, D.C. 20036.
B. Twin Coasts Newspaper, Inc., The Journal of Commerce, 110 Wall Street, New York, N.Y. 10005.

A. Michael A. Poling, 1920 N Street NW., Suite 300, Washington, D.C. 20036.
B. American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
D. (6) $45. E. (9) $9.70.

A. Richard J. Pollack, American Nurses' Association, 1101 14th Street NW., Suite 200, Washington, D.C. 20005.
B. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $3,639.97. E. (9) $1,064.20.

A. Frances A. Pollak, 1850 K Street NW., Suite 390, Washington, D.C. 20006.
B. Union Camp Corp., 1850 K Street NW., Suite 390, Washington, D.C. 20006.
D. (6) $424. E. (9) $26.

A. Raymond K. Pope, 1639 K Street NW., Suite 800, Washington, D.C. 20006.
B. Amfac, Inc., 50 O'Farrell Street, San Francisco, Calif. 94018.
D. (6) $3,145. E. (9) $70.82.

A. James J. Popham, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $290.

A. Population Resource Center, 622 Third Avenue, New York, N.Y. 10017.
D. (6) $3,113. E. (9) $9,363.

A. Paula D. Porpilia, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $750. E. (9) $329.43.

A. Joan E. Porte, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.

A. Phillip Porte & Associates, Inc., 1301 South Arlington Ridge Road, Suite 208, Arlington, Va. 22202.
B. American Association for Respiratory Therapy, 1720 Regal Row, Dallas, Tex. 75235.
D. (6) $8,000.

A. Phillip Porte & Associates, Inc., 1301 South Arlington Ridge Road, Suite 208, Arlington, Va. 22202.
B. National Association of Medical Directors of Respiratory Care, Box 10832, Chicago, Ill. 60610.
D. (6) $3,000.

A. Carol A. Porter, 1050 17th Street NW., Washington, D.C. 20036.
B. Wildlife Legislative Fund of America 50 West Broad Street, Columbus, Ohio 43215.
D. (6) $2,080.96.

A. Porter, Wright, Morris & Arthur, 37 West Broad Street, Columbus, Ohio 43215.
B. Coalition for Environmental-Energy Balance, P.O. Box 15026, Columbus, Ohio 43215.
D. (6) $11,758.75. E. (9) $6,332.10.

A. Portman Properties, 1800 Peachtree Center South, 225 Peachtree Street, NE., Atlanta, Ga. 30303.

A. John Post, 1828 L Street NW., Suite 402, Washington, D.C. 20036.
B. The Business Roundtable, 200 Park Avenue, New York, N.Y.; 1828 L Street NW., Washington, D.C.
D. (6) $200. E. (9) $40.

A. Mary E. Post, American Personnel & Guidance Association, 5203 Leesburg Pike, Falls Church, Va. 22041.
B. American Personnel & Guidance Association, 5203 Leesburg Pike, Falls Church, Va. 22041.
D. (6) $4,224. E. (9) $123.58.

A. Alonzo M. Poteet, Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $2,500. E. (9) $29.03.

A. Potter International, Inc., 900 7th Street NW., No. 300, Washington, D.C. 20006.
B. Rockwell International, Inc., 600 Grant Street, Pittsburgh, Pa. 15219.
D. (6) $2,500.

A. Potter International, Inc., 900 7th Street NW., No. 300, Washington, D.C. 20006.
B. Western Shipbuilding Association, P.O. Box 3976, San Francisco, Calif. 94119.
D. (6) $1,000.

A. John M. Powderly, United Steelworkers of America, 815 16th Street NW., Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $9,520.06.

A. Powell, Goldstein, Frazer & Murphy, Suite 1050, 1110 Vermont Avenue NW., Washington, D.C. 20005.
B. Association of Executive Recruiting Consultants, Inc., 30 Rockefeller Plaza, New York, N.Y. 10020.

A. Powell, Goldstein, Frazer & Murphy, Suite 1050, 1110 Vermont Avenue NW., Washington, D.C. 20005.
B. Jacques Borel Enterprises, Inc., 555 Madison Avenue, New York, N.Y. 10022.

A. Powell, Goldstein, Frazer & Murphy, Suite 1050, 1110 Vermont Avenue NW., Washington, D.C. 20005.
B. Council of State Housing Agencies, 1133 15th Street NW., Washington, D.C. 20005.
D. (6) $2,104.

A. Powell, Goldstein, Frazer & Murphy, Suite 1050, 1110 Vermont Avenue NW., Washington, D.C. 20005.
B. Federal National Mortgage Association, 3900 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Powell, Goldstein, Frazer & Murphy, Suite 1050, 1110 Vermont Avenue NW., Washington, D.C. 20005.
B. Government of Nicaragua, Managua, Nicaragua.

A. Powell, Goldstein, Frazer & Murphy, Suite 1050, 1110 Vermont Avenue NW., Washington, D.C. 20005.
B. Intergraph Corp., P.O. Box 5183, Huntsville, Ala. 35805.

A. Powell, Goldstein, Frazer & Murphy, Suite 1050, 1110 Vermont Avenue NW., Washington, D.C. 20005.
B. International Paper Co., 1620 I Street NW., Washington, D.C. 20006.
D. (6) $5,040.00.

A. Powell, Goldstein, Frazer & Murphy, Suite 1050, 1110 Vermont Avenue NW., Washington, D.C. 20005.
B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md.

A. Powell, Goldstein, Frazer & Murphy, Suite 1050, 1110 Vermont Avenue NW., Washington, D.C. 20005.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.

A. Powell, Goldstein, Frazer & Murphy, Suite 1050, 1110 Vermont Avenue NW., Washington, D.C. 20005.
B. National Association of Real Estate Developers, 140 South Dearborn Street, Chicago, Ill. 60603.

A. Powell, Goldstein, Frazer & Murphy, Suite 1050, 1110 Vermont Avenue NW., Washington, D.C. 20005.
B. National Council for Industrial Innovation, 767B Concord Avenue, Cambridge, Mass. 02138.

A. Powell, Goldstein, Frazer & Murphy, Suite 1050, 1110 Vermont Avenue NW., Washington, D.C. 20005.
B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.
D. (6) $12,165.80.

A. Richard M. Powell, International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Suite 700W, Bethesda, Md. 20814.
B. International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Suite 700 W, Bethesda, Md. 20814.
E. (9) $210.

A. Robert D. Powell, National Business Aircraft Association, Suite 600, 1110 Vermont Avenue NW., Washington, D.C. 20005.
B. National Business Aircraft Association, One Farragut Square South, Washington, D.C. 20006.

A. John (Jay) Power, 815 16th Street NW., Washington, D.C. 20006.
B. American Federation of Labor and Congress of Industrial Organization, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $12,426.60.

A. Margarett Power, 4542 North 40th Street, Arlington, Va. 22207.
B. National Community Action Foundation, 2101 L Street NW., Suite 906, Washington, D.C. 20037.
D. (6) $4,375. E. (9) $99.85.

A. William B. Prendergast, Distilled Spirits Council of the U.S., Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.
B. Distilled Spirits Council of the U.S., Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.
D. (6) $2,000. E. (9) $276.65.

A. Brainard E. Prescott, 670 Main Street, East Aurora, N.Y. 14052.
B. Security New York State Corp., One East Avenue, Rochester, N.Y. 14638.
D. (6) $1,500. E. (9) $10.

A. Lloyd T. Preslar, DGA International, Inc., 1225—19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., (for Airbus Insustrie, Avenue Lucien Servanty, 31700 Blagnac, France) 1225—19th Street NW., Washington, D.C. 20036.

A. Lloyd T. Preslar, DGA International, Inc., 1225—19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., (for Sofreavia, 75 rue la Boetie, Paris 8eme, France) 1225—19th Street NW., Washington, D.C. 20036.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. American President Lines, 1950 Franklin Street, Oakland, Calif. 94612.
D. (6) $4,176.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. BPA Industrial Customers (Bonneville Power), 825 Northeast Multnomah Street, Suite 1201, Portland, Oreg. 97232.
D. (6) $65.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. Chugach Natives, Inc., 903 West Northern Lights, No. 201, Anchorage, Alaska 99503.
E. (9) $21.45.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. Employers Reinsurance Corp., P.O. Box 2991/5200 Metcalf, Overland Park, Kans. 66201.
E. (9) $52.17.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. Moore McCormack Resources, One Landmark Square, Stamford, Conn. 06901
D. (6) $1,886.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. Port of Seattle, P.O. Box 1209, Seattle, Wash. 98111.
D. (6) $122.27.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. St. Joe Minerals Corp., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $429.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. State of Washington, Department of Ecology, Olympia, Wash. 98504.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. Tennessee Gas Pipeline Co., P.O. Box 2511, Houston, Tex. 77001.
D. (6) $1,155.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. Western Resource Alliance, 2565 West 23d Street, Eugene, Oreg. 97401.
D. (6) $286.50.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. Wometco Enterprises, Inc., 306 North Miami Avenue, Miami, Fla. 33128.
D. (6) $4,034.50. E. (9) $89.77.

A. Forrest J. Prettyman, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.
D. (6) $962.50.

A. Patricia Pride, Financial Accounting Standards Board, 1129 20th Street NW., Washington, D.C. 20036.
B. Financial Accounting Standards Board, High Ridge Park, Stamford, Conn. 06905.
D. (6) $243.23. E. (9) $36.67.

A. Daniel B. Priest, Priest & Fine, Inc., 1725 K Street NW., Washington, D.C. 20006.
B. National Technical Schools of Los Angeles, 4000 South Figueroa, Los Angeles, Calif. 90037.

A. Arnold J. Prima, Jr., The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,200. E. (9) $45.25.

A. Gwenyth Pritchard, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $2,250. E. (9) $200.

A. Jerry C. Pritchett, Mechanical Contractors Association of America, Inc., 5530 Wisconsin Avenue, Suite 750, Chevy Chase, Md. 20815.
B. Mechanical Contractors Association of America, Inc., 5530 Wisconsin Avenue, Suite 750, Chevy Chase, Md. 20815.

A. Pro-Life CDAC 12, P.O. Box 7145, Menlo Park, Calif. 94025.
D. (6) $171. E. (9) $609.32.

A. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. The Proprietary Association, 1700 Pennsylvania Avenue NW., Suite 700, Washington, D.C. 20006.
E. (9) $2,587.50.

A. James C. Pruitt, 1050 17th Street NW., Suite 500, Washington, D.C. 20036.
B. Texaco Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.
D. (6) $126.

A. Steven L. Pruitt, Public Employee Department, AFL-CIO, 815 16th Street NW., Suite 308, Washington, D.C. 20006.
B. Public Employee Department, AFL-CIO, 815 16th Street NW., Suite 308, Washington, D.C. 20006.
D. (6) $9,230.76.

A. Public Employee Department, AFL-CIO, 815 16th Street NW., Suite 308, Washington, D.C. 20006.
D. (6) $49,998.26. E. (9) $19,568.20.

A. David E. Pullen, Manville Corp., 1025 Connecticut Avenue NW., No. 214, Washington, D.C. 20036.
B. Manville Corp., P.O. Box 5108, Denver, Colo. 80217.
D. (6) $600.

A. F. Eugene Purcell, 1919 Pennsylvania Avenue NW., Suite 300, Washington, D.C. 20006.
B. Lone Star Industries, Inc., One Greenwich Plaza, Greenwich, Conn. 06830.
D. (6) $1,000. E. (9) $205.

A. William E. Pursley, Shell Oil Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., One Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Howard Pyle, 4930 Quebec Street NW., Washington, D.C. 20016.
B. Houston Lighting & Power Co., Post Office Box 1700, Houston, Tex. 77001.
D. (6) $3,600.

A. Robert N. Pyle, P.O. Box 3731, Washington, D.C. 20007.
B. Independent Bakers Association, P.O. Box 3731, Washington, D.C. 20007.
D. (6) $3,000.

A. John R. Quarles, Jr., Morgan, Lewis & Bockius, 1800 M Street NW., Washington, D.C. 20036.
B. National Environmental Development Association Clean Air Act Project (NEDA/CAAP), 605 14th Street NW., Washington, D.C. 20005.
D. (6) $2,000. E. (9) $50.

A. Alex Radin, 2301 M Street NW., Washington, D.C. 20037.
B. American Public Power Association, 2301 M Street NW., Washington, D.C. 20037.
D. (6) $400.86.

A. Robert A. Ragland, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $200.

A. Richard W. Rahn, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States of America, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $696. E. (9) $6.75.

A. Railway Labor Executives' Association, 400 First Street NW., Suite 804, Washington, D.C. 20001.
B. Railway Labor Executives' Association, 400 First Street NW., Suite 804, Washington, D.C. 20001.
D. (6) $38,600. E. (9) $54,156.12.

A. Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.

A. Law Offices of John V. Rainbolt, 1800 K Street NW., Suite 429, Washington, D.C. 20006.
B. The London Commodity Exchange Company, Ltd., Cereal House, 58 Mark Lane, London EC 3R 7 NE, England.

A. Law Offices of John V. Rainbolt, 1800 K Street NW., Suite 429, Washington, D.C. 20006.
B. The London Gold Futures Market, Plantation House, Fenchurch Street, London EC 3M 7 3AP, England.

A. Law Offices of John V. Rainbolt, 1800 K Street NW., Suite 429, Washington, D.C. 20006.
B. The London International Financial Futures Exchange, Ltd., 66 Cannon Street, London EC 4N 6AE, England.

A. Law Offices of John V. Rainbolt, 1800 K Street NW., Suite 429, Washington, D.C. 20006.
B. Metal Market & Exchange Co., Ltd., Plantation House; Fenchurch Street, London EC 3M 3AP, England.
D. (6) $7,050. E. (9) $882.33.

A. Law Offices of John V. Rainbolt, 1800 K Street NW., Suite 429, Washington, D.C. 20006.
B. MidAmerica Commodity Exchange, 125 West Jackson Boulevard, Chicago, Ill. 60604.
D. (6) $19,350. E. (9) $3,134.14.

A. Joyce Ramonas, Detroit Edison Co., 1990 M Street NW., Suite 480, Washington, D.C. 20036.
B. The Detroit Edison Co., 2000 Second Avenue, Detroit, Mich. 48226.
D. (6) $210. E. (9) $15.

A. Randall & Bangert, 1625 K Street NW., Washington, D.C. 20006.
B. Business Roundtable, 1828 L Street NW., Washington, D.C. 20036.

A. Randall & Bangert, 1625 K Street NW., Suite 1205, Washington, D.C. 20006.
B. Grocery Manufacturers of America, 1010 Wisconsin Avenue NW., Washington, D.C. 20006.

A. Randall & Bangert, 1625 K Street NW., Washington, D.C. 20006.
B. Pharmaceutical Manufacturers Association, 1625 K Street NW., Washington, D.C. 20006.
D. (6) $1,675.

A. Donald A. Randall, 1625 K Street NW., Washington, D.C. 20006.
B. Automotive Service Councils, Inc., 188 Industrial Drive, Elmhurst, Ill. 60126.
D. (6) $4,758.44.

A. Donald A. Randall, 1625 K Street NW., Washington, D.C. 20006.
B. National Independent Dairy-Foods Association, 1625 K Street NW., Washington, D.C. 20006.

A. Gary B. Randall, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $125.

A. Robert Randall, 709-A 8th Street SE., Washington, D.C. 20003.
B. Alliance for Cannabis Therapeutics, P.O. Box 23691, Washington, D.C. 20024.
D. (6) $2,172.50. E. (9) $823.72.

A. Carol Randles, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $1,500. E. (9) $417.

A. R. Ray Randlett, 1150 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Allied Corp., P.O. Box 3000R, Morristown, N.J. 07960.
D. (6) $130.

A. Arthur G. Randol III, 1899 L Street NW., No. 1100, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10020.
E. (9) $399.61.

A. Gaye K. Randol, 1828 L Street N.W., Suite 402, Washington, D.C.
B. The Business Roundtable, 200 Park Avenue, New York, N.Y. and 1828 L Street NW., Washington, D.C.
D. (6) $200. E. (9) $40.

A. D. Michael Rappoport, P.O. Box 1980, Phoenix, Ariz. 85001
B. Salt River Project, P.O. Box 1980, Phoenix, Ariz. 85001.
D. (6) $1,680. E. (9) $4,190.82.

A. G. David Ravencraft, 1025 Connecticut Avenue NW., Suite 507, Washington, D.C. 20036.
B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.
D. (6) $2,000.

A. W. Lee Rawls, Pennzoil Co., 1155 15th Street NW., Suite 602, Washington, D.C. 20005.
B. Pennzoil Co., Pennzoil Place, Box 2967, Houston, Tex. 77001.
D. (6) $750.

A. W. Randall Rawson, 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.
B. National Limestone Institute, 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.
E. (9) $24.55.

A. J. Gene Raymond, National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $1,058.19.

A Sydney C. Reagan, 10 Duncannon Court, Glen Lakes, Dallas, Tex. 75225.
B. Southwestern Peanut Shellers Association, 10 Duncannon Court, Glen Lakes, Dallas, Tex. 75225.

A. Linda Rearick, National Oil Jobbers Council, 1707 H Street NW., Washington, D.C. 20006.
B. National Oil Jobbers Council, 1707 H Street NW., Washington, D.C. 20006.
D. (6) $3,100. E. (9) $109.67.

A. John Daniel Reaves, 910 16th Street NW., Washington, D.C. 20006.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $2,460. E. (9) $6.77.

A. Susan E. Recce, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $875. E. (9) $49.20.

A. Dwight C. Reed, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. Jo Reed, National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $5,838.42.

A. Charles C. Reely, 3251 Old Lee Highway, Suite 500, Fairfax Va 22030.
B. National Limestone Institute, 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.

A. Pauline B. Reeping, New York Shipping Association, Inc., 1750 New York Avenue, Suite 825, Washington, D.C. 20006.
B. New York Shipping Association, Inc., 80 Broad Street, New York, N.Y. 10004, 1750 New York Avenue, Suite 825, Washington, D.C. 20006.
E. (9) $20.

A. Martha L. Rees, 1701 Pennsylvania Avenue NW., Suite 1120, Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.
E. (9) $11.

A. Thomas M. Rees, P.C., 1101 Connecticut Avenue NW., Suite 403, Washington, D.C. 20036.
B. Fluor Corp., 1627 K Street NW., Washington, D.C. 20006.

A. Robert S. Reese, Jr., American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $9,000. E. (9) $1,656.72.

A. J. Ronald Reeves, USAir, Inc., Washington National Airport, Washington, D.C. 20001.
B. USAir, Inc., Washington National Airport, Washington, D.C. 20001.
D. (6) $2,000. E. (9) $206.25.

A. John P. Reggitts, Jr., R.D. No. 2, 95 Boonton Avenue, Boonton, N.J. 07005.

A. Frank D. Register, National Association of Retail Grocers of the U.S., Inc., 1825 Samuel Morse Drive, Reston, Va. 22090.
B. National Association of Retail Grocers of the United States, Inc., 1825 Samuel Morse Drive, Reston, Va. 22090.
D. (6) $50.

A. Charlotte T. Reid, 1776 K Street NW., Washington, D.C. 20006.
B. Motorola Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $3,000.

A. Michael Reid, Alliance to Save Energy, 1925 K Street NW., Suite 507, Washington, D.C. 20006.
B. Alliance to Save Energy, 1925 K Street NW., Suite 507, Washington, D.C. 20006.
D. (6) $108.48.

A. Reid & Priest, 1111 19th Street NW., Washington, D.C. 20036.
B. The Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $195.

A. Reid & Priest, 1111 19th Street NW., Washington, D.C. 20036.
B. Northeast Utilities Service Co., P.O. Box 270, Hartford, Conn. 06101.

A. Reid & Priest, 1111 19th Street NW., Washington, D.C. 20036.
B. South Carolina Electric & Gas Co., P.O. Box 764, Columbia, S.C. 29218.

A. Reid & Priest, 1111 19th Street NW., Washington, D.C. 20036.
B. Utility Group, c/o Reid & Priest, 1111 19th Street NW., Suite 1100, Washington, D.C. 20036.

A. Jerry E. Reider, 1235 Jefferson Davis Highway, Arlington, Va. 22202.
B. Emerson Electric Co., 8000 W. Florissant, St. Louis, Mo. 63136.

A. Mark Reihl, Seafarers International Union, 815 16th Street NW., Suite 510, Washington, D.C. 20006.

B. Seafarers International Union, 815 16th Street NW., Suite 510, Washington, D.C. 20006.

D. (6) $3,000. E. (9) $118.35.

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A. Gary B. Reimer, 1800 K Street NW., Suite 600, Washington, D.C. 20006.

B. Tiger International, Inc., 1888 Century Park East, Los Angeles, Calif. 90067.

D. (6) $1,410. E. (9) $399.32.

—

A. Nooley Reinheardt & Associates, 6712 Old McLean Village Drive, McLean, Va. 21101.

B. Rural Builders Council of California, P.O. Drawer GG, Newport Beach, Calif. 92662.

—

A. Jack Reiter, 1800 K Street NW., Suite 600, Washington, D.C. 20006.

B. Tiger International, Inc., 1888 Century Park East, Los Angeles, Calif. 90067.

D. (6) $2,100. E. (9) $385.38.

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A. Religious Coalition for Abortion Rights, Inc., 100 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $11,712.27. E. (9) $16,592.24.

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A. The Rendon Co., 1321 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $1,000. E. (9) $1,000.

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A. John H. Rendon, Jr., 1458 T Street NW., Washington, D.C. 20009.

B. The Rendon Co., 1321 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $500.

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A. Renewable Fuels Association, 499 South Capitol Street SW., Suite 420, Washington, D.C. 20003.

D. (6) $46,328. E. (9) $5,077.

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A. Diane Rennert, 2005 Massachusetts Avenue NW., Washington, D.C. 20036.

B. Association of American Publishers, 2005 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $3,300. E. (9) $364.21.

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A. Research-Cottrell, Inc., P.O. Box 1500, Somerville, N.J. 08876.

E. (9) $3,155.

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A. Research Fund, Inc., 810 18th Street NW., No. 804, Washington, D.C. 20006.

D. (6) $50,000. E. (9) $61,052.50.

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A. The Retired Officers Association, 201 North Washington Street, Alexandria, Va. 22314.

D. (6) $8,229.

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A. Forrest I. Rettgers, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

—

A. Lynne Revo-Cohen, 1010 Vermont Avenue NW., Suite 821, Washington, D.C. 20005.

B. Federally Employed Women, 1010 Vermont Avenue, Suite 821, Washington, D.C. 20005.

D. (6) $5,040. E. (9) $400.

—

A. Allan R. Rexinger, The Proprietary Association, 1700 Pennsylvania Avenue, NW., Washington, D.C. 20006.

B. The Proprietary Association, 1700 Pennsylvania Avenue NW., Suite 700, Washington, D.C. 20006.

D. (6) $2,437.50. E. (9) $150.

—

A. Austin T. Rhoads, 910 17th Street NW., Washington, D.C. 20006.

B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.

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A. Robin Alan Rhodes, National Parking Association, 2000 K Street NW., No. 350, Washington, D.C. 20006.

B. National Parking Association, 2000 K Street NW., No. 350, Washington, D.C. 20006.

D. (6) $5,749.90.

—

A. Rice Genicide Research, 3046 Roosevelt, Detroit, Mich. 40206 and P.O. Box 7307, Washington, D.C. 20044.

E. (9) $277.18.

—

A. Lois D. Rice, Control Data Corp., 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.

B. Control Data Corp., 8100 34th Avenue South, P.O. Box O, Minneapolis, Minn. 55440.

D. (6) $376.

—

A. Theron J. Rice, Conoco Inc., 1025 Connecticut Avenue, No. 1000, Washington, D.C. 20036.

B. Conoco Inc., High Ridge Park, Stamford, Conn. 06904.

—

A. James E. Rich, Jr., Shell Oil Co., 1025 Connecticut Avenue NW., No. 200, Washington, D.C. 20036.

B. Shell Oil Co., P.O. Box No. 2463, Houston, Tex. 77001.

D. (6) $500.

—

A. Alan H. Richardson, 2301 M Street NW., Washington, D.C. 20037.

B. American Public Power Association, 2301 M Street NW., Washington, D.C. 20037.

D. (6) $1,000.

—

A. Bruce Rickerson, American Society of Civil Engineers, 1625 I Street NW., Suite 607, Washington, D.C. 20006.

B. American Society of Civil Engineers, 345 East 47th Street, New York, N.Y. 10017.

D. (6) $3,000.

—

A. Kerri Ridenour, 1155 15th Street NW., Washington, D.C. 20005.

B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $750.

—

A. Lowell J. Ridgeway, North Dakota Petroleum Council, Box 1395, Bismarck, N. Dak. 58502.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $463.

—

A. Mark J. Riedy, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

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A. S. F. Riepma, 1625 I Street NW., Suite 1024-A, Washington, D.C. 20006.

B. National Association of Margarine Manufacturers, 1625 I Street NW., Suite 1024-A, Washington, D.C. 20006.

—

A. E. Philip Riggin, 1608 K Street NW., Washington, D.C.

B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.

D. (6) $8,079. E. (9) $371.58.

—

A. Valerie M. Riggins, 1700 North Moore Street, 1925 Rosslyn Center Building, Arlington, Va. 22209.

B. Benficial Management Corp. of America, 1100 Carr Road, Wilmington, Del. 19899.

—

A. Kevin J. Riodan, 1025 Connecticut Avenue NW., No. 700, Washington, D.C. 20036.

B. Gulf Oil Corp. P.O. Box 116, Pittsburgh, Pa. 15230.

D. (6) $310. E. (9) $170.

—

A. John S. Rippey 730 15th Street NW., Washington, D.C. 20005.

B. Association of Bank Holding Companies 730 15th Street NW., Washington, D.C. 20005.

D. (6) $875. E. (9) $46.

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A. James E. Ricthie, 499 South Capitol Street SW., Suite 400, Washington, D.C. 20003.

B. Gaming Industry Association of Nevade, Inc., One East First Street, Suite 1007, Reno, NV. 89501.

D. (6) $3,200. E. (9) $713.59.

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A. Carol A Risher, Association of American Publishers, 2005 Massachusette Avenue NW., Washington, D.C. 20036.

B. Association of American Publishers, 2005 Massachusetts Avenue NW., Washington, D.C. 20036

D. (6) $1,200. E. (9) $53.75.

—

A. James E. Ritchie, 499 South Capitol Street SW., Suite 400, Washington, D.C. 20003.

B. Nevada Resort Association, 1785 East Sahara Avenue Suite 250, Las Vegas, Nev. 89104.

D. (6) $4,800. E. (9) $1,070.37.

—

A. James E. Ritchie, 499 South Capitol Street SW., Suite 400, Washington, D.C. 20003.

B. National Association of Off-Track Betting Corp., Inc., Post Office Box, Batavia, N.Y. 14020.

D. (6) $2,000. E. (9) $1,275.03.

—

A. Rivkin Sherman & Levy, 900 17th Street NW., Washington, D.C. 20006.

B. Toyota Motor Co., Ltd., One Toyota Cho, Toyota-Shi, Aichi-Ken 471 Japan.

D. (6) $1,587.50.

—

A. RJR Industries, Inc., 1100 Reynolds Boulevard, Winston-Salem, N.C. 27105.

E. (9) $9,072,54.

—

A. Robert L. Roach, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $2,499,99.

—

A. Perry A. Roberts, 8000 West Florissant, St. Louis, Mo. 63136.

B. Emerson Electric Co., 8000 West Florissant, St. Louis, Mo. 63136.

E. (9) $1,044,89.

—

A. Ray Roberts & Associates, 499 South Capitol Street SW., Suite 102, Washington, D.C. 20003.

B. Centex Corp., 10150 Monroe, Dallas, Tex. 75201.

D. (6) $3,000. E. (9) $305.87.

—

A. Ray Roberts & Associates, 499 South Capitol Street SW., Suite 102, Washington, D.C. 20003.

B. Guam Oil & Refining Co., Inc., 3400 Southland Center, Dallas, Tex. 75201.

D. (6) $9,000. E. (9) $4,655.

A. Ray Roberts & Associates, 499 South Capitol Street SW., Suite 102, Washington, D.C. 20003.

B. North Texas Municipal Water District, Lawson Road, Wylie, Tex. 75098.

D. (6) $3,000. E. (9) $480.84.

A. Ray Roberts & Associates, 499 South Capitol Street SW., Suite 102, Washington, D.C. 20003.

B. Texas Utilities Services, Inc., 2001 Bryan Tower, Dallas, Tex. 75201.

D. (6) $3,000. E. (9) $290.

A. Richard R. Roberts, 1899 L Street NW., Suite 403, Washington, D.C. 20036.

B. Outdoor Advertising Association of America, Inc., 1899 L Street NW., Suite 403, Washington, D.C. 20036.

D. (6) $289. E. (9) $497.

A. Steven M. Roberts, American Express Co., 1700 K Street NW., Suite 702, Washington, D.C.

B. American Express Co., American Express Plaza, New York, N.Y. 10004.

A. Betty S. Robinson, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), 1757 N Street NW., Washington, D.C. 20036.

B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detriot, Mich. 48214.

D. (6) $9,348.66. E. (9) $132.10.

A. Charles A. Robinson, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $249.50.

A. Ronn Robinson, National Education Association, 1705 Murchison Drive, P.O. Box 921, Burlingame, Calif. 94010.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $953. E. (9) $436.

A. Thomas E. Robinson, National Association of Real Estate Investment Trusts, Inc., 1101 17th Street NW., Suite 700, Washington, D.C. 20036.

B. National Association of Estate Investment Trusts, Inc., 1101 17th Street NW., Suite 700, Washington, D.C. 20036.

D. (6) $120.

A. Howard W. Robison, 10 West Side Drive, Rehoboth Beach, Del. 19971.

B. Consolidated Rail Corp., P.O. Box 23451, L'Enfant Plaza Station, Washington, D.C. 20024.

D. (6) $200.

A. Antoinette K. Roche, 2021 K Street NW., Suite 709, Washington, D.C. 20006.

B. General Atomic Co., San Diego, Calif.

D. (6) $1,000. E. (9) $200.

A. Thomas G. Roderick, 1101 16th Street NW., Washington, D.C. 20036.

B. Consolidated Natural Gas Service Co., Inc. Four Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $4,000.

A. Rodey, Dickason, Sloan, Akin & Robb, P.A., P.O. Box 1888, Albuquerque, N. Mex. 87103.

B. Navajo Tribe, Window Rock, Ariz. 86515.

E. (9) $462.48.

A. Ted V. Rodgers, Nationwide Insurance Co., 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. Nationwide Insurance Co., 1 Nationwide Plaza, Columbus, Ohio 43216.

D. (6) $2,000.

A. Donald L. Rogers, 730 15th Street NW., Washington, D.C. 20005.

B. Association of Bank Holding Cos., 730 15th Street NW., Washington, D.C. 20005.

D. (6) $1,900.

A. James T. Rogers, 311 First Street NW., Washington, D.C. 20001.

B. National Restaurant Assocation, 311 First Street, NW., Washington, D.C. 20001.

A. Margaret Rogers, Printing Industries of America, Inc., 1730 North Lynn Street, Arlington, Va. 22209.

B. Printing Industries of America, Inc., 1730 North Lynn Street, Arlington, Va. 22209.

D. (6) $1,000.

A. Susan M. Rogers, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $612.50.

A. Terrence L. Rogers, American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

D. (6) $7,965.93. E. (9) $30.80.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.

B. Magic Pantry Foods, Inc., 26 Burford Road, Hamilton, Ontario L8E 3C7, Canada.

D. (6) $95.

A. Rogers & Wells, 200 Park Avenue, New York, N.Y. 10166.

B. Merrill Lynch & Co., One Liberty Plaza, 165 Broadway, New York, N.Y. 10080.

D. (6) $80. (9) $3.50.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.

B. Merrill Lynch Commodities, Inc., Two Broadway, New York, N.Y. 10004.

D. (6) $190.

A. Martin H. Rogol, 200 East 90th Street, New York, N.Y. 10028.

B. National Coalition of Telecommunications Users and Providers, a/k/a National Coalition for Fair Rates and Competitions, 115 D. Street SE. Suite 108, Washington, D.C. 20003.

A. Richard A. Rohrbach, 1625 I Street NW., No. 809, Washington, D.C. 20006.

B. Boise Cascade Corp., 1625 I Street NW., No. 809, Washington, D.C. 20006.

D. (6) $22,250.

A. John F. Rolph III, Suite 350, 1200 New Hampshire Avenue NW., Washington, D.C. 20036-6892.

B. Citibank, N.A., 399 Park Avenue, New York, N.Y. 10043.

D. (6) $1,000.

A. Emil A. Romagnoli, ASARCO Inc., 120 Broadway, New York, N.Y. 10271.

B. ASARCO Inc., 120 Broadway, New York, N.Y. 10271.

D. (6) $600. E. (9) $772.50.

A. Teno Roncalio, P.O. Box 1707, Cheyenne, Wyo.

B. Energy Fuels Corp., 1515 Arapahoe, Denver, Colo. 80202.

D. (6) $2,500.

A. Tatiana Roodkowsky, U.S. Chamber of Commerce, 1615 H Street, Washington, D.C. 20062.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

D. (6) 2,500. E. (9) $12.

A. Nicholas Roomy, Jr., P.O. Box 1986, Charleston, W. Va. 25327.

B. Appalachian Power Co., P.O. 1986, Charleston, W. Va. 25327.

D. (6) $807. E. (9) $574.75.

A. Fred B. Rooney, 1050 Thomas Jefferson Street NW., Washington, D.C. 20007.

B. American Iron & Steel Institute, 1000 16th Street NW., Washington, D.C. 20036.

D. (6) $175.

A. Fred B. Rooney, 1050 Thomas Jefferson Street NW., Washington, D.C. 20007.

B. Association of American Railroads, 1920 L. Street NW., Washington, D.C. 20036.

D. (6) $300.

A. Fred B. Rooney, 1050 Thomas Jefferson Street NW., 6th Floor, Washington, D.C. 20007.

B. California Portland Cement Co., 800 Wilshire Boulevard, Los Angeles, Calif. 90017.

D. (6) $125.

A. John C. Roots, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

D. (6) $230.

A. Burt E. Rosen, Pfizer, Inc., 1700 Pennsylvania Avenue NW., No. 730, Washington, D.C. 20006.

B. Pfizer, Inc., 235 East 42d Street, New York, N.Y. 10017.

D. (6) $200. E. (9) $551.96.

A. Albert B. Rosenbaum III, National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20039.

B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20039.

A. Sara Rosenbaum, Children's Defense Fund, 1520 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Children's Defense Fund, 1520 New Hampshire Avenue NW., Washington, D.C. 20036.

D. (6) $750. E. (9) $757.

A. Francis C. Rosenberger, 6809 Melrose Drive, McLean, Va. 22101.

B. National Conference of Bankruptcy Judges, P.O. Box 1079, Lexington, Ky. 40588.

D. (6) $3,750.

A. Peter D. Rosenstein, American Academy of Physician Assistants, 2341 Jefferson Davis Highway, Suite 700, Arlington, Va. 22202.

B. American Academy of Physician Assistants, 2341 Jefferson Davis Highway, Suite 700, Arlington, Va. 22202.

D. (6) $807.69.

A. William F. Ross, South Carolina Petroleum Council, 716 Keenan Building, Columbia, S.C. 29201.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $107. E. (9) $588.20.

A. Alan J. Roth, Spiegel & McDiamid, 2600 Virigina Avenue NW., Washington, D.C. 20037.
B. Fort Pierce Utilities Authority of the City of Fort Pierce, et al.

A. Barry N. Roth, The Williams Companies, 1750 K Street NW., Suite 350, Washington, D.C. 20006.
B. The Williams Companies, P.O. Box 2400, Tulsa, Okla. 74101.
D. (6) $100.

A. Donald D. Rounds, South Dakota Petroleum Council, P.O. Box 669, Pierre, S. Dak., 57501.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
E. (9) $14.65.

A. William C. Rountree, 1050 17th Street NW., Suite 650, Washington, D.C. 20036.
B. The Standard Oil Co., Midland Building, Cleveland, Ohio 44115.
D. (6) $150.

A. Michael O. Roush, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $2,250. E. (9) $200.

A. Rouss & O'Rourke, Lawyers Building, 231 East Vermijo, Colorado Springs, Colo. 80903.
B. Union Nacional de Productores de Azucar, S.A. de C.V. (UNPASA), Balderas 36, Mexico, D.F., Mexico.
D. (6) $2,400. E. (9) $3,531.08.

A. Mark Rovner, 2030 M Street NW., Third Floor, Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,180.03.

A. Eugene F. Rowan, J. C. Penney Co., Inc., 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.

A. James C. Rowland, Jr., Union Carbide Corp., 1100 15th Street NW., Washington, D.C. 20005.
B. Union Carbide Corp., Old Ridgebury Road, Danbury, Conn 06817.

A. Tobi Z. Rozen, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.

A. James S. Rubin, 1150 Connecticut Avenue NW., No. 700, Washington, D.C. 20036.
B. Allied Corp., P.O. Box 3000-R, Morristown, N.J. 07960.
D. (6) $680.

A. Gloria Cataneo Rudman, Joint Maritime Congress, 444 North Capitol Street NW., Suite 801, Washington, D.C. 20001.
B. Joint Maritime Congress, 444 North Capitol Street NW., Suite 801, Washington, D.C. 20001.
D. (6) $865.20

A. John C. Runyan, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
B. Associated Builders & Contractors, Inc., 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
D. (6) $2,500.

A. Clarke Rupert, National Coalition to Ban Handguns, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. National Coalition to Ban Handguns, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $4,250. E. (9) $842.58.

A. Leonard H. Ruppert, New Jersey Petroleum Council, 170 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Charlotte Rush, Gulf Oil Corp., 1025 Connecticut Avenue NW., Suite 700, Washington, D.C.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $75. E. (9) $26.50.

A. Albert R. Russell, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

A. Barry Russell, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $60.

A. Christine Anne Russell, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $7,100.

A. John R. Russell, Johnson, Smith & Hibbard, 220 North Church Street, Suite 6, P.O. Box 5524, Spartanburg, S.C. 29304.
B. Milliken & Co., P.O. Box 1926, Spartanburg, S.C. 29304.
D. (6) $60. E. (9) $468.23.

A. Nancy Russell, 4921 Southwest Hewett Boulevard, Portland, Oreg. 97221.
B. Friends of the Columbia Gorge, 519 Southwest 3d, Room 303, Portland Oreg. 97204.
E. (9) $596.

A. Robert M. Russell, 2170 Piedmont Road NE., Atlanta, Ga. 30324.
B. Orkin Exterminating Co., Inc., 2170 Piedmont Road NE., Atlanta, Ga. 30324.
D. (6) $132. E. (9) $348.

A. Wally Rustad, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $75.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., Room 514, Washington, D.C. 20036.
B. American Association of Bioanalysts, International Society of Clinical Lab. Tech., 614 Paul Brown Building, St. Louis, Mo.
E. (9) $77.10.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., Room 514, Washington, D.C. 20036.
B. American College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $79.30.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., Room 514, Washington, D.C. 20036.
B. American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
E. (9) $55.30

A. Sheryl P. Rutledge, 1100 H Street NW., Washington, D.C. 20080.
B. Washington Gas Light Co., 1100 H. Street NW., Washington, D.C. 20080

A. Ella Marice Ryan, J. C. Penney Co., Inc., 1156 15th Street NW., Washington, D.C. 20005
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $100.

A. Frank T. Ryan, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. John. F. Ryan, International Telephone & Telegraph Corp., 1707 L Street NW., Suite 200, Washington, D.C. 20036.
B. International Telephone & Telegraph Corp., 320 Park Avenue, New York, N.Y., 10022.

A. Paul R. Sacia, 1012 14th Street NW., Suite 600, Washington, D.C. 20005.
B. The Farmers' Educational & Co-Operative Union of America, Denver, Colo., 80251; 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $3,461.54. E. (9) $21.90.

A. Thomas L. Sager, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street NW., Wilmington, Del. 19898.
E. (9) $62.50.

A. Robert P. St. Louis, Congoleum Corp., 2550 M Street NW., Suite No. 225, Washington, D.C. 20037.
B. Congoleum Corp., P.O. Box 4040, Portsmouth, N.H. 03801.
D. (6) $1,000. E. (9) $161.18.

A. Frank P. Sanders, The Signal Co., Inc., 1575 I Street NW., Washington, D.C., 20005.
B. The Signal Co., Inc., 11255 North Torrey Pines Road, La Jolla, Calif., 92037.
D. (6) $1,200.

A. Charles E. Sandler, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $5,000.

A. Peter G. Sandlund, Room 315, 1725 I Street NW., Washington, D.C. 20006.
B. Council of European & Japanese National Shipowners' Associations, 30/32 St. Mary Axe, London EC3A 8ET, England.
D. (6) $300.

A. Albert C. Saunders, 1155 15th Street NW., Suite 900, Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $4,000. E. (9) $36.50.

A. Save Our Security, Suite 222, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $7,054.30. E. (9) $16,237.88.

A. Lawrence H. Sawyer, General Mills, Inc., 1200 New Hampshire Avenue NW., Suite 370, Washington, D.C. 20036.
B. General Mills, Inc. P.O. Box 1113, Minneapolis, Minn. 55440.

A. Henry Schacht, California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94106.

B. California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
D. (6) $1,400. E. $1,170.91.

A. Mark L. Schaffer, 2000 L Street NW., Suite 700, Washington, D.C. 20036.
B. AFL-CIO, 815 16th Street NW., Washington, D.C.
E. (9) $35.

A. Jerome D. Schaller, 1101 15th Street NW., Washington, D.C. 20005.
B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55144.
D. (6) $10,000 E. (9) $22.

A. Herbert Y. Schandler, Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
B. American League for Exports and Security Assistance, Inc., Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
D. (6) $1,000. E. (9) $226.25.

A. Jane N. Scherer, 1700 K Street NW., Washington, D.C. 20006.
B. Chevron U.S.A. Inc., California, 1700 K Street NW., Suite 1204, Washington, D.C. 20006.
D. (6) $100.

A. Jacques T. Schlenger, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.

A. James P. Schlight, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
B. Associated Builders and Contractors, Inc., 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
D. (6) $2,500.

A. Kenneth D. Schloman, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue N.W., Washington, D.C. 20036.
D. (6) $875. E. (9) $71.53.

A. Schlossberg-Cassidy and Associates, Inc., 955 L'Enfant Plaza SW., Suite 1401, Washington, D.C. 20024.
B. Boston University, 147 Bay State Road, Boston, Mass. 02215.
D. (6) $2,125. E. (9) $18.

A. Schlossberg-Cassidy and Associates, Inc., 955 L'Enfant Plaza SW., Suite 1401, Washington, D.C. 20024.
B. Ocean Spray Cranberries, Inc., Plymouth, Mass. 02360.
D. (6) $1,875 E. (9) $5.

A. Schlossberg-Cassidy and Associates, Inc., 955 L'Enfant Plaza SW., Suite 1401, Washington, D.C. 20024.
B. Tufts University, Medford, Mass. 02155.
D. (6) $875.

A. Forest S. Schmeling, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $500.

A. Amy Schmidt, 815 16th Street NW., Washington, D.C. 20006.
B. International Longshoremen's Association, AFL-CIO, 17 Battery Place, New York, N.Y. 10004.
D. (6) $3,307.10. E. (9) $110.

A. Richard M. Schmidt, Jr., 1333 New Hampshire Avenue NW., Suite 600, Washington, D.C. 20036.
B. Association of American Publishers.
D. (6) $500.

A. Arthur L. Schmuhl, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Frank Schneller, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Michael M. Schoor, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.

A. HBW Schroeder, Consumers Power Co., 1050 17th Street NW., Suite 290, Washington, D.C. 20036.
B. Consumers Power Co., 212 W. Michigan Avenue, Jackson, Mich. 49201.
D. (6) $600

A. N. Donald Schroeder, Maryland Petroleum Association, Suite 403, 60 West Street, Annapolis, Md. 21401.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Mark Schultz, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $5,000. E. (9) $95.13.

A. Robert L. Schulz, Iowa Petroleum Council, 1012 Fleming Building, Des Moines, Iowa 50309.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Donald H. Schwab, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $5,000. E. (9) $135.90.

A. Schwabe, Williamson, Wyatt, Moore & Roberts, 1200 Standard Plaza, Portland, Oreg. 97204.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
E. (9) $29.94.

A. Schwabe, Williamson, Wyatt, Moore & Roberts 1200 Standard Plaza, Portland, Oreg. 97204.
B. Northwest Inland Waterways Committee, c/o Peter Brix, Knappton Corp., P.O. Box 03018, Portland, Oreg. 97203.
D. (6) $16,997.61. E. (9) $837.46.

A. Harry K. Schwartz, 1800 M Street NW., 400 S, Washington, D.C. 20036.
B. City of Philadelphia, 1650 Municipal Services Building, Philadelphia, Pa. 19107.

A. Harry K. Schwartz, 1800 M Street NW., 400 S, Washington, D.C. 20036.
B. Tosco Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.
D. (6) $2,500.

A. Richard Schwartz, Boat Owners Association of the United States, 880 South Pickett Street, Alexandria, Va. 22304.
B. Boat Owners Association of the United States, 880 South Pickett Street, Alexandria, Va. 22304.
D. (6) $4,000.

A. Carl F. Schwensen, 415 Second Street NE, Suite 300, Washington, D.C. 20002.
B. National Association of Wheat Growers, 415 2d Street NE., Suite 300, Washington, D.C. 20002.
D. (6) $223.65.

A. Scientific Apparatus Makers Association, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $6,798.57. E. (9) $5,192.07.

A. Michael Sciulla, Boat Owners Association of the United States, 880 South Pickett Street, Alexandria, Va. 22304.
B. Boat Owners Association of the United States, 880 South Pickett Street, Alexandria, Va. 22304.
D. (6) $4,000.

A. H. B. Scoggins, Jr., 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $25.70.

A. Scribner, Hall & Thompson, 1875 I Street NW., Suite 700, Washington, D.C. 20006.
B. Occidental Life Insurance Co. of California, 1150 South Olive Street, Los Angeles, Calif. 90015.

A. Scribner, Hall & Thompson, 1875 I Street NW., Suite 700, Washington, D.C. 20006.
B. Security Life and Accident Insurance Co., Security Life Building, Denver, Colo. 80202.
D. (6) $1,950.

A. Earl W. Sears, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

A. Sandra Sedacca, 2030 M. Street NW., Washington, D.C. 20035.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,507.36.

A. Charles M. Seeger III, Suite 802, 2000 L Street NW., Washington, D.C. 20036.
B. Popham, Hak, Schnobrich, Kaufman & Doty, Ltd., 4344 IDS Center, Minneapolis, Minn. 55402. (for Glenrock Refinery, Inc., P.O. Box 2553, Casper, Wyo. 82602.)

A. H. Richard Seibert, Jr., National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D (6) $450.

A. Paul J. Seidman, 1625 K Street NW., No. 302, Washington, D.C. 20006.
B. Joseph J. Petrillo, P.C., 1625 K Street NW., No. 302 Washington, D.C. 20006 (for Nat'l Assoc. of Aircraft & Communications Supply Inc. 7360 Laurel Canyon Boulevard, Box 3925, North Hollywood, Calif 91605.)
D. (6) $2,880.

A. George M. Seitts, Northern Plains Natural Gas Co., 1015 15th Street NW., Suite 900, Washington, D.C. 20005.
B. Northern Plains Natural Gas Company, 224 South 108 Avenue, P.O. Box 3330, Omaha, Nebr. 68103.

D. (6) $1,300.

A. Armistead I. Selden, Suite 4400 475 L'Enfant Plaza SW., Washington, D.C. 20024.

B. American League for Exports and Security Assistance, Inc., Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.

D. (6) $ 10,000. E. (9) $35.

A. Stanton P. Sender, Sears, Roebuck & Co., 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.

E. (9) $112.04.

A. Sarah Setton, 1511 K Street NW., Washington, D.C. 20005.

B. The Sugar Association, Inc., 1511 K Street NW., Washington, D.C. 20005.

D. (6) $115. E. (9) $8.

A. Seven Months Session for Congress, 3306 Yellowpine Terrace, Austin, Tex. 78757.

E. (9) $557.

A. Seward & Kissel, 1050 17th Street NW., Washington, D.C. 20036.

A. Seward & Kissel, 1050 17th Street NW., Washington, D.C. 20036.

B. Gray & Co., The Power House, 3255 Grace Street NW., Washington, D.C. 20007.

D. (6) $1,020.25.

A. Seward & Kissel, 1050 17th Street NW., Washington, D.C. 20036.

B. Hallac Associates, Inc., 100 Wall Street, New York, N.Y. 10005.

E. (9) $30.

A. Seward & Kissel, 1050 17th Street, NW., Washington, D.C. 20036.

B. Merrill Lynch Money Markets, Inc., 165 Broadway, New York, N.Y. 10080.

A. J. Richard Sewell, 1111 19th Street NW., Suite 1102, Washington, D.C. 20036.

B. Florida Power & Light Co., P.O. Box 529100, Miami, Fla. 33152.

D. (6) $2,640. E. (9) $776.38.

A. Seyfarth, Shaw, Fairweather & Geraldson, 1111 19th Street NW., Suite 500, Washington, D.C. 30036.

B. Agricultural Producers, 600 Commonwealth Avenue, Suite 212, Los Angeles, Calif. 90005.

D. (6) $3,202.10

A. Seyfarth, Shaw, Fairweather & Geraldson, 1111 19th Street NW., Suite 500, Washington, D.C. 20036.

B. National Multi Housing Council, 1800 M Street NW., Suite 285, Washington, D.C. 20036.

A. Seyfarth, Shaw, Fairweather & Geraldson, 1111 19th Street NW., Suite 500, Washington, D.C. 20036.

B. Shipbuilders Council of America, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

A. Clive Seymour, P.O. Box 2511, Houston, Tex. 77001.

B. Tennessee Gas Pipeline Co., P.O. Box 2511, Houston, Tex. 77001.

D. (6) $9.59.

A. Shack & Kimball, P.C., 1129 20th Street NW., Suite 500, Washington, D.C. 20036.

B. Eazor Express, Inc., Eazor Square, Pittsburgh, Pa. 15201.

A. Shack & Kimball, P.C., 1129 20th Street NW., Suite 500, Washington, D.C. 20036.

B. Five Tribes Confederacy of North Central Oklahoma, c/o Ponca Tribe, Ponca City, Okla. 74601.

A. Shack & Kimball, P.C., 1129 20th Street NW., Suite 500, Washington, D.C. 20036.

B. Kiowa-Comanche-Apache Intertribal Land Use Committee, P.O. Box 72, Lawton, Okla. 73501.

A. Shack & Kimball, P.C., 1129 20th Street NW., Suite 500, Washington, D.C. 20036.

B. Kootznoowoo, Inc., P.O. Box 116, Angoon, Alaska 99820.

A. Shack & Kimball, P.C., 1129 20th Street NW., Suite 500, Washington, D.C. 20036.

B. Seneca-Cayuga Tribe of Oklahoma, P.O. Box 1283, Miami, Okla. 74354.

A. Shack & Kimball, P.C., 1129 20th Street NW., Suite 500, Washington, D.C. 20036.

B. Ukpeagvik Inupiat Corp., P.O. Box 427, Barrow, Alaska 99723.

A. William H. Shaker, National Tax Limitation Committee, 1523 L Street NW., Suite 600, Washington, D.C. 20005.

B. National Tax Limitation Committee, 1523 L Street NW., Suite 600, Washington, D.C. 20005.

D. (6) $4,000. E. (9) $40.

A. James M. Shamberger, 1025 Connecticut Avenue NW., No. 512, Washington, D.C. 20036.

B. Reinsurance Association of America, 1025 Connecticut Avenue NW., No. 512, Washington, D.C. 20036.

A. Shamrock Foods Co., 2228 North Black Canyon Road, Phoenix, Ariz. 85009.

A. Lloyd D. Shand, Monsanto Co., 1101 17th Street NW., Washington, D.C. 20036.

B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.

D. (6) $400. E. (9) $34.31.

A. Shank, Irwin, Conant & Williamson, 1300 19th Street NW., Suite 210, Washington, D.C. 20036.

B. Association for Equal Access to Natural Gas Markets & Supplies, 1860 Lincoln Street, Suite 1300, Denver, Colo. 80295.

D. (6) $18,924. E. (9) $488.67.

A. Shank, Irwin, Conant & Williamson, Room 210, 1300 19th Street NW., Washington, D.C. 20036.

B. Dow Chemical Co., 2030 Dow Center, Midland, Mich. 48460.

D. (6) $3,925. E. (9) $43.59.

A. Debbie Shannon, 777 14th Street NW., Fifth Floor, Washington, D.C. 20005.

B. National Association of Realtors, 777 14th Street NW., Washington, D.C. 20005.

D. (6) $2,500. E. (9) $267.01.

A. Harry D. Shapiro, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.

B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.

A. Norman F. Sharp, 1100 17th Street NW., Suite 1201, Washington, D.C. 20036.

B. Cigar Association of America, Inc., 1100 17th Street NW., Suite 1201, Washington, D.C. 20036.

A. Luther W. Shaw, The Madison Building, Suite 514, 1155 15th Street NW., Washington, D.C. 20005.

B. National Agricultural Chemicals Association, 1155 15th Street NW., Suite 514, Washington, D.C. 20005.

D. (6) $5,625. E. (9) $63.25.

A. Shaw, Pittman, Potts & Trowbridge, c/o Ramsay D. Potts, 1800 M Street NW. (900-S), Washington, D.C. 20036.

B. Association for the Improvement of the Mississippi River, 10 Broadway, St. Louis, Mo. 63102.

D. (6) $2,437.50. E. (9) $9.75.

A. Shaw, Pittman, Potts & Trowbridge, c/o Ramsay D. Potts, 1800 M Street NW. (900-S), Washington, D.C. 20036.

B. Atlas Minerals Division (Atlas Corp.), P.O. Box 1207, Moab, Utah 84532.

D. (6) $542.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Suite 900 South, Washington, D.C. 20036.

B. Cayman Turtle Farm, Ltd., P.O. Box 645, Grand Cayman Island, Cayman Islands, British West Indies.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW. (900-S), Washington, D.C. 20036.

B. Consolidated Grain & Barge Co., 5100 Oakland Avenue, St. Louis, Mo. 63110.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW. (900-S), Washington, D.C. 20036.

B. Emerson Electric Co., 8000 West Florissant, St. Louis, Mo. 63136.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Suite 900 South, Washington, D.C. 20036.

B. Farmers for Fairness, P.O. Box 6288, Camilla, Ga.

D. (6) $13,784.40. E. (9) $1,215.60.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Suite 900 South, Washington, D.C. 20036.

B. Institute of Foreign Bankers, 200 Park Avenue, Suite 303 E. Room 23, New York, N.Y. 10017.

D. (6) $2,000.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW. (900-S), c/o R. D. Potts, Washington, D.C. 20006.

B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $1,300.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW. (900-S), Washington, D.C. 20036.

B. Investment Counsel Association of America, Inc., 50 Broad Street, New York, N.Y. 10004.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW. (900-S), Washington, D.C. 20036.

B. National Committee on Small Issue Industrial Development Bonds, Box 1, 1800 M Street NW. (900-S), Washington, D.C. 20036.

D. (6) $7,159. E (9) $22.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Suite 900 South, Washington, D.C. 20036.

B. Utility Nuclear Waste Management Group, c/o Edison Electric Institute, 1111 19th Street NW., Washington, D.C.

D. (6) $1,874.75. E (9) $118.79.

A. Shea & Gould, 330 Madison Avenue, New York, N.Y. 10017.
B. Champion International Corp., 1875 I Street Suite 540, Washington, D.C. 20006.

A. Shea & Gould, 330 Madison Avenue, New York, N.Y. 10017.
B. Cincinnati Milacron, Cincinnati, Ohio 45209.

A. Shea & Gould, 330 Madison Avenue, New York, N.Y. 10017.
B. Eleanor Clark, c/o J. Reynolds Barnes, 11 American Bank Building., 621 NW Morrison Street., Portland, Oreg. 97205.
E. (9) $68.99.

A. Shea & Gould, 330 Madison Avenue, New York, N.Y. 10017.
B. Nabisco, 100 DeForest Avenue, East Hanover, N.J. 08936.
E. (9) $40.29.

A. Maureen Shea, 2030 M Street NW., 3d Floor, Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $8,250. E. (9) $671.14.

A. Shearman & Sterling, 153 East 53d Street, New York, N.Y. 10122.
B. The Business Roundtable, 200 Park Avenue, New York, N.Y. 10166.
D. (6) $3,100. E. (9) $354.53.

A. John J. Sheehan, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $12,331.06.

A. Kathleen Sheekey, 2030 M Street NW., Third Floor, Washington, D.C.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $1,170.68.

A. John P. Sheffey, National Association for Uniformed Services, 5535 Hempstead Way, P.O. Box 1406, Springfield, Va. 22151.
B. National Association for Uniformed Services, 5535 Hempstead Way, P.O. Box 1406, Springfield, Va. 22151.
D. (6) $586.20.

A. Debra K. Shelton, Distilled Spirits Council of the United States, Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.
B. Distilled Spirits Council of the United States, Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.
D. (6) $500. E. (9) $30.

A. John J. Sheppard, 267 Westervelt Place, Englewood Cliffs, N.J. 07632.
B. C. A. Shea & Co., Inc.
E. (9) $200.

A. Harvey A. Shipman, Penn Central Corp., 1776 G Street NW., Suite 502, Washington, D.C. 20006.
B. Penn Central Corp., 245 Park Avenue, 44th Floor, New York, N.Y. 10017.
D. (6) $50. E. (9) $165.

A. Fred B. Shippee, American Apparel Manufacturers Association, 1611 North Kent Street, Suite 800, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Suite 800, Arlington, Va. 22209.

A. W. Ray Shockley, American Textile Manufacturers Institute, 1101 Connecticut Avenue NW., Suite 300, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 1101 Connecticut Avenue NW., Suite 300, Washington, D.C. 20036.
D. (6) $2,550. E. (9) $16.

A. G. Scott Shotwell, 1619 Massachusetts Avenue, Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue, Washington, D.C. 20036.
D. (6) $2,475.

A. Candice J. Shy, 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Enserch Corp., 300 South St. Paul Street, Dallas, Tex. 75201.
D. (6) $3,625. E. (9) $1,326.

A. Sara Sibley, Suite 1104, 1800 K Street NW., Washington, D.C. 20006.
B. Manufacturers of Emission Controls Association, Suite 1104, 1800 K Street NW., Washington, D.C. 20006.
D. (6) $2,475.

A. Mark A. Siegel & Associates, Inc., 400 North Capitol Street, Suite 368, Washington, D.C. 20001.
B. Archer-Daniels-Midland Co., P.O. Box 1470, Decatur, Ill. 62525.
D. (6) $6,000.

A. Mark A. Siegel & Associates, Inc., 400 North Capitol Street, Suite 368, Washington, D.C. 20001.
B. Can-American Corp., 7900 Xerxes Avenue, Minneapolis, Minn. 55431
D. (6) $1,000.

A. Mark A. Siegel & Associates, Inc., 400 North Capitol Street, Suite 368, Washington, D.C. 20001.
B. City of Kansas City, Mo., City Hall, Kansas City, Mo. 64106.
D. (6) $9,999.99.

A. Mark A. Siegel & Associates, Inc., 400 North Capitol Street, Suite 368, Washington, D.C. 20001.
B. Couzens Distribution System, 6600 South River Road, Hodgkins, Ill. 60525.
D. (6) $1,500.

A. Mark A. Siegel & Associates, Inc., 400 North Capitol Street, Suite 368, Washington, D.C. 20001.
B. Rogers & Cowan, Inc., 9664 Wilshire Boulevard, Beverly Hills, Calif. 90212.
D. (6) $7,500.

A. Mark A. Siegel & Associates, Inc., 400 North Capitol Street, Suite 368, Washington, D.C. 20001.
B. Twin City Barge, Inc., 222 West Grand Avenue, South St. Paul, Minn. 55075.
D. (6) $4,000.

A. Richard H. Siemsen, 8000 West Florissant, St. Louis, Mo. 63136.
B. Emerson Electric Co., 8000 West Florissant, St. Louis, Mo. 63136.

A. Bernard H. Sieracki, Illinois Petroleum Council, 79 West Monroe Street, Suite 514, Chicago, Ill. 60603.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $200. E. (9) $173.83.

A. Mark Silbergeld, Consumers Union, 1511 K Street NW., Suite 1033, Washington, D.C. 20005.
B. Consumers Union of United States, Inc., 256 Washington Street, Mt. Vernon, N.Y. 10550.
D. (6) $2,200. E. (9) $14.40.

A. David Silver, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $220.50. E. (9) $38.10.

A. Silver Users Association, Inc., 1717 K Street NW., No. 411, Washington, D.C. 20006.
D. (6) $7,442.60. E. (9) $3,461.69.

A. Bruce A. Silverglade, Center for Science in the Public Interest, 1755 S Street NW., Washington, D.C. 20009.
B. Center for Science in the Public Interest, 1755 S Street NW., Washington, D.C. 20009.
D. (6) $2,000. E. (9) $10.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. American Stock Exchange, 86 Trinity Place, New York, N.Y. 10006.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Association for Advanced Life Underwriting, 1922 F Street NW., Washington, D.C. 20006.
D. (6) $1,050.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Jacques Borel, Tour Maine Mont Parnasse, 33 Avenue Du Maine, 75755 Paris, Cedex 15, France.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Bristol Myers Co., 345 Park Avenue, New York, N.Y. 10002.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Champion, Inc. Corp., One Landmark Square, Stamford, Conn. 06921.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. GATX Corp., 120 South Riverside Plaza, Chicago, Ill. 60606.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. HWL Properties, 5530 Corbin Avenue, Suite 245, Tarzana, Calif. 91356.
D. (6) $6,000.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Music Corp. of America, 100 Universal City Plaza, Universal City, Calif. 91608.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Association of Home Builders, 15th and M Streets NW., Washington, D.C.
D. (6) $5,000.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Savings & Loan League, 1200 17th Street NW., Washington, D.C. 20036.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. F. W. Woolworth Co., 233 Broadway, New York, N.Y. 10007.

A. Gary D. Sims, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Simon, Deitch, Siefman & Tucker, 4000 Town Center, Suite 1500, Southfield, Mich. 48075.

B. First National Monetary Corp., 4000 Town Center, Suite 1570, Southfield, Mich. 48075.

D. (6) $450. E. (9) $1,000.

A. Donald Simon, 2030 M Street NW., 3d Floor, Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $725. E. (9) $414.82.

A. Talmage E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. AFL-CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $400. E. (9) $282.19.

A. Talmage E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $1,302.60. E. (9) $67.44.

A. C. Kyle Simpson, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $3,250. E. (9) $966.26.

A. Jean Sindab, 2480 16th Street NW., No. 610, Washington, D.C. 20009.

B. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $4,187.68.

A. Margot A. Singleton, National Tax Limitation Committee, 1523 L Street NW., Suite 600, Washington, D.C. 20005.

B. National Tax Limitation Committee, 1523 L Street NW., Suite 600, Washington, D.C. 20005.

D. (6) $3,000. E. (9) $50.

A. Richard L. Sinnott, 2021 K Street NW., Suite 306, Washington, D.C. 20006.

B. Port of Oakland, 66 Jack London Square, Oakland, Calif. 94604.

D. (6) $1,250.

A. Angela G. Skelton, North Carolina Petroleum Council, P.O. Box 167, Raleigh, N.C. 27602.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. William J. Skinner, 815 15th Street NW., Washington, D.C. 20005.

B. United States Pharmacopeial Convention, Inc., 12601 Twinbrook Parkway, Rockville, Md. 20852.

D. (6) $53.37.

A. Barney J. Skladany, Jr., Mobil Oil Corp., 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Mobile Oil Corp., 150 East 42d Street, New York, N.Y. 10017.

D. (6) $1,125.

A. Ruth L. Sky, Union Mutual Life Insurance Co., 2211 Congress Street, Portland, Maine 04122.

B. Union Mutual Life Insurance Co., 2211 Congress Street, Portland, Maine 04122.

D. (6) $168. E. (9) $1,174.

A. Slade Pellman & Biehl, 850 Third Avenue, New York, N.Y. 10022.

B. Laura H. Beer, c/o P.O. Box 139, Corning, N.Y. 14830.

E. (9) $578.74.

A. F. Scatinsher & Associates, Inc., 1102 Belle Vista Drive, Alexandria, Va. 22307.

B. Grumman Aerospace Corp., Bethpage, Long Island, N.Y. and D. L. Lynch & Associates, Inc., Suite 307, 2001, Jeff Davis Highway, Arlington, Va. 22202.

D. (6) $250.

A. Matthew B. Slepin, Cooperative League of the United States, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.

B. Cooperative League of the United States, 1828 L Street, NW., Suite 1100, Washington, D.C. 20036.

A. Scott L. Slesinger, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

D. (6) $2,566.38.

A. Small Business Legislative Council, 1604 K Street NW., Washington, D.C. 20006.

D. (6) $3,000. E. (9) $822.75.

A. Peter Small & Associates, Inc., 400 Madison Avenue, New York, N.Y. 10017.

B. William M. Mercer, Inc., 1211 Avenue of the Americas, New York, N.Y. 10036.

A. Donald E. Smiley, 1899 L Street NW., Suite 1100, Washington, D.C. 20036.

B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.

E. (9) $88.41.

A. James R. Smircina, P.O. Box 5000, Cleveland, Ohio 44101.

B. The Cleveland Electric Illuminating Co., P.O. Box 5000, Cleveland, Ohio 44101.

D. (6) $512.50. E. (9) $391.

A. Arthur J. Smith, Shell Oil Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.

D. (6) $500.

A. Catherine S. Smith, 1025 Connecticut Avenue NW., Suite 209, Washington, D.C. 20036.

B. American Business Conference, Inc., 1025 Connecticut Avenue NW., Suite 209, Washington, D.C. 20036.

D. (6) $112.50. E. (9) $25.

A. Charles Ronald Smith, 1737 H Street NW., Washington, D.C. 20006.

B. Diamond Shamrock Corp., 717 North Harwood Street, Dallas, Tex.

D. (6) $370. E. (9) $86.60.

A. Delbert D. Smith, 950 L'Enfant Plaza SW., Washington, D.C. 20024.

B. COMSAT, 950 L'Enfant Plaza SW., Washington, D.C. 20024.

A. Elizabeth M. Smith, 815 16th Street NW., Suite 310, Washington, D.C. 20006.

B. Amalgamated Clothing & Textile Workers Union, 15 Union Square, New York, N.Y. 10003.

D. (6) $4,744.48. E. (9) $157.99.

A. Grace H. Smith, Telocator Network of America, 1800 M Street NW., Suite 1020N, Washington, D.C. 20036.

B. Telocator Network of America, 1800 M Street NW., Washington, D.C. 20036.

A. J. Kenneth Smith, Sun Co., Inc., 1800 K Street NW., Suite 820, Washington, D.C. 20006.

B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.

D. (6) $3,720. E. (9) $111.81.

A. Julian H. Smith, Jr., Alabama Power Co., 600 North 18th Street, Birmingham, Ala. 35291.

B. Alabama Power Co., 600 North 18th Street, Birmingham, Ala. 35291.

D. (6) $9,853. E. (9) $4,919.33.

A. Michael P. Smith, New York State Bankers Association, 485 Lexington Avenue, New York, N.Y. 10017.

B. New York State Bankers Association, 485 Lexington Avenue, New York, N.Y. 10017.

D. (6) $1,800. E. (9) $2,682.

A. Robert B. Smith, Jr., 1155 15th Street NW., Suite 900, Washington, D.C. 20005.

B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $4,000. E. (9) $64.25.

A. Robert T. Smith, Weyerhaeuser Co., 1625 I Street NW., No. 902, Washington, D.C. 20006.

B. Weyerhaeuser Co., Tacoma, Wash. 98477.

D. (6) $2,250. E. (9) $155.51.

A. Sidney O. Smith, Alston, Miller & Gaines, 35 Broad Street, Suite 1200, Atlanta, Ga. 30335.

B. Board of Trade of the City of Chicago, 141 West Jackson Boulevard, Chicago, Ill. 60604.

A. Talbott C. Smith, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

D. (6) $3,000. E. (9) $28.75.

A. William H. Smith, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Wayne H. Smithey, 815 Connecticut Avenue NW., Ford Motor Co., Washington, D.C. 20006.

B. Ford Motor Co., the American Road, Dearborn, Mich. 48121.

D. (6) $1,125.

A. Joseph S. Smolen, 9412 Old Mt. Vernon Road, Alexandria, Va. 22309.

B. Overseas Education Association & National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $1,000. E. (9) $15.

A. Arthur V. Smyth, Weyerhaeuser Co., 1625 I Street NW., No. 902, Washington, D.C. 20006.

B. Weyerhaeuser Co., Tacoma, Wash. 98477.

D. (6) $1,200. E. (9) $46.93

A. Thomas M. Sneeringer, 1050 31st Street, NW., Suite 101, Washington, D.C. 20007.

B. The Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20007.

D. (6) $2,000. E. (9) $100.

A. Frank B. Snodgrass, 1100 17th Street, NW., Suite 306, Washington, D.C. 20036.

B. Burley & Dark Leaf Tobacco Export Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $1,000.47.

A. Snyder & Ball Associates, Inc., 1700 North Moore Street, No. 1610, Arlington, Va. 22209.
B. DSP, Inc., 1700 North Moore Street, Arlington, Va. 22209.

A. Snyder & Ball Associates, Inc., 1700 North Moore Street, No. 1610, Arlington, Va. 22209.
B. Gould, Inc., Gould Meadows, Rolling Meadows, Ill. 60008.

A. Edward F. Snyder, 245 Second Street NW., Washington, D.C. 20002.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C. 20002.

A. J. R. Snyder, United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.
B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.
E. (9) $1,200.

A. John M. Snyder, 600 Pennsylvania Avenue SE., Suite 205, Washington, D.C. 20003.
B. Citizens Committee for the Right to Keep and Bear Arms, Bellefield Office Park, 1601 114th SE., Suite 151, Bellevue, Wash. 98004.
D. (6) $6,000.

A. Society for Animal Protective Legislation, P.O. Box 3719, Georgetown Station, Washington, D.C. 20007.
D. (6) $31,906.40. E. (9) $16,323.94.

A. Steven Edward Some, The Coastal Corp., 1333 New Hampshire Avenue NW., Suite 205, Washington, D.C. 20036.
B. The Coastal Corp., Nine Greenway Plaza, Houston, Tex. 77046.
D. (6) $300. E. (9) $30.

A. Frederick P. Somers, Seafarers International Union, 815 16th Street NW., Room 510, Washington, D.C. 20006.
B. Seafarers International Union, 815 16th Street NW., Room 510, Washington, D.C. 20006.
D. (6) $3,000. E. (9) $156.92.

A. Edmund T. Sommer, Jr., Council of American-Flag Ship Operators, 1625 K Street NW., Suite 1200, Washington, D.C 20006.
B. Council of American-Flag Ship Operators, 1625 K Street NW., Suite 1200, Washington, D.C. 20006.
D. (6) $400. E. (9) $8.25

A. Sonosky, Chambers, Sachse & Guido, 1050 31st Street NW., Washington, D.C. 20007.
B. Assiniboine and Sioux Tribes, Fort Peck Indian Reservation, Poplar, Mont. 59255.

A. Sonosky, Chambers, Sachse & Guido, 1050 31st Street NW., Washington, D.C. 20007.
B. NACLEO (National Association of Coin Laundry Equipment Operators), 7225 North Oracle Road, Suite 205A, Tucson, Ariz. 85704.

A. Sonosky, Chambers, Sachse & Guido, 1050 31st Street NW., Washington, D.C. 20007.
B. Shoshone Indian Tribe, Wind River Indian Reservation, Fort Washakie, Wyo. 82514.

A. Sonosky, Chambers, Sachse & Guido, 1050 31st Street NW., Washington, D.C. 20007.
B. Standing Rock Sioux Tribe, Fort Yates N. Dak. 58538.

A. Southern Satellite Systems, Inc., P.O. Box 45684, Tulsa, Okla. 74145.
E. (9) $2,500.

A. Southwestern Peanut Shellers Association, 10 Duncannon Court, Glen Lakes, Dallas, Tex. 75225.

A. Frank J. Specht, Schenley Distillers, Inc., 1725 DeSales Street, NW., Washington, D.C. 20036.
B. Schenley Distillers, Inc. 888 Seventh Avenue, New York, N.Y. 10106.

A. John F. Speer, Jr., 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufactures & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.

A. Philip Speser, 110 Southwood Avenue, Silver Spring, Md. 20901.
D. (6) $3,000. E. (9) $150.39.

A. George Spiegel, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency, 770 Kiely Boulevard, Santa Clara, Calif. 95051, and the cities of Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, Santa Clara, Ukiah, Calif., and associate member Plumas-Sierra Rural Electric Cooperative.

A. Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency, 770 Kiely Boulevard, Santa Clara, Calif. 95051, and the cities of Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, Santa Clara, Ukiah, Calif., and associate member Plumas-Sierra Rural Electric Cooperative.

A. Nicholas J. Spiezio, Federal National Mortgage Association, 3900 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Federal National Mortgage Association, 3900 Wisconsin Avenue NW., Washington, D.C. 20016.
D. (6) $10,000. E. (9) $391.51.

A. Larry N. Spiller, 1015 15th Street NW., No. 802, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1015 15th Street NW., No. 802, Washington, D.C. 20005.
D. (6) $900.

A. Joseph L. Spilman, Jr., 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $200.

A. William Lincoln Spoor, Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.
B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

A. Frederick C. Spreyer, Pacific Resources, Inc., 2501 M Street NW., Suite 540, Washington, D.C. 20037.
B. Pacific Resources, Inc., 733 Bishop Street, Box 3379, Honolulu, Hawaii 96842.
D. (6) $500.

A. Squire, Sanders & Dempsey, 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.
B. American Chamber of Commerce in Europe and the Mediterranean, 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.

A. Squire, Sanders & Dempsey, 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.
B. American Chamber of Commerce in Italy, Inc., 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.

A. Squire, Sanders & Dempsey, 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.
B. American Chamber of Commerce in Spain, Inc., 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.

A. Squire, Sanders & Dempsey, 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.
B. American Society of Anesthesiologists, 515 Busse Highway, Park Ridge, Ill. 60068.

A. Squire, Sanders & Dempsey, 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.
B. National Collegiate Athletic Association, Nall Avenue at 64th Street, P.O. Box 1906, Shawnee, Kans. 66201.
D. (6) $6,588. E. (9) $14.

A. Squire, Sanders & Dempsey, 1201 Pennsylvania Avenue NW., Washington, D.C. 20004.
B. United States Wrestling Federation, 405 West Hall of Fame Avenue, Stillwater, Okla.

A. John Sroka, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Lynn E. Stalbaum, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $2,400. E. (9) $80.40.

A. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.
E. (9) $6,995.43.

A. Mitchel Stanfield, The Coastal Corp., Suite 205, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. The Coastal Corp., 9 Greenway Plaza, Houston, Tex. 77046.
D. (6) $400. E. (9) $31.90.

A. David P. Stang, P.C., 1629 K Street NW., Washington, D.C. 20006.
B. American Truck Dealers, 8400 Westpark Drive, McLean, Va. 22101.
D. (6) $8.68.

A. David P. Stang, P.C., 1629 K Street NW., Washington, D.C. 20006.
B. International Association of Drilling Contractors, 499 South Capitol Street SW., Suite 417, Washington, D.C. 20003.
D. (6) $23.52.

A. David P. Stang, P.C., 1629 K Street NW., Washington, D.C. 20006.
B. Superlite Builders Supply Inc., 4150 West Turney, Phoenix, Az. 85019.

A. David P. Stang, P.C., 1629 K Street NW., Washington, D.C. 20006.

B. McDermott Inc., P.O. Box 60035, New Orleans, La. 70160.

A. David P. Stang, P.C., 1629 K Street NW., Washington, D.C. 20006.

B. Ocean Minerals Co., 465 Bernardo Avenue, Mountain View, Calif. 94043.

D. (6) $329.78.

A. David P. Stang, P.C., 1629 K Street NW., Washington, D.C. 20006.

B. Offshore Industry Committee, 1629 K Street NW., Suite 601, Washington, D.C. 20006.

D. (6) $131.40.

A. David P. Stang, P.C., 1629 K Street NW., Washington, D.C. 20006.

B. Rowan Co., Inc., 1900 Post Oak Tower Building, 5051 Westheimer, Houston, Tex. 77056.

D. (6) $4.75.

A. David P. Stang, P.C., 1629 K Street NW., Washington, D.C. 20006.

B. Zapata Corp., P.O. Box 4240, Houston, Tex. 77001.

D. (6) $68.05.

A. Michael J. Stanton, Motor Vehicle Manufacturers Association of the U.S., Inc., 1909 K Street NW., Suite 300, Washington D.C. 20006.

B. Motor Vehicle Manufacturers Association of the U.S., Inc., 300 New Center Building, Detroit, Mich. 48202.

D. (6) $1,120.

A. Melvin L. Stark, Suite 321, 1707 L Street NW., Washington, D.C. 20036.

B. Hartford Fire Insurance Co., Hartford Plaza, Hartford, Conn. 06115.

D. (6) $6,000.

A. Jean C. Statler, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

D. (6) $2,165. E. (9) $250.45.

A. Samuel E. Stavisky, 1100 17th Street NW., Suite 302, Washington, D.C. 20036.

B. Samuel E. Stavisky and Associates Inc., 1100 17th Street NW., Suite 302, Washington, D.C. 20036 (for Broadcast Music Inc., 320 West 57th Street, New York, N.Y. 10019).

E. (9) $20.

A. Samuel E. Stavisky, and Associates Inc., 1100 17th Street NW., Suite 302, Washington, D.C. 20036.

B. Broadcast Music Inc., 320 West 57th Street, New York, N.Y. 10019.

D. (6) $200. E. (9) $35.

A. Randolph J. Stayin, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. Taft, Stettinius & Hollister, First National Bank Center, Cincinnat, Ohio 45202 (for American Hot Dip Galvanizers Association, 1000 Vermont Avenue NW., Suite 1100, Washington, D.C. 20005).

A. Randolph J. Stayin, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. Taft, Stettinius & Hollister, First National Bank Center, Cincinnati, Ohio 45202 (for Machinery Dealers National Association, 1110 Spring Street, Silver Spring, Md. 20910).

D. (6) $7,281.25. E. (9) $8.

A. Randolph J. Stayin, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. Taft, Stettinius & Hollister, First National Bank Center, Cincinnati, Ohio 45202 (for National Association for Association Political Action Commission, 1299 Woodiside Drive, McLean, Va. 22102).

E. (9) $106.30.

A. Randolph J. Stayin, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. Taft, Stettinius & Hollister, First National Bank Center, Cincinnati, Ohio 45202 (for National Barrell and Drum Association 910 17 Street NW., Washington, D.C. 20006).

A. Randolph J. Stayin, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. Taft, Stettinius & Hollister, First National Bank Center, Cincinnati, Ohio 45202 (for Special Committee for Workplace Product Liability Reform, 1800 Massachusetts Avenue NW., Suite 708, Washington, D.C. 20036).

A. John L. Steele, Time Inc., 888 16th Street NW., Washington, D.C. 20006.

B. Time Inc., Time and Life Building, Rockefeller Center, New York, N.Y. 10020.

D. (6) $2,200. E. (9) $300.

A. Stephens Overseas Services Inc., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.

D. (6) $166.60. E. (9) $192.78.

A. Stephens Overseas Services Inc., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.

B. National Office Machine Dealers Association, 810 Lively Boulevard, P.O. Box 717, Wood Dale, Ill. 60191.

D. (6) $17.48. E. (9) $6.41.

A. Steptoe & Johnson, Chartered, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Coalition for Uniform Product Liability Law, 1901 L Street NW., No. 303, Washington, D.C. 20036.

D. E. (9) $2,373.55.

A. Steptoe & Johnson, Chartered, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Committee for Effective Capital Recovery, 1901 L Street NW., Suite 303, Washington, D.C. 20036.

E. (9) $3,592.92.

A. Steptoe & Johnson, Chartered, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Forest Industries Committee on Timber Valuation and Taxation, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Steptoe & Johnson, Chartered, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. International Paper Co., International Paper Plaza, 77 West 45th Street, New York, N.Y. 10036.

D. (6) $1,600. E. (9) $30.

A. Steptoe & Johnson, Chartered, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Rule of Law Committee, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $340.

A. Richard W. Sternberg, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $110.

A. Michael E. Steward, 7957 Revenna Lane, Springfield, Va. 22153.

B. Puget Sound Power & Light Co., Puget Power Building, Bellevue, Wash. 98009.

D. (6) $7,500. E. (9) $1,232.38.

A. Michael E. Steward, 7957 Revenna Lane, Springfield, Va. 22153.

B. Vitro Engineering Corp., 1835 Terminal Drive, Richland, Wash. 99352.

D. (6) $100.

A. Warren E. Stickle, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

B. Chemical Specialties Manufacturers Association, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $1,041.68. E. (9) $154.70.

A. LaVerne Still, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. box 12285, Memphis, Tenn. 38112.

D. (6) $345. E. (9) $19.41.

A. Edward W. Stimpson, 1025 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036.

B. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036.

D. (6) $1,156.

A. Kenneth F. Stinger, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $9,000. E. (9) $258.83.

A. Stockholders of America, Inc., 1625 I Street NW., Suite 724A, Washington, D.C. 20006.

D. (6) $2,250. E. (9) $1,180.07

A. Lisa Stolp, 1101 Connecticut Avenue NW., Washington, D.C. 20036.

B. Vinson & Elkins, 1101 Connecticut Avenue NW., Washington, D.C. 20036. (For: Continental Resources Co.)

A. Lisa Stolp, 1101 Connecticut Avenue NW., Washington, D.C. 20036.

B. Vinson & Elkins, 1101 Connecticut Avenue NW., Washington, D.C. 20036. (For: Slurry Transport Association)

D. (6) $2,790.

A. Adam D. Stolpen, Pitney Bowes, Inc., 1101 30th Street NW., Suite 203, Washington, D.C. 20007.

B. Pitney Bowes, Inc., 69 Wheeler Drive, Stamford, Conn. 06926.

A. George W. Stone, National Farmers Union, 1012 14th Street NW., Washington, D.C. 20005. Denver, Colo. 80251.

B. The Farmers' Educational and Co-Operative Union of America, Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.

D. (6) $8,750. E. (9) $249.

A. Richard B. Storey, 455-B Carlisle Drive, Herndon, Va. 22070.

B. International Military Club Executives Association, 455-B Carlisle Drive, Herndon, Va. 22070.

A. Alan Stover, American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

B. American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

D. (6) $2,500.

A. William M. Stover, Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.

B. Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.

D. (6) $1,000.

A. David E. Strachan, National Association of Personnel Consultants, 1012 14th Street, 15th Floor, Washington, D.C. 20005.

B. National Association of Personnel Consultants, 1012 14th Street, 15th Floor, Washington, D.C. 20005.

D. (6) $4,500.

A. Stradley, Ronon, Stevens & Young, 1100 One Franklin Plaza, Philadelphia, Pa. 19102.

B. Milliken Research Corp., P.O. Box 1926, Spartanburg, S.C. 29304.

D. (6) $9,870. E. (9) $362.16.

A. Terrence D. Straub, United States Steel Corp., 818 Connecticut Avenue NW., Washington, D.C. 20006.

B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.

D. (6) $743.75. E. (9) $303.56.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.

B. J. Aron & Co., 160 Water Street, New York, N.Y. 10038.

D. (6) $1,250. E. (9) $1,268.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.

B. Chemolimpex, P.O. Box 121, H-1305, Budapest, Hungary.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.

B. Chinoin, to Utca 1-5 H. 1045, Budapest, Hungary.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.

B. Puerto Rico Federal Affairs Administration, 734 Fifteenth Street NW., Washington, D.C. 20005.

D. (6) $3,445. E. (9) $3,535.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.

B. Shearson/American Express Inc., 14 Wall Street, New York, N.Y. 10005.

D. (6) $1,830. E. (9) $1,830.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.

B. Tenant-Owned Apartment Association, Inc., 12 East 41st Street, New York, N.Y. 10017.

D. (6) $475. E. (9) $475.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.

B. Warner Communications Inc., 2020 K Street NW., Suite 250, Washington, D.C. 20006.

D. (6) $1,200. E. (9) $1,247.

A. Norman Strunk, U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.

B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.

A. Walter B. Stults, NASBIC, 618 Washington Building, Washington, D.C. 20005.

B. National Association of Small Business Investment Cos., 618 Washington Building, Washington, D.C. 20005.

D. (6) $3,000.

A. Eugene F. Sturgeon, 182 Crater Lane, Kensington, Conn. 06037.

B. Northeast Utilities Service Co., Selden Street, Berlin, Conn. 06037

(D). (6) $1,065.24. E. (9) $553.96.

A. Subscription Television Association, 1425 21st Street NW., Washington, D.C. 20036.

E. (9) $2,000.

A. Sullivan & Cromwell, 125 Broad Street, New York, N.Y. 10004; 1775 Pennsylvania Aveune NW., Washington, D.C. 20006.

B. American International Group, Inc., 70 Pine Street, New York, N.Y. 10270.

A. Sullivan & Cromwell, 125 Broad Street, New York, N.Y. 10004; 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Bache Group Inc., 100 Gold Street, New York, N.Y. 10038.

A. Sullivan & Cromwell, 125 Broad Street, New York, N.Y. 10004; 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Goldman, Sachs & Co., 55 Broad Street, New York, N.Y. 10004.

E. (9) $4.50.

A. Sullivan & Cromwell, 125 Broad Street, New York, N.Y. 10004; 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Inco, Ltd., Toronto-Dominion Centre, Toronto, Canada, M5K 1E3.

A. Sullivan & Cromwell, 125 Broad Street, New York, N.Y. 10004; 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Security Life of Denver, 1616 Glenarm Place, Denver, Colo. 80202.

E. (9) $4.

A. Gael M. Sullivan, 1155 15th Street NW., Suite 1004, Washington, D.C. 20005.

B. The LTV Corp., 1525 Elm Street, Dallas, Tex. 75222.

D. (6) $2,344 E. (9) $610.

A. Harold R. Sullivan, 1750 K Street NW., Washington, D.C. 20006.

B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

D. (6) $900.

A. Margaret Cox Sullivan, 1625 I Street NW., Suite 724A, Washington, DC. 20006.

B. Stockholders of America, Inc., 1625 I Street, Suite 724A, Washington, D.C 20006.

A. Mary Beth Sullivan, 923 15th Street NW., Washington, D.C. 20005.

B. Transportation Institute, 923 15th Street NW., Washington, D.C. 20005.

D. (6) $3,000. E. (9) $756.51.

A. Patrick J. Sullivan, 815 16th Street NW., Washington, D.C. 20006.

B. International Longshoremen's Association, AFL-CIO, 17 Battery Place, New York, N.Y. 10004.

D. (6) $7,656.28. E. (9) $1,339.37.

A. Richard C. Sullivan, Jr., National Peace Academy Campaign, 110 Maryland Avenue NE., Suite 409, Washington, D.C. 20002.

B. National Peace Academy Campaign, 110 Maryland Avenue NE., Suite 409, Washington, D.C. 20002.

(D). (6) $4,500.

A. Sullivan & Worcester, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Dollar Savings Bank, Fourth and Smithfield, Pittsburgh, Pa. 15230; Washington Mutual Savings Bank, 1101 Second Avenue, Seattle, Wash. 98111.

D. (6) $3,750. E. (9) $48.15.

A. Sullivan & Worcester, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Marion Laboratories, Inc., 9221 Ward Parkway, Kansas City, Mo. 63114.

D. (6) $9,463. E. (9) $28.72.

A. J. Mitchell Summers, 1747 Pennsylvania Avenue NW., Suite 702, Washington, D.C. 20006.

B. Armco, 1747 Pennsylvania Avenue NW., Suite 702, Washington, D.C. 20006.

D. (6) $2,340. E. (9) $227.17.

A. Peter B. Summerville, National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.

B. National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.

D. (6) $500. E. (9) $56.80.

A. Surrey & Morse, 1156 15th Street NW., Washington, D.C. 20005.

B. Bench Ad Co., 4943 East Slauson Avenue, Maywook, Calif.

A. Surrey & Morse, 1156 15th Street NW., Washington, D.C. 20005.

B. Government of the Republic of Zaire, Kinshasa, Zaire.

A. Surrey & Morse, 1156 15th Street NW., Washington, D.C. 20005.

B. Pietro Beretta, S.P.A., 25063 Gardone V.T. Italy.

D. (6) $500. E. (9) $16,956.05.

A. Stephen D. Susman, Susman & McGowan, 1200 Milam, Suite 900, Houston, Tex. 77002.

B. Plaintiff Class, Corrugated Container Anti-Trust Litigation, MDL No. 310, c/o 1200 Milam, Suite 900, Houston, Tex. 77002.

E. (9) $841.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. American Industrial Clay and Georgia Kaolin Division of Yara Engineering Corp., 511 Westminister Avenue, Elizabeth, N.J. 07207.

E. (9) $693.90.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Anglo-American Clays Corp., P.O. Box 471, Sandersville, Ga. 31082.

E. (9) $693.90.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Baker International, 500 City Parkway West, Orange, Calif. 92667.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Carnegie Corp. of New York, 437 Madison Avenue, New York, N.Y. 10022.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Consumer Credit Insurance Association, 307 North Michigan Avenue, Chicago, Ill. 60601.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Engelhard Minerals & Chemicals Corp., 299 Park Avenue, New York, N.Y. 10017.

E. (9) $693.90.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Equifax Inc., P.O. Box 4081, Atlanta, Ga. 30302.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Flathead Joint Board of Control, c/o Everitt Foust, Route 2, Box 69, Moiese, Mont. 59824.
D. (6) $1,070.50.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Freeport Kaolin Division of Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.
E. (9) $693.90.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. J. M. Huber Corp., Thornall Street, Edison, N.J. 08817.
E. (9) $693.90.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Kansas Farm Bureau Life Insurance Co., 2321 Anderson Avenue, Manhattan, Kans. 66502; Farm Bureau Mutual Insurance Co., FKB Insurance Co., Manhattan, Kans. 66502.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Kentucky Farm Bureau Mutual Insurance Co., 129 South Hubbard Lane, Louisville, Ky. 40207; FB Insurance Co., 120 South Hubbard Lane, Louisville, Ky. 40207.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Massachusetts Mutual Life Insurance Co., 1295 State Street, Springfield, Mass. 01111.
D. (6) $530. E. (9) $11.95.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Mullite Co. of America, Andersonville, Ga. 31711.
E. (9) $693.90.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. National Association of Life Companies, Suite 1060, Tower Place, 3340 Peachtree Road NE., Atlanta, Ga. 30326.
D. (6) $1,500. E. (9) $75.65.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. National Home Life Assurance Co., Liberty Park, Frazer, Pa. 19355.
E. (9) $11.74.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Nord Resources Corp., Ole Town Park, 29 Iron Gate Drive, Dayton, Ohio 45459.
E. (9) $693.90.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Process Gas Consumers Group, 1666 K Street NW., Suite 800, Washington, D.C. 20006.
D. (6) $2,760.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Southern Farm Bureau Life Insurance Co., P.O. Box 78, Jackson, Miss. 39205; Southern Farm Bureau Casualty Insurance Co., P.O. Box 1985, Jackson, Miss. 39205; Mississippi Farm Bureau Mutual Insurance Co., Jackson, Miss. 39205.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Stock Information Group, Suite 800, 1666 K Street NW., Washington, D.C. 20006.
E. (9) $1,786.97

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Thiele Kaolin Co., Kaolin Road, Sandersville, Ga.
E. (9) $693.90

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. United Farm Bureau Family Life Insurance Co., 130 East Washington Street, Indianapolis, Ind. 46204; United Farm Bureau Family Life Insurance Co., 130 East Washington Street, Indianapolis, Ind. 46204

A. William F. Sutherland, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Sutin, Thayer & Browne PC, P.O. Box 1945, Albuquerque, N. Mex. 87103.
B. Taxation & Revenue Department, P.O. Box 630, Sante Fe, N. Mex. 87509.
D. (6) $1,522.50. E. (9) $861.21.

A. W. Thomas Suttle, 1755 Willard Street NW., Suite 4, Washington, D.C. 20009.
B. The Institute of Electrical & Electronics Engineers, Inc. (IEEE), 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $825.

A. David A. Sweeney, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $15,378.99.

A. Tricia L. Swift, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $1,200.

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister (for American Hospital Association, 444 North Capitol Street, Washington, D.C. 20001), First National Bank Center, Cincinnati, Ohio 45202.

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister (for American Hot Dip Galvanizers Association, 1000 Vermont Avenue NW., Suite 1100, Washington, D.C. 20005), First National Bank Center, Cincinnati, Ohio 45202.

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister (for Cincinnati Stock Exchange, 205 Dixie Terminal Building, Cincinnati, Ohio 45202), First National Bank Center, Cincinnati, Ohio 45202.

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister (for Hanna-Barbera Productions, Inc., 3400 Cahuenga Boulevard, Los Angeles, Calif. 90068), First National Bank Center, Cincinnati, Ohio 45202.

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, First National Bank Center, Cincinnati, Ohio 45202. (for Hanna-Barbera's Marineland, Box 937, Rancho Palos Verdes, Calif. 90274.)

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, First National Bank Center, Cincinnati, Ohio 45202. (for Machinery Dealers National Association, 1110 Spring Street, Silver Spring, Md. 20910.)

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, First National Bank Center, Cincinnati, Ohio 45202. (for Miami Conservancy District, 38 East Monument Avenue, Dayton, Ohio 45402.)
D. (6) $3,167.56.

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, First National Bank Center, Cincinnati, Ohio 45202. (for Special Committee for Workplace Product Liability Reform, 1800 Massachusetts Avenue NW., Suite 708, Washington, D.C. 20036.)
E. (9) $171.42.

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, First National Bank Center, Cincinnati, Ohio 45202. (for Taft Broadcasting Co., 1718 Young Street, Cincinnati, Ohio 45210.)
D. (6) $2,000.

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, First National Bank Center, Cincinnati, Ohio 45202. (for Telephone & Data Systems, Inc., 79 West Monroe Street, Chicago, Ill. 60603.)
D. (6) $15,000. E. (9) $285.70.

A. Joe Tallakson, Suite 421, 1010 Vermont Avenue NW., Washington, D.C. 20005.
B. Sense, Inc. (for Quinault Indian Nation), Suite 421, 1010 Vermont Avenue NW., Washington, D.C. 20005.
E. (9) $2,151.63.

A. H. William Tanaka, Tanaka Walders & Ritger, 1919 Pennsylvania Avenue NW., Suite 303, Washington, D.C. 20006.
B. Electronic Industries Association of Japan, 2-2 Marunouchi, 3-chome, Chiyoda-ku, Tokyo, Japan.
D. (6) $375.

A. Susan Tannenbaum, 2030 M Street NW., 3d Floor, Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,953.15.

A. Linda Tarr-Whelan, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $1,375. E. (9) $28.10.

A. William M. Tartikoff, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $166.50. E. (9) $148.47.

A. Dan C. Tate, National Broadcasting Co., Inc., 1825 K Street NW., Suite 807, Washington, D.C. 20006.
B. National Broadcasting Co., Inc., 1825 K Street NW., Suite 807, Washington, D.C. 20006.

A. Taxpayers for Federal Pension Reform, P.O. Box 7755, Philadelphia, Pa. 19101.
D. (6) $667.32. E. (9) $1,976.94.

A. Charles A. Taylor III, 499 South Capitol Street NW., No. 401, Washington, D.C. 20003.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $1,000.

A. Dennis J. Taylor, Cummings & Lockwood, 1090 Vermont Avenue NW., Suite 650, Washington, D.C. 20005.

B. Central States Health & Life Co. of Omaha, Box 34350, Omaha, Nebr. 68134.

D. (6) $487.50.

A. Dennis J. Taylor, Cummings & Lockwood, 1090 Vermont Avenue NW., Suite 650 Washington, D.C. 20005.

B. Multi-State Communications, Inc., 230 Park Avenue, New York City, N.Y.

A. Dennis J. Taylor, Cummings & Lockwood, 1090 Vermont Avenue NW., Suite 650, Washington, D.C. 20005.

B. St. Joe Minerals Corp., 1730 Rhode Island Avenue NW., Suite 612, Washington, D.C. 20036.

A. Peggy Taylor, 815 16th Street NW., Washington, D.C. 20006.

B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $13,226. E. (9) $464.47.

A. R. William Taylor, 1575 Eye Street NW., Washington, D.C. 20005.

B. American Society of Association Executives, 1575 Eye Street NW., Washington, D.C. 20005.

A. Sid Taylor, National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $2,700. E. (9) $474.

A. B. W. Teague, Central Power & Light Co., P.O. Box 2121, Corpus Christi, Tex. 78403.

B. Central Power & Light Co., P.O. Box 2121, Corpus Christi, Tex. 78403.

D. (6) $168. E. (9) $288.

A. Telecause, c/o Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

D. (6) $9,180.08. E. (9) $9,858.08.

A. Paul M. Tendler, 818 Connecticut Avenue NW., Washington, D.C. 20006.

B. Paul Tendler Associates, Inc. (for the National Federation of Licensed Practical Nurses, 214 South Driver, Durham, North Carolina 27703.

D. (6) $2,500. E. (9) $370.

A. Paul M. Tendler, 818 Connecticut Avenue NW., Washington, D.C. 20006.

B. Paul Tendler Associates, Inc. (for Rasch Elektronik, Albert Einstein Strabe 18, 6074 Rodermark 2, West Germany.)

A. Paul M. Tendler, 818 Connecticut Avenue NW., Washington, D.C. 20006.

B. Paul Tendier Associates, Inc., (for: Schoeneman, Inc., 1290 Avenue of the Americas, New York, N.Y.)

A. Betty-Grace Terpstra, Furniture Manufacturers Associations, 918 16th Street NW. No. 402, Washington, D.C. 20006.

B. Southern Furniture Manufacturers Association, P.O. Box 2436, High Point, N.C. 22761.

D. (6) $750. E. (9) $807.44.

A. Edward F. Terrar, Jr., Room 400, 499 South Capitol Street SW., Washington, D.C. 20003.

B. Washington Industrial Team, Inc., Room 400, 499 South Capitol Street SW., Washington, D.C. 20003.

D. (6) $600.

A. Textron Inc., 40 Westminster Street, Providence, R.I. 02903.

E. (9) $12,321.80.

A. Thaxter, Lipez, Stevens, Broder, & Micoleau, 1825 K Street NW., Washington, D.C. 20006.

B. National Council of Senior Citizens, Inc., 1511 K Street NW., Washington, D.C. 20006.

A. Bruce D. Thevenot, 1155 15th Street NW., Suite 424, Washington, D.C. 20005.

B. Casson, Calligaro & Mutryn, 2600 Virginia Avenue NW., Washington, D.C. 20037; (for Humana, Inc., One Riverfront Plaza, Louisville, Ky. 40201).

D. (6) $1,500.

A. Bruce D. Thevenot, 1155 15th Street NW., Suite 424, Washington, D.C. 2005.

B. Oklahoma State Nursing Home Association, 200 NE. 28th Street, Oklahoma City, Okla. 73105.

D. (6) $960.

A. Bruce D. Thevenot, 1155 15th Street NW., Suite 424, Washington D.C. 20005.

B. Spectrum Emergency Care, Inc., 970 Executive Parkway, St. Louis, Mo. 63141.

D. (6) $2,070.

A. E. Wayne Thevenot, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. Hallmark Cards, 25th and McGee Street, Kansas City, Mo. 64108

D. (6) $1,500.

A. Thevenot, Murray & Scheer, 1120 Connecticut Avenue NW., Suite 1128, Washington, D.C. 20036.

B. American Institute of Architects, 1735 New York Avenue, Washington, D.C. 20006.

D. (6) $1,000.

A. Thevenot, Murray & Scheer, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20006.

B. National Business Aircraft Association, One Farragut Square South, Washington, D.C. 20006.

D. (6) $500.

A. Craig G. Thibaudeau, 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.

B. National Limestone Institute, 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.

A. Barbara Brendes Thies, Planning Research Corp., 1500 Planning Research Drive, McLean, Va. 22102.

B. Planning Research Corp., 1500 Planning Research Drive, McLean, Va. 22102.

A. Third Class Mail Association, Suite 607, 1725 K Street NW., Washington, D.C. 20006.

D. (6) $600. E. (9) $600.

A. 38th Pro Life Congressional District Action Committee, 8654 Bonview Terrace, Williamsville, N.Y. 14221.

D. (6) $300 E. (9) $200.

A. 39th Congressional District Action Committee, Rural Delivery 2, Allegany, N.Y. 14706.

D. (6) $300. E. (9) $49.65.

A. 36th Congressional District Action Committee, ProLife, 129 Belmont Avenue, Buffalo, N.Y. 14223.

D. (6) $300. E. (9) $35.95.

A. Edlu J. Thom, 1619 Massachusetts Avenue, Washington, D.C. 20036.

B. National Forest Products Association, 1619 Massachusetts Avenue, Washington, D.C. 20036.

D. (6) $1,350. E. (9) $54.92.

A. John W. Thomas, 1522 K Street NW., Suite 828, Washington, D.C. 20005.

B. American Veterinary Medical Association, 1522 K Street NW., Suite 828, Washington, D.C. 20005.

D. (6) $15.

A. Patricia Thomas, National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

D. (6) $4,867.20.

A. Robert L. Thomas, National Association of Private Psychiatric Hospitals, 1319 F Street NW., Washington, D.C. 20004.

B. National Association of Private Psychiatric Hospitals, 1319 F Street NW., Suite 1000, Washington, D.C. 20004.

D. (6) $100.

A. Boyd Thompson, American Association of Foundations for Medical Care, 5410 Grosvenor Lane, Suite 210, Bethesda, Md. 20814.

B. American Association of Foundations for Medical Care, 5410 Grosvenor Lane, Suite 210, Bethesda, Md. 20814.

E. (9) $225.

A. Fred D. Thompson, Thompson & Crawford, 1575 I Street NW., Suite 325, Washington, D.C. 20005.

B. Cable America, Inc., c/o Cablecasting, Limited, 45 Charles Street East, Toronto, Canada M4Y 1S2.

D. (6) $1,764.72.

A. Fred D. Thompson, Thompson & Crawford, 1575 I Street NW., Suite 325, Washington, D.C. 20005.

B. U.S. Cablesystems, Inc., 55 King Street West and Bay Street, Toronto, Ontario M5K 1A2.

D. (6) $1,352.94.

A. Fred D. Thompson, Thompson & Crawford, 1575 I Street NW., Suite 325, Washington, D.C. 20005.

B. Westinghouse Electric Corp., 1801 K Street, Washington, D.C. 20006.

D. (6) $4,374.50

A. Gary C. Thompson, 1126 16th Street NW., Washington, D.C. 20036.

B. Oil, Chemical and Atomic Workers International Union, 1636 Champa Street, Denver, Colo. 80201

D. (6) $4,111.25.

A. James P. Thompson, Jr., 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Kenneth W. Thompson, Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.

B. Interstate Natural Gas Association of America, 1660 L Street, NW., Suite 601, Washington, D.C. 20036.

D. (6) $300.

A. Thompson & Mitchell, One Mercantile Center, Suite 3400, St. Louis, Mo. 63101.

B. American Inland Waterways Committee, One Mercantile Center, St. Louis, Mo. 63101.

D. (6) $459.

A. Nancy Thompson, 1600 I Street NW., Washington, D.C. 20006.

B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.
D. (6) $80. E. (9) $22.10.

A. Richard L. Thompson, Abbott Laboratories, 1730 M. Street NW., Suite 808, Washington, D.C. 20036.
B. Abbott Laboratories, Abbott Park, North Chicago, Ill.
D. (6) $4,500.

A. Roger G. Thompson, 1701 Central Avenue, Ashland, Ky. 41101.
B. Kentucky Power Co., 1701 Central Avenue, Ashland, Ky. 41101.
D. (6) $1,255. E. (9) $1,722.82.

A. Vicki Thompson, 1150 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036.
B. San Diego Gas and Electric, 101 Ash Street, San Diego, Calif. 92101.
D. (6) $550. E. (9) $85.97.

A. W. Reid Thompson, Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20068.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20068.
D. (6) $58.33.

A. William D. Thompson, Lear Siegler, Inc., 1001 Connecticut Avenue NW., Suite 601, Washington, D.C. 20036.
B. Lear Siegler, Inc., P.O. Box 2158, Santa Monia, Calif. 90406.
D. (6) $3,000. E. (9) $138.86.

A. Cynthia L. Thornburg, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007; 1700 North Moore Street, Arlington, Va.
D. (6) $1,500. E. (9) $140.07

A. Richard B. Thornburg, National Beer Wholesalers' Association, Suite 505, 5205 Leesburg Pike, Falls Church, Va. 22041.
B. National Beer Wholesalers' Association, Suite 505, 5205 Leesburg Pike, Falls Church, Va. 22041.
D. (6) $346.51. E. (9) $346.51.

A. James L. Thorne, Tennessee Gas Transmission Co., P.O. Box 2511, Houston, Tex. 77001.
B. Tennessee Gas Transmission Co., P.O. Box 2511, Houston, Tex. 77001.

A. William R. Thornhill, P.O. Box 2511, Houston, Tex. 77001.
B. Tennessee Gas Pipeline Co., P.O. Box 2511, Houston, Tex. 77001.
D. (6) $7.65. E. (9) $16.75.

A. Margo Thorning, American Council for Capital Formation, 1850 K Street NW., Suite 520, Washington, D.C. 20006.
B. American Council for Capital Formation, 1850 K Street NW., Suite 520, Washington, D.C. 20006.
D. (6) $175.

A. D. Whitney Thornton II, Bowman, Conner, Touhey & Thornton, P.C., 2828 Pennsylvania Avenue NW., Suite 203, Washington, D.C. 20007.
B. Flyer Industries Ltd., Box 245, Transcona P.O., Winnipeg, Manitoba, Canada R2C 3T4.

A. Gil Thurm, 777 14th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 777 14th Street NW., Washington, D.C. 20005.
D. (6) $2,500.

A. Ronald J. Tice, Marathon Oil Co., 1800 M Street NW., Washington, D.C. 20036.
B. Marathon Oil Co., Findlay, Ohio 45840.

A. Cyrus C. Tichenor III, 1050 17th Street NW., Suite 1104, Washington, D.C. 20036.
B. A. H. Robins Co., 1407 Cummings Drive, Richmond, Va. 23220.
D. (6) $785. E. (9) $68.50.

A. Drew V. Tidwell, Suite 1200, 1300 North 17th Street, Arlington, Va. 22209.
B. The Consumer Bankers Association, Suite 1200, 1300 North 17th Street, Arlington, Va. 22209.
D. (6) $2,250. E. (9) $5,065.11.

A. Roger Tilles, 1111 19th Street NW., Suite 1050, Washington, D.C. 20036.
B. Cities in Schools, Inc., 465 Boulevard SE., Atlanta, Ga. 30312.
D. (6) $2,000.

A. Roger Tilles, 1111 19th Street NW., Suite 1050, Washington, D.C. 20036.
B. First National Monetary Corp., 4000 Town Center, 15th Floor, Southfield, Mich. 48075.

A. Roger Tilles, 1111 19th Street NW., Suite 1050, Washington, D.C. 20036.
B. Michigan Department of Education, 520 Michigan National Tower, Lansing, Mich. 48933.
D. (6) $25,000.02. E. (9) $2,697.44.

A. Roger Tilles, 1111 19th Street NW., Suite 1050, Washington, D.C. 20036.
B. National Con-Serv, Inc., 451 Hungerford Drive, Rockville, Md. 20850.
D. (6) $3,964.11.

A. Roger Tilles, 1111 19th Street NW., Suite 1050, Washington, D.C. 20036.
B. Scholastic Magazine, Inc., Englewood Cliffs, NJ. 07632.

A. Roger Tilles, 1111 19th Street NW., Suite 1050, Washington, D.C. 20036.
B. Southland-Arizona Colleges, 3160 West Fifth Street, Los Angeles, Calif. 90020.

A. Roger Tilles, 1111 19th Street NW., Suite 1050, Washington, D.C. 20036.
B. Washington Psychiatric Society, 1700 18th Street NW., Washington, D.C. 20009.
D. (6) $16,940. E. (9) $8,485.58.

A. Roger Tilles, 1111 19th Street NW., Suite 1050, Washington, D.C. 20036.
B. Wayne State University, Detroit, Mich., 48202.

A. Wallace F. Tillman, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue N.W., Washington, D.C. 20036.
D. (6) $150.

A. Martin R. Tilson, P.O. Box 2563, Birmingham, Ala. 35202.
B. Southern Natural Gas Co., P.O. Box 2563, Birmingham, Ala. 35202.
E. (9) $77.55.

A. C. H. Timberlake, Phillips Petroleum Co., 1825 K Street NW., Suite 1107, Washington, D.C. 20006.
B. Phillips Petroleum Co., Bartlesville, Okla.

A. Timmons & Co., Inc., 1850 K Street NW., Washington D.C. 20006.
B. American Inland Waterways Committee, One Mercantile Center, St. Louis, Mo. 63101.
D. (6) $1,293.75.

A. Timmons & Co., Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $862.50.

A. Timmons & Co. Inc., 1850 K Street NW., Washington, D.C. 20006.
B. The Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20007.
D. (6) $550.

A. Timmons & Co. Inc., 1850 K Street NW., Washington, D.C. 20006.
B. Chrysler Corp., Post Office Box 1919, Detroit, Mich. 48288.
D. (6) $750.

A. Timmons & Co. Inc., 1850 K Street NW., Washington, D.C. 20006.
B. Eastern Air Lines, Inc., Miami International Airport, Miami, Fla. 33148.
D. (6) $1,725.

A. Timmons & Co. Inc., 1850 K Street NW., Washington, D.C. 20006.
B. Filmways, Inc., 1875 Century Park East, Los Angeles, Calif. 90067.
D. (6) $431.25.

A. Timmons & Co. Inc., 1850 K Street NW., Washington, D.C. 20006.
B. G. D. Searle & Co., Post Office Box 1045, Skokie, Ill. 60076.
D. (6) $1,293.75.

A. Timmons & Co. Inc., 1850 K Street NW., Washington, D.C. 20006.
B. H. J. Heinz Co., P.O. Box 57, Pittsburgh, Pa. 15230.
D. (6) $431.25.

A. Timmons & Co. Inc., 1850 K Street NW., Washington, D.C. 20006.
B. Los Angeles Olympic Organization Committee, 10995 Laconte Avenue, Los Angeles, Calif. 90024.
D. (6) $2,500.

A. Timmons & Co. Inc., 1850 K Street NW., Washington, D.C. 20006.
B. Major League Baseball, 75 Rockefeller Plaza, New York, N.Y. 10019.
D. (6) $1,125.

A. Timmons & Co. Inc., 1850 K Street NW., Washington, D.C. 20006.
B. Middle South Services, Inc., Box 61000, New Orleans, La. 70161.
D. (6) $862.50.

A. Timmons & Co. Inc., 1850 K Street NW., Washington, D.C. 20006.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $431.25.

A. Timmons & Co., Inc., 1850 K Street NW., Washington, D.C. 20006.
B. Northrop Corp., 1000 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $375.

A. Timmons & Co., Inc., 1850 K Street NW., Washington, D.C. 20006.
B. Office of the Governor of the State of Alaska, 444 North Capitol Street, Washington, D.C. 20001.
D. (6) $862.50.

A. Timmons & Co., Inc., 1850 K Street NW., Washington, D.C. 20006.

B. Standard Oil Co. (Indiana), 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $431.25.

A. Mike Tiner, 1775 K Street NW., Washington, D.C. 20006.
B. United Food and Commercial Workers International Union, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $10,500. E. (9) $232.59.

A. E. Linwood Tipton, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.

A. Eben S. Tisdale, Scientific Apparatus Makers Association, 1101 16th Street NW., Washington, D.C. 20036.
B. Scientific Apparatus Makers Association, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $1,450. E. (9) $270.29.

A. Tobacco Associates, Inc., Suite 912, 1101 17th Street NW., Washington, D.C. 20036.
E. (9) $2,869.49.

A. James R. Tobin, Becton, Dickinson & Co., Mack Centre Drive, Paramus, N.J. 07652.
B. Becton, Dickinson & Co., Mack Centre Drive, Paramus, N.J. 07652.
D. (6) $2,000.

A. David G. Todd, 1025 Connecticut Avenue NW., Suite 507, Washington D.C. 20036.
B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.
D. (6) $2,000.

A. Donald G. Todd, American Conservative Union, 38 Ivy Street SE., Washington, D.C. 20003.
B. American Conservative Union, 38 Ivy Street SE., Washington, D.C. 20003.
D. (6) $1,800.

A. William R. Tolley, Jr., Harris Corp., Melbourne, Fla. 32919.
B. Harris Corp., Melbourne, Fla. 32919.
E. (9) $133.25.

A. Sally Austen Tom, American College of Nurse-Midwives, 1522 K Street NW., Suite 1120, Washington, D.C. 20005.
B. American College of Nurse-Midwives, 1522 K Street NW., Suite 1120, Washington, D.C. 20005.

A. Wanda Townsend, National Cable Television Association, Inc., 1724 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Cable Television Association, Inc., 1724 Massachusetts Avenue N.W., Washington, D.C. 20036.
D. (6) $318.75.

A. John P. Tracey, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $1,000.

A. Richard L. Trachtman, 1101 Vermont Avenue NW., Suite 500, Washington, D.C. 20005.
B. American Society of Internal Medicine, 1101 Vermont Avenue NW., Suite 500, Washington, D.C. 20005.
D. (6) $1,802.32. E. (9) $326.37.

A. Transportation Association of America, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.
D. (6) $845. E. (9) $1,066.

A. Transportation Institute, 923 15th Street NW., Washington, D.C. 20005.
E. (9) $20,627.44.

A. Ernest B. Tremmel, Inc., 5908 Rossmore Drive, Bethesda, Md. 20014.
B. Burns and Roe, Inc., 1850 K Street NW., Suite 220, Washington, D.C. 20006.
D. (6) $448. E. (9) $103.

A. Richard S. Tribbe, Trans World Airlines, Inc., 1000 16th Street NW., Washington, D.C. 20036.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10158.
D. (6) $240.

A. Paul E. Trimble, Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.
B. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. Sally A. Triplett, 1100 17th Street, NW., Suite 302, Washington, D.C. 20036.
B. Samuel E. Stavisky and Associates Inc., 1100 17th Street NW., Suite 302, Washington, D.C. 20036; Broadcast Music Inc., 320 West 57th Street, New York, N.Y.
E. (9) $15.

A. Eugene M. Trisko, 9817 Rosensteel Avenue, Silver Spring, Md. 20910.
B. Stern Bros., Inc., P.O. Box 8, Parkersburg, W. Va. 26101.
D. (6) $7,853. E. (9) $2,338.

A. Glenwood S. Troop, Jr., 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $12,500. E. (9) $182.

A. Michael G. Troop, National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.
B. National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.
D. (6) $1,300. E. (9) $222.34.

A. Rebecca C. True, Browning Ferris Ind., Inc., P.O Box 3151, Houston, Texas. 77001.
B. Browning-Ferris Ind., Inc., P.O. Box 3151, Houston, Tex. 77001.

A. George G. Troutman, Bell Helicopter Textron Inc., 1090 Vermont Avenue NW., Washington, D.C. 20005.
B. Bell Helicopter Textron Inc., P.O. Box 482, Fort Worth, Tex. 76101.
D. (6) $150.

A. Thomas L. Trueblood, 401 North Michigan Avenue, Chicago, Ill. 60611.
B. International Harvester Co., 401 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $1,000. E. (9) $852.12.

A. The Trust for Public Land, 82 Second Street, San Francisco, Calif. 94105.
E(9) $4364.07.

A. Tuna Research Foundation, Inc., 1101 17th Street NW., Washington D.C. 20036.
D. (6) $2,534.70. E. (9) $4,363.36.

A. Julia A. Turner, 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. EDS Corp., 229 Pennsylvania Avenue SE., Washington, D.C. 20003.

A. Richard F. Turney, 1725 K Street NW., Washington, D.C. 20006.
B. Courtney, McCamant & Turney, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Edgar H. Twine, 1333 New Hampshire Avenue NW., Washington, D.C. 20036
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $450.

A. Jerry G. Udell, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $200. E. (9) $65.

A. Lewis K. Uhler, National Tax Limitation Committee, 1523 L Street NW., Suite 600, Washington, D.C. 20005.
B. National Tax Limitation Committee, 1523 L Street NW., Suite 600, Washington, D.C. 20005.
D. (6) $1,000. E. (9) $20.

A. Ullman Consultants, Inc., 1000 Potomac Street NW., Suite 302, Washington, D.C. 20007.
B. The Confederated Tribes of the Warm Springs Reservation of Oregon, Warm Springs, Oreg. 97761.
D. (6) $1,775.

A. Ullman Consultants, Inc., 1000 Potomac Street NW., Suite 302, Washington, D.C. 20007.
B. Merck & Co., Inc., P.O. Box 2000, Rahway, N.J. 07065.
D. (6) $7,500. E. (9) $7.20.

A. Ullman Consultants, Inc., 1000 Potomac Street NW., Suite 302, Washington, D.C. 20007.
B. The Public Utility Tax Committee, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $15,000.

A. Ullman Consultants, Inc., 1000 Potomac Street NW., Suite 302, Washington, D.C. 20007.
B. Spruell Development Corp., 6525 Belcrest Road, Suite 200, Hyattsville, Md. 20782.
D. (6) $4,500.

A. Ullman Consultants, Inc., 1000 Potomac Street NW., No. 302, Washington, D.C. 20007.
B. Western Forest Industries Association, 1600 South West Taylor, Portland, Oreg.
D. (6) $4,500.

A. Manya S. Ungar, 10 Brandywine Court, Scotch Plains, N.J. 07076.
B. National, Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $2,089.14.

A. UNIFI, Inc., P.O. Box 21368, Greensboro, N.C. 27420.
E. (9) $2,479.26.

A. Union Mutual Life Insurance Co., 2211 Congress Street, Portland, Maine 04122.
E. (9) $2,571.60.

A. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
E. (9) $28,668.97.

A. United Fresh Fruit & Vegetable Association, 727 North Washington Street, Alexandria, Va. 22314.
D. (6) $2,068.76. E. (9) $2,068.76

A. United Gas Pipe Line Co., P.O. Box 1478, Houston, Tex. 77001.
E. (9) $2,072.26.

A. United Services Automobile Association, USAA Building, San Antonio, Tex. 78288.

A. The United States Cantaloupe Growers & Importers Association, P.O. Box 366, Hidalgo, Tex. 78557.
D. (6) $4,325.81. E. (9) $1,325.81.

A. U.S. Committee for the Oceans, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $100.

A. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
E. (9) $131,574.07

A. Lloyd N. Unsell, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $35.

A. Marian S. Urnikis, American Bankers Association, 1120 Connecticut Avenue N.W., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue, NW., Washington, D.C. 20036.

A. Utility Nuclear Waste Management Group, c/o Edison Electric Institute, 1111 19th Street NW., Washington, D.C.
D. (6) $1,993.54. E. (9) $1,993.54.

A. Jack J. Valenti, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.
D. (6) $2,100.

A. Roy Thomas Van Arsdall, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $1,329.17.

A. David T. Van Camp, Chevron U.S.A., 1700 K Street, Suite 1204, Washington, D.C. 20006.
B. Chevron U.S.A., Inc. (a subsidiary of Standard Oil Co. of California), 1700 K Street NW., Suite 1204, Washington, D.C. 20006.
D. (6) $450.

A. Van Fleet Associates, Inc., 1341 G Street NW., Colorado Building, Suite 420, Washington, D.C. 20005.
B. Cadillac Gage, P.O. Box 1027, Warren, Mich. 48090.
D. (6) $6,247.50. E. (9) $187.80.

A. Van Fleet Associations, Inc., 1341 G Street NW., Suite 420, Colorado Building, Washington, D.C. 20005.
B. Marconi Electronics, 1600 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $2,500.

A. C. D. Van Houweling, P.O. Box 69, Centreville, Va. 22020.
B. National Pork Producers Council, P.O. Box 10383, Des Moines, Iowa 50306.
D. (6) $312.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. Allied General Nuclear Services, P.O. Box 847, Barnwell, S.C. 29812.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. American Institute for Certified Public Accountants, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $1,470. E. (9) $39.05.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. American President Lines, 1950 Franklin Street, Oakland, Calif. 94610.
D. (6) $435. E. (9) $112.45.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. Arctic Slope Regional Corp., Barrow, Alaska.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. Thomas Ludlow Ashley, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006 (for: General Public Utilities, Inc., 100 Interpace Parkway, Parsippany, N.J. 07050.)
D. (6) $1,875.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. Committee on Status and Transition, Seventh Palauan Legislature, P.O. Box 99, Koror, Palau, Western Caroline Islands 96940.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. Continental Resources Co., P.O. Box 44, Winter Park, Fla. 32790.
D. (6) $4,325. E. (9) $177.27.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. Florida Agriculture Coalition, Inc., 249 Royale Palm Way, Palm Beach, Fla. 33480.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. Metropolitan District Commission, 555 Main Street, Hartford, Conn.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. New York Air, LaGuardia Airport, Flushing, N.Y. 11371.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. North Slope Borough, P.O. Box 69, Barrow, Alaska 99723.
D. (6) $947.50. E. (9) $6.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. Palm Beach-Broward Farmers Committee for Legislative Action, P.O. Box 396, Boynton Beach, Fla. 33435.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. Public Utility Holding Cos.
D. (6) $4,140. E. (9) $83.23.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. Republic Geothermal, Inc., 11823 East Slauson Avenue, Suite 1, Santa Fe Springs, Calif. 90670.
D. (6) $312.50. E. (9) $12.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. Joseph E. Seagram & Sons, Inc., One Battery Park Plaza, New York, N.Y. 10004.
D. (6) $225. E. (9) $6.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. South Florida Tomato & Vegetable Growers Assocation, P.O. Drawer B.B., Homestead, Fla. 33030.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. Southwest Winter Vegetable Growers Association, P.O. Box 1670, Immokalle, Fla. 33934.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. Standard Oil Co. (Indiana), 1000 16th Street NW., Washington, D.C. 20036.
D. 6. $537.50.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. Union Carbide Corporation, 1100 15th Street NW., 12th Floor, Washington, D.C. 20005.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. U.S. Ethanol Corp., 405 Lexington Avenue, Suite 5004, New York, N.Y. 10174.
D. (6) $162.50.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.

B. Wheelabrator-Frye Inc., Liberty Lane, Hampton, N.H. 03842.

A. Van Ness, Feldman, Sutcliffe, Curtis & Levenberg, P.C., 1050 Thomas Jefferson Street NW., Seventh Floor, Washington, D.C. 20007.
B. Windfarms, Ltd., 639 Front Street, San Francisco, Calif. 94111.
(D) (6) $162.50.

A. Glenn R. Van Schooneveld, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Armco, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $1,997.25. E. (9) $452.

A. Daniel W. Vannoy, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. Jennifer Vasiloff, 530 7th Street SE., Washington, D.C. 20003.
B. National Clean Air Coalition, 530-7th Street SE., Washington, D.C. 20003.
D. (6) $3,349.78. E. (9) $32.81.

A. Murle L. Vaughan, 1700 N. Moore Street, 1925 Rosslyn Center Building, Arlington, Va. 22209.
B. Beneficial Management Corp., of America, 1100 Carr Road, Wilmington, Del. 19899.

A. Velsicol Chemical Corp., 341 East Ohio Street, Chicago, Ill. 60611.
E. (9) $6,782.18.

A. Venable, Baetjer, Howard & Civiletti, 1301 Pennsylvania Avenue NW., Suite 704, Washington, D.C. 20004.
B. Westvaco Corp., Westvaco Building, 229 Park Avenue, New York, N.Y. 10017.
D. (6) $31,952.93. E. (9) $1,133.50.

A. Jerry T. Verkler, P.O. Box 2521, Houston, Tex. 77001.
B. Texas Eastern Transmission Corp., P.O. Box 2521, Houston, Tex. 77001.
E. (9) $99.36.

A. Verner, Liipfert, Bernhard & McPherson, 1660 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Coalition of United States Citizen Award-Holders Against Czechoslovakia.

A. Verner, Liipfert, Bernhard & McPherson, 1660 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Labor-Industry Coalition for International Trade, 1660 L Street NW., Suite 1100, Washington, D.C. 20036.

A. Verner, Liipfert, Bernhard & McPherson, 1660 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Pan American World Airways, Pan American Building, New York, N.Y. 10160.

A. Verner, Liipfert, Bernhard & McPherson, 1660 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Semiconductor Industry Association, 28380 Town Center Lane, Suite 155, Cupertino, Calif. 95014.
E. (9) $6,775.

A. Verner, Liipfert, Bernhard & McPherson, 1660 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Trans-Lux Corp., 110 Richards Avenue, Norwalk, Conn. 06854.

A. Frank A. Verrastro, 2000 L Street NW., Suite 702, Washington, D.C. 20036.
B. Tosco Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.
D. (6) $332. E. (9) $20.

A. Linda Vickers, 1706 23d Street South, Arlington, Va. 22202.
B. National Association of Crop Insurance Agents, 403 Jackson Street, No. 201A, Anoka, Minn. 55303.
D. (6) $6,500.

A. R. Eric Vige, 1660 L Street NW., Suite 207, Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
D. (6) $800.

A. Steven A. Villas, 1050 17th Street NW., Suite 650, Washington, D.C. 20036,
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.
D. (6) $1,450. E. (9) $624.95.

A. Howard A. Vine, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $400.

A. Walter D. Vinyard, Jr., Alston, Miller & Gaines, 1800 M Street NW., Suite 1000, Washington, D.C. 20036.
B. Board of Trade of the City of Chicago, 141 West Jackson Boulevard, Chicago, Ill. 60604.

A. Walter D. Vinyard, Jr., Alston, Miller & Gaines, 1800 M Street NW., Suite 1000, Washington, D.C. 20036.
B. Continental Insurance Co., 80 Maiden Lane, New York, N.Y. 10038.
D. (6) $2,000.

A. Walter D. Vinyard, Jr., Alston, Miller & Gaines, 1800 M Street NW., Suite 1000, Washington, D.C. 20036.
B. The Hartford Insurance Group, Hartford, Conn. 06115.
D. (6) $5,000.

A. Virginia Association of Railway Patrons, P.O. Box 867, Richmond, Va. 23207.
D. (6) $13.50. E. (9) $24.97.

A. Andrew Vitali, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $6,000. E. (9) $56.71.

A. Vocational Industrial Clubs of America, Inc., P.O. Box 3000, Leesburg, Va. 22075.

A. Volkswagen of America, Inc., 27621 Parkview Boulevard, Warren, Mich. 48092.
E. (9) $1,014.42.

A. Volume Footwear Retailers of America, 1319 F Street NW., Washington, D.C. 20004.

A. Ingrid A. Voorhees, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $500.

A. Abe J. Voron, National Radio Broadcasters Association, 6204 White Oak Lane, Tamarac, Fla. 33314.
B. National Radio Broadcasters Association, 1705 DeSales Street NW., Suite 500, Washington, D.C. 20036.
D. (6) $1,975. E. (9) $1,675.

A. Vorys, Sater, Seymour & Pease, 1828 L Street NW., No. 1111, Washington, D.C. 20036.
B. Bowery Savings Bank, 110 East 42d Street, New York N.Y. 10017.
D. (6) $2,035. E. (9) $119.17.

A. Vorys, Sater, Seymour & Pease, 1828 L Street NW., No. 1111, Washington, D.C. 20036.
B. Cabot Corp., 125 High Street, Boston, Mass. 02110.
D. (6) $9,133.95. E. (9) $139.60.

A. Vorys, Sater, Seymour & Pease, 1828 L Street NW., No. 1111, Washington, D.C. 20036.
B. Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.
D. (6) $3,380. E. (9) $503.63.

A. Vorys, Sater, Seymour & Pease, 1828 L Street NW., No. 1111, Washington, D.C. 20036.
B. Ohio Manufacturers Association, 100 East Broad Street, Columbus, Ohio 43215.
D. (6) $757. E. (9) $4.80.

A. Vorys, Sater, Seymour & Pease, 1828 L Street NW., No. 1111, Washington, D.C. 20036.
B. The Small Business Coalition for Pollution Control, P.O. 1031, Dayton, Ohio 45401.
D. (6) $20,530.30. E. (9) $3,053.84.

A. Vorys, Sater, Seymour & Pease, 1828 L Street NW., No. 1111, Washington, D.C. 20036.
B. Stencel Aero Engineering Corp., P.O. Box 1107, Arden, N.C. 28704.

A. Vorys, Sater, Seymour & Pease, 1828 L Street NW., No. 1111, Washington, D.C. 20036.
B. Toledo Trust Corp., Three Seagate, Toledo, Ohio 43603.
D. (6) $21,525.95. E. (9) $749.95.

A. Rex B. Wackerle, 8001 Braddock Road, Springfield, Va. 22160.
B. National Right to Work Committee, 8001 Braddock Road, Springfield, Va. 22160.
D. (6) $461. E. (9) $84.

A. Sadami Wada, Sony Corp. of America, 9 West 57th Street, New York, N.Y. 10019.
B. Sony Corp. of America, 9 West 57th Street, New York, N.Y. 10019.
D. (6) $1,500. E. (9) $2,141.74.

A. Catherine Waelder, National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $147.90. E. (9) $23.

A. Robert J. Wager, 2020 K Street NW., Suite 850, Washington, D.C. 20006.
B. American Bakers Association, 2020 K Street NW., Suite 850, Washington, D.C. 20006.
D. (6) $1,653.75. E. (9) $7.95.

A. Howard W. Wahl, 240 Barton Shore Drive, Ann Arbor, Mich. 48105.
B. Bechtel Power Corp., P.O. Box 1000, Ann Arbor, Mich. 48106.
E. (9) $50.

A. Herbert R. Waite, First National Boston Corp., 100 Federal Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
D. (6) $1,600. E. (9) $1,166.36.

A. Herbert R. Waite, First National Boston Corp., 100 Federal Street, Boston, Mass. 02110.

B. First National Boston Corp., 100 Federal Street, Boston, Mass. 02110.

A. Wald, Harkrader & Ross, 1300 19th Street NW., Washington, D.C. 20036.

B. American Paper Institute, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Wald, Harkrader & Ross, 1300 19th Street NW., Washington, D.C. 20036.

B. Hillsdale County Railway Co., 1300 19th Street NW., Washington, D.C. 20036.

D. (6) $2,916.70.

A. Robert E. Waldron, Associated Petroleum Industries of Michigan, P.O. Box 10070, Lansing, Mich. 48901.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $700.

A. Charls W. Walker, International Brotherhood of Electrical Workers, AFL-CIO-CLC, 1125 15th Street NW., Washington, D.C. 20005.

B. International Brotherhood of Electrical Workers, AFL-CIO-CLC, 1125 15th Street NW., Washington, D.C. 20005.

D. (6) $9,987.50.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Aerospace Industries Association of America, 1725 DeSales Street NW., Washington, D.C. 20036.

D. (6) $3,000.

Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Agrico Chemical Co., Bank of Oklahoma Tower, One Williams Center, Tulsa, Okla. 74103.

D. (6) $750.

Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.

D. (6) $2,500.

Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Aluminum Company of America, 1200 Ring Building, Washington, D.C. 20036.

D. (6) $462.50.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Amax Inc., Two Greenwich Plaza, Greenwich, Conn. 06830.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Airlines, Inc., P.O. Box 61616, Dallas/Fort Worth Airport, Tex. 75261.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Can Co., American Lane 1A9, Greenwich, Conn. 06830.

D. (6) $150.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Guild of Authors and Composers, 40 West 57th Street, New York, N.Y. 10019.

D. (6) $2,400.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Telephone & Telegraph Co., 1120 20th Street NW., Washington, D.C. 20036.

D. (6) $312.50.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Ashland Chemical, P.O. Box 2219, Columbus Ohio 43216.

D. (6) $150.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Bechtel Power Corp., 1620 I Street NW., Washington, D.C. 20006.

D. (6) $312.50.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.

D. (6) $1,562.50.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Board of Trade Clearing Corp., 141 West Jackson Boulevard, Chicago, Ill. 60604.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Board of Trade of the City of Chicago, 141 West Jackson Boulevard, Chicago, Ill. 60604.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Chicago Mercantile Exchange, 444 West Jackson Boulevard, Chicago, Ill. 60606.

A. Charls E. Walker Associates Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Cigar Association of America, Inc., 1120 19th Street NW., Washington, D.C. 20036.

D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Cities Service Co., Cities Service Building, Tulsa, Okla. 74102.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Container Corporation of America, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. CSX Corp., P.O. Box C-32222, Richmond, Va. 23261.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Dealer Bank Association, 1800 K Street, NW., Washington, D.C. 20006.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Deere & Co., John Deere Road, Moline, Ill. 61265.

D. (6) $312.50.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Dresser Industries, Inc., 1100 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $312.50.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Eastern Air Lines, Inc., 10 Rockefeller Plaza, New York, N.Y. 10020.

D. (6) $2,500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Federal National Mortgage Association, 3900 Wisconsin Avenue NW., Washington, D.C. 20016.

D. (6) $400.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. First Chicago Corp., One First National Plaza, Chicago, Ill. 60670.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., The American Road, Dearborn, Mich. 48121.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

D. (6) $312.50.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. General Public Utilities Corp., 100 Interpace Parkway, Parsippany, N.J. 07054.

D. (6) $6,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. General Telephone & Electronics, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $312.50.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Geothermal Kinetics, Inc., 301 West Indian School Road, Phoenix, Ariz. 85013.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. The Goodyear Tire & Rubber Co., 1800 K Street NW., Washington, D.C. 20006.

D. (6) $312.50.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Hamsphire Energy, 720 East Wisconsin Avenue, Milwaukee, Wis. 53202.

D. (6) $1,125.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Inland Steel Corp., 30 West Monroe Street, Chicago, Ill. 60603.

D. (6) $1,250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. International Paper Co., 1620 I Street NW., Suite 700 Washington, D.C. 20006.

D. (6) $312.50.

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A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Suite 1000, Washington, D.C. 20006.

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A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Lone Star Steel Co., 2200 West Mockingbird Lane, Dallas, Tex. 75215.

D. (6) $150.

—

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. The Mead Corp., 1000 Connecticut Avenue NW., Washington, D.C. 20036 (for Weyerhaeuser Co., 1625 I Street NW., Washington, D.C. 20006).

D. (6) $9,000.

—

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Steel Corp., 2800 Grant Building, Pittsburgh, Pa. 15219.

D. (6) $1,250.

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A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. The National Tax Limitation Committee, 1623 L Street NW., Suite 600, Washington, D.C. 20005.

D. (6) $1,910.

—

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. The Northwestern Mutual Life Insurance Co., 720 East Wisconsin Avenue, Milwaukee, Wis. 53202.

D. (6) $937.50.

—

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Olin Corp. 120 Lake Ridge Road, Stamford, Conn. 06904.

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A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Owens Corning Fiberglas Corp., Fiberglas Tower, Toledo, Ohio 43659.

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A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Owens-Illinois, Inc., P.O. Box 1035, Toledo, Ohio 43666.

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A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Phelps Dodge Corp., 1015 15th Street NW., Washington, D.C. 20005.

D. (6) $1,250.

—

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Potlach Corp., 1090 Vermont Avenue NW., Washington, D.C. 20005.

D. (6) $625.

—

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. The Procter & Gamble Co., Cincinnati, Ohio 45201.

D. (6) $312.50.

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A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Republic Steel Corp., P.O. Box 6778, Cleveland, Ohio 44101.

D. (6) $1,250.

—

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Scott Paper Co., Scott Plaza, Philadelphia, Pa. 19113.

D. (6) $625.

—

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Tennessee Synfuels Associates.

D. (6) $1,125.

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A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.

D. (6) $462.50.

—

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. United Air Lines, Inc., P.O. Box 66100, Chicago, Ill. 60666.

D. (6) $1,250.

—

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Weyerhaeuser Co., 1625 I Street NW., Washington, D.C. 20006.

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A. Warren W. Walkley, General Electric Co., 777 14th Street NW., Washington, D.C. 20005-3299.

B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005-3299.

E. (9) $12.

—

A. R. Duffy Wall, 1730 Rhode Island Avenue NW., Suite 400, Washington, D.C. 20036.

B. Freeport-McMoRan Inc., 200 Park Avenue, New York, N.Y. 10166

D. (6) $350. E. (9) $141.

—

A. R. Douglas Wallin, Jr., 1235 Jefferson Davis Highway, Arlington, Va 22202.

B. Emerson Electric Co., 8000 West Florissant, St. Louis, Mo. 63136.

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A. James P. Walsh, Sixth Floor, 1050 Thomas Jefferson Street NW., Washington, D.C. 20007.

B. American Tunaboat Association, 1 Tuna Lane, San Diego, Calif. 92101.

D. (6) $6,000. E. (9) $223.50.

—

A. Eleanor Walters, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Environmental Policy Center, 317 Pennsylania Avenue SE., Washington, D.C. 20003.

D. (6) $1,250.01. E. (9) $83.80.

—

A. John F. Wanamaker, the Retired Officers Association, 201 North Washington Street, Alexandria, Va. 22314.

B. The Retired Officers Association, 201 North Washington Street, Alexandria, Va. 22314.

D. (6) $1,816.

—

A. Barbara Wanner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. Japan Economic Institute of America, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $300.

—

A. Richard D. Warden, United Automobile, Aerospace & Agricultural Implement Workers of America, 1757 N Street NW., Washington, D.C. 20036.

B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, 8000 East Jefferson Avenue NW., Detroit, Mich. 48214.

D. (6) $14,353.20. E. (9) $206.80.

—

A. Jack Ware, 2101 L Street NW., Washington, D.C. 20037.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $9,000.50. E. (9) $427.34.

—

A. Michael O. Ware, Conoco Inc., 1025 Connecticut Avenue SW., Suite 1000, Washington, D.C. 20036.

B. Conoco Inc., High Ridge Park, Stamford, Conn. 06904.

D. (6) $1,200.

—

A. Peter F. Warker, TRW Inc., 1000 Wilson Boulevard, Suite 2700, Arlington, Va., 22209.

B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio. 44117.

D. (6) $1,250.

—

A. Ernest R. Warner, Jr., DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc. (for Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac, France), 1225 19th Street NW., Washington, D.C. 20036

D. (6) $126.18. E. (9) $108.44.

—

A. Ernest R. Warner, Jr., DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc. (for Sofreavia, 75 rue la Boetie, Paris 8eme, France), 1225 19th Street NW., Washington, D.C. 20036.

D. (6) $57.68. E. (9) $12.

—

A. Christine M. Warnke, American Textile Manufacturers Institute, Inc., 1101 Connecticut Avenue NW., Suite 300, Washington, D.C. 20036.

B. American Textile Manufacturers Institute, Inc., 1101 Connecticut Avenue NW., Suite 300, Washington, D.C. 20036.

D. (6) $400. E. (9) $157.90.

—

A. Anita S. Warren, 1050 31st Street NW., Washington, D.C. 20007.

B. Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20007.

—

A. Washington Gas Light Co., 1100 H Street, NW., Washington, D.C. 20080.

E. (9) $7,239.

—

A. Washington Industrial Team, Inc., Room 400, 499 South Capitol Street SW., Washington, D.C. 20003.

B. Boeing Co., 7755 East Marginal Way, Seattle, Wash. 98124.

D. (6) $450. E. (9) $349.86.

—

A. Washington Industrial Team, Inc., Room 400, 499 South Capitol Street SW., Washington, D.C. 20003.

B. General Dynamics Corp., Pierre Laclede Center, St. Louis, Mo. 63105.

D. (6) $450. E. (9) $349.86.

—

A. Washington Industrial Team, Inc., Room 400, 499 South Capitol Street SW., Washington, D.C. 20003.

B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.

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A. Washington Industrial Team, Inc., Room 400, 499 South Capitol Street SW., Washington, D.C. 20003.

B. Grumman Aerospace Corp., Bethpage, N.Y. 11714.

A. Washington Industrial Team, Inc., Room 400, 499 South Capitol Street SW., Washington, D.C. 20003.
B. Hughes Aircraft Co., Culver City, Calif. 90230.
D. (6) $450. E. (9) $349.86.

A. Washington Industrial Team, Inc., Room 400, 499 South Capitol Street SW., Washington, D.C. 20003.
B. McDonnell Douglas Corp., P.O. Box 516, St. Louis, Mo. 63166.
D. (6) $450. E. (9) $349.86.

A. Washington Industrial Team, Inc., Room 400, 499 South Capitol Street SW., Washington, D.C. 20003.
B. Northrop Corp., 1800 Century Park East, Los Angeles, Calif. 90067.

A. Washington Industrial Team, Inc., Room 400, 499 South Capitol Street SW., Washington, D.C. 20003.
B. Raytheon Co., 141 Spring Street, Lexington, Mass. 02173.
D. (6) $450. E. (9) $349.86.

A. Washington Industrial Team, Inc., Room 400, 499 South Capitol Street SW., Washington, D.C. 20003.
B. Rockwell International, 2230 East Imperial Highway, El Segundo, Calif. 90245.
D. (6) $450. E. (9) $349.86.

A. Washington Industrial Team, Inc., Room 400, 499 South Capitol Street SW., Washington, D.C. 20003.
B. TRW, Inc., 1 Space Park, Redondo Beach, Calif. 90278.
D. (6) $450. E. (9) $349.86.

A. Washington Industrial Team, Inc., Room 400, 499 South Capitol Street SW., Washington, D.C. 20003.
B. United Technologies Corp., United Technologies Building, Hartford, Conn. 06101.
D. (6) $450. E. (9) $349.86.

A. Washington Industrial Team, Inc., Room 400, 499 South Capitol Street SW., Washington, D.C. 20003.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $450. E. (9) $349.86.

A. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $24,808.82. E. (9) $20,217.43.

A. Washington State NARAL, 909 Fourth Avenue No. 610, Seattle, Wash. 98104.
D. (6) $22,015.55. E. (9) $21,609.27.

A. Robert E. Watkins, Motor Vehicle Manufacturers Association, 1909 K Street NW., Suite 300, Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 300 New Center Building, Detroit, Mich. 48202.
D. (6) $10.

A. Ralph J. Watson, 1745 Jefferson Davis Highway, No. 1200, Arlington, Va. 22202.
B. Rockwell International Corp., 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $495. E. (9) $213.03.

A. Carolyn Herr Watts, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $50.

A. George B. Watts, 1155 15th Street, NW., Washington, D.C. 20005.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $1,000.

A. Bruce H. Watzman, National Coal Association, Coal Building, Washington, D.C. 20036.
B. National Coal Association, 1130 17th Street NW., Washington, D.C. 20036.
D. (6) $4,750. E. (9) $382.05.

A. Judith G. Waxman, National Health Law Program, 1424 16th Street NW., Washington, D.C. 20036.
B. National Health Law Program, 2639 South La Cienega Boulevard, Los Angeles, Calif. 90034.
D. (6) $1,756.46. E. (9) $1,976.04.

A. William J. Way, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard., Detroit, Mich. 48202.
D. (6) $2,500. E. (9) $1,504.01.

A. William H. Weatherspoon, N.C. Petroleum Council, P.O. Box 167, Raleigh, N.C. 27602.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $1,000. E. (9) $1,109.36.

A. Vernon Weaver, 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Stephens Overseas Services, Inc., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
D. (6) $122.50.

A. Douglas M. Webb, Standard Oil Co. (Ohio), 1111 19th Street NW., Suite 310, Washington, D.C. 20036.
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.
D. (6) $500. E. (9) $104.08.

A. Frederick L. Webber, 1111 19th Street NW., Washington, D.C. 20036.
B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $6,478. E. (9) $57.49.

A. Webster, Chamberlain & Bean, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Paratransit Institute, Inc., P.O. Box 340276, Coral Gables, Fla. 33134.
D. (6) $800.

A. Webster, Chamberlain & Bean, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The American Society of Radiologic Technologists, 55 East Jackson Boulevard, Chicago, Ill. 60604.

A. Webster, Chamberlain & Bean, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Charles Stewart Mott Foundation, Mott Foundation Building, Flint, Mich. 48502.

A. Webster & Sheffield, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Adams County, Colo., 450 South Fourth Avenue, Brighton, Colo. 80601.
E. (9) $60.48.

A. Webster & Sheffield, 1200 New Hampshire Avenue NW., Suite 350, Washington, D.C. 20036.
B. Kidder, Peabody & Co., Inc., 10 Hanover Square, New York, N.Y. 10005.

A. Webster & Sheffield, 1200 New Hampshire Avenue NW., Suite 350, Washington, D.C. 20036.
B. Penobscot Nation, Community Building, Indian Island, Maine 04468.
E. (9) $140.75.

A. Webster & Sheffield, 1200 New Hampshire Avenue NW., Suite 350, Washington, D.C. 20036
B. Skanska U.S.A., Inc., 8330 Old Courthouse Road, Building Tycon 2, Vienna, Va. 22180.
E. (9) $26.

A. Lee Weddig, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. National Fisheries Institute, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036
D. (6) $4,000. E. (9) $12.

A. Charles W. Wegner, Jr., Professional Insurance Agents, 600 Pennsylvania Avenue SE., Suite 203, Washington, D.C. 20003.
B. Professional Insurance Agents, 400 North Washington Street, Alexandria, Va. 22314.
D. (6) $375. E. (9) $225.

A. Jack R. Wehrly, Dow Corning Corp., 1800 M Street NW., 790S, Washington, D.C. 20036.
B. Dow Corning Corp., P.O. Box 1767, Midland, Mich. 48640.
E. (9) $485.50.

A. Robert E. Weigend, Jr., Communications Satellite Corporation, 950 L'Enfant Plaza SW., Washington, D.C. 20024.
B. Communications Satellite Corporation, 950 L'Enfant Plaza SW., Washington, D.C. 20024.

A. Weil, Gotshal & Manges, 767 Fifth Avenue, New York, N.Y. 10153.
B. Continental Group, 1 Harbor Plaza, Stamford, Conn. 06902.
A. Nancy A. Weinberg, 1899 L Street NW., Suite 807, Washington, D.C. 20036.
B. Rohm & Haas Co., Independence Mall West, Philadelphia, Pa. 19105.
D. (6) $500. E. (9) $377.49.

A. Donald G. Weinert, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Joan Weinstock, 600 Maryland Avenue SW., Suite 400, Washington, D.C. 20024.
B. American Optometric Association, 395 Orchard Street, Antioch, Ill. 60002.

A. Joel A. Weiss, 1730 North Lynn Street, Suite 400, Rosslyn, Va. 22209.
B. Acurex Solar Corp., 1730 North Lynn Street, Suite 400, Rosslyn, Va. 22209.
D. (6) $3,641.73. E. (9) $266.73.

A. Michael A. Weiss, Tenneco Inc., 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
B. Tenneco Inc., P.O. Box 2511, Houston, Tex. 77001.
E. (9) $150.

A. Morton N. Weiss, One World Trade Center, Suite 4511, New York, N.Y. 10048.
B. National Security Traders Association, One World Trade Center, Suite 4511, New York, N.Y. 10048.
D. (6) $3,125. E. (9) $208.68.

A. Judith H. Weitz, 1520 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Children's Defense Fund, 1520 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $1,371.99. E. (9) $44.25.

A. Don Welch, P.O. Box 841, Abilene, Tex. 79604.
B. West Texas Utilities Co., P.O. Box 841, Abilene, Tex. 79604.
D. (6) $600. E. (9) $1,108.

A. Paul S. Weller, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $1,608.30.

A. L. H. Wells, Shell Oil Co., 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Betsey Weltner, the Power House, 3255 Grace Street NW., Washington, D.C. 20007.
B. Gray & Co., the Power House, 3255 Grace Street, NW., Washington, D.C. 2007.

A. Douglas P. Wendel, American Bus Association, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bus Association, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,750. E. (9) $529.57

A. Anne P. Werner, Direct Mail Marketing Association, 1730 K Street NW., Suite 905, Washington, D.C.
B. Direct Mail Marketing Association, 6 East 43d Street, New York, N.Y. 10017.

A. W. R. Werner, CertainTeed Corp., P.O. Box 860, Valley Forge, Pa. 19482.
B. CertainTeed Corp., P.O. Box 860, Valley Forge, Pa. 19482.

A. Fred Wertheimer, 2030 M Street, NW., 3d Floor, Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., 3d Floor, Washington, D.C. 20036.
D. (6) $13,475.04 E. (9) $156.

A. Frank West, 777 14th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 777 14th Street NW., Washington, D.C. 20005.
D. (6) $2,500. E. (9) $385.64

A. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
E. (9) $500.

A. W. P. West, Jr., 1629 K Street NW., Suite 204, Washington, D.C. 20006.
B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga., 30320.
D. (6) $273. E. (9) $164.82

A. Harry H. Westbay III, St. Regis Paper Co., 1625 I Street NW., Suite 805, Washington, D.C. 20006.
B. St. Regis Paper Co., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,650. E. (9) $850.

A. Western Radiological Group, Suite 2, 2044 Armacost Avenue, Los Angeles, Calif. 90015.

A. Western Resource Alliance, 2565 West 23d Street, Eugene, Oreg., 97401.
E. (9) $286.50

A. John F. Wetzel, Jr., Motorcycle Industry Council, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Motorcycle Industry Council, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,500. E. (9) $870.36

A. William Wewer, Wewer & Mahn, P.C., 1425 21st Street NW., Washington, D.C. 20036.
B. Subscription Television Association, 1425 21st Street NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Wexler and Associates, Inc., 1616 H Street NW., Suite 400, Washington, D.C. 20006.
B. Armco, Inc., 1747 Pennsylvania Avenue NW., Suite 702, Washington, D.C. 20006.

A. Wexler and Associates, Inc., 1616 H Street NW., Suite 400, Washington, D.C. 20006.
B. Beneficial Management Corporation of America, 200 South Street, Morristown, N.J. 07960.
D. (6) $3,645.

A. Wexler and Associates, Inc., 1616 H Street NW., Suite 400, Washington, D.C. 20006.
B. The GHK Co., 6441 NW., Grand Boulevard, Oklahoma City, Okla. 73116.
D. (6) $14,130. E. (9) $1,130.38.

A. Wexler and Associates, Inc., 1616 H Street NW., Suite 400, Washington, D.C. 20006.
B. Independent Gas Producers Committee (IGPC), 6441 NW., Grand Boulevard, Oklahoma City, Okla. 73116.

A. Wexler and Associates, Inc., 1616 H Street NW., Suite 400, Washington, D.C. 20006.
B. The Motion Picture Association of America, 1600 Eye Street NW., Washington, D.C. 20006.
D. (6) $2,010.

A. Wexler and Associates, Inc., 1616 H Street NW., Suite 400, Washington, D.C. 20006.
B. The National Football League, 410 Park Avenue, New York, N.Y. 10022.
D. (6) $1,210.

A. Wexler and Associates, Inc., 1616 H Street NW., Suite 400, Washington, D.C. 20006.
B. National Radio Broadcasters Association, 1705 DeSales Street NW., Washington, D.C. 20036.

A. Robert G. Weymueller, American Lung Association, Suite 401, 1629 K Street NW., Washington, D.C. 20006.
B. American Lung Association, 1740 Broadway, New York, N.Y. 10019.
D. (6) $3,600. E. (9) $1,760.

A. Brian B. Whalen, International Harvester Co., 401 North Michigan Avenue, Chicago, Ill. 60611.
B. International Harvester Co., 401 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $1,250. E. (9) $973.52.

A. Clyde A. Wheeler, Jr., Sun Co., Inc., 1800 K Street NW., Suite 820, Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.
D. (6) $15,000. E. (9) $351.82.

A. Edwin M. Wheeler, the Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
E. (9) $25.

A. Thomas E. Wheeler, National Cable Television Association, Inc., 1724 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Cable Television Association, Inc., 1724 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $1,375.

A. June M. Whelan, Union Pacific Corp. 1120 20th Street NW., Suite 600 S, Washington, D.C., 20036-3446.
B. Union Pacific Corp., 345 Park Avenue, New York, N.Y. 10154-0137.
D. (6) $1,250. E. (9) $799.75.

A. Donald F. White, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $75.

A. White, Fine & Verville, 1156 15th Street NW., No. 302, Washington, D.C. 20005.
B. Westinghouse, 1801 K Street NW., 9th Floor, Washington, D.C. 20006.
D. (6) $1,525.94.

A. John C. White, Suite 207, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Coastal Corp., Nine Greenway Plaza, Houston, Tex. 77046 (for Chicago Mercantile Exchange, 444 West Jackson, Chicago, Ill. 60606).

A. John S. White, Marathon Oil Co., 1800 M Street NW., Washington, D.C. 20036.
B. Marathon Oil Co., Findlay, Ohio 45840.

A. John Thomas White II, Tenneco Inc., 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
B. Tenneco Inc., P.O. Box 2511, Houston, Tex. 77001.

A. Donald W. Whitehead, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. States' Washington Representative, 1666 Connecticut Avenue NW., Washington, D.C. 20235.
D. (6) $3,500.

A. Alton W. Whitehouse, 1750 Midland Building, Cleveland, Ohio 44115.
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.

A. Marshall E. Whitenton, Standard Oil Co. (Ohio), 1050 17th Street NW., Suite 650, Washington, D.C. 20036.
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.
D. (6) $462.50. E. (9) $156.40.

A. Bennett C. Whitlock, Jr., American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $1,446.20.

A. James A. Whitman, National Association of Chain Drug Stores, Inc., P.O. Box 1417-D49, Alexandria, Va. 22313.
B. National Association of Chain Drug Stores, Inc., P.O. Box 1417-D49, Alexandria, Va. 22313.
D. (6) $500.

A. Whitman & Ransom, 522 Fifth Avenue, New York, N.Y. 10036; 1333 New Hampshire

Avenue NW., Suite 650, Washington, D.C. 20036.
B. American Friends of Kiryat Sanz Laniado Hospital, 580 Fifth Avenue, New York, N.Y. 10036.
D. (6) $200. E. (9) $5.

A. Whitman & Ransom, 522 Fifth Avenue, New York, N.Y. 10036; 1333 New Hampshire Avenue NW., Suite 650, Washington, D.C. 20036.
B. The Belz Institute of Israel, 1369 45th Street, Brooklyn, N.Y. 11219.
D. (6) $700. E. (9) $16.80.

A. Whitman & Ransom, 522 Fifth Avenue, New York, N.Y. 10036; 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Japan External Trade Organization (JETRO), 2-2-5 Toranomon, Minato-Ku, Tokyo, Japan; Japan Trade Ctr., 1221 Avenue of the Americas, New York, N.Y. 10020.
E. (9) $263.97.

A. William F. Whitsitt, Sun Co., Inc., 1800 K Street NW., Suite 820, Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.
D. (6) $4,000. E. (9) $473.48.

A. David E. Whitten, the Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $5,000. E. (9) $1,966.37.

A. Nina Faye Widenmann, Arizona Public Service Co., P.O. Box 21666, Phoenix, Ariz. 85036.
B. Arizona Public Service Co., P.O. Box 21666, Phoenix, Ariz. 85036.
D. (6) $461.60. E. (9) $5,029.94.

A. Thomas D. Wilcox, 1899 L Street NW., Suite 705, Washington, D.C. 20036.
B. National Association of Stevedores, 1899 L Street NW., Washington, D.C. 20036.
D. (6) $13,600. E. (9) $14,679.

A. Harry G. Wiles II, National Association of Independent Insurers, 499 South Capitol Street SW., Suite 401, Washington, D.C. 20003.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
E. (9) $98.

A. Guenther O. Wilhelm, Exxon Corp., 1899 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.

A. Jerry C. Wilkerson, 1025 Connecticut Avenue NW., Suite 1005, Washington, D.C. 20036.
B. International Franchise Association, 1025 Connecticut Avenue NW., Suite 1005, Washington, D.C. 20036.
D. (6) $7,469.50. E. (9) $2,550.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Arapahoe Tribe of Indians, Fort Washakie, Wyo.
D. (6) $614.50.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Association of Data Processing Service Organizations, Inc., 1300 North 17th Street, Suite 300, Arlington, Va. 22209.
D. (6) $4,059. E. (9) $193.05.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. European Travel Commission, 630 Fifth Avenue, New York, N.Y. 10111.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Independent Data Communications Manufacturers Association, Inc., 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $9,771.50. E. (9) $182.19.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Independent Insurance Agents of America, Inc., 100 Church Street—19th Floor, New York, N.Y. 10017.
D. (6) $2,637. E. (9) $1,179.70.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Louisiana Pacific Corp., First National Bank Building, 1300 Southwest Fifth Avenue, Portland, Oreg. 97201.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. NANA Regional Corp., Inc., Box 49, Kotzebue, Alaska 99752.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. National Congress of American Indians, Inc., 202 E Street NE., Washington, D.C. 20002.
E. (9) $73.26.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Pueblo de Cochiti, P.O. Box 70, Cochiti, N. Mex. 87041.
D. (6) $2,320. E. (9) $14.50.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Shee Atika, P.O. Box 4578, Mount Edgecumbe, Alaska 99835.
E. (9) $3.40.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. State of Hawaii, Department of Regulatory Agencies, P.O. Box 541, Honolulu, Hawaii 96809.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Three Affiliated Tribes of the Fort Berthold Reservation, New Town, N. Dak.
E. (9) $4.

A. Sandra L. Willett, 624 C Street SE., Washington, D.C. 20003.
B. National Consumers League, 1522 K Street NW., No. 406, Washington, D.C. 20005.
D. (6) $750. E. (9) $5.

A. Williams & Connolly, 839 17th Street NW., Washington, D.C. 20006.
A. William H. Sullivan, Jr., 500 Neponset Avenue, Dorchester, Mass. 02122.

B. Williams & Connolly, 1000 Hill Building, Washington, D.C. 20006.
A. Twentieth Century Fox Film Corp., 10201 West Pico Boulevard, Los Angeles, Calif. 90035.
B. James H. Williams, 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.
D. (6) $420.

A. National Limestone Institute, 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.
B. William & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
A. Securities Industry Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.

A. Lee Williams, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,600.

A. Lucinda L. Williams, 1111 19th Street NW., Suite 402, Washington, D.C. 20036.
B. Federation of American Hospitals, 1111 19th Street NW., Suite 402, Washington, D.C. 20036.
D. (6) $4,500.

A. Margie R. Williams, 415 Second Street NE., Suite 300, Washington, D.C. 20002.
B. National Association of Wheat Growers, 415 Second Street NE., Suite 300, Washington, D.C. 20002.
D. (6) $956.84.

A. Williams, Myers & Quiggle, 888 17th Street NW., Washington, D.C. 20006.
B. Church Alliance for Clarification of ERISA, 511 North Akard Building, Suite 311, Dallas, Tex. 75201.
D. (6) $19,270.17. E. (9) $300.03.

A. Robert E. Williams, United Airlines, 1825 K Street NW., No. 607, Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $1,500.

A. Susan J. Williams, 1730 Rhode Island Avenue NW., Suite 1200, Washington, D.C. 20036.
A. Bracy Williams & Co. 1730 Rhode Island Avenue NW., Suite 1200, Washington, D.C. 20036 (for Employee Owned Airlines).
D. (6) $1,000.

A. Susan J. Williams, 1730 Rhode Island Avenue NW., Suite 1200, Washington, D.C. 20036.
B. Bracy Williams & Co., 1730 Rhode Island Avenue NW., Suite 1200, Washington, D.C. 20036 (for Humana Inc.).
D. (6) $1,000.

A. Susan J. Williams, 1730 Rhode Island Avenue NW., Suite 1200, Washington, D.C. 20036.
B. Bracy Williams & Co., 1730 Rhode Island Avenue NW., Suite 1200, Washington, D.C. 20036 (for Nike Intenational, Ltd.).
D. (6) $500.

A. Susan J. Williams, 1730 Rhode Island Avenue NW., Suite 1200, Washington, D.C. 20036.
B. Bracy Williams & Co., 1730 Rhode Island Avenue NW., No. 1200, Washington, D.C. 20006 (for Quixote Corp.).
D. (6) $1,000.

A. W. G. Williams, 1100 17th Street NW., Suite 1000, Washington, D.C. 20036.

A. John C. Williamson, 1725 K Street NW., Suite 1405, Washington, D.C. 20006.
B. Mortgage Insurance Companies of America, 1725 K Street NW., Suite 1405, Washington, D.C. 20006.
D. (6) $2,700. E. (9) $37.

A. Willkie Farr & Gallagher, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. Burlington Industries, 1800 M Street NW., Washington, D.C. 20006.
D. (6) $2,012.50. E. (9) $120.

A. Charlotte Wilmer, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $125.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. The Business Roundtable, 1828 L Street NW., Washington, D.C. 20036.
E. (9) $53.30.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. CPC International Inc., International Plaza, Englewood Cliffs, N.J. 07632.
D. (6) $5,661.75. E. (9) $10.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Ford Motor Co., The American Road, Dearborn, Mich. 48121.
D. (6) $29,864. E. (9) $233.86.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. G-IV Children's Coalition, Room 1100, 1666 K Street NW., Washington, D.C. 20006.
D. (6) $8,762.05. E. (9) $95.01.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Handgun Control, Inc., 810 18th Street NW., Washington, D.C. 20006.
E. (9) $22.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Owens-Illinois, P.O. Box 1035, Toledo, Ohio 43666.
D. (6) $2,240. E. (9) $92.51.

A. Bjorg Opdahl Wilson, UNICEF Information Service, 110 Maryland Avenue NE., Washington, D.C. 20002.
B. The United States Committee for UNICEF, 331 East 38th Street, New York, N.Y. 10016.
D. (6) $1,500.

A. Charles D. Wilson, 1850 K Street NW., Suite 390, Washington, D.C. 20006.
B. Union Camp Corp., 1850 K Street NW., Suite 390, Washington, D.C. 20006.
D. (6) $1,375. E. (9) $20.

A. Donnie E. Wilson, Husky Oil Co., 1800 M Street NW., Suite 295 North, Washington, D.C. 20036.
B. Husky Oil Company, P.O. Box 380, Cody, Wyo. 82414.
D. (6) $250.

A. James E. Wilson, Jr., 1150 17th Street NW., Suite 500, Washington, D.C. 20036.
B. McDonnell Douglas Corp., P.O. Box 516, St. Louis, Mo. 63166.

A. Robert C. Wilson, 216 South Carolina Avenue SE., Washington, D.C. 20003.
B. RMI, Inc., 225 West 30th Street, National City, Calif. 92050.

A. Robert C. Wilson, Room 400, 499 South Capitol Street SW., Washington, D.C. 20003.
B. Washington Industrial Team, Inc., Room 400, 499 South Capitol Street SW., Washington, D.C. 20003.
D. (6) $600.

A. William A. Wilson III, 8001 Braddock Road, Springfield, Va. 22160.
B. National Right To Work Committee, 8001 Braddock Road, Springfield, Va. 22160.
D. (6) $400.

A. Windels, Marx, Davies & Ives, 51 West 51st Street, New York, N.Y. 10019; 1800 M Street NW., No. 625N Washington, D.C. 20036.
B. Solitron Devices, Inc., 1177 Blue Heron Boulevard, Riviera Beach, Fla. 33404.
E. (9) $153.03.

A. Windels, Marx, Davies & Ives, 51 West 51st Street, New York, N.Y. 10019.
B. Waterman Steamship Corp., 120 Wall Street, New York, N.Y. 10005.

A. Joseph B. Winkelmann, 777 14th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 777 14th Street NW., Washington, D.C. 20005.
D. (6) $2,500. E. (9) $846.95.

A. Kathleen J. Winn, 1155 15th Street NW., Suite 602, Washington, D.C. 20006.
B. Pennzoil Co., Pennzoil Place, Box 2967, Washington, D.C. 20006.
D. (6) $475.

A. James R. Winnie, Cities Service Gas Co., P.O. Box 25128, Oklahoma City, Okla. 73125.
B. Cities Service Gas Co., P.O. Box 25128, Oklahoma City, Okla. 73125.

A. Winston & Strawn, 2550 M Street NW., Suite 500, Washington, D.C. 20037.
B. Cummins Engine Co., Inc., 432 Washington Street, 3d Floor, Columbus, Ind. 47201.
D. (6) $630.

A. Winston & Strawn, 2550 M Street NW., Suite 500, Washington, D.C. 20037.
B. International Council of Shopping Centers, 665 Fifth Avenue, New York, N.Y. 10022.
D. (6) $100. E. (9) $73.60.

A. Mark E. Winter, American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.
B. American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. Ann R. Wise, 112 Washington Street, East Walpole, Mass. 02032.
B. Hollingsworth & Vose Co., 112 Washington, Street, East Walpole, Mass. 02032.
D. (6) $400. E. (9) $2,909.50.

A. Witkowski, Weiner, McCaffrey & Brodsky, P.C., 1575 I Street NW., Suite 350, Washington, D.C. 20005.
B. Coordinating Council on Manufactured Housing Finance, 1575 I Street NW., Suite 350, Washington, D.C. 20005.
D. (6) $13,754.

A. Witkowski, Weiner, McCaffrey & Brodsky, P.C., 1575 I Street NW., Suite 350, Washington, D.C. 20005.
B. Kankakee, Beaverville and Southern Railroad, P.O. Box 60, Beaverville, Ill. 60912.

A. Witkowski, Weiner, McCaffrey & Brodsky, P.C., 1575 I Street NW., Suite 350 Washington, D.C. 20005.
B. National Manufactured Housing Finance Association, 1575 I Street NW., Suite 350 Washington, D.C. 20005.

A. Witkowski, Weiner, McCaffrey & Brodsky, P.C., 1575 I Street NW., Suite 350, Washington, D.C. 20005.
B. Task Force on Creative Finance for Manufactured Housing, 1575 I Street NW., Suite 350, Washington, D.C. 20005.
D. (6) $4,273.50.

A. Glenn P. Witte, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.

A. H. C. Witthaus, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $1,639.80.

A. James Wolf, Alliance To Save Energy, 1925 K Street NW., Suite 507, Washington, D.C. 20006.
B. Alliance To Save Energy, 1925 K Street NW., Suite 507, Washington, D.C. 20006.
D. (6) $404.70.

A. James E. Wolf, the Trane Co., 2020 14th Street North, Arlington, Va. 22201.
B. The Trane Co., 3600 Pammel Creek Road, La Crosse, Wis. 54601.
D. (6) $3,000.

A. Sidney M. Wolfe, 2000 P Street NW., Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Washington, D.C. 20036.
D. (6) $35.

A. Bruce Wolpe, National Public Radio, 2025 M Street NW., Washington, D.C. 20036.
B. National Public Radio, 2025 M Street NW., Washington, D.C. 20036.
D. (6) $6,333. E. (9) $57.

A. Don Womack, 1825 K Street NW., Suite 303, Washington, D.C. 20006.
B. Texas Utilities Services Inc., 2001 Bryan Tower, Dallas, Tex. 75201.
D. (6) $2,356. E. (9) $106.20.

A. Burton, C. Wood, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $10,600. E. (9) $2,409.

A. Charles A. Wood, National Fuel Gas Distribution Corp., Room 900, 10 Lafayette Square, Buffalo, N.Y. 14203.
B. National Fuel Gas Distribution Corp., Room 900, 10 Lafayette Square, Buffalo, N.Y. 14203 et al.
D. (6) $142.88. E. (9) $341.78.

A. John L. Wood, 1111 19th Street NW., Washington, D.C. 20036.
B. Central & Southwest Services, 27700 One Main Place, Dallas, Tex. 75202.
D. (6) $197.

A. John L. Wood, 1111 19th Street NW., Washington, D.C. 20036.
B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.

A. Wilbur S. Wood, National Rural Letter Carriers' Association, Suite 1204, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Rural Letter Carriers' Association, Suite 1204, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $100.40.

A. W. Alan Woodford, Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.

B. Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.

D. (6) $300.

A. Diane Woodruff, Committee of Urban Program Universities, 1346 Connecticut Avenue NW., Room 228, Washington, D.C. 20036.

B. Committee of Urban Program Universities, 1346 Connecticut Avenue NW., Room 228, Washington, D.C. 20036.

D. (6) $3,250.

A. M. Alan Woods, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Airbus Industrie, Avenue Lucien, Servanty, 31700 Blagnac, France).

A. M. Alan Woods, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Sofreavia, 75 Rue la Boetie, Paris, 8eme, France).

A. Richard P. Woods, Pacific Resources, Inc., 2501 M Street NW., Suite 540, Washington, D.C. 20037.

B. Pacific Resources, Inc., 733 Bishop Street, P.O. Box 3379, Honolulu, Hawaii 96842.

D. (6) $500.

A. Perry W. Woofter, Tesoro Petroleum Corp., 1800 K Street NW., Suite 530, Washington, D.C. 20006.

B. Tesoro Petroleum Corp., 8700 Tesoro Drive, San Antonio, Tex. 78286.

D. (6) $2,500.

A. Edward A. Woolley, 720 Fifth Avenue, New York, N.Y. 10019.

B. CTI-Container Transport International, Inc., et al., 445 Hamilton Avenue, White Plains, N.Y.

D. (6) $747.96 E. (9) $42.56.

A. Linda Anzalone Woolley, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

D. (6) $2,500.

A. Ronald L. Wooten, Consolidation Coal Co., 1025 Connecticut Avenue NW., Suite 1000, Washington, D.C. 20036.

B. Consolidation Coal Co., Consol Plaza, 1800 Washington Road, Pittsburgh, Pa. 15241.

D. (6) $525. E. (9) $120.

A. Dee Workman, Valkyrie Enterprises, Inc., 405 Lexington Avenue, New York, N.Y. 10017.

B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.

D. (6) $18,750. E. (9) $1,600.

A. World Federalist Political Education Commission, 600 Valley Road, Wayne, N.J. 07470.

D. (6) $16,035.76. E. (9) $13,082.99.

A. Steven M. Worth, The Power House, 3255 Grace Street NW., Washington, D.C. 20007.

B. Hill & Knowlton, The Power House, 3255 Grace Street NW., Washington, D.C. 20007.

A. Franklin L. Wright, Jr., National Association of Mutual Savings Banks, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006

B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10166.

D. (6) $2,968.75.

A. William L. Wright, 1901 L Street NW., Washington, D.C. 20036.

B. Eli Lilly & Co., 307 East McCarty Street, Indianapolis, Ind. 46285.

D. (6) $3,000. E. (9) $44.20.

A. Richard E. Wyckoff, 1771 N Street NW., Washington, D.C. 20036.

B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.

D. (6) $1,500. E. (9) $460.

A. T. Albert Yamada, 900 17th Street NW., Suite 520, Washington, D.C. 20006.

B. Toyota Motor Sales, U.S.A., Inc., Suite 600, 919 18th Street NW., Washington D.C. 20006.

D. (6) $500

A. T. Albert Yamada, 900 17th Street NW., Suite 520, Washington, D.C. 20006.

B. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.

D. (6) $500.

A. Edward R. Yawn, 1111 19th Street NW., Washington, D.C. 20036.

B. The Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.

D. (6) $1,225. E. (9) $150.79.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. D. Scott Yohe, 1629 K Street NW., Room 204, Washington, D.C. 20006.

B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga. 30320.

D. (6) $390. E. (9) 102.40.

A. G. Reynolds Young, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue, NW., Washington, D.C. 20036.

D. (6) $1,000.

A. Hugh F. Young, Jr., National Paint and Coatings Association, 1500 Rhode Island Avenue NW., Washington, D.C. 20005.

B. National Paint and Coatings Association, 1500 Rhode Island Avenue NW., Washington, D.C. 20005.

D. (6) $3,000. E. (9) $88.55

A. John Andrew Young, 1333 New Hampshire Avenue NW., Suite 207, Washington, D.C. 20036.

B. The Coastal Corp., Nine Greenway Plaza, Houston, Tex. 77046

D. (6) $1,000.

A. Judith A. Young, 777 14th Street NW., Washington, D.C. 20005.

B. National Association of Realtors, 777 14th Street NW., Washington, D.C. 20005.

D. (6) $1,500. E. (9) $57.09.

A. Thane Young, National Association of Realtors, 777 14th Street NW., Washington, D.C. 20005.

B. National Association of Realtors, 777 14th Street NW., Washington, D.C. 20005.

D. (6) $1,500. E. (9) $216.93.

A. Betsy H. Younkins, 2101 L Street NW., Washington, D.C. 20037.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $6,000. E. (9) $149.93

A. Eugene A. Yourch, 50 Broadway, New York, N.Y. 10004.

B. Federation of American Controlled Shipping, 50 Broadway, New York, N.Y. 10004.

D. (6) $1,200. E. (9) $346.50.

A. Donald M. Zahn, 8001 Braddock Road, Springfield, Va. 22160.

B. National Right To Work Committee, 8001 Braddock Road, Springfield, Va. 22160.

D. (6) $528. E. (9) $195.14.

A. Lynn Zakupowsky, 777 14th Street NW., Washington, D.C. 20005.

B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.

D. (6) $1,250.

A. Steven S. Zaleznick, National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

B. National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

D. (6) $6,807.71.

A. Barnaby Zall, FAIR, 2028 P Street NW., Washington D.C. 20036.

B. Federation for American Immigration Reform, 2029 P Street NW., Washington, D.C. 20036.

D. (6) $2,750. E. (9) $168.77.

A. Barry Zander, 6113 Amhurst, Metairie, La. 70003.

B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.

D. (6) $7,062.54.

A. John S. Zapp, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $4,500.

A. L. Andrew Zausner, Pennzoil Co., 1155 15th Street NW., Suite 602, Washington, D.C. 20005.

B. Pennzoil Co., Pennzoil Place, Box 2967, Houston, Tex. 77001.

D. (6) $1,000. E. (9) $79.

A. Jerome M. Zeifman, National Senior Citizens Law Center, 1424 16th Street NW., Suite 300, Washington, D.C. 20036.

B. National Senior Citizens Law Center, 1424 16th Street NW., Suite 300, Washington, D.C. 20036.

D. (6) $1,432.50. E. (9) $2,315.

A. Don J. Zeller, 1000 16th Street NW., Suite 503, Washington, D.C. 20036.

B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

D. (6) $1,500. E. (9) $106.03.

A. Kenneth Zinn, 1720 Q Street NW., Washington, D.C. 20009.

B. Washington Office of Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $2,749.98.

A. Zoological Action Committee, 1320 19th Street NW., Suite 400, Washington, D.C. 20036.

A. John L Zorack, Suite 1100, 1015 18th Street NW., Washington, D.C. 20036.

B. Federal Express Corp., Box 727, Memphis, Tenn. 38194.

D. (6) $13,725.

A. Zuckert, Scoutt & Rasenberger, 888 17th Street NW., Washington, D.C. 20006.

B. Antaeus Enterprises, Inc., 59 Gary Road, Stamford, Conn. 06903.

A. Zuckert, Scoutt & Rasenberger, 888 17th Street NW., Washington, D.C. 20006.

B. Harcourt Brace Jovanovich, 757 Third Avenue, New York, N.Y. 10017.

D. (6) $5,796.25. E. (9) $323.39.

A. Leigh A. Zunke, National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.

B. National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.

D. (6) $375. E. (9) $53.99.

A. Charles O. Zuver, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $3,000.

BEST COPY AVAILABLE

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following reports for the fourth calendar quarter of 1981 were received too late to be included in the published reports for that quarter:

(Note.—The form used for report is reproduced below. In the interest of economy in the Record, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

File One Copy With the Secretary of the Senate and File Two Copies With the Clerk of the House of Representatives:

This page (page 1) is designed to supply identifying data: and page 2 (on the back of this page) deals with financial data.

Place an "X" Below the Appropriate Letter or Figure in the Box at the Right of the "Report" Heading Below:

"Preliminary" Report ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"Quarterly" Report: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.......... ●

REPORT

Pursuant to Federal Regulation of Lobbying Act

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

Note on Item "A".—(a) In General. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) Separate Reports. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. Organization or Individual Filing:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

Note on Item "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. Employer.—State name, address, and nature of business. If there is no employer, write "None."

Note on Item "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. Legislative Interests, and Publications in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.●

AFFIDAVIT

[Omitted in printing]

PAGE 1●

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

NOTE ON ITEM "D."—(*a*) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(*c*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $..............Dues and assessments
2. $..............Gifts of money or anything of value
3. $..............Printed or duplicated matter received as a gift
4. $..............Receipts from sale of printed or duplicated matter
5. $..............Received for services (e.g., salary, fee, etc.)

6. $..............TOTAL for this Quarter (Add items "1" through "5")
7. $..............Received during previous Quarters of calendar year

8. $..............TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $..............TOTAL now owed to others on account of loans
10. $..............Borrowed from others during this Quarter
11. $..............Repaid to others during this Quarter

12. $..............."Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": ....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and address of Contributor* (*"Period"* from Jan. 1 through.............................. 19.......)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(*a*) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $..............Public relations and advertising services
2. $..............Wages, salaries, fees, commissions (other than item "1")
3. $..............Gifts or contributions made during Quarter
4. $..............Printed or duplicated matter, including distribution cost
5. $..............Office overhead (rent, supplies, utilities, etc.)
6. $..............Telephone and telegraph
7. $..............Travel, food, lodging, and entertainment
8. $..............All other expenditures

9. $..............TOTAL for this Quarter (Add "1" through "8")
10. $..............Expended during previous Quarters of calendar year

11. $..............TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $..............TOTAL now owed to person filing
13. $..............Lent to others during this Quarter
14. $..............Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

A. A-K Associates, Inc., 1225 Eighth Street, Suite 590, Sacramento, Calif. 95814.
B. California Society of Pathologists, 1225 Eighth Street, Suite 590, Sacramento, Calif. 95814.
D. (6) $6,999.99.

A. A-K Associates, Inc., 1225 Eighth Street, Suite 590, Sacramento, Calif. 95814.
B. City of South Lake Tahoe, P.O. Box 1210, South Lake Tahoe, Calif.
D. (6) $9,549.99. E. (9) $12,056.23.

A. A-K Associates, Inc., 1225 Eighth Street, Suite 590, Sacramento, Calif. 95814.
B. Pathologists Practice Association, 1225 Eighth Street, Suite 590, Sacramento, Calif. 95814.
D. (6) $18,000. E. (9) $3,230.97.

A. A-K Associates, Inc., 1225 Eighth Street, Suite 590, Sacramento, Calif. 95814.
B. Siskiyou County Superintendent of Schools, 609 Gold Street, Yreka, Calif. 96097.
D. (6) $11,666.67. E. (9) $28.

A. Abadie & Hudson, P.O. Box 2787, Baton Rouge, La. 70821.
B. Coastal Corp., 9 Greenway Plaza, Houston, Tex. 77046.
D. (6) $1,000. E. (9) $722.20.

A. Abadie & Hudson, P.O. Box 2787, Baton Rouge, La. 70821.
B. Miller Coal Systems, Inc., One American Place, Suite 2038, Baton Rouge, La. 70825..
D. (6) $1,000. E. (9) $2,703.31.

A. Actors Equity Association, 165 West 45th Street, New York, N.Y. 10036.
D. (6) $2,500. E. (9) $2,500.

A. Ad Hoc Committee on Individual Annuity Taxation, 10 Post Office Square, Boston, Mass. 02110.

A. Advocates to Save Legal Services, Inc., 1625 K Street NW., Eighth Floor, Washington, D.C. 20006.

A. Aeron Marine Shipping Co., Triad Office Center, 2001 Marcus Avenue, Lake Success, N.Y. 11042.
D. (6) $260. E. (9) $6.

A. Joseph P. Allen, Intellectual Property Owners, Inc. 1899 L Street NW., Suite 400, Washington, D.C. 20036.
B. Intellectual Property Owners, Inc., 1899 L Street NW., Suite 400, Washington, D.C. 20036.
D. (6) $11,700. E. (9) $598.46.

A. Robert Alvarez, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,499.99.

A. American Academy of Ophthalmology, 1100 17th Street NW., Suite 901, Washington, D.C. 20036.
E. (9) $300.

A. American Association for Respiratory Therapy, 1720 Regal Row, Suite 112, Dallas, Tex. 75235.
D. (6) $1,933.02. E. (9) $10,933.31.

A. American Association of Foundations for Medical Care, 11325 Seven Locks Road, No. 214, Potomac, Md. 20854.

A. American Association of Professional Standards Review Organizations, 11325 Seven Locks Road, Suite 214, Potomac, Md. 20854.
E. (9) $56.28.

A. American Association of University Women, 2401 Virginia Avenue NW., Washington, D.C. 20037.
E. (9) $244.70.

A. American Dental Association, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $31,363.81. E. (9) $31,363.81.

A. American Federation of State, County, and Municipal Employees, AFL-CIO, 1625 L Street NW., Washington, D.C. 20036.
E. (9) $63,534.85.

A. American Feed Manufacturers Association, 1701 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $2,500. E. (9) $2,500.

A. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $30,419. E. (9) $30,419.

A. American Globe Lines, New York, N.Y.

A. American Health Planning Association, 1601 Connecticut Avenue NW., Suite 700, Washington, D.C. 20009.
D. (6) $18,263.56. E. (9) $4,796.11.

A. American Hospital Association, 840 North Lakeshore Drive, Chicago, Ill. 60611.
D. (6) $7,549.44. E. (9) $7,549.44.

A. American League for Exports and Security Assistance, Inc., Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
D. (6) $24,837.09. E. (9) $24,837.09.

A. American League of Anglers, 810 18th Street NW., Washington, D.C. 20006.
D. (6) $4,870. E. (9) $1,239.85.

A. American Maritime Association, 17 Battery Place, New York, N.Y. 10004; 1612 K Street NW., Washington, D.C. 20006.
D. (6) $13,000. E. (9) $12,981.50.

A. American Society for Medical Technology, 1725 DeSales Street NW., Suite 403, Washington, D.C. 20036.
D. (6) $4,675.75. E. (9) $4,966.84.

A. American Textile Machinery Association, 1730 M Street NW., Washington, D.C. 20036

A. American Trucking Association, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $10,290.06. E. (9) $84,478.41.

A. Nancy Amidei, Food Research & Action Center, 1319 F Street NW., No. 500, Washington, D.C. 20004.
B. Food Research & Action Center, 1319 F Street NW., No 500, Washington, D.C. 20004.
D. (6) $189.54.

A. Scott G. Anderson, Burlington Northern Inc., 600 Marland Avenue SW., Washington, D.C. 20024.
B. Burlington Northern Inc., 176 East Fifth Street, St. Paul, Minn. 55101.
D. (6) $1,900. E. (9) 1,614.71.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Securities Industry Association, 20 Broad Street, New York, N.Y. 10005.
D. (6) $350.

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Federaton of Apparel Manufacturers, 450 Seventh Avenue, New York, N.Y. 10001.
E. (9) $0.53.

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Hamilton Brothers Oil & Gas Corp., 1600 Boradway, Denver, Colo. 80202.
D. (6) $6,500. E. (9) $250.74.

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Lone Star Industries, Inc., 1 Greenwich Plaza, Greenwich, Conn. 06830.
D. (6) $300. E. (9) $279.

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Securities Industry Association, 490 L'Enfant Plaza, Suite 312, Washington, D.C.
D. (6) $350. E. (9) $4.90.

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Shelter Insurance Co.'s, 1817 West Broadway, Columbia, Mo. 65201.

A. Milton F. Ashford, TRW Inc., 1000 Wilson Boulevard, Suite 2700, Arlington, Va. 22209.
B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,000.

A. Association of Data Processing Services Organization, Inc., 1300 North 17th Street, Suite 300, Arlington, Va. 22209.

A. At-Sea Incineration, Inc., Greenwich, Conn.
D. (6) $1,000.

A. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.
E. (9) $278.

A. Hope M. Babcock, National Audubon Society, 645 Pennsylvania Avenue SE., Washington, D.C.
B. National Audubon Society, 950 Third Avenue, New York, N.Y. 10022.
D. (6) $1,211. E. (9) $363.

A. Robert A. Bacha, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for American Family Life Assurance Co.), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $1,250.

A. Robert A. Bacha, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Continental Materials), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

A. Robert A. Bacha, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Alvin Nederlander Association, Inc.), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $2,250.

A. Robert A. Bacha, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Westinghouse), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $2,500. E. (9) $290.47.

A. Robert A. Bacha, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Young Drug Products Corp.), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $1,200. E. (9) $775.42.

A. Carl E. Bagge, National Coal Association, Washington, D.C. 20036.
B. National Coal Association, Coal Building, Washington, D.C. 20036.
D. (6) $2,750. E. (9) $25.

A. Baker & Daniels, 1920 N Street NW., Suite 600, Washington, D.C. 20036.
B. Rock Island Refining Corp., P.O. Box 68007, Indianapolis, Ind. 46268.
D. (6) $800.

A. Baker & Hostetler, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cleveland Institute of Electronics, 1776 East 17th Street, Cleveland, Ohio 44114.

A. Barbara J. Balch, Ther-A-Pedic Midwest, Inc., 2350 Fifth Street, Rock Island, Ill. 61201.
B. Ther-A-Pedic Midwest, Inc., 2350 Fifth Street, Rock Island, Ill. 61201.
D. (6) $390. E. (9) $117.

A. Albert L. Baldock, 1050 17th Street NW., Washington, D.C. 20036.
B. Richardson-Vicks Inc., 10 Westport Road, Wilton, Conn. 06897.
D. (6) $140,000.

A. Donald F. Bale, 7436 Chummley Court, Falls Church, Va. 20043.
D. (6) $9,999.99 E. (9) $466.97.

A. Bally Manufacturing Corp., 2640 West Belmont Avenue, Chicago, Ill. 60618.

A. Patty Bankson, 1725 K Street NW., Suite 408, Washington, D.C. 20006.
B. National Board of YMCA's, 101 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $137.50

A. Robert D. Bannister, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $18,173.09. E. (9) $108.59.

A. Pamela H. Barnett, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. Religious Coalition for Abortion Rights, Inc., 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $4,500.

A. Richard L. Barr, Iowa Railway Association, P.O. Box 834, Des Moines, Iowa 50304.
B. Iowa Railway Association, P.O. Box 834, Des Moines, Iowa 50304.
E. (9) $1,446.43.

A. Barrett Smith Schapiro Simon & Armstrong, 26 Broadway, New York, N.Y. 10004.
B. Irving Trust Co., One Wall Street, New York, N.Y. 10015.
D. (6) $3,837.

A. Barrett Smith Schapiro Simon & Armstrong, 26 Broadway, New York, N.Y. 10004.
B. Hugo Neu & Sons, Inc., 380 Madison Avenue, New York, N.Y. 10017.
D. (6) $2,547.

A. David S. Barrows, 1201 SW. 12th Avenue, Suite 200, Portland, Oreg. 97205.
B. Association of Oregon and California Land Grant Counties, 486 Heydon Road, Roseburg, Oreg. 97470.
D. (6) $1,200. E. (9) $775.42.

A. Eileen Barthelmy, American League of Anglers, 810 18th Street NW., Washington, D.C. 20006.
B. American League of Anglers, 810 18th Street NW., Washington, D.C. 20006.
D. (6) $771.72. E. (9) $86.13.

A. Weldon V. Barton, Independent Bankers Association of America, 1625 Massachusetts Avenue NW., Suite 202 Washington, D.C. 20036.
B. Independent Bankers Association of America, 1168 South Main Street, Sauk Centre, Minn. 56378.
D. (6) $10,000. E. (9) $110.80.

A. Josiah Beeman, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County, and Municipal Employees, AFL-CIO, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $13,750.02. E. (9) $880.11.

A. Walter L. Benning, 1409 Ritchie Road, Contreville, Va. 22202.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Suite 511, Arlington, Va. 22202.
D. (6) $1,000. E. (9) $111.

A. Edwin M. Bergsmark, Three SeaGate, Toledo Ohio 43603.
B. The Toledo Trust Co., Three SeaGate, Toledo, Ohio 43603.
D. (6) $37.

A. David Berick, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,500.01.

A. Karen S. Berky, Sisk, Foley, Hultin & Driver, 2501 M Street NW., Suite 380, Washington, D.C. 20037.
B. Ashland Oil, Inc., Suite 507, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $502. E. (9) $55.61.

A. Robert A. Best, Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
B. American League for Exports and Security Assistance, Inc., Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
D. (6) $7,500.

A. Robert A. Best, Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
B. Archer Daniels Midland Co., Decatur, Ill. 62525.
D. (6) $1,500.

A. Robert B. Betz, American Hospital Association, 444 North Capitol Street NW., Suite 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lakeshore Drive, Chicago, Ill. 60611.
D. (6) $1,109.74. E. (9) $82.69.

A. Ralph A. Biederman, Brunswick Corp., One Brunswick Plaza, Skokie, Ill. 60077.
B. Brunswick Corp., One Brunswick Plaza, Skokie, Ill. 60077.
E. (9) $22,138.20.

A. Moe Biller, American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $8,079.88.

A. Sarah M. Billock, American Hospital Association, 444 North Capitol Street NW., Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $39.42. E. (9) $12.33.

A. H. Radford Bishop, National Health Care Financial Association, The Exchange, Suite 230, Atlanta, Ga. 30339.
B. National Health Care Financial Association, The Exchange, Suite 230, Atlanta, Ga. 30339.
E. (9) $3,445.

A. Brent Blackwelder, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,500.01.

A. Neal B. Blair, 1875 South State Street, Suite 1400, Orem, Utah 84057.
B. Free the Eagle, 1875 South State Street, Suite 1400, Orem, Utah 84057.
D. (6) $12,000.

A. Smith Blair, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
B. National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C. 20036..
D. (6) $1,995.

A. Blum & Nash, 1015 18th Street NW., Suite 408, Washington, D.C. 20036.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $1,725. E. (9) $19.

A. Blum & Nash, 1015 18th Street NW., Suite 408, Washington, D.C. 20036.
B. Merck & Co., Inc., P.O. Box 2000, Rahway, N.J. 07065.
D. (6) $1,002.50. E. (9) $22.50.

A. Blum & Nash, 1015 18th Street NW., Suite 408, Washington, D.C. 20036.
B. TIME, Inc., 888 16th Street, NW., Washington, D.C. 20036
D. (6) $900. E. (9) $9.

A. Wayne Boan, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,200.

A. Bonsib, Inc., Box 1807, Washington, D.C. 20013.

A. Robert N. Berens, Getty Oil Co., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Getty Oil Co., 3810 Wilshire Boulevard, Los Angeles, Calif. 90010.
D. (6) $537. E. (9) $211.73.

A. Ann L. Bornstein, National Farmers Organization, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
B. National Farmers Organization, Corning, Iowa 50841.
D. (6) $2,333. E. (9) $111.06.

A. Mary M. Bourdette, 733 15th Street NW., Washington, D.C. 20005.
B. Legal Services Corp., 733 15th Street NW., Washington, D.C. 20005.
D. (6) $609.70. E. (9) $58.15.

A. The Bowery Savings Bank, 110 East 42d Street, New York, N.Y. 10017.
E. (9) $486.

A. Boyden, Kennedy & Romney, 1000 Kennecott Building, 10 East South Temple, Salt Lake City, Utah 84133.

B. Hopi Indian Tribe, New Oraibi, Ariz. 86039.

D. (6) $288.60. E. (9) $957.60.

A. Bracewell & Patterson, 1850 K Street NW., Suite 400, Washington, D.C. 20006.

B. American Petroleum Refiners Association, 1200 18th Street NW., 607 Ring Building, Washington, D.C. 20036.

A. Bracewell & Patterson, 1850 K Street NW., Suite 400, Washington, D.C. 20006.

B. CLC of America, Inc., 1655 Des Peres Road, St. Louis, Mo. 63131.

A. Margueritte Bracy, 1625 L Street NW., Washington, D.C. 20036.

B. American Federation of State, County, and Municipal Employees, AFL-CIO, 1625 L Street NW., Washington, D.C. 20036.

D. (6) $7,651.28. E. (9) $136.18.

A. Dan J. Bradley, 733 15th Street NW., Washington, D.C. 20005.

B. Legal Services Corp., 733 15th Street NW., Washington, D.C. 20005.

D. (6) $616.80. E. (9) $23.90.

A. David Bradley, 205 Princess Street, Fredericksburg, Va.

B. National Community Action Foundation, 2101 L Street NW., Suite 906, Washington, D.C. 20037.

E. (9) $900.

A. Theresa M. Brady, Joint Maritime Congress, 444 North Capitol Street NW., Suite 801, Washington, D.C. 20001.

B. Joint Maritime Congress, 444 North Capitol Street NW., No. 801, Washington, D.C. 20001.

D. (6) $1,977.60.

A. Bregman, Abell & Kay, 1900 L Street NW., No. 610, Washington, D.C. 20036.

B. Committee for Effective Tax Incentives, 1634 I Street NW., Eigth Floor, Washington, D.C. 20006.

A. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employees, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employees, Three Research Place, Rockville, Md. 20850.

D. (6) $31,476.85. E. (9) $31,467.85.

A. Diane V. Brown, International Paper Co., 1620 I Street NW., No. 700, Washington, D.C. 20006.

B. International Paper Co., 1620 I Street NW., No. 700, Washington, D.C.

D. (6) $2,000. E. (9) $150.

A. Donald K. Brown, 1127 11th Street NW., No. 618, Sacramento, Calif. 95814.

B. Crowley Maritime Corp., One Maritime Plaza, San Francisco, Calif., 94105.

A. Donald K. Brown, 1127 11th Street, Room 618, Sacramento, Calif. 95814.

B. Summa Corp., P.O. Box 14000, Las Vegas, Nev.

D. (6) $625.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensigton, Md. 20895.

B. CENTAR Associates, 369 Passaic Avenue, Fairfield, N.J. 07006.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensigton, Md. 20895.

B. National Association of Life Science Industries, Inc., 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Brownstein, Zeidman & Schamer, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. International Foodservice Manufacturers Association, 875 North Michigan Avenue, Chicago, IL. 60611.

A. Brownstein, Zeidman & Schamer, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Merrill Lynch, Hubbard Inc., 1 Liberty Plaza, New York, N.Y. 10080

A. Brownstein, Zeidman & Schamer, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Multifamily Finance Action Council, 1025 Connecticut Avenue NW., No. 711, Washington, D.C. 20036.

A. Brownstein, Zeidman & Schamer, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. New York City Housing Development Corp., 75 Maiden Lane, Eigth Floor, New York, N.Y. 10038.

A. Brownstein, Zeidman & Schamer, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. New York State Mortgage Loan Enforcement & Administration Corp., 11 West 42d Street, New York, N.Y. 10036.

D. (6) $10,055.50.

A. Brunswick Corp., 1 Brunswick Plaza, Skokie, ILL. 60077.

B. Burnswick Corp., 1 Brunswick Plaza, Skokie, Ill. 60077.

E. (9) $22,138.20.

A. John J. Brown, 1125 17th Street NW., Washington, D.C. 20036.

B. International Union of Operating Engineers, 1125 17th Street NW., Washington, D.C. 20036.

D. (6) $7,500. E. (9) $579.

A. Ralph Brown, MOA AIOA & Subs, Inc, c/o 701 South 22, Room 107, Omaha, Nebr. 68102.

B. MOA AIOA & Subs, Inc, c/o 701 South 22, Room 107, Omaha, Nebr. 68102.

D. (6) $2. E. (9) $10.

A. Brown & Roady, 1333 New Hampshire Avenue NW., Room 1070, Washington, D.C. 20036.

B. District of Columbia Department of Transportation, 415 12th Street NW., Room 519, Washington, D.C. 20004.

D. (6) $1,117.13. E. (9) $217.13.

A. Brown & Roady, 1333 New Hampshire Avenue NW., Room 1070, Washington, D.C. 20036.

B. Kansas City Southern Railway Co., 301 West 11th Street, Kansas City, Mo. 64105.

D. (6) $4,424. E. (9) $281.27.

A. Brown & Roady, 1333 New Hampshire Avenue NW., Room 1070, Washington, D.C. 20036.

B. Louisville & Nashville Railroad, 908 West Broadway, Louisville, Ky. 40203.

E. (9) $490.85.

A. Brown & Roady, 1333 New Hampshire Avenue NW., Room 1070, Washington, D.C. 20036.

B. Western Railroad Association, 222 South Riverside Plaza, Suite 1200, Chicago, Ill. 60606.

A. Brown, Todd & Heyburn, 1600 Citizens Plaza, Louisville, Ky. 40202.

B. Brown & Williamson Tobacco Corp., 1600 West Hill Street, Louisville, Ky. 40232.

D. (6) $4,500. E. (9) $8.10.

A. Garry Bryant, Migrant Legal Action Program, Inc., 806 15th Street NW., Washington, D.C. 20005.

B. Migrant Legal Action Program, Inc., 806 15th Street NW., Washington, D.C. 20005.

D. (6) $838.34. E. (9) $171.61.

A. David A. Bunn, 1211 Connecticut Avenue NW., Room 406, Washington, D.C. 20036.

B. The Hearst Corp., 959 Eighth Avenue, New York, N.Y. 10019.

A. David A. Bunn, 1211 Connecticut Avenue NW., Room 406, Washington, D.C. 20036.

B. Magazine Publishers Association, 575 Lexington Avenue, New York, N.Y. 10022.

A. David A. Bunn, Parcel Shippers Association, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Parcel Shippers Association, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

A. Christine Capito Burch, 1625 L Street NW., Washington, D.C. 20036.

B. American Federation of State, County, and Municipal Employees, AFL-CIO, 1625 L Street NW., Washington, D.C. 20036.

D. (6) $8,043.22. E. (9) $303.81.

A. David G. Burney, United States Tuna Foundation, Suite 208, 2040 Harbor Island Drive, San Diego, Calif. 92101.

B. United States Tuna Foundation, 2040 Harbor Island Drive, Suite 208, San Diego, Calif. 92101.

D. (6) $6,000. E. (9) $3,000.

A. B. Kent Burton, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

B. American Trucking Association, Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $8,000. E. (9) $275.64.

A. Nicholas J. Bush, Mid-Continent Oil & Gas Association, 1919 Pennsylvania Avenue NW., Suite 503, Washington, D.C. 20006.

B. Mid-Continent Oil & Gas Association, 711 Adams Office Building, Tulsa, Okla. 74103.

D. (6) $1,500. E. (9) $552.57.

A. Lex J. Byers, 1750 K Street NW., Washington, D.C. 20006.

B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

D. (6) $300.

A. Harry P. Cain, American Health Planning Association, 1601 Connecticut Avenue NW., Suite 700, Washington, D.C. 20009.

B. American Health Planning Association, 1601 Connecticut Avenue NW., Suite 700, Washington, D.C. 20009.

D. (6) $2,791.68. E. (9) $574.30.

A. Cain & Smith, 402 Scarbrough Building, Austin, Tex. 78701.

B. Judicial Section, State Bar of Texas, 1414 Colorado, Austin, Tex. 78701.

E. (9) $210.42.

A. Caloric Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.

E. (9) $1,636.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.

B. Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. Consolidation Coal Co., 1025 Connecticut Avenue NW., Suite 1000, Washington, D.C. 20036.
D. (6) $450.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. Mobil Oil Corp., 150 East 42d Street, 30th Floor, New York, N.Y. 10017.
D. (6) $825.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. Occidental Petroleum Corp., 10889 Wilshire Boulevard, Suite 1500, Los Angeles, Calif.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. PPG Industries, Inc., One Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $300.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. Thornton, Farish & Gauntt, P.O. Box 196, Montgomery, Ala. 36195.
D. (6) $600.

A. Camp, Carmouche, Palmer, Barsh & Hunter, P.C., 2550 M Street NW., Suite 275, Washington, D.C. 20037.
B. U.S. League of Savings Association, 111 East Wacker Drive, Chicago, Ill., 60610.
D. (6) $300.

A. Campaign for Community-Based Economic Development, 734 15th Street NW., Washington, D.C. 20005.
D. (6) $11,500. E. (9) $12,563.84.

A. Capital Counselors, Inc., 1700 K Street NW., Washington, D.C. 20006.
B. Perpetual American Federal Savings & Loan Association, 1111 E Street NW., Washington, D.C. 20004.
D. (6) $22,500. E. (9) $40.

A. Capitol Advocates, 1127 11th Street, No. 950, Sacramento, Calif. 95814.
B. Crowley Advocates, No. 1 Market Plaza, San Francisco, Calif. 94105.
E. (9) $60.15.

A. Capitol Advocates, 1127 11th Street, No. 950, Sacramento, Calif. 95814.
B. Distilled Spirits Council of the United States, 1300 Pennsylvania Building, Washington, D.C.

A. Capitol Advocates, 1127 11th Street, No. 950, Sacramento, Calif. 95814.
B. Summa Corp., P.O. Box 14000, Las Vegas, Nev.
D. (6) $11,661.34.

A. Ross Capon, National Association of Railroad Passengers, 417 New Jersey Avenue SE., Washington, D.C. 20003.
B. National Association of Railroad Passengers, 417 New Jersey Avenue SE., Washington, D.C. 20003.
D. (6) $7,749.95.

A. Denise A. Cardman, Governmental Relations Office, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $50.

A. David Carley, National Association of Public Television Stations, 955 L'Enfant Plaza SW., Suite 7200, Washington, D.C. 20024.
B. National Association of Public Television Stations, 955 L'Enfant Plaza SW., Suite 7200, Washington, D.C. 20024.
D. (6) $500. E. (9) $200.

A. Peter Carlson, 317 Pennsylvania Avenue SE., Washington, D.C. 20002.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,750.01.

A. John S. Casey, P.O. Box 266, Heflin, Ala. 36264.
B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Suite 810, Washington, D.C. 20006.
B. The GHK Cos., 6441 Northwest Grand Boulevard, Oklahoma City, Okla. 73116.
D. (6) $22,325.28. E. (9) $1,321.86.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Suite 810, Washington, D.C. 20006.
B. Independent Producers Group, 220 West Douglas Street, Wichita, Kans. 67202.
D. (6) $6,089.87. E. (9) $39.95.

A. Cayman Turtle Farm, Ltd., P.O. Box 645, Grand Cayman Island, Cayman Islands, British West Indies.

A. Center for Law & Education, Inc., 6 Appian Way, Cambridge, Mass. 02138.

A. William U. Chandler, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,499.99.

A. William C. Chapman, 1660 L Street NW., Suite 805, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $3,393.23.

A. Hal M. Christensen, 1101 17th Street NW., Washington, D.C. 20036.
B. American Dental Association, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. Susan R. Clark, American Express Co., 1700 K Street NW., Washington, D.C.
B. American Express Co., 1700 K Street NW., Washington, D.C.

A. Coalition for Full Nuclear Accountability, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $8,391. E. (9) $8,391.

A. David Cohen, 810 18th Street NW., Washington, D.C. 20006.
B. Handgun Control, Inc., 810 18th Street NW., Washington, D.C. 20006.
D. (6) $6,000.

A. Cohen & Uretz, 1775 K Street NW., Washington, D.C. 20006.
B. Contract Staffing of America, Inc., 17601 East 17th Street, Tustin, Calif. 92680.
D. (6) $306.24.

A. Cohen & Uretz, 1775 K Street NW., Washington, D.C. 20006.
B. CSL Industries, 1 Century Plaza, 2029 Century Park East, Los Angeles, Calif. 90067.

A. Cohen & Uretz, 1775 K Street NW., Washington, D.C. 20006.
B. Estate of Sylvia Buring, 1837 Harbor Avenue, Memphis, Tenn. 38113.
D. (6) $14,826. E. (9) $267.13.

A. Cohen & Uretz, 1775 K Street NW., Washington, D.C. 20006.
B. Northwest Energy Co., 315 East 200 South, Salt Lake City, Utah 84111.
D. (6) $173.75. E. (9) $306.84.

A. Cohen & Uretz, 1775 K Street NW., Washington, D.C. 20006.
B. Stichting Philips Pensioenfonds A and B, Trumstraat 62, Eindhoven, The Netherlands.
E. (9) $81.10.

A. Geri Colombaro, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. Commercial Union Insurance Cos., 1 Beacon Street, Boston, Mass. 02108.
E. (9) $186.67.

A. Committee for Do-It-Yourself Household Moving, 1100 17th Street NW., Suite 1000, Washington, D.C. 20036.

A. Committee for 806.30 and 807, Inc., 1611 North Kent Street, Suite 800, Arlington, Va 22209.
D. (6) $26,069.92. E. (9) $17,153.16.

A. Committee for Effective Tax Incentives, 1 Farragut Square, Eighth Floor, Washington, D.C. 20006.

A. Committee for Proposition Thirty, P.O. Box 915, Hartselle, Ala. 35640.
E. (9) $164.

A. Community Service Society, 105 East 22d Street, New York, N.Y. 10010.
E. (9) $1,412.53.

A. Stephen R. Conafay, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pfizer Inc., 235 East 42d Street, New York, N.Y. 10017.
D. (6) $500. E. (9) $1,382.36.

A. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
E. (9) $3,527.94.

A. Robert J. Conner, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corp., 12000 Lynn Townsend Drive, Highland Park, Mich. 48288.
D. (6) $500. E. (9) $1,717.96.

A. Gerald R. Connor, 6500 Wisconsin Avenue, Chevy Chase, Md. 20815.
B. Volunteer Trustees of Not-for-Profit Hospitals, 2550 M Street NW., Washington, D.C. 20037.
D. (6) $2,000. E. (9) $1,172.74.

A. Consolidated Edison Co. of New York, Inc., 4 Irving Place, New York, N.Y. 10003.
E. (9) $512.50.

A. Continental Resources Co., P.O. Box 44, Winter Park, Fla. 32790.
E. (9) $104,436.21.

A. Cook, Purcell, Hansen & Henderson, Cht'd, 1015 18th Street NW., Suite 1100, Washington, D.C. 20036.
B. American Motorcyclist Association, P.O. Box 141, Westerville, Ohio 43081.

D. (6) $723.83.

A. Cook, Purcell, Hansen & Henderson, Cht'd, 1015 18th Street NW., Suite 1100, Washington, D.C. 20036.
B. B.A.T. Industries, Ltd., P.O. Box 345-Windsor House, 50 Victoria St., London SW1H ONL England.
D. (6) $19,275. E. (9) $134 [illegible].

A. Cook, Purcell, Hansen & Henderson, Suite 1100, 1015 18th Street NW., Washington, D.C. 20036.
B. Guam Airport Authority, P.O. Box 8770, Tamuning, Guam 96911.
D. (6) $14,475.

A. Cook, Purcell, Hansen & Henderson, Cht'd, 1015 18th Street NW., Suite 1100, Washington, D.C. 20036.
B. Harley-Davidson Motor Co., Inc., P.O. Box 652, Milwaukee, Wis. 53201.
D. (6) $2,264.83.

A. Cook, Purcell, Hansen & Henderson, Suite 1100, 1015 18th Street NW., Washington, D.C. 20036.
B. Piedmont Airlines, Smith Reynolds Airport, Winston-Salem, N.C. 27102.
D. (6) $2,374.59. E. (9) $47.30.

A. Cook, Purcell, Hansen & Henderson, Suite 1100, 1015 18th Street NW., Washington, D.C. 20036.
B. Port Authority of Guam, P.O. Box 1445, Agana, Guam 96910.
D. (6) $9,230.80.

A. Cook, Purcell, Hansen & Henderson, Suite 1100, 1015 18th Street NW., Washington, D.C. 20036.
B. Republic Airlines, Inc., 7500 Airline Drive, Minneapolis, Minn. 55450.
D. (6) $2,374.58. E. (9) $47.30.

A. Cook, Purcell, Hansen & Henderson, Suite 1100, 1015 18th Street NW., Washington, D.C. 20036.
B. USAir, Inc., National Airport, Washington, D.C. 20001.
D. (6) $2,541.26. E. (9) $47.30.

A. Edward M. Cooney, Food Research and Action Center, 1319 F Street NW., Suite 500, Washington, D.C. 20004.
B. Food Research and Action Center, 1319 F Street NW., Suite 500, Washington, D.C. 20004.
D. (6) $2,659.32.

A. Cooperative League of the U.S.A., 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $5,766. E. (9) $22,823.83.

A. Patrick H. Corcoran, Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
B. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.

A. William R. Corson, 1707 H Street NW., Washington, D.C. 20006.
B. Penthouse International Ltd., 1707 H Street NW., Washington, D.C. 20006.
D. (6) $10,500. E. (9) $7,450.

A. Philip S. Corwin, Independent Bankers Association of America, 1625 Massachusetts Avenue NW., Suite 202, Washington, D.C. 20036.
B. Independent Bankers Association of America, 1168 South Main Street, Sauk Centre, Minn. 56378.
D. (6) $10,750. E. (9) $525.49.

A. Tom Cosgrove, 530 Seventh Street SE., Washington, D.C. 20003.
B. National Clean Air Coalition, 530 Seventh Street NW., Washington, D.C. 20002.
D. (6) $3,668.10. E. (9) $186.67.

A. Council for a Livable World, 11 Beacon Street, Boston, Mass. 02108
E. (9) $14,112.99.

A. Council of Energy Resource Tribes, 1140 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.
D. (6) $250. E. (9) $920.

A. Covington & Burling, 1210 Pennsylvania Avenue NW., P.O. Box 7566, Washington, D.C. 20044.
B. International Business Machines Corp., Armonk, N.Y. 10504.
D. (6) $5,000.

A. Eric Cox, World Federalist Political Education Committee, 1011 Arlington, Boulevard, Arlington, Va. 22209.
B. World Federalist Political Education Committee, 600 Valley Road, N.J. 07470.
D. (6) $802.50.

A. Kenneth A. Cox, 1133 19th Street NW., Washington, D.C. 20036.
B. MCI Communications Corp., 1133 19th Street NW., Washington, D.C. 20036.
D. (6) $3,486.14. E. (9) $6.60.

A. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW., No. 200, Washington, D.C. 20036.
B. Canaveral Port Authority, P.O. Box 267, Cape Canaveral, Fla. 32920.
D. $36,000. E. (9) $156.35.

A. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW., No. 200, Washington, D.C. 20036.
B. City of Mianai, Miami Fla.
D. (6) $8,000. E. (9) $218.[illegible]

A. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW., No. 200, Washington, D.C. 20036.
B. Dade County, Miami, Fla.
D. (6) $2,000. E. (9) $50.28.

A. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. Hoffman, Hendry, Stoner, Sims & Sawicki, 215 East Central Boulevard, Orlando, Fla. 32801 (for Global Exploration & Development Corp., 1414 Collins Avenue, Lakeland, Fla. 33801).

A. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW., Suite 200 Washington, D.C. 20036.
B. Hobbs Construction & Development Co., Inc., 3711 North Highway 231, Panama City, Fla. 32401.
D. (6) $20 000.

A. William C. Cramer, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW., Suite 200, Washington, D.C. 20036 (for Canaveral Port Authority, P.O. Box 267, Cape Canaveral, Fla. 32920).

A. William C. Cramer, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW., Suite 200, Washington, D.C. 20036 (for City of Miami, Miami, Fla.).

A. William C. Cramer, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW., Suite 200, Washington, D.C. 20036 (for Dade County, Miami, Fla.).

A. William C. Cramer, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. Hoffman, Hendry, Stoner, Sims & Sawicki, 215 East Central Boulevard, Orlando, Fla. 32801 (for Global Exploration & Development Corp., 1414 Collins Avenue, Lakeland, Fla. 33801).

A. William C. Cramer, 1320 19th Street NW., No. 200, Washington, D.C. 20036.
B. Cramer, Hoffman & Haber, P.C., 1320 19th Street NW., No. 200, Washington, D.C. 20036 (for Hobbs Construction & Development Co., Inc., 3711 North Highway 231, Panama City, Fla. 32401).

A. Richard E. Cristol, Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.
B. The Robert H. Kellen Co., 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.
D. (6) $105.

A. Critical Mass Energy Project, 215 Pennsylvania Avenue SE. Washington, D.C. 20003.

A. Charles T. Cudlip, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corp., 12000 Lynn Townsend Drive, Highland Park, Mich. 48288.
D. (6) $2,000. E. (9) $168.45.

A. Barry Cullen, International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
B. International Paper Co. 1620 I Street, NW., Suite [illegible]0, Washington, D.C. 20006.
D. (6) $50.

A. Gary L. Curran, 328 F Street NE., Washington, D.C. 20002.
B. American Life Lobby, Inc., 6 Library Court SE., Washington, D.C. 20003.
D. (6) $4,000.

A. Gary L. Curran, 328 F Street NE., Washington, D.C. 20002.
B. The Conservative Caucus, 450 Maple Avenue E., Vienna Va, 22180.
D. (6) $6,000.

A. Curtis, Mallet-Prevost, Colt & Mosle, 1735 I Street NW., Suite 715, Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.

A. Jay B. Cutler, American Psychiatric Association, 1333 New Hampshire Avenue NW., Suite 670, Washington, D.C. 20036.
B. American Psychiatric Association, 1700 18th Street NW., Washington, D.C. 20009.
D. (6) $4,703.50. E. (9) $669.16.

A. Leslie Dach, National Audubon Society, 645 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. National Audubon Society, 645 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $4,687. E. (9) $2,427.

A. Daniels, Houlihan & Palmeter, P.C., 1819 H. Street NW., No. 340, Washington, D.C. 20006.
B. American Association of Exporters & Importers, 11 West 42d Street, New York, N.Y. 10036.
D. (6) $2,250. E. (9) $661.38.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Washington, D.C. 20006.
B. Korean Traders Association, 10-1, 2-KA Hoehyun-Dong, Chung Ku, Seoul, Korea.

A. Michael P. Daniels, Daniels, Houlihan & Palmeter, P.C. 1819 H Street NW., Washington, D.C. 20036.

B. American Association of Exporters & Importers, 11 West 42d Street, New York, N.Y. 10036.

A. Richard C. Darling, J. C. Penney Co., Inc., 1156 15th Street NW., Washington, D.C. 20005.

B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.

D. (6) $300.

A. John C. Datt, American Farm Bureau Federation, 600 Maryland Avenue SW., Washington, D.C. 20024.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.

D. (6) $4,688.

A. Larry C. Davenport, Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.

B. The Robert H. Kellen Co., 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342 (for Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342).

D. (6) $105.

A. John L. Davidson, Jr., the St. Louis Mercantile Library Association, 510 Locust Street, St. Louis, Mo. 63101.

B. The St. Louis Mercantile Library Association, 510 Locust Street, St. Louis, Mo. 63101.

A. Cheryl C. Davis, David Vienna & Associates, 510 C Street NE., Suite 100, Washington, D.C. 20002.

B. National Association of Credit Management, 475 Park Avenue South, New York, N.Y. 10016.

A. Christopher L. Davis, 1920 N Street NW., Suite 650, Washington, D.C. 20036.

B. Erie County Industrial Development Agency, 170 Franklin Street, Buffalo, N.Y. 14202.

D. (6) $6,305.98. E. (9) $296.97.

A. Dealer Bank Association, 1800 K Street NW., Suite 1014, Washington, D.C. 20006.

D. (6) $12,479.66. E. (9) $12,479.66.

A. Michael J. DeLoose, Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

D. (6) $925.

A. Catherine B. deSibour, 1700 Pennsylvania Avenue NW., No. 730, Washington, D.C. 20006.

B. Pfizer Inc., 235 East 42d Street, New York, N.Y. 10017.

D. (6) $200. E. (9) $180.44.

A. Patrick Di Chiro, 2301 Jefferson Davis Highway, No. 508, Arlington, Va. 22202.

B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Suite 511, Arlington, VA. 22202.

A. H. A. Doersam, 517 Powell Drive, Annapolis, Md. 21401.

B. Household International, 2700 Sanders Road, Prospect Heights, Ill. 60070.

D. (6) $2,200. E. (9) $1,546.83.

A. James F. Doherty, Group Health Association of America, Inc., 624 Ninth Street NW., 7th Floor, Washington, D.C. 20001.

B. Group Health Association of America, Inc., 624 9th Street NW., Seventh floor, Washington, D.C. 20001.

E. (9) $987.50.

A. Robin C. Dole, 1000 16th Street NW., Suite 704, Washington, D.C. 20036.

B. Century 21 Real Estate Corp., 18872 MacArthur Boulevard, Irvine, Calif. 92715.

D. (6) $425.

A. Domestic Petroleum Council, 1101 Connecticut Avenue, Suite 406, Washington, D.C. 20036.

A. Charlene Dougherty, National Audubon Society, 645 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $4,500. E. (9) $3,035.

A. Dow, Lohnes & Albertson, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

B. Central California Eduational Television, et al.

D. (6) $10,164. E. (9) $13.46.

A. John C. Doyle, Jr., 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $2,499.99.

A. Jerome L. Dreyer, 1300 North 17th Street, Suite 300, Arlington, Va. 22209.

B. Association of Data Processing Services Organizations, Inc., 1300 North 17th Street, Suite 300, Arlington, Va. 22209.

A. Earl C. Dudley, Jr., Nussbaum, Owen & Webster, 1800 M Street NW., Washington, D.C. 20036.

B. Plaintiff's Anti-Trust Liaison Society, 1776 K Street NW., Suite 708, Washington, D.C. 20006.

D. (6) $15,811. E. (9) $71.61.

A. Robert B. Duncan, Schwabe, Williamson, Wyatt, Moore & Roberts, 1000 Potomac Street NW., Washington, D.C. 20007.

B. General Aviation Manufacturers Association, 1025 Connecticut Avenue, NW., Washington, D.C. 20036.

A. Robert B. Duncan, Schwabe, Williamson, Wyatt, Moore & Roberts, 1000 Potomac Street NW., Suite 302, Washington, D.C. 20007.

B. Helicopter Loggers Association, P.O. Box 206, Wilsonville, Oreg. 97070.

D. (6) $1,428.50. E. (9) $1,106.46.

A. Robert B. Duncan, Schwabe, Williamson, Wyatt, Moore & Roberts, 1000 Potomac Street NW., Washington, D.C. 20007.

B. Litchstreet Co., 32 Cherry Lawn Lane, Northport, Long Island N.Y. 11768.

A. Louise C. Dunlap, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $1,250.01.

A. Michael V. Durando, American Farm Bureau Federation, 600 Maryland Avenue SW., Washington, D.C. 20024.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.

D. (6) $3,875. E. (9) $92.

A. Jean Durning, The Wilderness Society, 4th and Pike Building, Room 622, 1424 Fourth Avenue, Seattle, Wash. 98101.

B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $590.85. E. (9) $153.70.

A. Jack Eckerd Corp., P.O. Box 4689, Clearwater, Fla. 33518.

E. (9) $657.

A. Stephen R. Effros, 3977 Chain Bridge Road, Fairfax, Va. 22030.

B. Community Antenna Television Association, Inc., Suite 106, 4209 Northwest 23d Street, Oklahoma City, Okla. 73107.

D. (6) $6,062.49. E. (9) $700.

A. Timothy L. Elder, 1850 K Street NW., Suite 925, Washington, D.C. 20006.

B. Catepillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.

D. (6) $2,500. E. (9) $1,369.34.

A. Keith H. Ellis, Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

D. (6) $1,125. E. (9) $168.57

A. Perry R. Ellsworth, National Council of Agricultural Employees, 435 Southern Building, 1425 H Street NW., Washington, D.C. 20005.

B. National Council of Agricultural Employers, 435 Southern Building, 1425 H Street NW., Washington, D.C. 20005.

D. (6) $1,500. E. (9) $24.

A. Earl Emeruwa, c/o Earl Emeruwa & Associates, 1614 Newton Street NW., Washington, D.C. 20010.

A. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $83,288.73. E. (9) $75,308.81.

A. Vickie L. Erickson, 1750 K Street NW., Washington, D.C. 20006.

B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

D. (6) $450.

A. Jerry N. Ervin, Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.

B. Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.

A. John T. Estes, Allied Corp., 1150 Connecticut Avenue NW., No. 700, Washington, D.C. 20036.

B. Allied Corp., P.O. Box 3000-R, Morristown, N.J. 07960.

D. (6) $350. E. (9) $35.

A. William J. Evans, Suite 901, 1660 L Street NW., Washington, D.C. 20036.

B. Pan American World Airways, Inc., Suite 901, 1660 L Street NW., Washington, D.C. 20036.

D. (6) $215. E. (9) $96.78.

A. Fawn K. Evenson, 1611 North Kent Street, Suite 900, Arlington, Va. 22209.

B. Footwear Industries of America, Inc., 1611 North Kent Street, Suite 900, Arlington, Va. 22209.

D. (6) $435. E. (9) $37.

A. J. Ballard Everett, National Restaurant Association, 311 First Street NW., Washington, D.C. 20001.

B. National Restaurant Association, 311 First Street NW., Washington, D.C. 20001.

A. Fallbrook Public Utility District, Suite 705, 1101 17th Street NW., Washington, D.C. 20036.

A. Robert C. Farber, Suite 516, 4600 Duke Street, Alexandria, Va. 22304.

B. TOSCO Corp., 2000 L Street NW., Washington, D.C. 20036.

D. (6) $5,400. E. (9) $68.86.

A. John W. Farquhar, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Dagmar T. Farr, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $450.

A. Jeffrey L. Farrow, 515 Madison Avenue, Suite 1600, New York, N.Y. 10022.
B. Lisboa Associates, Inc., 515 Madison Avenue, Suite 1600, New York, N.Y. 10022.
D. (6) $675. E. (9) $415.85.

A. Marcus G. Faust, 2000 L Street NW., Suite 200, Washington, D.C. 20036.
B. Kennecott Corp., 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $9,000.

A. Federal Express Corp., P.O. Box 727, Legal Department, Memphis, Tenn. 38194.
E. (9) $26,706.02.

A. Federation of American Scientists, 307 Massachusetts Avenue NE., Washington, D.C. 20002.
E. (9) $1,453.69.

A. George L. Fernham, NORML, 530 Eighth Street SE., Washington, D.C. 20003.
B. National Organization for the Reform of Marijuana Laws (NORML), 530 Eighth Street SE., Washington, D.C. 20003.

A. C. H. Fields, American Farm Bureau Federation, 600 Maryland Avenue SW., Washington, D.C. 20024.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $5,290. E. (9) $107.

A. Fifth Pro-Life Congressional District Action Committee, c/o John Kelley, 1120 Michigan Boulevard, Dunedin, Fla. 33528.
E. (9) $50.45.

A. Finley, Kumble, Wagner, Heine, Underberg & Casey, 1120 Connecticut Avenue NW., 10th Floor, Washington, D.C. 20036.
B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.
D. (6) $420.

A. Finley, Kumble, Wagner, Heine, Underberg & Casey, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Population Crisis Committee, 1120 19th Street NW., Washington, D.C. 20036.
D. (6) $1,320.

A. David M. Fitzgerald, Fitzgerald Associates, Inc., 206 King Street, Alexandria, Va. 22314.
B. Goodyear Aerospace, 1210 Massillon Road, Akron, Ohio 44315.
D. (6) $900.

A. David M. Fitzgerald, Fitzgerald Associates, Inc., 206 King Street, Alexandria, Va. 22314.
B. Litton Data Systems, P.O. Box 7601, Van Nuys, Calif. 91409.
D. (6) $1,500.

A. James H. Fitzpatrick, 15 Computer Drive West, Albany, N.Y. 12205.
B. Hospital Association of N.Y.S., 15 Computer Drive West, Albany, N.Y. 12205.
D. (6) $313.

A. John J. Flynn, 1125 17th Street NW., Washington, D.C. 20036.
B. International Union of Operating Engineers, 1125 17th Street NW., Washington, D.C. 20036.
D. (6) $5,500. E. (9) $288.

A. John P. Foley, Tosco Corp., 2501 M Street NW., Suite 380, Washington, D.C. 20037.
B. Tosco Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.
D. (6) $2,699.50. E. (9) $115.95.

A. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
E. (9) $4,750.

A. Food Research and Action Center, 1319 F Street NW., No. 500, Washington, D.C. 20004.
D. (6) $8,220.60. E. (9) $9,498.02.

A. Jack T. Ford, Heron, Haggart, Ford, Burchette & Ruckert, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fallbrook Public Utility District.

A. David H. Foster, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Natural Gas Supply Association, 1025 Connecticut Avenue NW., No. 402, Washington, D.C. 20036.
D. (6) $5,350. E. (9) $1,123.29.

A. Albert A. Fox, Allied Corp, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Allied Corp., P.O. Box 3000-R, Morristown, N.J. 07960.
D. (6) $275. E. (9) $35.

A. Eric R. Fox, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Employee Relocation Council, 1627 K Street NW., Suite 600, Washington, D.C. 20006.

A. Donald Fraher, 810 18th Street NW., Washington, D.C. 20006.
B. Handgun Control, Inc., 810 18th Street NW., Washington, D.C. 20006.
D. (6) $4,730.70. E. (9) $120.

A. Francis Associates, Ltd., 316 Pennsylvania Avenue SE., Suite 200, Washington, D.C. 20003.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $9,000. E. (9) $4,800.

A. Francis Associates, Ltd., 316 Pennsylvania Avenue SE., Suite 200, Washington, D.C. 20003.
B. Southern California Edison Co., 1111 19th Street NW., Suite 303, Washington, D.C., Pacific Gas & Electric Co., 1050 17th Street NW., No. 1180, Washington, D.C.
D. (6) $6,000. E. (9) $1,710.

A. Leslie C. Francis, Francis Associates, Ltd., 316 Pennsylvania Avenue SE., Suite 200, Washington, D.C. 20003.
B. Southern California Edison Co., 1111 19th Street NW., No. 303, Washington, D.C., Pacific Gas & Electric Co., 1050 17th Street NW., No. 1180, Washington, D.C.
D. (6) $6,000. E. (9) $1,710.

A. Charles L. Frazier, National Farmers Organization, 475 L'Enfant Plaza SW., No. 2250, Washington, D.C.
B. National Farmers Organization, Corning, Iowa 50841.
D. (6) $3,500. E. (9) $3,624.04.

A. Free the Eagle, 1875 South State Street, Suite 1400, Orem, Utah 84057.
D. (6) $218,119.28. E. (9) $73,984.91.

A. Friends of the Earth, 530 Seventh Street SE., Washington, D.C. [illegible]
D. (6) $36,184. E. (9) $50,027.29.

A. David E. Franasiak, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $1,332.40. E. (9) $206.32.

A. Fraser/Associates, 1800 K Street NW., Washington, D.C. 20006.
B. Association of American Physicians & Surgeons, Inc., 8991 Costwold Drive, Burke, Va. 22015.
D. (6) $4,000. E. (9) $3,818.38.

A. Robert D. Fritz, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, Three Research Place, Rockville, Md. 20850.
D. (6) $1,000. E. (9) $1,000.

A. Fulbright & Jaworski, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Crystal Oil Co., P.O. Box 21101, Shreveport, La. 71120.
D. (6) $532.50. E. (9) $157.25.

A. Fulbright & Jaworski, 1150 Connecticut Avenue NW., Suite 400, Washington, D.C. 20036.
B. Kenneth Lewis, 3300 NW. Yeon Avenue, Portland, Oreg. 97210.

A. Full Employment Action Council, 707 D Street SE., Washington, D.C. 20003.
D. (6) $600. E. (9) $3,797.

A. Gadsby & Hannah, 1815 H Street NW., Washington, D.C. 20006.
B. Belize Sugar Industries, Ltd, Belize City, Belize, Central America.

A. Gadsby & Hannah, 1815 H Street NW., Washington, D.C. 20006.
B. Government of Republic Of Panama, Compania Azucarera La Estrella, S.A., and Azucarera Nacional, S.A, Panama City, Panama.

A. Gadsby & Hannah, 1815 H Street NW., Washington, D.C. 20006.
B. Sugar Association of the Caribbean, Port of Spain, Trinidad.

A. Gailor, Elias & Matz, 700 E Street SE. Washington, D.C. 20003.
B. National Association of State Savings Insurers, 700 E Street SE., Washington, D.C. 20003.

A. Garvey, Schubert, Adams & Barer, 1000 Potomac Street NW., Washington, D.C. 20007.
B. Cominco American Inc., 818 West Riverside Avenue, Spokane, Wash. 99201.
D. (6) $165.

A. Gas Appliance Manufacturers Association, Inc., 1901 North Fort Myer Drive, Arlington, Va. 22209.
E. (9) $90.

A. Dwight M. Geduldig, American Hospital Association, 444 North Capitol Street NW., Suite 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lakeshore Drive, Chicago, Ill. 60611.
D. (6) $446.16. E. (9) $374.92.

A. Robert C. Gelardi, Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. [illegible]

B. The Robert H. Kellen Co., 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342 (for Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342).
D. (6) $240.

A. Fred J. Gentile, 195 Montague Street, Brooklyn, N.Y. 11201.
B. The Brooklyn Union Gas Co., 195 Montague Street, Brooklyn, N.Y. 11201.
D. (6) $170. E. (9) $144.

A. Gerard, Byler & Associates, 1100 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Ak-Chin Indian Community Council, Route 2, Box 27, Maricopa, Ariz. 85239.
D. (6) $750.

A. Gerard, Byler & Associates, 1100 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Colville Business Council, Box 150, Nespelem, Wash. 99155.
D. (6) $450.

A. Gerard, Byler & Associates, 1100 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Commissioned Officers Association, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $500.

A. Gerard, Byler & Associates, 1100 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Damson Oil Corp., 260 North Belt East, P.O. Box 4391, Houston, Tex. 77210.

A. Gerard, Byler & Associates, 1100 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. The Minnesota Chippewa Tribe, P.O. Box 217, Cass Lake, Minn. 55633.
D. (6) $300.

A. Gerard, Byler & Associates, 1100 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Papago Tribe of Arizona, Box 837, Sells, Ariz.
D. (6) $3,580. E. (9) $73.86.

A. Gerard, Byler & Associates, 1100 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. The Tulalip Tribes, 6700 Totem Beach Road, Marysville, Washington 98270.

A. Getty Oil Co., 3810 Wilshire Boulevard, Los Angeles, Calif. 90010.
E. (9) $8,450.93.

A. Wayne Gibbens, Mid-Continent Oil & Gas Association, 1919 Pennsylvania Avenue NW., Suite 503, Washington, D.C. 20006.
B. Mid-Continent Oil & Gas Association, 711 Adams Office Building, Tulsa, Okla. 74103.
D. (6) $5,250. E. (9) $57.50.

A. Jay W. Glasmann, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Employee Relocation Council, 1627 K Street NW., Washington, D.C. 20006.

A. Vernie Glasson, American Farm Bureau Federation, 600 Maryland Avenue SW., Washington, D.C. 20024.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $6,167. E. (9) $13.

A. Godfrey Associates, Inc., 918 16th Street NW., S-501, Washington, D.C. 20006.
E. (9) $133.25.

A. Horace D. Godfrey, 918 16th Street NW., S-501, Washington, D.C. 20006.
B. Godfrey Associates, Inc., 918 16th Street NW., S-501, Washington, D.C. 20006.
E. (9) $133.25.

A. Neil B. Goldstein, Sierra Club, 228 East 45th Street, New York, N.Y. 10017.
B. Sierra Club, 530 Bush Street, San Fransicso, Calif. 94108.
D. (6) $1,710.31. E. (9) $2,546.78.

A. Jack Golodner, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Actors Equity Association, 165 West 46th Street, New York, N.Y. 10036.
D. (6) $2,500. E. (9) $530.

A. George B. Gould, National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $11,880.38. E. (9) $5,334.61.

A. John K. Gram, Public Timber Purchasers Group, 714 Oregon Bank Building, Portland, Oreg. 97204.
B. Public Timber Purchasers Group, 714 Oregon Bank Building, Portland, Oreg. 97204.
D. (6) $1,781.25. E. (9) $699.23.

A. Edward Shawn Grandis, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environment Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,499.99.

A. George R. Green, 1750 K Street NW., Washington, D. C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $450.

A. Olga Grkavac, 1300 North 17th Street Suite 300, Arlington, Va. 22209.
B. Association of Data Processing Service Organization, Inc., 1300 North 17th Street Suite 300, Arlington, Va. 22209.

A. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.
E. (9) $5,542.21.

A. Groom and Nordberg, Chtd., 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. John Hancock Mutual Life Insurance Co., P. O. Box 111, Boston, Mass. 02117.
D. (6) $100. E. (9) $2.

A. Jerome Grossman, 11 Beacon Street, Boston, Mass. 02108.
B. Council for a Livable World, 11 Beacon Street, Boston, Mass 02108.
D. (6) $5985.19.

A. Gail P. Grubb, 2101 L Street NW., Washington, D.C. 20037.
B. Home Health Services and Staffing Association, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $500.

A. Kenneth A. Guenther, Independent Bankers Association, 1625 Massachusetts Avenue NW., Washington, D.C. 20036
B. Independent Bankers Association of America, 1168 South Main Street, Sauk Centre, Minn 56378.
D. (6) $15,000. E. (9) $77.

A. Jerome R. Gulan, Small Business Legislative Council, 1604 K Street NW., Washington, D.C. 20006.
B. Small Business Legislative Council, 1604 K Street NW., Washington, D.C. 20006.
D. (6) $2,500.

A. Gun Owners of America, Inc., 101 South Whiting Street, Alexandria, Va. 22301.
D. (6) $80,702.96. E. (9) $87,980.33.

A. Ellen Haas, Community Nutrition Institute, 1146 19th Street NW., Washington D.C. 20036.
B. Community Nutrition Institute, 1146 19th Street NW., Washington D.C. 20036.
E. (9) $82.61.

A. Bruce N. Hahn, 9300 Livingston Road, Fort Washington, Md. 20744.
B. National Tooling & Machining Association, 9300 Livingston Road, Fort Washington, Md. 20744.

A. Harold T. Halfpenny, 111, West Washington Street, Chicago, Ill. 60602.

A. Harry L. Hall, National Multiple Sclerosis Society, 1120 20th Street NW., Suite S-520, Washington, D.C. 20036.
B. National Multiple Sclerosis Society, 205 East 42d Street, New York, N.Y. 10017.
D. (6) $4,500.

A. Hallmark Cards, Inc., 25th & McGee, Kansas City, Mo. 64108.
D. (6) $500.

A. Bruce Hamilton, Sierra Club, Box 1078, Lander, Wyo. 82520.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $1,170. E. (9) $651.60.

A. Handgun Control, Inc., 810 18th Street NW., Washington, D.C. 20006.
D. (6) $334,352. E. (9) $70,980.33.

A. Ralph R. Harding, 305 Hearthstone Drive, Boise, Idaho 83702.
B. Ampco Foods, Inc., Box 592, Boise, Idaho 83221.
D. (6) $7,200. E. (9) $3,566.78.

A. Harris, Beach, Wilcox, Rubin & Levey, Two State Street, Rochester, N.Y. 14614; 1730 M Street NW., Washington, D.C. 20036.
B. United Societies of Physiotherapists, Inc., 163 Cold Spring Road, Syosset, N.Y. 11791.

A. Harris, Berg & Creskoff, 2033 M Street NW., Washington, D.C. 20036.
B. Association of Food Distributors, Inc., 115 Broadway New York, N.Y. 10006.
D. (6) $3,780. E. (9) $49.27.

A. Harris, Berg & Creskoff, 2033 M Street NW., Washington, D.C. 20036.
B. P. L. Thomas & Co., P.O. Box 449, 75 Claremont Road, Bernardsville, N.J. 07924.
D. (6) $1,950. E. (9) $19.50.

A. Hubert L. Harris, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
B. Associated Builders & Contractors, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
D. (6) $2,500. E. (9) $26.41.

A. Robert L. Harris, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. The Aluminum Association, 818 Connecticut Avenue NW., Washington, D.C. 20006.
E. (9) $50.

A. Lynn S. Hart, American Hospital Association, 444 North Capitol Street NW., Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
E. (9) $149.94.

A. Lewis B. Hastings, 1776 K Street NW., Washington, D.C. 20006.
B. Motorola Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $500.

A. Bruce Hawley, American Farm Bureau Federation, 600 Maryland Avenue SW., Washington, D.C. 20024.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $5,067. E. (9) $39.

A. Barbara M. Heller, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,749.99.

A. Thomas M. Hennessy, Getty Oil Co., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Getty Oil Co., 3810 Wilshire Boulevard, Los Angeles, Calif. 90010.
D. (6) $1,008. E. (9) $332.32.

A. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.
E. (9) $9,578.52.

A. Lyla M. Hernandez, American Association of Professional Standards Review Organizations, 11325 Seven Locks Road, Suite 214, Potomac, Md. 20854.
B. American Association of Professional Standards Review Organizations, 11325 Seven Locks Road, Suite 214, Potomac, Md. 20854.
E. (9) $56.28.

A. Esther Herst, 1343 F Street NE., Washington, D.C. 20002.
B. National Committee Against Repressive Legislation, 1250 Wilshire Boulevard, Los Angeles, Calif. 90017.
D. (6) $3,510.

A. Hill & Knowlton, Inc., 1425 K Street NW., No. 1000, Washington, D.C. 20005.
B. Florists' Transworld Delivery Association, P.O. Box 2227, Southfield, Mich. 48037.
D. (6) $8,250.

A. E. Joseph Hillings, 1575 I Street NW., Suite 510, Washington, D.C. 20005.
B. Continental Resources Co., P.O. Box 44, Winter Park, Fla. 32790.
D. (6) $2,500. E. (9) $2,083.27.

A. Hillsdale County Railway Co., c/o Wald, Harkrader & Ross, 1300 19th Street NW., Washington, D.C. 20036. 50 Monroe Street, Hillsdale, Mich.

A. James D. Hittle, 3137 South 14th Street, Arlington, Va. 22204.
B. Vought Corp., Dallas, Tex.
D. (6) $2,460. E. (9) $331.60.

A. Lawrence S. Hoffheimer, Hoffheimer & Johnson, 1120 20th Street NW., Suite 520, Washington, D.C. 20036.
B. American Association of Homes for the Aging, 1050 17th Street NW., Suite 770, Washington, D.C. 20036.
D. (6) $500. E. (9) $175.

A. Lawrence S. Hoffheimer, Hoffhiemer & Johnson, 1120 20th Street NW., Suite 520, Washington, D.C. 20036.
B. Brazos River Harbor Navigation District, P.O. Box 615, Freeport, Tex. 77541.
D. (6) $10,500. E. (9) $457.

A. Lawrence S. Hoffheimer, Hoffhiemer & Johnson, 1120 20th Street NW., Suite 520, Washington, D.C. 20036.
B. National Multiple Sclerosis Society, 205 East 42d Street, New York, N.Y. 10017.
D. (6) $4,500.

A. Holiday Inns, Inc., 3742 Lamar Avenue, Memphis, Tenn. 38118.
E. (9) $1,225.

A. Harriet Holtzman, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,261.90.

A. Hopkins & Sutter, One First National Plaza, Suite 5200, Chicago, Ill. 60603.
B. Chicago Board of Trade Clearing Corp., 141 West Jackson Boulevard, Chicago, Ill. 60604.

A. Hopkins & Sutter, One First National Plaza, Suite 5200, Chicago, Ill. 60603.
B. Commonwealth Edison Co., One First National Plaza, Chicago, Ill. 60603.
D. (6) $455.

A. Hopkins & Sutter, One First National Plaza, Suite 5200, Chicago, Ill. 60603.
B. First Chicago Corp., One First National Plaza, Chicago, Ill. 60603.

A. Hopkins & Sutter, One First National Plaza, Suite 5200, Chicago, Ill. 60603.
B. Inland Steel Co., 30 West Monroe Street, Chicago, Ill. 60603.

A. Hopkins & Sutter, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $675.

A. Hopkins & Sutter, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Northwest Industries, Inc., 6300 Sears Tower, Chicago, Ill. 60606.
D. (6) $1,080.

A. Hopkins & Sutter, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. People Energy Corp., 122 South Michigan Avenue, Chicago, Ill. 60603.

A. Hopkins & Sutter, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.

A. Hopkins & Sutter, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.

A. Hospital Association of N.Y.S., 15 Computer Drive West, Albany, N.Y. 12205.
D. (6) $441. E. (9) $441.

A. Tony R. Huerta, National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $5,073.87.

A. Gregory A. Humphrey, American Federation of Teachers, AFL-CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
B. American Federation of Teachers, AFL-CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
D. (6) $10,886.28. E. (9) $138.

A. Robert R. Humphreys, Hoffheimer & Johnson, 1120 20th Street NW., S-520, Washington, D.C. 20036.
B. American Association of Workers for the Blind, Inc., National Council of State Agencies for the Blind, 206 North Washington Street, Alexandria, Va. 22314.

A. Robert R. Humphreys, Hoffheimer & Johnson, 1120 20th Street NW., S-520, Washington, D.C. 20036.
B. Arthritis Foundation, 3400 Peachtree Road NE., Atlanta, Ga.
D. (6) $3,200. E. (9) $2,800.

A. Robert R. Humphreys, Hoffheimer & Johnson, 1120 20th Street NW., S-520, Washington, D.C. 20036.
B. Helen Keller National Center, 111 Middle Neck Road, Sands Point, N.Y. 11050.
D. (6) $4,725. E. (9) $2,406.

A. F. H. Hutchison & Co., 1744 R Street NW., Washington, D.C. 20009.
B. GeoProducts Corp., 1330 Broadway, Oakland, Calif. 94612.
D. (6) $2,319. E. (9) $297.18.

A. F. H. Hutchison & Co., 1744 R Street NW., Washington, D.C.
B. Hydrothermal Energy Corp., 6525 Sunset Boulevard, Los Angeles, Calif. 90028.
D. (6) $1,531. E. (9) $226.97.

A. F. H. Hutchison & Co., 1744 R Street NW., Washington, D.C. 20009.
B. Renewable Energy, Inc., 1009 Grant Street, Denver, Colo. 80203.
E. (9) $207.25.

A. F. H. Hutchison & Co., 1744 R Street NW., Washington, D.C. 20009.
B. WESTEC Services, Inc., 3211 Fifth Avenue, San Diego, Calif. 92103.
D. (6) $1,537.80. E. (9) $273.67.

A. Gary Hymel, The Power House, 3255 Grace Street NW., Washington, D.C. 20007.
B. Gray & Co., (for Group W), The Power House, 3255 Grace Street NW., Washington, D.C. 20007.

A. Independent Bankers Association of America, 1625 Massachusetts Avenue NW., Suite 202, Washington, D.C. 20036.
B. Independent Bankers Association of America, 1168 South Main Street, Sauk Centre, Minn. 56378.
D. (6) $108,288. E. (9) $120,501.01.

A. Independent Data Communications Manufacturers Association, Inc., 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $15,018.20. E. (9) $15,018.20.

A. Institute of Foreign Bankers, 200 Park Avenue, Suite 303-E, Room 23, New York, N.Y. 10017.

A. International Association of Bridge, Structural & Ornamental Iron Workers, 1750 New York Avenue NW., Washington, D.C. 20006.
E. (9) $8,580.

A. International Union of Operating Engineers, 1125 17th Street NW., Washington, D.C. 20036.
E. (9) $13,867.

A. John D. Isaacs, Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. Council for a Livable World, 11 Beacon Street, Boston, Mass. 02108.

D. (6) $6,033.34.

A. Walter K. Janenicke, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $5,000.

A. Japanese American Citizens League, 1765 Sutter Street, San Francisco, Calif. 94115.

A. Philip F. Jehle, Smith Kline Corp., 1150 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.
B. SmithKline Corp., One Franklin Plaza, Philadelphia, Pa. 19101.
D. (6) $1,500. E. (9) $110.

A. Kempton B. Jenkins, 1747 Pennsylvania Avenue NW., Suite 702, Washington, D.C. 20006.
B. Armco, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $600. E. (9) $317.64.

A. Walter W. John, Organization of Professional Employees of the United States Department of Agriculture, Room 1414 South Building, USDA, Washington, D.C. 20250.
B. Organization of Professional Employees of the United States Department of Agriculture, Room 1414 South Building, USDA, Washington, D.C. 20250.
D. (6) $756.

A. Calvin P. Johnson, Hoffheimer & Johnson, 1120 20th Street NW., Suite 520, Washington, D.C. 20036.
B. Computer Sciences Corp., 650 North Sepulveda Boulevard, El Segundo, Calif. 90245.
D. (6) $12,000. E. (9) $5,965.88.

A. Douglas Johnson, 419 Seventh Street NW., Suite 402, Washington, D.C. 20004.
B. National Right to Life Committee, Inc., 419 7th Street NW., Suite 402, Washington, D.C. 20004.
D. (6) $5,100. E. (9) $500.

A. John Paul Johnson, 1025 Connecticut Avenue NW., No. 402, Washington, D.C. 20036.
B. Natural Gas Supply Association, 1025 Connecticut Avenue NW., No. 402, Washington, D.C. 20036.
D. (6) $4.792. E. (9) $1,172.84.

A. Linda Meyer Johnson, ROLM Corp., 7700 Little River Turnpike, Suite 500, Annandale, Va. 22003.
B. ROLM Corp., 7700 Little River Turnpike, Suite 500, Annandale, Va. 22003.
D. (6) $7,500. E. (9) $1,638.75.

A. Joint Maritime Congress, 444 North Capitol Street NW., No. 800, Washington, D.C. 20001.
D. (6) $18,266.36. E. (9) $18,266.36.

A. Mary Kaaren Jolly, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $250. E. (9) $24.62.

A. Allan R. Jones, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $9,000. E. (9) $2,019.44.

A. Beverly E. Jones, Sisk, Foley, Hultin & Driver, 2501 M Street NW., Suite 380, Washington, D.C. 20037.
B. Ashland Oil, Inc., Pester Refining Co., Clark Oil, and Tenneco.
D. (6) $1,316. E. (9) $32.

A. Jones, Day, Reavis & Pogue, 1735 I Street NW., Washington, D.C. 20006.
B. American Greetings Corp., 10500 American Road, Cleveland, Ohio 44144.
D. (6) $764. E. (9) $38.01.

A. Jones, Day, Reavis & Pogue, 1735 I Street NW., Washington, D.C. 20006.
B. Food Policy Center, 538 Seventh Street SE., Washington, D.C. 20003.
E. (9) $21.70.

A. H. Richard Kahler, Caterpillar Tractor Co., 1850 K Street NW., Suite 925, Washington, D.C. 20006.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $2,500. E. (9) $3,820.46.

A. Laura Jo Katz, Shrimp Harvesters Coalition of the Gulf & South Atlantic States, 2101 L Street NW., Washington, D.C. 20037.
B. Shrimp Harvesters Coalition of the Gulf & South Atlantic States, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $500.

A. Robert J. Keefe, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for American Family Life Assurance Co.), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $1,250.

A. Robert J. Keefe, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Continental Materials), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

A. Robert J. Keefe, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Cordage Institute), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $1,250.

A. Robert J. Keefe, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Knoxville International Energy Expo), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $1,250.

A. Robert J. Keefe, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Alvin Nederlander Association, Inc.), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $2,250.

A. Robert J. Keefe, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C., 20036
B. The Keefe Co., (for Westinghouse Corp.), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036
D. (6) $1,250.

A. Keith Keeney, Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.
B. The Robert H. Kellen Co., (for: Calorie Control Council, 5775 Peachtree-Dunwoody Road, Atlanta, Ga., 30342.) 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.
D. (6) $35.

A. Keiki Kehoe, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $4,500.

A. Robert H. Kellen, Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500 D, Atlanta, Ga. 30342.
B. The Robert H. Kellen Co., (for: Calorie Control Council, 5775 Peachtree-Dunwoody Road, Atlanta, Ga., 30342.) 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.
D. (6) $360.

A. Candace Keller, 624 9th Street NW., 7th Floor, Washington, D.C. 20001.
B. Group Health Association of America, Inc., 624 9th St., NW., Seventh Floor, Washington, D.C. 20001.
D. (6) $3,300.

A. Keller and Heckman, 1150 17th Street NW., Washington, D.C. 20036.
B. Specialty Advertising Association International, 1404 Walnut Hill Lane, Irving, Texas 75062.
D. (6) $500 E. (9) $25.

A. Paul J. Kelley, 2727 North Central Avenue, Phoenix, Ariz. 85004.
B. U-Haul International, Inc., 2727 North Central Avenue, Phoenix, Ariz. 85004.
D. (6) $5,000.

A. Earl Kelly, Paralyzed Veterans of America, 4350 East West Highway, Suite 900, Bethesda, Md. 20814.
B. Paralyzed Veterans of America, 4350 East West Highway, Suite 900, Bethesda, Md. 20814.
D. (6) $8.208.48.

A. James J. Kennedy, Jr., Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employees, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employees, Three Research Place, Rockville, Md. 20850.
D. (6) $7,000. E. (9) $344.25

A. William F. Kennedy, General Electric Co., Fairfield, Conn. 06431.
B. General Electric Co., Fairfield, Conn., 06431.

A. William S. Kies, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $450.

A. Kirkpatrick, Lockhart, Hill, Christopher & Phillips, 1900 M Street NW., Washington, D.C. 20036.
B. SEARCH Group, Inc., 925 Secret River Drive, Sacramento, Calif. 95831.
D. (6) $212.10.

A. Donald A. Kirtley, Hercules Inc., 910 Market Street, Wilmington, Del. 19899.
B. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.

A. S. Herman Klarsfeld, 770 Lexington, Avenue, New York, N.Y. 10021.
B. United Euram Corp., 502 Park Avenue, New York, N.Y. 10022.

A. Laurence Klein, 105 East 22d Street, New York, N.Y. 10010.

B. Community Service Society, 105 East 22d Street, New York, N.Y. 10010.

D. (6) $208.

A. Thomas G. Kobus, National Parking Association, 2000 K Street NW., No. 350, Washington, D.C. 20006.

B. National Parking Association, 2000 K Street NW., No. 350, Washington, D.C. 20006.

D. (6) $13,932.66.

A. George W. Koch, 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

D. (6) $128.66.

A. Kominers, Fort, Schlefer & Boyer, 1776 F Street NW., Washington, D.C. 20006.

B. Aeron Marine Shipping Co., Triad Office Center, 2001 Marcus Avenue, Lake Success, N.Y. 11042.

A. Kominers, Fort, Schlefer & Boyer, 1776 F Street NW., Washington, D.C. 20006.

B. American Tankships Inc., Ingram Tankships Inc., 4100 One Shell Square, New Orleans, La. 70139.

A. Kominers, Fort, Schlefer & Boyer, 1776 F Street NW., Washington, D.C. 20006.

B. Southern Overseas Corp., P.O. Box 2110, Wilmington, N.C. 28402.

A. Louis C. Kramp & Associates, 1919 Pennsylvania Avenue, NW., No. 301, Washington, D.C. 20006.

B. Holiday Inns, Inc., 3742 Lamar Avenue, Memphis, Tenn. 38118.

D. (6) $1,225.

A. Louis C. Kramp & Associates, 1919 Pennsylvania Avenue NW., No. 301 Washington, D.C. 20006.

B. National Association of Homes for Children, 104 East 35th Street, New York, N.Y. 10016.

D. (6) $1,200.

A. Louis C. Kramp & Associates, 1919 Pennsylvania Avenue NW., No. 301, Washington, D.C. 20006.

B. ServiceMaster Industries, Inc., 2300 Warrenville Road, Downers Grove, Ill.

D. (6) $900.

A. Lawrence E. Kreider, Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

A. Joseph A. Kuchler, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.

B. American Hospital Association, 840 North Lakeshore Drive, Chicago, Ill. 60611.

D. (6) $1,199.40. E. (9) $62.63.

A. James H. Lake, Suite 420, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Western Growers Association, 1200 New Hampshire Avenue NW., No. 420, Washington, D.C. 20036.

D. (6) $1,000.

A. R. Josh Lanier, 400 North Capitol Street, Suite 323, Washington, D.C. 20001.

B. Leggett, Lanier & Associates, 400 North Capitol Street, Washington, D.C. 20001; (for Shellfish Institute of North America, 400 North Capitol Street, Washington, D.C. 20001).

D. (6) $4,500.

A. Dennis Lavallee, National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.

B. National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.

D. (6) $500. E. (9) $247.15.

A. League of California Milk Producers, 1225 Eighth Street, Suite 385, Sacramento, Calif. 95814.

E. (9) $445.

A. Lechner & Butsavage, P.C., 3101 South Street NW., Washington, D.C. 20007.

B. Massachusetts Association of Contributory Retirement Systems, Inc., 182 Sunnyside Road, Norwood, Mass. 02062.

D. (6) $6,000.

A. Lechner & Butsavage, P.C., 3101 South Street NW., Washington, D.C. 20007.

B. National Association of Police Organizations, Inc., 12th and L Streets, Sacramento, Calif. 95814.

D. (6) $18,000. E. (9) $200.25

A. David A. Leff, Joint Maritime Congress, 444 North Capitol Street NW., Suite 801, Washington, D.C. 20001.

B. Joint Maritime Congress, 444 North Capitol Street NW., No. 800, Washington, D.C. 20001.

D. (6) $5,150.40.

A. Leggett, Lanier & Associates, 400 North Capitol Street, Suite 323, Washington, D.C. 20001.

B. Shellfish Institute of North America, 400 North Capitol Street, Suite 323, Washington, D.C. 20001.

D. (6) $9,000. E. (9) $6,900.

A. LeSourd, Patten, Fleming, Hartung & Emory, 3900 Seattle—First National Bank Building, Seattle, Wash. 98154.

B. General Teamsters Local 959, State of Alaska, P.O. Box 2092, Anchorage, Alaska 99510.

D. (6) $74.80.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Suite 1001, Washington, D.C. 20006.

B. Commerzbank AG, Breite Strasse 25, 4000 Dusseldorf, Federal Republic of Germany.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Suite 1001, Washington, D.C. 20006.

B. G.K. Technologies, Inc., 500 West Putnam Avenue, Greenwich, Conn. 06830.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Suite 1001, Washington, D.C. 20006.

B. Union Investment GmbH, Neue Mainzer Strasse, 33-35, 6 Frankfurt/Main, Federal Republic of Germany.

A. Samuel R. Levering, 100 Maryland Avenue NE., Washington, D.C. 20002.

B. U.S. Committee for the Oceans, 100 Maryland Avenue NE., Washington, D.C. 20002.

A. Lewis, Rice, Tucker, Allen & Chubb, 611 Olive Street, Suite 1400, St. Louis, Mo. 63101.

B. The St. Louis Mercantile Library Association, 510 Locust Street, St. Louis, Mo. 63188.

D. (6) $3,807.85. E. (9) $1,000.66.

A. Lewis, Rice, Tucker, Allen & Chubb, 611 Olive Street, Suite 1400, St. Louis, Mo. 63101.

B. Spectrum Emergency Care, Inc., 970 Executive Parkway, St. Louis, Mo. 73141.

D. (6) $2,726.25. E. (9) $23.44.

A. Jan Pittman Liebman, 1120 20th Street NW., Suite 520, Washington, D.C. 20036.

B. National Committee for Research in Neurological and Communicative Disorders, 1120 20th Street NW., Suite 520, Washington, D.C. 20036.

D. (6) $6,000. E. (9) $305.

A. Sylvester Ligsukis, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.

B. Cramer, Hoffman & Haber, P.C. (for Canaveral Port Authority, P.O. Box 267, Cape Canaveral, Fla. 32920), 1320 19th Street NW., Suite 200, Washington, D.C. 20036.

A. Sylvester Ligsukis, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.

B. Cramer, Hoffman & Haber, P.C. (for city of Miami, Miami, Fla.), 1320 19th Street NW., Suite 200, Washington, D.C. 20036.

A. Sylvester Ligsukis, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.

B. Cramer, Hoffman & Haber, P.C. (for Dade County, Miami, Fla.), 1320 19th Street NW., Suite 200, Washington, D.C. 20036.

A. Sylvester Ligsukis, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.

B. Hoffman, Hendry, Stoner, Sims & Sawicki (for Global Exploration & Development Corp., 1414 Collins Avenue, Lakeland, Fla. 33801), 215 East Central Boulevard, Orlando, Fla. 32801.

A. Sylvester Ligsukis, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.

B. Cramer, Hoffman & Haber, P.C. (for Hobbs Construction & Development Co., Inc., 3711 North Highway 231, Panama City, Fla. 32401), 1320 19th Street NW., Suite 200, Washington, D.C. 20036.

A. Lillick McHose & Charles, 21 Dupont Circle NW., Washington, D.C. 20036.

B. Far East Conference, 40 Rector Street, New York, N.Y. 10005.

E. (9) $233.96.

A. Lillick McHose & Charles, 21 Dupont Circle NW., Washington, D.C. 20036.

B. Huthnance Drilling Co., Suite 500, 601 Jefferson Street, Houston, Tex. 77002.

A. Lillick McHose & Charles, 21 Dupont Circle NW., Washington, D.C. 20036.

B. Jones, Loyd & Webster, Inc., 2327 San Felipe, Houston, Tex. 77019.

A. Lillick McHose & Charles, 21 Dupont Circle NW., Washington, D.C. 20036.

B. Pacific Westbound Conference, 320 California Street, San Francisco, Calif. 94104.

E. (9) $350.95.

A. Lillick McHose & Charles, 21 Dupont Circle NW., Washington, D.C. 20036.

B. Rotan Mosle, Inc., 1500 South Tower Pennzoil Place, Houston, Tex. 77002.

E. (9) $2.80.

A. Lillick McHose & Charles, 21 Dupont Circle NW., Washington, D.C. 20036.

B. Wisconsin-Barge Line, Inc., 10825 Watson Road, St. Louis, Mo. 63127.

A. Kathleen M. Linehan, Gulf Oil Corp., 1025 Connecticut Avenue NW., No. 700, Washington, D.C. 20036.

B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.

D. (6) $455. E. (9) $130.

A. Elena Linthicum, Allied Corp.,1150 Connecticut Avenue NW., Washington, D.C. 20036.

B. Allied Corp., P.O. Box 3000-R, Morristown, N.J. 07960.

D. (6) $10.13. E. (9) $62.01.

A. Lisboa Associates, Inc., 515 Madison Avenue, Suite 1600, New York, N.Y. 10022.

D. (6) $1,000. E. (9) $1,180.02.

A. Leslie Loble, 1925 K Street NW., Washington, D.C. 20006.

B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.

D. (6) $5,289.83. E. (9) $209.06.

A. Robert S. Long, Clark Oil & Refining Corp., 1850 K Street NW., Suite 510, Washington, D.C. 20006.

B. Clark Oil & Refining Corp., 8530 West National Avenue, Milwaukee, Wis. 53227.

D. (6) $2,000.

A. Lord, Day & Lord, 25 Broadway, New York, N.Y. 10004.

B. Bowater North America Corp., 1500 East Putnam Avenue, Old Greenwich, Conn. 06870.

D. (9) $2,166.45.

A. Charles M. Loveless, 1625 L Street, NW., Washington, D.C. 20036.

B. American Federation of State, County and Municipal Employees, AFL-CIO, 1625 L Street NW., Washington, D.C. 20036.

D. (6) $7,840.24. E. (9) $114.15.

A. James P. Low, 1575 I Street NW., Washington, D.C. 20005.

B. American Society of Association Executives, 1575 I Street NW., Washington, D.C. 20005.

A. William C. Lowrey, Shell Oil Co., 1025 Connecticut Avenue NW., Suite 269, Washington, D.C. 20036.

B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.

D. (6) $500.

A. Charles Emmet Lucey, McDermott, Will & Emery, 1850 K Street NW., Suite 500, Washington, D.C. 20006.

B. Catholic Press Association, 119 North Park Avenue, Rockville Centre, N.Y. 11570.

A. Christian J. Lund, 1125 15th Street NW., Washington, D.C. 20005.

B. United Technologies Corp., United Technologies Building, Hartford, Conn. 06101; 1125 15th Street NW., Washington, D.C. 20005.

D. (6) $13,975.

A. William T. Lyons, 1747 Pennsylvania Avenue NW., No. 700, Washington, D.C. 20006.

B. Ciba-Geigy Corp. Ardsley, N.Y. 10502.

D. (6) $3,500. E. (9) $3,392.08.

A. Samuel A. Mabry, Hercules Inc., 1800 K Street NW., Washington, D.C. 20006.

B. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.

D. (6) $3,000. E. (9) $3,232.39.

A. Manufactured Housing Institute, 1745 Jefferson Davis Highway, No. 511, Arlington, Va. 22202.

D. (6) $1,875. E. (9) $214.01.

A. Allen J. Manzano, American Hospital Association, 444 North Capitol Street NW., Washington, D.C. 20001.

B. American Hospital Association, 840 North Lakeshore Drive, Chicago, Ill. 60611.

A. Milton C. Mapes, Jr., National Peace Academy Campaign, 110 Maryland Avenue NE., Suite 409, Washington, D.C. 20002.

B. National Peace Academy Campaign, 110 Maryland Avenue NE., Suite 409, Washington, D.C. 20002.

D. (6) $7,500.

A. Patricia Markey, 1899 L Street NW., Suite 505, Washington, D.C. 20036.

B. United Distribution Co., 159 Town Hall Square, Falmouth, Mass. 02540.

D. (6) $1,000. E. (9) $95.80.

A. Richard Markey, 444 North Capitol Street NW., Suite 409, Washington, D.C 20001.

B. Associated Builders & Contractors, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.

D. (6) $2,500.

A. Dan V. Maroney, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

B. Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Chalmers Marquis, NAPTS, 955 L'Enfant Plaza SW., Suite 7200, Washington, D.C. 20024.

B. National Association of Public Television Stations, 955 L'Enfant Plaza SW., Suite 7200, Washington, D.C. 20024.

D. (6) $500. E. (9) $200.

A. Marshall, Bratter, Greene, Allison & Tucker, 430 Park Avenue, New York, N.Y. 10022.

B. Drexel Burnham Lambert, Inc., 60 Broad Street, New York, N.Y. 10004.

E. (9) $1,895.28.

A. Eleanor Marshall, 105 East 22d Street, New York, N.Y. 10010.

B. Community Service Society ("CSS"), 105 East 22d Street, New York, N.Y. 10010.

D. (6) $264.50.

A. Herbert S. Matthews, Box 72, Mechanicsville, Md. 20659.

B. Martin Marietta Aerospace, 6801 Rockledge Drive, Bethesda Md. 20034.

D. (6) $5,400. E. (9) $146.19

A. H. Wesley McAden, 1155 15th Street NW., Suite 424, Washington D.C. 20005.

B. J. G. Boswell Co. Inc., 333 South Spring Street, Los Angeles Calif. 90017.

D. (6) $9,000. E. (9) $2,100.

A. William C. McCamant, 1725 K Street NW., Washington, D.C. 20006.

D. (6) $300.

A. Law Offices of Robert C. McCandless, 1707 H Street NW., Suite 1005, Washington, D.C. 20006.

B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.

D. (6) $1,186.75.

A. Law Offices of Robert C. McCandless, 1707 H Street NW., Washington, D.C. 20006.

B. Miller and Schroeder Municipals, Inc., 7900 Xerxes Avenue South, Minneapolis, Minn. 55431.

D. (6) $1,000.

A. Law Offices of Robert C. McCandless, 1707 H Street NW., Suite 1005, Washington, D.C. 20036.

B. Transamerica Corp., 600 Montgomery Street, San Francisco, Calif. 94111.

D. (6) $7,819.38.

A. Law Offices of Robert C. McCandless, 1707 H Street NW., Suite 1005, Washington, D.C. 20036.

B. Transamerica-Occidental Insurance Corp., Transamerica Center, Hill & Olive at 12th Street, Los Angeles, Calif. 90015.

D. (6) $43,054.

A. McClure & Trotter, Suite 600, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Cigar Association of America, 1100 17th Street NW., Suite 1201, Washington, D.C. 20036.

A. John L. McCormick, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $2,333.33.

A. E. L. McCulloch, 819 Railway Labor Building, 400 1st Street NW., Washington, D.C. 20001.

B. Brotherhood of Locomotive Engineers, Engineers Building, Cleveland, Ohio 44114.

D. (6) $284.60. E. (9) $85.20.

A. Edward T. McDonald, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.

D. (6) $1,000. E. (9) $1,000.

A. P. Anne McGhee, 1750 K Street NW., Washington, D.C. 20006.

B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

D. (6) $450.

A. John E. McGill, Telephone Utilities, Inc., 1221 Southwest Yamhill, Suite 203, Portland, Oreg. 97205.

B. Telephone Utilities, Inc., 1221 Southwest Yamhill, Suite 203, Portland, Oreg. 97205.

D. (6) $290.90. E. (9) $290.90.

A. Philip A. McKeaney, American Federation of Teachers, 11 Dupont Circle NW., Washington, D.C. 20036.

B. American Federation of Teachers, AFL-CIO, 11 Dupont Circle NW., Washington, D.C. 20036.

D. (6) $7,718.38. E. (9) $201.

A. John S. McLees, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

D. (6) $1,340. E. (9) $159.65.

A. Joseph E. McMahon, 1431 33d Street NW., Washington, D.C. 20007.

B. The Boeing Co., 1700 North Moore Street, Roslyn, Va. 22209.

D. (6) $4,800. E. (9) $325.

A. McNair Glenn Konduros Corley Singletary Porter & Dibble, P.A., 18th Floor, Bankers Trust Towers, Columbia, S.C.

B. Airco, Inc., 85 Chestnut Ridge Road, Montvale, N.J.

A. McNair Glenn Konduros Corley Singletary Porter & Dibble, P.A., 18th Floor, Bankers Trust Towers, Columbia, S.C.
B. General Telephone & Electronics Corp., One Stamford Forum, Stamford, Conn. 06904.
D. (6) $4,836.10. E. (9) $397.60.

A. McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble, P.A., 18th floor Bankers Trust Towers, Columbia, S.C.
B. Georgia Pacific Corp., 900 Southwest, Fifth Avenue, Portland, Oreg. 97204.
E. (9) $614.81.

A. Marion M. MacRae, BankAmerica Corp., 1800 K Street NW., No. 900, Washington, D.C. 20006.
B. BankAmerica Corp., BankAmerica Corp., San Francisco, Calif.

A. Francix X. Meaney, 1015 15th Street NW., Washington, D.C. 20005; 1 Center Plaza, Boston, Mass. 02108.
B. Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. 1015 15th Street NW., Washington, D.C. 20005, 1 Center Plaza, Boston, Mass. 02108 (for Securities Industry Association, 20 Broad Street, New York, N.Y. 10005).
D. (6) $2,000. E. (9) $75.

A. Nanine Meiklejohn, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County and Municipal Employees, AFL-CIO, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $8,749.98. E. (9) $150.40.

A. Harold E. Mesirow, Lillick McHose & Charles, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Foss Launch & Tug Co.; Foss Alaska Line; FL&T Co., 660 W. Ewing Street, Seattle, Wash. 98119.
D. (6) $14,420. E. (9) $1,661.93.

A. Harold E. Mesirow, Lillick McHose & Charles, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Western Pioneer, Inc., 4601 Shilshole Avenue NW., Seattle, Wash. 98107.
D. (6) $3,400. E. (9) $132.21.

A. Metzger, Shadyac & Schwarz, 1 Farragut Square South, Ninth Floor, Washington, D.C. 20006.
B. Philadelphia National Bank, Broad & Chestnut Streets, Philadelphia, Pa. 19101.
D. (6) $15,466.86. E. (9) $15,466.86.

A. M. Barry Meyer, The Aluminum Association, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. The Aluminum Association, 818 Connecticut Avenue NW., Washington, D.C. 20006.
D. (6) $50.

A. James G. Michaux, Federated Department Stores, Inc., 1801 K Street NW., Suite 903, Washington, D.C.
B. Federated Department Stores, Inc., 7 West 7th Street, Cincinnati, Ohio 45202.
D. (6) $500.

A. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $58.17. E. (9) $8,064.76.

A. Migrant Legal Action Program, Inc., 806 15th Street NW., Washington, D.C. 20005.
D. (6) $27,241.38. E. (9) $27,241.38.

A. Fred Millar, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,124.99.

A. A. Stanley Miller, 910 16th Street, Room 302, Washington, D.C. 20006.
B. Federation of American Controlled Shipping, 50 Broadway, New York, N.Y. 10004.
D. (6) $200.

A. C. John Miller, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Investors Diversified Services, Inc., IDS Tower, Minneapolis, Minn. 55402.
D. (6) $5,600.

A. Richard V. Minck, American Council of Life Insurance, 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
D. (6) $500.

A. Luis Miranda, 105 East 22d Street, New York, N.Y. 10010.
B. Community Service Society, 105 East 22d Street, New York, N.Y. 10010.
D. (6) $736.

A. Joseph A. Mitchell, Hoffheimer & Johnson, 1120 20th Street NW., Suite S 520, Washington, D.C. 20036.
B. Church World Service, 475 Riverside Drive, New York, N.Y. 10115.

A. Sandra S. Mitchell, Air Florida, Inc., 1050 Thomas Jefferson Street NW., Suite 600, Washington, D.C. 20007.
B. Air Florida, Inc., 3900 Northwest 79th Avenue, Miami, Fla. 33166.
D. (6) $2,100. E. (9) $323.50.

A. Thomas F. Mitchell, Georgia-Pacific Corp. 1875 Eye Street NW., Washington, D.C. 20006.
B. Georgia-Pacific Corp. 900 Southwest Fifth Avenue, Portland, Oreg. 97204.
E. (9) $248.

A. Richard Moran, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
B. Associated Builders and Contractors, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
D. (6) $3,125.

A. Gerald D. Morris, American Federation of Teachers, 11 Dupont Circle NW., Washington, D.C. 20036.
B. American Federation of Teachers, AFL-CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
D. (6) $8,612.52. E. (9) $21.

A. Richard J. Muller, Chrysler Corp. 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corp., 12000 Lynn Townsend Drive, Highland Park, Mich. 48288.
D. (6) $2,000. E. (9) $105.

A. Municipal Labor Committee, 140 Park Place, New York, N.Y. 10007.

A. Jeanne Marie Murphy, Independent Bankers Association of America, 1625 Massachusetts Avenue NW., No. 202, Washington, D.C. 20036.
B. Independent Bankers Association of America, 1168 South Main Street, Sauk Centre, Minn 56378.
D. (6) $6,250.40. E. (9) $102.66.

A. Rosemary Griffin Murray, 1660 L Street NW., Suite 901, Washington, D.C. 20036.
B. Pan American World Airways, Inc., Suite 901, 1660 L Street NW., Washington, D.C. 20036.
D. (6) $633.50. E. (9) $767.74.

A. Law Offices of Timothy D. Naegele, Suite 1280, 1850 K Street NW., Washington, D.C. 20006.
B. BayBanks, Inc., 175 Federal Street, Boston, Mass. 02110.

A. Bernard Nash, Blum & Nash, 1015 18th Street NW., Suite 408, Washington, D.C. 20036.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $1,725. E. (9) $19.

A. Bernard Nash, Blum & Nash, 1015 18th Street NW., Washington, D.C. 20036.
B. Merck & Co., Inc., P.O. Box 2000, Rahway, N.J. 07065.
E. (9) $22.50.

A. Bernard Nash, Blum & Nash, 1015 18th Street NW., Suite 408, Washington, D.C. 20036.
B. Time, Inc., 888 16th Street NW., Washington, D.C. 20036.
E. (9) $9.

A. N.A.T.A., 1000 Connecticut Avenue NW., No. 1200, Washington, D.C. 20036.

A. Hardy L. Nathan, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $900.

A. National Alliance for Hydroelectric Energy, 1050 17th Street NW., Washington, D.C. 20036.
D. (6) $2,700. E. (9) $2,700.

A. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $32,507.55. E. (9) $68,280.22.

A. National Association of Homes for Children, 104 East 35th Street, New York, N.Y. 10016.
E. (9) $1,200.

A. National Association of Latino Elected & Appointed Officials (NALEO), 430 Sixth Street NE., Washington, D.C. 20002.
D. (6) $13,099. E. (9) $32,007.28.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $5,631,194.46. E. (9) $189,676.02.

A. National Association of Margarine Manufacturers, 1625 I Street NW., Suite 1024-A, Washington, D.C. 20006.

A. National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.
D. (6) $1,107.15. E. (9) $1,107.15.

A. National Association of Railroad Passengers, 417 New Jersey Avenue SE., Washington, D.C. 20003.
D. (6) $35,099.75. E. (9) $23,009.69.

A. National Association of Realtors, 430 North Michigan, Chicago, Ill. 60611; 777 14th Street NW., Washington, D.C. 20005.
E. (9) $48,396.28.

A. National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $2,441.46. E. (9) $1,885.96.

A. National Association of Wheat Growers, 415 Second Street NE., Suite 300, Washington, D.C. 20002.
D. (6) $4,950. E. (9) $36,508.04.

A. National Bail Bond Information Center, P.O. Box 010731, Miami, Fla. 33101.
B. Cotton Belt Insurance Co., 10001 Lake Forrest Boulevard, New Orleans, La.
D. (6) $5,159.31. E. (9) $5,676.35.

A. National Coal Association, Coal Building, Washington, D.C. 20036.
D. (6) $1,235,532.41. E. (9) $18,695.20.

A. National Coal Consumers Alliance, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $6,408.91. E. (9) $6,408.91.

A. National Committee Against Repressive Legislation, 1250 Wilshire Boulevard, Los Angeles, Calif. 90017.
D. (6) $5,036.21. E. (9) $9,745.76.

A. National Council of Agricultural Employers, 435 Southern Building, 1425 H Street NW., Washington, D.C. 20005.
E. (9) $2,629.

A. National Education Association, 1201 16th Street NW., Washington, D.C.
D. (6) $29,579.68. E. (9) $29,579.68.

A. National Employee Benefits Institute, 2550 M Street NW., Washington, D.C. 20037.
D. (6) $1,125. E. (9) $133.34.

A. National Family Planning & Reproductive Health Association, Inc., Suite 950, 1110 Vermont Avenue NW., Washington, D.C. 20005.
D. (6) $14,024. E. (9) $3,262.74.

A. The National Federation of Business, and Professional Women's Clubs, Inc., 2012 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $149,525. E. (9) $11,533.11.

A. National Federation of Community Development Credit Unions, 16 Court Street, Suite 1804, Brooklyn, N.Y. 11201.
E. (9) $2,500.

A. The National Federation of Licensed Practical Nurses, Inc., 214 South Drive, P.O. Box 11308, Durham, N.C. 27703.
D. (6) $1,670. E. (9) $1,670.

A. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $8,150. E. (9) $8,150.

A. National Manufactured Housing Federation, 1700 Pennsylvania Avenue NW., Suite 745, Washington, D.C. 20006.
D. (6) $26,039.

A. National Military Wives Association, Inc., 2666 Military Road, Arlington, Va. 22207.
D. (6) $4,013. E. (9) $175.08.

A. National Motorsports Committee of ACCUS, 1701 K Street NW., No. 1204, Washington, D.C. 20006.

A. National Newspaper Association, 1627 K Street NW., Suite 400, Washington, D.C. 20006.
D. (6) $21,827.82. E. (9) $6,525.

A. National Parking Association, 2000 K Street NW., No. 350, Washington, D.C. 20006.
E. (9) $21,507.42.

A. National Peace Academy Campaign, 110 Maryland Avenue NE., Suite 409, Washington, D.C. 20002.
D. (6) $38,259. E. (9) $62,732.

A. National Potato Council, 1200 New Hampshire Avenue NW., Suite 420, Washington, D.C. 20036.
E. (9) $1,000.

A. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $158,622.49. E. (9) $99,500.12.

A. National Right to Life Committee, 419 7th Street NW., Suite 402, Washington, D.C. 20004.
D. (6) $288,574. E. (9) $31,461.

A. National Rural Development & Finance Corp., 1300 19th Street NW., Suite 360, Washington, D.C. 20036.
E. (9) $3,500.

A. National School Transportation Association, 9001 West Braddock Road, Springfield, Va. 22151.
D. (6) $3,290.15. E. (9) $3,290.15.

A. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $9,388.52. E. (9) $13,177.

A. National Tour Brokers Association, Inc., 120 Kentucky Avenue, Lexington, Ky. 40502.
D. (6) $18,733. E. (9) $18,733.

A. Natural Gas Supply Association, 1025 Connecticut Avenue NW., No. 402, Washington, D.C. 20036.
D. (6) $363,308.60. E. (9) $36,314.29.

A. C. B. Neely, Jr., P.O. Box 829, Raleigh, N.C. 27602.
B. Beneficial Management Corp. of America, 1100 Carr Road, Wilmington, Del. 19899.
D. (6) $1,935.84. E. (9) $241.06.

A. E. Colette Nelson, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
B. Associated Builders and Contractors, Inc., 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
D. (6) $4,625. E. (9) $111.87.

A. Peter M. Nelson, 1800 K Street NW., Washington, D.C. 20006.
B. BankAmerica Corp., BankAmerica Center, San Francisco, Calif. 94104.
D. (6) $17.36. E. (9) $101.88.

A. A. S. Nemir Associates, Suite 1230 Pennsylvania Building, Washington, D.C. 20004.
B. Brazilian Sugar & Alcohol Institute, Rio de Janeiro, Brazil.
E. (9) $318.01.
A. Frederick H. Nesbitt, National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $740.33.

A. Bill Newbold, Bill Newbold and Associates, 1510 North 12th Street, No. 204, Arlington, Va. 22209.
B. Bill Newbold and Associates, 1510 North 12th Street, No. 204, Arlington, Va. 22209 (for American Protestant Hospital Association, One Woodfield Place, Suite 311, 1701 East Woodfield Drive, Schaumburg, Ill. 60195).
D. (6) $10,000.

A. Bill Newbold, Bill Newbold and Associates, 1510 North 12th Street, No. 204, Arlington, Va. 22209.
B. Bill Newbold and Associates, 1510 North 12th Street, No. 204, Arlington, Va. 22209 (for Arkansas Hospital Association, 1519 North University, Suite 400, Little Rock, Ark. 72207).
D. (6) $1,500.

A. Bill Newbold, Bill Newbold and Associates, 1510 North 12th Street, No. 204, Arlington, Va. 22209.
B. Bill Newbold and Associates, 1510 North 12th Street, No. 204, Arlington, Va. 22209 (for Texas Hospital Association, P.O. Box 15587, Austin, Tex. 78761).
D. (6) $3,000.

A. E. John, Neumann, Baltimore Gas & Electric Co., 1100 Connecticut Avenue NW., No. 820, Washington, D.C. 20035.
B. Baltimore Gas & Electric Co., Gas & Electric Building, P.O. Box 1475, Baltimore, Md. 21203.
D. (6) $1,172.51. E. (9) $1,346.41.

A. Norfolk & Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.
E. (9) $227.60.

A. North American Telephone Association, 511 Second Street NE., Washington, D.C. 20002.
D. (6) $63,387.15. E. (9) $63,387.15.

A. Mary E. Oakes, Hercules Inc., 1800 K Street NW., Washington, D.C. 20006.
B. Hercules Inc., 1800 K Street NW., Washington, D.C. 20006.
D. (6) $452.50. E. (9) $103.63.

A. Jean Olson, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $541.66.

A. William J. Olson, 1819 H Street NW., Suite 500, Washington, D.C. 20006.
B. March of Dimes Birth Defects Foundation.
D. (6) $10,079.62. E. (9) $1,824.84.

A. O'Neal & Claassen, 600 New Hampshire Avenue NW., No. 952, Washington, D.C. 20037.
B. Commodity Exchange, Inc., Four World Trade Center, Southeast Plaza Building, New York, N.Y. 10048.
D. (6) $750.

A. O'Neal & Claassen, 600 New Hampshire Avenue NW., No. 952, Washington, D.C. 20037.
B. National Air Tankers Association, 2200 South Price Road, Chandler, Ariz. 85224.
D. (6) $2,000.

A. Donald K. O'Neill, 1000 Wilson Boulevard, Suite 2600, Arlington, Va. 22009.
B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,000

A. Charles Orasin, 810 18th Street NW., Washington, D.C. 20006.
B. Handgun Control, Inc., 810 18th Street NW., Washington, D.C., 20006.
D. (6) $4,926.90. E. (9) $51.60.

A. Organization of Professional Employees of the U.S. Department of Agriculture (OPEDA), Room 1414, South Building, Washington, D.C., 20250.
D. (6) $5,863.39 E. (9) $1,177.09.

A. J. Allen Overton, Jr., American Mining Congress, 1920 N Street NW., Suite 300, Washington, D.C., 20036.
B. American Mining Congress, 1920 N Street NW., Washington, D.C., 20036.
D. (6) $1,778.36 E. (9) $92.50

A. Gerard P. Panaro, Jenkins, Nystrom & Sterlacci, 2033 M Street NW., Suite 504, Washington, D.C., 20036.
B. Retail Bakers of America, Presidential 1 Building, Suite 250, 6525 Belcrest Road, Hyattsville, Md. 20782.
D. (6) $1,500. E. (9) $38.43

A. Judith E. Park, National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C., 20036.
B. National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C., 20036.
D. (6) $8,011. E. (9) $39.71.

A. Douglas L. Parker, 600 New Jersey Avenue NW., Washington, D.C., 20001.
B. Institute for Public Representation, 600 New Jersey Avenue NW, Washington, D.C., 20001.

A. Sara Lynn Parker, Food Research & Action Center, 1319 F Street NW., No. 500, Washington, D.C., 20004.
B. Food Research & Action Center, 1319 F Street NW., No. 500, Washington, D.C., 20004.
D. (6) $551.95

A. William H. Patterson, General Electric Co., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $195.

A. Peabody, Lambert & Meyers, PC, 1150 Connecticut Avenue NW., Washington, D.C., 20036.
B. Michigan Knife Co., 120 Pere Marquette Street, Big Rapids, Mich. 49307.
E. (9) $10.

A. Peabody, Lambert & Meyers, P.C. 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Oppose, 1300 Logan Street, Denver, Colo. 80203.
D. (6) $300.

A. Peabody, Lambert & Meyers, P.C. 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Yamaha Motor Corp, Ltd., 2500 Shingai, Iwata-Shi, Shizuoka-Ken, Japan.
D. (6) $300. E. (9) $28.

A. Humberto R. Pena, 1155 15th Street NW., Washington, D.C. 20005.
B. Bristol-Meyers Co., 345 Park Avenue, New York, N.Y. 10154.
D. (6) $500.

A. George C. Pendleton, 1000 Connecticut Avenue NW., Washington, D.C. 20036..
B. Canned & Cooked Meat Importers Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,770. E. (9) $112.74.

A. Pension Rights Center, Room 1019, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $426. E. (9) $2,852.96.

A. Perito, Duerk, Carlson & Pinco, P.C., 1140 Connecticut Avenue NW., No. 400, Washington, D.C. 20036.
B. American College of Neuropsychopharmacology, 134 Wesley Hall—Vanderbilt University, Nashville, Tenn. 37240.
D. (6) $945. E. (9) $104.84.

A. Perito, Duerk, Carlson & Pinco, P.C., 1140 Connecticut Avenue NW., Suite 400, Washington, D.C. 20036.
B. Society of Real Estate Appraisers, 645 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $400. E. (9) $31.

A. Susan Perry, American Bus Association, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bus Association, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,687.50. E. (9) $75.

A. A. Harold Peterson, 715 Cargill Building, Minneapolis, Minn. 55402.
B. National R.E.A. Telephone Association, 715 Cargill Building, Minneapolis, Minn. 55402.
D. (6) $1,500. E. (9) $1,356.82.

A. Nathaniel Polster, 2128 Wyoming Avenue NW., Washington, D.C. 20036.
B. Research To Prevent Blindness, 598 Madison Avenue, New York, N.Y. 10022.
D. (6) $3,200. E. (9) $1,641.

A. Phillip Porte & Associates, Inc., 1301 South Arlington Ridge Road, Suite 208, Arlington, Va. 22202.
B. American Association for Respiratory Therapy, 1720 Regal Row, Dallas, Tex. 75235.
D. (6) $4,000.

A. Phillip Porte & Associates, Inc., 1301 South Arlington Ridge Road, Suite 208, Arlington, Va. 22202.
B. National Association of Medical Directors of Respiratory Care, Box 10832, Chicago, Ill. 60610.
D. (6) $2,500.

A. Robert W. Porter, Jr., Heron, Haggart, Ford, Burchette, & Ruckert, 1200 New Hampshire Avenue NW., Suite 420, Washington, D.C. 20036.
B. National Potato Council, 1200 New Hampshire Avenue NW., Suite 420, Washington, D.C. 20036.
D. (6) $1,000.

A. Robert W. Porter, Jr., 1200 New Hampshire Avenue NW., Suite 420, Washington, D.C. 20036.
B. Western Growers Association, 1200 New Hampshire Avenue NW., Suite 420, Washington, D.C. 20036.
D. (6) $500.

A. John Post, 1828 L Street NW., Suite 402, Washington, D.C. 20036.
B. The Business Roundtable, 200 Park Avenue, New York N.Y. and 1828 L Street NW., Washington, D.C.
D. (6) $200. E. (9) $40.

A. Pratner Seeger Doolittle & Farmer, 1101 16th Street NW., Washington, D.C. 20036.
B. Bankers' Association for Foreign Trade, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $1,000

A. Prather Seeger Doolittle & Farmer, 1101 16th Street NW., Washington, D.C. 20036.
B. The First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.

A. Prather Seeger Doolittle & Farmer, 1101 16th Street NW., Washington, D.C. 20036.
B. Ruhrkohle A. G., 43 Essen, Rellinghauser Strasse 1, Federal Republic of Germany.

A. William B. Prendergast, Distilled Spirits Council of the United States, Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.
B. Distilled Spirits Council of the United States, Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.
D. (6) $2,000. E. (9) $250.

A. Stuart Proctor, American Farm Bureau Federation, 600 Maryland Avenue, SW., Washington, D.C. 20024.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill 60068.
D. (6) $4,625. E. (9) $76.

A. Pro-Life Congressional District 11, P.O. Box 727, San Carlos, Calif. 94070.
D. (6) $1,051.15 E. (9) $481.33.

A. Steven L. Pruitt, Public Employee Department, AFL-CIO, 815 16th Street NW., Suite 308, Washington, D.C. 20006.
B. Public Employee Department, AFL CIO, 815 16th Street NW., Suite 308, Washington, D.C. 20006.
D. (6) $10,769.22.

A. Public Timber Purchasers Group, 714 Oregon Bank Building, 319 Southwest Washington Street, Portland, Oreg. 97204.
D. (6) $40,587.16 E. (9) $5,212.

A. Diana Pullin, Center for Law & Education, Inc., 236 Massachusetts Avenue NE., No. 510, Washington, D.C. 20002.
B. Center for Law & Education, Inc., 6 Appian Way, Cambridge, Mass. 02138.

A. Clifford H. Raber, 1 McDonald's Plaza, Oak Brook, Ill. 60521.
B. McDonald's Corp., 1 McDonald's Plaza, Oak Brook, Ill. 60521.

A. Craig J. Rancourt, Suite 503, 1825 K Street NW., Washington, D.C. 20006.
B. American Association of Classified School Employees, 6805 Oak Creek Drive, Columbus, Ohio 43229.
D. (6) $4,689.37 E. (9) $4,689.37

A. Howard W. Randolph, Jr., Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employees, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employees, 3 Research Place, Rockville, Md. 20850.
D. (6) $1,000. E. (9) $1,400.

A. Magda Ratajski, Norfolk & Western Railway Co., P.O. Box 23652, L'Enfant Plaza Station, Washington, D.C. 20024
B. Norfolk & Western Railway Co., Eight North Jefferson Street, Roanoke, Va. 24042.
D. (6) $227.60.

A. Eiler C. Ravnholt, Hawaiian Sugar Planters' Association, 723 Investment Building, Washington, D.C. 20005.

B. Hawaiian Sugar Planters' Association, Aica, Hawaii 96701.
D. (6) $360. E. (9) $3,404.10.

A. Recording Industry Association of America, Inc., 888 Seventh Avenue, New York, N.Y. 10106.
D. (6) $180,573. E. (9) $170,208.66

A. John M. Rector, National Association of Retail Druggists, 1750 K Street NW., Washington, D.C. 20006.
B. National Association of Retail Druggists, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $700. E. (9) $150.

A. Joseph M. Rees, 1625 Massachusetts Avenue NW., Suite 505, Washington, D.C. 20036.
B. Delta Dental Plans Association, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $1,500.

A. Thomas M. Rees, 1101 Connecticut Avenue NW., Suite 403, Washington, D.C. 20036.
B. Fluor Corp., 1627 K Street NW., Washington, D.C. 20006.

A. Robert S. Reese, Jr., American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $9,000. E. (9) $1,716.56.

A. Research To Prevent Blindness, Inc., 598 Madison Avenue, New York, N.Y. 10022.

A. Reserve Officers Association of United States, One Constitution Avenue NE., Washington, D.C. 20002.
D. (6) $1,818.98. E. (9) $9,073.93.

A. Robin Alan Rhodes, National Parking Association, 2000 K Street NW., No. 350, Washington, D.C. 20006.
B. National Parking Association, 2000 K Street NW., No. 350, Washington, D.C. 20006.
D. (6) $6,192.20.

A. Edmund B. Rice, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lakeshore Drive, Chicago, Ill. 60611.
D. (6) $1,134.65. E. (9) $45.65.

A. Grace Ellen Rice, American Farm Bureau Federation, 600 Maryland Avenue SW., Washington, D.C. 20024.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill 60068.
D. (6) $4,233. E. (9) $39.

A. John G. Richardson, 2774 North Hills Drive NE., Atlanta, Ga. 30305.
B. Georgia Power Co., 333 Piedmont Avenue, Atlanta, Ga. 30308.
D. (6) $11,361. E. (9) $4,015.75.

A. K. O. Richardson, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.
D. (6) $2,300. E. (9) $2,100.

A. S. F. Riepma, 1625 I Street NW., Suite 1024-A, Washington, D.C. 20006.
B. National Association of Margarine Manufacturers, 1625 I Street NW., Suite 1024-A, Washington, D.C. 20006.

A. Len Rippa, 4201 Duncan Drive, Annandale, Va. 22003.
B. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,125.

A. Robert L. Roach, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,499.99.

A. Steven M. Roberts, American Express Co., 1700 K Street NW., Suite 702, Washington, D.C 20006.
B. American Express Co., American Express Plaza, New York, N.Y. 10004.

A. Tom Robinson, The Wilderness Society, 419 6th Street, Suite 321, Juneau, Alaska 99801.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. William J. Robinson, 2000 L Street NW., Suite 702, Washington, D.C. 20036.
B. Tosco Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.
D. (6) $350.

A. John F. Rolph III, Citibank, N.A. Suite 350, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Citibank, N.A., 399 Park Avenue, New York, N.Y. 10043.
D. (6) $500.

A. Burt E. Rosen, Pfizer, Inc., 1700 Pennsylvania Avenue NW., No. 730, Washington, D.C. 20006.
B. Pfizer Inc., 235 East 42d Street, New York, N.Y. 10017.
D. (6) $200. E. (9) $787.84.

A. Marcus Roth, National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $4,260.72.

A. Gloria Cataneo Rudman, Joint Maritime Congress, 444 North Capitol Street NW., Suite 801, Washington, D.C. 20001.
B. Joint Maritime Congress, 444 North Capitol Street NW., No. 800, Washington, D.C. 20001.
D. (6) $926.80.

A. Robert M. Russell, 2170 Piedmont Road NE., Atlanta, Ga. 30324.
B. Orkin Exterminating Co., Inc., 2170 Piedmont Road NE., Atlanta, Ga. 30324.
D. (6) $80. E. (9) $366.

A. Sheryl P. Rutledge, 1100 H Street NW., Washington, D.C. 20080.
B. Washington Gas Light Co., 1100 H Street NW., Washington, D.C 20080.

A. Arthur B. Sackler, National Newspaper Association, 1627 K Street NW., Suite 400, Washington, D.C. 20006.
B. National Newspaper Association, 1627 K Street NW., Suite 400, Washington, D.C. 20006.
D. (6) $5,000. E. (9) $75.

A. David J. Sadd, National Association of Arab Americans, 1825 Connecticut Avenue NW., Suite 211, Washington, D.C. 20009.
B. National Association of Arab Americans, 1825 Connecticut Avenue NW., Suite 211, Washington, D.C. 20009.
D. (6) $3,000. E. (9) $425.

A. The St. Louis Mercantile Library Association, 510 Locust Street, St. Louis, Mo. 63188.
E. (9) $4,808.51.

A. Samaritan Health Service, 1410 North Third Street, P.O. Box 25489, Phoenix, Ariz. 85002.
E. (9) $4,253.

A. William Samuel, National Treasury Employees Union, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.
B. National Treasury Employees Union, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.
D. (6) $5,621.50.

A. Donald E. Santarelli, 2033 M Street NW., Washington, D.C. 20036.
B. Empresa Brasileira de Aeronautica, S.A., d.b.a. EMBRAER, Sao Paulo, Brazil.
D. (6) $250. E. (9) $195.

A. Donald E. Santarelli, 2033 M Street NW., Washington, D.C. 20036.
B. Kings River Water Users Committee.
D. (6) $2,000. E. (9) $718.50.

A. Donald E. Santarelli, 2033 M Street NW., Washington, D.C. 20036.
B. Safari Club International, 5151 East Broadway, Tucson, Ariz. 85711.
D. (6) $2,500. E. (9) $490.

A. Donald E. Santarelli, 2033 M Street NW., Washington, D.C. 20036.
B. Sturm, Ruger & Co., Inc., 1 Lacey Place, Southport, Conn. 06490.
D. (6) $500. E. (9) $235.

A. Save Our Security, Suite 222, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $5,064.62. E. (9) $11,280.42.

A. Henry Schacht, California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
B. California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
D. (6) $3,625. E. (9) $141.10.

A. Mark L. Schaffer, 2000 L Street NW., Suite 700, Washington, D.C. 20036.
B. AFL-CIO.
D. (6) $2,508. E. (9) $35.

A. Jerome D. Schaller, 3M Co., 1101 15th Street NW., Washington, D.C. 20005.
B. Minnesota Mining & Manufacturing Co. (3M), 3M Center, St. Paul, Minn. 55144.
D. (6) $10,000. E. (9) $715.50.

A. Henry Schein, Inc., 5 Harbor Park Drive, Port Washingon, N.Y. 11050.

A. James P. Schlicht, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
B. Associated Builders & Contractors, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
D. (6) $6,750. E. (9) $102.29.

A. Marsha Schramm, 1101 Connecticut Avenue NW., Suite 406, Washington, D.C. 20036.
B. Domestic Petroleum Council, 1101 Connecticut Avenue NW., Suite 406, Washington, D.C. 20036.

A. Bari Lee Schwartz, Food Research and Action Center, 1319 F Street NW., No. 500, Washington, D.C. 20004.
B. Food Research and Action Center, 1319 F Street NW., No. 500, Washington, D.C. 20004.

D. (6) $2,608.36. E. (9) $23.35.

A. Carl F. Schwensen, 415 Second Street NE., Suite 300, Washington, D.C. 20002.
B. National Association of Wheat Growers, 415 Second Street NE., Suite 300, Washington, D.C. 20002.
D. (6) $3,786.54.

A. Joseph E. Seagram & Sons, Inc., 375 Park Avenue, New York, N.Y. 10152.
D. (6) $812.50.

A. ServiceMaster Industries, Inc., 2300 Warrenville Road, Downers Grove, Ill. 60515.
E. (9) $900.

A. David L. Shapiro, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
B. Associated Builders & Contractors, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
D. (6) $2,500.

A. Karen Dolmatch Shaw, 1800 K Street NW., Suite 900, Washington, D.C. 20006.
B. BankAmerica Corp., BankAmerica Center, San Francisco, Calif.
D. (6) $353.52. E. (9) $1,302.71.

A. Shearman & Sterling, 153 East 53d Street, New York, N.Y. 10022.
B. The Business Roundtable, 200 Park Avenue, New York, N.Y. 10166.
D. (6) $13,000. E. (9) $327.83.

A. Shearman & Sterling, 53 Wall Street, New York, N.Y. 10005.
B. Amory R. Houghton, Sr., c/o Corning Associates, 2 East Market Street, Corning, N.Y. 14380, et al.

A. Jonathan R. Sheiner, 4 Irving Place, New York, N.Y. 10003.
B. Consolidated Edison Co. of New York, Inc., 4 Irving Place, New York, N.Y. 10003.
D. (6) $512.50.

A. Dale Sherwin, 1735 I Street, NW., No. 717, Washington, D.C. 20006.
B. Alabama Farm Bureau Federation, P.O. Box 11000, Montgomery, Ala. 36198.
D. (6) $1,500. E. (9) $210.

A. Dale Sherwin, 1735 I Street NW., No. 717, Washington, D.C. 20006.
B. A. E. Staley Manufacturing Co., 2200 Eldorado Street, Decatur, Ill. 62525.
D. (6) $1,500. E. (9) $210.

A. Nelson Shields, 810 18th Street NW., Washington, D.C. 20006.
B. Handgun Control, Inc., 810 18th Street NW., Washington, D.C. 20006.
D. (6) $6,511.80.

A. Richard G. Shoup, 1120 20th Street NW., Suite 600S, Washington, D.C. 20036.
B. Union Pacific Corp., 345 Park Avenue, New York, N.Y. 10154-0137.
D. (6) $2,850. E. (9) $1,688.46.

A. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $183,102.33. E. (9) $183,102.33.

A. Stephen Silbiger, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County and Municipal Employees, AFL-CIO, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $10,500 E. (9) $111.02.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. American Stock Exchange, 86 Trinity Place, New York, N.Y. 10006.

A. Silverstein and Mullens, 1776 K Street NW , Washington, D.C. 20006.
B. Bristol Myers Co., 345 Park Avenue, New York, N.Y. 10002.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Champion, Inc. Corp., One Landmark Square, Stamford, Conn. 06921.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. GATX Corp., 120 South Riverside Plaza, Chicago, Ill. 60606.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Music Corporation of America, 100 Universal City Plaza, Universal City, Calif. 91608.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Association of Home Builders, 15th and M Streets NW., Washington, D.C. 20036.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Savings & Loan League, 1200 17th Street NW., Washington, D.C. 20036.

A. William G. Simpson, 1155 15th Street NW., Suite 424, Washington, D.C. 20005.
B. First Mississippi National Bank, P.O. Box 1249, Jackson, Miss. 39205.
D. (6) $2,000.

A. William G. Simpson, 1155 15th Street NW., Suite 424, Washington, D.C. 20005.
B. First Mississippi National Bank, P.O. Box 1231, Hattiesburg, Miss. 39401.
D. (6) $2,000.

A. William G. Simpson, 1155 15th Street NW., Suite 424, Washington, D.C. 20005.
B. Mississippi Power and Light Co., P.O. Box 1640, Jackson, Miss. 39205.
D. (6) $2,000.

A. William G. Simpson, 1155 15th Street NW., Suite 424, Washington, D.C. 20005.
B. State of Mississippi, State Capitol, Jackson, Miss. 39205.
D. (6) $4,000.

A. Sisk, Foley, Hultin, & Driver, 2501 M Street NW., Suite 380, Washington, D.C. 20037.
B. Tosco Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.
D. (6) $390. E. (9) $32.50

A. Marcus W. Sisk, Jr., Sisk, Foley, Hultin & Driver, 2501 M Street NW., Suite 380, Washington, D.C. 20037.
B. Tosco Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.
D. (6) $847. E. (9) $36.90.

A. Gregg P. Skall, Blum & Nash, 1015 18th Street NW., Washington, D.C. 20036.
B. Daytime Broadcasters Association, P.O. Box 564, Mattoon, Ill. 61983.

A. Gregg P. Skall, Blum & Nash, 1015 18th Street NW., Washington, D.C. 20036.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
E. (9) $8.

A. Gregg P. Skall, Blum & Nash, 1015 18th Street NW., Washington, D.C. 20036.
B. Time, Inc., 888 18th Street NW., Washington, D.C. 20036.
E. (9) $8.

A. Stephen L. Skardon, Jr., NARFE, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
B. National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $7,086.

A. Robert G. Slaughter, 1025 Connecticut Avenue NW., Suite 402, Washington, D.C. 20036.
B. Natural Gas Supply Association, 1025 Connecticut Avenue NW., Suite 402, Washington, D.C. 20036.
D. (6) $7,500. E. (9) $462.70.

A. Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.
D. (6) $1,000.

A. Gordon L. Smith, 1425 K Street NW., Suite 1000, Washington, D.C. 20005.
B. Hill and Knowlton, 1425 K Street NW., Suite 1000, Washington, D.C. 20005 (for Florists' Transworld Delivery, P.O. Box 2227, Southfield, Mich 48037).

A. Robert N. Smith, 21 East Long Lake Road, Suite 211, Bloomfield Hills, Mich. 48013.
B. United Distribution Co., 159 Town Hall Square, Falmouth, Mass. 02540.
D. (6) $540. E. (9) $1,125.80.

A. Joseph S. Smolen, 9412 Old Mount Vernon Road, Alexandria, Va. 22309.
B. Overseas Education Association and National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $8,500. E. (9) $5.

A. Peter Leigh Snell, David Vienna & Associates, 510 C. Street NE., Suite 100, Washington, D.C. 20002.
B. National Association of Credit Management, 475 Park Avenue South, New York, N.Y. 10016.
D. (6) $1,550.

A. Solar Lobby, 1001 Connecticut Avenue NW., No. 510, Washington, D.C. 20036.
D. (6) $108,878.62 E. (9) $10,936.56.

A. Vincent R. Sombrotto, National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $3,362.43.

A. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.
D. (6) $33,981.58 E. (9) $33,981.98.

A. Southwest Kansas Irrigation Association, Box 250, Ulysses, Kans. 67880.

A. Steptoe & Johnson, Chartered, 1250 Connecticut Avenue, Washington, D.C. 20036.
B. International Paper Co., International Paper Plaza, 77 West 45th Street, New York, N.Y. 10036.
D. (6) $1,000. E. (9) $44.80.

A. Robert B. Stewart, Getty Oil Co., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Getty Oil Co., 3810 Wilshire Boulevard, Los Angeles, Calif. 90010.
D. (6) $984. E. (9) $187.88.

A. Michael J. Stientjes, American Farm Bureau Federation, 600 Maryland Avenue SW., Washington, D.C. 20024.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.

D. (6) $4,354. E. (9) $9.

A. Kenneth F. Stinger, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $9,000. E. (9) $86.84.

A. Stradley, Ronon, Stevens & Young, 1100 One Franklin Plaza, Philadelphia, Pa. 19102.

B. Milliken Research Corp., P.O. Box 1926, Spartanburg, S.C. 29304.

D. (6) $4,368.

A. Harold R. Sullivan, 1750 K Street NW., Washington, D.C. 20006.

B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

D. (6) $900.

A. Scott K. Sullivan, American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. American Industrial Clay and Georgia Kaolin Division of Yara Engineering Corp., 511 Westminster Avenue, Elizabeth, N.J. 07207.

E. (9) $14.49.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Anglo-American Clays Corp., P.O. Box 471, Sandersville, Ga. 31082.

E. (9) $14.49.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Baker International, 500 City Parkway West, Orange, Calif. 92667.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Carnegie Corp., of New York, 437 Madison Avenue, New York, N.Y. 10022.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Consumer Credit Insurance Association, 307 North Michigan Avenue, Chicago, Ill. 60601.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Engelhard Minerals and Chemicals Corp., 299 Park Avenue, New York, N.Y. 10017.

E. (9) $14.49.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Equifax, Inc., P.O. Box 4081 Atlanta, Ga. 30302.

D. (6) $860. E. (9) $43.31.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Flathead Joint Board of Control, c/o Everitt Foust, Route 2, Box 69, Moiese, Mont. 59284.

D. (6) $13,331. E. (9) $22.25.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Freeport Kaolin Division of Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.

E. (9) $14.49.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. J. M. Huber Corp., Thornall Street, Edison, N.J. 08817.

E. (9) $14.49.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Lifetime Communities Inc., 2740 Beach Boulevard, Suite 202, Jacksonville, Fla. 32207.

D. (6) $3,800. E. (9) $18.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Massachusetts Mutual Life Insurance Co., 1295 State Street, Springfield, Mass. 01111.

D. (6) $200.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Mullite Co. of America, Andersonville, Ga. 31711.

E. (9) $14.49.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Mutual of Omaha Insurance Co., Mutual of Omaha Plaza, Omaha, Nebr. 68175

D. (6) $988. E. (9) $20.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. National Association of Life Cos., Suite 1060, Tower Place, 3340 Peachtree Road NE., Atlanta, Ga. 30326

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. National Home Life Assurance Co., Liberty Park, Frazer, Pa. 19355.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Nord Resources Corp., Ole Town Park, 29 Iron Gate Drive, Dayton, Ohio 45459.

E. (9) $14.49.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Thiele Kaolin Co., Kaolin Road, Sandersville, Ga.

E. (9) $14.49.

A. Donald R. Sweitzer, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.

D. (6) $5,000. E. (9) $520.

A. Scott R. Swirling, National Family Planning & Reproductive Health Association, Inc., Suite 950, 1110 Vermont Avenue NW., Washington, D.C. 20005.

B. National Family Planning & Reproductive Health Association, Inc., Suite 950, 1110 Vermont Avenue NW., Washington, D.C. 20005.

D. (6) $2,468.24.

A. Z. Michael Szaz, 6819 Supreme Court, Springfield, Va. 22100.

B. Embassy of the Democratic Republic of Somalia, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

D. (6) $5,500.

A. Target, Inc., 2411 Old Crow Canyon Road, San Ramon, Calif. 94583.

E. (9) $6,000.

A. C. Michael Tarone, 2033 M Street NW., Washington, D.C. 20036

B. Empresa Brasileira de Aeronautica, S.A., Embraer, Sao Paulo, Brazil, S.A.

A. C. Michael Tarone, 2033 M Street NW., Washington, D.C. 20036.

B. Kings River Water Users Committee.

A. R. William Taylor, 1575 I Street NW., Washington, D.C. 20005.

B. American Society of Association Executives, 1575 I Street NW., Washington, D.C. 20005.

A. Thaxter, Lipez, Stevens, Broder & Micoleau, 1825 K Street NW., Suite 503, Washington, D.C. 20006.

B. National Alliance for Hydroelectric Energy, 1050 17th Street NW., Washington, D.C. 20036.

A. Thaxter, Lipez, Stevens, Broder & Micoleau, 1825 K Street NW., Suite 503, Washington, D.C. 20006.

B. National Beer Wholesalers Association of America, Suite 505, 5205 Leesburg Pike, Falls Church, Va. 22041.

E. (9) $140.

A. Ther-A-Pedic Midwest Inc., 2350 5th Street, Rock Island, Ill. 61201.

E. (9) $4,047.

A. 13th Congressional District Action Committee—Pro-Life, 986 Vicar Lane, San Jose, Calif. 95117.

E. (9) $56.25.

A. Robert L. Thomas, National Association of Private Psychiatric Hospitals, 1319 F Street, Washington, D.C. 20004.

B. National Association of Private Psychiatric Hospitals, 1319 F Street, Washington, D.C. 20004.

D. (6) $100.

A. Charles P. Thompson, Arizona Public Service, P.O. Box 21666, Phoenix, Ariz. 85036.

B. Arizona Public Service, P.O. Box 21666, Phoenix, Ariz. 85036.

D. (6) $1,000. E. (9) $274.28.

A. Thompson, Hine and Flory, 1920 N Street NW., Washington, D.C. 20036.

B. Great Western Sugar Co., P.O. Box 5308, Denver, Colo. 80217.

D. (6) $5,093. E. (9) $254.14.

A. Thompson, Hine and Flory, 1920 N Street NW., Washington, D.C. 20036.

B. Orkin Exterminating Co., Inc., 2170 Piedmont Road NE., Atlanta, Ga. 30324.

A. Thompson & Mitchell, One Mercantile Center, Suite 3400, St. Louis, Mo. 63101.

B. American Inland Waterways Committee, One Mercantile Center, Suite 3400, St. Louis, Mo. 63101.

D. (6) $766.

A. Richard L. Thompson, Abbott Laboratories, 1730 M Street NW., Suite 808, Washington, D.C. 20036.

B. Abbott Laboratories, North Chicago, Ill. 60064.

D. (6) $4,500.

A. Joseph P. Trainor, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employees, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employees, 3 Research Place, Rockville, Md. 20850.
D. (6) $6,000. E. (9) $803.60.

A. TransAfrica, 545 8th Street SE., No. 200, Washington, D.C. 20003.
D. (6) $39,392.16. E. (9) $38,335.32.

A. Philip J. Tulimieri, Jr., 9 West 57th Street, New York, N.Y. 10019.
B. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.

A. W. Glenn Tussey, American Farm Bureau Federation, 600 Maryland Avenue SW., Washington, D.C. 20024.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $6,158. E. (9) $41.

A. Carl R. Tuvin, Tuvin Associates, Suite 203, 1302 18th Street NW., Washington, D.C. 20036.
B. Guttenberg Associates, (for North American Telephone Association), 1627 K Street NW., Washington, D.C. 20036.
D. (6) $9,000.

A. United Food & Commercial, Workers International Union, AFL-CIO, 1775 K Street NW., Washington, D.C.
D. (6) $42,834.66. E. (9) $42,834.66.

A. United States Committee for the Oceans, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $75.01.

A. Lloyd N. Unsell, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036
E. (9) $39.50.

A. Utility Nuclear Waste Management Group, c/o Edison Electric Institute, 1111 19th Street NW., Washington, D.C.
D. (6) $3,752.64 E. (9) $3,752.64.

A. Richard A. Van Deuren, Reinhart, Boerner, Van Deuren, Norris & Rieselbach, s.c., 111 East Wisconsin Avenue, Suite 1800, Milwaukee, Wis. 53202.
B. National Employee Benefits Institute, 451 New Jersey Avenue SE., Washington, D.C. 20003.

A. Gerald W. Vaughan, 1850 K Street NW., No. 390, Washington, D.C. 20006.
B. Union Camp Corp. 1850 K Street NW., No. 390, Washington, D.C. 20006.
E. (9) $1,838.95.

A. David Vienna, David Vienna & Associates, 510 C Street NE., Suite 100, Washington, D.C. 20002.
B. National Association of Credit Management, 475 Park Avenue South, New York N.Y. 10016.
D. (6) $350.

A. Rudolph A. Vignone, Goodyear Tire & Rubber Co., 1800 K Street NW., Suite 800, Washington, D.C. 20006.
B. Goodyear Tire & Rubber Co., Akron, Ohio 44316.
D. (6) $3,500.

A. Christopher N. Visher, 1016 16th Street NW., Suite 800, Washington, D.C. 20036.
B. Roisman, Reno & Cavanaugh (for National Housing Law Project) 1016 16th Street NW., Suite 800, Washington, D.C. 20036.
D. (6) $11,200. E. (9) $25.

A. Douglas K. Vollmer, Paralyzed Veterans of America, 4350 East West Highway, Suite 900, Bethesda, Md. 20814.
B. Paralyzed Veterans of America, 4350 East West Highway, Suite 900, Bethesda, Md. 20814.
D. (6) $9,975.

A. Abe J. Voron, 6204 White Oak Lane, Tamarac, Fla. 33319.
B. National Radio Broadcasters Association, 1705 De Sales Street NW., Suite 500, Washington, D.C. 20036.
D. (6) $2,500. E. (9) $2,075.

A. Eleanor Walters, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,250.01.

A. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20080.
E. (9) $1,368.50.

A. Raymond J. Weatherly, 2733 Carter Farm Court, Alexandria, Va. 22306.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Suite 511, Arlington, Va. 22202.
D. (6) $875. E. (9) $103.01.

A. Webster & Sheffield, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. National Conference of Bankruptcy Judges, 1200 New Hampshire Avenue NW., Suite 350, Washington, D.C. 20036.

A. Joy C. West, Migrant Legal Action Program, Inc., 806 15th Street NW., Washington, D.C. 20005.
B. Migrant Legal Action Program, Inc., 806 15th Street NW., Washington, D.C. 20005.
D. (6) $5,602.30. E. (9) $1,612.81.

A. Western Growers Association, 1200 New Hampshire Avenue NW., Suite 420, Washington, D.C.
E. (9) $1,500.

A. Western Radiological Group, Suite 2, 2044 Armacost Avenue, Los Angeles, Calif. 90015.
E. (9) $18,000.

A. Curtis E. Whalen, P.O. Box 44, Winter Park, Fla. 32790.
B. Continental Resources Co., P.O. Box 44, Winter Park, Fla. 32790.
D. (6) $2,875. E. (9) $1,279.01.

A. June M. Whelan, Union Pacific Corp., 1120 20th Street, Suite 600 S, Washington, D.C. 20036.
B. Union Pacific Corp., 345 Park Avenue, New York, N.Y. 10154-0137.
D. (6) $1,250. E. (9) $426.81.

A. Bennett C. Whitlock, Jr., American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $863.28.

A. Whittlesey & O'Brien, 1607 New Hampshire Avenue NW., Washington, D.C. 20009.
B. New York City Partnership, 200 Madison Avenue, New York, N.Y.
D. (6) $6,000.

A. Nina Faye Widenmann, Arizona Public Service Co., P.O. Box 21666, Phoenix, Ariz. 85036.
B. Arizona Public Service Co., P.O. Box 21666, Phoenix, Ariz. 85036.
D. (6) $946.56. E. (9) $4,879.42.

A. Barry Williams, National Association of Railroad Passengers, 417 New Jersey Avenue SE., Washington, D.C. 20003.
B. National Association of Railroad Passengers, 417 New Jersey Avenue SE., Washington, D.C. 20003.
D. (6) $3,726.13.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. American Physical Therapy Association, 1156 15th Street NW., Washington, D.C. 20005.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. American Trucking Association, 430 First Street, SE., Washington, D.C. 20003.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington D.C. 20036.
B. C. Brewer & Co., Ltd., P.O. Box 1826, Honolulu, Hawaii 96801.
D. (6) $15,436.25. E. (9) $947.15.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Burger King Corp., 7360 North Kendall Drive, Miami, Fla. 33152.
D. (6) $525. E. (9) $38.93.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Consolidated Foods Corp., 135 South LaSalle Street, Chicago, Ill. 60603.
E. (9) $13.50.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Domestic Petroleum Council, 1101 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,500.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. The First Boston Corp., 20 Exchange Place, New York, N.Y. 10005.
D. (6) $835. E. (9) $103.79.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Lloyd Hayes, P.O. Box 1447, Port Arthur, Tex. 77640.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. IU International Management Corp., 1500 Walnut Street, Philadelphia, Pa. 19102.
D. (6) $735. E. (9) $77.85.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Kellogg Co., 235 Porter Street, Battle Creek Mich. 49016.
D. (6) $1,482.50 E. (9) $116.77.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Krause Milling Co., P.O. Box 1156, Milwaukee, Wisc. 53201.
D. (6) $555. E. (9) $51.90.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. The Louisiana Land & Exploration Co., P.O. Box 60350, New Orleans, La. 70150.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Mustang Fuel Corp., 1100 First National Center East, Oklahoma, Okla. 73102.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. National Association of Water Companies, 1019 19th Street NW., Suite 1110, Washington, D.C. 20036.
D. (6) $602. E. (9) $64.88.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036
D. (6) $1,202.50. E. (9) $12.98.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Nationwide Insurance Co., 1 Nationwide Plaza, Columbus, Ohio 43216.
D. (6) $4,115.50. E. (9) $324.37.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Olympia & York Corp., 245 Park Avenue, New York, N.Y.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Olympia & York Developments, Ltd., 1 First Canadian Place, Toronto, Ontario, Canada.
E. (9) $12.98.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Paralyzed Veterans of America, 4350 East-West Highway, Suite 900, Washington, D.C. 20014.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. The Pillsbury Co., 608 Second Avenue, South, Minneapolis, Minn. 55402.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Securities Industry Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
D. (6) $410. E. (9) $51.81.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Southern Railway System, 920 15th Street NW., Washington, D.C. 20005.
D. (6) $350. E. (9) $12.98.

A. Williams & Jensen, P.C., 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Student Loan Marketing Association (Sallie Mae), 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
D. (6) $1,020. E. (9) $116.77.

A. Margie R. Williams, 415 Second Street NE., Suite 300, Washington, D.C. 20002.
B. National Association of Wheat Growers, 415 Second Street NE., Washington, D.C. 20002.
D. (6) $1,349.31.

A. Donnie E. Wilson, Husky Oil Co., 1800 M Street NW., Suite 295 North, Washington, D.C. 20036.
B. Husky Oil Co., P.O. Box 380, Cody, Wyo. 82414.
D. (6) $250.

A. William E. Woods, National Association of Retail Druggists, 1750 K Street NW., Washington, D.C. 20006.
B. National Association of Retail Druggists, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $1500. E. (9) $300.

A. Dee Workman, 135 East 42d Street, New York, N.Y. 10017.
B. Valkyrie Enterprises, Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $1,562.50

A. Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C., 20036.
D. (6) $3,387. E. (9) $2,451.

A. Zoological Action Committee, 1320 19th Street NW., Suite 400, Washington, D.C., 20036.
E. (9) $800.

A. John L. Zorack, Suite 1100, 1015 18th Street NW., Washington, D.C. 20036.
B. Federal Express Corp., Box 727, Memphis, Tenn. 3894.
D. (6) $11,000.

A. Murray Zweben, 1140 19th Street NW., No. 600, Washington, D.C., 20036.
B. Nossaman, Krueger & Marsh (for Texas International Airlines, P.O. Box 12788, Houston, Tex. 77017), 1140 19th Street NW., No. 600, Washington, D.C., 20036.
E. (9) $7,500.

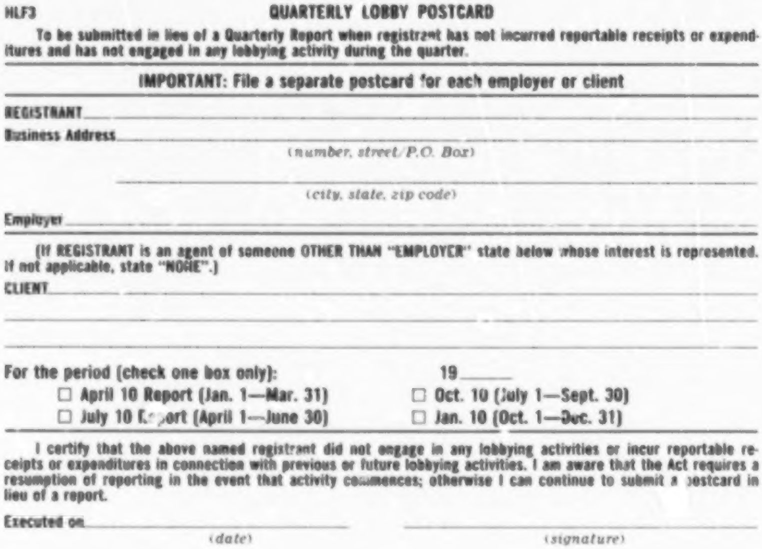
QUARTERLY LOBBY POSTCARD

The following Quarterly Lobby Postcards were filed with the Clerk of the House of Representatives for the first calendar quarter of 1982:

A Postcard May Be Used When A Registrant Has Not Incurred Reportable Receipts And Expenditures And Has Not Engaged In Any Lobbying Activity During The Quarter.

Note: The Following Information Is Being Provided For Informational Purposes Only.

The Postcard has been reproduced below:



HLF3

QUARTERLY LOBBY POSTCARD

To be submitted in lieu of a Quarterly Report when registrant has not incurred reportable receipts or expenditures and has not engaged in any lobbying activity during the quarter.

IMPORTANT: File a separate postcard for each employer or client

REGISTRANT ______________________

Business Address ______________________
(number, street/P.O. Box)

____
(city, state, zip code)

Employer ______________________

(If REGISTRANT is an agent of someone OTHER THAN "EMPLOYER" state below whose interest is represented. If not applicable, state "NONE".)

CLIENT ______________________

For the period (check one box only): 19____

☐ April 10 Report (Jan. 1—Mar. 31)
☐ July 10 Report (April 1—June 30)
☐ Oct. 10 (July 1—Sept. 30)
☐ Jan. 10 (Oct. 1—Dec. 31)

I certify that the above named registrant did not engage in any lobbying activities or incur reportable receipts or expenditures in connection with previous or future lobbying activities. I am aware that the Act requires a resumption of reporting in the event that activity commences; otherwise I can continue to submit a postcard in lieu of a report.

Executed on ______________ *(date)* ______________ *(signature)*

A. Thomas G. Abernethy, Jr.
B. U.S. Can Sugar Refiners' Association.

A. John J. Adams.
B. Ethyl Corp.

A. Hobson H. Adcock.
B. PepsiCo, Inc.

A. Agency for Instructional TV.

A. G. Colburn Aker.
B. Hill & Knowlton, Inc.

A. G. Colburn Aker.
B. Hill & Knowlton, Inc. (for Guest Guard and Family Guard).

A. Akin, Gump, Strauss, Hauer & Feld.
B. Alaska Interstate Co.

A. Akin, Gump, Strauss, Hauer & Feld.
B. American Telephone & Telegraph Co.

A. Akin, Gump, Strauss, Hauer & Feld.
B. City of Houston.

A. Akin, Gump, Strauss, Hauer & Feld.
B. Lone Star Industries, Inc.

A. Akin, Gump, Strauss, Hauer & Feld.
B. Louisiana Alcohol Fuel Co.

A. Akin, Gump, Strauss, Hauer & Feld.
B. Military Accessories Services Association, Inc.

A. Akin, Gump, Strauss, Hauer & Feld.
B. Missouri Terminal Oil Co., Inc.

A. Akin, Gump, Strauss, Hauer & Feld.
B. Northwest Alaskan Pipeline Co.

A. Akin, Gump, Strauss, Hauer & Feld.
B. Northwest Pipeline Co.

A. Akin, Gump, Strauss, Hauer & Feld.
B. Ringling Bros. Barnum & Bailey Combined Shows, Inc.

A. Akin, Gump, Strauss, Hauer & Feld.
B. Shearson, Loeb, Rhoades.

A. Akin, Gump, Strauss, Hauer & Feld.
B. Sun Co., Inc.

A. Akin, Gump, Strauss, Hauer & Feld.
B. Texas Air Corp.

A. Akin, Gump, Strauss, Hauer & Feld.
B. Texas Instruments Inc.

A. Akin, Gump, Strauss, Hauer & Feld.
B. Valero Energy Corp.

A. Donald C. Alexander.
B. Associated Telephone Answering Exchanges, Inc.

A. Donald C. Alexander.
B. Merrill Lynch Life Agency, Inc.

A. Jeff Samuel Allder

A. Loretta E. Allen.

A. Robert G. Allen.
B. CARE Government Affairs.

A. Joseph C. Allwarden.
B. Kollsman Instrument Co.

A. Amalgamated Transit Union, AFL-CIO.

A. American Advertising Federation.

A. American Association of Blood Banks.

A. American Council on Alcohol Problems.

A. American Hellenic Institute Public Affairs Committee, Inc.

A. American Metal Detectors Manufacturers, Inc.

A. American Orthotic & Prosthetic Association, Inc.

A. American Pulpwood Association.

A. American Short Line Railroad Association.

A. American Soybean Association.

A. American Waterways Shipyard Conference.

A. Bette B. Anderson.
B. Gray & Co. (for Quixote Corp.).

A. Jack R. Angell
B. United Gas Pipe Line Co.

A. Apartment & Office Building Association.

A. John D. Aquilino, Jr.
B. National Rifle Association of America.

A. ARAS (Psychomotor Domain of Self).

A. John Christian Archer.
B. Brown & Root, Inc.

A. Roy A. Archibald.
B. National Education Association.

A. Arent, Fox, Kintner, Plotkin & Kahn.
B. Motor & Equipment Manufacturers Association.

A. Arnold & Porter.
B. National Coordinating Committee for Multiemployer Plans.

A. Associated Credit Bureaus, Inc.

A. Associated Employers, Inc.

A. Association of American Foreign Service Women.

A. Association of Government Accountants.

A. George J. Aste.
B. United Airlines.

A. John D. Austin, Jr.
B. American Mining Congress.

A. Ronald R. Austin.
B. Overseas Education Association.

A. Hope M. Babcock.
B. National Audubon Society.

A. Patti Jo Baber.
B. Diamond Shamrock Corp.

A. Joan N. Baggett.
B. International Union of Bricklayers & Allied Craftsmen.

A. John Baize.
B. American Soybean Association.

A. Baker & Hostetler.
B. Cleveland Institute of Electronics.

A. Barbara J. Balch.
B. Ther-A-Pedic Midwest, Inc.

A. Judy Bardacke.
B. American Federation of Teachers, AFL-CIO.

A. John H. Barnard, Jr.
B. Bechtel Power Corp.

A. Barnes, Richardson & Colburn.
B. Industrias Quimicas y Tartaricas.

A. Barnes, Richard & Colburn.
B. Tartaric Chemicals Corp.

A. Barnett & Alagia.
B. Dairymen, Inc.

A. Barnett & Alagia.
B. National Milk Producers Federation.

A. Richard L. Barr.
B. Iowa Railway Association.

A. Roger V. Barth.
B. American Association for Clinical Chemistry, Inc.

A. Rose F. Bates.
B. American Samoa.

A. Rose F. Bates.
B. Oasis Petroleum Co.

A. Rose F. Bates.
B. St. Joe Minerals Corp.

A. Rose F. Bates.
B. Wood Enterprises, Inc.

A. Lynne D. Battle.
B. College Placement Council, Inc.

A. John E. Baughman.
B. Pennsylvania State Education Association.

A. Robert J. Baughman.
B. American Orthotic & Prosthetic Association, Inc.

A. Howard H. Bell.
B. American Advertising Federation.

A. James M. Bennett.
B. Jos. Schlitz Brewing Co.

A. Frederick S. Benson III.
B. American Paper Institute, Inc.

A. O. M. Berge.
B. Brotherhood of Maintenance of Way Employes.

A. Frank Brett Berlin.
B. Cray Research, Inc.

A. James N. Bierman.
B. VGS Corp.

A. Robert J. Bird.
B. Zachry, Inc.

A. Tom Black.
B. National Federation of Federal Employees.

A. Richard W. Bliss.
B. Conoco, Inc.

A. Richard W. Bliss.
B. Northern Virginia Savings & Loan.

A. Richard W. Bliss.
B. Oasis Petroleum Co.

A. Jerald Blizin.
B. Hill & Knowlton, Inc.

A. M. Warren Bolton.
B. Provident Indemnity Life Insurance Co.

A. Rodney A. Bower.

B. International Federation of Professional & Technical Engineers, AFL-CIO.

A. Mitchell H. Bradley.
B. American Society of Mechanical Engineers.

A. Gerard M. Brannon.
B. American Council of Life Insurance.

A. Noel Brazil.
B. American Optometric Association.

A. John Henry Brebbia.
B. Alston, Miller & Gaines (for Board of Trade Clearing Corp.)

A. John Henry Brebbia.
B. Alston, Miller & Gains (for RCA Global Communications).

A. Breed, Abbott & Morgan.
B. Associated Hospital Services of New York.

A. Breed, Abbott & Morgan.
B. David H. McConnell.

A. Miles H. Bresee, Jr.
B. Bechtel Power Corp.

A. Carolyn Brickey.
B. Congress Watch.

A. Bricker & Eckler.
B. American Small & Rural Hospital Association, Ohic Chapter.

A. Mario Brossi.
B. Direct Selling Association.

A. Ellen B. Brown.
B. Associated Builders & Contractors, Inc.

A. Mary Elizabeth Brown.
B. National Education Association.

A. Ralph Brown.
B. M.O.A.A.I.O.A. & Subs, Inc.

A. Terrence J. Brown Associates.
B. Eastern Band of Cherokee Indians.

A. Terrence J. Brown Associates.
B. Red Lake Band of Chippewa Indians.

A. Terrence J. Brown Associates.
B. Seneca Nation of New York.

A. Terrence J. Brown Associates.
B. United South and Eastern Tribes.

A. Stanley R. Browne.
B. E. I. du Pont de Nemours & Co., Inc.

A. John R. Bruch.
B. Cleveland Electric Illuminating Co.

A. Harvey F. Brush.
B. Bechtel Group, Inc.

A. David G. Burden.
B. Standard Oil Co. (Indiana).

A. Gerard P. Burke.
B. International Air Leases, Inc.

A. Francis X. Burkhardt.
B. International Brotherhood of Painters & Allied Trades.

A. Burr, Pease & Kurtz.
B. Eklutna.

A. Busby, Rehm & Leonard, P.C.
B. Universal Leaf Tobacco Co., Inc.

A. Butler, Binion, Rice, Cook & Knapp.
B. Inexco Oil Co.

A. Thomas D. Byrne.
B. Stone Container Corp.

A. C & B Associates.
B. Cladouhos & Brashares (for Securities Group).

A. C & B Associates.
B. Cladouhos & Brashares (for Smith, Barney, Harris & Upham Co.).

A. C & B Associates.
B. Cladouhos & Brashares (for Toyota Motor Sales, USA).

A. C & B Associates.
B. Worldwide Information Resources, Inc. (for State of Montana).

A. Cadwalader, Wickersham & Taft.
B. Asphalt Roofing Manufacturers Association.

A. Cadwalader, Wickersham & Taft.
B. General Dynamics Corp.

A. Cadwalader, Wickersham & Taft.
B. Shell Oil Co.

A. Roy C. Cahoon Associates.
B. National Automatic Merchandising Association.

A. Thomas A. Callaghan, Jr.
B. Contract Carrier Conference.

A. John C. Callihan.
B. Westvaco Corp.

A. Donald L. Calvin.
B. New York Stock Exchange.

A. Camp, Carmouche, Palmer, Barsh & Hunter.
B. Eastern Central Motor Carrier Association, Inc.

A. Camp, Carmouche, Palmer, Barsh & Hunter.
B. Union Pacific Railroad.

A. Paul W. Cane.
B. Bechtel Power Corp.

A. Caplin & Drysdale, Chartered.
B. American Family Life Assurance Co. of Georgia.

A. Donald Capshaw.
B. Airline Pilots Association.

A. CARE.

A. Walter L. Carmo, Jr.
B. PA State Education Association.

A. Kathleen Casey.
B. GTE Telenet, Inc.

A. Allen R. Caskie.
B. American Council of Life Insurance.

A. Daniel J. Cassidy.
B. American Association of Blood Banks.

A. Center for Law and Education, Inc.

A. Chain Saw Manufacturers Association.

A. William B. Cherkasky.
B. International Franchise Association.

A. Children's TV Workshop.

A. Donald T. Chunn.
B. Title Associates, Inc.

A. Citizens Victims of Chrysler.

A. Cladouhos & Brashares.
B. Ashland Oil, Inc.

A. Cladouhos & Brashares.
B. Crown Central Petroleum.

A. Cladouhos & Brashares.
B. International Processors.

A. Cladouhos & Brashares.
B. Seaview Petroleum Co.

A. Cladouhos & Brashares.
B. Securities Group.

A. Cladouhos & Brashares.
B. Smith Barney Harris Upham & Co.

A. Gilbert M. Clark.
B. American Association of Blood Banks.

A. Joseph J. F. Clark.
B. Eaton Associates, Inc.

A. Scott Clarkson.
B. Waste Management, Inc.

A. Clifford & Warnke.
B. Australian Meat & Live Stock Corp.

A. Clifford & Warnke.
B. Federated States of Micronesia.

A. Clifford & Warnke.
B. Warner-Lambert Co.

A. Christopher E. Clouser.
B. Hallmark Cards, Inc.

A. Coalition of Automotive Associations.

A. Coalition of Concerned Charities.

A. Coastal Properties Institute.

A. Michael J. Cohen.
B. American International Group.

A. Cole & Corette, P.C.
B. Chase Manhattan Bank, N.A.

A. Cole & Corette, P.C.
B. Government of the Netherlands Antilles.

A. Robert E. Cole.
B. Kaiser Aluminum & Chemical Corp.

A. Collier, Shannon, Rill & Scott.
B. American Frozen Food Institute.

A. Collier, Shannon, Rill & Scott.
B. American Textile Machinery Association.

A. Collier, Shannon, Rill & Scott.
B. Crop Insurance Research Bureau.

A. Collier, Shannon, Rill & Scott.
B. Cylinder Manufacturers Association.

A. Collier, Shannon, Rill & Scott.
B. Ferrous Scrap Consumers Coalition.

A. Collier, Shannon, Rill & Scott.
B. Food Marketing Institute.

A. Collier, Shannon, Rill & Scott.
B. Independent Lubricant Manufacturers Association.

A. Collier, Shannon, Rill & Scott.
B. National Broiler Council.

A. Collier, Shannon, Rill & Scott.

B. Tool & Stainless Steel Industry Committee.

A. Collier, Shannon, Rill & Scott.
B. West Texas Land & Royalty Owners Association.

A. William P. Collins.
B. National Association of Home Builders of the United States.

A. Colorado Railroad Association.

A. Commercial Union Insurance Co.

A. John P. Connolly.
B. Popham, Haik, et al. (for Chicago Mercantile Exchange).

A. John P. Connolly.
B. Popham, Haik, et al. (for Newcomb Securities Co.).

A. Gregory Conrad.
B. American Mining Congress.

A. Conservatives Against Liberal Legislation.

A. Emery Conyers.
B. Dow Chemical Co.

A. Patrick H. Corcoran.
B. Association of Oil Pipe Lines.

A. Alfred C. Cordon.
B. Buffalo Broadcasting Co., Inc.

A. Samuel C. Corey, Sr.
B. Provident Indemnity Life Insurance Co.

A. Samuel C. Corey, Sr.
B. Provident Indemnity Life Insurance Co.

A. Mary Marcotte Corrigan.
B. National Rifle Association of America.

A. Cosmetic, Toiletry & Fragrance Association.

A. Daniel T. Coughlin.
B. Jos. Schlitz Brewing Co.

A. Courteny & Associates.

A. William R. Courtney.
B. Tribal Council of the Coushatta Tribe of Louisiana.

A. John F. Cove.
B. Cove Associates, Inc. (for Aerospace/Optical Division, ITT).

A. C. Bryan Cox.
B. Kansas City Life Insurance Co.

A. Charles S. Crawford.
B. Gray & Company (for American Iron & Steel Institute).

A. Charles S. Crawford.
B. Gray & Company (for American Maritime Association).

A. Charles S. Crawford.
B. Gray & Company (for Avis Enterprises).

A. Don J. Creola.
B. PA State Education Association.

A. P. H. Croft.
B. American Short Line Railroad Association.

A. Charles H. Cromwell, Inc.
B. General Electric.

A. Charles H. Cromwell, Inc.
B. Hughes Helicopters.

A. Charles H. Cromwell, Inc.
B. Motorola, Inc.

A. Charles H. Cromwell, Inc.
B. Northrop Corp.

A. Crowell & Moring.
B. Zimpro, Inc.

A. CUBA Claims Association.

A. John T. Curran.
B. National Coordinating Committee for Multiemployer Plans.

A. Curtis, Mallet-Prevost, Colt & Mosle.
B. Air Transport Association of America.

A. Everett E. Cutter.
B. Oregon Railroad Association.

A. Fred L. Dahl.
B. Bechtel Power Corp.

A. Eugene B. Balton.
B. U.S. Postal Service.

A. David S. Danielson.
B. American Optometric Association.

A. P. M. Davison, Jr.
B. North Dakota Railway Lines.

A. J. Edward Day.
B. Third Class Mail Association.

A. Stephen T. DeLaMater.
B. Halliburton Co.

A. John L. Delano.
B. Montana Railroad Association.

A. Cartha D. DeLoach.
B. PepsiCo, Inc.

A. O. Mark De Michele.
B. Arizona Public Service Co.

A. B. T. Dempsey.

A. Claude J. Desautels.
B. Carl Byoir & Associates.

A. Claude J. Desautels.
B. Flavor & Extract Manufacturers Association.

A. James T. Devine.
B. Bowling Proprietors Association of America.

A. Dewey, Ballantine, Bushby, Palmer & Wood.
B. Beneficial Corp.

A. Dewey, Ballantine Bushby, Palmer & Wood.
B. Teachers Insurance & Annuity Association of America.

A. Dickinson, Wright, Moon, Van Dusen & Freeman.
B. Oakland County D.P.W.

A. Dickstein, Shapiro & Morin.
B. Federated Cash Management Systems.

A. Dickstein, Shapiro & Morin.
B. Marine Engineers Beneficial Association.

A. Dickstein, Shapiro & Morin.
B. Rockport Yacht & Supply Co.

A. Dickstein, Shapiro & Morin.
B. Shrimp Harvesters Coalition of the Gulf Coast and South Atlantic States.

A. Dickstein, Shapiro & Morin.
B. Tennessee Gas Transmission Co.

A. Harley M. Dirks.
B. Health and Medicine Counsel of Washington.

A. Harley M. Dirks.
B. Professional Services Council.

A. James F. Doherty.
B. Group Health Association of America, Inc.

A. John D. Doherty, Jr.
B. Chase Manhattan Bank, N.A.

A. William D. D'Onofrio.
B. National Association for Neighborhood Schools, Inc.

A. Jack C. Donovan.
B. Cleveland Electric Illuminating Co.

A. May Del Rio Dorfman.
B. Planned Parenthood of New York City, Inc.

A. James A. Dorsch.
B. Health Insurance Association of America.

A. Gordon Jack Dover.
B. Rendon Co. (for City of Lynn, Mass.).

A. Richard Morgan Downey.
B. American Speech-Language-Hearing Association.

A. Law Office of Robert H. Doyle.
B. Plumbing Manufacturers Institute.

A. Stephen Driesler.
B. National Multi Housing Council.

A. Drinker Biddle & Reath.
B. Phoenix Steel Corp.

A. W. H. Drushel, Jr.
B. Vinson & Elkins (for Quintana Petroleum Corp.).

A. W. H. Drushel, Jr.
B. Vinson & Elkins (for Quintana Refinery Co.).

A. Edwin Jason Dryer.
B. VGC Corp.

A. Mary Jane Due.
B. American Mining Congress.

A. Michael Duffy.
B. American Mining Congress.

A. Evelyn Dukovic.
B. Morality in Media, Inc.

A. Don R. Duncan.
B. Phillips Petroleum Co.

A. Robert B. Duncan.
B. General Aviation Manufacturers Association.

A. Duncan, Weinberg & Miller, P.C.
B. Dayton-Montgomery County Park District.

A. Duncan, Weinberg & Miller, P.C.
B. East Bay Regional Park District.

A. Duncan, Weinberg & Miller, P.C.
B. Iva May Harvey.

A. Duncan, Weinberg & Miller, P.C.
B. Huron Clinton Metropolitan Authority.

A. Duncan, Weinberg & Miller, P.C.
B. Adolph Kizas.

A. Duncan, Weinberg & Miller, P.C.
B. Koniag, Inc.

A. Duncan, Weinberg & Miller, P.C.
B. Mid-West Electric Consumer Association.

A. Duncan, Weinberg & Miller, P.C.
B. State of North Dakota.

A. Duncan, Weinberg & Miller, P.C.
B. Western Fuels Association, Inc.

A. John H. Dunne.
B. International Federation of Professional & Technical Engineers, AFL-CIO.

A. Joseph L. Duran.
B. First National Bank of Boston.

A. Henry I. Dworshak.
B. American Mining Congress.

A. Rod Dwyer.
B. American Mining Congress.

A. Eaton Associates, Inc.

A. Charles H. S. Eaton.
B. Eaton Associates, Inc.

A. Robert E. L. Eaton.
B. Eaton Associates, Inc.

A. William Echols.
B. American Mining Congress.

A. Edelman International Corp.
B. Airbus Industrie.

A. Edelman International Corp.
B. Republic of Uganda/Embassy of Uganda.

A. Edelman International Corp.
B. Sofreavia.

A. William R. Edgar.
B. Gates Learjet Corp.

A. Anne Edlund.
B. Motor Vehicle Manufacturers Association.

A. Ed Edmondson.
B. American Inland Waterways Committee.

A. Ed Edmondson.
B. Cherokee Nation.

A. Ed Edmondson.
B. Doss Aviation, Inc.

A. Ed Edmondson.
B. IU International Management Corp.

A. Ed Edmondson.
B. Oklahoma Association of Electric Coops.

A. Ed Edmondson.
B. United States Maritime Committee, Inc.

A. Edwards Associates, Inc.
B. Confederated Tribes of the Warm Springs.

A. Edwards Associated, Inc.
B. Portland General Electric.

A. Eggers & Greene, P.C.
B. Whitney National Bank of New Orleans.

A. Joseph J. Eley.
B. Squibb Corp.

A. Elias & Matz.
B. National Association of State Savings & Loan Supervisors.

A. Stephen W. Elliott.
B. Fidelity Union Bank.

A. Ely, Guess & Rudd.

A. Steven L. Engelberg.
B. American Association of Marriage & Family Therapy.

A. John M. Erskine, Jr.
B. Standard Oil Co. (Indiana).

A. Donald C. Evans.

A. Joseph O. Evans.

A. Rae Forker Evans
B. Hallmark Cards, Inc.

A. Robbie Exley.
B. National Federation of Federal Employees.

A. Michael Farrar.
B. American Paper Institute, Inc..

A. Arthur S. Fefferman.
B. American Council of Life Insurance.

A. C. W. Fendrich.
B. Research-Cottrell.

A. Betsy Ferguson.
B. Times Mirror Co.

A. John L. Festa.
B. American Paper Institute, Inc.

A. Blaine Fielding.
B. American Paper Institute, Inc..

A. Richard J. Fiorini.
B. Noranda Mining, Inc.

A. Fisher & Sinick, P.C.
B. League of New York Theaters & Producers, Inc.

A. John H. Fitch, Jr.
B. National Society of Public Accountants.

A. Mark Fitzgerald.
B. National Association of Home Builders of the United States.

A. Daniel V. Flanagan, Jr.

A. David H. Foerster.
B. National Education Association.

A. Foley, Lardner, Hollabaugh & Jacobs.
B. VGS Corp.

A. Raymond J. Foley.
B. National Candy Wholesalers Association, Inc..

A. Charles Ford.
B. Motor Vehicle Manufacturers Association.

A. Eric R. Fox.
B. Employee Relocation Council.

A. William C. France.
B. National Motorsports Committee of ACCUS.

A. William H. G. France.
B. National Motorsports Committee of ACCUS.

A. Alfred S. Frank, Jr.
B. NCR Corp.

A. Lewis R. Freeman, Jr.
B. Society of the Plastics Industry, Inc.

A. Robert E. Freer, Jr.
B. Kimberly-Clark Corp.

A. Ronna Freiberg.
B. Gray & Co. (for ASARCO).

A. Ronna Freiberg.
B. Gray & Co (for General Telephone & Electronics).

A. Ronna Freiberg.
B. Gray & Co. (for Group W).

A. Ronna Freiberg.
B. Gray & Co. (for Motorola).

A. Sara Hamric Freund.
B. American Paper Institute, Inc.

A. Fried, Frank, Harris, Shriver & Kampelman.
B. Doyon, Ltd.

A. Fried, Frank, Harris, Shriver & Kampelman.
B. Oglala Sioux Tribe of the Pine Ridge Reservation.

A. Fried, Frank, Harris, Shriver & Kampelman.
B. Rosebud Sioux Tribe.

A. Barry A. Friedman.
B. Wilner & Scheiner (for American Society of Travel Agents).

A. James M. Friedman.
B. Cleveland Electric Illuminating Co.

A. Terry Gabrielson.
B. Transcontinental Gas Pipe Line Corp.

A. Lawrence H. Gall.
B. Transco Cos., Inc.

A. Gardner, Carton & Douglas.
B. F.T.C. Communications, Inc.

A. Gardner, Carton & Douglas.
B. Midcon Corp.

A. Gardner, Carton & Douglas.
B. Sealed Power Corp.

A. Edward A. Garmatz.
B. Baltimore Gas & Electric Co.

A. Nicholas P. Garnett.
B. National Insulation Contractors Association.

A. Garvey, Schubert, Adams & Barer.
B. American Pyrotechnics Association.

A. Garvey, Schubert, Adams & Barer.
B. PACCAR, Inc.

A. Garvey, Schubert, Adams & Barer.
B. Pacific Rim Trade Association.

A. Garvey, Schubert, Adams & Barer.
B. Washington Citizens for World Trade.

A. Gas Appliance Manufacturers Association, Inc.

A. Morton A. Geller.
B. First National Bank of Boston.

A. Phyllis H. Gerstell.
B. American Council of Life Insurance.

A. GIC Financial Services Corp.

A. Susan Gilbert.
B. National Federation of Federal Employees.

A. Arthur P. Gildea.
B. Brewery & Soft Drink Workers, National Conference.

A. Mark W. Gillaspie.
B. Houston Natural Gas Corp.

A. Joe L. Gilmore.
B. Chrysler Defense, Inc.

A. Jay W. Glasmann.
B. Employee Relocation Council.

A. Horace D. Godfrey.
B. Godfrey Associates, Inc.

A. Stephen M. Goldberg.
B. Advanced Fuel Systems. Inc.

A. Vance V. Goodfellow.
B. Crop Quality Council.

A. Benjamin Gordon.
B. Health Research Group.

A. Robert D. Gordon.
B. International Union of Police Associations, AFL-CIO.

A. Irmgard Gordos.
B. American Security Council.

A. John R. Graff.
B. International Association of Amusement Parks & Attractions.

A. Robert K. Gray.
B. Gray & Co.

A. Robert K. Gray.
B. Gray & Co. (for American Iron & Steel Institute).

A. Robert K. Gray.
B. Gray & Co. (for American Trucking Association).

A. Robert K. Gray.
B. Gray & Co. (for ASARCO).

A. Robert K. Gray.
B. Gray & Co. (for Council of State Housing Agencies).

A. Robert K. Gray.
B. Gray & Co. (for El Paso Natural Gas).

A. Robert K. Gray.
B. Gray & Co. (for General Telephone & Electronics).

A. Robert K. Gray.
B. Gray & Co. (for Group W).

A. Robert K. Gray.
B. Gray & Co. (for Health Insurance Association of America).

A. Robert K. Gray.
B. Gray & Co. (for HTB Corp.).

A. Robert K. Gray.
B. Gray & Co. (for Motorola).

A. Robert K. Gray.
B. Gray & Co. (for Republic Airlines).

A. Mark E. Grayson.
B. Hill & Knowlton.

A. Samuel A. Grayson.
B. Union Pacific Railroad Co.

A. Edward M. Green.
B. American Mining Congress.

A. Wayne Green.
B. 73 Magazine.

A. Jane E. Greenbaum.
B. Hallmark Cards, Inc.

A. Dale Greenwood.
B. Washington Railroad Association.

A. A. Jack Grimes.
B. National Pest Control Association.

A. Chester A.Groseclose, Jr.
B. South Dakota Railroads Association.

A. John T. Grupenhoff.
B. American Academy of Dermatology.

A. John T. Grupenhoff.
B. American Gastroenterological Association.

A. John T. Grupenhoff.
B. National Association for Hospital Development.

A. Larry Grupp.
B. J. R. Simplot Co.

A. Thomas M. Gunn.
B. McDonnell Douglas Corp.

A. C. James Hackett.
B. American Plywood Association.

A. Charles W. Hackney.
B. National Association of Home Builders of the United States.

A. Ann Hagemann.
B. American Broadcasting Cos., Inc.

A. William D. Hager.
B. American Academy of Actuaries.

A. Hale and Dorr.
B. Indian Land Claim Committee.

A. Hale & Dorr.
B. Town of Mashpee.

A. Beverly Halem.
B. Halem Industries, Inc.

A. Norman S. Halliday.
B. National Association of Greeting Card Publishers.

A. Joseph Halow.
B. North American Export Grain Association, Inc.

A. Hamel, Park, McCabe & Saunders.
B. Graeper-Van Noy-Wagner, Inc.

A. George J. Hanks, Jr.
B. Union Carbide Corp.

A. James M. Hanley.
B. Alliance of Third-Class Non-Profit Mailers.

A. Hannaford Co., Inc.
B. Fireman's Fund Insurance Cos.

A. Hannaford Co., Inc.
B. Hubbard Broadcasting Co. Inc.

A. Hannaford Co., Inc.
B. Northwest Alaskan Pipeline Co.

A. Hannaford Co., Inc.
B. Tosco Corp.

A. Hannaford Co., Inc.
B. Trans World Airlines, Inc.

A. Erling Hansen.
B. Group Health Association of America, Inc.

A. Ralph R. Harding.
B. AMPCO Foods, Inc.

A. David T. Hardy.
B. National Rifle Association.

A. Eugene J. Hardy.
B. Gerber Products Co.

A. Michael T. Harrigan.
B. United States Olympic Committee.

A. Edwin H. Harvey.
B. National Federation of Federal Employees.

A. Holly Hassett.
B. Hershey Foods Corp.

A. Gary R. Hattal.
B. International Federation of Professional & Technical Engineers, AFL-CIO.

A. Kathryn Joann Hawes.
B. International Federation of Professional & Technical Engineers, AFL-CIO.

A. Health Insurance Association of America.

A. Robert E. Heggestad.
B. Manufactured Housing Institute.

A. Richard L. Hellwege.
B. Lear Siegler, Inc.

A. C. Dayle Henington.
B. Chicago Merchantile Exchange.

A. Bruce Heppen.
B. National Federation of Federal Employees.

A. William G. Herrold.
B. Institute of Electrical & Electronic Engineers.

A. Lawrence P. Higgins.
B. American Council of Life Insurance.

A. Clifton T. Hilderley, Jr.
B. United States Filter Corp.

A. Allan D. Hill.
B. Phillips Petroleum Co.

A. Gerald "Jerry" Hill.
B. Standard Oil Co. (Indiana).

A. Morton A. Hill.
B. Morality in Media, Inc.

A. Patricia Hill.
B. American Paper Institute, Inc.

A. Robert Ainsley Hilliard.
B. Peter Small & Associates, Inc. (for William M. Mercer, Inc.)

A. Irvin A. Hoff.
B. U.S. Cane Sugar Refiners' Association.

A. Robert L. Holding.
B. Association of Home Appliances.

A. Richard C. Holmquist.
B. American Mining Congress.

A. John W. Holton.
B. American Bankers Association.

A. Betty Carolyn Horn.
B. National Association of Truck Stop Operators.

A. William J. Hotes.
B. Diamond Shamrock Corp.

A. Housley, Goldberg & Kantarian, P.C.

A. Virginia A. Hoy.
B. National Multi Housing Council.

A. Margaret Renken Hudson.
B. Korf Industries, Inc.

A. Gary E. Hughes.
B. American Council of Life Insurance.

A. Vester T. Hughes, Jr.
B. Sammons Enterprises, Inc.

A. Cordell W. Hull.
B. Bechtel Group, Inc.

A. Lawrence H. Hunt, Jr.
B. Sidley & Austin (for Heinold Commodities, Inc.)

A. Peter C. Hunt.
B. Brooklyn Union Gas Co.

A. Gerard F. Hurley.
B. National Club Association.

A. John Edward Hurley.

A. John Edward Hurley.
B. National Association for Free Enterprise.

A. Robert R. Hurt.
B. Merck & Co., Inc.

A. Benjamin Melvin Hurwitz.
B. Mitchell Energy & Development Corp.

A. Gary Hymel.
B. Gray & Co. (for ASARCO, Inc.).

A. Gary Hymel.
B. Gray & Co. (for General Telephone & Electronics).

A. Gary Hymel.
B. Gray & Co. (for Group W).

A. Gary Hymel.
B. Gray & Co. (for Health Insurance Association of America).

A. Gary Hymel.
B. Gray & Co. (for HTB Corp.).

A. Gary Hymel.
B. Gray & Co. (for Minimum Tax Coalition).

A. Gary Hymel.
B. Gray & Co. (for Motorola).

A. Gary Hymel.
B. Gray & Co. (for Quixote Corp.).

A. Gary Hymel.
B. Gray & Co. (for Republic Airlines).

A. Bernard J. Imming.
B. United Fresh Fruit & Vegetable Association.

A. Independent Lubricant Manufacturers Association.

A. Nancy J. Ingalsbee.
B. United States Ski Association.

A. Institute of Internal Auditors, Inc.

A. International Union of Bricklayers & Allied Craftsmen.

A. Joseph J. Jaquay.
B. Amalgamated Transit Union, AFL-CIO.

A. Evelyn Jarvis-Ferris.
B. Shaklee Corp.

A. Linda Jenckes.
B. Health Insurance Association of America.

A. Edward M. Johnson.
B. American Mining Congress.

A. H. Bradley Johnson.
B. American Mining Congress.

A. Rady A. Johnson.
B. Standard Oil Co. (Indiana).

A. Spencer A. Johnson.
B. Paperboard Packaging Council.

A. James V. Jordan III.
B. Southern Natural Gas Co.

A. Geza Kadar, Jr.
B. Health Insurance Association of America.

A. Linda Heller Kamm.
B. Foley, Lardner, Hollabaugh & Jacobs (for VGS Corp.).

A. Fred G. Karem.
B. National Multi Housing Council.

A. Everett E. Kavanaugh.
B. Cosmetic, Toiletry & Fragrance Association.

A. Kaye, Scholer, Fierman, Hays & Handler.
B. American Psychoanalytic Association.

A. Vicki R. Keenan.
B. Bechtel Power Corp.

A. Jefferson D. Keith.
B. National Pest Control Association.

A. Don Kellermann.
B. Times Mirror Co.

A. Stephen G. Kellison.
B. American Academy of Actuaries.

A. William T. Kendall.
B. C & B Associates (for Alliance for Free Enterprise).

A. William J. Kenney.
B. Bay State Gas Co.

A. Robert M. Ketchel.
B. General Electric Co.

A. Charles F. Ketchey, Jr.
B. PHH Group, Inc.

A. Gilbert W. Keyes.
B. Boeing Aerospace Co.

A. Richard F. Kibben.
B. Business Roundtable.

A. Daniel L. Kiley.
B. Norfolk & Western Railway Co.

A. Margaret A. Kimball.
B. Bechtel Power Corp.

A. James L. Kimble.
B. American Insurance Association.

A. Edward H. King.
B. Walgreen Co.

A. G. Jack King.
B. U S Air, Inc.

A. Rufus King.
B. Amusement Device Manufacturers Association.

A. Roger P. Kingsley.
B. American Speech-Language-Hearing Association.

A. Kirby & Gillick.
B. Communities for an Effective Air Transportation System.

A. Alan G. Kirk II.
B. Potomac Electric Power Co.

A. Kirkpatrick, Lockhart, Hill, Christopher & Phillips.
B. Council of State Housing Agencies.

A. Kirkpatrick, Lockhart, Hill, Christopher & Phillips.
B. Michigan State Housing Development Authority.

A. Kirkpatrick, Lockhart, Hill, Christopher & Phillips.
B. Morgan Guaranty Trust Co. of New York.

A. Kirkpatrick, Lockhart, Hill, Christopher & Phillips.
B. Republic National Bank of New York.

A. Kirkpatrick, Lockhart, Hill, Christopher & Phillips.
B. Whitney National Bank of New Orleans.

A. Robert B. Kittredge.
B. Investment Counsel Association of America, Inc.

A. Mark Kleinman.

A. Allie C. Kleinpeter, Jr.
B. Louisiana Bankers Association.

A. Kline, Knopf & Wojdak, Inc.
B. General Public Utilities Corp.

A. Glenn Knapp.

A. Jeffrey W. Knight.
B. Friends of the Earth, Inc.

A. Kominers, Fort, Schlefer & Boyer.
B. Aeron Marine Shipping Co.

A. Kominers, Fort, Schlefer & Boyer.
B. American Tankships, Inc.; Ingram Tankships, Inc.

A. Kominers Fort, Schlefer & Boyer.
B. Southern Overseas Corp.

A. Nicholas Kominus.
B. United States Cane Sugar Refiners' Association.

A. Charles B. Kornmann.
B. South Dakota Railroads Association.

A. Joseph H. Kramer III.
B. Gray & Company (for HTB Corp).

A. Stephen W. Kraus.
B. American Council of Life Insurance.

A. Philip Kugler.
B. American Federation of Teachers.

A. Labor Bureau, Inc.

A. R. D. Laime.
B. National Education Association.

A. Constance M. LaMonica.
B. Samaritan Health Service.

A. Thomas M. Landin
B. SmithKline Beckman Corp.

A. Moon Landrieu.
B. Benco, Inc.

A. B. A. Landy.
B. Cryogenic & Vacuum Tech. Co.

A. B. A. Landy.
B. B. A. Landy Co.

A. Reed E. Larson.
B. National Right to Work Committee.

A. James LaSala.
B. Amalgamated Transit Union, AFL-CIO.

A. Michael J. Lashbrook.
B. National Rifle Association of America.

A. Theodore A. Lattanzio.
B. National Rifle Association of America.

A. Louis F. Laun.
B. American Paper Institute, Inc.

A. Henry J. Lawrence, Jr.
B. American Institute of Architects.

A. Linda L. Lawrence.
B. Brown & Root, Inc.

A. League of New York Theatres & Producers, Inc.

A. Richard J. Lease.

A. LeBoeuf, Lamb, Leiby & MacRae.
B. Shipping Corp. of India, Ltd.

A. Richar A. Legatski.
B. National Ocean Industries Association.

A. Leighton, Conklin, Lemov, Jacobs & Buckley.
B. Greater Boston Real Estate Board.

A. Rodney E. Leonard.
B. Community Nutrition Institute.

A. Robert Lesmeister.
B. National Association of Federally Licensed Firearms Dealers.

A. Leva, Hawes, Symington, Martin & Oppenheimer.
B. Don Langenegger, et al.

A. Leva, Hawes, Symington, Martin & Oppenheimer.
B. National Association for Hospital Development.

A. Leva, Hawes, Symington, Martin & Oppenheimer.
B. United States Industries, Inc.

A. Robert J. Levering.
B. Direct Selling Association.

A. Manuel Levine.
B. Wood, Lucksinger & Epstein.

A. Charles L. Lewis.
B. American Personnel & Guidance Association.

A. Lillian C. Liburdi.
B. Ganz Mavag.

A. Lillian C. Liburdi.
B. Westinghouse Electric Corp.

A. Elena Linthicum.
B. Allied Corp.

A. Thomas A. Lisk.
B. National Rifle Association of America.

A. Jackie Lloyd.
B. United States Cane Sugar Refiners' Association.

A. Jim Lloyd.
B. Hughes Helicopters, Inc.

A. Jim Lloyd.
B. Northrop Corp.

A. Jim Lloyd.
B. Wien Air Alaska.

A. Nils A. Lofgren.
B. Motor Vehicle Manufacturers Association.

A. John H. Lonnquist, Jr.
B. Manville Corp.

A. W. Fletcher Lutz.
B. Association of Government Accountants.

A. Curtis T. Mackey.
B. National Insulation Contractors Association.

A. Lee G. Magnussen.
B. Heinold Commodities, Inc.

A. Robert L. Maier.
B. Kaiser Aluminum & Chemical Corp.

A. Steven R. Maimon.

A. Barry L. Malter.
B. Caterpillar Tractor Co.

A. Manatt, Phelps, Rothenberg & Tunney.
B. American Pacific International, Inc.

A. Manatt, Phelps, Rothenberg & Tunney.
B. Institute of Electrical & Electronic Engineers.

A. Manatt, Phelps, Rothenberg & Tunney.
B. National Investment Development Corp.

A. Manatt, Phelps, Rothenberg & Tunney.
B. Texas Air Corp.

A. Manchester Associates, Ltd.
B. Nissan Motor Co., Ltd.

A. Frederick Mann.
B. Parent Advocate Lobby, Inc.

A. Richard P. Markey.
B. Associated Builders & Contractors, Inc.

A. Nathan Fred Marks.

A. Ronald Anthony Marks.

A. Chalmers Marquis.
B. Agency for Instructional TV.

A. Chalmers Marquis.
B. Children's TV Workshop.

A. David S. Marshall.
B. National Rifle Association of America.

A. John C. Martin.

A. Mike M. Masaoka.
B. American Japanese Trade Committee.

A. Mike M. Masaoka.
B. Nisei Lobby.

A. Jon G. Massey.
B. Oil Investment Institute.

A. William F. Massman.
B. Dr Pepper Co.

A. Charles H. Mauzy.
B. National Education Association.

A. William J. McAuliffe, Jr.
B. American Land Title Association.

A. Michael J. McCabe.
B. Allstate Enterprises, Inc.

A. Michael J. McCabe.
B. Allstate Insurance Co.

A. John McCahill.
B. United States Olympic Committee.

A. Robert S. McConnaughey.
B. American Council of Life Insurance.

A. Joel C. McConnell, Jr.
B. Independent Bankers Association of America.

A. Toni McCrary.
B. American Mining Congress.

A. Marianne McDermott.
B. Hill & Knowlton, Inc.

A. Jim McDonald.
B. Northrop Corp.

A. Darryl D. McEwen.
B. Society of American Florists.

A. James M. McGarry, Jr.
B. Eaton Associates, Inc.

A. W. Curt McGee.
B. Bechtel National, Inc.

A. Joseph M. McGuire.
B. National Association of Home Builders of the United States.

A. William P. McGuire.
B. National Rifle Association of America.

A. William F. McKenna.
B. Housley, Goldberg & Kantarian, P.C.

A. Robert T. McKernan.
B. American Paper Institute, Inc.

A. William Colm McKeveny.
B. American Pulpwood Association.

A. Robert R. McMillan.
B. Avon Products, Inc.

A. George G. Mead.
B. American Trucking Associations, Inc.

A. Francis X. Meaney.
B. Mintz, Levin, Cohn, Ferris, Glovsky & Popeo (for Refuse Fuels, Inc.).

A. David O. Meeker, Jr.
B. American Institute of Architects.

A. R. Otto Meletzke.
B. American Council of Life Insurance.

A. Howard N. Menaker.
B. American Optometric Association.

A. Robert H. Mendelsohn.
B. American President Lines.

BEST

A. Robert H. Mendelsohn.
B. Wolf Trap Foundation for the Performing Arts.

A. Edward A. Merlis.
B. New Energy Co. of Indiana.

A. Harold E. Mesirow.
B. Lillick, McHose & Charles (for Jones, Loyd & Webster, Inc.).

A. Metzger, Shadyac & Schwarz.
B. Melex USA, Inc.

A. Metzger, Shadyac & Schwarz.
B. Telesciences, Inc.

A. Andrice Michaels
B. American Mining Congress.

A. Laurie L. Michel.
B. Nabisco Brands, Inc.

A. Miller & Chevalier, Chtd.
B. Hercules, Inc.

A. Miller & Chevalier, Chtd.
B. Investors Diversified Services, Inc.

A. Dale Miller.
B. Gulf Intracostal Canal Association.

A. Deborah Imle Miller.
B. National Association of Home Builders of the United States.

A. Paul J. Miller.
B. Investment Counsel Association of America, Inc.

A. Robert H. Miller.
B. Tenneco, Inc.

A. Mo-Ark Association.

A. Robert M. Moliter.
B. General Electric Co.

A. John V. Moller.
B. Manchester Associates, Ltd. (for Nissan Motor Co.).

A. Herman J. Molzahn.
B. American Waterways Operators, Inc.

A. E. Joyce Morgan.
B. American Mining Congress.

A. J. Michael Morgan.
B. Popham, Haik, et al. (for AMAX).

A. J. Michael Morgan.
B. Popham, Haik, et al. (for Rocky Mountain Energy Co.).

A. Morgan, Lewis & Bockius.
B. Knoll Fine Chemicals.

A. Robert E. Morin.
B. Society of Real Estate Appraisers.

A. Robert E. Moss.
B. Dilworth, Paxson, Kalish & Kauffman (for Northwest Alaskan Pipeline Co.).

A. Robert E. Moss.
B. Dilworth, Paxson, Kalish & Kauffman (for Western Pennsylvania Coal Mining Association).

A. Kelly Holley Mountain.
B. American Paper Institute, Inc.

A. Lawrence P. Mutter.
B. Automotive Parts Rebuilders Association.

A. Paul J. Myer.
B. American Broadcasting Co., Inc.

A. National Alliance for Hydroelectic Energy.

A. National Association for Free Enterprise.

A. National Association of Catalog Showroom Merchandise.

A. National Association of Truck Stop Operators.

A. National Club Association.

A. National Council for a Responsible Firearms Policy.

A. National Family Farm Coalition.

A. National Fertilizer Solutions Association.

A. National Outdoor Coalition.

A. National Pest Control Association.

A. Thomas C. Nelson.
B. American Mining Congress.

A. Michael A. Nemeroff.
B. Sidley & Austin (for Stern Electronics, Inc.).

A. Milton E. Neshek.
B. Godfrey, Pfeil & Neshek, P.C. (for Kikkoman Foods, Inc.).

A. New York Committee of International Committee of Passenger Lines.

A. Leslie F. Newcomer.
B. Philadelphia National Bank.

A. Donald R. Niemi.
B. Caterpillar Tractor Co.

A. Nissan Motor Co., Ltd.

A. North American Export Grain Association, Inc.

A. Mary Eileen O'Brien.
B. Dow Corning Corp.

A. O'Connor & Hannan.
B. American Association of Advertising Agencies.

A. O'Connor & Hannan.
B. American Institute of Certified Public Accountants.

A. O'Connor & Hannan.
B. American Invsco Corp.

A. O'Connor & Hannan.
B. Automotive Parts & Accessories Association.

A. O'Connor & Hannan.
B. Commonwealth of Puerto Rico.

A. O'Connor & Hannan.
B. Health Care Financing Study Group.

A. O'Connor & Hannan.
B. Hennepin County.

A. O'Connor & Hannan.
B. Investment Company Institute.

A. O'Connor & Hannan.
B. Investors Diversified Services, Inc.

A. O'Connor & Hannan.
B. National Association of Numismatic Professionals.

A. O'Connor & Hannan.
B. National Committee for Quality Health Care.

A. O'Connor & Hannan.
B. John Nuveen & Co.

A. O'Connor & Hannan.
B. Westinghouse Electric Corp.

A. Ashton J. O'Donnell.
B. Bechtel National, Inc.

A. Oil Investment Institute.

A. R. Q. Old & Associates, Inc.
B. Gould, Inc.

A. R. Q. Old & Associates, Inc.
B. Grumman Aerospace Corp.

A. R. Q. Old & Associates, Inc.
B. Sperry Division.

A. Alvin E. Oliver.
B. National Grain and Feed Association.

A. Austin P. Olney.
B. LeBoeuf, Lamb, Leiby & MacRae (for Shipping Corporation of India, Ltd.).

A. Nancy J. Olson.
B. Manville Corp.

A. Roy E. Olson.
B. American Paper Institute.

A. John J. Osick.
B. Dow Chemical U.S.A.

A. Lee W. Paden.
B. Public Service Co. of Oklahoma.

A. W. D. Page.
B. American Plywood Association.

A. Paperboard Packaging Council.

A. Parent Advocate Lobby, Inc.

A. Douglas L. Parker.
B. Institute for Public Representation.

A. David J. Pattison.
B. Health Insurance Association of America.

A. Peabody, Lambert & Meyers.
B. Tuna Research Foundation.

A. Pepper, Hamilton & Scheetz.
B. Coalition of Concerned Charities.

A. Susan E. Petniunas.
B. Manville Corp.

A. Gwen Pharo.
B. Oilfield Industrial Lines, Inc.

A. Richard F. Phillips.
B. Phillips Petroleum Co.

A. Pierson, Ball & Dowd.
B. Dun & Bradstreet Corp.

A. Pineapple Growers Association of Hawaii.

A. Planned Parenthood of New York City, Inc.

A. Ronald L. Platt.
B. Burger King Corp.

A. Wyll W. Pleger.
B. Brown & Root, Inc.

A. Alfred M. Pollard.
B. Security Pacific National Bank.

A. Henry E. Poole.
B. Avon Products, Inc.

A. Powell, Goldstein, Frazer & Murphy.
B. Lincoln Property Co.

A. Janet Power.
B. VISA U.S.A., Inc.

A. Graydon R. Powers, Jr.
B. Scientific Apparatus Makers Association.

A. Preston, Thorgrimson, Ellis & Holman.
B. American Waterways Shipyard Conference.

A. Preston, Thorgrimson, Ellis & Holman.
B. Calista Corp.

A. Preston, Thorgrimson, Ellis & Holman.
B. Commercial Union Assurance Co.

A. Preston, Thorgrimson, Ellis & Holman.
B. Crowley Maritime Corp.

A. Preston, Thorgrimson, Ellis & Holman.
B. Dravo Crop.

A. Preston, Thorgrimson, Ellis & Holman.
B. Northern Tier Pipeline Co.

A. Preston, Thorgrimson, Ellis & Holman.
B. State of Alaska.

A. Preston, Thorgrimson, Ellis & Holman.
B. Transportation Institute.

A. Preston, Thorgrimson, Ellis & Holman.
B. United States Cruises.

A. Preston, Thorgrimson, Ellis & Holman.
B. Washignton Natural Gas.

A. Preston, Thorgrimson, Ellis & Holman.
B. Yardarm Knot Corp.

A. Keith A. Pretty.
B. Standard Oil Co. (Indiana).

A. Pro-Life Congressional District Action Committee, IN/2.

A. Proskauer Rose Goetz & Mendelsohn.
B. League of New York Theatres and Producers, Inc.

A. Protect the Innocent, Inc.

A. Provident Indemnity Life Insurance Co.

A. David E. Pullen.
B. Manville Corp.

A. Diana Pullin.
B. Center for Law and Education, Inc.

A. Earle W. Putnam.
B. Amalgamated Transit Union.

A. James M. Quigley.
B. Champion International Corp.

A. William A. Quinlan.
B. National Candy Wholesalers Association, Inc.

A. William A. Quinlan.
B. Retail Bakers of America.

A. Clifford H. Raber.
B. McDonald's Corp.

A. Tess Rae.
B. American Council of Life Insurance.

A. Rare Animal Relief Effort, Inc.

A. Robert J. Rauch.
B. CSL Energy Controls, Inc.

A. Carol Raulston.
B. American Paper Institute.

A. Julian O. Read.
B. Central and South West Corp.

A. Robert E. Redding.
B. Shippers National Freight Claim Council, Inc.

A. Timothy J. Redmon.
B. American Optometric Association.

A. Janet S. Reed.
B. Paralysis Cure Research Foundation.

A. Joseph H. Reese, Jr.
B. Provident Indemnity Life Insurance Co.

A. William W. Reinertson.
B. American Optometric Association.

A. Harry O. Reinsch.
B. Bechtel Power Corp.

A. W. W. Renfroe.
B. Kentucky Railroad Association.

A. John H. Reurs.
B. New York Committee of International Committee of Passenger Lines.

A. R. Paul Richard.
B. Association of American Law Schools.

A. Lloyd C. Richardson Jr.
B. South Dakota Railroads Association.

A. Russell W. Richardson.
B. Lear Siegler, Inc.

A. R. Scott Rinn.
B. American Council of Life Insurance.

A. Robin Risso.
B. C.A.R.E.

A. James E. Ritchie.
B. National Association of Optometrists and Opticians, Inc.

A. Stark Ritchie.
B. American Petroleum Institute.

A. Nicholas A. Rizzo, Jr.
B. Benco Consulting and Marketing, Inc.

A. George Roberts.
B. National Education Association.

A. Kenneth M. Robinson.

A. Robinson, Silverman, Pearce, Aronsohn & Berman.
B. National Realty Committee, Inc.

A. Rogers, Hoge & Hills.
B. Formaldehyde Institute.

A. Rogers, Hoge & Hills.
B. National Association of Chain Drug Stores.

A. Susan M. Rogers.
B. National Rifle Association of America.

A. Rogers & Wells.
B. Desert Palace, Inc.

A. Rogers & Wells.
B. A. Johnson & Co., Inc.

A. Rogers & Wells.
B. Merrill Lynch International, Inc.

A. Rogers & Wells.
B. Merrill Lynch Leasing, Inc.

A. Rogers & Wells.
B. National Coal Consumer Alliance.

A. Rogers & Wells.
B. Squibb Corp.

A. Rogers & Wells.
B. Teachers Insurance & Annuity Association.

A. Rogers & Wells.
B. Twentieth Century Fox Film Corp.

A. Carole M. Rogin.
B. Hauck & Associates, Inc. (for National Association for Child Care Management).

A. Jack Rollins.
B. Overseas Education Association.

A. Kenneth S. Rolston, Jr.
B. American Pulpwood Association.

A. Teno Roncalio.
B. Northwest Alaska Pipeline Co.

A. Ropes & Gray.
B. Dow Corning Corp.

A. Louise L. Roseman.
B. VISA U.S.A. Inc.

A. Harvey J. Rosenfeld.
B. Congress Watch.

A. Joe Ross.
B. International Association of Industrial Sewing Machine Distributors.

A. Gary W. Rossow.
B. Motor Vehicle Manufacturers Association.

A. John Rowland.
B. Amalgamated Transit Union, AFL-CIO.

A. Kevin P. Rowland.
B. C.A.R.E.

A. Paul M. Ruden.
B. Wilner & Scheiner (for American Society of Travel Agents, Inc.).

A. Herman Max Ruth.

A. John G. Ryan, Jr.
B. Squibb Corp.

A. Vincent J. Ryan.
B. Liberty Lobby, Inc.

A. Saenz International.

A. Samaritan Health Service.

A. Sammons Enterprises, Inc.

A. Charles W. Sandford.
B. Bechtel Power Corp.

A. Jay T. Scheck, Jr.
B. American Hoechst Corp.

A. Stanley W. Schroeder.
B. Gas Appliance Manufacturers Association, Inc.

A. James H. Schuyler.
B. National Association of Home Builders of the U.S.

A. Steve A. Schwartz.

B. International Federation of Professional & Technical Engineers, AFL-CIO.

A. Scott Co.
B. Coastal Properties Institute.

A. James M. Scott.
B. Scott Co.

A. Charles M. Seeger, III.
B. Popham, Haik, et al. (for Chicago Mercantile Exchange).

A. Charles M. Seeger, III.
B. Popham, Haik, et al. (for Newcomb Securities Co.).

A. Yvonne L. Shafer.
B. National Education Association.

A. Barbara J. Shailor.
B. International Association of Machinists & Aerospace Workers.

A. David L. Shapiro
B. Associated Builders and Contractors, Inc.

A. G. Jerry Shaw.
B. Senior Executives Association.

A. Russell L. Shipley, Jr.
B. National Candy Wholesalers Association, Inc.

A. Shippers National Freight Claim Council, Inc.

A. Mary Francis Shlagel.
B. Union Oil Co. of California.

A. Debbie Leilani Shon.
B. National Education Association.

A. A. Z. Shows.

A. Barbara A. Silverman.
B. Provident Indemnity Life Insurance Co.

A. J. R. Simplot Co.

A. Robert C. Singer.
B. Soap & Detergent Association.

A. 6th Pro-Life Congressional District Action Committee.

A. Carstens Slack.
B. Phillips Petroleum Co.

A. Thomas Blaisdell Smith.
B. Community Nutrition Institute.

A. South Dakota Railroads Association.

A. Southwest Homefurnishings Association.

A. Specialized Carriers & Rigging Association.

A. Speiser, Krause & Madole.
B. Vera I. Clemente, et al.

A. Wiliam C. Spence.
B. Columbia Gulf Transmission Co.

A. Earl C. Spurrier.
B. Monsanto Co.

A. Elisabeth A. Squeglia.
B. American Small and Rural Hospital Association.

A. Squire, Sanders & Dempsey.
B. Public Securities Association.

A. Melvin R. Stahl.
B. Motorcycle Industry Council, Inc.

A. Walter M. Starke.
B. Southern Natural Gas Co.

A. State and Federal Associates, Inc.
B. Schering-Plough Corp.

A. Robert R. Statham.
B. Committee for Commercial Energy Corp.

A. Charles D. Statton.
B. Bechtel Power Corp.

A. David J. Steinberg.
B. National Council for a Responsible Firearms Policy.

A. George Steiner.
B. Atlantic Coastal Trucking.

A. Travis B. Stewart.
B. Hoffmann-La Roche, Inc.

A. Walter J. Stewart.
B. Sonat, Inc.

A. Ros Stovall.
B. Parent Advocate Lobby, Inc.

A. Ros Stovall.
B. Protect the Innocent, Inc.

A. Roger J. Stroh.
B. United Fresh Fruit and Vegetable Association.

A. George W. Strong.
B. Houston Natural Gas Corp.

A. George Strumpf.
B. Group Health Association of America, Inc.

A. Austin P. Sullivan, Jr.
B. General Mills, Inc.

A. Thomas M. Susman.
B. Willam Carter Co.

A. William W. Suttle.
B. American Insurance Association.

A. John R. Sweeney.
B. Bethlehem Steel Corp.

A. Russell A. Swindell.
B. North Carolina Railroad Association.

A. Merribel Symington.
B. Champion International Corp.

A. Graca Da Silva Tavares.

A. Frank Taylor.
B. National Federation of Federal Employees.

A. Teamster for a Democratic Union.

A. Elayne L. Tempel.
B. National Federation of Federal Employees.

A. Thaxter, Lipez, Stevens, Broder & Micoleau.
B. American Express.

A. Thaxter, Lipez, Stevens, Broder & Micoleau.
B. National Alliance for Hydroelectric Energy.

A. Thaxter, Lipez, Stevens, Broder & Micoleau.
B. National Beer Wholesalers Association of America.

A. Ther-A-Pedic Midwest, Inc.

A. Thevenot, Murray & Scheer.
B. Swaziland Sugar Association.

A. Doris I. Thomas.
B. National Association of Home Builders of the U.S.

A. John W. Thomas.
B. Association of American Veterinary Medical Colleges.

A. Lawrence L. Thomas.
B. Bechtel Power Corp.

A. Boyd Thompson.
B. American Association of Professional Standards Review Organizations.

A. Thompson & Mitchell.
B. Midland Enterprises, Inc.

A. Thompson & Mitchell.
B. Valley Line Co.

A. Title Associates, Inc.

A. Edward Tonat.
B. Robert Goff & Associates.

A. William D. Toohey.
B. Travel Industry Assocation of America.

A. Jeffrey B. Trammell.
B. Gray and Co. (for General Telephone & Electronics).

A. Jeffrey B. Trammell.
B. Gray and Co. (for Group W).

A. Jeffrey B. Trammell.
B. Gray and Co. (for Health Insurance Association of America).

A. Jeffrey B. Trammell.
B. Gray and Co. (for Motorola).

A. Jeffrey B. Trammell.
B. Gray and Co. (for Republic Airlines).

A. Travel Industry Association of America.

A. Robert C. Troup.

A. 23d Congressional District Action Committee.

A. Ullman Consultants, Inc.
B. Western Forest Industries Association.

A. U.S. Cane Sugar Refiners' Association.

A. U.S. Ski Association.

A. Drew A. Upton.
B. Scientific Apparatus Makers Association.

A. Nick Van Nelson.
B. Champion International Corp.

A. Richard F. Vander Veen.
B. American Seating Co.

A. R. Dick Vander Woude.
B. National Education Association.

A. A. Randall Vehar.
B. United Mine Workers of America.

A. Venture Entrepreneurs, Inc.

A. C. John Vermilye.
B. U.S. Steel Corp.

A. Brenda R. Viehe-Naess.

B. American Insurance Association.

A. Vorys, Sater, Seymour & Pease.
B. American Life & Casualty.

A. Vorys, Sater, Seymour & Pease.
B. Grocery Manufacturers of America, Inc.

A. Vorys, Sater, Seymour & Pease.
B. Mowsafe Products, Inc.

A. Vorys, Sater, Seymour & Pease.
B. Wagnalls Memorial.

A. Sarah L. Wagoner.
B. Government of American Samoa.

A. Sarah L. Wagoner.
B. St. Joe Minerals Corp.

A. Wald, Harkrader & Ross.
B. Lifeline Systems, Inc.

A. Warren W. Walkley.
B. General Electric Co.

A. Carl S. Wallace.
B. Purolator, Inc.

A. R. C. Wallace.
B. Amalgamated Transit Union, AFL-CIO.

A. Lionel L. Wallenrod.
B. American Paper Institute, Inc.

A. Jim Wanko.
B. Society of American Florists.

A. W.A.W. War Against Women.

A. Alan S. Ward.
B. Baker & Hostetler (for Soap and Detergent Association).

A. John E. Ward.
B. Meat Importers Council of America, Inc.

A. Clarke R. Watson.
B. Watson Associates.

A. Horace S. Webb.
B. Iowa Electric Light and Power Co.

A. Paul Weckstein.
B. Center for Law and Education, Inc.

A. Joan Weinstock.
B. American Optometric Association.

A. Lance Wells.
B. Sea Airmotive, Inc.

A. Thomas F. Wenning.
B. Bison and Wenning (for National Association of Retail Grocers of the United States).

A. Thomas F. Wenning.
B. Bison and Wenning (for National Food Brokers Association).

A. West Texas Land and Royalty Owners Association.

A. William Whichard, Jr.
B. Union Oil Co. of California.

A. White & Case.
B. Commercial Union Leasing Corp.

A. White, Fine & Verville.
B. Northwest Alaskan Pipeline Co.

A. White, Fine & Verville.
B. Turlock Irrigation District and Modesto Irrigation District.

A. Stephanie Whyche.
B. American Optometric Association.

A. Wickwire, Lewis, Goldmark & Schorr.
B. Arctic Slope Regional Corp.

A. Richard J. Wiechmann.
B. American Paper Institute, Inc.

A. Carl Wilkerson.
B. American Council of Life Insurance.

A. Robert E. Williams.
B. United Airlines.

A. Wilmer Cutler & Pickering.
B. Dealer Bank Association.

A. Wilmer Cutler & Pickering.
B. Morgan Guaranty Trust Co.

A. Wilmer, Cutler & Pickering.
B. National Corp. for Housing Partnerships.

A. Dorothy Roth Wilson.
B. Coalition of Concerned Charities.

A. Judith A. Winchester.
B. City of Philadelphia.

A. James R. Winnie.
B. Cities Service Gas Co.

A. Curtin Winsor, Jr.
B. Alliance for Free Enterprise.

A. Winston & Strawn.
B. American Association of Museums.

A. Winston & Strawn.
B. Antaeus Enterprises, Inc.

A. Winston & Strawn.
B. Building Owners & Managers Association, International.

A. Winston & Strawn.
B. GIC Financial Services Corp.

A. Winston & Strawn.
B. Gould, Inc.

A. Robert Witeck.
B. Gray and Co. (for Minimum Tax Coalition).

A. Richard F. Witherall.
B. Colorado Railroad Association.

A. Witkowski, Weiner, McCaffrey & Brodsky, P. C.
B. National Truck Equipment Association

A. Witkowski, Weiner, McCaffrey & Brodsky, P. C.
B. Wilmore City Development, Inc., Silvercrest Industries, Inc.

A. Benjamin Wolff.
B. U.S. Windpower, Inc.

A. Ronald Wolsey.
B. Amoco Oil Co.

A. Steven M. Worth.
B. Gray and Co. (for American Maritime Association).

A. Steven M. Worth.
B. Gray and Co. (for Joint Maritime Congress).

A. Steven M. Worth.
B. Gray and Co. (for Republic Airlines).

A. Wyatt, Saltzstein, Lipsen & Hamberger.
B. Physicians Education Network, Inc. (PEN).

A. Frederick S. Wyle, P.C.
B. Federated States of Micronesia.

A. Wyman, Bautzer, Rothman, Kuchel & Silbert.
B. Automotive Dismantlers & Recyclers Association.

A. Wyman, Bautzer, Rothman, Kuchel & Silbert.
B. Carl M. Freeman Associates.

A. Mark D. Yacker.
B. American Paper Institute, Inc.

A. Patricia D. Yoder.
B. American Waterways Operators, Inc.

A. Edward A. Yopp.
B. State National Bank of El Paso.

A. Ronald A. Ziegler.
B. National Association of Truck Stop Operators.

A. Zuckert, Scoutt & Rasenberger.
B. Republic Airlines, Inc.

A. Carl E. Zwisler, III.
B. International Franchise Association.

EXTENSIONS OF REMARKS

TURKEY RUN FARM

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. WOLF. Mr. Speaker, I want to share with my colleagues in the House what I consider to be an outstanding example of community support for a worthwhile program.

Early last year the National Capital Parks division of the National Park Service decided to close Turkey Run Farm in McLean, Va., to save money. At that time I was approached to see what could be done to save the farm. At my request the National Park Service kept the park open for several weeks to give local citizens an opportunity to find a way to keep Turkey Run Farm in operation. Representatives of business, local PTA's and the Northern Virginia Society of Historians came together and decided to raise the funds needed to save the farm. In June of last year, this group formed a nonprofit foundation and signed a cooperative agreement with the National Park Service to assume responsibility for the operation of Turkey Run Farm.

During the course of 1981 the Friends of Turkey Run Farm, Inc., raised over $80,000 for operations at the farm. The organization's annual operating budget for Turkey Run Farm is less than half of the National Capital Parks projected costs and service at the farm has not declined.

In order to assure the long-term future of Turkey Run Farm, the "Friends" decided last fall to attempt to create an endowment to provide a stable financial base for the farm. Dr. Claude Moore of Loudoun County challenged the greater Washington community to contribute $250,000 to match a similar amount that he deposited in a local bank.

On April 30, 1982, at the completion of a 2-month fund drive, the Friends of Turkey Run Farm, Inc., announced that they had raised over $267,000 in cash and firm pledges within the period of Dr. Moore's endowment challenge. Yesterday, the board of directors officially established a $500,000 endowment for the benefit of the farm.

The success of this fundraising effort is a tribute to the people of greater Washington. Among the local organizations and businesses that helped push the "Friends" over the top toward their goal were: Potomac School Student Council; Langley School Brownie Troop; Mortons, Inc.; Franconia Associates; Greenbriar East Elementary PTA; Grove Overseas Corp.; Great Falls Elementary School PTA; IBM; Junior Achievement Teens—Sterling; Lemon Road School PTA; Davenport and Associates, P.C.; Northern Virginia Chapter of Archeological Society of Virginia; Computerware, Inc.; the Tamarack Women's Club; Greater McLean Republican Women's Club; Old Dominion Animal Hospital; Sun Co., Inc.; Junior Women's Club of McLean; Sophisticated Boutique; Great Affairs; Tidewater Research Foundation; Kempton Realty; Leigh & Leigh; Vienna School Bingo Team; Panorama Real Estate; Annie Lauler Realty; Willston Centre; Arlington Republican Women's Club; Drew Model School; USAA; Junior Achievement Teens—Oakton; Mamie Eisenhower Republican Women's Club; Steuart Petroleum Co.; Burgundy Farms School; Light and Harrison, P.C.; Rosenblum & Rosenblum; LRW Corp.; Town and Suburban Properties Inc.; Laughlin Inc. Realtors; Annandale Rotary Club; WEEL radio station; Slenk[illegible] Brandt, Jennings & Johnston; [illegible]ynelectron; Giant Food, Inc.; J.F. Cooper Intermediate School PTA; Liggett & Myers Tobacco Co.; Edgar Allen Poe PTA; Sleepy Hollow School; Lake Anne Elementary School; Putbrese & Hunsaker; Fairfax County Board of Supervisors; Arlington County Board of Supervisors; First American Bank of Virginia; Planning Research Corp.; Westpark/Westgate Corp.; the Viguerie Company; C. & P. Telephone; B.D.M. Corp.; Flow General Corp.; National Geographic; the Tobacco Institute; Mobil Oil; Marriott; Vepco; Philip Morris; Dewberry and Davis; Tycon Associates; John T. Hazel Jr.; McLean Bank; United Virginia Bank; Virginia National Bank; Preston Construction Corp.; Charles E. Smith Co.; Melpar; the Harris Foundation; the Loughran Foundation; Woodward and Lothrop; Safeway; McLean Jaycees; Spindletop Foundation; Mars Foundation; Reinsch Foundation; Henry A. Long Co.; Northern Virginia Antique Arts Association; Guest Services Inc.; Kirkland & Ellis; Don Beyer Volvo; Tysons Toyota; Stell Agency, Inc.; Virginia Imports Ltd.; Industrial Airconditioning; McLean Bakery; McLean Realty; Chase and Collier; AFCEA; Howard, Stevens, Cake Rhoades and Howard P.C.; A. Smith Bowman Distillery; Robert A. Young Association; Fairfax Host Lions Club, Rozansky & Kay Construction Co.; Brown and Williamson Tobacco Corp.

But this was not just an effort by the business community, literally thousands of individuals contributed and many events were held. Typical of the sentiments accompanying the individual donations were thoughts like those in this letter from Blair, Kate, and Graham Weigle who each sent a crisp $5 bill:

> DEAR FRIENDS OF TURKEY RUN FARM: My brother, sister and I received this money as a gift, and we would like to donate the money to the farm.
>
> We enjoy the farm very much and try to visit it a lot. My little brother Graham (2 years old) really likes the hog and the other animals. My sister and I like the old fashioned cabin, and the garden the best.
>
> Please accept the money as a donation and we all hope that Turkey Run Farm will keep on for years to come.
>
> Sincerely,
>
> BLAIR, KATE AND
> GRAHAM WEIGLE.

I would also like to share with you the following article which appeared in the May 12, 1982 edition of the Washington Post.

ENDOWMENT FUND WILL KEEP OPEN TURKEY RUN FARM

(By Paul Hodge)

Turkey Run Farm in McLean has raised $250,000 in two months, enabling the establishment of an endowment fund that is expected to ensure the future of the living-history farm.

The money, raised in March and April, matches the gift of Loudoun County preservationist Claude Moore and will be used to establish a $500,000 endowment fund.

Since last summer, the farm has been operated by Friends of Turkey Run Farm, a nonprofit group of area residents who took over the farm on a long-term lease from the National Park Service after the Park Service announced it would close the farm-park for economic reasons.

Joseph Harsh, president of the Friends of Turkey Run Farm and head of the George Mason University history department, said income from the endowment and admission fees should cover costs so that the farm can remain open as a living model of how poor rural Americans lived in the 18th century.

An admission charge of $1 for adults and 50 cents for children, set when the farm was reopened in March, will help pay the $90,000-a-year operating budget, which supports five employes and the livestock. The farm is home to a cow, a bull, an ox, a horse, a hog, chickens and turkeys.

The name of the park is to be changed to Claude Moore Colonial Farm at Turkey Run, in recogniton of the donation from the 90-year-old, retired radiologist, Harsh said.

The two-month fund drive brought hundreds of donations, ranging from small gifts from Brownie Troops and children with lemonade stands to grants from corporations, foundations and the counties of Arlington and Fairfax, which gave $10,000 and $25,000, respectively, Harsh said.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

"We've been told we did astoundingly well, considering the squishy state of the economy, the fund-raising for Wolf Trap, and that the Washington area is a notoriously barren ground for fund-raising," Harsh said last week.

The operation of the log-cabin homestead will continue much the same, although "there will be lean days ahead until we begin to get income from the endowment," said Harsh.

The park was closed last December to save money, said Harsh, but even so there were 41,000 visitors during the year, 5,000 more than in the previous year. Many of the visitors are students who camp at the farm's environmental living center, a tent ground where they live in the 18th century style with their teachers.

I want to commend Dr. Joseph Harsh, president of the "Friends"; the members of the board of directors of the Friends of Turkey Run Farm, Inc.; all those involved in the fundraising effort, especially Mrs. Alice Starr, executive director of the "Friends"; the many contributors to the endowment fund; Kaye Sloan Burke; John T. Hazel, Jr.; Milton Peterson; Edmund O. Walton; Susan Wyland and, of course, Dr. Claude Moore for their time, energy and generosity on behalf of Turkey Run Farm.●

CONGRESSIONAL SALUTE TO THE HONORABLE ROCCO DIPIETRO OF WAYNE, N.J., ESTEEMED EDUCATOR, COMMUNITY LEADER, AND GREAT AMERICAN

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. ROE. Mr. Speaker, on Thursday, June 3 the residents of my hometown of Wayne, Eighth Congressional District and State of New Jersey will join together at a testimonial dinner honoring a most esteemed educator and good friend, the Honorable Rocco DiPietro, who is retiring from his high office of public trust as principal of Anthony Wayne Junior High School. I know that you and our colleagues here in the Congress will want to join with me in extending our deepest of appreciation to Dr. DiPietro and share the pride of his good wife Edith and their children, Ronald and his wife Karen, Jeffrey and his wife Cathy, Arleen and her husband Joe McDavid, Bonnie and her husband Tom Fussner upon this milestone of achievement in their family endeavors.

Mr. Speaker, when you reflect upon the fact that the cultural, historical, and economic achievements, even the basic health, well-being, and longevity of a state and nation depend in large measure upon how well we educate each generation charged with the trust of carrying out its responsibilities and traditions, we can indeed be proud of Rocco DiPietro's outstanding contribution to the quality of life and way of life for all of our people.

Dr. DiPietro has indeed earned the highest respect and esteem of all of us who have had the good fortune to know him. As we commemorate his retirement as principal of the Anthony Wayne Junior High School, we applaud his lifetime of outstanding service to our people, and particularly his close to 35 years of teaching our young people as a distinguished member of the faculty of the Wayne Township Public School System. He joined the faculty on September 1, 1948, and is retiring effective June 30, 1982.

Mr. Speaker, in his professional career, Rocco DiPietro has served in many areas in the field of education. He commenced as a teacher of music, then as guidance counselor and principal before serving a 5-year term as superintendent of schools.

While serving as superintendent of schools, the Wayne Public School System experienced phenomenal growth with an increase in enrollments averaging approximately 1,000 students each year. During his tenure he was responsible for the building of four new schools and two major school expansion programs—exemplary achievements that we can all be proud of.

The wealth of his wisdom, understanding, and professional expertise as an esteemed educator of our young people has truly enriched our community, State, and Nation.

Dr. "D," as he is affectionately called by many of us, was not only especially effective in establishing outstanding courses of study for his students but achieved an excellent rapport with other members of the faculty and the parents of his students. He is a good friend, fine administrator, and devoted family man.

He received his B.A. degree in music at the New England Conservatory of Music, and his M.A. degree at Columbia University with additional credit courses in school administration at Columbia.

Mr. Speaker, Dr. DiPietro has truly inspired and enriched the lives of many of our people in his educational endeavors of vital importance to the dynamics of our destiny and the quality of life for all of us. I am pleased to seek this national recognition of the quality of his leadership and sincerity of purpose in ever seeking the highest standards of excellence on behalf of the youth of America.

We do indeed salute a beloved teacher, community leader, and great American—the Honorable Rocco DiPietro of Wayne, N.J.●

PROVISIONS OF THE TAXPAYER PROTECTION ACT

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. HANSEN of Idaho. Mr. Speaker, some time ago I introduced H.R. 4931, the Taxpayer Protection Act (TPA), which would curb abusive practices of the Internal Revenue Service. Exceptionally strong support for this legislation is demonstrated from all parts of the Nation which has already generated well over 100 cosponsors from all philosophies and caused the first meaningful congressional hearings on IRS abuses since that agency was founded 30 years ago.

People are grateful to those Congressmen who have demonstrated the courage to take on a bureaucratic rattlesnake known to strike out viciously at anyone who would disturb its predatory ways.

To multiply our possibilities for early success, I strongly encourage those colleagues not yet committed to carefully review the provisions of H.R. 4931 and the following factsheet, and add your support to our efforts to assure a fair and effective tax collection system which preserves the basic rights of all American citizens.

FACTSHEET ON H.R. 4931—THE TAXPAYER PROTECTION ACT (TPA)

Section 1 is the title and introduction.

Section 2 is unique to this bill and performs two functions. First, it requires the IRS to confrom its collection practices to the Fair Debt Collection Practices Act. That is, the IRS is authorized to do no more in collection of taxes than any other creditor may do to collect its outstanding obligations. It imposes civil penalties on anyone violating the collection practices required by the Act, limited to actual damages plus punitive damages not to exceed $1,000. Secondly, it specifically prohibits publication by IRS of the alleged debts to the IRS of taxpayers before a judgment is obtained as to any contested liability.

Section 3 limits the special procedures of the IRS in collecting outstanding liabilities owed by taxpayers. It requires IRS to obtain a court order before levying or otherwise encumbering the property of an alleged tax delinquent as other creditors must do. And the order must be based on an affidavit that the taxpayer is indebted to IRS in a specific sum and the taxpayers must have actual notice of the application for such order.

Section 4 deals with the problem that many taxpayers make agreements for time payments with the IRS which agreements the IRS often chooses to violate at its convenience. Absent fraud or misrepresentation, under this provision the IRS is legally bound by its agreements with taxpayers.

Section 5 removes the power of IRS to solicit waivers of statute-of-limitations from taxpayers under audit more than once and for more than one year. IRS regularly gives taxpayers the option of granting continuing extensions or being hit with huge assessments which are multiples of any possible liability.

Section 6 requires the Secretary of the Treasury to prepare and submit to Congress a concise statement of taxpayer rights which upon approval by Congress are to be distributed with any tax forms available or mailed to the public.

Section 7 sharply curtails IRS surveillance operations except those involving investigations of organized crime. It expressly forbids electronic surveillance of taxpayers. Although there is a general prohibition of such surveillance, the IRS routinely continues the practice. The section authorizes civil cause for violation for actual damages or $100 a day, whichever is greater, plus $1,000 punitive damages, plus court costs.

Section 8 provides for payment of costs to a successful taxpayer before the Tax Court. There is no cost limit and no special finding of IRS misconduct necessary.

Section 9 protects the civil rights of taxpayers against deprivation by the IRS by authorizing civil suits against IRS personnel for damages.

Section 10 makes advice by the IRS to the taxpayer binding on the IRS as to that taxpayer provided only that the information furnished by the taxpayer not be false, fraudulent, or incomplete.

Section 11 puts the burden of proof on the IRS in any judicial proceedings, except where the taxpayer is the sole party in possession of relevant facts not otherwise available to IRS.

Section 12 sets all estate and gift valuation on at historic costs.

Section 13 forbids evaluation of the performance of IRS employees based on quotas.

Section 14 forbids the IRS from making and determination or definition of religion.

Section 15 forbids class or group audits.

Section 16 sets out several miscellaneous provisions to correct specific abuses for which the IRS is notorious: (a) protection for spouses on joint returns; (b) actual notice by IRS before seizure of property; (c) maintenance of competent information service; (d) preserve taxpayer right to record or adjourn interviews; (e) mandates GAO audit of IRS each 3 years; (f) protection for taxpayer against the harassment of repeated audits.

Section 17 prevents seizure of taxpayer records, by whomever held, unless the IRS justifies in court its need for such data.

Section 18 reaffirms that the IRS is limited by and bound to observe the rights of people under the Bill of Rights.●

MORE JOBS NEEDED TO BALANCE BUDGET

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. NEAL. Mr. Speaker, we all know the effect that unemployment has on the budget, especially the one we are now considering. Estimates are that each 1 percent of unemployment adds $25 billion to the deficit because of unemployment benefits, increased welfare costs, and loss of tax revenue to the Treasury.

We might reasonably conclude, then, that if unemployment were now 5.3 percent instead of 9.3 percent, the budget we are now considering could be balanced. Indeed, it probably would show a healthy surplus, or provide even more tax cuts than are included in any of the options we have under consideration.

It is often less clear, however, how budget policies affect unemployment. Jack A. Myer of the American Enterprise Institute, writing in today's Washington Post, makes quite clear that the unbalanced policies of the present administration produce disincentives to work. In a companion piece on the op-ed page, Katherine G. Abraham of the Massachusetts Institute of Technology points out that we now have 10 unemployed persons for every 1 job available—which is a severe indictment of the theory that anybody who wants to work can get a job.

I would commend these two articles to the attention of my colleagues, Mr. Speaker, and include them in the Record.

. . . Too Little Incentive To Work

(By Jack A. Meyer)

The working poor are being doubly victimized by the administration's paradoxical policies on work incentives. On the one hand, excessive faith in the power of work incentives to spur economic growth led to tax cuts for middle- and upper-income Americans—tax cuts that were too large given the administration's ambitious defense spending plans and the difficulty of achieving cuts in nondefense spending. The massive federal deficits, high interest rates and deep recession that resulted hurt the working poor by shutting off the spigot from which their share of the "trickle" was to flow.

On the other hand, insufficient faith in the power of work incentives to motivate lower income people led the administration to favor (and Congress to adopt) welfare policy changes that discourage work and self-sufficiency. Ironically, while the Reagan administration rails against welfare dependency, its policies make welfare an attractive option for the working poor.

A generation ago, welfare recipients who took a job lost their benefits on a dollar-for-dollar basis. In effect, the "tax rate" on earned income was 100 percent. In the late 1960s, Congress put into effect a new rule called "$30-plus-a-third," which lowered this effective tax rate to about two-thirds for recipients of Aid to Families With Dependent Children. In addition, AFDC beneficiaries were allowed to deduct a certain amount of work expenses from earned income. This deduction further lowered the effective tax rate on earnings.

The $30-plus-a-third incentive was effectively repealed in 1981. At the urging of the administration, Congress placed a time limit on the work incentive bonus and a dollar limit on the work expense deduction. The $30-plus-a-third rule may now be applied to only the first four months of employment. After four months, every penny of net earnings is subtracted from welfare benefits. The work expense deduction was limited to $160 per month per child for day-care expenses and $75 per month for other work-related expenses.

Eligibility standards were also tightened, denying AFDC assistance (and thereby Medicaid benefits) to many working poor families. States were authorized to institute workfare programs requiring welfare recipients to take jobs in order to "pay for" their benefits. The message seemed to be "no help for the working and make-work for the nonworking."

A similar trend is evident in the food stamp program, where the earnings disregard was lowered from 20 percent to 18 percent in 1981 and would be eliminated entirely in 1983 under President Reagan's proposed budget.

The administration's Comprehensive Employment and Training Act (CETA) proposal overdoes the necessary targeting of federal job training funds. It would focus job training primarily on AFDC recipients and very poor youth. Again, the working poor would be left out in the cold. The on-going freeze on the dollar value of the Earned Income Tax Credit points in the same direction.

Many working poor families may have reluctantly concluded from all this that the only way to obtain any help is to act helpless. By quitting their jobs and becoming "truly needy," they can get the bonanza of overlapping benefits that await the dependent but elude the working-poor family. There is now little motivation to get off welfare and a growing attraction to go on welfare.

The evidence suggests that lower effective tax rates stimulate more work effort by AFDC recipients. It also points to offsetting effects on families with slightly higher incomes who would newly qualify for benefits under a plan with lower effective tax rates. But even if such effects cancel the positive stimulus to work among recipients, society should experience a net gain because of a possible break in the cycle of dependency plaguing the welfare class. Moreover, basic fairness should be taken into consideration here. Our society should assure people that when they work they will have higher incomes than when they do not.

The workforce approach to AFDC treats welfare benefits as a stigma or punishment that must be "worked off." The administration and Congress now seem to place more faith in requiring low-income female heads of households to work than in motivating them to work. This approach denies women on welfare the option of staying home with their children. For an administration that stresses both the power of work incentives and the positive value of family, this is a strange set of priorities.

Ironically, workfare also conflicts with the administration's prudent preference for incentives approaches over complex regulatory schemes. We have had plenty of failures trying to develop effective work tests in social programs. We should be just as wary of intrusive, elaborate regulation in job placement for welfare recipients as in the regulation of business.

It is time to stop treating the poor as two distinct classes of people—a nonworking group that receives benefits and should be made to work to save federal outlays and a working group that deserves no assistance. A superior—and more humane—approach substitutes graduated assistance for the all-or-nothing approach and views marginal assistance to the working poor as a prudent social investment in their future self-sufficiency.

Too Few Jobs . . .

(By Katharine G. Abraham)

Are there jobs out there for the unemployed? If every available vacant job, no matter how unattractive, were taken by an unemployed person, what would happen to our nation's unemployment rate?

President Reagan and his advisers seem to believe that a very large fraction of the unemployed could find work if only they were more willing and able. The president has commented to more than one occasion that the newspapers he reads contain many pages of help-wanted advertising. The message seems to be that something other than a shortage of employment opportunities is the real culprit in our current unemployment situation. Does this belief square with the facts?

The first type of information needed to answer this question is data on unemployment. The unemployment rate is defined by the Bureau of Labor Statistics as the percentage of those in the labor force who are without a job but are available and looking for work. Since May 1980, the (seasonally adjusted) unemployment rate has not fallen below 7.2 percent; it climbed to 9.0 percent in March, a high reached only once before since World War II. The BLS estimates that there were 9.9 million people looking for jobs in March; this figure represents a new postwar peak.

To resolve the question of how the number of available jobs compares with the number of persons seeking work, we also need information on job vacancies. No current national statistics are available. But I have recently completed an intensive study of what job vacancy statistics there are. A substantial part of my research was directed toward adjusting the raw data to produce more accurate figures. For example, I corrected for the fact that hard-to-fill positions for which employers had given up active recruiting were probably not reported on the survey forms. What do the available job vacancy numbers, generously inflated to compensate for any possible downward bias imply about our nation's unemployment situation?

During the last half of the 1960s, when the unemployment rate hovered within the 3.5 percent to 4.0 percent range, the number of job openings probably came close to equaling the number of unemployed persons. Labor markets have been less tight during the 1970s than during the latter part of the 1960s. Between 1970 and 1980, a period that included three recessions and produced an average unemployment rate above 6.0 percent, there were probably an average of four or five unemployed persons per vacant job.

Today, with the unemployment rate at 9.0 percent, the number of unemployed persons almost certainly far exceeds the number of open slots. A reasonable estimate, based on the historical relationship between the unemployment rate and the job vacancy rate, is that there are currently no more than 1 million jobs vacant in all sectors of our economy; that is, the number of unemployed persons most likely exceeds the number of vacant jobs *by a factor of 10* or more. Even if every available vacant job could be filled instantaneously by an unemployed person, we would have achieved only a relatively small reduction in our unemployment count.

The implication of these numbers for policymakers seems clear. The current situation cannot be blamed on the unemployed lacking interest in work. Gutting our social insurance programs will not lead to significant reductions in the unemployment rate. Nor is the central problem that the unemployed lack the skills required to fill available jobs, though this may explain the particular difficulties faced by certain groups. Training programs for the hard-core unemployed may be a good idea for other reasons, but we cannot hope for them to have any substantial effect on the aggregate unemployment rate.

The real problem we face today is that there simply are not enough jobs to go around. Any policy package designed to lower the unemployment rate must recognize this important fact.

PRESERVE THE RIGHTS OF OUR HANDICAPPED CITIZENS

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. BONKER. Mr. Speaker, the rights of handicapped citizens to education, jobs, recreation, and health services—in other words, the simple and basic rights of all of us—are once again under attack by the Reagan administration.

Draft regulations proposed by the Department of Justice would drastically weaken section 504 of the Rehabilitation Act of 1974. The Justice Department's proposal is not just unfair and inhumane, it may well be unconstitutional.

Section 504, often referred to as the "Civil Rights Act for the Disabled," prohibits discrimination on the basis of handicap or disability in any federally funded program or service activity. The new draft regulations, however, call for handicapped children and adults to demonstrate their "dollar and cents" value to society before money is to be spent on facilitating their access to federally funded programs. In a nutshell, the proposed Justice Department guidelines would give Government agencies and directors of federally funded programs discretionary power to withhold services for the handicapped on the basis of cost.

Simply stated, these draft regulations would place a price tag on handicapped persons, declaring some—but not others—deserving of services and their rights.

YOU DO NOT WEIGH THE CONSTITUTION THROUGH A COST-BENEFIT ANALYSIS

It is not difficult to see why section 504 has been called a civil rights manifesto for the handicapped. For the first time, the handicapped and disabled were insured their fair share of federally funded programs. For many adults, this legislation has meant jobs, job training, and even transportation. In addition, section 504 has opened the doors to recreational, educational, medical, and dental programs for disabled children and adults.

Now, all of this could be taken away from many of the disabled, based on what can only be described as an illogical cost-benefit analysis. DOJ has suggested the use of evaluation techniques that were designed originally to expose political boondoggling and managerial inefficiency in public works projects such as dams or highways construction. To attempt to compute the cost of basic human rights in such a fashion is sheer nonsense. Furthermore, such tactics are contrary to the values of Congress when we adopted section 504. These are the same values which underlie the 13th and 14th amendments to the Constitution, and every other civil rights statute in our history—traditionally disadvantaged groups must be assured protection against discrimination on the basis of the very characteristics which set them apart from society.

We simply cannot sit idly by and watch these gains be lost, nor even diluted. We must not lose sight of the fact that as little as a decade ago there were many handicapped children who were excluded from school simply as a matter of course; and that those who were accepted were often shunted off into inappropriate programs that failed to meet their special needs. In addition, we must remember that it is within very recent history—less than 10 years, in many cases—that health care programs, foster homes, libraries, museums, parks, and public transportation have been made accessible to the handicapped.

SECTION 504—A RECORD OF ACHIEVEMENT

In combination with Public Law 94-142, the Education for All Handicapped Children Act, section 504 has opened schools throughout the Nation to handicapped children and youths, and insured that these schools provide appropriate instruction and programs In many cases, the availability of adequate educational services within the community has enabled children to remain with their own families rather than being placed in residential schools or in institutions.

Important, too, is the dignity that section 504 has provided for the handicapped. Section 504 has given first-class citizenship to many disabled adults and families with disabled children. Surely we cannot consider taking these rights away from them.

The implications of DOJ's draft regulations for weakening section 504 are of grave concern from every perspective. The draft, as it now stands, does away with the requirements for special services, for individualized educational plans, for periodic evaluations of students' progress, for parents' access to due process, and to transportation for handicapped school children. In terms of health care, the draft enables health care providers once again to refuse to provide aids

BEST

such as communication systems for deaf or cerebral palsy individuals, and to deny health care to certain patients whose problems are complex and thereby more costly than those of other handicapped.

Where adults are concerned, section 504 is particularly crucial, for it is virtually the only law that insures protection of their rights. Once a child reaches 18 or 21 years of age, section 504 mandates their equal access to health and dental care, to vocational training, university programs, jobs and recreation.

At this point, I would like to share with my colleagues a letter written by a parent in my own State of Washington. This letter, from Mrs. Grace Gould of Vancouver, Wash., brings into clear focus the concerns of many handicapped adults and parents of handicapped children:

> DEAR MR. BONKER: I am appalled at the changes being proposed by the Reagan Administration, via the Department of Justice, in the 504 Guidelines and Regulations. Such changes would strip the Developmentally Disabled of their long sought after Civil Rights, rights which you and I take for granted.
>
> Severely Disabled people would be excluded from Secondary Education programs because their attendance would cause an "undue burden" or pose "unreasonable costs." Do you realize just how long it took to get these services for our people? At least 35 years of my life time. It took us many years to get legislation which guaranteed that each disabled child would have an appropriate education, now it seems that this administration wishes to change that to educational services must be provided, but need not be appropriate to meet the needs of each individual handicapped child.
>
> We have come a long way in our efforts to make all new construction accessible, but under the draft of new regulations this would no longer be true. I don't believe that those of us who have fought long and hard to achieve these much needed regulations are going to sit idly by while this administration continues to destroy all of the program's goals and wipe out the years of progress to benefit those people in our society who cannot fight their own battles. We must continue to work to protect what we have already gained for them, since they are, after all, human beings first of all, and secondly human beings with special needs. To deprive them of the help they need through appropriate education and training is only insuring that they will be totally dependent on society all of their lives; with help, many can become quite self sufficient.
>
> As a parent of one of these individuals, and a strong advocate of many more, I urge your support and opposition to these drastic changes in the 504 program.
>
> Sincerely,
>
> GRACE GOULD.

There is little that needs to be added to Mrs. Gould's letter—she has said it all, and said it most ably. Congress must preserve section 504 so that the civil rights of all, including our Nation's handicapped, are protected and enhanced.●

MANAGING NATO'S RESOURCES

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. BROOMFIELD. Mr. Speaker, today I am introducing a House congressional resolution expressing the sense of the Congress that the member countries of the North Atlantic Alliance must pool their resources for their common defense. Without doubt, the NATO Alliance is our Nation's No. 1 commitment and priority in the international security field. Since NATO's establishment in April 1949, European security has rested upon the combined defense efforts of our Western partners and ourselves. We have enjoyed unprecedented economic growth during this period, and peace has been maintained.

While NATO has attempted, almost from its beginning, to develop joint and cooperative programs for defense production and deployment, our policies have not met with the degree of success that we would like. Until recently, this problem could be offset because of NATO's advantage with greatly superior weapons technology, strong productive economies, and overwhelming nuclear superiority. Today, we no longer enjoy these advantages. The Soviets have closed the weapons technology gap, often through purchase or theft of our own technology.

They have also greatly increased the number of armored vehicles, planes, and artillery pieces that they are able to field in the European theater. They now outnumber us across the board in these vital areas. Moreover, Western economies have been hit with increased unemployment and high inflation, thereby reducing the revenue base while simultaneously driving up the cost of each new weapons system. And finally, the Soviets have gone beyond nuclear parity to gain an advantage.

Because of the changed environment in which NATO finds itself, we must enhance our efforts to coordinate our defense activities in every area. We must redouble our efforts at achieving standardization or at least interoperability of equipment. The tremendous economic burden of defense procurement must be distributed equitably among the alliance members. We must seek to eliminate duplication in order to cut costs and increase efficiency. And we must augment our defense-industrial base for those items that will be needed most urgently if conflict should erupt.

This resolution would urge President Reagan to propose at the June 1982 NATO summit meeting in Bonn just such a program as I have outlined. It would call upon NATO to develop the required strategies, structures, and policies necessary to fulfill our defensive needs in Europe. It further calls upon the President to work with the Congress in the development of this program.

I encourage my colleagues to study my resolution and to give their support for it.

We are entering a new era of incredibly expensive weapons at the same time that the Soviets are radically increasing their own sophisticated forces. If we do not get a grasp on the problem now, we will find ourselves unable to afford the defensive posture that we will need in the future to deter Soviet aggression.

The text of my resolution follows.

H. CON. RES. —

Whereas, the United States remains firmly committed to cooperating closely with its North Atlantic Treaty Organization (NATO) allies and its other allies in protecting liberty and maintaining world peace;

Whereas, the financial burden of defense of the Free World has reached such proportions that new cooperative approaches among the United States and its NATO allies are required to maintain an adequate collective defense at acceptable costs;

Whereas, although the North Atlantic democracies possess more than half again as many people as the Warsaw Pact countries, and more than twice the gross national product of the Warsaw Pact countries, the loosely organized national defense efforts of the nations of the North Atlantic Alliance produce a collection of forces that are qualitatively uneven, quantitatively inferior, and have only a limited ability to rearm, repair, reinforce, support, supply, or even communicate with another;

Whereas, the need for a credible conventional deterrent in Western Europe has long been recognized in theory but has never been fully addressed in practice;

Whereas, European, Canadian and American forces in Western Europe are vulnerable to the threat of attack by the numerically superior conventional forces of the Warsaw Pact countries;

Whereas, a more equitable sharing by member countries of the North Atlantic Treaty Organization of both the burdens and the technological and economic benefits of the common defense would do much to reinvigorate the member countries of NATO with a restored sense of unity and common purpose;

Whereas, the West's duplicative defense-industrial system and collective conventional deterrent have not provided the Soviet Union with incentives to agree to meaningful and mutual arms reductions; and

Whereas, a decision to pool the West's enormous technological, industrial, and economic resources will not only help control defense costs, but will provide a powerful inducement for the Soviet Union to enter into meaningful arms reduction agreements so that both East and West can devote their energies and resources to peaceful, cooperative pursuits: Now, therefore, be it

Resolved by the House of Representatives, (the Senate concurring), That it is the sense of the Congress that—

(1) the President should propose at the summit meeting of the heads of governments of the member countries of the North Atlantic Treaty Organization (hereafter in this concurrent resolution referred to

as "NATO"), scheduled to take place in June 1982 in Bonn, West Germany, that the NATO allies of the United States join the United States in agreeing to—

(A) enhance their defense efforts and resources to improve, at acceptable costs, collective conventional forces for the defense of the North Atlantic area;

(B) establish a cooperative defense-industrial effort within Europe and between Europe and North America that would ultimately reduce the otherwise necessary defense costs of the United States and other NATO countries, by providing a larger production base while eliminating unnecessary duplication of defense-industrial efforts;

(C) the realization that standardization is an important longer-term objective and that for the short-term interoperability should be supported;

(D) share, equitably and efficiently, the financial burdens, as well as the economic benefits, including jobs, technology, and trade, of NATO defense; and

(E) continue regular consultations to develop strategies, structures, policies, and programs that give full effect to the agreements described in clauses (A) through (D); and

(2) to assure the NATO allies of the United States that the policy described in paragraph (1) has the full support of the American people, the President should work with the Congress in the development of implementing strategies, structures, policies and programs, within the NATO framework.●

THE 25TH ANNIVERSARY TRIBUTE TO OUR LADY OF GUADALUPE CHURCH OF FLINT, MICH.

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. KILDEE. Mr. Speaker, on June 26, 1957, the Most Reverend Joseph H. Albers, Bishop of Lansing, Mich., established the new Spanish-speaking parish of Our Lady of Guadalupe. It was a response to the needs and desires of 100 Spanish-speaking Catholic families in Flint and Genesee County to worship in their language with their culture and its customs.

The parish was placed under the administration of Father Carlos Reikowski, who spoke Spanish. The developing Spanish-speaking Catholic community occupied the building recently vacated by St. Francis of Assisi on Carpenter Road, Flint, Mich. The first Spanish mass was celebrated there on June 30, 1957, by Father Reikowski.

Father Richard Simons administered Our Lady of Guadalupe Church from October 10, 1959, until December 6, 1966, when Father Eduardo Lorenzo was named administrator. Under his watchful spiritual guidance, the community eventually outgrew the building and a building drive to build a new church was initiated.

The last mass was celebrated at the church on Carpenter Road on July 25, 1971. From that day, until the new church was completed on Coldwater Road, the Our Lady of Guadalupe Church celebrated Sunday mass in the chapel of Luke M. Powers High School.

The ground-breaking for the new church took place on April 23, 1972, and the first mass in the new parish was celebrated on April 14, 1973. Our Lady of Guadalupe became the first church in the State of Michigan built by a Spanish-speaking community. Our Lady of Guadalupe Church was dedicated on July 28, 1973, by the Most Reverend Alexander Zaleski, Bishop of Lansing.

Earlier this year, Father Eduardo Lorenzo attained his 16th anniversary of ordination. He is held in high regard by the parishioners and has grown with the spirit of Our Lady of Guadalupe.

Our Lady of Guadalupe Church, in approaching the 25th anniversary of its founding, looks forward to many more years of fulfilling the needs of the more than 400 Hispanic Catholic families in the service of our Lord.●

MEMORIAL DAY

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. DASCHLE. Mr. Speaker, Memorial Day, as we all know, is a day in honor of those who died in combat while serving their country. Over 500,000 Americans have made this ultimate sacrifice in defense of their country since Memorial Day was first observed after the Civil War. Over 2,000 South Dakotans have died in the service of their country in the past four wars: 315 in World War I, 1,389 in World War II, 160 in Korea, and 187 in Vietnam. These sacrifices have not been in vain. Aggression, for the most part, has been deterred and freedom, individual liberties, and democracy restored.

South Dakotans are proud of their service in wartime as evidenced by their high participation rates in national veterans organizations such as the Veterans of Foreign Wars, Disabled American Veterans, American Legion, and Paralyzed Veterans of America. Veterans from the Vietnam era are increasingly involved with the Vietnam Veterans of South Dakota. I have no doubts that many more South Dakotans are willing and able to defend their country once again should the need arise.

Personally, I plan to participate in Memorial Day services in Sioux Falls, Aberdeen, Watertown, and Huron, S. Dak. Memorial Day 1982 will be a time for reflection on past and current events, a time for remembrance of those who have died in wartime service, and a time to honor our flag and Nation for upholding the ideals of freedom and democracy. The United States remains admired by many and a model for developing countries around the globe. I believe that this would not still be true today if it were not for the past sacrifices of many brave men and women in the American Armed Forces.●

A TRIBUTE TO CHARLES (CHAPPIE) CHAPPELLE

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. DIXON. Mr. Speaker, on Friday, June 18, 1982, friends and colleagues of Mr. Charles "Chappie" Chappelle, will gather at the Airport Park Hotel in Inglewood, Calif., to pay tribute to this distinguished and hardworking individual for his many years of dedicated service to the community. Although I will be there on the evening of the 18th, I would like to take a few minutes to share with my colleagues just a few of Chappie's outstanding contributions to his fellow Los Angeleans.

Born in St. Louis, Mo., on October 20, 1919, Chappie attended local elementary and secondary schools before the family moved to Kinloch, a community just outside St. Louis. A resourceful and ingenious young man, Chappie, teaming with one of his brothers, drew up the plans and proceeded to erect the family home.

In 1945, Chappie settled in South Pasadena, Calif., and around the same time, began a career with Colliau Chevrolet Co. More than 35 years later, Chappie is still with Colliau where for the past 16 years he has been a member of the Chevrolet Legion of Leaders, an exclusive club comprised of salespersons who each year sell between 150-200 automobiles—in itself an enviable feat, considering the state of today's declining auto industry and, further testimony of Chappie's resourcefulness and perseverance.

When not selling cars, Chappie can be found working in a variety of community endeavors. A telling example of his intense community involvement and concern for his fellow man, was evidenced following the 1960's Watts uprising. Concerned over community apathy and the prevailing sense of helplessness, Chappie sought ways in which to restore unity amongst the residents. He organized the Watts Summer Festival, which ran successfully for several summers and provided inhabitants with a sense of pride as well as alternative channels for their energies and talents.

Along with several close associates, Chappie also formed a community resources committee, whose goal was to provide advice and guidance to young members in the community seeking a station in life. Chappie's door was always open and he was always prepared to listen; offering proper words of encouragement and motivation to those for whom in numerous instances, the only link was that of a fellow human being.

The Los Angeles branch of the NAACP, has also experienced Chappie's mark. As a full member and selfless supporter of this organization, Chappie has organized several successful fundraisers to assist this group in its advocacy efforts on behalf of minorities and other underrepresented individuals.

Still another example of his spirited community involvement is the Brotherhood Crusade, a Los Angeles based charitable group which funds programs geared especially to needs and problems of particular concern to minorities. Chappie has been an active and enthusiastic supporter of this philanthropic organization as evidenced by the many outreach programs that currently operate as a result of the Brotherhood Crusade's goodwill.

Though officially now a resident of Los Angeles, Chappie still remains active in the South Pasadena Kiwanis Club. In fact, it was through Chappies' perseverance that a black float was finally integrated into the annual Rose Bowl parade.

A gentleman of inestimable energy and verve, Chappies' activities also extend to the political spectrum; an involvement that has special significance for me. As a board member and former officer of the New Frontier Democratic Club, Chappie has been the guiding force behind this organization throughout several of my political campaigns. Not only did he serve with distinction on the community advisory committee for my 43d assembly district race, I had the good fortune to have the benefit of his counsel and wisdom when he served in a similar capacity on the occasion of my race for the 28th congressional seat.

Chappie has also been actively involved in the campaigns of Gov. Merv Dymally; Mayor Tom Bradley; City Councilman Dave Cunningham; and State Senator Nate Holden. He is a sagacious and indefatigable political operative whose vitality and hard work we all admire and cherish.

With the belief that the political process extends to all, Chappie has worked tirelessly to increase youth involvement in New Frontier by actively recruiting their participation and employing their talents and energies in local, State, and National political campaigns.

Over the years, numerous individuals have been touched by Chappie's warmth and his seemingly never ending reservoir of wisdom. He is a committed and extremely diligent servant who has given much to the community; asking nothing in return while rejoicing in the progress and fruits of his labor.

On June 18, 1982, Charles "Chappie" Chappelle will be the man of the hour. Together with his lovely and devoted wife Karen, who has participated in numerous community activities along with her husband, Chappie will be honored for his many years of dedicated service to the community. No one is certainly more deserving of this tribute. As one who holds great respect for this gentleman, and greatly admires his integrity but, most importantly as his friend, I salute him on this occasion and say, "thank you Chappie for a job well done."●

NATIONAL WOMEN'S HALL OF FAME

HON. GARY A. LEE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. LEE. Mr. Speaker, today I have introduced along with Senator D'AMATO legislation that will establish a Federal charter for the National Women's Hall of Fame, and urge my colleagues to support this legislation.

Providing a Federal charter for the Women's Hall of Fame is a proper tribute to a vibrant organization located in Seneca Falls, N.Y., the birthplace of women's rights in this country. The hall of fame is the only institution in the United States dedicated to recognizing the substantial contributions of American women.

Ever since its founding over 13 years ago, the hall has been a consistent and insightful interpreter of the historical significance of its honorees, the community of Seneca Falls, and the early woman's rights movement. Among those honored in the hall are a number of women with extremely diverse backgrounds and interests. Some of this diverse group are early women's rights advocate and Seneca Falls resident Elizabeth Cady Stanton, anthropoligist Margaret Mead, Elizabeth Blackwell, America's first woman doctor, and poet Emily Dickinson.

The hall serves not only as a fitting memorial to the achievements of women, but it also provides an inspirational model for today's young women as they prepare for their future.

I ask my colleagues to join with me in support of this Federal charter for the Women's Hall of Fame in order to provide this national institution with the recognition it justly deserves.●

MEMORIAL DAY 1982

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. HAMMERSCHMIDT. Mr. Speaker, I congratulate the chairman of the Committee on Veterans' Affairs for asking for the special order for today. It gives the Members an opportunity to pay tribute to a select group of Americans who will be honored on Monday next by all of their fellow citizens.

Mr. Speaker, on this Memorial Day of 1982 we pause once again to honor those servicemen of our country who have served it well and honorably in war and who have paid the supreme sacrific.

In this century alone—and in four wars—more than 600,000 of our countrymen have paid freedom's highest price.

I am made mindful of how deep should be our gratitude to those whom we honor today because it was what they did that has made our citizenry free and let our Nation be at peace.

Mr. Speaker, America has a soul and because of this she finds nothing pleasant about war. After the Spanish American War, Secretary of State Hayes was quoted as having said it was a "splendid war". On still another occasion he described it as a "jolly war." I do not know what prompted those remarks and perhaps I take them out of context but from where I sit as the ranking member of the Committee on Veterans' Affairs of the House of Representatives nothing about war is "splendid" and nothing about it is "jolly." On the contrary, I am reminded almost daily of the horror of war as our committee deals with its most tragic consequences—consequences involved with pain, with heartache, and with suffering. I have come to know the very definition of war and I have a bitter distaste for it.

And yet my memory of this day of memories tells me that my Nation has never waged war lightly. It had done so only in protection of the ideal that people everywhere have the right to awake each morning believing that there is something supreme and eloquent about being free and something spiritual and precious about being a constant foe of tyranny.

There is a voice in our land which thunders the truth about America. The voice tells us that a free nation must be strong if it is to preserve the peace and remain free.

It tells us that we must make a proper use of strength and that the battle of survival is not to the strong alone but also to the vigilant, the active and the brave.

BEST CO

It tells us that our forebears turned a wilderness into a glorious land and by use of uncommon ingenuity made promotion of national happiness a creed of the American people.

It tells us that the preservation of that land is bequeathed to us so that future generations of Americans may also have the priceless gift of liberty.

It tells us that throughout our long past wars have taken a heavy toll on both the youth and the wealth of our Nation.

It tells us that the span of our Nation's life has become a mighty bond because of the sacrifices of its young citizens who have been called to arms to preserve it and who have often lost their health and even their lives.

The voice is not an abstraction nor is it a dream—it is a living vibrant call to all who will hear it.

We would do well this day to listen to the voice and then to often repeat its truthful words.

We need not be historians to understand that every generation of Americans has owed a debt to the past and that every generation that comes after us will in turn inherit their debt.

I truly believe that the challenge of living for freedom which has been handed to each of us demands a special kind of faith in the future of America. It is a faith that says that we will bequeath to our children and to theirs a full measure of that which has come to us.

The Congress of the United States of which all of us are a proud part has a vital role to play in the maintenance of that faith. It is one of seeing to it that our Nation does all that it should properly do for that group of our citizenry who, because of wars have left part of their health and part of their future on the battlefields of the world. I believe the Congress will do its part, for the Congress understands that its mandate from the people in that regard is very clear.

I am sure that everyone here today would agree that no society in the history of the world has done as much for its veterans as has ours. I believe that our society will continue to do what is right. We will do our duty to the survivors of the deceased veterans of our wars and we will do it to the veterans of those wars. Our national honor would allow no less and that honor is a trait of our country's heritage that is very special to all of us.

On this Memorial Day of 1982 as we remember those who died that we might be free—and as we remember living veterans and their families on this special day—let us all say a prayer of thanksgiving that this year finds America at peace. No American soldier is in combat today against any enemy of our Nation. There will be no American casualty list in the newspapers tonight.

As we remember our fallen heroes—no greater blessing is given us than that the ranks of the heroic American war dead will not be lengthened this day. Thanks be to God for that.

Mr. Speaker, today we pay tribute to veterans of all wars. Each of them have been speical in their own way and each war has had its own characteristics. And yet most of the veterans of all of these wars have common traits and values. They serve their country well; they do their duty and then they return to their homes to become a part of the society they had helped preserve.

Veterans of the Vietnam War, it seems to me, are in most respects no different than veterans of earlier wars. Some have had difficulty in readjustment, of course. But this has been true after every war. It would appear, however, that the vast majority of Vietnam veterans have returned to civilian life and have become part and parcel of everyday life. They are to be congratulated for that for it has been no easy task.

Mr. Speaker, I believe our Nation will prosper as more and more of the veterans of that unpopular war in Vietnam take over the helm of leadership. Many of them hold the future of this Nation in their hands. They are individuals who understand the responsibilities of citizenship and I believe they will lead us well.

Mr. Speaker, I have made these special references to Vietnam veterans because I think their record in civilian life needs to be emphasized; 5,809,000 have attended school under the GI bill, thus becoming more educated than previous veterans; 2,277,000 of them have obtained GI home loans, thus showing their economic stability. Over 43,000 work for the Veterans' Administration and 368,000 work for other branches of the Federal Government. Their success stories are commonplace and a significant number serve in the Congress. They have every right to be proud of themselves and I am sure that they are for they have long since paid their dues to their country.

Mr. Speaker, some 58,000 of America's sons lost their lives in the Vietnam war. Today we honor them by paying tribute to their valiant sacrifice. They and those who have fallen before them in service to their country are each in our hearts on this day set aside in their memory.●

PARRIS QUESTIONS D.C. BIDDING PROCESS

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. PARRIS. Mr. Speaker, you may have read in the business section of the Washington Post this morning an article expressing weakened confidence in the competitive bidding process of the District of Columbia government. I recently questioned the unusual means the District of Columbia used in selecting 90 vehicles to be delivered to the Metropolitan Police Department. To reject two lower bids for a higher one in a competitive bid setting does not make sense to me. I have offered my support to those attempting to correct this situation that cost the taxpayers $134,000 in additional funds.

Mr. Speaker, I am concerned by this problem not only because of the confusion to the bidders dealing with the District of Columbia Government but also because of the undue burden imposed upon those paying Federal taxes. As you know, the District of Columbia Government requested an increase in the Federal payment for fiscal year 1983. It does not seem fair nor reasonable to me that the District of Columbia should spend over $134,000 more than was necessary on vehicles for the District's use when Federal tax payers are being asked to put up a larger amount for these expenses which are seemingly unnecessary.

It is my hope that the Government Accounting Office, which is investigating this matter, provides Congress with an early report on this situation.●

U.S. CITIZENSHIP DESIRED

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. YOUNG of Florida. Mr. Speaker, today, I have introduced private legislation for the relief of Dr. Walter J. Moser and his wife, Dr. Angrit G. Moser-Mahncke, two outstanding individuals who admire and respect the American way of life and hope to contribute to that way of life if allowed to remain in the United States.

Born in West Germany, both attained the distinction of doctor of medicine, became public health officers, held the title of medical specialist in nervous diseases and mental disorders, and later established their own practice in the area of psychiatry, neurology, and psychoanalysis. They are now retired and financially independent. Dr. Water Moser hopes to write a book on geriatrics and holistics and his wife, Dr. Angrit Moser-Mahncke intends to continue and improve her painting ability. Both would be willing to utilize their skills and knowledge and do local volunteer service. They have lived in the United States, with brief visits to Europe, since December 1979 and feel very much as home here.

Their accomplishments are many and they would certainly make fine and responsible American citizens. Unfortunately, because they are in the nonpreference category, it is currently impossible for them to gain permanent residency in the United States and, ultimately become U.S. citizens. Because there is no other remedy available, and they have exhausted all administrative relief, I have agreed to introduce private legislation in their behalf.

This bill establishes permanent residency for Dr. and Mrs. Moser-Mahncke just as if the nonpreference visa quota were not filled. This will allow them to remain in the United States and contribute to our society. Then, assuming they meet citizenship requirements, after 5 years, they can become naturalized U.S. citizens.

These people are fine, honest, and hard working. They have lived many years in the United States and consider it their adopted home. If allowed to stay, they will make exemplary citizens. If required to go, America will lose two people with so very much to offer.●

TESTIMONY OF THE HONORABLE FORTNEY H. STARK, JR., BEFORE THE SUBCOMMITTEE ON HUMAN RIGHTS AND INTERNATIONAL ORGANIZATION

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. STARK. Mr. Speaker, following is a statement about the religious persecution of the 300,000 Iranian Baha'is by the Khomeini regime, which I presented before the Subcommittee on Human Rights and International Organizations. I hope that the hearings which the subcommittee held on the very important problem of the flagrant violations of human rights against the Baha'is in Iran, will encourage the Congress to take some concrete action.

TESTIMONY OF THE HONORABLE FORTNEY H. STARK, JR., BEFORE THE SUBCOMMITTEE ON HUMAN RIGHTS AND INTERNATIONAL ORGANIZATIONS

Mr. Chairman, thank you for giving me the opportunity to testify before your subcommittee today, to express my concern about the religious persecution of the 300,000 Iranian Baha'is by the Khomeini regime. I know that many of our colleagues in Congress also believe that we must condemn and oppose the harsh repression and possible genocide of the Baha'is in Iran. It is quite sad and ironic that a people who for over one hunderd years have striven to bring about the unity of mankind, world peace, and world order, should be the target of flagrant violations of human rights.

I first learned about the plight of the Baha'is in Iran through constituents of mine, who are either themselves members of the Baha'i community or who are friends of members. The shocking and disturbing letters and news clippings which I received from people in the 9th District of California, prompted me to investigate this matter further, and then to speak out against the genocidal actions of the Khomeini regime. I found that many of our colleagues were also very concerned about the persecution of the Baha'is in Iran, evidenced by the number of speeches in the CONGRESSIONAL RECORD about the Baha'is.

On March 9, 1982, I introduced a concurrent resolution, which expresses the sense of Congress that the President and other official representatives of the United States should at every opportunity before international forums reiterate and emphasize the extent to which we deplore and condemn the religious persecution of people of the Baha'i faith by the Government of Iran. There are presently 7 cosponsors to my resolution, and at least half a dozen other members have expressed an interest in signing it. I hope that the Subcommitte will consider my resolution in the very near future.

The same day on which I introduced the concurrent resolution, I also introduced a bill to prohibit imports from Iran until it ceases the persecution of the Baha'is. I feel that if the message in the Resolution is not heeded, we must move forward with more concrete actions, such as an embargo. Although United States imports from Iran have been reduced drastically, totaling only $63.8 million for all of 1981, $3.4 million for January 1982, $2.3 million for February 1982, and $3.8 million for March 1982, imposing an embargo on even a small quantity of imports would certainly be a clear, tough signal to the Iranian Government. My bill has been referred to the Trade Subcommittee.

I would like to share with the Subcommittee some excerpts from "A Cry From the Heart," by an eminent Western Baha'i, William Sears. This book in an impassioned account of the horrors perpetrated against the Iranian Baha'is, a refutation of the false and contradictory charges leveled against them, and an expose of the genocidal purpose of the present outbreak. The following excerpt describes the atrocities taking place against the Baha'is in Iran:

"The atrocities taking place against Baha'is today throughout Iran are no longer matters of suspicion or opinion. They are matters of fact. The proof can be found in the records of libraries, newsrooms, United Nations Agencies, human right organizations, telex and cable files in every part of the world.

"The spotlight of world publicity has now been turned directly upon Iran. It is no longer a secret that the killings, burnings, lootings, and torture of Baha'is are still continuing, even as these pages are being written. It is no longer possible for the persecutors to suppress or minimize the enormity of their crimes, or to hide anonymously behind the fiction of 'uncontrollable mobs'.

"Those days are over!

"Confiscation of property, of bank accounts, burning and looting of homes, officially sanctioned executions of innocent victims—all these things take place everywhere, in the streets, in the market-place, and in the homes.

"The Baha'is are harrassed, beaten, abused, killed. Sometimes husband and wife together. Or an entire family. Or a group of close friends, or neighbours, or business associates. Chosen at random. At the whim of the killers.

"Stabbed, stoned, hanged, burned alive, hacked to pieces with knives, stood before firing-squads.

"Men, women, children. No one is spared.

"Their crime?

"They are Baha'is.

"These attacks have been going on for nearly one hundred and fifty years.

"The first onslaught of the current persecutions began in 1978. It is now in its fourth year. The severity and spread of the outrages increase each day and become ever more sinister. There is no end in sight, and no sign of a let-up.

"What is most alarming and threatening about the present avalanche is not its violence: that has always occurred. It is the devilish ingenuity of the assault designed to eliminate an entire community of nearly half a million souls. The terror has now spread into every level of Baha'i life, to city dweller, villager and farmer.

"At first the Baha'i business houses, the repository of the savings of rich and poor Baha'is alike, were confiscated, with no recompense. Then the great Baha'i hospital in Teheran, built, operated and fully supported by Baha'is, where patients of all religions and backgrounds were treated with the same loving care, was taken over. Next, Baha'i holy places throughout the country were occupied and put to whatever use, often personal, the revolutionary authorities, equally often the man with a gun, might decide. The meeting-places of the local communities were next to be taken. Then, having deprived this helpless community, which has no rights in law, of its funds, hospital, holy places and religious properties, attention was turned to the leaders of the community. All nine members of the National Spiritual Assembly were kidnapped and have not been heard of, except by rumour, to this day. Outstanding Baha'is in the provincial communities were next and many of those have been executed. The obvious aim is to get rid of the capable, trusted, elected leaders before launching the attack on the rank and file.

"The Baha'i community they are trying to destroy is the largest religious minority in Iran. It has more members than the Christian, Jewish and Zoroastrian communities combined. In spite of this, the Baha'i Faith is not recognized and Baha'is are deprived of their basic human rights. There is no one and no place in the entire country they can approach for protection. They cannot appeal to the clergy, to the courts, or to the authorities. The clergy and their religious courts are the authorities.

"They are engaged in a process which the entire civilized world has always been against.

"It is called: Genocide!"

The alleged reasons for the genocide are listed below in the major accusations currently made against the Baha'is in Iran. The absurdity of these accusations is explained in a later section of the book—I feel, however, that the absurdity of these accusations will be apparent to all who have been following the persecution of the Baha'is, without going into the well-documented refutation.

ACCUSATIONS

1. The Baha'i Faith, far from being a religion, is a subversive and heretical sect which plans to establish its own regime in Iran.

2. The Baha'i Faith is a political party which supported the regime of Muhammad Reza Shah, and received favors from him.

3. The Baha'is are agents of foreign powers, such as the United States and Russia, and of British imperialism.

4. The Baha'is are "spies" for Israel, and secretly collaborate with international Zionism. They contribute financially to the support of Israel which aids that country against its Arab and Muslim neighbours.

5. The Baha'is have their World Centre in Israel, and therefore must be hostile to Iran and to the current Islamic Revolution.

6. The Baha'is travel frequently to and from Israel, carrying and receiving information against Iran and other Arab nations.

7. The Baha'is are against Islam and Muhammad, the Prophet of Islam, and insult his Holy Book, the Koran.

8. There have been Baha'is in high places in the political life of Iran, although they claim they do not become involved in politics. A Baha'i was once Prime Minister. Others served in lesser ministerial capacities.

9. The Baha'is of Iran are quite different from those in other lands. In Iran they are politically oriented.

10. One of the heads of the dreaded secret police, Savak and others of its high-ranking officiers, have been members of the Baha'i Faith

11. Et cetera, et cetera, et cetera.

I would like to commend the subcommittee for holding this hearing to focus attention on the plight of the Baha'is in Iran. I hope that the subcommittee will continue its work in this area, and favorably consider my resolution, House Concurrent Resolution 283.●

NATIONAL FEDERATION OF THE BLIND

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. DASCHLE. Mr. Speaker, the National Federation of the Blind is the largest organization of blind persons in our country. We are proud of the work the affiliate in South Dakota is doing to insure equality, security, and opportunity for blind citizens of South Dakota. Recently, Governor William Janklow declared May as National Federation of the Blind Month in South Dakota. I would like to enter his proclamation for the CONGRESSIONAL RECORD.

EXECUTIVE PROCLAMATION—STATE OF SOUTH DAKOTA, OFFICE OF THE GOVERNOR

Whereas the National Federation of the Blind of South Dakota is a vital advocacy group that represents the interests of thousands of blind citizens statewide; and,

Whereas this invaluable organization is an effective voice of the blind for it seeks to enhance the dignity and increase the independence of our state's visually handicapped; and

Whereas as the largest organization of the blind in America, the NFB strives to educate the public about the capabilities of the sightless; they are a group of individuals who see themselves not as blind people, but as people who just happen to be blind; and,

Whereas the National Federation of the Blind of South Dakota is a group whose blind members don't ask for sympathy, but for empathy . . . they wish not to be pampered, for they only desire to be given a chance to prove how much they CAN do and how little they can't do; and,

Whereas the NFB not only seeks to educate the sighted, but works as well to inform the visually handicapped of their rights and of the many services available to them:

Now, therefore, I, William J. Janklow, Governor of the State of South Dakota, in recognition of their annual state convention, do hereby proclaim May, 1982, as

NATIONAL FEDERATION OF THE BLIND OF SOUTH DAKOTA MONTH

in South Dakota. As citizens of this great State, it is important we all recognize the blind as fellow human beings who desire only to live full, rich lives in dignity and equality.●

EDDIE BATRES—GOOD SAMARITAN

HON. JOHN ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. ROUSSELOT. Mr. Speaker, the Webster's Dictionary defines an act of heroism as "superlative courage, especially in fulfilling a high purpose against odds * * *, indifference to danger and hardship." If this is heroism, my fellow Members, then Eddie Batres, a young El Monte Fire Department Explorer, is certainly a hero.

Eddie, 1 of 13 children in the Batres family, was like any other young American starting life these days. He grew up in El Monte, graduated from Arroyo High School, was working and attending college. Eddie was a member of the El Monte Fire Department Explorers, who had taught him first aid. He was eager to begin a life of service to his family and his community.

On March 19, while at the corner of Santa Ana and Lower Azusa Avenues, Eddie witnessed an automobile accident. Without hesitation, he knew what he had to do. With no thought of his own safety, Eddie rushed into the road and began to free the injured passengers from the wreckage, only to be struck himself as another vehicle crashed into the wreckage. The collision severed Eddie's spinal column and broke several other bones.

Eddie freely risked his life because he cared enough about his fellow man to become a "good Samaritan." Well, Eddie's fellow citizens in El Monte care about him, too. On June 4, the people of El Monte will gather in Areco Park to help raise funds to assist the Batres family to pay their soaring medical and rehabilitation costs. There will be a concert and a barbecue with all the proceeds earmarked for the "Eddie Batres Fund." I feel that I can speak for the whole House in commending the exemplary heroism and self-sacrifice which Eddie Batres has displayed, and in wishing the people of El Monte success with their fundraising efforts.●

WHEN TO TURN THE OTHER CHEEK IN WAR

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. ZABLOCKI. Mr. Speaker, as Americans become more involved in the ongoing public debate over nuclear arms control it is necessary that they seek direction on the moral implications of this important question. In the forefront of contributing that understanding is the American Catholic Church. And yet, as evidence of its health and vitality, there are differences of opinion within the church on the fundamental question of when to turn the other cheek in war.

A comment-article in a recent issue of the Columbia magazine, the national publication of the Knights of Columbus, reflects those differences and thereby makes a contribution to the debate on nuclear arms policy. By way of providing moral guidance on the issue the article cites the following words of Pope John Paul II:

> I am deeply convinced that, in light of the effects scientifically foreseen as sure in nuclear war, the only morally and humanly valid choice is represented by a reduction in nuclear arms, in anticipation of their future total elimination simultaneously effectuated by all sides, through explicit accords and with the commitment to accept effective controls.

Because I believe the article merits reading, I insert it in the RECORD at this point and recommend it for consideration by my colleagues and all interested persons.

The article follows:

[From the Columbia, April 1982]

COMMENT—WHEN TO TURN THE OTHER CHEEK IN WAR

(By Elmer Von Feldt)

An unsettling controversy is raging in Catholic circles on whether nuclear weapons of any type may ever be used or even manufactured and stored for defense purposes. In fact, the question is raised whether Christian morality, given present conditions, admits the right of self-defense.

The issue occupied much of the time of the U.S. bishops at their annual meeting in Washington last November. The debate initiated there has continued from the pulpit and in statements by bishops.

The published statements of some prelates have been strong in condemning use or even possession of nuclear armaments. Some typical declarations were:

"No Catholic can ever support or cooperate with the planning or executing of policies to use, or which by implication intend to use, nuclear weapons, even in a defensive posture."

"We cannot indefinitely justify the possession of nuclear arms in the name of peace."

"A 'just' nuclear war is a contradiction in terms . . . Not only the use of strategic weapons but also the declared intent to use them in our deterrence policy is wrong."

"It is immoral to possess nuclear weapons."

"It is immoral to be associated with the production or use of nuclear weapons."

"Individuals involved in the production or stockpiling of nuclear bombs should consider what they are doing, resign from such activities and seek employment in peaceful pursuits."

"Our moral obligation as Christians and Catholics is to support and defend all human life. The presence of nuclear weapons and the readiness of those in power to use them contradicts that obligation."

"The most dangerous moral issue in the public order today is the nuclear arms race. . . . The Church needs to say 'no' clearly and decisively to the use of nuclear weapons. . . . It is not useful to blur the line of moral argument about the use of nuclear weapons at a time when the secular debate is openly discussing the use of limited nuclear weapons and winning nuclear wars."

"All nuclear war is immoral. Failure to achieve mutual disarmament leaves us with only one moral position in this tragic situation, the position of unilateral disarmament with trust and reliance on the Lord as security."

"There is no way we can apply 'just war' norms to machines with such destructive power as nuclear bombs. We must say that their very use is madness and immoral."

There is general agreement within the Christian community that a full-scale nuclear war would be a horrendous catastrophe for the human race and might obliterate all life.

Pope John Paul II voiced this concern on several occasions. "I am deeply convinced that, in light of the effects scientifically foreseen as sure in nuclear war, the only morally and humanly valid choice is represented by a reduction in nuclear arms, in anticipation of their future total elimination simultaneously effectuated by all sides, through explicit accords and with the commitment to accept effective controls," the pope said.

According to an Associated Press-NBC News opinion poll the majority of Americans favor systematic bilateral nuclear disarmament on the part of the United States and the Soviet Union. A total of 51 percent agreed this should take place; 27 percent said the U.S. should not disarm; 12 percent favored unilateral disarmament by the U.S.; and 10 percent had no definite views.

Systematic disarmament not only in nuclear but also conventional weapons certainly would be a great boon to humanity. Current arms production saps much of the world's energies and resources which could be used much more constructively to serve basic human needs. Secondly the elimination of substantial arms in the possession of any one nation would remove the temptation to launch a war for either political or economic advantages.

While most of the current statements by Catholic prelates on nuclear arms have opposed their use or possession, several bishops have declared that possession of nuclear arms does not necessarily violate Christian morality. Among these are Terence Cardinal Cooke, archbishop of New York and military vicar for U.S. servicemen, and Archbishop John F. Whealon of Hartford, Conn.

"The Church has traditionally taught, and continues to teach, that a government has both the right and the duty to protect its people against unjust aggression." Cardinal Cooke stated in a letter sent to all Catholic military chaplains. "This means that it is legitimate to develop and maintain weapons systems to try to prevent war by deterring another nation from attacking. . . . Although the Church urges nations to design better ways—ideally non-violent ways—of maintaining peace, it recognizes that as long as we have good reasons to believe that another nation would be tempted to attack us if we could not retaliate, we have the right to deter attack by making it clear that we could retaliate. In very simple terms, this is the "strategy of deterrence" we hear so much about. It is not a desirable strategy; it can be terribly dangerous. Government leaders and peoples of all nations have a grave moral obligation to come up with alternatives. But as long as our nation is sincerely trying to work with other nations to find a better way, the Church considers the strategy of nuclear deterrence morally tolerable; not satisfactory, but tolerable. . . .

"It follows clearly that if a strategy of nuclear deterrence can be morally tolerated while a nation is sincerely trying to come up with a rational alternative, those who produce or are assigned to handle the weapons that make the strategy possible and workable can do so in good conscience. The Church does condemn the use of any weapons, nuclear or conventional, that would indiscriminately destroy huge numbers of innocent people, such as an entire city, or weapons that would "blow up the world." Every nation has a grave moral obligation to reduce and finally to get rid of such weapons altogether, but the Church points out that this must be done gradually, with all nations cooperating, and with prudence. The Church does not require, nor have the popes of the nuclear age or the Second Vatican Council recommended, unilateral disarmament."

Archbishop Whealon, who was a seminary professor in his early Church career and who has served on the U.S. bishops' Doctrine Committee, issued a lengthy statement on nuclear arms. Among the questions he raised were: Is it moral for a nation to possess nuclear arms? Is it moral to make use of nuclear arms in warfare?

In answer to the first question he quoted from the Vatican II Pastoral Constitution on the Church in the Modern World. "As long as the danger of war remains and there is no competent and sufficiently powerful authority at the international level, governments cannot be denied the right to legitimate defense once every means of peaceful settlement has been exhausted," the document says.

The archbishop commented: "The council, we must remember, took place at a time when nuclear arms existed and frightened the world by their potential for destruction. From these words of the Second Vatican Council it follows that it is moral for any nation to possess nuclear arms if these are necessary for legitimate self-defense and possessed for this purpose only."

Answering the question whether it is moral to use nuclear arms, the prelate said: "Current information is that nuclear explosions are of various strengths and can be set off on a more limited and controlled scale, so that their low-yield effects would be much less widespread than are usually imagined. Such explosives would be less discriminate than the massive bombing of cities during World War II. Therefore, it is difficult to see a basis for judging that a limited nuclear bomb is more objectionable morally simply because it is nuclear."

By way of background, President Ronald Reagan has approved the production of neutron bombs and shells as a means to offset the vast advantage the Soviets enjoy by their greater tank batallions. The International Institute of Strategic Studies estimates that the Soviets, together with other Warsaw Pact countries, have a force of 26,000 tanks that could swarm into Western Europe at short notice, engulfing perhaps hundreds of square miles. The Soviet Union has another 19,200 tanks in reserve for a followup attack, according to the institute.

The neutron bomb, or "enhanced radiation weapon" as it is called by the military, is a small artillery shell or flying bomb which can be confined to a small area and whose lethal radiation lasts for only a few seconds. Though it could destroy tank crews and troops within an area of thousands of square yards the neutron shell carries no long-term radiation danger either at the blast site or through airborne particles, military experts say.

Use of or even the threat of using the neutron bomb or shell could forestall a massive tank invasion of Western Europe, a military strategy the Soviet Union has used to crush opposition in such satellite countries as Hungary and Czechoslovakia.

Perhaps repelled by the horror of all war, some voices in the Catholic community—particularly those associated with the Pax Christi movement—have called for total unilateral disarmament and non-resistance in response to foreign aggression. In effect they are asking the nation to follow the recommendation of Christ when He said, "When a person strikes you on the right cheek turn and offer him the other."

This certainly is a noble admonition for personal Christian perfection. But can it be adopted by a government which has the responsibility of protecting its citizens? Can it even be adopted by a father who has the responsibility to protect his family? If his child is attacked by a bully, should he recommend that the child turn the other cheek for an additional beating? Or is it his responsibility to stop the bully and remove his child from danger? If his daughter is raped should he admonish her to yield again to the same humiliation or should he take measures, forceful if necessary, to halt such a tragedy?

If a government scraps all its armaments and decides not to protect its citizens against foreign aggression, should it do the same in domestic affairs? Should it abolish such agencies as the FBI, the police, the national guard? If so, then every citizen must be prepared in the ensuing jungle to take a blow on the other cheek.

Christ did recommend non-violence in certain situations and never made an effort to defend Himself during His passion and crucifixion. But He also said at one point that "the man without a sword must sell his coat and buy one." He personally made a whip and drove merchants and the money-changers out of the temple in Jerusalem. This surely hints that a Christian need not turn the other cheek on every occasion. Certain issues are so important that they call for defensive action even by use of the sword.

The president of the United States, as well as the chief executive of every country, is elected to promote the interests of and to defend the nation, not to line up citizens to accept a blow on the other cheek from either foreign or domestic outlaws. Any suggestion that his obligations should be reversed contradicts both sound Christianity and sound public policy.●

ELAINE PARHAM, A DEDICATED TEACHER

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. THOMAS. Mr. Speaker, this is the time of year when we traditionally gather to honor the graduates of our schools as they step into the future. However, I would like to honor a person who has spent her entire career preparing these students to take that step.

Mrs. Elaine Parham has taught students in McFarland for 30 years, and she is retiring on June 5 with the fond wishes of all who have known her through the years. Mrs. Parham, in the best tradition of her profession, has left the stamp of her teaching upon the growth of many thousands of students, many of whom continue to correspond with Mrs. Parham after going on to college and other pursuits.

For the best of our teachers, instructing students is not simply a job, but a mission to which they are dedicated. So it has been with Mrs. Parham, who taught first in McFarland Elementary School and then for 20 years as an English teacher at McFarland High School.

Mrs. Parham graduated from Louisiana Institute of Technology in 1940 and taught high school English for 5 years in Louisiana. During that time, she was married and began a family.

She began her teaching career in McFarland in 1953, and in 1962, Mrs. Parham joined the faculty of McFarland High School, where she has taught English, served as yearbook adviser, and chaired the English department. Mrs. Parham has put far more into her years at McFarland High School than has been asked, and she has recognized that being a teacher means more than simply filling classroom hours; it means giving of one's time and energies in all of the small ways which insure that a school becomes a place where students are challenged and absorbed in learning.

During her teaching career, Mrs. Parham has not ignored the needs of her own family. She has seen that each of her three sons as well as a nephew whom she took in have attended college and pursued their own careers, despite the loss of her husband shortly after she began teaching at McFarland High School.

Elaine Parham has guided and inspired countless students as a teacher, and she richly deserves her retirement as well as the praise she is being given on this happy occasion. I would like to add my congratulations to the many she will receive.●

OLDEST BASEBALL LEAGUE

HON. LAWRENCE J. DeNARDIS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. DENARDIS. Mr. Speaker, I would like to take this opportunity to acknowledge and salute the West Haven, Conn. Twilight League, the oldest continually operated amateur baseball league in the United States, as it celebrates its 50th year of service.

It was May 13, 1933, in the midst of the Great Depression, when Col. Herbert Metcalfe and his associates, Fordham Johnny King, Jimmy McDermott, Frank Harlan, Dudley Myers, Eddie Canavan, Jugh O'Neil, Ted and Bob Metcalfe, and Ed "Shrimp" Flynn, formed this remarkable league.

Under the tutelage of its first president, Frank Doolan, the Twilight League began a tradition of outstanding baseball when 4,000 enthusiastic fans lined the Kelsey Avenue ball orchard to witness the opener. Cagey Luke Crowe passed his baseball cap to collect donations for the self-supporting amateur circuit which has since seen some 1,000 players and more that 60 baseball organizations participate in the summer loop.

This Saturday, May 29, the league will mark its golden anniversary when President Vincent "Skip" Falcone throws out the first ball to open the 1982 season. The young men who have participated in the West Haven Twilight League in the past and those who will play this season have benefited greatly not only from the combative atmosphere that is part of our national pastime, but also from the fraternal relationships they have blended into a longstanding tradition.

Each player and league official, past and present, deserve out heartiest congratulations on the proud occasion of the league's 50th anniversary.●

FARM CREDIT POLICY OF ADMINISTRATION IS A DISASTER FOR AMERICAN FARMER

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. TRAXLER. Mr. Speaker, it is no secret that American agriculture is facing a depression. Farmers find that their net farm income is at its lowest level since the Great Depression, and all that the Reagan administration can say to our farmers is that if they just wait things will get better.

Mr. Speaker, the farmers I represent cannot wait any longer. Farmer after farmer tells me that the Farmers Home Administration has turned from being the farmer's friend into being the farmer's adversary.

One constituent wrote to me just yesterday saying that they had received "very uncooperative, rude and even threatening behavior on the part of (the) local FmHA officer and office staff." Another one of my constituents, facing an effort to graduate him from his FmHA loan to private financing, was forced to go to two more banks for a credit denial after he had already received denials from three other banks. The reason? The local FmHA officer did not believe the denials.

Mr. Speaker, these are not isolated incidents. Despite every promise made by Secretary of Agriculture John Block and Under Secretary Frank Naylor, farmers are being squeezed by FmHA. They are unable to get the very loans they need to stay in production. They are facing delays in loan processing. They are facing far more stringent eligibility standards which seem to be more stringent than those imposed by major private banks. And all our Secretary and Under Secretary of Agriculture can say, as they did before my Subcommittee on Agricultural Appropriations, is that these are isolated incidents.

The bottom line, Mr. Speaker, is that what is really happening is that the administration is making a concerted effort to get out of the farm credit business. I do not believe that they care about what is happening to the family farm. I do not believe that they are concerned that this survival of the fittest mentality will ultimately result in a corporate farm system. I do not believe that they are concerned that their policies may result in a reduction in food availability as more and more farmers are forced out of production, and I do not believe that they are concerned that this policy will ultimately result in higher food prices for consumers as we lose our ability to produce a plentiful and inexpensive food supply.

One piece of extremely persuasive evidence of my belief is an article which appeared in yesterday's Wall Street Journal, which points out that farm income is low, farm loan delinquencies are increasing as a result of low farm prices, and that farmers may be facing the most serious cash flow crisis in modern agricultural history.

Mr. Speaker, unless farmers produce, consumers cannot eat. Unless our agricultural economy remains strong, our balance of payments in international trade will lose its single-largest positive component. Unless the Reagan administration reverses its farm credit policies, we may have to say goodbye to the productivity of American agriculture.

I am providing a copy of the Wall Street Journal article for the RECORD, and I commend it to all my colleagues.

[From the Wall Street Journal, May 26, 1982]

WAVE OF FARM FORECLOSURES FEARED AS BIG DEBT, LOW INCOME TAKE TOLL

(By Jeffrey H. Birnbaum)

Six years ago, Michael Krage left bustling Minneapolis for the good life on the farm. He didn't find it.

Drowning in debt from overexpansion, the 36-year-old Minnesotan has decided to unload. During a recent day-long auction, Mr. Krage, his wife and their three children watched helplessly as neighbors bought nearly everything on their 160-acre, Dakota, Minn., dairy farm, including an old plow acquired two years before at another farm sale.

"I felt disgusted and completely out of control" says Mr. Krage. "We were just doing our best to come out of it alive."

Mr. Krage's plight is being repeated with numbing frequency throughout the nation's farm belt. High debt and low income are forcing many farmers to abandon their livelihood. A flood of foreclosures is expected late this year or early next.

"The farm economy isn't on the brink," says Donald E. Wilkinson, governor of the Farm Credit Administration in Washington. "But if farm income doesn't improve, there will be some days of reckoning by early next year."

LATE PAYMENTS RISE

Signs of those days already are evident. At the end of the first quarter, 30 percent of 262,000 farmer-borrowers were in arrears to the Farmers Home Administration, historically the last-resort lender. Because some of these farmers have more than one loan, 33.6 percent of the total loans were in arrears. In dollar terms, late payments tainted only 14.4 percent of the $23 billion in loans outstanding, because a large portion of those troubled loans are with smaller farmers. But that still represents an increase in dollar terms of 71 percent from the year before. Since Oct. 1, the start of the fiscal year, 4,600 farmers have been told they are being foreclosed.

Delinquents also are rising at nongovernment lenders. A survey by the Farm Credit Administration of 24 of the farmer-owned banks it regulates, shows that 3.9 percent of their short-term loans were in arrears in this year's first quarter, compared with 2.4 percent a year earlier. In addition, 45 percent of the dollar volume of loans coming due in February, the peak lending month, was extended or rescheduled, compared with 40.6 percent the year before. "This is still in the safe range," Mr. Wilkinson says, "but it's the trend we're watching closely."

The trend seems to be moving in only one direction—toward accelerating debt problems. Of the 361 banks surveyed in January and February by the American Bankers Association, 85 percent said they had delinquent farm accounts. If, as is expected, farm income declines this year for the third consecutive year, the bankers' trade group predicts that more than 10 percent of the farm borrowers in nearly half of those banks will fall behind in their payments. That would mean, the association adds, foreclosures will increase substantially.

PRICE SUPPORTS HELP

"Without the immediate infusion of additional farm credit at affordable rates, thousands of family sized farms will be liquidated," the National Farmers Union predicts. Leaning toward hyperbole, it foresees in a recent report "the most serious cashflow crisis in modern agricultural history."

So far, foreclosures haven't reached crisis proportions. National figures aren't available, but Mr. Wilkinson says foreclosures have struck a tiny fraction of U.S. farmers, only about half of whom carry any debt. Federal price-support programs put billions of dollars into farmers' pockets, he explains, forestalling a cash squeeze for many.

Overall, farm sector finances are considered conservative and sound. The ratio of assets to debts is stronger in agriculture than in many other industries, says Dennis Steadman, a farm economist for Chase Econometrics, a Bala Cynwyd, Pa., consulting firm. This is largely because farmland prices have soared along with debt during the rapid farm expansions in the 1970s. But farmland prices declined by 1 percent for the 14 months ending April 1, the first decline recorded since 1954. Analysts say this might presage significant deterioration in the farm economy's balance sheet.

HOT POLITICAL TOPIC

Debt is more burdensome in some parts of the country where income has been weak for extended periods. Droughts have hit parts of the South and the upper Midwest for the past few years. Most hog farmers and cattle ranchers are just beginning to make money after a long stretch of low income caused by depressed meat prices.

The specter of rising foreclosures makes farm credit a hot political topic. The House Agriculture Committee has approved a bill that would defer loan payments to the Farmers Home Administration if the farmer can't raise cash for reasons beyond his control. The Senate Agriculture Committee has approved legislation that would exceed Reagan administration requests for farm operating loans by nearly $100 million a year. And members of Congress with rural constituencies continue to agitate for the administration to release emergency loan funds.

The agency contends that extra farm aid isn't needed. On its own, it has deferred payments for 2,600 borrowers for a year, and has subordinated its own loans to bank debt for 15,800 others. Agriculture Secretary John Block believes that the best cure for farm ills is President Reagan's program to revive the economy.

MANY REFUSE TO QUIT

Such an attitude does little to quell the foreboding on the farm. Earlier this month, the Agriculture Council of America, a farm promotion group, sponsored a toll-free call-in to Capitol Hill, to express rural anger. Of the 4,000 callers, 14 percent said they didn't expect to survive in farming and ranching and 32 percent said this is the worst year ever.

But many farmers, such as Bill Bullard of Prairie, S.D., refuse to quit. After two consecutive years of drought and egg-sized hail, the 24-year-old Mr. Bullard has yet to earn a penny from his toil. Last December, the Farmers Home Administration told him to sell his cattle and machinery, and to offer his land for sale to repay $400,000 in debts. But Mr. Bullard is appealing. He contends the agency didn't give him a fair shake, and he has thus far forestalled default.

"We're living on next to nothing and they could come in tomorrow and foreclose on me," Mr. Bullard says. "But I'm not going to go without a fight."●

NAVY EXCHANGE SYSTEM

HON. DAN DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. DAN DANIEL. Mr. Speaker, today, I want to point out the significant improvements made since August 1981 in the financial operations of the Navy Exchange system.

Pursuant to its oversight responsibilities, the Nonappropriated Fund Panel, Committee on Armed Services, monitors the management and financial operations of military exchanges. The operation of these systems is important to our military forces and their dependents with articles and services necessary for their health, comfort, and convenience at the lowest practicable prices, and provide a supplemental source of funding for Department of Defense morale, welfare, and recreation programs.

An investigation of the Navy Exchange system was initiated by the Nonappropriated Fund Panel in 1980, and it included an evaluation of the system's financial performance. The analysis made shows a sales growth of only 3 percent annually since 1974, and after adjusting for inflation, a decrease in constant dollars of 11 percent. Further, operating profits decreased by $6.9 million and contributions to Navy morale, welfare, and recreation programs decreased by $2.2 million during the same period.

In March 1981 a report summarizing the results of the panel's investigation was transmitted to the Vice Chief of Naval Operations. It includes a number of recommendations to improve service and profits and pointed out that the trend of decreasing profits must be reversed if the Navy Exchange system is to generate the earnings needed to support Navy morale, welfare, and recreation programs, and to fund capital improvements.

The Navy is making substantial progress in correcting deficiencies identified by the panel during its investigation. I am encouraged by the significant upturn in exchange profits, the corresponding downturn in the inventory loss rate, and the benefits derived from establishing a meaningful budget merchandise program. These indicators demonstrate that the actions implemented are having positive results on the system and its patrons.

The downward trend in profits has been reversed. In the 6-month period ending in January 1982, Navy Exchange profits totaled $35 million. This was $9.7 million more than the $25.3 million earned in the comparable prior year period, an increase of 38 percent. It should be recognized that improvements in the overall financial posture took place during a period when the retail industry was experiencing a decline in sales and profits.

This dramatic increase is the result of new business strategies developed by the senior management of the Navy resale system. I am encouraged by this progress, but there is a long way to go to assure the Navy Exchange system remains a viable contributor to the Navy morale, welfare, and recreation program.●

UNEMPLOYMENT COMPENSATION SAVINGS

HON. W. HANSON MOORE

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. MOORE. Mr. Speaker, I am introducing today the administration's legislation on unemployment compensation.

The first bill would round down to the nearest full dollar amount an individual's weekly benefit for unemployment compensation. It is not intended to affect current unemployment compensation claimants; any loss to claimants who come on the rolls in the future would be minimal. Most States already use rounded dollar amounts in their benefit formulas. This amendment to the Federal Unemployment Tax Act (FUTA) would require all States to amend their laws to conform to the new Federal standard, and would be applicable to individuals whose benefit years begin after June 25, 1983.

The second bill deals with unemployment compensation for ex-armed service members. The Omnibus Budget Reconciliation Act of 1981 changed the eligibility requirements to deny unemployment compensation to individuals who were separated from the military under honorable conditions and who had the opportunity to reenlist. Under the act, however, individuals who were discharged under honorable conditions but whom the military did not wish to retain, such as those with a record of indiscipline or those who failed to maintain their skill proficiency, would continue to be eligible for unemployment compensation. This bill would deny eligibility to such persons. As a result, an individual would be eligible for benefits under the program only if the individual were discharged or released under honorable conditions and if the termination of service were the result of either a service-incurred injury or disability or a demobilization or reduction in authorized strength. This change is estimated to reduce outlays by $5 million in fiscal year 1982, and $30 million per year beginning in fiscal year 1983.●

SODIUM CONTENT LABELING

HON. ALBERT GORE, Jr.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. GORE. Mr. Speaker, the following article from the May 23, 1982, edition of the Washington Post is further evidence of the need for meaningful sodium content labeling. I commend it to the attention of my colleagues.

DOCTORS SAY CUT OUT SALT, BUT THEY DON'T SAY HOW

(By Sarah Fritschner)

When a perfectly healthy 42-year-old from Bowie, Md., reported for his annual physical, he learned he had high blood pressure. An Air Force veteran, he wasn't overweight. He wasn't diabetic and showed no other signs of degenerative disease.

In addition to giving him medicine, his doctor advised a low-sodium diet, and after mentioning a few foods inappropriate for such a regime, turned him loose to fend for himself.

When the man's wife (the couple, by request remains anonymous) began to cook according to that prescription, she didn't know what the diet entailed. The main family cook, she received no professional counseling or direction about special diets. It "was 'figure it out for yourself,' really," she said.

It was only over time that she quit buying canned soups and replaced regular bouillon with the low-sodium kind (which costs twice as much, she complains). She substituted table wine for cooking wine when she read that it had large amounts of sodium. And "our canned foods are down to about nothing now because I don't know what's in them."

According to an article in a recent "Journal of Family Practice," this experience is not unusual. Doctors apparently don't know many details about low-sodium diets, and don't use the services of those who do.

Two Seattle family practice physicians questioned other physicians, dietitians and members of the general public about their sodium knowledge and reached what were, to some, surprising conclusions.

First, the study found, family practice physicians know as much as the "average person" about the sodium level in foods. (Average people in this case were individuals coming to the University of Seattle to learn more about health-related issues. The researchers said "they may well have had an about-average interest in and knowledge of nutrition.")

Second, physicians' scores were about the same no matter how long they had been practicing. Some were recent medical school graduates; some had practiced more than 15 years. They had come from all over the country to attend a continuing education course.

Third, scores didn't differ much between the doctors who give general verbal advice directly to the patient and those who use handouts, refer patients to dietitians or actually prescribe a diet.

Last, the mean score for the physicians (6.4 out of 14) did not differ significantly from what would be achieved just from guessing.

On the other hand, dietitians did score significantly higher; their mean score was 10.3 out of 14.

One researcher, Dr. Fred Heidrich, of the Seattle Group Health Cooperative, says he had anticipated the test results. But he adds, "the average physician doesn't have time to [learn specifics about sodium] or adequately educate the patient." He "leaves the instruction to the dietitian."

But only a minority of those doctors answering the survey depend on further patient counseling. Some, says Heidrich, are "from quite rural areas where they might not have access to dietitians or other professionals." Others don't realize additional expertise can help.

Without additional counseling, many of those who cook and shop according to low-sodium restrictions don't know how to approach the diet. Some don't realize, for instance, that bouillon cubes and soy sauce contain relatively high levels of sodium.

Washington cardiologist David Pearle says one reason physicians don't know the sodium content of common foods is that traditional medical school curricula do not stress nutrition education. "Physicians ought to know more," he maintains, since the "low-sodium diet is a very common prescription. Nutritional advice has to be very down-to-earth and concrete." Although he believes that patients need to take much of the responsibility for their own health, physicians must serve as a reference point for accurate information.

Dr. James Bergman, who helped divise the Seattle study, concurs with Pearle and says that a nutrition curriculum is just now being developed at the University of Washington. In addition, he says that it would be "nice if there was a method for the nutritionsist to help the physician. [It's] good to have that kind of consulting going on." Physicians and nutritionists, he says, "don't talk enough."

Bergman calls for clearer sodium labeling—especially on foods high in sodium—as a simple solution to the problem. Such listings would quickly indicate to the hypertensive which foods are proscribed by sodium restriction.

For instance, on the Seattle test, physicians were asked to place certain foods in the small-, medium- or high-range of sodium content. Eight items were listed; very few physicians knew how to rate one teaspoon of soy sauce, one ounce of potato chips or one ounce of peanuts. A glance at some potato chip bags informs the consumer that a single serving contains 260 milligrams of sodium. Such clear sodium labeling, Bergman says, would make the diet easier for everyone.

Currently, Food and Drug Commissioner Arthur Hayes is encouraging food processors to label their products with sodium content. Most processors support this voluntary compliance program, and a spokesman for FDA says the department expects a third to a half of all foods under its jurisdiction to have sodium labeling by the end of 1982.

Many consumer advocates, on the other hand, support a bill introduced by Rep. Albert Gore (D-Tenn.) that would require sodium labeling.

The recommended intake of sodium is 1,000 to 3,000 milligrams per day. Among foods high in sodium are cheese, particularly processed cheese and spreads; cured and processed meats (bacon, bologna, hot dogs, sausage, etc.); smoked, pickled or canned fish; canned meats and canned meat entrees such as stews and spaghetti; heat-and-serve main dishes such as; TV dinners, pot pies and pizza; condiments such as pickles, relish, olives, ketchup and mustard; canned and instant soups; crunchy snack foods; sauerkraut; and canned vegetable juices.

SODIUM QUIZ

In each of the following pairs, one item has at least twice as much sodium as the other. Check the one with the most sodium for each pair.

1. 1 Heinz dill pickle or 4 slices of Oscar Mayer bacon.
2. 1 ounce Lay's potato chips or 1 "Big Mac".
3. 1 serving Wishbone Italian dressing or 1 ounce Planter's cocktail peanuts.
4. 1 half cup Jello chocolate pudding or 1 can beer.
5. 1 cube instant bouillon or 6 saltine crackers.
6. 1 ounce Kellogg's corn flakes or 1 slice Pepperidge Farm white bread.

Answer:

1. 1 Heinz dill pickle has about 1,137 mg. sodium, 4 slices of Oscar Mayer bacon has 452 mg.
2. A "Big Mac" has about 963 mg. sodium, 1 ounce Lays' potato chips contains about 191 mg.
3. 1 serving Wishbone Italian dressing has 293 mg. sodium, 1 ounce Planter's cocktail peanuts has 138 mg.
4. 1 half cup Jello chocolate pudding contains 404 mg. sodium, 1 can beer has 25 mg.
5. 1 cube instant bouillon has 960 mg. sodium, 6 saltine crackers have 198 mg.
6. 1 ounce Kellogg's corn flakes has about 216 mg. sodium, 1 slice Pepperidge Farm white bread has 117 mg.●

COMMEMORATING THE FRENCH EXPLORER: RENE ROBERT CAVELIER, SIEUR DE LA SALLE

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. BREAUX. Mr. Speaker, on the occasion of the Louisiana tricentennial, I, on behalf of myself and my colleagues from Louisiana the Honorables LONG, BOGGS, MOORE, HUCKABY, LIVINGSTON, TAUZIN, AND ROEMER, would like to ask you and all of our colleagues to join us in commemorating the 300th anniversary of the second voyage of the French explorer—René Robert Cavelier, Sieur de La Salle. It was during this voyage that, on April 9, 1682, La Salle succeeded in canoeing down the Mississippi River and reached the Gulf of Mexico. At this juncture, he proclaimed the Mississippi Basin for France and named it Louisiana. In so doing, La Salle acquired, in name, the most fertile half of the North American continent for France.

Born in 1643, by the age of 31, La Salle had already become the most successful French fur trader in North America, having begun this career in Montreal. In May of 1678, King Louis XIV granted La Salle his consent to explore the Mississippi River to its mouth. Four years after King Louis granted his authority, La Salle at last saw for the first time the river he had dreamed of for so long—the great Mississippi. Tracing the Mississippi from its joining with the Illinios River to its mouth in the Gulf of Mexico, La Salle thus completed the exploration of this mighty river which had begun with the expeditions of his countrymen, Louis Jolliet and Father Marquette.

Today, 300 years later, we should take this opportunity to remember René Robert Cavelier, Sieur de La Salle, as well as his fellow Frenchmen, who was so vital to the exploration and settlement of the New World, especially that of Louisiana. For it was men like him—filled with courage, ambition, and a thirst for discovery who helped form the pioneering spirit in the lands of the wilderness we now call the United States of America. We in Louisiana are pleased to join our colleague, Mr. SENSENBRENNER, who proposed a similar resolution on April 6, 1982.●

CYPRESS COLLEGE ASIAN AWARENESS DAY

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. PATTERSON. Mr. Speaker, today is a special day in the 38th Congressional District of California. Cypress College is sponsoring Asian awareness day to bring about a better understanding among all people and to recognize that common core of humanity which we all share. I would like to ask my colleagues in the House to join me in saluting this effort.

Orange County, Calif., has the largest concentration per capita of Indochinese refugees in the country. The refugee forum of Orange County has estimated that there are currently 50,000 refugees in the county. The 1980 census figures indicate that in Orange County there are 19,333 Vietnamese, out of a total Asian population of 86,893. The Asians represent 4.5 percent of the county's population. Asian-Americans are now the second largest minority group in the county, behind the Hispanic population which represents 14.8 percent.

Significant changes are occurring in our community. I am proud to represent a district where so many citizens have made such an effort to accomodate the newcomers. I will continue my efforts to insure that the Federal Government accepts its full responsibility so that refugees we allow into our country as our national commitment—against communism and other totalitarian governments, and for human rights and dignity of the individual, are provided temporary Federal assistance to relieve local government costs.

I commend the students of Cypress College and the Committee Against Racism in Education for their courage in dealing with this issue in the forefront. Let us work together to unite our community and gain a better understanding of each other. It is by such efforts that we shall achieve the ends we all desire.●

UP THE NUCLEAR LEARNING CURVE—I

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. PORTER. Mr. Speaker, I would like to present in the RECORD a noteworthy series of editorials in the Chicago Tribune concerning the lack of awareness of the nuclear arms problems on the part of the American people. As hard thought is given to the nuclear predicament the world faces, however, this deficiency is beginning to be corrected. I call this valuable series to the attention of the Members and have inserted one editorial in each of three places in the RECORD today:

UP THE NUCLEAR LEARNING CURVE—I

Anybody who has ever tried to deal with the problem of nuclear arms knows about the learning curve. The problem looks simple enough at first; but as knowledge is added, the complexity increases in geometric progression. The curve soars upward, steadily steeper and more difficult for the mind to ascend and comprehend.

That is why strategic nuclear doctrine has been left largely to think tanks and egghead theoreticians. That is why nuclear weapons policy has been worked out at intellectual levels often beyond the ken of the presidents and soldiers and diplomats who must carry it out.

That is also one reason why nuclear war is called "unthinkable." It is not so much that the horror cannot be contemplated; it is more that ordinary citizens, most of us, lack the time and the background and the inclination to think about it beyond the most general and basic level.

That is beginning to change. Americans are thinking about the nuclear predicament, and thinking hard. Books on the subject are making their way onto best-seller lists. Community halls are packed with earnest citizens eager to hear more about it. Politicians have noticed the interest, and they are shoving their way to the microphones to pronounce on a subject they formerly avoided because it was either too incomprehensible or too downbeat.

This reflects a long-delayed and positive change in attitude. It can lead the country, and the world, toward a solution to the nuclear predicament. Nevertheless, Americans—and Europeans, too—are only at the start of the learning curve. Unless they can work their way up it, their contribution is going to be useless, or worse than useless.

An unfortunate example of the uselessness of some of the recent discussion is the movement for a nuclear freeze. The freeze proposals are deceptively simple, not to say simpleminded, because they originate far too low on the nuclear learning curve. Sometimes the proposals are deliberately simple. Many advocates of a freeze are far enough up the learning curve to realize the flaws of the idea, but they endorse some kind of freeze anyway because the idea is simple enough to appeal to less informed people.

The freeze argument says that there already are enough weapons in the superpower arsenals to blow the world apart several times, so let's not make any more of them. If only the Soviet Union and the United States will agree on the single, simple, straightforward proposition that the production and deployment of nuclear arms be frozen, the argument goes, we will be well on the way to solving the dilemma.

Unhappily, that is not necessarily so. It is not only numbers of weapons that make the world dangerous, but the way in which they are deployed and designed. The nature and the deployment of weapons presently in Soviet and American (and European, Chinese and maybe even Israeli, South African and Indian) arsenals are such that there is an increasing danger that they might be used.

The Soviets and the Americans both have an array of highly-accurate, multiple-warhead missiles that might be just capable of delivering a preemptive strike against at least the command and communications facilities of the other side. In Europe, the instability is even greater. There, the Soviets have the numbers and the warhead accuracy in their SS-20 missiles to deliver a preemptive knockout against the West, while the West has no credible retaliatory deterrent.

To freeze this imbalance would not improve matters at all: on the contrary, it would only complicate the job of restoring, to some degree, the mutually deterrent posture that has kept nuclear weapons at bay for 37 years. If the weapons as now deployed are dangerous then it is not a good idea to freeze them in this dangerous position; the right idea should be to make them less dangerously deployed through negotiations.

The freeze proposals also assume, naively, that the United States need only offer a freeze and the Soviets will accept it, and will accept it in a way that is foolproof and cheatproof. Here again, unfortunately, matters are not that simple. The history of arms control negotiations tells us that any agreement, no matter how simple on the surface, is intensely complex in its details. Because of the enormity of the stakes involved, neither side can afford to trust the other—no arms agreement built on trust is worth the paper it is scribbled on.

To be workable, arms agreements must be verifiable. That involves lengthy, detailed, technical negotiations before either side would be willing to accept a treaty. Verifiability is the nearly insurmountable barrier, for example, to freeze proposals that call for a ban on renewing warheads. This is an attractive idea because nuclear warheads, by their nature, have a limited shelf life. They run out of zip after a few years and must be dismantled and rebuilt with fresh nuclear materials. A ban on such maintenance would result, presumbly, in all the weapons becoming old and unworkable after a dozen years or so. Presto! Automatic nuclear disarmament.

The problem is that such a ban would have to be verified. Neither side could trust the other not to renew its warheads unless they could work out a system of on-site inspections of nuclear handling facilities, an idea the Soviets have never accepted. Even if on-site inspection were agreed to, there would be the possibility of facilities being hidden from the inspectors.

Another issue being raised in the new debate on nuclear weapons is SALT II ratification. There is a move in Congress to revive and ratify the treaty that was withdrawn by President Carter after overwhelming opposition developed in the Senate. While there is nothing significantly wrong with the treaty, a fight over the issue would only distract attention from more important aspects of the debate. The treaty is being observed by both sides even without ratification, and it will continue to be observed as long as it suits the interests of the two sides. It is a sleeping dog; let it lie.

So what is to be done, if not campaign for a freeze or ratify SALT II? The people now struggling up the learning curve are determined and sincere; they are a political force, a valuable one, and they want ideas and action.

Fortunately, there are good ideas coming forth, and there is a need for action on those ideas.●

MEMORIAL DAY

SPEECH OF

HON. DANIEL K. AKAKA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. AKAKA. Mr. Speaker, I believe it is only appropriate that, we, the elected officals of this great Nation, take the time to pay tribute to those Americans who gave their lives in battle for the protection and welfare of our citizens. For it was those great men and women, whom we honor each year, who helped shape this Nation by securing the principles of freedom and democracy for future generations. It was those great men and women, who through their faith and devotion to their homeland, gave this country its strength and its people the will to persevere during times of great stress and despair.

All of us recognize that our country is currently in a period of extreme economic uncertainty. However, on this Memorial Day, we should remember that the United States has seen even harder times during its history and its people have survived far greater perils. Let us remember the sacrifices of thousands of loyal Americans who fought for this country with the undying conviction that the American way of life should be preserved. Let us remember their hopes and dreams for this great Nation, then let us rejoice over the fruits of their labor.

Let us also take the time to express our solemn thanks to these brave soldiers, for these men and women died on battlefields so that others could live and prosper. Let us pray for the many Americans who lie in faraway graves in distant parts of the world. Let us join hands in peace and celebrate the glory of the United States and her people. Then let us take the time to reflect on the future of America and the brotherhood of all mankind.

On this Memorial Day, we should not only honor those who gave so freely of themselves or the ideals for which they fought. We should also honor that which is the true victory of all battles—and that is, a nation at peace. We must remember that no war, under any guise or any banner, is good for a nation's people. We must remember that peace must be maintained at all times, and that the power and strength of a nation is measured in its ability to maintain that peace and not in the size of its armies.

Let us give thanks then that we are a strong nation and a nation at peace. Let us pay tribute to our dead as we would to any testimonial to victory, then let us pledge our allegiance to a continuing peace.

Let us also call on the nations of the world to seek international harmony. Let us pray that together, we will have the wisdom, the strength and the bravery to avoid the inherent sorrows of nations thrust into battle. Let us seek a world that is at peace, so that all people from all nations may rise together in a common bond of love and understanding.●

TRIBUTE TO WILLIAM J. DELANCEY

HON. TOM BEVILL

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. BEVILL. Mr. Speaker, 2 years ago this month, Mr. William J. DeLancey was elected to serve as chairman of the board of directors of the American Iron and Steel Institute. This week, in New York City, at AISI's 90th annual meeting, Bill DeLancey concluded his 2-year term as chairman of that fine organization, with the eminence and dignity which have been a hallmark of both his personal and professional life.

Bill also recently announced that, on June 30, he is retiring as chairman of the board and chief executive officer of the Republic Steel Corp. He will continue as a director of Republic Steel.

Mr. Speaker, we all know of the many difficult problems the steel industry has been confronted with during the past decade, in such areas as international trade, taxation and environmental controls. In face of these many difficulties, Bill DeLancey has provided outstanding leadership for Republic Steel and for the entire American steel industry.

In his many appearances before governmental agencies, committees of Congress and other groups, Bill has been instrumental in creating a greater public awareness of these problems and the steps which must be taken to resolve them.

I am very proud that in the Fourth District of Alabama, in Gadsden, we have a fine Republic Steel plant, which is the largest single employer in the entire district. It was through my association with this facility that I first came to know Bill DeLancey. In working closely with him, I have found Bill to be one of the most dedicated men I ever have known. He is a true leader of the steel industry and a man of principle and integrity.

I want to take this opportunity to wish Bill and his family a most happy, well-deserved retirement and to publicly thank him for the tremendous service he has performed for America's steel industry.●

UP THE NUCLEAR LEARNING CURVE—II

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. PORTER. Mr. Speaker, I submit in the RECORD the second part of the Chicago Tribune editorial series on nuclear arms. The American people are demanding steps to be taken to control the ever-escalating quantities of nuclear arms that point increasingly to nuclear Armageddon. Serious proposals are now being put forth that command the attention of all Americans. This series helps us immensely in our understanding of the complexities that must be faced:

UP THE NUCLEAR LEARNING CURVE—II

As Americans work their way up the curve of knowledge concerning nuclear stretegy, they are demanding that steps be taken to control and eventually eliminate the huge stockpiles of weapons held by the superpowers. One idea that has captured their imagination is a weapons freeze—a bilateral ban on the production and deployment of new warheads. Leonid Brezhnev's vague endorsement of a weapons freeze Tuesday will no doubt spur its American advocates to greater endeavor.

But the freeze proposals, although not totally without merit, contain serious flaws. As discussed here yesterday, a freeze would prolong the state of instability that now governs superpower arsenals (and instability is something the Soviets generally manage to manipulate to their advantage). The only real value of a freeze would be to prevent a worsening of the instability, and that would happen only if an agreement could be negotiated quickly and easily. But the history of arms negotiations tells us that no agreement is quick or easy. There are immense complexities, involving verification, that would probably take years to resolve if they are resolvable at all.

A far more hopeful approach is the one advocated by President Reagan: the gradual elimination of strategic arms in a treaty he would call START, for Strategic Arms Reduction Treaty.

The reduction of strategic weapons systems probably would be no harder or more timeconsuming to negotiate than a freeze, and—if successful—the result would be far more conducive to the safety of the world. There are intelligent proposals now being put forth, and one possible approach has been offered by Rep. Albert Gore Jr. (D-Tenn.). Rep. Gore envisions an agreement that would result, by the year 1997, in the reduction of the superpower strategic arsenals to 1,080 land-based ICBMs on each side, each carrying only a single warhead, plus certain submarine and bomber systems. That is still a frighteningly large number of weapons, but the critical advantage would be that neither side would have the ability to destroy the other's strategic forces in a first strike.

Rep. Gore's proposal requires a modified freeze or moratorium, on certain categories of testing and deployment, but only as the starting point for an extensive reduction and reshaping of the two sides' strategic forces. He concentrates his attention not on reduction per se but on reduction of those systems that cause instability.

The most destabilizing element, and the one that is most readily subject to verifiable reduction, is the land-based, multiple-warhead missile (called MIRV, for multiple, independently targetable reentry vehicles). That is the weapon that is most likely to start a nuclear war because, if fired in sufficient numbers, it can theoretically deliver a disabling first strike. The others—the submarine missiles, the cruise missiles and the bombers—are essentially second-strike or retaliatory weapons to be used after the opening blow has been struck.

To reduce the possibility that an opening blow will even be comtemplated, Rep. Gore suggests that both sides get rid of their land-based multiple-warhead launchers, keeping some single-warhead systems and perhaps building one additional new single-warhead system.

In the United States' case the new system would be a single-warhead modification of the MX missile now under development, which would replace MIRVed Minuteman III launchers. The Soviets would be permitted to develop their own new missile, which he calls SS-X, to replace multiple-warhead SS-18s, SS-19s, and SS-17s.

As a hedge against a breakdown in negotiations, he proposes that the two sides be allowed to develop and test—but not produce or deploy—one new land-based and one new submarine-launched missile with multiple warheads.

There are other suggested provisions concerning submarines, bombers and cruise missiles, and a proposed timetable for the step-by-step mutual reduction in warhead numbers and capabilities. Ultimately, by 1997 according to his timetable, the two sides would have a total of about 10,000 strategic warheads deployed (compared with about 14,000 today and 16,500 by 1989 if present programs continue). But more important than the simple reduction in warhead numbers would be the complete elimination of systems capable of a disabling first strike against a full array of hardened targets.

The congressman's ideas are not without difficulties, nor are they the last word in START thinking. It is only one early possibility, one suggestion about what is possible in the realm of strategic arms reduction. It does not do what all of us fervently wish could be accomplished—the total elimination of all nuclear weapons. But it deals with the realities of the nuclear dilemma: it demonstrates that there are responsible and reasonable approaches to the problem that go far beyond the band-aid approach of the freeze. It is an idea that informed citizens can understand and that they should consider as a rational suggestion for arms control. It is a major step up the nuclear learning curve.●

LAW STUDENT INTERNSHIP PROGRAMS

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mrs. SCHROEDER. Mr. Speaker, today I am introducing legislation to permit law students to engage in internship programs in the Internal Revenue Service.

As part of the Civil Service Reform Act, we added section 3111 to title 5, United States Code, to permit the Government to accept the voluntary services of a student as part of a "program established for the purpose of providing educational experiences for the student." This section authorized the development of a wide number of internship programs through which the Government profits and the student profits. To insure that the Government does not use the free labor provided by student interns to displace regular employees, section 3111 contains protections.

Section 3111 does not, however, go far enough to permit the hiring of law students to work on IRS cases. This is because there are strong provisions in the Internal Revenue Code prohibiting the disclosure of tax information. These sections guard the personal privacy of taxpayers and must be preserved. However, they also prevent law students from looking at returns and, in so doing, render IRS internships not valuable.

The bill I am introducing today waives the nondisclosure provisions only for the purpose of student interns. At the same time, however, the bill imposes the criminal sanctions for improper disclosure to the students involved in the internship program. So, law student interns would be Federal employees both for the purposes of laws preventing disclosure and for purposes of the criminal provisions which sanction such disclosure.

I look forward to prompt action on this legislation.●

MEMORIAL DAY

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. SANTINI. Mr. Speaker, traditions such as Memorial Day are a very important part of this country. In the hectic, frenzied pace of our day-to-day lives, it is very necessary that we sometimes pause to reflect on how we arrived where we are today. We can do a much better job of plotting our course for the future if we know where we have been, what mistakes we have made. Certainly, we have a lot to be thankful for on this Memorial Day:

We are not engaged in war.

No American has been killed in combat in the past year.

Our country is at peace.

And because our country is at peace I think Americans have found, in themselves, the capacity once more to be proud. Proud to be Americans. Proud to show a little bit of patriotism.

Of course, I never believed, and I do not think patriotism was ever out of style. It just seems that for the past few years, we have not had too much in the news to be happy about. We have gone through a period of self-flagellation. But no more.

Today we pay tribute to those men and women who are responsible for our pride, who dedicated their lives to their country. We owe these people a debt of gratitude. And it would appear that there is a growing awareness of that debt—particularly to those who served in Vietnam. I believe we are finally realizing that we have neglected this group of Americans who served in this very unpopular war. A memorial is under construction this very day, funded largely by private funds on the Mall in our Nation's Capital in honor of those who died in Vietnam.

But this pays only a small part of the debt. Perhaps the greatest tribute we can pay to those who have given their lives, and the loved ones who have survived them, is the assurance that no one in the future will be called upon to make such a sacrifice. I strongly believe that the way we can do this is to assert our position as a world leader, to make our voice hear around the globe.

There is a commitment to this purpose in Washington now. We have been made increasingly aware of the need to upgrade our defense if we are to stay ahead of the Soviet Union and we are planning to meet that challenge. The challenge facing the 97th Congress is to make sure that defense moneys are well spent and that we get the most for every dollar—let us spend our defense money on defense and not on wasteful and extravagant programs that have nothing to do with actual defense preparedness.

There is also a commitment both in Washington and throughout the Nation to get our fiscal house in order. We have awakened to the fact that if we want our children and our grandchildren to enjoy the standard of living to which we have risen, we must get control of our rampant inflation, our rampant interest rates, and our rampant deficits and get our economy under control.

This will not be easy. It will demand sacrifices, but we have made sacrifices before. The people of this great Nation seem to overcome times of adversity by giving their best. We consistently rise to whatever is demanded of us. The spirit that enabled our forefathers to leave their secure, comfortable homes and to come West to tame the unknown is far from dead. There may be no new geographic frontiers to conquer. But there are plenty of challenges ahead.

The challenge of how best to conserve and develop our national resources.

The challenge of how best to defense this grand Nation against those who would attempt to bring it down.

The challenge of how best to balance progress and development with the preservation of our environment.

But there is no doubt in my mind that we can accomplish all of these goals. We owe no less to those of the past who have placed their trust in us and to those of the future who will depend on our success.●

RECENT POSITIVE ECONOMIC SIGNS

HON. JIM JEFFRIES

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. JEFFRIES. Mr. Speaker, I would like to take this time to discuss some of the positive economic signs that have appeared recently. Consumer prices fell during March for the first time in 17 years. During the first quarter in 1982, the cost of living index rose by only 1 percent, compared to the 10-percent rate for the first quarter in 1981. Economists are now predicting an annual inflation rate of only 4 to 6 percent, compared to the double-digit rates of 1979 and 1980. These encouraging figures should not be ignored, but instead acknowledged as positive signs that President Reagan's eonomic recovery plan, given time and support, will work.

One of the greatest evils of high inflation has been the tremendous loss of buying power that Americans have experienced over the years. Despite an increase of 60 percent in nominal hourly earnings since 1975, the American worker had suffered a loss in purchasing power.

The reductions in buying power caused by high inflation have had serious repercussions. By removing so much of their buying power, the high inflation rate has caused low-income Americans to be increasingly dependent on Government assistance. The real danger has come from the method by which the extended social programs to assist these people have been financed. As their incomes rose to keep up with inflation, wage earners were pushed into higher tax brackets, thereby enabling the Government to finance more social programs. Unfortunately, those who supported this method of financing did not consider its future impact on poor, low, and middle income Americans.

The higher tax brackets acted to decrease these people's buying power even further. The irony of this whole situation is that the social programs which were supposedly helping them out were, in fact, working against them. Indeed, the truly needy will benefit more from the drop in inflation than they ever will from social programs.

The economic mess in which we find ourselves is clearly the product of these past mistakes. President Reagan has proposed a plan to clean up this mess by controlling the runaway deficit. He has proposed to curtail Federal spending and balance the budget by cutting back on some of the social programs that were improperly financed from the start. With the lower inflation rate, the need for these programs will be reduced. Now that we have come to grips with inflation, the buying power of low-income Americans will be restored to where they can begin to make it on their own again.

Besides increasing people's dependency on the Government and contributing to the deficit, high inflation has resulted in skyrocketing interest rates. With inflation down, the interest rates will fall. In fact, the prime rate has already come down by 5 percent since President Reagan took office, and will naturally continue to fall if the Federal Reserve stops intervening in the money markets. May I remind my colleagues that 5 out of the 7 current members of the Fed were appointed by President Carter and have continued to impose a policy of high interest rates. Such policies are crippling the Reagan administration's plans to get the economy rolling again.

Instead of falling prey to past mistakes, I urge my colleagues this week to follow the budgetary guidelines set forth by President Reagan. President Reagan's plan to balance the budget and control the deficit by curtailing Federal spending will allow people to live their lives independent of Government assistance. In a society that cherishes freedom and independence as much as we do, that is the way it should be.●

UP THE NUCLEAR LEARNING CURVE—III

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. PORTER. Mr. Speaker, I submit for the RECORD the third and concluding editorial of the Chicago Tribune series on the nuclear learning curve. I commend this series, and believe it is of great value, not only to the American people but to the Members:

[From the Chicago Tribune, May 20, 1982]

UP THE NUCLEAR LEARNING CURVE—III

For learning the visceral essence of the nuclear dilemma there is no better classroom than the Oval Office of the White House. Its occupant lives day and night in proximity to a silent military officer carrying the "football," a briefcase containing the President's coded instructions for launching strategic nuclear weapons. Every president since World War II has dealt with the grim reality that he might someday be called upon to make a decision on use of those weapons, and the knowledge has profoundly affected their thinking.

President Reagan, too, has traveled a long distance up the learning curve during his time in the White House. From an early position of pugnacious confrontation, he has come to recognize not only that negotiation is vitally important but that the next round of arms talks must attack head-on the dangerously destabilizing changes that are taking place in the arms race.

In a speech at Eureka College earlier this month, Mr. Reagan gave the broad outline of a negotiating position that is now being formulated by the National Security Council. His position will be elaborated in more detail before he goes to Europe in June, but its framework has been made public by senior administration officials.

Unlike the proposal by Rep. Albert Gore (D., Tenn.), outlined in this space yesterday, the President is not putting forth a blueprint for a final treaty. His ideas, quite properly, are the opening offer in a long negotiating process that will lead to further offers and counteroffers, and they should be considered on that basis.

So far, the President is moving on the right track: He hopes to deal first with the most destabilizing elements of the arms race, leaving for later the less dangerous ones. For that reason, he has proposed a two-part plan for cutting back on the number of multiple-warhead land-based missiles in the inventories of both superpowers. It is those multiple, or MIRVed, missiles that represent the greatest danger because they can be used in a disabling first strike against an opponent.

As the first stage of the cutbacks, he proposes cutting down the total numbers of warheads from their present 7,500 on each side to an equal level of about 5,000 each. As the second stage, he calls for reduction in the maximum "throw weight" allowed for any one missile. Both these measures would reduce the certainty that one side could disable the other with a first strike, because such a strike would require a large number of highly-accurate (or extremely powerful and therefore heavy) warheads delivered from MIRVed "bus" launchers.

Criticism of the President's ideas have centered on the fact that at first the Soviets would be required to dismantle more than the United States, primarily because they have a larger proportion of their strategic arsenal in ground-based missiles. Rather than dismantling, the United States would agree not to deploy a new generation of highly-accurate multiple warhead missiles—the MX system now being developed. Critics complain that the Soviets are not likely to dismantle a system already deployed in exchange for nothing more than a U.S. promise not to deploy one that is still under development.

That is a valid criticism, but because of the essential differences in the makeup of the two strategic systems, some such assymetrical agreement must be a part of a workable arms reduction agreement. As earlier arms control treaties have shown, a mirror-image agreement is not possible. The Soviets—whose interest in arms control is no less compelling than our own—must also recognize that fact. According to administration officials, there is some early indication that they do indeed recognize it and that the Reagan proposals will not be rejected out of hand as was President Carter's precipitous and ill-advised call for "deep cuts" that stalled SALT II.

In any event, the President wisely declared that this proposal is only that—an opening offer that calls for a Soviet counteroffer and continued bargaining toward the goal of real arms reduction and nuclear stability. Nothing, he said, is non-negotiable, whether it involve land-based missiles where the Soviets have an advantage or submarine and cruise missiles where the U.S. has an advantage.

The harshest critics of the administration charge that the President doesn't really intend to negotiate in good faith—that his proposals are designed only to defuse antinuclear sentiment here and in Europe.

But that is a harsh view, too harsh to apply to the man who has his finger on the figurative button and bears ultimate responsibility for the use of these terrible weapons. He has learned much in that lonely position, and having learned, he is seeking a way out of the dilemma with bold and promising proposals for real arms reductions. He deserves the support of the country—and of the world—as he carries his ideas to Europe this summer.●

PARISHIONERS CELEBRATE MORTGAGE BURNING

HON. JOHN G. FARY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. FARY. Mr. Speaker, May 23 the parishioners of Immaculate Conception Church, in the southwest side of Chicago celebrated the final payment of the church debt with a mortgage burning ceremony.

The observance began with a Concelebrated Mass of Thanksgiving led by the pastor, Msgr. D. A. Mozeris and Rev. Francis Kelpsas, formerly associate pastor and now chaplain of Holy Cross Hospital. After the mass a symbolic mortgage ceremony, was held in the parish hall, followed by a buffet supper.

The parishioners of the church have worked long and hard to retire their parish debt. A fund raising campaign for the new church began on February 4, 1962 with Stan Kloba as general chairman and Eva Peikewicz as secretary. The church was opened to its parishioners on Christmas of 1964 and dedicated by the late John Cardinal Cody on October 2, 1966.

Mr. Speaker, in this day and age of high unemployment and a weak economy, it is heartwarming to see a determined group of people work together to pay off the mortgage on their church. The good people of Immaculate Conception Church, under the able direction of their pastor, Monsignor Mozeris are to be congratulated for their fine work and dedication.●

WORLD TRADE WEEK

HON. THOMAS B. EVANS, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. EVANS of Delaware. Mr. Speaker, I am pleased to join my friend and colleague, Mr. BONKER, in a salute to World Trade Week. I strongly support efforts to open and expand international markets for U.S. products, and I believe that calling attention to the importance of world trade to the United States is most worthwhile.

Every $1 billion in exports supports 31,000 American jobs. It is crucial that we recognize the role to be played by international trade in aiding our efforts to achieve a prompt and sustained economic recovery in this Nation. The $154 billion in trade that we had in 1981 can be greatly expanded through means which are now available, but which require action by this Congress. The leverage to be achieved through use of financing by the Export-Import Bank and the creation of export trading companies alone would account for a significant increase in the amount of trade to be engaged in by the United States. To ignore these tools for economic expansion is to prolong the current recession and to insure a further decline in the United States' share of the world market.

Exports are vitally important to our American economy. One of every eight manufacturing jobs, and 1 of every 3 agricultural jobs are related to exports. It is pennywise and dollar foolish not to fund adequately trade-related programs. This contributes to the declining U.S. share of the world market while our trading partners, especially Japan and Western Europe, prosper in the intensely competitive international marketplace. We cannot expect this situation to improve unless we give American companies the tools they need to operate on a competitive basis with foreign corporations.

I commend my colleague for helping to focus the attention of this body on World Trade Week, and I urge the fullest cooperation of all Members as we begin to act on measures to strengthen our position in the world markets.●

CONGRATULATIONS TO MISS CHRISTINE MARIE UBER

HON. LYLE WILLIAMS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. WILLIAMS of Ohio. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conduct a "Voice of Democracy Contest" in which more than 250,000 secondary school students compete for five national scholarships. This year's contest theme was "Building America Together".

I am very proud of Miss Christine Marie Uber, who was a State winner for Ohio in this year's contest. Miss Uber, the daughter of Thomas E. and Nancy A. Uber, plans to pursue a career in journalism and broadcasting. On behalf of the residents of the 19th Congressional District of Ohio, I extend best wishes and good luck to Miss Uber.

Following is Miss Uber's winning speech:

SPEECH OF CHRISTINE M. UBER, OHIO WINNER, 1981-82 VFW VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM

Building America together is parallel to building a house. When a house is begun, a foundation is laid. This foundation is the basis upon which the house is supported. It has to be solid as well as strong.

Likewise, the foundation of America has to be strong, and the people who laid this foundation knew it. These people were the writers of the United States Constitution. Upon our Constitution rests all of our American beliefs.

You may be thinking that if our ancestors already laid our foundation then we can sit back and relax because the job of building America is done. Wrong!!

A house is not finished when the foundation is laid—that is only the beginning. Our Constitution's construction was only the first step of our task.

The real work comes next. A house needs walls, windows, plumbing and many other things! Nobody can build a house all alone; but, when specialized people are brought in to work, the house gets completed in the best possible way. Many people using the full extent of knowledge in their specialized area will make any project a success. That statement especially applies to America. It needs all of us working together to make it the best, and everyone has some ability that could be contributed to America's foundation.

Again I know what you are thinking. You are probably thinking that when the house is finished being built America is too. Now you can set back and relax. Well, wrong again!!

A house never stays perfect. It needs to be kept up. Things will need remodeled and fixed according to the new knowledge we acquire every day.

It's the same way with America. I love my country, but often I can't help noticing items that need improvement. Everyone notices things that could be remodeled.

America has remodeled things. Just look at the amendments and the laws which have been changed. They are the results of a nation that is growing and learning. Generations have built America up to this point, and now it's our turn to take over and build it for the next generation and the next.

Building America together today takes all of us working to make changes that produce a foundation even stronger. No matter what position you hold in society or what career, everyone has the same amount of influence on our country. All men are created equal.

One way for the average American to build our country is to use the voting privileges bestowed on him. A vote is a powerful thing. It elects leaders and decides laws. A vote can move mountains.

People should become more involved in the community. They should learn about their government. People should study the laws in Congress and voice their opinions on them. When I speak of people, I mean us—each and every one of us.

Another way to build America is to instill values into the children. Teach them the importance of morals. Give them examples, and remember, they are the future. If you can't build America for your own reasons, do it for your children. Make this country the best place to reside. The home is the place to start. If every home had a loving atmosphere, it would make this country the greatest.

The last thing to remember, and perhaps the most important, is to take pride in your country. Learn the words to the National Anthem and salute the flag. Don't knock our nation because of its problems as you would knock a house. It is what we made it. A house is a home if we form it to be one. America, the greatest country in the world, can be our home, our pride and joy, and our privilege if we want it to be and if we work for it to be that way.●

A TRIBUTE TO JOE MULLANEY

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mrs. SCHNEIDER. Mr. Speaker, I would like to bring to the attention of my colleagues the career of one of the most innovative and successful coaches in the history of basketball. I speak of Mr. Joe Mullaney, head coach at Providence College in Providence, R.I.

Throughout his basketball career dating back to 1947 when he captained Holy Cross to the NCAA basketball championship to his return as the head coach of Providence College in 1981, Joe Mullaney has maintained his status as one of the great men of the game.

Beginning his coaching career at Norwich Academy in Connecticut in 1954, Joe became head coach at Providence College the following year. During his first tenure at Providence lasting 14 seasons, Joe compiled an astonishing record at this small Dominican Catholic college. By 1969, Joe's teams had amassed a winning percentage of 0.742 ranking him third behind the legendary Adolph Rupp of Kentucky and John Wooden of UCLA. His nine straight "20 wins" seasons still rank him fourth in that category among all-time coaches.

But Mr. Speaker, Joe Mullaney's career has meant more to the people of my district than just a string of victories. His enthusiasm, dedication, and love of basketball has infused my constituents with an appreciation of the game that never existed, for most, prior to his arrival at Providence. An entire generation of children grew up watching the Providence College Friars as the State of Rhode Island poured out its heart to a bunch of kids and their coach at Smith Hall.

After leaving Providence College in 1969 for a highly successful career coaching professional basketball, Joe returned to the college game in 1978. Spurning the big money of the professional ranks, Joe simply wanted to teach the game again and the college environment was a more ideal setting to achieve this ambition.

In an age when too many of those involved in college and professional sports are taking more from the game than they give, Joe remains a throwback to an era of purism in the sports, when the egos of players, coaches, and owners are secondary to the game itself.

On June 3, 1982, Joe's family and many friends will gather together to pay tribute to this marvelous man for the benefit of the Cystic Fibrosis Fund of Rhode Island. I would like to join my fellow Rhode Islanders in saluting this giant of the game of basketball and in recognition of his accomplishments I offer this tribute.●

CONGRESSMAN MOORE PRESERVES U.S.S. "KIDD" FOR BATON ROUGE

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. WON PAT. Mr. Speaker, this past weekend I had the privilege of traveling to the beautiful city of Baton Rouge, La. with Congressman HENSON MOORE and two other of our colleagues to take part in the establishment of the official memorial for the U.S.S. *Kidd*.

The World War II destroyer, which is named after Rear Adm. Issaac C. Kidd, who was killed at Pearl Harbor, was launched in 1943 and has served in numerous Pacific battles, including the invasion of Guam. I was deeply honored to be invited by Congressman MOORE, who represents the Baton Rouge congressional district, to attend this historic ceremony and express my own deep appreciation to the crew of the U.S.S. *Kidd* for helping to liberate my island from enemy occupation in the war.

Traveling along with the delegation were Congresswoman LINDY BOGGS of Louisiana and Representative BOB LIVINGSTON, also of that State, plus Captain Peter Cressy of the U.S. Navy.

The ceremony was a moving experience for all who took place in that event. THE U.S.S. *Kidd* will serve as the State's first war memorial to its Navy and Marine veterans and will also serve as a major new tourist attraction in the Baton Rouge area. During the ceremonies, Congressman MOORE, who was the instigator of the project, and has been actively responsible for bringing the U.S.S. *Kidd* to his district.

Congressman MOORE deserves a great deal of credit for helping his constituents establish this meaningful memorial to those who have served this Nation with pride and dignity in times of peace and war. I applaud his devotion to his constituents and his hard work and dedication which were needed to bring this project to a successful conclusion. I also am proud to have shared this moment with our colleagues and thank Congressman MOORE, his able staff, the officials of the city of Baton Rouge, and the U.S. Navy for making our visit a memorable occasion to honor our brave military men and women.

This installation of the U.S.S. *Kidd* provides the Baton Rouge community the opportunity to see at firsthand the kind of fighting ship which this Nation used to defeat oppression in World War II.

We on Guam, of course, have vivid memories of that fighting. Several years ago, Congress, at my request, established on Guam a national war memorial in the Pacific Historic National Park. This park is presently in the process of being developed and a part of the originating legislation is authorization to permit the Navy to place a vessel similar to the U.S.S. *Kidd* within the park to enhance the facility and its attraction to tourists. I believe that this is in the best interests of the Nation and a tribute to the memory of those who died in the war. Thank you.●

CONGRESS MUST REPEAL ITS OWN TAX WINDFALL

HON. THOMAS E. PETRI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. PETRI. Mr. Speaker, one of the best analyses I have seen on the new tax break for Members of Congress comes in an editorial published May 6 in the Waupaca, Wis. County Post.

The editorial calls on Congress to repeal "its own tax windfall." I call this editorial to the attention of my colleagues.

CONGRESS MUST REPEAL ITS OWN TAX WINDFALL

Naturally, congressmen who are up for election this year are nervous about the special tax break that can mean saving thousands of dollars in their income tax bills.

Most of those running for office have told their constituents that they won't accept the windfall, that they will pay their taxes along with the rest of the nation.

The special tax break, approved earlier this year by Congress, could be used on 1981 income tax returns. It allows members of Congress to claim a $75-a-day exemption for each day Congress is in session 262 days last year. That amounted to $19,650 in exemptions for members of Congress.

Sen. Russell B. Long, D-LA, has introduced a bill to repeal the special tax break and allow congressmen to take the same business travel deductions other taxpayers use.

Long's bill won't be popular with Congress, but voters should insist it be approved. The special tax privilege must be repealed now. If Congress is allowed to wait until next year, the tax break will be set in concrete.●

THE ISSUE IS GOVERNMENT SPENDING

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. GINGRICH. Mr. Speaker, I would like to share with my colleagues an editorial from the May 24, 1982, edition of U. S. News & World Report.

Written by Marvin Stone, it quotes from a recent speech by President Reagan to make one central point: nearly all of our economic problems are caused by Government gobbling up an ever-increasing share of the Nation's wealth, as Congress refuses to live up to its institutional obligation to determine how benefits are allocated and how fast they can reasonably escalate.

The need to discipline Federal spending cannot be stressed too heavily. Deficits are not the disease we face; they are one of the symptoms—along with high unemployment and high interest rates—of our losing control of the spending side of the budget. Raising taxes or blaming the Federal Reserve Board is no substitute for this body honestly facing the explosion of transfer payments and what that's doing to us.

The editorial follows:

[An editorial from the U.S. News & World Report, May 24, 1982]

REAGAN: STUBBORN OR STEADFAST?

(By Marvin Stone)

The President is under heavy fire these days, not only from Democrats but also from some members of his own party who feel he is being bullheaded about his budget.

Mr. Reagan is holding out for less government. He remains convinced that this longing is shared by the vast majority of Americans who elected him by a landslide 19 months ago.

The President, it seems, has a longer memory than most politicians. This was evident the other day in a speech in Washington when he reminded fellow Republicans why, while foes call him stubborn, he remains determined to rein in the growth of federal spending and the mammoth bureaucracy it has spawned. From his speech:

"Let's go to the American people. Let's remind them of the economic mess we faced when we took office [in January, 1981]:

"Inflation in double digits . . . for two years in a row, back to back;

"First time in peacetime, interest rates that had hit, yes, 21.5 percent;

"Productivity and the rate of growth in the gross national product down for the third year in a row. . . .

"Let's remind them that in 1976 the inflation rate stood at 4.8 [percent]. By 1980, it was 2½ times as high—12.4.

"Let's remind them that in December of 1976 the prime rate . . . averaged 6.4 percent. By December, 1980 . . . it reached 21.5 percent, a 200 percent increase.

"Let's remind them that when we took office, unemployment had been climbing and business failures increasing.

"When the recession hit us, it was our legacy from the years of boom and bust, of erratic spending and monetary policy. . . .

"Let's point out that for all of this, there's been one overriding cause—we've said it before and let's say it again—government is too big and it spends too much money.

"In the last 10 years, federal spending tripled.

"In the last five years, federal taxes doubled, largely because of the growth of social programs. In 1950, social programs cost the taxpayers 12 billion dollars; in 1980, nearly 300 billion dollars—an increase of an incredible 2,300 percent. In that same period, prices rose by 278 percent. So real social spending was actually 5½ times higher than in 1950.

"By 1980, 1 out of every 3 American families was receiving federal assistance of one sort or another—1 out of every 3 families. The budget for the Department of Health and Human Services—250 billion dollars, roughly—the third-largest budget in the world, exceeded only by the total budgets of the Soviet Union and the United States.

"Take just one social program as an illustration: Sixteen years ago, we were spending 65 million dollars on food stamps—65 million dollars; in 1981, we spent 11.3 billion dollars. That's an increase of over 16,000 percent. . . .

"Now, include in this picture the interest payments on our tremendous federal debt that . . . reached more than a trillion dollars last year. The yearly interest payments are 100 billion dollars, and that's as much as the entire federal budget was just 20 years ago. . . .

"In fact, if you take the cost of automatic spending increases and entitlement programs, add them to the interest payments and the federal debt and the other uncontrollables, and it means that 70 percent of the entire federal budget is made up of items over which the Congress and the administration are supposed to have no control. I wonder how some of you in the private sector would feel if you were told to rescue a sinking business, but only on the condition that you could work with 30 percent of that business's budget and the other 70 percent was off limits.

"So I think you can begin to understand the difficulty of halting the kind of momentum built up by the federal spending juggernaut over the past few decades."

Facts and figures such as those make it easier to understand why Mr. Reagan is standing firm.●

PRESIDENT REAGAN'S EUROPEAN TRIP

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. BROOMFIELD. Mr. Speaker, as President Reagan prepares for the economic and NATO summits in Europe, I am sure that the historic importance of these meetings has not been lost upon the President nor his aides. Once again, crucial issues affecting our economic and political stability, as well as our military security will be the center of attention. The President will not no doubt hear European complaints of high U.S. interest rates and growing unemployment throughout Europe. The impact on trade of a strong U.S. dollar will also be the subject of concern by our partners. For our part, we will probably raise such issues as continued protectionism in both Japan and Europe, and the disruptive trade effects of European agricultural subsidies. In the military field, the issue of burden sharing will be uppermost in our minds, as will the need for achieving both force modernization and arms control.

While none of these issues are new, they have taken on increased importance as Western economies have stagnated, unemployment has grown, inflation has continued, and the Soviet global threat has developed to even more serious proportions.

With these significant problems facing the Western partners, President Reagan will be faced with one of the biggest challenges to his administration when he sits down to discuss these matters with his counterparts. But the challenges also represent a great opportunity to resolve outstanding issues, formulate a plan of action to guide future programs, and solidify Western determination to address contentious issues in a cooperative spirit.

During bilateral meetings with other heads of state, President Reagan and his policies will be tested. Similarly, President Reagan will seek explanations from other leaders concerning their policies. Vital issues such as sealane security, the Cyprus dispute, an open trading system, commitments to adequate defense spending, and other matters will all be raised. On this latter point, several Congressmen and Senators, myself included, have introduced resolutions calling upon NATO to improve its management of financial and productive resources. I hope that our NATO partners will work with us in reducing future defense costs and in equally sharing the burdens of deterrence.

I wish President Reagan and his team well in these coming discussions. He will have to draw on all of his statesmanlike qualities in order to overcome divergent international interests. I believe, however, that the President is equal to the task ahead of him. Best wishes and smooth sailing.●

CONGRESSIONAL ART COMPETITION WINNERS

HON. LYLE WILLIAMS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. WILLIAMS of Ohio. Mr. Speaker, the first nationwide Congressional Art Competition—An Artistic Discovery—received the participation of 207 Members of the House of Representatives, representing all 50 States and the territories. Soon, the results of the local contests will provide us with a display gracing the walls of the Cannon tunnel which leads to the Capitol Building. I am proud to add to the national display artwork from an outstanding high school artist from the 19th Congressional District of Ohio, Mr. John Battaglia.

John, the son of Mr. and Mrs. John D. Battaglia, resides at 1458 Marlane Extension in Youngstown, Ohio, and attends Liberty High School. His entry in the local competition, titled "Nobody's Fault But Mine," was the grand prize winner. John's art instructor, Ms. Gene DiThomas, the students at Liberty High School, and the residents of the 19th District join with me in congratulating John, and wishing him much continued success in the field of art.

Other winners of the local competition are as follows: Second place, Scott Esposito of Liberty High School; third place, Doug Adkins of Warren Western Reserve High School; and honorable mention, Rannveig Olafsdottir of Springfield Local High School and Craig Pepey of McDonald High School.

I offer my congratulations to all of the winners, and I thank the students and art teachers for their participation and cooperation.●

A SOLUTION TO THE NUCLEAR THREAT

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. HORTON. Mr. Speaker, today I am introducing a concurrent resolution which outlines a new and innovative approach to future negotiations with the Soviet Union aimed at putting an end to the nuclear arms race. I know that my colleagues share my commitment to this goal and my interest in assuring that the most expedient and realistic approach is used in such negotiations.

Mr. Speaker, since the first atomic bomb was detonated over Hiroshima in 1945, and throughout our subsequent race with the Soviet Union for nuclear supremacy, much time and effort have been devoted to finding a means to eliminate this awesome threat to the existence of mankind. Although the SALT I and SALT II treaties, the Nuclear Test Ban Treaty, and several other agreements dealing with nuclear weapons have done much to promote cooperation between the United States and the Soviet Union, there has been little, real progress made toward halting the escalating arms race.

Somewhat restless over the prospects for meaningful negotiations in the future, millions of Americans and Western Europeans have embraced the concept of simply freezing the nuclear arsenals both sides possess at current, and then reduced levels. Such a proposal, already embodied in a host of resolutions introduced in the House and the Senate, has received widespread support from the Members of Congress.

I fully endorse the concept of a nuclear freeze and commend my colleagues on their thoughtful contribution to this effort. I am concerned, however, that although these resolutions express our basic desire to halt the arms race, they fall short of establishing a framework for negotiations to achieve this worthy goal.

In the past, negotiations between the United States and the Soviet Union have dealt primarily with the complicated systems used to deliver the warhead to the target, aircraft, intercontinental ballistic missiles, submarine launched ballistic missiles, and so forth. Such negotiations have proven incredibly complex and, with the advent and proliferation of new and different systems, the number of variables involved in future negotiations may create obstacles that could place final agreements out of reach. However, the common denominator in all weapons systems is the warhead they carry. Although they vary greatly in size, all warheads are basically alike, and upon detonation, have similar results. It is this common denominator that negotiations should focus upon, not the delivery systems. Such a basis for negotiation is, to my way of thinking, the most logical vehicle we can use to achieve the freeze on warheads we have called for.

Based upon this principle, I have introduced a concurrent resolution that goes one step further than previous freeze resolutions by actually setting a framework for negotiations focused specifically on warheads. My resolution calls for comprehensive, strategic and theater-based, negotiations between the United States and the Soviet Union, and ultimately those nations of Western Europe that possess an independent nuclear capability. My resolution calls for a reduction in the number of warheads maintained in the arsenals of both sides to an equal and verifiable level. The discussion would not address delivery systems, leaving each side to deploy their remaining forces as they see fit. I also feel that in order to reach a meaningful agreement, those nations of Western Europe that maintain independent nuclear forces should be included in the negotiations, especially since they have as much to lose in a nuclear confrontation as we do. Finally, my resolution calls for a moratorium on the testing production, and deployment of new warheads until the negotiations can be completed. It would be my hope that the various parties could be brought to the bargaining table at the earliest possible moment.

My intent in introducing this resolution is to outline a simple, commonsense approach to negotiations aimed at achieving a freeze on nuclear arsenals. By circumventing the possibly endless disagreements over delivery systems by focusing on warheads, we can take the first, significant steps toward eliminating the threat of nuclear holocaust. We must accept our responsibility to history and to future generations by taking these steps. The upcoming meeting between President Reagan and President Brezhnev may provide the appropriate forum for these steps to the taken.●

DO UNTO OTHERS IN EXPORT POLICY

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. BROWN of California. Mr. Speaker, it disturbs me greatly to learn that the administration is apparently about to propose that we weaken further the already minimal safeguards our government has adopted to protect Foreign buyers from hazardous exports from the United States. The issues here are basic and simple. Should we adopt as a policy the vulgar caricature of a capitalist's international law of the jungle—let the buyer beware? Will the workings of the marketplace ferret out hazardous products and reward safety? Does the United States have either a moral or ethical obligation to share with other countries the knowledge about hazardous products this Nation has developed through either bad experience or regulatory caution?

The administration, according to a story in this morning's Washington Post has apparently been persuaded that hazardous export notification is not in this country's best interests either commercially or as a matter of foreign policy. The administration is also extremely sensitive to the argument that export notification implies an infringement of foreign sovereignty. Unfortunately, the administration has failed to grasp a fundamental flaw in this line of reasoning. Providing scientific information to foreign countries about potential health and safety hazards associated with U.S. exports extends to other countries the ability to make their own reasoned judgments about what products to import. Blocking or restricting the exchange of this information imposes a Faustian dilemma on many foreign countries lacking sophisticated toxicological expertise.

Hazardous export notification requirements do not restrict freedom of choice nor threaten sovereignty; they mandate the exchange of scientific information upon which both rational choice and true sovereignty ultimately depends.

The administration argues that our notification efforts are fruitless because we stand alone in the world community in insisting that U.S. corporations export information when they export hazardous products. I believe this Nation's export notification requirements are all the more crucial and valuable precisely because they are unique. I am hopeful that the President will recognize that this is one area of policy where America can and should remain steadfast in our conviction to stick with what is right rather than expedient.

I would like to share with my colleagues the article in this morning's Washington Post, as well as an editorial addressing this issue which appeared last summer in The Journal of Commerce.

[From the Washington Post, May 27, 1982]

NEW RULES ON EXPORTS SUPPORTED

(By Caroline E. Mayer)

Two Reagan Cabinet members have approved plans to make it much easier for U.S. companies to export hazardous goods that have been banned or restricted in this country.

In a proposed policy statement now under review by a cabinet-level committee, Secretary of State Alexander M. Haig Jr. and Commerce Secretary Malcolm Baldrige urged the administration to eliminate almost all rules that now require manufacturers to notify foreign governments before they ship abroad any goods deemed too dangerous for widespread use in the United States.

Additionally, the two cabinet officials for the first time called for a repeal of the longtime ban on export of drugs and other biological medical products that are not approved for use within this country.

An example, one expert said, would be a contraceptive that government officials refused to approve for U.S. use after the drug was found to cause cancer in dogs. If the ban were repealed, the contraceptive could be exported to countries that permit its sale.

The new export policy—parts of which require legislative action—could also make it easier for U.S. companies to export banned pesticides, such as DDT, lindane and endrin, and tightly regulated chemicals such as chlorofluorocarbons and asbestos.

Under current rules, these products can only be exported after U.S. officials have notified or obtained consent from the importing country.

Haig and Baldrige argue that these restrictions are unnecessarily cumbersome and costly and hurt U.S. firms in international trade.

However, Jacob Scherr, an attorney with the Natural Resources Defense Council Inc., argued that the change in policy "will open the floodgates for dumping overseas."

"The United States is the only country currently providing notification of hazardous substances exports," Haig and Baldrige wrote U.S. Trade Representative William E. Brock, who heads the trade policy committee that is reviewing the proposed policy statement.

The committee is composed of a number of cabinet members who will make a final recommendation to the president. However, administration officials note that because two of the top cabinet members on the committee have drawn up the policy, the chances are very small that there will be any change before it is sent to Reagan for his approval.

The proposed policy paper argues that concern about hazardous exports "fail to take into account that substances may be 'hazardous' under U.S. regulations while considered 'safe' abroad, and that the risks and benefits of using particular hazardous substances may vary from country to country."

For example, the paper says, the benefits of malaria control may outweigh the risks of using a pesticide banned in the United States.

Additionally, the paper argues, "countries might interpret the U.S. assuming responsibility for deciding what is good for them as an infringement on their sovereignty."

Additionally, they argue that the government should move away from almost all of its current requirements of notifying foreign governments of nearly every shipment of hazardous goods they are about to receive.

Instead, they propose that the Department of State notify foreign embassies in the United States of all U.S. regulatory actions that ban or severely restrict the use of a product—even though that notification may come years before any hazardous goods are shipped abroad.

[From the Journal of Commerce, July 7, 1981]

Hazardous, Will Travel

Six thousand Iraqis died after eating bread made from wheat treated with methyl mercury, a pesticide banned in the United States. In Egypt, 1,200 water buffaloes died, and the farmers reported physical and mental impairments after contact with the chemical, leptophos. Methyl mercury and leptophos are two of many substances banned in the United States but freely exported to other countries. The World Health Organization estimates that 50,000 poisonings and 5,000 deaths result annually from hazardous exports.

Convinced by international and U.S. consumer advocates and environmentalists, President Jimmy Carter issued an executive order giving the Commerce and State departments the authority to regulate or prohibit the export of hazardous materials. The order covered products dangerous to transport as well as pesticides and pharmaceuticals. Both pesticides and pharmaceuticals have been subject to the most international controversy given their potentially toxic effects.

But the Reagan administration scrapped the order, including the standardized system of notification. Under that system, the State Department was responsible for notifying foreign customs officials and providing them with information not publicly available or not required under current export labeling laws.

In an attempt to counter the Reagan move, Rep. Michael D. Barnes, D-Md., has now introduced a bill in the Senate which would prohibit the export of hazardous substances as a rule. It would allow products banned in the United States to be exported under special circumstances only.

Even though the bill doesn't stand much of a chance, it isn't reason enough for the Reagan administration to sweep the issue under the rug. Proponents of U.S. export controls on hazardous goods ask whether the U.S. government should allow products deemed unsafe for its own citizens to be dumped on foreigners in the name of free trade.

The chemical and pharmaceutical industries argue that the real question is to consider which government should be responsible for regulation, the exporting or the importing government. Certainly the European, Japanese and Canadian governments are all capable of deciding whether a U.S. product is safe for their citizens.

But what about Egypt, India or Mali? U.N. agencies and U.S. consumer and environmental pressure groups argue that the legal systems of these governments aren't up to par. Legislation to cope with new potentially toxic substances simply hasn't been enacted in many developing countries.

But even if the country has a sophisticated legal system, proponents for export regulation claim, the ministries of health and customs officials don't always have the necessary information to enforce the law. In addition, U.S. pharmaceuticals and pesticides are often shipped directly to foreign U.S. subsidiaries making it difficult for the foreign government to keep track of what's coming in.

On the other hand, American pharmaceutical and chemical companies argue that European and Japanese companies aren't regulated by any export legislation and can sell what they please. Any U.S. regulation of American companies would decrease their competitiveness and adversely affect U.S. exports.

The companies also maintain that it isn't up to the U.S. government to decide what's good or bad for other people. Any U.S. export regulation; as far as they are concerned, smacks of paternalism. It remains the ultimate responsibility of the importing government to decide whether it wants the goods or not.

The question boils down to how much information the company should have to provide under U.S. law about a specific product being exported. In the absence of any clear directive from the Reagan administration, the main problem for the exporting company is to figure out what the pertinent information under U.S. law is.

The main problem for the importing foreign government is to find the information at all. Regulatory statutes applicable to exports include the Federal Food, Drug and Cosmetic Act; the Public Health Services Act; the Federal Insecticide, Fungicide and Rodenticide Act; the Toxic Substances Control Act and that's not all.

Last year, the Environmental Protection Agency strengthened existing labeling requirements for exported pesticides. The U.S. and EC governments introduced export labeling laws in 1978 to try to standardize certain requirements. In the absence of any official government policy, the Chemical Manufacturers Association has suggested its own revisions of the Toxic Substances Control Act which would consolidate the notification process and limit warning statements to publicly available information.

The Carter system of standardized notification centralized in the State Department may not be the answer to the problem. But the administration should give some consideration to a possible solution that would centralize information and define "hazardous." More clarity would be useful to both the business community and foreign governments. ●

TOO FEW JOBS

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. HARKIN. Mr. Speaker, many people believe, based on what President Reagan keeps saying, that all of those who are unemployed are somehow responsible for their own predicament. If only they were willing to really work hard, if only they were willing to look for a job, they would have a good job. Instead, the President seems to believe, the unemployed somehow enjoy their position because they get Government welfare. That view is terribly wrong. I have spoken with the unemployed workers in my State. They tell me of the terrible frustration, the feelings of uselessness, the loss of the minimum income necessary to maintain their homes and provide for their families. They have told me of their willingness to do almost anything for a job.

Unemployment means the breaking up of families, the strains of being unemployed and the loss of income places great strains on marriages. Ten years from now, when this recession is long past, there will be thousands of broken marriages that will remain broken. Recession is not just numbers on a chart, it is broken lives, pain and suffering.

Katharine Abraham, who is an assistant professor of industrial relations at MIT, and, I am proud to say, a former member of my staff, has done a study of the ability of the unemployed to get jobs. The study showed that, with our present rate of unemployment, only 1 unemployed person in 10 now seeking work could get a job. And, to reach even that number, you would have to fill all of the jobs now available.

I must say, as she does, that it is truly unfortunate that President Reagan looks at this problem with such a simple misconception. We have all seen his heartless waving of the newspaper ads, in effect saying, "The fault lies with the lazy unemployed."

Mr. Speaker, I submit for the Record the article that Katharine Abraham wrote in the Washington Post regarding her study. I hope the President and his advisers read it.

Too Few Jobs

(By Katharine G. Abraham)

Are there jobs out there for the unemployed? If every available vacant job, no matter how unattractive, were taken by an unemployed person, what would happen to our nation's unemployment rate?

President Reagan and his advisers seem to believe that a very large fraction of the unemployed could find work if only they were more willing and able. The president has commented on more than one occasion that the newspapers he reads contain many pages of help-wanted advertising. The message seems to be that something other than a shortage of employment opportunities is the real culprit in our current unemployment situation. Does this belief square with the facts?

The first type of information needed to answer this question is data on unemployment. The unemployment rate is defined by the Bureau of Labor Statistics as the percentage of those in the labor force who are without a job but are available and looking for work. Since May 1980, the (seasonally adjusted) unemployment rate has not fallen below 7.2 percent; it climbed to 9.0 percent in March, a high reached only once before since World War II. The BLS estimates that there were 9.9 million people looking for jobs in March; this figure represents a new postwar peak.

To resolve the question of how the number of available jobs compares with the number of persons seeking work, we also need information on job vacancies. No current national statistics are available. But I have recently completed an intensive study of what job vacancy statistics there are. A substantial part of my research was directed toward adjusting the raw data to produce more accurate figures. For example, I corrected for the fact that hard-to-fill positions for which employers had given up active recruiting were probably not reported on the survey forms. What do the available job vacancy numbers, generously inflated to compensate for any possible downward bias, imply about our nation's unemployment situation?

During the last half of the 1960s, when the unemployment rate hovered within the 3.5 percent to 4.0 percent range, the number of job openings probably came close to equaling the number of unemployed persons. Labor markets have been less tight during the 1970s than during the latter part of the 1960s. Between 1970 and 1980, a period that included three recessions and produced an average unemployment rate above 6.0 percent, there were probably an average of four or five unemployed persons per vacant job.

Today, with the unemployment rate at 9.0 percent, the number of unemployed persons almost certainly far exceeds the number of open slots. A reasonable estimate, based on the historical relationship between the unemployment rate and the job vacancy rate, is that there are currently no more than 1 million jobs vacant in all sectors of our economy; that is, the number of unemployed persons most likely exceeds the number of vacant jobs by a factor of 10 or more. Even if every available vacant job could be filled instantaneously by an unemployed person, we would have achieved only a relatively small reduction in our unemployment count.

The implication of these numbers for policymakers seems clear. The current situation cannot be blamed on the unemployed lacking interest in work. Gutting our social insurance programs will not lead to significant reductions in the unemployment rate. Nor is the central problem that the unemployed lack the skills required to fill available jobs, though this may explain the particular difficulties faced by certain groups. Training programs for the hard-core unemployed may be a good idea for other reasons, but we cannot hope for them to have any substantial effect on the aggregate unemployment rate.

The real problem we face today is that there simply are not enough jobs to go around. Any policy package designed to lower the unemployment rate must recognize this important fact.●

HELP AUTO INDUSTRY

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. SMITH of New Jersey. Mr. Speaker, in 1981 sales of automobiles by domestic producers dropped to 6.2 million units—the lowest in 20 years. By March 1982, the number of auto workers indefinitely laid off reached 250,000. Every individual laid off by an auto maker results in an estimated 2.2 persons laid off by suppliers of the auto industry. At the same time, domestic auto producers are turning toward foreign sources of parts for domestically made automobiles. These foreign purchases have also reduced auto worker employment.

Imports continue to capture a high percentage of the domestic market. Even with Japan's voluntary restraint on automobile exports, imports represented 27 percent of total sales in the United States in 1981—this figure has increased from 18 percent in 1978. Increased imports are contributing to the U.S. auto industry's continued reductions in workers, which may result in a permanent shrinkage of about 200,000 workers over the next decade.

The United States has, throughout the years, maintained a free trade policy, which I support in theory. However, any successful free trade policy must work both ways. We have been allowing open access to our markets while tolerating barriers to the sale of American goods in Japan. The Japanese prohibited all auto imports until the early seventies. Currently, barriers there double the price of U.S. cars sold and keep imports to 1 percent of the Japanese market.

Germany, France, Great Britain, and Italy all took action to prevent Japanese intereference in their domestic markets well before the United States began looking at voluntary export quotas. Italy has never allowed more than 2,200 autos a year from Japan; France has restricted the Japanese share to 3 percent since 1978; both Germany and Great Britain have frozen the Japanese share at just above 10 percent.

The United Auto Workers point to a trade deficit of $16 billion with the Japanese of which $13 billion is the result of Japanese auto sales in the United States.

In response to these and other factors, legislation has been introduced which I have cosponsored, that would require that automobiles sold in the U.S. market contain a certain percentage of American parts and labor. The intent of this law is to induce foreign automakers to build manufacturing plants in the United States and to prevent domestic producers from buying equipment overseas. H.R. 5133 requires that beginning in model year 1983, all automakers selling vehicles in the United States would have to meet a minimun ratio for American value-added according to a scale that would depend on the total number of vehicles sold. The penalty for violating these requirements would be a 25-percent reduction in the number of vehicles or parts that an offending automaker could sell in the United States.

Mr. Speaker, domestic content requirements included in this legislation woud likely reduce the current autoworker unemployment by about one-half. This would be accomplished through increasing demand for U.S. automobile and supplier industries for their products and by reducing foreign competition.

Current efforts to reduce unemployment in the auto industry through a free market approach do not seem to be solving the problem. Decreased auto sales are affecting not only the auto industry, but are hurting the suppliers also. We now have the opportunity to influence investment decisions of foreign automakers and persuade them to make a contribution to nations in which they have substantial sales by generating employment.

Improving domestic sales will also increase our domestic tax revenues, reduce unemployment expenditures, and improve our balance of trade. Domestic content requirements would not cost the Federal Treasury much to implement. Countries such as Australia, Spain, Mexico, and Brazil have enacted similar measures to support their automakers.

I feel that it is appropriate for Congress to take action that will be beneficial to this vital industry and the Nation. I believe that H.R. 5133 would improve the outlook for employment in the auto industry. This industry supplies jobs for one out of every six Americans, and cannot be left to fend off the intrusions that foreign manufacturers have made without the assistance of the provisions in this important legislation.●

OLYMPIC COIN BILL DELAY: PRIVATE MARKETERS' WAITING GAME?

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

Mr. ANNUNZIO. Mr. Speaker, although the House of Representatives has enthusiastically endorsed a bill that provides for the minting of official U.S. coins to commemorate the 1984 summer Olympics and raise money for our amateur athletes, this bill has not yet gone to the President for signature. The final enactment of this vital piece of legislation is being delayed; not because the bill is a bad idea; and not because of other more pressing legislative business. The Olympic coin bill is delayed because a group of private marketers were not given the exclusive rights to market these commemorative coins.

As you know, the issue of striking Olympic commemorative coins has been the source of a great deal of controversy over the past year. While most of the Members of Congress agreed with the concept, there was considerable debate concerning the approach. My proposal calls for the minting of two silver dollars and one $10 coin to be sold directly to the public by the mint. This plan will bring the Olympic athletes $31 million within 4 months of the final passage of the bill, and could raise as much as $600 million at no expense to the U.S. Government.

On Thursday, May 20, 1982, the House of Representatives approved my proposal by a lopsided 302 to 84 vote. This action marked an overwhelming rejection of the rival plan which called for the minting of 17 coins to be sold to the public through private marketers. The reason for the House mandate is clear: The private marketing proposal would have allowed the marketers to make a profit of $300 million or more at the expense of our amateur athletes.

Under my proposal, all of the proceeds from the sale of these coins will go to our amateur athletes, not to the marketers. The Olympic committees will begin receiving money as soon as the House-passed version of the Olympic coin bill is approved by the full Congress and sent to the President for signature. Unfortunately, the opportunism of the private marketers may be standing between our athletes and the funds that they so desperately need.

It does not take a great deal of political genius to understand why the private marketers would encourage delay. In fact, it is the oldest trick in the book. They hope to spend each passing day between the House vote and final enactment chipping away at the strength of their opposition. And the motive is clear: If they wait long enough, perhaps they can convince the Congress that they deserve to market our Olympic commemorative coins. Of course, they undoubtedly neglect to mention the real reason for their unwavering interest in our athletes. It is not that they think that their marketing efforts will help our athletes. Rather, the prospect of making hundreds of millions of dollars has a hypnotizing influence.

Since no one but the private marketers stands to gain from this selfish waiting game, let us enact the House-passed version of the Olympic coin bill as soon as possible. The longer the delay, the longer the Olympic athletes suffer. The time has come for final approval of the Olympic coin bill that will allow our amateur athletes to earn the money that they need to prepare for the 1984 summer Olympics. The House-passed version of S. 1230 insures that all of the proceeds from the sale of the Olympic commemorative coins goes to our athletes. Let us keep it that way.

HAITI: THE CASE OF 26 POLITICAL PRISONERS

HON. SHIRLEY CHISHOLM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mrs. CHISHOLM. Mr. Speaker, in recent years, there has been a great deal of discussion about human rights conditions in Haiti. While there is disagreement about the presence of political prisoners or whether the Haitian boat people are actual victims of political persecution, most human rights groups agree that there has been a breakdown in the rule of law in Haiti. In political cases particularly, the Haitian criminal justice system offers virtually no protection to the individual who falls out of favor with members of the government. The much heralded trial of 26 people in August of 1981 was in part a response to these criticisms, from human rights organizations and others, that no political prisoners are ever brought to trial. It was, in fact, the first political trial in Haiti, since the Duvalier family came to power in 1957.

In its annual "Country Report on Human Rights Practices" for 1981 the U.S. Department of State concludes only that the trial was open and "in accordance with Haitian law." No evidence is offered to support this conclusion. The Haitian League for Human Rights accurately summarized the trial as "a judicial scandal of unbelievable proportions". I believe that the trial illustrates, as much as any incident in recent years, the extent to which the rule of law has broken down in Haiti. I have included portions of a larger report prepared by the Lawyers' Committee for International Human Rights on the trial for my colleagues' review. I urge my colleagues to carefully read these excerpts; they provide a new insight into the human rights conditions in Haiti.

REPORT ON THE AUGUST 1981 TRIAL AND NOVEMBER 1981 APPEAL OF 26 POLITICAL DEFENDANTS IN HAITI

(By Michael S. Hooper)

BACKGROUND TO THE TRIAL

Beginning on November 28, 1980, approximately one hundred and twenty-five persons, including virtually all Haitian human rights activists, most independent journalists, and many defense lawyers, were detained and imprisoned by the Haitian military police without explanation. None of those who were arrested were formally charged at any time with any crime or allowed access to lawyers or visitors. All were held incommunicado. Following their arrest, these people were first taken to the Casernes Dessalines, a national prison in Port-au-Prince, for interrogation. Beginning on December 1, 1980, seventeen of these detainees were forcibly exiled from Haiti without ever having been charged with any crime or given any explanation for their imprisonment or expulsion. Included in this group were Gregoire Euguene, founder of the Haitian Social Christian Party, editor of the influential magazine Fraternite, and professor of constitutional law; Jean Jacques Honerat, one of Haiti's leading agronomists and development economists; several physicians; Jean Dominique, the owner of Haiti's largest independent radio station; and several editors of Haiti's most influential weekly magazine, Le Petit Samedi Soir, including Pierize Clitendre, and Jean-Robert Herard. Most of those arrested were not exiled, and many still remain in prison without explanation; some are still being held incommunicado. Others were detained, tortured and subsequently released without explanation. For example, Lafontant Joseph, the General Secretary of the Haitian League for Human Rights, was held at the Casernes Dessalines for approximately six weeks without charge and was severely beaten and mistreated while under interrogation. He was inexplicably released from detention in late January 1981.

In addition, the following newspapers and radio stations have been closed down or had their operations taken over by the government: Radio Haiti Inter, Radio Metropole, Radio Cacique, Fraternite, La Conviction, Regard, Coquerico, and Inter-Jeune.

The first official explanation for the arrests was given by military police chief Colonel Jean Valme in late December, asserting that all those arrested were part of a "communist conspiracy." Virtually anyone who expresses opinions that are critical of the Duvalier government can be charged under the Haitian "Loi Anti-Communiste." It provides in part that persons who have made "any declarations or belief in communism, verbal or written, public or private" or who propagated "communist or anarchist doctrines by conferences, speeches, conversations, by leaflets, posters and newspapers," will be charged with crimes against the state, tried by a military court, and if convicted, may be punished by the death penalty.

On January 14, 1981, the Department of Foreign Affairs of Haiti circulated an explanation of these arrests to foreign embassies in Port-au-Prince. It asserts that many of those arrested have purportedly committed "terrorist acts" including "arson," advocated the "pillage of commercial establishments," "assassination," and "the kidnap of diplomats." The Foreign Ministry presented no evidence to support these accusations.

THE RE-ARREST OF SYLVIO CLAUDE

On October 13, 1980, one month before these detentions, Sylvio Claude was arrested at his home in Port-au-Prince. Claude, founder and President of the Haitian Christian Democratic Party, was taken to the Casernes Dessalines, where he was held without warrant or charge and denied access to his lawyers and other visitors.

This was Claude's fourth arrest in twenty-one months. He was initially arrested on February 19, 1979, after he had declared his candidacy for the Legislative Assembly in the country's first elections in two decades. Following his arrest in February, Claude, whose candidacy was declared illegal without explanation, was severely beaten and tortured with electric shocks by government security forces. He was held for two months without charge before he was finally released and exiled to Columbia in May 1979.

Following his return to Haiti, he was arrested twice more in retaliation for his work with the Haitian Christian Democratic Party. Although he was imprisoned for many months, he was never charged with any crime nor was he allowed access to lawyers or visitors, in direct violations of Haitian law.

Three days after his arrest in October 1980, Claude was brought before an investigating judge as required by Article 17 of the Haitian Constitution. He apparently was charged with violations of Articles 28 and 38 of the Press Law. These charges related to material published in Claude's newspaper, La Conviction, which the government considered violative of Haiti's new press law. During his confinement, Claude was continuously denied access to his attorneys from the Haitian League for Human Rights and was again subjected to physical abuse and degrading conditions. He was also repeatedly denied vital medical care.

On October 27, Claude's daughter Marie-France Claude, a vice president of the Christian Democratic Party, was arrested and taken to Casernes Dessalines. According to reliable reports, as many as thirty-nine people from Claude's party were arrested at the same time in Port-au-Prince. Many are still in prison, and many have never been charged with any crime.

Government interference with Sylvio Claude and the Haitian Christian Democratic Party is part of a broader pattern of governmental intolerance of political activity. Commenting on the effect of pressure against Haiti's only other opposition political party in 1979, the Inter-American Commission on Human Rights (IACHR) Report noted:

"The Haitian Christian Democratic Party of June 27, founded by Gregoire Eugene, has since ceased active operations because of government harassment, according to Eugene. (IACHR Report at 70)."

The State Department concurred in this assessment in its 1981 Human Rights report to Congress (published in February 1982).[1]

It was in this context that Sylvio Claude and his twenty-six co-defendants were brought to trial in August 1981.

CONCLUSIONS

1. On August 25, 1981, the government of Haiti tried and convicted twenty-six defendants with arson and plotting against the internal security of the state.

2. Eleven of the defendants were members of the Haitian Christian Democratic Party (PDCH) including its President, Sylvio Claude. Two others were journalists imprisoned during mass arrests conducted by the government in late November 1980.

3. Prior to the trial, all of the defendants were denied access to their families and to legal counsel. None was informed of the charges on which they would be tried until several days before the trial began.

4. While in detention a number of defendants have been subjected to harassment, beating and intimidation by members of Haitian security forces.

5. The trial took place under extremely intimidating circumstances. Government security forces set up roadblocks and machine guns outside of the courthouse, and maintained surveillance of those in attendance.

6. The conduct of the trial violated various procedural rights, guaranteed by both the Haitian Constitution and international law.

A. Several members of the jury were illiterate and did not appear to understand French, the language of the lawyers' debates, and at least one, Mme. Desforges, is known to work directly for the Service Detectif, Haiti's political police.

B. Only one of the defendants, Sylvio Claude, was never served with an arrest warrant. It charged him with a violation of Haiti's press law, for which he was never tried.

C. Most of the government's written evidence was contradicted during the trial. Two government witnesses incorrectly identified "principal actors" in the alleged crimes. Another witness recanted his prior statements which he said were made following torture by the Haitian Secret Police.

D. Only 5 of the 26 court-appointed defense lawyers agreed to participate in the case. Many of the others declined to participate because they feared for their own personal safety.

7. The trial lasted for nineteen hours on a single day and night. All of of the defendants were convicted on both charges at 5:00 A.M. Twenty-two of the defendants were sentenced to fifteen years at hard labor. The other four were sentenced to one year in prison.

8. The Haitian government failed to honor its pledges to inform international human rights organizations as to the scheduling of either the trial or appeal.

THE DEFENDANTS

Name and address	Affiliation	Age	Occupation	Date of arrest
Sylvio Claude, Fontamara No 27, Port-au-Prince, Haiti	PDCH president	46	Businessman, import-export, accountant	Oct 13, 1980 No appropriate warrant issued, beaten and tortured
Marie France Claude, Fontamara No 27, Port-au-Prince, Haiti	PDCH vice president	23		Oct 27, 1980 No appropriate warrant issued, physically abused
Berthony Pierre Paul, Rue Borjulla, Port-au-Prince, Haiti		23	First year student in ethnology	Nov 28, 1980, 10 p.m. No appropriate warrant issued
Jacques Price Jean, Port-au-Prince, Haiti		25	Journalist, Radio Haiti 6 years, daily broadcast in Creole, interviewed boat people returned from Cayo Lobos [1]	Nov 28, 1980 (at radio station)
Gabriel Herard, Port-au-Prince, Haiti	PDCH	28	Accountant and Economics student	Nov 28, 1980 Beaten and tortured
Ernst Benoit		24	Journalist, editor of literary review "Jeune Pilote"	Nov 28, 1980
Frantz Dossous, Port-au-Prince, Haiti	PDCH	29	Botanist, employed by Ministry of Agriculture	Dec 5, 1980 Tortured by electric shock
Volel Louis, Port-au-Prince, Haiti		21	Lycean at Lycee Pation, Port-au-Prince	Dec 12, 1980
Liliane Jean		46	Peasant from Gonaives	Dec 11, 1980
Mme Termitus Myrtil, Conaives, Haiti		62	Peasant from Gonaives	Dec 11, 1980
Clervio Claude, Ruelle Tokio, Haiti	Son of Sylvio Claude	22	Lycean at Centre de Formation Intellectuelle, Constant D Pognon	Nov 24, 1980
Eben Ezer Jean, Croix-des-Missions, Haiti	PDCH	36	Nurse	Oct 13, 1980
Jacques Perard Berthulien, Cap-Haitien, Haiti	PDCH	36	Tailor	Oct 13, 1980 Beaten in his cell, three ribs broken, Dec 18, 1980
Jacques Lumercier (Lumenes) Dominique, Port-au-Price, Haiti.		31	Artist, designed poster for PDCH	Dec 10, 1980 Beaten on day of arrest, Casernes Dessalines Tortured; permanent injuries to lower back
Augustin Auguste, Rue St. Martin, Port-au-Prince, Haiti	PDCH	70	Butcher, former soldier	Oct 16, 1980 Brutally tortured and beaten
Ernst Benjamin, Port-au-Prince, Haiti	PDCH	28	Teacher; former candidate for Chamber of Deputys	Oct 16, 1980
Raoul Acean, Port-au-Prince, Haiti		24	Tailor	Oct 16, 1980 Seriously tortured
Jacques St. Lot, Port-au-Prince, Haiti		35	Mechanic	Oct 16, 1980
Michel Francois, Port-au-Prince, Haiti (alia Tchotcho)	Briefly attends PDCH meetings	26	Mechanic	Dec. 8, 1980
Roger Nicolas, Martissant, Haiti		43	Electrician	Dec. 2, 1980
Yves Theodore, Delmas, Haiti		26	Technician	Dec. 1, 1980
Joseph Antoine, Delmas, Haiti	PDCH	24	Driver for Sylvio Claude	Dec. 8, 1980; tortured
Alvarez Cineus, Port-au-Prince, Haiti		36	Barber	Dec. 2, 1980
Paul Theodate, Carrefour-Feuilles		41	Chauffeur	Dec. 9, 1980
Anelus Vernet		35	Chauffeur	
Georges Dominique, Port-au-Prince, Haiti	PDCH	35	Chauffeur	

[1] Inquiry on military's role in smugging boat people

A RULE OF FAIR TRADE: QUOTA WILL CURE SUBSIDY

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. GAYDOS. Mr. Speaker, steel is a basic industry that all of us wanted at this time last year to have by now well on the road to rehabilitation. But, it is instead at the point of widespread failure and harmful contraction because it is targeted for attack in the current trade war.

While steel needs time and profit to modernize, less efficient foreign producers that are nationalized or subsidized or government capitalized carry away this hope with unfairly traded imports.

Their pace does not slacken, and at least 124,000 American steelworkers are at risk for their livelihood.

Therefore, I have today joined Mr. BENJAMIN and others in introducing legislation to place under quota the amount of steel that may be imported into the United States—a quota also on the number of jobs that may be exported.

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[1] Two fledgling independent political parties, established in 1979, suspended operations in 1981. Two Haitian Christian Democratic Party leaders, his daughter, who was the party secretary general, and [illegible] other party members were convicted of conspiracy and arson in 1981 and are now serving 15-year prison terms. The head of the Christian Party remains in exile following his 1980 deportation from Haiti. The conviction of the head of one of these independent parties and the deportation of the other have effectively neutralized organized internal political opposition. (Report at 462).

Quotas have one exceptionally redeeming social value—they cannot be circumvented by foreign government manipulation or subsidy, no matter how clever.

The quota concept will receive more discussion in a few days on special orders. These brief remarks are meant only to mark the introduction of the bill, and to commend it to Members who worry about what it would mean to lose America's most basic industry and the other basic industries that will follow it.●

JUNE 2, 1946, A GREAT DAY IN ITALIAN HISTORY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. ANNUNZIO. Mr. Speaker, I am pleased to bring to the attention of my colleagues the anniversary of the Republic of Italy which is observed on June 2.

It was on this date 36 years ago, the great Italian people by plebiscite ended their constitutional monarchy and gave a resounding vote of confidence for political democracy. By replacing the Italian monarchy with a republican form of government, and with the aid of the Marshall plan, the determined and ingenious Italian people launched upon a great period of social, political, and economic progress. The laying of the technological and economic foundation of Italian industry has been unprecedented, and the Italian Government's commitment to the social welfare and education of its people has been comprehensive. Italy continues to develop its international markets and its gross national product at an impressive rate.

In addition to its outstanding postwar domestic achievements, Italy remains a loyal Western ally in its participation in the North Atlantic Treaty Organization. Italy's contributions to Western civilization in such diverse fields as art, letters, religion, science, and philosophy are enormous, and many of the greatest names in the history of the Western World are Italian.

As we commemorate June 2, 1946, a proud day in the history of Italy, and an important day in the preservation of the vitality of democracy, I extend my warmest greetings and best wishes to the Italian people, as well as to the Italian Americans in my own 11th Congressional District of Illinois and throughout our country who are joining in the observance of this 36th anniversary of the Italian Republic.

Mr. Speaker, an article on the Italian commitment to the Western Alliance printed in the Washington Post on January 30, 1982 follows:

ITALIANS BECOME STAUNCH SUPPORTERS OF UNITED STATES IN WESTERN EUROPE

(By Michael Getler)

When conservative American and European intellectuals gathered in Washington last weekend to ponder "The Trans-Atlantic Crisis," the well-known Italian author and columnist Luigi Barzini told them about his recent visits with officials at the Pentagon and White House.

"Everybody there told me that the Italians are doing a wonderful job," Barzini said. "But you never see that in the papers."

Today, the newspapers and television networks are filled with gratitude and praise from President Reagan and other Americans for the fine work of the Italian antiterrorist force that rescued U.S. Army Brig. Gen. James L. Dozier.

Nevertheless, Barzini's point of the week before remains both accurate and important, especially when there is growing criticism and animosity between Washington and some allies in Western Europe over whether the alliance has any collective backbone in the face of developments in Poland, Afghanistan, the Persian Gulf region and other trouble spots outside Western Europe.

Whatever the troubles in the alliance, Italy has been a bright spot, as far as Washington is concerned, that ought to balance, at least in part, some of the problems with other countries.

In the past three years, in particular, Italy has played an increasingly important and positive role, even a crucial one on some issues, within the alliance.

On the controversial question of deploying 572 new nuclear-tipped U.S. Pershing II and cruise missiles in Europe, the Italians have not wavered from their initial agreement in late 1979 to allow 112 cruise missiles to be based on their soil.

The Italian commitment is crucial to the project since the West Germans, who are receiving the bulk of the remaining missiles, have said they will not go along unless at least one other non-nuclear Western European country joins them. Belgium and Holland have thus far not agreed to accept the new weapons.

In the Middle East, as Italian diplomats note, the Italians were the first to inform the Reagan administration that they would take part in the proposed peace-keeping force in the Sinai desert between Israel and Egypt.

The Rome government also played a key role in encouraging other West European nations to participate.

The Italians have also gone further than other allies in Western Europe, and moved closer to the U.S. position, in showing their dissatisfaction with Moscow over the imposition of martial law in Poland.

The Rome government has announced that it will suspend negotiations on the huge gas pipeline deal between the Soviet Union and Western Europe pending improvement of the situation in Poland.

Although the Italians are not among the most prominent future participants in that project, their involvement is not insignificant.

Italian firms are would-be suppliers of compressors and pipe sections for that huge enterprise, and Italy could also wind up getting some 37 percent of its natural gas from Moscow if the line is built.

The Italian Communist Party, representing about 30 percent of the electorate, has been among the most vociferous voices condemning the Polish crackdown, with those denunciations issued earlier and in sharper terms than those of most western governments.

Italy, though a country of roughly the same size and population as France, England or West Germany, traditionally has not been thought of as a major European power. But the Italians have never accepted the idea that they should be overlooked, and they brought things to a head within the alliance early in 1979.

In January of that year the leaders of the United States, England, France and West Germany met on the island of Guadeloupe in the Caribbean in a "big four" summit.

The Italians, afterward, let it be known that there should be "no more Guadeloupes," warning the other nations not to exclude them from such major strategy sessions if they were expected to share in alliance responsibilities.

At the Washington conference, sponsored by The Committee for the Free World, Barzini sought to counter the spreading view that the Atlantic alliance is facing a crisis.

There were so many deep ties between the United States and Europe, he said, that "it is almost impossible to conceive" of a fundamental split.

Rather, he said, several different factors were at work. "The Americans are roaring threats at the Russians" while at the same time West German Chancellor Helmut Schmidt "goes to the back door of the Kremlin" and explains to the Soviets that "The Americans are very angry and we are trying to calm them down."

This is not bad, Barzini believes, because "we need the Americans to shout at the Russians and the Americans need Schmidt" so that these split roles can work both sides of the problem.

But the West, he says, too often "probably overestimates the Russian threat" while not giving enough credit to a first-rate West German army and even to an Italian army which, he says, has never been better, another point that he feels is overlooked.●

HONORABLE HELEN BOOSALIS

HON. DOUGLAS K. BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. BEREUTER. Mr. Speaker, I would like to share with my colleagues now some of the outstanding achievements of a distinguished constituent, the mayor of my States's capital city, the Honorable Helen Boosalis. The mayor's achievements and those of her able and dedicated staff in the area of historic preservation have recently been recognized by the National Trust for Historic Preservation at their 1982 meeting here in Washington on May 7.

In the 24 years of service Mrs. Boosalis has given to the city of Lincoln, she has had many successes in the area of historic preservation. Among her major goals as councilwoman and mayor have been the conservation of older neighborhoods and the retention of a vital downtown through strategic zoning and planning.

Mayor Boosalis has recognized the value of preservation as an effective tool in benefiting older neighborhoods and the downtown area, and to this end she proposed a preservation ordinance for the city in 1980 which was adopted by unanimous vote of the city council and received support from such groups as the local American Institute of Architects chapter, the Home Builders Association of Lincoln, the Lincoln League of Women Voters, Lincoln-Lancaster Landmarks, Inc., the Junior League of Lincoln, and a number of neighborhood associations.

Along with the 1980 ordinance, Mayor Boosalis included in her administration the appointment of a preservation commission and the establishment of a preservation division within the planning department.

Mayor Boosalis has led the drive for major street and sidewalk improvements for downtown Lincoln which have increased the physical attractiveness of that area. Downtown awareness and patronage have grown and building rehabilitation has been carried out.

One rehabilitation/restoration effort in progress which has received national press coverage is the work on Lincoln's Old City Hall. Through an innovative agreement between the mayor's office and a private business, Kawasaki U.S.A., labor needed to carry out the preservation project is being provided by Kawasaki workers, who would otherwise have been laid off due to slow production demands, at no cost to the city.

In June 1981, Mrs. Boosalis assumed the presidency of the U.S. Conference of Mayors. Among her official duties in this position she has established a subcommittee on historic preservation for the conference with Mayor Henry Cisneros of San Antonio as its chair. This is the first conference involvement with historic preservation since its publication in 1965 of the book "With Heritage So Rich."

Mayor Boosalis has devoted untold personal time to attending preservation workshops and conferences across the country. With her encouragement the city of Lincoln has sponsored a number of these events. At the 1981 National Trust for Historic Preservation Conference in New Orleans, Mayor Boosalis delivered a landmark address concerning local preservation programs and their place in the sphere of Federal, State, local, and nonprofit historic preservation efforts.

Mr. Speaker, I know I speak for my colleagues from Nebraska and for all Nebraskans when I express my pride in Mayor Helen Boosalis and her many efforts to make Lincoln a capital city for our great State that is conscious, concerned, and active in preserving its historical features.●

MEMORIAL DAY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1982

● Mr. GILMAN. Mr. Speaker, I rise in support of the remarks by the distinguished gentleman from Mississippi (Mr. MONTGOMERY) in his special order on Memorial Day. It is truly fitting that the distinguished chairman of the Veterans' Affairs Committee and the former chairman of the House Select Committee on Missing Persons in Southeast Asia, with whom I have had the pleasure of working so closely, should introduce this special order.

As we speak today, soldiers of other nations are giving their lives in defense of their countries' principles, and it makes us pause to be thankful that American servicemen and women who are ever ready to do whatever duty requires in order to serve their country, are not involved in battle. Families across America have been touched by the loss of brave soldiers, servicemen and women who left all they love in this land in order to permit the rest of us to live in freedom, under the principles and laws on which this country was founded.

We honor in this special order those who have sacrificed their lives to defend our liberty and our way of life—those who, in popular and unpopular wars adhered to the belief that they were citizens of the United States and that this citizenship carried, with its immeasurable benefits, a responsibility to the Nation and all it represents. We salute these brave spirits, these true patriots who loved their country and its people and principles more than their lives. Today we pause to honor, as I am hopeful we will many times this weekend and throughout the year, those whose sacrifice is with us daily.

On Memorial Day, we remember the families who have lost loved ones in battle, and especially the families of those 2,500 Americans still missing in action in Southeast Asia. For one of these families, 12 months of agony and perseverance has ended—Gladys and George Brooks of Newburgh, N.Y. I had the honor of working with the Brooks family for 10 years. The Brooks' son, Lt. Comdr. Nicholas Brooks, who was shot down over Laos on January 2, 1970, became a symbol for us of the courageous, special young men who fought for our Nation in a most difficult war.

Nick was a Navy pilot whose A6-A aircraft was downed in Khammouane Province in Laos. After Nick and his crewmate ejected from their aircraft, two separate beeper sounds were heard by rescue personnel called to the scene. Lt. Bruce Fryar, the other crewmember, was almost rescued before our pararescue team had to leave the area because of heavy ground fire. Nick was not heard from again, and when the U.S. team returned to the area the next day, the body of Lieutenant Fryar was missing, and Nick was not located either.

Our Government declared Nick Brooks "Killed in Action" (KIA) in 1980 after a lapse of 10 years with no additional information forthcoming on his case. Despite his classification as KIA, George and Gladys continued to press our Government, and the governments in Southeast Asia for answers. George Brooks pored over the documents and maps that led to a conclusion that Americans may still be held in Southeast Asia. Night after night, after returning home from work George studied the live sighting reports which Asian refugees coming to our Nation had passed on in an effort to reveal the truth about American POW's.

In late January and early February of this year, Laotians turned over the remains of an American serviceman to our Embassy in Bangkok, Thailand. After careful study and testing, the remains were positively identified by our central identification laboratory in Hawaii as those of Lt. Cmdr. Nicholas Brooks. After 12 years, we learned the answer about the fate of Nick Brooks. For this 12 years, Mr. and Mrs. Brooks never ceased hoping and working, not only on behalf of Nick, but also on behalf of the sons of all other parents sharing their struggle. They never gave up, and after 12 years their son Nick was buried at sea—a true example of the soldiers we honor on Memorial Day with parents who symbolize what is best in our country. For Gladys and George Brooks, their battle has ended, but they will continue on, I am certain, with their unselfish service and support to other families. To these families we say today that we share your suffering, and there are many of us in the Congress who will not rest from the task of accounting for and bringing home these worthy heroes.

On Memorial Day, as we honor the deeds, the rows on rows of zealous soldiers interred in our Nation's cemeteries and in foreign fields, as we recall with affection the vitality of their lives while they were with us, and for the inspiration of their sacrifice—may we dedicate ourselves to conduct our work and our lives in a manner that brings honor to their inestimable gift to us.●

NATIONAL ALZHEIMER'S DISEASE WEEK

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. LOWERY of California. Mr. Speaker, today I am introducing legislation declaring the week beginning November 21, 1982, as "National Alzheimer's Disease Week."

Alzheimer's disease is a surprisingly common disorder that destroys certain vital cells of the brain, producing intellectual disability (senile dementia) in 15 percent of persons aged 65 and older. This mind-ravaging disease accounts for more than 50 percent of all nursing home admissions and affects 1.5 million Americans at an estimated cost of $20 billion annually.

Alzheimer's disease, which is not a normal consequence of aging, is the fourth most common cause of death in the United States. It is 14 times more common than multiple sclerosis and 100 times more common than amyotrophic lateral sclerosis (Lou Gehrig's disease). One out of three families will see one of its parents succumb to the disease, and, in some cases, a familial predisposition will occur and whole generations will be affected.

The symptoms of Alzheimer's disease are slow and insidious, with the earliest impairment being that of recent memory. As the disease progresses and memory loss increases, reasoning deteriorates, and the individual becomes depressed, agitated, irritable, and restless. Concentration, speech, and handwriting degenerate. In some cases, the individual becomes violent, and in others, placid and inert. In the final stages of the disease the victims may be totally unable to care for themselves and deteriorate to a vegetative state.

There is no known cure for Alzheimer's disease. No way to reverse or retard the unrelenting process of deterioration in its victims. It is one of the most ignored and uniquely tragic diseases of our time—not just for what it does to the victim, but for its devastating effect on families and friends.

The cause of Alzheimer's disease is not yet known. At present, doctors diagnose the disease by ruling out everything else: metabolic diseases, strokes, tumors, psychiatric depression. However, a number of extremely committed individuals across the country are working to solve the mystery. One of my constituents, Dr. George Glenner, has established the world's first brain bank for the exclusive study of Alzheimer's disease at the University of California San Diego's School of Medicine. The brain bank, which is supported by the San Diego chapter of the Alzheimer's Disease and Related Disorders Association and UCSD, currently has 10 brains, donated from across the country, to help Dr. Glenner and his colleagues in their scientific pursuit. Dr. Glenner is optimistic that his research project will help to pinpoint the cause and thus find a way to prevent Alzheimer's disease.

Alzheimer's disease is perhaps the most tragic for the family of the victim. In the earliest stages of the disease, the victim can be cared for at home by the spouse and family. However, as the disease progresses, he becomes increasingly combative, unreasonable and finally incontinent, placing a terrible strain on the family. The Alzheimer's Disease and Related Disorders Association is comprised of families of Alzheimer's victims who serve as a support group for one another. Many local chapters of the association offer the services of volunteers who take over the care of the patient for a time, allowing family members who have been confined to caring for the patient to get out of the house for a few hours to take care of business or simply to relax. The members of the association are also committed to assisting research efforts and lobbying for a more enlightened view of the disease.

Mr. Speaker, I feel that declaration of the week beginning November 21 as National Alzheimer's Disease Week will help to increase the national awareness of the problem of Alzheimer's disease, stimulating the interest and concern of the American people. This, in turn, will hopefully lead to increased research and eventually to the discovery of a cure for this mind-ravaging disease.●

A TRIBUTE TO HENRY WRIGHT

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. RITTER. Mr. Speaker, on Friday, June 4, 1982, the people of the Lehigh Valley will be saying thank you to a man who has dedicated 40 years of his life to serving his community. For the past 23 years Henry has served as athletic trainer at Allen High School in Allentown, Pa. It is for these 23 years of service that we will remember him most.

We think of sports as seasonal; football in the fall, basketball in the winter, and baseball in the spring and summer. But for Henry, his athletic season was all year long. Athletes from all sports sought Henry out for help and advice. He was as much a professional to these young people as he was a friend. During the competitions, it was Henry who was there to cheer his athletes on. After 23 years as a trainer, Henry will retire.

While all of us know Henry as part of the Allen High community, many do not know of the work he does outside the Allen High sports complex. Henry has been a lifelong member of St. Peter's Evangelical Lutheran Church in Allentown. It was in this church that he was baptized, confirmed, and later married. Being an active member of the congregation, Henry has served as the adult Sunday school teacher for 15 years. In addition, his desire to help young people has led him to work outside the high school. Working with the youth of our community, he has served as scout master to Boy Scout Troop 22.

Mr. Speaker, so often we hear of the elements that tear down our communities. Today, though, I wanted to share with my colleagues in Congress the story of a person who has dedicated his life in helping to build a community. Children growing up to become young adults are the building blocks of our society and we can be thankful that men such as Henry Wright have dedicated their lives to molding these young people into decent members of our community. As Henry's friends come to pay tribute to him and his wife, Gloria, at his June 4 testimonial, I want to also add my best wishes for their continued health and happiness.

Thank you, Henry.●

H.R. 6506—A BILL TO REQUIRE CONSENT OR A WARRANT BEFORE ENTERING FARM PROPERTY

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. DANNEMEYER. Mr. Speaker, today I introduce a bill to insure equal protection under the law for farmworkers and farmers from warrantless and unreasonable searches by officers and employees of the Immigration and Naturalization Service (INS). I am pleased to announce the following original cosponsors of this measure: Mr. SHUMWAY, Mr. BURGENER, Mr. PASHAYAN, Mr. LOWERY, Mr. FAZIO, Mr. COELHO, Mr. CLAUSEN, and Mr. PANETTA.

This bill is similar, but not identical, to a measure introduced in the other body by the Senator from California, Mr. HAYAKAWA (joined by the Senator from California, Mr. CRANSTON; the Senator from Florida, Mrs. HAWKINS; the Senator from North Carolina, Mr. HELMS; the Senator from Nevada, Mr. LAXALT; the Senator from South Dakota, Mr. PRESSLER; the Senator from New Mexico, Mr. SCHMITT; and the Senator from Idaho, Mr. SYMMS).

The fourth amendment to the Constitution guarantees "the right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures" and statedsfurther that "no Warrants shall issue, but upon probable cause . . . ." Farmworkers and farmers should be no exception to this guarantee. Unfortunately, these people and this workplace have been the exception to the INS policy of obtaining a warrant prior to entering a place of business.

Recent warrantless raids by the U.S. Border Patrol on strawberry farms in Orange County, Calif., have underscored this problem. In an effort to combat the flow of illegal aliens into this country, border patrol agents engaged in a campaign of sweeps in southern California and on Orange County farms. Farmers described the raids in terms of an invasion, of aerial strikes by helicopters, of repeated ground assaults by mounted or motorized agents. Some illegal aliens were seized. No search warrants were obtained.

In his statement, Senator HAYAKAWA pointed out that:

> Currently, the INS must obtain a warrant prior to entering a place of business excepting farms and ranches. Congress must not allow this exception to continue to exist. Farmers are entitled to the same standard of protection that other businessmen enjoy. Simply because a farm is a factory without walls, the Border Partol blatantly applies a different set of rules.
>
> Farmers have been denied a basic right which is guaranteed under the fourth amendment—protection from unreasonable search and seizure. INS statistics show us that 8 percent of the illegal aliens employed in the United States are working in agriculture. However, almost 50 percent of undocumented alien workers apprehended are in agriculture.
>
> These statistics reflect a bias in the enforcement activities of INS. They demonstrate that the INS is selectively enforcing the law by going to the industry where it is the simplest and most cost effective to carry out the law. This must be changed.

The U.S. Border Patrol bases its warrantless search onto open fields on Hester against United States. This 1922 case involved the warrantless discovery of moonshine whisky cast onto the defendant's father's field during a police chase. The defendant claimed the evidence was inadmissable since no warrant had been obtained. Mr. Justice Holmes held that "the special protection accorded by the Fourth Amendment to the people . . . is not extended to the open fields." Pursuant to this and other court decisions, the Border Patrol finds that a law enforcement official, in furtherance of a legitimate law enforcement function, may go onto open fields of private property without a warrant. This privilege, however, does not extend to what is known as curtilage, or domestic areas, barns, garages, and patios immediately surrounding a house, usually, but not always, fenced.

Hester against United States concerned moonshine in an open field. My bill concerns the farmers and workers in an open field and their legitimate expectation of privacy. My bill does not overturn the Hester case. It rejects a misapplication of that decision that has done serious damage. If the person's expectation of privacy is reasonable, such person is entitled to be free from unreasonable governmental intrusion. Hester against United States did not abandon the test of reasonableness under the fourth amendment. Rather, it affirmed it.

The border patrol raids have departed from the reasonable into the racially presumptive. Because someone's skin is brown, does not and should not threaten their reasonable expectation of privacy.

If this bill becomes law, immigration officials will have to either obtain consent or a properly executed warrant through a U.S. attorney from a magistrate in order to enter an open field to question suspected illegal aliens. Would such a law make arrest of illegal aliens in agriculture more difficult? No. This bill does not make it more difficult to enforce the law. This measure makes it harder to abuse the law. Without clear and equal protections and enforcement of our laws, no one is really safe. If this bill becomes law, farmers and shopkeepers alike would be treated equally.

It is not my purpose in introducing this bill to equalize the targeting of enforcement actions. My purpose is to see that the ground rules for enforcement actions are equal, equal for industry and agriculture. The matter of enforcement targeting is a matter of administrative, not legislative, decision.

The job of a border patrol agent is, in a word, frustrating. Efforts to combat the apparently ceaseless flow of illegal aliens appear to be shoveling sand against the tide. But our borders as well as our individual rights should be fully protected and secured. It is estimated that there are already from 3 to 6 million illegal aliens in various regions of the country. It is also estimated that some 500,000 illegals pour into this country annually. This is an unacceptable burden on our economy and society.

Current immigration legislation includes provisions to fine and jail employers who knowingly and repeatedly hire illegal aliens. If farmers and plant managers are going to be subject to the same fines and sentences for hiring illegal aliens, then they should also be subject to the same search and seizure provisions.

Any new immigration reform should also include a workable and humane guestworker program. To that end, I have cosponsored H.R. 1650, as introduced by Mr. LUNGREN of California. This bill would establish a program to permit nationals of Mexico to enter the United States to perform temporary services.

Farmers and farmworkers should expect to be subject to the same protections and enforcement actions as other workers and citizens. The guarantee of the fourth amendment is basic to the enforcement of our immigration laws. At this point, Mr. Speaker, I ask that the text of the legislation I am introducing today, which would extend the guarantee of the fourth amendment to farmworkers and farmers, be included at this time:

H.R. 6506

A BILL To amend the Immigration and Nationality Act to require consent or a warrant before entering onto farm property

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That section 287 of the Immigration and Nationality Act (8 U.S.C. 1357) is amended by adding at the end thereof the following:

"(d) Notwithstanding any other provision of this section, other than paragraph (3) subsection (a), an officer or employee of the Service shall not enter onto the premises of a farm or other agricultural operation without consent of the owner (or agent thereof) or a properly executed warrant for the purpose of interrogating a person believed to be an alien as to his right to be or to remain in the United States.".●

ADVERSE EFFECT TO TIMBERLAND OWNERS

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. AUCOIN. Mr. Speaker, I want to commend the gentleman from Ohio, Mr. PEASE, for offering his amendment expressing the sense of Congress that legislation should be enacted recommending changes in the Internal Revenue Code. I agreed with at least 90 percent of the recommendations specified in his amendment.

The reason I chose to vote against the amendment, however, was the inclusion in the amendment to repeal the capital gains treatment for timber. The repeal of this provision would adversely affect over 5 million owners of timberland in the United States.

Repeal of this provision, given the current disastrous economic situation, would be an utter calamity to a timber industry which is already reeling from the effects of high interest rates and low housing starts.

As my colleagues are aware, housing starts for 1981 were at their lowest level in 35 years. The news for 1982 isn't any better—housing starts for this year are below 1981 levels.

High interest rates and the housing slump have caused severe permanent damage to lumber and plywood operations. During the past months, 25 to

32 percent of all mills have closed down, and it is uncertain how many of these will reopen. Currently, the industry is operating at only 55 percent of capacity.

To repeal the capital gains on timber under these circumstances would drive the last nail in the coffin.

Without capital gains treatment, the economics of growing timber are unattractive. This results first from the inherent substantial front-end investments in land and planting costs, the carrying costs, and the 25-to-100-year growing cycle for timber.

The effect of these factors is to tie up investments for extended periods without current returns. Second, the return which is generated is substantially lower than the return for other types of investments. Third, there are substantial risks, such as fire, insects and disease, and windstorms. The long-term growing cycle of timber results in an increased exposure to such risks far beyond that of other types of investments.

Even with capital gains treatment, the return from investment in timber is marginal. Federal Trade Commission reports indicate that the return on equity from timber and wood products and from paper and allied products is below that available from all durable and nondurable goods produced.

Would the repeal of the timber capital gains increase revenues? The answer is no. Without capital gains treatment, timber would be held off the market in anticipation of timber shortages. It is not at all clear that the higher effective rate would compensate for the reduced level of cutting in these areas.

In the long run, repeal clearly will result in a revenue decline since future timber growth will inevitably be curtailed. In the meanwhile, new plantings that would otherwise have occurred will be foregone, as moneys earmarked for reforestation will be channeled into other investments.

It is important to fully understand that tree growth lost because trees were not planted will be permanently lost. Although other planting may occur later, the lost growth cannot be recouped by future planting of other trees.

In short, the repeal of timber capital gains would not only further damage an already severely depressed industry, but it would also jeopardize our Nation's future timber supply for many years hence. While this action seeks to increase revenues, in both the short and long run, it will fail in its purpose as it is virtually certain that reduced tax revenues will result.

We do need tax reform, but not at the expense of our Nation's future demand for forest products.●

CONGRESS SHOULD REPEAL BACK-DOOR TAX BREAK/PAY RAISE

HON. BILL EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. EMERSON. Mr. Speaker, the back-door tax break/pay raise given this Congress as a result of a "wired" set of circumstances and which took effect retroactively was truly an act which flies in the face of the American people.

It is an act which allows a tax deduction of up to $20,000 a year to Members of Congress through the use of a $75 per diem.

The American people have asked this Congress to lead it out of an economic crisis. In response to that request, the Congress, rather than tightening its belt as an example to the American people, has taken this action of largesse on its own part. It was accomplished in an underhanded and altogether indirect and misleading manner.

As to my position, I believe that we must repeal that tax deduction. We must repeal this back-door pay raise. For this reason, I have sponsored legislation to repeal this tax deduction/pay raise.

Further, the only benefits I receive as a Congressman are those which existed when I entered office. I refuse to insult the American taxpayer by claiming this special tax break, and did not claim it when I filed my tax returns on April 15.●

A TRIBUTE TO GEORGE GABRIEL

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. RITTER. Mr. Speaker, on Saturday, June 12, I will be joining with many of my friends in the Lehigh Valley of Pennsylvania in saluting one of our community's finest individuals, George Gabriel. At this time, I would like to share with my colleagues in the Congress some of the many contributions he has made to our community.

In business, George epitomizes the true American success story. After graduating from Penn State University in 1949 with a bachelor of science degree in chemical engineering, he joined Atlas Mineral Products Co. in Mertztown as a plant engineer. His hard work and dedication led to his appointment in 1966 as the general manager of the Atlas minerals and chemicals division. Then in 1978 he became president and chairman of the board of directors at Atlas.

As a chemical engineer, George is a recognized authority, and holds many titles. George is a registered professional engineer in the fields of chemical, civil, and structural engineering. In addition, he is a certified corrosion engineer by the National Association of Corrosion Engineers. He has written many technical articles and lectured on professional management for various groups and colleges. George has also given much of his time over to chairing various committees related to his field.

George's ambition and desire to do good has led him to service in his church and community. George is a member of the St. Nicholas Greek Orthodox Church in Bethlehem. Within the church community, George has been a member of the board of trustees for many years and has served as president of the church.

Around the Lehigh Valley, George has been very active in the American Hellenic Educational Progressive Association (AHEPA). In his chapter, Lehigh Chapter No. 60, Allentown, Pa., George has held every position up to the presidency. He has also become very active on the State and national level. Nationally, George has held the office of supreme governor, from 1975 to 1976. This position was followed by several other national appointments leading to his service as chairman of the supreme board of trustees. Under his service, George undertook several major projects. Over a period of 3 years, George proceeded to plan, organize, and implement the revamping and modernizing of the national headquarters which included the selection and installation of a new computer. After the successful completion of this project, George turned his attention to budgeting controls and finance. He has been chairman of the budget and finance committee at the supreme conventions for the past 6 years.

It has been my honor to know George and be among his many friends and admirers. Throughout his life, George has served his God, country, and community. His dedication to doing good and serving his fellow man has been an inspiration to us all. In addition, George has dedicated his life to progress in the engineering field and to the promotion of his Greek heritage. We all hope that George and his lovely wife Evangeline continue to enjoy happy and prosperous years together.●

SHALOM SINAI—ROAD TO PEACE

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. AUCOIN. Mr. Speaker, together with my colleagues JONATHAN

BINGHAM, JIM COYNE and **EDWARD DERWINSKI**, I would like to extend an invitation to every Member of the House to attend a photography exhibit entitled "Shalom Sinai, Road to Peace." There will be a reception in honor of the exhibit in room 2168 of the Rayburn Building from 3 to 5 p.m. on Wednesday, June 2. The exhibition will be on display in the Cannon rotunda from June 1 through June 12.

Mr. Speaker, these photographs are beautiful; the scenes they depict are spectacular. The photos show the awesome wonders of the timeless desert landscape, the beauty of the marine life and vegetation and the people of the area, children at play, Bedouin nomads and tourists.

On April 25, 1982, Israel withdrew from the Sinai in accordance with its commitment to the Camp David agreements. The photo exhibit underscores this action. It also stresses the real motive behind these political actions—the desire for peace.

Mr. Speaker, the photos were taken by Farag Peri, who is one of the best known Israeli photographers. He is famous for his movie stills and artistic photography. The captions were written by Amos Ettinger, who is a director and producer of Israeli television shows. He has written the lyrics to several songs and musicals.

I urge all of my colleagues to view this exhibition. The poetic captions for the photographs are reprinted below:

SHALOM SINAI—ROAD TO PEACE

Through the ages, the Sinai Desert has known many wars; many tribes and nations came and conquered, holding the desert because of its strategic importance on the crossroads of Asia and Africa.

Sinai is a place no man has ever thought habitable.

Here, on Mount Sinai, the Ten Commandments were decreed to Moses, and he gave them to the Children of Israel and to the world.

Sinai has since changed hands many times. In three wars, fought by Israel and Egypt in our days, the desert again served as a battleground, again changed hands. Now, Israel has returned the Sinai to Egypt, in the belief the former battlefield will become a bridge to peace.

"Shalom (good-bye) Sinai", is not just a phrase, but a fervent expression of hope that the price already paid by the sons of both nations, and the additional price now being paid by Israel in handing over Sinai to Egypt, will bring the peace we all long for.

A. FOLLOWING SINAI

1. The Road to Sinai

Where to? Where does the wind blow? Where does the road lead? To Sinai, to the memories, to the hopes, to the desert.

2. Desert and Bush

To think of Sinai means: To think of a desert of endless sands, endless yellowness, endless void.

3. The Face of a Bedouin

To see Sinai, know Sinai, live Sinai means: That this Sinai Desert contains all the works of creation, all the works of Genesis.

B. FOLLOWING CREATION

4. Let There Be Light

In the beginning God created the Heaven and the Earth and the Earth was without form and void . . . and God said: let there be light and there was light and the evening and the morning were the first day.

(Genesis: I)

5. Sinai Sky

And God made the firmament . . . and God called the firmament Heaven and the evening and the morning were the second day.

(Genesis: I)

6. A Tree Bearing Fruit

And the Earth brought forth grass and herb yielding seed, and the tree yielding fruit, and the evening and the morning were the third day.

(Genesis: I)

7. Sinai Sun and Moon

And God made two great lights, the greater light to rule the day, and the lesser light to rule the night. To divide the light from the darkness, and the evening and the morning were the fourth day.

(Genesis: I)

8. The Fish of Sinai

And God said: Let the waters bring forth abundantly the moving creature that hath life, and God blessed them saying: Be fruitful and multiply and fill the waters in the seas, and the evening and the morning were the fifth day.

(Genesis: I)

9. Adam and Eve

And God created man in his own image, male and female created he them, and God blessed them . . . be fruitful and multiply, and replenish the Earth . . . and the evening and the morning were the sixth day.

(Genesis: I)

10. Sabbath in Sinai

Thus the heaven and the Earth were finished, and all the host of them, and God blessed the seventh day, and sanctified it because that in it He had rested from all his work, which God created and made.

(Genesis: II)

C. FOLLOWING THE BEDOUIN

11. Bedouin Tent

Blankets of wool from the sheep, stakes to fasten them, a place for the flocks, a place for the children, a place for the guests, many cups of coffee and plenty of warmth and love—that's the Bedouin's home in the desert.

12. Bedouin Girl

They tried to bring us electricity, television, cooking and heating stoves, and strange and varied customs, they tried . . .

13. Bedouin and Donkey

. . . They tried to bring us the world and they did not understand that our world is the desert, that our world is Sinai, that our world is far from electricity and television, far from strange and varied customs, which change men's hearts.

14. School-bound

On the way to school, on the road to progress, on the path to tomorrow.

15. Camel and Rider

I inherited this "Rolls Royce" from my father, and I will pass it on to my son. This is our noblesse oblige, the desert, the camel, and the rider.

16. Camel Caravan

No traffic lights, no traffic signs, no fuel, no energy crisis, no beat of a motor, only the beat of a heart which goes out to Sinai.

17. Bedouin Baby

Father was born in Sinai, Grandfather was born in Sinai, Grandfather's father was born in Sinai, years came and went, people came and went, warriors came and went, only we remained here for where else is there to go except Sinai.

D. FOLLOWING THE SINAI LANDSCAPE

18. Ships on a Reef

Signs of time, signs of wind, signs of water, left imprints in iron, imprints in Sinai.

19. Sinai Corals

The corals of the Red Sea are like a book of fables, an open book on the world of silence.

20. Snakes

If you open your eyes and see, extend your hand and touch, the vistas of Sinai will reveal a wondrous world of nature.

21. Stone-face

There is a love story you read in the eyes of people, there is a love story you read in the eyes of stones, in the eyes of cliffs and in their hearts.

22. A Stone Fist

Untouched by the hand of the sculptor, untouched by the hand of the artist, touched only by the winds of Sinai which stroked the mountains, only the touch of Sinai sandstorms which pounded the rocks.

23. Oasis

Here will the camels come to quench their thirst, here will the nomads of the desert come to water their flocks, to drink coffee, to tell stories.

24. Lion's Head

Nobody said what are the names of those cliffs, what are the names of those rocks, what are the names of those shapes and lines of beauty which the years wrought in stone.

25. A Tree Springs from Stone

Out of the granite and basalt, out of the Sinai rocks a new world, a new life break through, grow, flourish . . .

26. Flora

Desert sands, the salt of the sea are no obstacle to new blossoms, strange blossoms—the kind found in Sinai.

27. Sinai Mountains

On these mountain tops God bestowed his ten commandments, on the children of Israel and on the world. On these mountain tops in Sinai blew the winds of war, on these mountain tops now blow the winds of peace.

28. Sinai Visitors

It was so easy to leave all and come here only for the sunrises and sunsets, only for the blue and the yellow, only for the peace and the silence, not to speak of the nation's security. Which is why it is so difficult to go.

29. Sinai Fjord

You don't have to look for fjords in the distant north. They are here—where the Sinai Desert borders on the shore of the Red Sea.

30. Sinai Coral Island

The sands of Sinai—Color it yellow. The waters of Sinai—Color it blue. The sunsets of Sinai—Color it red, the sand, the sea, the coral islands.

E. FOLLOWING THE PEOPLE OF SINAI

31. Hippies in Sinai

Oslo? Chicago? London? I am not mistaken—such a look, such a smile, such joy of life belong only to those who have had a taste of Sinai.

32. Sunbathers

From the noise of the cities teeming with people, from the tumult of the smoke-filled streets, from the winter snows which freeze the bones, we came following the sun, following the quiet, following Sinai.

33. Souvenir Vender

I can offer you a few strings of beads—souvenir from Sinai, a few good stones—souvenir from Sinai, a few loves, of the kind only Sinai can offer.

34. Girl With Ball

We played with toys, we played with dreams, and we built shelters—so that we could go on playing with toys, playing with dreams.

35. A Pupil in Ofira (Sharm e Sheikh)

When father came here he found the desert, he found mother. Sinai—this is where I was born, where I learned to love the people and the landscape, where I learned that peace has its price. And that's why I'm leaving.

36. Drilling for Sinai Oil

In the ground of Sinai we found fuel and we returned it with hope that it will fuel peace. The price was high—but less than the price of war.

F. FOLLOWING THE PARTING FROM SINAI

37. Granddaughter and Grandfather

Grandpa, Tell me Grandpa, tell me what was here before you came to Sinai, before the wars, before green grew here, before the house was built.

There was a wind here that came and went, there were sands which came and went, there were fighters who came and went, and then there were dreamers who came and remained, planted a tree, built a house and brought life to the desert.

38. Yamit Sands

Yesterday—yesterday there were here only broiling sands, wandering winds, wandering Bedouin—yesterday we barely found here human footsteps, barely found water, barely found greenery, barely found life.

39. The City of Yamit

Today—broken windows open to the winds, broken dreams open to the desert, broken hopes to see more water, more greenery, more life.

40. Land Without Shade

Sinai—desert without water, land without shade, the desert was given what it asked for, the earth was given what it asked for . . .

41. Crops in the Sinai Sand

. . . And one morning we awoke and we found the desert awakening and smiling at us with its green.

42. Yamit Hothouse

The green—the green found its home in the soil and bursts at us with its colors, and calls us with its leaves, and smiles at us with its fruit, and wants to grow, to grow also tomorrow.

43. Children of Ofira

Yes, this is the last bell after class, the last bell in Sinai, stop—this is the end, this is the price of peace.

44. Bungalows on Ofira Beach

We decorated the barren and sandy shores of Ofira-Sharm E-Sheikh with hotels, bungalows, scuba-diving facilities and piers. Yesterday, we relinquished them for peace. Will we return to them in peace, tomorrow?

45. Ofira Airport

We built the Sinai airports for defense. We return the Sinai airports for peace and hope that peace will take off and soar from these runways.

46. Straits of Tiran

The cannon at the Tiran Straits has known many wars. Now, when the cannon is silent the poets are singing . . . ". . . And they shall beat their swords . . . Nation shall not lift up sword against nation, neither shall they learn war any more."

47. War Memorial

Many monuments with names of warriors are scattered over Sinai—words here are redundant, the stones, the names, the tears—They speak for themselves—no more war.

48. The Torn Flag

Who will make whole the shaky defense, the broken heart, the torn flag, peace? Perhaps . . .

50. A Child Next to the War Memorial

Time may cure the broken heart, may restore the home taken away, but no one will restore Yehezkel, Yitzhaki, Cohen, Mualem—their names spell the true price of peace.●

OFFICIAL LEAVE OF ABSENCE

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. McDADE. Mr. Speaker, I would like to state for the record that I had requested and received an official leave of absence from the House of Representatives for the period of March 1 through April 2, 1982, during which time I was convalescing from a back injury.

At the time, I would like to go on record for those missed opportunities. Had I been present I would have cast the following votes:

MARCH 2, 1982

Procedural motion, "yes."
House Concurrent Resolution 226, "yes."
House Joint Resolution 373, "yes."
H.R. 5366, "yes."

MARCH 3, 1982

Procedural motion, "yes."
S. 1503, "yes."
H.R. 5118, "yes."
Procedural motion, "yes."

MARCH 4, 1982

H.R. 5118, "yes."
H.R. 5118, "yes."
Senate Joint Resolution 142, "yes."

MARCH 9, 1982

Procedural motion, "yes."
H.R. 2160, "yes."

MARCH 10, 1982

Procedural motion, "yes."

MARCH 18, 1982

Procedural motion, "yes."
H.R. 3620, "yes."
H.R. 4468, "yes."
H.R. 4688, "yes."
H.R. 3345, "yes."
H.R. 2329, "no."
House Concurrent Resolution 290, "yes."

MARCH 23, 1982

Procedural motion, "yes."
House Concurrent Resolution 100, "yes."
H.R. 5014, "yes."
H.R. 4750, "yes."
S. 146, "no."
S. 2166, "yes."
H.R. 4709, "yes."
H.R. 2528, "yes."
H.R. 5708, "yes."
S. 2254, "yes."

MARCH 24, 1982

Procedural motion, "yes."
House Joint Resolution 409, "yes."

MARCH 30, 1982

Procedural motion, "yes."
House Resolution 413, "yes."
House Joint Resolution 410, "yes."
House Joint Resolution 447, "yes."

MARCH 31, 1982

Procedural motion, "yes."
House Resolution 378, "yes."
House Resolution 378, "no."
House Resolution 378, "yes."

APRIL 1, 1982

Senate Concurrent Resolution 78, "no."
H.R. 5789, "no."
H.R. 5789, "yes."●

THE FAIR TRADE IN STEEL ACT OF 1982, H.R. 6505, INTRODUCED BY 55 INITIAL SPONSORS

HON. ADAM BENJAMIN, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. BENJAMIN. Mr. Speaker, I have introduced the Fair Trade in Steel Act of 1982 on behalf of 55 House Members who believe that the United States has a responsibility to enforce its trade laws or develop trade laws that it can enforce.

H.R. 6505 gages steel imports to steel unemployment, national inflation, and product need.

H.R. recognizes that the U.S. steel industry is depressed by high interest rates, economic recession, and an uninterrupted flood of imported steel priced below the cost of production.

It realizes the inability of American steel companies to match dumped and subsidized steel which has closed steel plants and laid off more than 100,000 steelworkers and forced 30,000 others to shortened workweeks. Steel employment, Mr. Speaker, is down to 331,000—the lowest since the Depression. The Fair Trade in Steel Act of

1982 will bring stability to the workplace and industry and prevent further layoffs.

If the flood of imported steel continues, resulting plant closures will leave the United States without sufficient steel capacity when any economic recovery occurs. Our Nation will be one of the few nations unable to meet its steel needs. That would force us into a perilous reliance on uncertain sources of supply and seriously jeopardize our national security.

It is our goal to enable the steel industry and its workers to be great and of world class again. To do so, we shall employ all of our abilities to enact appropriate import levels into law. Import levels are neither radical or illogical. U.S. trade laws provide for acceptable levels of imports through voluntary restraints, emergency procedures, and administrative remedies.

Under present law, the procedures are lengthy, complex, and costly. The procedures occasionally become immersed in politics. H.R. 6505 quantifies a very subjective procedure. It establishes a baseline and provides for exemptions. It recognizes that the American marketplace must also provide opportunity for American goods. It provides standardization and reliability to treat all producers in a fair and equitable manner.

Mr. Speaker, I encourage all House Members to join the support of H.R. 6505. I urge the Trade Subcommittee to schedule hearings during June. I ask that we join together to get America going again by industrializing—by improving—and by streamlining American trade laws to allow American workers and companies to sell in the world's greatest market—the United States of America.●

INCENTIVES TO REFORM THE HEALTH CARE SYSTEM

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. FISH. Mr. Speaker, the American Society of Internal Medicine, a national organization of over 17,000 physicians, has made some thoughtful recommendations for solving the long-term problems faced by our health care system.

The ASIM incentive-based approach should be noted by my colleagues as one that deserves our attention and study.

TOWARD AN INCENTIVE-BASED APPROACH FOR REFORMING THE HEALTH CARE SYSTEM: RECOMMENDATIONS OF THE AMERICAN SOCIETY OF INTERNAL MEDICINE

BACKGROUND

Controlling health care costs continues to be a major concern of government, health insurers, physicians and the public. Various strategies to reduce—or at least slow down—the rate of increase in health care costs have been suggested, most of which fall under proposals for increased regulation of health care delivery, promotion of more competition between insurance companies and individual providers, or for reducing health insurance benefits to patients.

The American Society of Internal Medicine (ASIM)—an organization of more than 17,500 physicians nationwide who specialize in internal medicine—has spent considerable time and resources in recent years studying the reasons behind the rapid escalation in health care costs and developing recommendations for making the system more cost-effective.

ASIM strongly supports the March 1982 statement by American Medical Association (AMA) President Daniel Cloud, MD, calling on all interested health groups to join the AMA "in viewing the overall situation with a long-term perspective," as he announced the AMA's intention to make recommendations for long-term policies to provide proper care to Americans within the available resources. ASIM intends to offer assistance and cooperation to the AMA in developing such solutions, but also believes there are a number of approaches to the issues of cost, quality and access that merit immediate consideration.

Based on both the real-life experiences of physicians indirect patient care and on an analysis of the socioeconomic factors that encourage cost escalation, ASIM has developed recommendations that it believes would constitute an effective national policy for moderating health care costs. The recommendations are based on one fundamental conclusion: The current system of health insurance (coupled with well-intended but counterproductive federal regulations and policies) has created perverse incentives that encourage hospitalization, which by its nature is more expensive than ambulatory care. Those incentives also unintentionally reward inefficiency and penalize efficiency, promote costly technical/surgical procedures instead of less-costly (and frequently more effective) personalized caring services, and discourage patients, physicians and hospitals from becoming actively involved in holding down the costs of medical care.

ASIM believes that only by correcting perverse incentives can health care costs be effectively controlled. The Society does not pretend that these are the only workable approaches and welcomes recommendations that the AMA and others may develop. ASIM is certain, though, that a positive "incentive-based" national health policy is essential and recognizes that implementation of these recommendatons will require a major commitment by physicians, insurers, government and the public to change the traditional way things have been done. However, the Society believes "business as usual" is not acceptable and pledges that its members will continue to do their part to contain costs by participating ineffective peer review and health planning programs, by supporting changes in the way patients are reimbursed for internists' and other providers' services, and by working to provide more cost-effective care. After all, Americans respond better to challenges and positive incentives than they do to unneeded sanctions and regulations.

ASIM will continue to study this problem and volunteer recommendations for change. The Society challenges all who are concerned with health care costs to work toward implementing these and other effective approaches to control costs while at the same time maintain and improve the quality of medical care.

RECOMMENDATIONS

In examining the overall system, attention naturally is focused on the major components and players. Forty percent of the nation's health care costs are spent in acute-care hospitals, with approximately 75 percent of those hospitals' revenues coming from federal funding or other cost-based insurance programs. Therefore, the institutional role played by patients, physicians, insurers and the general community must be carefully considered and evaluated. These thoughts are reflected in the following recommendations:

1. Create incentives for providing services in ambulatory instead of in-hospital settings

Health care financing in this country currently is biased toward providing services in the most expensive setting: the hospital. However, many of the services now provided in the hospital could appropriately be provided at significantly lower cost in physicians' offices and other ambulatory settings. Unfortunately, Medicare and Medicaid, as well as most private insurance plans, encourage hospitalization by (1) paying more for services provided in hospitals than if the same services are provided in a physician's office (for example, Medicare currently pays 100 percent of physicians' charges for ancillary procedures such as X-rays if performed in the hospital but only 80 percent if performed in the office); (2) allowing coverage for some services such as pre-operative evaluations only if provided in the in-hospital setting; and (3) placing high deductibles on services provided in physicians' offices while requiring little or no cost-sharing for in-hospital services.

Consequently, ASIM believes that to create positive incentives for keeping patients out of the hospital, insurers should more equitably reimburse for covered services provided in the physician's office and other ambulatory settings. Third-party payors also should not deny coverage on the basis of location if the setting in which the service is provided is medically appropriate. While there should be some appropriate form of patient cost-sharing regardless of where the service is provided, national policy should discourage punitively high deductibles that discourage patients from receiving services in the ambulatory setting. Since costs associated with hospitalization are the largest components of our health care bill, substantial savings would result from shifting care into physicians' offices and away from hospitals where considerably higher overhead costs (labor, supplies, etc.) exist.

2. Develop more efficient methods of reimbursement for in-hospital services

Medicare, Medicaid and many private insurance plans reimburse hospitals on a "cost plus" basis: hospitals are reimbursed on the basis of costs incurred providing services to patients. Unfortunately, this method encourages inefficiency by rewarding hospitals that generate excessive costs while penalizing hospitals that keep costs down. ASIM has previously testified in favor of provisions in a bill introduced in 1979 that would have created an incentive system for reimbursing "routine hospital costs" under federal health programs. The bill would have classified hospitals according to bed size, type and other criteria; cost would have been determined for each classification through a uniform accounting and reporting system; and a per diem rate for routine operating costs would have been determined for each hospital. Hospitals that stayed within the prospectively determined rate would have been rewarded under this reimbursement method, while those less efficient hospitals that exceeded their per diem rate would have been penalized. Similar legislation has been introduced in the 97th Congress.

ASIM believes that this and other incentive-based approaches to reimbursement for hospitals services deserve serious consideration by Congress and private health insurers. ASIM recommends enactment of provisions similar to those proposed in the Medicare-Medicaid Administrative and Reimbursement Reform Act of 1979 that would establish an initial incentive system for reimbursement of routine hospital cost under Medicare and Medicaid.

3. Promote patient cost-sharing in private and public health insurance plans

The popularity of "first-dollar" insurance converage—which isolates patients and physicians from the economic consequences of their health care decisions—also contributes to health care inflation. Unless patients share in the costs of their medical care, there is no economic incentive for them to question the necessity of any test, procedure or day of hospitalization ordered by the physician—or to limit their own demand for medical services to what is truly needed. Similarly, a physician may be more likely to order tests and procedures of marginal value to the patient when he or she knows the patient will incur no direct out-of-pocket expense.

The current system of first-dollar coverage imposes a severe yet largely unrecognized financial burden on the public in the form of higher premiums for private health insurance and higher taxes to fund public health insurance. Patients are already paying virtually the full cost of care anyway, not only to physicians but to hospitals and other providers as well. Wage increases, too, are being sacrificed as employers increasingly find they can't afford to provide employees with both first-dollar health insurance coverage and desired salary increases.

Also because of first-dollar coverage, the patient loses his or her position of privilege attached to the direct payor of the services. First-dollar coverage results in subconscious catering by physicians and hospitals to the whims and tastes of insurance intermediaries instead of patients. ASIM believes that the patient's privileged position should never have been abdicated.

Furthermore, the very fact that first-dollar coverage encourages inefficiency and waste in the delivery of medical services suggests that the overall cost to the public is higher than it would be under a system more oriented toward patient cost-sharing. Consequently, ASIM believes that all public and private health insurance policies should include an appropriate degree of patient cost-sharing, in the form of copayment and co-insurance, that would be applied equally to both ambulatory and in-hospital services. Savings resulting from a shift to policies requiring cost-sharing would be substantial, particularly if further studies validate the conclusions of a recent Rand Corporation study that found a 50 percent reduction in health care costs for patients having policies that require cost-sharing compared with patients enrolled in plans providing first-dollar coverage.

ASIM recognizes that the amount of patient cost-sharing must be set at a level that will not discourage patients from seeking necessary services or impose an unacceptable financial burden on the patient. However, the Society is confident that the insurance industry, in consultation with physicians and the purchasers of health insurance, could arrive at an appropriate level of patient cost-sharing.

4. Reduce incentives for expensive technological and procedural care

The current health insurance system encourages high-cost technological and procedural services, such as diagnostic tests (X-rays, EKGs, etc.), surgery and invasive diagnostic procedures (endoscopic examinations, etc.). At the same time, it discourages physicians from spending more time with patients and providing them with personalized thinking and caring services—the cognitive services a physician provides. This is because procedures are reimbursed at a disproportionately higher level than the more time-consuming thinking and caring services. In addition, many health insurance plans do not cover physicians' cognitive services at all. The result of these perverse incentives is that the decision to do something to the patient (i.e., perform expensive surgery or a diagnostic procedure) is rewarded (by higher reimbursement), while the decision to avoid costly procedures is penalized (by lower reimbursement).

A physician who spends substantial time talking with the patient, taking a complete physical and history, diagnosing the patient's health problems, evaluating the effects of the patient's lifestyle on his or her health, providing preventive education and finally determining the therapeutic approach that best meets the patient's individual needs will find these cognitive services are reimbursed at a relatively lower level—or not reimbursed at all—by the patient's health insurance policy. However, if the physician orders a series of expensive diagnostic procedures (some of which might be of only marginal value to the patient), it is virtually certain that these procedures will be reimbursed at a disproportionately higher level by the patient's insurance policy. The clinical outcome of these two styles of practice might be the same—but the latter technology-oriented approach is far more costly to the system and, ASIM believes, less satisfying to the patient.

Consequently, the most effective approach to reducing demand for expensive procedural care is to change the health insurance system to reward physicians' cognitive services while discouraging costly procedural services. This can be accomplished by (1) including adequate coverage for physicians' cognitive (thinking and caring) services in all health insurance packages, including Medicare and Medicaid (by providing benefits for office visits, history and physical examinations, preventive education and so forth) and (2) changing the relative amount at which these services are reimbursed, so that cognitive services are reimbursed at a relatively higher level (in line with their true worth) and procedures, at a relatively lower level than is currently the custom.

ASIM has prepared a "White Paper" that explains this problem in greater depth. It is available upon request.

5. Reform costly and ineffective federal regulations

Many of the federal regulatory initiatives promulgated in recent years have exacerbated rather than contributed to a solution of the cost problem. For this reason, ASIM applauds the efforts of the current administration to reduce unnecessary and ineffective regulations.

Although ASIM acknowledges that some federal regulation of health care is appropriate, federal involvement in areas such as health planning should be limited to supporting and encouraging effective private sector initiatives. Federally mandated health planning in particular has been costly, ineffective and anticompetitive. Nationally imposed guidelines and objectives often have led to regulatory restrictions that in the long run have fueled health care costs. For example, efforts to limit the availability of CT scans through certificate-of-need (CON) review—an objective of the federal government in recent years—may have actually increased costs by forcing physicians to use more costly surgical procedures in areas where a CT scanner was unavailable because of CON denial.

ASIM strongly recommends repeal of federally mandated health planning and supports continued efforts to review and revise or eliminate other federal regulations that have contributed to higher costs. Available upon request, a summary of existing hard data on the costs and effects of federally mandated health planning has been prepared by ASIM which provides conclusive evidence that the current program is a costly failure.

6. Support and encourage voluntary private sector programs

Related to ASIM's belief that federal regulatory programs often have been counterproductive is the Society's commitment to voluntary private sector initiatives in areas such as health planning, quality assessment and utilization review. Voluntary, community-based health planning and physician-directed peer review programs can and have been effective, but their effectiveness often has been diminished because of interference, hostility or indifference by the federal government. Federal funding, regulation or review of legitimate private sector activities—or inappropriate federal government use of antitrust laws to limit the ability of health professionals to work together in the public interest—impedes effective private sector approaches to cost and quality control.

Consequently, ASIM recommends that national health policy encourage innovative private sector activities in health planning, quality and utilization review, and cost-effectiveness—with minimal federal funding or regulation. Legislation should be enacted to restrict inappropriate interference by the Federal Trade Commission in the legitimate activities of professional associations, particularly since those activities already are regulated by state law. The recent trend toward formation of coalitions including representatives from business, labor, physicians, hospitals and the insurance industry clearly demonstrates that the private sector can and will work together to reduce costs without federal government coercion or interference.

7. Improve administration of the Medicare and Medicaid programs

ASIM recognizes the need for the federal government to assure a satisfactory level of care for those who cannot provide for themselves. However, the Medicare and Medicaid programs, although understandably complex, are administered in a manner that promotes inefficiency and waste. Physician and hospital productivity, as well as patient satisfaction, are all adversely affected by the extraordinary paperwork requirements placed on patients, physicians and other providers; by the frequently arbitrary and inconsistent coverage and reimbursement determinations made by individual intermediaries; by the lack of a single coding system for describing physician services under Medicare and Medicaid; by the slowness and difficulty in resolving reimbursement disputes with intermediaries; and by the programs' general resistance to suggestions for improving administrative efficiency. Simply put, the amount of time and resources that physicians and other providers must commit to completing the programs' paperwork requirements and to helping their patients receive adequate reimbursement from Medicare and Medicaid means less time for providing direct patient care—and ultimately higher charges that reflect the substantial administrative costs of participating in the programs. No private insurer could survive today using the complex requirements for reimbursement imposed by Medicare.

Consequently, **ASIM** recommends that the Helath Care Financing Administration (**HCFA**): (1) appoint a commission to develop recommendations to reduce administrative and paperwork requirements imposed on physicians, patients and hospitals, in consultation with physician, patient and hospital representatives; (2) require nationwide conversion to a single coding system based on Current Procedural Terminology for describing physician services under Medicare and Medicaid; and (3) study ways to minimize reimbursement disputes due to inaccurate or incorrect intermediary coverage determinations and develop recommendations for quicker resolution of patient and physician disagreements with intermediaries.

8. Reduce waste, fraud and abuse in the Medicare and Medicaid programs

In programs as large as Medicare and Medicaid, it is inevitable that there will be cases of waste, fraud and abuse. **ASIM** believes that to reduce costs, those contributing factors must be addressed. At the same time, the Society believes that the amount of fraud and abuse is frequently overstated, and that potential savings from attacking fraud and abuse have been widely exaggerated. Furthermore, a reduction in waste, fraud, and abuse will in itself have only a limited impact on overall health care costs, unless it is accompanied by a restructuring of the insurance system to create incentives for cost-effective care.

An effective program to reduce waste, fraud and abuse must include close consultation with practicing physicians. Because of their knowledge of how the Medicare and Medicaid programs work on the grass-roots level, practicing physicians can identify areas of potential savings—as well as effective approaches to reducing fraud and abuse—that may be overlooked by the programs' administrative bureaucracy. **ASIM** is prepared to offer the expertise and first-hand experience of its members to work with Medicare and Medicaid on the state and local levels in a cooperative effort to reduce waste, fraud and abuse.

9. Expand consumer choice and create incentives to select cost-effective insurance

Several proposals have been introduced in Congress that would attempt to promote greater competition in health care. Most would expand consumer choice of insurance plans and create incentives through changes in the tax codes for individuals to select more cost-effective plans, i.e., those with cost-sharing features.

ASIM has testified in favor of many aspects of the consumer-choice approach. In general, the Society supports multiple choice of insurance plans (provided that at least one of the plans offered includes significant cost-sharing features), equal employer contributions to all health plans offered, tax-free rebates to consumers who select less-costly plans, and a limit on employers' deductibility of contributions to insurance plans to discourage first-dollar coverage. Those incentives could result in significant cost savings by altering the kinds of insurance that consumers choose. However, since the consumer-choice approach has not been tested in real life, little is known about how much can really be saved and whether or not this approach will have unanticipated negative effects. Some aspects of the proposals currently being considered also could have adverse effects on the quality of medical care.

Consequently, **ASIM** believes that to the extent possible, the consumer-choice approach should be tested on a demonstration project basis. However, **ASIM** would support enactment of consumer choice legislation that is based on altering perverse incentives created by tax codes and that includes the principles presented in **ASM**'s October 1981 testimony before the Ways and Means Committee. A copy of that testimony is available upon request.

10. Promote health counseling and other preventive measures for reducing illness and premature death

ASIM believes that savings can result from efforts to modify those destructive aspects of an individual's lifestyle that eventually may result in serious and costly illness. Substantial progress in reducing deaths from cardiovascular and circulatory diseases has been made in the last decade, demonstrating the true potential of preventive measures. (It's important to note, however, that successful preventive measures will ultimately result in an older patient population also requiring medical care and generating costs associated with providing that care.)

As noted previously, health insurance rarely covers preventive health counseling and other cognitive services provided by physicians. Ironically, health insurance (including Medicare and Medicaid) spends millions of dollars on medical services for seriously ill patients, but spends little or nothing on services that might have prevented these same costly illnesses.

Because **ASIM** believes that preventive measures must be supported by the health insurance system, further study of insurance programs that reward patients for staying healthy—by avoiding destructive health habits—are merited. The Society also supports elimination of public policies, such as price supports for the tobacco industry, that promote products proven harmful to health.

ASIM recommends that (1) all health insurance policies provide adequate coverage for physicians' preventive services, (2) studies be initiated to determine the efficacy of insurance programs providing cash incentives for individuals who stay healthy and avoid destructive health habits, and (3) federal price supports for tobacco products and other federal and state programs that economically support and promote products proven harmful to health be identified and eliminated.

SUMMARY AND CONCLUSIONS

In summary, ASIM urges adoption of a national incentive-based health policy that:

1. Creates incentives for providing services in ambulatory instead of in-hospital settings by (a) reimbursing more equitably for services provided in the ambulatory setting (b) discouraging insurers from placing punitively high deductibles on services provided in the ambulatory setting, and (c) discouraging insurers from denying reimbursement for covered services on the basis of the setting in which the service was provided (as long as the setting is medically appropriate).

2. Develops more efficient methods of reimbursement for services provided in the hospital by (a) enacting a prospective reimbursement system under Medicare and Medicaid for routine hospital costs and (b) studying on a demonstration project basis other incentive-based approaches to hospital reimbursement.

3. Promotes appropriate patient cost-sharing in the form of copayments and co-insurance as a feature of all private and public health insurance plans.

4. Reduces incentives for expensive technological and procedural care by (a) including coverage in all insurance packages for physicians' cognitive services and (b) changing the relative amounts at which these services are reimbursed so that cognitive services are reimbursed at a level that recognizes their true value to the patient.

5. Reforms costly and ineffective federal regulations by (a) repealing the federally mandated health planning program and (b) continuing efforts to review, revise or eliminate other federal regulations that have contributed to high costs.

6. Supports and encourages voluntary private sector programs in health planning, cost-effectiveness and quality and utilization review by (a) minimizing federal interference in private sector activities and (b) enacting legislation to restrict the inappropriate use of antitrust laws by the Federal Trade Commission to prevent or impede the development of cooperative private sector activities.

7. Improves the administration of the Medicare and Medicaid programs by (a) creating a commission charged with assigning high priority to reducing administrative and paperwork requirements imposed on physicians, patients and hospitals, in consultation with physician, patient and hospital representatives, (b) requiring nationwide conversion to a single coding system for describing physician services based on Current Procedural Terminology and (c) studying and developing ways to minimize reimbursement disputes due to inaccurate or incorrect intermediary determinations and ways to more quickly resolve such disputes.

8. Reduces waste, fraud and abuse in the Medicare and Medicaid programs through a collaborative effort between the Health Care Financing Administration and physicians.

9. Expands consumer choice of insurance plans by creating incentives for the selection of more cost-effective plans through enactment of legislation that would expand choice of insurance plans and alter tax laws to discourage over-insurance.

10. Promotes health counseling and other preventive measures to reduce illness and premature death by (a) encouraging health insurers to provide adequate coverage for physicians' preventive services, (b) studying the efficacy of insurance programs that provide economic incentives for individuals to

stay healthy by avoiding destructive health habits and (c) identifying and eliminating federal price supports for tobacco products and other federal and state programs that support or promote products proven harmful to health.

ASIM believes that restructuring the health care system along the above lines would not only be effective in moderating health care costs, but would also provide the public with the kind of health care system desires: an affordable, high-quality system encouraging personal, caring, preventive primary-care services in physicians' offices instead of expensive, impersonal, technology-oriented care in hospitals. ASIM is providing these recommendations to the Reagan administration, Congress, health insurers, business and labor groups, the AMA and other physician organizations, hospitals, state governments and other interested groups. The Society challenges each of those groups to work with ASIM on implementing the above and other recommendations for a national incentive-based health policy.●

PARTISAN POLITICS NEED TO BE FORGOTTEN

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. HUBBARD. Mr. Speaker, Mr. Jim Tidwell of the Hammet Co. in Paducah, Ky., has written me a thoughtful letter indicating that we need to put aside partisan politics and promptly work out a balanced budget without increasing taxes and without repealing any tax reductions. During this current debate on the Federal budget, I believe Mr. Tidwell's views are very appropriate and I would like to share them with my colleagues. His letter follows:

Hon. CARROLL HUBBARD,
Congressman, Rayburn House Office Building, Washington, D.C.

DEAR CARROLL: The Hammet Co., is a small business contractor which has contributed its bit to the productivity and prosperity of the U.S. heavy construction industry for almost 20 years. Now we are struggling, along with many others like us, in a ruinous recession which we are convinced has been brought on largely by many years of Federal Government excesses in spending, taxation, regulation and general fiscal irresponsibility.

While we are all sinking deeper into economic oblivion, it appears that our congressional leaders are so busy pointing the finger of blame at one another and at the administration that they are failing to responsibly address expeditious enactment of the 1983 fiscal year budget. It is painful to observe from our economically vulnerable position that Washington is indeed fiddling while the Nation is burning.

This country is desperate to get its economy off the downward spiral. We insist that Congress forget petty partisan politics and promptly work out a balanced budget without increasing taxes and without repealing any tax "reductions" already laid in place. We want the unbearable cost of Government reduced drastically and immediately.

This business is not complicated. It is simply a matter of recognizing that many individuals and groups are "suffering" and many more are going to have to suffer in the difficult process of returning our economy to a sane operating basis. We need for Congress to cease its obstructionist tactics and make the hard decisions necessary not only to immediately adopt a budget resolution that the President will accept, but also to implement a complete budget program in time to have it all in place by the fall 1982 deadline. We don't want to see any more continuing resolutions. And please don't let anybody try to fool people with a continuation of the 1982 budget!

It is time for both the executive and the legislative branches to dump the pork barrels and reject the vested interests in favor of the general welfare. Don't be afraid to cut the entitlement programs. Federal irresponsibility in fattening up the entitlement programs over the years is largely responsible for the present ridiculous Federal fiscal situation. Time has run out for posturing and politicing. If the Federal Government can get a trim and balanced 1983 budget in place before the fall recess, then Congress can go home and tell folks that they did what had to be done. We suspect voters will be more appreciative of public servants who obey the message that was conveyed at the poles in November, 1980 than those who postpone the Nation's urgent business while they concern themselves with perpetuating their own political longevity.

Please, Carroll, let's get this show on the road. Time is fast running out.

Best personal regards,

JAMES C. TIDWELL.●

REPEAL OF SECTION 602, PUBLIC UTILITIES REGULATORY POLICY ACT OF 1978

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. DORGAN of North Dakota. Mr. Speaker, the President of the United States has talked about the need to get the Federal Government off our backs, and to return rightful powers and authority back to State and local levels of government. There is no question that there have been instances in which the Federal Government has unfairly swept away States rights. One area of unwarranted Federal interference is evidenced at times in the injudicious conferral of Federal eminent domain authority upon projects which should not be entitled to these powers. Section 602 of the Public Utilities Regulatory Policies Act is an example of such misplaced Federal eminent domain authority. I am introducing legislation to repeal this section of the law which gives Federal eminent domain authority to the privately funded MANDAN power project.

The sponsors of the section 602 amendment desired to use Federal eminent domain authority "to insure timely completion of the project . . ." in the event that negotiations for right-of-way acquisition did not proceed according to their development plans. I believe the substantial powers of Federal eminent domain must be used selectively, and should not be used solely to guarantee the timely completion of privately sponsored projects.

Congress passed this special interest legislation in 1978 when then-Senator Curtis of Nebraska tacked on the MANDAN powerline-related amendment to the original PURPA legislation. The project operators have indicated that they are not using the authorities of this law, and therefore its repeal should not cause any great difficulty. In any event I believe this law should be stricken from the books and this project should proceed exclusively under State laws and jurisdiction.●

A TRIBUTE TO J. MILO SEWARDS

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. RITTER. Mr. Speaker, I would like to take you and my colleagues back in time to March 31, 1951. The place: Penn Palestra in Philadelphia. The event: The 1951 Pennsylvania State men's basketball championship. From each side the bleachers are packed with screeming fans, each wearing their school colors. The air is tense as the game is winding down to the last fleeting seconds. On the sidelines, guiding his team to victory, is a young man who is in his first year of coaching at Allentown High School. As each second ticks away Coach Milo Sewards moves closer to his proudest moment as basketball coach. Under Coach Sewards, 1951 was to be the year that Allentown High would win the State basketball championship. For Milo, it was the beginning of a brillant coaching career.

This year, after 40 years of dedicated service to the Allentown School District, Milo Sewards is retiring. He is one of the great ones. Throughout his 40 years of teaching, the legions of students have passed through his classroom and have come away a little bit smarter and little more aware of the world they would soon inherit. But Milo was more than a teacher. After school one could always find him in the gymnasium with a sweatshirt on and a whistle in his mouth.

Over the years, from 1940-42 and then from 1942-49, Milo was assistant coach of basketball, football, and baseball. Then in 1950 he became head basketball coach, a position he would hold until 1973 when he was named the school's athletic director. From 1950 to 1973 Milo coached his team to one State basketball championship, nine league championships, four district championships, and at one time had a winning streak of 35 straight league games. But Milo was never one to brag. The many kudos he received were always deferred to his boys.

In the community, Milo stands as a giant. His good-natured ways has won him many friends. Throughout his life, he has served his God, Nation, and community. There are few people in Allentown who do not know of Milo Sewards or who cannot remember an experience they shared with him.

Mr. Speaker, on June 4, 1982, the people of the Lehigh Valley, Milo's friends, will honor him with a testimonial. We will not be saying goodby to Milo as I know he will remain very active in our community and at this high school. On this night, we will all be saying thank you Milo for being the wonderful guy you are.●

SPEAKING OUT

HON. WILLIAM R. RATCHFORD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. RATCHFORD. Mr. Speaker, with the recent diplomatic exchanges between the United States and the U.S.S.R. over attempts to limit nuclear armament, I find the two commencement addresses delivered at the University of Connecticut on Sunday, May 23, 1982, particularly appropriate for inclusion in the CONGRESSIONAL RECORD. Both Oakes Ames, president of Connecticut College, and Dr. Edward J. Bloustein, president of Rutgers University, focused their remarks on the threat of nuclear destruction and the responsibility of our youth and our educated to participate actively in debates which will mold the future of our outlook and our policies.

The nuclear arms race has presented the existence of mankind with its greatest threat. Yet this threat cannot be removed by force, nor can it be removed by wishing it so. Its elimination can come only through the efforts of individuals armed with ideals and imagination which have been tempered by realism. I find the efforts of those in education to foster these traits and to make an impact on the conduct of Government and policy to be outstanding. Therefore I wish to submit for the RECORD their statements:

SPEAKING OUT

(By Oakes Ames)

President DiBiaggio, trustees, members of the faculty, graduating seniors, parents and friends, I bring greetings and congratulations from Connecticut College to the University of Connecticut.

Members of the graduating class: your professors have challenged you and held you to high standards. Now, after the countless hours you have spent reading in the library, attending lectures and classes, writing papers, suffering through exams, the faculty has decided to wish you on your way; it does so with pride.

In talking with students, not only on my own campus but elsewhere as well, I have often heard them speak of the "real world," by which they mean the world they will live in after graduation. College and university campuses are cloistered places, and for good reason so that the life of the mind may be nurtured.

Still, we are very much aware of the problems in that other "real" world. At my college a faculty-student research team is measuring the levels of acid rain in the arboretum pond. The submarines in the river remind us of the arms race. Reductions in funding threaten to curtail the efforts of social agencies serving the needs of the elderly and unemployed in the City.

On the international scene, there is conflict in Central America, the Falkland Islands, Lebanon; a cross made of flowers was reconstructed in front of hostile soldiers in the center of Victory Square in Warsaw during the sixth month of martial law.

Have the hinges of Pandora's box been sprung? Perhaps I should suggest what some commencement speakers advised seniors a few years ago about leaving college and going out into the world; they said, "Don't."

However, I want to say this morning that I see reasons for hope and optimism. I don't think for a minute that the world is spinning out of control. Furthermore, I believe you can do much to make it better and safer for yourselves and for future generations. One of my reasons for optimism is the growing public reaction to the most dangerous threat of all, that of nuclear annihilation. This threat has been growing since the end of World War II; now at last, ordinary citizens are realizing the absurdity and danger of the arms race, and their voices are being heard. The New London City Council and the entire Connecticut congressional delegation, for example, have endorsed the proposed bilateral nuclear arms freeze. The President seems to be approaching the problem in a new way.

Back in December of 1948, J. Robert Oppenheimer, who had directed the laboratories in which the first atomic bombs were constructed, began a talk with the following story:

"A few weeks ago the president of a college in the prairie states came to see me. Clearly, when he tried to look into the future, he did not like what he saw: the grim prospects for the maintenance of peace, for the preservation of freedom, for the flourishing and growth of the humane values of our civilization. He seemed to have in mind that it might be well for people, even in his small college, to try to take some part in turning these prospects to a happier end; but what he said came as rather a shock. He said, "I wonder if you can help me. I have a very peculiar problem. You see, out there, most of the students, and the teachers too, come from the farm. They are used to planting seed, and then waiting for it to grow, and then harvesting it. They believe in time and in nature. It is rather hard to get them to take things into their own hands."

We are finally beginning to "take things into our own hands," as citizens of a democratic society must do, even though it may seem unsettling to some national planners and officials. A few months ago, one of them publicly stated that the strategic arms situation is too complex for policy to be determined by the votes taken in town meetings. That person should remember what Thomas Jefferson had to say:

"I know no safe depository of the ultimate powers of the society but the people themselves; and if we think them not enlightened enough to exercise their control with a wholesome discretion, the remedy is not to take it from them, but to inform their discretion."

Why have we been so slow to speak out on the issue of nuclear weapons? Surely one reason is that we suppress the thought of nuclear war because of the horror of its destructiveness. The complexity of the issue, much of which is technical, discourages many. Until recently, it was difficult to obtain the information needed to make judgments, and some of what we read is contradictory. We ask, "What difference will my opinion make?" and so we leave it to the "experts."

The trouble is that some "experts" are saying very disturbing things. One position we've heard frequently is that the United States is "behind" the Soviet Union, because if they struck first and we retaliated they would still have enough to hit us again. That assessment seems to imply that the side which inflicted the most damage would be a winner; but there can be no winner in a nuclear exchange. Does it make sense to think of one power being "ahead" and the other "behind" when both now have such tremendous power to strike back if the other strikes first? I think not.

An historian friend of mine, concerned about the arms race, recently talked to some Defense Department specialists and told me, "They'll talk you down every time; they hold all the cards. They have all the arguments." One of these has been used by Eugene V. Rostow, Director of the Arms Control and Disarmament Agency. Rostow said, "We thought the Soviets would settle down if they achieved equality and recognition as a great power. We discovered that once they had achieved parity, they went right on at the same rate." Compare this with a statement by Paul Warnke, Mr. Rostow's predecessor in the Carter administration: "If we could get an immediate freeze, it would be much to our advantage, because we're ahead."

The experts don't agree. Could it be that the Soviets are continuing their build-up so vigorously because they recognize our very considerable technological lead in weaponry, or because they are frightened by such developments as the MX? Could it be that because of serious internal problems, such as poor agricultural performance, the Soviets would be eager to spend less on the production of expensive weaponry? Could it be that because the USSR lost over 20 million people in World War II compared to 350,000 lost by the United States in all the wars since 1900, their leaders are far more frightened at the prospect of a nuclear war than we realize? There is evidence that this is an important element in the psychology of Soviet leaders.

It is clear that our "experts" must take a very broad view of the problem. They must not limit their considerations to the technical questions of number and accuracy of warheads; in addition there must be a far greater effort to understand the thinking of our adversaries.

In an article that appeared in the N.Y. Times on April 18, that remarkable historian, Barbara Tuchman wrote: "Given nuclear weapons and their consequences, one thing is clear: there is no military solution to the problem. The confrontation of their system and ours has, I repeat, no military solution." She goes on to say. "That they must have the weapons anyway is the position of the Soviet and American governments. This policy can only be deactivated, I think, by public rejection. There can be no real progress toward arms control until public tolerance of existing policy ends."

To find the best course to disarmament and greater understanding will require far more than the efforts of the relatively small number of planners and policy-makers in Federal agencies. However, it cannot be set by noisy protest based mostly on strong feelings and little on understanding. All of us must be informed on the issues, and promote a vigorous national debate.

You are well prepared to participate in this debate. Your education has sharpened your ability to question, to think critically and analytically. You have gained perspective and understanding through the study of history, philosophy, psychology—many subjects. You have learned to work out your own positions and to express them effectively.

Now you must continue your learning, and it must encompass the major issues of our time. Choose one to understand particularly well. I hope many of you will choose nuclear disarmament. The information is available. The arguments may be complex, but you are prepared to analyze them and reach your own conclusions. And when you have done that, speak out. Ask that your public libraries gather and exhibit material. Write letters to your local newspapers. Join the League of Women Voters or the American Friends Service Committee or other worthy groups to assist their work. Write your representatives and senators for the most recent information. Your interest will help give nuclear disarmament the high priority it must have among their other pressing concerns. Our President and his planners may have altered their thinking, but there are still disturbing and unanswered questions surrounding the latest arms limitation proposal. The issue is to difficult for a quick solution; a steady, long-term effort will be needed.

Tell your elected officials what you think. Suggest what you believe ought to be done; be specific. If you think a bilateral and verifiable freeze on the production, testing and deployment of nuclear weapons is a good idea, say why. Remember that your vote is a powerful persuader.

All well and good, but I am sure several of you are thinking "what about the Russians?" It takes both sides to stop the nuclear madness. We can pressure our elected representatives, but they can't challenge their leaders. Dissent is dangerous in a totalitarian state. The people are uninformed or told only the party line. Soviet leadership seems to propagate itself with a total rigidity to change. How do we crack that armor? How do we reduce the mutual distrust and antagonism that divides our two nations? We certainly won't do it by building the MX and the B-1.

But there are some alternatives. We might dramatically increase cultural and intellectual exchange programs to promote better communication and understanding. Scientists have long formed a community which knows no ideological or national boundaries. Art, music, and poetry, if not exploited for propaganda purposes, bring people everywhere together. Barbara Tuchman has suggested trying to stir up anti-nuclear feeling in Russia just as they have encouraged the "peace movement" in Western Europe. Economic inducements and sanctions may create pressures within the Soviet Union for change. It is important that we think at least as hard about strategies like these as we have about weapons planning and working out scenarios of nuclear war.

The Russian Physicist and Nobel laureate, Andrei Sakharov, has written, "There is a need to create ideals even when you can't see any route by which to achieve them, because if there are no ideals, then there can be no hope, and then one would be completely in the dark . . ."

You should go forth from this university with ideals and with hope. The real world out there is the sum of what people bring to it; you have a lot to give.

THE SHOCK OF RECOGNITION OF THE PERIL OF A NUCLEAR HOLOCAUST

(By Edward J. Bloustein)

I confess to being unabashedly sentimental when it comes to academic ritual. That is why I am so pleased to be present at this your 99th commencement. It is a privilege for me to participate in the award of honorary degrees to some of the luminaries of our time, and in the award of advanced degrees in course to you graduates, among whom are sure to be found the luminaries of days to come.

These exercises bring to an end the first full century of education at the University of Connecticut; they also inaugurate the second century of this university's educational venture. The occasion provokes consideration of continuity, consideration which, with your indulgence, will take me beyond this campus and your time and mine, to continuity of the race of man on earth.

If you are shocked at this sharp transition from celebration of the end of your education at Storrs to contemplation of the end of the race of man, that is fine, because that was my intention. For, as much as any other single factor, we are menaced with our extinction as a race, because the great mass of us is languid in face of the threat to our lives and to our posterity which the nuclear arms race presents. We desparately require a national shock of recognition of that menace, and although I pretend to neither sufficient eloquence nor wit to provide it, perhaps I can lay a bare framework for it.

But first I owe you some explanations of why a teacher and educator, without any special training in world affairs or nuclear armament, should come to speak of the danger of a nuclear holocaust. The reason is instructive of, not merely my psychology—because of itself that would not be worth talking to you about—but of the general torpor which besets the national consciousness on this issue.

Of recent months in the State of New Jersey I have been speaking out on the deplorable state of our public schools. What I have been saying is remarkable only because it took so long for a president of a state university to say out loud what is obvious. The fundamental reason so many of our children are being so poorly educated is not because they lack discipline and shun the hard work of learning, nor because we lack a sufficient number of well trained and well motivated teachers—these are causes, but not the basic one. The root of our difficulty must be traced to the fact that the public school system is society in microcosm. It can teach effectively only those skills, it can inculcate effectively only those habits, which the society esteems. It cannot create its own moral and intellectual climate; it is rather the creature of the culture in which it finds itself.

Unfortunately, the condition of our contemporary culture is grievous: the supermarket is our cathedral; the television set our omnipresent babysitter-teacher-preacher; the soap opera our moral liturgy; while overhead there lurks the ever-present terror of mass nuclear destruction. My conclusion—one which leads me as an educator to share with you my views on nuclear disarmament—is that a society which hovers between moral ambivalence and decadence, and is under the ever-present terror of mass nuclear destruction, cannot really hope to educate its young to sound habits of mind and behavior.

I have elsewhere spoken about the other aspects of our contemporary conditions which impinge on education and what we can do about them. Today I would like to address the issue of the impact of the nuclear peril.

The primary consequence of the threat of nuclear disaster on the consciousness of our students is one which is also apparent in the population at large. Students, all of us, are simply numbed by it. It befuddles and confounds us. We obliterate it from our conscious thought, but it remains behind working its insidious effects. Teachers in the classroom report that they teach their students through an unconscious fog of fear; as a result, they are difficult to reach and easily distracted. Politicians find their constituents passive and inert when confronted by the issue of nuclear disarmament; they are difficult to move to action.

Jonathon Schell, in three recent articles in The New Yorker magazine entitled, "The Fate of Earth"—articles comparable in their significance for alerting us to the perils of nuclear war to Rachel Carson's "Silent Spring" is warning us of environmental hazards—describes our condition in this fashion.

". . . in spite of the immeasurable importance of nuclear weapons, the world has declined, on the whole, to think about them very much. We have thus far failed to fashion, or to discover within ourselves, an emotional or intellectual or political response to them. This peculiar failure of response, in which hundreds of millions of people acknowledge the presence of an immediate, unremitting threat to their existence and to the existence of the world they live in but do nothing about it—a failure in which both self-interest and fellow-feeling seems to have died—has itself been such a striking phenomenon that it has to be regarded as an extremely important part of the nuclear predicament as this has existed so far."

What are the causes of our passivity, of our 'failure to response'? One is that mankind has never been faced before this nuclear era with a peril of such an apocalyptic character; the very magnitude of the disaster we face paralyzes us. A second cause—especially instructive of what course of action we must take in the matter—is that each of us, as an individual, feels impotent to deal with the terror we feel. The third ground of our inaction—again an instructive one—is that the issue seems veiled behind impenetrable complexity, technical obscurity, and military secrecy.

The history of the last two decades should have taught us at least two things, however. The first is the power of public debate to enlighten us all on issues which, at first sight, seemed beyond the ken of each of us as ordinary mortals. The second is the power of democratic public opinion, when widely enough held and persistently enough expressed, to affect political change. These lessons of the past, seen in the context of our current sense of impotence, hold a plain message for us as we confront the nuclear peril: If we consider the issues together, and if we express our views as a united people, we will be able to react intelligently and responsibly, and we will wield an effective political force on our Nation's leaders.

The position of minorities, of women, and of our youth, are unquestionably improved today over what they were in the 1950's. These changes were not handed down from on high; they were wrought in the cauldron of public debate and democratic political action. They prove that we are a Nation where the emphatic and responsibly articulated concerns of large numbers of people, acting in concert, can alter the course of public affairs.

I do not mean to suggest that popular opinion is necessarily progressive, or that a mass movement is always on the side of the angels. Still less do I mean to say that cherished goals, once partly attained, are immune to reversal or erosion when their supporters disperse or their opponents gather fresh energies. My intention is rather to urge that no individual of good conscience is entitled to withdraw from the arena of public concern over nuclear war, and that it is unworthy of a free people to abdicate their responsibility for public debate and social action when confronted by an unprecedented source of terror.

We can all be thankful that the beginning of an end to our sense of impotence in the face of the nuclear threat seems to be emerging at last. Not only have there been numerous protest demonstrations in western Europe in recent years, but expressions of acute concern have recently taken shape in this country as well. I allude to the efforts of the nuclear freeze activist organizations. I allude as well to the numerous articulations of our plight, and of possible ways to remove ourselves from the brink of the abyss, by Jonathon Schell, and other of our intellectual leaders.

The lustrous historian Barbara Tuchman, who you are honoring today, has suggested, for instance, that our fear itself, now that we have begun to admit to consciousness of the extent of it, may provide the motive power we need to override humanity's warlike history. She recommends that every political candidate this fall be asked to state his or her position on the nuclear arms race. "When control of arms becomes a goal of the mainstream, then it will prevail," she has written.

We can also adduce the testimony of George F. Kennan, former Ambassador to the Soviet Union, on receiving the Albert Einstein Peace Prize in May of last year, when he urged that an immediate 50 percent across-the-board reduction in American and Soviet nuclear weapons be undertaken. "There is no issue at stake in our political relations with the Soviet Union, no hope, no fear, nothing to which we aspire, nothing we would like to avoid, which could conceivably be worth a nuclear war," he said on that occasion.

We have as well the observations of retired Admiral Noel Gayler, former commander-in-chief of United States forces in the Pacific, former director of the National Security Agency, taking the Kennan proposal a step farther with a suggestion for implementing it. Gayler urges that we cut through the impasses of the negotiating table—the issues of verification, of weapons classification, of what is "fair and equal"—by having each side simply turn into a joint Soviet-American commission on equal number of explosive nuclear devices, each side to choose which devices it will give up, each device to count as one, and to be converted, under safeguard, to nuclear power for civilian purposes.

And, then, most recently President Reagan responded to these growing expressions of public concern by evidencing his own. His earlier view had been that we could not discuss nuclear disarmament until we had greatly strengthened our nuclear arsenal. Abandoning this refusal to even talk about disarmament, the President has now offered a disarmament plan to the Soviet Union. Whether it is a debater's tactic in relationship to Chairman Brezhnev, or a realistic proposal for disarmament, is open to question. But in either event, it is a step forward and the President must be congratulated for it—and of course—he must be urged to continue down the same road as speedily and effectively as possible.

I mention only a sample of the recent outpouring of analyses and recommendations for dealing with nuclear weapons. There are other critiques and other strategies to be examined. Some commend themselves more to me than others, but I am not concerned with persuading you of the merits of any particular proposal. I only want to emphasize that this issue is, above all, one that can be dealt with only by thinking about it; that, once we begin to bring the issue to consciousness and think rationally about it, solutions will suggest themselves even to men and women of ordinary intelligence, without any special expertise, like those of us gathered here today.

Nuclear disarmament is, at the root, an intellectual conundrum. Once a given critical mass of weapons is at hand, it cannot be achieved by building more weapons, because that involves an endless spiraling cycle of each side, the Soviet Union and us, throwing more and more money at the problem. We learned in the 60's that throwing money at problems does not cause them to disappear. In the case of the nuclear arms race more money spent by each side only adds to the other side's military insecurity, in turn causing more weapons to be built, and further impoverishing its people, whose real needs are neglected.

Nor can the problem be solved by force, since the use of force—the kind of force we are discussing, the force that nuclear physics has placed at our disposal—can only extinguish the problem along with life itself. If the intelligence of the human species has presented us with the nuclear dilemma, it is only through the application of human intelligence that we can find a way out of it.

Thus it seems to me that universities have a special responsibility and a special role to play in this issue. Certainly the lessons of the recent problems, they can and do perform the very, very useful function of bringing attention to them. In the process of debate and discussion thus engendered, a variety of policy imperatives are clarified, and new alternative solutions emerge to be considered.

In my own State I am currently attempting to organize a coalition of college and university presidents, all of whom will pledge to try to use their campuses to discuss nuclear disarmament this fall. At the same time I am trying to organize state university presidents across the Nation in an effort to bring the educators of America and their campuses, which have thus far been relatively inert on this issue into this vital dialogue.

There is no clear answer; there is much to debate. But I am convinced that a kind of passive acceptance of the status quo, a resignation to a state of helpless waiting for the world as we know it to end, is not worthy of us. The process of debate, however unsettling, is healthier than the passive acceptance of a world-wide death sentence.

You graduates assembled here today have grown up under the shadow of the possibility of a nuclear death sentence. Your earliest conceptions of the future must in some sense have included the awesome possibility of there being no posterity to follow you, no future for the human race. Consciously or not, this prospect must have colored your serious thoughts and your frivolous ones, your beliefs about life's continuity and the worth of planning, your ethos of social responsibility.

Whether your early introduction to the possibility of extinction may make it easier or more difficult for you to confront than it has been for those of us who came of age before Hiroshima, more or less paralyzing for you than for us—that I do not know. But undoubltedly you have a new vantage point, a different insight, and we badly need that new perspective today.

I will spare you a recital of the numbers of people here in Connecticut who would be killed or dismembered in a nuclear holocaust, or who would survive it, only to die later on more tortuously, or to live out dismembered and disfigured lives. I will also spare you a recital of the names of towns familiar to you which would be destroyed in a hypothetical ground zero analysis.

But I hope you will not spare yourselves. I hope I have shocked you into recognition of our peril. I hope you will think about this issue, talk about it, act on it. It needs our best minds, our varied perspectives, our keenest insights, our deepest commitment. It needs them now, before it is too late for thought to work its wondrous ways in avoiding a nuclear holocaust.●

REHABILITATION ACT OF 1973

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mrs. KENNELLY. Mr. Speaker, disabled individuals have historically been denied the opportunity to live full and integrated lives in American society. June 3 will mark an important date in the history of the struggle to win recognition of the rights of the handicapped. This will be the fifth anniversary of the day on which section 504 guidelines went into effect.

Section 504 of the Rehabilitation Act of 1973, as amended, guarantees that all disabled individuals have an equal opportunity to participate in programs receiving Federal financial assistance. It is the basic civil rights document for our country's nearly 36 million disabled persons.

The guidelines and regulations developed under section 504 have been crucial in allowing handicapped citizens to become productive and active members of society. Many of my friends from the First District of Connecticut have contacted me about the important difference this Federal commitment has made in their lives.

The existing section 504 regulations were developed after extensive public comment and many hearings. In drawing up these regulations, full consideration was given to the administrative and cost burdens to recipients of Federal assistance. There was a clear understanding of the intent to end discrimination and to end the exclusion of disabled citizens from activities that are their right.

Now, however, the administration is conducting an intensive review of the section 504 guidelines. New guidelines are currently being drafted by the Department of Justice and the Office of Management and Budget. These draft proposals clearly reflect the fact that they were drawn up with no significant input from handicapped individuals or their advocacy groups. These proposals would seriously undermine the Federal Government's commitment to equal rights for disabled Americans. They would create classes of disabled persons and would make discrimination harder to prove by requiring a test of intent. In addition, the Department of Justice proposals under consideration would eliminate a guarantee of equal opportunity and substitute a vague promise of "substantially equal opportunities." The draft OMB regulations would go even further, and in short, would reduce the entire regulatory scheme to one of voluntary compliance.

Handicapped individuals from around the country are determined to fight for their hard-earned rights. On June 3 the Connecticut Office of Protection and Advocacy for Handicapped and Developmentally Disabled Persons, as well as more than a dozen Connecticut disabled-persons advocacy organizations, will join with the "National Committee on 504" in a national celebration of this anniversary and in the initiation of a perpetual vigil for the continuation of 504 and Public Law 92-142 regulations.

I congratulate those who have organized the Connecticut and national 504 unchanged vigils. I share their concern and oppose revision of these regulations. I urge my colleagues to become aware of what is at stake for the handicapped.

It is currently in vogue to issue blanket condemnations of the actions of the Federal Government over the past 30 years. I do not share that view. During the past 30 years our Nation has made great strides in protecting the civil rights of all citizens. I, for one, do not want to go back to the days when separate but unequal was the law of the land, when women were relegated to the home, and the handicapped to institutions.

Vigilance and concerted action will be needed to preserve the basic protections of section 504 because we still have far to go before discrimination against handicapped individuals is eliminated. It is extremely difficult for those of us who are able bodied to imagine the experiences of the handicapped.

I would like to share with my colleagues parts of a sobering letter I have received from a young Connecticut woman who wrote to protest the administration's draft proposals. She is a recent college graduate and has her own apartment. She also has muscular dystrophy.

> I don't think the federal government should cater to every need of the handicapped, just give us a chance to prove we are equal! After all, anyone can get into an accident and become handicapped. It is different when you, yourself, experience many disappointments and always seem to be inferior, no matter how hard you strive.
>
> This past year I have known two young women I was friends with, and they both have committed suicide. They were both handicapped and could not accept the aloof superior attitudes of society, of people in general. (But) I am determined to keep on fighting for my civil rights.●

THE 1982 CAMPOREE

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. WOLF. Mr. Speaker, recently, I had the opportunity to attend the annual Patawomack District Boy Scouts Spring Camporee held at the Bull Run Regional Park.

The 1982 camporee, the theme of which was handicapped awareness, provided an important learning experience for the 1,500 participants. Boy Scouts, Webelos Scouts, Cub Scouts and their volunteer leaders from over 100 units of the National Capital Area Council participated in programs designed to give them greater insight into the trials encountered daily by the handicapped and of the limitations of all individuals.

The young men who participated in this program took advantage of a valuable opportunity and I hope the revelations of this weekend will impress them and stay with them throughout their lives so that they may have a greater understanding of and compassion toward their fellow man, despite his or her weaknesses.

This valuable program should serve as an example to organizations across the Nation as the kind of innovative, hands-on educational experience that both entertains and educates the participants and serves to increase an understanding of a very difficult problem.●

SAMUEL W. EAGER, SR.—A LAWYER'S LAWYER

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. GILMAN. Mr. Speaker, the mid-Hudson region of New York State was shocked and saddened earlier this week by the passing of Judge Samuel W. Eager, Sr., of Middletown, one of New York State's most respected members of the bench and bar.

Judge Eager, a "lawyer's lawyer," practiced law in Middletown for over 50 years. Sam was a lifelong resident of our region, having been born in the town of Hamptonburgh on August 19, 1900. A veteran of World War I, Sam wrote and edited numerous legal textbooks in the twenties. At the age of 27, he became acting city judge of Middletown in 1928. Thereafter, he served as counsel for the city of Middletown and was an assistant district attorney in Orange County from 1931 through 1934. He also served as special counsel to the Middletown Board of Education in the midforties.

In 1951, Sam Eager was elected to the State supreme court, where he served with distinction for two decades, including an appointment by the Governor to the appellate division.

Sam Eager also gave of his time and his heart to community service, having served as an exaulted ruler of the Middletown Lodge No. 1097 BPOE, as a trustee of the Middletown YMCA, as a member of the Middletown American Legion, and as an honorary vice president of the Hudson-Delaware Council of Boy Scouts.

I came to know and on occasion work with Sam Eager when, as a young attorney, fresh out of law school, I was hired as a law clerk by Sam's former partner, Franklin Schriver of Middletown. It was obvious to those who worked professionally with him that Sam Eager's legal mind could hold its own with the greatest in our Nation.

I had the honor of campaigning with Sam during his first elective efforts for a place on the bench. Sam was not only an outstanding attorney but an astute politician—he never lost a race—and taught me a great deal about impressing and influencing the voters.

To his lovely widow Muriel; to his two sons Gerald and Sam, Jr.; his two daughters, Adrienne Kortz and Joan Marshall; his sister Mary Higgins; to his 14 grandchildren and 4 great-grandchildren, we extend our condolences.

Mr. Speaker, with the loss of Judge Sam Eager, Sr., our region of New York State has suffered the loss of a great and an irreplaceable public servant and a brilliant legal mind.●

SUPPORT FOR SIMON AMENDMENT TO INCREASE FUNDING FOR EDUCATION

HON. JAMES A. COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. COURTER. Mr. Speaker, although I was unable to be present to vote last evening, I would like to express my support for the Simon amendment to the Jones and Aspin budget substitutes to the first budget resolution. I also supported the Conte amendment to the Latta budget substitute. Programs that will receive these funds are vital to the education of our children: Title I, ESEA, Head Start, chapter 2 of education block grants, vocational education, the Education of All Handicapped Children Act, Pell grants, and library services. I believe that this is an important step in preserving the viability of these programs and continuing the Federal commitment to equality of educational opportunity.●

WHERE YOUR MONEY GOES: THE COUNCIL ON FOREIGN RELATIONS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. McDONALD. Mr. Speaker, back on April 22, this year, I pointed out to my colleagues (page E1734), just by one entry, where over one-half billion dollars was squandered by just 30 groups. One of these groups, the Council on Foreign Relations (CFR), was the recipient of over one-half million dollars. I assumed that this practice would cease under the present administration. But maybe, just maybe, I have been wrong.

According to a memorandum, which I would like to share with my colleagues after a few preliminary remarks, is the fact that this elitist, already well funded by David Rockefeller and other multimillionaires, has now become the recipient of another $300,000. This is more than strange when we find that for the most part, this organization does not believe in the national sovereignty of the United States. I find it deplorable that American taxpayers are being squeezed to the bone, and without their consent, see their money going to such organizations as the CFR.

In another section of this Journal today, I placed an entry dealing with "The Media Elite." I wondered where all these ideas in favor of "One Worldism" and "Internationalism" came from. For the benefit of my colleagues, I would like to go back to some ideas that the CFR has put forth back as far as the year 1928. These ideas came from "Survey of American Foreign Relations," published for the Council On Foreign Relations by Yale University Press.

On page 123:

> Elementary education and the press are still almost the only reliance of the masses of voters. Both are inadequate. Elementary education can pay but slight attention to international affairs, and that little is likely to be biased by local political influences. It is of the utmost importance that the facts in school textbooks should be accurate and that their selection and the standards of judgment they suggest should be adapted to the present conditions of the world. Efforts to make them tools of national prejudice or perpetuators of unhistoric sentimental traditions can only have the effect of unfitting the rising generation for an adequate control of policy * * *. The government is rising to the need of educating the public.

In other areas of that text there is more, much more, that degrades all that made this Nation great. States rights should be thrown out the window. We do not have to worry about a gold or solid backing for our currency, because the Federal Reserve System took care of that. Yes, and from the above, we find that to love your native land is "national prejudice" and we must remove those kind of sentiments from school textbooks. Perhaps that is why we find little objectivity in the media these days. And if you examine all the companies that have made billions selling technology to the Soviet empire, and now the Chinese Communist empire, there you will find the elitist membership of the CFR.

No, the mission of this organization has not changed since 1928. It gets worse. In the name of "internationalism," it is business as usual. Send our technology to the slavemasters. Bring finished products to compete with American labor. See American fighting men die from U.S. technology. Know that Americans Missing In Action (MIA) are probably rotting in Communist prison camps thanks to selling to the Communist empire.

With that preliminary, I ask my colleagues if the situation has changed. The memorandum I mentioned earlier was to Howard Phillips of the Conservative Caucus Research, Analysis & Education Foundation, Inc., from Susan Phillips. The subject was on: "Funding by the National Endowment for the Humanities of the Council on Foreign Relations," to the tune of $300,000. Memorandum follows:

MEMORANDUM FOR HOWARD PHILLIPS

From: Susan Phillips.

Re: Funding by the National Endowment for the Humanities of the Council on Foreign Relations.

The National Endowment for the Humanities has been providing funding for the International Affairs Fellowships program of the Council on Foreign Relations since 1976. The most recent award was on July 1, 1981 for $300,000.

The program description states:

"Since 1967, the Council has operated a unique program of fellowships * * * The distinctive purpose of the International Affairs Fellowship Program has been to provide contrasting experience for young professionals from government, business, professional and academic communities in working at the nexus of policy research and policy action. The fellowships seek, to bridge the gap between analysis and action in foreign policy by supporting both a variety of studies and active experiences in policymaking."

In addition to NEH, partial funding is provided by the Ford Foundation, the Rockefeller Brothers Fund, the Alfred P. Sloan Foundation and the Andrew W. Mellon Foundation.

In the Overview to the proposal the grantee states: "* * * academics and other foreign policy professionals from the private sector are enabled to apply their humanistic skills and perspectives in a policy-oriented environment through experience in public service * * *"

In addition to attending regular meetings of the Council, fellows "are involved in the Council's Studies Program to explore questions of foreign policy * * *"

Recent fellows have included: Donald McHenry, United States Ambassador to the United Nations during the administration of President Jimmy Carter; Michael Oxenburg, former National Security Council Senior Staff member with principal responsibility for initiatives in U.S.-China relations; Robert Hormats, former Deputy Assistant Secretary of State and former Deputy Special Trade Representative; and Jan Kalicki, Foreign Policy Adviser to Senator Edward M. Kennedy.

The appendix to the grant application contains biographies of recent fellows and includes information on their stipends and the programs to which they were assigned. Some examples are:

Arnold Kanter: "* * * spent his fellowship year as a participant-observer in the foreign policy process by joining the Bureau of Politico-Military Affairs in the Department of State." He received for his five month fellowship (January 1–June 1, 1977), $10,000 from NEH/IAF and $12,000 from the Department of State.

Paula Stern: "From 1972 to 1974 she served on the legal staff of Senator Gaylord Nelson (Wisconsin) then joined the Brookings Institution . . . In 1976–77 she worked briefly for the Carter-Mondale Transition as a Policy Analyst in the Department of State . . . During her fellowship year, Ms. Stern was in residence at the Carnegie Endowment for International Peace . . . In the fall of 1978, following her tenure as a Fellow, Dr. Stern was appointed and confirmed as Commissioner of the United States International Trade Commission" Her funding included $20,000 from NEH/IAF and $4,000 from the Carnegie Endowment for International Peace.

Frederick S. Tipson: "A specialized observer of the law of the sea process . . . Dr. Tipson conducted his fellowship year in the office of Senator Charles Percy (Illinois) encountering direct involvement in the deliberations of the Congress on questions of ocean policy as well as the SALT II Treaty . . . In March 1979, Dr. Tipson joined the staff of the Foreign Relations

Committee of the U.S. Senate." He received $20,000 from NEH/IAF for his 9 month fellowship.

Franklin Tugwell: ". . . spent his fellowship year dealing with international energy policy within the Office of Fuels and Energy, Department of State." A study he prepared during his tenure there was later ". . . published under the auspices of the Trilateral Commission." Tugwell was compensated $20,000 by NEH/IAF for his one year of work.

Sandra L. Vogelgesang: "Prior to becoming a member of the Policy Planning Staff at the State Department in 1975, Ms. Vogelgesang was a political economist in the Department's Bureau of European Affairs . . . during her fellowship year she examined the major policy problems involved in the US promotion of internationally recognized human rights . . . [she] has returned to the Department of State . . ." She received one year compensation from NEH/IAF of $20,000 and an additional $5,000 from other Council funds.

Linda P. Brady: ". . . spent her fellowship year in the Office of Disarmament and Arms Control, Bureau of Politico-Military Affairs, Department of State . . . In May, 1979, Dr. Brady joined the Office of the Assistant Secretary of Defense for International Security Affairs at the Pentagon as Special Assistant for MBFR, Policy Plans and NSC Affairs." She received $13,200 from NEH/IAF for eight months work.

Other fellowship related placements include: Bureau of East Asian Affairs, Department of State, Special Assistant to the Deputy Assistant Secretary of Defense for Policy Plans, a member of the delegation to the Mutual Balanced Force Reduction negotiations, Bureau of Intelligence Research, Department of Defense, the Overseas Development Council, the Agency for International Development, Assistant for Nuclear Planning in the Office of the Deputy Assistant Secretary of Defense for Policy Plans and National Security Council Affairs, and National Security Advisor to Senator Daniel P. Moynihan.●

THE DANGER OF RELAXING DAMAGE STANDARDS FOR CAR BUMPERS

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. SCHUMER. Mr. Speaker, I wish to protest vehemently the decision taken last week by the National Highway Traffic Safety Adminstration (NHTSA) to ease damage standards for car bumpers. Citing cost efficiency, the NHTSA has decreed that front and rear bumpers need no longer protect passenger cars from damage at speeds of up to 5 mph. Instead, the NHTSA has lowered the standard to $2\frac{1}{2}$ mph, claiming that this new standard is cost beneficial to both producer and consumer. After taking into account the higher insurance and repair costs, the NHTSA has determined nonetheless that the new standard will result in a savings of $28 to the consumer.

I reject the notion that the consumer will benefit from the standard, especially when, according to a General Motors spokesman, "The total saving cannot be realized until models are redesigned, which will be over a 5- to 8-year span." I doubt that any savings at all will reach the consumer. But in the meantime the consumer can expect to have to cope with higher insurance premiums, repair and replacement costs, and legal fees.

I reject, too, the notion that the new standard is really cost efficient for car manufacturers. Since the introduction of the 5 mph standard in the early 1970's, the auto industry has made significant improvements in the design and manufacture of lightweight, shock-absorbent car bumpers. So, not only would retooling be an expensive proposition for the auto industry, but it would represent also a shameful retreat to the lax standards of a decade ago.

If, as the NHTSA's report admits, long run fixed and variable cost savings for the industry are marginal, then the benefit must obviously lie elsewhere. One possibility that I would submit to my colleagues is the benefit that would accrue to the ailing replacement parts industry, whose once-captive market disappeared with the advent of stricter damage standards for automobiles in the 1970's.

Once again, I bid my colleagues recognize the implicit dangers in allowing a relaxation of damage standards for car bumpers. Such a relaxation will ultimately be paid for by the consumer and will be accompanied by a boom in replacement parts sales. Even more frightening is the precedent set by the NHTSA's decision, and the effect it might have in other industries where damage and safety standards have achieved so much in the last decades.

I ask, therefore, that my colleagues join me in opposing the new $2\frac{1}{2}$ mph car bumper standard and urge a return to the previous 5 mph standard.●

THE 21st ANNIVERSARY OF AMNESTY INTERNATIONAL

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. OTTINGER. Mr. Speaker, on May 28, 1982, the Nobel Prize winning human rights organization Amnesty International will celebrate its 21st anniversary. I am delighted to bring to the attention of my colleagues the remarkable efforts of Amnesty International, and in particular the dedicated efforts of the Mid-Westchester Chapter of Amnesty International, Group 154.

In its 21 years, Amnesty International has certainly compiled a distinguished record. It has monitored human rights conditions throughout the world, and vigilantly pressed for the release of political prisoners and relief for all victims of human rights abuses. It has been incredibly valuable in providing Congress with detailed information on the human rights climate abroad and in expressing to all governments the concern of millions that political rights be upheld.

Most important, Amnesty International has served as a vital source of hope for the countless individuals who are victims of torture and repression. These men and women know that the gallant efforts of Amnesty International mean that they are not forgotten; that someone is pressing on their behalf. This is more critical than ever in light of the Reagan administration's abandonment of human rights as a major component of our foreign policy.

The Mid-Westchester Chapter of Amnesty International, Group 154, has devoted its efforts on behalf of three such individuals: Leon Yelome, Dr. M. Aslam Khan Naru, and Abubaker Hamed Ibrahim. I applaud the members of group 154 for their devotion and commitment to these three individuals. I would also like to express my deep respect and profound thanks to the entire Amnesty International organization for 21 years of vital service to the victims of human rights tragedies throughout the world.

I am including in today's RECORD a statement by the Mid-Westchester Chapter of Amnesty International, Group 154, marking the 21st anniversary of Amnesty International. I commend this statement to the attention of my colleagues:

> On Friday, May 28th, 1982, the 21st Anniversary of Amnesty International, Group 154, the Mid-Westchester Chapter of Amnesty International, is expressing its concern for the victims of human rights abuses around the world by working for the immediate and unconditional release of two Prisoners of Conscience and by investigating the circumstances of the arrest of another prisoner who may be a Prisoner of Conscience.
>
> Leon Yelome, a Prisoner of Conscience from Benin, West Africa, has been detained without charge nor trial since August 1979. Leon, a former university student, is now 24 years old. Conditions in the prison are poor and unsanitary. Amnesty International believes that he was arrested for expressing views that were critical of the government of Benin.
>
> Dr. M. Aslam Khan Naru, a 44 year old chemist from Pakistan, has been detained without charge nor trial since April 1981. The health of this Prisoner of Conscience is a matter of grave concern as he suffers from chronic asthma and a bad ulcer and may have been ill-treated under interrogations. Amnesty International believes that Dr. Naru was arrested for his non-violent political beliefs.
>
> Abubaker Hamed Ibrahim from the Sudan was indefinitely detained May 1979. No further information is known about his case. As Amnesty International believes

that he may be a Prisoner of Conscience, Group 154 is working to obtain information regarding his present status and whereabouts.

On this, the 21st Anniversary of Amnesty International, the members of Group 154 wish to publicly express their respect for victims of human rights abuses who bravely defend human rights in the face of great personal sacrifice and suffering.●

ADMINISTRATION ABANDONS WORKING POOR

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. FORD of Tennessee. Mr. Speaker, the following editorial is an excellent criticism of the administration's attitude toward the working poor. The administration wants to severely restrict any form of public assistance to people who are employed, regardless of how low their income might be. The practical result of this policy is that many low-income workers would be better off if they quit work and depended entirely on public assistance. This mistaken policy manifested itself in last year's reconciliation bill which dramatically reduced the amount of money that AFDC recipients could earn and still remain eligible for AFDC assistance. Prior to reconciliation, $30 plus one-third of earnings, in addition to the actual costs of holding a job, such as transportation expenses and child care expenses, were deducted from income in determining AFDC benefits. These "income disregards" provided a financial incentive for AFDC recipients to seek work, even in low-paying jobs.

The amount of income which was disregarded for purposes of determining benefits was substantially reduced by last year's reconciliation bill. This reduction has resulted in thousands of working AFDC recipients being in a better financial position by quitting work and collecting full AFDC benefits as well as other forms of public assistance. Such a result is ridiculous. We should be encouraging work and our public assistance programs should recognize that people in low-paying jobs need some assistance.

The Subcommittee on Public Assistance and Unemployment Compensation of the Ways and Means Committee, which I chair, held hearings on the effects of last year's budget cuts. Witness after witness told us of the work disincentives that were produced by the AFDC changes in the Reconciliation Act. As a result of those hearings, I introduced legislation to provide more reasonable "income disregards" in the AFDC program. This legislation, incorporated in H.R. 6369, has been approved by the Ways and Means Committee and should reach the House floor in the near future. I encourage my colleagues to read the Post editorial and to examine H.R. 6369. The legislation is a reasoned alternative to the administration's policy of abandoning the working poor.

The editorial follows:

[From the Washington Post, May 25, 1982]

Too Little Incentive to Work

(By Jack A. Meyer)

The working poor are being doubly vicitimized by the administration's paradoxical policies on work incentives. On the one hand, excessive faith in power of work incentives to spur economic growth led to tax cuts for middle- and upper-income Americans—tax cuts that were too large given the administration's ambitious defense spending plans and the difficulty of achieving cuts in nondefense spending. The massive federal deficits, high interest rates and deep recession that resulted hurt the working poor by shutting off the spigot from which their share of the "trickle" was to flow.

On the other hand, insufficient faith in the power of work incentives to motivate lower income people led the administration to favor (and Congress to adopt) welfare policy changes that discourage work and self-sufficiency. Ironically, while the Reagan administration rails against welfare dependency, its policies make welfare an attractive option for the working poor.

A generation ago, welfare recipients who took a job lost their benefits on a dollar-for-dollar basis. In effect, the "tax rate" on earned income was 100 percent. In the late 1960s, Congress put into effect a new rule called "$30-plus-a-third," which lowered this effective tax rate to about two-thirds for recipients of Aid to Families With Dependent Children. In addition, AFDC beneficiaries were allowed to deduct a certain amount of work expenses from earned income. This deduction further lowered the effective tax rate on earnings.

The $30-plus-a-third incentive was effectively repealed in 1981. At the urging of the administration, Congress placed a time limit on the work incentive bonus and a dollar limit on the work expense deduction. The $30-plus-a-third rule may now be applied to only the first four months of employment. After four months, every penny of net earnings is subtracted from welfare benefits. The work expense deduction was limited to $160 per month per child for day-care expenses and $75 per month for other work-related expenses.

Eligibility standards were also tightened, denying AFDC assistance (and thereby Medicaid benefits) to many working poor families. States were authorized to institute workfare programs requiring welfare recipients to take jobs in order to "pay for" their benefits. The message seemed to be "no help for the working and make-work for the nonworking."

A similar trend is evident in the food stamp program, where the earnings disregard was lowered from 20 percent to 18 percent in 1981 and would be eliminated entirely in 1983 under President Reagan's proposed budget.

The administration's Comprehensive Employment and Training Act (CETA) proposal overdoes the necessary targeting of federal job training funds. It would focus job training primarily on AFDC recipients and very poor youth. Again, the working poor would be left out in the cold. The ongoing freeze on the dollar value of the Earned Income Tax Credit points in the same direction.

Many working poor families may have reluctantly concluded from all this that the only way to obtain any help is to act helpless. By quitting their jobs and becoming "truly needy," they can get the bonanza of overlapping benefits that await the dependent but elude the working-poor family. There is now little motivation to get off welfare and a growing attraction to go on welfare.

The evidence suggests that lower effective tax rates stimulate more work effort by AFDC recipients. It also points to offsetting effects on families with slightly higher incomes who would newly qualify for benefits under a plan with lower effective tax rates. But even if such effects cancel the positive stimulus to work among recipients, society should experience a net gain because of a possible break in the cycle of dependency plaguing the welfare class. Moreover, basic fairness should be taken into consideration here. Our society should assure people that when they work they will have higher incomes than when they do not.

The workfare approach to AFDC treats welfare benefits as a stigma or punishment that must be "worked off." The administration and Congress now seem to place more faith in requiring low-income female heads of households to work than in motivating them to work. This approach denies women on welfare the option of staying home with their children. For an administration that stresses both the power of work incentives and the positive value of family, this is a strange set of priorities.

Ironically, workfare also conflicts with the administration's prudent preference for incentives approaches over complex regulatory schemes. We have had plenty of failures trying to develop effective work tests in social programs. We should be just as wary of intrusive, elaborate regulation in job placement for welfare recipients as in the regulation of business.

It is time to stop treating the poor as two distinct classes of people—a nonworking group that receives benefits and should be made to work to save federal outlays and a working group that deserves no assistance. A superior—and more humane—approach substitutes graduated assistance for the all-or-nothing approach and views marginal assistance to the working poor as a prudent social investment in their future self-sufficiency.●

INTERN PROGRAM PROVIDES VALUABLE EXPERIENCE

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. MAZZOLI. Mr. Speaker, every year since the program was started, my office has participated in the congressional senior citizens intern program. This valuable program gives our senior citizens a chance to acquaint themselves with the operations and functions of their government.

For this year's program, I was happy to have Mr. Joe Bergkessel of Louisville as my senior citizen intern. Since Joe's wife Christine accompanied him, my office had two interns "for the price of one," so to speak.

Joe is an involved and informed constituent. He is especially knowledgeable on the railroad retirement system. As my intern, Joe used his opportunity to experience firsthand the workings of a congressional office both in his field of railroad retirements, as well as outside his field.

I wholeheartedly support the senior citizens intern program. It enables older American's to participate and contribute in the democratic process.●

NUCLEAR DISARMAMENT: A PRISONER OF CASTRO SAYS: "NO"

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. McDONALD. Mr. Speaker, why is it that the Nation is so abysmally ignorant on the subject of Communist propaganda being spewed forth by agents of Moscow in the daily media? And why is it that it is those who have lived under communism that daily work day and night, year after year, to expose what can happen right here in America, if native born Americans refuse to awaken to the imminent danger to the survival of our freedom?

It was back on June 28, 1961, that the Reverend Enrique Rueda, left the totalitarian enslavement of Fidel Castro to come to the United States. He has not rested since. As a seminarian in the Catholic priesthood he was thrown into Castro's jails, and he never forgot that experience. Father Rueda is both a priest and a chemical engineer. He has forsaken the study of chemical engineering and putting that study into practice, because to him, the survival of the free world as manifested by representation of the United States is more, and yes, most, important.

Father Rueda has found a channel to spread the word of the dangers America faces. That channel is the "Catholic Center for Private Enterprise—Strong Defense—Traditional Values." It is an arm and project of the Free Congress Research and Education Foundation, Inc. He believes that the pen is mightier than the sword—if you use that pen.

In bringing one of Father Rueda's first commentaries to the attention of my colleagues and the American people, I call attention to the continuing Communist tactic of bringing a "voice of authority," so to speak, from another nation, to spread the Communist word in this country. It is supposed to lend an air of authority for a visiting foreign so-called dignitary. Most citizens from the country of this visiting "dignitary" know this person or persons to be Communist mouthpieces, but the uninformed American does not.

An excellent example of this tactic is exposed in a two-part article by Father Rueda, titled, "A Gift From Great Britain." It is an exposé of organizations and personnel from England who are bent in getting Americans denuclearized and disarmed. Pay heed, fellow Americans, to this, the first of many messages I hope to convey on behalf of a Cuban—now—American patriot:

A GIFT FROM GREAT BRITAIN (PART I)

(By Father Enrique T. Rueda)

Mother England has sent us a gift we did not need and did not ask for. I am sure that most of our friends across the Atlantic do not appreciate what they sent us either. As if we did not have enough leftists and crazies among our own clergy we have been blessed with a visit by "Monsignor" Bruce Kent, the full-time General Secretary of Great Britain's Campaign for Nuclear Disarmament (CND). Kent recently appeared in many American colleges leading a well-orchestrated series of public appearances and organizational meetings obviously designed to launch a parallel organization to the CND in the United States. The campaign culminated on March 27th in Philadelphia with a rally in which Cardinal Kroll shared the podium with—and thus gave credence to—Kent. The Archbishop of Philadelphia is well acquainted with the nature of international communism. I can not believe that he was acquainted with who Kent is and what his intentions are in coming to our country when he consented to appear with him.

In reality, Kent is a full-time radical leftist politician. He is former chairman of CND and of War on Want, a well known radical organization. His philosophy can be summarized in a statement he reportedly made in May 1980, at a meeting of "Religions for Peace": "The Churches are handicapped by profound anti-Communist feelings and profound nationalism at variance with Christian teaching." He must have glossed over Divini Redemptoris, the Soviet invasion of Afghanistan and the massacres of Misquito Indians by the Sandinistas. He also ignores that in Catholic doctrine patriotism is a subdivision of the natural virtue of piety and that we believe that no one can be a good Catholic unless he is patriotic.

Kent's other organizational affiliations are also revealing. He has been involved with Pax Christi, a Roman sounding organization profusedly praised by Izvestia; Christian Action, an ecumenical group of mostly CND clergymen who has been known to condone the practice of homosexuality, and One World Bookshop, a center of distribution of Marxist propaganda which Kent actually runs.

It is not easy to ascertain whether "Monsignor" Kent is actually a communist agent or just another fellow traveler. Whatever he is, it is necessary to examine the record, for in final analysis this is what counts. For example, Kent is known to have praised the Soviet Union: in a letter to The Guardian (December 10, 1979), he praised Brezhnev for offering to withdraw troops from Europe—this was part of Soviet peace offensive which preceded the invasion of Afghanistan. On the other hand, on November 8, 1980, Kent criticized American policies in the radical publication Morning Star. One quarter of Kent's CND members are also members of Great Britain's Communist Party. He has also been known to make radio broadcasts from East Berlin attacking United States plans to defend the West against Soviet imperialism (December 17, 1980) and he also reportedly sent a congratulatory message to the World Peace Council in Bulgaria (September 1980). Although it is not widely known, Kent is also a member of the council of European Nuclear Disarmament, another front of the movement.

By now I believe that the reader has had enough. He probably has reacted the way the Cardinal Cushing did when he took a good look at Castro: "If he looks like a duck, walks like a duck and quacks like a duck. . . ."

A GIFT FROM GREAT BRITAIN (PART II)

(By Father Enrique T. Rueda)

The security of this nation is under a serious threat, not so much from the Soviet Union as from an alliance being forged by groups on both sides of the Atlantic which favor denuclearization and unilateral disarmament. Whereas we would have nothing to fear if we remained strong and united, these elements have sworn to make us weak and plant in our midst the seeds of national disharmony. Unfortuately, significant elements within the Church have taken an active role in promoting ideas inimical to our interests. In the United States, the Catholic Church has fallen prey to naive clerics—and even a number of prelates—who are utlizing the power of their office to push for a weaker America. Among the European counterparts of the American pacifist groups, Great Britain's Campaign for Nuclear Disarmament (CND) plays a key role in the establishment of an anti-defense transatlantic coalition, if for no other reason because of our common language and history. A pivotal individual in the formation of this coalition is a Catholic priest, "Monsignor" Bruce Kent, full time Secretary General and former President of the CND.

Kent recently visited the United States as part of a campaign to organize the American version of the CND. Thirty CND operatives made a tour of 150 colleges in 50 cities at a cost of over $100,000. Great Britain is indeed exporting unilateral disarmament to America. Thanks, but no thanks!

In point of fact, Kent presides over an empire totally infiltrated by Great Britain's Communist Party (GBCP). East Anglia's CND chapters are under the control of the Socialist Workers' Party and the CND Youth Movement is under the control of the Trotskyists. Top leaders of the CND have been reported to be communists, including the CND national organizer Sally Davison; CND vice-chairmen Dr. John Cox and Duncan Rees; GBCP candidate Michael Pentz; Chris Horrie, CND Press Officer is a member of the Editorial Board of Challenge, the paper of the Young Communist League, and Dan Smith, past lecturer at GBCP conventions is also a CND leader. The GBCP has organized a campaign to get unions to affiliate with the CND.

It is not surprising that the Soviet Union has welcomed the CND. The desire to disarm is commendable, thus it has been skillfully utilized by the Soviets to weaken the West. Kent should know better. For example, there is no indication that the CND or "Monsignor" Kent have ever tried to organize anti-government demonstrations in the Soviet Union the way they do so in

America. Inasmuch as the CND takes a pro-Soviet position, its arguments lack all moral authority and should be discarded summarily by Americans. Earlier this year, nineteen CNDers were received in Moscow as official guests of the Soviet Peace Committee. The Soviets paid all their expenses (including visits to Tashkent, Leningrad and Samarkand) minus half the air fare. It would be interesting to know whether any of Kent's friends asked to visit the Gulag. The affiliations of the participants in the Soviet trip reveal the complexity of the CND itself. In addition to being members of the CND, the nineteen were members of organizations such as the World Disarmament Campaign, Teachers for Peace, the School of Peace Studies, Women's Peace Liaison Committee, Medical Campaign Against Nuclear Weapons, Mothers for Peace, Jounalists Against Nuclear Extermination, etc., etc., etc. In communist practice, this strategy is old hat: many people who might be reluctant to join or support openly communist causes will be willing to help the goals of the party by working through any of various fronts. Meanwhile, the general public gets the impression that there are vast numbers of people who support the cause by the sheer multiplication of organizations that might exist only in name.

Kent and the CND are powerful but not invulnerable. They are no more invincible than our own home grown let's-make-America-weaker clergymen. Thoughtful Britons have begun to see that denuclearization and demilitarization really spell out their ultimate defeat at the hands of a vicious enemy as well as the end of their traditional freedoms. They have organized the Coalition for Peace Through Security, a group devoted to the achievement of genuine peace within the framework of political and economic freedom. Len Holihan and Ed Leigh, organizers of the Coalition, have alerted many of their countrymen about the mortal danger the CND poses. Their campaign has begun to bear fruit. We have much to learn from them. A few weeks ago, at a London rally, "Monsignor" Kent was confronted by a small group of opponents who knew his background and the implications of his teachings. He literally fell apart when a few hard questions were asked. One would hope that, for the sake of America, so would our anti-defense Church leaders when faced with the same situation. If we get together and fight for our principles, the CND and its supporters within the Church are bound to be defeated, for common sense will prevail.●

BUDGET PROCEDURE

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. PAUL. Mr. Speaker, this is the ninth annual budget procedure under the Congressional Budget Act of 1974. Not being a Member of the House when that act passed, I thought I would go back to the floor debates on the act in 1973 and 1974 to see what expectations its authors and proponents had for it. I was struck by the things I read there. A typical remark was—and this was made by one of the principal authors of the act, Mr. Ullman—

> So what we are doing here today in establishing a congressional budgeting procedure is the most important step that ever could be made toward getting this country back on a sound track, getting the dollar back to its proper valuation and proper stability, and getting inflation under control.

Mr. Ullman went on to say that the Congressional Budget Act would "be the most significant reform of the 20th Century."

And he was not alone. Member after Member stood up to state his high expectations for the Budget Act. They thought that it would enable Congress to control spending, taxes, the Federal deficits, the national debt, and inflation. One Member said:

> I believe the legislation we are considering today represents a great step forward in the process of regaining some sense of fiscal responsibility as well as budgetary authority . . . this legislation for the first time says no to the spending sprees we have embarked on so many times in the past, with no regard for the means to pay our bills. . . ."

A member of the Rules Committee and a principal author of the bill said that:

> The legislation which we have before us this afternoon is probably one of the most important bills that this House will consider in this Congress. It is absolutely essential that the legislative branch of the Government get control of the budget and of expenditures.

The same Member went on to say that the Budget Act would improve congressional procedure itself:

> In the last several Congresses we have had to adopt continuing resolutions because we simply have not had the appropriations bills passed as of June 30, the end of the fiscal year. By advancing the fiscal year to a date 3 months later we hope that we can eliminate the possibility of continuing resolutions in the future.

In view of these expectations, it would be instructive to see how the Budget Act has allowed or enabled Congress to control spending, taxes, the deficit, the debt, and inflation. Below is a table reflecting changes in these categories since 1974.

[Dollar amounts in billions]

	Taxes	Outlays	Deficit	Debt	CPI
1974	$263.2	$267.9	$4.7	$486.2	$147.7
1975	279.1	324.2	45.2	544.1	161.2
1976	298.1	364.5	66.4	631.9	170.5
TQ	81.2	94.2	13.0	646.4	
1977	355.6	400.5	44.9	709.1	181.5
1978	399.6	448.4	48.8	780.4	195.4
1979	463.3	491.0	27.7	833.8	217.4
1980	517.1	576.7	59.6	914.3	246.8
1981	599.3	657.2	57.9	1,003.9	272.4
1982	628.4	728.9	100.5	1,135.9	284.3
1983	665.1	767.0	101.9	1,269.3	

Since enactment of the Budget Act in 1974, taxes have increased by 153 percent, spending has gone up by 186 percent, the deficit has skyrocketed by 2,068 percent, the national dept is up by 161 percent, and the CPI has nearly doubled. Comparing these figures with the expectations of the authors of the Budget Act, one can say that it has been a complete and total failure. It has not even, as at least one Member of this House hoped, ended the use of continuing resolutions. Those resolutions are as plentiful as ever.

The Budget Act has caused a minor complication: Each bill that comes to the House floor that does not conform to the budget resolution must now have a rule waiving points of order for such noncompliance. Since 1974, there have been literally hundreds of such waivers written by the Rules Committee and adopted by the House.

Why has the Budget Act failed to fulfill the expectations of its authors? For one very fundamental reason: It was a procedural solution to a substantive problem. The problem is not, and I hope we all come to realize this soon, that Congress does not have a comprehensive grasp of its taxing and spending programs. The problem is that the programs are much bigger than they ought to be. The Budget Act was passed as a technical correction for a fundamental error, and as such, its failure was foreordained. If this House had the will to reduce taxes, spending, the deficit, and the debt, is could simply do so by rejecting appropriations and tax bills; the budget procedure would be superfluous. If it does not have that will, then the Budget Act is useless, as we have seen. As a technical matter, it can be disposed of by other technical matters: waivers of points of order.

I am appalled by the size of all the budgets that have been and are being discussed on the House floor, and by the size of the deficits in most of them. We have the responsibility to refuse to pass any budget which exceeds the budget for last year. We can no longer hide behind the Budget Act as justification for our prodigal behavior. It is time that we put some substance behind the appearance and vote for actual tax and spending cuts.

The Budget Act has performed exactly opposite to the author's hopes. With off-budget items and the guaranteed loan programs, the confusion is greater than it was prior to the passage of the Budget Act. It has served to confuse, not facilitate the unified budget concept.

The pressure to "do something" in 1974 prompted the passage of the Budget Act. However the problem was deep seated and philosophic. The international financial crisis of the early 1970's and the exponential growth of the welfare-warfare state made it more and more difficult to operate the Government. Rather than reject the notion of runaway welfarism, economic interventionism, and persistent international political involvement, it was hoped that the problem of financing this extravagance could be solved with budget juggling. This obviously has failed. Even many budget-balancers in this House readily cave in on the line item votes—always willing to bend a little. I predict the solution will not come through accounting and budgeting shenanigans. Only a change in attitude as to the role of government will suffice. You really cannot "have your cake and eat it too." Big government costs: It is paid for with huge budgets, huge taxes, huge deficits, high interest rates, and high inflation rates. Worst of all it causes a loss of trust by the people in this institution—the Congress—set up originally for the sole purpose of preserving our liberty and maintaining national security. And in the attempt to keep the massive interventionist government afloat, our liberty ironically becomes threatened and our security jeopardized.

A major part of our problem is the complicity of the Federal Reserve System in accommodating Congress by monetizing the debt. All the budgetary adjustments in the world cannot replace the absolute need for a sound currency. It is not just a coincidence that the unified budget and the Budget Act came at a time when it became obvious to the world that the dollar was no longer as good as gold. Runaway government and runaway inflation will not be stopped by the charade of the budgetary process we are going through. What would it mean to our people if today we passed a balanced budget resolution? They would laugh. We did it in 1980 and hardly got reported in the media since everyone knew it was a farce.

We need action, but we can get this daily on individual appropriations, but that is where we fail to act. No one is willing to take the political risk of voting against some special interest in their district.

The consensus is that something might be "taken away" from a constituent. But no one ever asked where did they get it in the first place? If Government passed it out, they first had to steal it from someone else. So when we stop the redistribution it is unfair to say that we are taking anything away from anybody. It is just being returned to those who rightfully own it—the person who produced it. Everything we do is based on the premise that the Government is entitled to our earnings and by the grace of Government we are allowed to retain a certain portion. And if that portion is increased, Government has lost something "rightfully" theirs, it is claimed. That is nonsense and if we do not dispel that myth, not only will we have a budgetary crisis, we will have a political crisis with social upheaval as well.

Yesterday the administration, in the midst of the supposed slashing of the budget, asked for an increase in the national debt limit of $196 billion—an increase from $1.079 trillion to $1.275 trillion. This is unbelievable. Only 12 years ago, our entire budget was $196 billion, now the debt is being increased in one fell swoop by the same amount. How could this ever send a message of reassurance to anyone? It cannot; it is in the message of fear and trepidation and prompts anticipation that all anyone can expect is more of the same.

The solution will only come when we change our attitude about the role of Government per se. I suggest a compromise. Liberals want to cut military spending, conservatives want to cut welfare. Why not satisfy both factions by cutting both, balancing the budget, lower taxes, deregulate the economy and implement an honest money standard—such as gold. Without taxes on savings and with a currency that maintains its value and restores trust, interest rates will quickly drop to below 5 percent.

When I think of the hours spent on the budget resolution and the hopes expressed that a favorable message will be sent to "the financial markets" I cringe. I can remember only too many individual votes in the past month where an overwhelming majority of this House chose to ignore the intent of last year's budget and in total contradiction to the elegant vocal support so many give to the idea of fiscal responsibility.

I am with the majority of Americans who are sick of the doubletalk and the lack of real action on the part of Congress. Is it any wonder politicians are held in such low esteem where most say one thing and do another. Most Americans are tired of the rationalizations and the justifications. They want action and integrity even if the truth hurts. The special interests, the arms manufacturers, the social planners and the redistributers of wealth make the most noise here in Washington and unfortunately the Congress keeps responding to them. Yet I believe that the majority of Americans are fed up with it all and are ready to give up all the wonderful "benefits" bestowed upon them by the Federal Government.

Big government is running out of steam and now is the opportunity to present the case for real reform. I am sorry to report that reform will not be achieved through the budgetary process. This process obviously has only made things worse.●

FORMALDEHYDE VICTIMS COMPENSATION ACT OF 1982

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. ROSENTHAL. Mr. Speaker, 2 weeks ago, the Commerce, Consumer, and Monetary Affairs Subcommittee, which I chair, held hearings into the adverse health effects and the negative economic impact on consumers of formaldehyde in foam insulation (UFFI) and in mobile homes. The hearings established the failure of the Federal Government to adequately address the issue. The hearings also established that Federal energy tax credits were available for installing the insulation and that foam was installed in approximately 500,000 homes before the Consumer Product Safety Commission banned the product last February. UF foam insulation poses a serious health risk and unless it is removed—a process costing from $5,000 to $25,000—causes a significant drop in the value of the home. Common law remedies may be unavailable because some of the principal targets of law suits—installers and manufacturers—have gone out of business. I am therefore introducing today legislation designed to help homeowners with foam insulation by giving them a tax credit up to $10,000 for removing the foam and up to $5,000 per person for formaldehyde related health expenses.

Formaldehyde poisoning also is a serious problem for the Nation's 10 million mobile home dwellers. Particle board and plywood, the basic building materials of mobile homes, are made with formaldehyde and release the gas into the small and relatively air tight environment. This bill makes available to mobile home dwellers tax credits for formaldehyde related medical expenses and also requires a governmental study and report to the Congress of the economic loss to mobile home owners due to formaldehyde offgassing. The legislation would also require the Federal Government to furnish testing assistance to UFFI and mobile home owners for the purpose of identifying the amount of formaldehyde gas in those homes.

Mr. Speaker, this is an extremely serious problem. The Federal Government must not allow consumers to be the innocent victims of this chemical tragedy.●

THE MEDIA ELITE: HOW REPORTERS LEAN TO THE LEFT

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. McDONALD. Mr. Speaker, every day we pick up the Washington Pravda here in the Nation's Capital and we wonder how we wind up with such a sick, one-sided, blatant, and absolutely distorted presentation of the news. Only recently we saw page after page of coverage for Communist insurgents in El Salvador—right from within the headquarters of those terrorist insurgents. And then the press coverage in the Washington Pravda fell strangely silent while the voters of El Salvador literally risked their lives to get to that ballot box to let the Communists and their liberal—or worse—allies in the American press know that, overwhelmingly, they did not want a "Red Square" in any corner of their country.

It used to be in the journalistic field, that editors would unequivocally instruct reporters that editorials would be strictly reserved for the editorial pages. News was to be reported without bias. No longer is this the case. And perhaps some of my colleagues have often wondered why?

Well, for the benefit of my colleagues, as well as the millions of questioning Americans, it seems that S. Robert Litchter and Stanley Rothman, of Public Opinion magazine have found the answer. They have served the public well in a report titled: "The Media Elite: How Reporters Lean to the Left." Excerpts from this study as presented in Conservative Digest, issue of May 1982 answers a good deal of those questions you always wanted to ask as to why the media is so biased toward totalitarian government. Article follows:

[From the Conservative Digest, May 1982]

THE MEDIA ELITE: HOW REPORTERS LEAN TO THE LEFT

(By S. Robert Lichter and Stanley Rothman, excerpted from Public Opinion magazine)

Newsmen have long cherished the vantage point of the outsiders who keep the insiders straight. But now leading journalists are courted by politicians, studied by scholars and known to millions through their bylines and televised images. In short, a society increasingly hungry for information has contributed to the rise of a national news network—the new media elite.

As part of a larger study on elites, we surveyed members of the national media elite during 1979 and 1980. These findings, it should be understood, tell us only about the backgrounds and attitudes of journalists as individuals. They do not tell us about the content of the news nor whether the content is affected by the journalist's personal views. Nonetheless, the findings provide more detail than previously available about who makes up the media elite.

In some respects, the journalists we interviewed appear typical of leadership groups throughout society. The media elite is composed mainly of white males in their thirties and forties. Only one in 20 is nonwhite; one in five is female. Ninety-three percent have college degrees and a majority (55 percent) attended graduate school.

These figures reveal the media to be one of the best educated groups in America. They are also one of the better paid groups, despite journalism's reputation as a low-paying profession. In 1978, 78 percent earned at least $30,000, with one in three earning a salary that exceeded $50,000. Moreover, nearly half (46 percent) reported family incomes above $50,000.

GEOGRAPHIC DISTRIBUTION

Geographically, they are drawn primarily from northern industrial states, especially from the Northeast corridor. Two-fifths come from three states: New York, New Jersey and Pennsylvania; another 10 percent come from New England; almost one in five was raised in the big industrial states to the west—Illinois, Indiana, Michigan and Ohio. By contrast, only 3 percent are drawn from the entire Pacific Coast, including California, the nation's most populous state.

FAMILY BACKGROUND

Journalism is a profession associated with rapid upward mobility, yet we found few Horatio Alger stories. On the contrary, many among the media elite enjoyed socially privileged upbringings. Most were raised in upper-middle-class homes. Of their fathers half were college graduates, and one in four held a graduate degree. Two in five are the children of professionals—doctors, lawyers, teachers and so on. In fact, one in 12 is following in his father's footsteps as a second-generation journalist. Another 40 percent describe their fathers as businessmen. Only one out of five fathers is employed in a low-status blue- or white-collar job.

Given these upper-status positions, it is not surprising that families were relatively well off. Forty-five percent rated their family's income above average, compared to 26 percent who viewed their early economic status as below average.

As might be expected characteristics like these could predispose people toward the social liberalism of the cosmopolitan outsider. Indeed, much of the media elite uphold the cosmopolitan or anti-bourgeois social perspective.

RELIGIOUS PROFILE

A predominant characteristic of the media elite is its secular outlook. Exactly 50 percent eschew religious affiliation. Another 14 percent are Jewish with almost one in four (23 percent) raised in a Jewish household. Only one in five identifies as Protestant, one in eight as Catholic. Only 8 percent go to church or synagogue weekly; 86 percent seldom or never attend religious services.

POLITICALLY SPEAKING

Ideologically, the majority of these leading journalists describe themselves as liberals Fifty-four percent place themselves to the left of center, compared to only 19 percent who choose the right.

Presidential elections bear out these subjective ratings since 1964. In 1972, when 62 percent of the electorate chose Nixon, 81 percent of the media elite voted for McGovern. Four years late, leading journalists preferred Carter over Ford by exactly the same margin. In fact, in the Democratic landslide of 1964, media leaders picked Johnson over Goldwater by the staggering margin of 16-to-1, or 94 percent to 6 percent.

These presidential choices are consistent with the media elite's liberal views on a wide range of social and political issues. They show a strong preference for welfare capitalism—pressing for assistance to the poor in the form of income redistribution and guaranteed employment. Few are outright socialist, since they overwhelmingly reject the proposition that major corporations should be state owned. Only one in eight would agree to state ownership of corporations, and two-thirds are strongly opposed.

Most believe that free enterprise gives workers a fair shake, and that deregulation of business would be good for the country. Seventy percent agree that private enterprise is fair to working people, and 63 percent say that less business regulation would serve national interest.

But they are equally committed to the welfare state. About the same proportion that praise the fairness of private enterprise (68 percent) also agree that the government should reduce substantially the income gap between the rich and the poor. Almost evenly divided over the issue of guaranteed employment, 48 percent believe the government should guarantee a job to anyone who wants one, while a slight majority of 52 percent oppose this principle.

HOW THE MEDIA VOTED: THE PRESS VERSUS THE PEOPLE

[[1] In percent]

	Vote by media elite	Popular vote
1964		
Goldwater	6	38
Johnson	94[2]	61
1968		
Nixon	13	43
Humphrey	87	42
1972		
Nixon	19	61
McGovern	81	38
1976		
Ford	19	49
Carter	81	51

[1] Interviews with media elite were conducted before the 1980 elections.

[2] Media support for third party candidates never exceeded 2 percent.

SOCIAL VIEWPOINT

Divisive "social issues" bring the liberalism of the interviewed journalists to the fore. They emerge as strong supporters of environmental protection, affirmative action, women's rights, homosexual rights and sexual freedom.

Fewer than one in five agree that "our environmental problems are not as serious as people have been led to believe." "Only 1 percent agree that environmental problems are overrated, compared to the 54 percent who disagree. They are nearly as vehement in their support for affirmative action. Despite both the heated controversy over this issue and their own predominantly white racial composition, four out of five media leaders endorse the use of strong affirmative action measures to ensure black representation in the workplace.

Regarding sex and sex roles, members of the media elite are virtually unanimous in opposing government and traditional constraints.

A large majority oppose government regulation of sexual activities, uphold a pro-choice position on abortion, and reject the notion that homosexuality is wrong. In fact, the majority do not characterize adultery as wrong.

When asked whether the government should regulate sexual practices, only 4 percent agree it should with 84 percent opposing state control. Ninety percent agree that a woman has the right to decide for herself whether to have an abortion; 79 percent agree with this pro-choice position. Three quarters disagree that homosexuality is wrong, and an even larger proportion, 85 percent, uphold the right of homosexuals to teach in public schools. (Only 9 percent feel that homosexuality is wrong.)

Finally, 54 percent approve adultery, and only 15 percent agree that extramarital affairs are immoral. Thus, members of the media elite emerge as strong supporters of sexual freedom or permissiveness, and as natural opponents of groups like the Moral Majority.

THE MEDIA ELITE AND THE MAN IN STREET: COMPARING BELIEFS

[In Percent]

	General public	Media Elite
Living with someone of the opposite sex is morally wrong	47	24
Abortion is morally wrong	65	35
Smoking marihuana is morally wrong	57	22
Homosexuality is morally wrong	71	38
Women with young children should not work outside the home unless financially necessary	72	42
Divorce should be more difficult to obtain	52	27
Government should make sure everyone has a good standard of living	69	32
Government should protect American industry from foreign competition by limiting imports	72	30
Nuclear power offers more benefit than risk	55	64

INTERNATIONAL AFFAIRS

In addition, we surveyed the media elite on international affairs, focusing on such issues as U.S. arms sales, CIA activity and alleged American exploitation of developing countries.

In most instances, the majority of the media elite voice the same criticisms raised in the Third World. Fifty-six percent agree that American economic exploitation has contributed to Third World poverty. About the same proportion (57 percent) find America's heavy use of natural resources to be "immoral." By a 3-to-1 margin, leading journalists reject the counterargument that Third World nations would be even worse off without the assistance they've received from Western nations. Indeed, precisely half feel the main goal of our foreign policy has been to protect American business interests.

A majority or 55 percent would prohibit the CIA from undermining hostile governments to protect U.S. interests. The question of arms shipments produces an even split of opinion: 48 percent would ban foreign arms sales altogether or restrict them to democratic countries; 47 percent would supply arms to any "friendly" country, regardless of the regime. Only 4 percent would be willing to sell arms to all comers.

GROUP INFLUENCE

These results do not address two of the most basic underlying issues of political life: What groups exert the most influence over social goals and political processes? How much influence should be wielded by such forces?

Specifically, we asked the journalists to rate seven leadership groups in terms of the influence each wields over American life. Then we asked them to rate the same groups according to the influence they should have. The seven groups rated include black leaders, feminists, consumer groups, intellectuals, labor unions, business leaders and the news media.

The surveyed journalists see four groups as relatively disadvantaged in the competition for social power: feminists are least powerful, followed closely by black leaders, intellectuals an consumer groups. The unions ranked third, leaving the media close on the heels of business leaders, who are perceived as the most powerful social group in America. Thus, the media elite recognizes its own position of power, viewing itself as more influential than any other leadership group except the business community.

What is the media elite's preference? They would strip both business and labor of their perceived power, while raising the status of other groups. In this preferred social hierarchy, business leaders fall from first to fifth position, unions drop to the bottom, feminists move up only slightly, blacks, intellectuals and consumer groups have more influence than either business or labor and emerging at the top as the group most favored to direct American society is—the media.

CHOOSING AMERICA'S MOST IMPORTANT GOALS IN THE NEXT DECADE

[in percent]

	Most important		Second most important		Least important	
	Media	Business	Media	Business	Media	Business
Maintaining a high rate of economic growth	10	14	9	18	15	8
Assuring strong defense forces	6	13	14	30	12	7
Maintaining a stable economy	52	60	18	15	2	1
Fighting crime	0	1	8	8	10	5
Progressing toward a more humane society	17	6	23	13	10	12
Progressing toward a society where ideas are more important than money	5	3	15	11	9	13
Seeing that people have more say in how things get decided	11	3	8	3	22	32
Beautifying our cities	0	0	3	3	17	23

Note: The media elite and business agree that our first priority should be maintaining a stable economy. The media's choice of second most important goal of America, however, differs from business's choice. The media says it should be progressing toward a more humane society and business says it should be assuring a strong defense. The greatest difference in opinion as to what is least important is seeing that people have more to say in how things get decided at work and in the community. 22 percent of the media say this is least important as compared to 32 percent of business. As for beautifying our cities, 23 percent of the business vote on what is least important went to that goal as compared with 17 percent of the media vote.●

PERSONAL EXPLANATION

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. MAZZOLI. Mr. Speaker, I was unavoidably absent for recorded votes on Monday, May 24, and Tuesday, May 25, 1982. Had I been present, I would have voted:

"No" on rollcall No. 98, an amendment in the nature of a substitute to House Concurrent Resolution 345, the first concurrent budget resolution for fiscal year 1983, introduced by Mr. FAUNTROY;

"No" on rollcall No. 101, an amendment to the Latta substitute to House Concurrent Resolution 345, expressing the sense of the Congress that legislation should be enacted recommending changes in the Internal Revenue Code dealing with certain tax expenditures.

"Aye" on rollcall No. 102, an amendment to the Aspin substitute to House Concurrent Resolution 345, which sought to set a level of tax expenditures for fiscal year 1983 at $273.1 billion.

"Aye" on rollcall No. 103, an amendment to the Latta substitute to House Concurrent Resolution 345, which would have increased revenues, as well as outlays, for education, training, employment, social services, health, and income security.

"No" on rollcall No. 104, an amendment to the Jones substitute to House Concurrent Resolution 345, which sought to reduce the revenue levels in the resolution by $10.8 billion.●

MONTHLY LIST OF GAO REPORTS

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. BROOKS. Mr. Speaker, the monthly list of GAO reports includes summaries of reports which were prepared by the staff of the General Accounting Office. The April 1982 list includes:

GAO APRIL 1982 LIST

NATIONAL DEFENSE

Defense Budget Increases: How Well are they Planned and Spent? Acc. No. 118096, PLDR-82-62, April 13.

C-5A Wing Modification: A Case Study Illustrating Problems in the Defense Weapons Acquisition Process. Acc. No. 118139, PLRD-82-38, March 22.

Cost Growth and Delivery Delays in Submarine Construction at Electric Boat are Likely to Continue. MASAD-82-29, April 19.

Alternatives to Concurrent Draft Registration Program Needed Unless Level of Compliance Improves. FPCD-82-20, April 19.

Actions Needed to Reduce Schedule Slippages and Cost Growth on Contracts for Navy Ship Overhauls. Acc. No. 117964, PLRD-82-29, March 17.

Revising Medical Fitness Policies Could Provide Additional Quality Recruits at Less Cost than Enlistment Incentives. Acc. No. 117999, FPCD-82-13, April 7.

Letter reports

Review of prices paid by military commissaries on brand name vendor supply bulletin contracts. Acc. No. 118123. PLRD-82-55, March 19.

Teleprocessing services contracts for the support of Army and Navy recruitment should be recomputed. Acc. No. 118043, AFMD-82-51, March 24.

Request to fully fund two nuclear aircraft carriers in fiscal year 1983. MASAD-82-27, March 27.

Defense's Joint Tactical Information Distribution System needs to be reexamined. Acc. No. 117982, MASAD-82-28, April 2.

BEST [illegible]

Opportunities exist to reduce the cost of some B-52 modifications. Acc. No. 118071, MASAD-82-30, April 9.

Army compiled with provisions of Circular A-76 when contracting out of laundry and educational testing services at Fort Carson, Colorado. Acc. No. 118126, PLRD-82-66, April 12.

Less expensive internal management options may be viable alternatives for countering critical military skill shortages. FPCD-82-16, April 19.

Research and development for the common strategic rotary launcher should be included as an integral part of the baseline cost estimate for the B-15 bomber program. MASAD-82-32, April 19.

Procurement costs of ammunition used for practice and training can be reduced. GGD-82-39 and 40, April 21.

ENERGY

State Energy Conservation Program Needs Reassessing. EMD-82-39, April 21.

Electric Vehicles: Limited Range and High Costs Hamper Commercialization. Acc. No. 118042, EMD-82-38, March 19.

Better Oversight Needed for Safety and Health Activities at DOE's Nuclear Facilities. Acc. No. 118098, EMD-81-108S, April 14.

Probable Impacts of Budget Reductions on the Development Use of Photovoltaic Energy Systems. Acc. No. 118097, EMD-82-60, March 26.

Letter reports

The Department of Energy did not violate any reduction-in-force laws or regulations. Acc. No. 118124, FPCD-82-33, March 18.

Three Mile Island cleanup cost and completion schedule has slipped and is still slipping since the initial estimate was developed in mid-1979. Acc. No. 118086, EMD-82-68, April 7.

Platte River Power Authority's proposal to purchase Western Area Power Administration transmission lines has been denied. EMD-82-76, April 27.

Department of Energy needs to strengthen its computer performance evaluation activities. EMD-82-71, April 29.

NATURAL RESOURCES AND ENVIRONMENT

Status of Federal Agencies' Implementation of the Alaska National Interest Lands Conservation Act. CED-82-74, April 19.

Cooperative Leasing Offers Increased Competition, Revenues, and Production from Federal Coal Leases in Western Checkerboard Lands. EMD-82-72, April 28.

EPA's Use of Management Support Services. Acc. No. 118044, CED-82-36, March 9.

Letter reports

On the whole, claims for the National Flood Insurance Program are processed validly and accurately. AFMD-82-56, March 5.

Issues affecting the future of the residential conservation service. Acc. No. 118041, EMD-82-70, March 29.

COMMERCE AND HOUSING CREDIT

Management of Trade Adjustment Program Shows Progress. Acc. No. 118095, CED-82-58, April 2.

Additional Efforts are Needed to Minimize Lease Guarantee Losses. Acc. No. 118092, CED-82-57, April 6.

One-Stop Inspection System Speeds the Entry of International Travelers. Acc. No. 17966, GGD-82-62, March 22.

The Federal Communications Commission's International Telecommunications Activities. CED-82-77, April 19.

Letter reports

Postal Service's expenditure of funds for painting the windows and other work at the Post Office in Jackson, Tennessee. Acc. No. 118046, GGD-82-59, March 12.

Life Insurance companies have increased their use modified coinsurance and have reduced their tax burdens. Acc. No. 118094, PAD-82-33, April 14.

The Postal Service site acquisition practices are adequate. GGD-82-64, April 20.

Matters for congressional consideration concerning Federal Trade Commission rules. HRD-82-56, April 26.

TRANSPORTATION

Better Administration of Capital Grants Could Reduce Unnecessary Expenditures on Mass Transit Projects. CED-82-22, April 20.

Small Car Safety: An Issue that Needs Further Evaluation. CED-82-29, April 26.

The Federal Approach to Rail Safety Inspection and Enforcement: Time for Change. CED-82-51, April 19.

Letter reports

Computer outages at air terminal facilities and their correlation to near mid-air collisions. Acc. No. 118123, AFMD-82-43, February 16.

Use of federally appropriated funds by Howard University for administrative expenses. Acc. No. 118047, HRD-82-50, March 12.

Financial statements of the United States Railway Association for the year ended September 30, 1981. Acc. No. 118100, AFMD-82-69, April 13.

The Federal Aviation Administration's $10 billion plan for air traffic control is flawed. AFMD-82-66, April 20.

COMMUNITY AND REGIONAL DEVELOPMENT

Housing Block Grant Activity in Seattle: A Case Study. Acc. No. 118053, CED-82-60, March 30.

SOCIAL SERVICES

Sexual Exploitation of Children—A Problem of Unknown Magnitude. HRD-82-64, April 20.

Labor Market Problems of Teenagers Result Largely from Doing Poorly in School. PAD-82-06, March 29.

Duplicative and Unnecessary Renovations Made in the HUD-Subsidized Concord Commons Apartments in Rockford, Illinois. CED-82-67, April 15.

Implementation of the Phaseout of CETA Public Service Jobs. Acc. No. 118093, HRD-82-48, April 14.

HEALTH

Malaria Control in Developing Countries: Where Does It Stand?—What is the U.S. Role? ID-82-77, April 26.

FDA's Approach to Reviewing Over-the-Counter Drugs is Reasonable, but Progress is Slow. HRD-87-41, April 26.

Letter reports

There is a need to establish standards that must be met before intermediate care facilities for the mentally retarded can obtain medicaid reimbursement. HRD-82-57, April 16.

INCOME SECURITY

Flaws in Contractor Support for the Department of Labor's Black Lung Program. Acc. No. 117997, PLRD-82-43, April 2.

Discontinuing Social Security's Currently Insured Benefit Provision Would Save Millions and Eliminate Inequities. HRD-82-5, April 23.

Federal Crime Insurance Program: An Overview. Acc. No. 118099, CED-82-68, April 15.

Longshoremen's and Harbor Workers' Compensation Act Needs Amending. Acc. No. 117995, HRD-82-25, April 1.

ADMINISTRATION OF JUSTICE

The Office of Juvenile and Delinquency Prevention's Special Emphasis Program Has Not Realized its Full Potential. GGD-82-42, April 16.

GENERAL GOVERNMENT

Less Sole-Source, More Competition Needed on Federal Civil Agencies' Contracting. PLRD-82-40, April 7.

Recent Government-Wide Hiring Freezes Prove Ineffective in Managing Federal Employment. Acc. No. 118045, FPCD-82-21, March 10.

Removing Tiering From the Revenue Sharing Formula Would Eliminate Payment Inequities to Local Governments. Acc. No. 118101, GGD-82-46, April 15.

Issues to be Considered while Debating Interstate Bank Branching. Acc. No. 118049, GGD-82-36, April 9.

Agency Implementation of Cost Accounting Standards: Generally Good but More Training Needed. Acc. No. 117997, PLRD-82-51, March 24.

Improving Cobol Applications can Recover Significant Computer Resources. Acc. No. 117996, AFMD-82-4, April 1.

Agreement Needed on DOD Guidelines for Exempting Certain ADP Equipment and Service Procurements from the Brooks Act. Acc. No. 118048, GGD-82-52, March 17.

Status of Major Acquisitions as of September 30, 1981: Better Reporting Essential to Controlling Cost Growth. MASAD-82-24, April 22.

Letter Reports

Use of shipper associations would reduce DOD's transportation costs. Acc. No. 117998, PLRD-82-61, April 6.

Additional improvements are needed in the national survey of professional, administrative, technical, and clerical pay. Acc. No. 118072, FPCD-82-32, April 5.

Evaluation of NASA's compliance with congressional reprograming requirements. Acc. No. 118140, MASAD-82-31, April 16.

Identifying computer data bases to aid congressional oversight on the needs of older Americans. Acc. No. 118121, IPE-82-6, April 19.

Impact of funding on materials R&D program in the Departments of Energy and Commerce, and the National Aeronautics and Space Administration since fiscal year 1980. EMD-82-73, April 19.

Instances of noncompliance with Federal grant regulations and poor financial management practices were found at the Sea Island Comprehensive Health Care Corporation and the Franklin C. Fetter Family Health Center. HRD-82-69, April 23.

The Monthly List of GAO Reports and/or copies of the full texts are available from the U.S. General Accounting Office, Distribution Section, room 1518, 441 G Street NW., Washington, D.C. 20548. Phone (202) 275-6241.●

H.R. 6199, TO REQUIRE THAT TAX DEDUCTION BE SUBSTANTIATED

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. MAZZOLI. Mr. Speaker, late in 1981, a law was passed allowing each Member of Congress to deduct a flat

$75 per day in living expenses incurred in Washington in connection with their congressional duties. This provision did not require proof or documentation of actual expenses incurred by the Member of Congress.

Much criticism has been directed at this law. Therefore, I applaud last week's action by the Senate Appropriations Committee to do away with the automatic $75-a-day deduction, while allowing Members of Congress the right to deduct all the living expenses which they can document.

This is precisely the approach I have taken in H.R. 6199—a bill I introduced on April 28, 1982. I believe this is a fair resolution of the confusion which has arisen over the use of the flat $75-a-day deduction. I hope the House follows the Senate committee's lead.

I welcome your cosponsorship of H.R. 6199. If you are interested, please let me know or call Sarah Luna, of my staff, at extension 5-5401.●

HUMAN RIGHTS FOR THE HANDICAPPED

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. DYMALLY. Mr. Speaker, it has come to my attention that the Department of Justice is in the process of revising section 504 guidelines. These guidelines are the product of years of struggle by thousands of disabled and handicapped people to guarantee that they will be treated with the same dignity that should be afforded any human being. These guidelines specify how handicapped people are to be guaranteed equal opportunity in education and the workplace. Thirty-nine million Americans are handicapped, and a single serious injury or disease could add any one of us to that statistic. So, handicapped people are fighting not so much for handicapped rights as for human rights for the handicapped. None of us should allow those rights to be diluted.

For your information and that of our colleagues I am inserting the following two letters into the RECORD. They were written by Jane Jackson, a long-time advocate of equal opportunity for the handicapped. Ms. Jackson is now in the 18th day of a water only fast to draw attention to the proposed changes in section 504 guidelines.

NATIONAL GRAY PANTHERS,
WESLEY THEOLOGICAL SEMINARY,
Washington D.C., May 12, 1982.

President RONALD REAGAN,
White House,
Washington, D.C.

DEAR PRESIDENT REAGAN: Monday I began an open ended water fast for life and peace on earth. As a disabled seminarian fasting for disarmament, I feel it is critical that we not further erode social services, the regulations which implement disabled people's rights, or the moral fiber of our nation by continuing our present unethical, racist, sexist, immigration policies and our escalating interventionist, extravagant, immoral defense policies.

You come before the public in the manner of Franklin Roosevelt, and then your administration delivers policies reminiscent of the Hoover administration. Is it that you have no respect for the ability of the American to think? Or do you, and perhaps you alone, really believe that your policies will work?

Having lived the life of an activist since childhood and now nearly a grandmother, fasting for what I believe is quite similar to other acts of protest, in that my life is once more endangered.

We disabled people occupied 1 United Nations Plaza in San Francisco in 1977 to render usable the regulations to implement section 504 of the 1973 Rehabilitation Act. That section clearly established that disabled people are equally entitled to live a life with the least possible restrictions. Just as you are, we are not to be left back or left out solely because we have handicaps or limitations. We too want to be able to do the "best job" we can. 504 intended for disabled and abled people to work together toward a better life for all people on this Earth.

I can understand your lack of trust in the pronouncements and covenants that should be our protection as a nation. But to be able to destroy the glove so many times when once is all that will ever happen, while at the same time creating a social plague on our history is incomprehensible unless the intent is to make the rich richer and the poor ever so much more so, while daily adding to their ranks from the middle class.

The American public is awakening to some realities about our national priorities and their effects on our domestic budget. At the same time, you institute policies within the immigration system that foster racism in terms of round ups and denial of asylum. Who's next? Disabled and elderly people are being forced into institutions or back into their homes to die; young people are beginning to understand that this is not a land of opportunity for them unless they join the military or learn to perform a skill marketable to the defense industry.

Please Mr. President, give peace a chance, reduce the defense spending, increase funds for human services, treat citizens from other lands who live here, seek asylum, or live under a threat of nuclear war in other lands, all as God's children. None of us has the right to take the life of another than to save our own. Nuclear war will kill us all, at once.

I will stop my fast when you assure me, in writing, that you have ordered the Department of Justice and the Office of Management and Budget that the 504 regulations as approved in 1978 will stand throughout your presidency without any changes as your first act of belief in new life, not death, a believer that will lead this country to disarmament, not more arms. Give peace a chance while re-arranging your budget priorities.

Faithfully yours,

JANE JACKSON,
Accessibility advocate.

NATIONAL GRAY PANTHERS,
WESLEY SEMINARY,
Washington, D.C., May 20, 1982.

President RONALD REAGAN,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: Your recommendation to the Attorney General and the Secretary of Health and Human Services dated April 30 states: "Our nation's commitment to equal protection of the law will have little meaning if we deny such protection to those who have not been blessed with the same physical or mental gifts we too often take for granted." You go on to say that you "support Federal laws prohibiting discrimination against the handicapped and remain determined that such laws will be vigorously enforced."

Are you aware that at the same time you instructed the Attorney General to advise you on "application" of "statutory remedies", the Department of Justice is in the process of rewriting those rules—to remove their teeth? I speak of the DOJ April 15 draft Sec. 504 guidelines.

On May 10, 1982 I wrote the enclosed letter to you explaining the parameters of my water only fast to protect the existing 1978 guidelines—without change. To date I have not received a reply, and my fast is entering its 11th day.

You can understand, I'm sure, the confusion I feel as a disabled citizen, looking to the President of the United States and finding conflicting messages being directed to me and other like me.

By Federal statistics there are in excess of 39 million disabled people in our land. Most still don't know that they have rights, much less that they are endangered. During a week of consistent lobbying, we found numerous members of Congress who either didn't know about No. 504 or were confused about its focus.

Presuming that your memo of April 30, is your personal position, I once more urge that you notify both the Department of Justice and the Office of Management and Budget that weakening the 1978 Sec. 504 guidelines would contradict your stated support of laws prohibiting discrimination against the handicapped. To do less is to publicly tell 39 million Americans and their families and friends that you may say one thing but are not preventing your administration from doing something in total opposition to your command.

I look forward to hearing from you, directly, as that is the only way I will know that you have received both my letters.

In solidarity for peace,

JANE JACKSON,
Access advocate.●

SALUTE TO ADMIRAL HAYES

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. JONES of North Carolina. Mr. Speaker, today marked a formal change of command of the U.S. Coast Guard and the retirement from active duty of Adm. John B. Hayes, Commandant for the past 4 years. He has ended 34 years of uniformed service to his Nation, and today has received the

Distinguished Service Medal from the Secretary of Transportation, Drew Lewis. This follows closely a similar award for significantly improving Navy and Coast Guard relations and for the recognized contribution to national security that has been nurtured under Admiral Hayes' leadership.

To the words of the fitting Distinguished Service Medal citation, I would add in paraphrase the remarks of Gen. Douglas MacArthur at West Point exactly 20 years ago, in which he spoke of duty, honor, and country as the hallowed words of a great moral code for those who guard this beloved Nation. Observing Admiral Hayes, I strongly suspect that these words have likewise been his rallying point to build courage when courage seemed to fail, to regain faith, when there seemed to be little cause for faith, and to create hope when hope had become forlorn—and to instill in the men and women of his service a similar dedication to service and humanity.

The listing of Admiral Hayes' achievement in his citation is impressive, but I suspect that his singular concern for the quality of life for Coast Guard personnel and their dependents is the epitaph for which he would most like to be remembered. Admiral Hayes—we bid you farewell—and Godspeed wherever you journey in the future.

CITATION TO ACCOMPANY THE AWARD OF THE DISTINGUISHED SERVICE MEDAL TO ADM. JOHN B. HAYES, USCG

Admiral Hayes is cited for exceptionally meritorious service to the Government of the United States from October 1980 to May 1982 in a position of great responsibility as Commandant, U.S. Coast Guard. During this period, Admiral Hayes led the Coast Guard with wisdom, tact and determination through one of the most difficult budget cycles in recent times. His energy, optimism and natural leadership ability were standards around which the entire Service could rally. Using skills developed 20 years before, Admiral Hayes initiated a second Coast Guard Roles and Missions Study that will chart a course for the Service to follow long after his term as Commandant has expired. Admiral Hayes' complete mastery of the concepts of modern management resulted in an efficiently run Coast Guard organization, respected throughout government and industry for its quality services. In a time of changing national priorities, Admiral Hayes clearly defined the basic character of the Coast Guard in its traditional seagoing expertise, military nature and multi-mission character, focused in peacetime on the humanitarian role of protection of life and property at sea. Under Admiral Hayes' guidance, Coast Guard relations were solidified with the Joint Chiefs of Staff. Formation of the Navy-Coast Guard (NAVGARD) Board, the first formal planning and policy coordinating mechanism between the two Services, resulted in a significantly increased National Security posture. Recognition of the Coast Guard as a naval force-in-being was once again achieved. Admiral Hayes' initiatives established a significant role for the Coast Guard in the Caribbean Basin, in support of national foreign policy objectives. Despite his distinguished position, Admiral Hayes never lost sight of the working Coast Guardsman. Throughout his term, his first consideration was always the quality of life for Coast Guard personnel and their dependents. Admiral Hayes' unwavering devotion to duty, loyal and distinguished service, and achievements reflect the highest credit upon himself, the United States Coast Guard and the Department of Transportation.●

WHY EL SALVADOR DISLIKES ITS AMERICAN-IMPOSED "LAND REFORM"

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. McDONALD. Mr. Speaker, I am appalled by the arrogance which is being demonstrated in this Congress, with regard to land tenure arrangements in El Salvador. We have seen Members of Congress insist that they do not care what the people of El Salvador, or their elected representatives, want to do about the rules under which land is owned. We have seen Members of Congress insist that an American-imposed plan which has had socially disruptive and economically disastrous results must be continued, or else we will cut off the country more or less without a cent.

This is doubly unfair, because a large portion of El Salvador's present economic dependency is due to the land reform which we insist shall be continued.

The Wall Street Journal today, May 27, explains the situation well enough in American terms, but omits to mention that the entire program was devised by a small group of self-annointed American experts. The most notable of them, Roy Prosterman, has been lobbying vigorously for his baby, the land reform he put together for the AFL-CIO's American Institute for Free Labor Development.

There is a long history of interference which features the surprising degree of clout which Socialist-minded Americans seem to possess. The plan is entirely Socialist in concept, with reference to "compensation" of dispossessed owners present as window-dressing. Compensation has been spotty and nominal with regard to phase I lands, and nonexistent with regard to phase III lands.

By pulling out the managerial ability of those who happened to be owners, and replacing them with political hacks, a goodly reduction in production can be accomplished. This has been but one result of land reform. By threatening, for more than 2 years, to seize at gunpoint, without notice, any farm of more than 247 acres, the owner-managers of medium-sized farms have been paralyzed, afraid to make any investment or to borrow money. Under phase III, any owner who allows another person to rent, sharecrop, or in any way till his land thereby gives that land to the other person. Accordingly, all who were not caught in the first cast of the net have found it wiser to keep their land out of cultivation than to make what had been sensible decisions.

In short, much land was withheld from production, much has not produced normally, and much of the income from what we might as well call the collectivized sector has disappeared before either peasants or former owners ever see it.

However, let the Wall Street Journal present its view of this same problem. We do not disagree, but merely emphasize different aspects of the same bad situation.

The article follows:

[From the Wall Street Journal, May 27, 1982]

PERCY OF EL SALVADOR

Charles H. Percy of Illinois, U.S. Senator from a farm state that has never been blessed with a land reform, seems nonetheless to know a lot about land takeover and redistribution. He is threatening the newly elected government of El Salvador if it delays its U.S. designed land reform.

The Senator's Foreign Relations Committee yesterday made the threat explicit by first chopping the administration's request for $166 million in Salvadoran aid in fiscal 1983 to $66 million. Then it adopted an amendment by Democrat Christopher Dodd of Connecticut saying even that would be stopped if the Salvadoran government "modifies, alters, suspends or terminates" the land reform.

The occasion for this high-handed diktat from the Percy committee was a decision by Salvador's constituent assembly, elected in a popular vote two months ago, to delay Phase Three of the reform.

If the Percy-Dodd threat to cut off economic aid is made good it would of course hurt the Salvadorans, particularly the operators of medium-sized farms (like the ones in Illinois) who have survived land reform. The State Department wanted a big chunk of aid to go to credit these core farmers need in order to help keep Salvadoran agriculture afloat.

But it also would hurt the United States. The Russians and Cubans continue to build Nicaragua's army and funnel arms and supplies to insurgents in El Salvador and Guatemala. If Central Americans are to resist this ominous threat they need confidence that U.S. backing will not be constantly endangered by the whims of a U.S. Senator.

It's not easy to de-whim a Senator, but the stakes are high enough here to make it worth a try. The Salvadoran land reform problem, as with all problems Salvadoran these days, is complex and it won't be helped much by fulminations from Washington.

It is true that Salvadoran voters naughtily gave a majority of seats in their constituent assembly to the so-called right-wing parties, as defined by the foreign press. This exercise in democratic choice no doubt made some Senators uncomfortable. But it also is true that the dominant members in this new body did not compaign in principle against the land reform. Phase One, the seizure by the government of the very largest farms, seems secure. Phase Two, takeover of medium-sized farms, was seen as counterproductive long ago and is not being pushed by anyone, including the Americans who prescribed land reform as the cure for El Salvador's ills. At issue is something called "Land to the Tillers," or Phase Three, under which some 150,000 tenant farmers were each entitled to receive up to 17 acres from the owners. This is the program the government wants to delay, and its reasons are by no means implausible.

Sen. Percy could call up one of his farmer constituents and learn that farmers have rather substantial credit needs. They borrow to plant crops and pay back when the harvest comes in. El Salvador, which also nationalized its banks and export companies at American behest when it launched the land reform two years ago, is short on credit. For one thing, it is fighting a war.

"Land to the Tillers" is complicated by both the credit shortages and the administrative complexity. Land owners—not much different from owners of farm land in Illinois—are uncertain about whether and when they'll be compensated for the land turned over to tenants and are reluctant to finance crops they may not reap.

As to the tenants, they have been promised only "provisional" titles to their plots and many have not received even that. So they too are not certain of their rights to plant and reap. With so much in limbo, El Salvador was faced with the risk that large acreages would be unplanted. That, coupled with the inefficiencies of the large farms taken over by the government, threatened to further reduce agricultural production, which already has suffered badly. So the constituent assembly agreed to give land owners assurances that their tenant land would not be taken until the next crop cycle is completed.

Even with such a delay, the reform will pose an enormous administrative burden on the government. The new president and constituent assembly will be trying to untangle the Salvadoran economy at the same time they are preparing to fight off the next military assault being plotted against them by Fidel Castro, Daniel Ortega and Leonid Brezhnev.

There is something to be said for Phase Three, at least in principle. Farmers who own their land (and that means clear title) do have stronger incentives and a larger stake in the country. But the United States encouraged El Salvador to have free elections and it is bad form to complain when the people elected attempt to run things as they think best.

Sen. Percy and friends are endangering Salvador's agriculture, its fragile experiment in democracy and the country's very existence. They are, in short, doing a great favor to the forces that have laid siege to that small country.●

H.R. 6068—THE INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1983

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. MAZZOLI. Mr. Speaker, on May 19, by a vote of 357 to 23, the House passed H.R. 6068, the Intelligence Authorization Act for fiscal year 1983. This was the fifth such authorization bill reported by the House Permanent Select Committee on Intelligence since its inception in 1977. As with the others, H.R. 6068 represents a prodigious amount of work on the part of the committee and its staff.

In particular, the Subcommittee on Program and Budget Authorization is again to be commended for its detailed, in-depth, and thoroughly professional scrutiny of every item in the intelligence community's budget. The subcommittee, chaired as is the full committee by the gentleman from Massachusetts (Mr. BOLAND) conducted 16 hearings during a 2½ month period. Many more hours were spent on internal consultation and deliberation.

The result is a budget, unanimously reported by the full Intelligence Committee, which affords the intelligence agencies the funds needed to perform their vital mission while at the same time recognizing that the national security is not served by waste or over spending.

While the cloak of secrecy which covers the amounts and projects authorized prevents me from discussing any particular item in any detail, I would note that the bill as passed will enable the FBI to conduct a vigorous counterintelligence campaign in the United States against those whose mission is to acquire by any means possible our intelligence, military, and diplomatic secrets. The relative ease with which foreign agents can operate in our free society is a price we willingly pay for democracy. But, we can lessen the burdens of those who silently wage the counterintelligence war by providing them with the resources they need to successfully perform their vital duties.

Finally, I am pleased that the full committee, and the House, accepted the recommendation of the Subcommittee on Legislation, which I chair, and adopted title VI of H.R. 6068. Title VI affords to spouses of CIA officers the same entitlement to a pro rate share of the retirement and survivors annuity as the Foreign Service Act of 1980 afforded to spouses of Foreign Service officers.

In 1980, when it passed the Foreign Service Act, the Congress concluded that Foreign Service spouses are especially in need of a statutory presumption of entitlement to a share of pension and survivors benefits because:

First, they continually perform services of direct benefit to the U.S. Government;

Second, the length and nature of their overseas service prevents them from pursuing their own careers, obtaining job skills of employment history, usually leaving them with no vested pension benefits;

Third, frequent transfers place strains on family life and/or the marriage; and

Fourth, there is little awareness on the part of the legal community of the special problems faced by Foreign Service spouses.

Title VI is predicated upon the finding that their cover status and the special circumstances of the clandestine service require CIA wives to perform the same services and engage in the same activities as Foreign Services spouses, and also to assist their husbands in the sometimes dangerous activities of the spy trade.

Therefore, basic equity requires that CIA spouses be brought within the provisions of the Foreign Service Act.

Title VI fully protects the interest of the employee spouse by permitting the pro rata share to be modified or rejected altogether by a State divorce court or the parties themselves.

Subject to this important proviso, title VI would entitle a divorced spouse who does not remarry before age 60, who was married to a CIA officer for at least 10 years of the employee's credit service toward retirement, and who served overseas for at least 5 years to:

A pro rata share of up to 50 percent of the retirement annuity;

A pro rata share of the survivors annuity; and

A pro rata share of up to 50 percent of the lump sum benefits permitted to be taken in lieu of an annuity.

These provisions will provide some assurance to dependent spouses that they will not become impoverished in their retirement years following a divorce. I look forward to their speedy enactment by the Senate.●

BILL DODDS—A GREAT MAN RETIRES

HON. LINDY (MRS. HALE) BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mrs. BOGGS. Mr. Speaker, it is with mixed emotions that I note today the retirement of Bill Dodds, who will soon retire after 35 years of outstanding service to the United Auto Workers of America (UAW).

Bill is currently an administrative aide to UAW president Douglas A. Fraser. For a number of years, he served as political action director for the UAW and also directed the union's community action program.

In 1972, Bill was executive director of the Democratic National Committee.

Bill Dodds began his union career as a General Motors autoworker in Chicago's local 6, while he was studying at the University of Chicago under Prof. Paul Douglas. He then moved to New

York where he studied for his master's degree in economics at Columbia University, and worked for Sidney Hillman in the old CIO-PAC.

In 1947, Bill was named education-political director in the Midwest for the UAW and worked closely with Walter Reuther. In 1956, he was promoted to be Roy Reuther's top assistant in the new political action department of the UAW. Upon Walter Reuther's death, he became director of the citizenship-legislative department for UAW and was transferred to Washington, D.C.

All through the years when I worked in the civic, cultural, and philanthropic communities of Washington, Bill Dodds was very helpful to me and to the organizations. He supported their efforts to relieve poverty and distress and disease, and promoted programs that uplifted the quality of life for many Americans.

I have found, as a Member of Congress, that Bill brought to his legislative responsibilities that same dedication to the betterment of the human condition.

The sad news, then, is that Bill Dodds is retiring after 35 years of outstanding service to the United Auto Workers of America.

The good news is that Bill will remain active in continued service. For example, he plans to organize retired workers for the National Council of Senior Citizens.

I would like to extend my congratulations to Bill on his upcoming retirement, and my great respect and affection to Bill, his wife Maggie, and their three sons, who have been most supportive of his career.●

PUBLIC SUPPORTS STRONG CONSUMER PROTECTION

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. FLORIO. Mr. Speaker, a January 1981 opinion survey by Opinion Research Corp. recently came to my attention. This survey, regarding public attitudes on regulation, business, and the consumer, shows that the public supports no rollback in consumer protection, is particularly critical of advertising practices, and supports high standards in consumer protection—regardless of cost.

I find this survey particularly noteworthy for two reasons. The survey reveals public attitudes considerably more subtle than the operating assumptions that seem to be reflected in many of the current administration's efforts to dismantle consumer gains of the last decade. While the public is wary of certain kinds of Government regulation, it strongly supports Government efforts to protect the consumer. Second, in reflecting public attitudes contemporaneous with the 1980 Presidential election, the survey refutes any notion that the election constituted some kind of mandate for the neglect of consumer interests reflected in this administration's policies.

The authors of the survey also make a crucial point when they observe that deterioration of consumer protection is adversely affecting our competitive position in world trade. U.S. rivals such as Japan and Germany employ consumer protection as a means of generating consumer confidence. The shortsightedness of our current neglect of consumer interests is reflected in a public perception of the inferiority of U.S. products.

Mr. Speaker, I commend this survey to every Member's attention. It clearly shows that a policy that neglects consumer interests is at odds with the public's will and with the long-term interests of American business.

The survey follows:

GOVERNMENT AND THE CONSUMER: A NEW DIRECTION

SUMMARY AND IMPLICATIONS

Findings in this report indicate that consumer protection is far from being a dead issue among the public at large—despite the fact that a majority of Americans now think that there should be less government regulation of business in general and that the costs of government regulation overall are not merited.

Most people throughout the population believe that expenditures for government-mandated safety and dependability requirements for consumer products and services are worth it. Indeed, as this report shows, large numbers of people in all population subgroups feel that it is necessary to pursue high standards for the protection of consumer interests regardless of the costs involved.

What is more, most people hold this view despite their understanding that regulations to ensure product or service safety and dependability, as well as government regulations in general, add at least a fair amount to production costs.

There are indications, however, that most people now prefer a different relationship between the government and the consumer in comparison with that of the sixties and early seventies. This perception presents new opportunities as well as new problems for business.

On one hand, as we noted in a previous study, there is strong support by people in all sectors of society for increased government action to protect the consumer during the 1980's (see ORC Public Opinion Index study, "The Mood Of America: A Post-Election Survey," December, 1980). On the other hand, the majority of people continue to agree that the federal government may have gone too far in trying to protect the individual from himself in enacting laws and regulations concerning consumer goods and services.

The sense of our latest data is that the public still sees the government as a protector but less as a direct intervener in their purchasing decisions.

Eight in ten Americans, for example, believe that the proper role of the federal government is to see that consumers are provided with enough information so that they can decide for themselves which products and services to buy. A similar proportion of the public thinks that the government should concentrate on educating the consumer to use products safely instead of banning products that might be used unsafely.

As it is, the majority of people in all segments of society think that most product-connected injuries are not the fault of the products themselves, but are the result of misuse or abuse by the consumer. At the same time, at least six people in ten within every sector of the population believe that any product defect that might cause injury presents an unreasonable risk, even if no serious injury has actually occurred.

Meanwhile, the importance of consumer information in the public mind is highlighted by the fact that a majority of people in most sectors of the population strongly agree with the proposal that health warning labels should be required on such products as food or drugs if there is any suspicion of a possible health hazard, even without definite proof.

Americans' perceptions of the role of the government are also apparent in their attitudes toward government activity in specific areas of consumer protection (see page 10).

There is little support for any rollback in the level of government involvement in these areas, although there is no overwhelming feeling that the government is now doing too little in any of the consumer protection areas evaluated.

Advertising is clearly the activity where large U.S. corporations are most vulnerable to public criticism. Not only do significant proportion of people call for more government involvement in this area, they also are more likely to give companies poor ratings for the kind of job they are doing to provide truthful and tasteful advertising than for any other corporate activity directly related to the consumer. Moreover, the public believes that the performance of large companies has declined rather than improved over the past ten years in regard to the taste and the truthfulness of their advertising, as well as the fairness of their pricing.

On the other hand, more than a third of Americans credit major corporations with doing a good-to-excellent job in providing consumers with sufficient information to make purchasing decisions, fulfilling product or service warranties and guarantees, competing vigorously and openly, and producing products or services that are safe and dependable—all areas in which at least half of the general public feel the federal government is doing about the right amount.

The public is divided, however, over whether or not there has been any change in the dependability of U.S. products and the fulfillment of product or service warranties and guarantees.

In view of the widespread publicity attending most product recalls, perhaps one of the most significant findings to emerge from this study is the relatively high rating given to providing safe products or services. Only one person in ten says that corporations are doing a poor job of providing safe products or services, whereas more than four people in ten (44%) rate corporate actions good to excellent.

Safety aside, the charge by more than one-third of the American public that there has been a decline during the past ten years in the fairness of pricing and the dependability of U.S. products or services should concern most major U.S. corporations.

When the Index conducted a nationwide survey last March to determine how the American public rates U.S. products in comparison with foreign products, it became evident that American products are at a competitive disadvantage in regard to their perceived value for the money and the quality of their construction. (See ORC Public Opinion Index study, "U.S. Vs. Foreign Products—How The American Public Rates Them," May, 1980.)

Consumer protection in such countries as Japan, Sweden, France, and West Germany is part of a total national marketing strategy, serving as a basis for improving overall productivity and for building a reputation for quality products. On the other hand, the traditional adversary relationship between business and government in this country too frequently has led to unrealistic or inflexible regulatory goals, uncertainty in the business community, and prolonged litigation. While engaging in seemingly endless battles over new government regulations and product recalls, American business has been losing the battle for competitive survival in world markets.

As we have pointed out in the past, business and government need to work together to develop creative solutions to problems of mutual concern. Too frequently, business will hold back from participating until after the government has defined the issues and developed its proposals.

Business must seek constructive involvement in the development of legislative proposals and in the rule-making procedures of the regulatory agencies, balancing the problems and concerns of business with the interests of the public as a whole. Certainly, business has every opportunity to do so in view of the current climate of public opinion regarding government regulation.●

CHOOSING A BUDGET

HON. STAN LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. LUNDINE. Mr. Speaker, I come to today's budget debate profoundly dismayed by the choices before us and no less conscious that a choice must be made. Never in my life did I imagine I would vote for a budget with a $100 billion deficit. Since coming to Congress, I have consistently supported all reasonable efforts to reduce the Federal deficit. In my 6 years in the House, I have voted against more than half of the budget resolutions passed by this body because they did not go far enough in closing the gap between spending and revenues. Less than 3 years ago, for example, I voted against a budget supported by President Carter which permitted only a $29 billion deficit because I felt that figure should have been lower. But, today there are no options for $29 billion deficits before us. Today, the options are all $100 billion or more.

There are plenty of reasons to vote against all of these budget alternatives. To do so, however, would be utterly irresponsible. America today is in very bad shape. Decline has led to economic torpor; recovery eludes us. Now is not the time for factional disputes or recriminations. Americans of all walks of life and every economic circumstance are looking to the Congress to make the tough decisions that will start us on the road toward recovery. And, that is why the House now faces the most critical vote of the 97th Congress.

I say that advisedly, knowing that I made the same claim a year ago when the House approved the President's budget for 1982. Certainly, last year's vote was important; it was the first step in the full implementation of the President's economic program. Though I opposed that budget last year, I take no pleasure in the fact that it has not worked. When I voted against the Gramm-Latta budget last year, I warned that, "If the President's budget starts out with a $45 billion deficit, and his economic assumptions are so implausible, then one can easily imagine the fiscal disaster that may confront us before the year is over." I find no comfort in having been right in that forecast.

But the fact is that last year's budget did not work, the economic policies it embodied did not take hold, it has indeed produced a fiscal crisis. And thus we meet today in an atmosphere of economic emergency. More than 10 million people are out of work, our industries are running at barely 70 percent of capacity, business investment for 1982 is projected to be even lower than in 1981, industrial production is roughly the same as 5 years ago. We are in the midst of perhaps the worst recession of the postwar era and that is why the budget choice before us is so critical.

We cannot simply ratify and extend the policies set last year. We must have the courage to acknowledge our mistakes and correct our course. If we can demonstrate that leadership then I think we can assemble a positive plan for achieving sustained growth. If we do not, we may preclude any chance for full recovery in the near future.

In last year's debate on the budget, I stated that our primary national concern was inflation. To meet that concern, I said that our budget had to achieve three goals: It had to reduce the deficit, contribute to improved productivity, and provide for a significant tax cut to get the economy moving again. Since then, inflation has abated—although I would disagree with those, including the President, who suggest the problem is solved. I think we have bought ourselves a temporary reprieve from inflationary pressures at a terrible cost of 10 million unemployed and with a fortuitous lull in OPEC price hikes. Nevertheless, the result is that inflation has been replaced as the primary public concern by high unemployment and the need for economic growth.

Despite this shift in national priorities, I am convinced the correct budgetary response is about the same as what I advocated last year—though for somewhat different reasons. We still need to sharply reduce projected deficits, to support programs that improve productivity, and to carry out a reasonable program of personal and business tax cuts.

Among these goals, cutting the deficit has become imperative. Last year, our primary worry was that excess Government spending was fueling inflation. Now there are different and even more pressing concerns. Soaring deficits are causing high interest rates and high interest rates are preventing economic recovery.

Deficits are prolonging high interest rates in three related ways. First, of course, enormous deficits have strengthened the Federal Reserve Board's adherence to its disastrously tight monetary policy. Second, the Federal Government's demands on the credit markets force it to offer very high rates on Treasury bonds. Finally, alarming projections of future deficits have convinced banks that inflation will soon return and that interest rates must remain commensurately high.

The combined pressure from these three sources has been disastrous. While inflation has dropped precipitously in recent months, the prime rate has stubbornly remained at about 15 or 16 percent. This has forestalled new investment, precipitated a catastrophic rise in bankruptcies, particularly among small businesses, dealt crushing blows to such industries as autos and homebuilding, and diminished the prospects for economic recovery.

The importance of controlling the deficit has grown in direct proportion to our failure thus far to do so. While the President assured us that the deficit under his 1982 budget, which Congress approved last May, would be $45 billion, the latest estimate for that same deficit exceeds $120 billion. The current forecast for the 1983 deficit—if we do nothing—is $180 billion, nearly three times the largest deficit ever recorded by the United States. And let us be clear that these enormous deficits are not the product of any sudden spending spree by the Congress. As the House Budget Committee's analysis demonstrates, nearly all of the deficit increase for 1982 is due to "economic assumptions and technical estimating differences"—in other words, unrealistic numbers.

The second major goal to be served by a 1983 budget is the improvement of productivity. Productivity is the relationship between input and output—often calculated as production per man-hour—and it measures the basic effectiveness of our economy. Last year, when our main concern was still inflation, improved productivity was needed primarily to curb the wage-price spiral. But, productivity growth is equally important in encouraging economic recovery. Higher productivity enables American companies to compete at home and abroad, to expand their production, and thus to create jobs.

I have said a good deal in this Chamber on the subject of productivity over the last few years, and I do not intend to repeat that today. I would observe, however, that the sluggish performance of American productivity over the last 4 years has been a major cause of inflation, our poor balance of trade, a weakened dollar, and economic deterioration in general. That fact has been confirmed during nearly a dozen hearings on productivity which I have been privileged to chair during the past 2 years, under the auspices of the Banking Committee and the Science and Technology Committee. Those hearings confirmed my conviction on another point as well: Most of the decisions affecting productivity are made in the private sector.

Nevertheless, there are certain ways in which the Federal Government can encourage and support those private sector efforts. From the standpoint of budget outlays, those Federal initiatives fall largely into two categories: Development of human resources and support of basic research and development.

In the first instance, the Federal Government is beginning to recognize that the human factor in productivity is as important as any other—particularly as rapid changes in workplace technology require an increasingly skilled work force. The Federal Government can provide skill training services for those who are unskilled and unemployed or for those workers in declining sectors who are out of work. Similarly, Federal assistance can insure that today's students have access to the best possible education at the elementary, secondary, and post-secondary levels to prepare them for the demands of an increasingly sophisticated economy.

In the second category, the Federal Government provides funding for essential research, particularly in areas related to space exploration and national defense. The innovative processes and even commercial products which are spun off from these expenditures contribute significantly to the technological and scientific advance of our economy—and hence to its improved productivity.

The final goal of a budget this year should be continued tax reduction. Part of this goal is related to the productivity objective. That is, some kinds of tax cuts—such as accelerated depreciation to encourage investment or incentives for personal savings—contribute to improved productivity. But the need for tax relief is actually broader than this. General tax reductions are also needed to stimulate our depressed economy and to compensate individuals for tax increases which have resulted solely from inflation.

These, then, are the three major elements which were needed in last year's budget and which we should again be seeking as we choose a budget for 1983. And, in furthering these objectives, there is one more, crucial stipulation. Achieving these three objectives within limited resources requires sacrifice. I believe Americans are willing to make that sacrifice, but only if it is shared equally. The 1983 budget which we choose today must be equitable.

I stress this point because last year's budget fell so far short of the mark in this respect. Despite all the talk about a "social safety net" and "shared burdens," the budget Congress approved last year was not evenhanded. A thorough analysis by the Congressional Budget Office reveals that, when the total effect of the spending and tax cuts passed last year is calculated, the result is very different for families of different incomes. In 1983, an average household will gain $740 as a result of the President's economic recovery package. However, households with annual income under $10,000 are actually net losers, giving up some $240 in benefits. Households earning between $10,000 and $20,000 will gain an average of $220, those in the $20,000 to $40,000 bracket gain $610, and those in the next higher bracket will benefit by some $1,700.

I might add that similar analyses show that the 1982 budget has been just as unfair toward women. I quote from a recent report from the Women's Research and Education Institute:

> As a result of the 1982 budget cuts, working AFDC mothers earning average wages fell below the poverty level in virtually every state. Some three million fewer children now participate in the school lunch program. Over 100 displaced homemakers' centers have closed. Nearly 900,000 students (typically the children of widows) will have their social security benefits reduced. Numerous other examples could demonstrate the devastating effect that the FY 82 cuts have had on women and children.

The American people recognize this inequity in last year's budget and tax package and they do not want it repeated this year. That is why current opinion polls show that most Americans want us to scrutinize the runaway military budget before we exact further sacrifices from the elderly, from students, and from the disadvantaged. And, that is why the 1983 budget which we choose today must be grounded in the principle of equal sacrifice.

Having established the criteria for judging the 1983 budget, we need to evaluate the choices before us. The House has been presented with seven alternative budgets. As my colleagues know, we have seven alternatives because the budget which the President sent to the Congress in February was unacceptable. It was unacceptable to Republicans and it was unacceptable to Democrats. It flunked each of the four test I have set forth: Its deficits were astronomical, its cuts in programs related to productivity were disproportionate and very deep, it made no adjustment in the scheduled tax cuts so as to target their impact or reduce the deficit, and the entire budget was blatantly inequitable—calling again for large sacrifices from those who can least afford them while providing unprecedented increases in military spending.

So, the President's February budget was judged a failure and we are now choosing among seven alternatives. Let me discuss briefly each of these alternatives, according to the four criteria I have set forth, and my decision to support or oppose them.

The first budget offered this week deserves special mention because it was qualitatively different from the other six. This was the so-called pay-as-you-go budget offered by our colleague from California (Mr. MILLER). The Miller budget defies characterization as either a liberal or conservative proposal. Rather, it offers a new, and potentially useful process for stabilizing the Federal budget. Mr. MILLER proposed freezing all spending at its current levels and then agreeing that no new spending would be permitted unless offsetting savings were realized in other programs or unless tax policy were changed to produce new revenues. In this way, the deficit would be frozen while revenues would naturally begin to increase as the economy recovered. Under the pay-as-you-go plan, a balanced budget is assured by 1985—a claim that cannot be made realistically about any other budget alternative. I believe that the discipline imposed upon the Congress under a pay-as-you-go plan would be very beneficial. No longer could we get away with promising all things to all people. With this kind of process in place, Congress could begin a meaningful debate on national priorities in which the tradeoffs between, for example, full funding for college student assistance and further funding of the B-1 bomber would be explicit.

Although during floor debate, Mr. MILLER added several amendments by voice vote to his alternative budget which raised his outlay figures above the level I would have liked, I voted for his budget because I felt the process he proposed was very important. I am dismayed that the Miller budget was defeated along such partisan lines. There is nothing Democratic or Republican about this proposal and its rejection tells me that Members are not really willing to pay as you go. Despite all the rhetoric about a balanced budget, Members refuse to submit to the discipline needed for that task.

The second alternative budget, offered by my colleague from Wisconsin, Mr. OBEY, had much to recommend itself. Above all, the Obey substitute restored significant funding in areas which are very important to productivity and economic growth. When compared to the Budget Committee's recommendations, for example, the Obey budget added $225 million to science teaching and laboratory funding, restored several million for the Economic Development Administration and the Appalachian Regional Commission; included an additional $100 million for job training for displaced workers and an equal amount for special graduate student loans in the sciences.

Such additions reflect my own priorities—and the Obey budget managed to incorporate these measures without raising its deficit figure above those of the other alternatives. It managed to do this, however, by substantially raising taxes. Essentially, Mr. OBEY proposed repealing the second and third year of the personal tax cut program enacted last summer. This amounted to an increase of $133 billion in taxes over the next 3 years—negating nearly 60 percent of the benefits of last year's tax bill. Given the depressed state of our economy and the uncertain timing and magnitude of a recovery, I felt this level of tax increase was unacceptable.

Much the same must be said about the third budget alternative, offered by the chairman of the Congressional Black Caucus, Mr. FAUNTROY. This budget restores funding—on an even larger basis—to many of the same human resource and economic development programs favored in the obey proposal. Yet, to achieve this additional spending, tax increases even greater than those proposed in the obey alternative were necessary, along with immediate implementation of a freeze in the production of nuclear weapons in order to realize very large savings in the military budget. While I have supported the negotiation of a nuclear freeze with the Soviet Union, I cannot support such a unilateral action. For these reasons, I joined a majority of my colleagues in opposing the Obey and Fauntroy budget.

This brought the House, on Tuesday of this week, to consideration of the budget offered by our colleague from California, Mr. ROUSSELOT. Although billed as a "balanced budget" alternative by its sponsor, I am afraid this proposal might more accurately have been named the "Budget of Oz." Mr. ROUSSELOT mandated that we reach a balanced budget next year by suddenly cutting $114 bilion from domestic nondefense spending and by making the preposterous assumption that such cuts will generate $40 billion in extra tax revenues with no change in tax policy. Such wishful thinking is precisely what got us into our present predicament and we dare not pursue such fanciful policy again. If we remember that the serious cuts in human services which Congress approved last year amounted to less than $40 billion, we have a good idea of how unrealistic cuts of another $114 billion would be in these same programs. Instead of discussing who should be eligible for student loans and what level of parity should be established for dairy supports, the Rousselot amendment would conceivably force us to eliminate student loans or agricultural price supports altogether. I am relieved that this alternative was rejected by the House.

The House dismissal of these four budget alternatives leaves us, this evening, confronting three principle substitutes: The House Budget Committee or Jones proposal, the Latta alternative, supported by President Reagan, and the Aspin budget developed by a bipartisan coalition of House Members.

These three proposals are much more similar than one might suppose from the debate which has raged both on and off the House floor. Yet, there are a few key distinctions among them. How do they compare when judged by the four criteria I outlined before?

On the question of the deficit, the Aspin substitute proves to be the "best," yielding a $105 billion deficit in 1983 which declines to a $43 billion shortfall in 1985. It must be noted, however, that the 1983 deficit in the Aspin budget is only $5 billion less than that of Latta or Jones alternatives which are themselves almost equal. Obviously, all three deficits are higher than I would wish.

Because of their funding of programs to stimulate productivity and support economic development, a fairly clear preference can be expressed for the Aspin and Jones alternatives over the Latta budget. In the first place, the Latta budget assumes very unrealistic rescissions of funding for the current fiscal year, which ends in 4 months, totaling several billion dollars in such programs as elementary education, housing, and aid to college students. Neither the Jones nor the Aspin budget mandates these 1982 cuts.

Second, the Jones and Aspin budgets both give special attention to certain important areas. Aspin, for example, funds new support—$250 million in 1983—for science research including National Science Foundation fellowships and university research facilities. Significant increases in funding for space projects under NASA and for job training programs for unemployed workers are features of both the Jones and the Aspin budgets, but not of the Latta budget. Moreover, both Jones and Aspin alternatives accommodate $1 billion for the emergency housing program which the House approved just 2 weeks ago to assist a very troubled sector.

On the third question of taxes, all three proposals postpone or revise some of the tax cuts already enacted for the next 2 years, which seems to me entirely appropriate. Although I voted for the multiyear tax reduction plan last summer, I said at the time—and it has become even clearer since—that this tax cut was more generous than we could afford. Both Jones and Aspin budgets provide for tax increases over the next 3 years which would offset roughly 35 percent of the tax cut enacted in 1982. The Latta alternative calls for tax increases amounting to only 23 percent.

On the face of it, this would seem to make the Latta budget more attractive, especially since its deficit is not significantly higher than the other two proposals. However, one has to examine how the lower revenue figures are balanced by lower spending. And this raises the fourth and final basis for comparison; namely, the equity of these three budgets.

Of the three remaining alternatives, the Latta proposal continues to make the deepest cuts in important human services, such as medicare, food stamps, aid to families with dependent children, medicaid, and so forth. Correspondingly, the Latta budget makes the weakest attempt to curb the President's soaring defense budget, trimming its dramatic growth over the next 3 years by only $22 billion. By contrast, military spending over the same period is slowed down by $40 billion in the Jones alternative and by $45 billion in the Aspin substitute.

It is clear that we need to strengthen our military posture and that some increase in defense spending is required to meet the goal. But, the unprecedented peacetime buildup in military funding, particularly for nuclear hardware, under the President's budget has gotten completely out of hand. Even under the Jones alternative, the military budget will rise by nearly 13 percent in 1 year, on top of its extraordinary increase between 1981 and 1982. By permitting this funding above the Jones level, the Latta budget utterly fails to spread the "sacrifice" among key budget functions and again imposes disproportionate burdens on the disadvantaged in our society.

Overall, then, the Jones and Aspin budgets tend to merit support, while the Latta alternative does not. I am aware that during the amending process leading up to our final votes on these proposals, the comparisons I have made may be subject to modification, but I doubt that the relative standing of these choices will change. Accordingly, I intend to vote for the Aspin and Jones budgets and against the Latta substitute.

At the beginning of my remarks, I said that none of the seven alternatives before us this week was perfect. Let me also say that, even if we managed to pass a "perfect" budget, we could never claim that our work was done. The simple fact is that it will take more than an annual blueprint for fiscal policy to get this country moving again. To begin with, there is the crucial element of monetary policy to be considered—and the last year's performance of the American economy proves just how great an impact monetary policy can have.

If today we do, indeed, succeed in passing one of the budgets I have mentioned which would significantly reduce the deficits below the dizzying heights contemplated in the President's budget, then I think it will be incumbent upon the Congress to confront the Federal Reserve Board with our handiwork and insist on some cooperation from Mr. Volcker. We must point out to the Fed that, "Against all odds, the Congress has bitten the bullet, made the tough decisions and reached a compromise that curbs the projected deficits for the next few years. We expect that the Board's monetary policy will be adjusted accordingly so that a reasonable economic recovery can get underway."

And even if, by some miracle, fiscal and monetary policy are thus harmonized, we must not complacently assume that America's industrial muscle which has so seriously atrophied in recent years will automatically be rebuilt. This will take a concerted effort on the part of all the major factors in our economy, and Congress may well have to take the lead in forging that partnership. Recently, in fact, I introduced the National Industrial Development Act which is intended to serve just such a purpose. This bill would create a National Industrial Development Board comprised in equal numbers of chief executives of major corporations, presidents of major unions, Government officials, and leading representatives of the public interest. This Board would be charged with developing a consensus among these four sectors on America's industrial priorities and a strategy for meeting them.

So there is a great deal of work to be done. Tonight's final debate on this budget may come at the end of a long week of deliberation, but it is only the beginning of the work we must do if we are serious about getting our economy moving again. I hope that we will pass the Jones or Aspin budgets, which I intend to support, and that we will then get on with the larger tasks before us.●

TRIBUTE TO DR. WILLIAM F. TUCKER

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. LENT. Mr. Speaker, I rise today to inform my colleagues of the retirement of a good freind Dr. William F. Tucker, who is one of the outstanding educators in the State of New York. Dr. Tucker is superintendent of schools of the Oceanside Union Free School District in the Fourth Congressional District I have the honor to represent. He has spent this entire professional career on Long Island.

Dr. Tucker is one of those dedicated citizens who has devoted his life to the education of young people. Upon his retirement in June he will have completed 33 years as teacher and administrator in the Oceanside Public Schools. He has been superintendent for the past 13 years.

Mr. Speaker, it is my deep conviction that those like Dr. Tucker, who dedicate their life's work to the education of children are the mainstays of our great country. Their influence on the education and development of our children is of inestimable value to our Nation.

But my good friend, Dr. Tucker, is more than a superb educator and administrator. He has been a powerful force for improving the quality of education, not only in his community of Oceanside, but throughout the State of New York. Dr. Tucker is currently the president of the Nassau County Association of Chief School Administrators, he is a member of the delegates of the New York State Council of School Superintendents, and a member of the New York State Commissioner of Education's Advisory Council. He has served on advisory boards at Molloy College and St. John's University in development of programs for preparation of teachers and administrator; he has also served on many statewide PTA committees and holds honorary life memberships in both the State and national PTA organizations.

This outstanding record of professional accomplishments attests to Dr. Tucker's remarkable abilities as an educator and administrator.

Equally outstanding have been Dr. Tucker's civic efforts on behalf of the Oceanside community. He has been an active and enthusiastic member of a number of the board of directors of the Oceanside Counseling Center, a member and treasurer of the Oceanside District Scholarship Committee, a member of the Oceanside United for a Responsible Society (OURS) and a charter member and former officer of the Oceanside Rotary Club.

Mr. Speaker, I have been privileged to enjoy the friendship of Dr. Tucker for many years. I can attest that his personal qualities, his outgoing personality, his sincerity, his warm friendliness, his dignity, and his sterling character, are the qualities of a remarkable man.

The Oceanside Public Schools will sorely miss his outstanding talents and abilities, his wisdom, and his excellent judgment.

I know all of Dr. Tucker's many friends will join in wishing him full success in any future endeavors, and also in the wish that his retirement years will be blessed with good health, the richness of many friendships, and the warmth of many pleasant memories from a lifelong career of accomplishment.●

THE FUTURE OF CHINESE FREEDOM

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. FIELDS. Mr. Speaker, I am pleased to present for the RECORD this speech by Dr. Stefan T. Possony, a retired senior fellow of Hoover Institution and professor of Georgetown University.

The speech is particularly timely because those forces, in and out of Congress, wishing to see the People's Republic of China on Taiwan pushed into the Communist "paradise" are active again.

The speech was delivered on October 10, 1981, in celebration of the National Day of the Republic of China.

THE FUTURE OF CHINESE FREEDOM

(Dr. Stefan T. Possony)

Today is the 70th anniversary of Sun Yat Sen's inauguration of a new epoch in Chinese history, the modernization of life in China. Yet unending wars ravaged China, and 32 years ago, modernization was halted on the Mainland. A new despotism was established which was infinitely worse than the old imperial monarchy: Communism. The world thought that a step forward had been made. They were deceived by the semantics of the Marxist revolution and the language of mendacity.

Maoism no longer has much of a future. There still are a few faithful Maoists, some of them in the government and some who repose their hopes in Mao's nephew, Mao Yuan-hsin. However, it is unlikely that they can come to power or restore Maoist extremism. Virtually all Chinese now know that Mao pursued crazy policies and was responsible for chaos, famines, and the slaughter and killing of millions. Officially, a few of his ideas are still recognized, and once again the study of his thoughts is recommended. However, Mao's reputation is gone forever from political life.

The Communist Party of China (CPC) is trying to work out a more successful version of communism, but so far it has not succeeded. On October 8, 1981, the New York Times ran an article which said that Chinese oil production is declining, that unemployment affects 10 to 20% of the urban work-force, and that according to a Mainland government report, up to 100 million people may be malnourished. Textually: "After 32 years of development, China's annual per capita income is less than $300.00." This places China in a class with India. "But Taiwan's economy goes from strength to strength." The island now has "a per capita income of nearly $3,000.00—ten times that of the mainland." Nothing more needs to be said about the validity of the communist doctrine and the qualification of the CPC to rule the most populous country on the globe.

Communists always struggle with communists. For example, at this time, the Chinese fight with the Vietnamese, the Vietnamese with the Laotians, the Vietnamese with the Cambodians, the Albanians with the Yugoslavs, the Yugoslavs with the Bulgarians and Macedonians, and the Soviets with the Poles, to say nothing of earlier Soviet aggressions against the Hungarians, Czechs, and East Germans.

The Sino-Soviet conflict continues though at reduced intensity. Moscow still wants to reestablish domination over China and in fact to dominate the entire Far East. The Chinese will resist. However, the chances of defense under CPC leadership depend on the support of the people which may be declining as these phoneys stumble from one failure to the next, and on the support of the United States, which so far has been rhetorically-restrained and materially-limited.

True, it would be contrary to U.S. interest if there were a large war in the Far East and if Moscow could establish its rule in Peiping. True, there is in the U.S. a pro-Maoist clique which wants to throw weapons and resources at the Mainland.

The trouble has been that American strategists do not recognize that genuine military collaboration with Mainland China presupposes several very basic reforms and that until such reforms are undertaken, the regime cannot be trusted. This is the sort of communication which Washington must send to Peiping, and one day this admonition will be dispatched.

It seems that a few old men at Peiping are miscalculating their chances of exploiting international difficulties in order to promote the expansion of communism at this time and, to obtain American support for such a venture.

The regime made a strange move when it trotted out its senior member, Marshal Yeh Chien-Ying, and had him propose a "united front" between the CPC and the Kuomintang and the reunification of the Republic of China (ROC) and the so-called People's Republic. One should think that the planners in Peiping must be worrying about other problems. But no, unrealism still rules supreme. Mind you, the proposal is to reduce the ROC to a provincial government in which, sooner or later, the communists would occupy all controlling positions.

This is nothing but a repetition of the ploy by which nearly 30 years ago Tibet was deprived of its rights. The CPC never forgets it tricks and never abandons them. It never learns anything, either. If the Red Chinese really had been improving their system and their behavior, they would now reform the status of Tibet, and they would have refrained from proposing to Taipei that it should commit suicide without losing any time.

Should the U.S. take a positive attitude to Peiping's brainstorm? Obviously, no! Washington knows that reunification will happen ultimately, and that it must be accomplished by democratic methods with a nationwide reassertion of freedom: for a government of the people, by and for the people.

There have been persons in Washington who would love to push Taiwan into the communist "paradise." However, if the U.S. were to accept the CPC proposal, it would mean that the world's leading democracy and the foremost champion of freedom is abandoning deliberately a free people to communist tyranny. I am confident that nothing of the sort will happen.

There are people in Washington who smile at the ROC and repeat endlessly that the communist regime cannot be overthrown from Taiwan. So what? The CPC need not be overthrown by war: it is doing a good job of destroying itself! The example of Poland should teach our unteachables. Whether or not the Red army will invade the land of its ally, obviously two years ago the old Communist Party of Poland was at the end of its rope; it was forced to make major concessions which included much free speech, free unions, the start of democratic decisionmaking, and the firing of the old corrupt leaders.

A realistic strategy of defending oneself against communist aggression must necessarily start with the insight that communism wherever it is tried has always proved to be a resounding failure. Communism will last nowhere. On the scale of communist depravity, the CPC may not be at the bottom, but it does have an abominable record and lacks solidity. You can be sure that Chinese Communism will not last. The Communist Party of China is a ghost already.●

THE 1981 WHITE HOUSE CONFERENCE ON AGING

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. OTTINGER. Mr. Speaker, the increasing health and longevity of Americans is a remarkable achievement that presents significant challenges and opportunities for every institution in American life. Both the public and private sectors will have to share in the development of policies to deal with the enormous consequences of this achievement.

The legislative record of this and recent sessions of the Congress reflect a recognition of the importance of older Americans to the life of this country.

For the benefit of my colleagues, I am including in the RECORD excerpts of a report compiled by the Civil Service Employees Association, Inc., Westchester Retirees Local 921, for review and consideration. This association has done an in-depth study on the 1981 White House Conference on Aging summary report and has selected those recommendations it feels would benefit "the older American, the elderly, and the senior citizens of this Nation." The association has come up with 85 resolutions that it agrees with in the report and has added others that it feels should have been included.

The text of their report follows:

COMMENTS

On the Summary Reports of the Committee Chairmen of the 1981 White House Conference on Aging, submitted December 3, 1981.

(1) It is apparent that most committees did not use the experts provided to them. The resolutions passed would have been different and of greater ultimate benefit to the elderly if this expertise had been utilized.

(2) There are too many similar recommendations from each Committee, even though each Committee was assigned a different sphere of problems of the Aging. The entire report should have been reviewed and condensed with notes stating "same recommended by Committees 12, 8, etc. ".

(3) Supplemental statements and additional views were not included in the Report. It is felt that these would have given greater insight into the interpretation of the Report.

(4) The Report of Committee #11—"Concerns of Older Women"—should have been applied to both sexes. It is the most comprehensive of the majority of reports submitted and consists of viable resolutions.

(5) The report of Committee #5—"Health Care and Services"—Page 27, Part V, refers to a health questionnaire used to evaluate the resolutions passed. There are no copies of this questionnaire readily available for study and we had to use other sources for information.

(6) The development of anti-crime programs for protection of the elderly was only addressed by Committees #7 and #9.

(7) Not one of the Committee Reports discuss the fiscal impact of the resolutions passed nor were any of the items addressed accompanied by a cost-benefit analysis.

(8) The Committee Report admits that there are 130 existing programs on the Federal level aimed only at the elderly, yet reports on the progress of these programs are absent.

(9) Bills and Acts are referred to throughout the Report which were not included for study by Senior Citizen Advocates. Quickly, those that were mentioned are: ERISA, CDBG, HUD Section 202, Section 8, OASI, DI, HI Trust Funds, HR 3827, etc, etc.

(10) Portions of the Report had nothing to do with the aging, but focused instead on younger minorities and the effects on society of the emergence of four and five generation families.

(11) There has not been shown through these Committee Reports the need for a new Federal Aging Agency. What has been already passed by the Congress is sufficient, but only if applied and monitored.

(12) The intended policy of maintaining employees for as long as they wish to be employed after the retirement age does not include the provision that the person be fit for the job occupied and not pose a danger to co-workers or the public.

(13) Part II (1) para. 6 of Page 2 asks for minimal Federal review of programs. This is

tantamount to asking to overlook any irregularities in the programs. Only maximum review and monitoring will ensure that the intent of the programs are carried out.

(14) The Legal Service Corporation should be charged with providing full legal service to the elderly as recommended by the 1971 White House Conference on Aging. It has been shown that the Legal Service Corporation spends a disproportionate amount of time fighting for younger, more vocal groups and units such as the A.C.L.U. than the time that is spent on problems of the aging.

(15) According to the Reports, the need for governmental, civil, and religious organizations to insure maximum public input in planning for and providing all human services does not provide specifically for the voice of the Senior citizens themselves. Policy should not be necessarily made by people and organizations outside of the aged sector. Maximum input should be had by the elderly or their representative groups.

(16) The reports have no concrete provisions to establish a strong monitoring system to account for the expenditure of any funds allocated to any of the programs for the elderly and infirm.

AGREEMENTS

(It is to be noted that the agreements which follow are not necessarily in the same language and content as those passed at the 1981 White House Conference on Aging.

(Due to the continued duplication found throughout this report, many of the resolutions were combined maintaining the most important content of each and couched in more easily understood language.

(The best features of duplicated resolutions were continued throughout and where necessary wordage changes were deemed to be required, such changes were made.

(Additions were also made where it was felt they were needed, due to their lack of inclusion in the original report.)

(1) Social Security benefits must be preserved. Efforts should be made to continue expansion of Social Security coverage to include all gainfully employed persons. We oppose any change in Social Security to a voluntary Social Insurance program.

(2) Federal and State governments and their political sub-divisions shall plan, finance, and facilitate implementation of a continuum of services to meet the needs of the elderly, including both those who live in the community and those who are institutionalized, tailored to individual needs and delivered without regard to race, religion, sex, national origin, physical or mental disability or source of payment.

(3) All public programs for the elderly be monitored by all levels of government to ensure: (a) protection of the rights and benefits of all elderly minorities and (b) the proportionate representation and participation of the minority elderly in policy and program planning and service delivery. The elderly and the minority elderly shall be specified as a targeted group.

(4) A comprehensive tax incentive shall be developed to assist those families who are maintaining and supporting their elderly members in the least restrictive setting.

(5) Mandatory retirement based on age in the public and private sectors shall be abolished. That segment of our society known as our older Americans should be given the option of retirement at a self determined age.

(6) Private sector employers should be encouraged to use tax incentives to provide pre-retirement planning and training. They should provide adequate benefits by contributing to pensions and insurance policies, including hospitalization policies. Retirement policy should guarantee pension portability, and policies should include the provision for part-time employment opportunities.

(7) Existing program entitlements and services based on age including Medicare, nutritional programs, reduced fares, special transportation, etc., for the elderly of all cultural heritages shall not be eliminated or reduced.

(8) The Administration on Aging shall fully and effectively implement the Older Americans Act in that services must be targeted to the elderly with the greatest economic or social need.

(9) Incentives are needed from the Federal government to encourage State governments to go beyond the Federal requirements in their assessing the status of the aging, establishing action priorities, coordinating the applicable programs, and pooling resources.

(10) The needs of older persons and elderly minorities should receive equitable consideration when funds from block grants are distributed. Block grants should be adequately funded and subject to maximum Federal review to ensure that the intent is fully carried out.

(11) The structure and delivery of Human Services shall recognize and reflect the diversity of residence, culture, and language of older Americans. An outreach system should be established that eliminates language and other communication barriers which will interfere with the effective delivery of any services to the elderly and the minority elderly.

(12) All Senior Citizens of this country, no matter where they reside, shall be entitled to all of the entitlements of the citizenship.

(13) A concerted effort must be made by all levels of government and the private sector with the Aging network, as defined in the Older Americans Act, as the focal point to consolidate and coordinate programs and services relating to housing for aged persons. Housing programs and services must be audited and monitored externally.

NOTE.—This same resolution was passed in 1949 and a similar resolution was approved at the 1971 White House Conference on Aging. There are no records available that would indicate that this resolution was followed up nor are there any proper monitoring reports that would shed any light on this matter.

(14) Adequate funds must be made available from public and private sources so that older Americans shall have a guaranteed full range of legal services. Bar Associations, private law firms, attorneys and law schools should be encouraged to provide legal assistance, education, and research. Ombudsmen, lay advocates and older para-professionals should be involved in advancing the legal concerns of older Americans. The Older Americans Act should continue to allow for funding to ensure an effective system of legal services.

(15) Many elderly people willing to volunteer their services in many areas are limited in the participation due to the high cost of operating their automobiles. The Federal government should encourage volunteerism and pay transportation expenses for older persons to extend agency services.

(16) The major responsibility for seeing that essential services for the elderly and aged are available must remain the responsibility of the Federal government, whether provided for by government or the private sector. As part of the social support system, the Federal government must create methods to promote greater cooperation and coordination among governmental, civil, and the religious organizations to ensure maximum public input in planning for and providing all human services.

(17) All levels of government take actions to counteract negative attitudes of employers, the general public, the media, and seniors themselves towards continued or new employment of older persons. Initiate educational and public relations programs emphasizing the employability, skills, and other resources found in our older population.

(20) Congress be urged to: a) review and reauthorize the Older Americans Act of 1965 to be amended as necessary, b) eliminate duplication in programs and services, and c) provide the greatest degree of flexibility possible for all Older Americans programs at the regional, State, and local levels.

(22) The position of Counsellor on Aging to the President of the United States be reestablished.

(26) We encourage the public and private sectors to support and expand the ACTION's Older Americans Volunteer programs, so that the elderly can continue to have the satisfaction of contributing their knowledge and skills.

(27) Because inflation has pervasive destructive effects on the elderly and inflicts great harm on them and the ability of voluntary associations to raise funds from voluntary contributions, we call on all federal policy makers to adhere to policies for sound economic growth without inflation, firms in the private sector to restrain prices, and all Americans to support policies which address the causes of inflation.

(28) Pension funds should aggressively explore possible prudent investments, particularly in the field of housing for the elderly. The pension rights of retirees should be a mandatory subject of collective bargaining.

(32) Older Americans must themselves assume responsibility to advocate for their own interests with those who control and direct the provision of educational services and programs; and should, independently and through their organizations, engage in programs designed to preserve and facilitate the teaching of the wisdom and knowledge gained through their years of experience.

(34) That Medicare and Medicaid be expanded to cover pharmaceuticals, medical equipment, dentures, glasses and those medical items required by the elderly which are not presently covered.

(35) That adequate funding be allocated to the Energy Assistance program to ensure heat and well-being for the elderly, but not in the haphazard fashion in which this program was abused in this past heating season.

(39) The overall goal of clinical and health services research in geriatric/gerontology during the 1980's should be a quality of life emphasizing maximum functional independence in the least restrictive environment while offering appropriate and proven interventions to the older American.

(40) The endorsement of much stronger penalties for Medicare and Medicaid fraud, which is reaching catastrophic proportions in this country.

(41) There must be tighter internal controls over the issuance of Social Security checks, as evidenced by the continued issuance of checks to deceased persons and

those who have been removed from the rolls.

(43) Consumer education programs should be developed and implemented for the purpose of preserving the economic well-being of the elderly. Such programs must prevent consumer fraud and provide a forum through which Senior adults may advise producers and vendors of their needs.

(44) Widows, widowers, and single elderly individuals should be allowed to qualify as heads-of-household under I.R.S. rules and should be afforded the use of preferential tax tables and rates.

(46) Programs should be developed and supported to protect the frail elderly from abuse, neglect, and exploitation in institutional, family and other settings.

(47) Individuals who hold professional licenses should be granted reciprocity among States to use their professional talents as volunteers, without charging a fee, under the auspices of non-profit organizations.

(49) Government agencies and private agencies should be urged to disseminate information to the elderly stressing : a) the importance of good nutrition, exercise, and an active lifestyle to their physical well being, and b) specific guidelines for doing so.

(50) Education in geriatric/gerontology for health professionals, including but not limited to : medicine, nursing, physical and occupational therapy, osteopathy, dietetics, medical social work, speech therapy, audiology, psychology, pharmacy, podiatry, public health, optometry, and dentistry, should be required by the accrediting bodies for each of these professions.

(51) The Federal government should encourage preventive care to avoid institutionalization by providing reimbursement for such services as : a) relevant immunizations; b) periodic screening; and c) basic physical examinations for older Americans.

(52) To support mutual help, tax credits should be provided for families who are paying for home care assistance, respite care, transportation, and other services for elderly family members who either reside with their families or independently.

(53) A coordinated program should be developed to disseminate information to acquaint older Americans in every community with all the available resources for In-home Care.

(54) Self-care, mutual help and health assessment/health counseling programs be established in, but not limited to, such focal points as Senior multipurpose centers, meal sites, adult day care centers, religious Senior centers, and housing centers.

(56) No elderly person shall be denied physician approved medication because of their inability to pay for said medication.

(57) That uncashed or returned Social Security checks be credited back to the Social Security Fund instead of the General Fund.

(58) That Congress make every possible and fiscally reasonable effort to maintain no less than the real protection which Social Security currently provides to all participants.

(59) That there be coordination and consolidation of the existing 130 Federal programs for the elderly and handicapped and the 114 Federally financed transportation programs which affect the elderly and disabled.

(60) Cottage industries be encouraged and promoted in order to provide an outlet and an income for older Americans, especially in the rural areas, inform crime victims of available services, keep accurate statistics on crimes committed against older persons, develop coordination between law enforcement and social service agencies, and crack down on fraud and abuse schemes against the elderly.

(68) Programs such as Foster Grandparents, R.S.V.P., and Senior companions must be encouraged to continue and expand.

(69) Encourage local governments to develop zoning or land use regulations to allow adaptions to meet housing needs of the elderly; such as Granny Flats, accessory apartments or companion apartments or dwellings.

(70) There should be an effective Federal agency assistance program within a single Federal agency to provide financial assistance to low income elderly and the infirm with flexibility and authority granted to all States, yet monitored by the Federal government to ensure proper administration. (A voucher concept with payments direct to the vendor can exist with these types of programs.)

(71) That condominium conversions be monitored by Federal, State and local governments to protect the living quarters of the elderly. Any elderly displaced by condominium conversion must ge given preference in any Federally assisted housing program.

(72) Reaffirmation of the Goals of Housing Act of 1949 which calls for "a decent home and suitable living environment for all elderly families". The Federal government must be an active partner with the public and private sectors in helping the older American.

(73) Federal, State and local governments must enact laws to protect the elderly and infirm from displacement due to the demolition of mobile home parks, rental housing and the conversion of rental units to condominiums and cooperatives.

(74) Adequate rental assistance must be provided to low and moderate income elderly renters to enable them to remain in their current residences or seek adequate replacement housing and that all existing programs be continued to enable all low and moderate income elderly persons to live in affordable rents. The current 25 percent rent to income ratio should be maintained.

(75) In determining tenant rent share in Federally assisted housing, out-of-pocket medical expenses shall continue to be a recognized deduction from gross family income for elderly persons.

(76) Modify HUD and other regulations so that two (2) persons not related by marriage may be income eligible for a subsidized housing apartment.

(77) Congress shall pass no law nor should there be any action by the Executive branch of the government that would in any way interfere with or penalize any State or City government that operates a program of rent control to stabilize the rental housing market in regards to the elderly and the infirm.

(79) Congregate housing for functionally impaired should be continued and expanded. The Federal government should allow communities to tailor construction and rehabilitation of existing housing to meet specific needs of each locality.

(80) That State and city governments enact legislation and provide tax incentives to encourage the continuation of existing rental housing.

(81) Recommend public policy support and encourage long term care that recognizes the need for social, psychological, recreational and spiritual services. Medical needs alone should not be the sole criteria for determining the total living environment.

(82) Support expansion of geriatrics and gerontological training at post-secondary education and at any school receiving any Federal assistance.

RECOMMENDATIONS

(Not included in Report on Aging)

(1) That Social Security benefits be made available only to those primary recipients who have contributed into the system over a specified period of time.

(2) That the Social Security system be thoroughly investigated as to the inconsistent manner in which it determines a participant's/recipient's benefits receivable and the method used to determine continued disability payments.

(3) That catastrophic illnesses of the elderly be covered under a Federal and State insurance policy.

(4) That some method should be made available wherein non-profit organizations or similar groups could sponsor the renovation of existing dwellings, preferably owned by local governments, for use as safe and habitable living quarters for Senior citizens under Federal or State funding.

(5) That the word "institutionalized" as used in the Report on Aging shall be defined as excluding all those committed for felony crimes or committed to institutions for the criminally insane.

(6) That there is a strong need for a constant definition of the term "Senior Citizen". As applied, it can range from age 50 on up, under current definitions and practice. Where does "elderly" begin?

(7) That the recommendation of Committee #11, page 17, para. 2: "That Civil Service Employees be given cost of living adjustments, fully indexed, on basis of C.P.D. annually and that taxation pensions received by spouses of deceased workers not be taxed;" be fully pursued by this Retirement Local at all levels for the benefit of its members.

(8) That the increasing costs of Medicare and Medicaid be investigated at Federal and State levels. It is well known that Doctors raise their fees each time Medicare or Medicaid payments advance. All doctors should be made to accept minimum fees for treatment of the elderly. Hospital costs must also be contained and regulations established to limited charges to the elderly and infirm.

(9) That all entitlements and services should not only be based on age in these programs but on need as well.

(10) That older Americans should be involved in the formation, planning, and monitoring of any aging agency that affects them and their environment.

(11) That older Americans should not be barred from operating or engaging in new businesses because of fiscal discrimination.

(12) That all banks should be penalized for refusing to cash a Social Security check for any older American solely because that person does not have an account with that particular bank.

(13) That legal interns be stationed at all larger Senior Citizen meeting places for the purpose of disseminating information concerning the rights of the elderly and coordinating any legal services available to them.

(14) That all Building Departments be made to do a comprehensive study of the living units occupied by Senior Citizens to ensure violation free living conditions and a safe environment.

(15) That new living units known as companion apartments be provided for under

HUD and FHA regulations wherein a subsidized rent to be based on income averaging of the apartment sharers.

(16) That the Federal government investigate the major food producers that maintain a policy of pricing their single serving portions of similar products far in excess in comparison with their regular sized products.

(17) That somewhere in these Federal programs there must be a definitive distinction between needs and wants. There does not exist an agency or a politician that knows how to say "no."

(18) That unexpended monies from any of these programs be returned at the end of the fiscal year into the Social Security fund. Cut-offs for budgetary spending in these programs shall be monitored to ensure there is no end of fiscal year spending sprees to justify the following fiscal year's budget requests.

(19) That participating older Americans have suffered from under-representation in the various Federal programs that concern them. This has been shown to be particular true in the CETA program.●

TIME TO STOP EXPORTING JOBS

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. RUDD. Mr. Speaker, it is time the United States stopped exporting jobs overseas.

In our overzealous support of the theory of free trade, we have contributed materially to the unemployment which is the root cause of our recession.

In 1981, the Library of Congress estimates American autoworkers and their supporting labor in steel, rubber, copper, et cetera, lost 496,050 full-time, full-year jobs as the direct result of import car sales in the United States. This loss of employment would be reduced but only slightly by the number of Americans employed in the dealerships selling import cars.

Of the 2,325,235 foreign-built automobiles sold in the United States in 1981, 1,858,913 came from Japan—which represents a greater share of the market for Japanese imports than in 1980.

Imported Japanese automobiles cost 496,568 Americans a full year of work.

Virtually all of the television sets and radio receivers sold in the American market are manufactured overseas.

It is argued by some that the Japanese are more efficient—build a better product—and can sell it for less.

I saw a recent letter to the editor in the Arizona Republic placing all of the blame for the loss of our automobile markets to overseas competitors on the high wage demands of labor, bad decisions by management, and lack of quality control.

While there may be some truth in these charges, the principal reason Japan can undersell the American manufacturer is because Japan contributes less than 1 percent of its GNP to defense.

The Japanese enjoy the protection of the U.S. nuclear umbrella. American workers and American business pay for this nuclear umbrella.

If Japan were to tax her industries sufficiently to pay her fair share of defense costs, there would be a dramatic increase in the price of Japanese products sold on the American market.

Many European countries put a quota on Japanese imports and Japanese automobiles are banned entirely in some markets.

Despite all the theoretical argument offered in support of free trade—no tariff, no quota—the truth is our economic society is severely penalized by low-wage, offshore production.

When you are driving the city streets or the highways, keep in mind that when you pass 15 foreign-built cars, those imports—those 15 imported cars—have cost 3.2 American workers full-time, full-year employment.

We should offer the Japanese an opportunity to pay their full share of defense costs. If they refuse, we should sharply restrict the importation of Japanese products to the American market.●

LAW OF THE SEA

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. FIELDS. Mr. Speaker, the "no" vote of the U.S. delegation to the last LOS Conference in New York, was a significant victory for every American and supporter of traditional freedom of the seas.

However, this victory is just one battle in an ongoing war against the forces of world socialism. To secure the defeat of this so-called treaty, the Reagan administration must swiftly move forward in publicly rejecting the treaty text adopted this past April 30 at the U.N. The administration must press forward with our major trading partners in reciprocal agreements for mining the seabeds.

I am placing in the RECORD today an article by William R. Hawkins, an assistant professor of economics at Radford University, Radford, Va., which addresses this subject.

REAFFIRMING FREEDOM OF THE SEAS

(By William R. Hawkins)

Freedom of the seas is one of the oldest principles of international law. It is the right to navigate through the global expanse of the oceans as one sees fit, carrying what cargo one wishes. It is also the right to extract resources from the seas by one's own efforts. Though not fully articulated until the publication of Hugo Grotius' *De Jure Belli ac Pacis* in 1625, it was a principle that had been evolving since ancient times wherever commerce flourished. It is a principle based soundly on property rights. Beyond a narrow strip of coastal waters (traditionally set by another Dutch jurist, Cornelius von Bynkershoek as three miles—the effective range of a 17th-century cannon) the only claim to ownership is the private ownership of vessel, cargo and equipment. No government claim of territoriality or sovereignty is considered legitimate.

This concept of freedom was ideally suited to the requirements of commerce and economic progress and was the sea-going equivalent of the liberal principles of free trade and free enterprise. These three freedoms provided the triad upon which European liberty and advancement was built. As Robert Gilpin has observed in this regard:[1]

In contrast to the cities of Asia and other continents, European cities have tended to be commercial centers rather than administrative capitals of great states and empires. As a consequence, the commercial and trading cities of Renaissance Italy, the Hanseatic League, the Low Lands and Rhineland Germany enjoyed a degree of autonomy unknown to non-European cities. They became the strongholds of merchants and bankers and protected this rising class against predatory feudal aristocracies.

It was a principle that took root early in American history and became a basic tenet of United States foreign policy. Protection of the right of Americans to enjoy the free use of the oceans without molestation provided the reason for President Thomas Jefferson to send the first regular Navy patrols to the Mediterranean to combat piracy. It was the primary reason why the U.S. declared war on England in 1812 and on Germany in 1917.

Today, this principle of freedom is under attack in ways which are far more systematic than in the past when assaults were generally confined to piracy or periods of war. Today the very basis of international law is being challenged in ways that could permanently end all individual rights on the oceans.

EXPANDED CLAIMS

The threat comes in two main forms. The first is the steady encroachment of national territorial claims. In 1958, only 18 states claimed waters off their coasts beyond the standard three-mile limit, but by 1968 this number had grown to 43 nations claiming 12 or more miles. By 1978, this number had grown further to 69, eleven of which claimed territorial waters of 200 miles. The U.S. has viewed this trend with alarm for it obviously restricts movement at sea and threatens the free passage of commerce through vital straits and narrow seas which may be entirely swallowed up as closed national preserves.

The United States has refused to recognize such inflated claims. It has protested seizure of American fishing boats off the coasts of Latin America and has preferred to pay ransom for the release of such ships than to permit American captains to buy licenses which would legitimize these new territorial claims. But the U.S. has not always used merely passive methods of protest. In August, 1981, U.S. Navy fighters shot down two Libyan jets over waters which Libya claims but which the U.S. does not recognize as anything other than open seas. As yet, most of the coastal states that have extended their claims lack the means to enforce them against determined opposition from a maritime power.

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[1] Footnotes at end of article.

Of more serious import are attempts to establish an international agency to whom control of the presently open sealanes would be transferred. Unfortunately, the U.S. government has been a party to this effort.

At the root of this new and serious threat is a philosophical twisting of the traditional concept of the nonterritoriality of the oceans. Under this new approach, anything that is not claimed by a national government must fall under the control of a supranational governing body, for it is inconceivable to the minds of reformers and bureaucrats that anything can fall completely out of the jurisdiction of some sort of government regulation.

UNITED NATIONS CONTROL

In 1965 the Commission to Study the Organization of Peace, a research affiliate of the United Nations Association (a lobbying group of "idealists" who work to extend the authority of the U.N.) recommended that the ownership of the oceans and their seabeds be vested in the U.N. as an alternative to the extension of territorial claims by states. With typical socialist logic, the Commission also concluded that the U.N. could more efficently develop the resources of the oceans than could private enterprise.[2]

The following year, President Lyndon Johnson surprised both the U.S. and the world diplomatic community by describing the seas as the "legacy of all human beings," a phrase which would be modified by successive statements by Washington and U.N. officials to become "the common heritage of mankind"—the central term used to justify all negotiations on the subject since. Common heritage has come to imply the need for common ownership, a need to be met by some international body which will presume to speak for all mankind.

Proposals followed in the United Nations, with most of the Third World hopping on the bandwagon. Vesting control of the oceans in the U.N. offered the less developed nations the opportunity to counter what they considered to be an inequitable advantage possessed by the technologically advanced Western States in terms of access to the seas. However, the initial reaction of the Congress was negative to such an expansion of U.N. authority. The State Department, though it favored movement toward international regulation, attempted to sidestep the issue so as not to provoke a nationalistic reaction which would halt all movement toward an agreement.[3]

Opposition also came from the Commerce and Defense Departments. The former sought to protect the interests of the oil industry which wanted free access to drilling on the seabed, while the latter was concerned about possible restrictions on military uses of the oceans, particularly as missile-equipped nuclear submarines became a vital part of the nation's deterrent force.

COMMON HERITAGE OF MANKIND

Policy was thus blurred in the late 1960s, though trends were taking shape that would become ominous in the 1970s. On May 23, 1970, President Richard Nixon proposed that a treaty be adopted that would renounce all territorial claims to the resources of the oceans in favor of regarding these resources as "the common heritage of mankind." The President called for the establishment of an "international regime" which would collect revenues from ocean operations for use by the developing countries. This suggested regime was not to operate on the one-nation, one-vote model of the General Assembly but was to reflect a balance of interests.[4] This statement of official policy opened a Pandora's box.

In 1973, the Law of the Sea Conference was opened under the auspices of the United Nations to draw up a treaty in the general form outlined by Nixon. Providing the muscle at the U.N. for the conference was the Group of 77, a bloc of Third World nations which actually numbers 114 members. This is the same bloc which, in 1974, pushed for the Declaration for the Establishment of a New International Economic Order. The Group of 77 has never hidden the fact that it sees the U.N. as a device for redistributing wealth and power from the Western capitalist nations to the Third World.

After eight years of negotiations, the rough form of the proposed treaty has become visible. Its centerpiece is the creation of a new supranational agency, the Seabed Authority, which would be modeled on the U.N. General Assembly. It would thus operate on the principle of one nation, one vote and be guaranteed a permanent Third World majority hostile to the West. The Authority would have exclusive control over the issuance of licenses for the exploitation of the deep seabed beyond territorial waters. The Authority would also have the power to tax companies engaged in ocean development, the revenues collected to go to the support of the Authority and to projects for Third World economic development. The Authority would also have the power to fix prices, set limits on production and control the marketing of ocean resources. There would also be programs for the mandatory transfer of technology from multinational corporations operating at sea to the Third World.

A SEABED AUTHORITY

The result would be the creation of a vast, unprecedented power in the hands of an international government agency in which the U.S. and other industrial countries would have minimal influence. The Authority would be self-supporting from its taxing power and would thus be largely immune from the only leverage that the Western states now have over supranational organizations: control of the purse strings[5] (though initially the U.S. is to provide $250 million in interest-free loans and loan guarantees in order to establish the Authority). It would be the ultimate redistributive mechanism. A Third World majority would be enthroned in a position to tax and regulate the corporate entities of the "haves" in the interests of the "have-nots."

Even proponents of the treaty, such as Richard A. Frank who served the Carter Administration as head of the National Oceanic and Atmospheric Administration, have conceded that "even if amended by the United States, the treaty would represent U.S. acquiescence in multilateral and fairly democratic decision-making on resources and abandonment—in the first serious encounter over the new international economic order—of U.S. control commensurate with its interests as a producer, consumer and donor. The treaty would place restrictions on a previously free market and require U.S. financing of a multilateral competitor."[6]

The multilateral competitor referred to is the Enterprise. The Enterprise would be a supranational mining corporation established by the Seabed Authority which would operate in competition with private corporations to develop the oceans. It would provide another source of income and control to the Seabed Authority. It is envisioned that the Authority will require that private companies share their mining technology with the Enterprise and also do most of the exploration work for it.

As bad as this seems, it was initially to have been worse. The Group of 77 originally wanted to freeze private enterprise out of the oceans entirely. In their proposal, the Enterprise would have been a monopoly with competition banned by treaty. It was not until 1976 that then Secretary of State Henry Kissinger persuaded the Group to compromise and allow both private companies and the Enterprise to operate side by side. Yet, the Seabed Authority could very easily rig the game so that private companies could not compete on equal or even profitable grounds thus creating a de facto enterprise monopoly.

UNLIMITED POWERS

Certainly the existence of the Enterprise will provide a constant temptation to the Seabed Authority to use its taxing and regulatory powers in such a discriminatory manner. For instance, despite a proposed fee of $100,000 for a license and another $1 million per year for the right of exploration, plus additional fees and profit-sharing schemes should commercial development begin, there is nothing in the treaty that requires the Seabed Authority to ever grant a single license. If licenses are granted, one can well imagine what political terms the Seabed Authority might insist upon in addition to monetary payments. Corporations might be required to halt trade with South Africa or Israel or some other nation out of favor with the Third World majority or be required to take on joint-ventures with state enterprises of Third World nations.

The Seabed Authority would also be a ready-made cartel. It is assumed that the Seabed Authority would use its power to limit production and control prices so as to protect underdeveloped nations, which presently mine minerals for export, from competition from new mining operations in the oceans.

It is highly unlikely that in any of these situations the bureaucrats who would inhabit the Seabed Authority would take the side of the Western corporations. At the core of the elite which staffs the complex of international organizations is, according to Richard G. Darman, a "profound aversion to unilateralism within the community of individuals (not states) involved in multilateral negotiations." Darman was Vice-Chairman of the U.S. delegation to the Third Session of the Law of the Sea Conference. He found that:[7]

> It was particularly characteristic of the Law of the Sea Conference community peopled as it is predominantly by internationalist lawyer-codifiers, the internationalist tendency to favor collective over individual actions is combined with the codifier's tendency to see the world in neat, static terms. Above and beyond practical considerations, there is an aesthetic antipathy toward the disorder of non-conformity and a general distrust of the possible benignness of self-regulating, dynamic processes.

This tendency of international bureaucrats has been remarked upon by others, most notably by economist P. T. Bauer who concluded that:[8]

International agencies have consistently favored Third World governments who try to establish state-controlled economies and they have also often supplied to these governments personnel for running state export monopolies, state trading companies and state-run cooperatives. . . . The international organizations also systematically attempt to unite less-developed countries into a bloc in opposition to representatives of the market economy.

The Seabed Authority would be the ultimate expression of this tendency.

PROBLEMS OF SECURITY

It was intended that the Tenth Session of the Law of the Sea Conference would be able to reach formal agreement on a treaty by the end of 1981. However, the Reagan administration, led by Secretary of State Alexander Haig on this issue, sent instructions to the U.S. delegation not to allow an agreement to be finalized that year. The rationale for this action was that the incoming administration needed time to become familiar with the negotiations and to appoint its own team of delegates to the Conference. However, several factors would indicate that more than patronage was at work.

The Republican Platform adopted at the 1980 convention stated that "Multilateral negotiations have thus far insufficiently focused attention on the United States' long-term security requirements" and specifically listed the Law of the Sea Conference as one of the problem areas which has "served to inhibit United States exploration of the seabed for its abundant natural resources." Furthermore it is known that Secretary Haig is concerned with the possibility of a future Resource War which would threaten the American economy. Access to new supplies of vital resources is thus an important factor in the Secretary's thinking.

Also the philosophical disposition of President Reagan on issues of international economics is important to note. At the recent Cancun conference, which brought together leaders from both advanced and underdeveloped nations in Mexico, the President made known his preference for private investment and trade and his opposition to any new international bureaucracies being created to regulate economic activity. Certainly something like the Seabed Authority would run counter to President Reagan's announced attitude.

There is a vast potential in the oceans. Attention has focused in the past on the drilling of oil and natural gas on the continental shelf. More recently attention has been drawn to the mining of manganese nodules in the deep seabeds beyond the shelf. It is believed that there may be two million square miles of shelf area where oil and gas might be found. Estimates of 500 billion barrels of oil and 1.5 quadrillion cubic feet of natural gas are not uncommon. Manganese nodules formed from manganese oxide precipitate contain about 30 percent manganese but also nickel (1.4%), copper (1.2%) and cobalt (0.25%). While these percentages may seem small, they become quite significant when the volume of nodules that are believed to exist is taken into account. Estimates run as high as 1,600 billion tons of nodules in the Pacific Ocean. Nodules also are known to exist in the Atlantic and Indian Oceans.[9]

PRODUCTION THWARTED

The U.S. is dependent on imports for 98% of its manganese, 94% of its cobalt and 73% of its nickel. Manganese is an important industrial metal used in steel making. Manganese alloys are used in aircraft components and the manufacture of mining machinery, railroad track and heavy equipment of all kinds. Presently there is no satisfactory substitute for manganese. Nickel is also an important metal for steel alloys as is cobalt. Cobalt is often used in conjunction with chromium to produce heat-resistant alloys used in jet engines. Presently, Zaire has a near monopoly on the export of cobalt. However, Soviet-armed guerrillas have been mounting raids to disrupt Zaire's production.

Even without the problems of the Seabed Authority and the Enterprise, the proposed sea treaty infringes on ocean development. The treaty recognizes a 12-mile limit for territorial waters for all coastal states. This has been considered acceptable to the United States as the best limitation on territorial expansion possible. However, the treaty recognizes an economic zone of 200 miles. In this zone, the coastal state will exercise sovereignty over all resources living and non-living. Freedom of navigation through this zone is still allowed, but neither fishing no mining will be allowed without the permission of the coastal state. While this would appear to give the United States many benefits due to its long coastlines, the advanced state of American technology is such that these benefits would be gained just as well under a system of complete ocean freedom. The effect of the treaty is to close off other areas or hold any investments in the continental shelf ransom to the capricious and heavy-handed politics of Third World coastal states.

The fundamental error in the American approach to these negotiations has been the belief that the only alternative to the expansion of territorial claims was the creation of an international claim administered by a supranational body. Yet, these are not really opposite alternatives because both are rooted in the concept that the oceans can be (and/or should be) government controlled.

LIMITS ON GOVERNMENTS

If we return to the original concept of freedom of the sea as expounded by Grotius, we can find the source of this problem. According to Grotius, governments could not excercise *dominium* (ownership) over property on land or sea. Governments could exercise *imperium* (sovereignty) over defined parts of the land and over narrow coastal waters. They could not exercise *imperium* over the oceans beyond. What a government cannot do in its own name, it cannot delegate to be done by an international agency. The Sea Conference is nothing more than a meeting of national governments and cannot claim rights collectively greater than they can claim separately. Grotius would no more have recognized the Seabed Authority's claim to regulate the oceans than he would have recognized a claim by Spain or England to do so.

This is the paradox. For the nations of the world to turn over to an international agency control of the oceans, they must first claim that control themselves as individual states. But once having done this, those states best able to make their claims effective would have little or no reason to turn them over to the U.N., the Seabed Authority or anyone else. If territorial claims to the oceans are to be avoided, the only logical course is to return to the true meaning of freedom of the seas as understood in international law up to the present day.

SAFEGUARDING PROPERTY

It is vital that a sound principle of law be articulated and enforced in regard to the seas. Commerce and fishing have always been important economic activities requiring the safeguarding of property afloat, but mining the material resources of the seabed makes such safeguards even more necessary. The amount of capital that will have to be invested to develop ocean mining sites is of such a magnitude that it is unlikely to attract very many entrepreneurs unless assurances are forthcoming that the mining property worked will be secure.

A maritime code recognized by the international community codifying property rights and giving legal protection to ocean mining companies so that they could proceed with confidence would be highly desirable. Unfortunately, it would be unlikely for such a code to emerge in the current environment. Certainly the proposed Law of the Sea Conference treaty does not fit this description.

Operations through corporations can yield the same effects as territorial claims in regard to the rights of property and law without violating the traditional freedom of the seas ban on the exercise of sovereignty. However, these concepts of private property rights which have a long tradition in Western law are alien in outlook to most Third World and socialist states. There is no prospect that the world community will come together in a philosophical agreement on this matter. That is why the world community is not really a community at all. There is an insufficient body of common beliefs and values to form a true community.

Therefore, if mining operations are to commence in the oceans, those doing the mining will have to be assured of their rights by the United States and other maritime nations. This could either be done on a unilateral basis with each nation providing protection for the operations of its own citizens or by a convention among the maritime states. It is, after all, the Western maritime nations whose citizens will be both the principal producers and consumers of ocean resources. Either alternative would be preferable to the sacrifice of the interests of the Western Industrial nations to a treaty and to a supranational organization dominated by states and values hostile to capitalism.

At various times during the Conference, American diplomats have made veiled threats to do just this. In 1978, Elliot Richardson told Congress that "Seabed mining can and will go forward with or without a treaty. . . . We have the means at our disposal to protect our ocean interests. . . . And we will protect those interests if a comprehensive treaty eludes us."[10]

As Robert W. Tucker warned in his important book THE INEQUALITY OF NATIONS, "Either the old order will be reaffirmed by those who for the time continue to hold predominant power or a new order will be established by those seeking to displace the established power holders."[11]

FOOTNOTES

[1] Robert Gilpin, "Economic Interdependence and National Security in Historical Perspective," Economic Issues and National Security, Klaus Knorr and Frank N. Trager, eds. (Lawrence: Regents Press of Kansas, 1977), p. 25.

[2] Edward Wenk, Jr., The Politics of the Ocean (Seattle: Univ., of Washington Press, 1972), p. 259.

[3] Ibid., p. 267.

[4] Marine Science Affairs (Wash.: Government Printing Office, 1971), 5th Report, pp. 81-82.

[5] "While serving as a U.S. delegate to the UN (Senator Frank Church) prepared a report for the

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Senate Foreign Relations Committee, released February 20, 1967, suggesting that the UN be made financially independent through ownership of the ocean's mineral resources." Wenk, Politics: p. 259.

[6] Richard A. Frank, "Jumping Ship," Foreign Policy (#43, Summer 1981), p. 135.

[7] Richard G. Darman, "Law of the Sea: Rethinking U.S. Interest," Foreign Affairs (Jan. 1978), p. 381.

[8] P. T. Bauer, "Hostility to the Market in Less-Developed Countries," The First World and the Third World, Karl Brunner, ed. (New York: Univ. of Rochester Policy Center Publications, 1978), p. 177.

[9] George A. Doumani, Ocean Wealth: Policy and Potential (Rochelle Park: Hayden Book Co., 1973), Chapter 3.

[10] Department of State Bulletin (Wash: Government Printing Office, Feb. 1981), p. 57.

[11] Robert W. Tucker, The Inequality of Nations (New York: Basic Books, 1977), p. 96.●

A TRIBUTE TO MR. PETE ESSER

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. SKELTON. Mr. Speaker, I would like to say a few words honoring a great Missourian and good friend who recently retired from the newspaper world after 38 years of dedicated service, Mr. Pete Esser. Mr. Esser began his career in July 1940 in the advertising section of the Pittsburg, Kans., Headlight Sun. He also worked on SCI papers in Nevada, Missouri, Topeka, and Kansas City, Kans., and was sales manager for radio KSEK in Pittsburg following military service in 1948. He became publisher of the Independence Examiner in 1972 and served there until his retirement on March 15 of this year.

Aside from his commitment to his career, Mr. Esser has long been prominent in civic and community events.

Although his presence as editor will be missed by the people on the Examiner, as well as the citizens of Independence. He plans to remain involved in the newspaper business by taking over the commercial printing operation of the paper on a part-time basis. I would like to take this opportunity to congratulate Pete Esser on his long and successful career and to offer him my best wishes in all his future endeavors.●

THE FOURTH BRANCH OF GOVERNMENT

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. McDONALD. Mr. Speaker, Walter Annenberg recently wrote a very thoughtful contribution to the "Commentary" section of the TV Guide for May 15, 1982. While defending the mission of the press to inform and to seek out the truth, Mr. Annenberg pointed out quite forcefully that the present trends in journalism, namely, advocacy and adversary journalism—carried to extremes, can effectively paralyze our Government. Such journalism gives the American public a distorted view of events as they take place. We need news that is objective and that presents both sides of the issue. These qualities have been lacking in much of the news media in recent years. I commend this article to the attention of my colleagues.

THE FOURTH BRANCH OF GOVERNMENT

(By Walter H. Annenberg)

Journalistic coverage of events in Washington during the past two or three decades removes any doubt that we now have, in effect, four branches of Government, not three, and that the fourth—the press—exercises at least as much power in determining the course of the republic as the executive, legislative and judicial branches set forth in the Constitution.

Sheltered by the First Amendment from accountability for what it reports, the press alone has the ability to reach the electorate directly and consistently. Its power lies in reporting and interpreting what the Administration does and how the opposition—and the public—react.

Throughout American history, newspapers have acted as gadfly and watchdog, sometimes defaming honest officials with false charges of misdeeds, sometimes courageously exposing corruption in high places. Some of our greatest Presidents—Washington, Jefferson, Lincoln, Theodore Roosevelt—were moved to anger when the press of the day accused them of everything from ignorance and incompetence to venality.

Lincoln, a mild-mannered man, complained, "If I were to try to read, much less answer, all the attacks made on me, this shop might as well be closed for any other business."

The Presidency survived the attacks and so did the Nation. And most Americans agree that despite its excesses, in the main the press has served us well through the years, has been a constructive factor in our growth and prosperity by keeping our citizenry informed.

In recent years the word "press" has come to include the electronic news media, radio and television, which have the advantage of immediate access to the public. Because television can show events as they happen and can present the words of public officials and their critics as they are spoken, that medium of communication has become by far our most important source of news information and the one Americans trust most.

Considering the press's immunity from the checks and balances that control the other branches of Government, it has tremendous power, power that should be exercised sensitively, especially by those engaged in the dissemination of television news. Certainly the majority of commentators and correspondents are dedicated to reporting the news as objectively as is humanly possible, and they strive to overcome the time limitations of television news that make it all but impossible to offer a well-balanced presentation of complex Governmental issues.

Unfortunately we also find some practicing adversary journalism, placing themselves in what seems to be reflex-action opposition to Government leaders, including the President himself. Although they cannot possibly have access to the same quantity or quality of backgound information as those in Government, these newspaper and television personalities frequently not only are skeptical—always healthy for a reporter—but question the officials' motives. Others scarcely conceal their advocacy, presenting arguments favoring or opposing Government policies, interviewing members of the public who support their ideas. They also bring before their cameras officials and others who either deliberately or because of lack of information distort the Administration's position and mislead viewers.

When the President makes a major speech or holds a press conference that is covered by the networks, it is usually followed by one or more commentators explaining which points made by the Chief Executive were important, what they really meant, what the opposing arguments are and whether the course he advocates might come to pass. All this in the interest of better informing the public and usually with an effort, not always successful, to be impartial.

As a result, as Theodore White observed some years ago, the President and the press have become the principal rivals in setting the national agenda. The difference is that the President has power with responsibility; the press has power without responsibility.

Far more important than the press's influence on the success or failure of one President's program is the matter of its effect on the Presidency itself. Is it possible for any President to govern effectively under the circumstances that prevail today: when secret international negotiations fast become public knowledge, when Presidential actions are relayed to the public along with uninformed or misleading conjecture as to their possible success, when Presidential efforts to bolster confidence in the economy (because public attitudes have a great deal to do with the strength of the economy) are immediately countered by gratuitously pessimistic reports?

Is it possible, any more, for a President to win a second term when every day in a majority of homes there is heard doubt about his wisdom and his motives? Indeed, is it possible for any President—in the face of the widely publicized criticism that is prompted by innovative programs—to change the course of our country? Can he do other than continue to increase welfare rather than emphasize private-sector job programs, continue to increase taxes, continue to permit the Soviets to maintain nuclear superiority in Europe and extend their influence in our hemisphere?

It certainly is not the place of the press to endorse or support, except in clearly identified editorial comment, the actions or policies of a President. Its job is to report the news, good and bad, fairly and impartially. Our argument is with adversary journalism and advocacy journalism, which are by their very nature biased. We believe there is no place on television news programs for such journalism, that it serves only to confuse the public and weaken the Nation.

More than ratings are at stake here; it is the effectiveness of the Presidency itself. Well-intentioned, patriotic men and women head network and station news operations. They must be more aware of their power and how they use it, of the responsibility that should accompany their influence and of their obligation as the fourth branch of Government to all the people of the Nation.●

THE DEATH OF HAZEL HUNKINS HALLINAN

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mrs. SCHROEDER. Mr. Speaker, the ERA is entering its last month for ratification. Women are not giving up—the stamina that was the legacy of the suffragist movement will prevail.

A woman who exemplified that spirit was Hazel Hunkins Hallinan. Hazel died on May 17, 1982. At age 91, she was the last living leader of the suffragist movement.

Hazel was along with Alice Paul, a founder of the National Women's Party and a leader in the struggle for the equal rights amendment.

I am proud to say that Hazel was a westerner. She was born in Colorado and lived a great deal of her life in Montana. It was in Montana that she first heard a speech in favor of equal justice for women. It was in Montana that she became an active leader in this fight.

I had the great pleasure of meeting Hazel a couple of years ago. She was still tough as nails. I listened to her intently as she told me how she chained herself to the White House, went on a hunger strike, went to prison, and suffered all kinds of abuse while fighting for women's equality and women's right to vote.

She elaborated on the history of the Sewall-Belmont House, which first was a house where young women could stay when in Washington. This was important, for, as she told me, "Women in those days could not travel to places by themselves."

Her stories pointed out how far women's social role has changed in the past 60 years. However, women's constitutional status has remained exactly the same. Women still do not have equal legal status guaranteed by our Government.

I want to assure my colleagues that the women of America will continue to fight until we get in the Constitution. We will follow Hazel Hunkins Hallinan's example.●

FOSSIL R. & D.

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. FISH. Mr. Speaker, in budget function 270—energy—the Senate figure is $4.9 billion. The President's budget submission is $4.15 billion. The bipartisan Latta substitute is at $3.6 billion. There is, therefore, $1.3 billion difference between Latta and the Senate figure in this budget function.

I would like to focus on the import of these proposals on fossil R. & D. which is within the jurisdiction of the Energy Applications Subcommittee of the Science Committee on which I am the ranking minority member.

The Senate figure for fossil R. & D. is the discretionary freeze on 1982 level of $414 million. Latta is at $106.9 million. The amounts to a closeout budget for fossil R. & D. I seriously question that such an action is in the national interest.

I hope that in conference—considering the far larger Senate budget function figure—that at least $130 million can be added to the Latta energy aggregate. Such an increase is, in fact, the recommendation of the Science Committee minority staff. In a very tight energy R. & D. budget, the authorizing and appropriating committees would then have the leeway to continue promising technologies.

In the fossil area, Mr. Speaker, I believe that the Federal Government must strongly support long-term, high-risk programs which have the potential for significant payoffs. These activities will focus on acquiring the technology base necessary for industry to develop and demonstrate hardware without the need for substantial Federal Government assistance.

Without this support, my subcommittee has heard that the private sector will not be able to pick up the slack in many promising areas. These areas include the development of technologies such as fuel cells, a device that can chemically convert a wide range of fuels directly into electricity. Here is a technology that has many attractive features. Fuel cells can be operated in a highly efficient and environmentally acceptable manner. Fuel cell powerplants offer a great deal of size flexibility, since they can be constructed in modules. Their essentially nonpolluting, practically noiseless operation permits their location in large load centers and even onsite in needed urban, rural, and residential areas. In light of their potential, I believe that we must support a strong fuel cell technology research and development program aimed at phosphoric acid systems and advanced concepts, as well as the operation of the pioneer 4.8 megawatt fuel cell project in New York City.

Another long-range, high-risk technology that deserves our support is magnetohydrodynamics (MHD). This technology offers the promise of a future source of low-cost central station power. Through the conversion of coal directly into electricity, MHD has the potential to achieve power efficiencies significantly higher than those in conventional coal-fired powerplants, while easily meeting applicable Federal air pollution standards.

In the gas area, we have heard that significant amounts of unconventional natural gas are present in the eastern Devonian shales, western tight sands and in coal seams. Our ability to tap these resources will depend to a large extent on the development of effective enhanced gas technologies.

Mr. Chairman, these are just a few of the promising activities in our fossil program. Other areas which deserve further support include coal liquefaction and gasification, environmental control technology and preparation activities, advanced research and technology development, heat engines and heat recovery, including the high-temperature turbine technology program, combustion systems and advanced petroleum research. Many of these items represent vital areas of concern for our national energy future.●

SPACE SHUTTLE

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 27, 1982

● Mr. DREIER. Mr. Speaker, I wish to address an issue that affects our national security as well as the U.S. preeminence in space. Now that the Space Shuttle is becoming fully operational, we should make sure that we are taking full advantage of the Shuttle's enormous capabilities. In order to fully utilize the Shuttle for the Department of Defense and commerical high Earth orbiting satellites and NASA planetary exploration missions, a high energy upper stage is required. The fiscal year 1982 NASA budget included the Centaur high energy upper stage in lieu of the inertial upper stage (IUS) to perform NASA Galileo and ISPM mission. NASA changed from the IUS vehicle to the Centaur vehicle for technical reasons. The change to Centaur provided NASA with the opportunity of integrating a high energy upper stage into the Space Shuttle at a minimal cost in fiscal year 1983.

In December of 1982, NASA shifted back to the less capable IUS to save a limited amount of money in fiscal year 1983.

I am very concerned that the money spent by this Congress be used as wisely and as efficiently as possible. It has become clear to me that if we are not willing to spend the limited amount of money needed for the remainder of fiscal year 1982 and fiscal year 1983 to integrate the Centaur high energy upper stage into the Space Shuttle, we will be forced into beginning a reinvention of this high energy upper stage technology in the fiscal year 1984 budget. Such a new development will cost the taxpayers of this country well in excess of $1 billion, and I find that prospect to be totally unacceptable.

The IUS was originally planned in 1975 as a temporary—interim—stage. Due to a variety of problems, the IUS has experienced approximately a 500 percent cost escalation and is years behind in coming into the inventory. The IUS will provide a lift capability of 5,000 pounds to geosynchronous orbit. Compared to lift capability of 10,000-14,000 pounds provided by the Centaur, this capability is woefully inadequate to the expenditure. There are several reasons why the additional lift capability provided by the Centaur is needed:

First. NASA's Galileo mission is fully achieved. The Centaur would provide a flight time of 26 months—launched May 1986—and would guarantee 11 satellite encounters compared to a flight time of 54 months—launched in August 1985—and the guarantee of only six satellite encounters provided by an IUS launch.

Second. In the late 1980's, there are requirements for flying commercial payloads into geosynchronous orbit. The French Ariane space launch vehicle will exceed the lift capability provided by the Shuttle launched by IUS by 1986-87. Without the capability provided by Centaur, the United States will lose this commercial market.

Third. Air Force and other high priority national security missions are increasingly finding weight to be a limiting factor. The Air Force has stated a need for 10,000 pounds in geosynchronous orbit by 1987—a capability to be met only by the Centaur lift system.

I strongly support the President's desire to reduce the size and expenditure of the Federal Government. In order to see such a goal attained, I believe that it makes no sense to lose a program now that will be necessary in the future, and to replace it with another program that will cost over $1 billion more, only to save a small amount of money this year. I am disturbed by the possibility of allowing a critical launch capability like Centaur to lapse. If we do so, we will inevitably put the American taxpayer in the position of having to fund a program to reinvent an already existing technology and of having to pay over $1 billion for it. I, therefore, urge my colleagues and interested parties in the administration to go forward with Centaur integration into the Space Shuttle as soon as possible and to look forward with satisfaction to the benefits which will be derived from such an action.●